Submission on discussion document:
Adjustments to the climate-related disclosures regime

Your name and organisation

Name	[redacted] S9(2)(a)
Date	14/02/2025
Organisation (if applicable)	
Contact details	[redacted] S9(2)(a)

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Responses to discussion document questions

Please enter your responses in the space provided below each question.

Chapter 2: Reporting Thresholds	
1	Do you have any information about the cost of reporting for listed issuers?
	In my experience, emissions reporting is typically done via a specialised consultancy that charges according rates. Organisations looking to reduce their costs could look into carrying out their own tracking and reporting of climate related metrics, thereby building internal skills and knowledge and enabling more direct action and decision making to achieve their emissions reduction goals. The quoted example costs of reporting seem very low in comparison with the costs of financial reporting that the same companies incur. The significant risk that climate change poses to businesses (next to people and planet) is well understood by the listed issuers, and tracking and reporting of climate related risks presents an opportunity to not only save costs but also reduce risks. Therefore, organisations struggling with their reporting should be supported by the government as a way to derisk the economy. Reducing the number of organisations that have to do reporting is the opposite of support. Ultimately, the cost of climate inaction massively outweighs the cost of reporting and taking action to reduce climate related emissions now.
2	Do you consider that the listed issuer thresholds (and director liability settings) are a barrier to listing in New Zealand?
	No. If the cost of CRD reporting is a concern to potential listers then I would assume they don't have a stable enough business to be listing in the first place.
3	When considering the listed issuer reporting threshold, which of the three options do you prefer, and why?
	Option 1.
4	If the XRB introduced differential reporting, would this impact on your choice of preferred option?
	No
5	Do you think that a different reporting threshold for listed issuers should be considered (i.e., not one of the options above) and, if so, why?
	I would like to see all listed issuers (and in fact all organisations) carry out CRD reporting.
6	If Option 2 or 3 was preferred do you think that some listed issuers would still choose to voluntarily report (even if not required to do so by law)? And, if so, why?
	Yes, because they understand that their customers are concerned about climate change and want to be assured that organisations they engage with display responsible behaviour.
7	What are the advantages and disadvantages of a listed issuer being in a regulated climate reporting regime?
8	Do you have information about the cost of reporting for investment scheme managers?

9	Do you have information about consumers being charged increased fees due to the cost of climate reporting?
	Consumers are generally being charged based on the costs of organisations providing goods and services.
10	When considering the reporting threshold for investment scheme managers, which of the three options do you prefer, and why?
11	If the XRB introduced differential reporting, would this impact on your choice of preferred option?
12	Do you think that a different reporting threshold for investment scheme managers should be considered (i.e., not one of the options above) and, if so, why?
13	When considering the location of the thresholds, which Option do you prefer and why?
14	For Option 2 (move thresholds to secondary legislation) what statutory criteria do you think should be met before a change may be made, e.g., a statutory obligation to consult. What should the Minister consider or do before making a change?

Chapter 3: Climate reporting entity and director liability settings	
15	When considering the director liability settings, which of the four options do you prefer, and why?
	Option 1
16	Do you have another proposal to amend the director liability settings? If so, please provide details.
	No, I think the liability settings are good. There has to be personal responsibility for the reporting regulations to be effective.
17	If the director liability settings are amended do you think that will impact on investor trust in the climate statements?
	Yes
18	If you support Option 3, should this be extended so that section 23 is disapplied for both climate reporting entities and directors? If so, why?

19	If you support Option 4 (introduce a modified liability framework, similar to Australia) what representations should be covered by the modified liability, i.e., should it cover statements about scope 3 emissions, scenario analysis or a transition plan, and/or other things?
20	If you support the introduction of a modified liability framework, how long should the modified liability last for? And who should be covered, ie., should it prevent actions by just private litigants, or should the framework cover the FMA as well? (Criminal actions would be excluded)
Chapter 4: Encouraging reporting by subsidiaries of multinational companies	
21	Do you think that there would be value in encouraging New Zealand subsidiaries of multinational companies to file their parent company climate statements in New Zealand?
	Yes. In fact, it should be a legal requirement for operating in New Zealand and not just an encouragement.
22	Do you think that, alternatively, there would be value in MBIE creating a webpage where subsidiaries of multinational companies could provide links to their parent company climate statements?
	Sure, that’s better than nothing.
Final comments	
23	Please use this question to provide any further information you would like that has not been covered in the other questions.
	The requirement to submit this document in the proprietary Microsoft Word format is not just an unnecessary barrier to making submissions, it is also unsafe since these type of documents can be edited. Please use an online form for future submissions, or require pdf formats at least.