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External Reporting Board
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Response to Climate-related disclosures, Final Consultation Document (“NZ CRD”)

Kia ora Demi

Thank you for the opportunity to provide a response to the final consultation in relation to Climate-related disclosures (“NZ CRD”). This response has been compiled by a group of representative members of the Retirement Village Association and is submitted by me on behalf of the industry body.

The RVA represents the interests of owners, developers and managers of registered retirement villages across New Zealand Aotearoa. Our 401 member villages are made up of around 96% of all retirement village units and are home to around 47,000 older New Zealanders. All the major operators that are covered in this document are members.

We have not addressed every question but make the comments below.

General comments

1. In general, we are broadly supportive of the proposed drafts of CS1, 2 and 3. and believe that the information is useful to primary users’ decision making.
2. We believe that further guidance may be necessary to help reporting entities to understand the proposed extent of some of the disclosures. One example may be in relation to disclosing current impacts. Whilst the XRB has provided some helpful examples of current physical and transition impacts of climate change, ultimately companies will have to decide for themselves what items constitute climate impacts and report on the financial impacts consistency on this basis. We expect that industry norms will emerge and this will help standardise the reporting assumptions in the future but we ask that the XRB keep abreast of these emerging trends and continue to update their guidance to help companies improve their disclosure over time.

Adoption provisions

We are supportive of the first-time adoption provisions in NZ CS 2 and believe they will assist with a smooth reporting transition.

NZ CS 1 – Strategy - Scenario analysis

Broadly, we are supporting of the proposed section, however one of the key changes to this standard is to increase the minimum number of climate-related scenarios from two to three. We understand the rationale for this is to avoid a good/bad thinking behind the scenario analysis, however we challenge the requirement for a third scenario. Whilst it may be helpful from an internal perspective to consider several scenarios, we believe reporting on three externally will overcomplicate the reporting and make it harder for the users. We also believe it will also make it more challenging for parties to work together on industry scenario analysis. We believe the standard should maintain a minimum of two scenarios in the reporting and allow parties to consider adding a third scenario if they wish.

We thank you again for the opportunity to provide our comments. The consultation document was clear and easy to understand, and we welcome the rigour that future standards will bring around climate change.

We are happy to discuss this submission with the XRB if you consider that useful and thank you again for the opportunity to comment.

Kind regards



John Collyns
Executive Director