

# Snapshot of ISSA 5000

## ISSA 5000: ADDRESSING THE CHALLENGES OF SUSTAINABILITY REPORTING

### THE CHALLENGE

Sustainability reporting is expanding globally with a strong ESG focus but faces key challenges. Diverse frameworks create inconsistencies, lack of universal assurance standards affects credibility, and growing stakeholder demands require more transparency. Greater standardization, collaboration, and innovation are essential for improving reliability and comparability.

### THE SOLUTION

In view of stakeholder demand on the sustainability assurance the International Auditing and Assurance Standards Board (IAASB) has developed International Standard on Sustainability Assurance (ISSA) 5000 to provide guidance while performing assurance engagement for sustainability information. This standard aligns with global sustainability reporting trends, enhancing trust and stakeholder confidence in ESG disclosures.

### STANDALONE GLOBAL BASELINE STANDARD FOR SUSTAINABILITY ASSURANCE ENGAGEMENT

ISSA 5000 is a principle-based standard that does not require reference to any other standard except ISQMs for quality management and the IESBA Code of Ethics. ISAE 3410 for assurance on greenhouse gas statements will be withdrawn upon ISSA 5000's effective date, while ISAE 3000 (Revised) will remain for other assurance engagements.

### WHO USES ISSA 5000?



#### Profession-Agnostic

ISSA 5000 is designed to be profession-agnostic, applicable to any assurance practitioner.



#### Ethical Compliance

Practitioners must adhere to the IESBA Code and be part of a firm following ISQM 1 or equivalent quality standards.



#### Jurisdictional Variations

Local laws and regulations may impose additional requirements on who can perform sustainability assurance engagements.

### APPLICABILITY

#### Broad Applicability

ISSA 5000 applies to all aspects of sustainability information, encompassing topics, disclosures, reporting mechanisms, and standards.

#### Assurance Levels

The standard sets forth principle-based requirements for both limited and reasonable assurance engagements.

#### Clear Objective

The goal is to enhance users' confidence in sustainability information by providing assurance through procedures that check for material misstatements.

### ASSURANCE PRACTITIONER: EXPANDING THE SCOPE

While traditional ISAs and ISAEs primarily address Professional Accountant (PA), ISSA 5000 broadens the definition to include other professionals performing sustainability assurance engagements provided they meet ethical requirements and quality management standards equivalent to those for PA. They are also named as 'Engagement Leader' in ISSA 5000.

### ISSA 5000 Includes:

Fundamental  
Concepts &  
Principles

Acceptance or  
Continuance  
of an Audit  
Engagement

Firm &  
Engagement  
Quality  
Management

Planning

Risk  
Identification  
and  
Assessment

Responding to  
Assessed Risks  
of Material  
Misstatement

Audit Evidence  
and  
Documentation

Concluding

Forming an  
Opinion and  
Reporting

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## UNDERSTANDING KEY DEFINITIONS

- ✓ **Sustainability information**  
Refers to data about sustainability matters. Within ISSA 5000, it results from measuring or evaluating sustainability matters against specific criteria.
- ✓ **Sustainability matters**  
Encompass environmental, social, governance, or other sustainability-related aspects defined by law or relevant frameworks.
- ✓ **Sustainability frameworks**  
Provide guidelines for organizations to prepare and present sustainability information. Examples include IFRS Sustainability Disclosure Standards S1 and S2.
- ✓ **Double materiality**  
Recognizes that sustainability information can be material from two perspectives: quantitative and qualitative.

## SUITABILITY AND AVAILABILITY OF CRITERIA



Practitioners must assess the suitability and availability of criteria for sustainability information, ensuring they are relevant, complete, reliable, neutral, and understandable.



Practitioners need to determine if the criteria are framework-based, entity-developed, or a combination and ensure they are accessible to intended users.



If preconditions are not met, practitioners must discuss the issue with the engaging party and may decline the engagement unless legally required.

## Practitioner's Consideration of Entity's Process to Identify Sustainability Information to be Reported

### Engagement acceptance & continuance

Consider if the entity has a process to identify sustainability information to be reported and the criteria are suitable

### Risk Assessment

Understanding of sustainability matters and sustainability information.  
Evaluate information system & Identify control deficiencies.

### Responding to Risks

Performing further procedures

### Accumulation and Consideration of Identified Misstatements

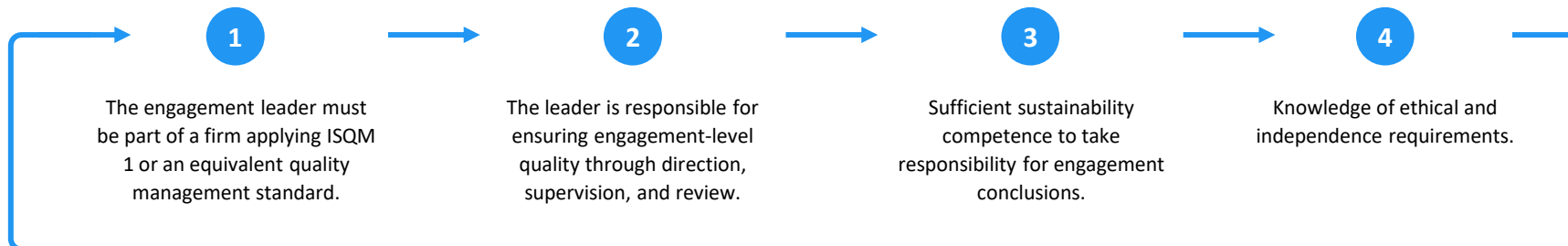
Omitted or obscured material sustainability information

### Concluding

Materiality of omissions from, or information obscuring, the sustainability information reported

### Reporting

Express a conclusion, modified if material sustainability information is omitted or obscured



## KEY CHARACTERISTICS OF ENGAGEMENT LEADER

**EFFECTIVE DATE:** ISSA 5000 will be effective for sustainability assurance engagements for periods beginning on or after December 15, 2026, with earlier application permitted.