

1st March 2024

Australian Accounting Standards Board (AASB)

Dear AASB,

Panasonic Australia Pty. Ltd. Comments on Exposure Draft ED SR1 Australian Sustainability Reporting Standards – Disclosure of Climate-related Financial Information

Thank you for the opportunity to comment on the exposure draft ED SR1 Australian Sustainability Reporting Standards – Disclosure of Climate-related Financial Information issued by Australian Accounting Standards Board (AASB).

Panasonic Australia Pty. Ltd. (PAU) generally supports AASB's efforts to bring transparency to climate-related challenges through the development of a new Australian Sustainability Reporting Standard (ASRS) that is broadly aligned with the International Sustainability Standards Board (ISSB). In particular, PAU would like to highlight that the following should be considered in the development of the ASRS:

- a) The ASRS should align with one main international reference (e.g., ISSB's *IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information* and *IFRS S2 Climate-related Disclosures*) throughout, while allowing for entities to report against alternative international standards too.
- b) Exemptions should be allowed for entities where the entity's activities are included in Climate-Related Disclosure reports aligned with *IFRS S2* issued by foreign parent company.

PAU would also like to respond to selected questions of the exposure draft ED SR1, as listed in **Appendix 1**.

PAU appreciates AASB's consideration of our comments in this letter and look forward to working with AASB on further development of Australia's sustainability reporting framework.

Yours Sincerely,



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Appendix 1: PAU's Comments to Selected Specific Matters of the Exposure Draft ED SR1 Australian Sustainability Reporting Standards – Disclosure of Climate-related Financial Information

Topic	Question No.	PAU's Comments
Presenting the core content of IFRS S1 in [draft] ASRS Standards	1	Option 1 is preferred for easy referencing and better understanding.
Sources of guidance and references to Sustainability Accounting Standards Board (SASB) Standards	4	The ASRS should align with international standards as much as possible for Australian entities who have foreign parent issuing global sustainability reports.
	6	Alternative international standards should be allowed to be used as the main reference for primary mandatory disclosure, especially for Australian entities who have foreign parent issuing global sustainability reports.
Interim Reporting	8	PAU agrees with the proposed omission of IFRS S1 paragraphs 69 and B48. This will help to avoid confusion and ensure resource efficiency for entities in conducting sustainability reporting by removing need for interim reporting.
Scope of [draft] ASRS 2	9	PAU agrees with the proposal in [draft] ASRS 2 paragraph Aus3.1 to clarify the scope of the [draft] Standard. This provides clarification while also not contradicting international standards (i.e., IFRS S2).
Definition of greenhouse gases	14	PAU agrees with the AASB's proposal to incorporate the definition of greenhouse gases from IFRS S2 without any modification in [draft] ASRS 2. The ASRS should be aligned with international standards/ practices to avoid additional burden on local entities with foreign parent issuing global sustainability reports.
Converting greenhouse gases into a CO2 equivalent value	15	PAU disagrees with the AASB's view that an Australian entity should be required to convert greenhouse gases using GWP values in line with the reporting requirements under NGER Scheme legislation. ASRS should be aligned with international standards/ practices to avoid additional burden on local entities with foreign parent issuing global sustainability reports.
GHG emission measurement methodologies	17	PAU disagrees with the proposals in [draft] ASRS 2 paragraphs Aus31.1(b) and AusB25.1. Methodologies in the ASRS should be aligned with international standards/ practices to avoid additional burden on local entities with foreign parent issuing global sustainability reports.
Providing relief relating to Scope 3 GHG emissions	18	PAU agrees with the proposal in paragraph AusB39.1 of [draft] ASRS 2. The ASRS should consider requirements that are as practical as possible.
Scope 3 GHG emission categories	19	PAU agrees with AASB's approach. Alignment with international standards (i.e., IFRS) will help reduce burdens on local entities with foreign parent.