

MEDIA RELEASE

Wednesday, 4 October 2023

Mandatory Climate Reporting Guide

The Australian Institute of Company Directors (AICD) in partnership with Deloitte and MinterEllison, has launched a major resource to help organisations prepare for the landmark introduction of Mandatory Climate Reporting.

The shift to mandatory climate-related disclosures represents the biggest change to corporate reporting in a generation and integrating climate disclosures into financial reporting needs to be carefully managed.

This will require the prioritisation of up-skilling across boards, organisations and the economy as a whole.

“This generational shift in corporate reporting will require leadership and focus from the boardroom down. Remaining profitable and competitive in a decarbonising economy is a key strategic challenge and opportunity for Australian business.” - AICD Managing Director and CEO Mark Rigotti.

“Boards have to think holistically about where climate-related risks and opportunities lie and how to measure and manage them. It's no longer enough to simply leave climate with sustainability teams – mandatory reporting will require extensive engagement throughout the entire organisation.” – Deloitte Australia Climate Governance lead Rebekah Cheney.

“External scrutiny has never been higher and directors will need to get comfortable signing off on complex disclosures. Climate targets should be realistic and supported by an evidence-based transition plan.” – Partner and head of Climate & Sustainability Risk Governance at MinterEllison Sarah Barker.

Increasingly Australian directors need to understand climate and sustainability risks and opportunities, not just to oversee the preparation of corporate reports, but more fundamentally to shore up the future of their businesses.

More than merely a compliance exercise, reporting can be a chance to integrate climate considerations into strategic decision-making, build organisational resilience, and drive sustainable practices.

The Mandatory Climate Reporting Guide is designed to assist directors, their boards and organisations navigate this new and challenging terrain.

The Australian Institute of Company Directors is committed to strengthening society through world-class governance. We aim to be the independent and trusted voice of governance, building the capability of a community of leaders for the benefit of society. Our membership of more than 50,000 includes directors and senior leaders from business, government and the not-for-profit sectors

The Guide has been informed by extensive consultation with government, industry experts and the director community. It provides recommendations and practical steps to prepare for climate reporting now.

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