

8/03/2024

Australian Accounting Standards Board  
Via email to: [standard@asb.gov.au](mailto:standard@asb.gov.au)

**AustralianSuper submission to the Australian Sustainability Reporting Standards – Disclosure of Climate-related Financial Information Consultation**

AustralianSuper welcomes the opportunity to provide high-level feedback on the draft Australian Sustainability Reporting Standards.

We believe that a global approach to the development of climate-related financial disclosure standards and the implementation of the standards in Australia will support investment decision making relating to climate change risks and opportunities and broader sustainability-related matters.

AustralianSuper is Australia's largest superannuation fund and is run only to benefit members. Over 3.3 million Australians are members of AustralianSuper with over \$317bn in member assets under management. We are the custodians of the retirement savings of one in 7 working Australians. Our purpose is to help members achieve their best financial position in retirement and in doing so, we act in members' best financial interests. The Fund seeks to actively steward its capital and integrate ESG considerations into investment decision making to generate sustainable long-term investment return for members.

Climate change is one of the most significant issues facing investors today and has the potential to impact economies, industries, societies and the environment. It is important for us to manage climate related investment risks and opportunities if we are to deliver our purpose for members.

AustralianSuper has made a commitment to achieve net zero carbon emissions by 2050 in the investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments). The commitment has been made in members' best financial interests given the potential risk climate change presents to the Fund's long-term investment performance.

Yours Sincerely,



03/08/2024

**Andrew Gray**  
Head of ESG & Stewardship – AustralianSuper



03/08/2024

**Matthew Harrington**  
Chief Financial Officer – AustralianSuper

## General comment

AustralianSuper supports standardised, internationally aligned requirements for disclosure of sustainability-related matters, including climate-related financial risks and opportunities, in Australia. High-quality disclosures which provide transparent, credible, and comparable information and data will enable users to make better informed decisions.

As an active, long-term investor, AustralianSuper seeks to manage ESG and climate risks and opportunities in our portfolio. We believe the adoption and implementation of the Standards in Australia will support our investment decision-making and stewardship activities.

We support Australian sustainability-related disclosures that align with those developed by the International Sustainability Standards Board (ISSB). The implementation of the ISSB aligned standards in Australia will encourage consistency with global best practice by providing asset owners and users of climate related disclosures with comparable and consistent information.

AustralianSuper will be both a preparer and user of climate disclosures. For asset owners like AustralianSuper, our portfolio financed emissions (Scope 3) disclosure is aggregated from underlying portfolio company disclosures. Therefore, the quality, comparability and usefulness of our Scope 3 emissions disclosure will be reliant on the availability, standardisation and quality of the emissions data reported by listed and unlisted companies across our global portfolio.

## Key points of feedback

- **International alignment.** AustralianSuper supports alignment of the draft legislation and the ASRS Standards with the ISSB standard. We acknowledge the ASRS Standards have revised the IFRS Standards to take account of the Australian regulatory context. However, we recommend that the ASRS Standards maintain the elements of the IFRS S1 and S2 standards as much as possible and avoid unnecessary structural revisions that subtract from the global standards, to ensure comparability and interoperability of sustainability standards across regions. Accordingly, we encourage the development of ASRS 1 (General Requirements) in a manner that will allow for the application of the standard to a broader set of sustainability-related risks and opportunities in line with the process being undertaken by the ISSB and countries other than Australia.
- **The need for additional guidance for asset owners:** We reiterate our request made in previous consultations<sup>1</sup> for customised sector guidance and metrics for asset owners. Due to the unique nature of pension and superannuation funds, who are both preparers and users of climate disclosures, and heavily reliant on external entities for climate-related information and data, it is important that industry specific disclosure requirements are developed for asset owners, and we would welcome involvement in this process.

We welcome further engagement with asset owners on these issues.

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<sup>1</sup> <https://www.australiansuper.com/about-us/advocacy>