



AUASB DECLARATION OF INTERESTS

As at 17 December 2025

AUASB Meeting 170
Agenda Paper 1.0

AUASB Member	Professional/Organisational Affiliations	Employment/Other Positions Held	Other Relevant Interests
Mr Doug Niven (Chair)	<ul style="list-style-type: none">Fellow, Chartered Accountants Australia and New Zealand	<ul style="list-style-type: none">Chair of the Auditing and Assurance Standards Board, AUASB Statutory Authority and Office of the AUASBMember, Australia's Financial Reporting CouncilMember, New Zealand Auditing and Assurance Standards Board	<ul style="list-style-type: none">Member, IAASB/IESBA Stakeholder Advisory CouncilMember, IAASB Jurisdictional Standard Setters Group
Ms Julie Crisp (Deputy Chair)	<ul style="list-style-type: none">Registered Company AuditorFellow, Chartered Accountants Australia and New ZealandFellow, CPA AustraliaFellow, Governance Institute of AustraliaFellow, Institute of Public Administration AustraliaGraduate, Australian Institute of Company DirectorsCertified Internal Auditor, Certified Government Audit Professional, Certification in Risk Management Assurance – Professional Member, Institute of Internal AuditorsMember, Association of Certified Fraud Examiners	<ul style="list-style-type: none">Non-Executive Director, CPA AustraliaMember – Performance Statements Audit Expert Advisory Panel, Australian National Audit OfficeFormer Northern Territory Auditor-General (concluded 12 September 2024)	<ul style="list-style-type: none">Director and Shareholder, Family Trust CompanyDirector and Shareholder, Asterism Assurance and Advisory Pty LtdBoard Director and Chair of the Auditing & Risk Committee of Aboriginal Investment NT, a Commonwealth statutory entity regulated by the ACNCNon-Executive Director, Larrakia Development CorporationDirector, Darwin Hotel Partnership Pty LtdMember, Audit & Risk Committee, Charles Darwin UniversityMember, Audit & Risk Committee, Department of Local Government, Industry Regulation and Safety (a department of the Government of Western Australia)



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



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



Minutes

4 December 2025 Meeting

Subject: Minutes of the 169th Meeting of the Auditing and Assurance Standards Board (AUASB)
Venue: Virtual meeting by Zoom
Date: Thursday, 4 December 2025, 3:00 pm – 4:49 pm

Attendance:

AUASB Members:	Doug Niven (Chair) Graeme Pinfold (NZAuASB Chair) Meryl Gwan Prof Noel Harding Terence Jeyaretnam	Joanne Lonergan Andrew Porter Jason Thorne Jennifer Travers Chi Mun Woo
Office of the AUASB staff:	Anne Waters Rene Herman Marina Michaelides	Arti Naidu See Wen Ewe Dr Sheryl Huang
Guests	Brenton Newlands	
Apologies	Julie Crisp (Deputy Chair)	Klynton Hankin

Minutes

(Agenda Item 1 – Minute 1814) Welcome and Chair Update

The AUASB Chair welcomed members to the 169th meeting of the AUASB.

There were no changes to the declarations of interests. The minutes for meeting 168 were approved.

(Agenda Item 2 – Minute 1815) IAASB Standards

AUASB members discussed key matters arising from papers for the IAASB's December meeting on:

- Revision of ISRE 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*;
- Audit evidence and risk response; and
- Inventories, external confirmations and sampling.

Close of the Meeting

The Chair closed the meeting at 4:49 pm.

Next Meeting

The AUASB will hold its next meeting virtually on 17 December 2025.

Approval

Signed as a true and correct record.

Douglas Niven
Chair

Date: XX December 2025



AUASB Agenda Paper

Title:	Proposed Amendments to ASSA 5010 <u>re directors'</u> <u>declaration and legislation for</u> <u>voluntary reporting under Corps</u> <u>Act to clarify the scope of the</u> <u>audit and/or review</u>	Date:	17 December 2025
Office of AUASB:	Tim Austin	Agenda Item:	2.0

Objective of Agenda Item

1. The objective of this agenda item is to obtain:
 - (a) AUASB Member feedback on draft ASSA 2025-10 *Amendments to ASSA 5010 Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001*; and
 - (b) Seek approval from AUASB Members to issue amending standard ASSA 2025-10 and the accompanying Explanatory Statement.

Questions for AUASB Members

No.	Question
1	Do AUASB Members agree to defer making amendments to ASSA 5010 for the directors' declaration? (see paragraphs 7 to 13 below)
2	Do AUASB Members have feedback on proposed ASSA 2025-10 (see Agenda Paper 2.1 which shows mark up against ED 02/25) or the related Explanatory Statement (see Agenda Paper 2.2)? (see also paragraphs 14 to 23 below)
3	Do AUASB Members approve ASSA 2025-10 and the related Explanatory Statement for issue?
4	Do AUASB Members agree with the recommendation that ASSA 2025-10 does not require re-exposure? (see paragraph 28 below)

Background information

2. The AUASB issued ED 02/25 *Amendments to ASSA 5010 Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* on 23 October 2025 to obtain feedback from stakeholders on two separate and distinct proposals:
 - (a) To clarify that the directors' declaration which forms part of a sustainability report as defined by the *Corporations Act 2001* (the Act) is required to be subject to audit or review for phasing Years 2 and 3 (for years commencing 1 July 2026 to 31 December 2027); and
 - (b) To specify how the phasing in of assurance would apply if the amendments to the Act proposed by the *Treasury Laws Amendments (Strengthening Financial Systems and Other Measures) Bill 2025* (the Bill) on voluntary sustainability reporting under the Act are enacted.

3. The Bill was passed on 27 November 2025 and was given Royal Assent on 4 December 2025.
4. The Office of the AUASB received 14 written submissions on ED 02/25 which are listed in Tables 1 and 2 below. The Office of the AUASB also hosted a virtual roundtable to raise awareness of ED 02/25 and ED 03/25 which was attended by 40 participants.
5. Tables 1 and 2 below provide a high-level summary of the responses to ED 02/25. The non-confidential submissions received will be available at [Closed for comment](#) on 10 December 2025. A confidential submission will be emailed to members separately.

Assurance of the directors' declaration

6. Table 1 below shows the responses to the questions in ED 02/25 on assurance over the directors' declaration in the sustainability report in Years 2 and 3 when the directors can opine on compliance with the reporting requirements based on the entity having taken reasonable steps.

Table 1: High level summary of responses to ED 02/25 questions 1-3

No.	Respondent	Directors' declaration		
		Supportive of assurance of directors' declaration for Years 2 and 3?	Significant challenges?	Supportive of guidance on 'reasonable steps'?
1	AICD Confidential submission	Yes.	-	-
2	AAA-PPC	Yes.	Challenges during transitional period but not significant.	Yes.
3	PwC	Yes.	Challenges during transitional period but not significant.	Yes, but not the responsibility of the AUASB.
4	CA ANZ	Yes.	Challenges during transitional period but not significant.	AUASB to issue auditor specific guidance but others to issue guidance on reasonable steps.
5	Qualitas Consultants	No but supportive of assurance of the directors' declaration after the transition period.	Yes, significant challenges.	Yes, but not the responsibility of the AUASB.
6	IPA	Yes.	No.	AUASB to issue auditor specific guidance but others to issue guidance on reasonable steps.
7	KPMG	Yes.	Challenges during transitional period but not significant.	AUASB to issue auditor specific guidance but others to issue guidance on reasonable steps.
8	Nexia	No but supportive of assurance of the directors' declaration after the transitional period.	Yes, significant challenges.	Yes, but not the responsibility of the AUASB.
9	CPA Australia	Yes.	Challenges during transitional period but not significant.	AUASB to issue auditor specific guidance but others to issue guidance on reasonable steps.

No.	Respondent	Directors' declaration		
		Supportive of assurance of directors' declaration for Years 2 and 3?	Significant challenges?	Supportive of guidance on 'reasonable steps'?
10	Grant Thornton	Yes.	No.	AUASB to issue auditor specific guidance but others to issue guidance on reasonable steps.
11	ACAG	Yes.	No.	AUASB to issue auditor specific guidance but others to issue guidance on reasonable steps.
12	EY	Yes.	Challenges during transitional period but not significant.	AUASB to issue auditor specific guidance but others to issue guidance on reasonable steps.
13	AICD	Yes.	No.	AUASB to issue auditor specific guidance but others to issue guidance on reasonable steps.
14	Deloitte	Yes.	Challenges during transitional period but not significant.	AUASB to issue auditor specific guidance but others to issue guidance on reasonable steps.

7. Stakeholders were broadly supportive¹ of the directors' declaration being subject to assurance for Years 2 and 3, the reasons provided included:
 - (a) aligning with users' expectations;
 - (b) consistency with financial reporting requirements; and
 - (c) the auditor being required by ASSA 5000 to obtain an understanding of the components of the system of internal control relevant to the preparation of the sustainability report will assist in forming their view on whether the directors have taken 'reasonable steps'.
8. Whilst the majority of stakeholders were supportive of assurance of the directors' declaration, two stakeholders (Qualitas and Nexia) proposed deferring assurance over the directors' declaration until after the 'reasonable steps' transitional period (the transitional relief applies for financial years commencing 1 July 2025 to 31 December 2027)². The reasons given for the proposed deferral included the subjectivity of, and absence of guidance on, 'reasonable steps' resulting in diverse interpretation and application.
9. Of the respondents who were supportive of assurance of the directors' declaration during the 'reasonable steps' transitional period, most responded that there would be some challenges with assurance of 'reasonable steps' but did not identify them as significant. The consistent themes across the submissions were that challenges may arise where entities have not adequately defined, documented, and substantiated the 'reasonable steps' they have taken and the lack of clear criteria for what is meant by 'reasonable steps' makes it difficult for auditors and results in variability in approach and effort.

¹ [AICD Confidential submission](#), AAA-PPC, PwC, CA ANZ, Qualitas Consultants, IPA, KPMG, Nexia Australia, CPA Australia, Grant Thornton, ACAG, EY, AICD and Deloitte.

² Qualitas Consultants and Nexia Australia.

ED Question 3 – Development of guidance to assist auditors on how to approach ‘reasonable steps’.

10. Stakeholders responded that they were supportive of guidance being developed to assist auditors in approaching assurance of the “reasonable steps” criterion but were broadly consistent in the view that the responsibility for guidance on what constitutes ‘reasonable steps’ was not within the remit of the AUASB³. Respondents noted they expected ASIC to clarify the director’s obligations but that coordination between the AUASB and ASIC was needed.
11. We understand that ASIC does not intend to provide guidance on the ‘reasonable steps’ criterion. While there is some material from the AICD that refers to the ‘reasonable steps’ criterion ([Navigating new sustainability reporting rules](#)), that guidance appears to discuss the ongoing reasonable steps criterion for individual directors for financial reporting and sustainability reporting, rather than the transitional reasonable steps criterion for the entity as a whole.
12. Respondents encouraged the AUASB to develop auditor specific guidance on how auditors may approach providing assurance over the directors’ declaration during the ‘reasonable steps period’⁴. One respondent outlined specific areas that the AUASB could issue guidance on including the nature and extent of audit procedures and evidence expectations.

Recommendation

13. While the majority of stakeholders are supportive of the directors’ declaration being subject to assurance during the ‘reasonable steps’ transitional period, there was strong feedback that guidance is required for directors and auditors. Considering the need for guidance, the Office of the AUASB proposes that the directors’ declaration amendments be deferred and considered at the 25 February 2025 AUASB meeting. This recommendation is based on:
 - (a) ASSA 5010, as currently issued, does not require the directors’ declaration to be assured in the first year (the second year of reporting for Group 1 entities commences 1 July 2026 to 30 June 2027). However, it is important to provide clarity ahead of 1 July 2026 as engagement letters and engagement scopes will be affected.
 - (b) Providing time for the Office of the AUASB to engage with parties such as AICD and the Professional Bodies on possible guidance for Directors, and then the AUASB developing guidance for auditors.

Voluntary sustainability reports

14. Table 2 shows the responses to ED 02/25 on the phasing in of assurance where an entity voluntarily reports under the Act for a year commencing before 1 January 2028 (s1707DA of the Act).

Table 2: High level summary of responses to ED 02/25 questions 4 and 5

No.	Respondents	Requirements aligning with Group 1, 2 or 3?	Phasing model for voluntary reporting supported?
1	AICD Confidential submission	Support.	As proposed.
2	AAA-PPC	Support.	As proposed.
3	PwC	Support.	As proposed.

³ AICD, PwC, CA ANZ, Qualitas Consultants, IPA, KPMG, Nexia Australia, CPA Australia, Grant Thornton, ACAG, EY, [AICD](#) and Deloitte.

⁴ CAANZ, IPA, KPMG, CPA Australia, Grant Thornton, ACAG, EY.

No.	Respondents	Requirements aligning with Group 1, 2 or 3?	Phasing model for voluntary reporting supported?
4	CA ANZ	Support.	As proposed.
5	Qualitas Consultants	N/A.	N/A.
6	IPA	Support.	Alternative model.
7	KPMG	Support.	As proposed.
8	Nexia	N/A.	N/A.
9	CPA Australia	Support.	As proposed.
10	Grant Thornton	Support.	Alternative model.
11	ACAG	Support.	As proposed.
12	EY	Support.	As proposed.
13	AICD	Does not support.	Does not support either proposal, provides further comments for consideration.
14	Deloitte	Support.	Alternative model.

ED Question 4 – Proposed phasing in of assurance for entities that apply s1707DA of the Corporations Act 2001.

15. Most stakeholders were supportive of the AUASB proposals to require assurance for voluntary sustainability reports aligned with the requirements for Group 1, 2 or 3 entities⁵.
16. While most stakeholders were supportive, a number noted that the additional effort and cost of assurance may discourage entities from reporting and that they expect some entities to publish sustainability information voluntarily without asserting compliance with the *Corporations Act 2001*⁶. One stakeholder did not support the proposals on this basis⁷.
17. While some entities may be discouraged from voluntarily reporting, the proposed amendments to ASSA 5010 are arguably consistent with the reference in the new s1707DA(4) to the audit provision in the Act (which is subject to the transitional provisions for phasing in of assurance) in connection with a voluntary sustainability report under the Act.

Section 1707DA(4)

“The following provisions apply in relation to the document mentioned in paragraph (1)(b) of this section as if the company, scheme or entity were required to prepare a sustainability report for the year:

- (a) section 296E (ASIC directions);
- (b) section 301A (audit of annual sustainability report);
- (c) section 1707D (limited immunity for statements in new sustainability reporting).”

ED Question 5 – Views on the model of proposed phasing in of assurance for entities that voluntarily report under the Corporations Act 2001 then opt out, and then recommence

18. ED 02/25 proposed to allow a reset of the phasing in of assurance where an entity that had prepared a voluntary sustainability report under s1707DA for a year does not report under the Act for the following year (see ED 02/25 EM paragraphs 15-18). An alternative model of not allowing a reset of the phasing was outlined in the EM for stakeholders to consider (see ED 02/25 EM paragraphs 13-14).

⁵ AICD Confidential submission, AAA-PPC, PwC, CA ANZ, IPA, KPMG, CPA Australia, Grant Thornton, ACAG, EY and Deloitte

⁶ AAA-PPC, CA ANZ and KPMG.

⁷ AICD.

19. The majority of stakeholders supported the assurance phasing model as proposed in the exposure draft⁸. Stakeholders were supportive of this model as it was seen to balance the information needs of users with the cost of preparing and assuring information.
20. Whilst stakeholders were supportive of the model, stakeholders commented that there was no information at the time on the likelihood of entities stopping and starting but the model may avoid unforeseen consequences⁹.
21. The stakeholders who did not support the phasing model as proposed responded that there may be complexity with the stop and start approach especially given there is no information to inform the likelihood of entities stopping and starting voluntary reporting under proposed s1707DA¹⁰.
22. For these stakeholders, the alternative approach proposed in ED 02/25 was viewed as providing clarity and transparency on the assurance obligations of entities and may avoid issues with comparatives, user expectation gaps and quality of data between years.

Recommendation

23. The Office of the AUASB recommends that the amending standard implement the phasing model as proposed in ED 02/25.

Scope of sustainability report

24. The PwC submission suggested that the reference in paragraph 10 of ASSA 5010 to “*all information in the sustainability report*” be amended to “*all information in the sustainability report required to be prepared in accordance the Act*” to avoid confusion as there may be some confusion when voluntary information is included as part of a sustainability report.
25. While ASIC Regulatory Guide 28 says that voluntary information can be included in the sustainability report for regulatory purposes, what a sustainability report consists of under s296A(1) of the Act does not include voluntary information. In addition, s301A will require an audit of the full sustainability report from years commencing 1 July 2030.
26. We will consider an FAQ to address this matter.

Proposed ASSA 2025-10

27. Considering the feedback received and the Bill being enacted, the Office of the AUASB has prepared proposed ASSA 2025-10 with only the amendments for voluntary sustainability reports (Paper 2.1 shows changes compared to ED 02/25). It is recommended that the directors’ declaration matter be deferred (see paragraph 13 of this paper).

AUASB Due Process Matters

Criteria for Re-exposure of AUASB Standards

28. The Office of the AUASB has considered the *Criteria for Re-exposure of AUASB Standards* outlined in paragraphs 72-74 of the [AUASB Due Process Framework](#) and recommends that the proposed standard is not re-exposed as the changes from the original ED are not extensive and/or fundamental. The proposed deferral of the directors’ declaration amendments will be communicated to stakeholders as part of the release of ASSA 2025-10.

⁸ ~~ACED~~Confidential submission, AAA-PPC, PwC, CA ANZ, KPMG, CPA Australia, ACAG and EY.

⁹ PwC, CA ANZ, CPA Australia

¹⁰ IPA, Grant Thornton and Deloitte.

AUASB Agenda Paper

Basis for Conclusions

29. A Basis for Conclusions for ASSA 2025-10 will be prepared by the Office of the AUASB and will be circulated to AUASB Members for comment prior to issuing ASSA 2025-10.
30. In accordance with the AUASB Due Process Framework (see paragraphs 238-240), the Basis for Conclusions is a staff document and is approved by the AUASB Chair.

Impact Analysis

31. A Preliminary Assessment Form was submitted to the Office of Impact Analysis for evaluation. The Office of Impact Analysis has responded that a detailed impact analysis is not required.

Next steps/Way Forward

32. Subject to any amendments to proposed ASSA 2025-10 by the AUASB, the Office of the AUASB will prepare:
 - (a) ASSA 2025-10 for issuance; and
 - (b) A compilation of ASSA 5010, incorporating the changes made by ASSA 2025-10, will be prepared and published on the Federal Register of Legislative Instruments, the AUASB website and the AUASB standards portal.
33. The Office of the AUASB will engage with stakeholders as outlined in paragraph 13 and will bring the directors' declaration matter to the AUASB for discussion at the 25 February 2025 board meeting.

Materials Presented

Agenda Paper	Description
2.1	Draft ASSA 2025-10
2.2	Draft ASSA 2025-10 Explanatory Statement



ASSA 2025-10

Amendments to ASSA 5010 Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001

December 2025

Obtaining a Copy of this Standard

This Standard is available on the Auditing and Assurance Standards Board (AUASB) website:
www.auasb.gov.au

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AUSTRALIA

Draft

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CONFORMITY WITH INTERNATIONAL STANDARDS ON AUDITING

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PREFACE

Reasons for Issuing ASSA 2025-10

The AUASB issues ASSA 2025-10 *Amendments to ASSA 5010 Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* 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.

Main Features

This Standard amends ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* to specify how the phasing in of assurance applies to voluntary sustainability reports in accordance with the amendments made to the *Corporations Act 2001* by the *Treasury Laws Amendments (Strengthening Financial Systems and Other Measures) Act 2025* and to make other minor amendments to ASSA 5010.

AUTHORITY STATEMENT

The Auditing and Assurance Standards Board (AUASB) makes this Standard on Sustainability Assurance ASSA 2025-10 *Amendments to ASSA 5010 Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* pursuant to section 227B(1)(a) of the *Australian Securities and Investments Commission Act 2001* and subsection 1707E(2) of the *Corporations Act 2001* (the Act) for the purposes of s336 of the Act. ASSA 5010 was issued by the AUASB as required by s1707E(2) of the Act.

Dated: 17 December 2025

D Niven
Chair – AUASB

Conformity with International Standards on Auditing

This ASSA amends ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* which specifies the extent and timing of audits and reviews of information in sustainability reports as required by Australian legislation. There are no equivalent standards issued by the International Auditing and Assurance Standards Board (IAASB).

Draft

AUSTRALIAN STANDARD ON SUSTAINABILITY ASSURANCE ASSA 2025-10

Amendments to ASSA 5010 Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001

Application

1. This Standard applies to assurance engagements on sustainability information in a sustainability report for a financial year under Chapter 2M of the *Corporations Act 2001* (the Act).

Operative Date

2. This Standard is operative for financial years commencing from 1 January 2025 to 30 June 2030.

Introduction

3. This Standard amends ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* (ASSA 5010).

Objective

4. The objective of this Standard is to amend ASSA 5010.

Definition

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

Amendments to ASSA 5010

6. This Standard uses underlining, striking out and other typographical material to identify the amendments to ASSA 5010. However, the amendments made by this standard do not include that underlining, striking out or other typographical material. Amended paragraphs are shown with deleted text struck through and new text underlined.
7. Existing paragraphs 9(c) to (e) are replaced with the following:
 - (c) Group 1 entities – in this standard:
 - (i) entities to which paragraph 1707B(1)(a) of the Act applies; and
 - (ii) entities that apply paragraph 1707DA(1) of the Act for the first time for a year commencing on or after 1 January 2025 but on or before 30 June 2026.
 - (d) Group 2 entities – in this standard:
 - (i) entities to which paragraph 1707B(1)(b) of the Act applies (other than an entity to which the definition of ‘Group 1 entities’ in this standard applies);
 - (ii) entities that apply paragraph 1707DA(1) of the Act for the first time for a year commencing on or after 1 July 2026 but on or before 30 June 2027; and
 - (iii) entities that applied 1707DA(1) for a financial year and did not report under the Act for the following financial year that commenced before 1 July 2027.
 - (e) Group 3 entities – in this standard:

- (i) entities to which paragraph 1707B(1)(c) of the Act applies (other than an entity to which the definition of 'Group 1 entities' or 'Group 2 entities' in this standard applies);
- (ii) entities that apply paragraph 1707DA(1) of the Act for the first time for a year commencing on or after 1 July 2027 but on or before 31 December 2027; and
- (iii) entities that applied s1707DA(1) for a financial year but not for a following financial year and recommenced reporting under the Act for a year that commenced before 1 January 2028, other than an entity that meets the definition of a Group 2 entity in paragraph (d).

8. ~~Existing paragraphs 10(b) and (c) are amended to read as follows:~~

- ~~(b) For the Second and Third Years of Reporting, the auditor shall conduct a review of all information disclosures in the sustainability report (including related general disclosures in Appendix D to AASB S2 and the directors' declaration).~~
- ~~(c) From the Fourth Year of Reporting onwards the auditor shall conduct an audit over all information disclosures in the sustainability report (including the directors' declaration).~~

9.8. Replace the diagram in the Appendix with the following, including footnotes:

Years commencing	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Group 1	1/1/25 to 30/6/26	1/7/26 to 30/6/27	1/7/27 to 30/6/28	1/7/28 to 30/6/29	1/7/29 to 30/6/30	1/7/30 to 30/6/31
Group 2	1/7/26 to 30/6/27	1/7/27 to 30/6/28	1/7/28 to 30/6/29	1/7/29 to 30/6/30	1/7/30 to 30/6/31	1/7/31 to 30/6/32
Group 3	1/7/27 to 30/6/28	1/7/28 to 30/6/29	1/7/29 to 30/6/30	1/7/30 to 30/6/31	1/7/31 to 30/6/32	1/7/32 to 30/6/33
Governance	Limited	Limited	Limited	Reasonable	Reasonable	Reasonable
Risks and opportunities (AASB S2 subparas 9(a), 10(a) and 10(b))	Limited	Limited	Limited	Reasonable	Reasonable	Reasonable
Strategy – Risks and opportunities	None	Limited	Limited	Reasonable	Reasonable	Reasonable
Climate resilience assessments / Scenario analysis	None	Limited	Limited	Reasonable	Reasonable	Reasonable
Transition plans	None	Limited	Limited	Reasonable	Reasonable	Reasonable
Risk management	None	Limited	Limited	Reasonable	Reasonable	Reasonable
Scope 1 and 2 emissions	Limited	Limited	Limited	Reasonable	Reasonable	Reasonable
Scope 3 emissions	N/A	Limited	Limited	Reasonable	Reasonable	Reasonable
Other climate-related metrics and targets	None	Limited	Limited	Reasonable	Reasonable	Reasonable
Directors' declaration on sustainability report	None	Limited	Limited	Reasonable	Reasonable	Reasonable

Notes:

- For the purposes of ASSA 5010:
 - Group 1 entities include entities that voluntarily report under the *Corporations Act 2001* (the Act) from years commencing 1/1/25 to 30/6/26.
 - Group 2 entities include:
 - Entities that voluntarily report under the Act from years commencing 1/7/26 to 30/6/27; and
 - Entities that voluntarily reported under the Act for one year but did not report under the Act for the following year that commenced before 1 July 2027.
 - Group 3 entities include:
 - Entities that voluntarily report under the Act from years commencing 1/7/27 to 31/12/27; and
 - Entities that reported voluntarily under the Act for a year but did not report under the Act for a following year that commenced before 1/1/28, other than entities that meet the definition of a Group 2 entity under ASSA 5010.
- Group 1 entities with years commencing 1/1 to 30/6 will be subject to the Year 1 provisions twice (e.g. years commencing 1/1/25 and 1/1/26). Reporting of Scope 3 emissions is required for years commencing on or after 1/1/26 for Group 1 entities.
- For years commencing of or after from 1/7/30 the Act requires reasonable assurance for all mandatory climate disclosures.
- The phasing for assurance on statements that there are no material climate-related risks and opportunities is the same as for 'Strategy – Risks and Opportunities'.
- Where the entity does not intend to disclose a transition plan or target, assurance work in the first instance concerns whether the entity has a transition plan or target to be disclosed.



Explanatory Statement

ASSA 2025-10

***Amendments to ASSA 5010 Timeline
for Audits and Reviews of
Information in Sustainability Reports
under the Corporations Act 2001***

December 2025

Obtaining a Copy of this Explanatory Statement

This Explanatory Statement is available on the Auditing and Assurance Standards Board (AUASB) website: www.auasb.gov.au

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Draft

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Reasons for Issuing Auditing Standard ASSA Error! Reference source not found.

The AUASB issues ASSA 2025-10 *Amendments to ASSA 5010 Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* (ASSA 5010) 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.

Main Features

This Auditing Standard amends ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* to specify how the phasing in of assurance applies to voluntary sustainability reports in accordance with the amendments made to the *Corporations Act 2001* by the [Treasury Laws Amendments \(Strengthening Financial Systems and Other Measures\) Act 2025](#).

Operative Date

ASSA Error! Reference source not found. *Amendments to ASSA 5010 Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* is operative for financial years commencing from 1 January 2025 to 30 June 2030.

Process of making Australian Auditing Standards

The AUASB's Strategic Direction, *inter alia*, provides that the AUASB develop Australian Auditing Standards that:

- have a clear public interest focus and are of the highest quality;
- use the standards issued by the International Auditing and Assurance Standards Board (IAASB) as the underlying standards;
- conform with the Australian regulatory environment; and
- are capable of enforcement.

Consultation Process prior to issuing the Auditing Standard

The AUASB has consulted publicly as part of its due process in developing ASSA 2025-10. Exposure Draft ED 02/25 *Amendments to ASSA 5010 Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* was issued on 23 October 2025 with a 30-day comment period.

Submissions were received by the AUASB and these were considered as part of the development and finalisation of ASSA 2025-10. A virtual roundtable was also hosted to obtain stakeholder feedback.

Impact Analysis

A Preliminary Assessment form has been prepared in connection with the preparation of AUASB 2025-10 and lodged with the Office of Impact Analysis (OIA). The OIA advised that an Impact Analysis is not required in relation to this standard.

Exemption from Sunsetting

Auditing Standards promulgated by the AUASB that are legislative instruments are exempt from the sunsetting provisions of the *Legislation Act 2003* through section 12 of the *Legislation (Exemption and Other Matters) Regulation 2015* (Item 18(a)). In addition, AUASB 2025-10 and ASSA 5010 only apply until years commencing 30 June 2030.

Commencement of ASSA 2025-10

ASSA 2025-10 was made on 17 December 2025 and is operative for financial years commencing from 1 January 2025 to 30 June 2030.

Draft

STATEMENT OF COMPATIBILITY WITH HUMAN RIGHTS

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Legislative Instrument: ASSA Error! Reference source not found. Error! Reference source not found.

This Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

Overview of ASSA 2025-10

Background

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 Act), the AUASB may make Auditing Standards for the purposes of the corporations legislation. These Auditing Standards are legislative instruments under the *Legislative Instruments Act 2003*.

Main Features

ASSA 2025-10 amends ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* to specify how the phasing in of assurance applies to voluntary sustainability reports in accordance with the amendments made to the Act by the [Treasury Laws Amendments \(Strengthening Financial Systems and Other Measures\) Act 2025](#).

Human Rights Implications

AUASB Standards are issued by the AUASB in furtherance of the objective of facilitating the Australian economy. The standards do not diminish or limit any of the applicable human rights or freedoms, and thus do not raise any human rights issues.

Conclusion

ASSA 2025-10 is compatible with human rights as it does not raise any human rights issues.



AUASB Agenda Paper

Title:	Illustrative Corporations Act sustainability assurance reports	Date:	17 December 2025
Office of AUASB:	Tim Austin / Doug Niven	Agenda Item:	3.0

Objective of Agenda Item

1. The objective of this agenda item is to:
 - (a) Provide AUASB Members with a summary of the feedback to ED 03/25 Proposed Australian Standard on Sustainability Assurance ASSA 2025-11 Amendments to ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ED 03/25); and
 - (b) Seek the views of AUASB Members on next steps.

Questions for the AUASB Members

No.	Question
1	<p>What is the view of AUASB Members on adopting:</p> <p>(a) The illustrative reports in Agenda Paper 3.1 – Draft Illustrative Corps Act Sustainability Assurance Reports – Conclusions/opinions with ASSA 5000.190(c)(vi) wording; or</p> <p>(b) The illustrative reports in Agenda Paper 3.2 – Draft Illustrative Corps Act Sustainability Assurance Reports – Alternative approach under ASSA 5000.84?</p> <p>The illustrative reports in Agenda Paper 3.1 are marked up against those in ED 03/25. The illustrative reports in Agenda Paper 3.2 are marked up against those in Agenda Paper 3.1.</p> <p>(See also paragraphs 5 to 12 and 19 to 23 of this paper.)</p>
2	<p>Do AUASB Members agree that the framework for Year 1 is compliance and the framework for disclosures under AASB S2 from Year 2 onwards is fair presentation? (See paragraphs 13 to 18 of this paper.)</p>
3	<p>Do AUASB Members agree that the example inherent limitation paragraphs are covered by the IAASB's Supplementary Sustainability Assurance Illustrative Reports and do not need to be repeated in the Illustrative Corporations Act reports? (See paragraph 26 of this paper.)</p>
4	<p>Do AUASB Members agree to issue the illustrative reports as non-authoritative illustrations on the AUASB website rather than in an Appendix to ASSA 5000? (See paragraphs 33 to 36 of this paper.)</p>

Background information

2. The AUASB issued for comment ED 03/25 on 3 November 2025 to obtain feedback from stakeholders on proposed amendments to ASSA 5000 for illustrative sustainability assurance reports under the *Corporations Act 2001* (the Act).
3. The Office of the AUASB received 13 written submissions to ED 03/25 which are listed in the tables below. The Office of the AUASB also hosted a virtual roundtable to raise awareness of ED 02/25 and ED 03/25 which was attended by 40 participants.

4. Tables 1 to 5 below provide a high-level summary of the responses to ED 03/25. The non-confidential submissions received are available at [Closed for comment](#). A confidential submission will be emailed to members separately.

ED Question 1 – View on combining the wording from the Act and paragraph 190(c)(vi) of ASSA 5000.

Submissions

5. Table 1 provides the responses in written submission on whether to combine the ASSA '190(c)(vi) wording with the Corporations Act words in the conclusion/opinion paragraphs.

Table 1: Responses to ED 03/25 question 1

No.	Respondent	Agree with proposal to combine Corps Act and ASSA 5000.190(c)(vi) words?
1	Confidential submission	Agree.
2	AAA-PPC	Agree. 'Yes. Combining the Act wording with paragraph 190(c)(vi) of ASSA 5000 preserves the legislative requirements while clarifying the assurance level, materiality, and evidential basis (i.e., based on the procedures performed and evidence obtained), promotes consistency with ASSA 5000, and aids user understanding. We strongly support the AUASB's rationale in the "For change" column in row 1 of the table in paragraph 18.'
3	Grant Thornton	Agree for Year 2 and in Part for Year 1. <u>'Year 1</u> We recommend including the lead-in words from line 1 of the table in Paragraph 18, together with the alternative wording under paragraph 10. In our view, this provides a clearer and more precise expression of the limited assurance conclusion for Year 1. <i>i.e. 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 does not comply with Division 1 of Part 2M.3 of the Corporations Act 2001.</i> Other comments: <ul style="list-style-type: none"> We support the rationale for including the lead-in words as articulated in the Exposure Draft We do not agree with referencing 'a fair presentation' for Year 1, as the entire report is not subject to assurance and therefore, in our view, can only be conducted under a compliance framework We do not agree with referencing 'all material respects' in year 1 because materiality can be covered separately and more clearly in the body of the report. <u>Years 2 onwards</u> We agree with the combined wording from the Corporations Act and paragraph 190(c)(vi) of ASSA5000.'
4	PwC	Agree. 'Yes, we agree. While the Corporations Act wording must be included in the assurance report, incorporating paragraph 190(c)(vi) of ASSA 5000 clarifies the level of assurance and materiality, ensures consistency with ASSA 5000, and helps users understand the basis of the assurance.'
5	IPA	Agree. 'IPA agrees with the proposal for the wording of the auditor's conclusion/opinion to be combined with the wording from the Corporations Act and paragraph 190(c)(vi) of ASSA 5000. We agree with the proposal to add the lead in words of "Based on the procedures we have performed and the evidence we have obtained" to the highlight the user's need to understand the nature of limited assurance procedures as per ASSA 5000.'
6	Deloitte	Agree. '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

AUASB Agenda Paper

No.	Respondent	Agree with proposal to combine Corps Act and ASSA 5000.190(c)(vi) words?
		comparability that the report remains grounded in the assurance standard. Accordingly, we support using language that is consistent with other limited assurance conclusions.'
7	CA ANZ	<p>Prefers combined wording but recommends legal advice be obtained.</p> <p>'We agree that the wording of the auditor's conclusion/opinion should comply with the requirements of ASSA 5000 and the Corporations Act 2001 (the Act), however there is legal uncertainty whether this is achievable through combining the wording of both. The requirements for what is included in an auditors' report is normally left to audit standards, with laws requiring that those standards are adhered to. Contrastingly, for these engagements the Corporations Act has specified very detailed requirements for the content of the auditor's conclusion/opinion, overlapping and slightly different from what is required in the internationally equivalent ASSA 5000. Therefore, there is uncertainty as to whether the proposed combined conclusion/opinion wording meets the requirements of the Act from a legal perspective.'</p> <p>'While we agree that the wording of the auditor's conclusion/opinion should comply with the requirements of ASSA 5000 and the Act, we are unsure whether this is achievable through combining the wording of both. We believe it is a legal question as to whether the proposed combined conclusion/opinion wording meets the requirements of the Act. If the legal advice is that a combined wording does not meet the requirements of the Act, then there is a conflict between two force-of-law requirements (the Act and ASSA 5000). In our view, the Act should be amended to remove s309A. The Act already requires that the audit of the sustainability report be conducted in accordance with auditing standards in s307AC. As the auditing standards prescribe the requirements for the auditor's report, s309A merely adds unnecessary detail and removing it would remove the conflict it has created. We recognise that the AUASB cannot amend the Corporations Act but encourage the board to advocate for change with the government.'</p>
8	KPMG	<p>Agree.</p> <p>'KPMG supports combining Corporations Act wording with paragraph 190(c)(vi)(b) of ASSA 5000 in the auditor's opinion to meet legislative requirements and enhance clarity,'</p>
9	EY	<p>Agree.</p> <p>'We support the proposal to combine the wording from the Corporations Act 2001 (Corporations Act) and ASSA 5000 in the auditor's conclusion/opinion. This approach enhances clarity, aligns with statutory intent and assurance requirements, and improves user understanding.'</p>
10	ACAG	<p>Agree</p> <p>'Yes.</p> <p>We agree that the auditor's conclusion/opinion should combine the wording from the Corporations Act and ASSA 5000 General Requirements for Sustainability Assurance Engagements (ASSA 5000) as proposed in the Exposure Draft. The conclusions should address both the Corporations Act's requirements of section 1707F and ASSA 5000.190(c)(vi)(b). Combining these requirements produces a single, clear conclusion that satisfies both the legislative and auditing standards requirements, thus providing users with a concise and meaningful assurance statement. It will also promote consistency in practice, which reduces confusion.'</p>
11	CPA Australia	<p>Prefers the combined wording but strongly recommends legal advice be obtained.</p> <p>'The primary contentious issue in ED 03/25 relates to the appropriateness of the sustainability assurance report's structure and wording, particularly the assurance conclusion/opinion, ensuring alignment with both the Corporations Act 2001 (the Act) and ASSA 5000 for clarity, consistency, and legal compliance. In our view, the intent of the Act is broadly consistent with ASSA 5000 as both frameworks require assurance conclusion/opinion with the shared objective of identifying material non-compliance. While the Act focuses on statutory compliance, ASSA 5000 extends this to include fair presentation against applicable criteria, which we consider complementary rather than conflicting. However, as this matter involves interpretation of legislative provisions, we strongly recommend that the AUASB seek formal legal advice to confirm the position. If legal advice concludes that the proposed combined wording does not meet the requirements of the Act, we are of the view that the appropriate course is to amend the Act to align with ASSA 5000.'</p>
12	AICD	Did not comment.
13	ASIC	Disagree.

AUASB Agenda Paper

No.	Respondent	Agree with proposal to combine Corps Act and ASSA 5000.190(c)(vi) words?
		<p>‘Our submission is focused on the AUASB’s proposal to combine the words required under s309A(1) and s1707F(2) of the Corporations Act with the words expressed in paragraph 190(c)(vi) of ASSA 5000 (the Proposal). This is described at paragraph 9 (in relation to reviews) and paragraph 14 (in relation to audits) of the Exposure Draft.</p> <p>These combined words are proposed to be reflected in illustrative assurance reports that are proposed to form part of ASSA 5000.</p> <p>We note that the AUASB has an alternative proposal, at paragraphs 10 to 12 and 15 to 17 of the Exposure Draft, which does not involve combining these words. We prefer this alternative approach. This is because:</p> <ul style="list-style-type: none"> the requirements in s307AA, s309AA and s1707F of the Corporations Act prescribe what the auditor’s report on the sustainability report must include. These are strict legal requirements that must be complied with. For example, s307AA(c) of the Corporations Act requires the auditor of the sustainability report to form an audit opinion about whether the entity that has prepared the sustainability report has kept sustainability records sufficient to enable the sustainability report to be prepared and audited. The requirements in s307AA, s309AA and s1707F of the Corporations Act also contribute to a consistent standard of audit quality in Australia by requiring auditors to consistently turn their minds to these matters in the auditor’s report on the sustainability report; and the proposed combined words could be read as suggesting (incorrectly) that the concept of fair presentation applies to compliance with Division 1 of Part 2M.3 of the Corporations Act, so that in some circumstances it may be permissible to depart from these requirements. Paragraph 190(c)(vi) of ASSA 5000 includes the concept of fair presentation which ASSA 5000 defines elsewhere as involving going above, or departing from, the requirements of the relevant sustainability-related framework (see page 14 of current ASSA 5000). <p>We note that the requirements in the Corporations Act and ASSA 5000 are generally intended to operate together to the extent that ASSA 5000 is not inconsistent. For example:</p> <ul style="list-style-type: none"> the auditor’s report on the sustainability report could still comply separately with the requirement in paragraph 190(c)(vi) of ASSA 5000, notwithstanding the separate legal requirements under s307AA, s309A and s1707F of the Corporations Act. Both s309A(4) and 1707F(4) of the Corporations Act permit the auditor’s report on the sustainability report to include any statements or disclosures required by the auditing standards (which would include paragraph 190(c)(vi) of ASSA 5000); and ASSA 5000 currently provides a mechanism to address the situation where law (such as the Corporations Act) or regulation prescribes a layout or wording in the auditor’s report on the sustainability report that is different from the requirements of ASSA 5000. Paragraph 84 of ASSA 5000 requires the auditor to consider whether additional explanation in the auditor’s report on the sustainability report could be included to mitigate any possible misunderstanding by intended users.’

5. Of the 12 submissions, that responded to Question 1, eight supported combining the wording of the Act with the wording in paragraph 190(c)(vi) of ASSA 5000 (AAA-PPC, Deloitte, EY, KPMG, PwC, IPA, ACAG and confidential submission). The confidential submission did not provide a reason for the view taken.
6. One submission (Grant Thornton) disagreed with including ‘in all material respects’ in the conclusion in Year 1 because it could be covered more clearly in the additional words under the alternative approach. However, Grant Thornton supported including the ASSA 5000.190(c)(vi) wording otherwise.
7. Of the remaining 3 submissions:
 - (a) One submission (ASIC) supported not including the ASSA 190(c)(vi) wording; and
 - (b) Two submissions (CA ANZ and CPAA) highlighted legal uncertainty as to whether the combined wording is inconsistent with the Act and suggested seeking legal advice. CA ANZ and CPAA preferred the combined wording and suggested that if the legal advice did not allow that, the legislation should be changed.

ASSA 5000.84

8. Neither previous Board papers nor ED 03/25 referred to paragraph 84 of ASSA 5000:

'Assurance Report Prescribed by Law or Regulation

84. If law or regulation prescribes the layout or wording of the assurance report that is different from the requirements of the ASSAs, the practitioner shall evaluate:
- (a) Whether intended users may misunderstand the practitioner's conclusion; and
 - (b) If so, whether additional explanation in the assurance report can mitigate the possible misunderstanding.

If the practitioner concludes that additional explanation in the assurance report cannot mitigate the possible misunderstanding, the practitioner shall not accept the assurance engagement, unless required by law or regulation to do so. An assurance engagement conducted in accordance with such law or regulation does not comply with this ASSA. Accordingly, the practitioner shall not include any reference in the assurance report to the assurance engagement having been conducted in accordance with this ASSA.'

9. ASSA 5000. 84 allows the wording in law and regulation to be followed with additional explanation to cover ASSA 5000.190(c)(vi) provided the additional explanation is not possibly misleading. ASSA 5000.84 is not contingent on an inconsistency between law/regulation and ASSA 5000.190(c)(vi).
10. We understand that ISSA 5000.84 was intended to avoid the situation where large numbers of countries could not be consistent with ISSA 5000 due to requirements in law and regulation. Applying ASSA 5000.84 does not require an amendment to ASSA 5000 and the compelling reasons test is not relevant.

Alternative assurance reports

11. The alternative assurance reports in ED 03/25 omitted additional text to explain the fair presentation requirement for disclosures under AASB S2 *Climate-related Disclosures*. This is now included in the illustrative assurance reports in Agenda Paper 3.2. An explanation of the differences between limited assurance of sustainability information and half-year reviews of financial reports has also been added to the 'Summary of the Work Performed' sections of the Year 1 to 3 illustrative reports in Agenda Paper 3.2.

Arguments for and against

12. Some of the arguments for and against incorporating the words from ASSA 5000.190(c)(vi) in the conclusions/opinion are summarised in the following table.

No.	Arguments for incorporating ASSA 5000.190(c)(vi) words	Arguments for alternative approach under ASSA 5000.84
1	Clarifies the nature of a limited assurance engagement and establishes clear expectations for users. Some submissions included that the combined wording would provide useful information for users to understand the assurance scope.	The nature of a limited assurance engagement, the application of materiality and the application of a fair presentation framework (where relevant) can be more clearly explained through the additional words in the alternative illustrative reports (see Agenda Paper 3.2).
2	Provides comparability with other ISSA/ASSA 5000 assurance reports.	It is likely that this situation will arise in other assurance reports in Australia and other countries. We are aware that this is an issued in another major jurisdiction adopting ISSA 5000. The approach in

No.	Arguments for incorporating ASSA 5000.190(c)(vi) words	Arguments for alternative approach under ASSA 5000.84
		Agenda Paper 3.2 may be adopted in other jurisdictions.
3	Arguably, both options for the wording of the auditor's conclusion / opinion are allowed under ASSA 5000 as long as the auditor evaluates whether the intended users may misunderstand the conclusion / opinion.	ASSA 5000.84 was intended for use and required in the circumstances where the conclusion/opinion is prescribed in law or regulation.
4	-	Using ASSA 5000.84 avoids the need to seek legal advice on whether including the words in ASSA 5000.190(c)(vi) would be inconsistent with the Act.

ED Questions 2 and 3 – Fair presentation and compliance frameworks.

13. Table 2 summarises the responses in written submission on whether the framework is a fair presentation or compliance framework in Year 1 and in Years 2 onwards.

Table 2: High level summary of responses to ED 03/25 questions 2 and 3.

No.	Respondent	Compliance framework Year 1? (Qn. 3)	Fair presentation framework Year 2 onwards? (Qn. 2)
1	Confidential submission	-	-
2	AAA-PPC	Agree.	Agree.
3	Grant Thornton	Agree.	Agree.
4	PwC	Agree.	Agree.
5	IPA	Agree.	Agree.
6	Deloitte	Agree.	Agree.
7	CA ANZ	Agree.	Agree.
8	KPMG	Agree.	Agree.
9	EY	Agree.	Agree.
10	ACAG	Mixed views.	Agree.
11	CPA Australia	Agree.	Agree.
12	AICD	Agree.	Agree.
13	ASIC	-	Disagree.

14. Most stakeholders¹ responded that they supported the view that:
- (a) In Year 1, where only specified disclosures are subject to assurance, the assurance engagement is based on a compliance framework rather than a fair presentation framework; and
 - (b) From Year 2 onwards, where the sustainability report as a whole is subject to assurance, that the audit/review of disclosures under AASB S2 is based on a fair presentation framework.
15. ACAG responded that there were differing views as to whether Year 1 should be compliance or fair presentation. The rationale for Year 1 possibly being fair presentation was that AASB S2 is a fair presentation framework and the assurance scope does not change this. ACAG acknowledged that not providing assurance over the report as a whole makes it difficult to conclude on whether the subject matter information achieves a fair

¹ AAA-PPC, Grant Thornton, PwC, IPA, Deloitte, CA ANZ, KPMG, CPA Australia and AICD.

presentation and recommended that the AUASB issue guidance to support auditors with this matter particularly for limited assurance engagements.

16. ASIC disagreed with the engagement being fair presentation even when the sustainability report as a whole is subject to assurance for two reasons:
 - (a) A condition for a fair presentation framework under ASSA 5000 is that it explicitly allows for departures from the reporting requirements to achieve fair presentation (see definition of 'criteria' in ASSA 5000.18). Departures are not permitted by AASB S2; and
 - (b) The proposed inclusion of fair presentation in the conclusion/opinion could be misinterpreted as applying to the disclosure requirements of the Act beyond AASB S2 (e.g. s296D).
17. Illustrative Assurance Reports A and B in the IAASB's Supplementary [Sustainability Assurance Illustrative Reports](#) assume a fair presentation framework under ISSB standards, despite the absence of an explicit provision for departure from the disclosure requirements to achieve a fair presentation in the ISSB and AASB standards. There may also be an argument that referring to a fair presentation framework in the assurance report should be driven by the fair presentation framework in the reporting standards rather than the definition for 'fair presentation criteria' in the assurance standards.

Recommendation

18. Based on the overall feedback, the Office of the AUASB recommends that the compliance/fair presentation frameworks for the illustrative reports remain as proposed in ED 03/25.

ED Questions 4, 5 and 6 – Description of the reporting criteria

19. Table 3 summarises the responses in written submission on other changes to the Corporations Act conclusions/opinions.

Table 3: High level summary of responses to ED 03/25 questions 4, 5 and 6.

No.	Respondents	Add an explicit reference to AASB S2 in the conclusion? (Qn. 4)	Omit reference to ministerial directions? (Qn. 5)	Omit the detailed references from s309A(1)? (Qn. 6)
1	Confidential submission	-	-	-
2	AAA-PPC	Agree.	Agree.	Disagree.
3	Grant Thornton	Disagree.	No preference.	Disagree.
4	PwC	Agree.	Agree.	Disagree.
5	IPA	Agree.	Disagree.	Disagree.
6	Deloitte	Agree.	Agree.	Disagree.
7	CA ANZ	Agree.	Agree.	Disagree.
8	KPMG	Agree.	Agree.	Disagree.
9	EY	Agree.	Agree.	Agree.
10	ACAG	Agree.	Agree.	Agree.
11	CPA Australia	Agree.	Agree.	Agree.
12	AICD	-	-	-
13	ASIC	-	-	-

20. Stakeholders² broadly agreed that adding an explicit reference to AASB S2 as part of the description of the criteria was useful for users. Grant Thornton disagreed on the basis that the inclusion was unnecessary and that referring to AASB S2 within the body of the report was a more appropriate alternative.

² AAA-PPC, PwC, IPA, Deloitte, CA ANZ, KPMG, EY, ACAG and CPA Australia.

21. Stakeholders broadly agreed that the wording for the audit opinion should align with the requirements of the Act and that the words from “including” onwards in s309A(1) should be retained in the illustrative audit opinion but responded that the reference to ministerial directions should be removed as they do not currently exist. Several stakeholders recommended that the reference to ministerial directions be included in square brackets to allow for any future ministerial directions.
22. Stakeholders³ who supported the removal of the references from “including” onwards were of the view that additional references may create unnecessary complexity for users.

Recommendation

23. On the balance of feedback received, the Office of the AUASB recommends:
 - (a) In the Agenda Paper 3.1 illustrative reports:
 - (i) Aligning the wording for the audit opinion as closely as possible to the requirements of the Act but including the reference to ministerial directions in square brackets; and
 - (ii) Including a reference to AASB S2 in both the review conclusion and audit opinion.
 - (b) In the Agenda Paper 3.2 reports, not making these changes, consistent with the approach to question 1. In addition, AASB S2 is referred to prominently in connection with the fair presentation requirement.

ED Questions 7, 8 and 9 – Views on terminology, illustrations scenarios and the inclusion of example inherent limitations.

24. Table 4 summarises the responses in written submission on the questions 7 to 8 in ED 03/23.

Table 4: High level summary of responses to ED 03/25 questions 7, 8 and 9.

No.	Respondents	Use of terminology consistent with the Act? (Qn. 7)	Inclusion of inherent limitations examples? (Qn. 8)	Inclusion of illustrative report 2 (audit and review report)? (Qn. 9)
1	Confidential submission	-	-	-
2	AAA-PPC	Acknowledge that reports must reflect Act terminology but recommends clarifying terms in Basis for Conclusion/Opinion.	Support.	Support but differentiate from non-Corps Act “voluntary information”.
3	Grant Thornton	ASSA 5000 terminology.	Support.	Support.
4	PwC	Acknowledge that reports must reflect Act terminology but recommends clarifying terms in Basis for Conclusion/Opinion.	Support.	Support but differentiate from non-corps Act “voluntary information”.
5	IPA	Acknowledge that reports must reflect Act terminology but recommends clarifying terms in Basis for Conclusion/Opinion.	Support.	Support.
6	Deloitte	Acknowledge that reports must reflect Act terminology and considers	Support.	Support but differentiate from non-corps Act “voluntary information”.

³ EY, ACAG, CPA Australia.

No.	Respondents	Use of terminology consistent with the Act? (Qn. 7)	Inclusion of inherent limitations examples? (Qn. 8)	Inclusion of illustrative report 2 (audit and review report)? (Qn. 9)
		the proposed reconciliation is appropriate.		
7	CA ANZ	Wording should be aligned with ISSA 5000 for consistency but acknowledges the wording must reflect the Act.	Support but consider more communication needed to ensure auditors understand they are examples only.	Support but differentiate from non-corps Act “voluntary information”.
8	KPMG	Acknowledge that reports must reflect Act terminology but recommends clarifying terms in Basis for Conclusion/Opinion.	Support.	Support but differentiate from non-corps Act “voluntary information”.
9	EY	Support.	Support.	Support.
10	ACAG	Mixed views.	Support.	Support in principle but provides additional comments.
11	CPA Australia	Mixed views.	Support.	No definitive view expressed.
12	AICD	-	Support.	-
13	ASIC	Support.	-	-

ED Question 7 – Terminology

25. Most stakeholders responded that they acknowledge that due to the requirements of the Act the wording in the reports must reflect the Act terminology but recommended that the Basis for Conclusions should reconcile the terms in the Act with the terms in ASSA 5000.

ED Question 8 – Inherent limitations

26. All stakeholders who responded to the question considered the inclusion of example inherent limitations to be useful and important to drive consistency in practice. Some stakeholders raised that guidance was needed to communicate to auditors that the inherent limitations in the illustrative reports are examples only and intended to provide a basis for auditors to develop their own inherent limitations relevant to engagement circumstances.

ED Question 9 – Audit and review illustrative report (ED 03/25 Illustration 2).

27. There was broad support by stakeholders⁴ for the inclusion of the audit and review illustrative report. Stakeholders considered it to be a useful example as early reasonable assurance would occur more often than in rare circumstances.
28. Several respondents who supported the inclusion of illustration 2 recommended that the circumstances of the illustration should be better described to clearly differentiate early reasonable assurance of sustainability information under the Corporations Act from assurance over “voluntary sustainability information” not under the Corporations Act included within the same sustainability report.

Options

29. The Office of the AUASB recommends that:
- The terminology is consistent with the Act but further words are added to the basis of conclusion/opinion to reconcile the terms to ASSA 5000 as per ED 03/25;
 - Example inherent limitations paragraphs are not included in the proposed illustrative Corps Act reports. The previous examples had been taken from a draft of IAASB supplementary sustainability assurance reports. The final IAASB

⁴ AAA-PPC, PwC.

supplementary reports were released in November and auditors should refer to those reports; and

- (c) Illustration 2 is retained.

ED Questions 10 and 11 – Location of the illustrative reports and distinguishing the auditor’s report on the financial report from the report on the sustainability report.

30. Table 2 summarises the responses in written submission on the remaining questions in ED 02/25.

Table 5: High level summary of responses to ED 03/25 questions 10 and 11.

No.	Respondents	AUASB to consider better distinguishing of reports?	Location of the illustrative assurance reports?
1	Confidential submission	-	-
2	AAA-PPC	Agree.	Separate document. Possible appendix once practice is established.
3	Grant Thornton	Agree.	Separate document.
4	PwC	Agree.	Separate document. Possible appendix once practice is established.
5	IPA	Agree but preferred approach is a combined report.	Appendix to ASSA 5000.
6	Deloitte	Agree.	Separate document.
7	CA ANZ	Agree.	Separate document. Possible appendix once practice is established.
8	KPMG	Agree.	Separate document. Possible appendix once practice is established.
9	EY	Disagree.	Separate document. Possible appendix once practice is established.
10	ACAG	Agree.	Appendix to ASSA 5000.
11	CPA Australia	Agree.	Separate document.
12	AICD	Agree.	-
13	ASIC	-	-

ED Question 10 – Distinguishing the auditor’s reports on the financial report and the sustainability report.

31. Most stakeholders who responded to question 10 supported the AUASB considering how to better distinguish the auditor’s reports over the financial report and the sustainability report to reduce confusion for users. Stakeholders provided a number of suggestions for consideration with most recommending prominent headings that specify the subject matter are used for the reports.

Recommendation

32. The Office of the AUASB recommends adding a footnote to the Corporations Act illustrative reports on more prominent in ASA 700 *Forming an Opinion and Reporting on a Financial Report* on more prominent naming of the report where there is also a sustainability report.

ED Question 11 – Issuing the illustrative reports as an appendix to ASSA 5000 or in a separate document.

33. Most stakeholders⁵ supported the illustrative reports being issued as a separate document noting the need to be timely and flexible whilst things are being established. It was viewed that once practice has been established that the illustrative reports may be considered for inclusion as an appendix to ASSA 5000 by the AUASB.

⁵ AAA-PPC, Grant Thornton, PwC, Deloitte, KPMG, CA ANZ, EY and CPA Australia.

34. CPAA responded that because 3 of the 4 illustrative assurance reports relate to the transition period only, and would not be relevant after 2030, the illustrative reports should be issued as a separate document rather than in an appendix to ASSA 5000.
35. The stakeholders⁶ who responded that the illustrative reports should be included as an appendix to ASSA 5000 for ease of reference for auditors as there is already a large amount of guidance and other materials being issued that they need to understand and implement.
36. The arguments for and against are as follows:

No.	Arguments for incorporating ASSA 5000	Arguments for publishing separately
1	Consistent with approach to Corporations Act reports in ASA 700 and ASA 570.	We now have the IAASB supplementary reports, which are separate from ISSA 5000 and ASSA 5000.
2	More readily accessible with ASSA 5000 and the illustrative reports therein.	More flexibility for updating the illustrative reports.
3	-	The Year 1 to 3 reports will have a limited life.

Recommendation

37. The Office of the AUASB recommends that the illustrative reports are issued as a separate guidance document rather than as an appendix to ASSA 5000.

ED Question 12 – Other matters raised by respondents

38. As part of their submissions, some stakeholders raised other matters for AUASB consideration.
39. Several stakeholders⁷ raised that the reference to the relevant ethical requirements in the illustrative reports which used specific dates of the Code may cause confusion and recommended that a general reference to APES 110 be included in the reports instead.
40. No change has been made in this regard because the specific version of the Code is required to be identified under ASSA 5000.190(d)(iv) and (v). That is, ASSA 5000 requires the assurance report to state:
 - (a) Compliance with the Code that contains Part 5 on sustainability or identify the other professional requirements complies with (ASSA 5000.190(d)(iv)); and
 - (b) For public interest entities, the version of the Code that contains Part 5 requires practitioners to publicly disclose whether they complied with that version of the Code (ASSA 5000.190(d)(v)) (see paragraph R5400.25 of [the version of APES 110 that contains Part 5](#)).

The current wording was adopted in response to concerns raised by the APESB.

41. ASIC indicated that the illustrative reports should include additional elements of the conclusions/opinions required by the Corporations Act.
42. Some stakeholders suggested minor editorial changes to the illustrative reports. These changes have marked-up from ED 03/25 in Agenda Paper 3.1 and also incorporated into Agenda Paper 3.2, where appropriate (e.g. not where they would result in a duplication of text already included in a sentence).

Next steps/way forward

43. To be determined.

⁶ IPA and ACAG.

⁷ AAA-PPC, PwC, Grant Thornton, Deloitte, KPMG, CA ANZ and CPA Australia.

AUASB Agenda Paper

Materials presented

Agenda paper	Description
3.1	Draft Illustrative Corps Act Sustainability Assurance Reports – Conclusions/ opinions with ASSA 5000.190(c)(vi) wording
3.2	Draft Illustrative Corps Act Sustainability Assurance Reports – Alternative approach under ASSA 5000.84

**DRAFT ILLUSTRATIVE CORPS ACT SUSTAINABILITY ASSURANCE REPORTS –
CONCLUSIONS/OPINIONS WITH ASSA 5000.190(c)(vi) WORDING**

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.~~
- ~~6.5.~~ There is no comparative information in Year 1.
- ~~7.6.~~ *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 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 Report ¹
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 above².

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

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

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 [ethical](#) requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to *[insert 'June 2024' or 'July 2025', as applicable]*) (the Code), together with the ethical requirements in the *Corporations Act 2001*, that are relevant to [our audit of the sustainability report and public interest entities in Australia](#)³. 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).
- 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.

³ Omit reference to public interest entities if not applicable.

Inherent Limitations in Preparing the specified Sustainability Disclosures

~~[Insert any relevant matters. 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 applied⁴].~~

Auditor's Responsibilities

Our objectives are to plan and perform the review to obtain limited assurance about whether the Sustainability [Disclosures—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]

⁴—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 Report ⁵
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*,⁶ including the requirements of Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* identified in the table above⁶.

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.

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

Illustrative Corporations Act 2001 sustainability assurance reports

Disclosures audited	Reporting requirement of AASB S2 <i>Climate-related Disclosures</i> (including related general disclosures required by Appendix D)	Location in Sustainability Report ⁷
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~~ and Opinion

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 [ethical](#) requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to *[insert 'June 2024' or 'July 2025', as applicable]*) (the Code), together with the ethical requirements in the *Corporations Act 2001*, that are relevant to [our audit of the sustainability report and public interest entities in Australia](#)⁸. 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 [and opinion](#).

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.

⁷ 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.

⁸ Omit reference to public interest entities if not applicable.

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

~~*[Insert any relevant matters. 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 applied⁹.]*~~

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

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

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).¹⁰

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 report is not fairly presented, in all material respects, in [compliance 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*¹⁰.

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 [ethical](#) requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to *[inset 'June 2024' or 'July 2025', as applicable]*) (the Code), together with the ethical requirements in the *Corporations Act 2001*, that are relevant to [our audit of the sustainability report](#)

¹⁰ Subsection 1707F(3) of the *Corporations Act* requires a description of any matter and a statement as to why that matter makes the auditor believe that the sustainability report, to the extent that it is required to be reviewed, does not comply with Division 1 of Part 2M.3.

[and](#) public interest entities in Australia¹¹. 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 *[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

~~*[Insert any relevant matters. 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 occur¹².]*~~

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

¹¹ Omit reference to public interest entities if not applicable.

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

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 Matter¹³

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

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

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

- (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~~

¹³ 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.

Illustrative Corporations Act 2001 sustainability assurance reports

~~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)

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).¹⁴

Basis for ~~Opinion~~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 [ethical](#) requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by

¹⁴ Subsection 309(2) of the *Corporations Act* requires the auditor's report to describe: (a) any defect or irregularity in the sustainability report; and (b) any deficiency, failure or shortcoming in respect of the matters referred to in paragraph 307AA(b) (i.e. whether the auditor has been given all information, explanation and assistance necessary for the conduct of the audit.)

the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to *[inset 'June 2024' or 'July 2025', as applicable]*) (the Code), together with the ethical requirements in the *Corporations Act 2001*, that are relevant to [our audit of the sustainability report](#) and public interest entities in Australia¹⁵. 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 [opinion](#) ~~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 [opinion](#) ~~conclusion~~ on the Sustainability Report does not cover the other information and we do not express any form of assurance [opinion](#) ~~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

~~*[Insert any relevant matters. 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 occur¹⁶.]*~~

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

¹⁵ Omit reference to public interest entities if not applicable.

¹⁶ ~~This is an example only. Inherent limitations are to be tailored to the engagement circumstances. Refer to ASSA 5000 paragraph 190 (g).~~

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 Matter¹⁷

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]

¹⁷ 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.

**DRAFT ILLUSTRATIVE CORPS ACT SUSTAINABILITY ASSURANCE REPORTS –
ALTERNATIVE APPROACH UNDER ASSA 5000.84**

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. 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 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 Report ¹
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 matters 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 Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* identified in the table above. We have not become aware of any matter in the course of the review that makes us believe that the Sustainability Disclosures do not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*².~~

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

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

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 Sustainability disclosures reported in accordance with 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. See the 'Summary of the Work Performed' section of our report below.

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

We are independent of the Company in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to *[insert 'June 2024' or 'July 2025', as applicable]*) (the Code), together with the ethical requirements in the *Corporations Act 2001*, that are relevant to our audit of the sustainability report and public interest entities in Australia³. 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

³ Omit reference to public interest entities if not applicable.

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).
- 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

[Insert any relevant matters.]

Auditor's Responsibilities

Our objectives are to plan and perform the review to obtain limited assurance about whether the Sustainability Disclosures, 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.]

Our review of the climate-related information (i.e. a limited assurance engagement under ASSA 5000) required more work than an ongoing half-year review of a financial report because:

- (a) Certain information was subject to assurance for the first time and we needed to:
 - (i) gain an enhanced understanding of the business;
 - (ii) understand relevant systems and processes;
 - (iii) consider the climate-related financial risks and opportunities and required disclosures, and we could not perform non-substantive analytical procedures using assured comparative information;
- (b) The entity's ongoing systems and controls for the climate-related information are still under development;

- (c) Limited assurance under ASSA 5000 involves work that is not specified for a review of a half-year financial report in areas such as risk identification and assessment; and
- (d) The full year financial report is subject to reasonable assurance and this affected the extent of work on connected climate-related information in the sustainability report.

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

[Signature of the lead auditor]

[Auditor's address]

[Date of the auditor's report]

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

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 Report ⁴
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~~ 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.~~⁵

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 relevant information reported in accordance with Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures*.

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.

⁵ Subsection 1707F(3) of the Corporations Act requires a description of any matter and a statement as to why that matter makes the auditor believe that the sustainability report, to the extent that it is required to be reviewed, does not comply with Division 1 of Part 2M.3.

[which requires a complete set of disclosures to present fairly all climate-related risks and opportunities that could reasonably be expected to affect an entity's prospects.](#)

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.

Disclosures audited	Reporting requirement of AASB S2 <i>Climate-related Disclosures</i> (including related general disclosures required by Appendix D)	Location in Sustainability Report ⁶
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).

~~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. This includes assurance on relevant information reported in accordance with Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures*, which requires a complete set of disclosures to present fairly all climate-related risks and opportunities that could reasonably be expected to affect an entity's prospects.~~

Basis for Conclusion and Opinion

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. [See the 'Summary of the Work Performed' section of our report below.](#)

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

We are independent of the Company in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to *[insert 'June 2024' or 'July 2025', as applicable]*) (the Code), together with the ethical requirements in the *Corporations Act 2001*, that are relevant to our audit of the sustainability report

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

and public interest entities in Australia⁷. 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 and opinion.

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.

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

[Insert any relevant matters.]

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.

⁷ Omit reference to public interest entities if not applicable.

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 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.]

Our review of the climate-related information (i.e. a limited assurance engagement under ASSA 5000) required more work than an ongoing half-year review of a financial report because:

- (a) Certain information was subject to assurance for the first time and we needed to:
 - (i) gain an enhanced understanding of the business;
 - (ii) understand relevant systems and processes;
 - (iii) consider the climate-related financial risks and opportunities and required disclosures, and we could not perform non-substantive analytical procedures using assured comparative information;
- (b) The entity's ongoing systems and controls for the climate-related information are still under development;
- (c) Limited assurance under ASSA 5000 involves work that is not specified for a review of a half-year financial report in areas such as risk identification and assessment; and

(d) The full year financial report is subject to reasonable assurance and this affected the extent of work on connected climate-related information in the sustainability report.

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

[Signature of the lead auditor]

[Auditor's address]

[Date of the auditor's report]

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).⁸

~~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 report does not comply is not fairly presented, in all material respects, in compliance with Division 1 of Part 2M.3 of the Corporations Act 2001, including the requirements of Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures⁸.~~

~~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 information reported in accordance with Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures*, which requires a complete set of disclosures to present fairly all climate-related risks and opportunities that could reasonably be expected to affect an entity's prospects.~~

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. See the 'Summary of the Work Performed' section of our report below.

⁸ Subsection 1707F(3) of the Corporations Act requires a description of any matter and a statement as to why that matter makes the auditor believe that the sustainability report, to the extent that it is required to be reviewed, does not comply with Division 1 of Part 2M.3.

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

We are independent of the Company in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to [inset 'June 2024' or 'July 2025', as applicable]) (the Code), together with the ethical requirements in the *Corporations Act 2001*, that are relevant to our audit of the sustainability report and public interest entities in Australia⁹. 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 *[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

[Insert any relevant matters.]

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

⁹ Omit reference to public interest entities if not applicable.

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.]

Our review of the climate-related information (i.e. a limited assurance engagement under ASSA 5000) required more work than an ongoing half-year review of a financial report because:

- (a) Certain information was subject to assurance for the first time and we needed to:
 - (i) gain an enhanced understanding of the business;
 - (ii) understand relevant systems and processes;
 - (iii) consider the climate-related financial risks and opportunities and required disclosures, and we could not perform non-substantive analytical procedures using assured comparative information;
- (b) The entity's ongoing systems and controls for the climate-related information are still under development;
- (c) Limited assurance under ASSA 5000 involves work that is not specified for a review of a half-year financial report in areas such as risk identification and assessment; and
- (d) The full year financial report is subject to reasonable assurance and this affected the extent of work on connected climate-related information in the sustainability report.

Other Matter¹⁰

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

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.

criteria with the criteria applied in the current period. Our conclusion is not modified in respect of this matter.

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

- (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.

[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)

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).¹¹

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. This includes assurance on reporting in accordance with Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures*, which requires a complete set of disclosures to present fairly all climate-related risks and opportunities that could reasonably be expected to affect an entity's prospects.

¹¹ Subsection 309(2) of the *Corporations Act* requires the auditor's report to describe: (a) any defect or irregularity in the sustainability report; and (b) any deficiency, failure or shortcoming in respect of the matters referred to in paragraph 307AA(b) (i.e. whether the auditor has been given all information, explanation and assistance necessary for the conduct of the audit.)

Basis for Opinion

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 ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to [inset 'June 2024' or 'July 2025', as applicable]) (the Code), together with the ethical requirements in the *Corporations Act 2001*, that are relevant to our audit of the sustainability report and public interest entities in Australia¹². 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 opinion.

Emphasis of Matter

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

Our conclusion is not modified in respect of this matter.

Other Information

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

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

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

Responsibilities for the Sustainability Report

The Directors of the Company are responsible for:

- The preparation 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.

¹² Omit reference to public interest entities if not applicable.

Inherent Limitations in Preparing the Sustainability Report

[Insert any relevant matters.]

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 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.