



## AUASB DECLARATION OF INTERESTS

*As at 27 October 2025*

AUASB Meeting 167  
Agenda Paper 1.0

| AUASB Member                     | Professional/Organisational Affiliations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Employment/Other Positions Held                                                                                                                                                                                                                                                   | Other Relevant Interests                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mr Doug Niven<br>(Chair)         | <ul style="list-style-type: none"><li>Fellow, Chartered Accountants Australia and New Zealand</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <ul style="list-style-type: none"><li>Chair of the Auditing and Assurance Standards Board, AUASB Statutory Authority and Office of the AUASB</li><li>Member, Australia's Financial Reporting Council</li><li>Member, New Zealand Auditing and Assurance Standards Board</li></ul> | <ul style="list-style-type: none"><li>Member, IAASB/IESBA Stakeholder Advisory Council</li><li>Member, IAASB Jurisdictional Standard Setters Group</li></ul>                                                                                                                                                                                                                                                                                                                                                        |
| Ms Julie Crisp<br>(Deputy Chair) | <ul style="list-style-type: none"><li>Registered Company Auditor</li><li>Fellow, Chartered Accountants Australia and New Zealand</li><li>Fellow, CPA Australia</li><li>Fellow, Governance Institute of Australia</li><li>Fellow, Institute of Public Administration Australia</li><li>Graduate, Australian Institute of Company Directors</li><li>Certified Internal Auditor, Certified Government Audit Professional, Certification in Risk Management Assurance – Professional Member, Institute of Internal Auditors</li><li>Member, Association of Certified Fraud Examiners</li></ul> | <ul style="list-style-type: none"><li>Non-Executive Director – CPA Australia</li><li>Member – Performance Statements Audit Expert Advisory Panel, Australian National Audit Office</li><li>Former Northern Territory Auditor-General (concluded 12 September 2024)</li></ul>      | <ul style="list-style-type: none"><li>Director and Shareholder, Family Trust Company</li><li>Director and Shareholder, Asterism Assurance and Advisory Pty Ltd</li><li>Board Director and Chair of the Auditing &amp; Risk Committee of Aboriginal Investment NT, a Commonwealth statutory entity regulated by the ACNC</li><li>Non-Executive Director, Larrakia Development Corporation</li><li>Director, Darwin Hotel Pty Limited</li><li>Member: Audit &amp; Risk Committee, Charles Darwin University</li></ul> |



| AUASB Member            | Professional/Organisational Affiliations                                                                                                                                                                            | Employment/Other Positions Held                                                                                                                                                                                                                                                                                                                                                                           | Other Relevant Interests                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Ms Merilyn Gwan         | <ul style="list-style-type: none"><li>Fellow, Chartered Accountants Australia and New Zealand</li></ul>                                                                                                             | <ul style="list-style-type: none"><li>Partner, Grant Thornton Australia</li></ul>                                                                                                                                                                                                                                                                                                                         | <ul style="list-style-type: none"><li>Member of Australian Institute of Company Directors Reporting Committee</li><li>Member of the Australian Accounting and Assurance Public Policy Committee – Audit Quality Working Group</li><li>Member of the Australian Accounting and Assurance Public Policy Committee – ESG Working Group</li><li>Director and Shareholder, Family Trust Company(s)</li><li>Trustee – personal family trusts</li></ul> |
| Mr Klynton Hankin       | <ul style="list-style-type: none"><li>Member, Chartered Accountants Australia and New Zealand</li></ul>                                                                                                             | <ul style="list-style-type: none"><li>Partner, PricewaterhouseCoopers</li></ul>                                                                                                                                                                                                                                                                                                                           | <ul style="list-style-type: none"><li>Member, Finance, Risk and Audit Committee - Cancer Council Australia</li></ul>                                                                                                                                                                                                                                                                                                                             |
| Dr Noel Harding         | <ul style="list-style-type: none"><li>Member, CPA Australia</li></ul>                                                                                                                                               | <ul style="list-style-type: none"><li>Professor and Head of School of Accounting, Auditing and Taxation, UNSW Sydney</li></ul>                                                                                                                                                                                                                                                                            | <ul style="list-style-type: none"><li>Editor, International Journal of Auditing</li><li>Deputy Editor, Accounting and Finance</li><li>Co-chair of AFAANZ Auditing and Assurance Standards Committee</li></ul>                                                                                                                                                                                                                                    |
| Mr Terence L Jeyaretnam | <ul style="list-style-type: none"><li>Degree in Environmental Engineering (UWA)</li><li>Chartered Professional Engineer</li><li>Fellow and Engineering Executive of the Institute of Engineers, Australia</li></ul> | <ul style="list-style-type: none"><li>Director, Foresight Consulting Group Pty Ltd</li><li>Clean Energy Regulator Accredited Category 2 Auditor</li><li>Associate Professor of Practice at Monash University's Department of Accounting, Faculty of Business and Economics</li><li>Formerly APAC Leader and Partner, Climate Change and Sustainability Services, Ernst &amp; Young in Melbourne</li></ul> | <ul style="list-style-type: none"><li>Board member, Australian Conservation Foundation</li><li>Chair, Amnesty International Australia</li><li>Chair, Global Citizen, Australia</li></ul>                                                                                                                                                                                                                                                         |
| Ms Joanne Lonergan      | <ul style="list-style-type: none"><li>Member, Chartered Accountants Australia and New Zealand</li></ul>                                                                                                             | <ul style="list-style-type: none"><li>Partner, Ernst &amp; Young</li></ul>                                                                                                                                                                                                                                                                                                                                | <ul style="list-style-type: none"><li>Director &amp; Shareholder, Family Trust Company</li></ul>                                                                                                                                                                                                                                                                                                                                                 |



| AUASB Member        | Professional/Organisational Affiliations                                                                                                                                                                                                  | Employment/Other Positions Held                                                                                           | Other Relevant Interests                                                                                                                                                                                                                                                                                                                                                                                                               |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mr Graeme Pinfold   | <ul style="list-style-type: none"><li>Fellow, Chartered Accountants Australia and New Zealand</li></ul>                                                                                                                                   | <ul style="list-style-type: none"><li>Chair, New Zealand Auditing and Assurance Standards Board</li></ul>                 | <ul style="list-style-type: none"><li>Board Member and Treasurer, Okawa Rotoiti Timeshare Owners Association</li><li>Chair, Sustaining the Audit Profession Working Group</li><li>Director, The Auckland Theatre Company</li></ul>                                                                                                                                                                                                     |
| Mr Andrew Porter    | <ul style="list-style-type: none"><li>Fellow, Institute of Chartered Accountants in England and Wales</li><li>Member, Australian Institute of Company Directors</li><li>Fellow, Chartered Accountants Australia and New Zealand</li></ul> | <ul style="list-style-type: none"><li>Chief Financial Officer, Australian Foundation Investment Company Limited</li></ul> | <ul style="list-style-type: none"><li>CFO for Djerriwarrh Investments, Mirrabooka Investments and AMCIL Limited</li><li>Director of Australian Investment Company Services Ltd.</li><li>Director of a Family Trust Company</li><li>Director of the Melbourne Anglican Foundation and trustee of related entities</li></ul>                                                                                                             |
| Ms Jennifer Travers | <ul style="list-style-type: none"><li>Member, Chartered Accountants in Australia and New Zealand</li></ul>                                                                                                                                | <ul style="list-style-type: none"><li>Partner, KPMG Australia</li></ul>                                                   | <ul style="list-style-type: none"><li>Chair of the Australian Accounting and Assurance Public Policy Committee – Audit Quality Working Group</li><li>Member of the Australian Accounting and Assurance Public Policy Committee – ESG Working Group</li><li>Chair of the Trans-Tasman Audit and Advisory Committee (CA ANZ)</li><li>Director and Shareholder, Family Trust Company(s)</li><li>Trustee, personal family trusts</li></ul> |
| Mr Jason Thorne     | <ul style="list-style-type: none"><li>Fellow, Institute of Chartered Accountants in England and Wales</li><li>Member, Chartered Accountants in Australia and New Zealand</li><li>Registered Company Auditor</li></ul>                     | <ul style="list-style-type: none"><li>Partner, Deloitte Touche Tohmatsu</li></ul>                                         | <ul style="list-style-type: none"><li>Director and Shareholder, family trust company</li></ul>                                                                                                                                                                                                                                                                                                                                         |
| Mr Chi Mun Woo      | <ul style="list-style-type: none"><li>Member, Chartered Accountants Australia &amp; New Zealand</li><li>Member, Institute of Chartered Accountants in England and Wales</li></ul>                                                         | <ul style="list-style-type: none"><li>Partner, Climate and Sustainability practice, Deloitte Touche Tohmatsu</li></ul>    | -                                                                                                                                                                                                                                                                                                                                                                                                                                      |



# AUASB Agenda Paper

|                             |                                                                |                     |                                          |
|-----------------------------|----------------------------------------------------------------|---------------------|------------------------------------------|
| <b>Title:</b>               | Corporations Act Illustrative Sustainability Assurance Reports | <b>Date:</b>        | <del>27</del> <sup>14</sup> October 2025 |
| <b>Office of the AUASB:</b> | Tim Austin/-Doug Niven                                         | <b>Agenda Item:</b> | <del>23</del> <sup>24</sup> .0           |

## Objective of Agenda Item

1. The objective of this agenda item is to obtain AUASB member feedback on, and approval to, issue ED 03/25 on Corporations Act specific illustrative sustainability auditor's reports for a 30-day comment period.

## Questions for AUASB members

| No.             | Question                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.              | Do AUASB members consider that the draft ED 03/25 adequately explains the alternatives of <del>a</del> <u>matters such as whether to following Corporations Act 2001 (the Act) wording for conclusions/opinions with or without also combining following</u> ASSA 5000 requirements <u>(see Explanatory Memorandum in draft ED 03/25 (EM) line 1 of the table in paragraph 5 and paragraphs 6-17)?</u> |
| 2.              | Do AUASB members agree with consulting on <u>possible changes to the requirements for the auditor's conclusion/opinion in paragraph 190 of ASSA 5000 that may be inconsistent with the Act? referring specifically to AASB S2 in the conclusion/opinion (see EM line 4 of table in paragraph 5)?</u>                                                                                                   |
| <del>3.</del>   | <u>Do AUASB members agree with consulting on whether the auditor's opinion should refer to requirements that do not exist (e.g. Ministerial Directions) (see EM line 5 in paragraph 5).</u>                                                                                                                                                                                                            |
| <del>3-4.</del> | <u>Do AUASB members agree <del>that to consult on</del> including an illustration of an inherent limitations section the auditor should not need to consider fair presentation in the illustrative reports in Year 1 when only some disclosures in the sustainability report are subject to assurance? ED 03/25 (see EM paragraphs 18-21)?</u>                                                         |
| <del>4-5.</del> | <u>Do AUASB members agree with <del>the consulting on the approach to voluntary reasonable assurance over Scope 1 and 2 emissions in Illustrative Report 2 (formerly Illustrative Report 3) proposal to include the Corporations Act illustrative assurance reports in a new appendix to ASSA 5000 (see EM paragraphs 21-24)?</del></u>                                                                |
| <del>5-6.</del> | Do AUASB members have any <u>other</u> feedback on the draft ED 03/25?                                                                                                                                                                                                                                                                                                                                 |
| <del>6-7.</del> | Do AUASB members approve ED 03/25 for issue with a 30-day comment period, subject to minor editorial changes?                                                                                                                                                                                                                                                                                          |

## Background

2. Appendix 3 to ASSA 5000 *General Requirements for Sustainability Assurance* includes four illustrative reports in Appendix 3 which are reporting framework neutral. The IAASB staff are also currently finalising additional illustrative reports which are reporting framework specific (including under ISSB standards).
3. Draft ED 03/25 in Agenda Paper 24.1 covers some key matters affecting sustainability assurance reports under the Corporations Act 2001 (the Act), as well as the proposal to add the following Act specific illustrative assurance reports in to a new Appendix 4 to ASSA 5000:

- (a) Illustration 1 – Year 1 – Review report on specified sustainability disclosures prepared in accordance with the *Corporations Act 2001* (compliance framework) (i.e., Mandatory reporting and assurance under the *Corporations Act 2001*).
  - ~~(b) Illustration 2 – Year 1 – Review report on specified sustainability disclosures prepared in accordance with the *Corporations Act 2001* and other selected sustainability metrics (compliance framework) (i.e., voluntary reporting and assurance).~~
  - ~~(c)~~ (b) Illustration 32 – Year 1 – Audit and review report on specified sustainability disclosures prepared in accordance with the *Corporations Act 2001* (compliance framework) (i.e. mandatory reporting and a combination of mandatory and voluntary assurance).
  - ~~(d)~~ (c) Illustration 43 – Years 2 and 3 – Review report on a sustainability report prepared in accordance with the *Corporations Act 2001* (fair presentation framework) (i. e., Mandatory reporting and assurance under the *Corporations Act 2001*.
  - ~~(e)~~ (d) Illustration 54 – Years 4 – Audit report on a sustainability report prepared in accordance with the *Corporations Act 2001* (fair presentation framework).
4. The above reports ~~would~~ form a foundation for development of further illustrative reports to cover scenarios such as a combination of mandatory and voluntary assurance. ~~The IAASB is likely to issue in the process of issuing supplementary framework specific illustrative reports that would cover similar scenarios but would not specifically for the Act.~~
  5. The Office of the AUASB provided a table of matters to be discussed on assurance reports and a draft illustrative Year 1 report to the Australian Accounting and Assurance Public Policy Committee (AAA-PPC) ESG Working Group for feedback. Their feedback was taken into account in developing the draft ED 03/25. The AAA-PPC ESG Working Group includes representatives from the largest six audit firms, CA ANZ and CPA Australia.

## Matters for Discussion

6. The key matters are outlined in the ~~Explanatory Memorandum to the draft ED 03/35-EM~~ (see Agenda Paper 24.1).
- ~~7. The Changes made to the previous draft of ED 03/25 in response to requests by members at the 14 October AUASB meeting included:~~
  - ~~(a) The illustrative reports in the draft ED 03/25 show how now combine the conclusions/opinions required by the *Corporations Act* can be accompanied by separate paragraphs covering the matters and required by paragraph 90 of ASSA 5000. The alternative of conclusions with *Corporations Act* wording only is described in the Explanatory Memorandum to ED 03/25;~~
  - ~~(b) Draft Illustration 2 on voluntary assurance over workforce disclosures in Year 1 has been removed. Assurance over voluntary sustainability-related information would likely be done through a separate assurance report from the mandatory climate report. An illustrative report covering both combining mandatory reporting under the Act and voluntary sustainability-related reporting may create an expectation that the one auditor covers both the mandatory and voluntary information;~~
  - ~~(c) Proposed Illustration 3 on early reasonable assurance over Scope 1 and 2 emissions in Year 1 (now numbered as Illustration 2) has been retained based on feedback from some AUASB members that some entities had already requested reasonable assurance over Scope 1 and 2 emissions in their annual reports prior to mandatory climate reporting and this would continue despite limited assurance only being required for Year 1; and~~
  - ~~(d) Adding an illustrative of an inherent limitations section to the illustrative reports.~~
- ~~7. Feedback provided from the AAA-PPC ESG Working Group was that the wording of the conclusions/opinions in the Act and ASSA 5000 should be combined as illustrated in paragraphs 14 and 18 of the Explanatory Memorandum to the draft ED 03/25.~~
- ~~8. Proposed Illustration 2 in draft ED 03/25 contains two review conclusions as the entity's sustainability report contains mandatory reporting in accordance with the Act and voluntary reporting in accordance with entity developed criteria. The conclusion over the mandatory~~

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reporting in accordance with the Act uses the conclusion wording from the Act, whilst the conclusion over the voluntary reporting uses the wording from paragraph 190 of ASSA 5000.

9. ~~Proposed Illustration 3 in draft ED 03/25 follows the Corporations Act wording for the mandatory review conclusion and the~~

8. Other changes have been made to the draft ED 02/25 to:

(a) Provide better explanations in a number of areas;

(b) Raise the question as to whether opinions should refer to AASB S2; and

(c) Raise the question as to whether conclusions/opinions should cover disclosure requirements that do not exist at this time (e.g. Ministerial Directions)

## Location of Corporations Act illustrative reports

10.9. The Office of the AUASB considers it appropriate to include the Corporations Act specific Illustrative Reports in an Appendix to ASSA 5000 so that they accompany the existing international illustrative reports. This approach is consistent with the approach in ASA 700 *Forming an Opinion and Reporting on a Financial Report* and ASA 570 *Going Concern*.

## Next steps

11.10. Subject to feedback provided by AUASB Members, the Office of the AUASB will issue ED 03/25 for a 30-day comment period. This consultation period will enable the illustrative reports to be finalised by the end of the year. The Office of the AUASB considers that a 30-day comment period is appropriate as there has already been soft consultation on the approach to Corporations Act illustrative reports with larger audit firms.

12.11. The Office of the AUASB will hold appropriate outreach with stakeholders during the comment period. The outreach will also cover the proposed amendments to ASSA 5010 in ED 02/25.

## Other Materials Presented

| Agenda Paper | Description                                                                                                                                                                                                      |
|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>24.1</u>  | Draft ED 03/25 - Proposed Australian Sustainability Assurance Standard ASSA 2025-11 <del>Amendments to ASA 210, ASA 720 and ASSA 5000</del> <u>General Requirements for Sustainability Assurance Engagements</u> |



# AUASB Agenda Paper

|                             |                                                                |                     |                 |
|-----------------------------|----------------------------------------------------------------|---------------------|-----------------|
| <b>Title:</b>               | Corporations Act Illustrative Sustainability Assurance Reports | <b>Date:</b>        | 27 October 2025 |
| <b>Office of the AUASB:</b> | Tim Austin/Doug Niven                                          | <b>Agenda Item:</b> | 2.0             |

## Objective of Agenda Item

1. The objective of this agenda item is to obtain AUASB member feedback on, and approval to, issue ED 03/25 on Corporations Act specific illustrative sustainability auditor's reports for a 30-day comment period.

## Questions for AUASB members

| No. | Question                                                                                                                                                                                                                                                                                                                                      |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.  | Do AUASB members consider that the draft ED 03/25 adequately explains the alternatives of following <i>Corporations Act 2001</i> (the Act) wording for conclusions/opinions with or without also combining ASSA 5000 requirements (see Explanatory Memorandum in draft ED 03/25 (EM) line 1 of the table in paragraph 5 and paragraphs 6-17)? |
| 2.  | Do AUASB members agree with consulting on referring specifically to AASB S2 in the conclusion/opinion (see EM line 4 of table in paragraph 5)?                                                                                                                                                                                                |
| 3.  | Do AUASB members agree with consulting on whether the auditor's opinion should refer to requirements that do not exist (e.g. Ministerial Directions) (see EM line 5 in paragraph 5).                                                                                                                                                          |
| 4.  | Do AUASB members agree to consult on including an illustration of an inherent limitations section in the illustrative reports in ED 03/25 (see EM paragraphs 18-21)?                                                                                                                                                                          |
| 5.  | Do AUASB members agree with consulting on the approach to voluntary reasonable assurance over Scope 1 and 2 emissions in Illustrative Report 2 (formerly Illustrative Report 3) (see EM paragraphs 21-24)?                                                                                                                                    |
| 6.  | Do AUASB members have any other feedback on the draft ED 03/25?                                                                                                                                                                                                                                                                               |
| 7.  | Do AUASB members approve ED 03/25 for issue with a 30-day comment period, subject to minor editorial changes?                                                                                                                                                                                                                                 |

## Background

2. Appendix 3 to ASSA 5000 *General Requirements for Sustainability Assurance* includes four illustrative reports in Appendix 3 which are reporting framework neutral. The IAASB staff are also currently finalising additional illustrative reports which are reporting framework specific (including under ISSB standards).
3. Draft ED 03/25 in Agenda Paper 2.1 covers some key matters affecting sustainability assurance reports under the Act, as well as the proposal to add the following Act specific illustrative assurance reports in a new Appendix 4 to ASSA 5000:
  - (a) Illustration 1 – Year 1 – Review report on specified sustainability disclosures prepared in accordance with the *Corporations Act 2001* (compliance framework) (i.e., Mandatory reporting and assurance under the *Corporations Act 2001*).
  - (b) Illustration 2 – Year 1 – Audit and review report on specified sustainability disclosures prepared in accordance with the *Corporations Act 2001* (compliance framework) (i.e. mandatory reporting and a combination of mandatory and voluntary assurance).

- (c) Illustration 3 – Years 2 and 3 – Review report on a sustainability report prepared in accordance with the *Corporations Act 2001* (fair presentation framework) (i. e., Mandatory reporting and assurance under the *Corporations Act 2001*.
  - (d) Illustration 4 – Years 4 – Audit report on a sustainability report prepared in accordance with the *Corporations Act 2001* (fair presentation framework).
4. The above reports would form a foundation for development of further illustrative reports to cover scenarios such as a combination of mandatory and voluntary assurance. The IAASB is in the process of issuing supplementary framework specific illustrative reports that would cover similar scenarios but would not specifically for the Act.
5. The Office of the AUASB provided a table of matters to be discussed on assurance reports and a draft illustrative Year 1 report to the Australian Accounting and Assurance Public Policy Committee (AAA-PPC) ESG Working Group for feedback. Their feedback was taken into account in developing the draft ED 03/25. The AAA-PPC ESG Working Group includes representatives from the largest six audit firms, CA ANZ and CPA Australia.

### Matters for Discussion

6. The key matters are outlined in the EM (see Agenda Paper 2.1).
7. Changes made to the previous draft of ED 03/25 in response to requests by members at the 14 October AUASB meeting included:
- (a) The illustrative reports in the draft ED 03/25 now combine the conclusions/opinions required by the Act and paragraph 90 of ASSA 5000. The alternative of conclusions with Corporations Act wording only is described in the Explanatory Memorandum to ED 03/25;
  - (b) Draft Illustration 2 on voluntary assurance over workforce disclosures in Year 1 has been removed. Assurance over voluntary sustainability-related information would likely be done through a separate assurance report from the mandatory climate report. An illustrative report covering both combining mandatory reporting under the Act and voluntary sustainability-related reporting may create an expectation that the one auditor covers both the mandatory and voluntary information;
  - (c) Proposed Illustration 3 on early reasonable assurance over Scope 1 and 2 emissions in Year 1 (now numbered as Illustration 2) has been retained based on feedback from some AUASB members that some entities had already requested reasonable assurance over Scope 1 and 2 emissions in their annual reports prior to mandatory climate reporting and this would continue despite limited assurance only being required for Year 1; and
  - (d) Adding an illustrative of an inherent limitations section to the illustrative reports.
8. Other changes have been made to the draft ED 02/25 to:
- (a) Provide better explanations in a number of areas;
  - (b) Raise the question as to whether opinions should refer to AASB S2; and
  - (c) Raise the question as to whether conclusions/opinions should cover disclosure requirements that do not exist at this time (e.g. Ministerial Directions)

### *Location of Corporations Act illustrative reports*

9. The Office of the AUASB considers it appropriate to include the Corporations Act specific Illustrative Reports in an Appendix to ASSA 5000 so that they accompany the existing international illustrative reports. This approach is consistent with the approach in ASA 700 *Forming an Opinion and Reporting on a Financial Report* and ASA 570 *Going Concern*.

### Next steps

10. Subject to feedback provided by AUASB Members, the Office of the AUASB will issue ED 03/25 for a 30-day comment period. This consultation period will enable the illustrative reports to be finalised by the end of the year. The Office of the AUASB considers that a 30-day comment period is

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appropriate as there has already been soft consultation on the approach to Corporations Act illustrative reports with larger audit firms.

11. The Office of the AUASB will hold appropriate outreach with stakeholders during the comment period. The outreach will also cover the proposed amendments to ASSA 5010 in ED 02/25.

### Other Materials Presented

| Agenda Paper | Description                                                                                                                                                                         |
|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2.1          | Draft ED 03/25 - Proposed Australian Sustainability Assurance Standard ASSA 2025-11<br><i>Amendments to ASSA 5000 General Requirements for Sustainability Assurance Engagements</i> |

EXPOSURE DRAFT

**ED 03/25**  
(October 2025)

# **Proposed Australian Standard on Sustainability Assurance ASSA 2025-11**

## ***Amendments to ASSA 5000 General Requirements for Sustainability Assurance Engagements***

Issued for Comment by the **Auditing and Assurance Standards Board**



**Australian Government**

**Auditing and Assurance Standards Board**

## **Commenting on this Exposure Draft**

Comments on this Exposure Draft should be received by no later than **XXX** 2025.  
Comments should be addressed to:

The Chair  
Auditing and Assurance Standards Board  
PO Box 204, Collins Street West  
Victoria 8007 AUSTRALIA

## **Formal Submissions**

Submissions should be lodged online via the “Projects-Open for Comment” page of the Auditing and Assurance Standards Board (AUASB) website ([auasb.gov.au/projects/Open-for-comment](https://auasb.gov.au/projects/Open-for-comment)) as a PDF document and Word document.

A copy of all non-confidential submissions will be placed on public record on the AUASB website: [www.auasb.gov.au](https://www.auasb.gov.au)

## **Obtaining a Copy of this Exposure Draft**

This Exposure Draft is available on the AUASB website: [www.auasb.gov.au](https://www.auasb.gov.au)

## **Contact Details**

Auditing and Assurance Standards Board  
Phone: (03) 8080 7400  
E-mail: [enquiries@auasb.gov.au](mailto:enquiries@auasb.gov.au)

**Postal Address;**  
PO Box 204, Collins Street West  
Melbourne Victoria 8007  
AUSTRALIA

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## PREFACE

### Reasons for Issuing ED 03/25

The AUASB issues exposure draft ED 03/25 of proposed Australian Standard on Sustainability Assurance ASSA 2025-11 *Amendments to ASSA 5000 General Requirements for Sustainability Assurance* pursuant to the requirements of the legislative provisions and the Strategic Direction explained below.

The AUASB was established under section 227A of the *Australian Securities and Investments Commission Act 2001*. Under section 336 of the *Corporations Act 2001*, the AUASB may make Auditing Standards for the purposes of the corporations legislation. These Auditing Standards are legislative instruments under the *Legislation Act 2003*.

Under the Strategic Direction given to the AUASB by the Financial Reporting Council, the AUASB is required, inter alia, to develop auditing standards that have a clear public interest focus and are of the highest quality.

### Proposal

This proposed Standard would amend ASSA 5000 *General Requirements for Sustainability Assurance* for auditor's reports under the *Corporations Act 2001*.

### Proposed Operative Date

It is intended that this proposed Standard will be operative for financial reporting periods commencing on or after 1 January 2025, consistent with ASSA 5000.

### Request for Comments

Comments are invited on this Exposure Draft ED 03/25 by no later than **XX** 2025.

#### *Important Note and Disclaimer*

This Exposure Draft, in itself, does not establish or extend the requirements under existing AUASB Standards and is not intended to be a substitute for compliance with the relevant AUASB Standards with which auditors are required to comply when conducting an audit. No responsibility is taken for the results of actions or omissions to act on the basis of any information contained in this document or for any errors or omissions in it.

## EXPLANATORY MEMORANDUM

### Overview

1. The purpose of this Exposure Draft is to obtain feedback from stakeholders on the AUASB's proposed amendments to ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000) – for auditor reporting under the *Corporations Act 2001* (the Act).

### Auditor's reports under the Act

2. Australia is amongst the first countries globally to mandate climate-related financial disclosures under reporting standards based on International Sustainability Standards Board standards, and assurance under the equivalent of ISSA 5000. ASSA 5000 is effective for periods beginning on or after 1 January 2025 to align with mandatory reporting and assurance under the Act. While Appendix 3 of ASSA 5000 contains illustrative sustainability assurance reports, these are not specific to the auditor reporting requirements of the Act.
3. The AUASB considers that illustrative assurance reports under the Act are necessary to provide clarity and promote consistent auditor reporting for engagements under the Act.
4. The AUASB proposes to add four additional illustrative assurance reports to ASSA 5000:
  - (i) Illustration 1: Year 1 – Review report on specified sustainability disclosures in accordance with the *Corporations Act 2001* (compliance framework).
  - (ii) Illustration 2: Year 1 – Audit and review report on specified sustainability disclosures prepared in accordance with the *Corporations Act 2001* (compliance framework).
  - (iii) Illustration 3: Years 2 and 3 – Review report on a sustainability report in accordance with the *Corporations Act 2001* (fair presentation framework).
  - (iv) Illustration 3: Year 4 – Audit report on a sustainability report prepared in accordance with the *Corporations Act 2001* (fair presentation framework).
5. The illustrative reports are intended to address key questions raised by auditors:

| No.                   | Question                                                                                                                                                                                                                                                                                               | Proposed approach                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                      |                                                                                                                                                                                                                                                                           |
|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.                    | <p>Where they differ, should the conclusions/opinions in the auditor’s report be consistent with:</p> <p>(a) The requirements of s1707F(2) of the Act (reviews) and s309A of the Act (audits); or</p> <p>(b) The requirements of paragraph 190(c)(vi) of ISSA 5000, upon which ASSA 5000 is based?</p> | <p>Section 336 of the Act provides that the AUASB must not issue standards that are inconsistent with the Act. Any standard that is inconsistent with the act is invalid to the extent of that inconsistency.</p> <p>It is proposed to combine conclusions/opinions required by the Act and by paragraph 190(c)(vi) of ISSA 5000/ASSA 5000. Stakeholder input is sought on whether this is inconsistent with the Act.</p> <p>The alternative is to follow the requirements of the Act without including text required by paragraph 190(c)(vi) of the Act.</p> <p>The approaches are discussed further below.</p> |                      |                                                                                                                                                                                                                                                                           |
| 2                     | <p>Should terminology in the Act or ISSA 5000/ASSA 5000 be used in the auditor’s report?</p> <table><tr><th>Terms used in the Act</th><th>Terms used ASSA 5000</th></tr></table>                                                                                                                       | Terms used in the Act                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Terms used ASSA 5000 | <p>Terminology consistent with the Act should be used for similar reasons (e.g. ‘review’ rather than ‘limited assurance engagement’; ‘auditor’ rather than ‘practitioner’).</p> <p>The terms are reconciled in the ‘Basis for Conclusion/Opinion’ in the illustrative</p> |
| Terms used in the Act | Terms used ASSA 5000                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                      |                                                                                                                                                                                                                                                                           |

**Proposed Australian Standard on Sustainability Assurance ASSA 2025-11**  
**Amendments to ASSA 5000 General Requirements on Sustainability Assurance Engagements**

| No. | Question                                                                                                                                    | Proposed approach                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|     | Review                                                                                                                                      | Limited assurance engagement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|     | Audit                                                                                                                                       | Reasonable assurance engagement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|     | Auditor                                                                                                                                     | Practitioner                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|     | Auditor's Report                                                                                                                            | Practitioner's Report                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 3   | Is the framework for Year 1 fair presentation or compliance?                                                                                | <p>While AASB S2 <i>Climate Related Disclosures</i> requires the sustainability report to present fairly all climate-related risks and opportunities that could reasonably be expected to affect an entity's prospects (S2 Appendix D paragraphs 11-16). Not all disclosures are subject to assurance in Year 1. Hence, the auditor cannot be expected to conclude on a fair presentation.</p> <p>For Year 2 onwards, it is proposed that the illustrative reports under the Act opine on a fair presentation in accordance with the requirements of AASB S2 framework.</p> |
| 4   | Should the conclusion/ opinion refer specifically to AASB S2 in the conclusion/opinion in addition to referring to compliance with the Act? | This may assist some users but is not explicitly stated in the conclusion/opinion requirements in the Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 5   | Should the audit opinion exclude references in the opinion in s309A of the Act where there are no current requirements?                     | While part of the Corporations Act opinion, this could be confusing to users.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 6   | Should the reports be addressed to the members?                                                                                             | This is required by subsections 309A(1) and 1707F(2) of the Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

**Review conclusion wording**

6. The requirements for the auditor's audit opinion and review conclusion are outlined in subsections 309A(1) (audit) and 1707F(2) (review).
7. Section 1707F outlines the required content of the auditor's review report on a sustainability report or information in a sustainability report.

**1707F – Review of sustainability report before 1 July 2030**

- (1) ...
- (2) An auditor who reviews the sustainability report must report to members in accordance with subsections (3), (4) and (5) of this section on whether the auditor became aware of any matter in the course of the review that makes the auditor believe that the sustainability report, to the extent that it is required to be reviewed by the auditing standards, does not comply with Division 1 of Part 2M.3.
- (3) A report under subsection (2) must:
  - (a) describe any matter referred to in subsection (2); and

**Proposed Australian Standard on Sustainability Assurance ASSA 2025-11**  
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- (b) say why that matter makes the auditor believe that the sustainability report, to the extent that it is required to be reviewed by the auditing standards, does not comply with Division 1 of Part 2M.3.
- (4) The auditor's report must include any statements or disclosures required by the auditing standards for the purposes of this section. ...
8. Paragraph [190\(c\)\(vi\)\(b\) of ASSA 5000](#) requires a limited assurance conclusion to be 'expressed in a form that conveys whether, based on the procedures performed and evidence obtained, a matter(s) has come to the practitioner's attention to cause the practitioner to believe that the sustainability information is not prepared or not fairly presented, in all material respects, in accordance with the applicable criteria'.
9. The AUASB proposes to combine the wording from s1707F and the wording from s190(c)(vi) of the Act in the illustrative review reports as follows:
- 'Based on the procedures we have performed and the evidence we have obtained, we have not become aware of any matters in the course of our review that makes us believe that the Sustainability Climate Information does not comply, in all material respects, with Division 1 of Part 2M.3 of the Corporations Act 2001 including Sustainability Reporting Standard AASB S2 Climate-related Disclosures, for the year ended XX XXX 20XX.'
10. The main changes to the Corporations Act wording and possible arguments for and against making the changes are as follows:

| No. | Change to Corporations Act wording                                                                  | For change                                                                                                                                                                                                                                                          | Against change                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----|-----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1   | Add lead in words – 'Based on the procedures we have performed and the evidence we have obtained,'. | <ul style="list-style-type: none"> <li>• Users need to understand the nature of limited assurance procedures.</li> <li>• Consistent with ISSA 5000, which may assist overseas users.</li> <li>• Consistent with words used historically under ASAE 3000.</li> </ul> | <ul style="list-style-type: none"> <li>• The wording could be seen to modify the conclusion required by the Act so as to limit the auditor's responsibilities. Responsibilities could be seen to be limited to the work that the auditor has performed and evidence they have obtained, in contrast to the procedures that should have been performed and the evidence that should have been obtained.</li> <li>• ASSA 5000 includes a requirement to detail the limited assurance procedures performed in a separate section of the auditor's report.</li> <li>• Similar lead in wording does not appear for interim reviews of financial reports under ASAE 2410.</li> </ul> |
| 2   | To include – 'in all material respects'.                                                            | <ul style="list-style-type: none"> <li>• Highlights the application of materiality to users.</li> <li>• Consistent with ISSA 5000.</li> </ul>                                                                                                                       | <ul style="list-style-type: none"> <li>• Materiality can be covered separately and more clearly elsewhere in the report (e.g. referring to materiality under AASB S2 vs ISSA 5000/ ASSA 5000).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

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| No. | Change to Corporations Act wording | For change | Against change                                                                                           |
|-----|------------------------------------|------------|----------------------------------------------------------------------------------------------------------|
|     |                                    |            | <ul style="list-style-type: none"> <li>Materiality is implicit in the reporting requirements.</li> </ul> |

11. Where stakeholders are of the view that the requirements of paragraph 190(c)(vi)(b) of ASSA 5000 are inconsistent with subsection 1707F(2) of the Act, ASSA 5000 should be amended by including an ‘Aus’ paragraph not requiring paragraph 190(c)(vi)(b) to be followed for Corporations Act engagements. The wording for the opinion would be:

‘We have not become aware of any matter in the course of the review that makes us believe that the Sustainability Climate Information does not comply with Division 1 of Part 2M.3 of the Corporations Act 2001.’

12. This would be supplemented by additional material in the report as follows:

- (a) Immediately after the conclusion paragraph above, a new paragraph:

‘Our review is required by the Act to be conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance* (ASSA 5000) issued by the AUASB to obtain limited assurance that the information outlined above is free from material misstatement.’

- (b) An additional sentence at the end of the second paragraph in the ‘Basis for Conclusion’ (as underlined):

‘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.’

***Audit opinion wording***

13. Section 309A outlines the required content of the auditor’s audit report on a sustainability report or information in a sustainability report.

**309A – Auditor’s report on sustainability report**

*Audit of sustainability report*

- (1) An auditor who audits the sustainability report for a financial year must report to members in accordance with subsections (2), (3), (4) and (5) on whether the auditor is of the opinion that the sustainability report is in accordance with this Act, including:

- (a) subsection 296A(2) or 296B(1) (contents of climate statements); and
- (b) section 296C (compliance with sustainability standards etc.); and
- (c) section 296D (climate statement disclosures).

If the auditor is not of that opinion, the auditor’s report must say why.

- (2) The auditor’s report must 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).

*Requirements for report*

- (3) The auditor’s report must include any statements or disclosures required by the auditing standards.
- (4) If the sustainability report includes additional information under paragraph 296A(3)(c), the auditor’s report must also include a statement of the auditor’s opinion on whether

**Proposed Australian Standard on Sustainability Assurance ASSA 2025-11**  
**Amendments to ASSA 5000 General Requirements on Sustainability Assurance Engagements**

the inclusion of that additional information was necessary to make the disclosures required by section 296D...

14. Paragraph 190(c)(vi)(a) of ASSA 5000 requires a conclusion ‘shall be expressed in a positive form, that the sustainability information is prepared or fairly presented, in all material respects, in accordance with the applicable criteria’. The opinion in Illustration 4 is:  
 ‘In our opinion, the Sustainability Report is fairly presented, in all material respects, with Division 1 of Part 2M.3 of the Corporations Act 2001, 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).’
15. Where stakeholders are of the view that the wording of a reasonable assurance opinion required by [ASSA 5000 190\(c\)\(vi\)\(a\)](#) is inconsistent with subsection 309A(1), an amendment is required to paragraph 190 of ASSA 5000 to remove the requirement to follow 190(c)(vi)(a) for entities performing engagements for Corporations Act purposes.
16. Under this alternative approach, the audit opinion would be:  
 ‘In our opinion, the Sustainability Report is in accordance with Division 1 of Part 2M.3 of the Corporations Act 2001, 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. In accordance with the [AUASB Policy and Process for International Conformation and Harmonisation of Standards](#), any amendment to an international standard must meet “The Compelling Reason Test”. This test includes departing from an international standard to meet Australian legislative and regulatory requirements.

***Inherent limitations***

18. ASSA 5000 paragraph 190(g) says:  
 ‘If applicable, a section with the heading “inherent limitations in preparing the sustainability information” that describes any significant inherent limitations associated with the measurement or evaluation of the sustainability matters against the applicable criteria, including inherent limitations relating to forward-looking information in the sustainability information” may be included in an assurance report.’
19. We understand that the IAASB’s supplementary and framework specific illustrative reports will include some example inherent limitation paragraphs. The Office of the AUASB has reviewed and provided feedback on the draft IAASB reports.
20. The example inherent limitation paragraphs in the Illustrative reports in ED 03/25 are based on those in the IAASB’s draft reports and communicate the significant measurement uncertainty which arises due to incomplete scientific knowledge.
21. The draft ED 03/25 includes a question seeking stakeholder feedback on the paragraphs. To assist with responses the below table outlining the arguments for and against inclusion of a paragraph in the Australian illustrative reports will be included.

| No. | For inclusion                                                              | Against inclusion                                                              |
|-----|----------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| 1   | Inherent limitations paragraphs are already commonly included in assurance | May encourage use of inherent limitation paragraphs where they are not needed. |

**Proposed Australian Standard on Sustainability Assurance ASSA 2025-11**  
***Amendments to ASSA 5000 General Requirements on Sustainability Assurance Engagements***

| No. | For inclusion                                                                                                                                                                                                                                                | Against inclusion                                                                                                                                                                                                                                                                                             |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|     | reports over sustainability information but differ between practitioners and even within firms. The inclusion of an example inherent limitation paragraph may drive consistency between firms and practitioners which is beneficial to users' understanding. |                                                                                                                                                                                                                                                                                                               |
| 2   | Sustainability reporting as assurance is new it may be important to communicate to users inherent uncertainties as there may be more uncertainties and forward-looking information than for financial reporting.                                             | The uncertainty is embedded in the subject-matter information and users may consider the inherent limitation paragraph as disclaiming the auditor's conclusion/opinion.                                                                                                                                       |
| 3   | -                                                                                                                                                                                                                                                            | The use of standard inherent limitations may detract attention from inherent limitations specific to the entity.                                                                                                                                                                                              |
| 4   | -                                                                                                                                                                                                                                                            | The IAASB is considering illustrative sections on inherent limitations. It is aiming to resolve a number of key issues before releasing these paragraphs in supplementary illustrative assurance reports under ISSB S1 in late October 2025. Any AUASB developed section inconsistent, or at best, redundant. |

**Reasonable assurance over Scope 1 and 2 emissions in Year 1**

22. Proposed illustrative report 2 deals with the narrow situation in which an auditor reports early in relation to Scope 1 and 2 emissions reported under AASB S2 on a reasonable assurance basis in Year 1 rather than on a limited assurance basis.
23. Illustrative report 2 treats the opinion on the Scope 1 and 2 emissions as a Corporations Act opinion on the basis that limited assurance would be required by ASSA 5010 and early reasonable assurance is permitted by ASSA 5010. It would not seem helpful to users to have a limited assurance conclusion under the Act and a voluntary reasonable assurance opinion not under the Act.
24. Stakeholder feedback is sought on whether to include these illustrative paragraphs and whether they are appropriate. The table below outlines some of the arguments for and against including illustrative report 2 in ASSA 5000 at this time.

| No. | For inclusion                                                                                                                                                                                     | Against inclusion                                                                                                                                                                                                                                                                                       |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1   | Could provide useful guidance for some auditors in certain circumstances. In a sample of 24 30 June 2025 annual reports, 11 included reasonable assurance on Scope 1 and 2 emissions under NGERs. | The illustrative report could apply in rare and narrow circumstances. Even if scope 1 and 2 emissions are audited rather than reviewed, the auditor may report publicly on a limited assurance basis.                                                                                                   |
| 2   | -                                                                                                                                                                                                 | An illustrative report may imply that an analogous approach would apply to auditor reporting in other circumstances that may not apply in those other circumstances (e.g. where disclosures are not otherwise subject to assurance or where disclosures are not in accordance with the Act or AASB S2). |

**Proposed Australian Standard on Sustainability Assurance ASSA 2025-11**  
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| No. | For inclusion | Against inclusion                                                                                                                                                                                                                                                                         |
|-----|---------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3   | -             | May encourage stakeholders to seek further examples, delaying the resolution of the key issue as to the form of the core auditor's reports under the Corporations Act and resolution of the form of the conclusion/opinion. These conclusions/opinions are needed for engagement letters. |

**Request for comments**

25. The AUASB requests comments on all matters covered in ED 03/25, but specifically on the questions in the 'Exposure draft questions' section below. In this regard:
- Comments should be sufficiently detailed and include whether or not stakeholders agree with the proposed amendments.
  - Stakeholders may address only specific questions relevant to them or raise matters not specifically addressed by a question.
  - The AUASB regards both supportive and critical comments as essential to a balanced review of the proposed amending standards.
  - Comments will be most helpful when they refer to specific paragraphs, include the reasons for the comments and, when appropriate, make specific suggestions for any proposed changes to wording.

**Exposure draft questions**

26. The AUASB is seeking comments from stakeholders on the following questions (please include reasons supporting your responses to the questions):

|    |                                                                                                                                                                                                                                                                                                                                              |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | Do you agree that the wording of the auditor's conclusion/opinion should combine wording from the Corporations Act and paragraph 190(c)(vi)? Please provide your reasons. See line 1 in the table in paragraphs 5 and paragraphs 6 to 17.                                                                                                    |
| 2. | Do you agree that the auditor's report should use the same terminology as the Act rather than the terminology used in ASSA 5000 (for example, 'review' instead of 'limited assurance')?                                                                                                                                                      |
| 3. | Do you agree with the proposal that in Year 1, where only specified disclosures are subject to assurance, the review is based on a compliance framework rather than a fair presentation framework?                                                                                                                                           |
| 4. | Do you agree with the proposal that in Year 2 onwards, the review/audit is based on a fair presentation framework rather than a compliance framework? See line 3 in the table in paragraph 5.                                                                                                                                                |
| 5. | Should the conclusion/ opinion refer specifically to AASB S2 in the conclusion/opinion in addition to referring to compliance with the Act? (see line 4 in the table in paragraph 5)                                                                                                                                                         |
| 6. | Should the audit opinion exclude references in the opinion in s309A of the Act where there are no current requirements? (see line 5 in the table in paragraph 5)                                                                                                                                                                             |
| 7. | Do you support the inclusion of the example inherent limitation paragraph in the Illustrative Reports? Do you agree with the example provided? Please provide your reasons? See paragraphs 18 to 21.                                                                                                                                         |
| 8. | Do you agree with the approach taken to reporting in the narrow circumstance where an auditor gives early reasonable assurance in relation to Scope 1 and 2 emissions in Year 1 (i.e. where treated as an opinion under the Act)? Do you believe that this situation will arise more than rarely in practice? Do you consider that a similar |

approach could be applied to information reported under the Act for which there is otherwise no assurance? See paragraphs 22 to 24,

9. Are there other matters not addressed by this ED that should be considered by the AUASB for the proposed illustrative reports?

Draft

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## **AUTHORITY STATEMENT**

The Auditing and Assurance Standards Board (AUASB) makes this Standard on Sustainability Assurance ASSA 2025-11 *Amendments to ASSA 5000 for Australian illustrative assurance reports* pursuant to section 227B(1)(a) and (b) of the *Australian Securities and Investments Commission Act 2001* and for the purposes of section 336 of the *Corporations Act 2001*.

Draft

## **Conformity with International Standards**

The amendments made by this standard to ASSA 5000 *General Requirements for Sustainability Assurance Engagements* have been made for Australian legislative purposes. There is no equivalent standard issued by the International Auditing and Assurance Standards Board (IAASB).

Draft

**AUSTRALIAN STANDARD ON SUSTAINABILITY ASSURANCE  
ASSA 2025-11  
AMENDMENTS TO ASSA 5000 GENERAL REQUIREMENTS FOR  
SUSTAINABILITY ASSURANCE ENGAGEMENTS**

**Application**

1. This Standard applies to audits and assurance engagements consistent with the application paragraphs of the standard that it amends.
2. This ASSA also applies, as appropriate, to assurance on other sustainability information.

**Operative Date**

The provisions of this Standard are operative for reporting periods commencing on or after 1 January 2025. Early adoption is permitted.

**Introduction**

3. This standard amends ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000).

**Objective**

4. The objective of this Standard is to make amendments to ASSA 5000.

**Definition**

5. For the purposes of this Standard, the meanings of terms are set out in ASSA 5000 and in the *AUASB Glossary*. This Standard does not introduce new definitions.

**Amendments to ASSA 5000**

6. The following is inserted as Appendix 4 in the Application and Other Explanatory Material of ASSA 5000.

**Illustrative *Corporations Act 2001* 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 4: 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 – 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* and the auditor has conducted a review in accordance with the mandatory phasing requirements in 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. Climate-related risks and opportunities are material.
4. The auditor has concluded that an unmodified review conclusion is appropriate.
5. The auditor has concluded it appropriate to include an inherent limitation in relation to Greenhouse Gas quantification.
6. There is no comparative information in Year 1.
7. *Corporations Act 2001* terminology has been used (e.g. 'review' rather than 'limited assurance engagement').

*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 CLIMATE INFORMATION**

To the Members of ABC Company Limited

***Review Conclusion***

We have conducted a review of the following information in the Sustainability Report of ABC Company Limited (the Company) for the year ended 31 December 2025 (the 'Sustainability Climate Information') 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):

| <b>Sustainability Climate Information</b> | <b>Reporting requirement of AASB S2 <i>Climate-related Disclosures</i> (including related general disclosures required by Appendix D)</b> | <b>Location in Sustainability Report<sup>1</sup></b> |
|-------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|
| 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                    |

Based on the procedures we have performed and the evidence we have obtained, we have not become aware of any matter in the course of the review that makes us believe that the Sustainability Climate Information outlined above is not prepared, in all material respects, in accordance with Division 1 of Part 2M.3 of the *Corporations Act 2001* including Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures*.

***Basis for Conclusion***

<sup>1</sup> If the sustainability report includes a separate basis of preparation, the references should include any relevant part of the basis of preparation.

**Proposed Australian Standard on Sustainability Assurance ASSA 2025-11**  
***Amendments to ASSA 5000 General Requirements on Sustainability Assurance Engagements***

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We conducted our review as a limited assurance engagement in accordance with ASSA 5000 and ASSA 5010.

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.

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

We are independent of the Company in accordance with the applicable 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 *Corporations Act 2001*, that are relevant to public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

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 Climate Information], 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 Company's Annual Report, including the Financial Report and the Sustainability Report, but does not include the Sustainability Climate Information and our review report thereon.

Our conclusions on the Sustainability Climate Information do not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our review of the Sustainability Climate Information, 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 Climate Information, 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 Climate Information***

The Directors of the Company are responsible for:

- The preparation of the Sustainability Climate Information in accordance with the *Corporations Act 2001* (including AASB S2).
- Designing, implementing and maintaining such internal control necessary to enable the preparation of the Sustainability Climate Information, in accordance with the *Corporations Act 2001* that is free from material misstatement, whether due to fraud or error.

***Inherent Limitations in Preparing the Sustainability Climate Information***

**Proposed Australian Standard on Sustainability Assurance ASSA 2025-11**  
***Amendments to ASSA 5000 General Requirements on Sustainability Assurance Engagements***

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[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<sup>#</sup>].

***Auditor's Responsibilities***

Our objectives are to plan and perform the review to obtain limited assurance about whether the Sustainability Climate Information, defined in the *Review Conclusion* section of our 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 Climate Information.

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 Climate Information. 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]*

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<sup>#</sup> To be tailored to the engagement circumstances. Refer to ASSA 5000 paragraph 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* and the auditor has conducted a review in accordance with the mandatory phasing requirements in 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, 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. Climate-related risks and opportunities are material.
3. The auditor has concluded that an unmodified review conclusion is appropriate.
4. There is no comparative information in Year 1.
5. *Corporations Act 2001* terminology has been used (e.g. ‘review’ rather than ‘limited assurance engagement’).

*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 CLIMATE INFORMATION**

To the Members of ABC Company Limited

***Review Conclusion and Audit Opinion***

We have conducted an audit and review of the following information in the Sustainability Report of ABC Company Limited (the Company) for the year ended 31 December 2025 (the “Sustainability Climate Information”) 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):

| <b>Sustainability Climate Information</b> | <b>Reporting requirement of AASB S2 <i>Climate-related Disclosures</i> (including related general disclosures required by Appendix D)</b> | <b>Location in Sustainability Report<sup>2</sup></b> | <b>Audit or review</b> |
|-------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|------------------------|
| Governance                                | Paragraph 6                                                                                                                               | Paragraphs x to x on pages y to y                    | Review                 |
| Strategy (risk and opportunities)         | Subparagraphs 9(a), 10(a) and 10(b)                                                                                                       | Paragraphs x to x on pages y to y                    | Review                 |
| 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                    | Audit                  |

***Review conclusion***

Based on the procedures we have performed and the evidence we have obtained, we have not become aware of any matter in the course of our review that makes us believe that the Sustainability Climate Information outlined above is not prepared, in all material respects, in accordance with Division 1 of

<sup>2</sup> If the entity has prepared a basis of preparation, where relevant, the location of disclosures in the sustainability report should also include a reference to the basis of preparation.

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Part 2M.3 of the *Corporations Act 2001* including Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures*.

*Audit opinion*

In our opinion the Sustainability Climate Information outlined above is prepared, in all material respects, in accordance with Division 1 of Part 2M.3 of the *Corporations Act 2001*, 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 Opinion and Conclusion***

We conducted our audit as a reasonable assurance engagement and our review as a limited assurance engagement in accordance with ASSA 5000 and ASSA 5010.

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.

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

We are independent of the Company in accordance with the applicable 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 *Corporations Act 2001*, that are relevant to public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

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 Climate Information], which describes [...].*

*Our conclusion or 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 the Company's Annual Report, including the Financial Report and Sustainability Report, but does not include the Sustainability Climate Information and our audit and review report thereon.

Our conclusions on the Sustainability Climate Information do not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our review of the Sustainability Climate Information, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is

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materially inconsistent with the Sustainability Climate Information, 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 Climate Information***

The Directors of the Company are responsible for:

- The preparation of the Sustainability Climate Information in accordance with the *Corporations Act 2001* (including AASB S2).
- Designing, implementing and maintaining such internal controls necessary to enable the preparation of the Sustainability Climate Information, in accordance with the *Corporations Act 2001* that is free from material misstatement, whether due to fraud or error.

***Inherent Limitations in Preparing the Sustainability Climate Information***

[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<sup>3</sup>.]

***Auditor's Responsibilities***

Our objectives are to:

- Plan and perform the audit to obtain reasonable assurance about whether the Sustainability Climate Information is free from material misstatement, whether due to fraud or error, and to issue an assurance report that includes our opinion.
- Plan and perform the review to obtain limited assurance about whether the Sustainability Climate Information 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 Climate Information.

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

- 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.
- For a review engagement:

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<sup>3</sup> To be tailored to the engagement circumstances. Refer to ASSA 5000 paragraph 190 (g).

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- 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 Climate Information. 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: Year 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* and the auditor has conducted a review in accordance with the mandatory phasing requirements in ASSA 5010.
2. Climate-related risks and opportunities are material.
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. *Corporations Act 2001* terminology has been used (e.g. 'review' rather than 'limited assurance engagement').

*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 (5) of section 296A of the *Corporations Act 2001* and the directors' declaration<sup>4</sup> for the year ended XX XXX 20XX.

Based on the procedures performed and the evidence we have obtained, we have not become aware of any matter in the course of our review that makes us believe that the Sustainability Report is not fairly presented, in all material respects, in accordance with Division 1 of Part 2M.3 of the *Corporations Act 2001* including Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures*. ***Basis for Conclusion***

We conducted our review as a limited assurance engagement in accordance with ASSA 5000 and ASSA 5010.

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.

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

We are independent of the Company in accordance with the applicable 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 *Corporations Act 2001*, that are relevant to public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

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

<sup>4</sup> If the entity has prepared a basis of preparation, include this as part of the contents of their sustainability report.

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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 Nature Information], 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 Company's Annual Report, including the Financial Report, but does not include the Sustainability Report and our review report thereon.

Our conclusions on the Sustainability Report do 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 and fair presentation of the Sustainability Report in accordance with the *Corporations Act 2001* (including AASB S2 *Climate-related Disclosures*).
- Designing, implementing and maintaining such internal controls necessary to enable the preparation of the Sustainability Climate Information, in accordance with the *Corporations Act 2001* that is free from material misstatement, whether due to fraud or error.

***Inherent Limitations in Preparing the Sustainability Report***

[There is a significant level of uncertainty in the preparation of forward-looking information for the Company's climate-related strategy. In particular, the disclosed anticipated future impact of the climate-related risks and opportunities on the Company's strategies in relation to those risks and opportunities, prospects and climate resilience, using a set of assumptions that include hypothetical assumptions about future events and management's actions that may necessarily be expected to occur<sup>5</sup>.]

***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

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<sup>5</sup> To be tailored to the engagement circumstances. Refer to ASSA 5000 paragraph 190 (g).

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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 Matter<sup>6</sup>***

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

- (a) Governance, in accordance with paragraph 6 of AASB S2 *Climate-related Disclosures* (AASB S2), on pages X to X of the Sustainability Report;
- (b) 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
- (c) 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.

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.

*[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]*

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<sup>6</sup> ASSA 5000 paragraph 209 requires the auditor to state in an Other Matter paragraph that the comparative information was not subject to assurance in the prior period. ASSA 5000 paragraph 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 – Audit report on a sustainability report prepared in accordance with the Corporations Act 2001 (fair presentation framework)**

**Background:**

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.
2. The sustainability report does not include information other than that required by the Act.
3. Climate-related risks and opportunities are material.
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. *Corporations Act 2001* terminology has been used (e.g. 'audit' rather than 'reasonable assurance engagement').

*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

***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 (5) of section 296A of the *Corporations Act 2001* and the directors' declaration<sup>7</sup> 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 fairly presented, in all material respects, in accordance with Division 1 of Part 2M.3 of the *Corporations Act 2001*, 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***

We conducted our audit as a reasonable assurance engagement in accordance with ASSA 5000 and ASSA 5010.

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

We are independent of the Company in accordance with the applicable 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

<sup>7</sup> If the entity has prepared a basis of preparation, include this as part of the contents of their sustainability report.

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requirements in the *Corporations Act 2001*, that are relevant to public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

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.

***Other Information***

The Directors of the Company are responsible for the other information. The other information comprises the Company's Annual Report, including the Financial Report, but does not include the Sustainability Report and our audit report thereon.

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 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.

***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.*

***Responsibilities for the Sustainability Report***

The Directors of the Company are responsible for:

- The preparation and fair presentation of the Sustainability Report in accordance with the *Corporations Act 2001* (including AASB S2).
- Designing, implementing and maintaining such internal control necessary to enable the preparation of the Sustainability Report, in accordance with the *Corporations Act 2001* that is free from material misstatement, whether due to fraud or error.

***Inherent Limitations in Preparing the Sustainability Report***

[There is a significant level of uncertainty in the preparation of forward-looking information for the Company's climate-related strategy. In particular, the disclosed anticipated future impact of the climate-related risks and opportunities on the Company's strategies in relation to those risks and opportunities, prospects and climate resilience, using a set of assumptions that include hypothetical assumptions about future events and management's actions that may not necessarily be expected to occur<sup>8</sup>.]

***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

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<sup>8</sup> To be tailored to the engagement circumstances. Refer to ASSA 5000 paragraph 190 (g).

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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 Matter<sup>9</sup>***

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]*

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<sup>9</sup> ASSA 5000 paragraph 210 requires the auditor to state in an Other Matter paragraph that the subject matter information was subject to a different level of assurance in the prior period.

EXPOSURE DRAFT

ED 03/25  
(October 2025)

**Proposed Australian Auditing Standard on  
Sustainability Assurance  
ASSA 2025-11  
*Amendments to ~~ASA 210, ASA 720 and~~  
ASSA 5000 General Requirements for  
Sustainability Assurance Engagements***

Issued for Comment by the Auditing and Assurance Standards Board



Australian Government  
Auditing and Assurance Standards Board

## Commenting on this Exposure Draft

Comments on this Exposure Draft should be received by no later than **XXX 2025**.  
Comments should be addressed to:

The Chair  
Auditing and Assurance Standards Board  
PO Box 204, Collins Street West  
Victoria 8007 AUSTRALIA

## Formal Submissions

Submissions should be lodged online via the “Projects-Open for Comment” page of the Auditing and Assurance Standards Board (AUASB) website ([auasb.gov.au/projects/Open-for-comment](https://www.auasb.gov.au/projects/Open-for-comment)) as a PDF document and Word document.

A copy of all non-confidential submissions will be placed on public record on the AUASB website: [www.auasb.gov.au](https://www.auasb.gov.au)

## Obtaining a Copy of this Exposure Draft

This Exposure Draft is available on the AUASB website: [www.auasb.gov.au](https://www.auasb.gov.au)

## Contact Details

Auditing and Assurance Standards Board  
Phone: (03) 8080 7400  
E-mail: [enquiries@auasb.gov.au](mailto:enquiries@auasb.gov.au)

**Postal Address;**  
PO Box 204, Collins Street West  
Melbourne Victoria 8007  
AUSTRALIA

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ISSN 1030-603X

## PREFACE

### Reasons for Issuing ED 03/25

The AUASB issues exposure draft ED 03/25 of proposed AUASB Australian Standard on Sustainability Assurance ASSA 2025-11 Amendments to ASA 210, ASA 720 and ASSA 5000 General Requirements for Sustainability Assurance pursuant to the requirements of the legislative provisions and the Strategic Direction explained below.

The AUASB ~~was a non-corporate Commonwealth entity of the Australian Government~~ established under section 227A of the *Australian Securities and Investments Commission Act 2001*. Under section 336 of the *Corporations Act 2001* ~~(the Act)~~, the AUASB may make Auditing Standards for the purposes of the corporations legislation. These Auditing Standards are legislative instruments under the *Legislation Act 2003*.

Under the Strategic Direction given to the AUASB by the Financial Reporting Council, the AUASB is required, inter alia, to develop auditing standards that have a clear public interest focus and are of the highest quality.

### Proposals

This proposed Standard would amend:

- (a) ~~ASSA 5000 General Requirements for Sustainability Assurance (ASSA 5000) and ASA 210 Agreeing the Terms of Audit Engagements—to require practitioners not to accept engagements for the audit or review of financial reports or sustainability reports where there are certain limitations on scope;~~
- (b) ~~ASSA 5000 and ASA 720 The Auditor's Responsibilities Relating to Other Information—to enhance requirements for communication between separate auditors of an entity's financial report and sustainability report; and~~

~~ASSA 5000—for auditor's reports under the Corporations Act 2001 (the Act).~~

### Proposed Operative Date

It is intended that this proposed Standard will be operative for financial reporting periods commencing on or after 1 January 2025, consistent with ASSA 5000.

### Request for Comments

Comments are invited on this Exposure Draft ED 03/25 by no later than **XX 2025**.

#### *Important Note and Disclaimer*

This Exposure Draft, in itself, does not establish or extend the requirements under existing AUASB Standards and is not intended to be a substitute for compliance with the relevant AUASB Standards with which auditors are required to comply when conducting an audit. No responsibility is taken for the results of actions or omissions to act on the basis of any information contained in this document or for any errors or omissions in it.

## EXPLANATORY MEMORANDUM

### Overview

1. The purpose of this Exposure Draft is to obtain feedback from stakeholders on the AUASB's following proposed amendments to the following standards:
- (a) ~~ASSA 5000 and ASA 210 Agreeing the Terms of Audit Engagements (ASA 210) to require practitioners not to accept engagements for the audit or review of financial reports or sustainability reports where there are certain limitations on scope;~~
- (b) ~~ASSA 5000 and ASA 720 The Auditor's Responsibilities Relating to Other Information (ASA 720) to enhance requirements for communication between separate auditors of an entity's financial report and sustainability report; and~~
- ~~ASSA 5000 General Requirements for Sustainability Assurance Engagements (ASSA 5000) – for auditor reporting under the Corporations Act 2001 (the Act).~~

1.

### Separate auditors for the financial and sustainability reports

2. In mid-September 2025, ASIC publicly released FAQs stating that entities may appoint two separate auditors (i.e. two separate audit firms, audit companies or individual auditors – not to be confused with two partners from the one firm) for the audit of the financial report and the sustainability report under the Act. Two weeks later, the AUASB issued an FAQ on some of the practical considerations for preparers and auditors (see FAQ 1 at Sustainability Assurance FAQs). There can also be separate auditors where assurance is voluntary.
3. Feedback from stakeholders has been that further standards or guidance are required where there are separate auditors for an entity's financial and sustainability reports, particularly given the interconnectivity between the information and assumptions in those reports. Areas considered are:
- (a) communication between the auditors in the context of identifying material inconsistencies between the financial and sustainability reports and material misstatements in the report subject to assurance by the other auditor; and
- (b) sharing audit working papers between auditors. For example, the auditor of the sustainability report might seek to use the work of the auditor of the financial report on sale revenue or production volumes in providing assurance over estimates of Scope 3 emissions that use such information.
4. This exposure draft proposes amendments to ASA 210, ASA 720 and ASSA 5000 to address these matters. The table below outlines current requirements, the proposed amendments and alternatives considered. It is proposed that any amendments would not apply before years commencing 1 January 2026.

| No. | Area                       | Current requirements                                                                                                                                    | Proposed amendments                                                                                                                                      | Alternative approach considered                                                                                                                    |
|-----|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| 1   | Acceptance and continuance | ASSA 5000 para 27 only requires a practitioner not to accept an engagement where the engaging party imposes a limitation on scope that will result in a | Add Aus paragraphs to ASSA 5000 and ASA 210 requiring an auditor or practitioner not to accept or continue with an engagement (unless required by law or | Line 9 in FAQ 1 already says that considerations for acceptance and continuance include the ability to access working papers of the other auditor. |

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Proposed Australian Standard on Sustainability Assurance AUASB-ASSA 2025-11  
Amendments to ASA 210, ASA 720 and ASSA 5000 General Requirements for Sustainability Assurance Engagements

| No. | Area                     | Current requirements                                                                                                                                                                                                                                                                                                                   | Proposed amendments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Alternative approach considered                                                                                                                                                                                                                                                                      |
|-----|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|     |                          | disclaiming a conclusion, unless required by law or regulation to do so.<br><br>Paragraph 7 of ASA 210 only requires an auditor not to accept an engagement where management or those charged with governance impose a limitation on scope that would result in disclaiming an opinion, unless required by law or regulation to do so. | regulation to do so) where there may be a limitation on scope that will result in disclaiming an opinion/conclusion where:<br>(a) It is not possible to use the work of the other auditor/practitioner because of limitations on accessing working papers on a timely basis or where the work is not expected to be appropriate for the auditor/practitioner's own purposes; and<br>(b) The engagement letter does not recognise that both auditors/practitioners may need to access and assistance to perform assurance work on the same information. | practitioner on a timely basis and whether the work is appropriate for the auditor/practitioner's own purposes. Reliance would be placed on other requirements such as requirements for using the work of another auditor.                                                                           |
| 2   | <b>Other information</b> | ASSA 5000 para 174 only requires the auditor or assurance practitioner (practitioner) of the sustainability information in an annual report to communicate with the auditor of the financial report if there appears to be:<br>(a) a material inconsistency between the sustainability information and the financial report; or        | Add an Aus paragraph to ASSA 5000 requiring the practitioner to communicate with the auditor of the financial report at appropriate times throughout the assurance engagement with the objective of identifying material inconsistencies and misstatements.                                                                                                                                                                                                                                                                                            | An FAQ that encourages communication rather than a requirement in ASSA 5000.<br><br>While not mandatory, ASSA 5000 para A279 may be sufficient. Par A279 says that communication at appropriate times during the assurance engagement may be useful in planning the engagement, identifying risks of |

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| No. | Area                     | Current requirements                                                                                                                                                                              | Proposed amendments                                                                                                                                                                                                                                                     | Alternative approach considered                                                                                                                                  |
|-----|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|     |                          | <del>(b) the financial report appears to be materially misstated (ASSA 5000 paras 174);</del>                                                                                                     |                                                                                                                                                                                                                                                                         | <del>misstatement and to discuss matters identified during the engagements. Authorisation from management may be needed to share the entity's information.</del> |
| 3   | <b>Other information</b> | <del>There is no requirement in ASA 720 for the auditor of the financial report to communicate with the auditor or assurance practitioner (practitioner) of the sustainability information.</del> | Add an Aus paragraph to ASA 720 requiring the auditor to communicate at appropriate times throughout the audit of the financial report with the auditor of the sustainability information with the objective of identifying material inconsistencies and misstatements. | An FAQ that encourages communication rather than a requirement in ASSA 5000.                                                                                     |

### Auditor's reports under the Act

1. Australia is amongst the first countries globally to mandate climate-related financial disclosures under reporting standards based on International Sustainability Standards Board standards, and assurance under the equivalent of ISSA 5000. ASSA 5000 is effective for periods beginning on or after 1 January 2025 to align with mandatory reporting and assurance under the Act.
2. While Appendix 3 of ASSA 5000 contains illustrative sustainability assurance reports, these are not specific to the auditor reporting requirements of the Act.
3. The AUASB considers that ~~amendments to ASSA 5000 and~~ illustrative assurance reports under the Act are necessary to provide clarity and promote consistent auditor reporting for engagements under the Act.
4. ~~5.~~ The AUASB proposes to:
  - ~~(a) Amend paragraph 190 of ASSA 5000 for consistency with the Act; and~~
  - ~~(b) Add five add four~~ additional illustrative assurance reports to ASSA 5000:
    - (i) Illustration 1: Year 1 – Review report on specified sustainability disclosures in accordance with the *Corporations Act 2001* (compliance framework).
    - ~~(ii) Illustration 2: Year 1 – Auditor's review report of specified sustainability disclosures prepared in accordance with the *Corporations Act 2001* and other selected sustainability metrics (compliance framework).~~
    - ~~(iii)(i)~~ ~~(ii)~~ Illustration 32:— Year 1 – Auditor's audit and review report on specified sustainability disclosures prepared in accordance with the *Corporations Act 2001* (compliance framework).
    - ~~(iv)(iii)~~ ~~(iii)~~ Illustration 43: Years 2 and 3 – Review report on a sustainability report in accordance with the *Corporations Act 2001* (fair presentation framework).

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(iv) Illustration 53: Year 4 – Audit report on a sustainability report prepared in accordance with the Corporations Act 2001 (fair presentation framework).

5. The proposed amendments and the illustrative reports are intended to address key questions raised by auditors:

| No.                   | Question                                                                                                                                                                                                                                                                                                                                                                                                                   | Proposed approach                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                      |        |                              |       |                                 |         |              |                  |                       |                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|--------|------------------------------|-------|---------------------------------|---------|--------------|------------------|-----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.                    | <p>Where they differ, should the conclusions/opinions in the auditor's report be consistent with:</p> <p>(a) The requirements of <u>s1707F(2) of the Act (reviews) and s309A of the Act (audits)</u>; or</p> <p>(b) The requirements of <u>paragraph 190(c)(vi) of ISSA 5000</u>, upon which ASSA 5000 is based?</p>                                                                                                       | <p>Section 336 of the Act provides that the AUASB must not issue standards that are inconsistent with the Act. Any standard that is inconsistent with the act is invalid to the extent of that inconsistency.</p> <p><u>Accordingly, it is proposed to combine conclusions/ opinions required by the Act and by that paragraph 190(c)(vi) of ISSA 5000/ASSA 5000. Stakeholder input is sought on whether this is inconsistent with the Act.</u></p> <p><u>The alternative is to follow the requirements of the Act without including text required by paragraph 190(c)(vi) of the Act.</u></p> <p>(a) — <u>The approaches are discussed further below. The conclusions and opinions in these reports be consistent with the conclusions and opinions required by the Act; and</u></p> <p>(b) — <u>Separate paragraphs of the illustrative reports address matters required by ISSA 5000, such as references to materiality, the fair framework (where applicable) and referring to limited assurance procedures performed; and</u></p> <p>(c) — <u>Paragraph 190 of ASSA 500 be amended to address any inconsistencies with the auditor reporting requirements of the Act.</u></p> |                      |        |                              |       |                                 |         |              |                  |                       |                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 2                     | <p>Should terminology in the Act or ISSA 5000/ASSA 5000 be used in the auditor's report?</p> <table><tr><th>Terms used in the Act</th><th>Terms used ASSA 5000</th></tr><tr><td>Review</td><td>Limited assurance engagement</td></tr><tr><td>Audit</td><td>Reasonable assurance engagement</td></tr><tr><td>Auditor</td><td>Practitioner</td></tr><tr><td>Auditor's Report</td><td>Practitioner's Report</td></tr></table> | Terms used in the Act                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Terms used ASSA 5000 | Review | Limited assurance engagement | Audit | Reasonable assurance engagement | Auditor | Practitioner | Auditor's Report | Practitioner's Report | <p>Terminology consistent with the Act should be used for similar reasons (e.g. 'review' rather than 'limited assurance engagement'; 'auditor' rather than 'practitioner').</p> <p>The terms are reconciled in the 'Basis for Conclusion/Opinion' in the illustrative reports. For example, for Year 1 the sentence 'We conducted our review as a limited assurance engagement in accordance ASSA 5000 and ASSA 5010.' appears.</p> |
| Terms used in the Act | Terms used ASSA 5000                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                      |        |                              |       |                                 |         |              |                  |                       |                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Review                | Limited assurance engagement                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                      |        |                              |       |                                 |         |              |                  |                       |                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Audit                 | Reasonable assurance engagement                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                      |        |                              |       |                                 |         |              |                  |                       |                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Auditor               | Practitioner                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                      |        |                              |       |                                 |         |              |                  |                       |                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Auditor's Report      | Practitioner's Report                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                      |        |                              |       |                                 |         |              |                  |                       |                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 3                     | <p>Is the framework for Year 1 fair presentation or compliance?</p>                                                                                                                                                                                                                                                                                                                                                        | <p>While AASB S2 <i>Climate Related Disclosures</i> requires the sustainability report to present fairly all climate-related risks and opportunities that could reasonably be</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                      |        |                              |       |                                 |         |              |                  |                       |                                                                                                                                                                                                                                                                                                                                                                                                                                     |

Commented [TA1]: Deleted question 1 and response from table:

Where they differ, should the conclusions/opinions in the auditor's report be consistent with:  
 The requirements of the Act; or  
 The requirements of ISSA 5000, upon which ASSA 5000 is based?

Commented [AW2R1]: Agree not required anymore

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| No. | Question                                                                                                                                           | Proposed approach                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|     |                                                                                                                                                    | expected to affect an entity's prospects (S2 Appendix D paragraphs 11-16). Not all disclosures are subject to assurance in Year 1. Hence, the auditor cannot be expected to <del>conclude refer to on</del> a fair presentation.<br>For Year 2 onwards, it is proposed that the illustrative reports under the Act <del>opine refer to-on</del> a fair presentation <del>framework. However, this would be in paragraphs other than the conclusion/opinion paragraphs. The conclusion/opinion paragraphs would follow accordance with the requirements of AASB S2 the Act framework.</del> |
| 4   | <u>Should the conclusion/ opinion refer specifically to AASB S2 in the conclusion/opinion in addition to referring to compliance with the Act?</u> | <u>This may assist some users but is not explicitly stated in the conclusion/opinion requirements in the Act.</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 5   | <u>Should the audit opinion exclude references in the opinion in s309A of the Act where there are no current requirements?</u>                     | <u>While part of the Corporations Act opinion, this could be confusing to users.</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 46  | Should the reports be addressed to the members?                                                                                                    | This is required by subsections 309A(1) and 1707F(2) of the Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

Commented [TA1]: Deleted question 1 and response from table:

Where they differ, should the conclusions/opinions in the auditor's report be consistent with:  
The requirements of the Act; or  
The requirements of ISSA 5000, upon which ASSA 5000 is based?

Commented [AW2R1]: Agree not required anymore

Review cConclusion wording

6. ~~The wording of the auditor's review report or audit report must be consistent with The requirements for the auditor's audit opinion and review conclusion are outlined in subsections 309A(31) (audit) and 1707F(4) of the Act.2) (review).~~
7. Section 1707F outlines the required content of the auditor's review report on a sustainability report or information in a sustainability report.

**1707F – Review of sustainability report before 1 July 2030**

- (1) ...
- (2) An auditor who reviews the sustainability report must report to members in accordance with subsections (3), (4) and (5) of this section on whether the auditor became aware of any matter in the course of the review that makes the auditor believe that the sustainability report, to the extent that it is required to be reviewed by the auditing standards, does not comply with Division 1 of Part 2M.3.
- (3) A report under subsection (2) must:
  - (a) describe any matter referred to in subsection (2); and
  - (b) say why that matter makes the auditor believe that the sustainability report, to the extent that it is required to be reviewed by the auditing standards, does not comply with Division 1 of Part 2M.3.
- (4) The auditor's report must include any statements or disclosures required by the auditing standards for the purposes of this section. ...

5. ~~Based on this, the proposed wording of the auditor's review conclusion in the Year 1 illustrative reports is:~~

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8. ‘Paragraph 190(c)(vi)(b) of ASSA 5000 requires a limited assurance conclusion to be expressed in a form that conveys whether, based on the procedures performed and evidence obtained, a matter(s) has come to the practitioner’s attention to cause the practitioner to believe that the sustainability information is not prepared or not fairly presented, in all material respects, in accordance with the applicable criteria’.
9. The AUASB proposes to combine the wording from s1707F and the wording from s190(c)(vi) of the Act in the illustrative review reports as follows:
- ‘Based on the procedures we have performed and the evidence we have obtained, we have not become aware of any matters in the course of our review that makes us believe that the Sustainability Climate Information does not comply, in all material respects, with Division 1 of Part 2M.3 of the Corporations Act 2001 including Sustainability Reporting Standard AASB S2 Climate-related Disclosures, for the year ended XX XXX 20XX.’
10. The main changes to the Corporations Act wording and possible arguments for and against making the changes are as follows:

| No. | Change to Corporations Act wording                                                                         | For change                                                                                                                                                                                                                                                                               | Against change                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-----|------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1   | <u>Add lead in words – ‘Based on the procedures we have performed and the evidence we have obtained,’.</u> | <ul style="list-style-type: none"> <li>• <u>Users need to understand the nature of limited assurance procedures.</u></li> <li>• <u>Consistent with ISSA 5000, which may assist overseas users.</u></li> <li>• <u>Consistent with words used historically under ASAE 3000.</u></li> </ul> | <ul style="list-style-type: none"> <li>• <u>The wording could be seen to modify the conclusion required by the Act so as to limit the auditor’s responsibilities.</u> Responsibilities could be seen to be limited to the work that the auditor has performed and evidence they have obtained, in contrast to the procedures that should have been performed and the evidence that should have been obtained.</li> <li>• <u>ASSA 5000 includes a requirement to detail the limited assurance procedures performed in a separate section of the auditor’s report.</u></li> <li>• <u>Similar lead in wording does not appear for interim reviews of financial reports under ASAE 2410.</u></li> </ul> |
| 2   | <u>To include – ‘in all material respects’.</u>                                                            | <ul style="list-style-type: none"> <li>• <u>Highlights the application of materiality to users.</u></li> <li>• <u>Consistent with ISSA 5000.</u></li> </ul>                                                                                                                              | <ul style="list-style-type: none"> <li>• <u>Materiality can be covered separately and more clearly elsewhere in the report (e.g. referring to materiality under AASB S2 vs ISSA 5000/ ASSA 5000).</u></li> <li>• <u>Materiality is implicit in the reporting requirements.</u></li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                           |

11. Where stakeholders are of the view that the requirements of paragraph 190(c)(vi)(b) of ASSA 5000 are inconsistent with subsection 1707F(2) of the Act, ASSA 5000 should be amended by

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including an 'Aus' paragraph not requiring paragraph 190(c)(vi)(b) to be followed for Corporations Act engagements. The wording for the opinion would be:

'We have not become aware of any matter in the course of the review that makes us believe that the Sustainability Climate Information does not comply with Division 1 of Part 2M.3 of the Corporations Act 2001.'<sup>12</sup>

8.12. This ~~is~~would be supplemented by additional material in the report as follows:

(a) Immediately after the conclusion paragraph above, a new paragraph:

—'Our review is required by the Act to be conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 General Requirements for Sustainability Assurance (ASSA 5000) issued by the AUASB to obtain limited assurance that the information outlined above is free from material misstatement.'

(b) An additional sentence at the end of the second paragraph in the 'Basis for Conclusion' (as underlined):

—'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.'

6. Paragraph 190(c)(vi)(b) of ASSA 5000 requires 'a conclusion to be 'expressed in a form that conveys whether, based on the procedures performed and evidence obtained, a matter(s) has come to the practitioner's attention to cause the practitioner to believe that the sustainability information is not prepared or not fairly presented, in all material respects, in accordance with the applicable criteria'. If paragraph 190(c)(vi)(b) were followed instead of the Act, the conclusion would be as follows and the additional material in paragraph 12 would not be needed:

'Based on the procedures we have performed and the evidence we have obtained, we have not become aware of any matters in the course of our review that makes us believe that the Sustainability Climate Information is not prepared, in all material respects, in accordance with Division 1 of Part 2M.3 of the Corporations Act 2001 including Australian Sustainability Reporting Standard AASB S2 Climate related Disclosures, for the year ended XX.'

**Audit opinion wording**

9.13. Section 309A outlines the required content of the auditor's audit report on a sustainability report or information in a sustainability report.

**309A – Auditor's report on sustainability report**

*Audit of sustainability report*

(1) An auditor who audits the sustainability report for a financial year must report to members in accordance with subsections (2), (3), (4) and (5) on whether the auditor is of the opinion that the sustainability report is in accordance with this Act, including:

- (a) subsection 296A(2) or 296B(1) (contents of climate statements); and
- (b) section 296C (compliance with sustainability standards etc.); and
- (c) section 296D (climate statement disclosures).

If the auditor is not of that opinion, the auditor's report must say why.

(2) The auditor's report must 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).

*Requirements for report*

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- (3) The auditor's report must include any statements or disclosures required by the auditing standards.
- (4) If the sustainability report includes additional information under paragraph 296A(3)(c), the auditor's report must also include a statement of the auditor's opinion on whether the inclusion of that additional information was necessary to make the disclosures required by section 296D...

14.

Based on this, the proposed wording of the auditor's opinion in the illustrative audit report is:

~~'In our opinion, the Sustainability Report is in accordance with Division 1 of Part 2M.3 of the Corporations Act 2001, including:~~

~~Subsection 296A(2) (contents of climate statements); and~~

~~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~~

~~Section 296D (climate statement disclosures).'~~

This is supplemented by additional material in the report as follows:

~~'Immediately after the opinion paragraph above, a new paragraph – "Our audit is required by the Act to be conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance* (ASSA 5000) issued by the AUASB to obtain reasonable assurance that the Sustainability Report is free from material misstatement."~~

Paragraph 190(c)(vi)(a) of ASSA 5000 requires a conclusion 'shall be expressed in a positive form, that the sustainability information is prepared or fairly presented, in all material respects, in accordance with the applicable criteria' ~~were followed instead, the conclusion would be as follows and the additional material in paragraph 16 above would not be needed. The opinion in Illustration 4 is:~~

~~'In our opinion, the Sustainability Report is fairly presented, in all material respects, with Division 1 of Part 2M.3 of the Corporations Act 2001, 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).'~~

15. Where stakeholders are of the view that the wording of a reasonable assurance opinion required by ASSA 5000 190(c)(vi)(a) is inconsistent with subsection 309A(1), an amendment is required to paragraph 190 of ASSA 5000 to remove the requirement to follow 190(c)(vi)(a) for entities performing engagements for Corporations Act purposes.

16. Under this alternative approach, the audit opinion would be:

'In our opinion, the Sustainability Report is in accordance with Division 1 of Part 2M.3 of the Corporations Act 2001, 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. In accordance with the AUASB Policy and Process for International Conformation and Harmonisation of Standards, any amendment to an international standard must meet "The Compelling Reason Test". This test includes departing from an international standard to meet Australian legislative and regulatory requirements.

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**Inherent limitations**

18. ASSA 5000 paragraph 190(g) says:

'If applicable, a section with the heading "inherent limitations in preparing the sustainability information" that describes any significant inherent limitations associated with the measurement or evaluation of the sustainability matters against the applicable criteria, including inherent limitations relating to forward-looking information in the sustainability information" may be included in an assurance report.'

19. We understand that the IAASB's supplementary and framework specific illustrative reports will include some example inherent limitation paragraphs. The Office of the AUASB has reviewed and provided feedback on the draft IAASB reports.

20. The example inherent limitation paragraphs in the Illustrative reports in ED 03/25 are based on those in the IAASB's draft reports and communicate the significant measurement uncertainty which arises due to incomplete scientific knowledge.

21. The draft ED 03/25 includes a question seeking stakeholder feedback on the paragraphs. To assist with responses the below table outlining the arguments for and against inclusion of a paragraph in the Australian illustrative reports will be included.

| No. | For inclusion                                                                                                                                                                                                                                                                                                                                  | Against inclusion                                                                                                                                                                                                                                                                                                    |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1   | <u>Inherent limitations paragraphs are already commonly included in assurance reports over sustainability information but differ between practitioners and even within firms. The inclusion of an example inherent limitation paragraph may drive consistency between firms and practitioners which is beneficial to users' understanding.</u> | <u>May encourage use of inherent limitation paragraphs where they are not needed.</u>                                                                                                                                                                                                                                |
| 2   | <u>Sustainability reporting as assurance is new it may be important to communicate to users inherent uncertainties as there may be more uncertainties and forward-looking information than for financial reporting.</u>                                                                                                                        | <u>The uncertainty is embedded in the subject-matter information and users may consider the inherent limitation paragraph as disclaiming the auditor's conclusion/opinion.</u>                                                                                                                                       |
| 3   | =                                                                                                                                                                                                                                                                                                                                              | <u>The use of standard inherent limitations may detract attention from inherent limitations specific to the entity.</u>                                                                                                                                                                                              |
| 4   | =                                                                                                                                                                                                                                                                                                                                              | <u>The IAASB is considering illustrative sections on inherent limitations. It is aiming to resolve a number of key issues before releasing these paragraphs in supplementary illustrative assurance reports under ISSB S1 in late October 2025. Any AUASB developed section inconsistent, or at best, redundant.</u> |

**Reasonable assurance over Scope 1 and 2 emissions in Year 1**

22. Proposed illustrative report 2 deals with the narrow situation in which an auditor reports early in relation to Scope 1 and 2 emissions reported under AASB S2 on a reasonable assurance basis in Year 1 rather than on a limited assurance basis.

23. Illustrative report 2 treats the opinion on the Scope 1 and 2 emissions as a Corporations Act opinion on the basis that limited assurance would be required by ASSA 5010 and early reasonable assurance is permitted by ASSA 5010. It would not seem helpful to users to have a

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limited assurance conclusion under the Act and a voluntary reasonable assurance opinion not under the Act.

24. Stakeholder feedback is sought on whether to include these illustrative paragraphs and whether they are appropriate. The table below outlines some of the arguments for and against including illustrative report 2 in ASSA 5000 at this time.

| No. | For inclusion                                                                                                                                                                                     | Against inclusion                                                                                                                                                                                                                                                                                       |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1   | Could provide useful guidance for some auditors in certain circumstances. In a sample of 24 30 June 2025 annual reports, 11 included reasonable assurance on Scope 1 and 2 emissions under NGERs. | The illustrative report could apply in rare and narrow circumstances. Even if scope 1 and 2 emissions are audited rather than reviewed, the auditor my report publicly on a limited assurance basis.                                                                                                    |
| 2   | -                                                                                                                                                                                                 | An illustrative report may imply that an analogous approach would apply to auditor reporting in other circumstances that may not apply in those other circumstances (e.g. where disclosures are not otherwise subject to assurance or where disclosures are not in accordance with the Act or AASB S2). |
| 3   | -                                                                                                                                                                                                 | May encourage stakeholders to seek further examples, delaying the resolution of the key issue as to the form of the core auditor's reports under the Corporations Act and resolution of the form of the conclusion/opinion. These conclusions/opinions are needed for engagement letters.               |

#### Request for comments

25. The AUASB requests comments on all matters covered in ED 033/25, but specifically on the questions in the 'Exposure draft questions' section below. In this regard:
- Comments should be sufficiently detailed and include whether or not stakeholders agree with the proposed amendments.
  - Stakeholders may address only specific questions relevant to them or raise matters not specifically addressed by a question.
  - The AUASB regards both supportive and critical comments as essential to a balanced review of the proposed amending standards.
  - Comments will be most helpful when they refer to specific paragraphs, include the reasons for the comments and, when appropriate, make specific suggestions for any proposed changes to wording.

#### Exposure draft questions

26. The AUASB is seeking comments from stakeholders on the following questions (please include reasons supporting your responses to the questions):

##### Communication between auditors and sharing working papers

1. Do you agree with the proposal that where there are separate auditors for the financial and sustainability reports, ASA 210, ASA 720 and ASSA 5000 should be amended to require communication between the auditors to assist in identifying material inconsistencies and material misstatements?

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2. Do you agree that where there are separate auditors for the financial report and the sustainability report, the auditors should be required to consider the ability to access the timely and appropriate work of the other auditor, or effectively undertake the work themselves?
3. Do you consider that instead of requirements, the AUASB should use guidance to encourage communication and sharing of audit working papers?
4. Do you consider existing requirements of the standards on communication, the use of the work of other auditors and acceptance/continuance are sufficient?
5. Do you agree that any amendments to the standards should not apply before years commencing 1 January 2026?
6. Are there other matters not addressed by this ED that should be considered by the AUASB on communication and sharing of working papers?

**Auditor reporting under the Corporations Act 2001 (the Act)**

7. Do you agree that the wording of the auditor's conclusion/opinion should combine wording from the Corporations Act and paragraph 190(c)(vi)? Please provide your reasons. See line 1 in the table in paragraphs 5 and paragraphs 6 to 17.
1. Should the auditor's conclusion/opinion instead use the wording in ASSA 5000 paragraph 190(c)(vi)? For example should the review conclusion be preceded by the words 'Based on the procedures performed and evidence obtained' and refer to materiality?
9. Do you agree with adding Aus paragraphs to ASSA 5000 such that reports under the Act are not required to include words that may be inconsistent with the conclusions/opinions required by the Act?
- 10.2. Do you agree that the auditor's report should use the same terminology as the Act rather than the terminology used in ASSA 5000 (for example, 'review' instead of 'limited assurance')?
3. Do you agree with the proposal that in Year 1, where only specified disclosures are subject to assurance, the **review audit** is based on a compliance framework rather than a fair presentation framework?
- 11.4. Do you agree with the proposal that in Year 2 onwards, the review/audit is based on a fair presentation framework rather than a compliance framework? See line 3 in the table in paragraph 5.
12. Should the conclusion/ opinion refer specifically to AASB S2 in the conclusion/opinion in addition to referring to compliance with the Act? (see line 4 in the table in paragraph 5)
6. Should the audit opinion exclude references in the opinion in s309A of the Act where there are no current requirements? (see line 5 in the table in paragraph 5)
7. -Do you support the inclusion of the example inherent limitation paragraph in the Illustrative Reports? Do you agree with the example provided? Please provide your reasons? See paragraphs 18 to 21.
8. Do you agree with the approach taken to reporting in the narrow circumstance where an auditor gives early reasonable assurance in relation to Scope 1 and 2 emissions in Year 1 (i.e. where treated as an opinion under the Act)? Do you believe that this situation will arise more than rarely in practice? Do you consider that a similar approach could be applied to information reported under the Act for which there is otherwise no assurance? See paragraphs 22 to 24.

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13.9. Are there other matters not addressed by this ED that should be considered by the AUASB for the proposed illustrative reports?

Draft

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#### AUTHORITY STATEMENT

The Auditing and Assurance Standards Board (AUASB) makes this Standard on Sustainability Assurance ASSA 2025-11 *Amendments to ASSA 5000 for Australian illustrative assurance reports* pursuant to section 227B(1)(a) and (b) of the *Australian Securities and Investments Commission Act 2001* and for the purposes of section 336 of the *Corporations Act 2001*.

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**Proposed Australian Standard on Sustainability Assurance AUASB-ASSA 2025-11  
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**Conformity with International Standards**

The amendments made by this standard to ~~ASA 210 Agreeing the Terms of Audit Engagements, ASA 720 The Auditor's Responsibilities Relating to Other Information and ASSA 5000 General Requirements for Sustainability Assurance Engagements (ASSA 5000) in connection with communication and sharing of audit working papers between separate auditors of an entity's financial report and sustainability report are enhancements to the corresponding standards have been made for Australian legislative purposes. There is no equivalent standard~~ issued by the International Auditing and Assurance Standards Board (IAASB).

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~~The amendments do not result in any non-conformity with IAASB standards.~~

~~The amendments made by this Standard to ASSA 5000 in connection with the auditor reporting have been made for Australian legislative purposes. References to materiality, fair presentation and the auditor's procedures that are required to be included in conclusions/opinions by ISSA 5000 are covered by additional paragraphs in *Corporations Act 2001* specific illustrative assurance reports.~~

Draft

**AUASB-AUSTRALIAN STANDARD-ON SUSTAINABILITY**  
**ASSURANCE**  
**ASSA**  
**AUASB-2025-11**  
**-AMENDMENTS TO ASA 210, ASA 720 AND ASSA 5000 GENERAL**  
**REQUIREMENTS FOR SUSTAINABILITY ASSURANCE**  
**ENGAGEMENTS**

### Application

1. This Standard applies to audits and assurance engagements consistent with the application paragraphs of the standards that it amends.
2. This ASSA also applies, as appropriate, to assurance on other sustainability information.

### Operative Date

3. The provisions of this Standard are operative ~~as follows:~~
- (a) ~~Paragraphs 7 to 10 for reporting periods commencing on or after 1 January 2026; and~~
  - (b) ~~Paragraphs 11 and 12 for reporting periods commencing on or after 1 January 2025.~~
- Early adoption is permitted.

### Introduction

- 4.3. This standard amends ~~ASA 210 Agreeing the Terms of Audit Engagements (ASA 210), ASA 720 The Auditor's Responsibilities Relating to Other Information (ASA 720) and ASSA 5000 General Requirements for Sustainability Assurance Engagements (ASSA 5000).~~

### Objective

- 5.4. The objective of this Standard is to make amendments to ~~ASA 210, ASA 720 and ASSA 5000.~~

### Definition

- 6.5. For the purposes of this Standard, the meanings of terms are set out in ~~each of the amended standards ASSA 5000~~ and in the *AUASB Glossary*. This Standard does not introduce new definitions.

### Amendments to ASA 210

7. In ASA 210 insert the following paragraph after paragraph 7:
- ~~'Aus 7.1 Where the entity's public sustainability report is subject to assurance by another practitioner and there may be a limitation on scope that will result in disclaiming an opinion/conclusion on the financial report because:~~
- (a) ~~It is not possible to use the work of the other practitioner because of limitations on accessing their relevant working papers on a timely basis or where the work is not expected to be appropriate for the auditor's own purposes; and~~
  - (b) ~~The engagement letter does not recognise that both the auditors and other practitioner may need access and assistance to perform assurance work on the same information;~~

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the auditor shall not accept or continue with such a limited engagement as an audit engagement, unless required by law or regulation to do so.<sup>2</sup>

**Amendments to ASA 720**

8. In ASA 720 insert the following after paragraph 15:

‘Aus 15.1 Where the entity’s public sustainability report is subject to assurance by another practitioner, the auditor shall communicate with that other practitioner at appropriate times during the audit of the financial report to assist in identifying material inconsistencies between the reports and material misstatements in the sustainability report.’

**Amendments to ASSA 5000**

9. Immediately after paragraph 27 of ASSA 5000 insert:

‘Aus 27.1 Where the entity’s financial report is subject to assurance by another auditor and there may be a limitation on scope that will result in disclaiming an opinion/conclusion on the sustainability information because:

- (a) It is not possible to use the work of the other auditor/ practitioner because of limitations on accessing their relevant working papers on a timely basis or where the work is not expected to be appropriate for the auditor/ practitioner’s own purposes; and
- (b) The engagement letter does not recognise that both the practitioner and other auditor may need access and assistance to perform assurance work on the same information;

the practitioner shall not accept or continue with such a limited engagement as an assurance engagement, unless required by law or regulation to do so.’

10. Immediately after paragraph 172 of ASSA 5000 insert the following:

‘Communication with the financial report auditor

Aus 172.1 Where the entity’s financial report is subject to assurance by another auditor, the practitioner shall communicate with that other auditor at appropriate times during the assurance engagement on the sustainability report to assist in identifying material inconsistencies between the reports and material misstatements in the financial report.’

11. Immediately after paragraph 190 of ASSA 5000, insert:

‘Aus 190.1 Paragraph 190(c)(vi) does not apply to an engagement under the *Corporations Act 2001*.

12.6. The following is inserted as Appendix 4 in the Application and Other Explanatory Material of ASSA 5000.

**Illustrative Corporations Act 2001 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 – Review report on specified sustainability disclosures prepared in accordance with the *Corporations Act 2001* and other selected sustainability metrics (compliance framework).~~
- Illustration ~~3~~2: Year 1 – Audit and review report on specified sustainability disclosures prepared in accordance with the *Corporations Act 2001* (compliance framework).
- Illustration 4: Years ~~2~~2 and 3 – Review report on a sustainability report prepared in accordance with the *Corporations Act 2001* (fair presentation framework).
- Illustration ~~5~~4: Year 4 – Audit report on a sustainability report prepared in accordance with the *Corporations Act 2001* (fair presentation framework).

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**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* and the auditor has conducted a review in accordance with the mandatory phasing requirements in 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. Climate-related risks and opportunities are material.
4. The auditor has concluded that an unmodified review conclusion is appropriate.
- ~~5.~~ The auditor has concluded it appropriate to include an inherent limitation in relation to Greenhouse Gas quantification.
- ~~5-6.~~ There is no comparative information in Year 1.
- ~~6-7.~~ Corporations Act 2001 terminology has been used (e.g. ‘review’ rather than ‘limited assurance engagement’).

*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 CLIMATE INFORMATION**

To the Members of ABC Company Limited

***Review Conclusion***

We have conducted a review of the following information in the Sustainability Report of ABC Company Limited (the Company) for the year ended 31 December 2025 (the ‘Sustainability Climate Information’) 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):

| Sustainability Climate Information | Reporting requirement of AASB S2 <i>Climate-related Disclosures</i> (including related general disclosures required by Appendix D) | Location in Sustainability Report <sup>1</sup> |
|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| 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              |

~~We~~Based on the procedures we have performed and the evidence we have obtained, we have not become aware of any matter in the course of the review that makes us believe that the Sustainability Climate Information outlined above ~~does~~is not ~~comply~~prepared, in all material respects, in accordance with Division 1 of Part 2M.3 of the *Corporations Act 2001* including Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures.

~~Our review is required by the Act to be conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 General Requirements for Sustainability Assurance (ASSA~~

<sup>1</sup> ~~If the sustainability report includes entity has prepared a separate basis of preparation, the references should include any relevant part of where relevant, the location of disclosures in the sustainability report should also include a reference to the basis of preparation.~~

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~~5000) issued by the AUASB to obtain limited assurance that the information outlined above is free from material misstatement.~~

### **Basis for Conclusion**

We conducted our review as a limited assurance engagement in accordance with ASSA 5000 and ASSA 5010.

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.~~

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

We are independent of the Company in accordance with the applicable 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~~ ~~July 2025~~) (the Code), together with the ethical requirements in the *Corporations Act 2001*, that are relevant to public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

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 Climate Information], 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 Company's Annual Report, including the Financial Report and the Sustainability Report, but does not include the Sustainability Climate Information and our review report thereon.

Our conclusions on the Sustainability Climate Information do not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our review of the Sustainability Climate Information, 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 Climate Information, 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 Climate Information**

The Directors of the Company are responsible for:

- The preparation of the Sustainability Climate Information in accordance with the *Corporations Act 2001* (including AASB S2).

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- Designing, implementing and maintaining such internal control necessary to enable the preparation of the Sustainability Climate Information, in accordance with the *Corporations Act 2001* that is free from material misstatement, whether due to fraud or error.

***Inherent Limitations in Preparing the Sustainability Climate Information***

*As discussed in [identify the specific disclosure in the Sustainability Climate Information], [provide a specific description of any significant inherent limitations associated with the measurement or evaluation of the sustainability matters against the applicable criteria].*

*[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<sup>#</sup>].*

***Auditor's Responsibilities***

Our objectives are to plan and perform the review to obtain limited assurance about whether the Sustainability Climate Information, defined in the Review Conclusion section of our 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 Climate Information.

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 Climate Information. 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~~review~~]*

<sup>#</sup> To be tailored to the engagement circumstances. Refer to ASSA 5000 paragraph 190 (g).

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**Illustration 2: Year 1—Report on specified sustainability disclosures prepared in accordance with the Corporations Act 2001 and other selected sustainability metrics (compliance framework)**

1. This is the entity's first year of reporting in accordance with the *Corporations Act 2001* and the auditor has conducted a review in accordance with the mandatory phasing requirements in ASSA 5010 for Year 1. The directors have also engaged the auditor to provide limited assurance over selected sustainability metrics prepared voluntarily in accordance with entity developed criteria which are also presented in the entity's sustainability report.
2. Climate related risks and opportunities are material.
3. The auditor has concluded that an unmodified review conclusion is appropriate.
4. The selected sustainability metrics have been presented as part of the entity's sustainability report and have been clearly identified as being in addition to what is required by AASB S2 and does not obscure the required climate-related disclosures. As the selected sustainability metrics are presented in the entity's sustainability report, the assurance report has been addressed to members.
5. There is no comparative information in Year 1.
6. *Corporations Act 2001* terminology has been used (e.g. 'review' rather than 'limited assurance engagement').

*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 INFORMATION**

To the Members of ABC Company Limited

***Review Conclusion—Sustainability Climate Information***

We have conducted a review of the following information in the Sustainability Report of ABC Company Limited (the Company) for the year ended 31 December 2025 (the "Sustainability Climate Information"):

| <b>Sustainability Climate Information</b> | <b>Reporting requirement of AASB S2 Climate-related Disclosures (including related general disclosures required by Appendix D)</b> | <b>Location in Sustainability Report<sup>2</sup></b> |
|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|
| 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                    |

We have not become aware of any matter in the course of the review that makes us believe that the Sustainability Climate Information outlined above does not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*.

Our review is required by the Act to be conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance* (ASSA 5000) issued by the AUASB to obtain limited assurance that the information outlined above is free from material misstatement.

<sup>2</sup>—If the entity has prepared a basis of preparation, where relevant, the location of disclosures in the sustainability report should also include a reference to the basis of preparation.

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**Amendments to ASA 210, ASA 720 and ASSA 5000 General Requirements on Sustainability**  
**Assurance Engagements**  
**Review Conclusion—Selected Sustainability Metrics**

We have conducted a review of the “Selected Sustainability Metrics”, outlined in the table below, which are included in the Sustainability Report of ABC Company Limited (the Company) for the year ended 31 December 2025:

| <b>Selected Sustainability Metrics</b> | <b>Criteria</b>                                                                  | <b>Location in Sustainability Report</b> |
|----------------------------------------|----------------------------------------------------------------------------------|------------------------------------------|
| Workforce disclosure [X]               | [Description of entity-developed criteria] presented in the basis of preparation | Paragraphs x to x on pages y to y        |
| Workforce disclosure [Y]               | [Description of entity-developed criteria] presented in the basis of preparation | Paragraphs x to x on pages y to y        |

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Selected Sustainability Metrics are not prepared, in all material respects, in accordance with the Criteria.

***Basis for Conclusions***

We conducted our review(s) as a limited assurance engagement in accordance with ASSA 5000 and ASSA 5010.

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.

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

We are independent of the Company in accordance with the applicable 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 July 2025) (the Code), together with the ethical requirements in the *Corporations Act 2001*, that are relevant to public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

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 Climate Information], 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 Company’s Annual Report, including the Financial Report and Sustainability Report,

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but does not include the Sustainability Climate Information or Selected Sustainability Metrics and our review report thereon.

Our conclusions on the Sustainability Climate Information and Selected Sustainability Metrics do not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our reviews of the Sustainability Climate Information and Selected Sustainability Metrics, 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 Climate Information and Information Subject to Assurance, or our knowledge obtained when conducting the reviews, 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 Climate Information and Selected Sustainability Metrics***

The Directors of the Company are responsible for:

- ◆ The preparation of:
  - the Sustainability Climate Information in accordance with the *Corporations Act 2001* (including AASB S2); and
  - the Selected Sustainability Metrics in accordance with the Criteria.
- ◆ Designing, implementing and maintaining such internal control that management determines is necessary to enable the preparation of the Sustainability Climate Information, in accordance with the *Corporations Act 2001* that is free from material misstatement, whether due to fraud or error.
- ◆ Designing, implementing and maintaining such internal control necessary to enable the preparation of the Selected Sustainability Metrics, in accordance with the Criteria that is free from material misstatement, whether due to fraud or error.

***Inherent Limitations in Preparing the Sustainability Climate Information and Selected Sustainability Metrics***

As discussed in [identify the specific disclosure in the Sustainability Climate Information], [provide a specific description of any significant inherent limitations associated with the measurement or evaluation of the sustainability matters against the applicable criteria].

***Auditor's Responsibilities***

Our objectives are to plan and perform the review to obtain limited assurance about whether the Sustainability Climate Information and Selected 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 Climate Information and the Selected Sustainability Metrics.

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.

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**Amendments to ASA 210, ASA 720 and ASSA 5000 General Requirements on Sustainability Assurance Engagements**

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***Summary of the Work Performed***

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the Sustainability Climate Information. 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:

(a) For the Sustainability Climate Information:

• ...

• ...

(b) For the Selected Sustainability Metrics

• ...

• ...

*{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 review}*

Proposed Australian Standard AUASB on Sustainability Assurance ASSA 2025-11  
Amendments to ASA 210, ASA 720 and ASSA 5000 General Requirements on Sustainability Assurance Engagements

**Illustration 23: 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* and the auditor has conducted a review in accordance with the mandatory phasing requirements in 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, 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. Climate-related risks and opportunities are material.
3. The auditor has concluded that an unmodified review conclusion is appropriate.
4. There is no comparative information in Year 1.
5. *Corporations Act 2001* terminology has been used (e.g. ‘review’ rather than ‘limited assurance engagement’).

*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 CLIMATE INFORMATION**

To the Members of ABC Company Limited

**Audit Opinion and Review Conclusion and Audit Opinion**

We have conducted an audit and review of the following information in the Sustainability Report of ABC Company Limited (the Company) for the year ended 31 December 2025 (the “Sustainability Climate Information”) 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):

| <b>Sustainability Climate Information</b> | <b>Reporting requirement of AASB S2 Climate-related Disclosures (including related general disclosures required by Appendix D)</b> | <b>Location in Sustainability Report<sup>3</sup></b> | <b><u>Assurance level</u><br/><u>Audit or review</u></b> |
|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|----------------------------------------------------------|
| Governance                                | Paragraph 6                                                                                                                        | Paragraphs x to x on pages y to y                    | Review                                                   |
| Strategy (risk and opportunities)         | Subparagraphs 9(a), 10(a) and 10(b)                                                                                                | Paragraphs x to x on pages y to y                    | Review                                                   |
| 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                    | Audit                                                    |

*Review conclusion*

We~~We~~Based on the procedures we have performed and the evidence we have obtained, we have not become aware of any matter in the course of ~~the~~our review that makes us believe that the

<sup>3</sup> If the entity has prepared a basis of preparation, where relevant, the location of disclosures in the sustainability report should also include a reference to the basis of preparation.

**Proposed Australian Standard AUASB on Sustainability Assurance ASSA 2025-11  
Amendments to ASA 210, ASA 720 and ASSA 5000 General Requirements on Sustainability  
Assurance Engagements**

Sustainability Climate Information outlined above ~~does~~ is not ~~comply with~~ prepared, in all material respects, in accordance with Division 1 of Part 2M.3 of the *Corporations Act 2001*:-

~~Our review is required by the Act to be conducted in accordance with including Australian Standard on Sustainability Assurance ASSA 5000 General Requirements for Sustainability Assurance (ASSA 5000) issued by the AUASB to obtain limited assurance that the information outlined above is free from material misstatement.~~  
Reporting Standard AASB S2 Climate-related Disclosures.

*Audit opinion*

In our opinion the Sustainability Climate Information ~~is~~ outlined above is prepared, in all material respects, in accordance with Division 1 of Part 2M.3 of the *Corporations Act 2001*, 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).

~~Our audit is required by the Act to be conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 General Requirements for Sustainability Assurance (ASSA 5000) issued by the AUASB to obtain reasonable assurance that the Sustainability Report is free from material misstatement.~~

***Basis for Opinion and Conclusion***

We conducted our audit as a reasonable assurance engagement and our review as a limited assurance engagement in accordance with ASSA 5000 and ASSA 5010.

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.~~

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

We are independent of the Company in accordance with the applicable 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~~ July 2025) (the Code), together with the ethical requirements in the *Corporations Act 2001*, that are relevant to public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

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 Climate Information], which describes [...].

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

**Proposed Australian Standard AUASB on Sustainability Assurance ASSA 2025-11**  
**Amendments to ASA 210, ASA 720 and ASSA 5000 General Requirements on Sustainability**  
**Assurance Engagements**  
**Other Information**

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The Directors of the Company are responsible for the other information. The other information comprises the Company's Annual Report, including the Financial Report and Sustainability Report, but does not include the Sustainability Climate Information and our audit and review report thereon.

Our conclusions on the Sustainability Climate Information do not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our review of the Sustainability Climate Information, 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 Climate Information, 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 Climate Information**

The Directors of the Company are responsible for:

- The preparation of the Sustainability Climate Information in accordance with the *Corporations Act 2001* (including AASB S2).
- Designing, implementing and maintaining such internal controls necessary to enable the preparation of the Sustainability Climate Information, in accordance with the *Corporations Act 2001* that is free from material misstatement, whether due to fraud or error.

**Inherent Limitations in Preparing the Sustainability Climate Information**

~~As discussed in [identify the specific disclosure in the Sustainability Climate Information], [provide a specific description of any significant inherent limitations associated with the measurement or evaluation of the sustainability matters against the applicable criteria].~~

[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<sup>4</sup>.]

**Auditor's Responsibilities**

Our objectives are to:

- Plan and perform the audit to obtain reasonable assurance about whether the Sustainability ~~Report~~ Climate Information is free from material misstatement, whether due to fraud or error, and to issue an assurance report that includes our opinion.
- ~~P~~plan and perform the review to obtain limited assurance about whether the Sustainability Climate Information 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 Climate Information.

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

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<sup>4</sup> To be tailored to the engagement circumstances. Refer to ASSA 5000 paragraph 190 (g).

**Proposed Australian Standard AUASB on Sustainability Assurance ASSA 2025-11**  
**Amendments to ASA 210, ASA 720 and ASSA 5000 General Requirements on Sustainability Assurance Engagements**

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- 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.
- 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.

**Summary of the Work Performed**

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the Sustainability Climate Information. 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 review]*

Proposed Australian Standard AUASB on Sustainability Assurance ASSA 2025-11  
Amendments to ASA 210, ASA 720 and ASSA 5000 General Requirements on Sustainability  
Assurance Engagements

**Illustration 43: Year 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* and the auditor has conducted a review in accordance with the mandatory phasing requirements in ASSA 5010.
2. Climate-related risks and opportunities are material.
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. *Corporations Act 2001* terminology has been used (e.g. 'review' rather than 'limited assurance engagement').

*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 (5) of section 296A of the *Corporations Act 2001* and the directors' declaration<sup>5</sup> for the year ended XX XXX 20XX.

~~We~~Based on the procedures performed and the evidence we have obtained, we have not become aware of any matter in the course of ~~the~~our review that makes us believe that the Sustainability Report ~~does~~is not ~~comply with~~fairly presented, in all material respects, in accordance with Division 1 of Part 2M.3 of the *Corporations Act 2001*, including Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures.

~~Our review is required by the Act to be conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 General Requirements for Sustainability Assurance (ASSA 5000) issued by the AUASB to obtain limited assurance that the information outlined above is free from material misstatement.~~

***Basis for Conclusion***

We conducted our review as a limited assurance engagement in accordance with ASSA 5000 and ASSA 5010.

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.~~

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

We are independent of the Company in accordance with the applicable 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

<sup>5</sup> If the entity has prepared a basis of preparation, include this as part of the contents of their sustainability report.

**Proposed Australian Standard AUASB on Sustainability Assurance ASSA 2025-11  
Amendments to ASA 210, ASA 720 and ASSA 5000 General Requirements on Sustainability  
Assurance Engagements**

amendments to *[insert 'June 2024' or 'July 2025', as applicable/July 2025]* (the Code), together with the ethical requirements in the *Corporations Act 2001*, that are relevant to public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

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 Nature Information], 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 Company's Annual Report, including the Financial Report, but does not include the Sustainability Report and our review report thereon.

Our conclusions on the Sustainability Report do 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 and fair presentation of the Sustainability Report in accordance with the *Corporations Act 2001* (including AASB S2 *Climate-related Disclosures*).
- Designing, implementing and maintaining such internal controls necessary to enable the preparation of the Sustainability Climate Information, in accordance with the *Corporations Act 2001* that is free from material misstatement, whether due to fraud or error.

**Inherent Limitations in Preparing the Sustainability Report**

*As discussed in [identify the specific disclosure in the Sustainability Report], [provide a specific description of any significant inherent limitations associated with the measurement or evaluation of the sustainability matters against the applicable criteria].*

*[There is a significant level of uncertainty in the preparation of forward-looking information for the Company's climate-related strategy. In particular, the disclosed anticipated future impact of the climate-related risks and opportunities on the Company's strategies in relation to those risks and opportunities, prospects and climate resilience, using a set of assumptions that include hypothetical assumptions about future events and management's actions that may necessarily be expected to occur<sup>6</sup>.]*

<sup>6</sup> To be tailored to the engagement circumstances. Refer to ASSA 5000 paragraph 190 (g).

**Proposed Australian Standard AUASB on Sustainability Assurance ASSA 2025-11**  
**Amendments to ASA 210, ASA 720 and ASSA 5000 General Requirements on Sustainability**  
**Assurance Engagements**  
**Auditor's Responsibilities**

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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 Matter<sup>7</sup>**

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

- (a) Governance, in accordance with paragraph 6 of AASB S2 *Climate-related Disclosures* (AASB S2), on pages X to X of the Sustainability Report;
- (b) 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
- (c) 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.

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.

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<sup>7</sup> ASSA 5000 paragraph 209 requires the auditor to state in an Other Matter paragraph that the comparative information was not subject to assurance in the prior period. ASSA 5000 paragraph 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 ~~years~~year 2.

**Proposed Australian Standard AUASB on Sustainability Assurance ASSA 2025-11  
Amendments to ASA 210, ASA 720 and ASSA 5000 General Requirements on Sustainability Assurance Engagements**

*[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 review]*

Draft

**Proposed Australian Standard AUASB on Sustainability Assurance ASSA 2025-11  
Amendments to ASA 210, ASA 720 and ASSA 5000 General Requirements on Sustainability  
Assurance Engagements**

**Illustration 54: Year 4 – Audit report on a sustainability report prepared in accordance with the Corporations Act 2001 (fair presentation framework)**

**Background:**

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 ~~of-in accordance with~~ the mandatory ~~disclosures in the sustainability report~~ phasing requirements in accordance with ASSA 5010 ~~or the Act~~.
2. The sustainability report does not include information other than that required by the Act.
3. Climate-related risks and opportunities are material.
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. *Corporations Act 2001* terminology has been used (e.g. 'audit' rather than 'reasonable assurance engagement').

*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

**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 (5) of section 296A of the *Corporations Act 2001* and the directors' declaration<sup>8</sup> 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 fairly presented, in all material respects, in accordance with Division 1 of Part 2M.3 of the *Corporations Act 2001*, 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).

~~Our audit is required by the Act to be conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 General Requirements for Sustainability Assurance (ASSA 5000) issued by the AUASB to obtain reasonable assurance that the Sustainability Report is free from material misstatement.~~

**Basis for Conclusion**

We conducted our audit as a reasonable assurance engagement in accordance with ASSA 5000 and ASSA 5010.

<sup>8</sup> If the entity has prepared a basis of preparation, include this as part of the contents of their sustainability report.

**Proposed Australian Standard AUASB on Sustainability Assurance ASSA 2025-11  
Amendments to ASA 210, ASA 720 and ASSA 5000 General Requirements on Sustainability  
Assurance Engagements**

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

We are independent of the Company in accordance with the applicable 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/July 2025) (the Code), together with the ethical requirements in the *Corporations Act 2001*, that are relevant to public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

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.

***Other Information***

The Directors of the Company are responsible for the other information. The other information comprises the Company's Annual Report, including the Financial Report, but does not include the Sustainability Report and our audit report thereon.

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 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.

***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.

***Responsibilities for the Sustainability Report***

The Directors of the Company are responsible for:

- The preparation and fair presentation of the Sustainability Report in accordance with the *Corporations Act 2001* (including AASB S2).
- Designing, implementing and maintaining such internal control necessary to enable the preparation of the Sustainability Report, in accordance with the *Corporations Act 2001* that is free from material misstatement, whether due to fraud or error.

***Inherent Limitations in Preparing the Sustainability Report***

~~As discussed in [identify the specific disclosure in the Sustainability Information], [provide a specific description of any significant inherent limitations associated with the measurement or evaluation of the sustainability matters against the applicable criteria].~~

[There is a significant level of uncertainty in the preparation of forward-looking information for the Company's climate-related strategy. In particular, the disclosed anticipated future impact of the climate-

**Proposed Australian Standard AUASB on Sustainability Assurance ASSA 2025-11**  
**Amendments to ASA 210, ASA 720 and ASSA 5000 General Requirements on Sustainability Assurance Engagements**

related risks and opportunities on the Company's strategies in relation to those risks and opportunities, prospects and climate resilience, using a set of assumptions that include hypothetical assumptions about future events and management's actions that may not necessarily be expected to occur<sup>9</sup>.]

**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 Matter<sup>10</sup>**

The comparative information was not subject to audit ~~in the prior year~~ however was subject to review ~~in the prior year~~ 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 review~~ report]*

<sup>9</sup> To be tailored to the engagement circumstances. Refer to ASSA 5000 paragraph 190 (g).

<sup>10</sup> ASSA 5000 paragraph 210 requires the auditor to state in an Other Matter paragraph that the subject matter information was subject to a different level of assurance in the prior period.