

Agenda Item 3-C.09 (Supplemental)

IESBA and IAASB Joint Stakeholder Survey – C.1 Evolving Expectations Concerning Sustainability Information – Continuing Demand for Sustainability Reporting and Assurance

10.01. 0 – I do not agree that this is a trend to be considered

02. Users of Financial or Non-Financial Information

Jane Wilson (Wilsojay Investments)

"Continuing Demand for Sustainability Reporting and Assurance". Believe me, if you are seeing demand, it is from unqualified politicians, the advertising departments of mutual fund/ETF managers. Demand is not coming from sophisticated investors who need not pander to the yammering classes

0 – I do not agree that this is a trend to be considered

Koei Otaki (SMBC Nikko securities Inc)

0 – I do not agree that this is a trend to be considered

10.02. 1 – Strongly decreasing in importance

02. Users of Financial or Non-Financial Information

Jose Esposito (Credicorp Ltd.)

1 – Strongly decreasing in importance

07. Accounting Firms

Kudos International

1 – Strongly decreasing in importance

The political landscape here is changing- sadly

10.03. 2 – Decreasing in importance

05. Regulators and Oversight Authorities

Martina Morrissey (IAASA)

2 – Decreasing in importance

National Association of State Boards of Accountancy (NASBA)

2 – Decreasing in importance

In early 2026, the SEC shifted towards a more deregulatory stance on sustainability reporting, focusing on reducing compliance burdens and stepping back from mandatory, sweeping climate disclosure rules. Despite the regulatory pullback, many large institutional investors continue to demand sustainability data, viewing climate risk as financial risk. As a result, many U.S. companies are navigating through a variety of state-level, global and voluntary reporting requirements.

06. Jurisdictional and National Standards Setters (JSS)

Royal Netherlands Institute of Chartered Accountants (NBA)

2 – Decreasing in importance

While we expect reporting on sustainability information stays a critical component of corporate transparency, we do not expect it to grow. Sustainability engagements do not fundamentally change the existing principles-based framework.

07. Accounting Firms

Grant Thornton International Ltd (GTI)

We see that demand for sustainability reporting and assurance is evolving, and the direction of change differs by jurisdiction and by type of entity. We believe this trend is of increasing importance in the Asia Pacific region and within smaller jurisdictions which are in the process of adopting sustainability reporting as a means of drawing as much capital into their markets as possible. On the other hand, we believe this trend may be of decreasing importance in the U.S. based on regulatory and geopolitical changes impacting demand for such services in that jurisdiction. Additionally, increased interconnection of sustainability information with financial information may be the goal in certain jurisdictions, but such increased interconnection may not be a goal, or be feasible based on existing jurisdictional ethical requirements, in all jurisdictions. Because demand varies globally, we encourage both SSBs to focus on supporting adoption of their sustainability standards, engaging in outreach, and issuing timely non-authoritative guidance based on stakeholder feedback, to facilitate scalability and consistent application. Overall, we believe the SSBs' resources would be more effective if focused on monitoring evolving regulatory and geopolitical changes (see our response to Trend C.2) and on avoiding overreach (see also our response to Q4). See also our response to Trend D.2 as it relates to the SSBs developing standards for non-professional accountants given they are not required to comply with the standards set by either SSB.

2 – Decreasing in importance

José María Hinojal (BNFIX)

2 – Decreasing in importance

12. Others

Louise Willdridge (LBW Global)

2 – Decreasing in importance

10.04. 3 – Slightly decreasing in importance

06. Jurisdictional and National Standards Setters (JSS)

Auditing and Assurance Standards Board of Canada (AASBC)

- Demand for sustainability reporting and assurance varies by sector, with notable differences between the private and public sectors.

- o In the private sector, some jurisdictions are shifting toward reducing regulatory burdens, particularly in sustainability reporting and assurance. For example, in Canada, The Canadian Securities Administrators (CSA) has announced that it has paused further work on the development of a mandatory climate-related disclosure rule.

o However, within the public sector, the importance of sustainability reporting continues to increase in importance, driven by heightened accountability expectations, public policy objectives, and public scrutiny.

3 – Slightly decreasing in importance

Wirtschaftsprüferkammer (WPK)

3 – Slightly decreasing in importance

IESBA:

The existing Code, taking into account the additions in Part 5, is basically considered sufficient; further expansions are not required at this time. Rather, we would suggest to determine whether the provisions of Part 5, in particular, those relating to independence in the value chain, are practical.

IAASB:

ISSA 5000 is an important global reference framework, but may be adapted or replaced by an own standard in the European Union. The WPK is in favor of the adoption of ISSA 5000 by the European Commission.

07. Accounting Firms

BDO International Limited

3 – Slightly decreasing in importance

For now, we do not see this as an increasingly important area of focus. Notwithstanding the jurisdictional and regional efforts being undertaken with respect to sustainability information – we believe the focus of both SSBs should now shift away from issuing standards, allowing ISSA 5000 to embed in to providing more implementation guidance, based on the experiences of early adopters to the standards.

It would be more useful for both SSBs to engage more frequently with national/regional standard setters and to help signpost practitioners towards available resources (particularly for first time implementation). This approach would also help with reducing, as much as possible, the risks of fragmentation as different regions start to pick up and develop their own bodies of standards (e.g., EU Commission) while building on extant standards issued by both SSBs.

Forvis Mazars Global Limited (Mazars)

3 – Slightly decreasing in importance

We do not believe that further standard setting activity is needed by the SSBs in the short, or perhaps medium-term on sustainability reporting and assurance.

A period of stability is necessary to enable consistent implementation of existing standards and to minimize the risk of fragmentation. Sustainability reporting requirements are rapidly evolving around the world, often with associated assurance requirements, and the SSBs should monitor the adoption and implementation of existing standards and, where possible and appropriate, look to simplify requirements (e.g. the value chain requirements in the IESSA).

The SSBs efforts should be focused on supporting jurisdictional implementation of the international standards and, as necessary, providing non-authoritative material to support the application of ISSA 5000 and IESSA, in the coming years. We question whether the proposed IESBA project on all preparers of sustainability information is appropriate and within its scope as a standard setter for accountants. If anything, such a project should be focused on accountants preparing sustainability information and should be restricted to providing non-authoritative material around the application of the existing code, including the conceptual framework.

PricewaterhouseCoopers International Limited (PWC)

Our approach to assessing importance

By 2028, many jurisdictions are expected to be entering an initial phase of mandatory sustainability reporting and assurance, while others may remain in earlier stages of adoption. In this context, we do not anticipate new drivers that would increase the relative importance of this trend for the SSBs compared with recent years. Rather, the coming period is likely to be characterised by monitoring and evaluating adoption and reporting practices. Combined with the recent recalibration of sustainability reporting in certain jurisdictions, this suggests the relative importance of this trend for the SSBs may slightly decrease, notwithstanding that sustainability reporting and assurance will likely remain a critical area for the profession.

Overarching comments

A critical activity during the next strategy period will be the post-implementation review of ISSA 5000 and the IESSA. Given the close interrelationship between the two standards, it is essential that this review is conducted as a joint project of the SSBs.

Matters specific to the IAASB

As part of the post-implementation review of ISSA 5000 and ongoing monitoring of the evolving sustainability reporting ecosystem, including trends toward integrated financial and sustainability reporting, the IAASB may need to consider whether further standard setting activity or nonauthoritative guidance is warranted to address the interrelationship between the financial statement audit and sustainability assurance engagements. This could include matters relating to risk assessment, communications, reporting, and responsibilities for other information.

Matters specific to the IESBA

As jurisdictions move into the early phases of adopting and applying the IESSA, practical implementation questions and challenges will inevitably arise, e.g., application of the provisions related to the concept of a value chain entity. We would encourage the IESBA to ensure it is well positioned to provide timely and proportionate responses to emerging issues identified through the IESSA Implementation Monitoring Advisory Group (IIMAG) and any future implementation advisory groups. Where such questions arise, the IESBA could consider addressing them through non-authoritative Q&A publications, Staff Alerts, or targeted guidance to support consistent and high-quality application of the ethical and independence requirements for sustainability assurance from the outset.

3 – Slightly decreasing in importance

RSM International Limited

3 – Slightly decreasing in importance

Jurisdictional uncertainty

We agree that demand for sustainability information and assurance is likely to continue in the long term. However, uncertainty remains regarding the pace and consistency of that demand across jurisdictions. While sustainability remains an important topic, its prominence has fluctuated and may continue to do so in response to economic and regulatory conditions.

Although sustainability reporting initially gained strong momentum (such as in the European Union), recent economic pressures and broader market conditions have led to some recalibration. There appears to be a growing emphasis on balancing sustainability objectives with traditional economic and financial priorities, which may temper expectations of uniform or rapid expansion of sustainability reporting and assurance across all regions.

Notwithstanding the near-term variability, we believe that longer-term demand may be supported by generational shifts as younger stakeholders increasingly place greater importance on sustainability-related information. Accordingly, we encourage the SSBs to continue monitoring developments in sustainability reporting and assurance requirements even when current demand appears uneven or moderated.

Reporting and use gap

We are concerned that there may be a gap between the reporting of sustainability information and its effective use by investors. It is not always clear whether investors fully understand how to interpret and incorporate sustainability information into their decision-making processes. This may, in turn, limit demand for assurance, as increased reporting does not necessarily translate into meaningful or actionable insight for users.

Recent issuance of sustainability assurance standards

IAASB issued International Standard on Sustainability Assurance (ISSA) 5000 in November 2024 and IESBA issued 'International Ethics Standards for Sustainability Assurance (Including International Independence Standards) and Other Revisions to the Code Relating to Sustainability Assurance and Reporting' (IESSA) in January 2025, which are effective for assurance engagements on sustainability information as at a specific date on or after, or for periods beginning on or after, 15 December 2026. We believe these standards require sufficient time to be implemented and tested in practice. Accordingly, we consider that the relative importance of further standard-setting activity in this area may be reduced during the 2028–2031 period as firms focus on the implementation of ISSA 5000 and IESSA. In our view, elevating sustainability reporting and assurance on sustainability information as a significant priority before seeing how these standards are implemented and operate in practice may be premature. However, we support ongoing monitoring of their implementation with a focus on identifying any gaps or issues that may require clarification.

09. Public Sector Organizations

Sanford Rich (NYC Board of Education Retirement System)

3 – Slightly decreasing in importance

Trends in sustainability reporting is expected to deviate from recent trends as geopolitics drives dispersion in required disclosures. This will deteriorate comparability globally and transparency will be important.

10. Member Bodies or Other Professional Accountancy Organizations

Malta Institute of Accountants (MIA Malta)

3 – Slightly decreasing in importance

Matters specific to the IAASB

The IAASB may need to consider whether further non-authoritative guidance is needed to address the interrelationship between the financial statements audit and sustainability assurance engagements.

Matters specific to the IESBA

As jurisdictions begin implementing IESSA, practical questions and challenges will naturally arise, such as those related to value chain entities. The IESBA should be ready to respond quickly with guidance, like FAQs, to help ensure consistent and high-quality application of ethical and independence requirements for sustainability assurance.

12. Others

AIDS Committee of Toronto

There are bigger fish to fry.

3 – Slightly decreasing in importance

Wenzel Reyes (MindBridge)

3 – Slightly decreasing in importance

10.05. 4 – Slightly increasing in importance

02. Users of Financial or Non-Financial Information

CFA Institute

Environmental, social, and governance matters are not improving in aggregate, while the picture is mixed, in general measures continue to show declines (e.g., emissions, inequality and social dissatisfaction, and shareholder/owner voice and alignment between control and economic exposure).

4 – Slightly increasing in importance

Investment Company Institute

4 – Slightly increasing in importance

Implementation guidance and educational materials
Support implementation of recently issued standards

03. Preparers or Issuers of Financial Statements or Other Information

Business Europe

4 – Slightly increasing in importance

By 2028, sustainability assurance should have matured into a more established part of the broader assurance landscape, with many jurisdictions and companies having moved beyond the initial implementation phase. This points to a need for post implementation review and for practical refinement based on experience gained in applying the standards.

A key practical issue will be the application of materiality within assurance processes, including how effort is allocated across different elements of sustainability reporting so that work remains focused on the matters that are most important. Contrary to financial assurance, this implies allocation across different types of impacts, risks and opportunities without necessarily comparable numerical / quantitative indicators across the topics, but which in a European context is supported by a double materiality analysis.

As reporting frameworks evolve, practice statements or implementation support may often be preferable to extensive new requirements, particularly where existing principles already provide an adequate foundation. Another key feature, is the continued need to focus on competence as this will remain central, including the ethical implications of ensuring that assurance teams have the right expertise.

Interconnectivity should not, in itself, become a separate standard setting project as consistency is already an inherent feature of assurance work and interconnectivity is primarily a reporting concept.

05. Regulators and Oversight Authorities

Independent Regulatory Board for Auditors (IRBA)

4 – Slightly increasing in importance

As sustainability reporting frameworks continue to evolve across jurisdictions, ongoing outreach to support alignment, interoperability, and global consistency will remain important. This is particularly relevant in jurisdictions such as those in Europe, where greater coordination across approaches could help reduce complexity and implementation burden for both preparers and assurance providers, while also supporting a clearer and more consistent baseline for execution and quality.

In addition, the nature of sustainability information itself is evolving, with an increasing emphasis on qualitative disclosures, including those contemplated by IFRS S1 and S2. This reinforces the need for continued implementation support and guidance that can promote consistent interpretation and application as the subject matter matures, thereby helping to sustain confidence in the quality of sustainability assurance.

UK Financial Reporting Council (UK FRC)

4 – Slightly increasing in importance

This is a matter for monitoring by both SSBs. Current trends seem to reflect cooling attitudes to mandatory assurance. However, jurisdiction positions could change. We believe ISSA 5000 and the IESSA to be sufficiently flexible.

We also believe that Part 4B is sufficient for non-IESSA sustainability engagements, including application by non-PAs, and does not need revision specifically for sustainability. Further, there is a risk that any such revision would upset the balance of Part 4B for the many other types of assurance engagement it is applied for.

06. Jurisdictional and National Standards Setters (JSS)

Compagnie Nationale des Commissaires aux Comptes (CNCC) - Conseil National de l'Ordre des Experts Comptables (CNOEC)

Demand for sustainable information is expected to continue growing (despite certain current geopolitical setbacks). The ISSA 5000 standard effectively addresses this need; it can serve as a reference point that can be adapted for the European Union. There appears to be an international demand for a single assurance standard, which would simplify the work of both auditors and preparers while making the sustainability reporting easier for users to understand and compare.

4 – Slightly increasing in importance

Hong Kong Institute of Certified Public Accountants (HKICPA)

The importance of sustainability reporting and assurance remains high. While foundational standards have been issued, the focus for the next strategy period is likely to shift toward monitoring adoption, evaluating implementation experiences, and ensuring consistent application across jurisdictions, particularly as many jurisdictions enter early phases of mandatory adoption. For the IAASB, continued monitoring of the evolving sustainability reporting ecosystem, including developments toward integrated reporting, may indicate areas where additional clarification or non-authoritative guidance is helpful, especially around the interface between financial audits and sustainability assurance.

For the IESBA, as jurisdictions adopt IESSA, practical implementation challenges are expected to emerge. The IESBA should be ready to provide timely and proportionate implementation support (e.g. Q&As or targeted guidance) to support consistent, high-quality application of ethics and independence requirements in sustainability assurance engagements.

4 – Slightly increasing in importance

Japanese Institute of Certified Public Accountants (JICPA)

4 – Slightly increasing in importance

Saudi Organization for Chartered and Professional Accountants (SOCPA)

4 – Slightly increasing in importance

07. Accounting Firms

Alan Am

4 – Slightly increasing in importance

Deloitte Touch Tohmatsu Limited

4 – Slightly increasing in importance

IAASB – Sustainability is an area where risk of fragmentation is of particular concern, and IAASB should remain diligent in its efforts to support widespread recognition of ISSA 5000 as the global baseline for sustainability assurance. While it is encouraging that more jurisdictions, including the EU, may be moving towards adoption/interoperability with ISSA 5000, it will be important to monitor developments in the sustainability reporting ecosystem before embarking on new standard setting action. Additionally, stakeholders will need time to implement and absorb the requirements of ISSA 5000 once it becomes effective. The IAASB should focus its efforts on monitoring adoption/implementation and developing NAM/educational material to address implementation challenges in a timely manner.

IESBA – Similar to above, IESBA's focus should be on effective adoption and implementation of IESSA prior to considering further projects. Additionally, while we acknowledge that IESBA's current work plan includes exploration of extending the Code to non-professional accountants who prepare sustainability information, we do not believe this is advisable given higher priorities and the lack of enforceability of the Code for non-professional accountants.

MAH, Chartered Accountants

4 – Slightly increasing in importance

10. Member Bodies or Other Professional Accountancy Organizations

Association of Chartered Certified Accountants (ACCA)

4 – Slightly increasing in importance

The demand for sustainability reporting and assurance is expected to continue to increase in importance over the next strategy period, although the pace and extent of regulatory developments may vary across jurisdictions.

While recent regulatory recalibrations in certain jurisdictions may influence the timing and scope of implementation, the underlying demand from investors and other stakeholders for reliable sustainability information is expected to remain strong.

From an IAASB perspective, the focus in the near term may appropriately be on supporting the implementation of ISSA 5000, including the development of guidance and addressing emerging application challenges, while monitoring the need for future standard-setting.

From an IESBA perspective, priority may be given to supporting the adoption and implementation of the International Ethics Standards for Sustainability Assurance (IESSA), before considering further standard-setting initiatives in this area.

Overall, this trend is expected to remain an important driver for both Boards, with emphasis on implementation, adoption, and consistency rather than immediate expansion of the standard-setting framework.

Chamber of Hungarian Auditors (MKVK)

4 – Slightly increasing in importance

In EU Omnibus package reduces sustainability reporting and due diligence requirements for preparers.

Chartered Accountants Australia and New Zealand (CAANZ)

4 – Slightly increasing in importance

In Australia and New Zealand, mandatory climate-related reporting and assurance has already been introduced. The topic areas that fall under the umbrella of 'sustainability' continue to expand and it is likely that there may be an increase in mandated reporting and assurance, along with increased demand for voluntary reporting and assurance in new sustainability topics.

For the IAASB: The demand for sustainability assurance may drive the need for additional standard setting in relation to expanded sustainability topics. The board should also be monitoring implementation challenges in jurisdictions which have adopted ISSA 5000 to identify where guidance may be useful to drive consistent application.

For the IESBA: The priority should be driving adoption of the IESSA globally as well as providing implementation guidance where needs arise in those jurisdictions which have adopted the IESSA over exploring how the Code may be extended to NPAPs.

Chartered Accountants Ireland (CAI)

4 – Slightly increasing in importance

The continuing demand for sustainability reporting and assurance reflects growing expectations for transparency, accountability and reliability of sustainability information, particularly as such information becomes increasingly interconnected with financial reporting. This trend is clearly relevant to the work of both IESBA and IAASB. However, it does not, of itself, introduce fundamentally new ethical or assurance concepts.

From an ethics perspective, the existing principles-based framework remains applicable to sustainability-related activities. The development of the agnostic International Ethics Standards for Sustainability Assurance (IESSA) represents a significant step in supporting ethical behaviour across both the accountancy profession and other sustainability assurance providers. At this stage, there is a valuable opportunity to review and gather evidence on how these standards are being applied in practice, including outside the accountancy profession, to assess their effectiveness, identify implementation challenges and inform any future refinements. Priority should be given to consolidation and effective application, rather than further expansion of requirements.

From an assurance perspective, existing assurance standards provide a broadly appropriate framework for sustainability assurance engagements. As sustainability-related assurance requirements continue to develop, there may be merit in reviewing and further strengthening cohesion between ISA 5000 and IESSA, particularly to ensure consistency of concepts, expectations and terminology across financial and sustainability assurance. Such coherence is especially important where users increasingly consider financial and sustainability information together.

Overall, the strategic focus for the SSBs should be on review (including post-implementation reviews), evidence-gathering, alignment and effective implementation, supported by practical, application-focused guidance where appropriate.

Malaysian Institute of Accountants (MIA Malaysia)

4 – Slightly increasing in importance

Our approach to assessing importance

Notwithstanding the selection made above, we are of the view that continuing demand for sustainability reporting and assurance will continue to be important in the next strategy period. By the time 2028 comes around, many jurisdictions are expected to commence the initial phase of mandatory sustainability reporting and assurance, while others may still be at earlier points in their adoption journey. In this landscape, we do not foresee the emergence of new factors that would significantly heighten this trend's relative importance for the SSBs beyond its current standing. Instead, the forthcoming period is likely to be characterized by active oversight and evaluation of evolving adoption patterns and reporting practices. This, coupled with recent adjustments to sustainability reporting requirements in certain regions, suggests that sustainability will remain important but with a shift from growth towards consistent implementation. Sustainability reporting and assurance will remain a cornerstone for the profession.

Overarching comments

A key activity during the next strategy cycle will be the post-implementation review of ISSA 5000 and the IESSA. Given the inherent and close connections between the two standards, in our view it is essential that the review is undertaken jointly by the two Boards rather than as separate exercises.

Matters specific to the IAASB

In undertaking the post-implementation review of ISSA 5000, and as part of its continued monitoring of the evolving sustainability reporting ecosystem — including trends towards integrated financial and sustainability reporting — the IAASB may need to assess whether further standard-setting or non-authoritative guidance is warranted to address how financial statement audits and sustainability assurance engagements interact. This could cover matters such as risk assessment, communications, reporting, and the auditor's responsibilities in respect of other information.

Matters specific to the IESBA

As jurisdictions embark on the initial stages of implementing and applying the IESSA, practical implementation questions and challenges are bound to surface — for instance, in relation to the application of the provisions concerning the concept of a value chain entity. We would therefore encourage the IESBA to deliver prompt and appropriate responses to issues identified by the IESSA Implementation Monitoring Advisory Group (IIMAG) and any subsequent implementation advisory bodies. When such questions arise, the IESBA could consider addressing them through non-authoritative Q&A publications, Staff Alerts, or bespoke guidance. This proactive approach would aim to foster consistent and high-quality application of the ethical and independence requirements for sustainability assurance from its very inception.

Pan African Federation of Accountants (PAFA)

4 – Slightly increasing in importance

From an African perspective, the continued growth in demand for sustainability reporting and assurance will significantly increase in importance for the SSBs in the 2028–2031 period. Sustainability information is

becoming increasingly integrated with financial reporting, and stakeholders are demanding greater reliability, consistency, and assurance over both types of information.

For IAASB, there is a need to ensure coherent connectivity between financial audit and sustainability assurance, to avoid fragmentation in assurance approaches and to support consistent quality across engagements. This is particularly important in Africa, where assurance capacity is still developing and many firms are adapting to new sustainability-related assurance requirements.

For IESBA, consideration should be given to ethical implications for all preparers and assurers of sustainability information, particularly regarding competence, objectivity, and independence in multidisciplinary and rapidly evolving service environments. A key African consideration is the need for practical implementation support and capacity building, including scalable guidance for SMEs, SMPs, and regulators to ensure that sustainability assurance does not widen existing capability gaps across jurisdictions. Given that jurisdictions are at different stages of sustainability reporting maturity, priority should also be given to learning from early implementation experiences before introducing significant additional requirements.

Polish Chamber of Statutory Auditors (PIBR)

4 – Slightly increasing in importance

11. Academics

European Accounting Association (EAA) Auditing, Assurance and Ethics Standard Committee

4 – Slightly increasing in importance

The Committee welcomes the progress achieved in developing dedicated sustainability assurance standards, and recognizes this as a key area of development for the profession. However, we wish to highlight that the integration of sustainability assurance within the broader system of auditing and ethical standards remains challenging, with a direct impact on effective implementation in practice.

In this regard, the Committee encourages both SSBs to prioritize greater alignment between assurance and ethical requirements, clarity on the role and responsibilities of assurance providers, and consistency across standards — avoiding unnecessary duplication or fragmentation — with a view to ensuring a coherent and practical framework for sustainability assurance

Nicole Ratzinger-Sakel (University of Hamburg Business School)

4 – Slightly increasing in importance

(Even more) implementation guidance for ISSA 5000 seems to be important.

10.06. 5 – Increasing in importance

02. Users of Financial or Non-Financial Information

First Nations Financial Management Board

5 – Increasing in importance

The importance of sustainability reporting is becoming increasingly profound. The role of assurance on sustainability-specific reporting is essential. Without assurance practitioners who understand the substance of sustainability reporting, the assurance lacks value, and may even give users a false impression of reliability.

With that made clear, it is essential that adoption efforts continue. In our view, this will be meaningful work to achieve the overarching objectives of sustainably reporting and auditing. It will also contribute to item B.4 in the within consultation: seeking a greater diversity of voices. As laid out in our comments on that topic, that greater diversity of voices should include those in emerging economies and (current or previously) marginalized communities.

Our observations in Canada are that many Indigenous governments are operating at capacity and, accordingly, the addition of new sustainability standards will increase demands on limited time. In large countries like Canada, this issue is compounded by the diversity of economic activities among Indigenous governments.

We recommend that the object of meeting evolving expectations for sustainability information be balanced with the co-object of encouraging adoption of existing sustainability standards. In our view, this would accord with B.4 – seeking a greater diversity of voices.

We also recommend making good use of illustrative guidance materials to encourage greater adoption. This would accord with item B.3 in the within consultation.

Martin Lawrence (Ownership Matters Pty Ltd)

5 – Increasing in importance

There will be an ongoing desire to ensure sustainability info - especially climate data - is accurate

The European Federation of Investors and Financial Services Users (BETTER FINANCE)

5 – Increasing in importance

Demand for sustainability information and related assurance is expected to remain significant as sustainability considerations become increasingly integrated into investment decision-making and risk assessment. However, future efforts should focus not merely on expanding reporting requirements but on improving the reliability, comparability and usefulness of information provided to end users. Investors and users require sustainability disclosures that are sufficiently robust to support informed decision-making and avoid risks of confusion, inconsistent interpretation or reduced confidence.

The increasing interconnectedness between sustainability and financial information further highlights the importance of coordinated approaches across reporting and assurance frameworks. The IAASB and IESBA should continue promoting coherence between sustainability assurance and broader reporting ecosystems.

03. Preparers or Issuers of Financial Statements or Other Information

Sevdalina Paskaleva

5 – Increasing in importance

04. Those Charged With Governance

Kaori Ito (Yourmysyar Inc.)

5 – Increasing in importance

Demand for sustainability reporting and assurance is expected to continue increasing, driven by investor expectations, regulatory developments, and broader societal scrutiny. For the SSBs, the key challenge will be ensuring that assurance meaningfully addresses judgment, assumptions, and uncertainty embedded in sustainability information, rather than reinforcing compliance-driven or purely procedural approaches.

05. Regulators and Oversight Authorities

Hellenic Accounting and Auditing Standards Oversight Board (HAASOB)

The International Standard on Sustainability Assurance (ISSA) 5000, is a globally accepted framework to govern assurance engagements and should be applied consistently. Despite rapid progress, an expectation gap remains between what stakeholder's demand and what auditors can currently deliver. Further guidance may be beneficial to auditors

5 – Increasing in importance

Irish Auditing & Accounting Supervisory Authority (IAASA)

5 – Increasing in importance

A comprehensive post-implementation review of ISSA 5000 together with timely and responsive updates will be critical to its international acceptance and use.

As part of the evolution of the standard, the IAASB should look to more clearly distinguish between requirements applicable to limited assurance, reasonable assurance or both. This will be particularly important given the recent decision in the EU to require limited assurance only.

More broadly, both SSBs should ensure their SWPs reflect the expectation that the international standards are part of a single cohesive and consistent assurance framework.

Tokyo Stock Exchange

– Increasing in importance

In Japan, the disclosure of sustainability information will be applied on a phased basis for certain companies, starting with the fiscal year ending March 2027, and the introduction of third-party sustainability assurance services is scheduled to begin the following year and beyond. On the other hand, sustainability information currently includes areas where the direct impact on corporate value is not yet clear, as well as content that is difficult to subject to assurance from the perspectives of quantifiability and verifiability.

For this reason, it is expected that clarifying the relationship (overlap and discrepancies) between information that is genuinely useful for users' decision-making and information that is reasonable to be subject to assurance will become increasingly important going forward. In this environment, appropriate management of expectations regarding the scope and level of disclosure and assurance services will be required, and auditors and assurance practitioners will need consistent standards and an ethical framework to support their professional judgment.

As a result, expectations regarding sustainability information are deepening qualitatively, and the roles of the IAASB and IESBA—the international standard-setting bodies for auditing, assurance, ethics, and independence—are expected to remain highly significant heading into the next strategic period.

06. Jurisdictional and National Standards Setters (JSS)

GLASS Group of Latin American Accounting Standard Setters (GLENIF)

- Expectations for assurance reports will continue to grow due to regulatory requirements.
- Clearer and more concise rules will be applied for better implementation.
- Agile and coordinated regulatory development for assurance; strengthening independence frameworks.
- Growing social pressure and stakeholder interest in organizational reports.
- Reconfiguration of the purpose and social responsibility of auditing.

- Obligation to report on sustainability.

5 – Increasing in importance

New Zealand Auditing and Assurance Standards Board (NZAuASB)

5 – Increasing in importance

In October 2025, the New Zealand Government announced its intention to change the mandatory climate-related disclosures (CRD) regime. The changes narrow the regime, reducing the number of entities captured by more than half, with managed investment schemes being removed from the regime and the reporting threshold for listed issuers increasing from NZ 60 million market capitalisation or quoted debt to NZ 1 billion. The changes also include amending the director and company liability settings. The legislation enacting these changes is intended to be completed by June 2026. Assurance is only required over the greenhouse gas emissions disclosures.

We encourage the SSBs to consider the connectivity between financial audits and sustainability assurance. We heard that one set of standards for both, in future, would be a goal to aim for. This may extend beyond 2031 but in time sustainability information and assurance may become more important than financial information and audit and increase the importance of this trend for the 2028-2031 period.

07. Accounting Firms

Baker Tilly International

5 – Increasing in importance

The pace of adoption of sustainability reporting and assurance may differ across the globe, but the direction of travel is set. Standards need to remain responsive and proportionate.

Gats-Ratings Professionals

5 – Increasing in importance

Matters relating to SUSTAINABILITY Reporting are still by Voluntary Compliance, not mandatory in many jurisdictions.

Piotr Witek (Moore Polska)

5 – Increasing in importance

10. Member Bodies or Other Professional Accountancy Organizations

Belgian Institute of Tax Advisors and Accountants (ITAA)

5 – Increasing in importance

Yes, we can see this in the EU as well, certainly for the large corporations. It is something we try to inform our members about as well.

Consejo General de Economistas de España

5 – Increasing in importance

IAASB

WP 24-27 collected: experience derived from the implementation of ISSA 5000 as an important source of information to guide possible future actions, based on the analysis carried out to identify specific actions. The implementation of ISSA 5000 should remain a strategic priority. IAASB should monitor its practical application, especially in jurisdictions with evolving regulatory frameworks, and develop supporting materials on proportionality, connectivity between financial and sustainability reporting, use of specialists, evidence in non-financial data and accounting effects of climate risks, grants, tax incentives, and sustainability related financial instruments. Sectoral adaptations of ISA 5000. Examples of accounting impacts, recording of environmental costs, subsidies, tax incentives of the different financial instruments linked to sustainability.

European Federation of Accountants and Auditors for SMEs (EFAA)

5 – Increasing in importance

EFAA considers the continuing demand for sustainability reporting and assurance to be increasing in importance. Sustainability information has become an increasingly important component of corporate transparency and decision-useful reporting, driven by growing expectations from investors, regulators, lenders, customers, and other stakeholders for comprehensive, reliable, and comparable disclosures.

From EFAA's perspective, the growing interconnection between sustainability information and financial information further reinforces the need for robust reporting and assurance frameworks. Matters such as climate-related risks, transition plans, governance, and social impacts increasingly influence enterprise value, financial performance, risk assessments, and strategic decision-making. This strengthens the case for high-quality assurance standards that support credibility and trust in sustainability disclosures.

EFAA therefore encourages the boards to continue prioritising clear, proportionate, and globally consistent standards and guidance that support effective implementation across entities of different sizes, including SMEs and SMPs. Particular attention should be given to interoperability between sustainability and financial reporting frameworks and to practical implementation support for assurance engagements in this evolving area.

Moreover, it is important to ensure that sustainability assurance frameworks are designed in such a way that they are applicable in environments of varying complexity, avoiding implicit assumptions that require structures typical of large firms and that may limit the participation of SMPs.

Institute of Public Accountants (IPA)

5 – Increasing in importance

IPA is of the view that the demand for sustainability reporting and assurance are still maturing with global adoption in varying forms and timeframes. However, as the sustainability reporting matures, it is likely the users of the reports, including users of financial and non-financial information and regulators, will demand more comprehensive and reliable sustainability disclosures that are more interconnected with financial information.

South African Institute of Chartered Accountants (SAICA)

5 – Increasing in importance

Sustainability reporting and assurance will remain a defining priority. The SSBs should focus on consistency and credibility across jurisdictions, while supporting developing markets facing capacity constraints. An important aspiration for the SSBs should be to further establish themselves as a trusted global reference point for assurance on both financial and non-financial reporting. As sustainability reporting continues to mature, the SSBs should look to work toward ensuring that assurance standards are consistently applied and widely understood across jurisdictions, while supporting developing markets facing capacity constraints. Strengthening alignment with other international standard setters and regulators may also help promote comparability and confidence in reported information.

SAICA's view is that, for the 2028–2031 period, the Boards should prioritise monitoring and tracking the effective global adoption and implementation of the sustainability assurance standards. This focus should be underpinned by close collaboration with bodies such as the IFRS Foundation, which is actively promoting the uptake of sustainability reporting standards, including IFRS S1 and IFRS S2. The widespread adoption of these reporting standards is a critical precondition for the effective implementation of the related assurance standards, as it is the underlying reporting framework that ultimately drives the scope, nature, and value of assurance.

During this period, the Boards should devote particular attention to identifying and addressing implementation challenges associated with ISSA 5000, International Standard on Sustainability Assurance, and the International Ethics Standards for Sustainability Assurance (IESSA), including an assessment of whether these two standards operate in a fully interoperable and coherent manner in practice.

Given that ISSA 5000 and IESSA are profession agnostic standards, it is imperative that the Boards closely monitor their application by non accountants to identify any unintended consequences. Although the standards have been developed by the accountancy profession, any significant assurance failures arising from their application—regardless of the practitioner's professional background—could still have adverse reputational implications for the profession. In this context, the development of targeted, supplementary non authoritative implementation guidance aimed at supporting non accountants in the consistent and appropriate application of ISSA 5000 and IESSA is of critical importance to safeguarding audit and assurance quality and maintaining public trust.

Following recent sustainability related amendments the focus for the IESBA should now shift to:

- Monitoring implementation,
- Identifying application challenges and
- Providing clarifying guidance where necessary.

The SSBs' role is not to duplicate frameworks, but to ensure consistent and credible application.

11. Academics

Kenichi Akiba (Waseda University)

5 – Increasing in importance

10.07. 6 – Strongly increasing in importance

02. Users of Financial or Non-Financial Information

Goro Kumagai (The Securities Analysts Association of Japan)

In many jurisdictions, mandatory sustainability reporting is in the early stage of implementation. I observe quite often that assurance providers are excessively demanding even from users point of view in collecting evidences, which sometimes only discourage the preparers' motivation to provide users with more decision useful sustainability-related financial information. The quality of assurance should not be sacrificed, but the SSBs may provide both preparers and assurance providers with implementation supports, by issuing guidance and educational materials.

6 – Strongly increasing in importance

Impax Asset Management

6 – Strongly increasing in importance

Demand for high-quality, decision-useful sustainability reporting and assurance continues to rise, driven by investors' need to assess long-term risks, opportunities and capital allocation outcomes. Sustainability

information is increasingly interconnected with financial reporting, making assurance quality and ethical behaviour critical to market confidence.

Impax views this as a core strategic driver for both SSBs, requiring:

- Continued development and refinement of sustainability assurance standards.
- Strong alignment between sustainability assurance and financial audit practices.
- Clear ethical expectations for those involved in the preparation and assurance of sustainability information.

International Corporate Governance Network (ICGN)

6 – Strongly increasing in importance

Demand for reliable sustainability reporting and assurance will continue to grow. The SSBs should avoid unnecessary new standard-setting unless clearly justified, and should instead focus on supporting broad-based adoption and effective implementation of existing sustainability assurance, ethics and independence standards.

This is important to build trust and consistency in the market and to avoid fragmentation, implementation complexity and change fatigue. The SSBs should also consider the connectivity between sustainability assurance and financial audits, particularly where sustainability-related matters are financially material.

Kei Tsuchiya (The Securities Analysts Association of Japan)

6 – Strongly increasing in importance

Although this repeats a point made in my comments in Section III, with respect to sustainability-related information, mandatory disclosures in accordance with sustainability disclosure standards and assurance in accordance with the relevant standards developed by the SSBs are progressing across jurisdictions. In the early stages of adoption, a wide range of implementation challenges has emerged, and I consider that these challenges are likely to continue into the next strategic period. In addition, how professional-agnostic standards will function in practice may also become an important issue going forward. In light of these circumstances surrounding sustainability-related information, I believe that the importance of coordination among the SSBs will continue to increase. Furthermore, in order to understand implementation realities and address emerging challenges, coordination with sustainability disclosure standard setters such as the ISSB, as well as with IOSCO and regulators in individual jurisdictions, is also indispensable.

Takeshi Kimura (Nippon Life Insurance Company (Board Member, PRI) (Steering Committee Member, TISFD))

6 – Strongly increasing in importance

The continued growth in sustainability reporting and assurance should be understood not only as an increase in volume, but also as a shift in the nature of information demanded by users.

In particular, investor needs are evolving from a primary focus on entity-level financial risks toward a broader understanding of how corporate activities contribute to, and are exposed to, wider system-level risks. This includes not only environmental issues such as climate change, but increasingly social dimensions such as inequality, labor practices and human rights.

Emerging initiatives such as the TISFD illustrate this direction of travel. They reflect a growing expectation that sustainability disclosures capture the systemic implications of corporate activities, including in the social domain.

As a result, sustainability information is becoming more complex, often combining quantitative and qualitative elements. This development may have implications for assurance, including a greater emphasis on the evaluation of processes, assumptions and supporting evidence, in addition to the verification of data.

03. Preparers or Issuers of Financial Statements or Other Information

Ajinomoto Co., Inc.

6 – Strongly increasing in importance

Expectations for sustainability information are shifting from a quantitative expansion of disclosures to an improvement in the quality of material information.

The SSBs are expected to develop assurance and ethics frameworks that support reliable disclosures aligned with companies' strategies and value creation.

Ascendia EOOD

Enhancing the coordination with sustainability reporting standard setters such like EFRAG

6 – Strongly increasing in importance

Japan Business Federation – Keidanren

6 – Strongly increasing in importance

In recent years, with the further globalization of corporate activities and the increasing diversification of business activities, expectations regarding sustainability information have shifted from aspirational approaches toward a greater emphasis on feasibility.

In light of this, disclosure frameworks should also be designed in a manner that reflects practical realities. Specifically, the required levels of accuracy for both financial information and sustainability information should be clearly articulated.

In general, user expectations regarding sustainability information differ from those regarding financial information. Accordingly, the resources devoted by companies and assurance providers need not be at the same level, but should instead be allocated appropriately according to materiality and the characteristics of the information.

Furthermore, recognizing that the assurance of sustainability information is a new specialized field rather than merely an extension of financial audits, it is important to develop frameworks that are practicable for all stakeholders.

05. Regulators and Oversight Authorities

Botswana Accountancy Oversight Authority (BAOA)

6 – Strongly increasing in importance

Attention should be given to the practitioner's assessment of the completeness and accuracy of non-financial information. Such information is often difficult to obtain and not always readily available.

Public Accountants and Auditors Board Zimbabwe (PAABZ)

6 – Strongly increasing in importance

Our jurisdiction has made commitments to Global Sustainability goals. These are being translated into policies and regulations to govern institutions that affect capital markets. The need for sustainability reporting is therefore likely to increase in the future. We have also already adopted the ISSB standards. An

independent assurance of these reports is a call that has been made by the users, given the increased unethical reporting practices associated with sustainability reporting.

06. Jurisdictional and National Standards Setters (JSS)

Brazil Institute of Independent Auditors (IBRACON)

6 – Strongly increasing in importance

No.

Instituto Mexicano de Contadores Públicos (IMCP)

6 – Strongly increasing in importance

Local Regulators recently issued new legislation, effective for 2026, requesting that all Listed entities prepare and assure sustainability information based on IFRSS and ISSA 5000. Moreover, local Financial Reporting Standard Setter has also issued jurisdictional requirements for non-listed entities that require the disclosure of certain sustainability metrics with optionality to assure such non-financial information. Based on these two previous facts, the country recognizes that this is the first step towards future changes and/or improvements in financial and non-financial reporting for both Listed and non-listed entities. Consequently, as JSS's, we support that IAASB and IESBA continue to include in the strategy and plans, items related to sustainability recognizing that globally there will be an evolution in different non-financial reporting frameworks to tackle more specific needs from a wider range of stakeholders which will not be the exception for Mexico. Both Regulators and the Local Financial Reporting Setter have expressed and emphasized the importance of more corporate transparency and a focus on sustainability reporting going forward. Implementation and operability of standards will become relevant. Post implementation reviews may need to be moved ahead to provide agile responses from both points of view, assurance and ethics. All implementation materials and other documents such as examples, tools, technical reports, FAQ's and guidance will become extremely relevant for practitioners to help promote consistency and aligned standards, ethics and assurance, between each other.

07. Accounting Firms

AFCA Desarrollos Profesionales

Avanza de manera lenta en los países de la región. Pero los impactos climáticos aumentan de manera creciente.

6 – Strongly increasing in importance

Jack Schoeman (PWC)

6 – Strongly increasing in importance

The main issue is that people now expect this data to be just as reliable as a standard financial statement. The SSBs' standards need to make sure these two different types of reporting actually fit together. We do not need more legislation or more layers of regulation that just add more paperwork. Instead the boards should focus on a simple way for auditors to verify this data properly. This is the only way to meet what the market wants and keep the profession useful in the world today.

Krzysztof Burnos

6 – Strongly increasing in importance

Shreekant Prasad (Govindham Consultancy Services)

6 – Strongly increasing in importance

08. Sustainability Assurance Providers other Than Accounting Firms

Anum Atique (Islamic Non Banking Financial Institution)

6 – Strongly increasing in importance

Keung Ho Keung Ricky

6 – Strongly increasing in importance

09. Public Sector Organizations

Audit Board of Republic Indonesia

6 – Strongly increasing in importance

More notion to more than just number in accounting for financial performance reporting

10. Member Bodies or Other Professional Accountancy Organizations

Asociación Interamericana de Contabilidad (AIC)

La incidencia es significativamente alta, el planeta, la sociedad requiere respuesta urgentes, efectivas e inmediatas.

6 – Strongly increasing in importance

Institute of Singapore Chartered Accountants (ISCA)

Singapore's climate reporting requirements, including reporting on greenhouse gas emissions and other International Sustainability Standards Board-based climate-related disclosures, will be phased in from FY 2025 to FY 2030 for all listed companies and large non-listed companies. As a result, we expect the demand for sustainability reporting and assurance to be the most important trend requiring prioritisation by the SSBs for the strategy period 2028–2031.

6 – Strongly increasing in importance

Pavel Dimitrov (Union of Accountants in Bulgaria)

6 – Strongly increasing in importance

The demand for high-quality sustainability reporting and assurance continues to grow rapidly across jurisdictions. This area is central to investor confidence, public accountability, and global regulatory alignment. A rating of 6 reflects the critical importance of robust, globally consistent sustainability standards and assurance frameworks to support reliable decision-making and strengthen trust in both financial and non-financial information.

11. Academics

Kiran Seth (Sunway University)

6 – Strongly increasing in importance

12. Others

Cristian Emmanuel Munarritz

IAASB should consider adding non-authoritative material regarding emerging topics in sustainability rather than issuing new standards until a post-implementation review of ISSA 5000 is carried out.

6 – Strongly increasing in importance

Eri Murakami (Wood Design Studio Inc.)

6 – Strongly increasing in importance

Disclose the specific details and the companies involved, and keep a record of them.

Kazuhiro Yoshii (Securities Firm)

6 – Strongly increasing in importance

Mahmoud Bilal (Unimar)

6 – Strongly increasing in importance

Wai Man (Emily) Ho

6 – Strongly increasing in importance

10.08. Letters providing separate ratings for IAASB or IESBA

06. Jurisdictional and National Standards Setters (JSS)

Accounting Professional & Ethical Standards Board (APESB)

Matters for the IESBA:

APESB considers that the continuing demand for sustainability reporting and assurance reinforces the importance of ensuring that the ethical requirements remain fit for purpose as this area evolves. While the recent work on Part 5 provides a strong foundation, the rapid expansion and increasing complexity of sustainability information mean that ongoing assessment of the new Part 5 will be essential.

In APESB's view, the IESBA should continue to evaluate whether additional guidance is needed to support practitioners in addressing sustainability information. Given the uneven regulatory trajectory across jurisdictions, maintaining coherence and consistency will be critical to supporting high-quality sustainability reporting and assurance and avoiding fragmentation.

A significant emerging trend is the rapid expansion of sustainability reporting and assurance beyond climate – into biodiversity, nature-related financial disclosures (consistent with the Taskforce on Nature-related Financial Disclosures framework), water security, and natural capital more broadly. These areas introduce entirely new assurance challenges: highly uncertain measurement methodologies, limited established data sources, novel forms of expertise required, and significant jurisdictional variation in how such disclosures are being mandated or encouraged. For Australia in particular, nature-related risk is a material and growing area of corporate accountability. APESB considers that, as reporting and assurance evolve, there will be a need to assess whether the existing ethical frameworks are adequate to support reporting and assurance engagements on nature- and biodiversity-related information, and whether dedicated guidance or standard-setting activity will be required during the 2028– 2031 period.

APESB encourages the IESBA to continue to closely monitor developments and to remain open to targeted enhancements that strengthen the Code's relevance and usability in sustainability assurance engagements.

5 – Increasing in importance

American Institute of Certified Public Accountants - Professional Ethics Executive Committee and Auditing Standards Board (AICPA PEEC & AICPA ASB)

3 – Slightly decreasing in importance

IESBA rating: 1

Sustainability preparers

We do not believe IESBA should pursue a workstream to develop ethics standards for all preparers of sustainability information. Our responses to The IESBA Strategy Survey 2022 and to the Proposed Strategy and Work Plan 2024–2027 indicated concern about IESBA expanding the code to providers other than professional accountants.

We continue to believe IESBA should prioritize developing guidance for professional accountants rather than other professions that may want to use IESBA's code. IESBA was created with a focus on the accounting profession and should maintain that focus over others. Further, IESBA acknowledged in its basis for conclusion for International Ethics Standards for Sustainability Assurance (January 2025), that there was no urgent regulatory call for profession-agnostic standards for sustainability reporting and no strong stakeholder views supporting such an expansion at that time (paragraph 152 of section IV).

Because the recently completed sustainability project updated the code for professional accountants who are sustainability preparers, any further IESBA activity should be limited to targeted, practical refinements identified through the implementation experience.

Development of ethics standards for preparers of sustainability information who are not professional accountants risks materially undermining the value of professional licensure and the rigorous qualification and accountability framework that underpins public trust. The credibility of services provided by professional accountants is inseparable from the competence, ethical obligations, and enforceability that accompany licensure. Diluting this foundation by extending standards beyond the profession threatens to weaken confidence in the quality of professional services and to blur expectations regarding the qualifications necessary to perform them. We therefore encourage IESBA not to pursue profession agnostic standards as doing so could impose potentially serious and lasting consequences for the global profession — and, by extension, for the public interest.

Sustainability assurance

With respect to sustainability assurance, given that IESBA has recently finalized the IESSA, we do not see a need for additional new workstreams in this area. The priority should be effective adoption and implementation, with any further activity limited to targeted, practical refinements to the IESSA if significant practical implementation challenges are identified. With respect to Independence Standards for Sustainability Assurance Engagements Outside the Scope of the International Ethics Standards for Sustainability Assurance, at the March 2026 IESBA meeting, the project team reported there have been challenges in gathering the data necessary to determine whether there is a growing demand for sustainability assurance engagements outside the scope of the International Independence Standards (IIS) in the IESSA. We do not recommend a standard-setting project until data demonstrates demand for assurance on engagements outside the scope of IIS in the IESSA. Finally, we encourage reconsideration of the level of detail and prescriptiveness in the IESSA to ensure the standards remain practical and operable.

IAASB rating: 3

There will be continuing demand for sustainability reporting and assurance, but not any great general increase.

Australian Auditing and Assurance Standards Board (AUASB)

5 – Increasing in importance

Evolving

Expectations for Sustainability Reporting and Assurance

While there remains a clear and continuing demand for sustainability reporting and assurance to support credible market information, regulatory expectations are becoming more variable across jurisdictions. In some regions, previously announced mandatory reporting and assurance requirements are being recalibrated or scaled back.

Early Stage of Maturity and Need for Stability

Some Australian stakeholders consider that sustainability reporting and assurance remain at an early stage of development globally. While agility in standard setting is important, there is also a case for a period of relative stability to allow practitioners to build capability, understanding and confidence.

Institut der Wirtschaftsprüfer (IDW)

3 – Slightly decreasing in importance

IAASB

There will be continuing (including voluntary) demand for sustainability reporting and assurance, but not any great general increase. There is likely to be a slightly decreased prioritization of sustainability matters being reported and hence assurance.

IESBA

As the IESBA has only recently completed the IESSA, we do not consider it necessary to add further major workstreams in this area at present except as noted below.

The focus should be on supporting timely adoption and consistent implementation. Any additional activity by the IESBA should therefore be confined to narrow, practical updates to the IESSA where implementation experience highlights a specific point that requires clarification or amendment. In addition, there may be value in developing limited non-authoritative materials that illustrate how to apply the IESSA in practice and promote consistent application.

On Independence Standards for Sustainability Assurance Engagements Outside the Scope of the International Ethics Standards for Sustainability Assurance, the March 2026 IESBA meeting update noted difficulties in obtaining sufficient information to assess whether demand is increasing for sustainability assurance engagements that fall outside the IESSA. Given this current lack of reliable evidence, we do not support initiating a standard setting project unless and until the data demonstrates a meaningful level of demand for assurance engagements outside the IESSA scope. The public interest factors that led to the differentiated, and more proportionate, approach in Part 4B of the Code should also be taken into account. Consideration could be given to whether level of granularity in the requirements of the IESSA might be reduced.

There needs to be greater recognition of the impact of standard setting on the world's largest economies, whether traditionally established or more recently developed. There also appears to be an overemphasis on the voices of regulators and common law jurisdictions. At present, regulatory feedback appears to carry outsized influence in agenda-setting and in the development of requirements, with too little emphasis on day to day workability for professional accountants—particularly those in smaller firms and organizations. Any new requirements should be underpinned by clear, evidence-based analysis demonstrating a specific shortcoming in the Code or IAASB standards and a well-articulated public-interest case for change of global impact.

Nordic Federation of Public Accountants (NRF)

IAASB rating: 3 Slightly decreasing in importance

We currently observe a declining political focus and a reduced demand for sustainability matters. In addition, the EU has decided to develop a European sustainability assurance standard which, although intended to be based on ISSA 5000, will ultimately be the standard applied within Europe for sustainability reporting required by law. Regarding voluntary sustainability reporting, it is still unclear which assurance standard will apply. These circumstances should reasonably influence the IAASB's work and the resources allocated to this area.

IESBA rating: 2 Decreasing in importance

For the IESBA, the need for additional work in this area appears even more limited. The IESSA initiative has faced considerable criticism from the outset, and before any further projects related to sustainability are undertaken, it would be prudent to first assess the extent of interest in and commitment to applying IESSA in practice. Looking ahead, there may be increased risks of greenwashing, and it could be useful to reassess whether the measures already developed remain fit for purpose. It may also be useful for the IESBA to reflect on how its recent expansions to include non professional accountants interact with the Code's intended scope, as this could raise questions of clarity and consistent enforceability in practice.

3 – Slightly decreasing in importance

07. Accounting Firms

Ernst & Young Global Limited (EY)

Businesses and investors remain committed to sustainability goals because they view them as essential to long term competitiveness. However, in some of the largest markets, requirements may fall below the thresholds set by sustainability assurance standards (ISSA 5000) and independence standards (IESSAs), making it more difficult for global networks to determine which approach to apply consistently worldwide.

Given the evolving sustainability reporting and assurance requirements globally, we believe the Boards should focus on monitoring the adoption of ISSA 5000 and the IESSA and issuing clarifying guidance on an agile basis. This guidance may primarily take the form of NAM; however, more significant implementation challenges identified - particularly those related to the value chain in the IESSA - may require narrow-scope amendments to the standards.

We are also supportive of the IAASB's sustainability implementation group and recommend both Boards use this group to facilitate the discussion of implementation challenges and to lead the development and issuance of timely, relevant NAM.

6 – Strongly increasing in importance

KPMG International Limited

3 – Slightly decreasing in importance

IAASB – 3 Slightly decreasing in importance, IESBA – 3 Slightly decreasing in importance

We expect the trend of "Continuing Demand for Sustainability Reporting and Assurance" to slightly decrease in importance over the strategy period relative to other trends identified by the SSBs as set out in this survey, in respect of driving standard-setting and related activities of the SSBs. We consider ISSA 5000 to be a robust, foundational standard that is capable of providing assurance over all types of sustainability information, just as the IESSA is the relevant ethics and independence standard when providing such assurance. Consequently, we believe the focus of both Boards should be on supporting global adoption and consistent implementation of these standards, rather than on further expansion of sustainability assurance standards.

IAASB

As noted elsewhere in our response, we recommend that the IAASB strongly advocate for the adoption of ISSA 5000 as a robust, principles-based, scalable, foundational standard capable of providing limited and reasonable assurance for all types of sustainability information. We believe that the IAASB should focus on monitoring the adoption and implementation of ISSA 5000 and providing timely responses to implementation questions or challenges, including the need to develop further guidance. (See also B3 regarding greater flexibility and agility in developing materials, and C2 regarding jurisdictional customization activities in respect of ISSA 5000).

In this context, we recommend that the IAASB does not undertake additional standard-setting activities relating to assurance engagements over sustainability information during the survey period unless there is a critical need to, as amending or introducing new requirements during the implementation phase may discourage adoption and/or create interoperability challenges with other standards. We suggest that the IAASB conduct a detailed post-implementation review, once practice is more established, to inform future updates, as well as evaluate whether further changes may be necessary as a result of changes to the ISAs, to ensure alignment of audit and assurance standards, where appropriate.

IESBA

Similarly, from the IESBA perspective, the emphasis should be on supporting implementation and monitoring how existing standards are applied in practice, rather than on further expansion of the Code. Where issues have been identified (see C.2), these should be addressed to support effective and consistent application. Given the scale of change already introduced, a period of stability, without the introduction of additional new standards, would allow jurisdictions time to focus on adopting and implementing what is already in place.

09. Public Sector Organizations

United States Government Accountability Office (GOA)

1 – Strongly decreasing in importance

For the IAASB, we believe that ISSA 5000, in conjunction with ISAE 3000, should be sufficient for new or additive categories of sustainability and transparency disclosures.

For the IESBA, we believe that more clarification is needed about a project to issue standards for all preparers of sustainability information. We believe that this could be a timely and needed project to the degree that practitioners (and nonpractitioners using ISSA 5000) are involved in both the preparation and examination of the sustainability information. We believe that such situations raise significant concerns about independence. However, we believe that this may exceed the IESBA's mandate depending on the degree to which the project envisions developing ethics standards for management of companies, nongovernmental organizations, and public sector organizations that directly prepare sustainability information.

10. Member Bodies or Other Professional Accountancy Organizations

Accountancy Europe (AE)

3 – Slightly decreasing in importance

IAASB rating: 3 Slightly decreasing in importance

We acknowledge that ISSA 5000 is an important global development and provides a comprehensive, principles-based framework for sustainability assurance. However, the current trend in the EU and elsewhere for more simplification, de burdening or deregulation clearly demonstrates a fundamental challenge regarding the support for ESG and thus the adoption and implementation of sustainability standards.

While ISSA 5000 is expected to be used as a reference point, the European Commission is considering potential EU add-ons and carve-outs. This means that ISSA 5000 may not be applied directly in the EU.

IESBA rating: 3 Slightly decreasing in importance

The Code already provides a robust basis for addressing ethical considerations, and further expansion risks adding complexity without clear benefit.

In particular, the potential development of standards for all preparers of sustainability information represents a significant extension beyond the IESBA's remit. The Code is designed for professional accountants, and expanding it to non-professional accountants risks overreach, unclear applicability and limited enforceability. This is more appropriately the domain of regulators and policymakers rather than a global ethics standard setter for professional accountants.

This concern is reinforced by the experience with the recently issued sustainability-related provisions (IESSA), where there are clear concerns regarding adoption, usability and practical impact. Before considering further expansion the IESBA should assess whether existing standards are being effectively adopted and implemented, and should only consider professional accountants in accordance with their remit.

In addition, the European Commission does not plan to adopt the IESBA Code of Ethics nor its dedicated sustainability standards and it is currently unclear whether audit firms will adopt these new sustainability standards. There are lessons to be learnt by IESBA, one of which could be the potential for revision of these standards

Global Accountancy Alliance (GAA)

3 – Slightly decreasing in importance

IAASB Rating: 3

There will be continuing demand for sustainability reporting and assurance, but not any great general increase.

IESBA Rating: 1

As the IESBA has only recently completed the IESSA, we do not consider it necessary to add further major workstreams in this area at present. The focus should be on supporting timely adoption and consistent implementation. To the extent application challenges arise, they should first be addressed through limited non-authoritative materials that illustrate how to apply the IESSA in practice and promote consistent application. Consideration of any refinements to the standard should come only to address significant practical implementation challenges being experienced by sustainability assurance practitioners or after a thorough post-implementation review demonstrates that changes are clearly needed.

On Independence Standards for Sustainability Assurance Engagements Outside the Scope of the International Ethics Standards for Sustainability Assurance, the March 2026 IESBA meeting update noted difficulties in obtaining sufficient information to assess whether demand is increasing for sustainability assurance engagements that fall outside the IESSA. Given this current lack of reliable evidence, we do not support initiating a standard-setting project unless and until the data demonstrates a global level of demand for assurance engagements outside the IESSA scope.

Institute of Chartered Accountants in England and Wales (ICAEW)

3 – Slightly decreasing in importance

IAASB rating: 3

IESBA rating: 2

ICAEW acknowledges the increasing importance that the public and users of sustainability related information place on accurate, verified decision useful information. However, this needs to be viewed in the context of government and regulatory pressure to simplify corporate reporting in the UK.

The UK has recently adopted UK SRSs and ISSA (UK) 5000 and is establishing a voluntary framework for sustainability assurance engagements which mandates the use of IESSA. There may prove to be areas around ISSA 5000 that the IAASB continues to consider as projects, such as obtaining information from third parties in an entity or group's value chain, but demand for standards or guidance must be considered secondary to ISSA 5000 being fully implemented first. We therefore do not consider that any new standard-setting initiatives from the SSBs in relation to sustainability are required at this time.

Institute of Chartered Accountants of Scotland (ICAS)

IESBA – Rating - 3

This remains a very important topic despite developments in certain jurisdictions across the globe to scale back from previous commitments in this space.

That said, IESBA has just recently finalised the IESSA, and we do not currently see any need for further Board activity in terms of new workstreams in this area.

Given that the IESSA is yet to be introduced in many jurisdictions, we believe that the priority should be obtaining broad adoption and consistent implementation of this, rather than undertaking further major workstreams in this area. This will involve preparation of non-authoritative material and potentially the need to react and make practical revisions to the IESSA in light of practical implementation issues that may arise in due course

We do not support the IESBA undertaking a project on ethics standards for all preparers of sustainability information. The IESBA's remit should remain focused on professional accountants. Profession-agnostic standards risk weakening the link between high-quality engagements and the competence, ethics, and accountability associated with professional qualification and licensure, that would risk undermining confidence in the profession and would not serve the public interest.

IAASB – Rating – 3

Given regulatory developments in various jurisdictions, despite some of these currently being diluted, there is likely to be continuing demand for sustainability reporting and assurance, but no significant overall increase.

3 – Slightly decreasing in importance

International Federation of Accountants (IFAC)

3 – Slightly decreasing in importance

IFAC acknowledges that sustainability reporting and assurance remain important areas for the SSBs, particularly given continuing developments in reporting and assurance requirements across jurisdictions. IFAC also recognizes that jurisdictions are at different stages of maturity: in some jurisdictions sustainability reporting and assurance are already developing at pace, while in others they are still emerging.

For the next strategy period, IFAC believes the SSBs should focus first on adoption, implementation, and early learning from recently issued sustainability-related standards. A formal post-implementation review may be premature where adoption is still at an early stage; however, the SSBs should still establish structured mechanisms to identify early implementation issues, practical challenges, unintended consequences, and areas where clarification or support may be needed. Feedback from the Boards' respective sustainability implementation expert groups should be considered in detail and appropriate action should be taken to address implementation concerns.

Broader mechanisms will also be needed to assess adoption intentions, implementation challenges, translation issues, practical application concerns, and whether the standards are being applied as intended. The objective should be to support high-quality implementation and understand real-world application before moving to the next major project.

10.09. No rating provided but with comments

01. Monitoring Group

International Federation of Independent Audit Regulators (IFIAR)

Continuing Demand for Sustainability Reporting and Assurance

24. While public opinion, attention, and speed in implementation may fluctuate, demand for sustainability information and assurance continues to develop. Experience with early implementation of ISSA 5000, General Requirements for Sustainability Assurance 4 engagements, as well as International Ethics Standards for Substantiality Assurance (IESSA) may provide useful lessons around consistent application.

International Organization of Securities Commissions (IOSCO) Committee

C - Evolving Expectations Concerning Sustainability Information – Moderate Influence

We believe that sustainability assurance remains important for investor protection and market integrity, but the strategic focus of the Boards going forward should be on the implementation and global adoption of extant sustainability standards. We acknowledge the need for continued emphasis on ongoing implementation challenges related to ISSA 5000, however, we encourage the Boards to exercise appropriate caution when considering whether further standard-setting in the sustainability area is warranted.

05. Regulators and Oversight Authorities

Committee of European Auditing Oversight Bodies (CEAOB)

Expectations Concerning Sustainability Information

13. Despite recent changes in the EU regulatory landscape regarding eg. the thresholds for mandatory sustainability reporting and the simplification of the disclosure obligations, demand for high-quality sustainability information remains strong. Stakeholders continue to expect reliable, decision-useful disclosures, and assurance plays a critical role in reinforcing credibility and supporting trust in sustainability reporting.

14. The implementation of ISSA 5000 and IESSA is likely to offer valuable lessons for strengthening the sustainability assurance standards and facilitating consistent application across jurisdictions. As new questions emerge with the experience gained in using the standards, a targeted and responsive approach to updating or complementing these standards will be essential.

15. In addition, the CEOB continues to call for the development of provisions that address assurance over the digitalization of information, which is relevant for EU reporting requirements for both financial and sustainability information.

16. Additional guidance and practical examples, particularly on assessing the materiality of misstatements in Environment, Social and Governance and other non-financial disclosures, would further enhance the usability and robustness of the international standards, and further developments to facilitate consistency in engagement performance would be of high relevance.

17. A Post-Implementation Review of ISSA 5000 and the IESSA should be conducted by the SSBs, with close coordination on changes to the standards in this area. In particular, the SSBs should focus on addressing practical issues arising in the interpretation and application of these new standards to ensure they are fit for purpose and consistently applied.

10. Member Bodies or Other Professional Accountancy Organizations

CPA Australia

0 – I do not agree that this is a trend to be considered

C.1 Continuing demand for sustainability reporting and assurance:

Prioritise consolidation, adoption and implementation of ISSA 5000/IESSA and learn from early practice before expanding requirements. For the IAASB, fully utilise implementation groups and feedback channels, and bring forward targeted post implementation learning where evidence warrants. For the IESBA, focus on adoption/implementation support and avoid extending the Code to non-professional preparers absent a clearly evidenced global need and enforceability pathway.

10.10. No specific response

02. Users of Financial or Non-Financial Information

Sarasin & Partners

05. Regulators and Oversight Authorities

Canadian Public Accountability Board (CPAB)

Public Company Accounting Oversight Board (PCAOB) – Views of the PCAOB Chief Auditor