

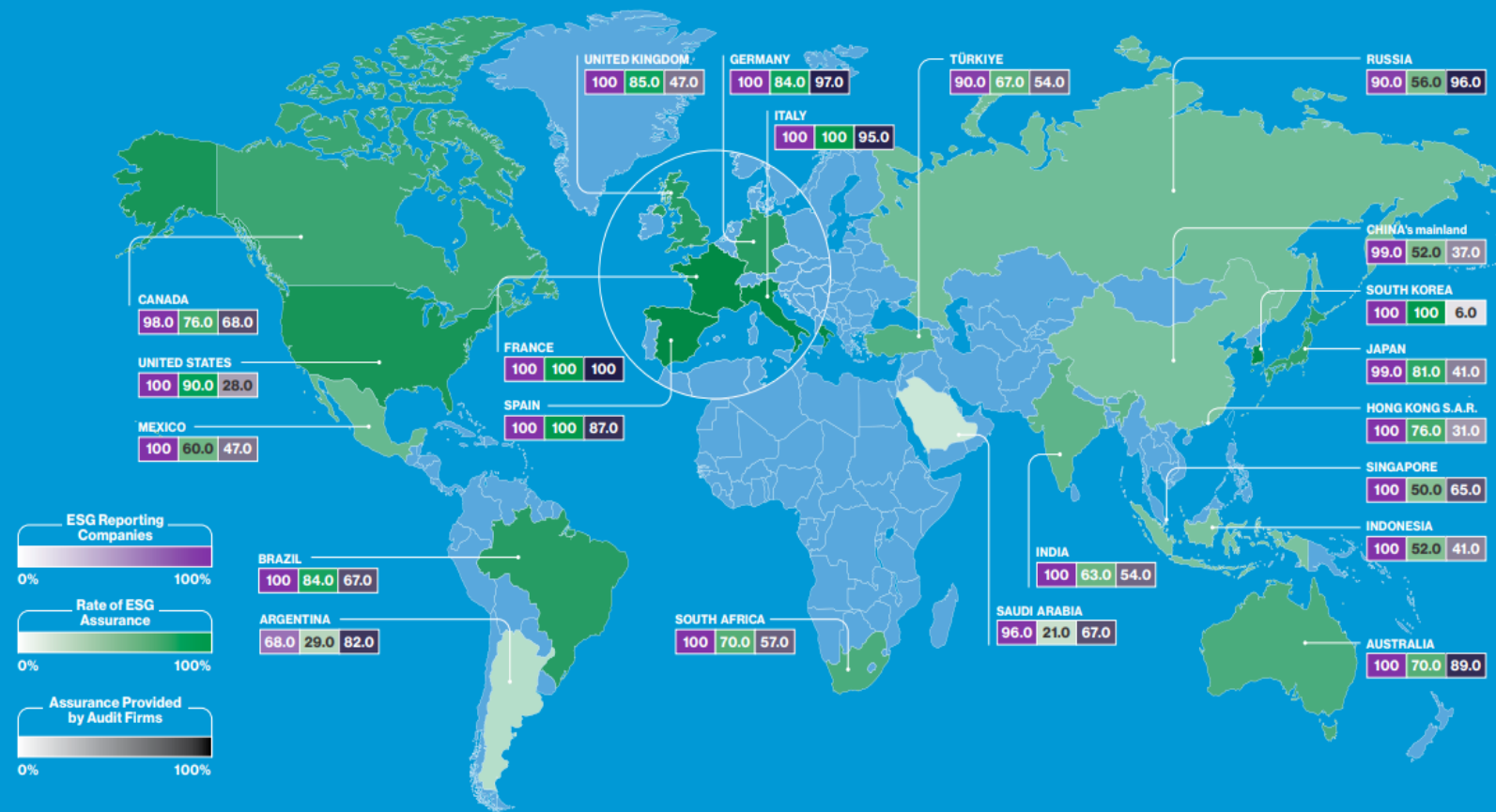
# THE STATE OF PLAY:

## SUSTAINABILITY DISCLOSURE AND ASSURANCE

2019 – 2023 TRENDS & ANALYSIS

September 2025

DAVID MADON



# The State of Play Series



MAY 2025

State of Play series

## BEYOND THE G20:

THE STATE OF PLAY  
IN SUSTAINABILITY  
DISCLOSURE & ASSURANCE

2019-2022 TRENDS & ANALYSIS



SEPTEMBER 2024

## BEYOND THE G20:

THE STATE OF PLAY IN  
SUSTAINABILITY DISCLOSURE &  
ASSURANCE

2019-2023 TRENDS & ANALYSIS



Part of the State of Play Series

## A Deep Dive into Sustainability Assurance Engagements

The Who, What, & How of Current Practice

May 2023



# MAPPING GLOBAL REPORTING AND ASSURANCE PRACTICES

## G20 KEY FINDINGS: 2019 | 2020 | 2021 | 2022 | 2023



reported some ESG information



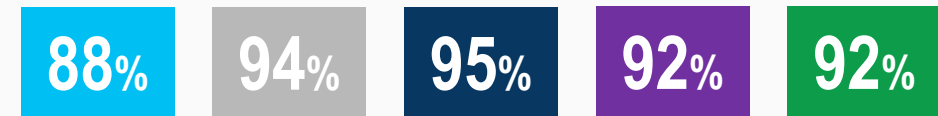
obtained some level of assurance



assurance engagements conducted by firms



of assurance was limited



of firms applied ISAE 3000 (Revised)\*

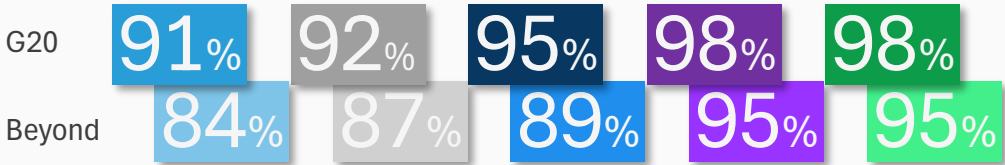


of other service providers applied ISAE 3000 (Revised)

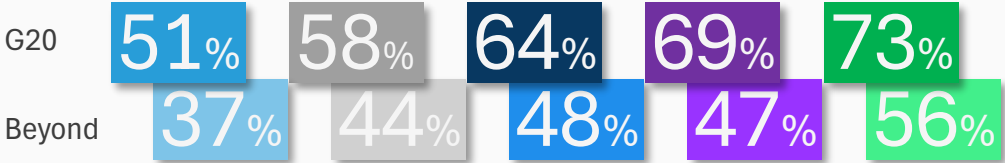
\*Including all standards issued by accounting and audit bodies – such as the AICPA's attestation standards and IAASB's ISAE 3410 – audit firms applied accounting and audit body standards during **99%** of assurance engagements in 2021, 2022 and 2023.

# MAPPING GLOBAL REPORTING AND ASSURANCE PRACTICES

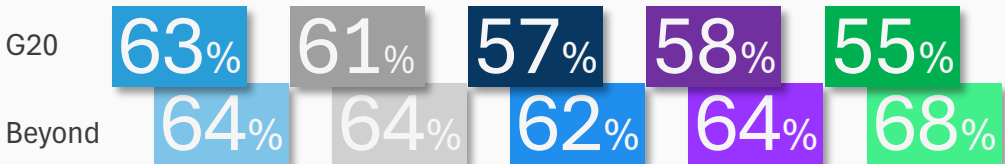
## KEY FINDINGS: 2019|2020|2021|2022|2023



report some ESG information



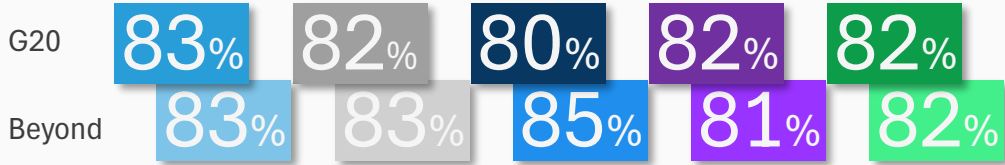
obtained some level of assurance



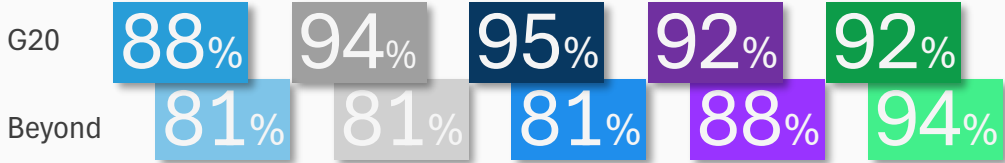
assurance engagements conducted by firms

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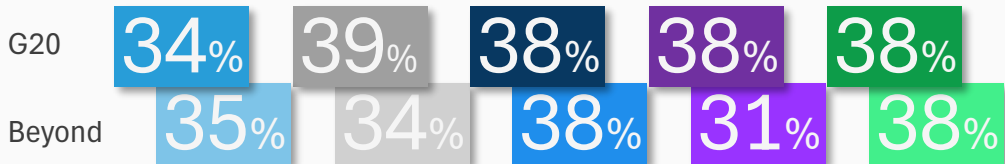
Europe	LATAM	Middle East & Africa
<ul style="list-style-type: none"><li>• Belgium</li><li>• Ireland</li><li>• Norway</li><li>• Poland</li><li>• Romania</li><li>• Sweden</li><li>• Switzerland</li></ul>	<ul style="list-style-type: none"><li>• Chile</li><li>• Colombia</li><li>• Peru</li></ul> <b>Asia-Pacific</b> <ul style="list-style-type: none"><li>• Malaysia</li><li>• New Zealand</li><li>• Philippines</li><li>• Thailand</li></ul>	<ul style="list-style-type: none"><li>• Egypt</li><li>• Israel</li><li>• Kenya</li><li>• Morocco</li><li>• Nigeria</li><li>• UAE</li></ul>



of assurance was limited

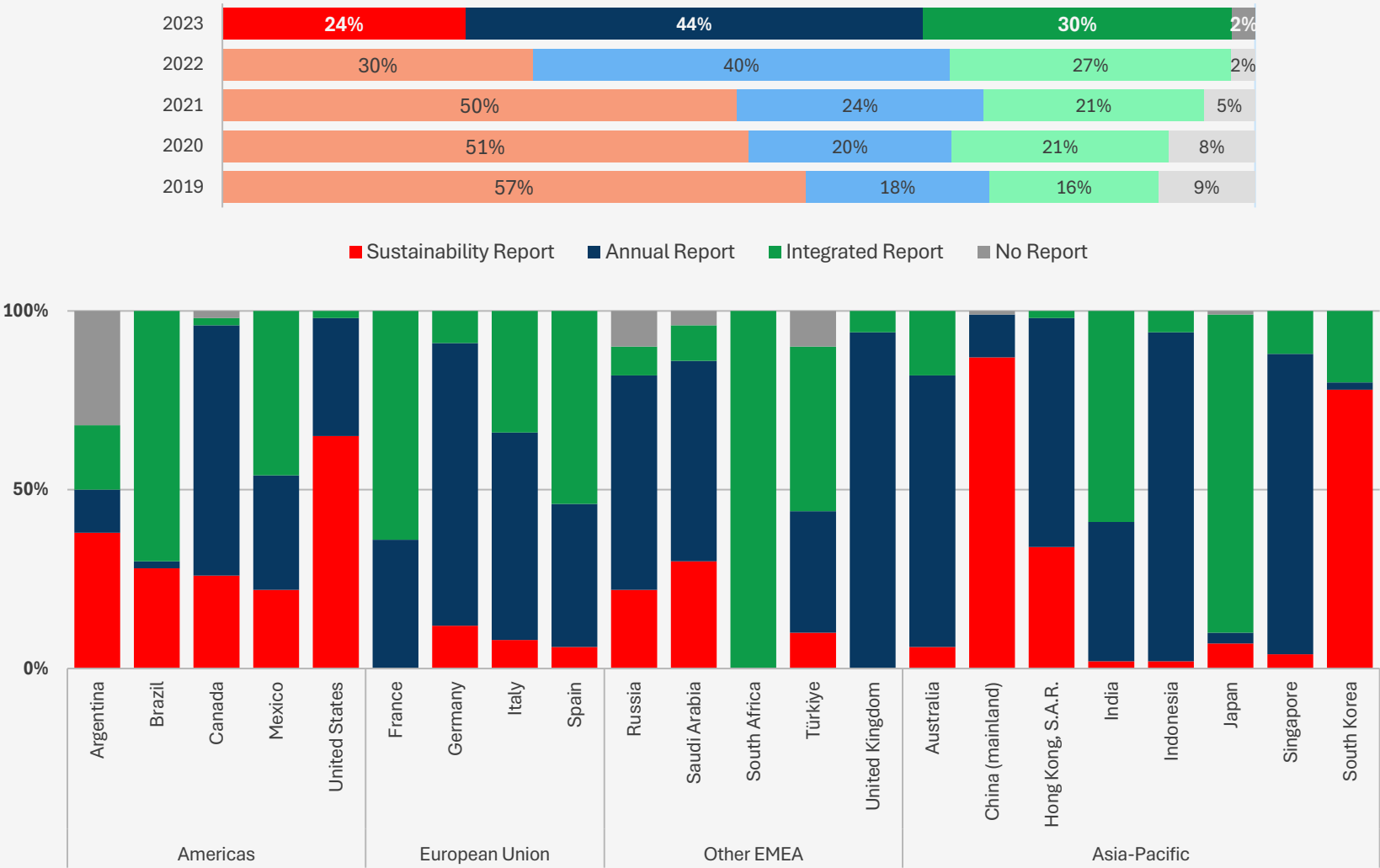


of firms applied ISAE 3000 (Revised)\*

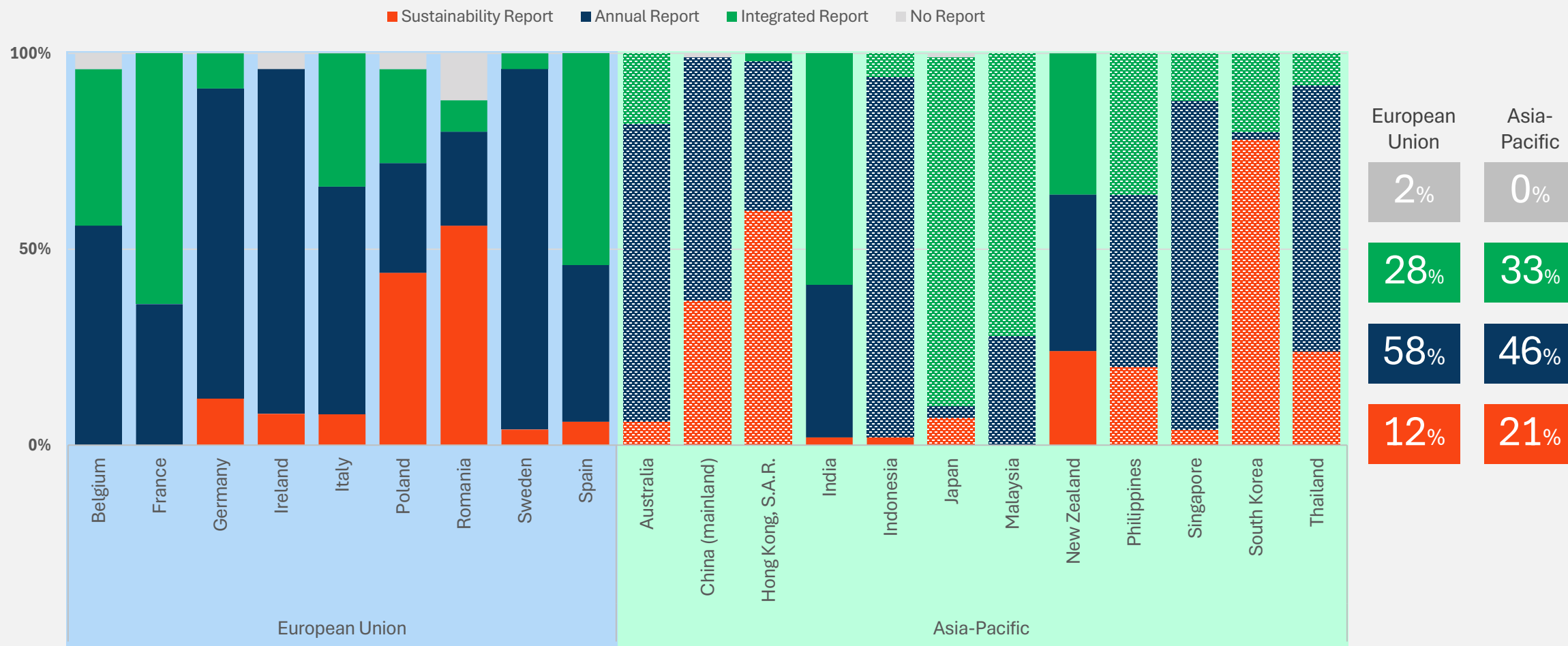


of other providers applied ISAE 3000 (Revised)

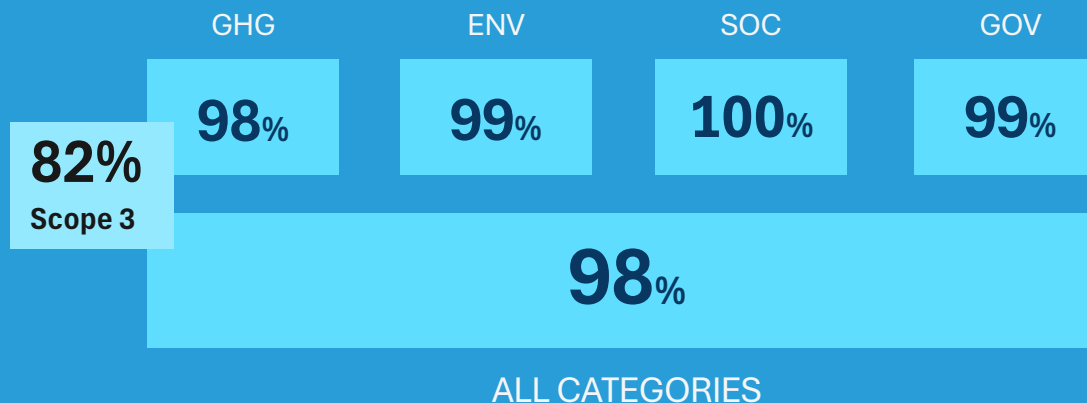
# WHERE G20 COMPANIES REPORTED ON ESG



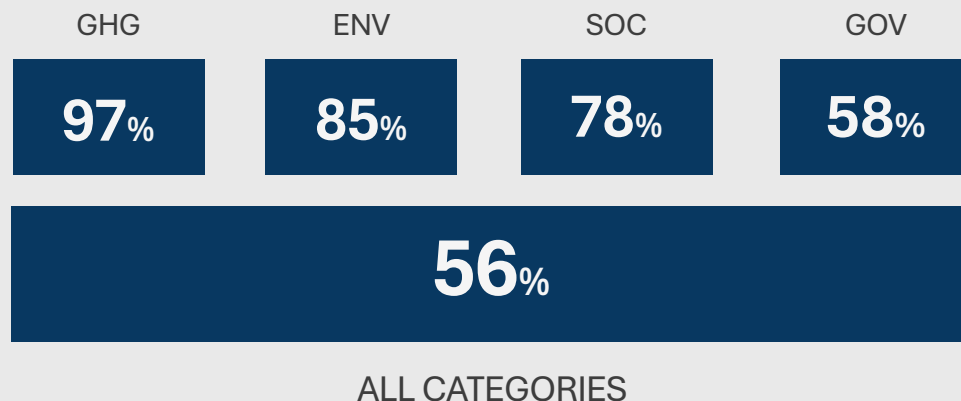
# WHERE COMPANIES REPORTED: EU (9) vs. ASIA-PACIFIC (12)



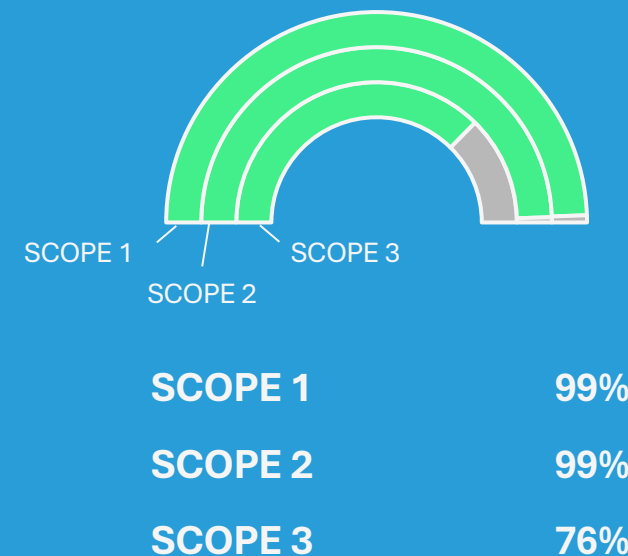
# SCOPE OF REPORTING TOPICS



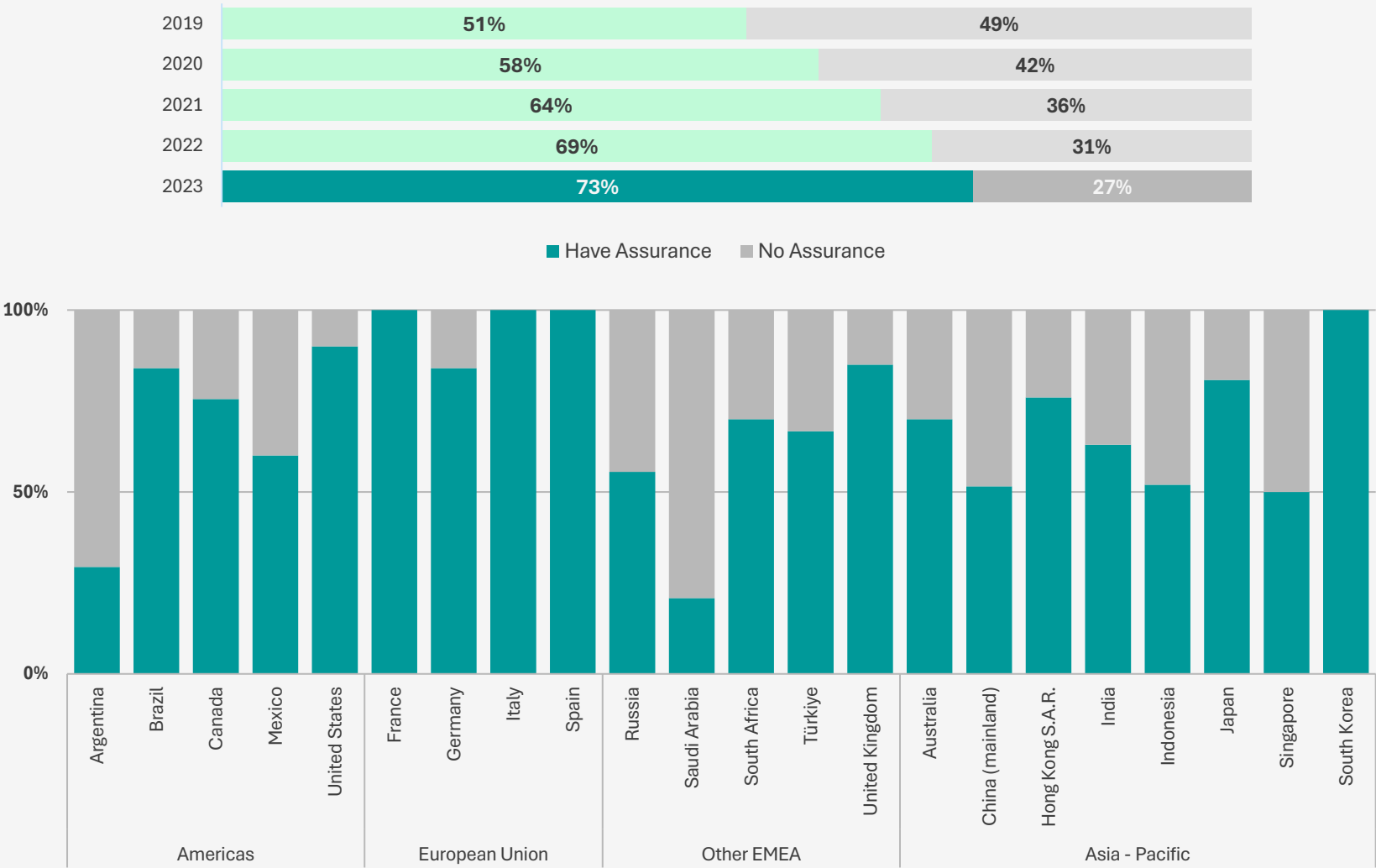
## SCOPE OF ASSURANCE TOPICS



## ASSURANCE OF GHG EMISSIONS

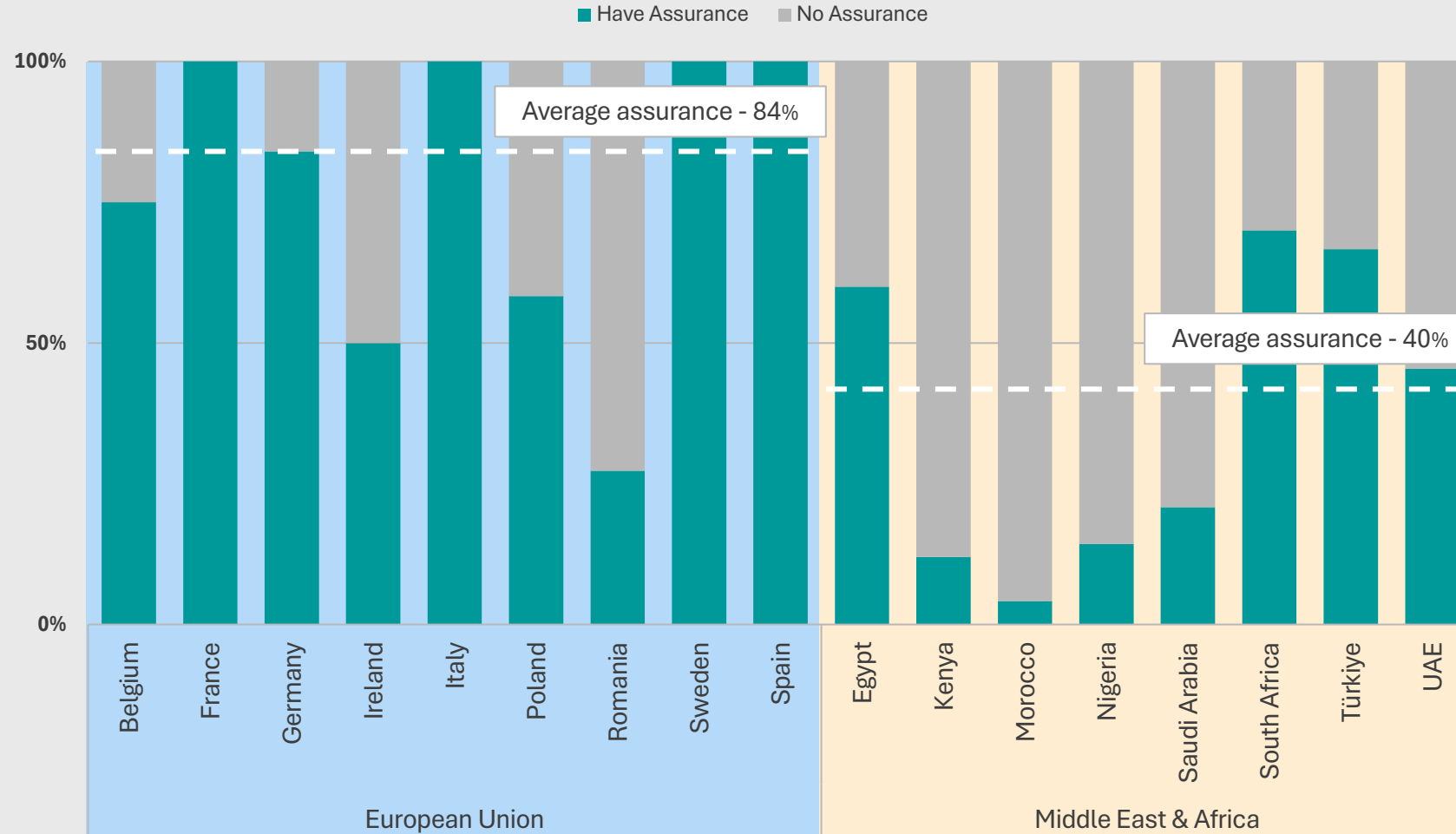


# RATE OF G20 ASSURANCE DURING 2023

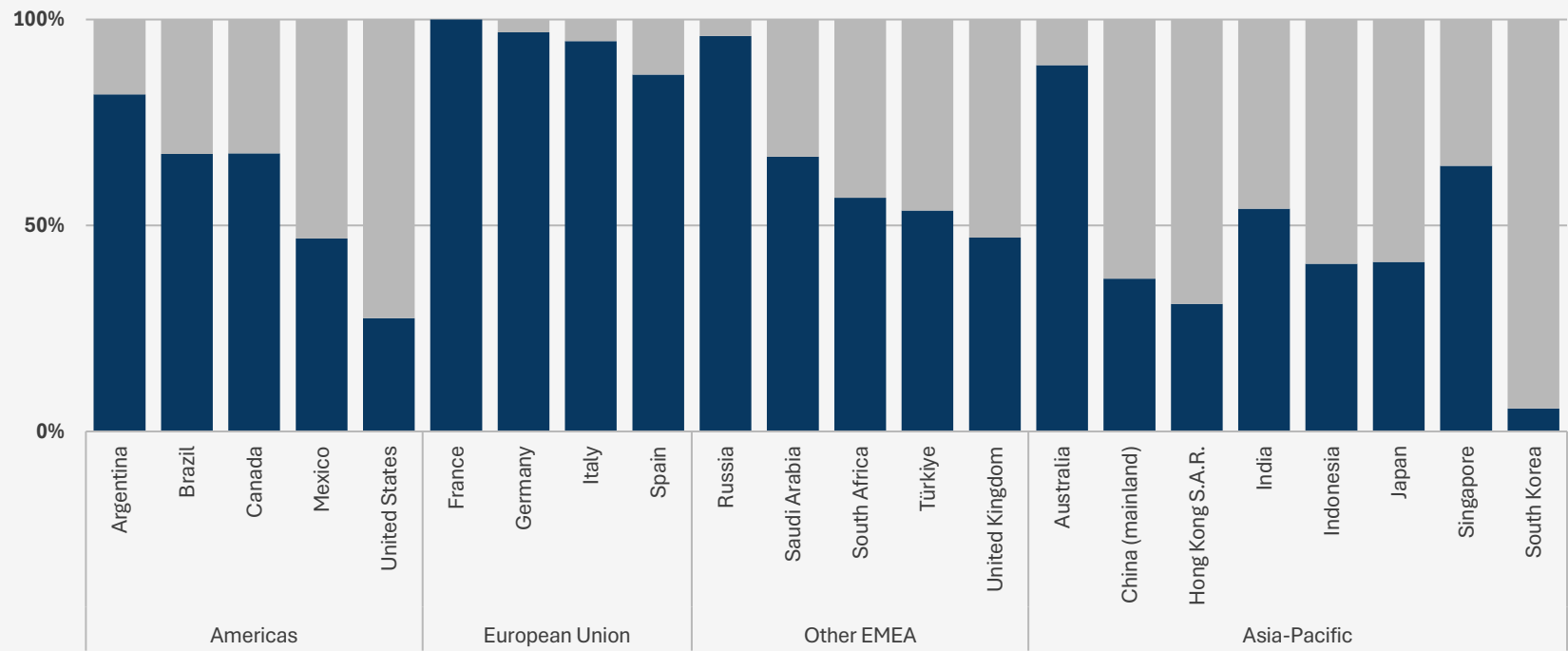
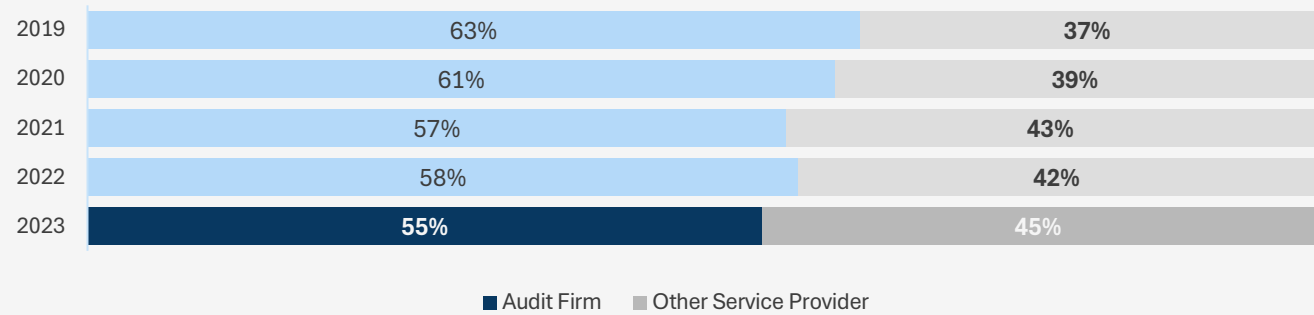




# RATE OF ASSURANCE: EU (9) vs. MIDDLE EAST-AFRICA (8)



# TYPE OF FIRM SIGNING G20 ASSURANCE REPORTS DURING 2023

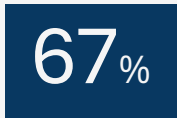


## AUDIT FIRM MARKET-SHARE BY REPORT TYPE

SUSTAINABILITY REPORT



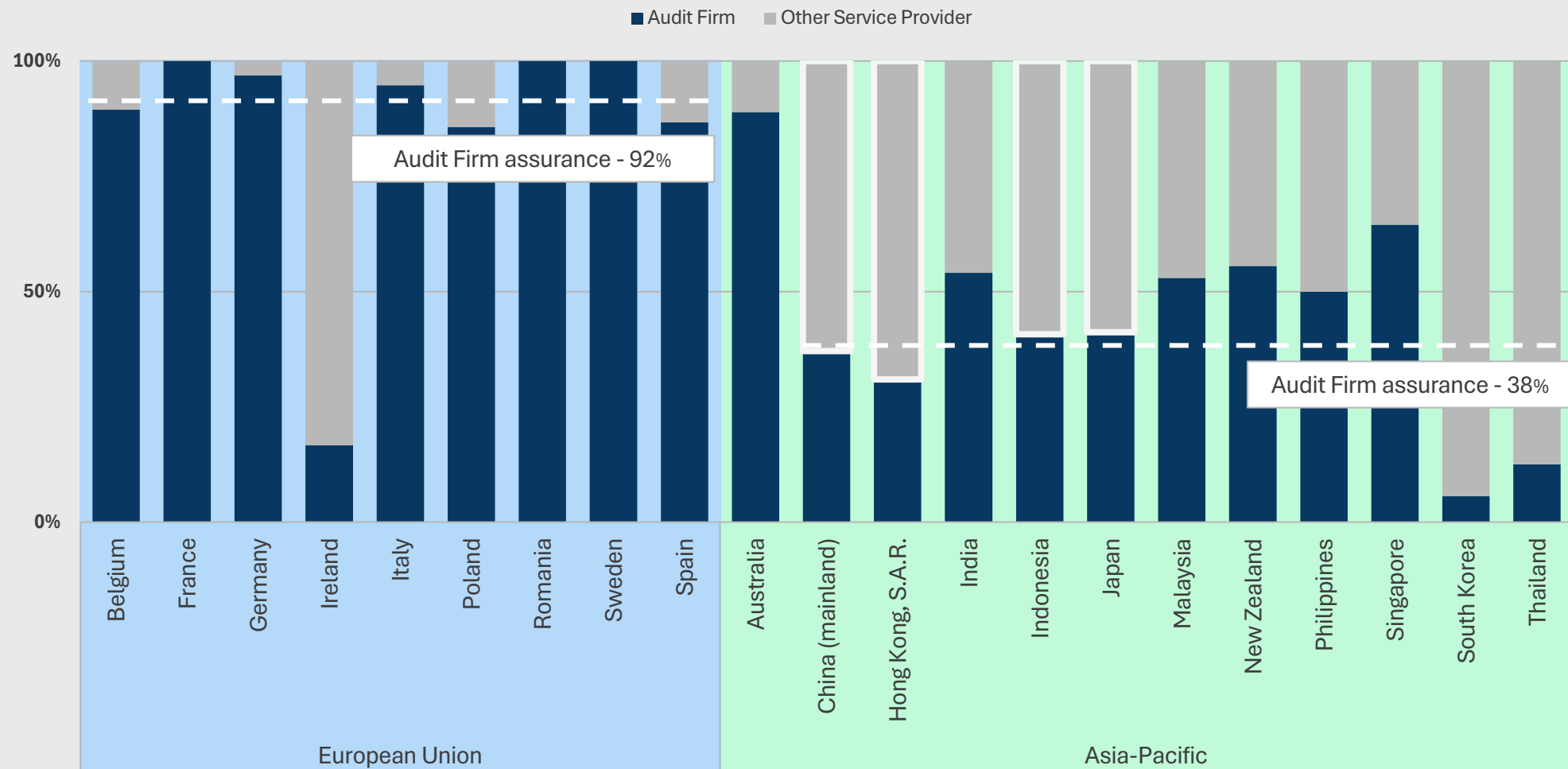
ANNUAL REPORT



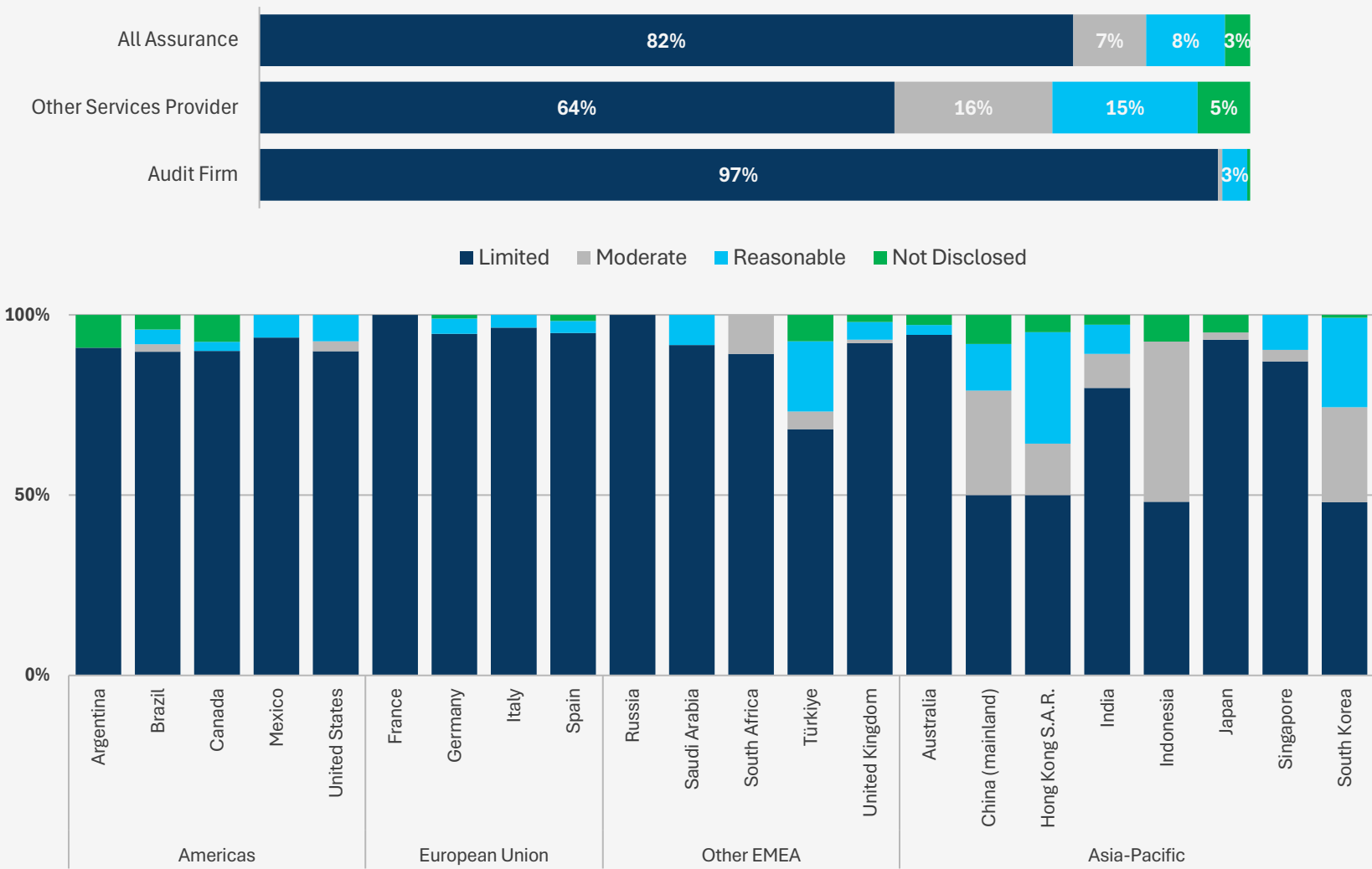
INTEGRATED REPORT



# TYPE OF ASSURANCE PROVIDER: EU(9) vs. ASIA-PACIFIC (12)



# FRAGMENTATION IN G20 ASSURANCE DURING 2023



# ASSURANCE PRACTICE: APPLICATION OF IAASB STANDARDS



AUDIT FIRMS			G20	OTHER SERVICE PROVIDERS		
2021	2022	2023		2021	2022	2023
95%	92%	92%	Percent of assurance reports that use ISAE 3000 (Revised)	38%	38%	38%
		94%				38%
98%	97%	100%	Of assurance that applies ISAE 3000 (Revised), percent of engagements that were performed “in accordance with”	53%	64%	54%
		100%				42%
93%	91%	98%	Of assurance that applies ISAE 3000 (Revised), percent of engagements that apply IESBA Code or other recognized ethics code / standards	28%	33%	24%
		99%				29%
91%	94%	98%	Of assurance that applies ISAE 3000 (Revised), percent of engagements that apply ISQC 1 or other recognized quality control standard	38%	43%	41%
		98%				52%

\*Including all standards issued by accounting and audit bodies – such as the AICPA’s attestation standards and IAASB’s ISAE 3410 – audit firms applied accounting and audit body standards during 99% of assurance engagements in 2021, 2022 and 2023.

# THE *FUTURE* STATE OF PLAY

## Discussion Topics

- State of Play Stakeholders
- What information / objectives can / should the SOP address?
- Potential enhancements / relevance

# THE *FUTURE* STATE OF PLAY



## Who are SOP Stakeholders?

- Accountancy Firms / FoF
- B20/G20
- IFAC Connect Attendees
- Investors
- PAOs
  - ✓ Inform their policy positions / local advocacy
  - ✓ We find the SOP on IFAC Member websites and included in their stakeholder events
- Other service providers active in sustainability (e.g., consultants)
- Regulators / Policy-makers (e.g., comment letters)
- Standard setters
  - ✓ IFEA, ISSB, jurisdiction-specific

## What Questions can the SOP help answer?

- Are companies **prepared** for reporting/assurance?
  - ✓ Limited to Reasonable assurance
- What is the quality of **implementation**?
  - ✓ Scope of reporting / assurance and materiality assessments
- ✓ How does reporting/assurance practice **compare**?
  - ✓ Between regions
  - ✓ Developed vs. emerging economies
- Is there **connectivity** in reporting/assurance?
  - ✓ Implications for where/how companies report
  - ✓ Link to financial statements (or not)
  - ✓ Impact on who provides assurance
- How do **auditors vs. OSPs** compare and is there a **level playing field**?
- What is “**good governance**” over sustainability?

# COMMENTS / SUGGESTIONS



- **Strong support for continuing SOP research.**

- ✓ Track jurisdiction requirements and adoption of standards (especially 5000, but also S1/S2 and IESSA).
- ✓ Perhaps enhance jurisdiction profiles.

- **Enhanced granularity of topics/disclosures.**

- ✓ What SASB or GRI topics
- ✓ Topics reported by companies who use IR
- ✓ Topics reported under double materiality

- **More granularity on assurance.**

- ✓ Reporting standards used as suitable criteria for assurance
- ✓ Compliance vs. Fair Presentation
- ✓ Modified conclusions
- ✓ More transparency on Reasonable vs. Limited assurance
- ✓ ISQM or other quality mgmt. standard being applied

- **More details on ethics standard/code disclosure.**

- **Deeper dive into the OSPs:**

- ✓ Who are they ? Who regulates? Do they have public interest mandate?

- **Role of accountancy profession in governance** e.g., how may PAs sit on Boards or Audit Committees?

- **EU or other jurisdictional deep dive into reporting and assurance.**

- **OK to decrease frequency if supports expanded scope of research.**

- **Connectivity between ESG risks/opportunities and financial statement impacts.**

- **Possible role for complimentary academic research.**