



RESEARCH ARTICLE

International Environmental Obligations and Corporate Accountability for Climate Change: A Doctrinal and Comparative Analysis of Emerging Accountability Pathways

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ABSTRACT

This article examines the extent to which corporations can be held legally responsible for climate-related risks, misleading climate representations, failures of corporate process, supply-chain impacts and physical climate harm. It identifies six accountability pathways – climate disclosure, truthful environmental communication, directors' duties, human-rights and environmental due diligence, judicial or administrative mitigation measures, and compensation for harm – and explores how international norms are translated into domestic corporate obligations. The analysis is doctrinal and comparative in nature and is informed by the International Court of Justice's Advisory Opinion of 23 July 2025 on Obligations of States in Respect of Climate Change, the United Nations Guiding Principles on Business and Human Rights, the 2023 OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, legislation, regulatory materials and reported cases. The comparison includes the United Kingdom, Australia, Canada, India and Pakistan with specific reference to the distinction between State responsibility and direct corporate liability. The article argues that the 2025 ICJ Opinion solidifies the international-law foundation for domestic regulation of private operators, but does not establish a direct corporate cause of action before the Court. The clearest enforceable duties currently arise through disclosure, misleading-conduct and corporate-governance rules in the domestic systems examined. Supply-chain due diligence is developing through a mix of statute, soft law and contractual mechanisms. Compensation for climate-related physical harm remains doctrinally and procedurally unsettled. The article introduces a pathway-and-remedy framework that distinguishes legal obligation, enforcement mechanism, and available remedy, using Pakistan as a Global South case study to test the limits of transnational corporate climate accountability.

1. INTRODUCTION

2. Private law and corporate regulation face a unique challenge in the form of climate change. Companies create or fund greenhouse gas emissions, make environmental claims to consumers and investors, operate through complex corporate structures and supply chains, and make decisions that may affect the exposure of workers and communities to climate-related risks. However, the fundamental architecture of international environmental law still addresses primarily States. The legal question is thus not merely whether corporations are responsible for climate change, in a moral or political sense. It is what legal rules impose duties on companies, who can enforce those duties and what remedies follow from breach.

3. The International Court of Justice (ICJ) Advisory Opinion of 23 July 2025 materially alters the international-law background to this question. The Court held that States have customary and treaty obligations to adopt, implement and enforce rules and measures regulating public and private operators under their jurisdiction or control. It also found that the standard of due diligence for preventing significant harm to the climate system is stringent, while emphasising that the content of due diligence is contextual and influenced by scientific information, national circumstances and State capabilities (ICJ, 2025, paras. 138, 280–300). The Opinion thus strengthens the legal basis for domestic regulation of corporate emissions, but does not bring corporations to trial before the ICJ. As for private actors, the internationally wrongful act is the State's own failure to exercise regulatory due diligence (ICJ, 2025, para. 428).

4. This distinction matters because corporate climate accountability is often framed in terms of disclosure, greenwashing, directors' duties, human-rights due diligence, mitigation injunctions and damages as if they are interchangeable. They are not. A disclosure duty can propel a correction, regulatory sanction or investor remedy without generating liability for physical climate loss. A directors' duty might require informed decision-making, but not to authorise a court to dictate an emissions pathway. A due-diligence framework can provide for identification and mitigation of risks without creating joint and several liability for all downstream climate damage. A tort claim may provide access to compensation, but may still fail due to causation, standing, jurisdiction or applicable law.

5. Research question: To what extent are corporations legally accountable for climate-related harm within the framework of evolving international and domestic legal systems? This leads to four subsidiary questions: (1) what does the 2025 ICJ Opinion change and leave unchanged in relation to corporate accountability; (2) what domestic legal pathways currently impose enforceable obligations on corporations; (3) how do the five jurisdictions differ in the relationship between corporate duties and remedies available; and (4) what doctrinal and regulatory developments are required to shift from process-based accountability to compensation for physical climate harm?

6. The comparison is deliberately purposeful. The United Kingdom, Australia and Canada have three mature common-law corporate, securities, consumer and regulatory mechanisms. South Asia's largest system is a system of securities disclosure plus constitutional climate-rights jurisprudence in India. Pakistan provides a particularly significant Global South case study in that its climate litigation has largely been directed against the State, while a transnational claim by Sindh farmers against German companies tests the potential of corporate compensation for climate-related loss in a foreign forum.

7. The article makes three related points. It begins by differentiating the international-law duties imposed on States from the domestic corporate duties created or reinforced through implementation. Second, it employs a pathway-and-remedy approach to avoid the problem of treating all regulatory effects as compensation for climate harm. Third, it places Pakistan in a comparative context that would otherwise be dominated by European and other Global North

litigation. The argument is intentionally less broad than a claim that a general corporate climate tort has emerged. The evidence supports a deeper conclusion: corporate accountability is growing, but it is growing unevenly across different legal pathways.

2. RESEARCH GAP AND LITERATURE REVIEW

8. The literature on corporate climate accountability has evolved along several, partly overlapping, lines. One such area of inquiry examines corporate climate litigation, and whether claims against major emitters can be accommodated within existing private-law doctrines. Rajavuori, Savaresi and van Asselt (2023) demonstrate how mandatory due-diligence laws and litigation can combine to enhance corporate accountability, but also highlight significant gaps between regulatory expectations and enforceable remedies. The most recent comparative work has focused on practical obstacles to tort-based litigation, especially duty, standing and causation (MacLaren, 2026), and on shareholder-led climate litigation and its procedural limits (Wong, 2025).

9. A second strand is corporate governance. Aristova and Nichols (2024) analyse *ClientEarth v Shell* and demonstrate that climate litigation against directors must operate within the procedural and substantive constraints of the Companies Act 2006. The case is important not because it established a general duty to align corporate strategy with the Paris Agreement – it did not – but because it shows how the derivative-claim mechanism limits judicial intervention in strategic decisions. The governance literature therefore favours a distinction between a duty to inform oneself and exercise judgement on one hand, and a judicial power to dictate a particular corporate transition pathway on the other.

10. Third, there is international and transnational corporate responsibility. The UN Guiding Principles on Business and Human Rights establish a corporate responsibility to respect human rights, including through human-rights due diligence and access to remedy, but do not provide for a universal private damages action. The 2023 OECD Guidelines set out more expectations on climate mitigation, transition planning, Scope 1, 2 and, where possible Scope 3 emissions, and due diligence across business relationships. These instruments are important normative standards, but their legal effect depends on domestic reception and enforcement mechanisms.

11. A fourth and very recent strand considers the post-ICJ legal ecosystem. Varrall, McClelland, Lin and Peel (2026) point to a nascent global legal ecosystem for corporate climate accountability, connecting international, domestic and transnational developments. That work severely limits any claim that the present article is the first recognition of the density or fragmentation of corporate climate regulation. The current article therefore does not claim that the broad ‘corporate climate accountability’ is an undiscovered terrain. Its narrower contribution is to organise the field around the relationship between legal trigger, defendant, enforcement mechanism and remedy, and to test that framework comparatively in five jurisdictions including Pakistan.

12. The resulting research gap is thus operational rather than descriptive. Although existing scholarship provides a useful account of individual trajectories and the broader ecosystem, there is still value in a journal article posing a more concrete legal question: when a corporation is said to be ‘accountable’ for climate harm, what legal obligation has actually been violated, who can invoke it, against which entity, before which forum, and with what remedy? The pathway-and-remedy framework developed below is intended to address those questions without lumping together soft-law expectations, regulatory enforcement and private damages.

3. METHODOLOGY AND SCOPE

13. It is a doctrinal and comparative legal study. Key materials include the ICJ Advisory Opinion of 23 July 2025, relevant international instruments, legislation and regulations, regulatory

guidance and reported judicial decisions. Scholarly debates, competing interpretations and new research are identified through the use of secondary sources. The hierarchy of authority is intentional: binding or formally applicable legal materials are separated from advisory opinions, regulatory guidance, soft-law instruments, academic commentary, NGO materials and media reports.

14. The comparative method is purposeful and not statistically representative. The five jurisdictions were selected as they offer materially different blends of corporate law, disclosure regulation, greenwashing enforcement, climate litigation and transnational exposure. The analysis is based on the same questions for each jurisdiction: (a) the legal source of the duty; (b) the defendant or regulated entity; (c) who can enforce the duty; (d) the procedural gateway; and (e) the remedy. This common matrix is used in an effort to reduce the risk of comparing unlike legal phenomena.

15. The study does not pretend to offer an empirical measure of the effectiveness of corporate climate regulation. The two figures reproduced from the original draft are kept as the author requested that the original figures be not deleted. In this revised version they are treated as conceptual organising devices, not as measured indices. Their numerical values are not presented as observations based on a coded data set. The tables are also descriptive and should not be read as comprehensive statements of all climate-related corporate law in the five jurisdictions.

16. Finally, the law evolves rapidly. Staged implementation and amendment of climate disclosure and greenwashing regimes are underway. The legal position set out in this paragraph is the position as at September 2026 from the sources identified in the reference list. Pending litigation is identified as such and claims made by NGOs or claimant organisations are identified as such, rather than treated as judicial findings.

4. INTERNATIONAL LEGAL PREMISES: FROM STATE LIABILITY TO CORPORATE REGULATION

17. It begins with the institution. The ICJ's 2025 Opinion dealt with the international obligations and responsibility of States, not an independent international liability regime for corporations. The Court found that the general duty to prevent serious environmental harm applies in the climate context and that the due-diligence standard is a strict one. In paragraph 282, the Court said that the conduct of public and private operators under the jurisdiction or control of the State must be regulated by appropriate rules and measures, and that these should be accompanied by effective enforcement and monitoring mechanisms. Paragraph 428 then made explicit the institutional point: where emissions are generated by private actors, the relevant internationally wrongful act for the purposes of State responsibility is the State's own failure to exercise regulatory due diligence.

18. This is not to say that private conduct is of no legal relevance to international law. The ICJ's reasoning links the private activity to the State's prevention obligations. The OECD Guidelines are an international standard specifically directed to enterprises. The 2023 OECD Guidelines suggest that enterprises align their greenhouse gas emissions and their impact on carbon sinks with internationally agreed temperature goals, implement science-based transition plans, track and disclose targets and conduct risk-based due diligence. They are important international standards for corporate behaviour. But they must be distinguished from treaty obligations which are directly enforceable against corporations.

19. UN Guiding Principles hold a similar, but distinct position. They set out a corporate responsibility to respect human rights, and recommend human-rights due diligence. They are not a treaty creating a general cause of action. They often have legal significance in the areas of

interpretation, policy, corporate governance, procurement and domestic legislative development. The legal pathway is therefore mediated. International norms inform State regulation and domestic adjudication; domestic law then provides the enforceable duty.

20. This mediated structure also provides an explanation why the ICJ Opinion should not be converted into a direct corporate damages rule. The Opinion defines what States must do and what happens when they don't. It does not decide the private-law parts of a claim against a corporation such as duty of care, standing, causation, contribution, limitation, jurisdiction or applicable law. This distinction is especially important for transboundary claims involving climate attribution, where scientific contribution and legal causation may be conceptually linked but are not the same legal questions.

5. A FRAMEWORK OF PATHWAYS AND REMEDIES

21. For comparison, corporate climate accountability is divided into six pathways. The first is disclosure, the obligation to publish climate-related financial information, transition information or other sustainability metrics. The second is truthful speech – rules against misleading environmental claims in advertising, consumer communications and financial promotion. The third is directors' duties: obligations of good faith, care, skill, diligence and consideration of long-term consequences and environmental impacts where domestic company law requires them. Fourth, human rights and environmental due diligence, notably through supply chains and business relationships. 5. Judicial or administrative mitigation, such as injunctions or regulatory orders that require changes in corporate conduct. Sixth is compensation for physical harm from climate.

22. The six pathways vary by their legal architecture and their remedy. A breach of disclosure could lead to correction, regulatory action or fallout among investors. A greenwashing proceeding could lead to a penalty, corrective statement or restriction on marketing. A directors' claim may result in a declaration, an award of damages to the company, or permission to bring derivative proceedings, but does not necessarily give a court the power to devise a corporate climate strategy. Due diligence may result in a compliance plan, remediation or contractual consequences. A mitigation injunction alters conduct directly. In a claim for damages, the court must establish the legal elements of liability and quantify the loss which is legally attributable.

23. The framework also avoids a major category mistake. Regulation to change a company's behaviour is a form of accountability but not the remedy of compensating an individual for a physical loss caused by climate change. Thus, the primary takeaway of the comparison is that one pathway is not simply 'stronger' than another. That the pathways have different legal functions and have developed at different rates.

24. The original table is copied verbatim. The country analysis has separate discussion on Pakistan. The entries are illustrative and descriptive, not comprehensive.

Table 1.

Four systems of corporate climate-accountability pathways

Pathway	United Kingdom	Australia	Canada	India
Mandatory climate disclosure	ISSB-aligned / SDR for funds; TCFD heritage	AASB S2 from FY 2025; ASIC review 2026	Securities climate guidance; evolving	SEBI BRSR / BRSR Core; transition-plan debate
Greenwashing	FCA anti-greenwashing rule; ASA; CMA	ASIC and ACCC penalties; further 2026 suits	Competition Act C-59; private access 2025; OSC Purpose	Advertising and consumer law; thinner climate docket

Pathway	United Kingdom	Australia	Canada	India
Directors' duties	CA 2006 ss 172–174; ClientEarth v Shell failed	Care and diligence; disclosure drives board process	CBCA / provincial; climate as risk not injunction	Companies Act; CSR spend; no Shell-style win
Supply-chain / HRDD	No CSDDD clone; UNGPs / Modern Slavery Act cousin	Modern Slavery Act; due-diligence debate	Forced-labour and OECD National Contact Point	BRSR value-chain phase-in; labour codes
Damages for climate harm	Causation wall; no flood-pay case of record	Sharma-type public-law cases more than tort payouts	Tort theories pleaded; quantum rare	Public-law climate rights; private damages undeveloped

6. HUMAN RIGHTS, SUPPLY CHAINS AND DUE DILIGENCE

25. Human rights discourse is an important way of translating climate risk from an abstract global problem into identifiable corporate processes. The UN Guiding Principles differentiate between the State duty to protect human rights and the corporate responsibility to respect human rights. The operational mechanism for corporations is human rights due diligence: identifying actual or potential adverse impacts, integrating findings, taking action, tracking responses and communicating how impacts are addressed.

26. The 2023 OECD Guidelines improve the climate dimension of this framework. They recommend science-based climate policies and transition plans, regular monitoring and reporting, focus on Scope 1, 2 and, where possible, Scope 3 emissions and leverage in business relationships. They also understand that climate impacts are linked to workers, communities and ecosystems. This makes due diligence particularly relevant for supply chains in countries like Pakistan, where workers can be exposed to extreme heat even if the buying company is located in a different country.

27. The evolving treatment of heat stress in Pakistan under the International Accord illustrates the difference between contractual or multi-stakeholder accountability and a general climate tort. In 2025 Climate Rights International reported that heat stress had been discussed by the Accord's Steering Committee as part of its mandate. Those mechanisms may involve inspection, remediation and workplace safety implications, but they do not create a rule that a global brand is liable for all climate-related losses in the supplier's country. It is necessary therefore to identify with precision the legal character of the duty.

28. But the transnational nature of supply chains also presents a jurisdictional problem. A parent company may be liable to suit in its home forum for injuries suffered at the hands of a subsidiary or supplier abroad, but the existence of a corporate relationship does not in itself create a parent duty of care. The liability of the parent company depends on the domestic law that governs the claim and the evidence relating to the assumption of responsibility, supervision or control by the parent company. The lesson from cases like *Vedanta Resources plc v Lungowe* is not that parent companies are always liable for their subsidiaries' environmental harms; it is that corporate structure does not necessarily prevent a duty where the parent has sufficiently involved itself in the management of the relevant risk.

7. DIRECTORS' DUTIES AND GOVERNANCE

29. English company law can usefully test the boundaries of climate-oriented directors' litigation. Section 172 of the Companies Act 2006 states that directors must act in good faith in what they consider to be the best interests of the success of the company for the benefit of the members as a whole, while taking into account specific factors such as the long-term effects of decisions and the

consequences of the company's operations on the environment and the community. Section 174 imposes an obligation to exercise reasonable care, skill and diligence.

30. ClientEarth v Shell Plc illustrates the procedural and doctrinal constraints on achieving a court-ordered transition strategy through the use of those duties. ClientEarth applied for leave to bring a derivative action alleging that Shell's directors had failed in their duties in relation to climate-risk management and the company's response to the Paris Agreement. The application was dismissed by the High Court. On reconsideration, the High Court upheld the rejection in July 2023. The judgements do not preclude that climate risk is immaterial to directors' duties. Rather, they highlight the constraints of derivative litigation, where the plaintiff seeks to have the court replace the directors' good faith business judgement.

31. The more defensible proposition is therefore process based. Directors may need to educate themselves, consider relevant risks and act according to the duties imposed by domestic law where climate risk is financially material or otherwise relevant under applicable company law. Different questions may arise from disagreeing about the merits of a particular transition strategy than not taking material climate risk into account. This distinction is consistent with the academic analysis of Aristova and Nichols (2024), who identify the importance of climate risk to directors and the procedural barriers to derivative litigation.

32. Other jurisdictions require different treatment, not transplantation of English doctrine. Australia's mandatory sustainability reporting and directors' duties coexist. In India, the reporting obligations of listed companies are mainly governed by the BRSR framework issued by SEBI, while the climate-rights jurisprudence of the Supreme Court is primarily public-law jurisprudence. In Pakistan, climate-specific cases of directors are limited. Comparative analysis therefore should reject the shorthand proposition that 'directors now have a climate duty', and instead identify the statutory duty, the relevant corporate decision, the procedural mechanism and the remedy.

8. CLIMATE DISCLOSURES AND GREENWASHING

33. Disclosure and environmental-marketing regulation currently provide the clearest corporate climate obligations in the jurisdictions we examined. The Australian Sustainability Reporting Standards include AASB S2 Climate-related Disclosures, which will be mandatory for specified entities on a phased basis from annual reporting periods beginning on or after 1 January 2025. ASIC's regulatory framework sets out what entities are subject to the reporting regime and how compliance is monitored. This is a direct statutory reporting architecture, not just voluntary ESG communication.

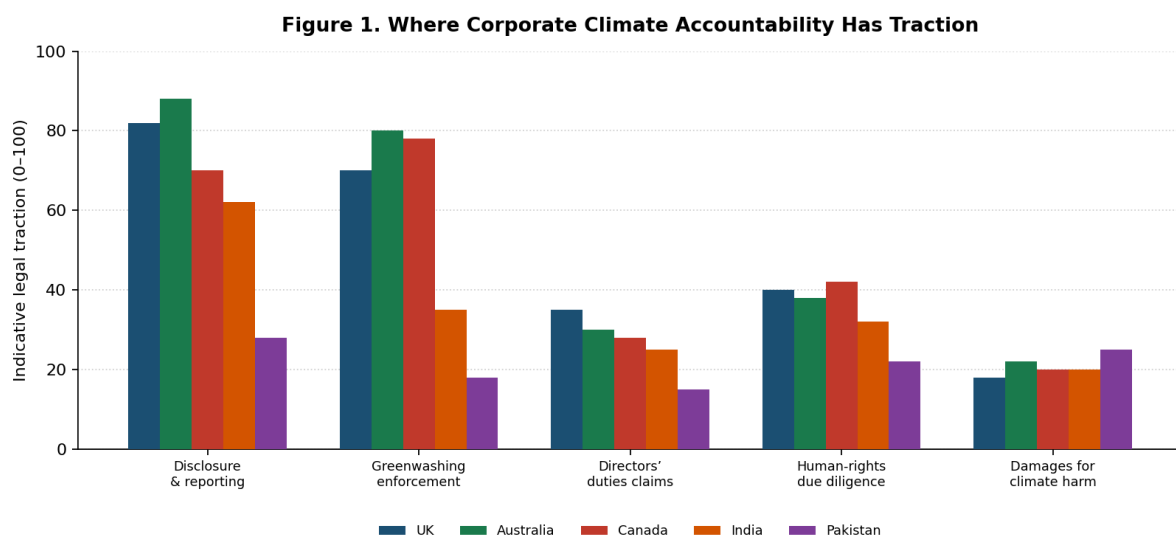
34. The FCA's anti-greenwashing rule came into force in the United Kingdom for authorised firms on 31 May 2024. The rule demands that any claim made about the sustainability of products and services be fair, clear and not misleading. The Sustainability Disclosure Requirements regime also covers naming, marketing and sustainability labels for in-scope investment products. The regime thus serves as an example of a financial promotion pathway, rather than a generic corporate climate tort.

35. Canada provides a recent important development in competition law. Bill C-59 received Royal Assent on June 20, 2024, and included specific provisions regarding environmental claims. The Competition Bureau's guidance states that certain environmental claims must be tested or sufficiently and properly substantiated. From 20 June 2025, subject to the statutory leave process, private parties would be able to apply to the Competition Tribunal to enforce specific provisions related to deceptive marketing. This matters because it provides a private procedural route, but it ought not be called a private climate-damages action.

36. A different model is India's BRSR framework. Under SEBI's 2023 framework, BRSR Core assurance was rolled out in a phased manner and extended to the top 1,000 listed entities by market capitalisation for FY 2026–27. Later SEBI materials also cover assurance or assessment and value chain disclosures. The legal relevance is the transition from descriptive sustainability reporting to concrete indicators and external validation. But it is still important to differentiate between the reporting of non-compliance and the liability for physical climate damage.

37. The comparison suggests that climate disclosure and greenwashing rules can have substantial behavioural effects, without proving causation for a particular flood, heatwave or crop loss. Their legal role is to improve information, discipline representations and bring corporate decision-making into regulatory and market scrutiny. Whether these mechanisms actually reduce emissions is an empirical question that requires evidence beyond the doctrinal materials considered here.

Figure 1. Where corporate climate responsibility takes hold



Note. Heuristic. Damages for climate harm remain the weakest pathway in all five systems.

Note. Original figure kept at the author's request. It is authorial conceptual visualisation, not a statistical index or coded dataset. The relative values are not to be interpreted as measured inter-jurisdictional enforcement probabilities.

9. COMPARATIVE JURISDICTION REVIEW

9.1 UK

38. Statutory directors' duties are combined in the UK with a relatively well-developed framework for financial promotion and sustainability disclosure. Section 172 requires consideration of long term consequences and environmental impacts. Section 174 imposes care, skill and diligence. *ClientEarth v Shell* shows the limits of pursuing a court-designed corporate transition pathway through the derivative procedure. The case should therefore be cited as authority for procedural and business-judgment constraints, not for the proposition that climate risk is outside the scope of directors' duties.

39. FCA's anti-greenwashing rule offers a separate regulatory route for authorised firms. The model of the UK shows the importance of the separation of the company-law duties from the regulation of conduct in financial services. The two regimes may interact in practice but they answer different legal questions and provide different remedies.

9.2 Australia

40. Australia's corporate climate framework is shifting more in the direction of a mandatory sustainability reporting model. Entities in Group 1 apply AASB S2 for reporting periods commencing on or after 1 January 2025, entities in Group 2 for periods commencing on or after 1 July 2026 and entities in Group 3 for periods commencing on or after 1 July 2027. ASIC has released regulatory guidance on sustainability reporting and on its ongoing supervisory work on reporting quality. The framework puts climate information in the formal framework of corporate reporting.

41. Australia has a considerable body of greenwashing jurisprudence and regulatory enforcement under consumer and financial law. Public climate cases, such as *Sharma*, are mainly concerned with government responsibilities, rather than direct corporate climate liability. The comparative point, therefore, is not that Australia has created a general corporate climate tort, but that corporate accountability may be achieved through reporting, consumer protection and governance rules without the need for such a tort.

9.3 Canada

42. Canada's 2024 competition law reforms offer a unique greenwashing pathway. The environmental-claims provisions require that certain claims meet statutory testing or substantiation requirements. Private access to Competition Tribunal for deceptive-marketing provisions became available June 2025, subject to leave. The remedy is not traditional damages for climate loss, but regulatory or corrective. The Canadian federal system also counsels against using the term 'Canadian corporate climate law' in the singular, since securities regulation and many private law claims are provincial in nature.

43. The Canadian experience offers useful guidance on how climate claims can be challenged in court without the need to prove that the product or activity involved in the claim actually caused a specific climate event. That is a fundamentally different accountability track than loss and damage based on tort.

9.4 India

44. India integrates securities disclosure with constitutional environmental and climate-rights jurisprudence. SEBI's BRSR and BRSR Core framework sets out progressively wider reporting and assurance expectations for listed companies. The Supreme Court's decision in *M.K. In Ranjitsinh v Union of India* (2024), a right against adverse impacts of climate change was laid down through Articles 14 and 21, although the case itself originated within the framework of conservation and the Great Indian Bustard. The decision is therefore an important climate-rights decision, but it should not be described as establishing a general private corporate climate tort.

45. India's corporate accountability framework is more developed in the reporting and public-law dimensions than private compensation for climate-related physical harm. The Companies Act CSR regime should also be conceptually distinguished from climate liability: environmental CSR expenditure is not a legal duty to compensate persons harmed by emissions.

9.5 Pakistan

46. Pakistan is a particularly important test of the distinction between State and corporate responsibility. In *Leghari v Federation of Pakistan*, the Lahore High Court ruled that the government's failure to implement climate policy infringed on fundamental rights and ordered institutional steps toward implementation. This is therefore a precedent in public law for State action, not a decision imposing climate damages on a private corporation.

47. Pakistan has also seen shifts in its international climate commitments. Pakistan submitted its NDC 3.0 to the UNFCCC on 24 September, 2025. This document relates to national mitigation and adaptation commitments and does not in itself create a private cause of action against Pakistani corporations.

48. The transnational Climate Cost Case gives a different test. Sindh farmers have filed the claim in Germany against RWE and Heidelberg Materials for compensation of the losses incurred due to the floods of 2022. The claimant organisations say the case concerns 39 farmers and around EUR 1 million in claimed damage. RWE has publicly said it believes the claim to be unfounded. The case should be described as ongoing litigation, and not as a precedent for corporate climate liability. Its legal significance comes from the issues it raises regarding German tort law, causation, attribution, the proportionality of contribution, private international law and the relationship between scientific attribution and legal responsibility.

49. The Pakistan case also reveals a structural limitation of buyer-driven accountability. Export-oriented suppliers may be subject to contractual, workplace and due-diligence obligations through international supply chains, while firms operating exclusively in domestic markets may not experience the same transnational pressure. The regulatory implication is that domestic legislation matters if corporate climate accountability is to extend beyond globally-integrated supply chains.

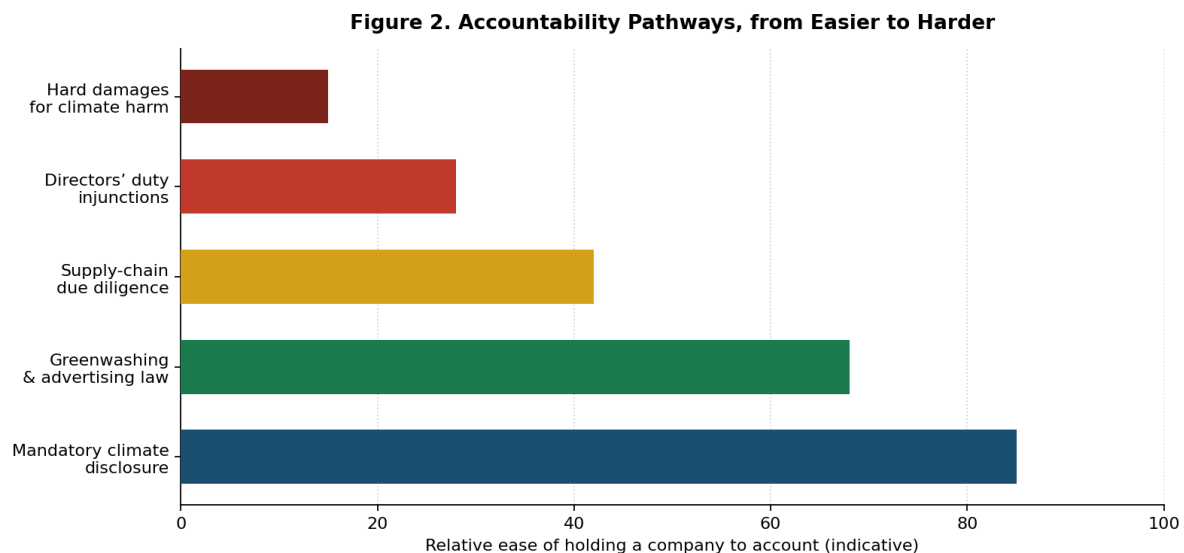
50. Table as reproduced. Entries should be read as a conceptual synthesis of the doctrinal comparison, rather than as an assertion that the remedies listed are available in all five jurisdictions.

Table 2.

What each type of accountability can and cannot provide

Accountability type	What a claimant can realistically get	What remains out of reach
Speak-truth (disclosure / ads)	Correction, penalty, label withdrawn	A tonne of CO ₂ retired
Board process	Pressure, strategy review, rare permission for derivative claim	Court-written Paris pathway
Supply-chain diligence	Policy, audit, remedy procedure	Joint and several liability for a flood
State duty to regulate firms	ICJ-informed legislative pressure	Direct ICJ judgment against a company
Compensation for harm	Theorised; farmers' foreign claims nascent	Routine damages against a listed emitter

Figure 2. Accountability routes, from the easiest to the hardest



Note. Disclosure is widely available; compensation for flood or heat loss is not.

Remark. Figure originally preserved at the author's request. The horizontal values are illustrative not empirical. The figure is not meant to rank jurisdictions or to gauge legal success, but to suggest the relative doctrinal and procedural difficulty encountered in the article.

10. DISCUSSION

51. Comparative evidence supports a layered model of corporate responsibility for climate. At the international level, the ICJ Opinion confirms the legal expectation that the States regulate private operators by means of effective domestic regimes. At the domestic level, that international expectation is translated through company law, securities regulation, consumer law, competition law, environmental law, workplace law and due diligence mechanisms. The systems diverge sharply at the remedial level: disclosure and misleading-conduct rules can generate identifiable regulatory consequences, whereas physical-damage claims have to negotiate causation, duty, standing, jurisdiction and quantum barriers.

52. The key analytical point, then, is the institutional mediation. International law might strengthen the reasons for regulating corporate conduct, without itself furnishing all the elements of a corporate cause of action. This distinction is especially important after the 2025 ICJ Opinion, otherwise the language of the Opinion on private operators can be overestimated. Paragraph 282 requires States to regulate public and private operators; paragraph 428 places the internationally wrongful act in the State's failure to exercise due diligence in regulation. It is therefore for the domestic or other applicable law to build the bridge to corporate liability.

53. A second finding is the distinction between information accountability and harm-based liability. To qualify for a claim under climate disclosure and greenwashing regulation, a claimant need not prove that a particular corporate statement caused a particular flood. That lesser causal burden also helps explain the faster evolution of these pathways. The trade-off is remedial: the claimant can get correction, regulatory action or other statutory remedy rather than compensation for climate loss.

54. The third finding is on corporate governance. The ordinary duties of care, skill and diligence and long-term decision-making may expose directors to climate risk but the law may not be prepared to allow the courts to substitute the claimant's preferred corporate strategy. This institutional boundary is illustrated by *ClientEarth v Shell*. The litigation in the future will likely be about the quality of information, process and congruence between public statements and governance, rather than any general judicial power to prescribe a Paris-aligned business model.

55. A fourth finding relates to due diligence. Compared to earlier soft-law formulations, the 2023 OECD Guidelines are more concrete in terms of climate transition planning and value-chain due diligence. But its legal effect remains to be received. Due diligence is strongest when it is embedded in law, licensing conditions, procurement rules, contractual obligations, reporting requirements or enforceable remedies. The difference between a suggested process and a binding duty should therefore be easy to see in scholarship and advocacy.

56. Finally, in the five-jurisdiction comparison, the least mature pathway is still compensation. This is not because contributions by climate science cannot be attributed. The legal question is to convert scientific contribution into the components of a specific private claim against a specific defendant for a specific loss. The Climate Cost Case and other transnational proceedings may offer insight into this boundary, but pending litigation should not be treated as precedent until courts have made their decisions.

11. REFORM CONSEQUENCES

57. The analysis suggests a number of reforms that are more legally coherent than an immediate attempt to create a universal corporate climate tort. First, legislatures can enact climate due diligence duties for high-risk sectors and set minimum procedural requirements, such as risk identification, transition planning, monitoring, grievance mechanisms and remediation. Second, disclosure regimes can require adequate information and appropriate assurance while distinguishing between historical emissions, targets, scenarios and aspirational statements.

58. Third, anti-greenwashing regimes should differentiate between objective verifiability of representations and the true uncertainty of forward-looking statements. A regulatory framework that treats every missed target as fraud may discourage useful disclosure; a framework that treats every target as non-binding aspiration may allow misleading communication. The legal question is when a representation is sufficiently specific, material and supported to give rise to liability.

59. Fourth, licensing and subsidy regimes can be used to implement the State obligations identified by the ICJ. Paragraph 282 specifically mentions regulatory mitigation mechanisms, effective enforcement and monitoring. This allows States to tie environmental approvals and public support for fossil-fuel production and other high-emitting activities to measurable conditions. This approach is more directly connected to the duty under international law than it is to treating the advisory opinion as if it created a private cause of action for damages.

60. Fifth, if the legislative goal is to compensate for climate-related loss, statutory contribution mechanisms may provide more predictability than an unstructured common-law leap. A contribution scheme could specify who is entitled to claim, what the standards of evidence are, the rules on aggregation, limitation periods, proportional responsibility and the relationship between corporate payments and public loss-and-damage finance. Although it would not solve the difficult causation questions, such a scheme would make clear the remedial architecture.

12. CONCLUSION

61. Corporate climate accountability is substantial but takes many forms. Corporations may have enforceable obligations regarding climate disclosure, environmental representations, corporate governance processes and increasingly, due diligence in business relationships. These obligations arise principally from domestic law and regulatory regimes, although international norms shape the content of these duties. The ICJ's 2025 Advisory Opinion reinforces the international-law basis for State regulation of private operators and confirms that States must exercise stringent due diligence to protect the climate system. But it does not make corporations defendants before the ICJ or create a universal private damages action.

62. The sub-questions are also answered by the comparative analysis. The United Kingdom is a case study of the limits and possibilities of directors' duties and financial-promotion regulation. Australia shows how fast mandatory climate reporting can be institutionalised. One example of the use of competition law and private access to address environmental claims is found in Canada. India combines constitutional climate-rights jurisprudence with listed companies' reporting. Pakistan highlights the continuing relevance of public-law climate litigation and the increasing relevance of transnational claims for compensation for physical injury.

63. The primary conclusion of the article is thus methodological as well as doctrinal: 'corporate climate liability' is too vague a term to accurately capture the current legal position. A rigorous analysis must identify the pathway, the source of the duty, the defendant, the forum, the procedural gateway and the remedy." Since that analysis, accountability has moved much further into reporting, advertising, governance and due diligence, while routine compensation for physical climate harm remains unsettled. The 2025 ICJ Opinion may speed up the first four pathways by increasing the legal pressure on States to regulate private emissions, but the sixth pathway—compensation—still depends on domestic or transnational private law and the resolution of difficult questions of causation, attribution and remedy.

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◆ Ethical Statement

Ethical approval was not required because this study is based exclusively on publicly available legal documents, judicial decisions, treaties and published literature, and did not involve human participants, animals or confidential data.

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