



Bulletin on the International Standard of Sustainability Assurance 5000 (ISSA 5000)



CONTENTS

1.0 INTRODUCTION	2
2.0 BACKGROUND	2
2.1 Historical Context and Development	3
2.2 Scope and Applicability	3
2.3 Relationship with existing standards	5
2.4 Key Definitions and Terminology	5
2.5 Fundamental Principles of Sustainability Assurance	7
3.0 CONDUCT OF AN ASSURANCE ENGAGEMENT	9
4.0 QUALITY CONTROL CONSIDERATIONS	10
4.1 Firm-level quality management	10
4.2 Engagement-level quality management	11
5.0 FRAUD AND NON-COMPLIANCE WITH LAWS AND REGULATIONS	12
6.0 COMMUNICATION WITH MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE	13
7.0 DOCUMENTATION REQUIREMENTS	14
8.0 PRECONDITIONS FOR AN ASSURANCE ENGAGEMENT	15
9.0 TERMS OF ASSURANCE ENGAGEMENT	16
10.0 EVIDENCE GATHERING AND EVALUATION	17
11.0 PLANNING METHODOLOGIES	18
12.0 RISK ASSESSMENT PROCEDURES	19
13.0 RESPONDING TO RISK OF MATERIAL MISSTATEMENT	21
14.0 EVIDENCE IN SUSTAINABILITY ASSURANCE ENGAGEMENTS	22
15.0 FORMING THE ASSURANCE CONCLUSION AND PREPARING THE ASSURANCE REPORT	23
16.0 CONCLUSION	25
17. About the Institute	26



01. INTRODUCTION

The International Standard on Sustainability Assurance (ISSA) 5000 was introduced to meet the growing demand for reliable and credible sustainability information. ISSA 5000 establishes a framework for practitioners conducting assurance engagements on sustainability information. The standard aims to enhance the quality, consistency, and credibility of sustainability assurance engagements across global markets, supporting stakeholders in making informed decisions.

In the present-day corporate environment, stakeholders increasingly depend on sustainability information for decision-making purposes. Investors, regulators, customers, and other stakeholders demand transparency and accountability regarding organizations' environmental, social, and governance (ESG) impacts and performance. ISSA 5000 addresses this need by providing a globally recognized standard that guides assurance practitioners in delivering high-quality assurance services.

The standard builds upon existing assurance frameworks while addressing the unique challenges and complexities associated with sustainability information. ISSA 5000 seeks to overcome the differences between financial and non-financial assurance practices, contributing to the overall credibility and usefulness of sustainability reporting.

In Kenya, the Institute of Certified Public Accountants of Kenya (ICPAK) plays a central role in championing the adoption and implementation of ISSA 5000. ICPAK is committed to building the capacity of professional accountants through training, technical guidance, and stakeholder engagement to ensure that the profession is well-prepared to deliver high-quality sustainability assurance in line with international standards. Through its leadership, ICPAK seeks to strengthen the credibility of sustainability reporting and advance Kenya's transition toward a sustainable and transparent economy.



2.0 BACKGROUND

ISSA 5000, developed by the International Auditing and Assurance Standards Board (IAASB), is the first international standard specifically designed for sustainability assurance engagements. Approved in December 2023, ISSA 5000 aims to address the increasing demand for reliable sustainability information as stakeholders incorporate environmental, social, and governance (ESG) factors into decision-making processes. The standard provides a comprehensive framework for practitioners, offering guidance on both limited and reasonable assurance engagements. It applies to a wide range of sustainability information and is framework-agnostic, aligning with global reporting standards such as the IFRS Sustainability Disclosure Standards, European Sustainability Reporting Standards (ESRS) and Global Reporting Initiative (GRI).

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2.1 Historical Context and Development

Sustainability reporting has evolved significantly over recent decades. Initially, practitioners relied on International Standard on Assurance Engagements (ISAE) 3000 – Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, which provided broad principles but lacked specific guidance on sustainability topics, leading to inconsistent assurance practices and reduced comparability. The creation of ISSA 5000 was driven by key factors: the complexity of multiple sustainability reporting frameworks, regulatory changes and the growing market demand for reliable sustainability data.

The development of ISSA 5000 involved extensive stakeholder engagement, including public consultations and field testing. This ensured that the standard addressed diverse needs while maintaining technical rigor. ISSA 5000 builds upon frameworks such as ISAE 3000 (Revised), ISAE 3410 – Assurance Engagements on Greenhouse Gas Statements, and AA1000 Assurance Standard (AA1000AS), but introduces innovations to tackle the unique challenges of sustainability assurance. These include addressing the qualitative nature of many disclosures and the interrelatedness of environmental, social, and governance factors. ISSA 5000 also aligns with leading sustainability reporting frameworks promoting an integrated approach that enhances efficiency for both preparers and assurance providers.

2.2 Scope and Applicability

ISSA 5000 establishes a comprehensive framework that defines the boundaries and applications of sus-

tainability assurance engagements. The standard explicitly covers assurance on sustainability information, which encompasses environmental, social, governance (ESG), and other sustainability-related disclosures. This broad scope reflects the multidimensional nature of sustainability reporting and the diverse information needs of stakeholders.



The standard applies to both limited and reasonable assurance engagements on sustainability information. Limited assurance engagements involve procedures that are more limited than those required for reasonable assurance, resulting in a negative form of conclusion. Reason-

able assurance engagements involve more extensive procedures and result in a positive form of conclusion. ISSA 5000 provides detailed guidance on the nature, timing, and extent of procedures appropriate for each type of engagement, acknowledging that the level of assurance may vary depending on the nature of the sustainability information and the needs of intended users.

ISSA 5000 applies to a wide range of sustainability information, including quantitative metrics (such as greenhouse gas emissions or water con-

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sumption), qualitative statements (such as descriptions of governance practices or social impact initiatives), forward-looking information (such as transition plans or sustainability targets), and narrative disclosures (such as policies and strategies). The standard acknowledges the challenges associated with assuring different types of sustainability information and provides specific guidance for addressing these challenges.

ISSA 5000 can be applied to sustainability information prepared under various reporting frameworks, including but not limited to standards

issued by the International Sustainability Standards Board (ISSB), European Sustainability Reporting Standards (ESRS), Global Reporting Initiative (GRI), and the Sustainability Accounting Standards Board (SASB). This framework-agnostic approach enhances the standard's global applicability while recognizing the diversity of sustainability reporting practices.

The standard applies to assurance engagements performed by both professional accountants and other assurance practitioners who possess the necessary competence and capabilities. This inclusive approach acknowledges the multidisciplinary

nature of sustainability assurance and the diverse professional backgrounds of practitioners in this field. However, ISSA 5000 establishes robust requirements for practitioner competence to ensure high-quality assurance regardless of the practitioner's professional background.

Temporal boundaries are also addressed, with ISSA 5000 covering assurance on historical, current, and prospective sustainability information. The standard provides specific guidance on assuring forward-looking statements and sustainability targets, recognizing the inherent uncertainties and judgments involved in such information.

Notable exclusions from the scope include agreed-upon procedures engagements, compilation engagements, and consulting engagements related to sustainability. While these services may complement sustainability assurance, they do not provide the same level of confidence as intended users and therefore fall outside the standard's scope.

2.3 Relationship with existing standards

ISSA 5000 builds upon and relates to several existing standards:

1. **International Standard on Assurance Engagements (ISAE) 3000 (Revised):** ISSA 5000 complements ISAE 3000, which provides overarching requirements for assurance engagements other than audits or reviews of historical financial information. While practitioners apply ISAE 3000 alongside ISSA 5000, the latter provides more specific requirements tailored to sustainability assurance.
2. **ISAE 3410:** On May 8, 2025, The International Auditing and Assurance Standards Boards (IAASB) approved the withdrawal of ISAE 3410, Assurance Engagements on Greenhouse Gas Statements from the effective date of ISSA 5000.

3. International Standards on Auditing (ISAs): ISSA 5000 draws upon concepts from the ISAs while adapting them to the unique characteristics of sustainability information.

4. International Ethics Standards Board for Accountants (IESBA) Code: ISSA 5000 references the IESBA Code for ethical requirements, emphasizing independence and other ethical principles.

2.4 Key Definitions and Terminology

ISSA 5000 introduces several important definitions and concepts specific to sustainability assurance:

Sustainability Information: Information which may be qualitative or quantitative about an entity's impact on the economy, environment, and people, including information about the entity's governance and strategy related to these impacts.

Reporting Framework: The criteria applied by management in preparing sustainability information. These may include established sustainability reporting standards (e.g., ISSB Standards, GRI Standards), regulatory requirements, or entity-developed criteria.

Sustainability Competence: Competence in the Sustainability matters that are the subject of the sustainability assurance engagement and in their measurement or evaluation.

Engagement Circumstances: The context in which the assurance engagement is performed, including the terms of the engagement, the characteristics of sustainability information, the criteria used, the needs of the intended users, the entity and its environment, and applicable law and regulations.

Practitioner: The individual or firm undertaking the assurance engagement. Under ISSA 5000, this includes both professional accountants and other practitioners with appropriate competence.

Also refers to individuals conducting the engagement, who is usually the engagement leader or other members of the engagement team.

Intended users: Individuals that the practitioners expect will use the sustainability assurance report.

Misstatements: A difference between disclosures and the appropriate measurement or evaluation of the sustainability matters in accordance with the applicable criteria. They can rise from error or fraud, maybe qualitative or quantitative and include omitted information.



Sustainability Matters: Environmental, social and governance or other sustainability issues as defined in law or regulation or relevant sustainability reporting framework, as determined by the entity for purposes of preparing sustainability reporting information.

Reasonable vs. Limited Assurance

ISSA 5000 recognizes two levels of assurance that may be provided on sustainability information:

Reasonable Assurance is characterized by reducing engagement risk to a sufficiently low level based on the circumstances. The conclusion is expressed positively, and the evidence gathering procedures are more comprehensive. It requires a deeper understanding of the entity and its reporting systems, along with a higher level of work effort and resource allocation. There is a more thorough evaluation of the sufficiency and appropriateness of the evidence. As a result, it generally involves higher costs and a longer time frame for completion.

Limited Assurance, as outlined in ISSA 5000, involves reducing engagement risk to an acceptable level, though higher than for reasonable assurance. The conclusion is expressed negatively, and the evidence gathering procedures are more focused and less extensive. The approach places greater emphasis on inquiry and analytical procedures, specifically targeting areas where material misstatements are likely to occur. This results in generally lower costs and a shorter time frame for completion compared to other assurance engagements.

The standard acknowledges that the choice between reasonable and limited assurance should consider factors such as:

- Regulatory requirements
- The maturity of the entity's sustainability reporting systems
- The needs and expectations of intended users
- The purpose for which the assurance is being obtained
- Resource constraints

ISSA 5000 allows for "hybrid" engagements where reasonable assurance is provided on some aspects of sustainability information and limited assurance on others, if this is clearly communicated in the assurance report.

2.5 Fundamental Principles of Sustainability Assurance

ISSA 5000 establishes a comprehensive set of fundamental principles that guide effective sustainability assurance engagements. These principles form the ethical and professional foundation for practitioners, reinforcing one another to ensure a consistent approach throughout the assurance process.

Integrity requires practitioners to be honest, straightforward, and fair in all professional relationships, avoiding bias and maintaining objectivity, especially when subjective judgments are involved. Integrity is vital for fostering trust in the assurance process and sustainability information being assured.

Independence is another core principle, which mandates that practitioners remain independent in both mind and appearance. The standard

outlines specific requirements for identifying and addressing threats to independence, including financial and business relationships, employment ties, and the provision of non-assurance services. While safeguards may vary depending on the engagement, the fundamental need for independence remains constant.

The principle of professional competence and due care highlights the importance of maintaining relevant knowledge and skills, recognizing the multidisciplinary nature of sustainability assurance. This may involve expertise in areas like environmental science, social impact assessment, and governance frameworks. Continuous professional development is emphasized to keep up with the evolving field, while due care involves careful planning, rigorous documentation, and critical assessment of evidence.

Confidentiality is another fundamental principle, requiring practitioners to respect the confidentiality of information gathered during the engagement while ensuring transparency in reporting when necessary. The standard provides guidance on balancing confidentiality with disclosure, particularly in cases where significant sustainability risks or impacts must be communicated.

Professional skepticism stresses the importance of maintaining a questioning mindset and critically evaluating evidence, especially in sustainability assurance where subjectivity and judgment are inherent in many disclosures. Practitioners must remain alert to conditions that may suggest potential misstatements.

Public interest acknowledges the broader societal goals of sustainability assurance. Practitioners are encouraged to consider the interests of users of sustainability information and the wider implications of their work on sustainable development objectives.

Evidence-Based Approach: Practitioners must obtain sufficient appropriate evidence to support their conclusion, recognizing the different nature of evidence in sustainability contexts.

Transparent Reporting: Practitioners must communicate clearly and transparently about the work performed, limitations, and conclusions reached.

Continuous Improvement: Practitioners should contribute to the ongoing development of sustainability assurance practices and methodologies.





3.0 CONDUCT OF AN ASSURANCE ENGAGEMENT

ISSA 5000 requires practitioners to conduct sustainability assurance engagements in compliance with the standard's requirements and the relevant ethical provisions. The standard mandates that practitioners exercise professional judgment throughout the engagement process, emphasizing the importance of applying relevant training, knowledge, and experience within the context of assurance and sustainability subject matters. This requirement acknowledges the complex and evolving nature of sustainability reporting enhancing a broader range of qualitative and quantitative information in the financial reporting.

Practitioners are required to remain alert to potential misstatements and critically evaluate evidence. This is important when dealing with sustainability information due to the diverse nature of sustainability metrics and their measurement methodologies, varying levels of maturity in sustainability reporting systems, the involvement of multiple stakeholders across different functions within organizations, and the use of estimates and judgments in data collection and reporting.

ISSA 5000 recognizes that sustainability assurance engagements require specialized knowledge and skills. The standard requires that engagement teams collectively possess appropriate competence in sustainability reporting frameworks and standards, understanding of industry specific sustainability matters, knowledge of relevant measurement methodologies and data collection processes, familiarity with applicable regulatory requirements, and expertise in assurance methodologies.

Practitioners in complex engagements may need to involve subject matter experts in areas such as greenhouse gas accounting, biodiversity assessment, social impact measurement, or supply chain management. The standard provides detailed guidance on evaluating when such expertise is necessary and how to integrate these specialists into the engagement team, ensuring their work is appropriately directed, supervised, and reviewed to maintain overall engagement quality.



4.0 QUALITY CONTROL CONSIDERATIONS

ISSA 5000 incorporates quality control requirements at both the firm and engagement levels, referencing International Standard on Quality Management (ISQM) 1 and ISQM 2 for firms of professional accountants. For other practitioners, equivalent quality management systems must be in place. Key quality control considerations include:

4.1 Firm-level quality management

ISSA 5000 requires firms to establish a system of quality management which should address leadership responsibilities for quality, relevant ethical requirements, acceptance and continuance of client relationships, human resources and engagement team formation, engagement performance, and monitoring. The integration of sustainability assurance into a firm's quality management system requires these engage-

ments, including specialized knowledge requirements for engagement teams, potentially different materiality considerations compared to financial statement audits, the need for interdisciplinary collaboration, and evolving regulatory frameworks and reporting standards.

The standard emphasizes the importance of resource allocation for sustainability assurance engagements. Engagement teams in different firms should have access to personnel with appropriate technical competence and industry knowledge, technical resources including guidance on sustainability reporting frameworks, methodologies tailored to sustainability assurance, and technology tools for data analytics and assessment. Since sustainability assurance practices are growing, firms may need to invest in developing special-

ized methodologies and tools. This might include databases of industry benchmarks for sustainability performance, analytical approaches for evaluating non-financial KPIs, customized working paper templates for sustainability matters, and technology solutions for tracing sustainability data through complex organizational structures. The Standard encourages firms to develop resource planning approaches that address the multidisciplinary nature of sustainability assurance engagements.

ISSA 5000 requires firms to establish policies and procedures for the acceptance and continuance of sustainability assurance engagements. These should address the firm's capability to perform the engagement in terms of resources and expertise, the integrity of the client's management and those charged with governance, the appropriateness of the subject matter and criteria, and the clarity of engagement terms and responsibilities. The standard recognizes that sustainability assurance engagements may present unique acceptance considerations, such as the maturity of the client's sustainability reporting systems, the complexity of sustainability data collection across diverse operations, the presence of inherent limitations in measuring certain sustainability metrics, and the potential for conflicting stakeholder expectations regarding assurance scope. Effective procedures help to ensure that firms undertake engagements they are qualified to perform and have a rational purpose.

4.2 Engagement-level quality management

ISSA 5000 places responsibility for engagement quality with the engagement partner. Their responsi-

bilities include ensuring appropriate competence and capabilities within the engagement team, managing the direction, supervision, and review of engagement activities, confirming compliance with relevant ethical requirements, determining that sufficient appropriate evidence has been obtained, ensuring appropriate consultation on complex or contentious matters, and reviewing engagement documentation and the final assur-

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ance report. The standard recognizes the challenges of managing sustainability assurance engagements, which often involve diverse team members with varied expertise. Engagement partners must encourage effective communication and collaboration among team members, where partners are required to have enough understanding of sustainability matters to evaluate the suitability of work performed by subject matter specialists and to integrate their contributions into the overall engagement approach.

The standard provides detailed guidance on the direction, supervision, and review of sustainability assurance engagements. Key considerations include briefing team members on their responsibilities, relevant sustainability matters, and potential risks; encouraging consultation on complex technical issues; addressing significant judgments and evaluations made during the engagement; ensuring appropriate documentation of key decisions and conclusions; and verifying reliability between engagement evidence and the assurance conclusion. Effective supervision may require more frequent touch points and structured knowledge sharing among team members with different specializations for sustainability assurance engagements.

ISSA 5000 requires an engagement quality review in accordance with ISQM 2 for sustainability assurance engagements. This applies to

engagements for public interest entities, engagements required by law or regulation to have an engagement quality review, and engagements determined by the firm to require an engagement quality review based on quality risk assessment. The engagement quality reviewer should have appropriate competence, skills and capabilities who can effectively review sustainability assurance engagements, potentially drawing from practitioners with environmental science, engineering, or social science backgrounds in addition to assurance expertise. The standard provides guidance on timing engagement quality reviews to allow for meaningful input while maintaining reviewer objectivity. Engagement quality reviews serve as an important safeguard, particularly for complex sustainability assurance engagements where multiple technical areas and significant judgments may be involved.



5.0 FRAUD AND NON-COMPLIANCE WITH LAWS AND REGULATIONS



ISSA 5000 emphasizes that practitioners must consider the risk of fraud during sustainability assurance engagements. This involves maintaining skepticism, asking management and others about fraud risks, looking for unusual transactions that could indicate fraud, and considering if misstatements suggest fraud. The standard highlights specific fraud risks in sustainability reporting, such as manipulating environmental data, misrepresenting social impact metrics, making false claims about supply chain practices, or selectively reporting only positive sustainability results. These fraud risks are different from financial fraud, requiring a tailored approach to fraud risk assessment. It also stresses the need to understand factors like pressures to perform well in sustainability, weaknesses in reporting systems, and attitudes that could lead to fraudulent reporting.

ISSA 5000 outlines the responsibilities of practitioners regarding non-compliance with laws and regulations related to sustainability. These include understanding the relevant legal and regulatory framework, performing procedures to identify non-compliance, responding appropriately if non-compliance is found or suspected, and communicating with management, governance, and regulatory authorities as necessary.

The standard recognizes the challenges posed by the diversity and rapid changes in sustainability regulations across jurisdictions. Practitioners must stay informed about various regulations, including those related to environmental impact, labor laws, human rights, product safety, industry-specific requirements, and emerging sustainability disclosures. The standard guides practitioners on how to understand these complex regulations without requiring legal expertise in all areas.

The standard provides guidance on how practitioners should respond when fraud or non-compliance is identified. The steps include understanding the situation, assessing its impact on sustainability information, communicating with the right management or governance levels, considering legal and ethical obligations about confidentiality and disclosure, and documenting the response and conclusions. The standard emphasizes that practitioners must act even if the issue involves parties outside the reporting entity, like suppliers or contractors, if their actions affect the sustainability information. Practitioners are advised to use careful judgment in deciding how to respond, especially when the issue involves both quantitative and qualitative sustainability aspects.



6.0 COMMUNICATION WITH MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE

ISSA 5000 sets a clear framework for communication between practitioners and entity representatives during sustainability assurance engagements. Effective communication helps clarify roles, ensure mutual understanding of the engagement's scope, address control deficiencies, share important findings, and support governance of sustainability reporting. The standard requires timely communication throughout the engagement, with formal communication at key stages.

It mandates specific communications, such as details about the engagement's scope, significant risks, difficulties encountered, uncorrected misstatements, fraud or non-compliance, and challenges in

obtaining evidence for sustainability claims. Practitioners should also discuss any inconsistencies or limitations in sustainability reporting.

The standard allows flexible communication methods, such as written reports, presentations, and informal discussions for less critical matters. All significant communications must be documented, including the date, method, participants, topics, and any follow-up actions. It emphasizes two-way communication, encouraging collaboration between practitioners and management, and recommends setting up clear communication protocols at the start, adjusting them as needed throughout the engagement.

7.0 DOCUMENTATION REQUIREMENTS

ISSA 5000 establishes principles for documentation that ensure an experienced practitioner can easily understand the procedures performed, the evidence obtained, significant matters, and the conclusions reached during a sustainability assurance engagement. The documentation serves as the primary record of the work performed, supports quality reviews, ensures compliance with standards, and provides continuity across engagement periods. It recognizes that sustainability assurance involves unique challenges, such as interdisciplinary subjects, evolving measurement methodologies, and complex reporting boundaries, and therefore allows flexibility in how documentation is approached, provided it maintains consistency to support the assurance conclusion.

The standard specifies that engagement documentation must include details such as the nature, characteristics, and boundaries of the subject matter, assessed risks, responses to those risks, procedure results, professional judgments, misstatements, communications with management, and conclusions on independence. For sustainability engagements, additional documentation is required

on the criteria used for sustainability reporting, expert involvement, measurement methodologies, assumptions behind calculations, and the basis for materiality determinations. This ensures that all significant aspects of the engagement are thoroughly documented to support the assurance conclusion.

ISSA 5000 also acknowledges the need for specialized documentation approaches in sustainability assurance, given the complexity of data collection, reporting boundaries, estimation methods, and the involvement of external data sources. The standard highlights the importance of documenting diverse data sources, varying control maturity levels, and the presence of both quantitative and qualitative data. Practitioners are encouraged to use tools like templates, cross-referencing techniques, or digital documentation systems to integrate information and clearly link identified risks, procedures performed, evidence obtained, and conclusions reached, ensuring that the documentation meets the standard's principles while addressing the unique challenges of sustainability assurance.



8.0 PRECONDITIONS FOR AN ASSURANCE ENGAGEMENT

ISSA 5000 requires practitioners to assess whether the preconditions for a sustainability assurance engagement are met before accepting the engagement. These preconditions include clear roles and responsibilities of all parties involved, the suitability of the subject matter for assurance, the availability of appropriate criteria for evaluation, the ability to gather necessary evidence, a rational purpose for the engagement, and the capability to meet quality management requirements. The evolving nature of sustainability reporting frameworks and varying maturity levels of reporting systems can make this assessment particularly challenging. Practitioners must use professional judgment to determine whether these preconditions are in place to ensure that the engagement has a solid foundation and can lead to a meaningful assurance conclusion.

The standard specifies that appropriate roles and responsibilities must be clearly defined before accepting an engagement. This includes identifying the party responsible for the subject matter and ensuring that the practitioner is independent of the responsible party, measurer, and evaluator. For sustainability information, roles may be complex due to multiple data owners across different functions, involvement of external

parties in data collection, and the use of third-party frameworks. Practitioners must clarify which parties are responsible for various aspects of the subject matter, data, and criteria application. In some cases, particularly with first-time sustainability assurance engagements, these responsibilities may need to be defined as part of the acceptance process.

ISSA 5000 also requires that the subject matter be identifiable and capable of being evaluated against suitable criteria. For sustainability assurance, practitioners must ensure that the subject matter is clearly defined, its boundaries are established, and appropriate criteria are available to users for evaluation. Suitable criteria should be relevant, complete, reliable, neutral, and understandable. These criteria could come from recognized sustainability frameworks, industry-specific guidelines, organizational policies, or regulatory requirements. The standard recognizes that the suitability of criteria may vary across different sustainability topics within the same engagement, requiring practitioners to evaluate the appropriateness of criteria for each significant aspect of the subject matter. This tailored approach acknowledges the diverse and evolving nature of sustainability information.

9.0 TERMS OF ASSURANCE ENGAGEMENT

ISSA 5000 requires practitioners to agree on the terms of the engagement with the engaging party, typically documented in an engagement letter or other written agreement. This agreement should outline the objective and scope of the engagement, the responsibilities of both the practitioner and the party responsible, applicable criteria, and the form and content of the assurance report.

Additional terms may include specifics on the sustainability information being assured, the level of assurance, boundaries of the information, reliance on third-party work, sampling methodologies, and timelines, especially for first-time engagements for sustainability assurance engagements. Clear engagement terms are crucial for establishing mutual understanding and setting proper expectations, particularly in the context of evolving sustainability reporting frameworks.

The standard also sets out requirements for handling any requested changes to engagement terms. Practitioners should only agree to changes that are justified and consider the impact of any changes on the engagement's integrity. Common change requests in sustainability assurance might include changes in the scope of assurance, adjustments

to criteria, or alterations in the timing of the engagement due to reporting system limitations. When evaluating such changes, practitioners must ensure that the revised engagement still meets the preconditions for assurance and maintains its rational purpose. The standard guides practitioners to distinguish between legitimate adjustments and those that could undermine the engagement's effectiveness or relevance to users.

ISSA 5000 provides additional guidance for sustainability assurance engagement letters, emphasizing the need for clear distinctions between assured and unassured information, and outlining the inherent limitations in measuring sustainability matters. It also requires clarification on materiality concepts for non-financial information, the use of subject matter experts, and the expected form of assurance conclusions. For recurring engagements, the terms should be revisited and potentially revised to reflect changes in reporting requirements, criteria, or the organization's circumstances. This approach recognizes the rapid evolution of sustainability reporting and ensures that engagement terms are a key element of quality management, helping to establish clear boundaries, align expectations, and resolve potential issues throughout the engagement.

10.0 EVIDENCE GATHERING AND EVALUATION

ISSA 5000 requires practitioners to gather appropriate evidence to support their assurance conclusions, particularly in the context of sustainability assurance, where the subject matter can span environmental, social, and governance domains. The standard recognizes the challenges posed by the diverse nature of sustainability information, such as varying measurement methodologies, the mix of quantitative and qualitative data, and limitations in data capture systems. Evidence for sustainability matters often differs from traditional financial or audit evidence, necessitating tailored evaluation approaches. Practitioners are encouraged to develop evidence-gathering strategies that are suited to the specific characteristics of the sustainability information being assured.

The standard outlines various procedures for obtaining evidence, including document inspection, observations, third-party confirmations, recalculations, re-performance of procedures, and analytical comparisons. For sustainability assurance, additional methods may include site visits to assess environmental practices, process walkthroughs for data collection, and testing of systems used to capture sustainability data. Practitioners are expected to select

appropriate procedures based on the risks assessed, the level of assurance required, and the nature of the subject matter. This flexibility allows for the adaptation of traditional assurance techniques or the development of specialized methods for certain sustainability topics, supporting effective and comprehensive evidence collection.

ISSA 5000 also emphasizes the importance of evaluating the reliability of evidence. Reliability is influenced by factors such as the independence and qualifications of the source, the effectiveness of internal controls over evidence preparation, and whether evidence is directly obtained by the practitioner. For sustainability assurance, practitioners must consider the technical expertise of those providing data, the maturity of data systems, and the consistency of methodologies over time. Professional skepticism is crucial when evaluating evidence, especially in areas requiring significant judgment or estimation. The standard encourages the development of comprehensive frameworks for evaluating both quantitative and qualitative sustainability information to ensure that the assurance conclusion is robust and defensible.

11.0 PLANNING METHODOLOGIES

ISSA 5000 requires practitioners to plan sustainability assurance engagements to enable effective execution. Planning involves developing an overall strategy and detailed plan that includes engagement characteristics defining its scope, key engagement indicators and completion targets, nature, timing, and extent of planned procedures, resource requirements, and coordination with other assurance providers if applicable.

For sustainability assurance, planning should consider the materiality of different sustainability topics to intended users, the complexity of sustainability data collection systems, the geographic distribution of operations providing data, the timing of sustainability reporting processes, and the integration of sustainability and financial reporting. The standard emphasizes that planning is a repeti-

tious process that continues throughout the engagement, with the plan updated as needed in response to unexpected events or findings. This adaptive approach recognizes the dynamic nature of sustainability assurance engagements, where new information may emerge throughout the engagement and require reconsideration of the planned approach.

ISSA 5000 addresses planning considerations for engagement teams, including briefing team members on the engagement objectives, discussing susceptibility to material misstatement, assigning appropriate tasks and responsibilities, establishing communication protocols within the team, determining the need for subject matter experts, and setting direction for documentation approaches. For sustainability assurance teams, which often include diverse expertise, planning should

address knowledge sharing between assurance specialists and subject matter experts, coordination of site visits or remote assessment procedures, standardized approaches for evaluating similar information across locations, protocols for escalating complex technical matters, and methods for ensuring consistent application of materiality across topics.

The standard emphasizes the importance of engagement team discussions about the potential for material misstatement, particularly in areas requiring significant judgment. These discussions help ensure a shared understanding of risks and a coordinated approach to addressing them, contributing to overall engagement quality and effectiveness. For sustainability assurance engagements involving multidisciplinary teams, planning should explicitly address how different areas of expertise will be integrated and how consistency in approach will be maintained across diverse subject matters.

The standard requires documentation of the overall engagement strategy, detailed engagement plan, and significant changes to the same during the engagement. This documentation should reflect key decisions about engagement scope and approaches, address the nature, timing, and extent of planned procedures, link planned procedures to assessed risks, establish clear roles and responsibilities, and set out the engagement timeline and key deliverables.

Planning documentation typically includes materiality considerations for different sustainability topics, site selection methodologies for sampling

operations, strategies for evaluating narrative sustainability claims, approaches for assessing forward-looking sustainability information, and coordination with financial statement auditors for overlapping areas. The standard emphasizes that planning documentation should be sufficiently detailed to guide engagement execution while remaining flexible enough to accommodate necessary adjustments as the engagement progresses.



The standard emphasizes the importance of engagement team discussions about the potential for material misstatement

Comprehensive planning documentation supports effective engagement management, facilitates appropriate supervision and review, and provides a reference point for quality control reviews and future engagement planning. For complex sustainability assurance engagements, planning documentation may include specialized elements such as subject matter expert deployment strategies, cross-functional coordination protocols, and approaches for integrating diverse information sources into a cohesive assurance conclusion.

12.0 RISK ASSESSMENT PROCEDURES

ISSA 5000 establishes a thorough framework for identifying and assessing risks of material misstatement in sustainability information. This framework requires practitioners to understand the entity and its environment, comprehend the applicable criteria and their application, and assess the entity's internal control system relevant to the preparation of sustainability information. Practitioners must identify areas where material misstatements are likely to occur and assess risks at both the subject matter information and assertion levels.

Risk assessment for sustainability assurance is influenced by the unique characteristics of sustainability reporting, such as the diverse nature of topics, varying maturity levels in data collection systems, the involvement of multiple organizational functions, and reliance on external data. Given the evolving nature of sustainability metrics and reporting methodologies, risk assessment in this context requires specialized approaches compared to financial statement audits. This risk assessment underpins a focused and efficient engagement approach, enabling practitioners to target areas with a higher likelihood of material misstatement.

The standard requires practitioners to develop a comprehensive understanding of the entity's industry, regulatory environment, operations, and organizational structure, including the selection and application of criteria for sustainability reporting. For sustainability assurance, this understanding should also extend to the entity's sustainability governance structure, key policies, commitments, targets, and stakeholder engagement processes. Practitioners should also examine industry benchmarks and peer reporting practices.

This deep contextual understanding helps in identifying and assessing risks, as sustainability



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risks often emerge from the interplay between entity-specific factors and broader societal or industry expectations. To develop this understanding, practitioners are encouraged to review documentation, interview management, observe operations, and analyze the sustainability context. By incorporating both traditional business considerations and sustainability-specific factors, this approach supports robust risk identification and assessment.

ISSA 5000 further requires practitioners to evaluate the entity's internal controls relevant to sustainability information preparation. This includes assessing the control environment, governance oversight, risk assessment processes, information systems supporting data collection, and monitoring activities for sustainability reporting. In the context of sustainability assurance, practitioners must also consider the integration of sustainability within governance

structures, the maturity of systems used to capture sustainability data, and the consistency of controls across different sustainability topics. Since control maturity can vary significantly across different areas of sustainability reporting, practitioners should tailor their control evaluations to the actual environment, rather than expecting uniform control sophistication across all areas.

This approach allows practitioners to identify strengths in controls that can enhance the engagement process, while also recognizing control limitations that may necessitate additional substantive testing. The standard emphasizes that risk assessment is an ongoing process throughout the engagement, requiring practitioners to stay alert to new risks as they gather evidence, ensuring that resources are allocated efficiently, and procedures are designed appropriately.



13.0 RESPONDING TO RISK OF MATERIAL MISSTATEMENT

ISSA 5000 requires practitioners to design and implement responses to the risks of material misstatement that have been identified during the assessment phase. These responses should be tailored to address the specific risks at the assertion level and should be proportional to the assessed risks. Practitioners are expected to obtain more persuasive evidence for higher risk areas. This could involve expanded substantive testing for high-risk sustainability metrics, increasing sample sizes for operations with significant sustainability impacts, or enhanced analysis of complex measurement methodologies.

Detailed evaluations of narrative claims that require significant judgment or testing of controls in mature sustainability reporting areas may be necessary. The standard emphasizes the need for proportionality, meaning that the level of response should correspond to the risk, allowing for the efficient allocation of resources while ensuring sufficient evidence to support the assurance conclusion.

ISSA 5000 outlines broader strategies for addressing risks at the subject matter information level. This includes ensuring professional skepticism is maintained throughout the engagement, utilizing more experienced staff for higher-risk areas, and incorporating unpredictability in the selection and timing of procedures. Overall responses may also involve expanding site visits to more operational locations, engaging subject matter

experts more extensively, or increasing coordination among team members with different specializations.

The standard stresses the importance of tailoring these overall responses to the unique circumstances of the engagement, considering the nature of the sustainability information and the entity's reporting systems. This flexible approach acknowledges that sustainability assurance often deals with diverse subject matters, each with varying risk profiles, and that the strategy should be adaptable as new information emerges during the engagement.

ISSA 5000 also provides guidance on testing controls, particularly when practitioners plan to rely on the operating effectiveness of controls as part of their evidence gathering procedures. Practitioners are encouraged to conduct thorough control testing in cases where procedures alone may not be sufficient. The standard also emphasizes the importance of documenting procedures related to subsequent events. This documentation should include the nature, timing, and extent of procedures performed to identify and assess any subsequent events, the impact these events may have on sustainability information, and any communications with management or those responsible for governance regarding these events. This detailed documentation helps ensure a comprehensive record of the engagement and supports the assurance conclusion.



14.0 EVIDENCE IN SUSTAINABILITY ASSURANCE ENGAGEMENTS

Written representations from management and those charged with governance are a critical source of evidence in sustainability assurance engagements. ISSA 5000 establishes requirements for practitioners to request and evaluate these representations, recognizing their importance in supporting other evidence obtained during the engagement.

The standard requires practitioners to request written representations from management and, when appropriate, those charged with governance, who have appropriate responsibilities and knowledge of the matters concerned. These representations should be in the form of a representation letter addressed to the practitioner and should include specific acknowledgments and statements relevant to the engagement.

Written representations should include acknowledgment of management's responsibility for preparing the sustainability information in accordance with the applicable criteria, for establishing and maintaining internal control necessary for the preparation of sustainability information that is free from material misstatement, and for providing the practitioner with access to all relevant information. Representations should also include statements that all relevant matters have been reflected in sustainability information, that all events after the period covered by the sustainability information that require adjustment or disclosure have been adjusted or disclosed, and that the effects of uncorrected misstatements are immaterial, individually and in aggregate, to the sustainability information.

ISSA 5000 emphasizes that written representations should be modified to the specific circumstances of the engagement. For sustainability information, this may include representations about the completeness and accuracy of specific sustainability indicators, the appropriateness of methodologies and assumptions used in preparing the information, compliance with relevant laws and regulations, and the integrity of systems and controls supporting the preparation of the information.

The standard acknowledges that while written representations provide necessary evidence, they do not provide sufficient appropriate evidence on their own about any of the matters with which they deal. Practitioners should seek evidence from other sources and evaluate the fairness of representations considering other evidence obtained during the engagement.

ISSA 5000 also addresses the actions to be taken if there are doubts about the reliability of written representations or if requested written representations are not provided. In these cases, practitioners should discuss the matter with management and those charged with governance, reevaluate the integrity of those from whom representations were requested, and consider the implications for the reliability of other representations and evidence more generally.

It also emphasizes the importance of the date of written representations. Representations should be dated as near as practicable to, but not after the date of the assurance report. This ensures that the representations cover all events up to the date of the assurance report that may require adjustment of, or disclosure in, the sustainability information.





15.0 FORMING THE ASSURANCE CONCLUSION AND PREPARING THE ASSURANCE REPORT

The conclusion of a sustainability assurance engagement is the formation of a conclusion and the preparation of an assurance report. ISSA 5000 provides a guidance on these critical processes, ensuring that practitioners express appropriate conclusions based on the evidence obtained and communicate these conclusions clearly to intended users.

The standard requires practitioners to form a conclusion on whether the sustainability information is free from material misstatement. This conclusion should be based on an evaluation of the sufficiency and appropriateness of evidence obtained, the materiality of uncorrected misstatements, and compliance with the applicable criteria. The practitioner should exercise professional judgment in making this evaluation, considering both quantitative and qualitative factors.

For reasonable assurance engagements, the conclusion is expressed in a positive form, stating that the sustainability information is prepared, in all material respects, in accordance with the applicable criteria. For limited assurance engagements, the conclusion is expressed in a negative form, stating that nothing has come to the practitioner's attention that causes them to believe that the sustainability information is not prepared, in all material respects, in accordance with the applicable criteria.

ISSA 5000 emphasizes that the assurance report should be in writing and should contain a clear expression of the practitioner's conclusion about the sustainability information. The report should include specific elements that enable users to understand the nature and scope of the engagement, the responsibilities of the various parties, the work done, and the basis for the conclusion.

These elements include an informative title, an addressee, an identification of the sustainability information, an identification of the applicable criteria, a description of any inherent limitations associated with the measurement or evaluation of the underlying subject matter, a statement of the responsibilities of management and the practitioner, a statement that the engagement was performed in accordance with ISSAs, a summary of the work performed, the practitioner's conclusion, and the practitioner's signature, date, and location.

The standard acknowledges that the form and content of the assurance report will depend on whether the engagement is a reasonable assurance or limited assurance engagement. For limited assurance engagements, the report should include a statement that the procedures performed vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

ISSA 5000 also addresses the inclusion of emphasis of matter paragraphs and other matter paragraphs in the assurance report. An emphasis of matter paragraph refers to a matter that is appropriately presented or disclosed in sustainability infor-

mation but, in the practitioner's judgment, is of such importance that it is fundamental to users' understanding of sustainability information. An "other matter" paragraph refers to a matter other than those presented or disclosed in the sustainability information that, in the practitioner's judgment, is relevant to users' understanding of the engagement, the practitioner's responsibilities, or the assurance report.

The standard provides guidance on modified conclusions. When the sustainability information is materially misstated, when the practitioner is unable to obtain sufficient appropriate evidence, or when there is a scope limitation, the practitioner should express a qualified conclusion, an adverse conclusion, or a disclaimer of conclusion, as appropriate in the circumstances. The assurance report should include a clear description of the reasons for the modification.

The standard emphasizes the importance of clear communication in the assurance report. The report should be written in clear, unambiguous language that conveys the appropriate level of assurance and that is neither misleading nor open to misinterpretation. It should be specific to the circumstances of the engagement and should not use standardized language without considering whether it is appropriate for the engagement.

16.0 CONCLUSION

The ISSA 5000 represents a significant advancement in the field of sustainability assurance. By establishing comprehensive requirements and guidance for practitioners conducting assurance engagements on sustainability information, ISSA 5000 enhances the credibility of sustainability reporting and supports the growing demand for reliable sustainability information.

The standard reports the challenges of sustainability assurance, including the diverse nature of sustainability information, the evolving reporting frameworks, and the specialized knowledge required to evaluate sustainability disclosures. It provides a detailed framework for practitioners to plan and perform engagements, assess risks, gather evidence, and form conclusions, considering the specific characteristics of sustainability information.

ISSA 5000 also emphasizes the importance of quality management at both the firm and engagement levels, recognizing that high-quality sustainability assurance requires appropriate competence, capabilities, and resources. The standard's requirements for communication with management and those charged with governance ensure that significant matters are addressed in a timely manner, enhancing the effectiveness of the assurance process.

The standard provisions on fraud and non-compliance with laws and regulations reflect the growing importance of integrity and transparency in sustainability reporting. The requirement of practitioners is to consider these risks and to respond appropriately when issues are identified. ISSA 5000 contributes to the detection and prevention of misleading sustainability information.

The approach to documentation by the standard is to ensure that assurance engagements are properly recorded, providing evidence of the work performed, the judgments made, and the conclusions reached. This documentation supports quality control reviews, regulatory inspections, and the development of good practice in sustainability assurance.

ISSA 5000 provides a foundation for consistent and high-quality assurance practices as the sustainability reporting continue to evolve. Practitioners can perform engagements by following the requirements and guidance in the standard that meet the needs of intended users and contribute to the reliability and credibility of sustainability information.

In conclusion, ISSA 5000 represents a step forward in the standardization and professionalization of sustainability assurance. It responds to the growing importance of sustainability information in decision-making by investors, regulators, consumers, and other stakeholders, and provides a framework for practitioners to deliver assurance services that meet the expectations of these diverse stakeholders.



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