

CDP response to the Australia Securities and Investments Commission consultation on mandatory ISSB-aligned reporting

CDP commends the Australia Securities and Investments Commission's effort in strengthening the regulation, supervision and practices of corporates with the purpose of enhancing financial stability, and the potential design of sustainability framework. ASIC's intention to align with the global International Sustainability Standards Board's (ISSB) IFRS S1 & S2 standards is an important step in providing financial market participants with standardized and globally comparable datasets. Our overall impression is that the proposed guidelines represent a bold step in this direction and will be instrumental in tackling systemic risk and ensuring financial stability in Australia.

High quality, decision-useful environmental information is the fundamental basis for action, and we believe that the data disclosed through ASIC's proposed regime will help capital markets actors to better measure, understand and address their environmental impacts.

About CDP

Founded in 2000 and working with more than [740 financial institutions](#) with over \$130 trillion in assets, CDP has pioneered using capital markets and corporate procurement to motivate companies to disclose their environmental impacts, leading companies to reduce greenhouse gas emissions, safeguard water resources, protect forests and eliminate plastic pollution and waste. CDP's financial institution signatories in Australia include NAB, ANZ Bank, and AustralianSuper, among others.

Over 24,000 organizations around the world disclosed data through CDP's platform in this year, including 211 Australian corporates and 20 local governments. CDP is now the largest repository of self-reported corporate environmental data in the world, with CDP data and scores widely used to drive investment and procurement decisions toward zero carbon, sustainable and resilient economies.

CDP's work with financial regulators spans across a range of jurisdictions, including the Securities and Exchange Commission and Central Bank of Brazil, the US Securities and Exchange Commission, UK's Financial Conduct Authority and Bank of England, the Monetary Authority of Singapore, and the Hong Kong Securities and Futures Commissions, among others. CDP data also

How we can help

CDP's climate disclosure platform is designed to elicit the type of information required under ASIC's proposed disclosure regime. As of this year, [CDP's integrated environmental questionnaire is fully aligned with ISSB S2](#). We believe that the data yielded through this process could be of interest to ASIC in monitoring market readiness and compliance with the

upcoming regime, and we would be eager to explore opportunities to support its implementation.

CDP recently signed [a partnership with the Brazilain Securities and Exchange Commission](#) (CVM) to support the launch of Brazil's ISSB-aligned reporting regime. The program is designed to simplify the reporting and compliance process for companies and to assist CVM in monitoring the market maturity with respect to disclosure. Under the agreement, CDP will provide CVM with ISSB-aligned data from over 1,110 Brazilian companies, comprising 86% of the company's market capitalization.

More broadly, CDP's disclosure platform is used by many companies a capacity building tool. Our questionnaire translates global standards like S2 into business-friendly questions that allow companies to report progress and identify blind spots. The 330+ members of [CDP's green supply chain program](#), including Telstra, already use this platform to engage with suppliers and to bring their vendors onboard with their decarbonization programs.

We would invite ASIC to review CDP's [policy brief on high-quality mandatory disclosure](#), which lays out the ten principles animating robust mandatory disclosure regimes, as the Australian approach to mandatory disclosure continues to mature. Another [policy brief](#) co-written by CDP, IGCC, and UNPRI contains more targeted recommendations in the Australian context and was presented to the CFR in 2022.

Finally, as you are aware, the topic of transition planning has become increasingly central in this space. CDP's report *The State of Play: 2023 Climate Transition Plan disclosure* indicate s a 44% increase from last year in the number of companies informing to have a 1.4-degree aligned climate transition plan in place. To support companies in their transition planning journey, CDP has developed [a number of resources on transition planning](#), including a disclosure checklist that indicates when and where CDP's questionnaire aligns to TP frameworks and standards such as ISSB, GFANZ, and the TPT . We issue annual reports on the state of transition planning and just last week, CDP co-authored a [report on nature transition planning](#) with WWF. We also recently presented on CDP's approach the transition planning at the IOSCO Sustainable Finance Taskforce meeting in Singapore. ASIC is welcome to consult these resources while building out its own approach.

We would be happy to discuss how ASIC can leverage CDP's data, questionnaire, and other resources to drive the successful implementation of ISSB reporting in Australia, whether in terms of monitoring, facilitating reporting, and/or capacity building. Please do feel free to reach out if you would like to discuss any of the above.