

Illustrative Corporations Act Sustainability Assurance Reports

Issued: January 2026

See [Sustainability Assurance Homepage](#) for background and copyright information.

Overview

1. The AUASB considered all of the feedback received on proposed draft Illustrative Corporations Act Sustainability Assurance Reports (Illustrative Reports). The attached Illustrative Reports have been drafted having regard to the risk of non-compliance with the *Corporations Act 2001* (the Act) identified by ASIC.
2. The AUASB has decided to recommend that auditors use the attached Illustrative Reports at this time.
3. The conclusions/opinions in the attached Illustrative Reports include only the words in the Act (see s1707F(2) for reviews and s309A for audits). Additional explanation is provided in the Basis for Conclusion/Opinion sections to address possible expectation gaps for a review, materiality and fair presentation (as applicable). The Illustrative Reports suggest the use of bold text and text boxes to link the conclusions/opinions with the additional explanation.

Stakeholder feedback

4. The AUASB sought feedback from stakeholders on proposed Illustrative Reports through [ED 03/25 Proposed Australian Standard on Sustainability Assurance ASSA 2025-11 Amendments to ASSA 5000 General Requirements for Sustainability Assurance Engagements](#) (ED 03/25).
5. Most of the respondents to ED 03/25 (audit firms and accounting bodies) and Board members preferred including the following words from ASSA 5000.190(c)(vi) in the conclusions/opinions in the Illustrative Reports as well as the wording in the Act:
 - (a) For reviews the lead in words 'Based on the procedures we performed and the evidence we obtained ...'; and
 - (b) Reference to a fair presentation in all material respects (for Year 2 onwards).
6. The CA ANZ and CPAA submissions highlighted legal uncertainty as to whether the combined wording is inconsistent with the Act and suggested seeking legal advice.
7. ASIC has informed the AUASB that in their opinion the form of the conclusions/opinions in the Illustrative Reports should use the Corporations Act wording only, with additional wording included as required by ASSA 5000. ASIC have stated in their opinion that the words in paragraphs 5(a) and (b) above create a risk of non-compliance with the Act.
8. ASIC's submission highlighted that ASSA 5000.84 provides for the wording in the Act to be used alone with additional explanation to cover the matters in ASSA 5000.190(c)(vi).

Legal advice

9. The AUASB intends to obtain legal advice as to whether combining the words from the Act and ASSA 5000.190(c)(vi) in the conclusions/opinions would be compliant with the Act. This may affect the form of the Illustrative Reports in the future.

ATTACHMENT

Illustrative Corporations Act Sustainability Assurance Reports

- Illustration 1: Year 1 – Review report of specified sustainability disclosures prepared in accordance with the *Corporations Act 2001* (compliance framework).
- Illustration 2: Year 1 – Audit and review report on specified sustainability disclosures prepared in accordance with the *Corporations Act 2001* (compliance framework).
- Illustration 3: Years 2 and 3 – Review report on a sustainability report prepared in accordance with the *Corporations Act 2001* (fair presentation framework).
- Illustration 4: Year 4 and onwards – Audit report on a sustainability report prepared in accordance with the *Corporations Act 2001* (fair presentation framework).

Illustration 1: Year 1 – Review report on specified sustainability disclosures prepared in accordance with the *Corporations Act 2001* (compliance framework)

1. This is the entity's first year of reporting in accordance with the *Corporations Act 2001* (the Act) and the auditor has conducted a review in accordance with the mandatory phasing requirements in ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* (ASSA 5010) for Year 1.
2. Assurance is only provided in accordance with the mandatory phasing requirements in ASSA 5010 for Year 1 (i.e. there is no voluntary assurance).
3. For Group 3 entities, it is assumed that climate-related risks and opportunities are material and s296B of the Act does not apply.
4. The auditor has concluded that an unmodified review conclusion is appropriate.
5. There is no comparative information in Year 1.
6. The terminology in the Act has been used (e.g. 'review' rather than 'limited assurance engagement' which is used in ASSA 5000 *General Requirements for Sustainability Assurance Engagements*).

The following report is for illustrative purposes only and is not intended to be exhaustive or applicable to all situations. The assurance report needs to be tailored to the engagement circumstances

INDEPENDENT AUDITOR'S REVIEW REPORT ON SPECIFIED SUSTAINABILITY DISCLOSURES OF ABC COMPANY LIMITED

To the Members of ABC Company Limited

Review Conclusion

We have conducted a review of the following specified Sustainability Disclosures in the Sustainability Report of ABC Company Limited (the Company) for the year ended XX XXX 20XX as required by Australian Standards on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB):

Sustainability Disclosures	Reporting requirement of Australian Sustainability Reporting Standard AASB S2 <i>Climate-related Disclosures</i> (AASB S2) (including related general disclosures required by Appendix D)	Location in Sustainability Report¹
Governance	Paragraph 6	Paragraphs x to x on pages y to y
Strategy (risk and opportunities)	Subparagraphs 9(a), 10(a) and 10(b)	Paragraphs x to x on pages y to y
Scope 1 and 2 emissions	Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)	Paragraphs x to x on pages y to y

The requirements of AASB S2 identified in the table above form the criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).

We have not become aware of any matter in the course of our review that makes us believe that the Sustainability Disclosures specified in the table above do not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*².

¹ The location description should include all matters relevant to the sustainability climate information. This includes, for example, disclosure of methods applied where there is a choice of method.

² Subsection 1707F(3) of the Act requires a description of any matter and a statement as to why that matter makes the auditor believe that the sustainability report, to the extent it is required to be reviewed, does not comply with Division 1 of Part 2M.3.

Basis for Conclusion

Our review has been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000) issued by the AUASB. Our review includes obtaining limited assurance about whether the specified Sustainability Disclosures are free from material misstatement.

In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the 'Summary of the Work Performed' section of our report below.

Our responsibilities under ASSA 5000 are further described in the Auditor's Responsibilities section of this report.

We are independent of the Company in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to *[insert 'June 2024' or 'July 2025', as applicable]*) (the Code), together with the ethical requirements in the Act, that are relevant to our review of the specified Sustainability Disclosures and public interest entities in Australia³. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

We confirm that the independence declaration required by the Act, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.⁴

Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

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

Emphasis of Matter

We draw attention to [identify the specific disclosure in the Sustainability Report], which describes [...].

Our conclusion is not modified in respect of this matter.

Other Information

The directors of the Company are responsible for the other information. The other information comprises the *[describe the other information]*.

Our conclusion on the specified Sustainability Disclosures does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our review of the specified Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified Sustainability Disclosures, or our knowledge obtained when conducting the review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

³ Omit reference to public interest entities if not applicable.

⁴ Or, alternatively, include statements: (a) to the effect that circumstances have changed since the declaration was given to the relevant directors; and (b) setting out how the declaration would differ if it had been given to the relevant directors at the time the auditor's report was made (see s 307C(5A)(d) of the Act).

Responsibilities for the specified Sustainability Disclosures

The directors of the Company are responsible for:

- The preparation of the specified Sustainability Disclosures in accordance with the Act; and
- Designing, implementing and maintaining such internal control necessary to enable the preparation of the specified Sustainability Disclosures, in accordance with the Act that are free from material misstatement, whether due to fraud or error.

Inherent Limitations in Preparing the specified Sustainability Disclosures

[Example - Greenhouse gas emissions quantification relating to [identify source of emissions] is subject to significant measurement uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The comparability of sustainability information between entities and over time may be affected by inconsistencies in the methods to estimate or measure those emissions, due to different, but acceptable, methods applied.⁵]

Auditor's Responsibilities

Our objectives are to plan and perform the review to obtain limited assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

As part of a review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the Work Performed

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

[Insert a summary of the nature and extent of procedures performed that, in the auditor's judgement, provides additional information that may be relevant to the users' understanding of the work performed to support the auditor's conclusion and the level of assurance obtained.]

[Signature in the name of the audit firm or authorised audit company]

[Signature of the lead auditor]

[Auditor's address]

[Date of the auditor's report]

⁵ To be tailored to the engagement circumstances. Refer to ASSA 5000.190(g).

Illustration 2: Year 1 – Auditor’s audit and review report on specified sustainability disclosures prepared in accordance with the *Corporations Act 2001* (compliance framework)

1. This is the entity’s first year of reporting in accordance with the *Corporations Act 2001* (the Act) and the auditor has conducted a review in accordance with the mandatory phasing requirements in ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* (ASSA 5010) for Year 1. The directors have also engaged the auditor to provide reasonable assurance over Scope 1 and 2 emissions under AASB S2 *Climate-related Disclosures*, with early reasonable assurance permitted by ASSA 5010. **NOTE: This is a specific situation and the approach may not apply in other circumstances that might appear analogous.**
2. For Group 3 entities, it is assumed that climate-related risks and opportunities are material and s296B of the Act does not apply.
3. The auditor has concluded that an unmodified review conclusion and an unmodified audit opinion are appropriate.
4. There is no comparative information in Year 1.
5. The terminology in the Act has been used (e.g. ‘review’ rather than ‘limited assurance engagement’ which is used in ASSA 5000 *General Requirements for Sustainability Assurance Engagements*).

The following report is for illustrative purposes only and is not intended to be exhaustive or applicable to all situations. The assurance report needs to be tailored to the engagement circumstances

INDEPENDENT AUDITOR’S REPORT ON SPECIFIED SUSTAINABILITY DISCLOSURES OF ABC COMPANY LIMITED

To the Members of ABC Company Limited

Review Conclusion

We have conducted a review of specified disclosures in the Sustainability Report of ABC Company Limited (the Company) for the year ended XX XXX 20XX in accordance with Australian Standards on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* (ASSA 5010) issued by the Auditing and Assurance Standards Board (AUASB).

Sustainability Disclosures Reviewed	Reporting requirement of Australian Sustainability Reporting Standard AASB S2 <i>Climate-related Disclosures</i> (AASB S2) (including related general disclosures required by Appendix D)	Location in Sustainability Report⁶
Governance	Paragraph 6	Paragraphs x to x on pages y to y
Strategy (risk and opportunities)	Subparagraphs 9(a), 10(a) and 10(b)	Paragraphs x to x on pages y to y

The requirements of AASB S2 identified in the table above form the criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).

We have not become aware of any matter in the course of our review that makes us believe that the Governance and Strategy (risk and opportunities) disclosures as specified in the table above do not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*⁷.

⁶ The location description should include all matters relevant to the sustainability climate information. This includes, for example, disclosure of methods applied where there is a choice of method.

⁷ Subsection 1707F(3) of the Act requires a description of any matter and a statement as to why that matter makes the auditor believe that the sustainability report, to the extent it is required to be reviewed, does not comply with Division 1 of Part 2M.3.

Audit Opinion

We have conducted an audit of specified disclosures in the Sustainability Report of the Company for the year ended XX XXX 20XX in accordance with ASSA 5010.

Sustainability Disclosures Audited	Reporting requirement of AASB S2 (including related general disclosures required by Appendix D)	Location in Sustainability Report ⁸
Scope 1 and 2 emissions	Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)	Paragraphs x to x on pages y to y

The requirements of AASB S2 identified in the table above form the criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).

In our opinion the Scope 1 and 2 emission disclosures specified in the table above are prepared in accordance with the Act, including:

- (a) subsection 296A(2) (contents of climate statements); and
- (b) section 296C (compliance with Australian Sustainability Reporting Standard S2 *Climate-related Disclosures* issued by the Australian Accounting Standards Board and any Ministerial legislative instrument); and
- (c) section 296D (climate statement disclosures).

Basis for Conclusion and Opinion

Basis for Conclusion

Our review has been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance* (ASSA 5000) issued by the AUASB. Our review includes obtaining limited assurance about whether the specified Governance and Strategy (risk and opportunities) disclosures are free from material misstatement.

In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the 'Summary of the Work Performed' section of our report below.

Basis for Opinion

Our audit has been conducted in accordance with ASSA 5000. Our audit includes obtaining reasonable assurance that the specified Scope 1 and 2 emission disclosures are free from material misstatement.

Basis for Conclusion and Opinion

Our responsibilities under ASSA 5000 are further described in the Auditor's Responsibilities section of this report.

We are independent of the Company in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to [insert 'June 2024' or 'July 2025', as applicable]) (the Code), together with the ethical requirements in the Act, that are relevant to our review/audit of the

⁸ The location description should include all matters relevant to the sustainability climate information. This includes, for example, disclosure of methods applied where there is a choice of method.

specified disclosures and public interest entities in Australia⁹. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

We confirm that the independence declaration required by the Act, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.¹⁰

Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

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

Emphasis of Matter

We draw attention to [identify the specific disclosure], which describes [...].

Our conclusion/ opinion is not modified in respect of this matter.

Other Information

The directors of the Company are responsible for the other information. The other information comprises *[describe the other information]*.

Our conclusion on the specified Governance and Strategy (risks and opportunities) disclosures and opinion on the specified Scope 1 and 2 emission disclosures does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified disclosures, or our knowledge obtained when conducting the review or audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities for the specified disclosures

The directors of the Company are responsible for:

- The preparation of the specified Governance, Strategy (risks and opportunities) and Scope 1 and 2 emission disclosures in accordance with the Act.
- Designing, implementing and maintaining such internal controls necessary to enable the preparation of the specified disclosures, in accordance with the Act that is free from material misstatement, whether due to fraud or error.

Inherent Limitations in Preparing the specified disclosures

[Example - Greenhouse gas emissions quantification relating to [identify source of emissions] is subject to significant measurement uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The comparability of sustainability information between entities and over time may be affected by inconsistencies in the methods to estimate or measure those emissions, due to different, but acceptable, methods applied.¹¹]

Auditor's Responsibilities

Our objectives are to:

- Plan and perform the review to obtain limited assurance about whether the specified Governance and Strategy (risks and opportunities) disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion.

⁹ Omit reference to public interest entities if not applicable.

¹⁰ Or, alternatively, include statements: (a) to the effect that circumstances have changed since the declaration was given to the relevant directors; and (b) setting out how the declaration would differ if it had been given to the relevant directors at the time the auditor's report was made (see s 307C(5A)(d) of the Act).

¹¹ To be tailored to the engagement circumstances. Refer to ASSA 5000.190(g).

- Plan and perform the audit to obtain reasonable assurance about whether the specified Scope 1 and 2 Emission disclosures are free from material misstatement, whether due to fraud or error, and to issue an assurance report that includes our opinion.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified disclosures.

As part of our review and audit in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- For a review engagement:
 - Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
 - Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- For an audit engagement:
 - Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatement, whether due to fraud or error, at the assertion level for the disclosures but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
 - Design and perform procedures responsive to assessed risks of material misstatement at the assertion level for the disclosures. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the Work Performed in our Review

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Governance and Strategy (risks and opportunities) disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

[Insert a summary of the nature and extent of procedures performed that, in the auditor's judgement, provides additional information that may be relevant to the users' understanding of the work performed to support the auditor's conclusion and the level of assurance obtained.]

[Signature in the name of the audit firm or authorised audit company]

[Signature of the lead auditor]

[Auditor's address]

[Date of the auditor's report]

Illustration 3: Years 2 and 3 – Review report on a sustainability report prepared in accordance with the *Corporations Act 2001* (fair presentation framework)

1. This is an entity's second or third year of reporting in accordance with the *Corporations Act 2001* (the Act) and the auditor has conducted a review in accordance with the mandatory phasing requirements in ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001*.
2. For Group 3 entities, it is assumed that Climate-related risks and opportunities are material and s296B of the Act does not apply.
3. The auditor has concluded that an unmodified review conclusion is appropriate.
4. Only parts of the comparative information in Year 2 were subject to assurance as part of the auditor's review in Year 1.
5. Comparative information in Year 3 was subject to assurance by the auditor in Year 2.
6. The terminology in the Act has been used (e.g. 'review' rather than 'limited assurance engagement' which is used in ASSA 5000 *General Requirements for Sustainability Assurance Engagements*).

The following report is for illustrative purposes only and is not intended to be exhaustive or applicable to all situations. The assurance report needs to be tailored to the engagement circumstances

INDEPENDENT AUDITOR'S REVIEW REPORT ON ABC COMPANY LIMITED'S SUSTAINABILITY REPORT

To the Members of ABC Company Limited

Review Conclusion

We have conducted a review of the Sustainability Report of ABC Company Limited (the Company), which comprises the climate statements for the year, notes to the climate statements, any statements required under subsection 296A(5) of the *Corporations Act 2001* (the Act) and the directors' declaration for the year ended XX XXX 20XX as required by Australian Standards on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB).

We have not become aware of any matter in the course of the review that makes us believe that the Sustainability Report does not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act)¹².

Basis for Conclusion

Our review has been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000) issued by the AUASB. Our review includes obtaining limited assurance about whether the Sustainability Report is:

- free from material misstatement; and
- presented fairly in accordance with Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* (AASB S2).

In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2. The Act may require information to be included in the Sustainability Report in addition to the information required by AASB S2 (for example, s296D(2B) and s1707C(2) of the Act). Because the fair presentation requirement in AASB S2 only applies to information in the Sustainability Report prepared in accordance with AASB S2, the additional information is addressed for compliance with the Act but is not evaluated against the 'fair presentation' requirement of AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the 'Summary of the Work Performed' section of our report below.

¹² Subsection 1707F(3) of the Act requires a description of any matter and a statement as to why that matter makes the auditor believe that the sustainability report, to the extent it is required to be reviewed, does not comply with Division 1 of Part 2M.3.

Our responsibilities under this standard are further described in the Auditor's Responsibilities section of this report.

We are independent of the Company in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to *[insert 'June 2024' or 'July 2025', as applicable]*) (the Code), together with the ethical requirements in the Act, that are relevant to our review of the Sustainability Report and public interest entities in Australia¹³. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

We confirm that the independence declaration required by the Act, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.¹⁴

Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

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

Emphasis of Matter

We draw attention to [identify the specific disclosure in the Sustainability Report], which describes [...].

Our conclusion is not modified in respect of this matter.

Other Information

The directors of the Company are responsible for the other information. The other information comprises *[describe the other information]*.

Our conclusion on the Sustainability Report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our review of the Sustainability Report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Sustainability Report, or our knowledge obtained when conducting the review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities for the Sustainability Report

The directors of the Company are responsible for:

- The preparation of the Sustainability Report in accordance with the Act (including the fair presentation of information in accordance with AASB S2).
- Designing, implementing and maintaining such internal controls necessary to enable the preparation of the Sustainability Report, in accordance with the Act that is free from material misstatement, whether due to fraud or error.

Inherent Limitations in Preparing the Sustainability Report

[Example - Greenhouse gas emissions quantification relating to [identify source of emissions] is subject to significant measurement uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The comparability of sustainability information between entities and over time may be affected by inconsistencies in the methods to estimate or measure those emissions, due to different, but acceptable, methods applied.¹⁵]

¹³ Omit reference to public interest entities if not applicable.

¹⁴ Or, alternatively, include statements: (a) to the effect that circumstances have changed since the declaration was given to the relevant directors; and (b) setting out how the declaration would differ if it had been given to the relevant directors at the time the auditor's report was made (see s 307C(5A)(d) of the Act).

¹⁵ To be tailored to the engagement circumstances. Refer to ASSA 5000.190(g).

Auditor's Responsibilities

Our objectives are to plan and perform the review to obtain limited assurance about whether the Sustainability Report is free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Report.

As part of a review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the Work Performed

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the Sustainability Report. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

[Insert a summary of the nature and extent of procedures performed that, in the auditor's judgement, provides additional information that may be relevant to the users' understanding of the work performed to support the auditor's conclusion and the level of assurance obtained.]

Other Matter¹⁶

[Include the following paragraph for Year 2.]

The other comparative information was not subject to review in the prior year. We conducted a review only on selected climate-related disclosures in the Sustainability Report of ABC Company for the year ended XX XXX 20XX (which is a different engagement scope to the current engagement), and issued an unmodified conclusion.

In connection with our review of the Sustainability Report, our responsibility is to determine whether the comparative information not subject to review in the prior year, is appropriately presented, by evaluating its consistency with the disclosures presented in the prior period and the consistency of the criteria with the criteria applied in the current period. Our conclusion is not modified in respect of this matter.

The following comparative information was subject to review in the prior year and an unmodified conclusion was issued:

- Governance, in accordance with paragraph 6 of AASB S2, on pages X to X of the Sustainability Report;
- Strategy (risks and opportunities), in accordance with subparagraphs 9(a), 10(a) and 10(b) of AASB S2, on pages X to X of the Sustainability Report; and
- Scope 1 and Scope 2 greenhouse gas emissions, in accordance with subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v) of AASB S2, on pages X to X of the Sustainability Report.

[Signature in the name of the audit firm or authorised audit company]

[Signature of the lead auditor]

[Auditor's address]

[Date of the auditor's report]

¹⁶ ASSA 5000.209 requires the auditor to state in an Other Matter paragraph where the comparative information was not subject to assurance in the prior period. ASSA 5000.210 requires the auditor to state in an Other Matter paragraph that the comparative information had a different engagement scope than the current period. This description is applicable for Year 2.

Illustration 4: Year 4 and onwards – Audit report on a sustainability report prepared in accordance with the *Corporations Act 2001* (fair presentation framework)

1. This is the entity's fourth year of reporting in accordance with the *Corporations Act 2001* (the Act) and the auditor has conducted an audit in accordance with the mandatory phasing requirements in ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* (ASSA 5010).
2. The sustainability report does not include information other than that required by the Act.
3. For Group 3 entities, it is assumed that climate-related risks and opportunities are material and s296B of the Act does not apply.
4. The auditor has concluded that an unmodified audit opinion is appropriate.
5. The comparative information in Year 3 was subject to a review report by the auditor in accordance with ASSA 5010.
6. The terminology in the Act has been used (e.g. 'audit' rather than 'reasonable assurance engagement' which is used in ASSA 5000 *General Requirements for Sustainability Assurance Engagements*).

The following report is for illustrative purposes only and is not intended to be exhaustive or applicable to all situations. The assurance report needs to be tailored to the engagement circumstances

INDEPENDENT AUDITOR'S REPORT ON ABC COMPANY LIMITED'S SUSTAINABILITY REPORT

To the Members of ABC Company Limited

Audit Opinion

We have conducted an audit of the Sustainability Report of ABC Company Limited (the Company) which comprises the climate statements for the year, notes to the climate statements, any statements required under subsection 296(5) of the *Corporations Act 2001* (the Act) and the directors' declaration for the year ended XX XXX 20XX as required by Australian Standards on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* (ASSA 5010) issued by the Auditing and Assurance Standards Board (AUASB).

In our opinion, the Sustainability Report is in accordance with the Act, including:

- (a) subsection 296A(2) (contents of climate statements); and
- (b) section 296C (compliance with Australian Sustainability Reporting Standard S2 *Climate-related Disclosures* issued by the Australian Accounting Standards Board and any Ministerial legislative instrument); and
- (c) section 296D (climate statement disclosures).¹⁷

Basis for Opinion

Our audit has been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 General Requirements for Sustainability Assurance Engagements (ASSA 5000) issued by the AUASB. Our audit includes obtaining reasonable assurance as to whether the Sustainability Report is:

- free from material misstatement; and
- presented fairly in accordance with Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* (AASB S2).

In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2. The Act may require information to be included in the Sustainability Report in addition to the information required by AASB S2 (for example, s296D(2B) and s1707C(2) of the Act). Because the fair presentation requirement in AASB S2 only applies to information in the Sustainability Report prepared in accordance with AASB S2, the additional information is addressed for compliance with the Act but is not evaluated against the 'fair presentation' requirement of AASB S2.

¹⁷ Subsection 309(2) of the Act requires the auditor's report to describe: (a) any defect or irregularity in the Sustainability Report; and (b) any deficiency, failure or shortcoming in respect of the matters referred to in paragraph 307AA(b) (i.e. whether the auditor has been given all information, explanation and assistance necessary for the conduct of the audit).

Our responsibilities under this standard are further described in the Auditor's Responsibilities section of this report.

We are independent of the Company in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to *[insert 'June 2024' or 'July 2025', as applicable]*) (the Code), together with the ethical requirements in the Act, that are relevant to our audit of the Sustainability Report and public interest entities in Australia¹⁸. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

We confirm that the independence declaration required by the Act, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.¹⁹

Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

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

Emphasis of Matter

We draw attention to [identify the specific disclosure in the Sustainability Report], which describes [...].

Our conclusion is not modified in respect of this matter.

Other Information

The directors of the Company are responsible for the other information. The other information comprises *[describe the other information]*.

Our opinion on the Sustainability Report does not cover the other information and we do not express any form of assurance opinion thereon.

In connection with our audit of the Sustainability Report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Sustainability Report or our knowledge obtained when conducting the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities for the Sustainability Report

The directors of the Company are responsible for:

- The preparation of the Sustainability Report in accordance with the Act (including fair presentation of information in accordance with AASB S2).
- Designing, implementing and maintaining such internal control necessary to enable the preparation of the Sustainability Report, in accordance with the Act that is free from material misstatement, whether due to fraud or error.

Inherent Limitations in Preparing the Sustainability Report

[Example - Greenhouse gas emissions quantification relating to [identify source of emissions] is subject to significant measurement uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The comparability of sustainability information between entities and over time may be affected by inconsistencies in the methods to estimate or measure those emissions, due to different, but acceptable, methods applied.²⁰]

¹⁸ Omit reference to public interest entities if not applicable.

¹⁹ Or, alternatively, include statements: (a) to the effect that circumstances have changed since the declaration was given to the relevant directors; and (b) setting out how the declaration would differ if it had been given to the relevant directors at the time the auditor's report was made (see s 307C(5A)(d) of the Act).

²⁰ To be tailored to the engagement circumstances. Refer to ASSA 5000.190(g).

Auditor's Responsibilities

Our objectives are to plan and perform the audit to obtain reasonable assurance about whether the Sustainability Report is free from material misstatement, whether due to fraud or error, and to issue an assurance report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Report.

As part of an audit in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatement, whether due to fraud or error, at the assertion level for the disclosures but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to assessed risks of material misstatement at the assertion level for the disclosures. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Other Matter²¹

The comparative information was not subject to audit in the prior year however was subject to review and we issued an unmodified conclusion.

In connection with our audit of the Sustainability Report, our responsibility is to determine whether the comparative information not subject to audit in the prior year, is appropriately presented, by evaluating its consistency with the disclosures presented in the prior period and the consistency of the criteria with the criteria applied in the current period. Our conclusion is not modified in respect of this matter.

[Signature in the name of the audit firm or authorised audit company]

[Signature of the lead auditor]

[Auditor's address]

[Date of the auditor's report]

²¹ ASSA 5000.210 requires the auditor to state in an Other Matters paragraph where the subject matter information was subject to a different level of assurance in the prior period. This applies to Year 4 where the Sustainability Report was subject to limited assurance in Year 3.