



Treasury Laws Amendment Bill 2024: Climate-related financial disclosure

Submission by the Australian Council of Trade Unions on the
*Treasury Laws Amendment Bill 2024: Climate-related
financial disclosure* Exposure Draft and Explanatory Materials

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Introduction

The Australian Council of Trade Unions (ACTU) is the peak trade union body in Australia. There is no other national confederation representing unions. Together with its 36 affiliate unions, the ACTU represents 1.8 million trade union members around Australia who work across a broad spectrum of industries and occupations in both the public and private sectors.

Climate change, the primary climate-related risk, is an existential threat facing humanity and requires a strategic and ambitious response. The desire of working people to live an enjoyable and meaningful life where they can provide for their families through well-paid, secure and safe jobs, and retire with dignity, is reliant upon a peaceful, equitable and prosperous society. Such a society cannot exist in an unstable climate defined by extreme warming and ever-worsening natural disasters. Furthermore, the transition to net zero presents social and economic opportunities for working people as new industries emerge. These industries can offer good quality jobs with fair labour standards and deliver good returns for the institutions that invest in them. Therefore, the interests of working people are reliant upon combating such climate-related risks through the transition to renewable energy.

The ACTU welcomes the Government's work to mandate climate-related financial disclosures. Mandatory disclosures against robust standards and a sustainable finance taxonomy will improve the ability for governments, regulators, investors, and the public to make informed decisions, encourage the management of climate-related risks and encourage the transition to a renewable energy economy.

Australian companies largely self-determine if, what and how to make disclosures, and often use their own definitions to do so. As a result, governments, investors, regulators and the public face the significant challenge of understanding and interpreting the disclosures made. The varied, and often incomplete, nature of this information can prevent meaningful decision-making, hinder effective stewardship, enable greenwashing, make it difficult to track substantive progress or make reasonable comparisons and prevent meaningful action towards the transition to net zero. In addition to improving transparency, mandatory disclosures help to improve capability and drive improvements in corporate culture and governance.

Standards, Taxonomy and the Net Zero Authority

To ensure consistency and best practice, the ACTU recommends that climate-related disclosures be mandated against both agreed standards and a sustainable finance taxonomy and aligned with the work of the Net Zero Authority.

Integration between the *Treasury Laws Amendment Bill 2024: Climate-related financial disclosure*, the climate-related disclosures standards, the sustainable finance taxonomy and the Net Zero Authority is crucial for the success of the disclosure regime and the country's transition to renewable energy. The climate-related disclosure standards should not be less than the standards set by the Net Zero Authority and the taxonomy should be developed in collaboration with the Net Zero Authority.

The importance of a Just Transition

Australia's transition to net zero must provide positive social outcomes for the workers powering the transition, the communities experiencing and enabling it and the workers and communities who support current carbon-intensive industries. Such social benefit should be built in as a fundamental component of the Government's Sustainable Finance Strategy, including climate-related disclosures, through conditionalities on good quality jobs and fair labour standards and positive social outcomes.

Resource sector jobs, which are currently largely secure and fairly paid, cannot be replaced by industries comprised of precarious employment, unsafe conditions and low wages. Furthermore, there must be ample training and skill development opportunities, including apprenticeships, for workers entering renewable industries including those making the transition from our current carbon-intensive industries such as energy-generation, transport and manufacturing. Such transition planning and training is necessary for the successful development of these industries as well as being socially beneficial. Social benefit is vital to all government initiatives, including the successful transition to net zero, and therefore, must be wholly integrated from commencement.

Furthermore, a robust climate-related disclosure regime requires that all systemic risks are measured and disclosed and therefore, labour risks and transition risks must be reflected to ensure that these are measured, disclosed and managed throughout the transition.

International consistency and best practice labour risk disclosures

There is value in striving for international consistency when developing mandatory disclosures and in learning from other nations. However, Australia should always strive to implement best practice and to demonstrate leadership on the most effective ways in which to facilitate a just transition to a net zero economy.

In looking to international practice, it is worth noting the European Commission Delegated Regulation (EU) 2023/2772 which specified the disclosure requirements regarding the material impacts, risks and opportunities of sustainability statements on a company's *workforce* (ESRS S1) and the *workers in the company's value chain* (ESRS S2).¹ The Regulation references:

- Working conditions
- Secure employment
- Working time
- Adequate wages
- Social dialogue
- Freedom of association, the existence of works councils and the information, consultation and participation rights of workers
- Collective bargaining, including rate of workers covered by collective agreements

¹ https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202302772 P164 (ERS 1) and P202 (ERS 2)

- Work-life balance
- Health and safety
- Gender equality and equal pay for work of equal value
- Training and skills development
- Employment and inclusion of persons with disabilities
- Measures against violence and harassment in the workplace
- Diversity
- Child labour
- Forced labour
- Adequate housing
- Privacy

Additionally, the ISSB is investigating incorporating *human capital* and *human rights* into its standards on sustainability-related risks going forward.² Therefore, incorporating labour risks into Australia's climate-related disclosure regime is consistent with international trends. However, where Australia can make improvements to disclosure regimes, over and above international standards, we should. In particular, we should aim to be an international leader in key areas of national interest like best practice labour standards and a just transition.

Labour and transition risks

The ACTU proposes key areas which businesses should be required to disclose in the Appendix, and which cover the following topics:

- Workforce composition,
- Social dialogue,
- Workforce participation,
- Supply chain,
- Work health and safety,
- Pay levels,
- Grievance mechanisms,
- Training and development,
- Workplace gender equality and diversity,
- Pension fund contributions, and
- Just transition.

These are sourced from national and international best practice and will assist investors in evaluating the impact of the transition on workers and communities, track progress against agreed principles and plans and encourage best practice.

²<https://www.ifrs.org/content/dam/ifrs/meetings/2023/november/issb/ap2d-feedback-summary-proposed-projects-on-sustainability-related-risks-and-opportunities.pdf>

An amendment to the Bill to ensure disclosure on labour transition risks

To realise the policy intent “to improve the quality and comparability of disclosures of material climate-related financial risks and opportunities within the financial reporting framework [to] ensure Australians and investors are provided with greater transparency of an entity’s climate-related plans and strategies [and to] support regulators to assess and manage systemic climate-related risks to the financial system” (Explanatory Materials) and to ensure a just transition is ensured, the ACTU suggests an amendment to the Bill.

The ACTU proposes the insertion of an additional subsection under 296D1 to read as follows: “any metrics and targets of the entity for the financial year related to climate, particularly climate transition plans and strategies, which are required to be disclosed by the sustainability standards, including metrics and targets relating to workforce impacts”.

Conclusion

Climate change, the primary climate-related risk, is an existential threat facing humanity and requires a strategic and ambitious response. Therefore, the ACTU welcomes the Government’s work to mandate climate-related financial disclosures. Climate-related disclosures will improve the ability for governments, regulators, investors, and the public to make informed decisions, increase management of climate-related risks and encourage responsible environmental practice.

Australia’s transition to net zero must provide positive social outcomes for the workers powering the transition, the communities experiencing and enabling it and the workers and communities who support current carbon-intensive industries. Furthermore, a robust climate-related disclosure regime requires that all systemic risks are measured and disclosed and therefore, labour risks and transition risks must be reflected to ensure that these are measured, disclosed and managed throughout the transition.

To ensure the measurement, management and disclosure of labour and transition risks and practices, the ACTU proposes an amendment to create an additional subsection under 296D1 to read as follows: “any metrics and targets of the entity for the financial year related to climate, particularly climate transition plans and strategies, which are required to be disclosed by the sustainability standards, including metrics and targets relating to workforce impacts”.

Climate-related disclosures are necessary for Australia’s transition to net zero and they have an important role to play in ensuring that Australian workers and communities are not left behind in this transition.

Appendix: Key indicators

The key indicators outlined relate specifically to labour standards and are generally sourced from the Global Reporting Initiative – the standards by which many listed entities report. Where sourced elsewhere, that is noted.

1 Workforce composition

Assessment criteria under this theme indicate the type of relationship a company has with its workforce, the level of precarious employment, the extent of use of non-national guest labour, approaches to workforce diversity, and the propensity for avoidance of minimum labour standards in the particular jurisdiction.

Indicator No.	Key indicators	Source of definition of indicator	Risk factors that can be assessed by disclosure of data on this indicator
1.1	<p>How many full-time (35+ hours or more per week), part-time (<35 hours per week) and casual workers are engaged by the company (total number and by FTE) disaggregated by (i) directly employed; (ii) indirectly employed e.g. by a labour hire company; or (iii) by other means; and in each of (i), (ii) and (iii) how many are (a) employees, and (b) independent contractors?</p> <p>Disaggregate data by gender and country.</p>	GRI: G4-10	<p>Gathering information on direct and indirect employment (through labour hire agencies, franchisees and independent contractors) indicates the level of risk from indirect employment where lead company control is diminished.</p> <p>An important trend in the field of online on-demand platforms is the classification of workers as independent contractors instead of employees. The implications of this include arrangements that allow employers to circumvent minimum wage rates and withhold social benefits while shifting risks onto workers by denying workers' compensation, sick leave, other employee safety net benefits and the right to collective bargaining.</p>
1.2	<p>What is the rate of turnover for each of the past 3 financial years of (i) permanent workers with 35 hours or more per week (ii) permanent workers with less than 35 hours per week/part-time (however engaged)/casual workers, by country?</p> <p>Disaggregate by gender</p>	GRI:G4	<p>Information on the rate of turnover indicates the level of workforce stability. High levels of turnover warrants further investigation around risks of precarious work.</p>
1.3	<p>What proportion of the company's workforce comprises non-national guest</p>	ACTU	<p>Use of guest labour is well documented as showing a strong correlation to</p>

Indicator No.	Key indicators	Source of definition of indicator	Risk factors that can be assessed by disclosure of data on this indicator
	labour, by country of operation? Disaggregate by gender.		exploitative practices, exacerbated by language, ignorance of local laws and weak regulatory entitlements/protections. It is an indicator of potential human rights violations.
1.4	<i>For Assets and business streams Identified to Undergo a Transition due to Decarbonisation or Technological Change</i> How many full-time (35+ hours or more per week), part-time (<35 hours per week) and casual workers are engaged by the company (total number and by FTE) disaggregated by (i) directly employed; (ii) indirectly employed e.g. by a labour hire company; or (iii) by other means; and in each of (i), (ii) and (iii) how many are (a) employees, and (b) independent contractors? Disaggregate data by gender and country.	ACTU	Investors should be able to evaluate the impact of the decarbonisation strategy on the workforce for those who it affects. For example, Origin would disclose under this indicator the number of workers, the category of employment, and the contingent workforce of Eraring Power Station (among other transitioning assets)

2 Social dialogue between industrial partners

Assessment criteria under this theme indicate the commitment to collective bargaining with an appropriate bargaining agent, the attitude to the principle of freedom of association and union organisation of the workforce and levels of industrial tribunal activity and industrial dispute.

Theme No.	Key indicators	Source of definition of indicator	Risk factors that can be assessed by disclosure of data on this indicator
2.1	What percentage of the workforce is covered by a collective bargaining agreement, by country of operation? Disaggregate by gender.	GRI:G4-11 ILO Convention No 98, Right to Organise and Collective Bargaining Convention, 1949 (ILO C98) and Convention No 87, Freedom of Association and Protection of the Right to Organise Convention, 1948 (ILO C87)	Low levels of workforce coverage under a collectively bargained agreement is a strong indicator of dysfunctional labour relations and potential human rights violations.

Theme No.	Key indicators	Source of definition of indicator	Risk factors that can be assessed by disclosure of data on this indicator
2.2	<p>What percentage of the workforce is covered by collective bargaining agreements made with a trade union, by country?</p> <p>Disaggregate by gender.</p>	GRI:G4-11 ILO C98 ILO C87	Low levels of workforce coverage by a collectively bargained agreement with a union is a strong indicator of ineffective and dysfunctional labour relations and potential human rights violations.
2.3	<p>How many work stoppages (strike and/or lockouts) have occurred in the company's operations disaggregated into (i) 1 day or less; (ii) 1-3 days; (iii) 3-7 days; 7-14 days; 14-28 days; more than 28 days - over the past 12 months?</p>	Sustainability Accounting Standards Board (SASB) accounting metric	Work stoppages are indicators of dysfunctional labour relations. Regular and ongoing stoppages in the company's operations may indicate problems with the quality of social dialogue.
2.4	<p>Is there (i) any pending litigation against the company brought forward by employees, employee representatives NGOs or government regulators or labour investigation initiated by a government agency; or (ii) has the company initiated litigation seeking penalties against workers and/or their trade union in the past 12 months?</p>	CWC Guidelines for the Evaluation of Workers' Human Rights and Labour Standards (CWC Guidelines)	Labour relations litigation is an indicator of dysfunctional labour relations. Litigation against workers and trade unions is indicative of a company with poor social dialogue that is engaging in approaches to labour management that generate financial and reputational risk, as well as strained labour relations in the medium to long term.
2.5	<p>Is there a current International Framework Agreement (IFA) between the company and a union/s or trade union body?</p>	CWC Guidelines	The absence of an IFA is an indicator of low level company commitment to global standards across its operations and in particular the lack of dispute settlement procedures and fair bargaining i.e. labour relations instability. The existence of an IFA demonstrates an advanced level of collaboration between workers and management.
2.6	<p>Does the company encourage, remain neutral on or discourage (i) social dialogue with recognised independent unions; and (ii) the workforce joining a recognised independent trade union/s?</p> <p>Note: Evidence of encouragement/discourage</p>	ILO C87 ILO C98 ILO C135 (Workers' Representatives Convention, 1971)	Company attitude to unionisation of its workforce and engagement in social dialogue with recognised independent trade unions is a strong indicator of the level of commitment to strong worker-management relationships, functional labour relations and respect for human rights. The level of executive commitment to social dialogue is an important indicator of a

Theme No.	Key indicators	Source of definition of indicator	Risk factors that can be assessed by disclosure of data on this indicator
	ment to join a trade union will include CEO and senior company management statements, information in company HRM documentation such as recruitment advertising		company's approach to workers' rights.

3 Workforce participation

Assessment criteria under this theme indicate the approach to industrial democracy, workforce engagement in company decision making and consultation with the workforce on issues affecting their current and future employment and pay/conditions.

Indicator No.	Key indicators	Source of definition of indicator	Risk factors that can be assessed by disclosure of data on this indicator
3	Does the company provide for workforce participation in the affairs of the company through: (i) worker representation at the board level; (ii) company-level or national level work councils; and (iii) formally established workforce participation mechanisms?	CWC Guidelines	Company attitude to worker participation in company affairs is a strong indicator of the level of commitment to social dialogue, functional labour relations and respect for human rights.
3.2	Irrespective of the company approach to workforce participation, does the company recognise the presence of trade unions as representatives of the workforce for dialogue on company labour relations and safety issues?	ILO C135	Company attitude to workers' rights to join and participate in unions is a strong indicator of its respect for human rights. This indicator helps evaluate a company's commitment to the involvement of trade unions in the labour relations and safety management within the company.
3.3	Does the company consult with the workforce (including its trade union representatives) on workforce restructuring, including retrenchment, and the introduction of technological change that impacts the workforce prior to, when and if that restructuring occurs?	CWC Guidelines	Company approaches to consultation with its workforce on significant workforce change is a strong indicator of the level of commitment to social dialogue, functional labour relations and respect for human rights.
3.4	<i>For companies undergoing an industrial transition</i>	ACTU Just Transition Guidance for Investors	Investors should have line of sight of how companies are undertaking their

Indicator No.	Key indicators	Source of definition of indicator	Risk factors that can be assessed by disclosure of data on this indicator
	Has the company established a Just Transition Committee comprised of senior management and representatives of trade unions? If so, how many times has this Committee met and what has it discussed?		just transition strategy. Just Transition Committees should be substantively consultative and not a one-way information flow.

4 Supply chain

Assessment criteria under this theme indicate the commitment to upholding human rights principles in the contractor and supplier elements of the supply chain, that covers issues such as use of child labour, factory and occupational safety, freedom of association and compliance with domestic (and regional/provincial) labour laws

Indicator No.	Key indicators	Source of definition of indicator	Risk factors that can be assessed by disclosure of data on this indicator
4.1	Does the company conduct (i) supplier; and (ii) contractor due diligence regarding adherence to the same labour and human rights standards that it upholds for its direct operations over which it has 100% control, during (i) prequalification and supplier selection; and (ii) on an ongoing basis once suppliers and contractors are contracted, at least annually, for current suppliers and contractors?	CWC Guidelines	Company due diligence regarding labour relations practices and human rights standards across its suppliers and contractors is a strong indicator of the level of commitment to upholding human rights principles in all aspects of the company's business.
4.2	Does the company (i) encourage or (ii) require, its subcontractors and/or labour agency hires to maintain collective agreements covering employees and contractors working for, or supplied to, the company?	CWC Guidelines	Company practice regarding the labour relations standards expected in its supply chain is a strong indicator the depth of company commitment to upholding human rights and fair labour relations in its supply chains. This reflects a company's commitment to influence labour standards across its entire supply chain, thereby reducing risk of labour disputes outside the company's immediate control.

Indicator No.	Key indicators	Source of definition of indicator	Risk factors that can be assessed by disclosure of data on this indicator
4.3	<p>Does the company take proactive measures to avoid or mitigate adverse human rights impacts for workers in high-risk countries in its supply chain?</p> <p>Note: A proactive measure includes actions such as undertaking periodic independent audits and publicly reporting outcomes; or demonstrates adherence to core ILO Convention and OECD standards requirements even if not ratified/endorsed by the nation which is part of its supply chain</p>	<p>GRI:G4-LA15</p> <p>Bangladesh Accord 2013</p> <p>UN Guiding Principles on Business and Human Rights (UNGPHR)</p>	<p>The quality of pro-active measures a company takes to uphold human rights and fair labour relations practices in its supply chains is an important indicator of the level of company commitment to upholding human rights standards.</p>

5 Work Health and Safety

Assessment criteria under this theme indicate the level of commitment to the WHS rights of the workforce and WHS performance

Indicator No.	Key indicators	Source of definition of indicator Relation to Principles	Risk factors that can be assessed by disclosure of data on this indicator
5.1	<p>Does the company positively and publicly promote the WHS rights of the workforce as provided in WHS law, regulations and codes of practice, and facilitate the exercise of those rights by the workforce?</p>	ACTU	<p>A lack of positive commitment to uphold the WHS rights of employees is an important indicator of the quality of a company's commitment to providing a safe work environment. Strong management of health and safety in the workplace can have short-term and long-term positive impacts on operational and therefore financial performance.</p>
5.2	<p>Does the company require the establishment of WHS Committees and appointment of trained Health and Safety Representatives (HSRs) for each Designated Work Group (DWG) in all its workplaces?</p>	ACTU	<p>Company commitment to participation of its workforce in safety management and practice is an important indicator of the quality of a company's commitment to providing a safe work environment.</p>

Indicator No.	Key indicators	Source of definition of indicator Relation to Principles	Risk factors that can be assessed by disclosure of data on this indicator
5.3	Does the company measure and publish leading WHS performance indicators (e.g. deaths, injuries, near misses and unsafe conditions; safety discussions held, H&S audits, safety focused improvement events), showing trends over a minimum 3 -5 year period?	CWC Guidelines	Company commitment to maintain and publish OHS performance indicators is an important indicator of the quality of a company's commitment to providing a safe work environment.
5.4	What are the types of injuries and rates of injury, occupational diseases, lost days, absenteeism, and total number of work-related fatalities by country?	GRI:G4-LA6	Company commitment to maintain and publish OHS performance indicators is an important indicator of the quality of a company's commitment to providing a safe work environment.
5.5	Does the company have a policy to prevent workplace sexual and gender-based violence and which Director and/or Senior Executive is responsible for the implementation of that policy? How many incidents of sexual and gender-based violence have occurred?	ACTU	Australian companies have an obligation to prevent workplace sexual and gender-based harassment and violence. Progress against this obligation should be reported to investors.

6 Pay Levels

Assessment criteria under this theme indicate the approach to reward for work relative to the minimum standards in the jurisdiction and relative to executive pay as well as the opportunity to share in the wealth created

Indicator No.	Key indicators	Source of definition of indicator	Risk factors that can be assessed by disclosure of data on this indicator
6.1	Does the company ensure that every worker irrespective of employment type, without discrimination, has the right to equal pay for equal work?	ILO C100 (Equal Remuneration Convention, 1951) ILO C111 (Discrimination (Employment and Occupation) Convention, 1958) UN Declaration of Human Rights Article 23.2	Evidence of company commitment to pay equality is a strong indicator of company non-discriminatory policy.

Indicator No.	Key indicators	Source of definition of indicator	Risk factors that can be assessed by disclosure of data on this indicator
6.2	<p>What is the CEO-to-median worker pay ratio, by Gender and by Country?</p> <p>Note: the expectation here, irrespective of the nation of company operations, is adherence to the USA CEO pay ratio disclosure rule, which is contained in Item 402(u) of SEC Regulation S-K, requiring public companies to disclose: (i) the median of the annual total compensation of all US and non-US employees, other than the chief executive officer; (ii) the annual total compensation of the chief executive officer; and (iii) the ratio of these amounts.</p>	CWC Guidelines	The CEO to median worker pay ratio is a strong indicator of company commitment to wage justice and fair labour relations practice.
6.3	How do average company wages for the non-executive workforce compare with minimum statutory wages by gender and country?	GRI:G4-EC5	The relationship of company average wages relative to statutory minima is a strong indicator of wage justice and fair labour relations practice.

7 Grievance mechanisms

Assessment criteria under this theme indicate the ability of employees to exercise their basic human right to raise grievances about workplace issues free of retribution or discrimination and to have those grievances satisfactorily resolved

Indicator No.	Key indicators	Source of definition of indicator	Risk factors that can be assessed by disclosure of data on this indicator
7.7	<p>Does the company (i) have an operational-level grievance mechanism that provides workers with access to remedy? and (ii) Does the process to deal with employee grievances include the presence of trade union representatives?</p>	UN GPHR	The availability of functional grievance mechanisms is a strong indicator of the level of commitment to functional labour relations and respect for human rights.

8 Training and development

Assessment criteria under this theme indicate the commitment to human capital development and career advancement.

Indicator No.	Key indicators	Source of definition of indicator	Risk factors that can be assessed by disclosure of data on this indicator
8.1	Does the company offer programs to all employees for skills management and lifelong learning that support continued employability of employees at no cost to the employee?	GRI:G4-LA10	Company provision of training and workforce development is a strong indicator of the level of commitment to respect for human rights.

9 Workplace gender equality and diversity

Assessment criteria under this theme indicate the commitment to gender, ethnic and age diversity

Indicator No.	Key indicators	Source of definition of indicator Relation to Principles	Risk factors that can be assessed by disclosure of data on this indicator
9.1	Is the company implementing a workplace diversity policy that promotes age, disability, ethnic, gender and sexual orientation diversity?	CWC Guidelines	Company commitment and practice regarding workforce diversity is a strong indicator of the level of commitment to respect for human rights.
9.2	Specify the company's workforce diversity as a percentage by disability, ethnicity, gender and sexual orientation relative to national profile; and show company workforce age profile relative to national profile.	ACTU	Company commitment and practice regarding workforce diversity is a strong indicator of the level of commitment to respect for human rights
9.3	Disclose the gender split of employees by category of employment and by level of seniority.	ACTU	Investors should have visibility of the gender equality performance of the company.
9.4	Disclose overall gender pay gap, and disaggregate the gender pay cap by country, level of seniority,	ACTU	Investors should have visibility of the gender equality performance of the company.

Indicator No.	Key indicators	Source of definition of indicator Relation to Principles	Risk factors that can be assessed by disclosure of data on this indicator
	and category of employment.		

10 Pension fund contributions for employees

Assessment criteria under this theme indicate the commitment to contribute to the retirement income of employees

Indicator No.	Key indicators	Source of definition of indicator Relation to Principles	Risk factors that can be assessed by disclosure of data on this indicator
10.1	Does the company contribute to a company or industry or national superannuation or pension fund for its employees in each nation in which it operates?	ACTU CWC Guidelines GP3, GP7	Company contributions to employee pension or superannuation contributions is a strong indicator of the level of commitment to respect for human rights.
10.2	Does the governance board of the superannuation or pension fund/s into which the employer makes contributions (other than government pension funds) include both employer and fund member representatives nominated by employers and trade unions or workforce, respectively?	ACTU GP3, GP7	The composition of the governance board of superannuation and pension funds is an important indicator of the commitment of the employer to ensure the workforce and their representatives are engaged in the retirement income outcomes of their employees.

11 Just Transition

Indicator No.	Key indicators	Source of definition of indicator Relation to Principles	Risk factors that can be assessed by disclosure of data on this indicator
11.1	Has the company established a joint management-labour Transition Committee? In establishing the Committee it should be clear if it is site-based or company-wide and if it is composed of senior	ACTU	Whether a company has meaningfully engaged in transition planning with key decision-makers. That consultation is occurring at sites.

Indicator No.	Key indicators	Source of definition of indicator Relation to Principles	Risk factors that can be assessed by disclosure of data on this indicator
	management and trade union representatives. How many times has the Committee met and what was discussed?		
11.2	Has the company developed a Just Transition plan and is the plan publicly available? Does the plan detail projected changes in direct and indirect employment?	ACTU	Clearly outlining the impact of the transition on the workforce so investors can understand the scale and impact of the challenge.
11.3	In reporting against the implementation of the Just Transition Plan, the following metrics: <ul style="list-style-type: none"> • The company-wide investment required for the transition plan, • The retiring asset plan and costs, • The spend against the annual transition plan budget, • Investment in alternative job creation • Actual change in direct employment in transitioning business segments, • Actual change in indirect employment in transitioning business segments. 	ACTU	Investors should be able to track progress of the transition plan and if companies are meeting the goals set.

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