

29 October 2024

External Reporting Board  
PO Box 11250  
Wellington  
[climate@xrb.govt.nz](mailto:climate@xrb.govt.nz)

## **Proposed 2024 Amendments to Climate and Assurance Standards: Air New Zealand (Air NZ) Submission**

Air NZ welcomes the opportunity to provide feedback on the External Reporting Board's (XRB) consultation. Our submission responds specifically to *Proposal 3: Delaying anticipated financial impact disclosure*. Air New Zealand expects to be in a position to comply with the Aotearoa New Zealand Climate Standards (**NZ CS**) in relation to the other disclosure requirements without reliance on extended delayed adoption provisions.

Air New Zealand supports an extension of NZ CS 2 Adoption Provision 2 (anticipated financial impacts) from one accounting period to two accounting periods. The aviation sector is widely acknowledged as a "hard to abate" sector and its transition to a lower emissions operating model relies on significant scaling of numerous nascent technologies, widespread and coordinated public policy development and significant uncertainties. This makes the quantification of numerous interrelated and correlated impacts particularly complex. Steps taken by the airline to date have revealed that some impacts are not separately identifiable, and, in some cases, the level of measurement uncertainty involved in estimating the impacts is considered so high that the outputs risk being meaningless. Air New Zealand would therefore benefit from further time to refine its process, methodologies, assumptions and data, such that any outputs are understandable and useful to primary users.

On a related matter, in the context of quantifying anticipated financial impacts, Air New Zealand refers to NZ CS 1 paragraph 15(d) which states that: *if an entity is unable to disclose quantitative information for paragraph 15(b), [then] an explanation of why that is the case [is to be made]*. Air New Zealand seeks further guidance on the meaning of "unable" in this context, and specifically refers to the Australian Accounting Standards Board's AASB 2, paragraphs 19 and 20 which provide greater clarity on the conditions that relieve an entity from quantifying anticipated financial effects

Ngā mihi nui,



Richard Thomson  
Chief Financial Officer  
**Air New Zealand**



Kiri Hannifin  
Chief Sustainability and Corporate Affairs Officer  
**Air New Zealand**