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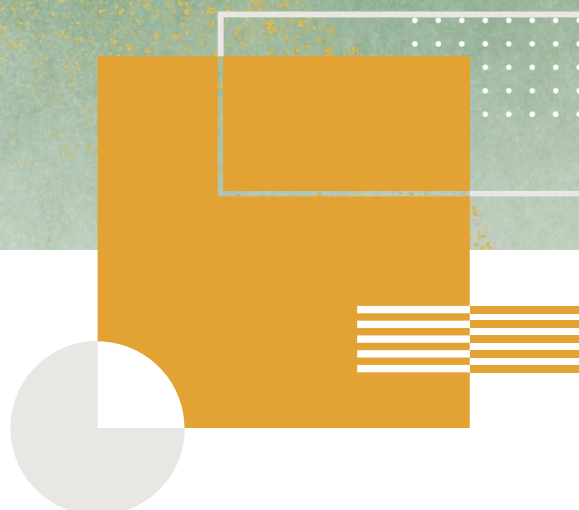
Exposure Draft

Proposed Australian Standard on Sustainability Assurance ASSA 2025-11

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

November 2025

ED 03/25



Commenting on this Exposure Draft

Comments on this Exposure Draft should be received by no later than 3 December 2025.
Comments should be addressed to:

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Auditing and Assurance Standards Board
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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.

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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 Engagements* 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 Engagements* 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 3 December 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 *General Requirements for Sustainability Assurance Engagements* (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:
 - (a) Illustration 1: Year 1 – Review report on specified sustainability disclosures in accordance with the *Corporations Act 2001* (compliance framework).
 - (b) Illustration 2: Year 1 – Audit and review report on specified sustainability disclosures prepared in accordance with the *Corporations Act 2001* (compliance framework).
 - (c) Illustration 3: Years 2 and 3 – Review report on a sustainability report in accordance with the *Corporations Act 2001* (fair presentation framework).
 - (d) Illustration 4: Year 4 – Audit report on a sustainability report prepared in accordance with the *Corporations Act 2001* (fair presentation framework).

Conclusions/opinions in illustrative reports

5. This exposure draft proposes that conclusions/opinions in sustainability auditor's reports under the *Corporations Act 2001* (the Act) should combine the words required by:
 - (a) The Act – see s1707F(2) (for reviews) and s309A(1) (for audits); and
 - (b) ASSA 5000 – see paragraph 190(c)(vi).
6. 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.

Review conclusion wording

7. Subsection 1707F(2) 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:

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

- | |
|---|
| (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. ... |
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(2) and the wording from s190(c)(vi)(b) of the Act in the illustrative review reports as follows for Years 2 and 3:
- '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 the review that makes us believe that the sustainability report is not fairly presented, in all material respects, in compliance with Division 1 of Part 2M.3 of the *Corporations Act 2001* including Sustainability Reporting Standard AASB S2 *Climate-related Disclosures*.'

Alternative to conclusion in paragraph 9

10. If the requirements of paragraph 190(c)(vi)(b) of ASSA 5000 were seen to be inconsistent with subsection 1707F(2) of the Act, an alternative conclusion may 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*.'
11. 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. This includes assurance on reporting in accordance with Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures*.'
- (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.'
12. ASSA 5000 may also need to be amended so that 190(c)(vi)(a) does not apply for Corporations Act engagements. 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 allows departing from an international standard to meet Australian legislative and regulatory requirements.

Audit opinion wording

13. Section 309A outlines the required content of the auditor's audit report on a sustainably 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 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 that an opinion ‘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 proposed 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).’

Alternative to conclusion in paragraph 14

15. If the additional wording for a reasonable assurance opinion required by paragraph 190(c)(vi)(a) of ASSA 5000 were seen to be inconsistent with subsection 309A(1) of the Act, an alternative opinion may 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).’

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

‘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.’

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

17. ASSA 5000 may also need to be amended so that 190(c)(vi)(a) does not apply for Corporations Act engagements.

Summary of proposed changes

18. The main proposed changes to the Corporations Act wording for the conclusions/opinions in the illustrative sustainability assurance reports (as reflected in paragraphs 7 to 9 and 13 to 14 above) are shown in the table below with possible arguments for and against making the changes.

No.	Proposed change to Corporations Act wording	Phasing Years affected	For change	Against change
1	Add lead in words – ‘Based on the procedures we have performed and the evidence we have obtained,’ (see para 190(c)(vi)(b) of ASSA 5000).	Years 1, 2, 3	- Including the lead in words may be supported by the requirement in the Act for the auditor’s report to ‘include any statements or disclosures required by the auditing standards’ for the purposes of the relevant section (see paragraphs 1707E(4) and 309A(3) of the Act). - The additional words will highlight to users the need to understand the nature of limited assurance procedures. The procedures must satisfy ASSA 5000. - Consistent with ISSA 5000, which may assist overseas users. - Consistent with words used historically under ASAE 3000. - Not following the Standard may not meet the Compelling Reason test for amendment.	- The provisions of the Act on including other statements and disclosures required by the auditing standards may refer to other statements and disclosures and not extend to changes to the auditor’s conclusion/opinion. - The additional words might be seen to limit the auditor’s responsibilities to the work that the auditor has performed and evidence they have obtained rather than the work required by ASSA 5000. - Users will have their attention specifically drawn to the separate section later in the report detailing the limited assurance procedures performed. - The Compelling Reason test may be met if following ASSA 5000 were inconsistent with the Act.
2	Refer to ‘a fair presentation, in all material respects’ (see paragraph 190(c)(vi) of the Act).	Years 2, 3, 4	- Highlights the application of materiality to users which is fundamental to understanding the conclusion/opinion. - Consistent with ASSA 5000. - Not following the Standard may not	Materiality can be covered separately and more clearly in paragraphs immediately after the conclusion/opinion. These paragraphs would refer to materiality under ASSA 5000.

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

No.	Proposed change to Corporations Act wording	Phasing Years affected	For change	Against change
			meet the Compelling Reason test for amendment.	- Materiality is implicit in the reporting requirements. - Including the words ‘in all material respects’ may be inconsistent with the Corporations Act requirements. - The Compelling Reason test may be met if following ASSA 5000 were inconsistent with the Act.
3	Include ‘complies in all material respects’ (see paragraph 190(c)(vi)(b) of ASSA 5000) but not refer to a fair presentation framework.	Year 1	- Highlights the application of materiality to users which is fundamental to understanding the conclusion. - Consistent with ASSA 5000. - Not following the Standard may not meet the Compelling Reason test for amendment. - 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 (see AASB 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 its fair presentation.	- Materiality can be covered separately and more clearly in paragraphs immediately after the conclusion/opinion. These paragraphs would refer to materiality under ASSA 5000. - Materiality is implicit in the reporting requirements. - Including the words ‘in all material respects’ may be inconsistent with the Corporations Act requirements. - The Compelling Reason test may be met if following ASSA 5000 were inconsistent with the Act.
4	Adding an explicit reference to AASB S2 to the conclusion.	Years 1, 2, 3	May provide greater clarity on the relevant requirements for some users.	AASB S2 can be covered separately from the conclusion/opinion.

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

No.	Proposed change to Corporations Act wording	Phasing Years affected	For change	Against change
				• Would not readily accommodate any future sustainability reporting standards. • There would be no reference to the legislative disclosure requirements in s296D.
5	Replacing 'compliance with sustainability standards etc' in s309A(1)(b) of the Act with 'compliance with Australian Sustainability Reporting Standard S2 <i>Climate-related Disclosures</i> issued by the Australian Accounting Standards Board and any Ministerial legislative instrument'.	Year 4	• May provide greater clarity on the relevant requirements for some users.	• AASB S2 can be covered separately from the conclusion/opinion. • Would not readily accommodate any future sustainability reporting standards. • Might cause confusion for some users because there is no Ministerial legislative instrument at present.

19. Another option to the proposed approach outlined in line 5 of the table above, would be to omit the words from 'including' onwards in s309A(1) of the Act from the conclusion (see paragraphs 14 and 15 above). There may be differing views as to whether such an omission would be inconsistent with the Act. The illustrative Corporations Act auditor's reports on financial reports in ASA 700 do not omit the words from 'including' onwards in s307(a) of the Act.

AUASB member views

20. While the majority of AUASB members indicated support for the proposals in the table in paragraph 18, AUASB members have not reached a consensus on the appropriate approach. A minority of AUASB members indicated a preference for the alternative approach expressed in paragraphs 10 to 12 and paragraphs 15 to 17 above. The majority of AUASB members are of the opinion that the proposals are fully consistent with both the Corporations Act and the Auditing Standard. Stakeholder feedback is sought to inform the AUASB in reaching a final view.

Terminology

21. The terminology used in the illustrative Corporations Act sustainability assurance reports is consistent with the Act. The following table shows the terms from the Act proposed to be used and the corresponding terms in ASSA 5000.

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

Terms in the Act (and proposed for the illustrative reports)	Terms in ASSA 5000
Review	Limited assurance engagement
Audit	Reasonable assurance engagement
Auditor	Practitioner
Auditor's Report	Practitioner's Report

22. The key 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 with ASSA 5000 and ASSA 5010.' appears.

Inherent limitations

23. 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.'

24. It is understood 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.
25. The example inherent limitation paragraphs in the Illustrative reports in ED 03/25 are based on those in the IAASB's draft reports.
26. The table below outlines arguments for and against including an example paragraph in the illustrative Corporations Act auditor's reports.

No.	For inclusion	Against inclusion
1	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.	May encourage use of inherent limitation paragraphs where they are not needed.
2	As sustainability reporting and 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 use of standard inherent limitations may detract attention from inherent limitations specific to the entity.
3	-	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 inherent limitations examples may be inconsistent with the IAASB examples.

Reasonable assurance over Scope 1 and 2 emissions in Year 1

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

27. Proposed illustrative report 2 deals with the narrow situation in which an auditor gives reasonable assurance on Scope 1 and 2 emissions reported under AASB S2 in Year 1 when ASSA 5010 only requires limited assurance.
28. 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 paragraph 10(d) of 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.
29. 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 the National Greenhouse Energy Reporting (NGERs) basis.	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).
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.

Assurance on financial report vs sustainability report

30. Mandatory sustainability reporting and assurance under the Act and AASB S2 are new. The Act requires separate auditor's reports for the financial report and the sustainability report. The location of the auditor's reports in a single annual report is not prescribed and the two auditor's reports may appear together or separately and adjacent to the subject matter to which they relate.
31. It is proposed that the overall heading on the illustrative Corporations Act sustainability auditor's reports refer to the sustainability report/information. However, the overall heading on the illustrative reports in [Auditing Standard ASA700 Forming an Opinion and Reporting on a Financial Report](#) (ASA 700) is 'INDEPENDENT AUDITOR'S REPORT' and the reports may cover both the financial report and any remuneration report.
32. To reduce any possible confusion for users as to the scope of each auditor's report, the AUASB is considering whether the scope of each report requires more prominence (e.g. through the report headings or text boxes at the start of each report). The potential for confusion might exist whether or not there is the same auditor (i.e. audit firm, authorised audit company or individual auditor) and lead auditor for both the financial report and sustainability report.
33. While any potential for confusion may be reduced where the financial report and sustainability report are published in separate documents, entities may prefer to publish the financial and

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

sustainability reports together given the interconnectivity of information, assumptions and disclosures between the reports.

Including illustrative reports in ASSA 5000

34. The AUASB proposes to include the illustrative Corporations Act sustainability assurance reports in an appendix to ASSA 5000 so that they accompany the existing illustrative reports from ISSA 5000. This approach is consistent with the approach in ASA 700 and ASA 570 *Going Concern*.
35. An alternative would be to issue the illustrative reports in a separate document outside of ASSA 5000. While the illustrative reports would not have same status in a separate document compared to an appendix to ASSA 5000, the illustrative reports could be amended more promptly in response to emerging issues during the implementation of mandatory sustainability reporting and assurance. Any changes to the separate document would be subject to simpler due process than amending ASSA 5000 (see the AUASB's [*Due Process Framework for Developing, Issuing and Maintaining AUASB Pronouncements and Other Publications*](#)).

Request for comments

36. 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:
- (a) Comments should be sufficiently detailed and include whether or not stakeholders agree with the proposed amendments.
 - (b) Stakeholders may address only specific questions relevant to them or raise matters not specifically addressed by a question.
 - (c) The AUASB regards both supportive and critical comments as essential to a balanced review of the proposed amending standards.
 - (d) 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

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

No.	Question	Refer
1	Do you agree that the that the wording of the auditor's conclusion/opinion should combine wording from the Corporations Act and paragraph 190(c)(vi) of ASSA5000 as proposed in the Exposure Draft? Please provide your reasons.	Line 1 in the table in paragraph 18 and paragraphs 5 to 20 above.
2	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?	Line 2 in the table in paragraph 18, paragraphs 5 to 6 and paragraphs 16 to 20 above.
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?	Line 3 in the table in paragraph 18.
4	Should the conclusion/opinion refer specifically to AASB S2 in addition to referring to compliance with the Act?	Lines 4 and 5 in the table in

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

No.	Question	Refer
		paragraph 18 and paragraphs 9 to 20 above.
5	Should the audit opinion refer to disclosure provisions under the Act where there are no current requirements (e.g. any Ministerial legislative instrument)?	Line 5 in the table in paragraph 18, paragraphs 5 to 6 and paragraphs 13 to 20 above.
6	Do you consider that in Year 4 onwards, the opinion should omit the words from ‘including’ onward in s309A(1) of the Act?	Paragraph 19 above.
7	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 engagement’)?	Paragraphs 21 and 22 above.
8	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.	Paragraphs 23 to 26 above and the proposed illustrative reports below.
9	Do you agree with the approach taken to auditor reporting in the narrow circumstance where an auditor gives early reasonable assurance on Scope 1 and 2 emissions in Year 1 (i.e. treatment 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 no assurance is required in Year 1 but the auditor gives assurance?	Paragraphs 27 to 29 above.
10	Should the AUASB consider how to better distinguish the auditor’s reports on the financial report and sustainability report. If so, how?	Paragraphs 30 to 33 above.
11	Should the illustrative Corporations Act assurance reports be issued in an appendix to ASSA 5000 or in a separate document?	Paragraphs 34 to 35 above
12	Are there other matters not addressed by this exposure draft that should be considered by the AUASB for the proposed illustrative reports?	-

CONTENTS

PREFACE

AUTHORITY STATEMENT

CONFORMITY WITH INTERNATIONAL SUSTAINABILITY ASSURANCE STANDARDS

Paragraphs

Application 1-2

Operative Date.....3

Introduction4

Objective5

Definition.....6

Amendments to ASSA 5000.....7

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*.

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).

**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

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

Introduction

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

Objective

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

Definition

6. 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

7. 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 3: Years 2 and 3 – Review report on a sustainability report prepared in accordance with the *Corporations Act 2001* (fair presentation framework).
- Illustration 4: Year 4 – 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 SPECIFIED SUSTAINABILITY DISCLOSURES OF ABC COMPANY LIMITED

To the Members of ABC Company Limited

Review Conclusion

We have conducted a review of the following specified Sustainability Disclosures in the Sustainability Report of ABC Company Limited (the Company) for the year ended 31 December 2025 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:

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

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 Disclosures specified in the table above do not comply, in all material respects, with Division 1 of Part 2M.3 of the *Corporations Act 2001* including the requirements of Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* identified in the table above.

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

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

Basis for Conclusion

We conducted our review as a limited assurance engagement in accordance with ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (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 Australia². 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 *[describe the other information]*.

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

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

Responsibilities for the specified Sustainability Disclosures

The Directors of the Company are responsible for:

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

² Omit reference to public interest entities if not applicable.

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

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

Inherent Limitations in Preparing the specified Sustainability Disclosures

[Example - Greenhouse gas emissions quantification relating to [identify source of emissions] is subject to significant measurement uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The comparability of sustainability information between entities and over time may be affected by inconsistencies in the methods to estimate or measure those emissions, due to different, but acceptable, methods applied³].

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 specified Sustainability Disclosures.

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

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

Summary of the Work Performed

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

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

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

[Signature of the lead auditor]

[Auditor's address]

[Date of the auditor's report]

³ This is an example only. Inherent limitations are 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 REPORT ON SPECIFIED SUSTAINABILITY DISCLOSURES OF ABC COMPANY LIMITED’S

To the Members of ABC Company Limited

Review conclusion

We have conducted a review of specified disclosures in the Sustainability Report of ABC Company Limited (the Company) for the year ended 31 December 2025 in accordance with Australian Standards on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* (ASSA 5010) issued by the Auditing and Assurance Standards Board.

Disclosures reviewed	Reporting requirement of AASB S2 <i>Climate-related Disclosures</i> (including related general disclosures required by Appendix D)	Location in Sustainability Report⁴
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

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 Governance and Strategy (risk and opportunities) disclosures as specified in the table above does not comply, in all material respects, with Division 1 of Part 2M.3 of the *Corporations Act 2001* including the requirements of Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* identified in the table above.

Audit opinion

We have conducted an audit of specified disclosures in the Sustainability Report of ABC Company Limited (the Company) for the year ended 31 December 2025 in accordance with Australian Standards on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* (ASSA 5010) issued by the Auditing and Assurance Standards Board.

⁴ The location description should include all matters relevant to the sustainability climate information. This includes, for example, disclosure of methods applied where there is a choice of method.

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

Disclosures audited	Reporting requirement of AASB S2 <i>Climate-related Disclosures</i> (including related general disclosures required by Appendix D)	Location in Sustainability Report⁵
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

In our opinion the Scope 1 and 2 emission disclosures specified in the table above are prepared, in all material respects, in accordance with the 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 *General Requirements for Sustainability Assurance Engagements* (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 this 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 Australia⁶. 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], which describes [...].

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

⁵ The location description should include all matters relevant to the sustainability climate information. This includes, for example, disclosure of methods applied where there is a choice of method.

⁶ Omit reference to public interest entities if not applicable.

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

Other Information

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

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

Our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Governance, Strategy (risks and opportunities) and Scope 1 and 2 emission disclosures, or our knowledge obtained when conducting the review or audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities for the Disclosures

The Directors of the Company are responsible for:

- The preparation of the Governance, Strategy (risks and opportunities) and Scope 1 and 2 emission disclosures in accordance with the *Corporations Act 2001* (including AASB S2).
- Designing, implementing and maintaining such internal controls necessary to enable the preparation of the disclosures, in accordance with the *Corporations Act 2001* that is free from material misstatement, whether due to fraud or error.

Inherent Limitations in Preparing the Disclosures

[Example - Greenhouse gas emissions quantification relating to [identify source of emissions] is subject to significant measurement uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The comparability of sustainability information between entities and over time may be affected by inconsistencies in the methods to estimate or measure those emissions, due to different, but acceptable, methods applied⁷.]

Auditor's Responsibilities

Our objectives are to:

- Plan and perform the audit to obtain reasonable assurance about whether the Scope 1 and 2 Emission disclosures are free from material misstatement, whether due to fraud or error, and to issue an assurance report that includes our opinion.
- Plan and perform the review to obtain limited assurance about whether the Governance and Strategy (risks and opportunities) disclosures 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 Governance, Strategy (risks and opportunities) and Scope 1 and 2 emission disclosures.

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

⁷ This is an example only. Inherent limitations are to be tailored to the engagement circumstances. Refer to ASSA 5000 paragraph 190 (g).

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

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 Governance and Strategy (risks and opportunities) disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

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

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

[Signature of the lead auditor]

[Auditor's address]

[Date of the auditor's report]

Illustration 3: 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 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)..

Based on the procedures 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 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 *General Requirements for Sustainability Assurance Engagements* (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 Australia⁸. We

⁸ Omit reference to public interest entities if not applicable.

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

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 *[describe the other information]*.

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

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

Responsibilities for the Sustainability Report

The Directors of the Company are responsible for:

- The preparation 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 specified Sustainability Disclosures, 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

[Example - 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 occur⁹.]

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.

⁹ This is an example only. Inherent limitations are to be tailored to the engagement circumstances. Refer to ASSA 5000 paragraph 190(g).

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

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 Matter¹⁰

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]

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

¹⁰ 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.

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

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 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 *General Requirements for Sustainability Assurance Engagements* (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 requirements in the *Corporations Act 2001*, that are relevant to public interest entities in Australia¹¹.

¹¹ Omit reference to public interest entities if not applicable.

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

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 Report], which describes [...].

Our conclusion is not modified in respect of this matter.

Other Information

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

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

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

Responsibilities for the Sustainability Report

The Directors of the Company are responsible for:

- The preparation 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

[Example - 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 occur¹².]

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

¹² This is an example only. Inherent limitations are to be tailored to the engagement circumstances. Refer to ASSA 5000 paragraph 190 (g).

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

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 Matter¹³

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]

¹³ ASSA 5000 paragraph 210 requires the auditor to state in an Other Matters paragraph that the subject matter information was subject to a different level of assurance in the prior period.