

Sustainability Assurance – Cover Note

Objective:

The objective of the IAASB discussion in March 2024 is to:

- (a) Provide an overview of respondents' comments on 15 questions from the Exposure Draft: [Proposed International Standard on Sustainability Assurance 5000, General Requirements for Sustainability Assurance Engagements \(ED-5000\)](#), that generated the most significant comments and represented the main themes that emerged from the feedback.
- (b) Obtain the Board's input on the Sustainability Assurance Task Force's (SATF) views and recommendations for the approach to addressing the key themes identified from the responses.

Introduction

Background

1. In June 2023 the IAASB unanimously approved proposed ISSA 5000 for exposure. ED-5000 was subsequently released on August 2, 2023 for a 120-day comment period. The documents published comprised:
 - [ED-5000](#)
 - [The Explanatory Memorandum](#) for ED-5000 (EM)
 - [The Response Template](#) for ED-5000
2. The IAASB sought feedback from respondents as to whether ED-5000 addressed the project objectives described in Section C of the [Project Proposal for the Development of an Overarching Standard for Assurance on Sustainability Reporting](#) to develop a new overarching standard for assurance on sustainability reporting.
3. The IAASB also released a [stakeholder survey](#) targeted at stakeholders that may not ordinarily respond to IAASB consultations.
4. In December 2023, the SATF provided the Board with [an update](#) on the global outreach conducted to gather feedback on ED-5000 and shared the overall themes of the feedback obtained. The draft December 2023 IAASB meeting minutes are available in **Agenda Item 1** on the [IAASB Quarterly Board Meeting - March 18-21, 2024](#) page (posted for approval at the March 2024 IAASB meeting).
5. Based on the comment letters, survey responses and feedback from the extensive global outreach, the SATF identified 14 questions from the EM that generated the most significant comments from stakeholders and represented the main themes that emerged from the feedback. The main themes are addressed in the Agenda Items listed in paragraph 10 and will be discussed at the March 2024 meeting in that order. An additional question (Question 1) on whether ED-5000 provides a global baseline for sustainability assurance was analyzed, but the matters arising have been addressed in the agenda items for the related themes (see **Appendix 4**). The feedback on the remainder of the EM questions will be discussed in June 2024 (see paragraph 24 below).

Coordination

International Ethics Standards Board for Accountants (IESBA)

6. In January 2024, IESBA released their two exposure drafts [International Ethics Standards for Sustainability Assurance ED](#) and [Using the Work of an External Expert ED](#). During the public consultation period for these exposure drafts, the IAASB and IESBA will continue their coordination efforts. Based on the feedback on ED-5000 and subject to feedback on the IESBA exposure drafts, topics of coordination in 2024 may include:
- Terms and definitions, including sustainability information and sustainability matters.
 - The application of ethical requirements that are “at least as demanding” as the IESBA Code related to sustainability assurance engagements.
 - Engagement teams and using the work of others, including another practitioner, external experts, information from the value chain and group engagements.
 - Communication between the practitioner and the financial statement auditor.

Reference Groups

7. The SATF has continued to engage with sustainability assurance practitioners and experts through the two [IAASB Sustainability reference groups](#). The reference groups have met quarterly since they were [established](#), with the last meetings occurring in November 2023. The next meetings with the reference groups are proposed for the second quarter of 2024 following the IAASB’s discussion in March on the SATF’s views and recommendations for revisions to ED-5000 based on comments received.

Outreach

8. Details of outreach activities since the December 2023 Board meeting are included in **Appendix 1**.

Materials Presented

9. This paper sets out the following:
- **Part A:** A summary of the broad range of stakeholders that submitted written responses to ED-5000.
 - **Part B:** Approach to the Board discussion, including references to the other papers presented for this Agenda Item.
 - **Part C:** Approach to the analysis of responses and SATF views and recommendations.
 - **Part D:** Way forward.

Agenda Items for Board Discussion

10. The table below provides an overview of the themes from the responses to ED-5000, the related EM questions and the related separate Agenda papers.

Agenda Item(s)	Themes	EM Question(s)
Agenda Item 3-A Agenda Item 3-A.1	Scope and Applicability of Proposed ISSA 5000	Question 3
Agenda Item 3-B	Sustainability Matters, Sustainability Information and Disclosures	Question 5 Question 6
Agenda Item 3-C	Relevant Ethical Requirements and Quality Management Standards	Question 4
Agenda Item 3-D	Materiality	Question 9 Question 11 Question 12
Agenda Item 3-E	Engagement Team, Using the Work of Others, and “Group” Engagements	Question 14 Question 15 Question 18
Agenda Item 3-F	Limited and Reasonable Assurance	Question 7 Question 13 Question 17
Agenda Item 3-G	Other Matters	Question 25

Appendices and Other Agenda Items Accompanying This Paper

11. This Agenda Item includes the following appendices and other agenda items:

Appendix 1	Overview of the SATF members and activities since December 2023
Appendix 2	List of respondents to ED-5000
Appendix 3	Respondents' Comments for Selected EM Questions for ED-5000 and the Related Agenda Items Where the Summary and Detailed Comments are Presented
Appendix 4	Global Baseline for Sustainability Assurance -- analysis of comments received on Question 1 in the Explanatory Memorandum to ED-5000

Agenda Items 3-I.1 to 3-I.15 (Supplemental)	Summary of Respondents' Comments on ED-5000 – EM questions 1, 3 to 7, 9, 11 to 15, 17,18 and 25 of ED-5000 in the EM
Agenda Items 3-J.1 to 3-J.15 (Supplemental)	Respondents' Detailed Comments on ED-5000 – EM Questions 1, 3 to 7, 9, 11 to 15, 17,18 and 25

Part A: Overview of Responses to ED-5000

Comment Letters

12. The comment period for ED-5000 closed on December 1, 2023. 143 responses were received from a broad range of stakeholders from all geographical regions as follows (also see **Appendix 2** for a list of respondents to ED-5000):

Stakeholder Type	No.	Stakeholder Type	No.
Monitoring Group (MG)	4	Other Respondents, ¹ comprising:	
Preparers, Users and Those Charged with Governance, ¹ comprising:		Public Sector Organizations	5
Preparers and Users of Sustainability Information	13	Academic or Academic Body	5
Those Charged with Governance	2	Individuals and Others	8
Regulators and Audit Oversight Authorities	11	Total	143
Standard Setters, ¹ comprising:			
National Auditing Standard Setters	14	Region	No.
Global Standard Setters	2	Global	37
Assurance Practitioners, ¹ comprising:		Europe	40
Assurance Practitioner or Firm – Accounting Profession	21	Middle East and Africa	12
Assurance Practitioner or Firm – Other Profession	5	North America	17
Member Bodies and Other Professional Organizations	53	South America	6

¹ These stakeholder groups were combined for the purposes of presenting a breakdown of the respondents' comments by theme in the charts in **Agenda Item 3 Appendix 4** and **Agenda Items 3-A to 3-G**.

Survey Responses

13. 36 responses were received covering all geographical regions.

Part B: Approach to the Board Discussion

14. During the March 2024 IAASB meeting, the SATF Chair, along with other members of the SATF, Drafting Team and Staff, will introduce the key themes from the responses to ED-5000. The SATF Chair will pause after each theme and ask the Board for its views on the SATF's recommendations and proposed revisions to ED-5000 as described in the Agenda Item for that theme, with reference, as applicable, to the proposed drafting for the standard in **Agenda Item 3-H**.
15. The Board will also be asked whether they agree with the SATF summary of respondents' feedback presented and whether there are any other significant issues raised by respondents that should be discussed.

Part C: Approach to Analysis of Responses and SATF Recommendations

Analysis of Comments

16. The IAASB provided a [Response Template](#) for respondents to use in providing their comments on ED-5000 to facilitate the IAASB's collation and analysis of the responses. For each question in the EM, the respondents provided detailed comments, where applicable, and also indicated their overall response, for example:
 - Agree (with no further comments).
 - Agree, with comments below.
 - Disagree, with comments below.
 - Neither agree/disagree, but see comments below.
 - No response.

For respondents to ED-5000 that did not use the response template, the SATF determined the overall response for each question based on the detailed feedback provided.

17. Staff and the SATF used NVivo to assist with the analysis of the responses to the questions. **Appendix 3** identifies the supplemental Agenda Items that provide a summary of the respondents' comments relevant for each question analyzed for the March meeting and the related Agenda Items where the detailed comments are presented.
18. When analyzing the comments, it was noted that the overall responses were not always reflective of the nature of the detailed comments. In particular, the SATF noted that in many cases the detailed comments were very similar whether the respondents "agreed with comments" or "disagreed with comments." Therefore, the SATF did not include a breakdown of the overall responses in **Agenda Items 3-A to 3-G**. Instead, these breakdowns are included in the respective Excel spreadsheets in **Agenda Items 3-I.1 to 3-I.15**.
19. The SATF also determined that the most effective way to analyze and present the comments received was by the themes that emerged from the analysis of the detailed comments. A chart showing the breakdown of the comments by theme and stakeholder group for each question is included in each of the respective Agenda Items. The stakeholder groups reflected in these charts are the seven main groups noted in the table in paragraph 12 above.

Approach to Developing the SATF Recommendations

20. When analyzing the comments, the SATF recognized that there was a significant number of requests for more material in the standard, particularly educational material. The SATF discussed that the IAASB agreed that proposed ISSA 5000 is intended to be principles-based, supported with appropriate application material to drive consistent understanding and application of the requirements. This allows the assurance practitioner to apply professional judgment in planning and performing the assurance engagement. Proposed ISSA 5000 is an overarching standard and not intended to be a detailed methodology for performing sustainability assurance engagements.
21. In developing recommendations to address the comments received from the respondents, the SATF identified the following three possible options, taking into account the overarching nature of the proposed standard and the accelerated timeline of the project:
 - Revise the requirements in proposed ISSA 5000. Before selecting this option, the SATF gave careful consideration as to whether a new or revised requirement would be the most appropriate solution to the comment(s) received.
 - Update the application material (including appendices). The SATF was cognizant that adding additional application material should only be necessary to drive consistent understanding and application of the requirements, particularly given comments from some respondents about the overall length of the proposed standard.
 - Provide additional guidance or examples as part of the first-time implementation guidance or other educational guidance to be developed in the future. The SATF agreed that given the significant number of requests for additional guidance, it would be appropriate to develop first-time implementation guidance and other non-authoritative materials in a timely fashion.

The SATF also noted that some comments would be addressed as part future standard-setting (e.g., separate standards within the ISSA suite of standards).

Proposed Revisions to Proposed ISSA 5000

22. **Agenda Item 3-H** includes the SATF's proposed revisions for certain paragraphs of proposed ISSA 5000. The paragraphs intended for the Board's discussion and input are marked from ED-5000 and are referenced within **Agenda Items 3-A to 3-G**. All other paragraphs have been greyed out and the SATF is not seeking Board input on these paragraphs at this stage.

Part C: Way Forward

Next Steps – Finalizing the Proposed Standard

23. Following the March 2024 IAASB meeting, and based on the Board's feedback, the SATF will further discuss key matters raised at the meeting with respect to the themes analyzed and make further revisions as needed to proposed ISSA 5000 to address the Board's comments.
24. The SATF will also continue to analyze the responses to the remaining questions included in the EM and will bring them for discussion with the Board at the June 2024 IAASB meeting (see the questions to be analyzed in the table below).

EM Question Responses to be Discussed at the IAASB's June 2024 Meeting	
Question No.	Topic
2	Public Interest Responsiveness
8	Preliminary Knowledge of the Engagement Circumstances: Scope of the Sustainability Information and the Engagement
10	Suitability and Availability of Criteria: Practitioner's Evaluation
16	Estimates and Forward-Looking Information
19	Fraud (including "Greenwashing")
20	Communication with Those Charged with Governance
21	Reporting Requirements and the Assurance Report: Meeting the Information Needs of Users
22	Reporting Requirements and the Assurance Report: Key Audit Matters (KAM)
23	Reporting Requirements and the Assurance Report: Prominence of Statement that Limited Assurance is Less in Scope Than Reasonable Assurance
24	Other Matters: Public Sector
26	Translations
27	Effective Date

25. In addition, the SATF will continue to engage in coordination activities with IESBA, and with the Sustainability Assurance Reference Groups, as appropriate.
26. IAASB approval of the final standard is targeted for September 2024.

Plan for Implementation Support Materials

27. The SATF is also intending to commence work on implementation support materials to assist practitioners when applying proposed ISSA 5000. The table below contains an initial list of the planned implementation support materials and the planned timing for their publication.

Implementation Support Materials	Timing of Publication
Basis for Conclusions	To be issued with the final standard after PIOB certification of ISSA 5000
Fact Sheet	
First-Time Implementation Guide	

Implementation Support Materials	Timing of Publication
Non-authoritative guidance on the scope and applicability of ISSA 5000 (targeted at jurisdictions)	To be issued in due course after ISSA 5000 is published
Non-authoritative guidance on quality management relevant to sustainability assurance	
Updated ISSA 5000 FAQs	

SATF Members and Activities

SATF Members

1. Information about the SATF members and the project can be found [here](#).

SATF Activities since the December 2023 IAASB Meeting

Meetings

2. The SATF met in person for four days in January 2024 and virtually for three days in February.

Outreach Activities

3. Engagement with the IAASB Sustainability Assurance Reference Groups as discussed in paragraph 8.
4. The IAASB Chair, Program and Technical Director, SATF Chair and IAASB Staff have engaged with representatives of the following stakeholders in person or at virtual meetings and presentations at stakeholder events:
 - International Organization of Securities Commissions (IOSCO)
 - Conference: “Accountants for People, Planet, Prosperity and Partnerships” hosted by Pan African Federation of Accountants, African Union and World Bank
 - Committee of European Auditing Oversight Bodies (CEAOB)
 - European Commission (EC)
 - Accountancy Europe (AE)
 - International Sustainability Standards Board (ISSB)
 - International Accounting Standards Board (IASB)
 - International Accreditation Forum (IAF)
 - National Financial Reporting Authority (NFRA) of India

Appendix 2

List of Respondents to ED–5000

No.	Respondent	Region
Monitoring Group		Total: 4
1.	Basel Committee on Banking Supervision (BIS)	Global
2.	International Association of Insurance Supervisors (IAIS)	Global
3.	International Forum of Independent Audit Regulators (IFIAR)	Global
4.	International Organization of Securities Commissions (IOSCO)	Global
Preparer and Users of Sustainability Information		Total: 13
5.	American Bankers Association (ABA)	North America
6.	Ceres, Inc.	North America
7.	Climate Accounting & Audit Project (CAAP)	Global
8.	Corporate Reporting User's Forum (CRUF)	Global
9.	French Insurance Federation (France Assureurs)	Europe
10.	Keidanren (Japan Business Federation)	Asia Pacific
11.	Link Asset Management Limited	Asia Pacific
12.	MFIs' Internal Audit ESG Working Group	Global
13.	Norges Bank Investment Management	Europe
14.	Philip Morris International INC.	Global
15.	Singapore Exchange (SGX Group)	Asia Pacific
16.	The Investment Association	Europe
17.	World Business Council for Sustainable Development (WBCSD)	Global
Those Charged with Governance		Total: 2
18.	Eumedion	Europe
19.	International Corporate Governance Network (ICGN)	Global
Regulators and Audit Oversight Authorities		Total: 11
20.	Accounting and Auditing Board of Ethiopia	Middle East and Africa
21.	Accounting and Corporate Regulatory Authority (ACRA)	Asia Pacific
22.	Botswana Accountancy Oversight Authority	Middle East and Africa
23.	Canadian Public Accountability Board (CPAB)	North America
24.	Committee of European Auditing Oversight Bodies (CEAOB)	Europe

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No.	Respondent	Region
25.	European Securities and Markets Authority (ESMA)	Europe
26.	Financial Reporting Council – UK (FRC)	Europe
27.	Independent Regulatory Board for Auditors (IRBA)	Middle East and Africa
28.	Irish Auditing and Accounting Supervisory Authority (IAASA)	Europe
29.	National Association of State Boards of Accountancy (NASBA)	North America
30.	Securities and Exchange Commission Philippines	Asia Pacific
Jurisdictional/ National Standard Setter		Total: 14
31.	American Institute of Certified Public Accountants (AICPA)	North America
32.	Auditing and Assurance Standards Board Canada (AASB)	North America
33.	Auditing and Assurance Standards Council (Philippines) (AASC)	Asia Pacific
34.	Australian Auditing and Assurance Standards Board (AUASB)	Asia Pacific
35.	Austrian Chamber of Tax Advisors and Public Accountants (KSW)	Europe
36.	Comite Brasileiro de Sustentabilidade (CBPS)??	South America
37.	Compagnie Nationale des Commissaires aux Comptes (CNCC) and Conseil Supérieur de l'Ordre des Experts-Comptables (CSOEC)	Europe
38.	Hong Kong Institute of Certified Public Accountants (HKICPA)	Asia Pacific
39.	Institut der Wirtschaftspruefer in Deutschland e.V.(IDW)	Europe
40.	Japanese Institute of Certified Public Accountants (JICPA)	Asia Pacific
41.	Malaysian Institute of Accountants - Auditing and Assurance Standards Board (MIA)	Asia Pacific
42.	New Zealand Auditing and Assurance Standards Board	Asia Pacific
43.	Public Accountants and Auditors Board Zimbabwe (PAAB)	Middle East and Africa
44.	Royal Dutch Institute of Chartered Accountants (NBA)	Europe
Global Standard Setter		Total: 2
45.	Global Reporting Initiative (GRI)	Global
46.	Social Value International	Global
Assurance Practitioner or Firm - Accounting Profession		Total: 21
47.	Altaf Noor Ali Chartered Accountants	Asia Pacific
48.	BDO International	Global
49.	Baker Tilly International	Global
50.	Crowe Global	Global

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IAASB Main Agenda (March 2024)

No.	Respondent	Region
51.	Deloitte LLP	Global
52.	Ernst & Young Global Limited	Global
53.	ETY sas	Middle East and Africa
54.	European Contact Group (ECG)	Europe
55.	Grant Thornton International Ltd	Global
56.	HLB International	Global
57.	KPMG International	Global
58.	Mazars	Global
59.	MHA	Europe
60.	MNP LLP	North America
61.	Mo Chartered Accountants (Zimbabwe)	Middle East and Africa
62.	Nexia International	Global
63.	PKF International Limited	Global
64.	PricewaterhouseCoopers International Limited	Global
65.	RSM International Limited	Global
66.	UHY Calderón González	South America
67.	UHY International	Global
Assurance Practitioner or Firm - Other Profession		Total: 5
68.	Academy for Practical Training on Sustainability Assurance (APTISA)	Europe
69.	Mincore (Chile)	South America
70.	ERM Certification and Verification Services Limited	Global
71.	SGS	Global
72.	TIC Council	Global
Public Sector Organizations		Total: 5
73.	First Nations Financial Management Board	North America
74.	Government Accountability Office – United States	North America
75.	Office of the Auditor General of Alberta	North America
76.	Office of the Auditor General of Canada	North America
77.	Office of the Auditor General (New Zealand)	Asia Pacific

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IAASB Main Agenda (March 2024)

No.	Respondent	Region
Member Bodies and Other Professional Organizations		Total: 51
78.	Accountancy Europe	Europe
79.	ASEAN Federation of Accountants (AFA)	Asia Pacific
80.	ASSIREVI – Association of the Italian audit firms	Europe
81.	ACTEO AFEP MEDEF	Europe
82.	Belgian Institute of Registered Auditors	Europe
83.	Center for Audit Quality – United States	North America
84.	Chartered Accountants Ireland	Europe
85.	Chamber of Financial Auditors of Romania (CAFR)	Europe
86.	Chartered Accountants Australia and New Zealand (CA ANZ) and the Association of Chartered Certified Accountants (ACCA)	Global
87.	Chartered Professional Accountants of Canada (CPAC)	North America
88.	Colegio de Contadores Públicos de Costa Rica	South America
89.	Consejo General de Economistas de España	Europe
90.	Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili (CNDCEC)	South America
91.	CPA Australia	Asia Pacific
92.	CPA Ireland	Europe
93.	European Commission Platform on Sustainable Finance (PSF)	Europe
94.	European Confederation of Institutes of Internal Auditing (ECIIA)	Europe
95.	European Group of International Accounting Networks and Associations (EGIAN)	Europe
96.	European Federation of Accountants and Auditors for SMEs (EFEAA)	Europe
97.	European Federation of Financial Analysts Societies (EFFAS)	Europe
98.	EXPERTsuisse	Europe
99.	Federation of Accounting Professions (TFAC)	Asia Pacific
100.	Global Accounting Alliance (GAA)	Global
101.	Institut Akuntan Publik Indonesia (IAPI)	Asia Pacific
102.	Instituto de Censores Jurados de Cuentas de España (ICJCE)	Europe
103.	Institute of Certified Public Accountants of Rwanda (ICPAR)	Middle East and Africa
104.	Institute of Chartered Accountants in England and Wales (ICAEW)	Europe
105.	Institute of Chartered Accountants of Ghana	Middle East and Africa

No.	Respondent	Region
106.	Institute of Chartered Accountants of Pakistan (ICAP)	Asia Pacific
107.	Institute of Chartered Accountants of Scotland (ICAS)	Europe
108.	Institute of Chartered Accountants of Sri Lanka	Asia Pacific
109.	Institute of Chartered Accountants of the Maldives	Asia Pacific
110.	Institute of Internal Auditors (IIA)	Global
111.	Institute of Singapore Chartered Accountants (ISCA)	Asia Pacific
112.	Instituto de Auditoria Independente do Brasil - Ibracon	South America
113.	Instituto Mexicano de Contadores Publicos (IMCP)	North America
114.	Instituto Nacional de Contadores Públicos de Colombia (INCP)	South America
115.	International Federation of Accountants (IFAC)	Global
116.	Korean Institute of Certified Public Accountants (KICPA)	Asia Pacific
117.	Malaysian Institute of Certified Public Accountants (MICPA)	Asia Pacific
118.	Malta Institute of Accountants (MIA)	Europe
119.	New York State Society of Certified Public Accountants (NYSSCPA)	North America
120.	Nordic Federation of Public Accountants (NRF)	Europe
121.	NOREA - Dutch Professional Association of Registered IT Auditors	Europe
122.	Ordre National des Experts Comptables et des Comptables Agréés du Burkina Faso (ONECCA-BF)	Middle East and Africa
123.	Pan-African Federation of Accountants (PAFA)	Middle East and Africa
124.	Pennsylvania Institute of Certified Public Accountants (PICPA)	North America
125.	Saudi Organization for Chartered and Professional Accountants (SOCPA)	Middle East and Africa
126.	Securities Analysts Association of Japan	Asia Pacific
127.	South African Institute of Chartered Accountants (SAICA)	Middle East and Africa
128.	Virginia Society of CPAs	North America
129.	Wirtschaftsprüferkammer (WPK)	Europe
130.	World Federation of Exchanges	Global
Academic or Academic Body		Total: 5
131.	Accounting and Finance Association of Australia and New Zealand (Auditing and Assurance Standards Committee) (AFAANZ)	Asia Pacific
132.	Deakin University	Asia Pacific
133.	Monash University	Asia Pacific

No.	Respondent	Region
134.	University of Bristol, UK	Europe
135.	University of Southampton	Europe
Individuals and Others		Total: 8
136.	CarbonPump Pty Ltd	Asia Pacific
137.	Capitals Coalition	Global
138.	Dr. Prachi Ugle Pimpalkhute	Asia Pacific
139.	Global Legal Entity Identifier Foundation (GLEIF)	Europe
140.	World Wide Fund for Nature	Europe
141.	International Accreditation Forum (IAF)	Global
142.	Japan Accreditation Board (JAB)	Asia Pacific
143.	We Mean Business Coalition	Global

Appendix 3

Respondents' Comments for Selected EM Questions for ED-5000 and the Related Agenda Items Where the Summary and Detailed Comments are Presented

EM Questions	Agenda Item	Summary Comment Analysis (Supplemental)	Detailed Comment Analysis (Supplemental)
Question 1	Agenda Item 3, Appendix 4 – Global Baseline for Sustainability Assurance	Agenda Item 3-I.1	Agenda Item 3-J.1
Question 3	Agenda Item 3-A – Sustainability Assurance – Scope and Applicability of Proposed ISSA 5000	Agenda Item 3-I.2	Agenda Item 3-J.2
Question 4	Agenda Item 3-C – Sustainability Assurance – Relevant Ethical Requirements and Quality Management Standards	Agenda Item 3-I.3	Agenda Item 3-J.3
Question 5 Question 6	Agenda Item 3-B – Sustainability Assurance – Sustainability Matters, Sustainability Information and Disclosures	Agenda Item 3-I.4 Agenda Item 3-I.5	Agenda Item 3-J.4 Agenda Item 3-J.5
Question 7 Question 13 Question 17	Agenda Item 3-F – Sustainability Assurance – Limited and Reasonable Assurance	Agenda Item 3-I.6 Agenda Item 3-I.7 Agenda Item 3-I.8	Agenda Item 3-J.6 Agenda Item 3-J.7 Agenda Item 3-J.8
Question 9 Question 11 Question 12	Agenda Item 3-D – Sustainability Assurance – Materiality	Agenda Item 3-I.9 Agenda Item 3-I.10 Agenda Item 3-I.11	Agenda Item 3-J.9 Agenda Item 3-J.10 Agenda Item 3-J.11
Question 14 Question 15 Question 18	Agenda Item 3-E – Sustainability Assurance – Engagement Team, Using the Work of Others, and “Group” Engagements	Agenda Item 3-I.12 Agenda Item 3-I.13 Agenda Item 3-I.14	Agenda Item 3-J.12 Agenda Item 3-J.13 Agenda Item 3-J.14
Question 25	Agenda Item 3-G – Sustainability Assurance – Other Matters	Agenda Item 3-I.15	Agenda Item 3-J.15

Global Baseline for Sustainability Assurance

This Appendix includes the analysis of comments received on Question 1 in the Explanatory Memorandum to ED-5000. The related SATF views and recommendations are covered in the analysis of the relevant questions referenced below.

Background

1. Paragraph 14 of the Explanatory Memorandum to ED-5000 indicated that, to meet the objectives for the sustainability assurance project, the IAASB developed ED-5000 on the basis that it can be applied for:
 - All sustainability topics and aspects of topics;
 - All mechanisms for reporting;
 - Any suitable criteria;
 - All intended users;
 - Limited and reasonable assurance engagements; and
 - Use by all assurance practitioners.

What We Asked

2. Question 1 asked respondents:

Do you agree that ED-5000, as an overarching standard, can be applied for each of the items described in paragraph 14 of this EM to provide a global baseline for sustainability assurance engagements? If not, please specify the item(s) from paragraph 14 to which your detailed comments, if any, relate (use a heading for each relevant item).

118 of 143 respondents provided a response to the question, including one MG member. See **Agenda Item 3-I.1** for further details on the overall responses and **Agenda Item 3-J.1** for comments received on Question 1.

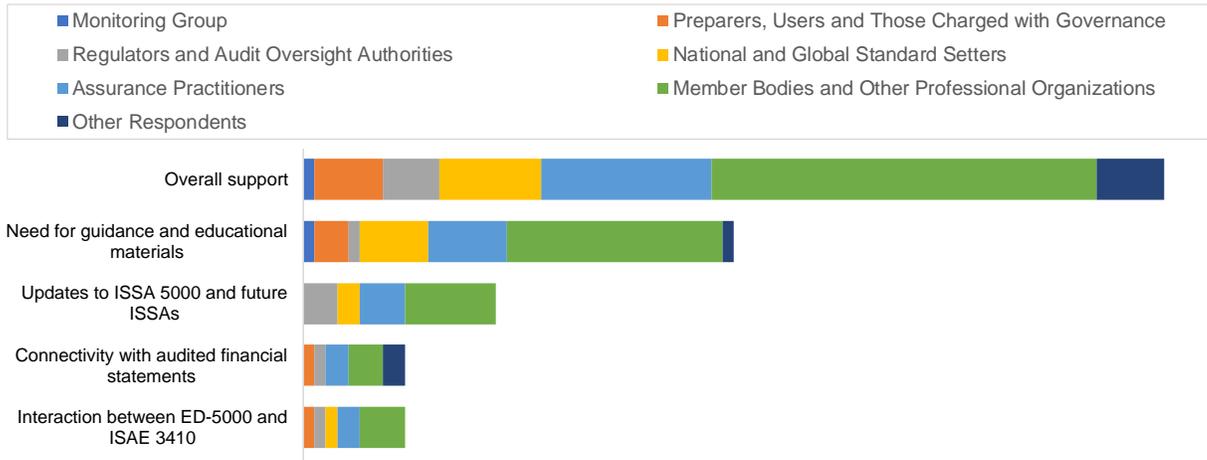
What We Heard

Highlights

- Broad support for ED-5000 as an overarching standard.
- Need for further guidance and educational materials.

3. The chart below shows a breakdown of comments on question 1 by theme and stakeholder group.

Global Baseline for Sustainability Assurance



Monitoring Group Comments

4. The MG member that responded to the question expressed support for ED- 5000 as a global baseline for sustainability assurance engagements, noting that a sustainability assurance standard should promote a high degree of transparency and be sufficiently detailed to promote consistent application and behavior by all assurance practitioners and be suitable for use across all reporting frameworks. The MG member encouraged the development of supporting guidance to facilitate the consistent application of ED-5000.

Other Respondents’ Comments

Overall Support

5. A strong majority (65%) of the respondents that answered Question 1 agreed that ED-5000, as an overarching standard, can be applied for each of the items described in paragraph 14 of the EM. Respondents that provided comments linked them to other relevant questions in the EM. Therefore, comments received on Question 1 have been considered as part of the analyses reflected in other Agenda Items, along with the SATF views and recommendations to respond to the comments received.

Need for Guidance and Educational Materials

6. Respondents strongly supported the need to develop guidance and educational materials. This has been addressed in the response to other matters (see **Agenda Item 3-G**).

Updates to ISSA 5000 and Future ISSAs

7. Respondents noted support for the development of future standards within the ISSA suite. This has been addressed in the response to other matters (see **Agenda Item 3-G**).

Connectivity Between Sustainability Information and Audited Financial Statements

8. Some respondents highlighted the high degree of connectivity between the sustainability information and the entity's audited financial statements. This has been addressed in response to other matters (see **Agenda Item 3-G**).

Interaction Between ED-5000 and ISAE 3410²

9. A number of respondents emphasized the need for additional clarity on the interaction between proposed ISSA 5000 and ISAE 3410. This has been addressed in the analysis on the scope and applicability of proposed ISSA 5000, including the interaction with ISAE 3410 (see **Agenda Item 3-A**).

Further Matters

10. In addition to the themes described above, respondents highlighted the need for continuous coordination with IESBA and other standard-setters and regulators, as well as additional clarification and guidance on the following:
- The relevant ethical and quality management requirements that are “at least as demanding” as the IESBA Code and ISQM 1 in order to make the proposed standard capable of being used by non-accountant assurance practitioners. This has been addressed in the analysis for relevant ethical requirements and quality management standards (see **Agenda Item 3-C**).
 - Identifying the intended users of the sustainability information, and highlighting in the scope section of the standard the importance of sustainability information to user decision-making. This has been addressed in the analysis for materiality (see **Agenda Item 3-D**).
 - Bridging the concepts and terminology in ED-5000 to recognized sustainability reporting frameworks, including what is viewed as “sustainability” and “sustainability matters.” This has been addressed in the analysis for sustainability matters, sustainability information and disclosures (see **Agenda Item 3-B**).

Observations from the Survey

The survey asked respondents whether they agree that it is important for ED-5000 to be capable of being applied for each of the items listed in paragraph 1 above to provide a global baseline for sustainability assurance engagements. A strong majority (84%) of the respondents to the survey agreed that ED-5000 is capable of providing a global baseline. Comments from survey respondents were entirely consistent with the themes identified from respondents to ED-5000. Comments, indicating mixed views, included:

- Overall support for ED-5000 as an overarching standard for sustainability assurance engagements.
- Lack of clarity around “at least as demanding” in relation to ethical and quality management requirements.
- The importance of the engagement leader possessing appropriate assurance competencies.

² ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements*