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Director
Sustainable Finance Unit, Climate and Energy Policy Branch
Climate, Energy, Industry and Infrastructure Division
The Treasury
Langton Crescent
PARKES ACT 2600

Via Consultation Hub

Dear Sir/Madam,

Consultation Paper - Improving the efficiency of climate-related financial disclosures

We appreciate the opportunity to comment on Treasury's August 2026 Consultation Paper - Improving the efficiency of climate-related financial disclosures (the Consultation Paper).

Nexia Australia Pty Ltd represents the four independent chartered accounting firms that comprise the Nexia Australia network. The network has 75 partners and services clients including small and medium enterprises, large private companies, not-for-profit entities, subsidiaries of international companies and listed public companies. As a top 15 accounting and advisory network in Australia, Nexia is proud to act as auditor and adviser to the middle market.

The Consultation Paper states that the proposals for reform are intended to achieve four core principles:

1. Improve the efficiency of the sustainability reporting framework by reducing compliance costs
2. Maintain international alignment between AASB S2 and its global counterpart, IFRS S2
3. Minimise disruption for reporting entities, and
4. Ensure the 2028-29 Review is used to examine more systemic issues.

Our comments on the Consultation Paper encompass a range of matters – some of which may be outside its scope – that we believe are relevant to achieving the objectives of improving the efficiency of the sustainability reporting framework by reducing compliance costs, maintaining international alignment between AASB S2 and its global counterpart, IFRS S2, and minimising disruption for reporting entities.

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Executive summary

The following summarises our key responses in this submission.

Proposal 1:

We recommend maintaining limited assurance over the entire sustainability report for all reporting entities (Option 1a).

We strongly believe that amending the assurance requirements to mandate only limited assurance on a sustainability report required by subsection 292A of the *Corporations Act 2001* would represent an appropriate balance between providing a core safeguard of obtaining an independent review of those disclosures while recognising the practical challenges and significantly reducing compliance costs associated with obtaining reasonable assurance on all climate-related information.

Treasury can achieve its four core objectives by retaining limited assurance for sustainability disclosures and the introduction of a new Tier 2 Simplified Disclosure regime for Australian Sustainability Reporting Standards.

Conformity between AASB S2 and IFRS S2, with limited assurance over those disclosures, is more likely to be relevant for listed companies and those with public accountability. However, a simplified reporting framework with limited assurance would provide a balanced approach, minimising regulatory costs for large proprietary companies and those closely held entities with few or limited stakeholders reliant upon externally reported and assured sustainability information.

Proposal 2:

We strongly support the provision of additional clarity on the matters described in the Consultation Paper.

We reiterate our comments in our submission of 8 February 2024 on Treasury's *Climate-related Financial Disclosure Exposure Draft Legislation* that the assurance requirements be amended so that an auditor is not required to form an opinion on the directors' assessment where subsection 296B(1) applies.

Proposal 3:

We are supportive of proposals that help reporting entities, particularly for SMEs, efficiently determine the boundaries of their value chain and ensure that data requests (eg, for GHG emissions data) do not create disproportionate costs or compliance impacts across value chains.

Treasury and the AUASB should consider the likelihood and consequences of a failure of value chain entities providing verifiable and supportable emissions data on which an auditor can form an opinion.

Opportunity 1:

We support improved alignment between the National Greenhouse and Energy Reporting (NGER) and AASB S2 reporting frameworks to reduce duplication, reporting risk, assurance effort and cost.

Treasury should explore aligning the NGER reporting requirements with AASB S2 or exempting NGER reporting entities from reporting under AASB S2.

Opportunity 2:

We recommend that ASIC consider establishing a sustainability auditor competency framework, potentially supported by a new class of Registered Sustainability Auditors, to broaden the pool of qualified practitioners, support competition and strengthen sector-wide capability.

Other recommendations that would improve efficiency and reduce regulatory burden

1. Changes to Large Proprietary Company thresholds

We recommend Treasury:

- a) Retain the existing thresholds for determining whether a proprietary company is 'large' for determining who has to prepare an annual financial report and directors' report for the purpose of subsection 292 of the *Corporations Act 2001*; and
- b) Achieve its objective of improving the sustainability reporting framework and reducing compliance costs by increasing the thresholds prescribed for determining who has to prepare an annual sustainability report for the purpose of subsection 292A of the *Corporations Act 2001* to:
 - i) \$100 million for consolidated revenue (from \$50 million);
 - ii) \$50 million in consolidated assets (from \$25 million); and
 - iii) 200 employees (from 100).

2. Introduction of Tier 2 Simplified Disclosure regime for Australian Sustainability Reporting Standards

A simplified sustainability disclosure regime could result in a significant reduction in the costs of preparation, assurance, and regulatory burden on a large cohort of privately held companies.

We recommend that Treasury, through the Financial Reporting Council, instruct the Australian Accounting Standards Board to develop, as a priority, a 'Tier 2' simplified disclosure version of AASB S2 for use by entities that do not have public accountability.

In our opinion, a differential reporting framework that requires listed companies and those with public accountability to comply with AASB S2, while providing other reporting entities an opportunity to apply reduced disclosures, is consistent with Australia's existing differential financial reporting framework and Treasury's core principles.

Our detailed responses on the specific matters raised in the Consultation Paper follow.

Proposal 1: Adjusting assurance settings (Questions 1-7)

Option 1a: Maintain the limited assurance requirement

We recommend maintaining limited assurance over the sustainability report.

We note that few, if any, jurisdictions currently plan to progress toward reasonable assurance of sustainability reporting.

There is general acknowledgement that Scope 1 and Scope 2 GHG emission data are useful to users of a sustainability report. Companies and stakeholders have suggested to us that, in their experience, users of a sustainability report are less interested in, and do not make investment decisions based on, Scope 3 GHG information.

Furthermore, as identified in the Consultation Paper, there are significant difficulties in reliably measuring and assuring Scope 3 GHG data.

For many of our clients, a significant majority of Scope 3 GHG emissions originate from purchased goods and services (Scope 3, category 1) and the purchase of capital goods (Scope 3, category 2) which are manufactured in China and other jurisdictions for which verifiable and supportable data to enable assurance is likely to be extremely difficult to obtain.

Failure of value chain entities in foreign jurisdictions to provide reasonable, supportable and verifiable data may result in the auditor of a sustainability report modifying their opinion on that sustainability information.

There is a significant risk that considerable time, cost and effort will be incurred attempting to provide assurance on Scope 3 GHG emissions and other qualitative disclosures but that the auditor will not be satisfied that sufficient evidence exists to form a reasonable assurance opinion on that data in accordance with ASSA 5000.

Also, there is no compelling evidence to suggest that the benefits to users of attaining reasonable assurance outweigh the additional costs of doing so.

Group 1 entities reporting for the financial years ended 31 December 2025 and 30 June 2026 were required to obtain limited assurance only on disclosures relating to their Scope 1 and Scope 2 GHG emissions, Governance (paragraph 6 of AASB S2) and Climate Risks and Opportunities (subparagraphs 9(a), 10(a) and 10(b) of AASB S2).

Treasury's Policy Impact Analysis *Climate-related financial disclosures* dated September 2023 estimated the initial limited assurance and ongoing reasonable assurance fees to be \$49,815 and \$82,693, respectively.

In our submission to Treasury's *Climate-related Financial Disclosure* Second Consultation Paper dated 19 July 2023, we estimated the cost to large proprietary companies of the first-year limited assurance of climate-related disclosures to be in the range \$20,000 to \$50,000 and ongoing annual reasonable assurance of climate-related disclosures to be in the range of \$25,000 - \$65,000.

Based on our analysis of ASX listed Group 1 entities' 31 December 2025 financial reports, sustainability assurance fees for those limited disclosures subject to assurance ranged between \$60,000 and \$200,000, with an average assurance fee of \$112,000, representing approximately 12% of financial statement assurance fees.

We expect those fees to increase further in the subsequent financial year as more disclosures contained in AASB S2 are subject to assurance.

In hindsight, our estimates of the first-year limited assurance and ongoing reasonable assurance engagements for large proprietary companies are likely understated.

Assurance firms that are part of large international networks have the capacity, resources and capability to develop well defined assurance methodologies to enable individual firms to leverage that knowledge to undertake reasonable assurance engagements. Mid-tier and smaller assurance practices do not have the same resources and capacity, even though they are required to comply with Auditing Standards to the same degree as the large firms.

Adjusting assurance settings to only require limited assurance on the sustainability report will significantly reduce the burden on smaller assurance practices and enable them to more confidently undertake those engagements.

We strongly believe that amending the assurance requirements to provide only limited assurance on the sustainability report would represent an appropriate balance by:

- providing a core safeguard of obtaining an independent review of those disclosures;
- recognise the practical challenges and significantly reduce compliance costs associated with obtaining reasonable assurance on all climate-related information; and
- would have no discernable effect on investor confidence, access to capital, international comparability or market credibility.

Option 1b: Delay the transition to reasonable assurance until 2035

For the reasons identified in the preceding section, we do not support Option 1b.

Option 1c: Require reasonable assurance only for mature sustainability reporting metrics

Under this approach, the requirement to transition from limited to reasonable assurance would apply only where data availability and maturity meet a 'defined baseline standard'.

As noted elsewhere, few, if any, jurisdictions currently plan to progress toward reasonable assurance of sustainability reporting.

In our opinion, determining the parameters of a defined baseline standard requires subjective judgements, has the risk of being poorly defined and may result in an overestimation of data availability and maturity.

If the baseline standard was fixed and limited to Scope 1 and Scope 2 GHG emissions disclosures, we could support this approach as our second preferred option. Otherwise, we do not support Option 1c.

Proposal 2: Improving consistency in the application of existing requirements (Questions 9 – 13)

Assurance firms that are part of large international networks have the capacity, resources and capability to develop well defined assurance methodologies to enable individual firms to leverage that knowledge to undertake reasonable assurance engagements. Each of the Big 4 audit firms actively offer assurance services under the NGER scheme and have developed the knowledge and experience to undertake sustainability assurance engagements.

Mid-tier and smaller assurance practices do not have the same resources, capacity and experience, even though they are required to comply with Auditing Standards to the same degree as large networks.

Consequently, we strongly support the provision of additional clarity and detailed guidance on the following matters:

- Resources on practically applying the proportionality mechanisms in AASB S2, including "reasonable and supportable information ... without undue cost or effort" and "commensurate with the skills, capabilities and resources that are available to the entity".

We support the provision of detailed practical guidance materials and educational modules relating to both the preparation and assurance requirements to assist both preparers and smaller and mid-tier assurance providers implement the requirements.

- Resources on practically applying the statement of "no material climate-related risks or opportunities" in accordance with the Corporations Act.

We support the provision of detailed practical guidance materials and educational modules relating to the preparation requirements to assist preparers appropriately implement the requirements.

Where an entity concludes that it has no material climate-related risks or opportunities, guidance should clarify the minimum assessment processes, governance procedures and supporting evidence expected to substantiate that conclusion. This could include examples of materiality assessments, consideration of industry-specific risks, relevant time horizons and documentation of management's decision-making process.

FAQs and illustrative examples addressing scenarios where entities apply proportionality mechanisms or conclude that they have no material climate-related risks or opportunities would help promote consistency, improve disclosure quality and provide greater implementation certainty.

- Resources on providing assurance in circumstances when an entity elects to apply proportionality mechanisms or makes a statement of “no material climate-related risks or opportunities” in accordance with the Corporations Act.

As noted in our submission to Treasury's *Climate-related Financial Disclosure Exposure Draft Legislation* of 8 February 2024, we are concerned that the auditor will be required to undertake their own detailed analyses, scenario assessments, and business strategy and risk assessment procedures in order to form an opinion as to whether the auditor either concurs or disagrees with the directors' assessment.

In our opinion, there is a significant likelihood that the burden and responsibility for identifying whether material climate risks and opportunities exist will not reside with the directors but with the auditor.

While proportionality and reduced costs may be achieved from the perspective of the reporting entity, it is unlikely that a significant reduction in assurance costs will occur if the auditor is required to provide reasonable assurance on that statement.

We reiterate comments in our submission of 8 February 2024 that the assurance requirements be amended so that an auditor is not required to form an opinion on the directors' assessment where subsection 296B(1) applies.

Proposal 3: Setting clearer boundaries on value-chain information requests (Questions 14 – 20)

We are supportive of proposals that help reporting entities, particularly for SMEs, efficiently determine the boundaries of their value chain and ensure that data requests (eg, for GHG emissions data) do not create disproportionate costs or compliance impacts across value chains.

We support standardising data requests for supply chain entities provided they are framed in the context of how, for example, a Scope 3 supplier factor might ultimately be used by the reporting entity.

The design of a data request should consider whether:

- It has been developed from an established emissions reporting framework and/or been subject to a level of external assurance.
- It is supplier direct emissions for the reporting entity or a factor based value (eg, emissions per dollar of revenue) that the entity could then apply to the supplier spend.
- The unit of measurement is clear and consistent (eg, tCO₂e , kg CO₂e).
- The data is complete (eg, Scope 1 and Scope 2 or just Scope 1, etc).

Standardised information requests and supplier surveys may be helpful but, unless carefully designed, can result in inconsistent data of limited use. For example, inconsistent basis for the preparation of data makes it difficult to subsequently use in an assurance context.

We expect that risks will arise in requesting commercially sensitive data from private companies. For example, if the emissions factor adopted is Scope 1 and Scope 2 of tCO₂e per dollar of revenue, the entity may be unwilling to disclose revenue (or a segment of revenue) to a range of third parties unless that data is already publicly available.

There is a difference between requesting and obtaining emissions data from value chain entities and obtaining verifiable and supportable emissions data from those entities on which an auditor can form an opinion. Even if consistency in data requests were possible, it may be extremely difficult for auditors to obtain reasonable assurance that those amounts are not materially misstated, especially when the information provided by the value chain entity is not assured.

Paragraph B54 of AASB S2 notes that entities may be required to use unverified data in calculating Scope 3 emissions, stating, "However, in some cases an entity might be unable to verify its Scope 3 greenhouse gas emissions without undue cost or effort. For example, the entity might be prevented from obtaining a complete set of verified data due to the volume of data or because the data is obtained from entities in the value chain that are separated by many tiers from the reporting entity, that is, entities that the reporting entity does not interact with directly. In such cases, an entity might need to use unverified data."

The ISSB and AASB explicitly acknowledge the difficulty the entity, and by extension, the auditor faces in forming an opinion on Scope 3 emissions data.

We suggest that it is not useful to users of sustainability reports – and adds unnecessary additional costs – if auditors regularly modify their opinion on sustainability reports because Scope 3 data is unverifiable.

This problem can be mitigated by:

- i) only requiring limited assurance only on Scope 1 and Scope 2 greenhouse gas (GHG) emission disclosures, or alternatively only requiring limited assurance on the sustainability report (refer responses to Proposal 1), and
- ii) developing a Tier 2 simplified disclosure version of AASB S2 (refer comments below).

Nevertheless, we recommend that the Australian Auditing Standards Board develop specific requirements regarding the nature and extent of audit evidence necessary for the auditor to form an opinion on Scope 3 greenhouse gas emissions data.

Opportunity 1: Improved alignment between domestic frameworks and AASB S2 requirements (Questions 21 – 24)

We agree that there are numerous significant challenges and costs for entities reporting under both NGER and AASB S2 frameworks.

This is a particular issue when IFRS and NGER reporting periods differ. For example, when an entity with a 31 December financial year end must also manage emissions reporting under NGER which is required to align to a 30 June reporting year. This causes a number of practical issues for reporters, for example:

- The additional complexity arising from changes to NGER factors that occur halfway through a financial reporting period.
- The NGER reporting framework does not contain the concept of materiality requiring more assurance effort in relation to those disclosures than AASB S2.
- The additional costs and assurance effort arising from changes to NGER emissions in the half year already 'reported on' from a AASB S2 perspective – and the associated impact on AASB S2 and financial reporting requirements relating to errors and estimates, etc.

Ultimately, where there is lack of alignment between NGER and financial reporting periods there is increased reporting risk, effort and cost for both reporters and assurance providers.

An option could be to potentially offer the ability to synchronise NGER reporting with financial reporting but this is not without complication for entities under associated schemes such as the Safeguard Mechanism where, for example, changes in production variable intensities and decay factors are aligned to June financial year ends.

We recommend that Treasury separately explore ways to reduce the duplication of effort and cost by NGER reporters by, for example:

- a) Aligning the NGER reporting framework with AASB S2,
- b) Exempting those entities from reporting under AASB S2,
- c) Aligning the reporting thresholds between entities reporting under AASB S2 and the NGER regime.

Currently NGER reporters are included regardless of monetary threshold. As a result, some companies that would not meet a AASB S2 reporting threshold (or would meet a lower level threshold) are nevertheless required to comply with AASB S2 because they report under the NGER scheme – thereby exposing them to additional regulatory costs – when they would not otherwise be required to if the monetary thresholds were the only tests.

Opportunity 2: Registered Company Auditor (RCA) practical experience requirements

It is obvious that not all auditors have comparable skills, knowledge and practical experience across auditing financial reports and sustainability reports.

Treasury and others have noted that ‘existing assurance standards already allow assurance practitioners to draw on specialist expertise to navigate the complex, non-financial data inherent in sustainability reporting’.

However, as required by Australian Auditing Standards ASA 200 and ASA 220 and section 324AF of the *Corporations Act 2001*, the lead auditor remains ultimately responsible, for compliance with the requirements of Auditing Standards. Furthermore, APES 110 requires that a member comply with the principle of professional competence and due care, which requires a Member to:

- a) Attain and maintain professional knowledge and skills at the level required to ensure that a client or employing organisation receives competent Professional Activities, based on current technical and professional standards and relevant legislation; and
- b) Act diligently and in accordance with applicable technical and professional standards.

In our view, the auditor competency framework requires the lead auditor to have sufficient practical experience, capability and subject-matter knowledge to make an informed assessment of the procedures performed by specialists, the evidence obtained and the conclusions reached. The current framework may cause difficulties for smaller audit practices with few sustainability assurance engagements. We welcome further guidance from ASIC if it considers that the existing requirements support a different interpretation.

We recommend that ASIC consider establishing a sustainability auditor competency framework, supported by a new class of Registered Sustainability Auditors (RSA) and Authorised Sustainability Audit Company (ASAC). Such a framework could:

- Be based on ASIC’s existing competency, registration and annual reporting regime applying to Registered Company Auditors (RCA) and Authorised Audit Companies (AAC).
- broaden the pool of auditors qualified to undertake sustainability assurance engagements,
- support competition and provide reporting entities with greater choice of assurance providers, and
- strengthening sector-wide capability by enabling professionals with relevant non-traditional assurance expertise to work alongside financial reporting auditors in delivering high-quality sustainability assurance services.

RCAs are currently authorised to perform assurance engagements on sustainability reports. We suggest that an RSA or ASAC not be permitted to provide assurance services on an entity’s financial

report unless that person is also an RCA. A greenhouse and energy auditor registered by the Clean Energy Regulator could automatically qualify as an RSA.

Other matters (Questions 34, 36)

The following are additional efficiency-enhancing proposals which are consistent with the objectives and scope of the consultation that we request Treasury consider.

Changes to Large Proprietary Company thresholds

The Consultation Paper notes that reforms announced in the 2026-27 Budget as part of the Australian Government's productivity package include raising the monetary thresholds prescribed for determining whether a proprietary company is 'large':

- to \$100 million revenue (from \$50 million); and
- to \$50 million in assets (from \$25 million).

Entities that fall below the proposed thresholds will no longer be required to prepare and lodge an annual audited financial report and sustainability report. This reform is intended to eliminate compliance costs for impacted smaller corporate entities.

We are concerned that the doubling of the monetary thresholds but not the number of employees is arbitrary; Treasury's rationale for that change has not been explained; Treasury has not sufficiently considered the public interest consequences of raising these thresholds on the availability of audited financial information by proprietary companies or identified the number of companies affected the proposed change.

We are also concerned that increasing those financial reporting thresholds without appropriate consultation will reduce transparency and publicly available financial information and may adversely affect the availability of financial information for creditors, lenders and customers.

We acknowledge that many proprietary companies are closely held by family groups and often have no or few external stakeholders or users of their financial information. In many cases, their financial reports are prepared solely to meet their reporting obligations under the Corporations Act and, where relevant, are provided to external lenders.

Neither Treasury, the Federal Government, or ASIC have publicly indicated how reported Scope 1, Scope 2 and Scope 3 GHG data is intended to be collated and used either by governments or others.

Requiring mandatory climate reporting by large proprietary companies and other closely held entities imposes significant time, cost, and resource burden of preparing and auditing such information without a clear explanation of the purpose, usefulness, or expected benefits of doing so.

We believe the principles underpinning the proposed reforms of reducing compliance costs while maintaining transparency and publicly available financial information for creditors, lenders and customers can be achieved by bifurcating the large proprietary company thresholds for financial reporting and sustainability reporting purposes.

Notwithstanding our comments above, Treasury could achieve its objective of improving the sustainability reporting framework and reducing compliance costs by:

1. Retaining the existing thresholds for determining whether a proprietary company is 'large' for determining who has to prepare an annual financial report and directors' report for the purpose of subsection 292 of the *Corporations Act 2001*; and
2. Increasing the thresholds prescribed for determining who has to prepare an annual sustainability report for the purpose of subsection 292A of the *Corporations Act 2001* to:
 - i) \$100 million for consolidated revenue (from \$50 million);

- ii) \$50 million in consolidated assets (from \$25 million); and
- iii) 200 employees (from 100).

Separately, we also encourage Treasury to consider increasing the threshold amount for a small company limited by guarantee contained in subsection 45B(2) of the *Corporations Act 2001* as a simple and practical way of reducing the regulatory burden on those companies.

Tier 2 Simplified Disclosure regime for Australian Sustainability Reporting Standards

We have also considered other proportionality mechanisms to increase efficiency and reduce compliance costs.

We acknowledge that consistency between AASB S2 and IFRS S2 may have benefits for large multinational companies.

The Australian Accounting Standards Board (AASB) acknowledged the relevance and importance of a differential reporting framework in 2010 with the development of AASB 1053 *Application of Tiers of Australian Accounting Standards* and Tier 2 Reduced Disclosure Requirements.

The AASB noted concerns that the 'costs of preparing general purpose financial statements for some entities were greater than benefits for the users of those general purpose financial statements, because the framework resulted in requirements for general purpose financial statements that were overly burdensome for many entities' and regarded AASB 1053 as 'a pragmatic and substantive response to the need to reduce the burden of disclosure requirements on Australian reporting entities'.

The AASB also noted in Research Report No 4: Review of Adoption of International Financial Reporting Standards in Australia (2015), full IFRS-based disclosure requirements could be burdensome; compliance costs were often high relative to the needs of users of smaller entity financial statements.

While consistency with IFRS has been a cornerstone of the Australian financial reporting framework since 2005, all stakeholders acknowledge that absolute conformity with IFRS by all reporting entities is not appropriate or in the best interests of the Australian economy.

Since 2010, Tier 2 financial reporting requirements may be applied by for-profit private sector entities that do not have public accountability. The Australian financial reporting sector is familiar and experienced with the concept of public accountability and applying a simplified disclosure regime to those entities.

We recommend that Treasury, through the Financial Reporting Council, instruct the Australian Accounting Standards Board to develop, as a priority, a 'Tier 2' simplified disclosure version of AASB S2 for use by entities that do not have public accountability. A Tier 2 standard could apply the same structure as AASB S2 but reduced disclosures regarding specific elements of governance, strategy, climate-related risks and opportunities, scenario analysis and metrics (including Scope 3 greenhouse gas emission data).

Treasury can achieve its four core objectives by aligning the assurance level for sustainability disclosures to the introduction of a new Introduction of Tier 2 Simplified Disclosure regime for Australian Sustainability Reporting Standards.

Conformity between AASB S2 and IFRS S2, with limited assurance over those disclosures, is more likely to be relevant for listed companies and those with public accountability. However, a simplified reporting framework with targeted limited assurance only on Scope 1 and Scope 2 greenhouse gas (GHG) emissions would provide a balanced approach, minimising regulatory costs for large proprietary companies and those closely held entities with few or limited stakeholders reliant upon externally reported and assured sustainability information.

In our opinion, a simplified sustainability disclosure regime for those entities could result in a significant reduction in the costs of preparation, assurance, and regulatory burden on a large cohort of privately held companies.

Timing of any changes

Group 3 climate reporting entities, their advisors and auditors are currently planning for the introduction of mandatory climate-related disclosures required by AASB S2 and the assurance requirements contained in ASSA 5000 and ASSA 5010.

We are concerned that waiting until the 2028-29 Review to consider systemic issues will be too late and may result in unnecessary costs being incurred by those parties to implement requirements that may change after those entities have established processes and systems to address the extant requirements.

It is imperative that any changes to the large proprietary company thresholds, Group 3 climate-related disclosure thresholds, and assurance settings are finalised and implemented as soon as possible before 31 December 2026 to minimise disruption and reduce compliance costs on those entities and assurance firms.

Extension to other Australian Sustainability Reporting Standards (ASRS)

We are opposed to any decisions relating to an assurance framework applicable to climate-related disclosures in accordance with AASB S2 becoming a precedent, or being applied by extension, to other topics subject to future ASRS without appropriate consultation.

Should you wish to discuss any aspect of this submission, please contact [REDACTED].

Yours faithfully

Nexia Australia Pty Ltd

