Integrated Reporting Centre

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Sustainability Reporting and Assurance by ASX 300 Companies

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The Deakin Integrated Reporting Centre

The Deakin Integrated Reporting Centre (DIRC) provides strategic and operational leadership in integrated reporting policy and technical knowledge, as well as academic and executive education and cutting-edge research. The DIRC aims to provide a focus for researchers to identify issues of interest to industry, conduct research, and disseminate knowledge about integrated thinking and integrated reporting through publications, education, and professional development courses. The DIRC team and Advisory Board members are drawn from both industry and academia and have many years of experience in integrated reporting. The DIRC is jointly funded by Chartered Accountants Australia and New Zealand (CAANZ) and the Deakin Business School.

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Foreword

In an era of increasing transparency and accountability, it's vital for contemporary companies to communicate their sustainable business practices through the lens of sustainability reporting. The evolving landscape for corporate sustainability, coupled with escalating international efforts to standardise sustainability reporting, underscores the need for robust, accurate, and timely analyses of current business practices. Extended or broader corporate reporting – collectively described in this report as sustainability reporting – has emerged as a standard disclosure practice among the largest companies in most international jurisdictions.

Congratulations to the research team at the Deakin Integrated Reporting Centre (DIRC) in Melbourne for producing an insightful and timely analysis of the extent and quality of sustainability reporting, and associated external assurance, by the largest 300 companies listed on the Australian Securities Exchange (ASX 300) in 2022. This study is particularly relevant given the recent releases of the International Financial Reporting Standard (IFRS) Sustainability Disclosure Standards, IFRS S1 and IFRS S2, and exposure draft ISSA 5000 'General Requirements for Sustainability Assurance Engagements' proposed by the International Auditing and Assurance Standards Board (IAASB). These developments mark a major milestone in global efforts to standardise sustainability-related financial disclosures and assurance. Additionally, Australia is heading towards mandatory climate-related disclosures aligning with IFRS S2 from 2024.

While we are on the cusp of change, this report provides valuable insights into the current state of sustainability reporting in Australia, as well as highlighting both the challenges and opportunities that lie ahead. This report finds there is currently much room for improvement by large Australian companies when it comes to sustainability reporting. The study finds evidence of unstructured and inconsistent sustainability reporting in 2022, which has potentially hindered the comparability and reliability of these disclosures. The low incidence of sustainability reporting assurance may have further undermined public and investor confidence in the credibility of sustainability disclosures.

However, the outlook is more promising with the establishment of IFRS S1 and IFRS S2 as the global baseline, offering clarity amid the confusing array of reporting frameworks and standards. Australia's likely adoption of this global baseline further enhances this positive outlook. With these developments in mind, the report's recommendations are intended to improve future sustainability reporting quality, and aid ongoing regulatory efforts to develop an appropriate, effective, and standardised sustainability reporting system for Australian companies.

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1. Executive Summary

This study presents a comprehensive analysis of sustainability reporting practices and external assurance among the top 300 Australian listed companies (ASX 300), ranked by market capitalisation, for the 2022 calendar year.

For the purposes of this study, the term 'sustainability reporting' describes extended or broader corporate reporting – other than statutory financial reporting. Sustainability reporting encompasses corporate social responsibility (CSR) and environmental, social and governance (ESG) reporting.

Sustainability reporting in Australia, as evidenced by the analysis of 2022 company reports, currently operates on a voluntary and piecemeal basis. While there are moves in Australia to follow the international convergence of sustainability reporting frameworks, it is essential to note that in 2022 there was no legal mandate for sustainability reporting in Australia and companies faced a disparate array of voluntary international reporting frameworks.[1] Among those frameworks cited in company reports in 2022 were the Global Reporting Initiative (GRI), Task Force on Climate-related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB) Standards, Sustainability Development Goals (SDG), and the International Integrated Reporting (IR) Framework. This situation, often described as an 'alphabet soup', has resulted in sustainability disclosures lacking structure and consistency within company reports. This, in turn, undermines the comparability and reliability of sustainability information.

To reduce the complexity associated with the multitude of frameworks, the International Sustainability Standards Board (ISSB), under the oversight of the IFRS Foundation, took the significant step in June 2023 of releasing standards for the disclosure of sustainability-related risks and opportunities (IFRS S1) and climate-related risks and opportunities (IFRS S2). These standards mark a crucial milestone, establishing a unified and structured global baseline for investor-focused sustainability reporting that local jurisdictions can build on.[2] Australian authorities are actively considering the adoption of these internationally aligned standards, with a strong emphasis on the potential mandate of an Australian equivalent climate reporting standard based on IFRS S2. Notably, on 27 June 2023, the Treasury issued a consultation paper outlining its proposal for the implementation, sequencing, scope of reporting entities, reporting content, and required assurance levels for the proposed climate reporting (Treasury, 2023).[3]

In anticipation of these forthcoming changes, this study systematically analysed the sustainability reporting practices of 242 of the ASX 300 companies in the year 2022. Fifty-eight of the top 300 listed companies were excluded from the sample because they were either foreign-based entities or listed investment vehicles.

Our analyses serve a dual purpose: first, to assess the current state and quality of sustainability reporting and associated assurance by these major companies; and, second, to provide valuable insights for regulators developing an appropriate and effective sustainability reporting system for Australia. We evaluated sustainability reporting against three key performance benchmarks: the location of sustainability reporting; the mention of, and explicit adherence to, reporting frameworks; and sustainability assurance practices.

The key findings of our study in relation to each of these three key performance benchmarks are summarised as follows:

Performance benchmark level 1: Location of sustainability reporting	• Twenty-seven of the 242 sample companies (11%) made no identifiable sustainability disclosures referencing a sustainability reporting framework in 2022. • Standalone sustainability reports were the most common form of disclosure (55%), often accompanied by concurrent disclosures in annual reports.
Performance benchmark level 2: Mentioning and explicitly adhering to sustainability frameworks	• Although most companies cited at least one sustainability framework, only a small minority provided comprehensive evidence of their adherence to a framework. • While GHGP (71%), TCFD (70%), and SDG (60%) were the three most cited frameworks, no company explicitly followed GHGP and SDG, and only 3% of companies followed TCFD. • The gap between citations of sustainability frameworks and demonstrated adherence to them was most pronounced among smaller companies.
Performance benchmark level 3: Sustainability assurance practice	• Only 30% of the 242 companies analysed obtained an independent external assurance opinion over their sustainability disclosures, and a large majority of assured companies did so selectively. • Only four assured companies obtained comprehensive assurance over their entire stand-alone sustainability reporting, while others opted for selective assurance on specific sections.

In short, our findings suggest some of the biggest names in Australian business have been focused on projecting favourable images through their sustainability reporting – rather than genuinely committing to comprehensive sustainability reporting practices. The mere citation of sustainability frameworks, without embracing the underlying principles of such frameworks, could be interpreted as a form of 'greenwashing'. This flags the risk of unstructured and inconsistent sustainability disclosures, lacking clear alignment with an established reporting framework. The low incidence of sustainability reporting assurance is also a significant cause for concern, potentially eroding public and investor confidence in the credibility of such disclosures.

It is essential to note, that while many of Australia's largest listed companies in 2022 lacked robust adherence to sustainability frameworks, the landscape is evolving positively with the establishment of global standards, such as IFRS S1 and IFRS S2, providing more clarity within the complex realm of sustainability reporting. Australia's potential shift towards mandatory climate disclosures, aligned with IFRS S2 commencing in 2024, adds to this positive momentum.

1.1 Key Recommendations

We offer the following recommendations to Australian companies, regulators, policymakers, and professional bodies to prepare for the upcoming shifts in the sustainability reporting landscape:

Australian companies

1) **Prioritise the alignment of sustainability frameworks.** Companies should prioritise aligning their sustainability reporting by explicitly demonstrating their adherence to established international reporting frameworks.
2) **Include content indexes in corporate reports.** Sustainability content indexes should be included in corporate reports, helping investors and other stakeholders easily find key sustainability reporting elements.
3) **Provide sustainability data books.** Companies should consider providing detailed supplementary sustainability data books in spreadsheet format, allowing stakeholders to analyse and model data independently. An innovative 22 of 242 companies in our sample group voluntarily implemented this practice.
4) **Seek independent external assurance of sustainability reporting.** Boards and managers should recognise the benefits of independent external assurance, offering the highest level of enhanced credibility to their sustainability reporting.

Regulators and policymakers (Australian Treasury, Financial Reporting Council, AASB and AUASB)

1) **Consider a standardised and structured approach to sustainability reporting.** Considering the diversity of reporting frameworks, there is an urgent need to unify reporting frameworks and standards. We support issuing an Australian equivalent of IFRS S2 for climate reporting with its mandate through the Corporations Act, which is currently undergoing a public consultation process. We also recommend extending this mandatory approach to broader sustainability reporting, aligning with IFRS S1 principles.
2) **Provide guidance on the location of sustainability reporting.** Policymakers should provide guidance concerning the location of sustainability reporting. A strong case exists to incorporate sustainability information into annual reports, particularly within the Operating and Financial Review when matters significantly impact future financial performance. This approach aligns with the proposed Australian equivalent of IFRS S2, which suggests that disclosures are integrated into a company's annual report because climate-related risks and opportunities are linked to a company's operations, financial results, and strategic decisions (Treasury, 2023). Sustainability information addressing a broader array of stakeholder-oriented sustainability concerns can be disclosed in a stand-alone sustainability report.
3) **Mandate sustainability assurance.** We recommend mandating external assurance for climate disclosures in line with the potential Australian equivalent of IFRS S2 adoption, and subsequently extending it to encompass assurance for broader sustainability reporting once it becomes a standardised requirement. Specifically, the AUASB should accelerate the development of assurance standards modelled on ISSA 5000.[4] The ASX Corporate Governance Council should maintain its focus on companies' disclosing mechanisms to enhance the integrity of unaudited sustainability disclosures under Recommendation 4.3 of the ASX Corporate Governance Principles and Recommendations.
4) **Support smaller companies.** Regulators should proactively offer support mechanisms tailored to the unique challenges faced by smaller companies in adopting more robust sustainability reporting practices.

Professional bodies

1) **Prioritise education and training.** Professional accounting bodies should accelerate their training and education programs to equip members with the knowledge and skills needed to effectively navigate the complexities of sustainability reporting and assurance.
2) **Promote the adoption of sustainability frameworks.** Professional bodies should maintain their advocacy to members of the benefits of using established sustainability frameworks and promote their adoption.

2. Introduction

2.1 Research background and motivations

Over the past two decades, voluntary sustainability reporting has emerged as a common disclosure practice of the largest companies in most international jurisdictions (KPMG, 2022 and 2023; ASIC, 2018; CPA Australia, 2013).[5] Notably, both globally and within Australia, multiple voluntary sustainability reporting frameworks have been used. These include the Sustainability Accounting Standards Board (SASB) standards, Global Reporting Initiative (GRI), Task Force on Climate-related Financial Disclosures (TCFD), Greenhouse Gas Protocol (GHGP), Integrated Reporting Framework (IR), and Sustainability Development Goals (SDGs).

These multiple frameworks have led to a diverse, complex, and fragmented reporting landscape, sometimes referred to as an 'alphabet soup' (FEE 2015; TCFD 2016). Such complexity and diversity have given rise to concerns regarding the consistency and quality of sustainability reporting, prompting scepticism about the credibility and reliability of reported information (Guthrie, 2016; Boiral et al., 2019; Moneva et al., 2006). A 2022 report by the Australian Securities and Investments Commission (ASIC) found that while climate change-related disclosure practices continued to improve, a lack of consistency and structure remained in disclosures, along with selective adoption of the TCFD recommendations (ASIC, 2022). A survey by Ernst & Young (2022), focusing on senior finance leaders and investors, further revealed that while almost 99% of investors incorporated ESG disclosures into their investment decision making, 73% stated current ESG disclosures did not meet their expectations. Additionally, 76% of investors believed companies were highly selective about what they disclosed, raising concerns about 'greenwashing', that is, companies ostensibly portraying a strong commitment to sustainability without genuinely acting sustainably.

While sustainability reporting has generally remained voluntary in most countries, its significance has grown, especially in the wake of the recent 2021 26th United Nations Climate Change Conference (COP26) in Glasgow. Notable developments following COP26 include the establishment of the International Sustainability Standards Board (ISSB) in November 2021 and commitments from leading investor-focused sustainability disclosure organisations to consolidate and simplify sustainability reporting. These commitments have resulted in key transformations, pertinently, the consolidation of the Climate Disclosure Standards Board (CDSB), an initiative of Carbon Disclosure Project (CDP) that formed the basis for the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, into the IFRS Foundation in January 2022. This, in turn, paved the way for the incorporation of TCFD recommendations into the ISSB Standards in 2023. Additionally, the Value Reporting Foundation (VRF) was formed in 2021 through a merger of the Sustainability Accounting Standards Board (SASB) and the International Integrated Reporting Council (IIRC). Subsequently, the VRF was also merged into the IFRS Foundation in August 2022.

In June 2023, the ISSB, under the oversight of the IFRS Foundation, took a significant step toward standardising sustainability reporting by issuing IFRS S1, known as the 'General Requirements for Disclosure of Sustainability-related Financial Information' and IFRS S2, which focuses on 'Climate-related disclosures'.[6] These standards are built upon well-established voluntary sustainability reporting frameworks, including guidance from the SASB, TCFD, and CDSB, which collectively address complexities associated with the 'alphabet soup' issue, providing investors with globally comparable information. In July 2023, the IFRS S1 and S2 standards were further endorsed by the International Organization of Securities Commissions (IOSCO), which sends a strong signal to jurisdictions around the world that the ISSB standards are well-suited for application in capital markets (IFRS, 2023). Following IOSCO's endorsement, the 130 member jurisdictions, overseeing more than 95% of the world's securities markets, are expected to explore ways of integrating IFRS standards into their regulatory frameworks for consistent and comparable global sustainability reporting.

As a committed IOSCO member, Australia is actively considering the adoption of these international sustainability reporting frameworks, with a strong early emphasis on a potential Australian equivalent of IFRS S2 for mandatory climate-related financial disclosures. The Australian Treasury has initiated two rounds of public consultations in December 2022 and June 2023, seeking input on standardised legislative disclosure requirements for climate-related financial risks and opportunities (Treasury, 2023). In particular, the Treasury is seeking comments on various aspects of climate reporting, including its implementation, sequencing, scope of reporting entities, reporting content, and required assurance levels. Additionally, on 17 August 2023, the Australian Auditing and Assurance Standard Board (AUASB), issued a consultation paper inviting public feedback on the adoption of the IAASB's proposed ISSA 5000 'General Requirements for Sustainability Assurance Engagements'. ISSA 5000 will be a comprehensive standard for any sustainability assurance engagement, consistent with the recently released IFRS S1 and IFRS S2.

2.2 Research objectives

This study presents a comprehensive analysis of sustainability reporting practices among the top 300 Australian listed companies, ranked by market capitalisation, during the 2022 calendar year. Given the issues outlined above, our study provides timely and valuable insights helping to inform the future direction of, changes to, Australia's sustainability reporting landscape.

We use the term *sustainability reporting* to describe extended or broader corporate reporting of non-financial information based on two defining characteristics. First, the term 'sustainability' encompasses a broader scope – in contrast to specific terms like 'environment, social and governance (ESG) reporting' or 'corporate social responsibility (CSR) reporting'. While ESG and CSR reporting often refer to specific aspects of corporate performance, sustainability reporting embraces a broader and interconnected range of aspects. Specifically, it is aligned with the core principles of integrated thinking or reporting, which emphasises the integration of financial, non-financial, and ESG-related information, providing a comprehensive overview of a company's value creation processes, performance, and prospects. Second, the term *sustainability reporting* is consistent with the evolving reporting landscape – particularly the proposed Australian equivalent of IFRS S1 and S2 standards, which seek to establish a standardised approach for reporting on sustainability-related financial disclosures. For these reasons, our analysis is focused on sustainability disclosures in the annual report, the sustainability report, and climate report; we collectively refer to these as 'sustainability disclosure' in recognition of their comprehensive coverage of financial, non-financial, and ESG-related information.

In line with IFRS S1 and S2, which build upon existing voluntary reporting frameworks, this study seeks to enhance our understanding of the current state of sustainability reporting in Australia and to assess whether we need a more standardised approach to the regulation of sustainability reporting. Accordingly, we undertook a comprehensive analysis of the sustainability reporting practices of ASX 300 companies in the 2022 calendar year, assessing disclosures against three main performance benchmarks. In so doing, we had two main objectives: first, to assess the current extent and quality of sustainability reporting and associated assurance practices by Australia's largest listed companies; and second, to support regulators in developing an appropriate sustainability reporting system for Australia.

Performance benchmark level 1:
Location of sustainability reporting

To determine which and how many companies engaged in at least minimal levels of sustainability reporting, we identified where references (if any) to sustainability reporting frameworks were located in reporting suites. This process, which focused on both standalone sustainability reports and sustainability information integrated with the annual report, provided essential insights into how companies prioritise sustainability practices and reporting.

Performance benchmark level 2:
Mentioning and explicitly adhering to sustainability reporting frameworks

Here, we employed an innovative language analysis to examine the extent of engagement with, and commitment to, sustainability frameworks[7], differentiating between (a) companies that simply mentioned framework(s) within their reports, and (b) companies that explicitly disclosed and detailed their adherence to sustainability reporting in accordance with a framework. This distinction provides insights into a company's genuine commitment to sustainability reporting, allowing stakeholders to rely on such disclosures as indicators of genuine commitment to sustainable practices. We also considered whether companies used a content index – a detailed guide allowing navigation to key sustainability reporting information – as an additional performance measure of adherence to a framework.

Performance benchmark level 3:
Sustainability assurance practices

Independent verification by assurers adds credibility to companies' sustainability reporting. At this level, our analysis delved into the incidence of sustainability assurance practice among sample companies. Key aspects explored include assurance providers (Big 4/non-Big 4), assurance engagement types (reasonable/limited), the proportion of assured sustainability information within a report (selected section or whole report), and the guiding assurance standard shaping these engagements.

Additionally, we assessed the sustainability framework used as a basis for the assurance engagement. This analysis is essential because when established sustainability frameworks are employed, the assurance process is standardised, becoming consistent across different companies and sectors. Such standardisation fosters heightened trust and confidence among investors, enabling them to make well-informed decisions based on verified sustainability information. This practice is particularly relevant in a landscape where the ability to differentiate between companies genuinely committed to sustainability and those with less robust reporting practices is of utmost importance.

The remaining sections of this report are structured as follows: Section 3 provides an overview of the sample, Section 4 outlines the research methodology employed, Section 5 presents the results, and Section 6 summarises the findings and presents recommendations to a wide range of stakeholders.

3. Sample

Figure 1 details the study sample, which comprised the top 300 companies listed on the Australian Stock Exchange in terms of market capitalisation (ASX 300) in the 2022 calendar year.

Fifty eight (58) companies were excluded because: (a) 22 were foreign exempt companies that must comply primarily with the rules of their foreign home exchanges and are, therefore, exempt from most ASX Listing Rules, and (b) 36 companies were investment vehicles that followed Schedule 10A of the ASX Operating Rules (the AQUA rules, including managed investment funds and exchange traded funds).[8] The final sample comprised 242 companies, with the following breakdown by market capitalisation: 89 companies within the ASX100, 79 within the ASX 101-200, and 74 within the ASX 201-300.

Figure 1. Sample data

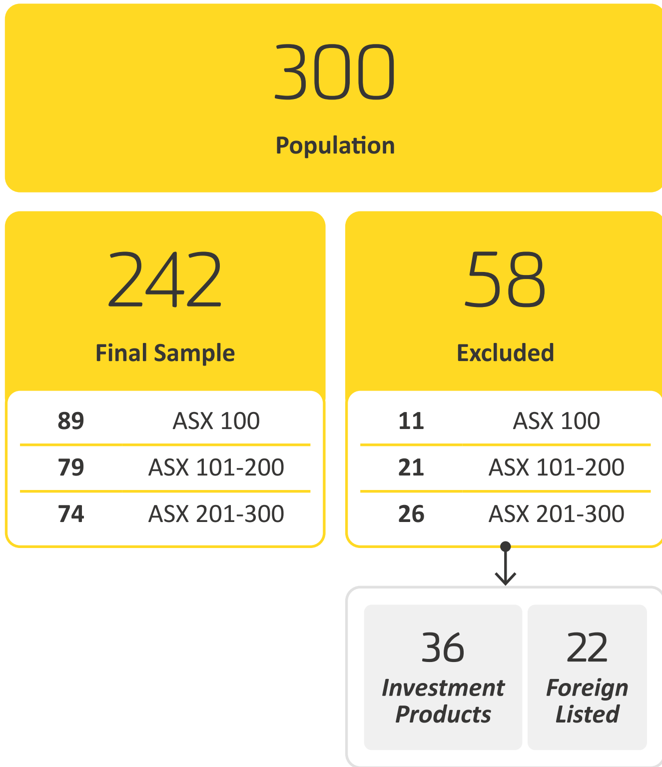


Table 1 presents the final sample by industry sectors, following the Global Industry Classification Standard (GICS) 4-digit codes. The top three most represented industry sectors were Materials (59 out of 242 companies, or 24.38%), Financials (35 companies, 14.46%) and Real Estate (29 companies, 11.98%). The least represented industry sectors were Utilities (3 companies, 1.24%) and Communication Services (6 companies, 2.48%).

Table 1. Sample by GICS industry sector

Sector	Number	%
Communication services	6	2.48%
Consumer discretionary	28	11.57%
Consumer staples	14	5.79%
Energy	14	5.79%
Financials	35	14.46%
Health care	14	5.79%
Industrial	21	8.68%
Information technology	19	7.85%
Materials	59	24.38%
Real estate	29	11.98%
Utilities	3	1.24%
Final sample	**242**	**100.00%**

4. Research Methodology

The study analysed the sustainability reporting practices of ASX 300 companies in terms of three broad benchmarks of performance level.

At the first performance level, we identified companies that had made at least minimal levels of sustainability disclosure by locating references to sustainability frameworks in their corporate reports. At the second level, we conducted a detailed language analysis to gauge the extent of a company's engagement with sustainability frameworks within their reporting, distinguishing companies that merely mentioned a sustainability reporting framework from those that demonstrated preparation of reports in accordance with a framework. At the third level, we evaluated the strongest performance in terms of reporting integrity and credibility by examining the presence of sustainability assurance.

4.1 Location of sustainability reporting

In the first stage of our examination, we identified sustainability disclosures and their location within the reporting suites of 242 sample companies. We found sustainability disclosures in a mixture of three platforms: (1) annual report only, (2) standalone sustainability report(s) only, and (3) in both annual report and standalone sustainability report(s).

The location of sustainability reporting provides insights into companies' strategic approaches to communicating their commitment to sustainability and its integration into their core operations. When disclosures are integrated into annual reports, it can be inferred that the company is projecting sustainability as an integral part of its overall strategy and performance. Conversely, a stand-alone sustainability report could be interpreted positively, indicating a dedicated focus on specific sustainability-related matters, or negatively, particularly if sustainability information is not also included in the annual report, which might indicate a silo mentality to sustainability issues.

We categorised references in company reports to sustainability reporting frameworks as a base performance indicator. Reporting frameworks are designed to provide uniform templates on sustainability reporting content and structure for companies, ensuring that information is not only comprehensive, but also presented in meaningful and standardised formats. As such, frameworks are an essential tool for any company with a genuine commitment to transparency on sustainability. For this study, we therefore considered companies that made no reference to sustainability frameworks in their reports as effectively having no sustainability reporting.

It is important to note that this study focuses on voluntary sustainability frameworks only. As a result, the examination excludes statutory disclosures about modern slavery, as they fall within the scope of mandated reporting under the Modern Slavery Act 2018.[9] Similarly, we do not consider mandatory reporting under the National Greenhouse and Energy (NGER) reporting scheme (National Greenhouse and Energy Reporting Act 2007).[10]

4.2 Mentioning and explicitly adhering to sustainability frameworks

We used a two-step process to examine the extent of company engagement with sustainability frameworks. First, we conducted a word search to identify citations of sustainability frameworks within the annual report, stand-alone sustainability reports, and climate reports. While some companies use the word "framework"' to describe their recommended disclosures (e.g., TCFD, IR), others refer to either "standards" (e.g., GRI, SASB), or "goals" (e.g., SDG). A framework typically provides flexibility in communicating alignment (e.g., IR Framework), while standards tend to be more prescriptive and provide more detailed guidance. For simplicity, we use the generic term "framework" when discussing all sustainability guidance. Table 2 in Panel A lists the 10 sustainability frameworks mentioned by sample companies. Refer to Appendix 1 for a description of each framework. Note, a company can mention more than one sustainability framework within their reporting suite.

An innovative feature of this study is our use of language analysis to differentiate between: (a) companies that simply mention a framework within their reporting suite, and (b) companies that explicitly indicate their adherence by specifying how sustainability reporting has been conducted in accordance with a particular framework. Explicit disclosure of adherence to a framework is a key performance indicator, providing more confidence in the authenticity and integrity of sustainability reporting than mere references to frameworks.

To classify a company that explicitly adheres to a particular framework in their sustainability reporting, we identified specific phrases, such as 'reported in accordance to/with' and 'prepared based on'. When a company simply mentions a framework or states that a framework was considered in the preparation of sustainability reports, we classified the company as not reporting on sustainability in accordance with the framework. Table 2 in Panel B lists the key phrases indicating a company's explicit adherence to a sustainability framework. To identify a company that explicitly indicates their adherence to a sustainability framework, our language analysis was conducted in (a) the 'About the Report' section within sustainability reports, and (b) the 'About the Report' sections and relevant sustainability sections within the annual report. Appendix 2 Panels A to D provide four examples of extracts from annual reports and sustainability reports, illustrating how companies mentioned and illustrated their explicit adherence (following) to a framework.

In terms of additional analysis, we developed an alternative, less stringent methodology to identify adherence to a particular sustainability framework using **the reporting of a content index.** A content index serves as a comprehensive guide within the reporting suite, which specifies the location of sustainability metrics in accordance with provisions of the reporting framework. It facilitates access by users to key sustainability reporting metrics.[11] Content indexes were identified for the following frameworks – GRI, TCFD, and SASB. We posit that the disclosure of a content index suggests that a report adheres to, or is prepared in accordance with, a particular framework (or at least follows some of the elements of the framework), despite the company not explicitly stating their adherence.

Table 2. Coding criteria to examine the extent of a company's engagement with a sustainability framework

Panel A: List of sustainability frameworks*	
1	Global reporting initiative, GRI
2	Task Force on Climate-related Financial Disclosures, TCFD
3	Integrated Reporting, IR
4	Sustainability Accounting Standards Board, SASB
5	Greenhouse gas Protocol, GHGP
6	United Nations Global Compact, UNGC
7	International Council on Mining and Metals, ICMM
8	Carbon Disclosure Project, CDP
9	Task Force on Nature-related Financial Disclosures, TNFD
10	Sustainability Development Goals, SDG

**The word search included both acronyms and full word/term of each framework.*

Panel B: Key phrases that indicate a company's explicit adherence to a sustainability framework	
1	Prepared in accordance to
2	Prepared in accordance with
3	Prepared based on

4.3 Sustainability assurance practices

The third and highest performance indicator in our study involved identifying companies that had subjected their sustainability reporting to external assurance. Three key aspects were analysed: **(1) incidence of sustainability assurance practice,** including analysis on assurance providers, assurance engagement types, and the proportion of assured sustainability information within a report, **(2) examination of the sustainability frameworks used by external auditors** to provide assurance against a company's sustainability disclosures, and **(3) the standards guiding assurance engagements** relating to sustainability disclosures.[12]

5. Results and Analysis

5.1 Location of sustainability reporting

Figure 2 Panel A describes the overall reporting suites of the 242 sample companies. We found 11% of companies (26 of 242) made no identifiable sustainability disclosures with reference to a framework, while 89% of companies (216 of 242) reported on sustainability within their reporting suites.

Among the 26 companies not referencing a sustainability framework, 8% (2 of 26) were within the ASX100, 19% (5 of 26) were within the ASX101-200, and 73% (19 of 26) were within the ASX 201-300. The highest percentage of these companies belonged to Materials sector (27%, 7 of 26), followed by Consumer Discretionary (23%, 6 of 26), and Information Technology (19%, 5 of 26).[13]

Among the 216 companies that reported on sustainability, (a) 24% (51 of 216) integrated sustainability-related information within the annual report only, (b) 61% (133 of 216) simultaneously provided sustainability disclosures in their annual report and in standalone sustainability reports, and (c) 15% (32 of 216) provided sustainability disclosures in stand-alone report(s) only. Combining the latter two groups, we found 165 companies, or 68% of the final sample of 242 companies, published stand-alone sustainability reports.

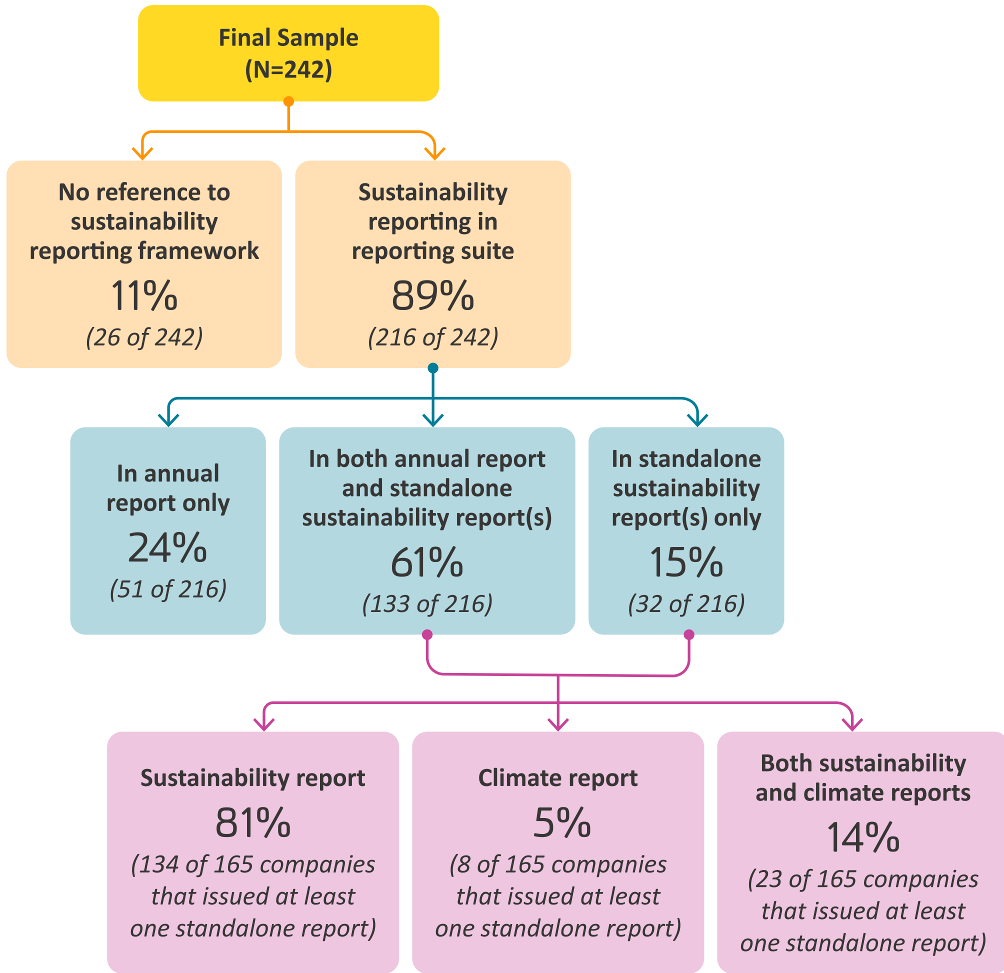
Among the 165 companies that published single stand-alone sustainability reports, we identified a mixture of sustainability reports, climate reports, and both. We found that 81% (134 of 165) of companies prepared a stand-alone sustainability report only, 5% (8 of 165) prepared a climate report only, and 14% (23 of 165) published both sustainability and climate reports.

Figure 2 Panel B summarises five distinct locations of sustainability reporting for the final sample of 242 companies. The first three of these involve the disclosure of at least one sustainability report or climate report or both a sustainability report and a climate report (165 companies). It is important to note that among these companies, some chose to concurrently disclose sustainability information in their annual reports, while others opted not to provide any additional disclosures within their annual reports. The fourth involves the integration of sustainability information within annual reports only. The fifth comprises companies that had no sustainability reporting with reference to a reporting framework.

Most companies (134 of 242), or 55%, opted to release a stand-alone sustainability report. In contrast, 21% (51 of 242) chose to integrate sustainability information solely within their annual reports, and about 10% (23 of 242) engaged in a comprehensive disclosure approach by publishing both sustainability and climate reports. Meanwhile, a small number of companies – eight out of the 242 – focused exclusively on climate reports.

Figure 2. Location of sustainability reporting within the reporting suite

Panel A. Overall reporting suite



Panel B. Five distinct locations of sustainability reporting in the final sample

Location of sustainability reporting	Number	%
1. Both sustainability and climate reports	23	10%
2. Climate report	8	3%
3. Sustainability report	134	55%
4. Annual report only	51	21%
5. No reference to sustainability reporting framework	26	11%
Final sample	**242**	**100.00%**

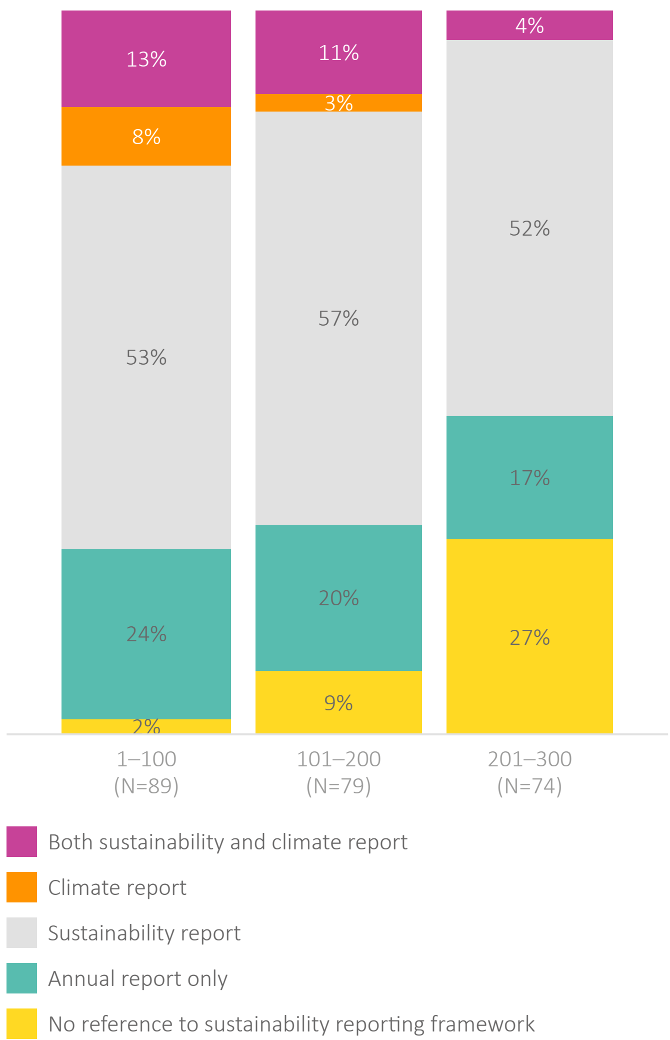
Additional analysis: Sustainability reporting by market capitalisation

The final sample of 242 companies is categorised by market capitalisation as follows: 89 companies are within the ASX100, 79 companies are within the ASX101-200, and 74 companies are within the ASX201-300.

Figure 3 compares the five distinct locations of sustainability reporting across these three size categories by market capitalisation. Only 2% of companies within the ASX 100 (2 of 89) did not report any sustainability information referencing a framework in their reporting suite, though the figure increases to 9% among companies within the ASX 101-200 (5 of 79) and 27% among companies within the ASX 201-300 (19 of 74). Among companies in the ASX100, 24% (21 of 89) disclosed sustainability information only within their annual reports, followed by 20% of companies in the ASX101-200 (17 of 79), and 17% of companies in the ASX201-300 (13 of 74). This finding suggests that while entities of all sizes are integrating financial and sustainability information, the incidence appears to be greater for larger entities. The proportion of companies providing stand-alone sustainability reports was similar across all size categories. However, companies within the ASX101-200 appear to represent a slightly higher proportion of 57% (45 of 79) for stand-alone sustainability reporting, compared to 53% (47 of 89) of companies within the ASX100 and 52% (38 of 74) of companies within the ASX 201-300.

ASX 100 companies were most likely to issue stand-alone climate reports, with 8% (6 of 89) issuing a climate report and 13% (12 of 89) issuing both a climate report and a sustainability report. In contrast, the provision of stand-alone climate reports was relatively low within the ASX 201-300 companies, with 4% (4 of 89) of companies issuing both a climate report and a sustainability report, and none issuing a stand-alone climate report.

Figure 3. Sustainability reporting by market capitalisation



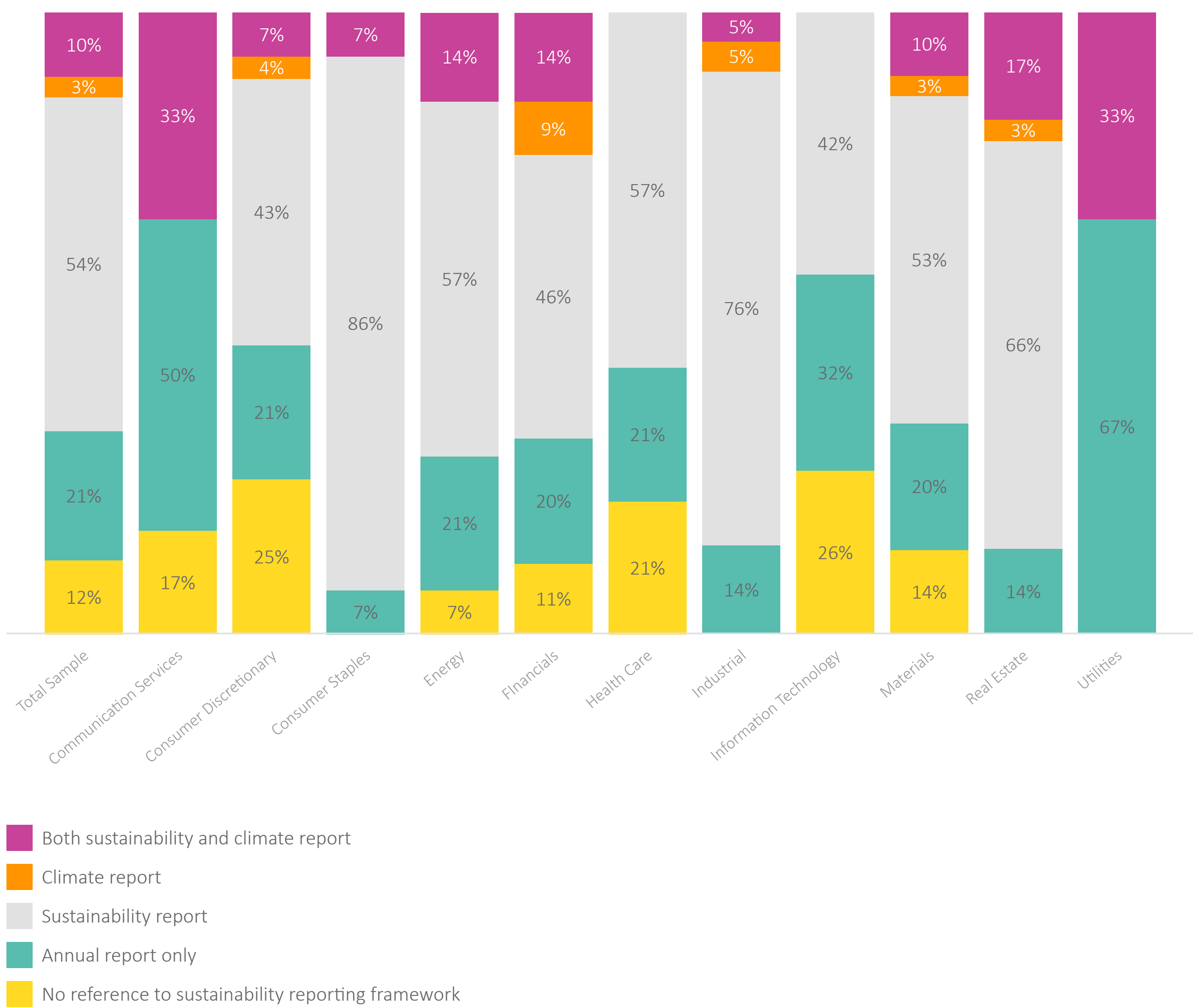
Additional analysis: Sustainability reporting by industry

Figure 4 tabulates the five distinct locations of sustainability reporting by 11 GICS 4-digit industry sectors. Results revealed a wide variation in sustainability reporting across industry sectors.

There was no company within the Consumer Staples, Industrial, Real Estate, and Utilities sectors that chose not to report sustainability information in their reporting suites, suggesting a relatively stronger commitment to sustainability within these industries than others. The Communication Services (50%) and Utilities (67%) sectors were unique in disclosing sustainability information primarily within their annual reports, with a minority of companies within these sectors (33%) producing both standalone sustainability and climate reports, and none publishing a sustainability report only.

More than 50% of companies in six of the 11 industry sectors published standalone sustainability reports – Consumer Staples (86%), Energy (57%), Healthcare (57%), Industrial (76%), Material (53%), and Real Estate (66%). While 11% (26 companies) of the 242 sample companies made no sustainability disclosures across their reporting suites (Figure 2 Panel B). We observed a higher proportion of companies making no sustainability reporting within the Consumer Discretionary (25%), Information technology (26%), and Health Care (21%) industry sectors.

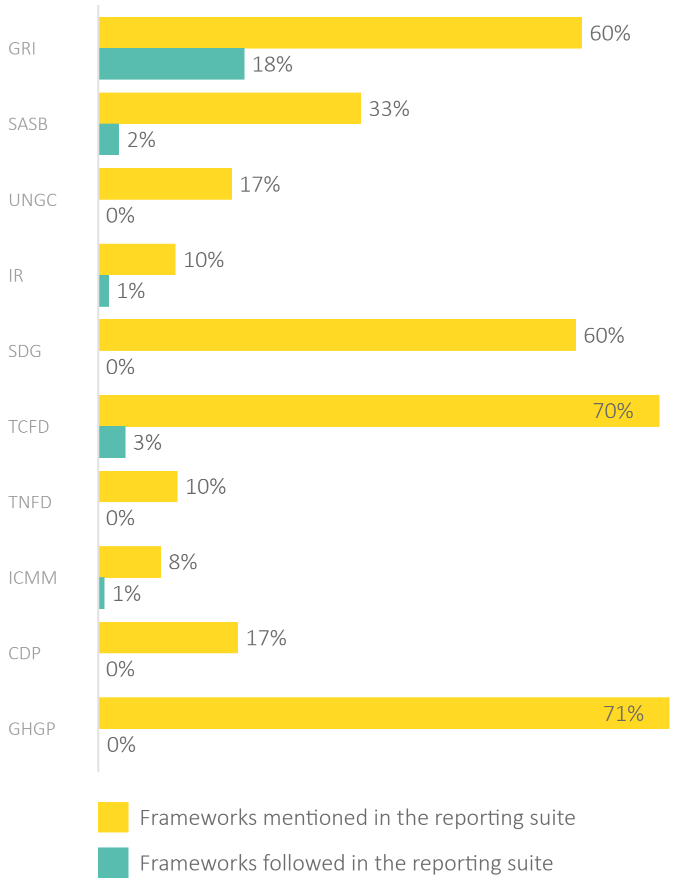
Figure 4. Sustainability reporting by GICS industry sector



5.2 Mentioning and explicitly adhering sustainability frameworks

In the second stage of our study, we examined the extent of companies' engagement with sustainability frameworks within their reporting suites, differentiating between companies merely mentioning frameworks from those explicitly indicating they prepared their reports in accordance with a framework. Figure 5 compares the proportion of the 10 sustainability frameworks mentioned by sample companies within the reporting suites, and the proportion of companies that explicitly stated that their adherence to a sustainability framework (using key phrases such as "prepared in accordance with" and "prepared based on"). To reiterate, a

Figure 5. A comparison between companies mentioning and companies following a sustainability framework in their reporting suite



company can mention and follow/adhere to more than one framework within their reporting suite.

Figure 5 shows that the four most mentioned frameworks in company reporting suites were (1) the Greenhouse Gas Protocol (GHGP) (71%, 172 of 242), (2) the Task Force on Climate-related Financial Disclosures (TCFD) (70%, 169), (3) the Global Reporting Initiative (GRI) (60%, 146), and (4) the Sustainable Development Goals (SDGs) (60%, 144). The high incidence of mentioning climate-related disclosure frameworks (i.e., GHGP and TCFD) highlights the prominence of climate-related risks across the Australian business landscape. The Taskforce on Nature-related Financial Disclosures (TNFD), Integrated Reporting Framework (IR), and International Council on Mining and Metals (ICMM) are the least mentioned frameworks, with reporting being 10% (24), 10% (23), and 8% (19), respectively. The Sustainability Accounting Standard Board (SASB) was in the middle, mentioned by 33% (79 of 242) of companies.

Results presented in Figure 5 also highlight the considerable difference between the proportions of frameworks mentioned and the proportions of frameworks followed. Most strikingly, while GHGP, TCFD, and SDG were the top three most mentioned frameworks, with proportions of 71%, 70%, and 60%, respectively, no company was explicitly adhering to or following the GHGP and SDG. Also, only 3% of companies (8 of 242) were following the TCFD. GRI was the most popular framework followed by sample companies, but, at 18% (44 of 242), the proportion of companies following the GRI was low. Similarly, a very low number of companies prepared their sustainability disclosures in accordance with TCFD (3%, 8 of 242), SASB (2%, 6 of 242), and the IR Framework (1%, 3 of 242). The remaining five frameworks that were not followed by any company are UNGC, SDG, TNFD, CDP, and GHGP.

The significant differences revealed in Figures 5 suggest that the majority of companies tended to mention (and were therefore informed by) specific sustainability frameworks, without genuinely adhering to or following the frameworks. This discrepancy raises two potential issues. First, it could be indicative of *greenwashing*, a practice where companies portray an impression of a strong sustainability commitment to the public, often for reputational gains, while not substantively aligning their actions with the claimed framework (Laufer, 2003). Second, it flags the risk of unstructured and inconsistent sustainability disclosures, lacking a clear alignment with any sustainability framework. This could potentially undermine the integrity of a company's sustainability efforts and impact investors' ability to make informed judgements.

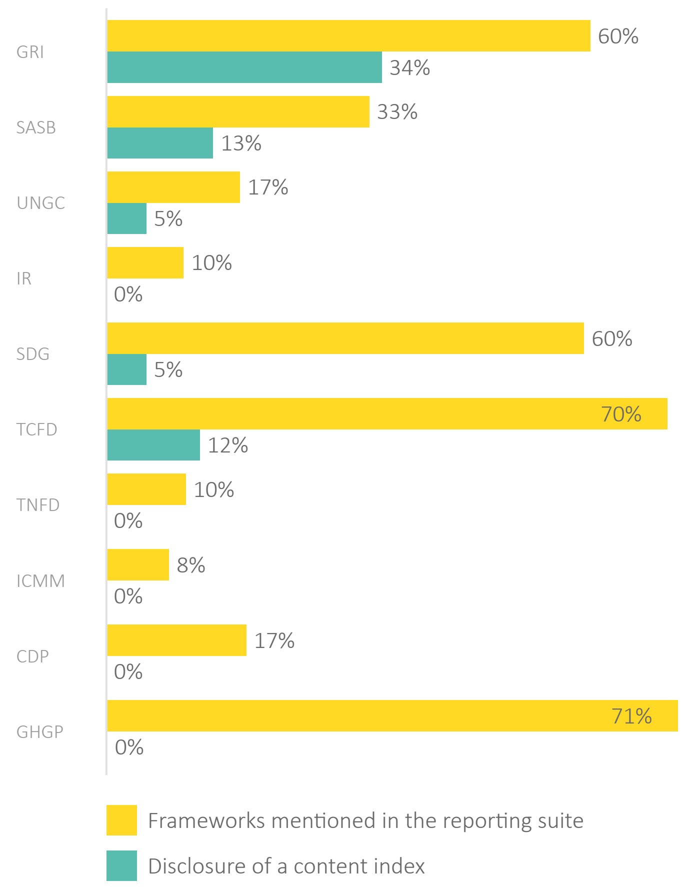
Finally, it is important to consider that the language analysis method employs stringent criteria, identifying specific phrases, such as 'prepared in accordance to/with'. This ensures a rigorous examination, but also acknowledges the potential that different phrases may have been used to convey adherence to a sustainability framework. That is, the measure may not capture all companies that are genuinely following or adhering to a particular framework. For this reason, we consider an alternative measure in the following section.

Additional analysis: Content index - alternative measure of following or adherence to a sustainability framework

Reporting a content index suggests that a report adheres to, or is prepared in accordance with, a particular framework (or is at least following some elements of the framework), despite a company not explicitly detailing their adherence. As discussed in the methodology section, a content index is a detailed guide within the reporting suite allowing user navigation to key sustainability reporting metrics.

Figure 6 compares the proportion of companies mentioning a sustainability framework to the proportion of companies reporting a content index. We found some companies reported more than one index as part of their reporting suite. Specifically, of the 94 companies (39% of 242) that reported a content index, 43 companies (46% of 94) reported

Figure 6. A comparison between companies mentioning a sustainability framework and companies disclosing a content index



multiple indexes, whereas 51 companies (54% of 94) reported only one index. We identified the existence of a content index within the company reporting suite for five sustainability frameworks, including GRI (34%, 83 of 242), SDG (5%, 12), TCFD (12%, 28), SASB (13%, 32), and UNGC (5%, 12).

Comparing the mentioning of sustainability frameworks against the reporting of a content index, results reported in Figure 6 show a marked difference. While 60% (146 of 252) of companies mentioned GRI, 34% (86 of 242) of companies disclosed a GRI content index, suggesting they were likely adhering to and following some elements of GRI. The gap widens considerably for TCFD, SDG, and UNGC, which were mentioned by 70%, 60%, and 17% of companies respectively, but were followed (based on the publishing of a content index) by 12%, 5%, and 5%

respectively. The smallest gap emerges for SASB (33% of companies mentioned a framework compared to 13% of companies that published an index) and UNGC (17% of companies mentioned a framework compared to 5% of companies that published an index).

Although the proportions of companies following a framework improved, as measured by the disclosure of a content index, when compared to the proportions of companies that explicitly stated that they were following or adhering to a framework (as depicted in Figure 5), the overall incidence of adherence remains relatively low. Therefore, despite the less stringent criteria for categorising a company's adherence to a framework, our results remain such that only a minority of companies reported their sustainability disclosures in accordance with a framework.

Figure 7. Frameworks "mentioned" in the reporting suite across three size categories by market capitalisation

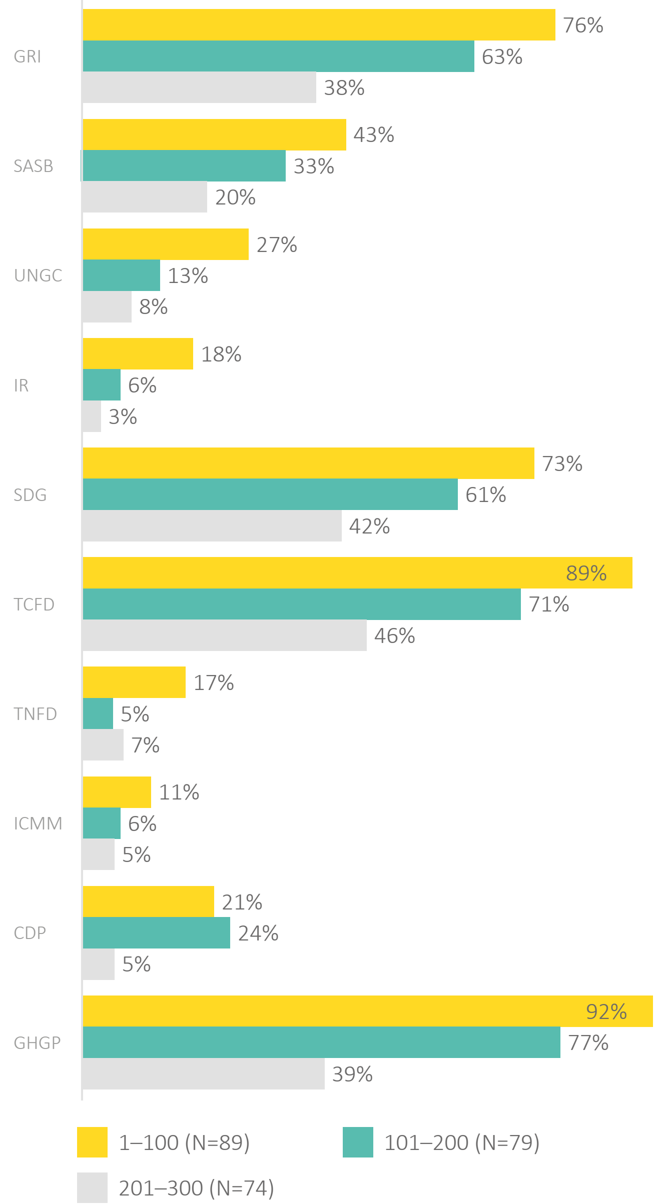
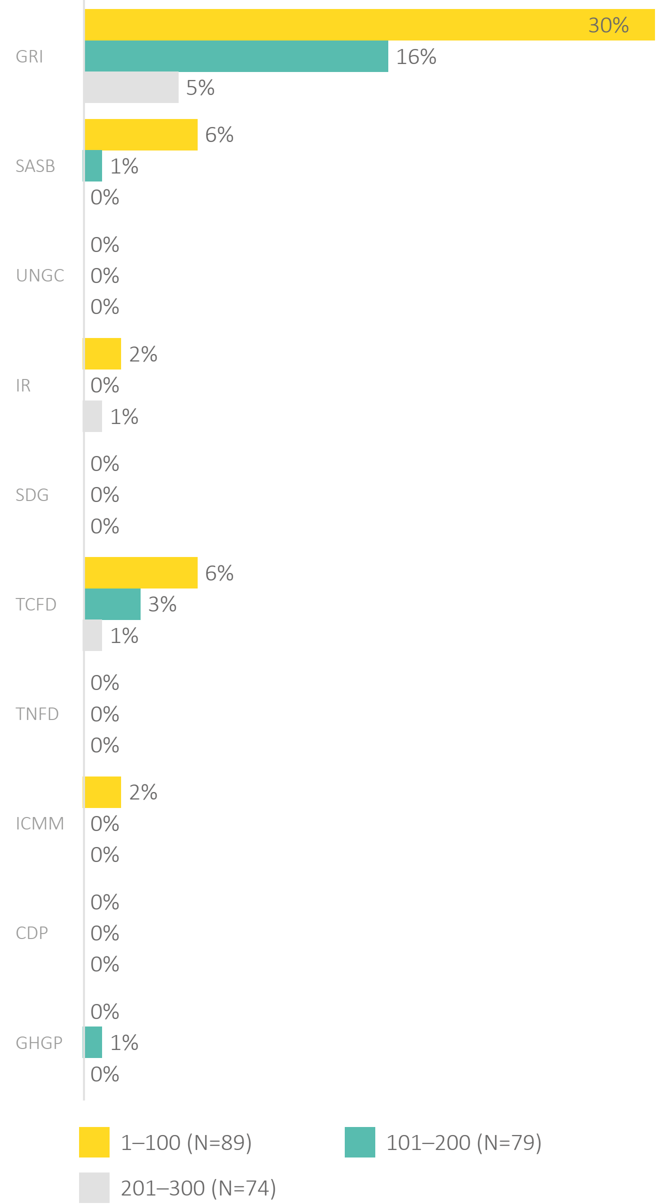


Figure 8. Frameworks "followed" in the reporting suite across three size categories by market capitalisation



Additional analysis: Mentioning and explicitly adhering to sustainability frameworks by market capitalisation

The breakdown of the 242 companies by market capitalisation is as follows: 89 companies were within the ASX 100, 79 within the ASX 101-200, and 74 within the ASX 201-300.

Figure 7 tabulates the proportion of companies that mention a sustainability framework in their reporting suite across three size categories measured by market capitalisation (ASX 1-100, ASX 101-200, and ASX 201-300). A consistent pattern across all frameworks was that larger companies were more likely to mention a sustainability reporting framework than smaller companies. This pattern is apparent across the most mentioned climate-related frameworks, such as GHGP and TCFD, as well as for the broader reporting frameworks of GRI and SDG.

Figure 8 tabulates companies that explicitly disclosed that they were following or adhering to a particular framework when preparing sustainability disclosures across three size categories measured by market capitalisation (ASX 1-100, ASX 101-200, and ASX 201-300). The only framework against which a notable proportion of companies prepared their reports was GRI, with 30% (27 of 89) of companies within the ASX100 and 16% (13 of 79) of companies within the ASX101-200 preparing sustainability disclosures in accordance with GRI. Few companies within the ASX201-300 (5%, 4 of 74) made sustainability disclosures in accordance with GRI. Other than GRI, there was negligible disclosure by companies following a sustainability framework across all size categories.

Additional analysis: Issuance of a supplementary data book

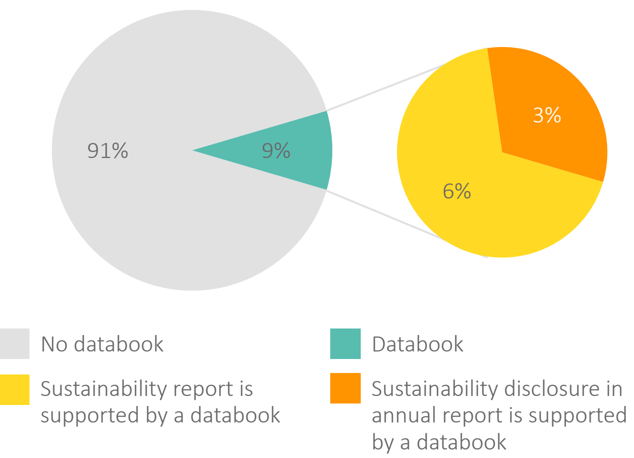
When analysing companies' reporting suites, we observed that 9% of sample companies (22 of 242) had disclosed supplementary data, often referred to as a 'data book', 'data supplement', 'data pack', or a 'data sheet'. We use the term 'data book' when referring to such supplementary data disclosures in this study.

A data book provides a more comprehensive set of metrics than is included in sustainability disclosures in the annual report or standalone sustainability reports. Typically presented in Excel format, the data book delves into detailed quantitative metrics, providing a deeper understanding of a company's sustainability performance. This includes metrics related to environmental impact (e.g., total energy consumption per ton of iron concentrate produced), social contributions (e.g., value of goods or services sourced from indigenous suppliers), and governance practices (e.g., average hours of senior management training). To illustrate this, we have included an illustrative data book in Appendix 4 for reference.

In Figure 9, we identify two subgroups within the 22 companies that have provided a data book: (1) those that have disclosed a data book along with a separate sustainability report and (2) those that have disclosed a data book in addition to sustainability disclosures in the annual report. Of the 242 sample companies, 6% (15 of 242) provided a separate sustainability report in addition to the data book, while 3% (7 of 242) supported sustainability disclosures in the annual report with a data book.

The disclosure of a supplementary data book as part of a company's reporting suite appears to be an innovative reporting practice, which allows report users to download data and undertake their own financial modelling and analyses. This allows users to carry out more in-depth analyses of a company and suggests a company's strong commitment to transparency and a recognition of the pivotal role of sustainability information for stakeholders. In essence, the data book offers stakeholders with a comprehensive and easily accessible data source on a company's sustainability performance metrics and so contributes to enhancing transparency and accountability.

Figure 9. The issuance of a data book by sample companies (N=242)



Additional analysis: Companies reporting under national greenhouse and energy reporting (NGER) Act 2007

Among the 242 sample companies, a subset of 64 companies, representing 26% of the total, are required to provide mandatory reports concerning greenhouse gas emissions, energy production, and energy consumption to the Clean Energy Regulator under the *National Greenhouse and Energy (NGER) Act 2007*. These companies fall under the NGER mandatory disclosure scheme because their total greenhouse gas emissions, energy production, and energy consumption exceed the thresholds defined by the Clean Energy Regulator. It is noteworthy that NGER reporting is a report to the regulator and its disclosure within a company's reporting suite is not mandated.

As part of our additional analysis, we examined whether these 64 companies, subject to the mandatory NGER scheme, voluntarily disclosed their NGER reporting within their corporate reporting suite. Our findings revealed 70% of companies (45 of 64) mentioned NGER in their reporting suite, however, except for one company, none explicitly stated their adherence to NGER using key phrases such as 'prepared in accordance with/to'.[14]

Our findings highlight a gap between mandatory reporting to the Clean Energy Regulator and voluntary disclosure of NGER information within public corporate reporting. Clearly, companies are not fully informing stakeholders of their climate impacts through their voluntary reporting.

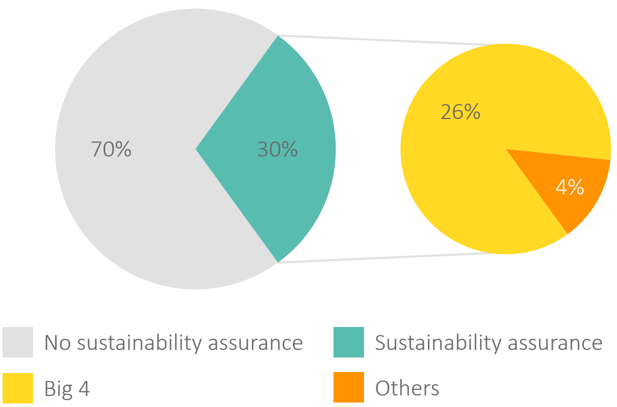
5.3 Sustainability assurance practices

The third stage of the study examined sustainability assurance practices for an understanding of the current credibility level of sustainability reporting provided by Australia's largest companies. Three key aspects were analysed around sustainability assurance: **(1) the incidence of sustainability assurance practice,** including analysis on assurance providers, assurance engagement types, and the proportion of assured sustainability information; **(2) the examination of the sustainability frameworks used by external auditors** to provide assurance against companies' sustainability disclosures; and **(3) the standards guiding assurance engagements** relating to sustainability disclosures.

5.3.1 Incidence of sustainability assurance practices

We began by examining the incidence of sustainability assurance practices by sample companies. Results in Figure 10 show that only 30% of companies in the sample (73 of 242) subjected some or all their sustainability information to assurance. Thus, most of the sustainability information provided by Australian largest companies is not subject to independent assurance.

Figure 10. Sustainability assurance practices of sample companies (N=242)



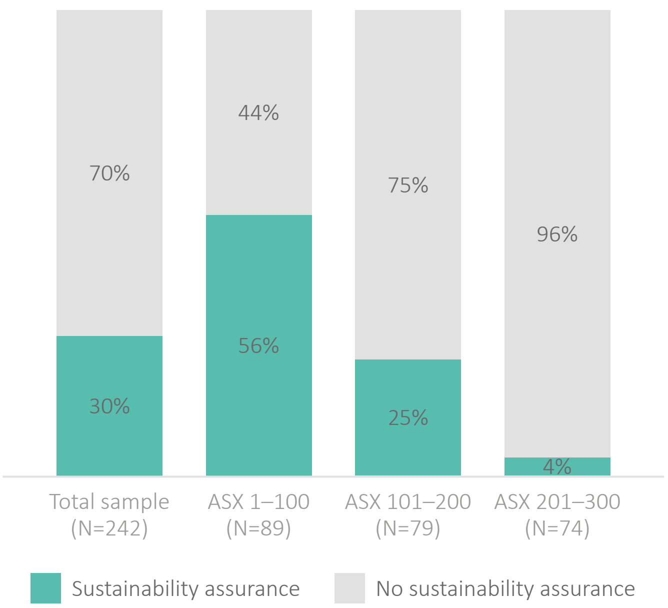
We also documented the type of assurance providers by classifying them as Big 4 or non-Big 4 auditors. The Big 4 auditors provided sustainability assurance to 26% of the sample (63 of 242), or 86% of companies engaging in sustainability assurance (63 of 73). The remaining 4% of sample companies (10 of 242), or 14% of companies engaging in sustainability assurance (10 of 73) appointed either a non-Big 4 accountant or a non-accountant assurance services provider. Clearly, the Big 4 auditors dominate the market for sustainability reporting assurance among Australian listed companies.

Additional analysis: Incidence of sustainability assurance practices by market capitalisation

Figure 11 compares the rate of sustainability assurance across the three size categories measured by market capitalisation. Results showed that the cohort of companies involved in sustainability assurance sit primarily within the top 100 largest Australian companies. Specifically, among sample companies in the ASX 100, 56% of companies (50 of 89) engaged assurance practitioners to review their sustainability reporting. The rate of assurance significantly reduces to 25% for companies within the ASX 101-200 (20 of 79). Only 4% of companies within the ASX201-300 (3 of 74) independently assured their sustainability reporting.

Our results are consistent with a recent study produced by the International Federation of Accountants (IFAC). IFAC (2022) documented that 69% of the largest 50 Australian companies were found to engage assurance of sustainability information in 2021. The higher incidence of assurance might be explained by larger companies being subject to greater prominence and visibility in the market and having more resources to afford external, independent assurance.

Figure 11. Sustainability assurance practices across the three size categories



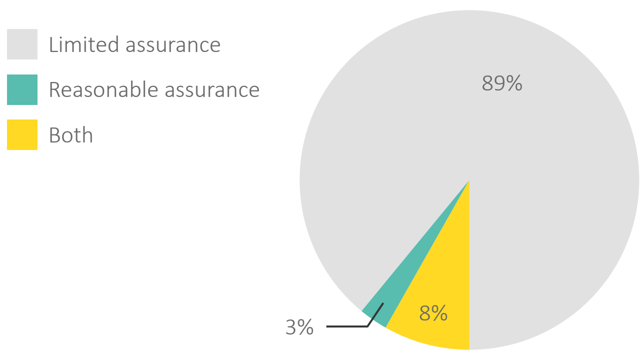
Additional analysis: Types of assurance engagement

When a company has decided to seek external third-party verification of their sustainability information, a subsequent decision is made regarding the type or level of assurance. This decision encompasses considerations such as the scope and extent of the assurance engagement, which determines the planning and amount of evidence required to complete the assurance process.

Auditors can provide two main types of assurance engagement: (1) limited assurance, or (2) reasonable assurance. In the context of ESG reporting, BDO (2023) explains limited assurance relies more heavily on representations made by the company's management team as an information source. It entails less verification of source documents and a less detailed understanding of processes and controls. In contrast, reasonable assurance demands a greater understanding of internal processes and controls. It requires the auditor to check metrics and disclosures, tracing them to their source to confirm accuracy.

Figure 12 depicts the types of assurance engaged by the 73 companies that engaged in sustainability assurance practices – 65 companies (89%) engaged limited assurance, 6 companies (8%) engaged in both limited and reasonable assurance[15], and 2 companies (3%) engaged reasonable assurance. Results suggests that within the current Australian sustainability reporting landscape, only a minority of companies go beyond the minimal level of assurance to offer a more credible evaluation of their sustainability data.

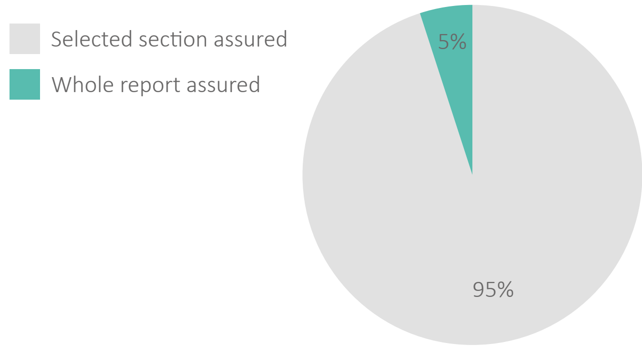
Figure 12. Types of sustainability assurance engagement provided by companies that engaged in sustainability assurance practices (N=73)



Additional analysis: Proportion of sustainability information assured

The assurance of sustainability information can apply to various types of reports where sustainability information is disclosed. In our analysis of the 73 companies that practiced sustainability assurance, we made several noteworthy observations: 49 companies (67%) engaged assurance on a stand-alone sustainability report, 8 companies (11%) engaged assurance on a standalone climate report, 5 companies (7%) engaged assurance on both their standalone sustainability report and standalone climate report, and 11 companies (15%) opted for assurance on sustainability information integrated within their annual reports.

Figure 13. Proportion of sustainability information assured in a report (N=73)



An additional consideration when seeking external third-party verification is the extent or proportion of sustainability information within a report that undergoes external assurance. In this regard, in Figure 13, we found that among the 73 companies that engaged in sustainability assurance practices, 95% (69 of 73) had specific sections of the report containing sustainability information assured, rather than subjecting the whole report to external assurance. A small subset of companies, just four out of 73, chose to have their entire reports containing the sustainability information externally assured. See Appendix 5 for examples of audit report paragraphs illustrating assurance over an entire report and selected sections of a report.

Results suggest that within the current voluntary regime, Australia's largest companies are yet to fully embrace a comprehensive and robust approach to ensure the credibility of sustainability reporting. Should sustainability reporting become mandatory following the development of sustainability-related financial disclosure standards issued by the ISSB, it is crucial to understand the current state of sustainability reporting assurance practices to better frame policy responses.

5.3.1 Sustainability frameworks used by auditors

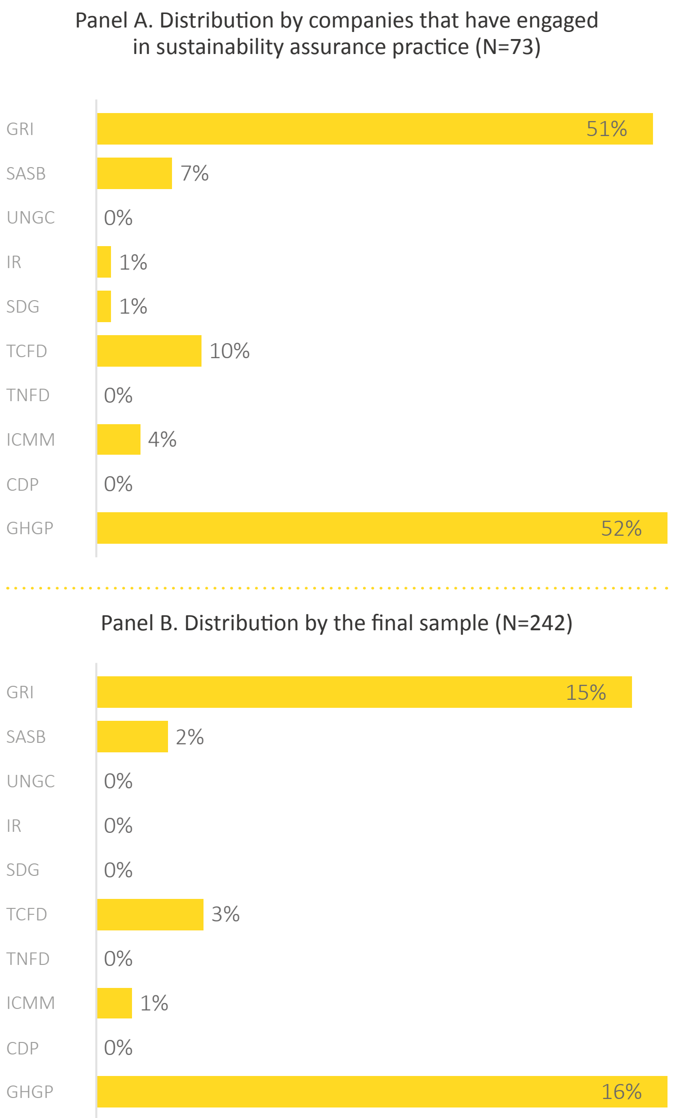
We also examine the sustainability frameworks used by external auditors to provide assurance against a company's sustainability disclosure. Using an established framework to issue assurance will likely foster greater trust and confidence among users.

Figure 14 Panel A reports the various sustainability frameworks referenced by auditors of the 73 companies that underwent external assurance, and Panel B reports the distribution for the final sample of 242 companies.

As outlined in Figure 14 Panel A, the top two frameworks used by auditors for providing assurance about companies' sustainability disclosures were the GHGP, used by 52% of companies (38 of 73), and the GRI, used by 51% of companies (37 of 73). Regarding the final sample of 242 companies presented in Panel B, these proportions correspond to 16% and 15%, respectively. The use of UNGC, IR, TNFD, and CDP by auditors is negligible (0%).

An intriguing observation comes to light when examining the use of the TCFD and SDG frameworks in the assurance process. Both TCFD and SDG stood out as highly mentioned frameworks, highlighting their significance in corporate sustainability reporting. Specifically, from Figure 5, TCFD is mentioned within disclosures by 70% of the final sample, 169 of 242; SDG is mentioned by 60%, 145 of 242. However, this emphasis has not translated into widespread practical implementation within the assurance

Figure 14. Sustainability frameworks used by auditors to provide assurance against a company's sustainability disclosure



process. Notably, only 10% of companies that engaged assurance referenced TCFD (7 of 73, see Figure 14 Panel A), and just 3% of the full sample (7 of 242, see Figure 14 Panel B) engaged assurance that was reported against TCFD. A similar pattern holds for the SDG framework: only one auditor provided assurance in accordance with SDGs.[16]

The lower incidence of assurance against SDGs can be attributed to their nature as a collection of goals designed to serve as a comprehensive blueprint for achieving a more sustainable future, rather than a specified framework prescribing recommended sustainability disclosures. Note, that as mentioned in methodology section, we collectively refer to all sustainability standards and goals as "frameworks". On the one hand, many companies employ the SDGs as targets, tailoring their initiatives to align with these broader goals (e.g., no poverty, zero hunger, good health and well-being, quality education, gender equality), rather than using them as a guidance for their sustainability reporting. On the other hand, the TCFD framework is voluntary and provides guidance on the disclosure of information on the financial implications of climate-related risks and opportunities. The TCFD is the core of IFRS S2 (Climate-related financial disclosures) released in June 2023. Given the growing significance of climate-related financial disclosures and the TCFD's role in shaping such disclosures, the relatively low incidence of TCFD assurance is a concern.

To summarise, the results portrayed in Figure 14 highlight two interesting aspects. First, the selection of sustainability frameworks for assurance engagement corresponds with their prevalence among companies' sustainability reporting suites. However, the practical implementation of these frameworks for external assurance purposes remains comparatively low, indicating a substantial gap across virtually all frameworks considered. For instance, despite the GRI being the one of the most employed frameworks in assurance practices, used by 51% of assured companies (37 of 73), this translated to only 15% of the final sample (37 of 242). This suggests that, whilst acknowledged and mentioned by companies, the application of these frameworks for assurance purposes remains limited in practice.

Second, some frameworks are less frequently chosen for assurance purposes than others, despite their high recognition within companies' sustainability reporting suites. This is likely partially explained by the distinct nature and objective of certain sustainability frameworks, such as SDGs, which are the basis for broader goals rather than structured guidance for sustainability reporting. Other potential factors include the varying levels of familiarity and expertise among auditors regarding specific frameworks, the complex nature of some frameworks that may pose challenges during the assurance processes, and the dynamic landscape of sustainability reporting standards that may require continuous adaption and understanding by auditors. Considering these findings, further exploration of the factors that impact the integration of sustainability frameworks into assurance practices could yield insights on the specific challenges or considerations that affect their application within assurance practices.

5.3.3 Assurance standards guiding engagements

Under ASAE/ISAE standards, an assurance engagement occurs where an assurance practitioner obtains sufficient and appropriate evidence to express a conclusion, which enhances the degree of confidence of the intended users about subject matter information (ASAE 3000, paragraph 12). In this section, we examine the assurance standard guiding assurance engagements relating to sustainability disclosures. These assurance standards are crucial in providing a structured framework for auditors to ensure the accuracy and credibility of assurance engagement processes.

In the Australian and international context, specific assurance standards have been established by international standard setting bodies to govern sustainability assurance engagements. This study identifies four assurance standards as follows:

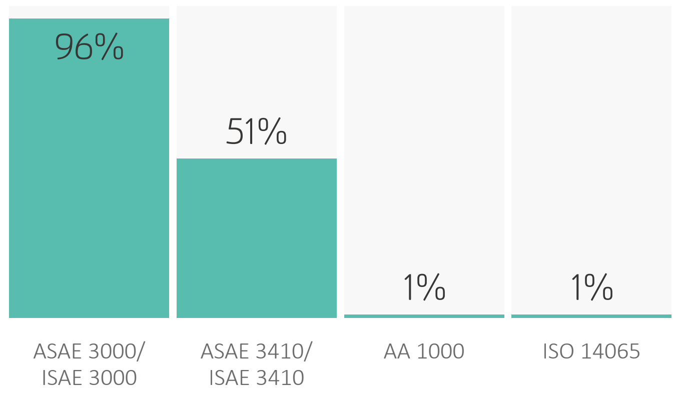
a) **ASAE 3000/ISAE 3000** are the Australian/international equivalent standard on 'Assurance Engagements Other than Audits or Reviews of Historical Financial Information', issued by the Auditing & Assurance Standards Board (AUASB)/International Auditing and Assurance Standards Board (IAASB).

b) **ASAE 3410/ISAE 3410** are the Australian/international equivalent assurance standards providing requirements and guidance specific to assurance engagements of 'Greenhouse gas (GHG) emissions disclosures', issued by the Auditing & Assurance Standards Board (AUASB)/International Auditing and Assurance Standards Board (IAASB).

c) **AA 1000**, an assurance framework that provides methodology to be used by sustainability professionals worldwide for sustainability-related assurance engagements to assess the nature and extent to which a company adheres to the AccountAbility Principles. The standard is issued by AccountAbility, a global consulting and standards company.

d) **ISO 14065** specifies general principles and requirements for bodies performing validation and verification of environmental information statements. The standard is issued by the International Organisation for Standardisation (ISO), an independent, non-governmental international organisation, which issues global standards that are intended to ensure products and services are safe, reliable, and of good quality.

Figure 15. Assurance standards used by external auditors to assure sustainability information



Focusing on the 30% of sample companies (73 of 242) that engaged in sustainability assurance, Figure 15 tabulates assurance standards used by external auditors to assure sustainability reporting. Assurance practitioners can and do refer to more than one assurance standard. The most prominent assurance standard is the ASAE/ISAE 3000, which is used by auditors in 96% of the companies subject to sustainability assurance (70 of 73). This is followed by ASAE/ISAE 3410, with 51% (37 of 73) of auditors referencing this standard in their audit reports. It is noteworthy that both AA1000 and ISO14065 standards are followed by 1% (1 of 73) of assurance providers.

The strong preference for ASAE/ISAE standards in sustainability assurance practices among Australian auditors is not unexpected, given that the Big 4 dominate the assurance market.

6. Conclusion and Recommendations

This study delivers a comprehensive analysis of the sustainability reporting practices of the largest Australian listed companies (ASX 300), ranked by market capitalisation, for the 2022 calendar year.

Our study had two main research objectives:

1) to assess the current extent and quality of sustainability reporting, and associated assurance practices, by large Australian companies.
2) to support regulators in developing an appropriate sustainability reporting system that suits the Australian environment.

To pursue these objectives, we undertook a comprehensive analysis of the current sustainability reporting practices of ASX 300 companies, assessing the performances of each company with reference to three defined levels of sustainability reporting.

At the first level – to determine how many companies that had achieved at least minimal levels of engagement with sustainability reporting – we identified where, if anywhere, companies made references to sustainability reporting frameworks across their reporting suites. Second, we conducted a language analysis examining the extent of companies' engagement with sustainability frameworks – and, critically, differentiating between those that merely mentioned frameworks and those that explicitly confirmed that they were adhering to or following a framework. Third, to identify companies with higher levels of sustainability reporting credibility, we examined the incidence and level of independent, external assurance of sustainability reporting.

6.1 Key findings

Performance benchmark level 1:
Location of sustainability reporting

Among the final sample of 242 companies (excluding 58 companies as either foreign exempt or financial product vehicles), we found standalone sustainability reports were the most common form of disclosure (55%), often accompanied by concurrent disclosures in annual reports. A further 21% of companies integrated sustainability information within annual reports but did not provide standalone sustainability reports. A relatively small proportion (10%) published both sustainability and climate reports, and 3% (8 of 242) published a climate report only. Only 26 of our sample of 242 companies (11%) made no reference to any sustainability reporting framework (see Figure 16, Panel A). The absence of reporting framework acknowledgement was most common among smaller companies – 27% of companies within the ASX201-300 (19 of 74) and 9% of companies within the ASX101-200 (5 of 79) made no reference to a sustainability reporting framework. By contrast, just 2% of companies in the ASX100 (2 of 89) made no reference to a sustainability reporting framework (see Figure 3).

Performance benchmark level 2: Mentioning and adhering to sustainability reporting frameworks

The main frameworks mentioned by ASX 300 companies in their sustainability reporting included the Greenhouse Gas Protocol (GHGP – 71%), the Task Force on Climate-related Financial Disclosures (TCFD – 70%), the Global Reporting Initiative (GRI – 60%), and the Sustainable Development Goals (SDGs – a 60%). For more detail see Figure 16, Panel B.

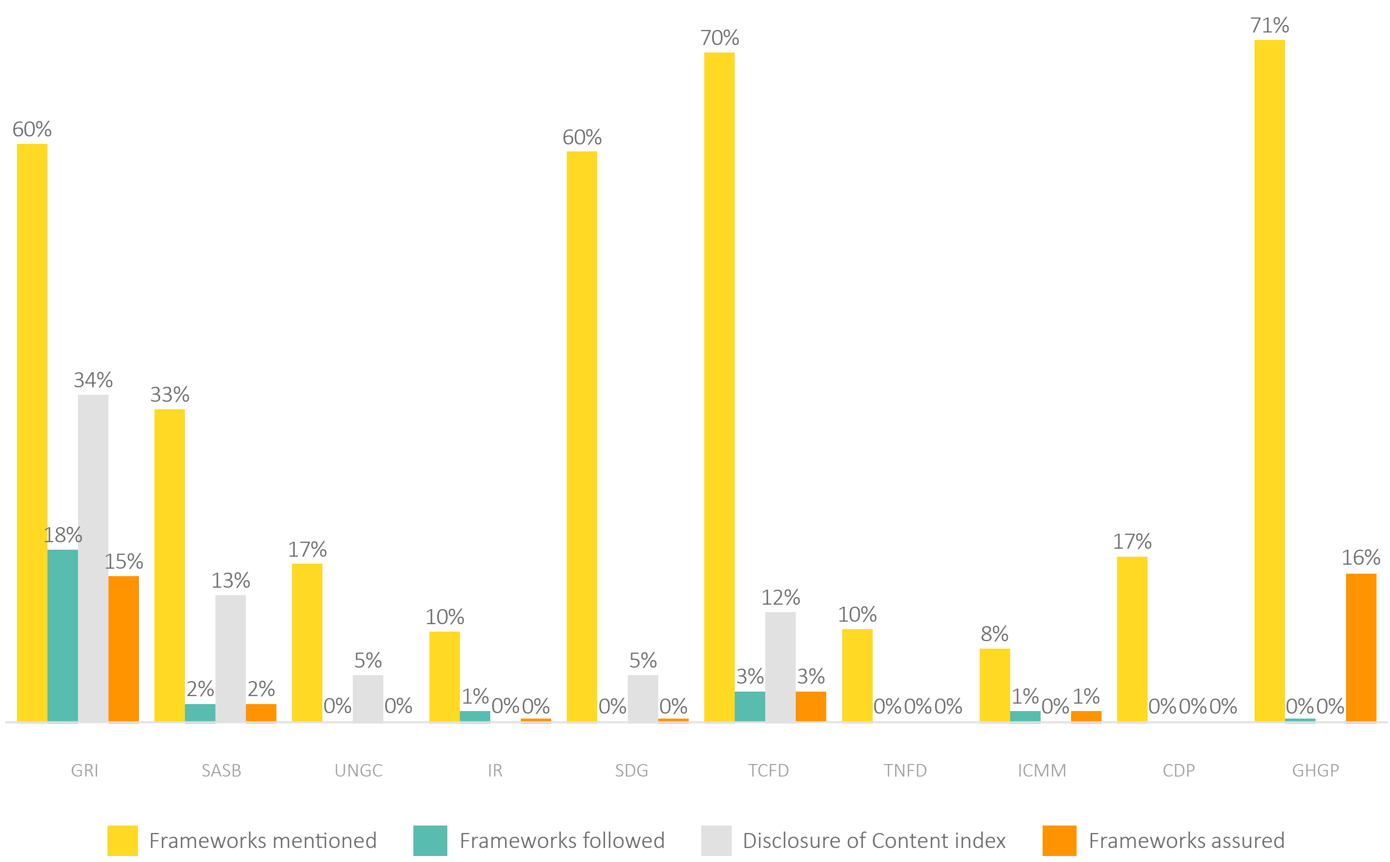
A significant gap exists between the number of companies that refer to sustainability reporting frameworks and the number that report and detail their adherence to frameworks. For instance, although a significant majority of companies cited TCFD, only 3% disclosed reporting in accordance with TCFD. The disparity between referencing frameworks and adhering to them was significant across all company sizes – but most pronounced among the smaller companies of the ASX 300. Within the ASX 100, 89% mentioned TCFD, and 6% followed it; among ASX 201-300 companies, 46% mentioned TCFD and just 1% disclosed reporting in accordance with TCFD (see Figures 7 and 8).

Figure 16. Key findings

Panel A. Five locations of sustainability reporting

Location of sustainability reporting	Number	%
Both sustainability and climate reports	23	10%
Climate report	8	3%
Sustainability report	134	55%
Annual report only	51	21%
No reference to sustainability reporting framework	26	11%
Final sample	**242**	**100%**

Panel B. A comparison between the proportion of sample companies (N=242) mentioning a framework, following a framework, disclosing a content index, and externally assure sustainability reporting



As an alternative proxy measure of companies reporting in accordance with a framework, we identified the incidence of companies disclosing a content index. Inclusion of a sustainability content index suggests the company follows at least some of the elements of a framework (although without confirming whether they are reporting in strict accordance with the framework). We identified content indexes within company reporting suites for five sustainability frameworks: GRI (83 companies out of 242, or 34%), SDG (12, or 5%), TCFD (28, or 12%), SASB (32, or 13%), and UNGC (12, or 5%). The results presented in Figure 16, Panel B, suggest that while a high proportion of companies disclose a content index, the overall rate of disclosure for individual reporting frameworks is low. For example, just 14% of companies disclosed a GRI content index. The results again suggest only a minority of companies genuinely report sustainability information in accordance with an established reporting framework.

Performance benchmark level 3: Sustainability assurance

Only about 30% of companies (73 of 242) subjected their sustainability disclosures to assurance. Engagement of assurance services was most common among larger companies – 56% of sample companies in the ASX 100 (50 of 89) engaged sustainability assurance compared to just 4% of ASX 201-300 companies (3 of 74) – see Figure 11. Additional analysis revealed that 95% of companies that subjected their sustainability disclosures to assurance (69 of 73) selected only parts of their reports to be assured. In other words, from our entire sample group of 242 companies, we identified just four standalone sustainability reports subjected in their entirety to independent assurance.

We also found that sustainability frameworks have limited practical application for external assurance. For example, while the GRI was one of the frameworks most frequently used as the criterion against which the auditor provides assurance (51%, or 37 of 73 assured companies), it translated to just 15% of the total sample engaging assurance against the GRI (37 of 242) (see Figure 16). It is noteworthy that while TCFD was a frequently mentioned framework (70% of final sample, 169 of 242) – and that TCFD is the basis for the new sustainability standard of S2 – just 3% of companies used TCFD as the assurance criterion (7 of 242). A similar pattern was observed with the SDG framework, which was mentioned by 60% of sample companies (145 of 242) yet was used for assurance purposes by just 1 out of 242 companies in the final sample.

6.2 Concluding remarks

Our findings reveal that in 2022, most of Australia's largest companies were concerned with projecting a positive image through their sustainability reporting, rather than demonstrating a genuine commitment to comprehensive sustainability reporting practices. While sustainability frameworks are frequently cited in annual reports and other company documents, the practical implementation and independent external assurance of sustainability reporting remains low. There are several implications of this. First, the lack of robust adherence to established corporate sustainability frameworks raises the obvious spectre of 'greenwashing', whereby companies publicly project a commitment to environmental responsibility and sustainability without substantively adhering to any established practical framework. This leads inevitably to unstructured and inconsistent disclosures, undermining the comparability and reliability of sustainability information in company reports. For instance, where companies choose to implement selected aspects of a sustainability framework that they find beneficial, other important aspects are potentially ignored. Second, the low incidence of sustainability reporting assurance by ASX 300 companies provides further cause for concern, undermining public and investor confidence in the credibility of sustainability disclosures – adding fuel to perceptions that some of the nation's biggest companies might be more focused on projecting favourable images than genuinely engaging with sustainability reporting.

It is noteworthy that while many of Australia's largest companies displayed limited adherence to sustainability frameworks in 2022, the landscape is presently evolving with the establishment of global standards, such as IFRS S1 and IFRS S2. These internationally aligned sustainability standards offer more clarity amidst the complex array of reporting frameworks. Australia's prospective shift towards mandatory climate reporting, aligned with IFRS S2 in 2024, adds to this positive momentum. Our findings have relevance within this evolving and optimistic sustainability reporting environment. Specifically, they underscore the importance of establishing a uniform, structured, and mandatory approach to sustainability reporting in Australia, as would be achieved with the potential mandate of an Australian equivalent of IFRS S2. Uniform mandatory reporting standards are likely to enhance transparency, accountability, and the overall quality of sustainability reporting, which might help to drive companies' commitment to sustainability practices. Within this context, there is an essential role for assurance providers to support the credibility of sustainability reporting, and for companies to clearly disclose mechanisms that enhance the integrity of unaudited sustainability disclosures as required under ASX Corporate Governance Council (CGC) Recommendation 4.3. We believe our findings assist all stakeholders in preparing for the inevitable and dynamic changes in the reporting landscape that lies ahead.

6.3 Recommendations

Drawing on our key findings, we offer the following recommendations to Australian companies, regulators, policymakers, and professional bodies to prepare for the upcoming shifts in the sustainability reporting landscape:

Australian companies

1) **Prioritise the alignment of sustainability frameworks.** Companies should prioritise aligning their sustainability reporting with established international reporting frameworks, and clearly demonstrate their adherence to a framework in their sustainability reporting.
2) **Include content indexes in corporate reports.** Sustainability content indexes should be included in corporate reports to help investors and other stakeholders easily find key sustainability reporting elements.
3) **Provide sustainability data books.** Companies should consider providing detailed supplementary sustainability data in spreadsheets on their websites, allowing stakeholders to analyse and model data independently. An innovative 22 of 242 companies in our ASX 300 sample group voluntarily implemented this practice in the 2022 calendar year.
4) **Seek independent external assurance of sustainability reporting.** External assurance lends credibility to sustainability reporting, enhancing investor and broader stakeholder confidence in companies' sustainability practices. As the reporting landscape evolves, and as external pressure on companies to demonstrate sustainable practices grows, boards and managers should recognise the benefits of independent external assurance in offering the highest level of credibility to sustainability reporting.

Regulators and policymakers, including Australian Treasury, the FRC, AASB and AUASB

1) **Consider a standardised and structured approach to sustainability reporting – including issuing an Australian equivalent of IFRS S1 and IFRS S2.** Considering the currently fractured and diverse landscape including at least 10 different sustainability-related frameworks, there is an urgent need to unify reporting standards and requirements. Specifically, we support issuing an Australian equivalent of IFRS S2 for climate reporting and its mandate through the Corporations Act, which is currently undergoing a public consultation process. We also recommend extending this approach to broader sustainability reporting, aligning with IFRS S1.
2) **Provide guidance on the location of sustainability reporting.** There is scope for policymakers to provide guidance on the location of sustainability reporting within company reporting suites. A strong case exists to locate sustainability information within company annual reports, particularly within the Operating and Financial Review, when the sustainability matters significantly impact future financial performance. This approach aligns with the Australian equivalent of IFRS S2, which proposes that climate disclosures be integrated into a company's annual report because climate-related risks and opportunities are inextricably linked to a company's operations, financial results, and strategic decisions (Treasury, 2023). Alternatively, sustainability information can be housed in stand-alone sustainability reports to address a broader array of stakeholder-oriented sustainability concerns.
3) **Mandate sustainability assurance.** It is recommended that independent external assurance be made mandatory for climate disclosures in alignment with the ongoing considerations for an Australian equivalent of IFRS S2, encompassing assurance for broader sustainability reporting once it becomes a regulated requirement. Specifically, the AUASB should accelerate the development of assurance standards modelled on the proposed international standards for sustainability assurance – ISSA 5000 General Requirements for Sustainability Assurance Engagement.[17] Further exploration of the factors influencing the integration of sustainability frameworks into assurance practices could also yield valuable insights into associated practical challenges and considerations. Also, the ASX Corporate Governance Council should continue to emphasise the importance of companies disclosing mechanisms in place to enhance the integrity of unaudited sustainability disclosures under Recommendation 4.3 of the ASX Corporate Governance Principles and Recommendations.
4) **Support smaller companies.** Our study reveals that smaller companies, particularly those within the ASX201-300, are less likely than larger companies to adhere to sustainability reporting frameworks and use external assurance. To bridge this gap, regulators should proactively offer support mechanisms tailored to the unique challenges faced by smaller companies in adopting more robust sustainability reporting practices. One effective strategy could be the phased implementation of reporting requirements, using larger companies as examples of best practice, and offering tailored assistance programs to facilitate smaller companies in the gradual alignment of their reporting to best practice.

Professional bodies

1) **Prioritise education and training.** As the reporting landscape evolves, professional accounting bodies should accelerate their training and education programs to equip members with the knowledge and skills needed to effectively navigate the complexities of sustainability reporting and assurance.
2) **Promote the adoption of sustainability frameworks.** Professional bodies should continue to educate their members about the benefits of using established sustainability reporting frameworks. These frameworks offer structured guidelines for reporting on various sustainability aspects, ensuring that the information provided is consistent, comparable, credible, and useful for various stakeholders.

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Endnotes

1) For simplicity, we use the generic term "framework" when discussing sustainability guidance. This includes frameworks that offer flexibility in alignment (e.g., IR), standard' that are prescriptive, and goals that are time bound (e.g., SDGs to be achieved by 2030). Refer to Section 4.3 for further clarification.

2) IFRS sustainability standards are set to become effective internationally from 1 January 2024, and the adoption of these standards will be at the discretion of individual jurisdictions.

3) On 12 December 2022, and again on 27 June 2023, Treasury conducted public consultations for the mandatory disclosure of climate-related financial risks. Climate information is proposed to be published in annual financial reports under Part 2M.3 of the Corporations Act and is expected to be in place for the commencement of the financial year 2024-2025.

4) An assurance standard proposed by the International Auditing and Assurance Standards Board (IAASB) to serve as a comprehensive, stand-alone standard suitable for any sustainability assurance engagements, including the recently released IFRS S1 and IFRS S2.

5) We use the term "sustainability reporting" to encompass extended reporting that includes Corporate Social Responsibility reporting (CSR) and Environmental, Social and Governance (ESG) Reporting. Sustainability reporting typically occurs in standalone "Sustainability" or "Climate" reports and/or within the annual report. Refer to Section 2.2 for further elaboration.

6) IFRS sustainability standards and GRI Standards have distinct yet complementary purposes. The Global Reporting Initiatives (GRI) focuses on the transparency of an organisation's impacts on people and the planet (i.e., impact reporting), while IFRS is focused on supporting efficient and resilient capital markets (i.e., sustainability-related financial reporting).

7) As discussed in the methodology section, for simplicity, we use the generic term "sustainability framework". We acknowledge that some guidance is described as a "framework" (e.g., TCFD, IR), while others refer to their guidance as "standard"' (e.g., GRI; SASB), and others as "goals" (e.g., SDG).

8) The AQUA Rules have been designed to offer greater flexibility for issuers in designing products and having them quoted on the ASX, which results in greater product choice for investors. The AQUA rules are based on the Warrants rules but are specifically designed for Managed Funds, Exchange Traded Funds (ETFs), and Structured Products, which previously did not fit easily under the Listing Rules or the Warrant Rules.

9) Modern Slavery Statements pertain to how companies address and mitigate modern slavery risks in their operations and supply chains.

10) For the 64 companies required to report to the Clean Energy Regulator under the NGER Act (2007), we identify companies mentioning/following NGER in their reporting suite in the additional analysis.

11) Refer to Appendix 3 for an example of a content index.

12) Under ASAE/ISAE standards, an assurance engagement is where an assurance practitioner obtains sufficient and appropriate evidence to express a conclusion, which enhances the confidence of intended users about the subject matter information (ASAE 3000, paragraph 12).

13) Among these 26 companies that did not reference a sustainability framework, all mentioned sustainability-related matters within their corporate reports, notably in sections like the director's or CEO's reports, where sustainability is typically discussed as an overarching business objective.

14) The 2022 stand-alone climate report of CSR Limited (referred as the NGER report) was subject to a reasonable assurance engagement. Refer to Appendix 5 Panel A.

15) These 6 companies chose to engage both limited and reasonable assurance on different aspects of their sustainability reports. For example, a company might opt for reasonable assurance on certain emissions data (e.g., Scope 1-2 information), while selecting for limited assurance when it comes to Scope 3 emission data and other sustainability-related Key Performance Indicators (KPIs).

16) All proportions in this report are presented using whole numbers, without decimals. Therefore, even though 1 auditor used the SDG framework in the assurance process, the proportion is presented as 0% due to the rounding used in Figure 14 Panel B.

17) The International Auditing and Assurance Standards Board (IAASB) proposed the issuance of ISSA 5000 in August 2023. The proposed ISSA5000 aims to serve as a comprehensive, stand-alone standard suitable for any sustainability assurance engagement. It will apply to sustainability information reported across any topic and prepared under multiple frameworks, including the recently released ISSB S1 and S2 standards. The final ISSA5000 is expected to be issued before the end of 2024.

18) https://www.globalreporting.org/media/wtaf14tw/a-short-introduction-to-the-gri-standards.pdf

19) https://www.fsb-tcfd.org/

20) https://www.integratedreporting.org/resource/international-ir-framework/

21) https://sasb.org/standards/

22) https://ghgprotocol.org/about-us

23) https://unglobalcompact.org/what-is-gc/mission/principles

24) https://www.icmm.com/en-gb/our-principles

25) https://www.cdp.net/en/info/about-us/what-we-do

26) https://www2.deloitte.com/lt/en/pages/consulting/topics/TNFD-and-nature-related-financial-disclosures.html

27) https://www.undp.org/sustainable-development-goals

Appendix

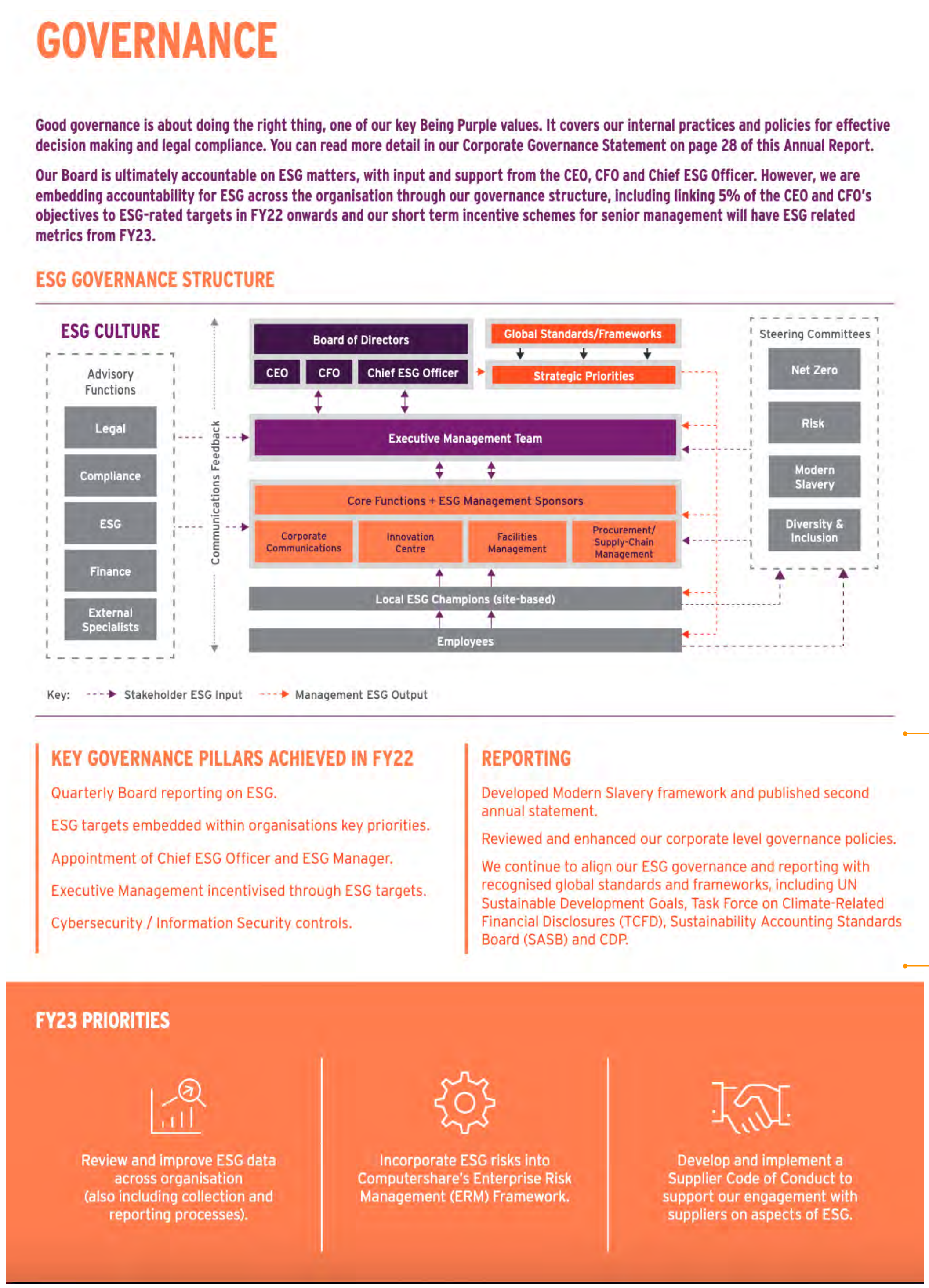
Appendix 1: Descriptions of sustainability frameworks

Sustainability Frameworks	Definition
Global Reporting Initiative (GRI)	The GRI is an international, independent, non-profit organization that aims to improve the world by enabling organisations to understand and communicate their economic, environment, and social impacts to a wide range of stakeholders. Published in 2016, the GRI Sustainability Reporting Standards are a set of guidelines that provide framework for a wide range of sustainability topics, including governance, human rights, labour practices, and environmental impacts. Under the GRI structure, standards are categorised into three buckets, being universal standards (general disclosures that all organisations need to apply to their reporting), sector standards (particular standards addressing issues identified by the broader industry), and topic standards (support adequate reporting on the topics identified as material to the organisation.[18]
Task Force on Climate-related Financial Disclosures (TCFD)	The TCFD was created in 2015 by the Financial Stability Board (FSB) whose role, since its establishment in 2019 after the global financial crisis, is to promote international financial stability. The TCFD recommendations are voluntary and provide guidance on the disclosure of information on the financial implications of climate-related risks and opportunities. The TCFD has 11 recommendations that span four different areas including governance, strategy, risk management, and metrics and targets. The TCFD is the core of IFRS S2 (climate-related financial disclosures) released in June 2023. The FSB which oversees the TCFD acknowledged that the ISSB standards mark the culmination of the TCFD's work since its establishment in 2017 and has asked the IFRS Foundation to take over the TCFD monitoring responsibilities from 2024.[19]
Integrated Reporting Framework (IR)	The IR Framework was published by the International Integrated Reporting Council in 2023 and revised in 2021, aims to provide a comprehensive and coherent reporting method that communicates an organisation's strategy, governance, performance, and prospects in the context of its external environment. It enables stakeholders to understand an organisation's value creation process better and assess its long-term sustainability. The IR Framework is now part of the IFRS Foundation.[20]
Sustainability Accounting Standards Board (SASB)	SASB is a non-profit organisation founded in 2011 that strives to establish and maintain industry-specific standards for guiding the disclosure of financially material sustainability-related risks and opportunities. That is, SASB standards focus on sustainability issues expected to have a material impact on the company's financial performance and cash flows, aimed at serving the needs of most investors and other providers of financial capital. SASB standards focus on climate-intensive sectors. SASB is now under oversight of the IFRS.[21]
Greenhouse gas Protocol (GHGP)	Established in 1998, the GHGP is an organisation that was formed through a partnership between the World Resources Institute and the World Business Council for Sustainable Development. The GHGP provides standardised framework for companies, organisations, cities, and even countries to help them manage and reduce their greenhouse gas emissions. The standards aim to offer a much-needed data-driven approach to the global reduction of emissions and allow organisations to identify which activities generate the most emissions. The GHGP is most well-known for its classification of scope 1, 2, and 3 emissions.[22]
United Nations Global Compact (UNGC)	The UNGC is a non-binding United Nations pact to get businesses and firms worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The UNGC encourages companies to integrate ten specific principles into their strategies, policies, and procedures, and establish a culture of integrity where companies are not only upholding their basic responsibilities to people and planet, but also setting the stage for long-term success. The Ten Principles of the UNGC cover areas of human rights, labour, environment, and anti-corruption.[23]
International Council on Mining and Metals (ICMM)	ICMM was founded in 2001, as a CEO-led leadership organisation, on the premise of improving sustainable development in the mining and metals industry. ICMM's Mining Principles define the good practice environmental, social and governance requirements of company members, expressed through a comprehensive set of 39 Performance Expectations and 9 related position statements on several critical industry challenges. The Mining Principles seek to maximise the industry's benefits to host communities, while minimising negative impacts to effectively manage issues of concern to society.[24]
Carbon Disclosure Project (CDP)	Launched in 2000, the CDP is an independent non-profit organisation that runs the global disclosure system for investors, companies, cities, states, and regions to manage their environmental impacts. The aim is to drive companies and governments to reduce their greenhouse gas emissions, safeguard water resources, and protect forests.[25]
Task Force on Nature-related Financial Disclosures (TNFD)	Established in 2021, the TNFD is a framework for nature-related risk management and disclosure. It was designed to help organisations act and report on nature-related risks relevant to their direct and indirect operations. TNFD recommendations aim to assist in shifting the global financial system from one that exploits nature to one that supports and nourishes it. TNFD is still in development and has yet to be adopted by regulators as the template for nature-related disclosure requirements. In December 2022, the ISSB announced that it will consider TNFD recommendations in their ongoing work on integrating climate and biodiversity disclosure standards.[26]
Sustainability Development Goals (SDG)	The SDGs were set up in 2015 by the United Nations General Assembly, which are a collection of 17 goals designed to be a blueprint to achieve a better and more sustainable future for all by 2030. The goals include no poverty, zero hunger, good health and well-being, quality education, gender equality, clean water and sanitation, affordable and clean energy, decent work and economic growth and others. Some companies are voluntarily incorporating SDGs into their reporting.[27]

Appendix 2: Examples of companies' engagement with a sustainability framework

Panel A: Mentioning a sustainability framework in an annual report

The excerpt below illustrates how Computershare Limited (CPU), an ASX100 listed company, mentions SDG, TCFD, SASB, and CDP frameworks within the sustainability section of its 2022 annual report.



GOVERNANCE

Good governance is about doing the right thing, one of our key Being Purple values. It covers our internal practices and policies for effective decision making and legal compliance. You can read more detail in our Corporate Governance Statement on page 28 of this Annual Report.

Our Board is ultimately accountable on ESG matters, with input and support from the CEO, CFO and Chief ESG Officer. However, we are embedding accountability for ESG across the organisation through our governance structure, including linking 5% of the CEO and CFO's objectives to ESG-rated targets in FY22 onwards and our short term incentive schemes for senior management will have ESG related metrics from FY23.

ESG GOVERNANCE STRUCTURE

KEY GOVERNANCE PILLARS ACHIEVED IN FY22

Quarterly Board reporting on ESG.

ESG targets embedded within organisations key priorities.

Appointment of Chief ESG Officer and ESG Manager.

Executive Management incentivised through ESG targets.

Cybersecurity / Information Security controls.

REPORTING

Developed Modern Slavery framework and published second annual statement.

Reviewed and enhanced our corporate level governance policies.

We continue to align our ESG governance and reporting with recognised global standards and frameworks, including UN Sustainable Development Goals, Task Force on Climate-Related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB) and CDP.

FY23 PRIORITIES

Review and improve ESG data across organisation (also including collection and reporting processes).

Incorporate ESG risks into Computershare's Enterprise Risk Management (ERM) Framework.

Develop and implement a Supplier Code of Conduct to support our engagement with suppliers on aspects of ESG.

Frameworks including SDG, TCFD, SASB, and CDP are mentioned, but it is unclear whether sustainability reporting is prepared in accordance with these frameworks.

Panel B: Explicitly adhering to (following) a sustainability framework in an annual report

The excerpt below illustrates how Cochlear Limited (COH), an ASX100 listed company, disclosed adherence to the IR framework in the 'About this report' section in its 2022 annual report.

Our story

For over 40 years Cochlear has been bringing people all over the globe into the world of sound.

Professor Graeme Clark, an Australian ear surgeon, saw first-hand the isolation and frustration that comes from living in a world of silence as his father struggled with hearing difficulties. On holiday in 1977, fiddling with a shell and a blade of grass, Graeme realised there was a safe way to insert electrodes into the inner ear. It was Graeme's determination to help others that realised our first implantable solution, reconnecting Rod Saunders to hearing and bringing music into his life.

Professor Clark partnered with Australian entrepreneur Paul Trainor – and his Nucleus Group – and the University of Melbourne to commercialise the cochlear implant. With funding from the Australian government, they developed the Cochlear™ Nucleus® 22 Implant, the first multi-channel cochlear implant, and Cochlear, the company, was formed.

Today, Cochlear is the leader in implantable hearing solutions, connecting hundreds of thousands of people globally to a life full of hearing. The pioneering spirit that started Cochlear all those years ago continues to drive us forward and our commitment is stronger than ever. We're transforming the way people understand and treat hearing loss, and we're committed to reaching more people to provide support for a lifetime of hearing.

About this report

The annual report has been prepared in accordance with the IFRS Foundation's Integrated Reporting Framework, which we use to clearly articulate how we aim to deliver long-term sustainable value for all our key stakeholders.

Cochlear Limited Annual Report 2022

The report is prepared in accordance with the IR Framework.

Panel C: Mentioning a sustainability framework in a stand-alone sustainability report

The excerpt below illustrates how Treasury Wine Estates Limited (TWE), an ASX100 listed company, mentioned TCFD, GRI, UNGC, and SDG frameworks in the 'About this report' section in its 2022 sustainability report

About Treasury Wine Estates | Building a resilient business | Fostering healthy and inclusive communities | Producing sustainable wine

About this Report

OUR REPORTING

TWE's 2022 disclosures comprise this Sustainability Report, the 2022 Annual Report, and our 2022 Corporate Governance Statement. They should be read in conjunction with each other and where possible we have drawn links between the documents. They are all available for download on our website, as are a number of policies and documents referred to throughout this Report, at tweglobal.com

THIS REPORT

This Report provides an overview of our approach, progress and performance in relation to TWE's most material topics and is structured according to our Sustainability strategy. Our material topics have been identified through a materiality assessment and reflect topics that are important to our Company and our stakeholders. This Report discloses performance information for the financial year 1 July 2021 to 30 June 2022 (F22) unless otherwise stated.

ALIGNMENT WITH REPORTING STANDARDS

This Report has been prepared with consideration to relevant reporting standards including the Taskforce on Climate-Related Financial Disclosures (TCFD), the Global Reporting Initiative Standard (GRI) and the United Nations Global Compact (UNGC). We intend to increase our alignment with relevant reporting standards over time and are monitoring the changing reporting landscape.

SUSTAINABLE DEVELOPMENT GOALS

The SDGs provide a blueprint to achieve a better and more sustainable future by 2030. TWE has reviewed and aligned its Sustainability strategy to seven priority SDGs that are highlighted on this page and our work to drive action towards these goals is highlighted throughout this Report.

VERIFICATION AND ASSURANCE

We utilise a range of internal verification processes and controls to help ensure the completeness and accuracy of information within this Report. These internal processes and controls relate to data collection, recording, collation and presentation for reporting purposes.

KPMG provides limited assurance over a selection of performance data and disclosures in our 2022 Sustainability Report. For an overview of the information subject to assurance this year, please see KPMG's Assurance Statement, available online at: tweglobal.com/sustainability#Sustainability-Report.

Priority SDGs

3. Good health and well-being
5. Gender equality
6. Clean water and sanitation
7. Affordable and clean energy
12. Responsible consumption and production
13. Climate action
17. Partnerships for the goals

The F22 UNGC Communication on Progress is published in conjunction with this Report and is available at: tweglobal.com/sustainability.

WE SUPPORT UN GLOBAL COMPACT

TREASURY WINE ESTATES SUSTAINABILITY REPORT 2022 – 17

It is stated that frameworks such as TCFD, GRI, UNGC, and SDGs are considered, rather than adhered to or followed, in sustainability reporting.

Panel D: Explicitly adhering to (following) a sustainability framework in a standalone sustainability report

The excerpt below illustrates how Cromwell Property Group (CMW), an ASX101-200 listed company, explicitly disclosed adherence to the GRI framework in the 'About this report' section in its 2022 stand-alone sustainability report. Additionally, CMW also disclosed GRI and SASB content indexes as part of the reporting suite


CROMWELL PROPERTY GROUP | ESG REPORT 2022

01 About this report
02 A message from our CEO
04 About Cromwell Property Group
06 Targets and Performance
08 What Matters Most
09 Our Most Valuable Resource: Our People
12 Corporate Leadership
15 Sustainable Business Growth and Development
17 Buildings People Want To Be In
20 Tackling the World's Greatest Challenges

ABOUT THIS REPORT

This report covers Cromwell Property Group's environmental, social, and governance (ESG) performance for the year ending 30 June 2022 (FY22). All data and figures quoted in this Report and the associated Data Pack are as at 30 June 2022, unless stated otherwise. It has been prepared in accordance with the GRI Standards framework, further details about which are available at www.globalreporting.org

The GRI content index; SASB index; as well as all associated data can be found in the accompanying data pack, available at www.cromwellpropertygroup.com/sustainability/reports. The data pack also describes the reporting boundaries we have used.

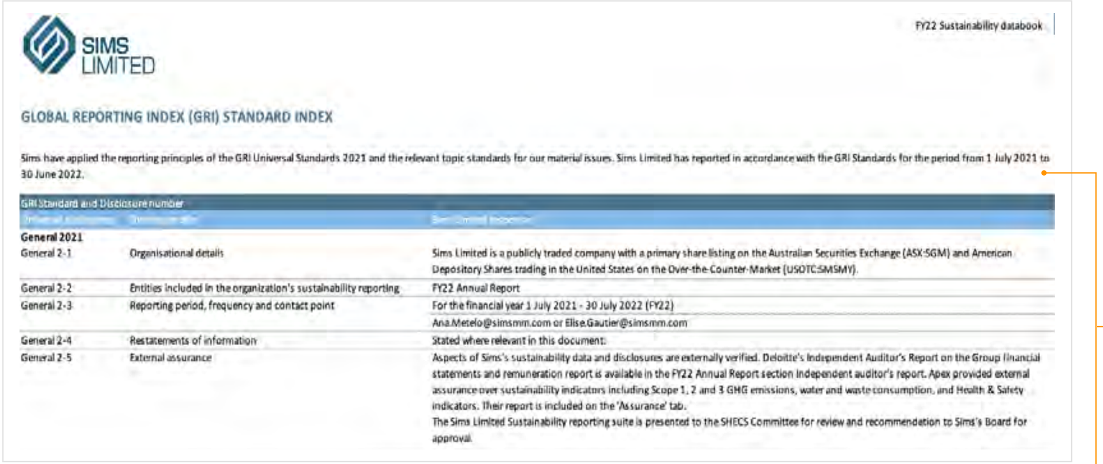
ESG disclosures, policies, and previous reports are also available for download from the Group website
The 2022 TCFD Statement can be found in the 2022 Annual Report.

1

The report is prepared in accordance with the GRI framework. GRI and SASB content indexes are also provided.

Appendix 3: Example of a content index

Below are examples of GRI, SASB, and TCFD content indexes provided by SIMS Limited (SGM), an ASX101-200 listed company. The content indexes are disclosed in SGM's 2022 data book.

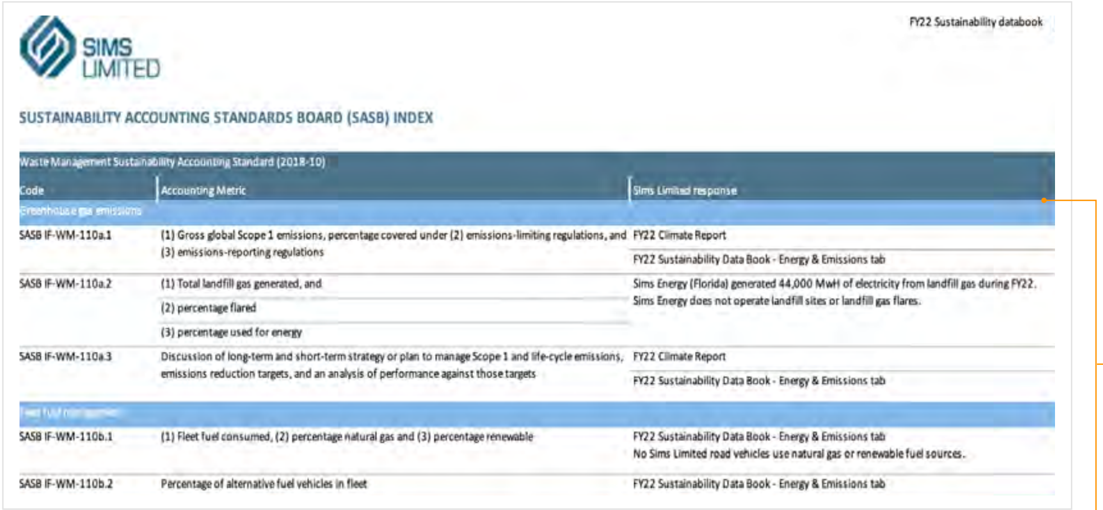

FY22 Sustainability databook

GLOBAL REPORTING INDEX (GRI) STANDARD INDEX

Sims have applied the reporting principles of the GRI Universal Standards 2021 and the relevant topic standards for our material issues. Sims Limited has reported in accordance with the GRI Standards for the period from 1 July 2021 to 30 June 2022.

GRI Standard and Disclosure number		
General 2021		
General 2-1	Organisational details	Sims Limited is a publicly traded company with a primary share listing on the Australian Securities Exchange (ASX:SGM) and American Depository Shares trading in the United States on the Over-the-Counter-Market (USOTC:SMSMY).
General 2-2	Entities included in the organization's sustainability reporting	FY22 Annual Report
General 2-3	Reporting period, frequency and contact point	For the financial year 1 July 2021 - 30 July 2022 (FY22) Ana.Metelo@simsmm.com or Elise.Gautier@simsmm.com
General 2-4	Restatements of information	Stated where relevant in this document.
General 2-5	External assurance	Aspects of Sims's sustainability data and disclosures are externally verified. Deloitte's Independent Auditor's Report on the Group financial statements and remuneration report is available in the FY22 Annual Report section Independent auditor's report. Apex provided external assurance over sustainability indicators including Scope 1, 2 and 3 GHG emissions, water and waste consumption, and Health & Safety indicators. Their report is included on the 'Assurance' tab. The Sims Limited Sustainability reporting suite is presented to the SHECS Committee for review and recommendation to Sims's Board for approval.

The GRI Index explains SGM's responses to disclosure items under the GRI framework.


FY22 Sustainability databook

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

Waste Management Sustainability Accounting Standard (2018-10)		
Code	Accounting Metric	Sims Limited response
Greenhouse gas emissions		
SASB IF-WM-110a.1	(1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations, and (3) emissions-reporting regulations	FY22 Climate Report FY22 Sustainability Data Book - Energy & Emissions tab
SASB IF-WM-110a.2	(1) Total landfill gas generated, and (2) percentage flared (3) percentage used for energy	Sims Energy (Florida) generated 44,000 MwH of electricity from landfill gas during FY22. Sims Energy does not operate landfill sites or landfill gas flares.
SASB IF-WM-110a.3	Discussion of long-term and short-term strategy or plan to manage Scope 1 and life-cycle emissions, emissions reduction targets, and an analysis of performance against those targets	FY22 Climate Report FY22 Sustainability Data Book - Energy & Emissions tab
Fleet fuel management		
SASB IF-WM-110b.1	(1) Fleet fuel consumed, (2) percentage natural gas and (3) percentage renewable	FY22 Sustainability Data Book - Energy & Emissions tab No Sims Limited road vehicles use natural gas or renewable fuel sources.
SASB IF-WM-110b.2	Percentage of alternative fuel vehicles in fleet	FY22 Sustainability Data Book - Energy & Emissions tab

The TCFD Index shows SGM's responses to disclosure items under the SASB framework. It also provides information on where these disclosures can be located within the reporting suite.


FY22 Sustainability databook

TASKFORCE ON CLIMATE-CHANGE RELATED FINANCIAL DISCLOSURES (TCFD) INDEX

	Disclosure	Guidance for All Sectors	Sims Limited Response
Governance	Describe the board's oversight of climate-related risks and opportunities.	In describing the board's oversight of climate-related issues, organizations should consider including a discussion of the following: – processes and frequency by which the board and/or board committees (e.g., audit, risk, or other committees) are informed about climate-related issues, – whether the board and/or board committees consider climate-related issues when reviewing and guiding strategy, major plans of action, risk management policies, annual budgets, and business plans as well as setting the organization's performance objectives, monitoring implementation and performance, and overseeing major capital expenditures, acquisitions, and divestitures, and – how the board monitors and oversees progress against goals and targets for addressing climate-related issues.	FY22 Annual report - Corporate Governance statement (p49-55) FY22 Climate Report - Board engagement on climate change (p12) - Climate change governance (p12-14)
	Describe management's role in assessing and managing climate-related risks and opportunities.	In describing management's role related to the assessment and management of climate-related issues, organizations should consider including the following information: – whether the organization has assigned climate-related responsibilities to management-level positions or committees; and, if so, whether such management positions or committees report to the board or a committee of the board and whether those responsibilities include assessing and/or managing climate-related issues, – a description of the associated organizational structure(s), – processes by which management is informed about climate-related issues, and – how management (through specific positions and/or management committees) monitors climate-related issues.	FY22 Climate Report - Climate change governance (p13-15) - Opportunity and risk management (p16-17)

Similarly, the TCFD Index shows SGM's responses to disclosure items under the TCFD framework and the locations of these disclosures.

Integrated Reporting Centre

Appendix 4: Example of a data book

Below is an example of a data book provided by the Australian & New Zealand Banking Group Ltd (ANZ), an ASX 100 company, as part of their annual reporting suite. This data book is published in Excel format on ANZ's official website and summarises ANZ's progress on key ESG metrics for 2022.

ANZ 2022 **ESG SUPPLEMENT DATA PACK**

TABLE OF CONTENTS

The 'Table of contents' in ANZ's data book outlines key performance metrics categorized under environment, social, and governance.

In addition, the data book is accompanied by the disclosure of UNGC and GRI content indexes.

Environment

ENVIRONMENTAL FOOTPRINT[1]

GHG emissions Scope 1 & 2 (tonnes CO_2-e)	2022	2021	2020	2019	2018
Australia	79,787	88,808	101,210	115,688	123,056
New Zealand	4,429	5,205	5,526	6,846	7,887
Asia Pacific, Europe and America	17,664	17,395	27,357	34,034	40,069
TOTAL[2]	**101,879**	**111,409**	**134,093**	**156,568**	**171,012**

1. Environmental reporting year runs 1 July - 30 June to align to environmental regulatory reporting requirements. 2. Values may not add to totals due to rounding.

Global GHG emissions Scope 1, 2 & 3 (tonnes CO_2-e)	2022	2021	2020	2019	2018
Scope 1					
Premises energy	2,229	1,931	1,811	3,091	3,534
Vehicle transport	3,566	4,476	9,832	13,018	14,294
Other[3]	24	17	119	140	142
Scope 2					
Premises energy	96,060	104,984	122,331	140,319	153,042
Scope 3[4]					
Premises energy	13,143	16,843	23,330	28,367	32,235
Vehicle transport	600	668	1,606	2,069	2,178
Travel - flights & accomodation	4,114	1,984	22,109	38,927	35,324
Employee commuting[5]	5,348	5,438	15,546	19,400	20,504
Paper[5]	2,315	2,826	5,013	2,720	2,861
Waste[5]	1,135	1,564	1,770	2,511	2,463
Water[5,7]	306	186	233	297	329
Work From Home[6]	11,673	12,780	N/A	N/A	N/A
TOTAL	**140,514**	**153,697**	**203,700**	**250,857**	**266,906**

Key environmental performance indicators, including GHG scopes 1-3, are tabulated for the years 2018 to 2022. Additionally, the data book also provides average performance figures for different jurisdictions (e.g., Australia, New Zealand) to facilitate comparison.

ANZ 2022 **ESG SUPPLEMENT DATA PACK**

Governance

EMPLOYEES

TRAINING

Average hours of training per employee[1]	2022	2021[2]	2020	2019	2018
Senior Manager	**14.6**	15.1	12.4	13.0	13.8
Manager	**16.7**	18.4	16.6	16.8	16.0
Non-management	**28.9**	36.6	31.5	33.7	24.4

1. From 2020 includes training completed through 'The Edge' and 'OWL' – our online learning platforms, Continuous Professional Development, and Australian Branch Network coaching. Values for 2018 – 2019 include training completed through 'The Edge'. 2. We have revised our calculation methodology to provide a more accurate calculation of learning hours per employee. Care should be taken when comparing 2021 values to prior years.

Average hours of training by gender[3]	2022	2021[4]	2020	2019	2018
Female	**25.6**	29.7	26.3	27.7	21.6
Male	**20.9**	24.8	21.3	23.0	19.2

3. From 2020 includes training completed through 'The Edge' and 'OWL' – our online learning platforms, Continuous Professional Development, and Australian Branch Network coaching. Values for 2018 – 2019 include training completed through 'The Edge'. 4. We have revised our methodology to provide a more accurate calculation of learning hours per employee. Care should be taken when comparing 2021 values to prior years.

Key governance indicators, such as average hours of training per employee and by gender, are tabulated for the years 2018 to 2022.

ANZ 2022 **ESG SUPPLEMENT DATA PACK**

Social

EMPLOYEE PROFILE

Employee headcount	2022	2021	2020	2019
Group Total	**40,744**	41,286	40,464	41,269

Employees by contract type and gender	2022				2021			2020			2019		
	Female	Male	Not disclosed	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Permanent													
Full-time	17,189	19,052	32	**36,273**	17,058	18,996	**36,054**	16,194	18347	**34,541**	16,273	18,336	**34,609**
Part-time	3,014	490	2	**3,506**	3,363	566	**3,929**	4,151	630	**4,781**	4,543	693	**5,236**
Fixed term													
Full-time	317	288	4	**609**	403	421	**824**	264	341	**605**	308	350	**658**
Part-time	71	33	0	**104**	109	39	**148**	88	39	**127**	139	59	**198**
Casual	193	59	0	**252**	256	75	**331**	322	88	**410**	435	133	**568**
Total	**20,784**	**19,922**	**38**	**40,744**	**21,189**	**20,097**	**41,286**	**21,019**	**19,445**	**40,464**	**21,698**	**19,571**	**41,269**

Employees by gender and region	Female	Male	Not disclosed	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Asia Pacific	3,048	2,163	10	**5,221**	3,484	2,532	**6,016**	3,560	2,672	**6,232**	3,686	2,788	**6,474**
Australia	10,315	10,059	20	**20,394**	10,439	9,975	**20,414**	10,492	9,521	**20,013**	10,921	9,480	**20,401**
New Zealand	4,399	3,116	7	**7,522**	4,387	3,121	**7,508**	4,426	3,167	**7,593**	4,701	3,315	**8,016**
EAMEI[1]	3,022	4,584	1	**7,607**	2,879	4,469	**7,348**	2,541	4,085	**6,626**	2,390	3,988	**6,378**
Total	**20,784**	**19,922**	**38**	**40,744**	**21,189**	**20,097**	**41,286**	**21,019**	**19,445**	**40,464**	**21,698**	**19,571**	**41,269**

1. Europe, America, Middle East and India

Key social indicators, such as employee headcount, employees categorised by contract type, gender, and region, are tabulated for the years 2019 to 2022.

Appendix 5: Examples of sustainability assurance

Panel A: Example showing assurance of an entire stand-alone sustainability report

The excerpt below illustrates CSR Limited (CSR), an ASX101-200 company, subjected its entire 2022 stand-alone sustainability report (a climate report referred to by CSR as the NGER report) to a process of reasonable assurance, conducted by Deloitte.

DELOITTE REASONABLE ASSURANCE REPORT

Deloitte.

Part A

Independent Assurance Practitioner's Reasonable Assurance Report to CSR Limited

Opinion

We have undertaken a reasonable assurance engagement in relation to the accompanying NGER Report of CSR Limited ("CSR") for the period July 2021 to 30 June 2022 comprising the following:

- scope 1 greenhouse gas emissions of 275,488 tonnes of CO2-e
- scope 2 greenhouse gas emissions of 178,597 tonnes of CO2-e
- energy production of 7,046 GJ
- energy consumption of 5,606,125 GJ

In our opinion the NGER Report for the period 1 July 2021 to 30 June 2022 is prepared, in all material respects, in accordance with Section 19 of the NGER Act as explained in the Basis of Preparation.

Basis for Opinion

We conducted our engagement in accordance with Standard on Assurance Engagements ASAE 3410 Assurance Engagements on *Greenhouse Gas Statements* ("ASAE 3410"), issued by the Auditing and Assurance Standards Board and the NGER Audit Determination. ASAE 3410 and the NGER Audit Determination require that we plan and perform the engagement to obtain reasonable assurance about whether the NGER Report is free from material misstatement.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities

Management is responsible for:

- the preparation of CSR's NGER Report in accordance with Section 19 of the NGER Act including the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the NGER Report that is free from material misstatement, whether due to fraud or error.
- the selection interpretation and application of the requirements of the NGER Act in determining operational control and quantifying emissions and energy, which are reflected in the Basis of Preparation which was provided to us.

Our Independence and Quality Control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements and apply Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and*

The entire NGER report is subject to external assurance. Additionally, Deloitte auditors explicitly stated that the assurance engagement is guided by ASAE3410 and the NGER Audit Determination process.

Panel B: Example showing the assurance of a selected section of a stand-alone sustainability report

The excerpt below shows that Minerals Resources Limited (MIN), an ASX100 company, subjected selected sections of its 2022 stand-alone sustainability report to a process of limited assurance, conducted by Ernst & Young.

INDEPENDENT LIMITED ASSURANCE STATEMENT

EY
Building a better working world

Independent Limited Assurance Statement to the Management and Directors of Mineral Resources Limited

Our Conclusion:
Ernst & Young was engaged by Mineral Resources Limited ('MinRes') to undertake limited assurance as defined by Australian Auditing Standards, hereafter referred to as a 'review', over selected sustainability performance data within the MinRes 2022 Sustainability Report ('Sustainability Report') for the year ended 30 June 2022. Based on our review, nothing came to our attention that caused us to believe that the selected sustainability performance data has not been prepared and presented fairly, in all material respects, in accordance with the criteria defined below.

What our review covered

Ernst & Young ('EY' or 'we') carried out a review over selected sustainability performance data within the Sustainability Report.

Subject Matter

The Subject Matter for our limited assurance engagement included selected sustainability performance data, limited to those aspects listed below for the year ended 30 June 2022:

- Total Scope 1 greenhouse gas (GHG) emissions (in tonnes of carbon dioxide equivalent (tCO_2-e))
- Total Scope 2 GHG emissions (tCO_2-e)
- Total value (in Australian dollars (AUD)) of community contributions
- Lost Time Injury Frequency Rate (LTIFR)
- Total Recordable Injury Frequency Rate (TRIFR)
- Gender balance as per MinRes categories
- Business Code of Conduct and Integrity training (percentage employee completion rate).

The Subject Matter did not include Management's forward-looking statements.

Criteria applied by MinRes

In preparing the Sustainability Report, MinRes applied the following criteria:

- MinRes' self-determined criteria for the reporting of non-financial information
- Global Reporting Initiative (GRI) indicators relevant to the subject matter
- National Greenhouse and Energy Reporting (NGER) Act 2007, NGER Regulations 2008, and NGER (Measurement) Determination 2018.

Key responsibilities

EY's responsibility and independence

Our responsibility is to express a conclusion on the selected sustainability performance data based on our review.

We were also responsible for maintaining our independence and confirm that we have met the requirements of the *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* and that we have the required competencies and experience to conduct this assurance engagement.

MinRes' responsibility

MinRes' management is responsible for selecting the Criteria, and for preparing and fairly presenting the Sustainability Report in accordance with that Criteria. This responsibility includes establishing and maintaining internal controls, adequate records and making estimates that are reasonable in the circumstances.

Our approach to conducting the review

We conducted this review in accordance with the Australian Auditing and Assurance Standards Board *Australian Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('*ASAE 3000*') and *Australian Standard on Assurance Engagements on Greenhouse Gas Statements* ('*ASAE 3410*') and the terms of reference for this engagement as agreed with MinRes.

Summary of review procedures performed

A review consists of making enquiries, primarily of persons responsible for preparing the selected sustainability performance data and related information, and applying analytical and other review procedures.

Our procedures included:

- Conducting interviews with corporate personnel to understand the business and reporting processes
- Conducting interviews with key personnel to understand the process for collecting, collating and reporting the selected sustainability performance data during the reporting period
- Checking that calculation methodologies had been appropriately applied in accordance with MinRes' criteria
- Undertaking analytical review procedures to support the reasonableness of the data
- Identifying and testing assumptions supporting calculations
- Testing, on a sample basis, to underlying source information to check the accuracy of the data.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Limited Assurance

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Further, our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

Use of our Assurance Statement

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than management and the Directors of MinRes, or for any purpose other than that for which it was prepared.

Adam Carrel
Partner

14 October 2022

Ernst & Young
Perth, Australia

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The assurance process focused on selected performance data within the sustainability report. It is also clear that management's forward-looking statements are not assured.

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