

Our ref: Anthony\1000-133-103
Partner: Tony Hill
Direct line: +61 2 9258 6185
Email: tony.hill@ashurst.com
Contact: Nicole Purves
Direct line: +61 2 9258 5922
Email: nicole.purves@ashurst.com

Ashurst Australia
Level 11
5 Martin Place
Sydney NSW 2000
Australia

GPO Box 9938
Sydney NSW 2001
Australia

Tel +61 2 9258 6000
Fax +61 2 9258 6999
DX 388 Sydney
www.ashurst.com

9 February 2024

BY EMAIL

ClimateReportingConsultation@treasury.gov.au

Att: Director
Climate Disclosure Unit
Climate & Energy Division
Treasury
Langton Cres
Parkes ACT 2600

The logo for Ashurst, featuring the word "ashurst" in a lowercase, bold, sans-serif font.

Dear Sir / Madam

Climate-related financial disclosure - Exposure Draft Legislation Submission

We act for a major Australian retailer of consumer goods, food and beverage, which is part of a large global retail group. Globally, the retailer has over 500 premises across a number of continents. On behalf of our client, we prepared and issued a submission dated 17 February 2023 in relation to the '*Climate-related financial disclosure - Consultation paper*'.

Our client has closely considered the Exposure Draft legislation, explanatory materials and Policy Statement and has instructed Ashurst to prepare this further submission on its behalf. Our client offers its full support for the implementation of an internationally aligned climate disclosure regime. Our client would however like to offer feedback in relation to phasing.

We understand that entities subject to mandatory climate-related financial disclosure would be phased in three groups over a four year period. The Exposure Draft legislation indicates that the commencement date for Group 1 entities is 1 July 2024. We further understand that the Government specifically welcomes feedback on whether to amend the draft legislation to require a 1 January 2025 commencement date for Group 1 entities.

We are instructed that amending legislation to require a 1 January 2026 commencement date for Group 1 entities would improve the quality of reporting during the transition year. Our client supports a phased approach for the implementation of climate related disclosures and reporting, however given the fast approaching date of 1 July 2024, our client is concerned that appropriate and reliable data may not be known and be available for reporting from 1 July 2024. By amending the legislation to require a commencement date of 1 January 2026, our client instructs us that this would provide more time to implement appropriate internal processes and gather the required data. Reporting will inevitably involve an organisation gathering a large quantity of data from varying systems and people with a wide and varying degree of skills, capabilities and resources which may significantly impact on the quality of data that is provided. In addition, pushing back the

commencement date by eighteen months will also provide more time to auditors to implement processes of verifying records and data.

In summary, our client instructs that amending the draft legislation to require a 1 January 2026 commencement date will assist in facilitating organisations the opportunity to more fully prepare and respond to their reporting requirements.

Again, our client would like to thank the Australian Government for the opportunity to provide its feedback on the Exposure Draft legislation, explanatory materials and Policy Statement.



Ashurst