

1.1

CORPORATIONS ACT AND CLIMATE-RELATED DISCLOSURE REQUIREMENTS

Use of learning materials



Key topics

- › What topics are covered in Modules 1-8.
- › Who these learning materials are designed for, and how they can help you.
- › Our objectives in producing the learning materials.
- › Limitations of the learning materials.

Overview

This learning program contains eight modules designed to help you understand and apply the foundational concepts underpinning the new climate-related disclosure requirements.

These educational materials may be of use to:

- › employees of, and advisers to, entities required to prepare a sustainability report under the new sustainability reporting requirements that progressively apply for financial years commencing on or after 1 January 2025
- › directors of these reporting entities
- › auditors and assurance providers to reporting entities (and/or those working on sustainability audits)
- › shareholders of reporting entities and members of superannuation funds and managed investment schemes
- › creditors of reporting entities, and
- › employees, owners or operators of small to medium businesses that are not reporting entities but may form part of larger value chains across the Australian economy.

ASIC has partnered with the Australian Accounting Standards Board (AASB), the University of Technology Sydney and educational design agency, Studio 3 Learning, to develop these educational materials.

The materials will help you understand and identify climate-related risks and climate-related opportunities that may impact on your entity. These foundational steps are key to the climate-related disclosure requirements.

The materials do not constitute regulatory guidance, legal advice or specific guidance on what to include in climate-related disclosures.

What topics are covered in these learning materials?

This learning program is designed to support understanding of the foundational concepts underpinning the new climate-related disclosure requirements (also known as the sustainability reporting requirements) in the *Corporations Act 2001* (Corporations Act). This section summarises the eight learning modules and topic areas, why they are important and how they can help you.



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Under the new requirements, entities that meet the relevant sustainability reporting thresholds in the Corporations Act are required to disclose information about climate-related risks and opportunities that is useful to financial report users such as investors.

The core content requirements in the Corporations Act and AASB S2 *Climate-related Disclosures* (AASB S2) require disclosure of information about governance, strategy, risk management, and metrics and targets to help users understand the reporting entity's climate-related risks and opportunities.

These learning materials:

- › summarise the new requirements and explain how they may impact you (Module 1)
- › build your understanding of the core system-level drivers of climate-related risks and opportunities (Module 2)
- › help you apply this system-level knowledge to think about potential entity level climate-related risks and opportunities in the Australian context (Modules 3-5), and
- › explain the common actions that an entity may take in response to its climate-related risks and opportunities, such as measuring emissions and managing risks (Modules 6-8).

The learning materials may support you in understanding and identifying climate-related risks and opportunities that may have an impact on your entity. The table below summarises the content in Modules 1-8.

Table 1: Learning modules overview

Module and topic area	Why this is important and how it might help you
1. Corporations Act and climate-related disclosure requirements	Explains the basic features of climate-related disclosures, who must report and the potential use cases for these learning materials.
2. Introduction to climate change	A basic understanding of the science of climate change and the global and domestic policy responses to assist your understanding of the system-level drivers of climate-related risks and opportunities. This is foundational content to help you in preparing, reviewing and/or using climate-related disclosures.
3. Climate-related physical risks 4. Climate-related transition risks 5. Climate-related opportunities	These modules explore climate-related risks and opportunities in the Australian context and provide basic practical examples. This supports you to identify climate-related risks and opportunities and understand how they may arise. This may help you in preparing, reviewing and/or using climate-related disclosures.
6. Emissions accounting 7. Scenario analysis 8. Governance and risk management	These modules provide you with a basic understanding of the main entity-level responses to climate-related risks and opportunities. An introduction to these concepts will help you if you are new to preparing climate-related disclosures. If you use climate-related disclosures, these modules will help you to better understand the information you have been provided with.

How to interact with the learning materials

The introduction of climate-related disclosure obligations in the Corporations Act is a significant development in Australian corporate reporting. While it directly targets large Australian reporting entities by requiring them to prepare sustainability reports alongside their annual financial reports, it will directly and indirectly impact many stakeholders who work for, advise, invest in, trade with, or lend to these reporting entities. Understanding these impacts is an important starting point.

Some of the more common use cases for the materials are set out below. It may be helpful to think about which one may apply to you before you begin working through the materials.

Table 2: Learning materials use cases

If you are...	you...	and these learning materials might...
an employee of, or adviser to, a reporting entity	may be involved in supporting the reporting entity to meet its requirements to prepare and lodge a sustainability report and keep proper sustainability records	support you to improve your general understanding of the foundational concepts underpinning climate-related disclosures, which in turn can assist you in identifying the entity's climate-related risks and opportunities and setting up the reporting entity's systems and processes.
an employee of, or adviser to, a Group 3 reporting entity	may be involved in assessing whether the reporting entity has any material financial risks or opportunities relating to climate in order to determine the entity's reporting obligations	support you with general educational materials to help you to identify any climate-related risks and opportunities for the reporting entity and build your understanding of foundational concepts underpinning climate-related disclosures.
a director of a reporting entity	are required to make a declaration in relation to a sustainability report	assist you in developing your understanding of foundational concepts underpinning climate-related disclosures, supporting you to ask the right questions of management.
an auditor (or part of an audit team) of a sustainability report	will be providing an opinion on whether the sustainability report complies with legal requirements	serve as a general resource on the foundational concepts underpinning climate-related disclosures.
a retail shareholder in a reporting entity or a member of a superannuation entity or managed investment scheme	will receive climate-related disclosures in a sustainability report provided to you as part of an annual report	provide foundational education materials to enable you to more confidently engage with and understand the climate-related disclosures provided to you, enabling you to make better informed investment decisions.
a creditor of a reporting entity	may consider the climate-related disclosures of a reporting entity you trade with	provide background education materials to enable you to more confidently engage with the climate-related disclosures of businesses in your supply chain, enabling you to make better informed decisions.
an employee, owner or operator of a small to medium business that does not have a reporting obligation, but forms part of a larger value chain	may be contacted by larger businesses seeking information from you	provide you with an understanding of the reporting obligations that larger entities face and may assist you in circumstances where larger entities ask for information from you.

If you have established that your entity has to prepare a sustainability report under the Corporations Act, these learning materials aim to support you in understanding and applying the foundational concepts underpinning the new climate-related disclosure requirements. You should

then take the time to familiarise yourself with the sustainability reporting requirements in the Corporations Act, AASB S2 and ASIC Regulatory Guide 280 *Sustainability reporting*. It is important to note that while these materials are generally tailored towards employees and advisers of reporting entities—for example through the framing of certain examples—they remain relevant for a variety of use cases and aim to help all parties in the reporting ecosystem improve their foundational understanding.

Why these learning materials have been produced

This package of learning materials aims to support understanding of the foundational concepts underpinning climate-related disclosure.

A useful analogy to apply when thinking about climate-related disclosure is financial reporting. Large Australian entities have been subject to annual financial reporting requirements for many decades. Entity employees and bookkeepers, accountants, advisers, auditors, directors, shareholders/members, lenders and other creditors all have roles to play in either producing or using financial reports. Australia's financial reporting system is mature. The reporting process and foundational concepts are longstanding and well understood by the different parties that play a role across the reporting ecosystem. This supports high quality reporting and confident and informed decision making. This is a key tenet of Australia's financial system.

The objective of these new reporting requirements is to improve the quality, consistency and comparability of climate-related disclosures to enable users of that information to make informed decisions. These learning materials aim to further these objectives by supporting foundational education across the emerging climate-reporting ecosystem. This is a key building block in the development of climate-related disclosures in Australia, supporting both the production of high-quality information and confident and informed decision making in reliance on it.

The modules and units provided here are the technical content of the materials. These are also available in interactive e-learning modules.

The content can be used for self-paced individual learning, internal briefings, team workshops, or board presentations.

Limitations of the learning materials

Before engaging with these learning materials, it is important for you to understand the following:

- › **The materials do not constitute regulatory guidance**—to understand your legal obligations, you should consider the law, ASIC regulatory guidance and seek legal or other professional advice if required.
- › **The materials do not provide guidance on how to report under and comply with AASB S2**—you should consider the requirements in AASB S2 and any related materials released by the AASB and available on its website.
- › **The materials do not constitute legal or financial advice**—you may still need professional input tailored to your situation.
- › The materials are based on legislation and standards as of October 2025—future updates may change what is required.

Keep in mind:

- › these materials are designed for education and foundational learning
- › the materials may need to be updated as circumstances change to reflect evolving practices, and
- › you are responsible for meeting any relevant legal obligations.



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Key takeaways

- › Employees, advisers, accountants, auditors, directors, shareholders, members, creditors and owners and operators of small to medium businesses may benefit from these educational materials.
- › ASIC has partnered with the AASB, the University of Technology Sydney and educational design agency, Studio 3 Learning, to produce these materials to support understanding of the foundational concepts underpinning climate-related disclosure to improve the quality, consistency and comparability of climate-related disclosures, to enable users of that information to make informed decisions.
- › These materials are not a substitute for understanding your obligations under the law or AASB S2, or ASIC regulatory guidance.



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