



IAASB

International Auditing and Assurance Standards Board

AN IFEA BOARD

# Sustainability Assurance (A&I Update)

September 2026 IAASB Meeting

**Agenda Item 9**



# ISSA 5000 Adoption & Implementation

Claire Grayston, Principal IAASB

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# ISSA 5000 Adoption is Rapidly Building Momentum

REGIONAL STATUS OF ISSA 5000 OR LOCAL EQUIVALENT ADOPTION



# Supporting Effective and Consistent Implementation of ISSA 5000 – Resources Published Since Q1 2026



## Supporting stakeholders in implementing ISSA 5000



### Resources Published

- Jurisdictional Adoption – September 2026
- FAQ: The Application of Materiality – June 2026

#### ISSA 5000 Jurisdictional Adoption Details

Updated September 2026

In collaboration with the IAASB Jurisdictional Auditing and Assurance Standard Setters Liaison Group and regional organizations, including Accountants and Auditors of the Caribbean (ICAC), Confederation of Asian Accountants (CICA), and the Pacific Area Federation of Accountants (PAFA), the adoption status for ISSA 5000 in various jurisdictions below.

#### ADOPTION STATUS

##### Adopted for sustainability assurance

Unless otherwise stated below, adoption of ISSA 5000 for sustainability assurance information reported for periods beginning on or after December 15, 2026, with early application permitted.

- Australia – [ASSA 5000](#), issued by the Auditing and Assurance Board of Australia (AASB), effective for assurance engagements on or after January 1, 2025 and as at the time of publication.
- Argentina – ISSA 5000, adopted by the Consejo Federal de Control Económico (CFCE) and the Consejo Federal de Contadores Públicos (CFCP).
- Brazil – Brazilian Standard for Sustainability, Integrated Reporting and Assurance (NBC TA 5000), issued by the Conselho Federal de Contabilidade (CFC) and the Conselho Federal de Contabilidade de São Paulo (CFC-SP).

#### IAASB STAFF PUBLICATION

JUNE 2026

#### SUSTAINABILITY ASSURANCE

##### Frequently Asked Questions: The Application of Materiality under ISSA 5000

These Frequently Asked Questions (FAQs) are issued by the staff of the International Auditing and Assurance Standards Board (IAASB). The FAQs are intended to support the consistent understanding and approach to considering or determining materiality when applying International Standard on Sustainability Assurance (ISSA) 5000, General Requirements for Sustainability Assurance Engagements (ISSA 5000).

The IAASB developed ISSA 5000, which was issued in November 2024. ISSA 5000 is effective for assurance engagements on sustainability information reported for periods beginning on or after December 15, 2026, or as of a specific date on or after December 15, 2026.

The FAQs are designed to highlight, illustrate or explain aspects of ISSA 5000 and thereby assist in the standard's application. They do not amend or override ISSA 5000, the text of which alone is authoritative. Reading the FAQs is not a substitute for reading ISSA 5000. The FAQs are not intended to be exhaustive, and references to the IAASB's standards should always be made. This publication does not constitute an authoritative or official pronouncement of the IAASB.

#### Existing Resources on Materiality

These FAQs provide guidance on materiality to support implementation of the relevant requirements and application material contained in ISSA 5000 and to supplement the guidance provided in the ISSA 5000 Implementation Guide. These FAQs should be read in conjunction with the existing material available on materiality, which includes:

##### ISSA 5000, General Requirements for Sustainability Assurance Engagements

- Performance materiality definition (Para. 18)
- Requirements (Para. 88-102, 180)
- Application material
  - Planning (Para. A200-A312) ◦ Contains an example
  - Risk Assessment Procedures (Para. A337)
  - Accumulation and Consideration of Identified Misstatements (Para. A484-A485)

##### ISSA 5000 Implementation Guide (the Guide)

- Part 5 Fundamental Principles and Concepts – Materiality (Para. 113-125)
  - The concept of materiality (Para. 113-116)



### Resources to Come

#### Quarterly Adoption Updates

#### FAQs

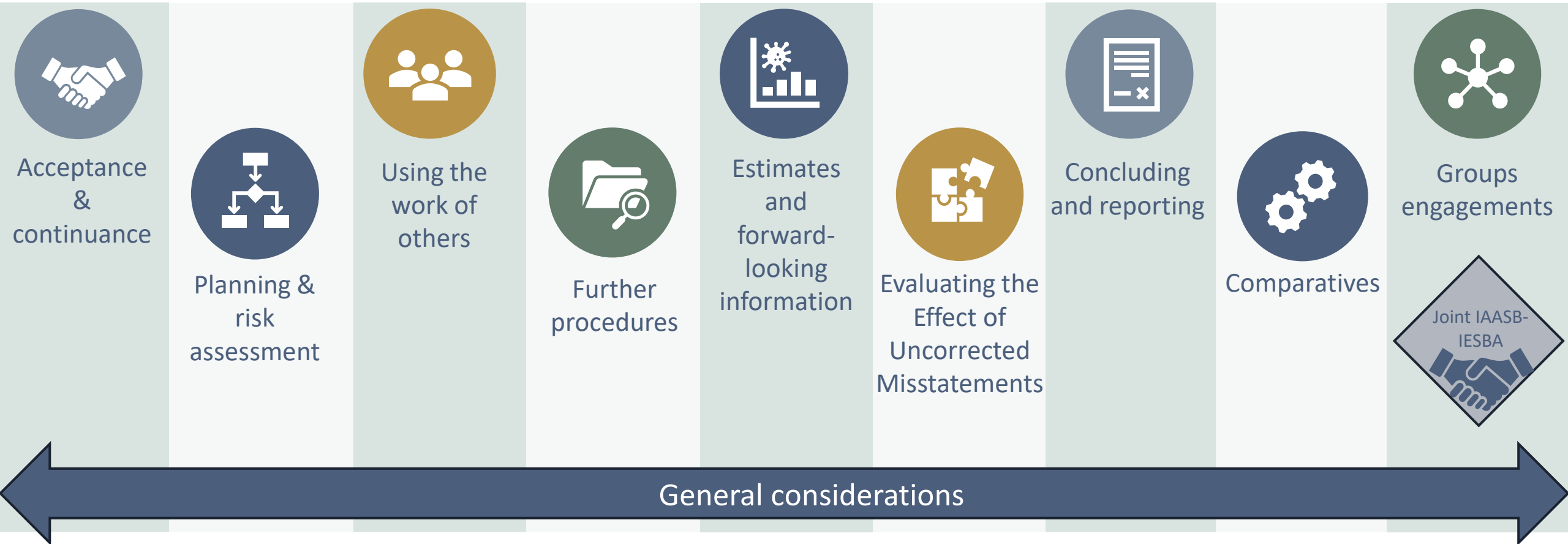
- General – various issues across engagement areas
- Joint IAASB-IESBA on group engagements

#### Other Materials as may be needed to:

- Support implementation
- Address specific or targeted issues or challenges

# Key Matters Raised by Stakeholders by Category

*To be addressed in General FAQ and Joint IAASB-IESBA FAQ*





## **IAASB's views on:**

Whether the ISSA 5000 A&I  
resources published and  
planned are appropriate

# Sustainability Assurance Developments in the EU

Chrystelle Richard

IAASB Member & Sustainability Assurance  
Implementation Working Group Member

# Regulatory Timeline

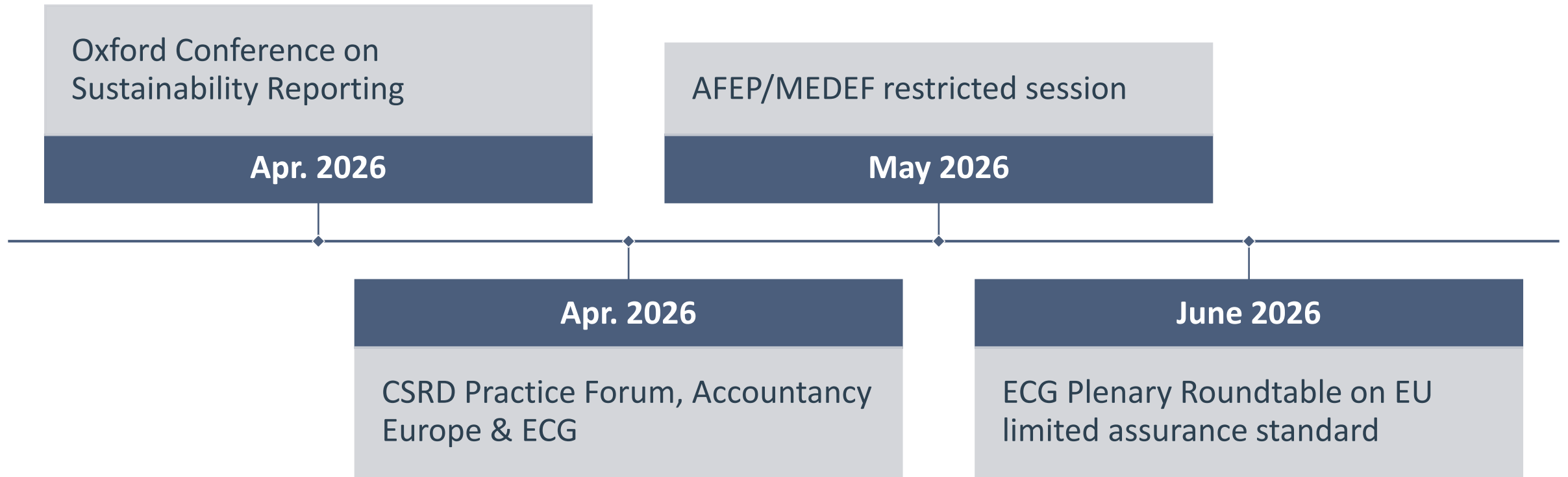
## Reporting

- Omnibus I Directive: new CSRD scope (>1,000 employees, >€450m turnover) - 85% reduction in companies in scope
- Revised ESRS Delegated Act adopted 3 July 2026 (materiality, fair presentation, carve-outs, GHG flexibility, phase-in)
- Voluntary Standard Delegated Act (VSME-based) for out-of-scope companies
- Mandatory application: FY2027 (reporting 2028), following Q3 2026 EP/Council scrutiny

## Assurance

- Commission mandate to CEAOB: technical advice on EU-specific add-ons/carve-outs to ISSA 5000
- Delegated Act for limited assurance standards required by 1 July 2027
- Reasonable assurance empowerment definitively removed - not to be mandated in the EU
- CEAOB advice due to the Commission: 30 September 2026
- IAASB ongoing support to CEAOB's technical work

# Outreach Engagements



# What We are Hearing

## Limited vs. Reasonable Assurance

- Broad support for limited assurance as legal baseline
- 13% of CAC40 already apply voluntary reasonable assurance on selected KPIs
- First-year LA engagements sometimes feel more demanding - driven by reporting system maturity, not the standard itself

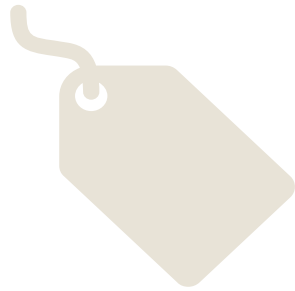
## Fair Presentation & Materiality

- Most sensitive topics in the EU context
- Open questions: auditing fair presentation, double materiality outcomes
- ISSA 5000 seen as adequate basis; real difficulty is operationalizing materiality in practice

## Other Recurring Themes

- Use of the work of others / third-party verification
- Forward-looking information & value chain
- Digital tagging - distinct from core assurance engagement

# Cost of Assurance: A Data Point



Ecomètis benchmark (CAC40, 2025):  
avg. CSRD audit fees €1.1m – 0.0039%  
of revenue, 6.4% of financial audit  
fees



Down 6.2% year-on-year –  
costs trending down as  
systems mature

# Closing

- Recurring messages across all forums:
  - Workable, proportionate framework anchored in ISSA 5000
  - Wariness of fragmentation



## IAASB to share:

- Reflections on the developments highlighted in this section; and
- Views on ISSA 5000 A&I experiences in their jurisdictions, including regulatory challenges

# Sustainability Assurance Experiences in Practice

Neil Morris

IAASB Member & Sustainability Assurance  
Implementation Working Group Member



## IAASB to share:

- Reflections on the insights highlighted in this section; and
- Experiences on implementation of ISSA 5000 in their jurisdictions, including practical challenges