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Ms. LaBouchardiere,

CP 380 Sustainability reporting

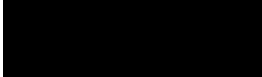
Thank you for the opportunity to respond to CP 380, addressing ASIC's proposals for a regulatory guide on sustainability reporting.

Clubs Australia represents over 5,000 clubs across Australia that employ more than 140,000 people. Clubs are not-for-profit, member-owned organisations whose central activity is to provide sporting and recreation infrastructure to their members and the wider community. Many of the clubs we represent are small with limited capacity and resources.

The introduction of sustainability reporting requirements marks a significant transition for the club sector. To support clubs in meeting these obligations, it is critical that ASIC's guidance is clear, practical, and tailored to address the unique challenges of clubs. This includes providing sector-specific examples, user-friendly tools, and targeted education resources. These measures will ensure that clubs, regardless of size or resources, are well-equipped to navigate this new compliance landscape while continuing to deliver vital services to their communities.

In this submission, Clubs Australia outlines recommendations designed to make sustainability reporting requirements practical and achievable for clubs, ensuring compliance while acknowledging the sector's unique operational and governance characteristics.

Yours sincerely,


Alison Tehan
Deputy Executive Director



Proposal & Question	Clubs Australia Response	Clubs Australia Recommendation
Clubs Australia's Key Recommendation		
Clubs Australia recommends that ASIC ensure all guidance is clear, plain, and accessible, particularly for not-for-profit organisations like clubs. The language should avoid technical jargon and be tailored to accommodate varying levels of expertise in sustainability reporting. Practical tools, such as step-by-step templates, case studies, and frequently asked questions, are essential to help clubs navigate these new requirements effectively and efficiently.		
Proposal B2: Proposal B1: Regulatory Guidance		
<i>Question B2Q1: Does our proposed guidance help you understand the sustainability records that must be kept?</i>	Response: Clubs Australia supports the phased approach outlined in the guidance but notes the importance of tailoring examples specific to not-for-profit clubs. Many clubs operate under unique legal frameworks which are determined by State and Territory liquor and gambling regulators (e.g., as incorporated associations or cooperatives) and have varying revenue structures. Additionally, the scale of a club's operations significantly impacts its ability to manage a sustainability plan and requisite reporting, particularly for smaller clubs with limited resources. Rationale: Tailored guidance ensures that clubs understand their obligations without ambiguity, particularly given their diversity in size, operational scope, and resource availability.	1. Clubs Australia recommends including practical examples tailored to clubs to clarify thresholds and obligations. 2. Clubs Australia recommends further guidance on how exemptions apply to clubs, especially ones with varying revenue structures that could be impacted one year but not the next.
<i>Question B1Q2: What additional guidance could we provide to help entities determine whether they are required to prepare a sustainability report?</i>	Response: Clubs Australia supports additional guidance to address fluctuating revenues, assets, and employee numbers that might place clubs above or below thresholds over time. Rationale: Seasonal fluctuations and unique governance structures in clubs make consistent compliance challenging without clearer criteria.	3. Clubs Australia recommends providing examples to guide how clubs can determine their reporting status, especially with fluctuating metrics. 4. Clubs Australia recommends further guidance on how exemptions apply to clubs, particularly those with varying revenue structures that could cause them to transition in and out of reporting obligations over time. Simplified criteria and clear examples should



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		be provided to help clubs navigate these transitions effectively.
Proposal B2: Records and Directors		
<i>Question B2Q1: Does our proposed guidance help you understand the sustainability records that must be kept?</i>	<p>Response: The guidance provides a good foundation, but examples specific to different sectors such as clubs should be included, such as records on energy usage in mixed-purpose facilities and other ESG-relevant metrics. Clear examples will help clubs distinguish between core sustainability metrics and broader operational or community contributions.</p> <p>Rationale: Clubs operate differently from commercial entities, with mixed-purpose facilities and unique revenue structures. Tailored examples are critical to ensuring that clubs understand what sustainability records are required, focusing on metrics such as energy use, waste management, and water consumption, which are directly relevant to sustainability reporting frameworks. This will enhance compliance and avoid unnecessary administrative burden.</p>	5. Clubs Australia recommends ASIC provide examples of sustainability records relevant to different sectors such as clubs, such as utility usage and other ESG-relevant metrics.
<i>Question B2Q2: What further guidance should we provide on keeping sustainability records?</i>	<p>Response: Simplified tools, such as templates and digital resources, should be developed to assist clubs with record-keeping. Additionally, education and guidance are essential to help clubs identify sustainability issues, respond appropriately, and embed compliance processes across their operations.</p> <p>Rationale: Many clubs operate with limited administrative capacity and require user-friendly tools to reduce compliance burdens. Coupling these tools with targeted education will ensure clubs are equipped to understand their obligations and</p>	<p>6. Clubs Australia recommends developing easy-to-use record-keeping templates tailored to clubs to streamline compliance and reduce administrative burdens.</p> <p>7. Clubs Australia recommends providing online resources, such as training videos and step-by-step guides, to further assist clubs in understanding and embedding sustainability record-keeping practices across their operations.</p>



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	establish sustainable practices effectively. Embedding these processes across the business ensures long-term compliance and builds organisational capacity.	
<i>Question B2Q3: Does our proposed guidance help you understand our expectations for directors in complying with their sustainability reporting requirements?</i>	<p>Response: The guidance is clear but should include additional resources for not-for-profit directors, many of whom are volunteers. These resources could include a specific guide for club directors on their roles in sustainability reporting.</p> <p>Rationale: Volunteer directors often lack experience with sustainability compliance and need tailored guidance.</p>	<p>8. Clubs Australia recommends a dedicated guide for directors in the not-for-profit sector.</p> <p>9. Clubs Australia recommends that ASIC provide examples of governance structures incorporating sustainability reporting requirements.</p>
<i>Question B2Q4: Are there any aspects of the sustainability reporting requirements where further ASIC guidance would be helpful for directors?</i>	<p>Response: Clubs Australia recommends guidance on integrating sustainability reporting into existing governance and compliance systems. Workshops for directors and senior management on sustainability governance would also assist in ensuring they understand their obligations.</p> <p>Rationale: Practical support will help clubs manage new obligations without duplicating administration and compliance efforts.</p>	<p>10. Clubs Australia recommends governance-specific guidance for directors and senior management of clubs.</p> <p>11. Clubs Australia suggests hosting webinars or workshops tailored to club directors and their senior management on sustainability governance.</p>
<i>Question B2Q5: Does our proposed guidance on the modified liability settings clarify how these settings apply to statements made in sustainability reports and other documents or communications?</i>	<p>Response: Clubs Australia supports the modified liability settings and welcomes the guidance they provide. Further guidance is needed on their application to volunteer boards, including scenarios that demonstrate how protections apply in practice.</p> <p>Rationale: Volunteer boards are integral to the governance of clubs and often lack the legal and reporting expertise of corporate entities. Without explicit protections and practical</p>	<p>12. Clubs Australia suggests including scenarios that illustrate how liability protections apply to volunteer directors and boards of clubs. This will provide practical reassurance to directors about their responsibilities and protections.</p> <p>13. Clubs Australia recommends providing examples of how good-faith errors in sustainability reports are addressed under the</p>



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	examples, volunteer directors may hesitate to engage fully with sustainability reporting obligations, potentially hindering efforts.	modified liability settings. This will encourage boards to engage with sustainability reporting obligations confidently and transparently.
<i>Question B2Q6: What further guidance should we provide about the modified liability settings?</i>	<p>Response: Clubs Australia supports the modified liability settings but requests additional guidance on their application to volunteer boards and scenarios involving third-party advisors.</p> <p>Rationale: Many clubs rely on volunteer boards that may lack in-depth expertise in sustainability reporting. Without clear liability protections and boundaries, these boards may hesitate to adopt reporting obligations. Similarly, guidance on liability when third-party advisors are engaged is crucial, as clubs often lack in-house resources.</p>	14. Clubs Australia recommends ASIC provide guidance on liability implications when clubs engage third-party advisors for sustainability reporting.
Proposal C1: Climate Risk Assessment		
<i>Question C1Q1: Are there other issues relevant to reporting entities' assessment of whether there are no material financial risks or opportunities?</i>	<p>Response: Clubs Australia requests clearer guidance on what constitutes material financial risks or opportunities specific to clubs. Factors such as seasonal revenues, community-focused objectives, and limited environmental impacts should be considered. Guidance needs to address how clubs can meaningfully contribute to sustainability goals in a way that aligns with their operational realities, including practical examples that reflect the unique challenges clubs face in transitioning to sustainable practices.</p> <p>Rationale: Clubs operate differently from commercial entities and need simplified criteria to determine materiality. For instance, while initiatives such as installing electric vehicle (EV) chargers might align with sustainability objectives, their</p>	<p>15. Clubs Australia recommends providing examples specific to not-for-profit organisations on identifying material financial risks or opportunities.</p> <p>16. Clubs Australia recommends developing simplified criteria for assessing materiality in the club sector.</p>



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	broader impact may be undermined by factors like reliance on non-renewable energy sources. Clubs require nuanced guidance to balance sustainability ambitions with practical limitations in their local contexts.	
Proposal C2: No Material Risks		
<i>Question C2Q1: Do you agree with our proposed guidance? If not, why not?</i>	<p>Response: Clubs Australia supports the guidance but highlights the administrative burden on clubs with limited resources/ capacity. A clearer process for determining when a club transitions to material risk reporting is necessary.</p> <p>Rationale: Providing clear guidance and support will ensure clubs manage the transition to the new requirements effectively, even with varying levels of expertise and capacity.</p>	<p>17. Clubs Australia recommends including a clear and simple process for transitioning into material risk reporting.</p> <p>18. Clubs Australia recommends additional guidance on how clubs can manage reporting obligations with limited administrative resources.</p>
Proposal C3: Forward-Looking Information		
<i>Question C3Q1: Do you agree with our proposed guidance?</i>	<p>Response: Clubs Australia supports the inclusion of forward-looking information but requests tools and examples tailored to clubs. Providing specific classifications, such as waste, energy use, and environmental outputs, as potential focus areas, can offer additional clarity and help clubs identify relevant sustainability priorities.</p> <p>Rationale: Classifications like waste, energy use, and environmental outputs represent tangible, actionable areas that align with many clubs' existing activities or goals. Including these as part of the guidance would ensure that forward-looking statements are both practical and meaningful to clubs, making compliance achievable while encouraging targeted sustainability improvements. This is critical for clubs with limited expertise in environmental forecasting or sustainability planning.</p>	<p>19. Clubs Australia recommends providing user-friendly tools and specific examples, such as energy-saving measures, renewable energy adoption, or waste management initiatives, to assist clubs in preparing forward-looking information tailored to their unique operations and sustainability efforts.</p>



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<p><i>Question C3Q2: Should we issue more guidance about the facts or circumstances that are more likely to constitute reasonable grounds for forward-looking information in climate statements? If yes, what should it include?</i></p>	<p>Response: Clubs Australia supports the inclusion of additional guidance on reasonable grounds for forward-looking information, particularly for clubs. Practical scenarios relevant to club operations, such as transitioning to renewable energy, improving energy efficiency, or managing water usage in community facilities, would provide much-needed clarity. This guidance should also consider the unique challenges clubs face, such as limited expertise and resources for long-term sustainability planning.</p> <p>Rationale: Clubs often operate with limited capacity to plan and implement long-term sustainability measures. Practical, realistic examples will assist clubs in developing sustainability projections that is achievable and credible, reducing uncertainty and improving compliance with reporting requirements.</p>	<p>20. Clubs Australia recommends providing clear examples to help clubs understand what is considered reasonable and realistic when reporting future sustainability plans or initiatives.</p> <p>21. Clubs Australia recommends providing guidance as to what constitutes reasonable assumptions for clubs' climate-related initiatives to ensure consistency and relevance across the sector.</p>
Proposal C4: Cross-Referenced Information		
<p><i>Question C4Q1: Do you agree with the guidance on cross-referenced information?</i></p>	<p>Response: Clubs Australia supports the guidance but notes the administrative burden this may place on clubs. Streamlining the process for cross-referenced document lodgement, especially for clubs with limited resources, would improve compliance.</p> <p>Rationale: Many clubs operate with minimal staff and rely on volunteers. Simplifying administrative processes ensures compliance without excessive strain on resources.</p>	<p>22. Clubs Australia recommends ASIC streamline the process for lodging cross-referenced documents by providing a tailored step-by-step guide or flowchart to help clubs handle this information efficiently and reduce administrative burdens.</p>
Proposal C6: Notes to Statements		



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<i>Question C6Q1: Do you agree with excluding notes to climate statements?</i>	Clubs Australia supports the exclusion of mandatory notes to climate statements as this reduces reporting complexity.	23. Clubs Australia supports the exclusion of mandatory notes to climate statements as this reduces reporting complexity.
Proposal C7: Proportionality Mechanisms		
<i>Question C7Q1: Do you agree with our proposed guidance? If not, why not?</i>	<p>Response: Clubs Australia supports the guidance but requests examples showing how proportionality mechanisms apply to not-for-profit organisations.</p> <p>Rationale: Proportionality is critical to ensuring that clubs, many of which operate with constrained resources and volunteer-led boards, can comply without undue strain. Examples allow clubs to see how proportionality mechanisms would apply to their specific scenarios, such as seasonal operations, fluctuating revenue, or limited environmental impact. and confidence for clubs in meeting their obligations while aligning with their operational capacity.</p>	24. Clubs Australia recommends providing examples of proportionality mechanisms in practice, tailored to the unique operational structures of clubs.
Proposal D1: Other Disclosures		
<i>Question D1Q1: Do you agree with our proposed guidance? If not, why not?</i>	<p>Response: Clubs Australia supports the guidance and alignment with sustainability standards but recommends focusing disclosures on areas directly relevant to clubs' operations, such as energy use, waste management, and sustainability-related community initiatives.</p> <p>Rationale: Clubs' operational focus differs from large corporations. Tailored disclosure categories and practical examples are critical to ensuring clubs can effectively align with sustainability reporting requirements without unnecessary complexity.</p>	25. Clubs Australia recommends including examples of sustainability disclosures tailored to clubs, such as initiatives reducing energy consumption, managing waste, or supporting sustainable practices in their communities.



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Proposal D2: Listed Entity Guidance		
<p><i>Question D2Q1: Do you agree with our interpretation of s299A(1)? If not, why not?</i></p>	<p>Response: Clubs Australia agrees with ASIC's interpretation but seeks further guidance on how s299A(1) applies to clubs, particularly in relation to the scale and nature of their operations.</p> <p>Rationale: Clubs have diverse operations, and while some may have limited sustainability risks, others might face material impacts. Clearer guidance will help clubs understand when disclosures under s299A(1) are required, avoiding unnecessary compliance burdens</p>	<p>26. Clubs Australia recommends ASIC provide guidance as to how s299A(1) applies to clubs, considering their diverse operational scale and sustainability impacts</p>
Proposal D3: Prospectus Guidance		
<p><i>Question D3Q1: Do you agree with our proposal? If not, why not?</i></p>	<p>Response: Clubs Australia agrees with the proposal and appreciates the focus on improving sustainability disclosures in prospectuses. However, we recommend that ASIC include broad, practical examples that can be adapted by not-for-profit organisations like clubs. These examples should focus on proportionate and operationally relevant disclosures, reflecting real-world scenarios applicable to small-to-medium-sized entities with limited sustainability impacts.</p> <p>Rationale: Clubs operate differently from commercial entities and often face unique challenges in preparing prospectus disclosures due to limited expertise and capacity. While ASIC may not provide sector-specific guidance, including general examples—such as disclosures related to energy efficiency, waste reduction initiatives, or community-focused sustainability programs—would help clubs better understand and meet their obligations. This approach ensures inclusivity and practicality across diverse organisational types.</p>	<p>27. Clubs Australia recommends ASIC include adaptable, practical examples of sustainability disclosures in its guidance. These could address areas like energy efficiency measures, waste reduction programs, and sustainability-related community initiatives</p>



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<p><i>Question D3Q2: Are there any practical problems associated with our proposal?</i></p>	<p>Response: Clubs Australia notes that smaller clubs may face significant challenges in preparing prospectus disclosures due to limited in-house expertise and resources. This reliance on external advisors increases compliance costs and creates barriers to effective reporting. Simplified guidance and training tailored to not-for-profit organisations, such as clubs, would help address these challenges and reduce the reliance on external support.</p> <p>Rationale: Clubs often operate with constrained budgets and minimal administrative resources, making complex prospectus disclosure requirements burdensome. By providing clear and simplified guidance, ASIC can enable clubs to prepare accurate disclosures while reducing the need for costly external advisors.</p>	<p>28. Clubs Australia recommends ASIC develop simplified guidance on prospectus disclosures that is accessible and tailored for not-for-profit organisations like clubs</p>
Proposal E1: Relief from Reporting		
<p><i>Question E1Q1: Does our proposed guidance help you understand how we will approach and assess an application for relief from the sustainability reporting and audit requirements?</i></p>	<p>Response: Clubs Australia strongly supports the proposed relief mechanisms, especially for smaller clubs. Clear application processes and eligibility criteria should be outlined.</p> <p>Rationale: Smaller clubs need relief from compliance burdens to focus resources on core community activities.</p>	<p>29. Clubs Australia recommends ASIC provide clear and detailed eligibility criteria for relief, along with a step-by-step application guide that includes examples relevant to not-for-profit organisations like clubs to ensure efficient and equitable access to relief mechanisms</p>
Proposal E4: Additional Relief		
<p><i>Question E4Q1: Do you consider that we should extend the relief in any</i></p>	<p>Response: Clubs Australia supports extending relief under existing ASIC instruments, such as ASIC Instrument 2015/839 and 2016/784, to apply to sustainability reporting and its audit</p>	<p>30. Clubs Australia recommends extending relief under ASIC Instrument 2016/784 to simplify sustainability reporting and audit requirements</p>



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<i>of the instruments listed in proposal E4 so that it applies to sustainability reporting or the audit requirements for a sustainability report?</i>	<p>requirements. This would reduce compliance burdens and ensure proportionate obligations for resource-constrained clubs.</p> <p>Rationale: Not-for-profit clubs typically operate with limited administrative capacity and resources. Extending existing relief mechanisms would support these organisations in meeting reporting obligations effectively, while enabling them to continue delivering valuable services to their members and local communities.</p>	for resource-constrained not-for-profit organisations.
Proposal E5: Directions Power		
<i>Question E5Q1: Does our proposed guidance clarify how we may exercise ASIC's directions power under s296E? If not, why not?</i>	<p>Response: Clubs Australia supports the guidance but recommends examples specific to clubs.</p> <p>Rationale: Clear scenarios will provide clarity on when and how ASIC's directions power will be applied to clubs.</p>	31. Clubs Australia recommends ASIC provide examples of how s296E directions power applies to not-for-profit clubs.
Proposal F1: Threshold Calculations		
<i>Question F1Q1: Do you require guidance on how to determine revenue, employees, and assets, for the purposes of applying the sustainability thresholds?</i>	<p>Response: Clubs Australia strongly supports detailed and tailored guidance on threshold calculations to ensure consistency and clarity for clubs. Many clubs experience seasonal revenue variations and fluctuating employee numbers, which complicates the accurate determination of reporting thresholds.</p> <p>Rationale: Clubs rely on casual and volunteer staff, and their revenue patterns can fluctuate based on seasonal events or membership cycles. Providing clear guidance and sector-</p>	32. Clubs Australia recommends providing tailored guidance on threshold calculations that address seasonal revenue and fluctuating employment in clubs.



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	specific examples would assist clubs in assessing their reporting obligations accurately and efficiently.	
Proposal F2: Supporting Compliance		
<p><i>Question F2Q1: Are there specific areas where additional support is needed?</i></p>	<p>Response: Clubs Australia recommends targeted resources, including training programs and online tools, to support clubs in meeting sustainability requirements.</p> <p>Rationale: Tailored resources will help clubs navigate complex reporting requirements efficiently.</p>	<p>33. Clubs Australia recommends ASIC develop capacity-building resources such as training programs, online tools, and webinars tailored to clubs.</p> <p>34. Clubs Australia recommends a phased compliance roadmap to assist clubs with transitioning to new obligations.</p>