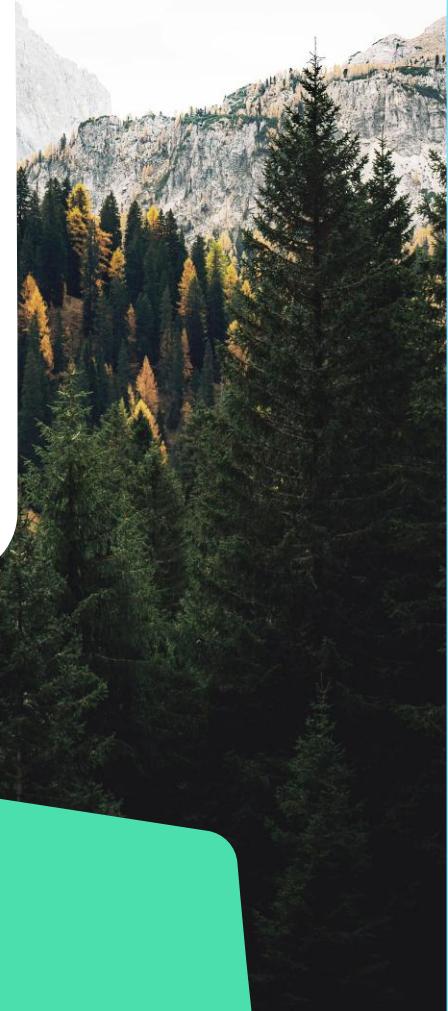


PRI CONSULTATION RESPONSE

**Proposed Amendments to the New Zealand
Climate-Related Disclosures (CRD) Regime**

December 2025

An investor initiative in partnership with
UNEP Finance Initiative and UN Global Compact





About this consultation

The New Zealand Finance and Expenditure Committee is [consulting](#) on amendments to the Financial Markets Conduct Amendment Bill, which relate to New Zealand's Climate-Related Disclosures (CRD) Regime. The CRD requirements are based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the standards of the IFRS Foundation's International Sustainability Standards Board (ISSB).

The proposed amendments include adjusting director and company liability settings, lifting the mandatory climate reporting threshold for listed companies from \$60 million market capitalisation to \$1 billion, and exempting managed investment scheme (MIS) managers. These changes would reduce the number of CRD reporting entities from 164 to 76, with 66 listed companies and 22 MIS managers exiting the Regime.

The PRI (Principles for Responsible Investment) is the leading organisation in advancing responsible investment globally. Set up with United Nations' support, our unique community contributes to stable financial markets and a more prosperous world for all. We bring together signatories, amplify their voices and provide resources and guidance for complex sustainability challenges. The six Principles were developed by investors, for investors. In implementing them, signatories contribute to developing a more sustainable global financial system.

The PRI develops policy analysis and recommendations based on signatory views and evidence-based policy research. The PRI welcomes the opportunity to respond to the New Zealand Finance and Expenditure Committee's call for feedback on proposed amendments to New Zealand's CRD Regime.

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While the policy recommendations herein have been developed to be globally applicable, the PRI recognises that the way in which policy reforms are implemented may vary by jurisdiction and according to local circumstances. Similarly, the PRI recognises that there may be circumstances where there are merits to allowing market-led initiatives to precede regulatory requirements.

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PRI response

The PRI recognises the very real challenges for some companies and the need for a more proportionate Climate-Related Disclosures (CRD) Regime for Aotearoa New Zealand.

However, the proposed amendments would significantly limit investors' access to decision-useful climate data across their portfolios.¹ This challenge is compounded by the absence of a clear roadmap to reintroduce, or gradually phase in, the broader corporate sector into the CRD regime.

We recommend addressing wider CRD challenges through the forthcoming XRB consultation on differential/proportional reporting, rather than the Amendment Bill.

Globally, investors need comparable, high-quality disclosures on matters that can reasonably be expected to affect investees' cash flows, access to finance or cost of capital over the short, medium or long-term – including climate-related risks and opportunities. Crucially, they need this information from a range of asset classes, regions, sectors and sizes from their portfolios.

Beyond benefits to investors, the CRD allows companies to demonstrate risks and performance to investors in a clearer and more standardised way, and for boards to more effectively exercise their oversight responsibilities on how climate-related risks and opportunities are being addressed in corporate strategy.

By exempting 66 listed companies and 22 managed investment scheme (MIS) managers from the CRD regime, these amendments would reduce investors' access to the decision-useful climate data they need to allocate capital efficiently, and adversely impact New Zealand companies in the global competition for capital.

Feedback collected from investors as part of responses to ISSB adoption consultations around the world indicates that capacity building, complemented with phase-in provisions where needed to manage initial implementation challenges – is often preferable to permanent exemptions. This approach should be employed here, as it would improve proportionality but also provide investors with the data they need from more companies. Capacity building can leverage an extensive and growing suite of capacity building resources on climate reporting available on the ISSB's [Knowledge Hub](#), which are designed to support preparers at all stages of their implementation journey. We recognise that disclosure is subject to continuous improvement as companies build capacity.

These issues are most appropriately addressed within the framework of the forthcoming XRB consultation on differential/proportional reporting, accompanied by suitably refined modifications to assurance requirements. Implementing these amendments prematurely undermines effective stewardship and accountability throughout New Zealand's financial system. As such, we recommend that the mandatory climate threshold for listed companies remains unchanged or is at least significantly reduced from the proposed \$1 billion market capitalisation. We further recommend that the proposed exemption of MIS managers is removed.

The PRI has experience of contributing to public policy on sustainable finance and responsible investment across multiple markets, and stands ready to support the work of the New Zealand government further to improve climate-related disclosure.

Please send any questions or comments to karmei.tang@unpri.org.

More information on www.unpri.org

¹ As set out in the PRI's [Investor Data Needs framework](#), to be decision-useful, sustainability information must be available, accessible, verifiable, comparable across multiple dimensions, a faithful representation and relevant to investors.