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Auditing and Assurance Standards Board
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Sub 6 ED03-2025

3 December 2025

Submission on ED03/25 Proposed Australian Standard on Sustainability Assurance ASSA 2025-11 Amendments to ASSA 5000 *General Requirements for Sustainability Assurance*

We welcome the opportunity to provide feedback to the Auditing and Assurance Standards Board's (AUASB) on the Exposure Draft ED03/25.

We acknowledge the efforts of the AUASB in supporting the profession through this evolving landscape and we support the ongoing work to provide clarity and consistency to the assurance reports to be issued on the Sustainability Reports required under the Corporations Act 2001. We have included responses to the specific questions within ED03/25 below.

Question	Deloitte response
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.	Yes. We support combining the wording as proposed in the Exposure Draft (line 1 of paragraph 18). While we acknowledge that certain terminology defined by the Corporations Act must be incorporated, we believe it is important for user understandability and comparability that the report remains grounded in the assurance standard. Accordingly, we support using language that is consistent with other limited assurance conclusions.
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?	Yes. We agree that in Year 2 onwards the review/audit is based on a fair presentation framework.

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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?	Yes. We agree that in Year 1 the review is based on a compliance framework.
4. Should the conclusion/opinion refer specifically to AASB S2 in addition to referring to compliance with the Act?	Yes. In our view, a specific reference to AASB S2 should be included in addition to referring to compliance with the Act. We support the inclusion of the language as drafted in the illustrative reports.
5. Should the audit opinion refer to disclosure provisions under the Act where there are no current requirements (e.g. any Ministerial legislative instrument)?	No. We believe that referring to disclosure provisions under the Act where there are no current requirements would reduce the clarity provided by the illustrative reports. Should the AUASB wish to include guidance on how the reports could be amended in the future should any new requirements be implemented, this could be achieved using a footnote or square brackets.
6. Do you consider that in Year 4 onwards, the opinion should omit the words from 'including' onward in s309A(1) of the Act?	In our view, no. We consider that the language in the assurance report should mirror the language in the Act, which includes the words from 'including' onwards. In addition, we consider the reference to the AASB S2 to be critically important for user understandability.
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')?	As noted in response to question 1 above, we acknowledge that certain terminology defined by the Corporations Act must be incorporated however we believe it is important for user understandability and comparability that the report remains grounded in the assurance standard. We believe that the combination of language as included in the illustrative reports is appropriate to ensure that the conclusion is consistent with the Act, while still enabling users to understand the basis of conclusions and auditor's responsibilities in the context of limited assurance under ASSA 5000.
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	Yes. The inclusion of the example inherent limitations paragraph in the Illustrative Reports provides useful guidance in relation to the types of matters and level of detail that auditors should consider disclosing in their reports.
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?	Yes. We agree with the approach set out in Illustrative Report 2, where an auditor provides reasonable assurance over disclosures required to be assured in Year 1. We consider it likely that this situation will arise in practice, particularly for entities that have historically disclosed and obtained assurance over sustainability information on a voluntary basis. In our view, providing assurance over information that is reported but not required to be assured in Year 1 is likely to be less common, and it may be premature to determine a generalised approach for such circumstances at this stage.

<p>10. Should the AUASB consider how to better distinguish the auditor's reports on the financial report and sustainability report. If so, how?</p>	<p>Yes. We believe it will be important for users to be able to clearly differentiate between the auditor's report on the financial report and the auditor's report on the sustainability report. This could be achieved through straightforward measures such as clear, distinct headings and thoughtful placement of each assurance report within the overall document.</p>
<p>11. Should the illustrative Corporations Act assurance reports be issued in an appendix to ASSA 5000 or in a separate document?</p>	<p>Given the evolving reporting environment, we see merit in publishing the illustrative assurance reports as a separate document. This would enable updates to be made more efficiently and allow guidance to be made available to auditors more quickly.</p>
<p>12. Are there other matters not addressed by this exposure draft that should be considered by the AUASB for the proposed illustrative reports?</p>	<p>We have two points to note on the Independence paragraph (fourth paragraph under heading of 'Basis for Conclusion'):</p> <ul style="list-style-type: none"> • We recommend removing the following language <i>"(November 2018 incorporating all amendments to insert June 2024 or July 2025 as applicable)"</i> which may cause confusion for readers. • The language currently links independence requirements to APES 110 and ethical requirements to the Corporations Act ("ethical requirements in the Corporations Act 2001, that are relevant to public interest entities"). The Corporations Act does not specify ethical requirements or make reference to public interest entities. Further, this is inconsistent with the financial report opinions which make reference to independence requirements of the Corporations Act and ethical requirements of APES 110. <p>To address the two points above, we suggest the following edits:</p> <p>We are independent of the Company in accordance with the <u>auditor independence requirements of the Corporations Act and applicable ethical requirements of APES 110 Code of Ethics for Professional Accountants (including Independence Standards)</u> 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), <u>together with the ethical requirements in the Corporations Act 2001</u>, that are relevant to <u>our audit of the sustainability report and</u> public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.</p> <p>In addition, the requirement in s307C of the Corporations Act for the auditor to provide the directors of the company with an independence</p>

	<p>declaration applies to the review/audit of the sustainability report. The following paragraph is included in Illustrative Report 1A in ASA 700 to address the requirement of s307C in circumstances where the independence declaration is not provided on the same day as the auditors' report is signed:</p> <p>"We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report."</p> <p>We recommend including this same paragraph in the illustrative Corporations Act reports for the sustainability reports.</p>
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Thank you for the opportunity to provide our views. Should you wish to discuss the responses within our submission, please reach out to me jacqustrydom@deloitte.com.au.

Yours sincerely

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