DRAFT STRUCTURE FOR THE REQUIREMENTS OF PROPOSED INTERNATIONAL STANDARD ON SUSTAINABILITY ASSURANCE (ISSA) 5000, GENERAL REQUIREMENTS FOR SUSTAINABILITY ASSURANCE ENGAGEMENTS

Introduction

Scope
Effective Date

Objectives

Definitions

Requirements

Part 1: Conduct of an Assurance Engagement in Accordance with ISSA

1.1 Complying with this ISSA
1.2 Text of an ISSA
1.3 Complying with Relevant Requirements
1.4 Failure to Achieve an Objective

Part 2: Fundamental Concepts, General Principles and Overarching Requirements

2.1 Relevant Ethical Requirements, Including Those Related to Independence
2.2 Firm-level Quality Management
2.3 Engagement-level Quality Management
2.3.1 Characteristics of the Engagement Leader
2.3.2 Responsibilities of the Engagement Leader
2.4 Work Performed by Others
2.4.1 Work Performed by a Practitioner’s Expert
2.4.2 Work Performed by Another Practitioner
2.4.3 Work Performed by the Internal Audit Function
2.5 Professional Skepticism, Professional Judgment, and Assurance Competence
2.6 Fraud
2.7 Law or Regulation
2.8 Communication with Management and Those Charged with Governance

Part 3: Acceptance and Continuance of the Assurance Engagement

3.1 Establishing the Preconditions are Present
3.1.1 Obtaining a Preliminary Knowledge of the Engagement Circumstances
3.1.2 Determining Whether the Preconditions are Present
3.1.3 Roles and Responsibilities
3.1.4 Appropriate Underlying Subject Matter
3.1.5 Suitability and Availability of Criteria
3.1.6 Rational Purpose

3.2 Deciding whether to Accept or Continue the Engagement
3.2.1 Assurance Report Prescribed by Law or Regulation
3.2.2 Considerations after Acceptance of the Assurance Engagement

3.3 Terms of the Assurance Engagement
3.3.1 Agreeing the Terms of the Assurance Engagement
3.3.2 Changing the Terms of the Assurance Engagement

Part 4: Evidence and Documentation
4.1 Designing and Performing Procedures to Obtain Sufficient Appropriate Evidence
4.2 Information Intended to be Used as Evidence
   4.2.1 Work Performed by a Management’s Expert
   4.2.2 Doubts About the Relevance and Reliability of Information Intended to be Used as Evidence
   4.2.3 Evaluating the Evidence Obtained
4.3 Documentation
   4.3.1 Form, Content and Extent of Assurance Engagement Documentation
   4.3.2 Departure from a Relevant Requirement
   4.3.3 Matters Arising After the Date of the Practitioner’s Report
   4.3.4 Assembly of the Final Engagement File
   4.3.5 Specific Documentation Requirements – Risk Procedures

Part 5: Planning
5.1 Planning Activities
5.2 Materiality
   5.2.1 Revision as the Assurance Engagement Progresses

Part 6: Risks of Material Misstatement
6.1 Obtaining an Understanding to Identify Disclosures where Material Misstatements are Likely to Arise (Limited Assurance) or Identify and Assess Risks of Material Misstatement (Reasonable Assurance)
6.2 Inquiries and Discussion with Appropriate Parties, the Engagement Team and the Practitioner’s External Experts

6.3 Understanding the Underlying Subject Matter and the Sustainability Information
   6.3.1 Understanding the Entity and Its Environment
   6.3.2 Understanding the Applicable Criteria
   6.3.3 Understanding the Entity’s Internal Control
      The Control Environment
      The Information System
      The Entity’s Risk Assessment Process
      The Control Activities
      The Entity’s Process for Monitoring the System of Internal Control
      Identifying Control Deficiencies

6.4 Identifying Disclosures where Material Misstatements are Likely to Arise (Limited Assurance) or Identifying and Assessing the Risks of Material Misstatement (Reasonable Assurance)

6.5 Evaluating the Evidence Obtained from the Risk Procedures

Part 7: Responding to Assessed Risks of Material Misstatement

7.1 Procedures Responsive to the Assessed Risks of Material Misstatement
   7.1.1 Test of Controls
   7.1.2 Substantive Procedures
   7.1.3 Substantive Analytical Procedures
   7.1.4 Selection of Items for Testing

7.2 Determining Whether Additional Procedures Are Necessary in a Limited Assurance Engagement

7.3 Specific Focus Areas
   7.3.1 Estimates, Including Forward-looking Information
   7.3.2 Procedures Regarding the Entity’s Aggregation Process for the Sustainability Information

7.4 Accumulating Identified Misstatements

Part 8: Concluding

8.1 Accumulation and Consideration of Identified Misstatements
   8.1.1 Accumulation of Identified Misstatements
   8.1.2 Consideration of Identified Misstatements as the Engagement Progresses
   8.1.3 Communicating and Correcting Misstatements
   8.1.4 Evaluating the Effect of Uncorrected Misstatements
8.2 Evaluating the Description of Applicable Criteria
8.3 Subsequent Events
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**Part 9: Forming a Conclusion and Reporting**

9.1 Forming the Assurance Conclusion
9.2 The Assurance Report
   9.2.1 Reference to the Practitioner’s Expert in the Assurance Report
   9.2.2 Assurance Report Prescribed by Law or Regulation
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