



THE LAW SOCIETY  
OF NEW SOUTH WALES

Our ref: CCWG:CB1b071223

7 December 2023

Dr James Popple  
Chief Executive Officer  
Law Council of Australia  
PO Box 5350  
Braddon ACT 2612

By email: [alex.kershaw@lawcouncil.au](mailto:alex.kershaw@lawcouncil.au)

Dear Dr Popple,

### **Sustainable Finance Strategy**

The Law Society appreciates the opportunity to respond to the *Consultation Paper – Sustainable Finance Strategy* (Consultation Paper). The Law Society's Climate Change Working Group contributed to this submission.

The Law Society supports the Government's adoption of a 'climate-first' approach to sustainable finance reforms and its commitment to introducing a robust and fit for purpose sustainable finance strategy.<sup>1</sup> We agree that the range of policies recommended in this strategy would provide a strong foundation for sustainable finance in Australia and align Australia's capital markets with emerging international standards.

We welcome, in particular, the following Priorities identified in the Consultation Paper:<sup>2</sup>

- Priority 1: the establishment of a framework for sustainability-related financial disclosures (including in relation to nature related risks, as well as climate related risks);
- Priority 2: the development of an internationally aligned and interoperable taxonomy, which can be embedded in Australia's regulatory architecture, to promote greater transparency and consistency in sustainability-related disclosures, financial products and markets for products or instruments marketed or marked as 'sustainable' (or other labels, such as 'responsible' or 'ethical');
- Priority 3: credible net-zero transition planning, which emphasises the need for external verification to enable transparent planning and tracking of progress towards targets and the concept of a 'just transition';

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<sup>1</sup> Australian Government, *Sustainable Finance Strategy – Consultation Paper*, November 2023, 5.

<sup>2</sup> A number of the principles supporting these Priorities (eg 1,7 and 8) were endorsed in our earlier submission, Law Society of NSW, [Climate-related financial disclosure](#), dated 17 February 2023.

- Priority 7: the development of consistent and comparable sustainability related data and data frameworks to address data and analytical challenges;<sup>3</sup> and
- Priority 8: ensuring fit for purpose regulatory frameworks.<sup>4</sup>

We would appreciate the opportunity to participate in any later stages of consultation, as greater detail in relation to the Strategy and its implementation emerges.

Please do not hesitate to contact Liza Booth, Head of Commercial and Advisory Law Reform on 02 99260202 or [liza.booth@lawsociety.com.au](mailto:liza.booth@lawsociety.com.au) if you would like to discuss this in more detail.

Yours sincerely,

A handwritten signature in black ink that reads "CBanks". The signature is written in a cursive, flowing style.

Cassandra Banks  
**President**

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<sup>3</sup> Ibid. We acknowledged the challenges relating to data sets and the lack of clear methodologies for key metrics.

<sup>4</sup> Ibid. We emphasised the need for a regulatory framework that takes account of the unique settings of the Australian jurisdiction.