



AIA House,
74 Taharoto Road,
Takapuna,
Auckland 0622
-
Private Bag 92499,
Victoria Street West,
Auckland 1142

Phone (Int.) +64 9 487 9963
Freephone 0800 500 108
-
enquireNZ@aia.com
aia.co.nz

30 October 2024

External Reporting Board
Level 6
154 Featherston Street
Wellington 6011

By email: climate@xrb.govt.nz

CONSULTATION PAPER – PROPOSED 2024 AMENDMENTS TO CLIMATE AND ASSURANCE STANDARDS

This submission is made on behalf of AIA New Zealand Limited and its related entities (together, **AIA NZ**). It relates to the External Reporting Board (**XR**B) October 2024 consultation paper on additional relief to challenges that reporting entities are having in applying the Aotearoa New Zealand Climate Standards (**NZ CS**) (**Consultation Paper**).

About AIA NZ

AIA NZ is a member of the AIA Group (**AIA**), which comprises the largest independent publicly listed pan-Asian life insurance group. It has a presence in 18 markets in Asia-Pacific and is listed on the Main Board of The Stock Exchange of Hong Kong. It is a market leader in the Asia-Pacific region (excluding Japan) based on life insurance premiums and holds leading positions across the majority of its markets.

Established in New Zealand in 1981, AIA NZ is New Zealand's largest life insurer and has been in business in New Zealand for over 40 years. AIA NZ's vision is to champion New Zealand to be the healthiest and best protected nation in the world.

AIA NZ offers a range of life and health insurance products that meet the needs of over 800,000 New Zealanders. AIA NZ is committed to an operating philosophy of *Doing the Right Thing, in the Right Way, with the Right People*.

AIA NZ is also a prominent member of the Financial Services Council (**FSC**).

Key submission points

AIA NZ supports the proposed changes in the Consultation Paper. We appreciate the actions of the XR B to release this Consultation Paper in a timely manner and address challenges facing reporting entities, especially with data reliability and assurance over scope 3 emissions disclosures.



We agree with the issues identified by the XRB as the most pressing challenges facing reporting entities with their year two and three climate reporting. We also agree with all the proposals in the Consultation document. We agree that proposed extensions to Adoption Provisions 2, 3, 4, 5 and 7 will allow reporting entities more time to gather accurate data for reporting. We also support the inclusion of a new Adoption Provision 8.

AIA NZ does believe that there is sufficient justification to extend the Adoptions Provisions further, from two accounting periods to three, for Adoption Provisions 2,3, 4, 5 and 7. We also think that Adoption Provision 8 should be for two accounting periods instead of one. The challenges being faced by reporting entities when it comes to data availability and accuracy are large and for many reporting entities, outside of their direct control, as it requires third parties to make data available in systems that allow for climate reporting. We think that it will take longer for these systems and processes to be developed to allow for accurate reporting.

Additionally, we believe there would be value in Adoption Provision 3 on transition planning aligning with international implementation dates such as work underway by the International Sustainability Standards Board and Science Based Targets initiative. We believe that extending the adoption provisions by two accounting periods would align NZ CS more closely with the Australia regime and allow New Zealand reporting entities to leverage Australian reporting given many corporate investments involve Australian firms.

Finally, we strongly support the implementation of these proposals as soon as possible. Many reporting entities are already working on their scope 3 emission reporting and clarity is needed around what will be required for second year climate reporting. This is especially the case for entities with 31 December 2024 balance dates, which includes a number of reporting entities with international parent companies.

AIA NZ also contributed to and fully supports the submission from the FSC.

We would be pleased to discuss any questions you have on this submission and would welcome the opportunity to consult further with the XRB as it considers the next steps.

Yours faithfully

Jackie Waddams
General Counsel and Company Secretary
AIA New Zealand Limited