



Staff Guidance

Illustrative NZ SAE 1 Assurance Reports

Non-Authoritative Guidance to NZ SAE 1 Assurance
Engagements over Greenhouse Gas Emissions Disclosures

November 2023



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Purpose of this Guidance

Introduction

The External Reporting Board has prepared illustrative assurance reports, which illustrate a way to meet the requirements of NZ SAE 1 *Assurance Engagements over Greenhouse Gas Emissions Disclosures*, and either:

- ISAE (NZ) 3410 *Assurance Engagements on Greenhouse Gas Statements*; or
- ISO 14064-3: 2019 *Greenhouse gases – Part 3: Specification with guidance for the verification and validation of greenhouse gas statements*.

These illustrative assurance reports are applicable to the mandatory assurance over Greenhouse Gas (GHG) emission disclosures required by legislation, which NZ SAE 1 has been developed for, and are not intended to be applicable to other situations.

Text shaded in a box with a solid line represents required assurance report disclosures which should be tailored to the assurance engagement, where applicable.

Text shaded in a box with dashes represents encouraged assurance report disclosures but are not mandatory under NZ SAE 1.

These illustrative reports will also need to be tailored depending upon:

- **The scope and specific assurance levels of the assurance engagement;**
- **The professional and ethical standards and accreditation body requirements which are applied by the assurance organisation and practitioner; and**
- **Any other reporting responsibilities.**

Important note – References to Inherent Uncertainty

NZ SAE 1, paragraph 55, requires all assurance reports to note that GHG quantification is subject to inherent uncertainty. This wording has been included in the entity's responsibilities section within the illustrative reports.

This does not replace the requirements to include emphasis of matter (EOM) paragraphs, where applicable. EOM paragraphs should be used to draw user's attention to important disclosures that are fundamental to their understanding of the GHG disclosures, which may include significant uncertainties.



Illustrative Assurance Report

1. Unmodified Mixed Assurance Report applying ISAE (NZ) 3410



INDEPENDENT ASSURANCE REPORT ON [ABC]'S GREENHOUSE GAS (GHG) DISCLOSURES

[Appropriate Addressee]

Our Assurance Conclusion

Reasonable Assurance Conclusion

In our opinion, the gross GHG emissions, additional required disclosures of gross GHG emissions, and gross GHG emissions methods, assumptions and estimation uncertainty, within the scope of our reasonable assurance engagement (as outlined below) included in the climate statements for the year ended 31 December 20XX, are fairly presented and prepared, in all material respects, in accordance with Aotearoa New Zealand Climate Standards (NZ CSs) issued by the External Reporting Board (XRB), as explained on page [XX] of the climate statements.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the gross GHG emissions, additional required disclosures of gross GHG emissions, and gross GHG emissions methods, assumptions and estimation uncertainty, within the scope of our limited assurance engagement (as outlined below) included in the climate statements for the year ended 31 December 20XX, are not fairly presented and not prepared, in all material respects, in accordance with Aotearoa New Zealand Climate Standards (NZ CSs) issued by the External Reporting Board (XRB), as explained on page [XX] of the climate statements.

Scope of the Assurance Engagement

We have undertaken a reasonable assurance engagement over the following GHG disclosures on pages [XX] to [XX] of the climate statements for the year ended 31 December 20XX:

- [GHG Emissions Category] on page [XX]

We have also undertaken a limited assurance engagement over the GHG disclosures on pages [XX] to [XX] of the climate statements for the year ended 31 December 20XX:

- [GHG Emissions Category] on page [XX]

Our assurance engagement does not extend to any other information included, or referred to, in the climate statements on pages [XX] to [XX]. We have not performed any procedures with respect to the excluded information and, therefore, no conclusion is expressed on it.

References

Addressee - ISAE (NZ)
3410 Paragraph 75(b)

Audit conclusion upfront - NZ SAE 1
Paragraph 45

Applicable criteria reference - ISAE (NZ)
3410 Paragraph 75(h)

Split of reasonable and limited assurance - NZ
SAE 1 Paragraph 46

Identification of assured information -
NZ SAE 1 Paragraph
43(a)

Identification of excluded information and no procedures performed - NZ SAE 1
Paragraph 43(b)-(c)

Unmodified ISAE (NZ) 3410 - Illustrative Assurance Report (continued)

Key Matters to the GHG assurance engagement

In this section we present those matters that, in our professional judgement, were most significant in undertaking the assurance engagement over GHG disclosures. These matters were addressed in the context of our assurance engagement, and in forming our conclusion. We did not reach a separate assurance conclusion on each individual key matter.

Key Matter	Procedures to address the Key Matter
[Explanation of why the matter is a key matter]	[Outline of what the assurance practitioner has done to address the matter]
[Findings for the key matters identified]	

Emphasis of Matter

[We draw attention to the following disclosures on page [XX] which, in our judgement, are of such importance that they are fundamental to user’s understanding of the GHG disclosures. Our assurance conclusion is not modified in respect of this matter.]

- [XXX]

Other Matter

[Description of Other Matter which reflects that the matter is not disclosed in the GHG disclosures.]

[Comparative Information]

The comparative GHG disclosures (that is GHG disclosures for the period ended 31 December 20XX and 31 December 20XX) have not been subject to assurance. As such, these disclosures are not covered by our assurance conclusion.

OR

The comparative GHG disclosures (that is GHG disclosures for the period ended 31 December 20XX and 31 December 20XX) have been subject to [reasonable and limited] assurance by [Predecessor Assurance Provider’s Name], with their assurance report dated on [DATE] and [DATE].

[Materiality]

[Based on our professional judgement, we determined materiality for the GHG disclosures as follows: XXX]

[Competence and Experience of the engagement team]

[Our work was carried out by an independent and multi-disciplinary team including assurance practitioners, engineers and environmental scientists. The assurance practitioner retains overall responsibility for the assurance conclusion provided.]

Key Matters Section (where applicable) - NZ SAE 1 Paragraph 48-50

Findings for Key Matters (where considered appropriate) - NZ SAE 1 Paragraph 50

Emphasis of Matter Section (where applicable) - NZ SAE 1 Paragraph 51-52

Other Matter Section (where applicable) - NZ SAE 1 Paragraph 53-54

Comparatives not assured (where applicable) - NZ SAE 1 Paragraph 36

Comparatives subject to assurance by predecessor assurance practitioner (where applicable) - NZ SAE 1 Paragraph 37

Specific others matters useful for users (where considered appropriate) - NZ SAE 1 Paragraph A55

Unmodified ISAE (NZ) 3410 - Illustrative Assurance Report (continued)

[ABC]'s Responsibilities for the GHG disclosures

[ABC] is responsible for the preparation and fair presentation of the GHG disclosures in accordance with the Aotearoa New Zealand Climate Standards (NZ CSs). This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of GHG disclosures that are free from material misstatement whether due to fraud or error.

Inherent Uncertainty in preparing GHG disclosures

As discussed on page [XX] of the climate statements, the GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our Responsibilities

We are responsible for:

- Planning and performing the engagement to obtain the intended level of assurance about whether the GHG disclosures are free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion to the addressee of the report of [ABC].

As we are engaged to form an independent conclusion on the GHG disclosures prepared by management, we are not permitted to be involved in the preparation of the GHG information as doing so may compromise our independence.

Other relationships

In addition to the provision of the assurance engagement over GHG disclosures, we also have the following relationships, or interests, in [ABC], which did not compromise our overall independence:

- [XXX]

OR

Other than in our capacity as assurance practitioners, and the provision of the assurance for this engagement [and the provision of assurance over [ABC]'s separate Greenhouse Gas Report], we have no relationship with, or interests, in [ABC].

Independence and Quality Management Standards applied

This assurance engagement was undertaken in accordance with NZ SAE 1 *Assurance Engagements over Greenhouse Gas Emissions Disclosures*, issued by the External Reporting Board (XRB). NZ SAE 1 is founded on the fundamental principles of independence, integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Management Responsibilities - ISAE (NZ) 3410
Paragraph 75(e)

Inherent Uncertainty - NZ SAE 1
Paragraph 55

Assurance Practitioner Responsibilities - ISAE (NZ) 3410
Paragraph 75(k)

Statement on prohibition on GHG preparation - NZ SAE 1
Paragraph 58

Disclosure of other relationships (where applicable) - NZ SAE 1
Paragraph 57

Applied standards - NZ SAE 1
Paragraph 56

Unmodified ISAE (NZ) 3410 - Illustrative Assurance Report (continued)

We have also complied with the following professional and ethical standards and accreditation body requirements:

- [Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)*];
- [Professional and Ethical Standard 3: *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*];
- [Professional and Ethical Standard 4: *Engagement Quality Reviews*]; and
- [Other professional and ethical standards and accreditation body requirements as appropriate].

Summary of Work Performed

Reasonable Assurance Conclusion

Our reasonable assurance engagement was performed in accordance with NZ SAE 1, and ISAE (NZ) 3410 *Assurance Engagements on Greenhouse Gas Statements*. This involves performing procedures to obtain evidence about the quantification of emissions and related information in the GHG disclosures. The nature, timing and extent of procedures selected depend on the assurance practitioner's judgement, including the assessment of the risks of material misstatement, whether due to fraud or error, in the GHG disclosures.

In making those risk assessments, we considered internal control relevant to [ABC]'s preparation of the GHG disclosures. A reasonable assurance engagement also includes:

- Assessing the suitability in the circumstances of [ABC]'s use of Aotearoa New Zealand Climate Standards (NZ CSs), applied as explained on page [XX] of the GHG disclosures, as the basis for preparing the GHG disclosures;
- Evaluating the appropriateness of quantification methods and reporting policies used, and the reasonableness of estimates made by [ABC]; and
- Evaluating the overall presentation of the GHG disclosures.

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

Limited Assurance Conclusion

Our limited assurance engagement was performed in accordance with NZ SAE 1, and ISAE (NZ) 3410 *Assurance Engagements on Greenhouse Gas Statements*. This involves assessing the suitability in the circumstances of [ABC]'s use of Aotearoa New Zealand Climate Standards (NZ CSs) as the basis for the preparation of the GHG disclosures, assessing the risks of material misstatement of the GHG disclosures whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the GHG disclosures.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

Statement of compliance with Ethical Standards - ISAE (NZ) 3410
Paragraph 75(i-j)

Informative summary of work performed - ISAE (NZ) 3410
Paragraph 75(k(ii))

Applied standards - ISAE (NZ) 3410 - NZ SAE 1
Paragraph 56 and ISAE (NZ) 3410 Paragraph 75(k(i))

Unmodified ISAE (NZ) 3410 - Illustrative Assurance Report (continued)

The procedures we performed were based on our professional judgement and included enquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. In undertaking our limited assurance engagement on the GHG disclosures, we:

- [Obtained, through enquiries, an understanding of [ABC]’s control environment, processes and information systems relevant to the preparation of the GHG disclosures. We did not evaluate the design of particular control activities, or obtain evidence about their implementation;
- Evaluated whether [ABC]’s methods for developing estimates are appropriate and had been consistently applied. Our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate [ABC]’s estimates;
- Undertook site visits at [XX] of [ABC]’s [XX] sites to assess the completeness of the emissions sources, data collection methods, source data and relevant assumptions applicable to the sites;
- Tested, at each site visited, a limited number of items to, or from, supporting records, as appropriate;
- Performed analytical procedures on particular emission categories by comparing the expected GHGs emitted to actual GHGs emitted and made enquiries of management to obtain explanations for any significant differences we identified; and
- Considered the presentation and disclosure of the GHG disclosures.]

The 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 we performed a reasonable assurance engagement.

[Assurance Organisation’s or Engagement Leader’s signature]

[Name of Engagement Leader]

[Location where the Engagement Leader resides]

[Name of Assurance Organisation]

[Date of the assurance report]

Limitation for limited assurance procedures - ISAE (NZ) 3410
Paragraph 75(k(ii))

Engagement Leader name - NZ SAE 1
Paragraph 59

Illustrative Assurance Report

2. Modified Mixed Assurance Report applying ISAE (NZ) 3410



INDEPENDENT ASSURANCE REPORT ON [ABC]'S GREENHOUSE GAS (GHG) DISCLOSURES

[Appropriate Addressee]

Our Assurance Conclusion

Reasonable Assurance Conclusion

In our opinion, except for the matters described in the *Basis for Modified Opinion* section of our report, the gross GHG emissions, additional required disclosures of gross GHG emissions, and gross GHG emissions methods, assumptions and estimation uncertainty, within the scope of our reasonable assurance engagement (as outlined below) included in the climate statements for the year ended 31 December 20XX, are fairly presented and prepared, in all material respects, in accordance with Aotearoa New Zealand Climate Standards (NZ CSs) issued by the External Reporting Board (XRB), as explained on page [XX] of the climate statements.

Limited Assurance Conclusion

Except for the matters described in the *Basis for Modified Opinion* section of our report, based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the gross GHG emissions, additional required disclosures of gross GHG emissions, and gross GHG emissions methods, assumptions and estimation uncertainty, within the scope of our limited assurance engagement (as outlined below) included in the climate statements for the year ended 31 December 20XX, are not fairly presented and not prepared, in all material respects, in accordance with Aotearoa New Zealand Climate Standards (NZ CSs) issued by the External Reporting Board (XRB), as explained on page [XX] of the climate statements.

Basis for Modified Opinion

[Explanation of why a Modified Opinion is being expressed]

Scope of the Assurance Engagement

We have undertaken a reasonable assurance engagement over the following GHG disclosures within the climate statements for the year ended 31 December 20XX:

- [GHG Emissions Category] on page [XX]

We have also undertaken a limited assurance engagement over the GHG disclosures within the climate statements for the year ended 31 December 20XX:

- [GHG Emissions Category] on page [XX]

References

Addressee - ISAE (NZ)
3410 Paragraph 75(b)

Audit conclusion up-front - NZ SAE 1
Paragraph 45

Applicable criteria reference - ISAE (NZ)
3410 Paragraph 75(h)

Split of reasonable and limited assurance - NZ SAE 1
Paragraph 46

Identification of assured information - NZ SAE 1
Paragraph 43(a)

Modified ISAE (NZ) 3410 - Illustrative Assurance Report (continued)

Our assurance engagement does not extend to any other information included, or referred to, in the climate statements on pages [XX] to [XX]. We have not performed any procedures with respect to the excluded information and, therefore, no conclusion is expressed on it.

Key Matters to the GHG assurance engagement

In this section we present those matters that, in our professional judgement, were most significant in undertaking the assurance engagement over GHG disclosures. These matters were addressed in the context of our assurance engagement, and in forming our conclusion. We did not reach a separate assurance conclusion on each individual key matter.

Key Matter	Procedures to address the Key Matter
[Explanation of why the matter is a key matter]	[Outline of what the assurance practitioner has done to address the matter]
[Findings for the key matters identified]	

Emphasis of Matter

[We draw attention to the following disclosures on page [XX] which, in our judgement, are of such importance that they are fundamental to user’s understanding of the GHG disclosures. Our assurance conclusion is not modified in respect of this matter.]

- [XXX]

Other Matter

[Description of Other Matter which reflects that the matter is not disclosed in the GHG disclosures.]

[Comparative Information]

The comparative GHG disclosures (that is GHG disclosures for the period ended 31 December 20XX and 31 December 20XX) have not been subject to assurance. As such, these disclosures are not covered by our assurance conclusion.

OR

The comparative GHG disclosures (that is GHG disclosures for the period ended 31 December 20XX and 31 December 20XX) have been subject to [reasonable and limited] assurance by [Predecessor Assurance Provider’s Name], with their assurance report dated on [DATE] and [DATE].

Identification of excluded information and no procedures performed - NZ SAE 1 Paragraph 43(b)-(c)

Key Matters Section (where applicable) - NZ SAE 1 Paragraph 48-50

Findings for Key Matters (where considered appropriate) - NZ SAE 1 Paragraph 50

Emphasis of Matter Section (where applicable) - NZ SAE 1 Paragraph 51-52

Other Matter Section (where applicable) - NZ SAE 1 Paragraph 53-54

Comparatives not assured (where applicable) - NZ SAE 1 Paragraph 36

Comparatives subject to assurance by predecessor assurance practitioner (where applicable) - NZ SAE 1 Paragraph 37

Modified ISAE (NZ) 3410 - Illustrative Assurance Report (continued)

[Materiality]

[Based on our professional judgment, we determined materiality for the GHG disclosures as follows: XXX]

[Competence and Experience of the engagement team]

[Our work was carried out by an independent and multi-disciplinary team including assurance practitioners, engineers and environmental scientists. The assurance practitioner retains overall responsibility for the assurance conclusion provided.]

[ABC]'s Responsibilities for the GHG disclosures

[ABC] is responsible for the preparation and fair presentation of the GHG disclosures in accordance with the Aotearoa New Zealand Climate Standards (NZ CSs). This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of GHG disclosures that are free from material misstatement, whether due to fraud or error.

Inherent Uncertainty in preparing GHG disclosures

As discussed on page [XX] of the climate statements the GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our Responsibilities

We are responsible for:

- Planning and performing the engagement to obtain the intended level of assurance about whether the GHG disclosures are free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion to the addressee of the report of [ABC].

As we are engaged to form an independent conclusion on the GHG disclosures prepared by management, we are not permitted to be involved in the preparation of the GHG information as doing so may compromise our independence.

Other relationships

In addition to the provision of the assurance engagement over GHG disclosures, we also have the following relationships, or interests, in [ABC], which did not compromise our overall independence:

- [XXX]

OR

Other than in our capacity as assurance practitioners, and the provision of the assurance for this engagement [and the provision of assurance over [ABC]'s separate Greenhouse Gas Report], we have no relationship with, or interests, in [ABC].

Specific others matters useful for users (where considered appropriate) - NZ SAE 1 Paragraph A55

Management Responsibilities - ISAE (NZ) 3410 Paragraph 75(e)

Inherent Uncertainty - NZ SAE 1 Paragraph 55

Assurance Practitioner Responsibilities - ISAE (NZ) 3410 Paragraph 75(k)

Statement on prohibition on GHG preparation - NZ SAE 1 Paragraph 58

Disclosure of other relationships (where applicable) - NZ SAE 1 Paragraph 57

Modified ISAE (NZ) 3410 - Illustrative Assurance Report (continued)

Independence and Quality Management Standards applied

This assurance engagement was undertaken in accordance with NZ SAE 1 *Assurance Engagements over Greenhouse Gas Emissions Disclosures*, issued by the External Reporting Board (XRB). NZ SAE 1 is founded on the fundamental principles of independence, integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We have also complied with the following professional and ethical standards and accreditation body requirements:

- [Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)*];
- [Professional and Ethical Standard 3: *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*];
- [Professional and Ethical Standard 4: *Engagement Quality Reviews*]; and
- [Other professional and ethical standards and accreditation body requirements as appropriate].

Summary of Work Performed

Reasonable Assurance Conclusion

Our reasonable assurance engagement was performed in accordance with NZ SAE 1, and ISAE (NZ) 3410 *Assurance Engagements on Greenhouse Gas Statements*. This involves performing procedures to obtain evidence about the quantification of emissions and related information in the GHG disclosures. The nature, timing and extent of procedures selected depend on the assurance practitioner’s judgement, including the assessment of the risks of material misstatement, whether due to fraud or error, in the GHG disclosures.

In making those risk assessments, we considered internal control relevant to [ABC]’s preparation of the GHG disclosures. A reasonable assurance engagement also includes:

- Assessing the suitability in the circumstances of [ABC]’s use of Aotearoa New Zealand Climate Standards (NZ CSs), applied as explained on page [XX] of the GHG disclosures, as the basis for preparing the GHG disclosures;
- Evaluating the appropriateness of quantification methods and reporting policies used, and the reasonableness of estimates made by [ABC]; and
- Evaluating the overall presentation of the GHG disclosures.

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

Applied standards - NZ SAE 1 Paragraph 56

Statement of compliance with Ethical Standards - ISAE (NZ) 3410 Paragraph 75(i-j)

Informative summary of work performed - ISAE (NZ) 3410 Paragraph 75(k(ii))

Applied standards - ISAE (NZ) 3410 - NZ SAE 1 Paragraph 56 and ISAE (NZ) 3410 Paragraph 75(k(i))

Modified ISAE (NZ) 3410 - Illustrative Assurance Report (continued)

Limited Assurance Conclusion

Our limited assurance engagement was performed in accordance with NZ SAE 1, and ISAE (NZ) 3410 *Assurance Engagements on Greenhouse Gas Statements*. This involves assessing the suitability in the circumstances of [ABC]’s use of Aotearoa New Zealand Climate Standards (NZ CSs) as the basis for the preparation of the GHG disclosures, assessing the risks of material misstatement of the GHG disclosures whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the GHG disclosures.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgement and included enquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. In undertaking our limited assurance engagement on the GHG disclosures, we:

- [Obtained, through enquiries, an understanding of [ABC]’s control environment, processes and information systems relevant to the preparation of the GHG disclosures. We did not evaluate the design of particular control activities, or obtain evidence about their implementation;
- Evaluated whether [ABC]’s methods for developing estimates are appropriate and had been consistently applied. Our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate [ABC]’s estimates;
- Undertook site visits at [XX] of [ABC]’s [XX] sites to assess the completeness of the emissions sources, data collection methods, source data and relevant assumptions applicable to the sites;
- Tested, at each site visited, a limited number of items to, or from, supporting records, as appropriate;
- Performed analytical procedures on particular emission categories by comparing the expected GHGs emitted to actual GHGs emitted and made enquiries of management to obtain explanations for any significant differences we identified; and
- Considered the presentation and disclosure of the GHG disclosures.]

The 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 we performed a reasonable assurance engagement.

Limitation for limited assurance procedures - ISAE (NZ) 3410 Paragraph 75(k(ii))

Modified ISAE (NZ) 3410 - Illustrative
Assurance Report (continued)

[Assurance Organisation’s or Engagement Leader’s signature]

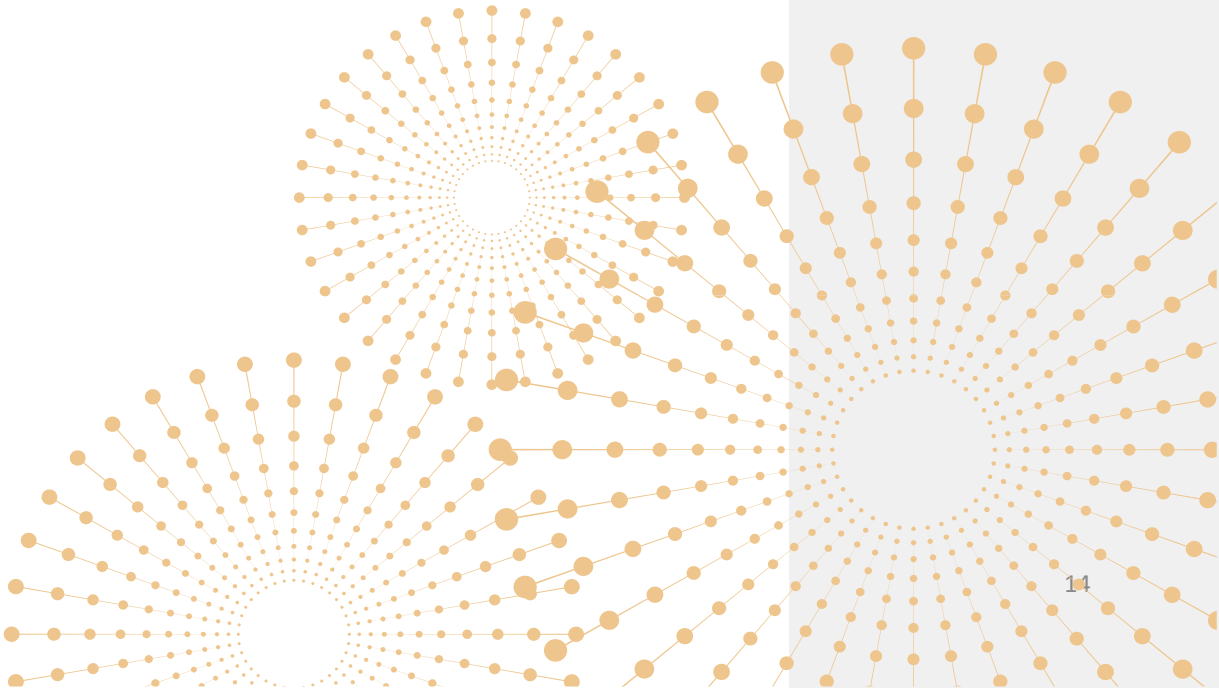
[Name of Engagement Leader]

[Location where the Engagement Leader resides]

[Name of Assurance Organisation]

[Date of the assurance report]

**Engagement Leader
name - NZ SAE 1**
Paragraph 59



Illustrative Assurance Report

3. Unmodified Mixed Assurance Report applying ISO 14064-3: 2019



INDEPENDENT ASSURANCE REPORT ON [ABC]'S GREENHOUSE GAS (GHG) DISCLOSURES

[Appropriate Addressee]

Our Assurance Conclusion

Reasonable Assurance Conclusion

In our opinion, the gross GHG emissions, additional required disclosures of gross GHG emissions, and gross GHG emissions methods, assumptions and estimation uncertainty, within the scope of our reasonable assurance engagement (as outlined below) included in the climate statements for the year ended 31 December 20XX, are fairly presented and prepared, in all material respects, in accordance with Aotearoa New Zealand Climate Standards (NZ CSs) issued by the External Reporting Board (XRB), as explained on page [XX] of the climate statements.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the gross GHG emissions, additional required disclosures of gross GHG emissions, and gross GHG emissions methods, assumptions and estimation uncertainty, within the scope of our limited assurance engagement (as outlined below) included in the climate statements for the year ended 31 December 20XX, are not fairly presented and not prepared, in all material respects, in accordance with Aotearoa New Zealand Climate Standards (NZ CSs) issued by the External Reporting Board (XRB), as explained on page [XX] of the climate statements.

Validation over forecasts

Furthermore, nothing comes to our attention which causes us to believe that the assumptions used for the [GHG Emissions Category] on pages [XX] to [XX] are not fairly presented and do not provide a reasonable basis for the forecast of gross GHG emissions and, in our opinion, the forecast is properly prepared on the basis of the assumptions and in accordance with Aotearoa New Zealand Climate Standards (NZ CSs) issued by the External Reporting Board (XRB).

Actual future emissions are likely to be different from the forecast as the estimates are based on assumptions that may change in the future, and since anticipated events frequently do not occur as expected and the variation may be material.

Scope of the Assurance Engagement

We have undertaken a reasonable assurance verification engagement over the following GHG disclosures within the climate statements for the year ended 31 December 20XX:

- [GHG Emissions Category] on page [XX]

References

Identification of GHG-related activity/entity -
ISO 14064-3
Paragraph 9.3(a)

Audit conclusion up-front - NZ SAE 1
Paragraph 45

Applicable criteria reference - ISO 14064-3
Paragraph 9.3(d)

Split of reasonable and limited assurance - NZ SAE 1
Paragraph 46

Separate validation conclusion over forecasts - ISO 14064-3
Paragraph 9.3(g)

Statement of future emission reductions & removals - ISO 14064-3
Paragraph 9

Identification of assured information - NZ SAE 1
Paragraph 43(a)

Unmodified ISO 14064-3: 2019 - Illustrative Assurance Report (continued)

We have undertaken a limited assurance verification engagement over the GHG disclosures within the climate statements for the year ended 31 December 20XX:

- [GHG Emissions Category] on page [XX]

Furthermore, we have also undertaken a limited assurance validation engagement over assumptions used for forecast GHG emissions for the following emission categories for the year ended 31 December 20XX:

- [GHG Emissions Category] on page [XX]

Our assurance engagement does not extend to any other information included, or referred to, in the climate statements on pages [XX] to [XX]. We have not performed any procedures with respect to the excluded information and, therefore, no conclusion is expressed on it.

Key Matters to the GHG assurance engagement

In this section we present those matters that, in our professional judgement, were most significant in undertaking the assurance engagement over GHG disclosures. These matters were addressed in the context of our assurance engagement, and in forming our conclusion. We did not reach a separate assurance conclusion on each individual key matter.

Key Matter	Procedures to address the Key Matter
[Explanation of why the matter is a key matter]	[Outline of what the assurance practitioner has done to address the matter]

[Findings for the key matters identified]

Emphasis of Matter

[We draw attention to the following disclosures on page [XX] which, in our judgement, are of such importance that they are fundamental to user’s understanding of the GHG disclosures. Our assurance conclusion is not modified in respect of this matter.]

- [XXX]

Other Matter

[Description of Other Matter which reflects that the matter is not disclosed in the GHG disclosures.]

[Comparative Information]

The comparative GHG disclosures (that is GHG disclosures for the period ended 31 December 20XX and 31 December 20XX) have not been subject to assurance. As such, these disclosures are not covered by our assurance conclusion.

Identification of excluded information and no procedures performed - NZ SAE 1 Paragraph 43(b)-(c)

Key Matters Section (where applicable) - NZ SAE 1 Paragraph 48-50

Findings for Key Matters (where considered appropriate) - NZ SAE 1 Paragraph 50

Emphasis of Matter Section (where applicable) - NZ SAE 1 Paragraph 51-52

Other Matter Section (where applicable) - NZ SAE 1 Paragraph 53-54

Comparatives not assured (where applicable) - NZ SAE 1 Paragraph 36

Unmodified ISO 14064-3: 2019 - Illustrative Assurance Report (continued)

OR

The comparative GHG disclosures (that is GHG disclosures for the period ended 31 December 20XX and 31 December 20XX) have been subject to [reasonable and limited] assurance by [Predecessor Assurance Provider's Name], with their assurance report dated on [DATE] and [DATE].

[Materiality]

[Based on our professional judgment, we determined materiality for the GHG disclosures as follows: XXX]

[Competence and Experience of the engagement team]

[Our work was carried out by an independent and multi-disciplinary team including assurance practitioners, engineers and environmental scientists. The assurance practitioner retains overall responsibility for the assurance conclusion provided.]

[ABC]'s Responsibilities for the GHG disclosures

[ABC] is responsible for the preparation and fair presentation of the GHG disclosures in accordance with the Aotearoa New Zealand Climate Standards (NZ CSs). This responsibility includes designing, implementing and maintaining a data management system relevant to the preparation and fair presentation of GHG disclosures that is free from material misstatement.

The forecast of GHG emissions included within the GHG disclosures are based on the following assumptions:

- Assumptions used for forecast GHG emissions for GHG Emissions Category on page [XX]

Inherent Uncertainty in preparing GHG disclosures

As discussed on page [XX] of the climate statements the GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our Responsibilities

Our responsibility is to express an opinion on the GHG disclosures based on our verification and express an opinion on the forecast based on our validation. We are responsible for planning and performing the verification to obtain assurance that the onsite GHG disclosures are free from material misstatement, and for planning and performing the validation to reach a conclusion as to whether the forecast in the GHG disclosures is based on reasonable assumptions.

As we are engaged to form an independent conclusion on the GHG disclosures prepared by management, we are not permitted to be involved in the preparation of the GHG information as doing so may compromise our independence.

Comparatives subject to assurance by predecessor assurance practitioner (where applicable) - NZ SAE 1 Paragraph 37

Specific others matters useful for users (where considered appropriate) - NZ SAE 1 Paragraph A55

Management Responsibilities - ISO 14064-3 Paragraph 9.3(c)

Inherent Uncertainty - NZ SAE 1 Paragraph 55

Statement on prohibition on GHG preparation - NZ SAE 1 Paragraph 58

Unmodified ISO 14064-3: 2019 - Illustrative Assurance Report (continued)

Other relationships

In addition to the provision of the assurance engagement over GHG disclosures, we also have the following relationships, or interests, in [ABC], which did not compromise our overall independence:

- [XXX]

OR

Other than in our capacity as assurance practitioners, and the provision of the assurance for this engagement [and the provision of assurance over [ABC]'s separate Greenhouse Gas Report], we have no relationship with, or interests, in [ABC].

Disclosure of other relationships (where applicable) - NZ SAE 1 Paragraph 57

Independence and Quality Management Standards applied

This assurance engagement was undertaken in accordance with NZ SAE 1 *Assurance Engagements over Greenhouse Gas Emissions Disclosures* issued by the External Reporting Board (XRB). NZ SAE 1 is founded on the fundamental principles of independence, integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We have also complied with the following professional and ethical standards and accreditation body requirements:

- [ISO 9001: 2015 – *Quality management systems – Requirements*]
- [ISO 14065: 2020 – *General principles and requirements for bodies validating and verifying environmental information*];
- [ISO 14066: 2021 – *Greenhouse gases — Competence requirements for greenhouse gas validation teams and verification teams*];
- [ISO 17029: 2019 – *Conformity assessment — General principles and requirements for validation and verification bodies*];
- [[ISO 19011: 2018 – *Guidelines for auditing management systems*];
- [Joint Accreditation System of Australia and New Zealand Accreditation Requirements]; or
- [Other professional and ethical standards and accreditation body requirements as appropriate].

Applied standards - NZ SAE 1 Paragraph 56

Summary of Work Performed

Reasonable Assurance Conclusion

Our reasonable assurance verification engagement was performed in accordance with NZ SAE 1, and ISO 14064-3: 2019 – *Specification with guidance for the verification and validation of greenhouse gas statements*, issued by the International Organization for Standardization (ISO). This requires that we comply with ethical requirements (as outlined above), and plan and perform the verification to obtain reasonable assurance that the GHG disclosures are free from material misstatement.

Declaration of compliance with ISO - ISO 14064-3 Paragraph 9.3(e)

Unmodified ISO 14064-3: 2019 - Illustrative Assurance Report (continued)

Our verification strategy used a combined data and controls testing approach. Evidence-gathering procedures included but were not limited to:

- [Description of verification procedures]

The data examined during the verification were historical in nature. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Limited Assurance Conclusion

Our limited assurance verification engagement, including validation over forecasts, was performed in accordance with NZ SAE 1, and ISO 14064-3: 2019 – *Specification with guidance for the verification and validation of greenhouse gas statements*. This requires that we comply with ethical requirements (as outlined above), and plan and perform the verification to obtain limited assurance that the GHG disclosures are free from material misstatement, and plan and perform the validation to reach a conclusion as to whether the forecast in the GHG disclosures is based on reasonable assumptions.

Our verification strategy used a combined data and controls testing approach. Evidence-gathering procedures included but were not limited to:

- [Description of verification procedures performed]

Our validation assessed the:

- [Description of validation procedures]

The data examined during the verification were historical in nature, while the data examined during the validation were projected in nature.

[Engagement Leader’s signature]

[Name of Engagement Leader]

[Location where the Engagement Leader resides]

[Name of Assurance Organisation]

[Date of the assurance report]

Engagement Leader
name - NZ SAE 1
Paragraph 59

Illustrative Assurance Report

4. Modified Mixed Assurance Report applying ISO 14064-3: 2019



INDEPENDENT ASSURANCE REPORT ON [ABC]'S GREENHOUSE GAS (GHG) DISCLOSURES

[Appropriate Addressee]

Our Assurance Conclusion

Reasonable Assurance Conclusion

In our opinion, except for the matters described in the *Basis for Modified Opinion* section of our report, the gross GHG emissions, additional required disclosures of gross GHG emissions, and gross GHG emissions methods, assumptions and estimation uncertainty, within the scope of our reasonable assurance engagement (as outlined below) included in the climate statements for the year ended 31 December 20XX, are fairly presented and prepared, in all material respects, in accordance with Aotearoa New Zealand Climate Standards (NZ CSs) issued by the External Reporting Board (XRB), as explained on page [XX] of the climate statements.

Limited Assurance Conclusion

Except for the matters described in the *Basis for Modified Opinion* section of our report, based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the gross GHG emissions, additional required disclosures of gross GHG emissions, and gross GHG emissions methods, assumptions and estimation uncertainty, within the scope of our limited assurance engagement (as outlined below) included in the climate statements for the year ended 31 December 20XX, are not fairly presented and not prepared, in all material respects, in accordance with Aotearoa New Zealand Climate Standards (NZ CSs) issued by the External Reporting Board (XRB), as explained on page [XX] of the climate statements.

Validation over forecasts

Furthermore, except for the matters described in the *Basis for Modified Opinion* section of our report, nothing comes to our attention which causes us to believe that the assumptions used for the [GHG Emissions Category] on pages [XX] to [XX] are not fairly presented and do not provide a reasonable basis for the forecast of gross GHG emissions and, in our opinion, the forecast is properly prepared on the basis of the assumptions and in accordance with Aotearoa New Zealand Climate Standards (NZ CSs) issued by the External Reporting Board (XRB).

Actual future emissions are likely to be different from the forecast as the estimates are based on assumptions that may change in the future, and since anticipated events frequently do not occur as expected and the variation may be material.

Basis for Modified Opinion

[Explanation of why a Modified Opinion is being expressed]

References

Identification of GHG-related activity/entity - ISO 14064-3 Paragraph 9.3(a)

Audit conclusion upfront - NZ SAE 1 Paragraph 45

Applicable criteria reference - ISO 14064-3 Paragraph 9.3(d)

Split of reasonable and limited assurance - NZ SAE 1 Paragraph 46

Separate validation conclusion over forecasts - ISO 14064-3 Paragraph 9.3(g)

Statement of future emission reductions & removals - ISO 14064-3 Paragraph 9

Modified ISO 14064-3: 2019 - Illustrative Assurance Report (continued)

Scope of the Assurance Engagement

We have undertaken a reasonable assurance verification engagement over the following GHG disclosures within the climate statements for the year ended 31 December 20XX:

- [GHG Emissions Category] on page [XX]

We have undertaken a limited assurance verification engagement over the GHG disclosures within the climate statements for the year ended 31 December 20XX:

- [GHG Emissions Category] on page [XX]

Furthermore, we have also undertaken a limited assurance validation engagement over assumptions used for forecast GHG emissions for the following emission categories for the year ended 31 December 20XX:

- [GHG Emissions Category] on page [XX]

Our assurance engagement does not extend to any other information included, or referred to, in the climate statements on pages [XX] to [XX]. We have not performed any procedures with respect to the excluded information and, therefore, no conclusion is expressed on it.

Key Matters to the GHG assurance engagement

In this section we present those matters that, in our professional judgement, were most significant in undertaking the assurance engagement over GHG disclosures. These matters were addressed in the context of our assurance engagement, and in forming our conclusion. We did not reach a separate assurance conclusion on each individual key matter.

Key Matter

[Explanation of why the matter is a key matter]

Procedures to address the Key Matter

[Outline of what the assurance practitioner has done to address the matter]

[Findings for the key matters identified]

Emphasis of Matter

[We draw attention to the following disclosures on page [XX] which, in our judgement, are of such importance that they are fundamental to user's understanding of the GHG disclosures. Our assurance conclusion is not modified in respect of this matter.]

- [XXX]

Other Matter

[Description of Other Matter which reflects that the matter is not disclosed in the GHG disclosures.]

Identification of assured information - NZ SAE 1 Paragraph 43(a)

Identification of excluded information and no procedures performed - NZ SAE 1 Paragraph 43(b)-(c)

Key Matters Section (where applicable) - NZ SAE 1 Paragraph 48-50

Findings for Key Matters (where considered appropriate) - NZ SAE 1 Paragraph 50

Emphasis of Matter Section (where applicable) - NZ SAE 1 Paragraph 51-52

Other Matter Section (where applicable) - NZ SAE 1 Paragraph 53-54

Modified ISO 14064-3: 2019 - Illustrative Assurance Report (continued)

[Comparative Information]

The comparative GHG disclosures (that is GHG disclosures for the period ended 31 December 20XX and 31 December 20XX) have not been subject to assurance. As such, these disclosures are not covered by our assurance conclusion.

OR

The comparative GHG disclosures (that is GHG disclosures for the period ended 31 December 20XX and 31 December 20XX) have been subject to [reasonable and limited] assurance by [Predecessor Assurance Provider's Name], with their assurance report dated on [DATE] and [DATE].

[Materiality]

[Based on our professional judgment, we determined materiality for the GHG disclosures as follows: XXX]

[Competence and Experience of the engagement team]

[Our work was carried out by an independent and multi-disciplinary team including assurance practitioners, engineers and environmental scientists. The assurance practitioner retains overall responsibility for the assurance conclusion provided.]

[ABC]'s Responsibilities for the GHG disclosures

[ABC] is responsible for the preparation and fair presentation of the GHG disclosures in accordance with Aotearoa New Zealand Climate Standards (NZ CSs). This responsibility includes designing, implementing and maintaining a data management system relevant to the preparation and fair presentation of GHG disclosures that is free from material misstatement.

The forecast of GHG emissions included within the GHG disclosures are based on the following assumptions:

- Assumptions used for forecast GHG emissions for GHG Emissions Category on page [XX]

Inherent Uncertainty in preparing GHG disclosures

As discussed on page [XX] of the climate statements the GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Comparatives not assured (where applicable) - NZ SAE 1 Paragraph 36

Comparatives subject to assurance by predecessor assurance practitioner (where applicable) - NZ SAE 1 Paragraph 37

Specific others matters useful for users (where considered appropriate) - NZ SAE 1 Paragraph A55

Management Responsibilities - ISO 14064-3 Paragraph 9.3(c)

Inherent Uncertainty - NZ SAE 1 Paragraph 55

Modified ISO 14064-3: 2019 - Illustrative Assurance Report (continued)

Our Responsibilities

Our responsibility is to express an opinion on the GHG disclosures based on our verification and express an opinion on the forecast based on our validation. We are responsible for planning and performing the verification to obtain assurance that the onsite GHG disclosures are free from material misstatement, and for planning and performing the validation to reach a conclusion as to whether the forecast in the GHG disclosures is based on reasonable assumptions.

As we are engaged to form an independent conclusion on the GHG disclosures prepared by management, we are not permitted to be involved in the preparation of the GHG information as doing so may compromise our independence.

Other relationships

In addition to the provision of the assurance engagement over GHG disclosures, we also have the following relationships, or interests, in [ABC], which did not compromise our overall independence:

- [XXX]

OR

Other than in our capacity as assurance practitioners, and the provision of the assurance for this engagement [and the provision of assurance over [ABC]'s separate Greenhouse Gas Report], we have no relationship with, or interests, in [ABC].

Independence and Quality Management Standards applied

This assurance engagement was undertaken in accordance with NZ SAE 1 *Assurance Engagements over Greenhouse Gas Emissions Disclosures* issued by the External Reporting Board (XRB). NZ SAE 1 is founded on the fundamental principles of independence, integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We have also complied with the following professional and ethical standards and accreditation body requirements:

- [ISO 9001: 2015 – *Quality management systems – Requirements*]
- [ISO 14065: 2020 – *General principles and requirements for bodies validating and verifying environmental information*];
- [ISO 14066: 2021 – *Greenhouse gases — Competence requirements for greenhouse gas validation teams and verification teams*];
- [ISO 17029: 2019 – *Conformity assessment — General principles and requirements for validation and verification bodies*];
- [[ISO 19011: 2018 – *Guidelines for auditing management systems*];

Statement on prohibition on GHG preparation - NZ SAE 1 Paragraph 58

Disclosure of other relationships (where applicable) - NZ SAE 1 Paragraph 57

Applied standards - NZ SAE 1 Paragraph 56

Modified ISO 14064-3: 2019 - Illustrative Assurance Report (continued)

- [Joint Accreditation System of Australia and New Zealand Accreditation Requirements]; or
- [Other professional and ethical standards and accreditation body requirements as appropriate].

Summary of Work Performed

Reasonable Assurance Conclusion

Our reasonable assurance verification engagement was performed in accordance with NZ SAE 1, and ISO 14064-3: 2019 – *Specification with guidance for the verification and validation of greenhouse gas statements*, issued by the International Organization for Standardization (ISO). This requires that we comply with ethical requirements (as outlined above), and plan and perform the verification to obtain reasonable assurance that the GHG disclosures are free from material misstatement.

Declaration of compliance with ISO - ISO 14064-3 Paragraph 9.3(e)

Our verification strategy used a combined data and controls testing approach. Evidence-gathering procedures included but were not limited to:

- [Description of verification procedures]

The data examined during the verification were historical in nature. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Limited Assurance Conclusion

Our limited assurance verification engagement, including validation over forecasts, was performed in accordance with NZ SAE 1, and ISO 14064-3: 2019 – *Specification with guidance for the verification and validation of greenhouse gas statements*. This requires that we comply with ethical requirements (as outlined above), and plan and perform the verification to obtain limited assurance that the onsite GHG disclosures are free from material misstatement, and plan and perform the validation to reach a conclusion as to whether the forecast in the GHG disclosures is based on reasonable assumptions.

Our verification strategy used a combined data and controls testing approach. Evidence-gathering procedures included but were not limited to:

- [Description of verification procedures performed]

Our validation assessed the:

- [Description of validation procedures]

The data examined during the verification were historical in nature, while the data examined during the validation were projected in nature.

Modified ISO 14064-3: 2019 - Illustrative
Assurance Report (continued)

[Engagement Leader’s signature]

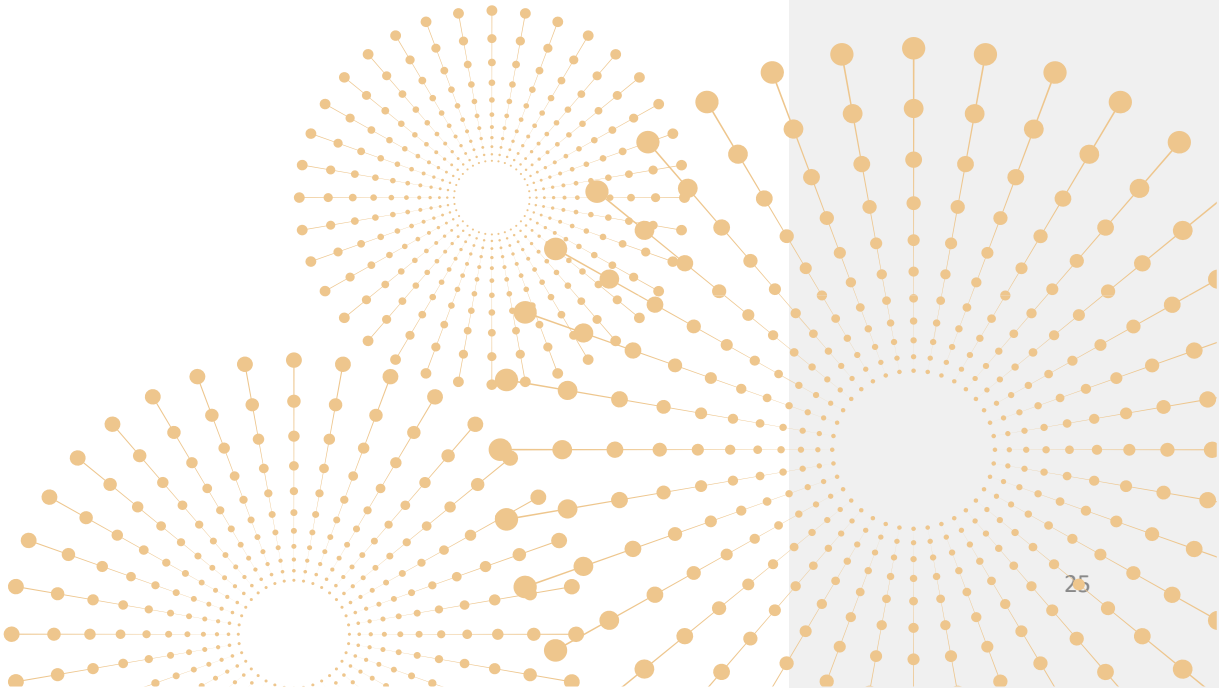
[Name of Engagement Leader]

[Location where the Engagement Leader resides]

[Name of Assurance Organisation]

[Date of the assurance report]

Engagement Leader
name - NZ SAE 1
Paragraph 59





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