CENTRE FOR Sustainable Finance TOITŪ TAHUA

Level 12
Jarden House
21 Queen Street
Auckland Central, Auckland 1010

Aotearoa New Zealand Sustainable Finance Taxonomy development phase Construction and Buildings Technical Advisory Group (TAG) Terms of Reference

Aims and purpose

The Construction and Buildings Technical Advisory Group (TAG) provides technical input into the definitions and criteria of a sustainable finance taxonomy tailored to the Aotearoa New Zealand context for the Construction and Buildings sector.

The Construction and Buildings TAG will be established and convened by the Centre for Sustainable Finance: Toitū Tahua (CSF), which provides secretariat support to enable members to fulfil their mandate.

The Construction and Buildings TAG's role is confined to the scope of work set out in this Terms of Reference, unless otherwise determined as a result of further decisions and agreements between Ministry for the Environment (the Ministry) and CSF, or Ministerial decisions in future phases.

Scope of work

The primary output will be the climate change mitigation and adaptation and resilience (A&R) substantial contribution (SC) criteria and the activity-specific do no significant harm (DNSH) criteria for the Construction and Buildings sector, in the 10 months commencing 1 February 2025.

Key deliverables of the Construction and Buildings TAG, over the initial 10-month period, are:

- Draft technical documents outlining the proposed list of eligible activities and measures, along with the climate change mitigation and A&R SC criteria, and any applicable activity-specific DNSH criteria for the Construction and Buildings sector, for Technical Expert Group (TEG) endorsement;
- Review cross-sector components of the NZ Taxonomy – e.g., climate change mitigation green versus transition activity categorisation methodology, climate change A&R process-based approach, generic DNSH criteria and guidance, and minimum social safeguards (MSS) framework – to assess whether they are fit-for-purpose for the Construction and Buildings sector; and where they are not, recommend changes with supporting rationale for TEG consideration;
- Attend up to 9 TAG meetings (see Appendix 1 for proposed meeting dates and topics), as well as additional ad-hoc meetings and papers-only sessions as required; and
- Engage with stakeholders – contribute to targeted engagement, facilitated by CSF, with interested and affected stakeholders on draft technical documents.

Role and remit of the Construction and Buildings TAG

The role of sector-specific TAGs includes, but is not limited to:

- Providing technical input into taxonomy definitions, for TEG endorsement; and
- Feeding back on TEG technical methodologies, for TEG consideration and endorsement.

Level 12
Jarden House
21 Queen Street
Auckland Central, Auckland 1010

Sector-specific TAGs will contribute technical insights and advice that will help shape:

- SC criteria for climate change mitigation and A&R across the economic sectors that have been prioritised for development;
- DNSH criteria for those same sectors; and
- The application of MSS under the NZ Taxonomy.

For the Construction and Buildings TAG, key responsibilities include:

- Identifying and proposing a list of activities and measures for inclusion in the climate change mitigation and A&R criteria for the Construction and Buildings sector, for TEG endorsement;
- Developing climate change mitigation and A&R SC criteria for these activities/measures in the Construction and Buildings sector, for TEG endorsement;
- Developing any applicable activity-specific DNSH criteria for the Construction and Buildings sector, for TEG endorsement; and
- Reviewing NZ Taxonomy components that apply across multiple sectors to assess whether they are fit-for-purpose for the Construction and Buildings sector; and where they are not, recommending changes with supporting rationale for TEG consideration.

Sector-specific TAGs will provide input to and advice on the relevant work prepared by CSF and its technical partner, the Climate Bonds Initiative, before it is presented to the TEG for consideration and endorsement and prior to public consultation(s).

Sector-specific TAGs do not hold decision-making powers over the NZ Taxonomy's development (these rest with the TEG). Their role is to provide New Zealand context, sector-specific technical expertise, and connections to relevant guidance, industry frameworks, and key stakeholders.

Approach to Construction and Buildings TAG convening and working

Term

- Appointments will be for an initial term of up to 10 months from the establishment of the Construction and Buildings TAG, with the possibility of extension subject to the needs of future phases of the NZ Taxonomy.
- As part of the expression of interest (EoI) process led by CSF, conflicts of interest will be managed in accordance with the Ministry's conflict of interest terms using the relevant form provided by the Ministry. Please note:
    - The form is for individuals to declare their own personal conflicts of interest. It does not extend to potential conflicts at their employer or organisation level.
    - The Ministry does expect there to be conflicts, given the nature of the NZ Taxonomy project and the fact that members are selected to be part of the independent advisory function because of their experience, position, and/or expertise. The form is more about ensuring that TAG members are aware of these conflicts and have approaches to managing them, rather than to make sure that there's no conflict.

Frequency of meetings

- During the 10-month period, the Construction and Buildings TAG will meet up to 9 times. A minimum of 1 hour of preparation will be required for each of these meetings and Construction and Buildings TAG members will be required at a minimum of 6 meetings. Additional ad-hoc meetings and papers-only sessions may be convened if deemed necessary.
- Construction and Buildings TAG meetings will be a combination of in-person and virtual meetings. Where meetings are in-person, a virtual option will be provided.

Level 12
Jarden House
21 Queen Street
Auckland Central, Auckland 1010

Confidentiality and transparency

- Any reference to 'confidentiality' within this Terms of Reference applies specifically to the individual members of the Construction and Buildings TAG in their personal capacity. Materials shared with Construction and Buildings TAG members may not be disclosed or distributed to their employers, colleagues, or any other individuals within their organisation or affiliated entities, unless explicitly authorised in writing.
- Non-public materials shared with the Construction and Buildings TAG will also not be entered into any artificial intelligence platform or service, regardless of the storage or connectivity of that service or platform.
- The day-to-day work and deliberations of the Construction and Buildings TAG should be respected as confidential to support open, high-trust debate within the group.
- Chatham House rules apply to Construction and Buildings TAG conversations. An official record will be kept in the meeting minutes, which will be made available to Construction and Buildings TAG members for their internal reference.
- Construction and Buildings TAG members are free to discuss their involvement in the TAG at any time, and share personal views on key issues for information that has been made public, on the condition that anything shared by the Government with the Construction and Buildings TAG on a confidential basis is not disclosed publicly without express permission.
- Members are prohibited from making any public representations or opinions on behalf of the Construction and Buildings TAG, unless agreed in advance by other Construction and Buildings TAG members, CSF, and the Ministry.
- Relevant Ministry representatives, members of the Government cross-agency taxonomy working group, and relevant Ministers and members of their offices will receive Construction and Buildings TAG progress updates provided by CSF.
- The list of members and observers, TAG Terms of Reference, and summary minutes will be published on a dedicated webpage on CSF's website, in line with the current look, feel, and functionality. This will be linked to the Ministry's website.
- CSF will not publicly attribute any specific advice to the Construction and Buildings TAG without first obtaining prior consent from its members.

Level 12
Jarden House
21 Queen Street
Auckland Central, Auckland 1010

Membership and composition of the Construction and Buildings TAG

Skills matrix

Construction and Buildings TAG members have demonstrated skills, experience, and expertise in line with the skills matrix.

Please note: Climate change mitigation and A&R, together with sector knowledge, are required. Successful candidates will also hold advanced competency in least one other area.

Skill area	**Specific expertise**	**Competency level**
Climate change mitigation and/or A&R knowledge	Understanding and expertise in: • Activities and measures that substantially contribute to climate change mitigation and A&R in the Construction and Buildings sector, while ensuring no significant harm to other social and environmental objectives; and • The associated technical criteria.	Advanced
Sector knowledge	Deep Construction and Buildings sector-specific expertise.	Advanced
Financial services users	Expertise in taxonomy usability within banking, investment, insurance/reinsurance, ESG, and sustainability data and analytics providers.	Intermediate to advanced
Science, policy and regulation	Ability to translate climate, ecology, and biodiversity science and policy into financial systems, tools, and processes – typically developed through experience in environmental policy agencies or consultancies, sustainable finance initiatives, and research institutes or think tanks.	Advanced
Human rights and supply chain risk	Expertise in human rights and supply chain risk management, disclosure, and reporting.	Intermediate to advanced
Indigenous rights and interests	Understanding of indigenous finance and free, prior, and informed consent (FPIC) related to indigenous rights, heritage, and participation.	Advanced

Membership

- The Construction and Buildings TAG will comprise less than 20 experts and market participants.
- CSF may seek to appoint additional temporary members based on the needs of the work. Before appointing any temporary members, CSF will confirm the approach with the TEG and the Ministry.

Remuneration

- Participation in sector-specific TAGs is voluntary and unpaid.

Resignation

- Members may resign at any time on written notice to CSF. The confidentiality obligations of this Terms of Reference will continue to apply after resignation.

Level 12
Jarden House
21 Queen Street
Auckland Central, Auckland 1010

Role of CSF

CSF will:

- Be responsible for the set up of independent advisory arrangements to develop the technical NZ Taxonomy documents;
- Convene, coordinate, manage, and provide secretariat support to the TEG and sector-specific TAGs;
- Facilitate stakeholder engagement and consultation; and
- Be accountable to the lead agency, the Ministry.

In carrying out its role, CSF will have due regard to the importance of safeguarding the independence and credibility of the NZ Taxonomy development process.

Level 12
Jarden House
21 Queen Street
Auckland Central, Auckland 1010

Appendix 1 – Construction and Buildings TAG meeting schedule

Meetings will be held primarily online at 2pm NZT. Each meeting will run for 2 hours.

Construction and Buildings TAG meetings and proposed meeting topics	**Date (NZT)**	**Time (NZT)**
Construction and Buildings TAG meeting #1 • Introduction and onboarding. • Understanding of activities, boundaries, and sector scope. • Understanding of NZ Taxonomy criteria structure.	Thursday 19 February 2026	12pm-2pm
Construction and Buildings TAG optional Q&A	Thursday 26 February 2026	2.30pm-3.30pm
Construction and Buildings TAG meeting #2 • Climate change mitigation: Emissions scenarios/pathways for the Construction and Buildings sector; review of green versus transition categorisation methodologies – whether they are fit-for-purpose in the Construction and Buildings sector. • Climate change A&R: Review of the process-based approach paper and the CBI-proposed whitelist of A&R measures for the Construction and Buildings sector.	Thursday 12 March 2026	2pm-4pm
Construction and Buildings TAG meeting #3 • Climate change mitigation: Development of the SC criteria for the Construction and Buildings sector. • Climate change A&R: Development of the Construction and Buildings sector whitelist. • DNSH: Development of the activity-specific DNSH criteria for the Construction and Buildings sector.	Thursday 26 March 2026	2pm-4pm
Construction and Buildings TAG meeting #4 • Climate change mitigation: Ongoing development of the SC criteria. • Climate change A&R: Ongoing development of the whitelist. • DNSH: Ongoing development of the activity-specific DNSH criteria.	Thursday 23 April 2026	2pm-4pm
Construction and Buildings TAG meeting #5 • Climate change mitigation: Refinement of the SC criteria, for TEG review/endorsement. • Climate change A&R: Refinement of the whitelist, for TEG review/endorsement. • DNSH: Refinement of the activity-specific DNSH criteria, for TEG review/endorsement.	Thursday 7 May 2026	2pm-4pm
Construction and Buildings TAG meeting #6 • Climate change mitigation: Finalisation of the SC criteria based on TEG feedback, for public consultation.	Thursday 11 June 2026	2pm-4pm

Level 12
Jarden House
21 Queen Street
Auckland Central, Auckland 1010

• Climate change A&R: Finalisation of the whitelist based on TEG feedback, for public consultation. • DNSH: Finalisation of the activity-specific DNSH criteria based on TEG feedback, for public consultation.		
Construction and Buildings TAG meeting #7 • Revisions to the Construction and Buildings sector climate change mitigation and A&R technical screening criteria (TSC) based on public consultation feedback, for TEG consideration/endorsement.	Thursday 17 September 2026	2pm-4pm
Construction and Buildings TAG meeting #8 • Final changes to the Construction and Buildings sector climate change mitigation and A&R TSC based on public consultation feedback and TEG direction, for submission to the Ministry and relevant Ministers.	Thursday 15 October 2026	2pm-4pm
Construction and Buildings TAG meeting #9 (TBC)	TBC	TBC