



Kristi Mitchum

General Manager – Health, Safety, and Environment

30 September 2026

Productivity Commission

Business Reporting Requirements Consultation Team
4 National Circuit
Barton ACT 2600

Dear Productivity Commission,

Chevron Australia welcomes the opportunity to provide a submission to the Productivity Commission's inquiry into opportunities to improve the efficiency and value of non-financial business reporting requirements in Australia.

In preparing our recent submission to Treasury's consultation on improving the efficiency of climate-related financial disclosures, Chevron Australia considered a range of opportunities to reduce duplicative reporting, streamline assurance requirements and improve reporting efficiency. Given the broader relevance of these issues to non-financial reporting obligations, we are pleased to provide the Productivity Commission with the attached copy of our submission to Treasury.

Chevron Australia supports the Productivity Commission's focus on identifying regulatory pain points, reducing unnecessary duplication and pursuing more efficient approaches to reporting through harmonisation, simplification and 'tell us once' principles. We agree reporting requirements play an important role in supporting transparency, accountability and informed decision-making, however these objectives can often be achieved more efficiently through better alignment of reporting obligations and greater consistency across regulatory frameworks.

Chevron Australia also wishes to draw attention to an additional opportunity to improve environmental reporting efficiency that extends beyond Commonwealth reporting frameworks. While duplication can occur between reporting obligations, a burden also arises where businesses must meet similar State and Commonwealth regulatory requirements using different reporting formats, templates and administrative processes.

For example, environmental reporting associated with a single Environment Plan that spans both State and Commonwealth jurisdictions requires separate monthly and annual reporting to the Western Australian (WA) Department of Mines, Petroleum and Exploration (DMPE) and the Commonwealth's National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) under the *Petroleum (Submerged Lands) (Environment) Regulations 2012* (WA) and *Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2023* (Cth). This is required given the different reporting templates for these entities. This creates additional administrative effort.

To improve efficiency, Chevron Australia encourages governments and regulators to pursue greater harmonisation of environmental reporting requirements across jurisdictions. Where similar information is required by multiple regulators, the use of common reporting templates, data standards and submission formats would reduce duplication, improve consistency and support a more efficient reporting process for both industry and regulators. This approach aligns strongly with the Productivity Commission's focus on reducing cumulative reporting burdens and advancing more effective 'tell us once' approaches across government.

Chevron Australia would welcome the opportunity to discuss our submission further. If you have any questions or require additional information, please contact Suzanne Davies.

Yours sincerely,

Kristi Mitchum



Maggie McCourt
General Manager – Finance

30 September 2026

The Treasury

Climate-related Financial Disclosure Consultation Team
Langton Crescent
Parkes ACT 2600

Dear Treasury,

Chevron Australia welcomes the opportunity to participate in Treasury's consultation on improving the efficiency of climate-related financial disclosures.

Chevron Australia lodged its first Sustainability Report in accordance with the Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures (AASB S2) in April 2026. This submission is informed by learnings from the first reporting period, as well as ongoing efforts for future reporting.

Chevron Australia has reviewed the Consultation Paper *Improving the efficiency of climate-related financial disclosures* and considers certain proposals have the potential to improve the efficiency and effectiveness of the climate-related financial disclosure framework. These include the following:

1. Non-ASX-listed companies that are subsidiaries of a corporate parent should be exempt from separate climate-related financial disclosure requirements.
2. Limited assurance should remain the ongoing assurance requirement for climate-related financial disclosures.
3. Exclude Scope 3 emissions from mandatory climate-related financial disclosure requirements.
4. Climate-related financial disclosures should enable reporting entities to rely on NGER measurement and assurance outcomes, including where reporting timeframes differ, without requiring the re-auditing of information already assured under the NGER framework.

These changes would enhance the climate-related financial disclosure framework by delivering more relevant and decision-useful information, reducing unnecessary regulatory burden and assurance costs and duplication across existing reporting and assurance regimes.

Chevron Australia would welcome the opportunity to discuss our submission further with Treasury. If you have any questions or require additional information, please contact [REDACTED].

Yours sincerely,

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Introduction

The objective of AASB S2 is to 'require an entity to disclose information about its *climate-related risks and opportunities* that is useful to *primary users of general purpose financial reports* in making decisions related to providing resources to the entity.'

Chevron Australia supports the provision of decision-useful information and strives to understand the information needs of the primary users of its general purpose financial statements. Chevron Australia already provides detailed disclosures with respect to its financial position and performance through annual financial statements, as well as climate-related information under the National Greenhouse and Energy Reporting (NGER) scheme.

Our recommendations highlight opportunities to focus AASB S2 disclosures on decision-useful information while minimising compliance burdens for Australian companies.

General disclosure requirements

Key recommendation 1 – non-ASX-listed companies that are subsidiaries of a corporate parent should be exempt from separate climate-related financial disclosure requirements.

The objective of AASB S2 is to 'require an entity to disclose information about its *climate-related risks and opportunities* that is useful to *primary users of general purpose financial reports* in making decisions related to providing resources to the entity.' The information needs of a non-ASX-listed company's primary users vary greatly from those of a listed company, particularly where the non-listed company is a subsidiary of a corporate parent. Australia's disclosure requirements should take this into account to promote efficiency and effective use of regulator and Australian companies' resources.

Disclosures under AASB S2 generally do not serve the information needs of the primary users of Chevron Australia's general purpose financial statements. Unlike listed companies that predominantly rely on external primary users for investment, lending, or credit, non-listed wholly-owned subsidiaries like Chevron Australia predominantly receive investment and capital allocation from a corporate parent and have only a select, small group of external primary users of their general purpose financial statements. Moreover, these external primary users typically do not rely on public reporting for decision-useful financial information but instead already have other means of obtaining information directly from the non-listed entity. Australia's framework should therefore exempt non-listed companies with a corporate parent from compliance with AASB S2, which would promote greater efficiency of climate-related disclosures in Australia.

Limited assurance

Key recommendation 2 – limited assurance should remain the ongoing assurance requirement for climate-related financial disclosures.

Limited assurance should remain the ongoing mandatory assurance requirement for climate-related financial disclosures. Assurance procedures are a significant contributor to the overall compliance burden for AASB S2 and should be evaluated for meaningful contribution to AASB S2 objectives.

Many climate-related disclosures rely on developing datasets, third-party information, modelling and forward-looking assumptions, which are subject to varying levels of uncertainty and control. Reporting entities are best positioned to evaluate this information and use judgment to assess what information, and what level of detail, would be material and decision-useful for their primary users. Limited assurance appropriately reflects these characteristics by providing oversight while allowing reporting practices, data quality and assurance capability to mature over time.

Maintaining limited assurance would support productivity and efficient implementation by reducing additional compliance costs and resource burdens on reporting entities and assurance providers. A limited assurance requirement would not prevent entities from voluntarily obtaining reasonable assurance.

Scope 3 emissions reporting

Key recommendation 3 – exclude Scope 3 emissions from mandatory climate-related financial disclosure requirements.

Disclosures under AASB S2 should not extend to Scope 3 greenhouse-gas emissions due to data quality limitations and duplication with other greenhouse-gas information, in many cases these emission metrics would not be decision-useful for primary users.

Scope 3 information is often reliant on third-party data, estimates, modelling and assumptions that may not be available with an appropriate level of confidence for reporting or assurance. Scope 3 emissions are largely derived from third-party information, emissions factors and modelling assumptions across complex value chains, and are often not readily available to the reporting entity. Variations in methodologies and data sources affect both comparability and the confidence that can be placed in reported outcomes. There is also a direct cost. Obtaining granular Scope 3 information imposes compliance costs on reporting entities and other third parties in the collection of data and the assurance of that data that is not owned by the reporting entity.

Mandatory inclusion duplicates emissions already reported by entities with operational control and constrains reporting entities' ability to apply the AASB S2 proportionality mechanisms according to their circumstances. Where entities in a value chain report their operational emissions, Scope 3 disclosure can result in the same emissions being reported and assured multiple times across the reporting landscape and population. This duplication does not necessarily provide users with more reliable or decision-useful information.

While the recommended approach would depart from IFRS S2, targeted deviations are appropriate where they improve efficiency, reduce duplication and enhance the reliability of reported information. As such, climate-related financial disclosures should remain consistent with the broader Australian Government's position to not require reporting of emissions that occur in other jurisdictions.

Leverage existing reporting

Key recommendation 4 – Climate-related financial disclosures should enable reporting entities to rely on NGER measurement and assurance outcomes, including where reporting timeframes differ, without requiring the re-auditing of information already assured under the NGER framework.

Established reporting, governance and assurance frameworks already provide significant information to inform primary users. Leveraging existing mature regulatory frameworks with tested methodologies, established controls and recognised reporting processes can improve the reliability and efficiency of climate-related disclosures.

Climate-related financial disclosures should enable reporting entities to rely on NGER measurement and assurance outcomes, including where reporting timeframes differ, and enable assurance practitioners to place appropriate reliance on information already assured under NGER rather than duplicating procedures over the same underlying data.

Chevron Australia is required to report climate-related financial disclosures on a calendar year and complete assurance activities. It is also required to report under NGER on a financial year basis with independent assurance. This results in Chevron Australia preparing substantially the same emissions information across separate reporting cycles. This requires additional full-time resources, as well as additional involvement from operational personnel, technical specialists and assurance providers.

Utilising submitted NGER information from the most recent financial reporting year would allow reporting entities to use the data and assurance outcomes without incurring the cost of additional assurance where financial reporting and NGER timeframes do not align.

Finally, where information disclosed in the climate-related financial disclosures is leveraging NGER reported information which has been audited for NGER purposes, it should be excluded from any further or additional assurance requirements under AASB S2.