New Australian reporting pronouncements

For 30 June 2026 year-end reports

EY
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New and changed requirements

This publication provides an overview of the significant reporting pronouncements issued as of 30 June 2026, covering those that:

- **Must** be applied for the first time for 30 June 2026 year-ends.
- **May** be applied early for 30 June 2026 year-ends.

Implementing new reporting pronouncements often impacts entities beyond their financial reporting functions. This publication is intended to:

- Support better conversations about those changes with your stakeholders.
- Help you respond in a timely manner to all such changes in your next financial report.
- Keep you focused on future changes in financial reporting and their impact on your implementation efforts.

Financial reporting requirements

Tier 1 entities are required to:

- Present the impact of the initial application of new accounting standards applied.
- Disclose the possible impact of the initial application of forthcoming accounting standards not yet applied, or otherwise indicate the reason for not doing so.

Tier 2 entities applying simplified disclosures are only required to:

- Present the impact of the initial application of new accounting standards.

Remain alert to further changes

This publication is updated as of 30 June 2026. Any pronouncements issued after this date (up until the date of authorisation of your financial report) must also be considered. Refer to Focus on Reporting newsletters to stay informed of further changes.

The better the question.
The better the answer.
The better the world works.

New Australian Reporting Pronouncements

For 30 June 2026 year-end reports

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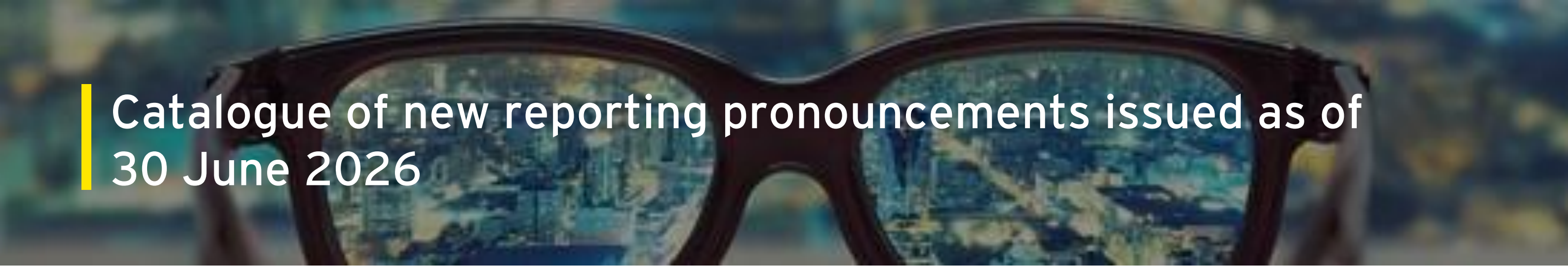

Catalogue of new reporting pronouncements issued as of 30 June 2026

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1 January 2025[4]	AASB S2 *Climate-related Disclosures (mandatory)*	6
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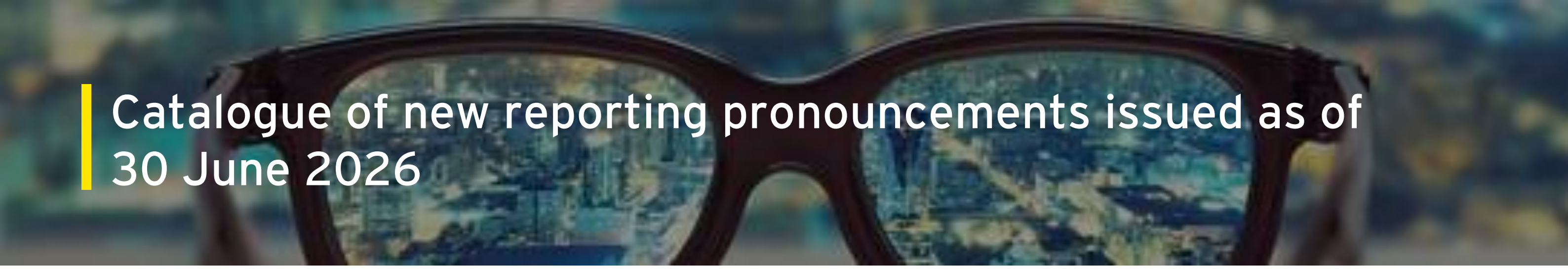
[1] Effective for annual reporting periods beginning on or after this date, unless separately noted.
[2] AASB 2024-4 *Amendments to AASs – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections* deferred the effective date of AASB 2014-10 to annual reporting periods beginning on or after 1 January 2028.
[3] Agenda decisions do not have commencement dates and so are effective when issued. However, entities are entitled to sufficient time to assess impacts and make required changes. The IASB advised that 'sufficient time' will depend on the particular facts and circumstances.
[4] The timing of when an entity is required to lodge annual sustainability reports prepared in accordance with AASB S2 is set by the *Corporations Act*. The timing is phased to commence from financial years beginning on or after 1 January 2025, 1 July 2026 or 1 July 2027 depending the type of entity and either its size or, for NGER reporters, on level of emissions.



Catalogue of new reporting pronouncements issued as of 30 June 2026

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1 January 2025; however, application is voluntary	AASB S1 *General Requirements for Sustainability-related Financial Information (voluntary)*	7

This publication provides an overview of the significant reporting pronouncements issued as of 30 June 2026, omitting the following minor amendments:

- AASB 2024-3 Amendments to Australian Accounting Standards – Annual Improvements Volume
- AASB 2025-4 Amendments to Australian Accounting Standards – Translation to a Hyperinflationary Presentation Currency
- Recognition of Revenue from Tuition Fees (IFRS 15 Revenue from Contracts with Customers)
- Classification of Cash Flows related to Variation Margin Calls on 'Collateralised-to-Market' Contracts (IAS 7 Statement of Cash Flows)
- Embedded Prepayment Option (IFRS 9)
- Determining and Accounting for Transaction Costs (IFRS 9)
- Fair Presentation and Compliance with IFRS Accounting Standards (IAS 1) [IAS 8]

In January 2026, the IFRS Interpretations Committee (IFRS IC) updated six previously issued IFRS IC agenda decisions to replace references to IAS 1 *Presentation of Financial Statements* with references to IFRS 18 *Presentation and Disclosure in Financial Statements*. These updates to previous IFRS IC agenda decisions have been omitted from this publication:

- Subsequent Expenditure on Biological Assets (IAS 41) — updated in January 2026
- Physical Settlement of Contracts to Buy or Sell a Non-financial Item (IFRS 9) — updated in January 2026
- Normal operating cycle (IAS 1) — updated in January 2026
- Disclosure of Revenues and Expenses for Reportable Segments (IFRS 8) — updated in January 2026
- Disclosure of Changes in Liabilities Arising from Financing Activities (IAS 7) — updated in January 2026
- Demand Deposits with Restrictions on Use arising from a Contract with a Third Party (IAS 7) — updated in January 2026

AASB standards

Required for 30 June 2026 year-end financial reports

AASB 2023-5 Amendments to AASs – Lack of Exchangeability

Entities that have foreign currency transactions or foreign operations in jurisdictions where exchangeability may be restricted or lacking will need to consider the amendments to AASB 121 *The Effects of Changes in Foreign Exchange Rates*.

The amendments create a new definition of exchangeability and clarify when a currency is not exchangeable.

The amendments explain that a currency is exchangeable into another currency when:

- An entity can obtain the other currency within a time frame that allows for a normal administrative delay.
- A market or exchange mechanism creates enforceable rights and obligations over an exchange transaction.

When a currency is not exchangeable:

- An entity shall estimate the spot exchange rate.
- The estimate would reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions.
- The entity must also disclose information on how the lack of exchangeability affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

AASB 2023-5 also extends the exemption from the disclosure requirements of AASB 121 for entities applying AASB 1060.

Effective for annual reporting periods beginning on or after 1 January 2025.

Resource

IFRS Developments Issue 220: Amendments to IAS 21: Lack of Exchangeability (September 2023)

AASB 2026-1 Amendments to Australian Accounting Standards – Disclosures about Uncertainties in the Financial Statements

This Standard amends AASB 136 and AASB 137 to add additional illustrative examples to their accompanying guidance. The objective of the new examples is to illustrate how an entity applies the requirements of the Standards to report the effects of uncertainties in its financial statements. In particular, the examples demonstrate:

- In relation to AASB 136 – how an entity discloses information about the key assumptions it uses to determine the recoverable amounts of assets.
- In relation to AASB 137 – how an entity might disclose information about plant decommissioning and site-restoration obligations.

These amendments are effective immediately.

AASB standards

Upcoming standards and amendments

AASB 2024-2 and AASB 2025-2 Amendments to AASs – Classification and Measurement of Financial Instruments

The AASB 2024-2 amendments to AASB 7 and AASB 9 *Financial Instruments*:

- Clarify that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition.
- Introduce an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before the settlement date if certain conditions are met.
- For the purpose of classifying a financial asset, clarify how to assess contractual cash flow characteristics that include environmental, social and governance (ESG)-linked features and other similar contingent features.
- Clarify how non-recourse features and contractually linked instruments are assessed for the purpose of applying the SPPI test when determining the measurement basis of financial assets.
- Require additional disclosures in AASB 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

The new requirements will be applied retrospectively with an adjustment to opening retained earnings. Prior periods are not required to be restated and can only be restated without using hindsight. An entity is required to disclose information about financial assets that change their measurement category due to the amendments.

AASB 2025-2 follows the issuance of AASB 2024-2, extending some of the new disclosure requirements to Tier 2 entities. Specifically, it amends AASB 1060 to:

- Require a Tier 2 entity to disclose information about financial instruments with contingent features that do not relate directly to basic lending risks and costs.
- Renumber the supplier finance arrangement disclosures and relocate them from the "Basic Financial Instruments" section of the Standard to the "Statement of Cash Flows" section.

Effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.

Resource

IFRS Developments Issue 228: IASB issues amendments to classification and measurement of financial instruments (June 2024)

AASB 2025-1 and AASB 2025-3 Amendments to AASs – Contracts Referencing Nature-dependent Electricity [AASB 7 and AASB 9]

Entities with nature-dependent electricity contracts will have to consider the amendments, which clarify three key areas:

1. Contracts referencing nature-dependent electricity (e.g., wind, solar) can qualify for the **own-use exception under IFRS 9** if the entity remains a net purchaser over the contract period (i.e., the entity buys sufficient electricity to offset any sales of unused electricity).
2. Entities can now designate contracts referencing nature-dependent electricity as **hedging instruments** and designate a variable nominal amount of forecast electricity transactions as the hedged item if specific criteria are met.
3. Amendments to IFRS 7 **add new disclosure requirements** to enable users of financial statements to better understand the effect of these contracts on an entity's financial performance and cash flows.

AASB 2025-3 follows the issuance of AASB 2025-1, extending some of the new disclosure requirements to Tier 2 entities. Specifically, it amends AASB 1060 to:

- Require a Tier 2 entity to disclose information about nature-dependent electricity contracts that meet the 'own-use' criteria and are recognised as procurement contracts.

Effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.

Resource

IFRS Developments Issue 234 - Nature-dependent Electricity - IFRS 9 and IFRS 7 amendments

AASB standards

Upcoming standards and amendments

AASB 2022-9 Amendments to AASs – Insurance Contracts in the Public Sector

Public sector entities are required to apply AASB 17 *Insurance Contracts* for annual reporting periods beginning on or after 1 July 2026. AASB 2022-9 outlines modifications to the standard AASB 17 which apply only to public sector entities.

Effective for annual reporting periods beginning on or after 1 July 2026, with earlier application permitted.

AASB 2014-10 Amendments to AASs – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments to AASB 10 *Consolidated Financial Statements* and AASB 128 *Investments in Associates and Joint Ventures* clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in AASB 3 *Business Combinations*. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.

These amendments are to be applied prospectively.

Effective for annual reporting periods beginning on or after 1 January 2028[5], with earlier application permitted.

AASB 18 Presentation and Disclosure in Financial Statements

AASB 18 will replace AASB 101 Presentation of Financial Statements and **retrospective application** will be required.

The key presentation and disclosure requirements established by AASB 18 are:

New structure for the statement of profit or loss

- Income and expenses must be classified into one of five categories: operating, investing, financing, income taxes and discontinued operations.
- Presentation of mandatory subtotals: 'operating profit or loss', 'profit or loss before financing and income taxes', and 'profit or loss'.
- For the purposes of classifying income and expenses into one of the three new categories, entities will need to assess their main business activity, which will require judgement. There may be more than one main business activity.

Disclosure of management-defined performance measures (MPMs)

An MPM is a subtotal of income and expenses that an entity uses in public communications outside the financial statements to convey management's view of an aspect of the entity's overall financial performance to users.

- Disclosures of MPMs must be made in a single note.
- Include information such as:
  - How the measure is calculated
  - How it provides useful information
  - Reconciliation to the most comparable subtotal specified by AASB 18 or another standard
- ASIC is considering whether amendments will be made to its guidance in RG230 *Disclosing non-IFRS financial information*.

Principles for aggregation and disaggregation

Effective for annual reporting periods beginning on or after 1 January 2027[6], with earlier application permitted.

Resource

[*IASB issues IFRS 18 Presentation and Disclosure in Financial Statements | EY - Global*]

[5] AASB 2024-4 Amendments to AASs – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections deferred the effective date of AASB 2014-10 to annual reporting periods beginning on or after 1 January 2028.

[6] For not-for-profit (NFP) private sector entities, NFP public sector entities and superannuation entities, AASB 18 will be effective for annual periods beginning on or after 1 January 2028.

IFRS Interpretations Committee agenda decisions

Interpretations and agenda decisions

The IFRS Interpretations committee (IFRS IC) issued no recent interpretations. However, it issued several agenda decisions; whilst they do not add or change requirements in Australian Accounting Standards, entities are required to consider explanatory material in an applicable agenda decision when applying Australian Accounting Standards.

Entities need to consider the impact of each agenda decision, based on their circumstances, and possibly adopt a change in policy. Agenda decisions do not have commencement dates and so are effective when issued. However, entities are entitled to sufficient time[7] to assess impacts and make required changes. ASIC media releases and Q&As may also provide useful guidance on expectations about implementation timelines.

Below we summarise significant IFRS IC agenda decisions published during the period from 1 January 2025 to 30 June 2026.

Recognition of Intangible Assets from climate-related expenditure (IAS 38)

The IFRS IC received a request about whether climate related expenditure, specifically acquisitions of carbon credits and expenditure on research and development, can be recognised as intangible assets under IAS 38.

The IFRS IC focused only on the accounting for research and development expenditures, not carbon credits, due to ongoing IASB research and stakeholder engagement regarding pollutant pricing mechanisms.

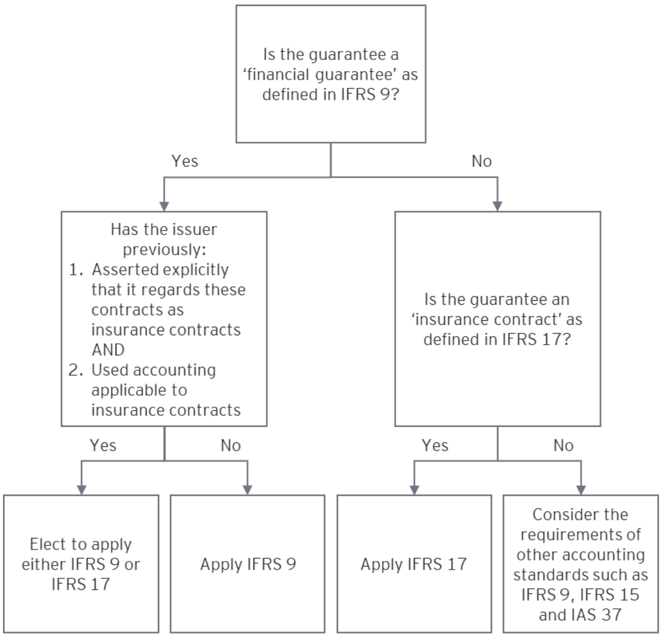
Ultimately, the Committee found no material diversity in current accounting practices relating to expenditure for research and development activities.

Guarantees issued on obligations of other entities

Entities may issue contractual guarantees on obligations of other entities (i.e. joint ventures, associates, subsidiaries, third parties). These guarantees mean the company promises to pay a bank, customer, or third party if the other entity does not meet its obligations.

The main question was whether these guarantees should be treated as **financial guarantee contracts under IFRS 9** or under other standards like IFRS 17 (Insurance), IFRS 15 (Revenue), or IAS 37 (Provisions).

The IFRS IC concluded that entities need to apply judgement and laid out a series of considerations, which can be summarised by the following decision tree:



[7] The IASB advised that 'sufficient time' will depend on the particular facts and circumstances. Refer IFRS feature article: Agenda decisions - time is of the essence.

Assessing Indicators of Hyperinflationary Economies (IAS 29)

If entities need to identify when an economy becomes hyperinflationary, IAS 29 will need to be applied.

In determining whether an economy is hyperinflationary, stakeholders:

- Apply judgement.
- Consider multiple indicators, not limited to those listed in paragraph 3 of IAS 29.
- Maintain consistency across group entities.

Scope of the Requirement to Disclose Expenses by Nature (IFRS 18)

Under paragraph 83 of IFRS 18, entities that present expenses by function in the operating category of the statement of profit and loss are also required to make disclosures of expenses by nature.

The IFRS IC was asked whether paragraph 83 applies only to operating expenses presented by function under paragraph 75(a)(ii), or more broadly to all expenses classified by function within the operating category.

The Committee concluded that paragraph 83 applies to any line item comprising expenses classified by function in the operating category, without exceptions, regardless of whether the classification is judgemental or mandated by another standard.

Economic Benefits from Use of a Battery under an Offtake Arrangement (IFRS 16 Leases)

The agenda decision addresses how to assess whether a customer has the right to obtain substantially all economic benefits from an identified asset under IFRS 16, using a battery offtake arrangement as an example.

Battery owner

- Retains custody of the battery and cannot substitute it
- Operates the battery in accordance with the retailer's instructions
- Is the registered market participant and transacts with the market operator
- Executes all electricity transactions at spot prices and passes all resulting cash flows from trading to/from the retailer
- Settles net cash flows periodically with the retailer

Electricity retailer (customer)

- Has exclusive rights to 100% of the battery's capacity
- Directs when and how the battery is charged and discharged
- Pays a fixed amount over the period of the contract for the right to use the battery, regardless of usage
- Settles net cash flows periodically with the battery owner

The Committee observed that the economic benefits are derived from the battery's storage capability and capacity, rather than electricity production. The IFRS IC concluded that the retailer obtains substantially all economic benefits because it has exclusive rights to use the battery's storage capacity and to determine when and how the battery is charged and discharged.

Classification of Gains and Losses on a Derivative Managing a Foreign Currency Exposure (IFRS 18)

The agenda decision addresses the classification of gains or losses arising from a derivative financial instrument in an entity's consolidated statement of profit or loss.

In the fact pattern, the parent entity has a subsidiary which had issued a foreign currency loan (investing asset), and another subsidiary which had obtained a loan from a different third party (financing liability) in the same foreign currency, resulting in a net liability exposure at a group level. The derivative in question is a forward contract that is used to manage the foreign currency risk of the net liability exposure but is not designated as a hedging instrument applying IFRS 9 Financial Instruments.

The IFRS IC concluded that the external derivative is used to manage only the foreign currency risk of the net liability exposure rather than the gross exposures (i.e., the investing asset and the financing liability). This affects a single category of the consolidated statement of profit or loss, i.e., the financing category. Therefore, classifying gains or losses on the external derivative in the financing category would not require the grossing up of such gains or losses, for example, in cases in which the managed risks affect line items in more than one category of profit or loss.

Classification of a Foreign Exchange Difference from an Intragroup Monetary Liability (or Asset) (IFRS 18)

Entities with foreign exchange differences arising from an intragroup monetary asset or liability will need to consider how to apply paragraph B65 of IFRS 18 when related income and expenses are eliminated on consolidation.

Paragraph B65 states that an entity shall classify foreign exchange differences in the statement of profit or loss in the same category as the income and expenses from the items that gave rise to the foreign exchange differences unless doing so would involve undue cost or effort, in which case the exchange difference would be classified in the operating category.

The IFRS IC concluded that in its consolidated financial statements, the entity may either:

1. Classify the exchange difference in the operating category as the default category.

Or

2. Classify the exchange difference in the same category in which the income and expenses from the intragroup loan would have been classified before their elimination on consolidation. The entity classifies the exchange difference from its perspective as a consolidated group.

The entity would need to develop and apply an accounting policy consistently in accordance with IAS 8 Basis of Preparation of Financial Statements.

Assessment of a Specified Main Business Activity for the Purposes of the Separate Financial Statements of a Parent (IFRS 18)

Parent entities preparing separate financial statements whose business activities are limited to holding and managing investments in subsidiaries will need to assess whether this constitutes a specified main business activity under IFRS 18.

For the fact pattern considered, the IFRS IC concluded that the fact that investing in unconsolidated subsidiaries is the parent's only substantive operations is sufficient evidence to conclude that it has a main business activity of investing in unconsolidated subsidiaries. The indicators of a specified main business activity in the standard are not exhaustive.

The IFRS IC considered that for the parent to conclude that it does not have a main business activity of investing in unconsolidated subsidiaries would be inconsistent with the core premise that the results of an entity's operations must be included in the operating category.

As such, in this case, the parent would classify the income and expenses from the parents' investments in unconsolidated subsidiaries measured at cost in the operating category.

The IFRS IC observed that the absence of factors described in paragraphs B34-B36 of IFRS 18 is not determinative and does not indicate that the parent's only substantive business activity is not its main business activity.

Australian sustainability reporting standards

Preamble to Australian Sustainability Reporting Standards

Amendments to the *Corporations Act 2001* (the Act) introduce mandatory annual climate-related reporting for entities that prepare reports under Chapter 2M of the Act and either meet certain size criteria or have emissions reporting obligations under the *National Greenhouse and Energy Reporting Act 2007* (NGER Act). Refer to the resources link for the scoping criteria. The amended Act requires an entity's sustainability report to comply with the Australian Sustainability Reporting Standards (ASRS). The Australian Accounting Standards Board (AASB) has issued the first two ASRS standards:

- AASB S1 *General Requirements for Disclosure of Sustainability-related Financial Information*
- AASB S2 *Climate-related Disclosures*

In-scope entities must apply AASB S2 for climate-related financial disclosures. Entities can voluntarily apply AASB S1 to disclose other sustainability-related risks and opportunities beyond climate.

The primary objective of AASB S1 and AASB S2 is to establish principles for sustainability-related financial disclosures, ensuring that primary users have reliable, comparable, and decision-useful information. This aligns with the growing demand for transparent reporting on sustainability-related risks, opportunities, and their impacts on an entity's financial position and performance.

Both standards are based on the IFRS Sustainability Disclosure Standards, issued by the International Sustainability Standards Board (ISSB), which builds on the Task Force on Climate-related Financial Disclosures (TCFD) framework. The main difference between ASRS and IFRS Sustainability Disclosure Standards is that entities applying AASB S2 are not required to disclose industry-based metrics or consider industry-based topics from the ISSB's Industry-based Guidance on Implementing IFRS S2.

AASB S2-Climate-related Disclosures (mandatory)

Effective for annual reporting periods beginning on or after 1 January 2025[8]. Application of AASB S2 is mandatory for in-scope entities, with early application permitted.

Main features

AASB S2 requires an entity to disclose information about the following:

Exposure	
Information about the entity's financial **exposure** to climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects, including:	▪ Information about the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects. ▪ Current and anticipated effects on the business model and value chain and where those risks are concentrated. ▪ Current and anticipated financial effects. ▪ Resilience of the entity's strategy and business model (using scenario analysis).
Response	
Information about the entity's **response** to its exposure to climate-related risks and opportunities, including:	▪ Governance and oversight arrangements that the entity has in place. ▪ The effects on the entity's strategy and decision-making, including information about its transition plan (if it has one). ▪ Risk management processes that the entity has in place.
Performance	

Information about the entity's **performance** in relation to its metrics and targets (if applicable).	▪ Scope 1, 2, 3 greenhouse gas (GHG) emissions (metric).
	▪ Assets/activities vulnerable to risks (metric).
	▪ Any capital deployment (metric).
	▪ If an entity has an internal carbon price, disclose further details (metric).
	▪ If an entity has climate as a performance metric in its executive remuneration, disclose further details.
	▪ If an entity has climate-related targets (set by the entity or required by law), disclose information about the target and:
	  ▪ How progress towards the target is monitored
	  ▪ Performance against each target

[8] The timing of when an entity is required to lodge annual sustainability reports prepared in accordance with AASB S2 is set by the Corporations Act. The timing is phased to commence from financial years beginning on or after 1 January 2025, 1 July 2026 or 1 July 2027 depending the type of entity and either its size or, for NGER reporters, on level of emissions.

Australian sustainability reporting standards

As noted in the table above, AASB S2 requires entities to use scenario analysis to perform a resilience assessment of their strategy and business model to climate-related changes, taking into consideration those identified climate-related risks and opportunities. In conjunction with this requirement, the Act mandates that at least the following two scenarios must be assessed:

- A scenario where global average temperatures are limited to the most ambitious target in the *Climate Change Act 2022* (currently 1.5°C, aligned with the Paris Agreement).
- A higher-warming scenario where global average temperatures well exceed 2°C.

AASB S2 incorporates the necessary components of AASB S1, allowing it to be applied on a standalone basis. These components include general requirements for preparing climate-related financial disclosures, covering the reporting entity, materiality, comparatives, and timing of reporting.

Transition

In the first annual reporting period in which an entity applies AASB S2, the entity is not required to disclose:

- Comparative information.
- Scope 3 greenhouse gas emissions, including additional information about financed emissions for entities involved in asset management, commercial banking, or insurance activities.

Amendments to Greenhouse Gas Emissions Disclosures

In December 2025, the AASB issued AASB S2025-1 *Amendments to Greenhouse Gas Emissions Disclosures*, which amended AASB S2 to provide additional relief and clarify the existing relief from specific GHG emissions disclosure requirements and to amend the requirements for classifying some types of GHG emissions. The amendments made by the AASB correspond to the amendments that the ISSB also made to IFRS S2 in December 2025.

In particular, the amendments:

- Clarify existing relief from disclosing and measuring Scope 3 Category 15 GHG emissions related to derivatives and to commercial banking and insurance-associated activities.
- Amend requirements related to classifying financed emissions of entities that participate in commercial banking and financial activities associated with the insurance industry.
- Clarify the jurisdictional relief from using the Greenhouse Gas Protocol Corporate Standard when measuring GHG emissions.
- Provide jurisdictional relief for using global warming potential (GWP) values other than the GWP values based on a 100-year time horizon from the latest Intergovernmental Panel on Climate Change (IPCC) assessment available at the reporting date.

The amendments to AASB S2 are effective for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted, such that Australian entities can choose to apply these amendments from their first year of reporting under the mandatory climate disclosure regime, which commences as early as annual reporting periods beginning on or after 1 January 2025.

ASIC Resources

Regulatory Guide 280

In March 2025, the Australian Securities and Investments Commission (ASIC) published the Regulatory Guide (RG) 280: Sustainability Reporting (RG 280) to assist entities mandated by the Corporations Act to prepare sustainability reports that include climate-related financial information.

RG 280 outlines ASIC's interpretation, enforcement and administration of the new climate-related disclosure requirements, and provides guidance for preparing mandatory sustainability reports.

In addition to the Regulatory Guide, ASIC has launched a webpage containing information for preparers of sustainability reports, including the ASIC Regulatory Portal for relief decisions.

Early observations on sustainability reporting

In May 2026, ASIC published observations on the first sustainability reports prepared under Chapter 2M of the *Corporations Act 2001*. ASIC identified a number of recurring areas for improvement and encouraged entities to consider these areas when preparing sustainability reports. Final observations will be published in the second half of 2026.

AASB S1-General requirements for Sustainability-Related Financial Disclosures (voluntary)

Effective for annual reporting periods beginning on or after 1 January 2025, the application of this Standard is voluntary. Entities may choose to apply this Standard, which addresses sustainability-related disclosures beyond climate. Earlier application of AASB S1 is permitted provided that the entity also applies AASB S2 at the same time.

Resources

Mandatory climate-related financial disclosures: What you need to know (July 2025)

EY AASB S2 Illustrative examples and disclosure checklist

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