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Sustainable Business Council

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Toitū Tahua Centre for Sustainable Finance

Directors' Guide to Climate Governance

November 2022

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This is an interactive document

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Climate change has brought us to a crossroads at which we need to fundamentally change the way we produce and consume. This requires organisations to reconfigure their strategic and long-term operating models, and to ensure that climate risk management informs strategic long-term decision making. The role of Boards and the governance they provide, will prove crucial in supporting organisations to navigate the path to a climate-resilient future.

Introduction

To support non-executive directors to better understand their role in supporting their organisations to effectively manage and mitigate climate risk, Deloitte, in partnership with Toitū Tahua: Centre for Sustainable Finance, and the Sustainable Business Council, held a series of five workshops with directors from a range of industries and sectors. These workshops were designed to provide a practical, hands-on introduction to effective Climate Governance. The workshops were structured around the World Economic Forum's Principles of Effective Climate Governance and were designed to equip participants with the right questions to take back to their Boards and executive management teams to guide robust conversations around climate risk management.

This Directors' Guide to Climate Governance consolidates the key outputs of the workshop breakout sessions into a compact guidebook for all directors to use. This guide is intended to provide directors with a quick reference to Climate Governance principles and to equip them with the valuable views, insights, and guidance provided during the workshops. We have also provided a high-level overview of Aotearoa New Zealand's forthcoming climate-related disclosures (CRD) regime.
This is not intended to be comprehensive and includes links to more detailed resources, to support your understanding of climate-related disclosures.

We hope you find our Directors' Guide to Climate Governance to be of practical use.

Andrew Boivin
Partner,
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Lead, Deloitte

Simone Robbers
Assistant Governor – Strategy, Sustainability and Governance, Reserve Bank of New Zealand; Board member, Toitū Tahua: Centre for Sustainable Finance

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02.

Setting the scene

Background

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Mandatory reporting

In recent years, investors and stakeholder groups have increasingly demanded evidence of organisations' emissions reduction and climate risk resilience strategies. Driven by an understanding of the magnitude of risk presented by climate change, the Task Force on Climate-Related Financial Disclosures (TCFD), created by the Financial Stability Board, developed a framework to guide companies in disclosing their climate-related risks and opportunities. The recommendations were published in 2017 and supported organisations to undertake voluntary climate-related financial disclosures.

TCFD has been the precursor to the International Sustainability Standards Board's IFRS S2 Climate-related Disclosures Exposure Draft standard, and the New Zealand External Reporting Board's ('XRB') Exposure Draft of the New Zealand Climate Standards (NZ CS) 1,2 and 3. The latter is the product of the Financial Sector (Climate-related Disclosures and Other Matters) Amendment Bill passed in October 2021.

New Zealand's first climate standard will be issued in December 2022. The Financial Markets Authority (FMA) in New Zealand is responsible for independent monitoring of compliance with the reporting regime.

Who is captured by the climate reporting mandate?

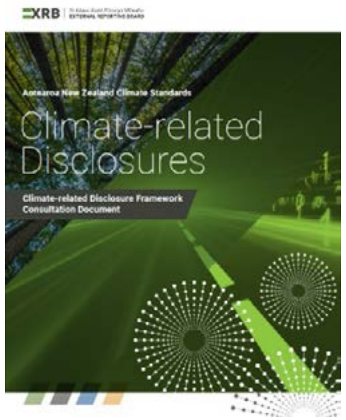
In Aotearoa New Zealand, climate-related disclosures are mandatory for:

- Large, listed companies with a market capitalisation of more than $60 million;
- Large licensed insurers;
- Registered banks;
- Credit unions;
- Building societies and managers of investment schemes with more than $1 billion in assets;
- And some Crown financial institutions (via letters of expectation).

When will reporting start?

Entities will be required to disclose according to the standard for the first time for accounting periods that start on or after 1 January 2023. This means:

- Reporting period ending 31 December 2023 for December year ends;
- Reporting period ending 31 March 2024 for March year ends; and
- Reporting period ending 30 June 2024 for June year ends.



Quick links

FMA website
XRB website
IIGCC's investor expectations
Deloitte's Turning Point series

Proposed CRD framework

Standards

XRB is proposing for the climate-related disclosure framework to comprise three standards (collectively referred to as 'Aotearoa New Zealand Climate Standards).

Entities can choose to apply any of the provisions of NZCS 2 should they wish. XRB intends to provide guidence on an ongoing basis.

Standard	Focus
Aotearoa New Zealand Climate Standard 1: Climate-related Disclosure (NZ CS 1)	The disclosure requirements relating to the four thematic sections (governance, risk management, strategy, metrics and targets)
Aotearoa New Zealand Climate Standard 2: First-time Adoption of Aotearoa New Zealand Climate Standards (NZ CS 2)	The adoption provisions available to climate reporting entities the first time that they are required to disclose
Aotearoa New Zealand Climate Standard 3: General Requirements for Climate-related Disclosures (NZ CS 3)	General requirements for prepares to follow when making disclosures under Aotearoa New Zealand Climate Standards

Proposed minimum level of assurance

The intended scope of the assurance engagement is:

- Scope 1, 2 and 3 GHG emissions
- Additional requirement for the disclosure of GHG emissions
- The requirement to prepare a GHG emissions report and provide a link or cross reference to this report
- Confirmation that GHG disclosures have been drawn from the GHG emissions report

Minimum level of assurance

The proposed minimum level of assurance is limited assurance. Assurance over other disclosures beyond GHG emissions may be voluntarily obtained by reporting entities, and entities may also choose to obtain reasonable assurance over any disclosure.

Goal of mandatory reporting

- Ensure that the effects of climate change are routinely considered in business, investment, lending and insurance underwriting decisions
- Help climate reporting entities better demonstrate responsibility and foresight in their consideration of climate issues, and
- Lead to more efficient allocation of capital, and help smooth the transition to a more sustainable low emissions economy
- Mandatory reporting of climate-related disclosures will help New Zealand meet its international obligations and achieve its target of zero carbon by 2050.

Source: MBIE

XRB Assurance timeline

- **Oct 2022** – Issue exposure draft of assurance standards
- **June 2023** – Issue assurance standards
- **Oct 2024** – GHG emissions disclosure subject to mandatory assurance

Source: (Assurance » XRB)

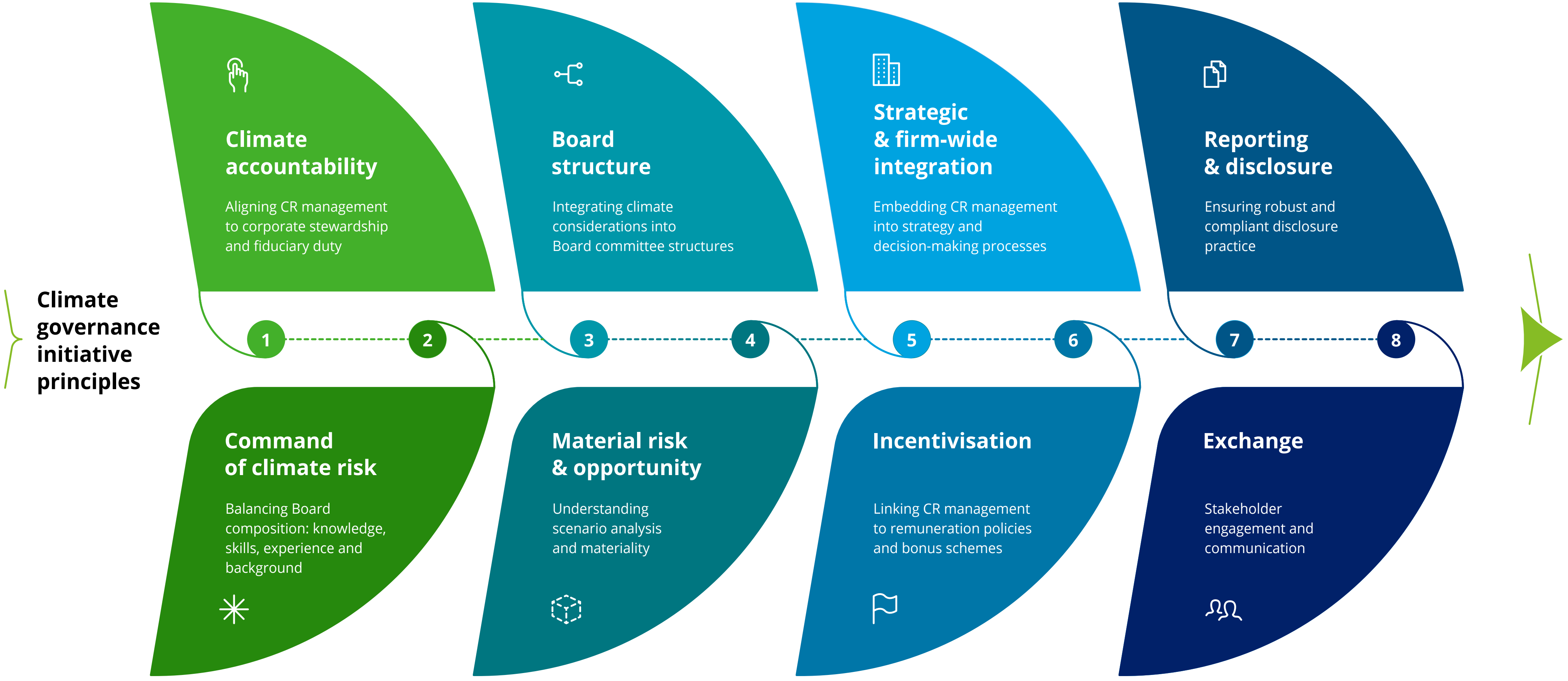
03.

Climate Governance

Climate Governance

Companies are facing uncharted territory when it comes to identifying and managing climate risk, in terms of the shift in thinking to ensure that firms consider both acute and chronic climate risks. A key question directors need to ask is: "How are we embedding climate risk management into our organisations' long-term strategy?

The World Economic Forum published its principles for effective Climate Governance in 2019. There are 8 principles that aim to build on existing corporate governance frameworks and are illustrated below as follows:



Climate Governance

Effective Climate Governance begins at the Board table and can be broken into:

Climate Accountability – Do we have effective risk management mechanisms and processes in place to ensure that the Board has effective oversight of climate risk? Is there a process to hold management accountable for performance?

Board composition and its command of climate risk – Do we have the appropriate climate risk-related expertise, capability, and knowledge at the table? Is the Board structured in a way that ensures climate-related issues are given adequate attention?

Material risk and opportunity – Have we stress-tested the organisation's exposure to climate-related risks and are we regularly assessing our emissions reduction and climate risk resilience strategies? Have we identified and captured the climate-related opportunities that deliver strategic advantage?

Strategic integration & transition planning – Do climate-related risks and opportunities inform our short, medium, and long-term operational strategy? Are climate risk considerations embedded into our business delivery and strategic decision-making processes?

Engagement – Are we communicating the findings of our climate risk assessments effectively to the organisation? Are roles and responsibilities clearly understood? Are we communicating our upstream and downstream climate risks to our external stakeholders? Are we engaging with internal and external stakeholders effectively to address the climate-related risks that are beyond our direct sphere of control?

Reporting & Disclosure – Are we fully across our fiduciary duties and liabilities relating to Climate Governance? Are the appropriate processes in place to support adequate record keeping? Have we engaged the appropriate level of expertise to ensure that our disclosures are accurate, meaningful, and that they support our strategic objectives?

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World Economic Forum's Principles for Effective Climate Governance

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"We are moving to broader reporting because that has been demanded from investors, funders, other stakeholders in our supply chain, and employees. We're beginning to explore new ways of reporting that in the future will fundamentally change the nature of reporting and challenge the current focus on financial matters and the short-term.

Organisations need to ensure that climate-related risks and opportunities are integrated into strategic discussions. My personal view is that I would like to see climate issues integrated into existing committees, including the audit and risk committee.

I see a move eventually to assurance over the full report, but before that organisations need to assess their readiness. Assurance itself will also need to evolve. A good starting point for directors is to ask for a quality assurance map over the integrated report – who's in charge of what and what are the quality control mechanisms in relation to the different aspects and content in the report? What quality control processes do we already have and where are the gaps?

There is a challenge to be bold and ambitious when setting metrics and targets, but we need to temper that with realism. We need to demonstrate integrity to build trust – set and stick to metrics and targets that are ambitious, but achievable and have been well thought through and fully aligned to the risks and opportunities identified."

Michele Embling

Independent director; Chair of the External Reporting Board (XRB); Board member, Toitū Tahua: Centre for Sustainable Finance

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The WEF Eight Climate Governance Initiative (CGI) Principles

The WEF Eight Climate Governance Initiative (CGI) Principles

Spotlight on Climate accountability and Command of climate risk

Climate governance initiative principles

1 **Climate accountability**

Aligning CR management to corporate stewardship and fiduciary duty

2 **Command of climate risk**

Balancing Board composition: knowledge, skills, experience and background

3 **Board structure**

Integrating Climate considerations into Board committee structures

4 **Material risk & opportunity**

Understanding scenario analysis and materiality

5 **Strategic & firm-wide integration**

Embedding CR management into strategy and decision-making processes

6 **Incentivisation**

Linking CR management to remuneration policies and bonus schemes

7 **Reporting & disclosure**

Ensuring robust and compliant disclosure practice

8 **Exchange**

Stakeholder engagement and communication

What does good Climate Governance look like?

Embedding climate resilience into the three lines of defence

Good Climate Governance embeds climate resilience into the organisation's three lines of defence.

Line 3: The Board establishes performance expectations, monitors performance against targets, and provides the internal audit function.

Line 2: Executive management and team leaders ensure the appropriate policies, standards, and standard operating procedures are in place to provide clear guidance on how to operationalise the expected level of performance on managing climate-related risks.

Line 1: Project managers and teams operationalise policies, standards and SOPs by embedding climate resilience into core operations, products and services.

Quick links

The Institute of Internal Auditors Three Line Model – principle 1: Governance

Regulator

- Establishes regulatory requirement (legally binding standards and disclosure requirements) and accountability of organisations

Board of Directors

- Sets expectation of climate risk management standard to be upheld.
- Ultimately accountable to shareholder/parent company / regulator for climate risk management.

Team leader

- Oversee all projects and ensure that climate-related risks are captured, measured and managed in line with policies and standards.
- Report up to Executive management.

Project team

- Identify and flag the risk
- Identify mitigation measures
- Implement mitigation measures

Parent company

- Establishes overarching position on climate risk appetite
- Determines the systems and processes that ensure downstream governance reflects the same ethics, values, controls and processes as at the Parent Board level.

Executive management

- Communicate the parent company and/or Board's expectation and provide clear direction on climate risk management via policies and standards.
- Ensure that climate risk across the organisation is managed
- Ensure Board is adequately appraised of climate-related risks

Project manager

- Ensure risks are regularly captured and reported by project team.
- Record and rate risk.
- Support identification and implementation of mitigation measures.
- Communicate risk to Team leader.

What does robust Climate Governance look like?

Leadership

1. Taking the long-term view
2. Capability to plan for and adapt to the longer-term consequences
3. Ensuring enough time is spent on the topic of climate risk in the board room
4. Bringing people along the journey – creating a cultural shift
5. CEO recruitment – recruiters need to assess candidates on their level of capability and understanding of climate risk
6. Bringing the board, CEO, and executive team up to speed - ensure they are appropriately trained
7. "Walking the talk" – acting as a role model
8. A strong comprehensive framework – multiple pillars from people, well-being, sustainability, and cultural perspective
9. Beyond compliance to true commitment, planning, and integration of Climate Governance with risk management

Accountability

1. Strong engagement with key stakeholders
2. Understanding existential costs – if we don't do this, what's the real cost?
3. Measuring the impact beyond monetary costs
4. Have experts but must also have the ability to tap into the cross-industry learnings and insights – collaborative approach
5. Understanding our impact – transparency regarding risk management
6. Incentives align to sustainability objectives – Key performance indicators drive behaviour
7. Risk management findings drive honest and tough conversations regarding business and operating model

Processes

1. Ensuring all strategic discussions/ proposals include a climate risk lens
2. Integrated approach – it needs to be part of everything that you do as it is fundamental to the business approach
3. Transition and risks and costs – company culture needs to be in sync with changes
4. Ability to be truly agile and responsive
5. Genuinely invested in the process
6. Measure and report KPIs

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How to achieve robust Climate Governance?

Leadership and Board composition

1. Do we have the right expertise and capability around the table? If not, how do we want to bring that in?
2. How is our Board composition determined? Has this Board considered including members that bring a strong understanding of climate risk and Environmental, Social, and Governance issues (ESG)?
3. Is there a regular (perhaps annual) review process in place to ensure that there is a diverse representation of skill sets, knowledge and experience relating to ESG and climate risk?
4. Is there a regular review process to assess performance [on ensuring adequate Climate Governance & accountability] and support Board refreshment (in the case of underperformers)?
5. Have we got the right CEO and executive leadership team in place?
6. Do we have a plan for upskilling across our leadership teams and the Board?
7. How can the Board include younger voices/capabilities (e.g., advisory groups and panels to capture the generations to come)?
8. Are there succession planning structures in place to ensure the Board remains balanced and that the required climate risk knowledge and skill set is preserved?
9. Is there a process in place to ensure the skills matrix is kept up-to-date?

Incentives & accountability

1. Is there clear accountability to primary stakeholders, including shareholders for performance on climate risk?
2. What is the role of the Board and who are we working with – from a systems perspective?
3. Are we having the right conversations with shareholders and is the Board empowering the team to act on climate risk?
4. What are our incentives? What process is in place to attract, maintain and assess knowledge and skills in the Board composition?
5. What is the industry doing nationally/globally to mitigate and adapt? Where is industry leadership? What are the risks and benefits?

Quick links

Institute of Directors - The Four Pillars of Governance Best Practice

Processes

1. How are we, as a Board, supporting management?
2. Should climate change be a standing agenda item at Board meetings?
3. Where does climate change risk sit within the sub committees of the Board (e.g., Risk, Audit, H&S)?
4. Assurance frameworks and requirements – are we setting up the right processes to ensure our information is robust and supportable?
5. How can we build mitigation and adaptation into organisational processes and procedures? Goals? KPI's?
6. How are we keeping abreast of the science and new developments?
7. How are we setting targets that are ambitious yet realistic?
8. Are we ensuring that management have in place appropriate processes for measuring and monitoring of progress against targets?
9. Have we set early and achievable milestones?
10. What policies need to be reviewed to ensure climate risk doesn't sit outside organisation scope (systems processes and data collection)
11. Training and education across the organisation, particularly organisational approach: How do we embed climate risk management into the organisational culture?

How to achieve robust Climate Governance continued…

Leadership and Board composition	Incentives & accountability	Processes
1. Has your Board determined how to effectively integrate climate considerations into the Board committee structures? – Are they integrated into (an) existing committee(s)? Or – are they addressed by a dedicated specific climate/ sustainability committee? **2.** How does your Board ensure that climate considerations are given sufficient attention across the Board (e.g. being discussed in the audit, risk, nomination or remuneration committees)?	**1.** How can executive and non-executive directors play complementary roles in meeting the Board's accountability with regards to climate? **2.** Has the way your Board embedded climate allowed for effective interaction with relevant members of executive management (e.g. if climate is embedded in the risk committee, does this committee ensure that climate is also addressed by the Chief Risk Officer)?	**1.** Has the Board considered appointing a climate expert, or creating an informal or ad-hoc climate advisory committee of internal and external experts?

The WEF Eight Climate Governance Initiative (CGI) Principles

Spotlight on Board structure, Material risk, and opportunity

Climate governance initiative principles

1. **Climate accountability**
Aligning CR management to corporate stewardship and fiduciary duty

2. **Command of climate risk**
Balancing Board composition: knowledge, skills, experience and background

3. **Board structure**
Integrating climate considerations into Board committee structures

4. **Material risk & opportunity**
Understanding scenario analysis and materiality

5. **Strategic & firm-wide integration**
Embedding CR management into strategy and decision-making processes

6. **Incentivisation**
Linking CR management to remuneration policies and bonus schemes

7. **Reporting & disclosure**
Ensuring robust and compliant disclosure practice

8. **Exchange**
Stakeholder engagement and communication

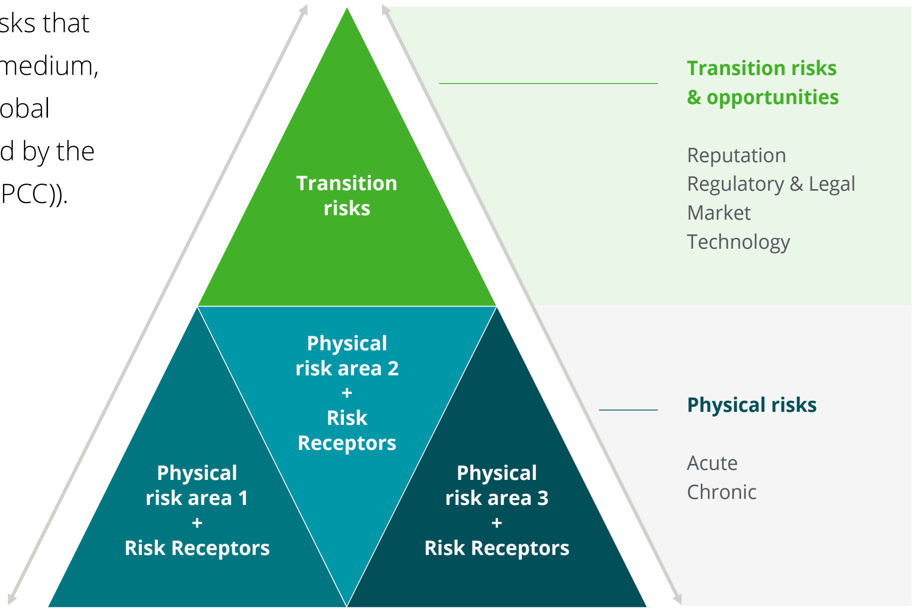
The climate risk assessment process

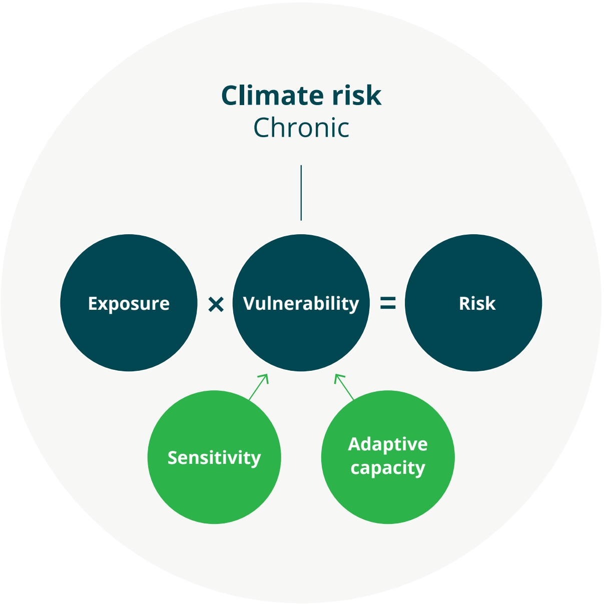
While directors will not be carrying out the climate risk assessment process themselves, it is important that they ensure management have the appropriate level of support, expertise, and knowledge to be able to perform the risk assessments.

Directors need to have a base level of understanding around what a climate risk assessment is and what it involves in order to know the right questions to ask of their Boards and management. The risk assessment aims to identify transition risks and physical risks that an organisation is exposed to over the short, medium, and long term horizon in relation to specific global warming temperature scenarios (usually issued by the Intergovernmental Panel on Climate Change (IPCC)).

Transition risks are risks related to the transition to a low-emissions, climate-resilient global and domestic economy, such as policy, legal, technology, market and reputation changes associated with the mitigation and adaptation requirements relating to climate change (definition taken from the XRB's NZCS1 Appendix A). There are also opportunities to consider that can emerge from transition changes.

Physical risks are risks related to the physical impacts of climate change. Physical risks emanating from climate change can be event-driven (acute) such as increased severity of extreme weather events. They can also relate to longer-term shifts (chronic) in precipitation and temperature and increased variability in weather patterns, such as sea level rise (definition taken from XRB's NZCS1 Appendix A).





Key concepts for the Board to be aware of

Scenario analysis

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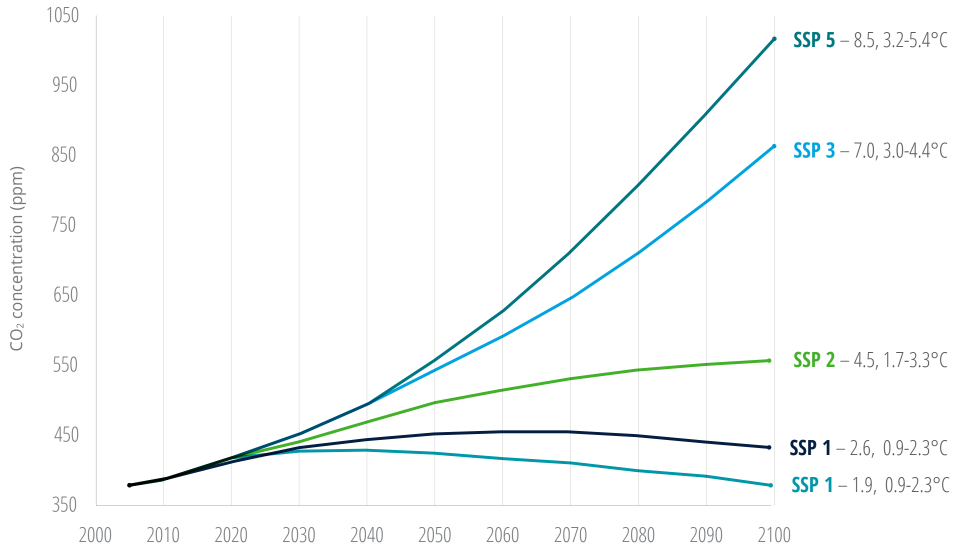
Climate reporting entities (CREs) are required to undertake scenario analysis, leveraging the climate-related scenarios – the Shared Socio-economic Pathways, or SSPs - provided by the Intergovernmental Panel for Climate Change (IPCC - upper right diagram).

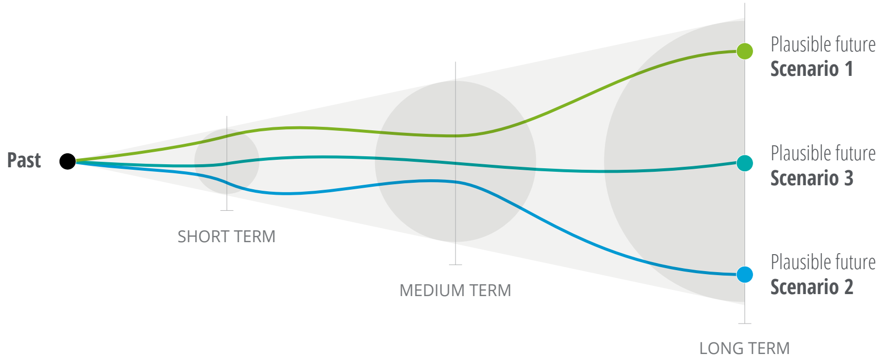
Climate scenarios illustrate what the future might look like under differing degrees of climate change. They are not predictions about what will happen, but rather hypotheses about what could happen in the short to long term.

The primary purpose of scenario analysis is to test the resilience of the entity's business model and strategy. Given that sectors share the similar risk profiles in terms of their exposure to climate change, CREs are encouraged to begin with sector level scenarios as a starting point.

Sector scenarios create a shared scenario architecture for the use of CREs in New Zealand, providing assumptions, pathways and projections to ensure that entities adopt similar variables, inputs and assumptions, to yield consistent outputs of any modeling that they undertake.

XRB's NZCS1 Exposure draft requires a minimum of three scenarios to be used for the purpose of climate risk stress testing.





Quick links

[IPCC Assessment reports`]

Transition risk scenarios

The Network for Greening the Financial System (NGFS) is a group of central banks and supervisors committed to sharing best practices, contributing to the development of climate and environment – related risk management in the financial sector and mobilising mainstream finance to support the transition toward a sustainable economy.

The NGFS partnered with an expert group of climate scientists and economists to design a set of hypothetical scenarios. They provide a common reference point for understanding how climate policy and technology trends (transition risk) could evolve in different futures. Each scenario was chosen to show a range of higher and lower risk outcomes.

Orderly scenarios assume climate policies are introduced early and become gradually more stringent. Both physical and transition risks are relatively subdued.

Disorderly scenarios explore higher transition risk due to policies being delayed or divergent across countries and sectors. Carbon prices are typically higher for a given temperature outcome.

Hot house world scenarios assume that some climate policies are implemented in some jurisdictions, but global efforts are insufficient to halt significant global warming. Critical temperature thresholds are exceeded leading to severe physical risks and irreversible impacts like sea-level rise.

Too little, too late - it is possible that a late transition would fail to contain physical risks. While no scenarios have been specifically designed for this purpose, this space can be explored by assuming higher physical risk outcomes for the disorderly scenarios.

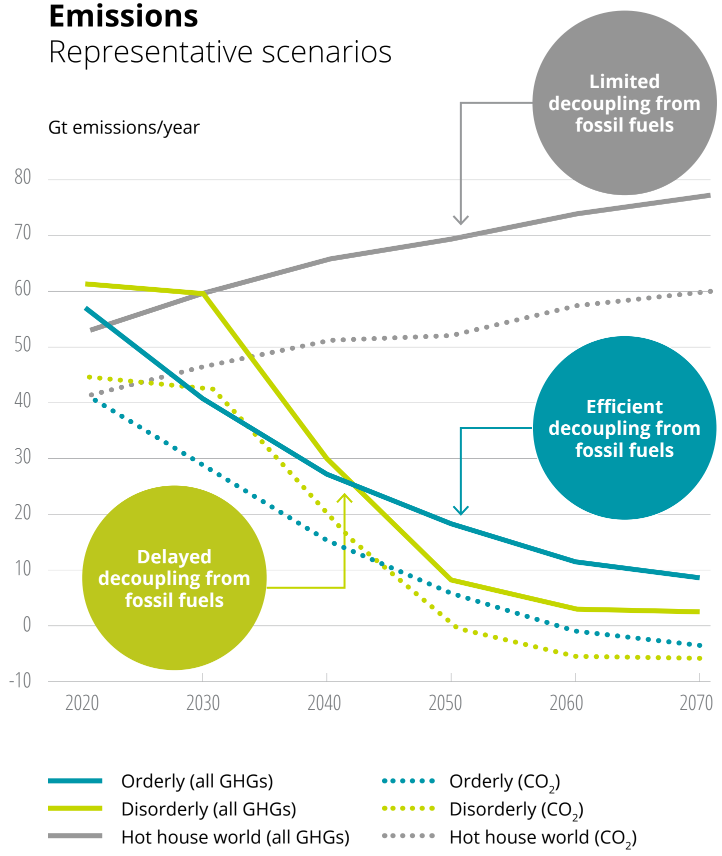
The knock-on effects of a disorderly transition are increased climate stressors, greater resource scarcity, supply chain shocks, migration of vulnerable communities, political instability and economic volatility. NGFS provides a range of models and data sets for the purposes of Transition risk scenario analysis. Additional transition risk scenario analysis data sets are provided by the International Energy Agency (IEA) and the World Business Council for Sustainable Development (WBCSD).

Quick links

Network for Greening the Financial System (NGFS)

Emissions

Representative scenarios



Is your climate risk assessment process fit-for-purpose?

Climate risk assessment

1. Have you carried out a climate risk assessment?
2. What type of climate risk assessment framework have you deployed?
3. What is the boundary and scope of the climate risk assessment?
4. How is the climate risk assessment being considered in the broader context of enterprise risk management?
5. Is the organisation’s risk management software able to accommodate climate risk?

Engagement

1. Who will you involve in the process - external experts, internal SMEs?
2. Are you identifying the right/key risks if people are not up to speed?
3. What public statements have we made? What have we included in our public reporting? Are we doing what we said we would do?
4. How are you upskilling your people in this area?
5. How embedded is the climate risk assessment process into BAU management?

Scenario analysis

1. What time horizons have you considered / are you considering for the climate risk assessment?
2. What SSP/RCP scenarios have you considered / are you assessing climate risk against?
3. What key risk areas have been identified for the organisation?
4. Have you prioritised the risks / carried out a risk materiality assessment?
5. What are the adaption vs mitigation actions the organisation is planning to take?
6. How often will the risk assessment be updated?

Are you embedding materiality into the climate risk assessment process?

Engagement

1. Are the right subject matter experts involved in the process?
2. How have we assessed the level of climate literacy across the organisation?
3. How can we ensure that we have identified and are addressing any information and expertise gaps?
4. Have we peer-reviewed our climate assessment results?
5. Can we engage with our peers to ensure that information and data gaps are filled and that we are aligned with our sector?
6. Are we engaging with our committees to assess how to embed climate risk in strategic planning?

Technical specifications

1. How are we assessing transition risks specifically? Do they need to be a standing item on the agenda?
2. How confident are we in our climate risk assessment results? Can we see the evidence of our subject matter experts' conclusions?
3. Are we being transparent enough with our findings – and can we present robust evidence to support our findings?
4. Have we identified where the risk assessment process and materiality are already being considered across the organisation?
5. What steps are in place to reinforce the importance of materiality in the risk assessment process?

Processes

1. How have we determined what are the most material climate risks for the organisation, and how these will inform our long-term strategy, purpose, and values?
2. What time frames are we looking at? How have we defined our timeframes i.e. is long-term 10, 20,or 50yrs?
3. Have we identified the metrics that enable us to quantify our exposure to climate risk?
4. Have we captured interlinked and cascading climate risks?
5. How are we assessing and quantifying transition risks? Which data sets are most appropriate for our sector?
6. Have we mapped the regulatory, reputation and legal exposure that climate change presents for the business – and what is the plan for mitigating such risk?
7. What resources are being provided to ensure our people are equipped to identify and manage climate risk issues?
8. What processes are in place to measure impacts while also ensuring the identification of which assets are impacted by climate risk?

What is the process and frequency for updating the Board on climate–related risk?

Leadership	Accountability	Processes
1. What requirements has the Board established with regard to climate risk reporting cadence? **2.** Has the Board established the reporting cadence for both transition and physical risks? **3.** What process is in place to ensure that the Board is kept appraised of cascading and intersecting climate risks? **4.** Is an agenda item included that ensures discussions around how to govern climate-related risks?	**1.** Who is responsible for capturing and reporting climate-related risks? **2.** Which management tiers and roles hold responsibility for capturing, managing and reporting climate risk? **3.** Have we established panels or advisory groups to ensure that discussion on how climate risks are governed are being had at the management level?	**1.** Has a climate risk register been established? **2.** What processes are in place to ensure that the appropriate risks are being reported to the Board? **3.** Has a threshold trigger been established for climate risks to ensure that emerging risks are automatically reported to the Board? **4.** Is there a process in place to ensure that climate risks are not reported up in isolation and that any interlinked risks are also captured and reported? **5.** Are management and technical workshops being delivered internally to upskill employees on climate risk management and reporting processes? **6.** How have we ensured that the climate risks and opportunities captured have been embedded into decision making at an operational level and therefore part of reporting and recommendations in relation to all projects, work-streams, and objectives?

How does the Board monitor progress against goals and targets for addressing climate–related issues?

Leadership	Accountability	Processes
1. Are sustainability and climate change impacts now a standing agenda item? **2.** Is the Board provided regular updates on our progress against emissions reduction targets and performance on emissions abatement investments?	**1.** Is a climate and sustainability lens applied during all deep dive strategy sessions? **2.** Have we established a sustainability committee to oversee climate and ESG-related goals, KPIs and performance against targets?	**1.** What process are in place to ensure we are identifying, planning for and shielding against climate–related supply chain shocks? **2.** Is our sustainability function siloed; or is it sitting in the wheelhouse of the Chief Financial Officer? **3.** Is there a direct reporting line from the sustainability and climate risk manager to the CEO and CFO?

How does the Board hold management accountable for climate risk management?

Leadership and Board composition	Incentives & accountability	Processes
1. Where does climate risk sit in the priorities for the Board? How do we ensure that adequate attention is given to all strategic risks? **2.** Do we have the right balance of expertise and knowledge around the table to ensure that sufficient attention is given to climate risk matters? **3.** Are climate impacts included in all proposals, to ensure that the Board has clear oversight of the emissions and resilience implications of strategic decisions? **4.** Are we mandating board sign off on climate risk assessments for all strategic proposals? **5.** Are climate-related factors informing strategic decisions?	**1.** Can we introduce KPIs to ensure strong performance on climate risk management? **2.** Can we leverage existing bonus-linked KPIs and targets to incentivise climate risk performance? **3.** Can we introduce a performance review system for executives, with measurable targets to which performance bonuses are tied?	**1.** Do we have a road map and an aspiration to work toward? **2.** Have we identified the key drivers that inform our road map? For example; TCFD, carbon goals. **3.** Do we conduct regular reviews of our road map to assess progress and identify gaps? **4.** What reporting frameworks are being considered, to ensure that we step up from ESG conversations to ESG strategy adoption? **5.** What framework is in place to ensure that all decision-making processes include consideration of climate impacts? **6.** What climate-related decision making criteria are included in our decision-making frameworks? **7.** Are climate risk assessments being integrated into large proposals? **8.** Are climate risk assessments being embedded into investment decisions?

Insights from New Zealand Directors on:

Board structure, accountability, and material risk and opportunities

“Often it comes down to individual directors; if you have a really engaged, passionate director, that director can pull the Board along with them - one catalyst.”

“Then it becomes the degree to which it becomes an integrated part of the business versus an add-on: you put that lens across everything you do, every proposal, and risk analysis.”

“In my companies, the heavy-lifting tends to fall to the audit and risk committee.”

“The general push across most my Boards is that it’s a standard agenda item, therefore it’s always being discussed.”

“It can be hard to be that champion director that keeps raising the climate change issues if you don’t have buy-in across the rest of the Board and the management team.”

The WEF Eight Climate Governance Initiative (CGI) Principles

Spotlight on Strategic integration and Incentivisation

Climate governance initiative principles

1. **Climate accountability**
   Aligning CR management to corporate stewardship and fiduciary duty

2. **Command of climate risk**
   Balancing Board composition: knowledge, skills, experience and background

3. **Board structure**
   Integrating Climate considerations into Board committee structures

4. **Material risk & opportunity**
   Understanding scenario analysis and materiality

5. **Strategic & firm-wide integration**
   Embedding CR management into strategy and decision-making processes

6. **Incentivisation**
   Linking CR management to remuneration policies and bonus schemes

7. **Reporting & disclosure**
   Ensuring robust and compliant disclosure practice

8. **Exchange**
   Stakeholder engagement and communication

Strategic integration of climate risk

The why

A lack of clarity around accountability for climate-related risk assessments and risk-management, compounded by lack of integration into organisations' strategy and financial reporting processes, could hinder effective climate risk management.

The how

Integrating climate-related risks into existing risk management processes involves building a shared understanding of climate change concepts and risks across the company and adapting existing processes (including the three lines of defence) to account for the unique characteristics of climate-related risks. This includes adapting key decision gateways around capital expenditure decisions, major action plans, annual budgets, business plans, acquisitions, divestitures, etc. to account for climate risks.

Climate risk needs to be embedded into the existing enterprise risk management systems and processes within an organisation. This is a key way to ensure that these risks are going to be used to influence not just day to day decision making, but also key strategic planning towards resilience and innovation. Re-evaluating an organisation's purpose and values might also be necessary to ensure that climate change is appropriately embedded and integrated within these core aspects.

During the directors workshops, 'intergenerational decision making' or 'mokopuna decisions' was discussed as a way of integrating a mindset within organisations to manifest the benefits and outcomes that we would want for our grandchildren and generations to come. This is where climate risk needs to be integrated i.e. into such mokopuna decisions at the heart of organisational strategies and actions.

The TCFD outlines principles to follow to help companies achieve integration (see right).

Quick links

TCFD integration in practice

Key principles and initial steps: 2020 TCFD Guidance Risk Management Integration and Disclosure page seven.

Interconnections

Integrating climate-related risks into existing risk management requires analysis and collaboration across the company. The principle of interconnections means all relevant functions, departments, and experts are involved in the integration of climate-related risks into the company's risk management processes and in the ongoing management of climate-related risks.

Temporal Orientation

Climate-related physical and transition risks should be analysed cross short-, medium-, and long-term time frames for operational and strategic planning, which requires extending beyond traditional planning horizons.

Proportionality

The integration of climate-related risks into existing risk management processes should be proportionate in the context of the company's other risks, the materiality of its exposure to climate-related risks, and the implications for the company's strategy.

Consistency

The methodology used to integrate climate-related risks should be used consistently within a company's risk management processes to support clarity on analysis of developments and drivers of change over time.

How is your Board and executive management achieving strategic integration of climate risk?

Engagement	Technical specifications	Planning
1. Is the Chief Risk Officer mapping the inter-relationship of climate risks across the different aspect of the organisation? **2.** Can the executive management team explain how key risks and interdependencies are being tackled at the executive table? **3.** Have we tested that the level of disclosure and information is what our stakeholders are looking for? **4.** Have we engaged with the right stakeholders to ensure that our disclosures are authentic and accurate?	**1.** Is the Board being provided with adequate detail to support informed decision-making over longer time frames? **2.** Are our audit and financial planning cycles forward-looking enough to ensure that climate insurance implications are addressed by the executive management team? **3.** Are our business processes incorporating climate risk considerations across all decision-making gateways? **4.** Are we requiring routine assessment of how decisions impact on our emissions profile? **5.** Are we assessing how current investment decisions impact our future business operations, or our infrastructure, in terms of climate risk exposure? **6.** Has the Board ensured that any funding, lobbying, and investment isn't mis-aligned with the organisation's stated climate objectives/strategy? **7.** Does the enterprise risk management framework ensure that climate risk accountability sits across all tiers of the organisation?	**1.** Do we have clear oversight over how our supply chain and value chain is being impacted by climate risk, both directly and indirectly? **2.** What steps can we take to shield our supply and value chains from climate risk? **3.** Is a climate risk lens being applied to existing corporate policies? **4.** How are we preparing and resourcing for Scope 3 measurements? **5.** Have we put clear plans in place to detail the process for achieving our mitigation and adaptation targets? **6.** Is our focus evenly spread across mitigation and long-term adaptation? **7.** Are we requiring an assessment of procurement processes to ensure: **8.** Our suppliers have also built climate change resilience into their strategies and can demonstrate this? **9.** These do not contribute to our scope 3 emissions? **10.** Are we considering the impact of our resilience strategy on vulnerable communities?

What challenges does strategic integration of climate risk present?

Engagement	Accountability	Planning
1. How do we get our Board to a point at which they can hold discussions around what the future looks like in a climate impacted world?	**1.** Who sets our appetite for climate risk?	**1.** What evidence is there that we are balancing short-term decision making with long-term goals?
2. What is the appetite of our stakeholders for climate risk? What are they willing to pay for energy security and electricity?	**2.** Does our risk appetite statement include climate risk?	**2.** Are we applying a climate risk lens across the decision-making processes?
3. Have we heat-mapped our risks and exposure levels at each time horizon and scenario? What changes need to occur to shield against future exposure?	**3.** In terms of risk appetite, what would be the cost of having a "very low" appetite?	**3.** Have we introduced climate-related criteria into our key planning and decision-making gateways?
4. Are we applying an intergenerational lens when engaging with our customers / shareholders / stakeholders on climate risk issues?	**4.** Have we implemented climate risk-related executive remuneration and incentivisation programmes?	**4.** What process is in place to ensure that 'black swan' events are given an adequate risk rating to prevent them from being side-lined?
5. How can we balance social purpose drivers with climate-related risk implications?	**5.** Have we established a committee to oversee climate risk and are we working together through the scenario analysis process (management and Board-level sub-committees)	**5.** Are we adequately resourced to address both adaptation and mitigation?
6. How can we remain flexible in order to adapt our strategy as needed?	**6.** What steps are being taken to ensure that our employees are taking ownership of climate risk?	**6.** Does the organisational risk framework enable climate-related risks and their implications to be folded into individual risk portfolios?
7. Are we adequately resourcing our climate change response? Do we have the right resources, information and detailed data?		

Incentivisation of robust Climate Governance

The XRB's climate standards require the following information be disclosed:

Remuneration metric
management remuneration linked to climate-related risks and opportunities in the current period, expressed as a percentage, weighting, description or amount

How the governance body sets, monitors progress against, and oversees achievement of metrics and targets for managing climate-related risks and opportunities, including whether and if so how, related performance metrics are incorporated into remuneration policies

Key takeaways

It is important that the Board and its directors play an active role in setting and monitoring performance of metrics and targets for managing climate-related risks and opportunities.

Ensure consideration is made as to whether the metric or KPI could result in perverse outcomes

Take care when designing incentive schemes for management and avoid any inconsistencies or contradictions in relation to other incentives

Hold management to account in relation to progress against targets given the clear value of these to overall business strategy and resilience

How have you incentivised behaviours in the past that do not have traditional financial value links?

Leadership	Accountability	Processes
1. Have we defined strong climate leadership behaviour; and what indicators can we adopt to demonstrate this? **2.** Have we identified inter-generational outcomes and the indicators against which we can measure progress on these? **3.** Is the Board leaning into the company values and providing guidance by setting clear expectations of performance? **4.** Is the concept of sustainable value creation well understood and accepted by the Board? **5.** Is leadership demonstrating the values that we expect our management and staff to adopt?	**1.** How are we supporting our management and staff to be accountable for climate change, both in the corporate environment and beyond? **2.** Have we framed our response to climate risk in a way that implicates both the corporate entity, as well as our people as individuals? **3.** Have we clearly articulated Board expectations around sustainable outcomes? **4.** What steps are management taking to embed sustainable value creation into our corporate DNA?	**1.** What processes are in place that enable us to challenge the incentivisation structure and the longer term outcomes that it yields? **2.** What process have we applied to understand what incentivises our people to do good work and adopt good behaviours? **3.** Have we considered creating an enabling environment that supports strong climate performance – like supporting staff to purchase an electric vehicle (EV)?

How can we apply learnings from health & safety culture incentivisation?

Leadership	Accountability	Processes
1. Do our incentives provide guidance, and a safety net on where to focus? **2.** Does the incentivisation structure provide a guide on where to focus efforts when there are multiple demands on our peoples' time? **3.** Do we have a balanced scorecard that incorporates a range of perspectives and objectives? **4.** Have we defined desired behaviours – i.e. top 5 imperatives for individuals, including a sustainability goal that aligns with firmwide sustainability and climate goals?	**1.** How do we harness group-think versus individual-think to develop robust non-financial incentivisation models? **2.** Have we tied the impact on future generations into our incentivisation frameworks? **3.** How can we structure incentives that generate hope and positivity around decisions people make? **4.** Have we tied the incentives to our core values in a meaningful and measurable way?	**1.** Does the incentives framework support our people to prioritise when under pressure? **2.** Have we leveraged incentivisation as a means of cascading the sustainability strategy into personal action within the firm? **3.** Can we link incentivisation to learning, so as to empower and upskill our people? **4.** Have we adequately challenged the need for incentivisation? Is it even required, given the shared nature of the climate change challenge?

How can we sidestep the potentially perverse outcomes of incentivisation?

Leadership	Accountability	Processes
1. Be careful about when and how much organisations implement incentives – start off small and build as you grow in capability. **2.** Do not just have a number on a page. Instead, frame the incentives to ensure their intent is captured. **3.** Be fluid with incentives and planning to ensure the delivery of the original intent. **4.** Incentives could be indexed against data, and performance on shielding the organisation against the physical impacts of climate change. **5.** Never make a plan without knowing as much as possible. **6.** Never believe we know everything. **7.** Never wait to know everything.	**1.** Expect that incentivisation is done with the consideration of the people being incentivised. Otherwise, there could be lack of buy-in and alignment. **2.** Consider the reality of the incentives to ensure that they are achieving what they were implemented to achieve. **3.** Ensure consensus on addressing the challenges of identifying what good incentivisation looks like for climate-related risks. **4.** Monitor and test whether the incentives are yielding the right impact and outcome.	**1.** How are you testing whether incentive outcomes deliver both short and long-term desired outcomes? **2.** Ensure the organisation has robust processes in place for providing evidence that supports and demonstrates incentive-linked performance. **3.** What is the process for testing whether the incentive-tied performance indicators, and actual outcomes are aligned with the organisation's values and principles? **4.** Start small, take the first step, and then progress to the second, third, etc. Organisations will learn throughout the process and be able to implement what they have learned.

Strategic integration and incentivisation

“Our decision-making processes need to be inter-generational and shaped by the consideration of potential impacts on our mokopuna.”

“Te Ao Māori can make climate change tangibly hurt – it contextualises future pain as our failure to be good ancestors; eventual costs contextualised as failure in kaitiakitangi - takes costs of climate change from being diffuse and distant to be being acute and proximate. When the cost is concentrated, organisations will act.”

“How do you capture the hearts and minds of external stakeholders and people within your organisation to get the commitment required? This work is not easy, it’s complicated. There’s a lot of noise, a lot of information, some conflicting. This is where we were with health & safety 10 years ago.”

“With climate, get clear on what are the risks to your business? What needs immediate action, which needs longer? Where are the opportunities in our risk register for us to evolve into a more resilient, relevant business, to have a market edge? Looking through that lens often generates action.”

“Incentives – We need a nice middle ground. Incentives work, but if we aren’t careful we end up designing [incentives] that prioritise ease of measuring rather than maximising impact. We could end up with more perverse outcomes from a 10 year plan due to uncertainty.”

The WEF Eight Climate Governance Initiative (CGI) Principles

Spotlight on Reporting and Exchange

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Climate governance initiative principles

1 **Climate accountability**

Aligning CR management to corporate stewardship and fiduciary duty

2 **Command of climate risk**

Balancing Board composition: knowledge, skills, experience and background

3 **Board structure**

Integrating Climate considerations into Board committee structures

4 **Material risk & opportunity**

Understanding scenario analysis and materiality

5 **Strategic & firm-wide integration**

Embedding CR management into strategy and decision-making processes

6 **Incentivisation**

Linking CR management to remuneration policies and bonus schemes

7 **Reporting & disclosure**

Ensuring robust and compliant disclosure practice

8 **Exchange**

Stakeholder engagement and communication

What are the record keeping requirements for nzcs1?

The legislative requirements are clearly defined in the Financial Markets Conduct Act 2013. Section 461 of the legislation includes the various obligations for record keeping:

- Every CRE must keep records that will enable the CRE to ensure that the climate statements of the CRE comply with the climate-related disclosure framework – s461V
- Every CRE must prepare climate statements that comply with the climate-related disclosure framework within 4 months of balance date – s461Z-ZC
- Every CRE must lodge climate statements with the Registrar within 4 months of balance date – s461ZI
- CRD records must be retained by the CRE for a period of 7 years after they are made - s461X
- There are other ancillary obligations such as having records available for inspection

Record Keeping:
Record keeping for Climate–related Disclosures should be treated with the same level of Rigour as financial reporting.

- This is especially important because non-financial reporting tends to lag behind financial reporting in terms of the level of data quality, processes, and controls. While financial reporting has been able to evolve over hundreds of years, non-financial reporting is still relatively new and involves complexities such as:
  - Multiple sources of information from various systems and parts of the business
  - Heavily manual nature of data collection, collation, and analysis
  - Lack of sophisticated internal controls and processes to ensure errors are captured and risks mitigated.
- Climate Reporting Entities (CREs) should ensure that they maintain sufficient 'audit trails' as evidence that supports their disclosures. Based on existing requirements for financial reporting and financial assurance/audit, CREs can be expected to be required to provide:
  - Supporting calculations, models, analyses, data sets, and schedules that support the resulting figures and disclosures in the CRD report
  - Rationale behind assumptions, estimations, and judgements applied in the quantification or determination of disclosures
  - Minutes of meetings and workshops to demonstrate the rationale, approach, and process for decision making
  - Other documentation that serves as evidence – policies, charters, etc.

Given the high degree of qualitative information required within the disclosures, there should be a decision-making trail for all judgements or approaches taken.

Where to start?

- Start now and set up processes and a system for capturing the information you will need to within your organisations.
- Perform gap-analyses over disclosures by checking that each disclosure element can be traced through to sufficient evidence and supporting documentation/analysis/modelling/minutes.
- When setting up processes, tap into the knowledge of the finance teams within your organisations as they have experience with an audit process and understand what good looks like.

Quick links

[Financial Sector (Climate-related Disclosures and Other Matters) Amendment Act 2021]

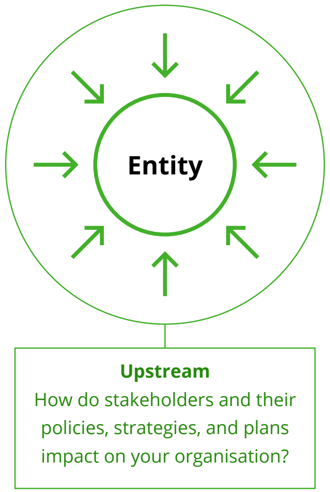
Engagement and exchange

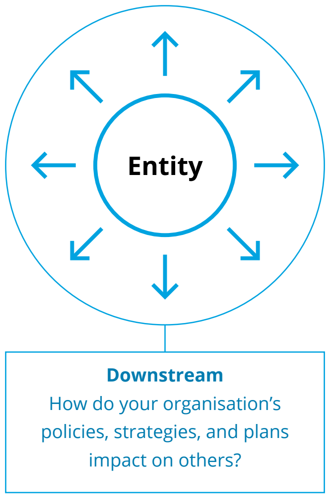
It is important to ensure that there is transparency and engagement across an organisation's value chain with the various stakeholders that impact on and are impacted by responses to climate-related risks and opportunities. Such stakeholders could be customers, suppliers, industry groups, sector working groups, regulators, banks, insurers, policy-makers, academia, government, etc.

When preparing transition and adaptation plans in response to identified climate-related risks and opportunities, organisations need to ensure they are talking to various stakeholders to ensure that where there are dependencies, that various parties are seeing the solution in the same or similar way such that they therefore avoid investing in assets, solutions that end up redundant or inapplicable.

Examples of this could be:

- For an airport that is planning to invest in charging technology, it is necessary to open communication with airlines and other associations to ensure that adoption of technology takes place at the same pace or that such technology shifts are even in their plans to begin with. If such timely engagement does not take place, the airport could run the risk of a sizeable sunk investment.
- For banks that have assessed their asset concentration in their mortgage portfolios that are in coastal or cliff areas, it is important that they engage with mortgagees to inform them of the risks and exposure. Banks would also then need to engage with stakeholders around the clauses and conditions they plan to write into loan and mortgage structures.
- For an organisation that is heavily dependant on a particular supplier that they know could be materially impacted by climate change, understanding what the supplier is planning to do to build resilience and ensure continuation of its business would be needed in order to then figure out the organisation's plan around whether and when to diversify its supplier base.
- If an organisation provides a service that depends on assets owned by another organisation and these assets are in high–risk coastal areas or exposed to extreme weather, the organisations will need to engage with each other to understand what the plans are for those assets and whether resilience will be built in or whether such assets will be decommissioned.





Stakeholder engagement

World Economic Forum's Climate Governance initiative guidance

What the World Economic Forum Climate Governance Initiative suggests you should be asking of your Board and executive management team...

1. How does the Board ensure that the company develops and encourages climate dialogue and methodology sharing among industry peers, investors, regulators and other stakeholders?
2. How does your Board maintain its awareness about good climate-governance practices?
3. Does your company organize stakeholder dialogues on this matter and encourage the participation and inclusion of all relevant stakeholders (customers, regulators, NGOs, academia etc.)?
4. Is the Board kept regularly informed of, does it approve, and does it supervise consistent conduct of the company's industry and public policy engagement?
5. How does the Board ensure that climate risks and opportunities are being adequately discussed with investors, where legal and governance arrangements allow for such a dialogue?

...and how this relates to an organisation's reporting

Sector-level scenario analyses could ensure that organisations in the same sector are on the same page when it comes to climate risk and can share the load when it comes to the resourcing and effort needed to conduct modelling, etc.

A transition and adaptation plan that has incorporated a comprehensive view of issues that fall outside an organisation's direct sphere of control, and which requires partnership and collaboration with other parties/organisations.

By staying up–to–date on good governance practices and through listening to investors, organisations can continually improve their disclosures year–on–year.

Regular and open dialogue with the regulator will be key in order to ensure that there are no surprises and that the disclosures are fit–for–purpose and stand up to inspection.

The XRB encourages sector-level collaboration on scenario analysis in NZCS1

XRB has issued sector-level guidance for getting started on scenario analysis

How is your Board and executive management taking practical steps to discharge their obligations?

Engagement	Accountability	Processes
1. Do we have the right level of expertise internally - and if we are going to seek external support, how will we ensure that they have the right level of expertise? **2.** To what extent will the compliance obligation sit within the finance team/department and what support will they need from others in the organisation? **3.** Do we have sufficient resourcing to facilitate the data collection from across the organisation? **4.** Have we thought about engaging with D&O insurance providers around exposure?	**1.** Are we sure that management understands the legislative requirements? **2.** Have we got the right people in the right positions to lead this exercise? **3.** Does management fully understand the extent of their responsibilities and the tasks delegated to them? **4.** Does everyone realise the importance of 'walking the talk' and not just treating this like a compliance exercise? **5.** Where we are using an external advisor, have we made sure that management and the board are still kept sufficiently informed as to the level of documentation/ records being maintained?	**1.** How have we determined a process map or framework for data and information collection, analysis, and reporting? **2.** Do we have some form of regular reporting from management to track progress? **3.** Is there a structured approach to planning/preparing for climate related disclosures and are we actively involved in key decision making points as directors? **4.** Are we actively assessing gaps in processes and controls to address these promptly? **5.** Does the climate-related disclosures reporting process and its underlying steps need to be scrutinised by internal audit or potentially an external advisor?

How can you ensure dialogue is taking place with peers, investors, regulators, and other stakeholders?

Leadership	Accountability	Processes
1. Are we actively engaging with the regulator to understand their views and requirements? **2.** Are we going to take the lead on sector based scenario planning? **3.** Do we know if there is sector based scenario planning being conducted that we could participate in? **4.** Are we engaging with our bankers and insurers to understand their requirements going forward?	**1.** Who in the organisation is responsible for engaging with wider stakeholders and are they equipped to add climate risk and adaptation to their program? **2.** How do we ensure we are talking to the right parties at the right time?	**1.** Have we done the work to truly understand our value chain and relevant stakeholders who are impacted by our operations and strategy along with those whose actions will impact on us? **2.** Do we have regular dialogue with industry peers to understand their climate-related risks and opportunities. **3.** Have we engaged with our fund managers on where our funds are being invested and how exposed these are to Climate-related risks? **4.** Have we engaged with our key stakeholders on our proposed transition plan and how it might impact on various stakeholder groups, including communities?

How can you maintain awareness of good governance practices and supervise industry and public policy engagement?

Leadership	Accountability	Processes
1. How does the organisation engage in industry thought leadership, innovation, and discussions? **2.** Do we have oversight over how the organisation collaborates and communicates with industry/sector associations? **3.** Are we engaging with the communities we operate within and are we protecting our social licence to operate? **4.** How will we stay up-to-date on best practice and peer comparisons? **5.** Will we participate actively in public consultations and policy engagement?	**1.** Are we actively participating in conversations that need to take place with government and how they are ensuring their commitment to tackling climate change.	**1.** Can we implement a process by which the Board keep updated on the intersection of risks with key stakeholders?

Directors' duties, record keeping, and stakeholder engagement

"There needs to be an explicit stakeholder engagement plan on climate matters.

"Do a gap-analysis before assurance.

"Climate-related disclosures are qualitative, quantitative, and multifaceted, we will have to draw on experts and input from different teams across the organisation, but also seek external help e.g. climate scientists, ESG specialists to assess risks and put in place risk management, including legal advice.

"Climate exposure/risk is moving higher up the due diligence list for international buyers.

"Sector-based scenario planning is a useful trend. It builds capability and understanding as well as resulting in a useful output.

05.

Conclusion

Directors' Guide to Climate Governance

Climate risk is the defining business leadership challenge of our time. It is a complex, global issue that is best tackled in coordinated and balanced way. At the global level, governments have signed up to the Paris agreement; at the macro level, organisations are being held accountable through various legislative requirements, including New Zealand's own climate-related disclosure standard NZ CS.

At the micro level, business leaders are required to keep abreast of a rapidly evolving regulatory environment and to guide the changes required. While legislative changes have provided much needed clarity around business' role in addressing climate change, the regulatory landscape is changing at pace. Given the global nature of the challenge, there is a need for organisations to take a consistent approach to tackling climate change.

Frameworks like World Economic Forum's Climate Governance Initiative and the Institute of Directors (IoD) Chapter Zero toolkits support such cohesion. They are internationally recognised and have widespread uptake. They provide much-needed guidance on applying a robust and consistent methodology for ensuring strong governance and accountability for climate risk management.

In 2022, Deloitte, Sustainable Business Council, and Toitū Tahua: Centre for Sustainable Finance collaborated on identifying ways to support the required shift in strategic thinking by facilitating the broader uptake of such frameworks - and in doing so, galvanise much needed changes for both emission mitigation and climate change adaptation. It is through such collaboration that we have compiled this free resource.

Our aim, through these types of workshops and resources, is to ready New Zealand's director community for climate-related disclosure compliance when NZ CS 1 comes into effect in December 2022, and thereafter, to ensure that organisations are fully harnessing the strategic potential that climate-related disclosures confer on climate reporting entities.

If you are interested in learning more about how to access directors and executive management level training sessions and resources, please don't hesitate to reach out via any of our contributing member organisations – Deloitte, Sustainable Business Council, and Toitū Tahua: Centre for Sustainable Finance.

"New Zealand now has an opportunity to join the global leaders in climate reporting, setting a great example in the region, and helping its companies attract international capital investment."

Investor Group on Climate Change CEO,
Rebecca Mikula-Wright