

COMMENT LETTER

July 19, 2023

ICI Global Response to Australian Treasury Second Consultation on Climate-Related Financial Disclosure

ICI Global submitted the attached response to the Australian Treasury on its second consultation on climate-related financial disclosure framework.

The proposed framework would require entities (including financial institutions) lodging financial reports under Chapter 2M of the Corporations Act 2001, and which meet certain revenue, assets and/or employee threshold criteria, to disclose climate-related information aligned with the standards developed by the International Sustainability Standards Board (ISSB). The requirements would be phased in over three years, with full application of the mandatory reporting for all groups of reporting entities from the 2027-28 reporting year onwards.

Consistent with ICI Global's response to the previous Treasury consultation in February 2023, as well as our response to the ISSB consultation in July 2022, the letter reiterates two key positions:

- Scope 3 greenhouse gas (GHG) emission disclosures should not be required at this time, except for companies that have publicly announced a target or goal to reduce Scope 3 emissions; and
- To the extent that asset managers become subject to the climate-related financial disclosure framework in Australia, they should not be required to include managed assets in any mandatory entity-level Scope 3 reporting, nor required to disclose Scopes 1, 2, and 3 GHG emissions attributed to assets under management in any sector-specific requirements.

Read more in the [comment letter](#).