Submission

Document 1: Summary and Q&A

Submission to NZX on:
(i) Exposure Draft: NZX Corporate Governance Code Review – 2nd Consultation
(ii) Exposure Draft: NZX ESG Guidance Note – Initial Consultation

18 October 2022 (FINAL)

About the McGuinness Institute
The McGuinness Institute was founded in 2004 as a non-partisan think tank working towards a sustainable future for Aotearoa New Zealand. *Project 2058* is the Institute's flagship project focusing on Aotearoa New Zealand's long-term future. Because of our observation that foresight drives strategy, strategy requires reporting, and reporting shapes foresight, the Institute developed three interlinking policy projects: *Foresight*NZ, *Strategy*NZ and *Reporting*NZ. Each of these policy tools must align if we want Aotearoa New Zealand to develop durable, robust and forward-looking public policies. The policy projects frame and feed into our research projects, which address a range of significant issues facing Aotearoa New Zealand. The eight research projects are: *Civics*NZ, *ClimateChange*NZ, *OneOcean*NZ, *Pandemic*NZ, *PublicScience*NZ, *TacklingPoverty*NZ, *Talent*NZ and *WaterFuture*NZ.

About the cover
Two takahē on the Heaphy Track in early 2022. The image emphasises how a focus on integrating environmental, social and governance challenges can improve the health of Aotearoa New Zealand's flora and fauna, and ultimately our own wellbeing.

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1.0 Introduction

The Institute welcomes the opportunity to offer feedback on the *Exposure Draft of the Corporate Governance Code* (the *Draft Code)*, the 3 August 2022 *NZX Corporate Code Review* (the *Code Review*), the *Exposure Draft: ESG Guidance Note* (the *Draft ESG Guide*) and the 3 August 2022 *ESG Guidance Note Consultation Paper* (the *ESG Consultation*). Please note when we refer to the resulting document, we either include the word final in front (e.g. the final *Code*) or the full formal name (e.g. *Corporate Governance Code*).

This submission covers both the *Corporate Governance Code* and the *ESG Guidance Note.*

Our submission includes three separate documents.

1. **Document 1: Summary and Q&A (this document):**
   This document is the overarching document. It aims to provide a summary of the other two documents (mentioned below) and answer specific questions raised by NZX. Section 2.0 identifies some trends and emerging issues. Specific questions raised in the consultation are answered in Sections 3.0 (i.e. the *Code Review*, 7 questions) and 4.0 respectively (*ESG Consultation*, 4 questions).

2. **Document 2: Draft ESG Guide McGuinness tracked version:**
   The second document contains our suggested changes to the August 2022 *Draft ESG Guide.* Suggested changes to the *Draft Code* are discussed in this document but given the extent of the changes we are proposing, we thought a *Draft ESG Guide McGuinness tracked version* would enable NZX staff to easily understand what these changes might look and feel like in the final *ESG Guidance Note.*

3. **Document 3: Supporting evidence:**
   The third document contains recent research by the McGuinness Institute, as well as a list of recent developments, events and ideas that have come to our attention as a result of our continued scanning of the global reporting landscape. At one level it can be thought of as a journey through our observations and thoughts – what we have found interesting and of note. At another level it enables the Institute to have a record that in effect updates our 2020 *Report 17 – ReportingNZ: Building a Reporting Framework Fit for Purpose.*

Appendix 1 contains a list of recent reports published by the Institute that relate to this topic.

The Institute would like to thank the NZX management for actively seeking out better ideas and processes for improving and showcasing New Zealand's stock exchange on the international stage. By doing so, investors seeking trusted and sustainable investments are more likely to seek out companies listed on NZSX.

2.0: Trends and emerging issues

Below is a list of trends and emerging issues that broadly relate to the NZX's two invitations to comment. This is not a comprehensive list, but aims to provide a brief summary of significant developments and thoughts. Please read this in response to your invitation to provide additional feedback.

- **Start with s 221 'state of the company's affairs'**
  The legislation is an important area to start this dialogue from, in particular s 211 of the Companies Act 1993 (see Figure 1). It notes that the state of the company's affairs should be described in the annual report. This requirement is often overlooked, but we believe it could easily be expanded on and discussed in terms of the final *Code* and in particular, in relation to the final *ESG Guidance Note*.

  Figure 1: Companies Act 1993

  211 Contents of annual report

  (1) Every annual report for a company must be in writing and be dated and, subject to subsection (3), must—

  (a) describe, so far as the board believes is material for the shareholders to have an appreciation of the state of the company's affairs and will not be harmful to the business of the company or of any of its subsidiaries, any change during the accounting period in—

  (i) the nature of the business of the company or any of its subsidiaries; or

  (ii) the classes of business in which the company has an interest, whether as a shareholder of another company or otherwise; and

- **Keep in mind the evolution from Guidance Note to Corporate Governance Code to Listed Rules**
  ESG will be incorporated into the code and rules of stock exchanges around the world – it will become common practice in the short term. The main ESG standard setters will be those that trade in shares and bonds. They will drive ESG in order to try and create a competitive advantage for their products.

- **Shareholders and CEOs need checks and balances as well**
  There is a tripartite system of checks and balances. Shareholders own shares and elect the board of directors, and the board of directors set policies, hires (and fires) the CEO (who operates the company). The power balance among the three parties ebbs and flows over time. Currently, the board (and its members) are held accountable for the actions of the company, unlike the shareholders and the CEO (who figuratively and legally hide behind the board). We believe there may be opportunities in the *ESG Guidance Note* and the wider *Corporate Governance Code* to place additional checks and balances on shareholders and CEOs.

- **Climate reporting must focus issuers and investors on the risks, the transition and the 2050 goal**
  Climate-related risks, if discussed and reported upon by the board, will shape the quality and timing of the transition to net-zero carbon. The more quickly this can happen, the better it will be for the economy and for society in the long term. However, it does require good quality reporting by a large number of reporters, and ethical behaviour by preparers and users alike. Although the reporting is only mandatory for large listed issuers, we would like the NZX to consider making this mandatory for all issuers on the NZSX-listed board. We consider the reporting is not arduous and is socially responsible. NZX could become the first stock exchange to offer the market comprehensive climate reporting by all issuers. From a marketing perspective, when you are small you need to stand out and we consider this is one way NZX could stand out on a global stage. If this was considered to be too big a step, you could suggest all issuers not covered by the mandatory regime should comply-or-explain (explain in their annual report why they do not prepare a climate statement).

- **Extreme compounded climate events must be assessed and reported on**
  Climate risks need to be considered in terms of extreme compounded events. The tagline we are using in

our presentations is that we have thought of climate change in terms of hotter, colder, wetter or dryer – but we need to think of it in terms of magnitude, frequency, location, timing and combinations. We use the analogy that we should not be focused on the ingredients of the cake, but what the resulting cake might look like. We suggest that this approach should be added to the final *ESG Guidance Note*.

- **Issuers should clarify their level of confidence in climate data**
  Climate risks need to be considered in terms of confidence in the quality of the data and likelihood/magnitude of impact. Preparers of climate reports should think about the quality of data they are using and where uncertainties might exist. This could be written into the final *ESG Guidance Note*.

  Paragraph 125 of NZ IAS 1: Presentation of Financial Statements (see Figure 2) also makes it clear that entities should disclose assumptions they make about the future.

  Figure 2: Paragraph 125 of NZ IAS 1: Presentation of Financial Statements

  125 An entity shall disclose information about the assumptions it makes about the future, and other major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year. In respect of those assets and liabilities, the notes shall include details of:

  (a) their nature, and

  (b) their carrying amount as at the end of the reporting period.

- **Issuers should report on tax paid by country**
  The 'tax paid' figure in the financial statements does not report the tax paid by country. For example, many entities based in both New Zealand and Australia may in practice operate in both, but only pay tax in one. We propose that NZSX-listed companies be required to disclose in their annual report the tax paid by country, ideally in cash. Stakeholders and investors are increasingly likely to want to know if the company has a social licence to operate in New Zealand and how much tax it pays to the New Zealand government. For example, it was reported in March 2017 that Apple New Zealand Limited had not paid income tax to Inland Revenue for the previous decade and their accounts revealed that any income tax paid had been passed to the Australian Tax Office. This is a result of The Avoidance of Double Taxation treaty between Australia and New Zealand, in place since 2007, which permits companies to only pay tax where the company is controlled. As Apple Sales New Zealand is wholly owned by the Australian parent company, the income tax defaults to Australia.[1]

- **Issuers should be required to advise staff and shareholders where complaints can be filed, to the board in the first instance and to the NZ RegCo[2] in the second instance.**
  Whistleblowers are often staff (or ex-staff) and activists are increasingly becoming activist shareholders. Our view is that both will increase as environmental and social issues become more fraught unless we provide better complaint outlets or market existing outlets better. The NZ RegCo for example is not well known and if a person does decide to register a complaint, they have to agree not to raise it in public. Although this makes sense at one level, we wonder if stakeholders could also be allowed to register concerns with no strings attached.

- **Issuers should not publish pro forma data in result announcements or financial statements as it could be construed as misleading**
  Pro forma information should not be allowed in the financial statements or NZX result announcements. Further, if a preparer wishes to publish pro forma information in its annual report, it should be required to include a statement directly under the title (which must include the term 'pro forma') that this information is not audited and does not meet generally accepted accounting practice.

- **Auditor independence is becoming a key concern**
  This is discussed in the supporting evidence paper in some detail. We believe auditors of NZX-listed companies should be required to rotate auditors every five years.

- **The gap between market capitalisation and net assets is increasing**
  The implications are that the gap between reported value and actual value may result in accounting becoming less relevant, and the board (and its members) may find it difficult to sign off that the financial statements are representative of value. We suggest that the market capitalisation at year end must also be reported in the financial statements as a note. Although this is out of the domain of the NZX, we consider that there may be value in the NZX thinking how they might ensure market capitalisation is better considered and reported against.

- **Stakeholder capitalism and the 'for-profit and purpose entity' are increasingly important**
  Stakeholder capitalism is the idea that companies should have a 'sense of purpose' and work for the benefit of customers, employees, suppliers, and communities (not just shareholders). BlackRock CEO Larry Fink often espouses this view.[3] However, recently there has been a backlash against perceived woke capitalism, calling for firms to return to the focus on the bottom line. Increasingly companies are being asked to take a stand on public policy issues, such as the Black Lives Matter protests, abortion activists and the #MeToo movement.[4] Our view is that we are seeing the evolution of a new type of entity – one that sits between a for-profit entity and a not-for-profit, what could be described as a 'for-profit and purpose entity'. These entities are likely to engage in environmental and social policy issues in a new and innovative way.

- **Nature-based reporting is increasing**
  We are seeing business and finance organisations calling for nature-based reporting. Recent examples include the establishment of the *International Standards Sustainability Board* (ISSB) and the *Taskforce on Nature-related Financial Disclosures* (TNFD). There has also been a recent call for negotiators at COP15 to make assessment and disclosure on nature mandatory by 2030. An excerpt from the open letter states:

  > We are on a journey towards reducing negative impacts and increasing positive impacts by restoring and regenerating nature and we must accelerate our efforts. The Natural Capital Protocol, Science-Based Targets Network (SBTN), the Taskforce on Nature-related Financial Disclosures (TNFD), and many others are equipping us with the guidance, tools and methodologies to go further, faster. … At COP15 in Montreal, we call on you to adopt, in Target 15, mandatory requirements for large and transnational businesses and financial institutions to assess and disclose their impacts and dependencies on biodiversity, by 2030.[5]

3.0 Answers to the Code Review consultation questions

The Institute has developed a list of nine observations that go beyond the seven questions asked below. We believe all nine are necessary to position the NZX globally as a modern and dynamic stock exchange, enabling issuers to showcase their share offerings and evidence their high value proposition. Many of the observations below could also be revisited when the *Listing Rules* are next reviewed.

We believe that together or individually these observations could be included today in the *Code* and *ESG Guidance* to effectively strengthen the NZX *Listing Rules* in the near future.

Below are the nine specific observations that relate to a number of NZX documents:

1. **Climate reporting should be in the Listing Rules**

Climate reporting should be in the *Listing Rules*: Periodic Disclosure (it is more than ESG). It is now a mandatory requirement for some issuers to produce climate statements, and therefore this requirement should be incorporated into the *Listing Rules*. Further, climate reporting no longer solely represents environment or governance information. Climate information is critical information; it is essential that shareholders and potential investors (including banks etc) have access to timely information, especially during times of great uncertainty. Hence, our view is that all climate reporting, or at least for those now required to report, should be discussed in the *Listing Rules* (ideally the section Periodic Disclosure – Equity and Debt Securities). We were unable to find any reference to climate, the Task Force on Climate-Related Financial Disclosures (TCFD) or XRB climate standards in the *Listing Rules.*

2. **Carbon offset information should be in the Listing Rules**

Carbon offset information includes information such as what types of offsets are being used (e.g. ETS or some other voluntary mechanism), where they are located (e.g. address and area in New Zealand), who has verified them (e.g. has this been verified as meeting additionality requirements, and if yes, by whom), etc.

Similar disclosures have been included in the exposure draft of the XRB's NZ CS 1 (see Figure 3). As seen below, in addition to disclosures around greenhouse gas (GHG) emission targets, climate-reporting entities must also include the extent to which the target relies on offsets, whether the offsets are verified or certified, and if so, under which scheme or schemes. Though the disclosure requirements of the standard are still subject to change (before the final standard is issued in December 2022[6]), it is very likely that this requirement will remain. Therefore, the Institute considers that this should also be incorporated into the *Listing Rules* (Periodic Disclosure), similar to point 1 above.

Figure 3: External Reporting Board NZ CS 1 (Exposure Draft), p. 10

Targets

22. An entity must include the following information when describing the targets used to manage climate-related risks and opportunities, and performance against those targets (see paragraph 20(d)):
    - (a) the time frame over which the target applies;
    - (b) any associated *interim targets*;
    - (c) the *base year* from which progress is measured;
    - (d) a description of performance against the targets; and
    - (e) for each GHG emissions target:
        - (i) whether the target is an *absolute target* or *intensity target*;
        - (ii) whether the target is aligned with science, and if so, whether it has been validated by a third party; and
        - (iii) the extent to which the target relies on offsets, whether the offsets are verified or certified, and if so, under which scheme or schemes.

Many issuers are now reporting that they are net-zero, or becoming carbon-neutral.[7] From our preliminary review, the language used can be misleading and the offset instruments themselves may not be of sufficient quality. Issuers need to be aware of this so that they are not misled, and secondly so they do not accidentally mislead investors. As you will be aware, there is a lot of discussion in the United States about what 'additionality' means and the number of non-verified registers providing low-quality offsets. A useful website that explains this is the *Carbon Offset Guide*, which states:

> **Strategies for Avoiding Lower-Quality Offset Credits**
> As the prior sections make clear, carbon offset credits are not a typical commodity. Although carbon offset programs provide some assurance, purchasing high quality offset credits is not as simple as buying any 'certified' credit issued by an offset program. It is common to tell credit buyers to 'do their homework,' and indeed such advice is appropriate for organizations with the time and resources to do so. In this section, we describe both thorough and simpler strategies for steering clear of lower-quality offset credits.[8]

3. **Nature and purpose of the business should be specified in the Listing Rules**

Even though section 211 of the Companies Act 1993 is included in the *Listing Rules* (Para 3.7.1 below), it is not being checked, reviewed or followed up to ensure a clear statement of the purpose of the company is forthcoming. Given this is law, and NZX are responsible for managing the stock exchange, we believe this law should be enforced to ensure that it is contained in the annual report of every issuer. We think the *Listing Rules* (Periodic Disclosure) could go further and say something along the lines of:

The Chair's report in the annual report must make the following statements.

As required under s 211 of the Companies Act 1993, the Board makes the following statements:

(i) The state of [name of issuer] affairs is [xxxx] (this is addressed to the shareholders to help them appreciate any material impacts that the board believes shareholders should know)

(ii) The nature of the business of [name of issuer] or any subsidiaries of [name of issuer] is [xxxx], and this has changed/is the same as the previous accounting period.

(iii) The classes of business in which [name of issuer] has an interest, whether as a shareholder of another company or otherwise are as follows: [xxxx]

We would like to see a fourth statement added, a purpose statement, following the example of Patagonia (discussed in the supporting evidence paper), something like:

(iv) The purpose of [name of issuer] is [xxxx]

Importantly all these statements should be found in the same place, the Chairperson's report.

Figure 4: Companies Act 1993

3.7 **Contents of Annual Report**

3.7.1 The annual report of an Issuer of Quoted Equity Securities or Quoted Debt Securities must contain:

(a) the information required to be published by subpart 5 of Part 5 of the FMC Act and, in the case of a company registered under the Companies Act 1993, the information required by section 211 of that Act,

4. Political donations and other donations should be in the Listing Rules

Under s211(1)(h) of the New Zealand Companies Act 1993, NZSX-listed companies, along with other qualifying companies, are required to provide an annual report within which they must disclose 'the total amount of donations made by the company during the accounting period'. However, the Companies Act 1993 contains no specific reference to political donations. There is also no requirement in the *Listing Rules*, nor the *Corporate Governance Code*, for companies to disclose political donations or any other donations.

In 2021, the Institute published *Working Paper 2021/11 – Analysis of Donations and Political Donations in 2020 Annual Reports by NZSX-listed companies,* which aimed to understand the extent to which the reporting of donations and, in particular, political donations by NZSX-listed companies has changed over time. Tables 1 and 2 below provide a snapshot of the research results.

Table 1: The extent to which non-political donations are disclosed in the 2016–2020 annual reports of NZSX-listed companies

Source: *Working Paper 2021/11 – Analysis of Donations and Political Donations in 2020 Annual Reports by NZSX-listed companies*[9]

(i) Non-political Donations		
NZSX-listed companies	Annual reports that 'disclosed' non-political donations made	Annual reports that 'did not disclose' non-political donations made
2016 [126]	100 [79%]	26 [21%]
2019 [130]	102 [79%]	28 [22%]
2020 [130]	61 [47%]	69 [53%]

Table 2: The extent to which political donations are disclosed in the 2016–2020 annual reports of NZSX-listed companies

Source: *Working Paper 2021/11 – Analysis of Donations and Political Donations in 2020 Annual Reports by NZSX-listed companies*[10]

(ii) Political donations		
NZSX-listed companies	Political donations disclosed (all $0)	Annual reports that did not disclose political donations
2016 [126]	12 [10%]	114 [91%]
2019 [130]	12 [9%]	118 [91%]
2020 [130]	11 [8%]	119 [92%]

Due to the public accountability of NZSX-listed companies, as well as the importance for investors to be aware of such information, we believe that all NZSX-listed companies should be required to disclose political donations (as well as other donations) as a matter of good practice. Information disclosed could include: the full name of the donor, the donation amount, the date, whether the donation provided was funds or as expenditure (e.g. the preparation, publication or dissemination of advertising or other promotional or publicity material) and the name of the candidate and/or party that received the benefit. This could be progressed through the *Listing Rules* (Periodic Disclosure)or the *Corporate Governance Code*.

5. Financial and non-financial information distinction is no longer useful or relevant

The distinction between financial and non-financial information under Principle 4 of the *Code* adds unnecessary confusion and is best removed from all NZX documents. When writing our major *Project 2058* report – *Report 17: Building a reporting framework fit for purpose* (2020, p. 9), we found the dialogue confusing and difficult to align. We drew the following distinctions below.

1. A legal perspective: New Zealand legislation makes a clear distinction between entities that are required to prepare financial statements that comply with XRB accounting standards.

2. An accounting perspective: All entities that are required to prepare, file and obtain assurance over financial statements must self classify as either a public benefit entity (PBE) or a for-profit entity. If a PBE, they can then be classified as a not-for-profit PBE (NFP PBE) or a public sector PBE (PS PBE). If an entity does not classify itself as a PBE it is automatically classified as a for-profit entity. The classification determines the accounting standards required to be used by entities to report.

3. A public policy perspective: All entities can be divided into either the 'public sector' or the 'private sector'. This classification is based on whether the entity is funded from public funds (e.g. central or local government funds) or private funds (e.g. investors). This means registered charities are treated as part of the private sector. This seems confusing when considering that registered charities are treated as PBEs operating in the private sector.

4. An information perspective: All information can be divided into financial and non-financial information. The difficulty is that, in practice, financial statements contain both financial and non-financial information. For the purposes of this report the Institute has referred to financial statements (including notes) as financial information only, although we acknowledge there is a trend of an increasing number of notes being included in the financial statements.[11]

Our view is that a distinction between financial and non-financial information is not useful. For example, TCFD only relates to financial disclosures. Arguably, the second component of double materiality relates to non-financial information (see supporting information, Figure 5). Furthermore, the notes to the financial statements largely contain non-financial information (e.g. more narrative/explanation than figures).

Hence, we suggest that the distinction between financial and non-financial information is removed from Principle 4 in the *Code*, so it just refers to information. We suggest NZX aligns the narrative across the legal perspective in terms of the *Listing Rules*, the *Code* and the *ESG Guide*. This means that the following would be clearly set out in the *Listing Rules:*

- what is legally required in New Zealand law,
- what is not required in New Zealand law but is required for all issuers listed on the NZSX board or certain subsets of issuers (such as under the Climate Statement regime), and
- what the NZX suggests is good practice.

To illustrate the current dilemma in trying to draw a distinction between financial and non-financial reporting we note how the Financial Reporting Act 2013 states that financial reporting can include non-financial reporting – see the heading in s 17 below. This was necessary to get around this tricky issue. NZX could do the same, but we suggest this is not needed.

Figure 5: Financial Reporting Act 2013

17 Financial reporting standards may cover non-financial reporting

(1) A financial reporting standard may relate to reporting on—
 (a) an entity's performance; or
 (b) an entity's related party transactions; or
 (c) any other non-financial matter that directly relates, or is incidental or ancillary, to an entity's financial reporting; or
 (d) other non-financial matters authorised by an Order in Council made under subsection (2).

(2) The Governor-General may, on the recommendation of the Minister, by Order in Council,—
 (a) authorise the Board to issue financial reporting standards that relate to reporting on 1 or more of the following matters:
  (i) an entity's governance:
  (ii) an entity's strategic direction and targets:
  (iii) the social, environmental, and economic context in which an entity operates:
  (iv) any other matter relating to an entity's performance or position; and
 (b) specify conditions to which the authorisation is subject.

(3) The Minister may make a recommendation only if he or she is satisfied that it is desirable for standards referred to in subsection (2)(a) to be issued in order to provide for the integrated reporting of an entity's performance or position in terms of both financial and non-financial information.

6. Cyber-security attacks should be disclosed in the annual report

In the current world, with not just criminals but nation states[12] using cyber attacks to weaken infrastructure and reduce trust, we consider it is timely to instigate mandatory reporting of material cyber-security breaches and the amount of any money paid out as blackmail. Issuers are very vulnerable as they are the epitome of public accountability and trust, in order for the market to operate effectively. NZX has already discovered how targeted and significant these breaches can be; in 2020 a series of cyber-attacks included an attack on NZX.[13]

7. Risk reporting, in particular combinations of risks, must be better addressed
Principle 6 of the *Code* discusses risk management. This area is weak despite its importance. For example, it does not require the issuer to report the number of deaths or serious injuries in a reporting year (e.g. recommendation 6.2). See also compound climate risks discussed in the supporting paper, p. 4.

8. Director independence and auditor independence is critical
Director independence and auditor independence are critically important and should dominate the narrative throughout all NZX documents; the *Listing Rules*, the *Code* and the NZX guidance documents
See discussion in the supporting paper on pp. 24 (director independence) and 26 (auditor rotation). In practice, shareholders and bankers expect independent directors to audit from inside the board while the auditor audits outside the board. There are many different permutations that could be established as rules and guides – for example, requiring at least two independent directors of which one has only been on the board for five years or less.

9. Monitoring and reporting against Rules and Guidance is essential
We remain concerned that the *Listing Rules*, *Code* and *ESG Guidance* and other guides are not well regulated or reported against. This may simply be an incorrect perspective from the outside looking in; but we do wonder whether an annual report by NZX on any issues by an issuer would act as a way of providing the NZX with more teeth and giving prospective investors more confidence that the NZX is an example of best practice – being transparent when things go wrong. The reality is the level of uncertainty and conflicts of interests are likely to only increase in the short term – hence, reporting as we go could be a very useful mechanism for all concerned. Please also consider requiring issuers to report penalties and/or breaches of behaviour against the NZX *Listing Rules* or *Code* in their annual report. For example, see the dispute between Nuplex Industries and Auckland Council.[14]

1) Do you consider it appropriate for issuers to disclose their practices in relation to providing employees with training in relation to their Code of Ethics, including the frequency of that training?

We are concerned this may be too onerous and instead recommend the following:
1. Require the issuer's Code of Ethics to be signed by all the Board,
2. Require the Board to sign the Code of Ethics annually,
3. Require the latest annual Code of Ethics to be placed on the entity's website and the NZX website, and
4. Require the Board to prepare a report on complaints against the Code of Ethics annually (in general terms, so that lessons are learned) and table this report at the annual general meeting.

We believe the *Code of Ethics* should include a requirement for issuers to train employees in the company's *Code of Ethics* and be made aware of the NZ RegCo protocols every calendar year.

2) Are the costs involved for issuers providing access to their employees to third-party whistleblowing services proportionate to the benefits of those services?

The Institute absolutely supports the need for whistleblowing services and believes that the benefits of such services outweigh the costs associated with developing and running those services. The potential financial and reputational losses that might arise from a lack of robust and accessible whistleblowing services could be permanently damaging. Global examples include Carillion, Exxon and Wirecard.

The Institute questions why third-party services are discussed given (as we understand it) that NZ RegCo was established to invite, register and inquire into complaints at no cost to the person making the complaint. The Institute suggests that the NZX prioritises raising awareness and better marketing of NZ RegCo as the primary instrument for whistleblowing services, rather than involving third parties.

As noted above, the NZX could require NZ RegCo to be included in the *Code of Ethics* of all issuers to make it clear where and how this service can be accessed. Furthermore, checks and balances should be built into NZ RegCo to ensure that it remains fit for purpose and accessible for those that require the service.

Lastly, we consider a person should not be obliged to remain quiet about the issue until the inquiry is finished. We suggest that two options could be provided to people raising a complaint – complete confidentiality with strings attached (i.e. not to talk about the complaint) or simply registering a concern with no strings attached (i.e. able to talk about the complaint).

3) Do issuers have any concerns with the revised recommendation that the issuer discloses its reasons for determining a director to be independent in the presence of a *Code* factor?

The Institute believes this is one of the most important aspects of corporate governance, and as such, deserves careful consideration and a great deal of clarity over when a director is no longer independent.

The Institute believes that what is being proposed is a very weak solution. We suggest that instead of the Board being required to disclosure 'its reasons for a determination of director independence when one of the factors contained in the Code commentary is present' (see question 4 below) that the Board make the following or similar statement:

> That the Board has unanimously agreed that the member is an independent director and that no other members of the Board are unaware of any issue, obligation or conflict that may raise concerns by external parties (or similar). In making this statement each member of the Board has read the factors listed in the Code that may impact a director's independence. In cases where one or more of the factors are present, the Board member is no longer considered independent.

Please note we have reduced and tightened up the factors in answer to question 4 below.

4) Do you have any comments in relation to the amendment to the factors described in the *Code*?

Figure 6 below shows the factors being proposed. We suggest these should be tightened considerably. Here is our suggestion:

- No close social or family (including in-law) connections with any other members of the Board.
- No material business relationship or contractual relationship (other than as a director) with the issuer in the last 10 years.
- Not a substantial product holder or associated with a product holder in the last 5 years.
- Not a former director.

- Not a former staff member.
- Not a former auditor or service provider or supplier to the issuer.

Figure 6: Factors that may impact a director's independence
Source: *Draft Code*, Recommendation 2.4

Examples of fFactors that may ~~impact a director's~~ cause a board to determine that a director is not independentnce include that the director:

- ~~being~~ is currently, or was within the last three years, employed in an executive role by the issuer, or any of its subsidiaries, ~~and there has not been a period of at least three years between ceasing such employment and serving on the board~~;
- is currently deriving, or within the last 12 months derived a substantial portion of his, her or their annual revenue from the issuer;
- is currently, or was within the last 12 months, ~~holding~~ in a senior role in a provider of material professional services (other than an external auditor) to the issuer or any of its subsidiaries;
- is currently, or was within the last three years, employed by the external auditor to the issuer, or any of its subsidiaries;
- ~~a~~ currently has, or did have within the last three years, a material business relationship (e.g. as a supplier or customer) with the issuer or any of its subsidiaries;
- is a substantial product holder of the issuer, or a senior manager of, or person otherwise associated with, a substantial product holder of the issuer;
- is ~~a~~ currently, or was within the last three years, in a material contractual relationship with the issuer or any of its subsidiaries, other than as a director;
- has~~ving~~ close family ties or personal relationships (including close social or business connections) with anyone in the categories listed above;
- has~~ving~~ been a director of the entity for a period of 12 years or more. l~~ength of time that may compromise independence~~.

In our opinion, a tenure length of 12 years is too long between assessing the independence of directors, and while some companies may elect to conduct this assessment more frequently, the recommendations provided by the NZX could be stronger to encourage all NZSX-listed companies to evaluate independence within a shorter time frame.

5) What is the utility of information relating to an issuer's succession planning arrangements for its board, are there any difficulties that issuers face in providing this information?

As we are not an issuer, we have decided not to respond to this question.

6) Should executive directors be able to sit on an issuer's Remuneration Committee?

No. The Institute believes that because executive directors are 'staff', they should not be able to sit on remuneration committees. This opinion stems from the conflict of interest that would likely occur if executive directors have influence over remuneration matters. However, if it is decided that directors can sit on remuneration committee, we suggest the following caveats:

- Strengthen regulations on reporting of a company's remuneration policy. This should, at the very least, include the requirement for a company's disclosure of its remuneration policy to be located within its annual report.

- Decide on a clear definition of remuneration that the NZX will use.

- Clearly differentiate executive director remuneration from non-executive director remuneration.

- Introduce a potential remuneration cap that considers proportionalities between payments that executive directors and non-executive directors receive.

7) What difficulties will issuers in the S&P/NZX 20 Index face in reporting against a target over a specified period for its board to be comprised of persons 30% of whom are male and 30% of whom are female, noting the comply or explain nature of this recommendation?

The Institute supports diverse board structure but prefers it to be achieved from a 'ground-up' approach (i.e. shareholder and stakeholder driven). Specifically, we suggest that if boards fail to reach the diversity targets stipulated, then they should be exempt only on a comply-or-explain basis. For more information, see the recent California case discussed in the Supporting Evidence document.

4.0 Answers to ESG Consultation questions

The Institute has made a number of observations that were easier to illustrate than describe in text. Given this we have added tracked changes to the proposed draft and created a new document titled *Draft ESG Guide McGuinness tracked version*. The high-level observations are summarised below, but are best read while scrolling through the tracked copy.

1. Change the structure so commitments are first (before ESG factors) and include national commitments as well as global commitments – see suggested table of contents overleaf.
2. Have a separate section for ESG factors (moved further down the document), and identify general ESG factors and more specific ESG factors. Keep these voluntary but give guidance, perhaps by adding an asterisk to the PRI table or creating your own table. Note climate change is not on the PRI table and if we were to add it, it would be under governance, as it is much bigger than solely the environment.
3. Add new factors such as reporting on political donations and tax paid to New Zealand to be reported separately.
4. Suggest all ESG information is required to be reported in either the issuers annual report or the issuers corporate governance report. The cost to the issuer is the same but the value to the user is much improved though easier access.
5. Require climate statement reporting (but as we understand it that would need to be stated in the *Code*). Remove TCFD detail and just discuss generally (see our example). Place the focus on XRB climate standards. Have an FAQ in this section as it's new and there are lots of questions.
6. Remove Green Bonds text. If you do this we suggest you broaden the guide to something like a Green Instruments Guide (we suggest you talk with Dr David Hall).
7. Remove duplication with XRB (e.g. see glossary).

1) What are the greatest challenges faced by issuers in providing ESG information to investors and other stakeholders?

We believe over time, new and emerging trends will become part of the *ESG Guidance Note* (i.e. voluntary) and that some of these will become mainstream via the *Corporate Governance Code* (i.e. a comply or explain regime), whereas a few may go on to become a requirement in the *Rules* (i.e. mandatory). In this regard, guidance should be thought of as 'soft' or potential rules that aim to provide as much clarity and structure as possible. In addition, during times of major change, there may be a great deal of fluidity between guidance, comply-or-explain and mandatory regimes. We consider that we are currently experiencing a great deal of environmental and social change and that this is leading to changes and expectations over what governance information is appropriate. Although the Institute is not an issuer, we consider the greatest challenge faced by issuers is the pace of change and the wide range of expectations portrayed by users.

Although this question only asks this question from an issuer perspective, we suspect that it would have been interesting to ask what users of ESG information consider their greatest challenges. Here is our tentative list from a user perspective; it is difficult to know:

- what processes and measurement methods an issuer has adopted when providing ESG information
- what level of confidence the user can have in the information provided (e.g. has it been audited, does the CEO/Board have confidence in the information provided)
- whether the information is comparable with other issuers in the same industry or other industries
- the values and purpose of the issuer (as they are likely to shed some light onto what the issuer thinks is important in providing ESG information)
- to what extent is the information green-wash (i.e. an unsubstantiated claim to deceive investors into believing that an issuers products are environmentally friendly or have a greater positive environmental impact than what is true)[15]

- to what extent is the information culture-wash (similar to green-wash but deceives an investor into thinking they are culturally sensitive, supportive of LGBTQ or women's rights etc).

We therefore consider the greatest challenge faced by preparers of ESG information is to ensure they provide information that is useful, relevant and able to be trusted. This means they need to be transparent over their processes and, in cases where information is particularly important, independently verifiable.

2) The Guidance Note recognises that issuers have the flexibility to adopt an ESG reporting framework that is appropriate for their circumstances, and identifies three global frameworks that are commonly used (Global Reporting Initiative (GRI), Integrated Reporting Framework, and UN Global Compact).

a) Should NZX provide more specific guidance as to a preferred global framework?

No, the NZX should not provide more specific guidance as to a preferred global framework. ESG reporting is evolving rapidly. Providing more specific guidance may mean the guide quickly becomes outdated.

Three recent publications shed some light as to the general direction.

The first is the 2020 OECD report *ESG Investing: Practices, Progress and Challenges*. The report provides an overview of the concepts within ESG reporting, as well as conducting a quantitative analysis on both the progress that has been made and the challenges that remain.[16] The analysis produces a number of considerations in five key areas that the OECD believes would be helpful in attaining global consistency, including the consistency, comparability and quality of core metrics, and levelling the playing field of ESG disclosure and ratings across large and small issuers. For example, the OECD states that 'greater consistency, comparability and quality could be achieved by greater attention to levels of core metrics that apply to all issuers, and tiers of metrics within sectors and industries'.[17] As such, core metrics that form the heart of ESG reporting, regardless of industry, should be confirmed and standardised.[18]

The second is the 2020 World Economic Forum report *Measuring Stakeholder Capitalism Towards Common Metrics and Consistent Reporting of Sustainable Value Creation*.[19] The report recommended a universal set of material ESG metrics and disclosures for companies (see p. 6).

The third is the 2018 report authored by the UN Principles for Responsible Investment (PRI) and the International Corporate Governance Network (ICGN), which suggests that no single solution, framework, or set of metrics will satisfy all issuers and users of ESG information. They concluded the current ad hoc solution was still workable.[20] The paper notes that even though ESG issues are endogenous and difficult to standardise, the reporting of general ESG information would provide shareholders and stakeholders with greater comparability between issuers, yet enable customised ESG reporting that is more specific to the entity to be forthcoming. Such an approach suggests that standard setters and guidance providers should help preparers identify general ESG factors as well as specific ESG factors (as indicated in the August 2022 *Draft ESG Guide*, p. 4: ESG Reporting Factors).

b) Are the frameworks referred to in the Guidance Note appropriate?

Yes, *Working Paper 2021/04 – Reviewing Voluntary Reporting Frameworks Mentioned in 2018 – 2020 Annual Reports* found that two of the three frameworks mentioned above were among the most commonly used in 2020 annual reports from NZSX-listed companies (see pp. 11–12). These were Integrated Reporting (IIRC/IR) and the Global Reporting Initiative (GRI). The one framework that was not commonly used in 2020 annual reports was the UN Global Compact (UNGC). We know very little about this framework and suggest you may like to swap it with B Corp (discussed directly below).

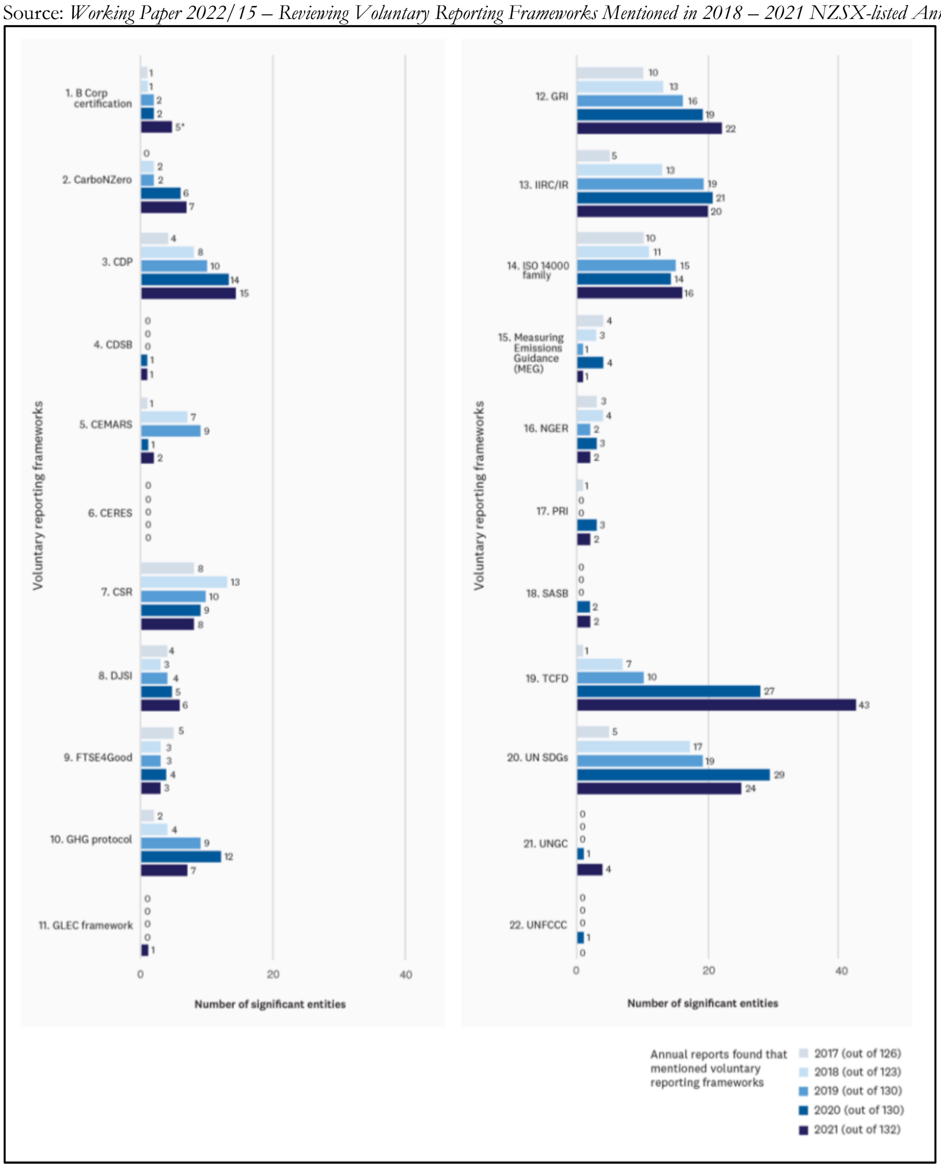
c) Are [there] any additional frameworks not mentioned in the Guidance Note that issuers should consider reporting against?

Yes. The Institute annually assesses the extent to which a range of public and private entities mention and/or report against recognised international reporting frameworks/instruments in their annual reports. The initial aim of this research was to provide useful data and insight regarding the need to establish a mandatory (comply-or-explain) climate-related reporting regime in New Zealand. Now, more generally, the research aims to contribute to a dialogue on how New Zealand might manage risks and maximise opportunities.

Working Paper 2021/04 – Reviewing Voluntary Reporting Frameworks Mentioned in 2018 – 2020 Annual Reports found that the UN Development Goals (UN SDGs), ISO 14000 family, CDP and GHG protocol were also commonly used in 2020 annual reports, and should be considered for reporting.

Working Paper 2022/15 – Reviewing Voluntary Reporting Frameworks Mentioned in 2018 – 2021 NZSX-listed Annual Reports found that in addition to the frameworks mentioned above, B Corp certification is increasing in popularity. There are currently 204 B Corp registrations in New Zealand.[21] B Corp (B Corporations) is a certification available to businesses that meet high standards of social and environmental performance, public transparency and legal accountability to balance profit and purpose.[22] B Corp was mentioned in the 2021 annual report of six NZSX-listed companies. In 2020 it was mentioned in two annual reports. See the results of this research in Figure 7 overleaf.

Figure 7: Mention of 22 voluntary reporting frameworks in the annual reports of NZSX-listed companies from 2017 to 2021
Source: *Working Paper 2022/15 – Reviewing Voluntary Reporting Frameworks Mentioned in 2018 – 2021 NZSX-listed Annual Reports*[23]



Four entities on the NZSX main board had received B Corp certification (as at 2022):

1. Comvita Limited (see 2021 annual report)
2. Kathmandu Holdings Limited (see 2020 and 2021 annual reports)
3. Greenfern Industries*
4. Synlait Milk Limited (see 2020 and 2021 annual reports)

* Note: Greenfern Industries Limited (another NZSX-listed company that is a B Corp Certified company[24]) has been excluded from the 2021 B Corp total of five as presented in Figure 4 because the entity did not publish a 2021 annual report.

Two entities had mentioned B Corp certification, but in relation to other B Corp-certified entities:

1. Australia and New Zealand Banking Group Limited (see Figure 8 below)
2. Westpac Banking Corporation (see Figure 9).

Figure 8: Australia and New Zealand Banking Group Limited 2021 Annual Report[25]

HIGHLIGHT

Executing on innovative sustainable finance deals

ANZ customer, Wesfarmers, issued the first Sustainability-Linked Bond (SLB) in June 2021 into the Australian medium-term note market. The sustainability-linked bond commits Wesfarmers to key sustainability targets.

As part of the transaction, Wesfarmers has committed to obtain all of the electricity volume requirements for its Bunnings, Kmart Group and Officeworks retail businesses from renewable sources by the end of 2025. The company has also committed to limit the average emissions intensity of its ammonium nitrate production plant to 0.25 tonne of carbon dioxide equivalent (CO_2e) per tonne produced by the end of 2025.

In May 2021, ANZ Bank New Zealand partnered with **Kathmandu Holdings Limited** to establish a syndicated $100 million Sustainability-Linked Loan (SLL) facility, the largest syndicated SLL in the New Zealand market to date.

Kathmandu's SLL will be measured against a reduction in greenhouse gas emissions, B Corp certification, and improving the transparency, wellbeing and labour conditions for workers in its supply chain.

Kathmandu Holdings Group CFO Chris Kinraid commented: "Sustainability is in our DNA and is a core foundation of the Group, linking our financial arrangements to our sustainability goals made perfect sense. It reinforces to our shareholders and stakeholders that we are committed to sustainability across all aspects of our Group".

ANZ worked with both Wesfarmers and Kathmandu to structure their deals in line with market best practice, ensuring targets set were ambitious and material.

Figure 9: Westpac Banking Corporation 2021 Annual Report[26]

Backing diverse business and social enterprise

Through our supplier inclusion and diversity program we support a variety of suppliers including Aboriginal and Torres Strait Islander businesses, social enterprises, Australian Disability Enterprises, women-led businesses and businesses with a B-corps certification. Despite some large contracts coming to an end and COVID-19 restrictions impacting some activities, in FY21 we spent $11.6 million with diverse suppliers.

3) Do you agree with the deletion of the section of the Guidance Note [*Draft ESG Guide*] that relates to Green Bonds? Should NZX publish bespoke guidance in this area?

Yes, the Institute agrees with removing all text relating to Green Bonds from the *ESG Guidance Note*.

If you decide to progress a separate guide, you may find the article by Annabell Chartres (PWC) (posted on the Pure Advantage website) useful. She states:

> **Green bonds**
> Green bonds are a well-established financial instrument with popularity and use growing both worldwide and within New Zealand. The key difference between a traditional bond and a green bond is that a green bond is issued for the purpose of funding a project or investment which drives a defined environmental benefit. Internationally, green bonds are predominantly used for funding 'green infrastructure' such as energy efficient or green star rated buildings or infrastructure for the generation of renewable energy.
>
> New Zealand's nascent green bond market is following a similar pattern with issuers such as Auckland Council, Argosy Property and Contact Energy issuing bonds to refinance electric trains and cycleways, fund the construction of certified green buildings and establish renewable power generating assets. The issue of a green bond for the purpose of establishing or regenerating natives forests would work in the same way. The bond would be issued to fund the seedlings, labour and maintenance of the forest and the issuer would need to evidence the positive environmental impact of the forest to bond holders. Throughout the life of the bond, issuers would be expected to validate the credibility of those impacts by getting independent assurance or verification of performance, an evaluation or credit rating from a ratings agency, or formal certification from external parties such as the Climate Bonds Initiative.[27]

If you decide to progress a guide, we suggest you contact Dr David Hall at AUT. Hall discusses a range of green instruments in a 2021 paper, *Biodiversity Instruments*.[28] Our view is that this is currently a specialist area and green bonds should be well understood before preparing a guide – perhaps a guide called Green Instruments might be better. Hall is well placed to comment on the range of instruments currently available and how they might evolve.

4) Are there any other matters that you consider should be addressed in the Guidance Note?

Yes, see the following.

More clarity is required in terms of how TCFD and NZX might work together
For example, are issuers expected to prepare both? We suggest the section on TCFD should be removed as it creates unnecessary confusion. It is a tough call, but we expect the IASB and the ISSB will create standards that cover many of the aspects covered by TCFD. We suggest NZX point issuers to XRB, as standards and policies will change and as the standard setter they are in the best position to navigate and shape guidance . NZX comments should only be on topics where issuers require information but guidance is not provided by XRB. For everyone's sake, we hope that gap is minimal or fixed by XRB as quickly as possible.

Suggest to all issuers that they voluntarily prepare climate reporting using XRB climate standards
If we wish Aotearoa New Zealand to become a climate-intelligent country, we need to not only create climate-intelligent markets, but also enable investors, bankers, suppliers, consumers and other stakeholders to become climate-intelligent. Ensuring equality and ease of access to data is one way we can facilitate the early identification of stranded assets, and contribute to a just transition. For more discussion refer to pp. 12 and 13 of this paper.

Appendix 1: McGuinness Institute publications relevant to our Policy Project: ReportingNZ

Date	Publication Type	Publication Title	Link
In progress	Working paper	*Working Paper 2022/13 – Analysis of COVID-19 wage subsidy in 2020 Annual Reports by NZSX-listed companies*	N/A (in progress)
In progress	Working paper	*Working Paper 2022/12 – Analysis of NZSX-listed companies in terms of market capitalisation and net assets in their 2018-2021 annual reports*	N/A (in progress)
In progress	Working paper	*Working Paper 2022/11 – Analysis of Non-IFRS information in 2020 Annual Reports by NZSX-listed companies*	N/A (in progress)
Sep 2022 (Final draft)	Submission	*Aotearoa New Zealand Climate Standards Climate-related Disclosures: Exposure Drafts*	https://www.mcguinnessinstitute.org/wp-content/uploads/2022/09/20220928-McGuinness-Institute-Final-Submission-XRB-Aotearoa-New-Zealand-Climate-Standards.pdf
Sep 2022 (Final draft)	Working paper	*Working Paper 2022/14 – Reviewing TCFD information in 2017–2021 reports of NZSX-listed companies*	https://www.mcguinnessinstitute.org/wp-content/uploads/2022/10/20221011-1058am-WP-2022-14.pdf
May 2022	Working paper	*Working Paper 2022/10 – New Zealand King Salmon key documents 2012–2022*	https://www.mcguinnessinstitute.org/wp-content/uploads/2022/05/20220513-0353pm-WP-2022-10-NZKS.pdf
May 2022	Discussion paper	*Discussion Paper 2022/02 – New Zealand King Salmon Case Study: A financial reporting perspective*	https://www.mcguinnessinstitute.org/wp-content/uploads/2022/05/20220525-330pm-NZKS-.pdf
Dec 2021	Working paper	*Working Paper 2021/09 – Analysis of Climate Change Reporting in the Public and Private Sectors*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/12/20211210-445pm-WP-2021-09.pdf
Dec 2021	Working paper	*Working Paper 2021/04 – Reviewing Voluntary Reporting Frameworks Mentioned in 2018 – 2020 Annual Reports*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/12/20211210-430pm-WP-2021-04.pdf
Nov 2021	Submission	*XRB's Governance and Risk Management (NZ CS 1)*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/12/20211203-13-Dec-5.30pm-Submission-to-XRB-on-Climate-related-DisclosuresFINAL.pdf
Nov 2021	Discussion paper	*Discussion Paper 2021/04 – An Accounting Dilemma: Does a commitment to purchase offshore carbon credits create a requirement to disclose that obligation in the financial statements of the New Zealand Government?*	https://www.mcguinnessinstitute.org/wp-content/uploads/2022/02/20220202-0947am-DP-2021-04-Interactive.pdf
Nov 2021	Working paper	*Working Paper 2021/15 – Looking for a taxonomy for Aotearoa New Zealand's oceans*	https://www.mcguinnessinstitute.org/wp-content/uploads/2022/02/20220201-0301pm-WP-2021-15-Interactive.pdf
Nov 2021	Working paper	*Working Paper 2021/14 – The Role of Ocean Water Temperature in Climate Change Policy – A New Zealand King Salmon Case Study*	https://www.mcguinnessinstitute.org/wp-content/uploads/2022/02/20220201-0253pm-WP-2021-14-Interactive.pdf
Oct 2021	Working paper	*Working Paper 2021/13 – Analysis of Priorities mentioned in Minister of Finance Budget speeches since 2006*	https://www.mcguinnessinstitute.org/wp-content/uploads/2022/02/20220201-0248pm-WP-2021-13-Interactive.pdf
Oct 2021	Submission	*Oral Submission on Natural and Built Environments Bill Parliamentary paper on the exposure draft*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/12/20210913-McGuinness-Insitute-Oral-Presenation-10-September-2021.pdf
Sep 2021	Working paper	*Working Paper 2021/11 – Analysis of Donations and Political Donations in 2020 Annual Reports by NZSX-listed companies*	https://www.mcguinnessinstitute.org/wp-content/uploads/2022/02/20220201-0245pm-WP-2021-11-Interactive.pdf
Aug 2021	Working paper	*Working Paper 2021/07: Appendix 2 – Climate Scenario Bibliography*	https://www.mcguinnessinstitute.org/wp-content/uploads/2022/02/20220128-0348pm-WP-2021-07-Appendix-2-with-cover.pdf

Date	Publication Type	Publication Title	Link
Aug 2021	Working paper	*Working Paper 2021/07: Appendix 1 – Climate-related terms in Aotearoa New Zealand and international literature*	https://www.mcguinnessinstitute.org/wp-content/uploads/2022/02/20220128-0350pm-WP-2021-07-Appendix-1-with-cover.pdf
Jul 2021	Submission	*Submission in response to the International Financial Reporting Standards Foundation (IFRS)*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/12/20210808-McGuinness-Institute-NZ-Submission-in-response-to-IFRS-FINAL.pdf
Jun 2021	Submission	*Oral Submission on Financial Sector (Climate-related Disclosures and Other Matters) Amendment Bill*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/07/20210625-Oral-Submission-FINAL-Financial-Sector-Amendment-Bill-McGuinness-Institute.pdf
Jun 2021	Working paper	*Working Paper 2021/06 – Reviewing TCFD information in the 2017–2020 Annual Reports of NZSX-listed companies*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/12/20211214-1207pm-WP-2021-06-Interactive.pdf
May 2021	Submission	*Financial Sector (Climate-related Disclosures and Other Matters) Amendment Bill*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/10/20210528-FINAL-25-June-Financial-Sector-Amendment-Bill-Submission-McGuinness-Institute-5-Oct-1.pdf
Apr 2021	Working paper	*Working Paper 2021/02 – List of Government Department Strategies as at 31 December 2020*	https://www.mcguinnessinstitute.org/wp-content/uploads/2022/04/20220407-345pm-Working-Paper-2021-02-GDS-List.pdf
Apr 2021	Working paper	*Working Paper 2020/12: - An analysis of the responses to the 'Open Letter to District Health Boards (dated 25 March 2020)'*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/08/20210401-1pm-WP-2020-12.pdf
Mar 2021	Submission	*He Pou a Rangi Climate Change Commission 2021 Draft Advice for Consultation*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/06/20210328-McGuinness-CCC-Submission-updated-cover.pdf
Feb 2021	Submission	*Marlborough District Council – Variation 1: Marine Farming and Variation 1A: Finfish Farming*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/03/20210304-McGuinness-Institute-submission-FINAL1.pdf
Dec 2020	Other publication	*Nation Dates, Fourth Edition: Timelines of significant events that have shaped the history of Aotearoa New Zealand*	https://nationdatesnz.org/
Dec 2020	Working paper	*Working Paper 2020/11 – A List of Coalition Agreements and Support Agreements since 1996*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/08/20210716-1.42pm-WP-2020-11-Interactive-3.pdf
Dec 2020	Working paper	*Working Paper 2020/10 – A List of Royal Commissions since 1868*	https://www.mcguinnessinstitute.org/wp-content/uploads/2022/04/20220426-11am-WP-2020-10.pdf
Nov 2020	Working paper	*Working Paper 2020/09 – A Forestry-Centric Investigation of the New Zealand Emissions Trading Scheme*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/08/20210729-12.03pm-WP-2020-09-Interactive-2.pdf
Sep 2020	Working paper	*Working Paper 2020/08 – Analysis of the 2017 Labour-Green Party Confidence and Supply Agreement, three years on*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/09/20210914-3.08pm-WP-2020-08-3-Interactive.pdf
Sep 2020	Working paper	*Working Paper 2020/07 – Analysis of the 2017 Labour-New Zealand First Coalition Agreement, three years on*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/12/20211220-0925am-WP-2020-07-Interactive.pdf
Jul 2020	Working paper	*Working Paper 2020/06 – Letter to the Minister on AgResearch's approval for GM animals in light of pandemic risk*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/08/20210809-11am-WP-2020-06-2.pdf
Jun 2020	Project 2058 report	*Report 17 – ReportingNZ: Building a Reporting Framework Fit for Purpose*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/06/20210621-4pm-Report-17-WEB.pdf

Date	Publication Type	Publication Title	Link
Jun 2020	Working paper	*Working Paper 2020/05 – Reviewing Voluntary Reporting Frameworks mentioned in 2019 Annual Reports*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/08/20210722-10.22am-WP-2020-05-Interactive-2.pdf
Jun 2020	Working paper	*Working Paper 2020/04 – Analysis of Climate Reporting in the Public and Private Sectors*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/08/20210729-9.01am-WP-2020-04-Interactive-2.pdf
Jun 2020	Working paper	*Working Paper 2020/03 – Reporting Requirements of Five Types of Entities*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/09/20210914-2.55pm-WP-2020-03-Interactive.pdf
May 2020	Survey	*Survey Insights: An analysis of the 2020 NZNO PPE Survey*	https://www.mcguinnessinstitute.org/wp-content/uploads/2020/05/20200518-Survey-Insights-An-analysis-of-the-2020-NZNO-PPE-Survey.pdf
May 2020	Working paper	*Working Paper 2020/02 – The Role of a Directors' Report: An analysis of the legislative requirements of selected Commonwealth countries*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/08/20200611-WP-2020-02-Interactive-3-.pdf
May 2020	Legal opinion	*2020/01 – Obligations on directors to report risk in New Zealand annual reports under the Companies Act 1993*	https://www.mcguinnessinstitute.org/wp-content/uploads/2020/06/20200609-Legal-Opinion-2020.01.pdf
Apr 2020	Working paper	*Working Paper 2020/01 – Analysis of options if P2/N95 masks are no longer available*	https://www.mcguinnessinstitute.org/wp-content/uploads/2021/08/20210719-4pm-WP-2020-01-Interactive-4.pdf
Mar 2020	Submission	*Marlborough District Council U160675: The New Zealand King Salmon Co Limited (NZKS) and Te Atiawa o Te Waka-a-Maui Limited*	https://www.mcguinnessinstitute.org/wp-content/uploads/2020/04/20200409-NZKS-RC-U160675-.pdf
Jan 2020	Submission	*Climate Change Response (Emissions Trading Reform) Amendment Bill*	https://www.mcguinnessinstitute.org/wp-content/uploads/2020/02/20200211-McGuinness-Insititute-Submission-on-CCR-Emissions-Trading-Reform-Amendment-Bill.pdf
Dec 2019	Submission	*Climate-related financial disclosures Understanding your business risks and opportunities related to climate change*	https://www.mcguinnessinstitute.org/wp-content/uploads/2020/02/20200226-FINAL-McGuinness-Institute-Climate-related-financial-disclosures-Submission.pdf
Dec 2019	Submission	*The New Zealand King Salmon Co Limited (U190438) North of Cape Lambert, North Marlborough*	https://www.mcguinnessinstitute.org/wp-content/uploads/2019/12/20191220-NZKS-Application-U190438-FINAL.pdf
Dec 2019	Survey	*Survey Insights: An analysis of the 2019 Task Force on Climate-related Financial Disclosures (TCFD) survey*	https://www.mcguinnessinstitute.org/wp-content/uploads/2019/12/20191218-Survey-Insights-An-analysis-of-the-2019-TCFD-survey.pdf
Nov 2019	Submission	*Submission to Environment Select Committee on the Resource Management Act Amendment Bill*	https://www.mcguinnessinstitute.org/wp-content/uploads/2019/11/Resource-Management-Act-Amendment-Bill-submission-FINAL.pdf
Oct 2019	Discussion paper	*Discussion Paper 2019/01 – The Climate Reporting Emergency: A New Zealand case study*	https://www.mcguinnessinstitute.org/wp-content/uploads/2019/11/20191114-Discussion-Paper-FINAL.pdf
Sep 2019	Think piece	*Think Piece 32 – Exploring Ways to Embed Climate Reporting in the Existing Framework*	https://www.mcguinnessinstitute.org/wp-content/uploads/2019/10/20191014-Think-Piece-32-.pdf
Sep 2019	Working paper	*2019/06 – Analysis of Climate Change Reporting in the Public and Private Sectors*	https://www.mcguinnessinstitute.org/wp-content/uploads/2019/10/20191003-Working-Paper-201906-FINAL.pdf
Sep 2019	Working paper	*2019/05 – Reviewing Voluntary Reporting Frameworks Mentioned in 2017 and 2018 Annual Reports*	https://www.mcguinnessinstitute.org/wp-content/uploads/2020/06/20191003-Working-paper-2019.05-FINAL.pdf

Date	Publication Type	Publication Title	Link
Sep 2018	Working paper	*2018/04 – Legislation Shaping the Reporting Framework: A compilation*	https://www.mcguinnessinstitute.org/wp-content/uploads/2018/10/20181010-Working-Paper-2018%EF%80%A204-%E2%80%93-5.30-pm.pdf
Jul 2018	Working paper	*2018/03 – Analysis of Climate Change Reporting in the Public and Private Sectors*	https://www.mcguinnessinstitute.org/wp-content/uploads/2018/10/20181029-Working-Paper-2018%EF%80%A203-cover-4.30-pm.pdf
May 2018	Working paper	*2018/02 – Civics and Citizenship Education in New Zealand Schools: Current state*	https://www.mcguinnessinstitute.org/wp-content/uploads/2018/05/20180529-Working-Paper-201802.pdf
Mar 2018	Working paper	*2018/01 – NZSX-listed Company Tables*	https://www.mcguinnessinstitute.org/wp-content/uploads/2018/10/20181008-Working-Paper-201801-%E2%80%93-Final-WEB.pdf
Mar 2018	Survey	*ReportingNZ Overview Worksheet: An analysis of the state of play of EER*	https://www.mcguinnessinstitute.org/wp-content/uploads/2018/06/20180619-ReportingNZ-worksheet.pdf
Mar 2018	Survey	*Survey Highlights: A summary of the 2017 Extended External Reporting Surveys*	https://www.mcguinnessinstitute.org/wp-content/uploads/2018/03/20180313-ReportingNZ-Project-Survey-Highlights-Final-3.50-pm.pdf
Mar 2018	Survey	*Survey Insights: An analysis of the 2017 Extended External Reporting Surveys*	https://www.mcguinnessinstitute.org/wp-content/uploads/2018/10/20181008-Survey-Insights-FINAL-WEB.pdf
Mar 2018	Survey	*Preparers' Survey: Attitudes of the CFOs of significant companies towards Extended External Reporting*	https://www.mcguinnessinstitute.org/wp-content/uploads/2018/03/20180312-Preparers-Survey-Results-Booklet-FINAL.pdf
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