



15 September 2020

## **Mandatory NZ financial disclosure regime a critical step towards managing climate risk**

**In response to the New Zealand Government’s announcement that it intends to implement mandatory disclosure of climate change risk by investors, banks, insurers and listed companies, Investor Group on Climate Change (IGCC) Chief Executive Officer, Emma Herd said:**

“This is a crucial step by the New Zealand Government. Mandatory disclosure of climate risks is vital to managing the systemic economic risks posed by climate change to the New Zealand economy and the long-term savings of all New Zealanders.

“The details of the reporting standards to be developed by the External Reporting Board will be absolutely critical to ensuring that disclosure under this regime will fully allow investors to make well informed portfolio management decisions about exposure to climate risk and their response.

“IGCC is working closely with our members to identify investor needs from climate risk disclosure. [Recent consultation with major Trans-Tasman institutional investors found the market wants](#) significantly bolstered climate risk disclosure from companies, including clear demonstration of how it is being used to inform business strategies and decisions.

“Ultimately all countries, including Australia, must move towards implementing a robust and investable mandatory climate risk disclosure regime to manage the systemic risk that climate change presents.”

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