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Margaret Rogacki
Chair



5 October 2026

Mr Barry Sterland
Ms Angela Jones
Commissioners
The Productivity Commission

By email: businessreporting@pc.gov.au

Ref: *Business Reporting Requirements*

Dear Mr Sterland and Ms Jones,

ExxonMobil Australia Pty Ltd (ExxonMobil) welcomes the opportunity to provide a submission to the *Business reporting requirements* call for submissions paper (the Paper).

While the Paper details a range of issues for public comment, ExxonMobil responds here only to those that are of direct interest to our organisation, climate related financial disclosure, liquid fuel security reporting and domestic gas reporting.

By way of background ExxonMobil has a long history of reliably supplying energy to Australia and supporting Australian communities and industry for more than 130 years. We have invested \$41 billion in Australia and for 60 years have supplied 100% of ExxonMobil's east coast gas production exclusively to the domestic market. We are also a major supplier of liquid fuels to Australia, primarily sourced from our world-class refinery in Singapore.

1. Climate Related Financial Disclosure

ExxonMobil and its affiliates support common-sense, investor-useful disclosures, including those related to environmental and climate matters. In this regard, beyond its SEC filings, ExxonMobil Holdings Corporation already voluntarily publishes extensive climate-related information through multiple channels, including the [Advancing Climate Solutions Progress Report](#). These disclosures are designed to address the information needs of a broad range of stakeholders, including investors, customers, policymakers, employees, communities, and other interested parties, and demonstrate our longstanding commitment to transparency on climate-related matters.

ExxonMobil welcomes the fact that the Department of Treasury is currently conducting consultation with a focus on reducing compliance costs and improving the efficiency of Australia's sustainability reporting framework while maintaining the quality, consistency and international comparability of disclosures. Having now completed the first year of implementation, we have practical experience of the compliance costs associated with the regime, including preparing separate sustainability reports for two Australian entities within the same corporate group.

In practice, preparing separate sustainability reports for two Australian entities required significant effort to establish reporting governance processes, prepare disclosures and support assurance activities, despite substantial overlap in the underlying information. It is estimated that ExxonMobil Holdings Corporation and its Australian affiliates have spent almost A\$20 million to establish reporting

governance and reporting systems to prepare for reporting, and the ongoing annual cost is expected to be close to A\$4 million.

Preparing separate subsidiary reports also requires duplication of reporting boundary assessments, materiality assessments, climate-related risk and opportunity assessments, governance validation activities, climate resilience analyses and assurance procedures, despite substantial overlap with parent-company reporting.

Our experience indicates that demand for entity-level sustainability reports is minimal when compared with interest in ExxonMobil Holding Corporation consolidated financial reporting and broader voluntary sustainability disclosures. Investors, lenders and other creditors, who are the primary users contemplated by the ISSB-based reporting framework, generally seek information at the consolidated group level rather than at the level of individual subsidiaries. Accordingly, any audience for stand-alone subsidiary sustainability reports appears to be very small and does not justify the significant additional compliance costs associated with preparing separate reports.

Australia's sustainability reporting framework is based on the ISSB standards, which are intended to provide decision-useful information to investors, lenders and other creditors. Consistent with that objective, reporting requirements should focus on circumstances where sustainability disclosures support capital allocation decisions and address genuine information asymmetries.

For multinational groups, capital is raised and allocated centrally, and decision-useful investor information disclosures, whether related to sustainability or otherwise, are generally disclosed at a consolidated group level.

Investors and others therefore primarily benefit from a consolidated view of these matters rather than separate legal-entity specific disclosures. This is also consistent with the stated objectives of AASB S2, which focuses on information that assists primary users of general-purpose financial reports in assessing an entity's prospects, including future cash flows, access to finance and cost of capital. For most multinational groups, investors assess these matters at the consolidated group level. Requiring separate sustainability reports from subsidiaries therefore risks increasing reporting volume and compliance costs without generating proportionately more decision-useful information for those the framework is designed to serve.

ExxonMobil considers Australia's sustainability reporting regime to be a useful example of the broader themes identified in the Productivity Commission's inquiry into business reporting requirements. The inquiry has been tasked with identifying significant regulatory pain points and determining whether the objectives of non-financial reporting can be achieved more efficiently. In ExxonMobil's experience, the requirement for multiple entities within the same corporate group to prepare separate sustainability reports is an example of a reporting obligation that may impose substantial costs while delivering limited incremental benefit to report users.

Accordingly, ExxonMobil encourages the Productivity Commission to consider whether broader subsidiary reporting exemptions could achieve the objectives of Australia's sustainability reporting framework at significantly lower cost. Such an approach would reduce duplication, administrative burden and compliance costs while maintaining access to high-quality sustainability information through consolidated reporting. The key consideration should be whether separate reporting provides meaningful additional information to investors, lenders and other creditors.

2. Liquid Fuel Security Reporting

The Paper also sought views on other reporting requirements that may warrant particular attention through the Productivity Commission's inquiry. One area that merits consideration is the ad hoc reporting obligations that arise during periods of market disruption or uncertainty. ExxonMobil has observed this particularly during recent global supply chain disruptions affecting fuel markets.

Most recently, conflict in the Middle East created uncertainty regarding fuel supply chains and fuel security. In response, governments sought additional information from industry through both voluntary and mandatory reporting requests.

ExxonMobil recognises the importance of governments having timely and accurate information to assess Australia's fuel security and communicate confidently with the public. Given the national nature of the issue, ExxonMobil worked closely with the Australian Government to provide relevant information and supported the provision of aggregated data to states and territories to assist them in understanding the broader supply picture.

However, the availability of this information through Commonwealth channels did not prevent overlapping and inconsistent requests from other jurisdictions. States and territories often sought different datasets, operated to different reporting timeframes, and required information to be submitted on different reporting cycles.

This created two significant challenges. First, it diverted resources away from operational activities, including securing fuel supplies during a period of disruption, towards fulfilling multiple reporting requests. Second, it increased the risk of inappropriate handling or disclosure of commercially sensitive information, particularly where reporting arrangements and safeguards differed across jurisdictions.

The duplication was not limited to interactions between the Commonwealth and states and territories. While most reporting was coordinated through a central Commonwealth agency, other agencies, including the Australian Competition and Consumer Commission, sought separate qualitative and quantitative information requests.

This experience highlights the importance of establishing coordinated crisis-reporting arrangements that minimise duplication, standardise data requirements where possible, and ensure information is collected through a single channel before being shared with relevant government agencies. Such an approach would reduce compliance costs while still providing governments with the information required to respond effectively during periods of market disruption.

3. Domestic Gas Reporting

As an active supplier of domestic gas on both Australia's east and west coasts, ExxonMobil recognises the importance of providing policymakers and market participants with sufficient visibility of the domestic gas market. This includes information relating to reserves, contracted and uncontracted volumes, supply availability, and pricing, all of which contribute to informed decision-making and efficient market operation.

However, ExxonMobil is required to provide similar information to multiple Commonwealth entities, including the Australian Competition and Consumer Commission, the Australian Energy Market Operator, the Australian Energy Regulator and the Australian Bureau of Statistics. While each agency has a legitimate regulatory purpose, there is often overlap in the information sought, resulting in duplicative reporting requirements.

This duplication imposes a continuing compliance burden on industry, with personnel spending significant time preparing and submitting reports rather than focusing on operational activities, customer engagement and securing future supply arrangements.

ExxonMobil acknowledges that the Australian Government has taken steps to streamline aspects of energy market reporting. However, the Productivity Commission may wish to consider the reporting framework as a whole to identify opportunities for greater coordination, data sharing and standardisation across agencies. This could reduce compliance costs for industry while also avoiding duplication of effort within government and improving the efficiency of regulatory oversight.

4. Conclusion

These measures would directly support the consultation's objectives by reducing unnecessary compliance costs and administrative burden while preserving the quality, credibility and decision-usefulness of climate-related financial disclosures.

ExxonMobil appreciates the opportunity to provide feedback on the Paper and would welcome further engagement with the Productivity Commission as it considers opportunities to improve the business reporting requirements.

Should you have any questions on this submission please contact ExxonMobil's Public and Government Affairs Manager, Andrew Murphy

Yours sincerely,