

# General Requirements for Sustainability Assurance Engagements

## Responses to Exposure Draft

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September 2023

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December 18, 2023

By [online](#) form

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Dear Ms. DeGiobbi,

**Re: Comments on Exposure Draft – Proposed Canadian Standard on Sustainability Assurance (CSSA 5000),  
Canadian amendment and potential additional Canadian amendments questions**

We are pleased to provide our comments on the Canadian amendments that the Auditing and Assurance Standards Board (“AASB”) has proposed as part of the decision to adopt ISSA 5000 as an Other Canadian Standard under a new Canadian Standard on Sustainability Assurance (“CSSA”) series of standards.

The views expressed in this submission are those of the Canadian member firm of the Deloitte Touche Tohmatsu Limited global network, and only include responses to certain of the AASB’s specific questions as set out in their exposure draft.

Our global firm has recently responded to the International Auditing and Assurance Standards Board’s (IAASB) Exposure Draft, *Proposed International Standard on Sustainability Assurance 5000, General Requirements for Sustainability Assurance Engagements and Proposed Conforming Amendments to Other IAASB Standards*.

We would be pleased to discuss any questions or comments you may have with respect to our comments included herein or any other aspects of the AASB’s Canadian amendments and potential additional Canadian amendments questions. Please contact Matthew Welchinski ([mwelchinski@deloitte.ca](mailto:mwelchinski@deloitte.ca)) for further information.

Yours truly,



Matthew Welchinski  
Deloitte LLP

## Responses to Canadian amendments questions

***Q4. Do you agree with the proposed Canadian amendments to ISSA 5000 to adopt it as CSSA 5000? If not, what Canadian amendments do you believe may be required, and why? Note: Any proposed amendments would need to meet the criteria set out in the Appendix.***

We have concerns about the proposed Canadian amendment to replace references to the IESBA Code and references to the fundamental principles in the IESBA Code in ISSA 5000 within the introduction, definitions, application material and illustrative reports with the Canadian equivalents, for the reasons outlined below.

ISSA 5000 requires that:

*The members of the engagement team and the engagement quality reviewer (for those engagements where one has been appointed) are subject to the provisions of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) related to assurance engagements, or other professional requirements, or requirements in law or regulation, that are at least as demanding. (5(a))*

While it has been a longstanding position of the AASB to replace references to the IESBA code with Canadian equivalents, due to the volume of changes made recently to the IESBA code, without corresponding changes to the provincial codes of conduct, we are concerned that the Canadian amendment may no longer represent provisions that are “as least as demanding” pertaining to relevant ethical requirements.

We understand that the AASB has undertaken discussions and work is in progress with the relevant ethical and independence standard setting bodies in Canada to determine how to reflect the most recent IESBA code updates in our Canadian codes. We would encourage the AASB to continue to influence the progression of that work, including any potential public exposure, to ensure that the Canadian amendment proposed to CSSA 5000 meets its intended purpose.

The issue is further compounded with CSSA 5000, based on its design to be “profession agnostic”, which will require non-professional accountants to understand what the relevant ethical requirements in Canada, therefore, we recommend that the Canadian amendment should provide the detail necessary for practitioners from all backgrounds to be able to determine whether they are subject to ethical and independence standards that are at least as demanding as the IESBA code.

***Q5. In your experience, are direct engagements on sustainability information in Canada prevalent? If your answer is “yes”:***

- (a) Do you agree with the proposed Canadian conforming amendment to add proposed paragraph 7A to CSAE 3001? If you do not agree with the proposed amendment, please explain why.

(b) Do you believe that a future standard-setting project for direct engagements on sustainability information is needed?

- (i) If “yes,” please provide examples of the engagement circumstances that would apply.
- (ii) If “no,” please explain why.

We have no disagreement on the proposed Canadian conforming amendment to add paragraph 7A to CSAE 3001, however, in our practice, direct engagements on sustainability information in Canada are not prevalent.

*Q6. The proposed standard is named CSSA 5000, General Requirements for Sustainability Assurance Engagements. The AASB already has an existing standard with the same numbering, Canadian Standard on Association (CSOA) 5000, Use of the Practitioner’s Communication or Name. Do you believe there will be confusion between the two standards in the marketplace? If your answer is “yes,” do you agree that for the reasons outlined below, CSOA 5000 should be renumbered to a new series (e.g., CSOA 8000)?*

- CSOA 5000 is a stand-alone Canadian standard and can be renumbered with limited amendments to other standards or regulation.
- Maintaining the 5000 series numbering for the CSSA indicates alignment with ISSA 5000 and supports the addition of any future CSSAs within that series.

If your answer is “no,” please explain why.

Yes, we agree with the Board’s view that there may be confusion between the two standards in the marketplace. We agree that for the reasons outlined above, CSOA 5000 should be renumbered to a new series (e.g., CSOA 8000).

#### Responses to potential additional Canadian amendments questions

*Q7. Do you think Canadian amendments are required in CSSA 5000 related to Indigenous matters, in particular, the role meaningful consultation with Indigenous Peoples plays in this standard?*

- (a) If your answer is “yes”, do you agree with the potential Canadian amendments to paragraph 72 in ISSA 5000 and related application material? If not, what Canadian amendments do you believe may be required, and why? Any proposed amendments need to meet the criteria set out in the Appendix.

We applaud the AASB’s efforts to ensure that standard-setting processes in Canada, including sustainability standards, reflect and respond to the unique rights of and responsibilities to Indigenous Peoples and believe this is best achieved through the inclusion of Indigenous Peoples (First Nations, Inuit and Métis), governments and individuals in all aspects of the standard-setting process.

However, we believe that further outreach and consultation with the relevant interested parties is necessary by the AASB prior to the finalization of the potential Canadian amendment in CSSA 5000. We would encourage you to reach out to the Assembly of First Nations (AFN), Métis Nation of Canada (MNC) and Inuit Tapiriit Kanatami (ITK) to gain their perspective and insights.

Some topics which may require further discussion and consultation include:

- The practical application of evaluating “whether the entity has engaged in meaningful consultation with Indigenous Peoples” as proposed in paragraph C72(e). Without a clear definition or framework for assessing “engaged” and “meaningful consultation”, the amendment could be misunderstood, misapplied and/or subject to inconsistent application by practitioners, particularly as it relates to acceptance and continuance decisions. Although the proposed application guidance, CA185C, does include some guidance as to what may be considered meaningful, we believe consultation with relevant interested parties will provide the AASB with feedback to consider possible refinements to the language.
- Whether or not the potential Canadian amendment is better suited to the sustainability reporting standards vs. the assurance standard and contemplation of coordination with the Canadian Sustainability Standards Board on this topic.

Additionally, the AASB may want to take the following into account as part of their existing and go forward processes and consultations with Indigenous Peoples:

- Case law regarding consultation standard with Indigenous Peoples requires that it must also be “adequate.” How will the AASB consider this concept for adequate engagement and consultation for First Nations, Inuit, and Métis in Canada?
- Canada has adopted the United Nations Declaration on the Rights of Indigenous Peoples and Article 19 is as follows:
  - o *States shall consult and cooperate in good faith with the indigenous peoples concerned through their own respective institutions in order to obtain their free, prior and informed consent before adopting and implementing legislative or administrative measures that may affect them.*

Indigenous Peoples are increasingly referring to Article 19 of the UNDRIP as “FPIC” which is consistently being called for as the new standard of adequate and meaningful participation from their point of view. The FPIC standard should also be referenced during a discussion about setting definitions around what is “adequate” and “meaningful” consultations with Indigenous Peoples.



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21 December 2023

**AASB Exposure Draft - Proposed Canadian Standard on Sustainability Assurance 5000, General Requirements for Sustainability Assurance Engagements**

Dear Ms DeGiobbi

We are pleased to provide our response to the Auditing and Assurance Standards Board on the proposed Canadian amendments and potential additional Canadian amendments questions in the Exposure Draft, *Proposed Canadian Standard on Sustainability Assurance (CSSA) 5000, General Requirements for Sustainability Assurance Engagements*.

We have set out our detailed responses to the consultation questions below. Moreover, we wish to highlight that we strongly support the consideration of Indigenous Peoples by preparers in sustainability information and practitioners in sustainability assurance engagements. We believe proposed International Standard on Sustainability Assurance (ISSA) 5000 adequately requires the practitioner to consider all intended users, which includes Indigenous Peoples when they are intended users of the sustainability assurance report, without additional Canadian amendments. We are supportive of further outreach and consultation by the AASB before concluding on the need for Canadian amendments to proposed ISSA 5000.

**Canadian amendments questions**

4. *Do you agree with the proposed Canadian amendments to ISSA 5000 to adopt it as CSSA 5000? If not, what Canadian amendments do you believe may be required, and why? Note: Any proposed amendments would need to meet the criteria set out in the Appendix.*

Yes, we agree with the proposed Canadian amendments to ISSA 5000 to adopt it as CSSA 5000.

5. *In your experience, are direct engagements on sustainability information in Canada prevalent?*

No, it has not been our experience that direct engagements on sustainability information in Canada are prevalent.

6. *The proposed standard is named CSSA 5000, General Requirements for Sustainability Assurance Engagements. The AASB already has an existing standard with the same numbering, Canadian Standard on Association (CSOA) 5000, Use of the Practitioner's Communication or Name. Do you believe there will*



*be confusion between the two standards in the marketplace? If your answer is “yes,” do you agree that for the reasons outlined below, CSOA 5000 should be renumbered to a new series (e.g., CSOA 8000)?*

- *CSOA 5000 is a stand-alone Canadian standard and can be renumbered with limited amendments to other standards or regulation.*
- *Maintaining the 5000 series numbering for the CSSA indicates alignment with ISSA 5000 and supports the addition of any future CSSAs within that series.*

We agree with the proposed renumbering to a new series for CSOA 5000 to avoid confusion between the two standards.

#### **Potential additional Canadian amendments questions**

*7. Do you think Canadian amendments are required in CSSA 5000 related to Indigenous matters, in particular, the role meaningful consultation with Indigenous Peoples plays in this standard?*

We strongly support consideration of Indigenous Peoples as intended users of the practitioner’s sustainability assurance report.

The exposure draft does not mention whether the input received by the AASB from Canadian interested and affected parties included specific input from Indigenous Peoples in relation to the potential additional Canadian amendments being considered. Specific information on what the AASB heard from Indigenous Peoples in relation to the potential additional Canadian amendments would be useful input to further inform our views on this topic. We welcome additional input as to whether amendments to the requirements for the practitioner to consider all intended users of the sustainability assurance report already included in ISSA 5000 are necessary to serve the Canadian public interest and maintain the quality of auditing and reporting in Canada. To the extent that the perspectives of Indigenous Peoples have not been obtained, we would encourage the AASB to engage in further outreach and consultation before concluding on this important question.

Notwithstanding our comment above, if the AASB decides to proceed with the potential additional Canadian amendments to paragraph 72, we believe that certain clarifications would be needed. We find that paragraph C72(e), as presented, lacks clarity of purpose and sufficient explanation of how the requirements would be applied. More specifically, it is not apparent what the response of the practitioner would be following their evaluation of whether the entity has engaged in meaningful consultation.

In addition, we believe paragraph C72(e) establishes an indirect requirement for entities to engage in meaningful consultation with Indigenous Peoples. The proposed requirement may be more appropriately addressed by the sustainability reporting framework (i.e. criteria) being followed by the entity, as it appears to be more of a characteristic of the criteria applied by the entity. It is not clear how a requirement for the practitioner as part of the assurance standard, without a corresponding requirement in the reporting framework, would benefit Indigenous Peoples.



Additional application material to paragraph 72 may be useful to support the practitioner in evaluating whether there are particular considerations relevant to Indigenous Peoples which might have arisen from consultations conducted by the entity.

We appreciate the opportunity to comment on the proposed Canadian amendments and potential additional Canadian amendments questions to CSSA 5000. Please contact Zahid Fazal (Managing Partner - Assurance) or Janice Rath (Professional Practice Director) if you wish to discuss these or any other matters.

Yours sincerely



Chartered Professional Accountants  
Licensed Public Accountants



November 8, 2023

Auditing and Assurance Standards Board  
Karen DeGiobbi, CPA, CA  
Director, Auditing and Assurance Standards  
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Dear Ms. DeGiobbi:

**RE: Auditing and Assurance Standards Board's ("AASB") proposed Canadian Standard on Sustainability Assurance (the "CSSA") 5000, General Requirements for Sustainability Assurance Engagements (the "Canadian Standard")**

Please find accept this letter as our general feedback to the AASB's request for comments on the Canadian Standard.

The First Nations Financial Management Board (the "FMB") is a First Nations-led organization established under the *First Nations Fiscal Management Act*.<sup>1</sup>

In this response, we will use the word "practitioner" to refer to the auditor, assessor, or other professional who evaluates a sustainability report. We will use the word "preparer" to refer to the person or company that prepared a sustainability report.

#### **I. About the Canadian Standard**

The Canadian Standard, based on the International Auditing and Assurance Standards Board's (the "IAASB") exposure draft International Standard of Sustainability Assurance 5000 ("ISSA 5000"), is an important part of the sustainability reporting landscape.<sup>2</sup> These assurance standards will provide the necessary check and balance on sustainability reporting, providing practitioners with the suite of best practices to assure sustainability disclosures. It is reassuring to see that the Canadian Standard, like the draft ISSA 5000, is both profession and standard agnostic.

At the outset, we would like to commend the AASB on the preparation of the Canadian Standard. The draft ISSA 5000 is an ambitious start but, as rightly addressed by the AASB, it is not a perfect proposal for Canada's unique corporate landscape. We are particularly pleased to see that the AASB has correctly identified the need for the Canadian Standard to specifically include Indigenous factors, beyond including Indigenous Peoples as an example of an intended user. We agree that a practitioner should evaluate whether the preparer has fairly and accurately disclosed if it has "meaningfully consulted" with Indigenous Peoples, as set out in draft Canadian Standard. This requires that preparers provide evidence of commitments to Indigenous communities that have real outcomes for communities.

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<sup>1</sup> S.C. 2005, c. 9. The FMB works with clients to develop fiscal capacity and responsible fiscal governance, and further serves Indigenous people by advocating for the necessary inclusion of Indigenous interests in financial and economic policy matters throughout Canada and internationally.

<sup>2</sup> See also: Independent Review Committee on Standard Setting in Canada, Final Report, March 1, 2023, available [online](#) at section 2.5 ("IRCSSC").

## **II. Specific Questions from AASB**

We have only provided answers to questions where we have specific views.

### **a. Question Two: Implementation Challenges**

*“What implementation challenges, if any, might the proposed standard create for practitioners in Canada?”*

We anticipate that, as with any new standard, there will be challenges in socializing the Canadian Standard and ensuring that practitioners understand how and when to apply the Canadian Standard. Generally, we anticipate that these challenges will be the same for both the Canadian Standard and the ISSA 5000.

We have identified that there may be an additional challenge associated with evaluating whether a preparer has engaged in meaningful consultation with Indigenous Peoples. It is essential that preparers provide evidence for practitioners to assess whether the preparer has consulted with Indigenous communities, and not merely individuals. Practitioners should be able to assess whether a preparer’s commitments are particularized to impacted Indigenous communities. Accordingly, we have the following suggestions:

- We recommend that the AASB prepare additional guidance for practitioners to evaluate whether “meaningful consultation” with Indigenous Peoples has taken place;
- We recommend that the AASB review consultation resources that have been prepared by Indigenous-led organizations, such as First Peoples Worldwide’s “Free, Prior and Informed Consent Due Diligence [Questionnaire](#)”;
- We encourage the AASB to consider connecting with First Peoples Worldwide to use or adapt the questionnaire for assurance purposes; and
- We recommend the AASB review the sections and recommendations in the IRCSSC regarding how to effectively consider Indigenous perspectives, including those related to the creation of the Indigenous Council on Financial Reporting and Standards Setting (“**ICFRSS**”).”

### **b. Question Three: Timeline**

*“The AASB anticipates that the IAASB will approve the final standard in September 2024. The proposed effective date is approximately 18 months after approval. What concerns, if any, do you have with this timeline?”*

In our view, 18 months following approval of the ISSA 5000 should be adequate for practitioners to become appropriately familiar with the Canadian Standard. The Canadian Standard is largely consistent with existing best practices in assurance reporting, and should not require significant changes to existing processes.

We acknowledge that, because the Canadian Standard is profession agnostic, some practitioners may come from non-accounting and non-auditing sectors and backgrounds. Those practitioners will have more work to do in order to become appropriately familiar with the requirements of the Canadian Standard.

Finally, it is necessary for the AASB to educate and inform practitioners on their obligations to implement Truth and Reconciliation Call to Action 92 (“**TRC 92**”). These obligations will be important for practitioners to appropriately undertake assurance engagements under the Canadian Standard. We recommend that the AASB plan that this practitioner education be done on a concurrent timeline with the rollout of the Canadian Standard.

We nonetheless think that 18 months from approval of the ISSA 5000 ought to be an adequate period for all potential practitioners.

### **III. Additional Comments from FMB**

#### **a. Consultation**

In preparing the Canadian Standard, the FMB reminds the AASB that Indigenous Peoples should be specifically included in the preparation of the standard. Canada's Indigenous Peoples have long been excluded from true participation in corporate Canada because of racist and discriminatory laws, policies and behaviours. Accordingly, the FMB is pleased that the AASB is preparing the Canadian Standard with specific inclusion for practitioners to evaluate whether a practitioner has "meaningfully consulted" with Indigenous Peoples.

We make these comments in light of TRC 92, which calls upon Canada's corporate sector to be an active participant in Indigenous reconciliation:

*We call upon the corporate sector in Canada to adopt the United Nations Declaration on the Rights of Indigenous Peoples as a reconciliation framework and to apply its principles, norms, and standards to corporate policy and core operational activities involving Indigenous peoples and their lands and resources. This would include, but not be limited to, the following:*

*Commit to meaningful consultation, building respectful relationships, and obtaining the free, prior, and informed consent of Indigenous peoples before proceeding with economic development projects.*

*Ensure that Aboriginal peoples have equitable access to jobs, training, and education opportunities in the corporate sector, and that Aboriginal communities gain long-term sustainable benefits from economic development projects.*

*Provide education for management and staff on the history of Aboriginal peoples, including the history and legacy of residential schools, the United Nations Declaration on the Rights of Indigenous Peoples, Treaties and Aboriginal rights, Indigenous law, and Aboriginal–Crown relations. This will require skills-based training in intercultural competency, conflict resolution, human rights, and anti-racism.*

An excellent starting point with any policy that will affect Indigenous peoples is "nothing about us, without us". Accordingly, we urge the AASB to engage directly with Indigenous rights-holders on this important standard. The best source of knowledge about how a policy or proposal will affect Indigenous People is the Indigenous People themselves.

#### **b. Indigenous Factors must be considered in the sustainability assurance standards to avoid auditing risks**

Sustainability assurance standards must include an informed risk assessment of Indigenous factors. At both the Canadian and international levels, sustainability disclosures will include disclosures about Indigenous rights, risks and opportunities. A practitioner must be able to assess whether a preparer



omitted any disclosure of risk in this area (either deliberately to mislead investors, or as a result of ignorance or corporate blind spots).

In Canada, we know that less than 1% of CBCA board members are Indigenous.<sup>3</sup> This creates the conditions for material risk to users of sustainability assurance reports in any Indigenous-intensive industry, which are industries that disproportionately affect Indigenous Peoples, by operating on their lands or otherwise. These industries include mining, energy (including oil and gas), telecommunications, clean technology (including pipelines, and oil and gas), and financial services.

However, it is not only in Canada where this type of information is material to intended users. Take, for example, Rio Tinto's infamous [destruction of the Juukan Gorge Caves](#) during a permitted expansion of its iron ore project in the Pilbara region of Western Australia. The destroyed Aboriginal caves dated back 46,000 years and contained countless Aboriginal artefacts. While the expansion had been approved by authorities in 2013, what disclosures had Rio Tinto made to investors and shareholders about the importance of the site to Aboriginal rights holders, or of the consent impacted Aboriginal people had given to it to complete the expansion at or near the caves? Would this information have been material to investors decisions regarding the project? A sustainability assurance engagement must be able to account for this type of material disclosure or omission.

#### **IV. Closing Remarks**

The FMB is pleased to participate in this important consultation. We look forward to providing our additional comments to the AASB regarding the Canadian Standard. Please do not hesitate to contact the undersigned if you would like to speak further.

Sincerely,

#### **FIRST NATIONS FINANCIAL MANAGEMENT BOARD**

Per: "*Scott Munro*"

Scott Munro, CPA, CA, CAFM  
Deputy Chief Executive Officer

cc: Harold Calla, Executive Chair, First Nations Financial Management Board  
Geordie Hungerford, Chief Executive Officer, F First Nations Financial Management Board

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<sup>3</sup> Osler, 2023 Diversity Disclosure Practices: Diversity and leadership at Canadian public companies, available [online](#), at pg. 41.

January 11, 2024

By E-mail

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Dear Mmes. Spensieri and Field:

RE: **AASB Exposure Draft, “CSSA 5000, General Requirements for Sustainability Assurance Engagements”**

Please accept this letter from the First Nations Financial Management Board as our comments on the AASB Exposure Draft, “CSSA 5000, General Requirements for Sustainability Assurance Engagements” (“CSSA 5000”).

The Truth and Reconciliation Commission (“TRC”) Call to Action 92 calls on corporate Canada to adopt the United Nations Declaration on the Rights of Indigenous Peoples (“UNDRIP”) as a reconciliation framework, and to incorporate UNDRIP in policies and core operational activities. It further calls on corporate Canada to educate and train employees on the true history of Canada’s Indigenous Peoples. The AASB plays an essential role in corporate Canada, and we are pleased to see that CSSA 5000 includes Indigenous matters.

**I. Introductory Comments and Canada’s Necessary Focus on Indigenous Issues**

Sustainability auditing and assurance is essential to ensuring users can confidently rely on an entity’s sustainability reporting. Sustainability disclosures are material to investors, as these disclosures highlight an entity’s risks and opportunities associated with climate, biodiversity loss, human rights, human capital, and other sustainability issues. Some sustainability issues will be universally important (e.g. greenhouse gas emissions), while others will be specific to regions or countries (e.g. biodiversity loss).

Canada is unique in several ways. Canada’s economy is heavily dependent on natural resources. Further, many organizations in Canada are situated on Indigenous lands and traditional territories. We are accordingly pleased to see the AASB has proposed a Canadian amendment to International Standard on Sustainability Assurance (“ISSA”) 5000, the CSSA 5000.

Indigenous lands and territories are indelibly intertwined with business in Canada, with over 60% of TSX non-venture issuers operating in Indigenous-intensive industries, or industries that disproportionately affect Indigenous Peoples, by operating on their lands or otherwise. These industries include mining, energy, oil and gas, utilities and pipelines, telecommunications, clean technology and renewable energy, and financial services.





Accordingly, Indigenous Peoples and their lands and territories are essential to Canada's economy. Sustainability disclosures in Canada will, or ought to, include disclosures about Indigenous-specific issues, including issues regarding consultation; free, prior and informed consent ("FPIC"); Indigenous diversity on boards, senior management, and along all business lines; UNDRIP; the TRC Final Report and Calls to Action; the Viens Commission Report and Calls for Action, and more. This means that practitioners have a responsibility to understand these concepts in order to be competent to provide sustainability assurance services.

## II. Specific Questions posed by the AASB

We have not responded to all questions.

- A. **Question Four: Do you agree with the proposed Canadian amendments to ISSA 5000 to adopt it as CSSA 5000? If not, what Canadian amendments do you believe may be required, and why? Note: Any proposed amendments would need to meet the criteria set out in the Appendix.**

The FMB agrees that a Canadian amendment is necessary. We support adopting ISSA 5000 as CSSA 5000. However, further amendments are needed for CSSA 5000 regarding Indigenous issues. We will discuss these required amendments in our response to Question Seven.

- B. **Question Six: The proposed standard is named CSSA 5000, General Requirements for Sustainability Assurance Engagements. The AASB already has an existing standard with the same numbering, Canadian Standard on Association (CSOA) 5000, Use of the Practitioner's Communication or Name. Do you believe there will be confusion between the two standards in the marketplace? If your answer is "yes," do you agree that for the reasons outlined below, CSOA 5000 should be renumbered to a new series (e.g., CSOA 8000)?**

Yes, we think there may be some confusion in the marketplace if the two standards share the same numbering. We agree that it is beneficial to have alignment with the International standard, ISSA 5000. Accordingly, renumbering CSOA 5000 will be beneficial, provided that CSOA 5000 can be renumbered with limited amendments to other standards and/or regulations.

- C. **Question Seven: Do you think Canadian amendments are required in CSSA 5000 related to Indigenous matters, in particular, the role meaningful consultation with Indigenous Peoples plays in this standard? (a) If your answer is "yes", do you agree with the potential Canadian amendments to paragraph 72 in ISSA 5000 and related application material? If not, what Canadian amendments do you believe may be required, and why? Any proposed amendments need to meet the criteria set out in the Appendix.**

Yes, Canadian amendments are required in CSA 5000 related to Indigenous matters. Consultation is one of those matters. In addition, however, we think that practitioners must be aware of and alive to a number of Indigenous matters.

It is in keeping with the Appendix to amend CSSA 5000 to include Indigenous matters, because Indigenous disclosures and assurance of same will serve the public interest and maintain the quality of auditing and reporting in Canada. Appendix, s. 3 reads:





*The AASB may make amendments to an ISA with respect to requirements or guidance that do not fall within 1 or 2 above when it believes that there are circumstances particular to the Canadian environment where such amendments are required to serve the Canadian public interest and maintain the quality of auditing and reporting in Canada.*

Our recommendations below aim to enhance practitioners' baseline understanding of Indigenous matters that should arise in sustainability disclosures by Canadian entities, especially those operating in Indigenous-intensive industries. By including these recommendations, the AASB is progressing towards TRC Call to Action 92. It is in the public interest for corporate sector standard setters to make progress in the Calls to Action.

Furthermore, users of sustainability reports need disclosures about Indigenous matters. In any Indigenous-intensive industry, these disclosures will be material. Practitioners must be guided by best practices regarding Indigenous sustainability disclosures and the true history of Canada's Indigenous Peoples in order to competently assure sustainability report. Including Indigenous matters in CSSA 5000 is thus essential to maintain the quality of auditing and reporting in Canada.

### 1. Amendments to Paragraph 99: Risk Procedures

While setting a requirement for a practitioner to "Evaluate whether the entity has engaged in meaningful consultation with Indigenous Peoples" is a useful amendment, we do not think that this Canadian amendment should be made at paragraph 72 or be included in the section of CSSA 5000 that pertains to **Preconditions for an Assurance Engagement**. Instead, this evaluation should be performed as part of the **Risk Procedures**. We recommend that this proposed amendment be moved to form part of paragraph 99 by adding:

99. The practitioner shall obtain an understanding of the entity and its environment, including:

...

- (d) Policies and procedures designed to ensure that the entity is meeting Call to Action 92 contained in the Truth and Reconciliation Commission of Canada's Final Report.

### 2. Amendments to Paragraph 100: Reference the *United Nations Declaration on the Rights of Indigenous Peoples*

We also recommend that the following amendments be made to paragraph 100:

100. The practitioner shall obtain an understanding of:

- (a) The legal and regulatory framework applicable to the entity and the industry or sector in which the entity operates, in the context of the entity's sustainability information; ~~and~~



- (b) The requirements of the United Nations Declaration on the Rights of Indigenous Peoples applicable to the entity and the industry or sector in which the entity operates, in the context of the entity’s sustainability information; and

...

### 3. Amendments to Definitions and Language

We recommend that AASB include definitions for the following terms in CSSA 5000:

- “**Indigenous-intensive industry**” means an industry that disproportionately affects Indigenous Peoples, by operating on their lands or otherwise. These industries include mining, energy, oil and gas, utilities and pipelines, telecommunications, clean technology and renewable energy, and financial services.
- “**Truth and Reconciliation Commission**” or “**TRC**” means the Truth and Reconciliation Commission of Canada that was established pursuant to the Indian Residential Schools Settlement Agreement.
- “**TRC Final Report**” means “Canada’s residential schools: the final report of the Truth and Reconciliation Commission of Canada”,
- “**TRC Calls to Action**” means the TRC’s 94 calls to action made “in order to redress the legacy of residential schools and advance the process of Canadian reconciliation.”
- “**TRC Call to Action 92**” means the TRC Call to Action that is specifically directed at Canada’s corporate sector, that calls on the sector to, among other things, adopt UNDRIP as a framework for reconciliation and to follow UNDRIP’s principles in the sector’s policies and core activities.
- “**UNDRIP**” means the United Nations Declaration on the Rights of Indigenous Peoples.
- “**UNDRIP-implementing legislation**” means legislation that has been passed in Canada, from time to time, that implements UNDRIP (e.g. *Declaration on the Rights of Indigenous Peoples Act*, SBC 2019, c. 44; *United Nations Declaration on the Rights of Indigenous Peoples Act*, S.C. 2021, c. 14);
- “**Viens Commission Report**” means the Public Inquiry Commission on Relations between Indigenous Peoples and Certain Public Services in Quebec;
- “**Viens Calls for Action**” means the recommendations that the Viens Commission released in the Viens Commission Report.

We further recommend all references to “Canadian law or regulation” should be revised to “Canadian law, regulations, and the TRC Call to Actions”. The TRC Call to Action 92 specifically calls on Canada’s corporate sector to adopt UNDRIP as a reconciliation framework, and, in effect, to do its part to advance reconciliation. Including the TRC Calls to Action will ensure that practitioners bear Indigenous matters in mind which will serve the “*Canadian public interest and maintain the quality of auditing and reporting in Canada*”.

#### 4. Recommendation to Include Explanatory Note

We recommend that AASB prepare an explanatory note on Indigenous matters for practitioners. The AASB should consult with Indigenous Peoples, including Indigenous CPAs, auditors, and other accounting practitioners; representative bodies; communities; and organizations to prepare this explanatory note.

This note should plainly advise practitioners that they have an obligation to have a minimum understanding of Canada's Indigenous Peoples. This note should include topics like:

- The true history of Canada's Indigenous Peoples;<sup>1</sup>
- An overview of the TRC Final Report and Calls to Action;
- Treaties and Aboriginal Rights;
- The duty to consult;
- Free, prior and informed consent;
- Economic reconciliation;
- Indigenous Law;
- Indigenous economic systems;
- Aboriginal-Crown relations; and, among others,
- Case studies on how an entity's lack of consultation or adequate response to Indigenous issues poses risks that are material to investors (e.g. Rio Tinto's destruction of Juukan Gorge in Australia).

The note should advise practitioners of forms of evidence that could assist in sustainability assurance engagements related to Indigenous matters. For example:

- An entity's reconciliation action plan;
- Indigenous representation on an entity's board, senior management, and across all business lines;
- Whether the entity has Indigenous contractors or measurable targets for procurement from Indigenous owned businesses;
- Whether the entity has equity partnerships with Indigenous government business enterprises; and, among others,
- Records of recent and publicly available consultations with Indigenous rights holders on material decisions or operations.

#### 5. Consultation-Specific Recommendations

Consultation is an important aspect of a company's dealings with Indigenous Peoples. Consultation is rooted in legal principles (e.g. the *Constitution Act*, the Duty to Consult; fairness), documents (e.g. the TRC Calls to Action), and laws (e.g. the *Charter of Rights and Freedoms*; UNDRIP-implementing legislation)

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<sup>1</sup> A great example of a professional cultural competency course is the Law Society of British Columbia's Indigenous Intercultural Course.



that practitioners may not previously be familiar with. Thus, paragraph CA185 will be most useful to practitioners if it sets out a few additional details.

- I. **Paragraph CA185A:** We propose that this paragraph specify that there is a rebuttable presumption that an entity ought to have consulted with Indigenous Peoples. We propose this because of the preponderance of Indigenous-intensive industries in Canada, as we set out above. The following chart sets out that and a series of other changes that we recommend.

Current Draft	Proposed Changes
	[Insert as new first sentence]  CA185A. <b><u>There is a rebuttable presumption that an entity should consult and have disclosed such consultation with Indigenous Peoples in its sustainability report. This presumption may be rebutted by a practitioner’s assessment according to this section.</u></b>
CA185A. Evaluation of the entity’s consultation with Indigenous Peoples may assist the practitioner:	Evaluation of <b><u>whether an entity ought to have, and did so consult</u></b> <del>the entity’s consultation</del> with Indigenous Peoples may assist the practitioner:
(a) to evaluate the suitability of the criteria, appropriateness of the scope of the assurance engagement (paragraph 71), and whether the engagement has a rational purpose (paragraph 74);	No changes
(b) to consider and determine materiality (paragraph 91); and (c) to assess risk (paragraph 110L and 110R).	No changes.
The entity’s consultation with Indigenous Peoples may not be relevant for all entities:	The entity’s consultation with Indigenous Peoples may not be relevant for all <b><u>engagements-entities:</u></b>
(a) the consultation’s nature, extent and timing may vary; and	[We did not understand what the intent of this provision was. We recommend that this be redrafted, as follows:]  <b><u>Where the entity has consulted with Indigenous Peoples [insert re-drafted language capturing intent]</u></b> <b><u>Based on their assessment, the practitioner must decide whether they must evaluate the entity’s consultation process.</u></b>
(b) the consultation may not apply to all sustainability matters, topics, or aspects of topics. For example, consultation on emissions technical calculations may be less important than consultation regarding reporting the entity’s plans to mitigate impacts of emissions on Indigenous communities	<b><u>Where the entity has consulted with Indigenous Peoples, the practitioner should evaluate whether the consultation applies</u></b> <del>the consultation may not apply</del> to all sustainability matters, topics, or aspects of topics. For example, consultation on emissions technical calculations may be less important than consultation regarding

Current Draft	Proposed Changes
	<p>reporting the entity's plans to mitigate impacts of emissions on Indigenous communities.</p> <p><u>In such a case, the practitioner may determine it is not necessary to evaluate the entity's consultation process.</u></p>
	<p><u>(c) The practitioner should determine whether the entity</u> <u>(1) operates on Indigenous lands or territories;</u> <u>(2) or is operating in an Indigenous intensive industry.</u></p> <p><u>Where the practitioner is satisfied that the entity meets either (c)(1) or (2), the practitioner must evaluate the entity's consultation process.</u></p>

2. **Paragraphs CA185C:** Regarding the process, practitioners should also consider whether, through its consultation process, the entity:
- Sought free, prior, and informed consent from the impacted Indigenous Peoples;
  - Consulted with the impacted Indigenous Peoples early, often and throughout.

In terms of the practitioner's assessment, the practitioner may need some assistance with what may be a new and unfamiliar area. The AASB should provide additional information regarding these items:

- Regarding "transparency", this will include whether the entity's materials were provided in an appropriate language and deliverable (e.g. paper documents; websites; PDFs). Many northern, remote and rural Indigenous communities do not have sufficiently reliable internet services or computer access for websites and downloadable PDFs to be a suitable way of engaging with a community.
- Assessment of the deliverable (e.g. paper documents; websites; PDFs; choice of language used) will also allow the practitioner to assess whether the process was "respectful of the First Nations, Métis, and Inuit communities".

This additional information could be enclosed either in CSSA 5000 or in the accompanying explanatory memorandum.

### III. FINAL COMMENTS

TRC Call to Action 92 calls on Canada's corporate sector to adopt UNDRIP as a reconciliation framework, and to apply its principles, norms, and standards to corporate policy and core operational activities involving Indigenous peoples and their lands and resources. The AASB's inclusion of Indigenous-specific amendments in CSSA 5000 tells us that the AASB is taking seriously this call to action. We offer the foregoing comments to the AASB in order to make CSSA 5000 an even stronger step in the right direction of reconciliation, whilst strengthening the standard for the benefit of sustainability report users.



First Nations  
**FINANCIAL  
MANAGEMENT  
BOARD**

**CONSEIL  
DE GESTION  
FINANCIÈRE** des  
Premières Nations

Please do not hesitate to contact the undersigned if you have any questions.

**FIRST NATIONS FINANCIAL MANAGEMENT BOARD**

Per:   
\_\_\_\_\_

Scott Munro, CPA, CA, CAFM  
Deputy Chief Executive Officer



November 6, 2023

Karen DeGiobbi, CPA, CA  
Director, Auditing and Assurance Standards  
Auditing and Assurance Standards Board  
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Dear Ms. DeGiobbi:

**Subject: Exposure draft: Proposed Canadian Standard on Sustainability Assurance (CSSA) 5000**

We are pleased to have the opportunity to comment on the Audit and Assurance Standards Board's (the "AASB" or the "Board") exposure draft on the proposed Canadian Standard on Sustainability Assurance (CSSA) 5000, *General Requirements for Sustainability Assurance Engagements* (the "Exposure Draft"). We agree that there is a need to maintain alignment with international standards in sustainability assurance, as was done with Canadian Standard on Assurance Engagements (CSAE) 3000, *Attestation Engagements Other Than Audits or Reviews of Historical Financial Information* for other than historical information assurance.

Overall, we are in agreement with the proposed Canadian amendments to the proposed International Standard on Sustainability Assurance (ISSA) 5000, *General Requirements for Sustainability Assurance Engagements*. However, we believe there needs to be additional time and consideration given to the potential additional Canadian amendments outlined in the Exposure Draft.

Please find our detailed response to the request for comments included in the appendix to this letter, which is focused on the Canadian environment. Grant Thornton International will be responding to the questions in the International Audit and Assurance Standards Board's (the "IAASB") exposure draft of ISSA 5000 on behalf of the Grant Thornton network.

Should you wish to discuss any of our comments, please contact Greg Weber ([greg.weber@ca.gt.com](mailto:greg.weber@ca.gt.com)).

Yours sincerely,

A handwritten signature in black ink, appearing to read "Greg Weber".

Greg Weber, CPA, CA  
Grant Thornton LLP



## Appendix

### General questions

- 1. Are there any types of assurance engagements on information, other than historical financial information, where it may be ambiguous whether they are scoped in to proposed CSSA 5000 or CSAE 3000? If your answer is “yes,” please provide examples.**

From our experience to date with CSAE 3000 engagements and knowledge gained from reading the Exposure Draft, we are not aware of assurance engagements on information, other than historical financial information, where it would be ambiguous whether they are scoped in to proposed CSSA 5000 or CSAE 3000.

- 2. What implementation challenges, if any, might the proposed standard create for practitioners in Canada?**

Implementation challenges may be created for non-professional accountant practitioners who are performing these engagements. The proposed CSSA 5000 uses terminology with which professional accountants are familiar as they appear in the Canadian Auditing Standards and Other Canadian Standards. Specific to Canada, a non-professional accountant may struggle with demonstrating and documenting that they follow other professional requirements that are at least as demanding as the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies (proposed para C5(a)) and CSQM 1 regarding a firm’s responsibility for its system of quality management.

Implementation guidance may be needed for non-professional accountant practitioners to refer to for comparison of their professional requirements to the requirements of professional conduct/code of ethics and CSQM 1.

These challenges will not be unique to Canada as other jurisdictions would be in the same predicament upon their adoption of proposed ISSA 5000 as it relates to the IESBA Code and ISQM 1.

- 3. The AASB anticipates that the IAASB will approve the final standard in September 2024. The proposed effective date is approximately 18 months after approval. What concerns, if any, do you have with this timeline?**

A proposed effective date approximately 18 months after approval of the final standard is not anticipated to cause implementation issues with respect to timing.

### Canadian amendments questions

- 4. Do you agree with the proposed Canadian amendments to ISSA 5000 to adopt it as CSSA 5000? If not, what Canadian amendments do you believe may be required, and why?**

We agree with the proposed Canadian amendments to ISSA 5000 as they are limited to largely updating references to relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies. The limited amendments follow the amendment criteria for adopting international standards as Other Canadian Standards.

- 5. In your experience, are direct engagements on sustainability information in Canada prevalent? If your answer is “yes”:**

- (a) Do you agree with the proposed Canadian conforming amendment to add proposed paragraph 7A to CSAE 3001? If you do not agree with the proposed amendment, please explain why.**

- (b) Do you believe that a future standard-setting project for direct engagements on sustainability information is needed?**

- (i) If “yes,” please provide examples of the engagement circumstances that would apply.**

- (ii) If “no,” please explain why.**

Grant Thornton has not experienced many requests for direct engagements on sustainability to date, but we do anticipate an increase in requests for such engagements as sustainability assurance becomes more prevalent.

6. The proposed standard is named **CSSA 5000, General Requirements for Sustainability Assurance Engagements**. The AASB already has an existing standard with the same numbering, **Canadian Standard on Association (CSOA) 5000, Use of the Practitioner’s Communication or Name**. Do you believe there will be confusion between the two standards in the marketplace?

If your answer is “yes”, do you agree that for the reasons outlined below, CSOA 5000 should be renumbered to a new series (e.g., CSOA 8000)?

- CSOA 5000 is a stand-alone Canadian standard and can be renumbered with limited amendments to other standards or regulation.
- Maintaining the 5000 series numbering for the CSSA indicates alignment with ISSA 5000 and supports the addition of any future CSSAs within that series.

If your answer is “no,” please explain why.

We do not believe there will be confusion in the marketplace between CSSA 5000 and CSOA 5000 given the titles of the standards. However, we are not opposed to renumbering CSOA 5000 to a new series (such as CSOA 8000 as noted above) if others believe the same numbered series will cause confusion.

#### Potential additional Canadian amendments questions

7. Do you think Canadian amendments are required in CSSA 5000 related to Indigenous matters, in particular, the role meaningful consultation with Indigenous Peoples plays in this standard?

- (a) If your answer is “yes”, do you agree with the potential Canadian amendments to paragraph 72 in ISSA 5000 and related application material? If not, what Canadian amendments do you believe may be required, and why? Any proposed amendments need to meet the criteria set out in the Appendix.

We understand the Board’s intention in seeking to include Indigenous matters as a Canadian amendment to CSSA 5000. However, we have concerns about the practical application of the potential amendment as currently proposed, most significantly the reference to “meaningful consultation with Indigenous Peoples”. First, we believe the Board needs to further invest time to understand what the meaningful consultation between the entity and Indigenous Peoples entails, including holding roundtables and discussions with various Indigenous communities. Although the proposed application guidance in proposed CA185C does include examples of what may be considered meaningful, as the concept of meaningful consultation is still new, we believe more relevant application guidance will arise after further discussion with the Indigenous communities in Canada to determine what “meaningful” means to them as it relates to sustainability.

Additionally, we believe there needs to be further clarification on how “Indigenous Peoples” is defined. We suspect it is intended to refer to the Indigenous Peoples in North America based on the reference to the Final Report of the Truth and Reconciliation Commission in the Exposure Draft and the definition of Indigenous Peoples on the Government of Canada’s Indigenous Relations and Northern Affairs Canada [page](#). However, we believe this needs to be formally defined in the proposed standard so that the intended Indigenous Peoples are consulted and that Indigenous Peoples in jurisdictions outside of Canada or North America (i.e., if the entity operates internationally) are not scoped in unintentionally.

We believe that after suitable outreach with the appropriate Indigenous communities and consideration of further application guidance, the inclusion relating to Indigenous Peoples can be incorporated as a future amendment to CSSA 5000.

November 6, 2023

Karen DeGiobbi, CPA, CA  
Director, Auditing and Assurance Standards  
Auditing and Assurance Standards Board  
277 Wellington Street West  
Toronto, ON M5V 3H2

**Re: Exposure Draft: Proposed Canadian Standard on Sustainability Assurance (CSSA) 5000 – General Questions**

Thank you for the opportunity to comment on this Exposure Draft (“ED”).

MNP LLP (“MNP”) is one of Canada’s largest chartered professional accountancy and business advisory firms. Our client base is focussed on small to mid-size entities (SME’s) covering a broad range of industries including agriculture, agribusiness, retail and manufacturing as well as credit unions, co-operatives, Indigenous communities and businesses, medical and legal professionals, not-for-profit organizations, municipalities, government entities, and publicly traded companies. We believe that we are positioned well to provide feedback on this ED.

**Questions**

**Question 1: Are there any types of assurance engagements on information, other than historical financial information, where it may be ambiguous whether they are scoped in to proposed CSSA 5000 or CSAE 3000? If your answer is “yes,” please provide examples.**

We are not aware of any types of assurance engagements on information, other than historical financial information, where it may be ambiguous whether they are scoped in to proposed CSSA 5000 or CSAE 3000.

**Question 2: What implementation challenges, if any, might the proposed standard create for practitioners in Canada?**

We have identified the following implementation challenge that we believe may impact Canadian practitioners.

**Preconditions and evidence**

Paragraph 73 requires the practitioner to determine at acceptance whether they expect to be able to obtain the evidence needed to support the practitioner’s conclusion. Canada is home to a significant number of small and medium sized entities including reporting issuers and other public interest entities. SMEs may have heightened challenges preparing and supporting assurance on sustainability information. These challenges may range from the ability to gather information from their supply chain through to the development of robust internal sustainability reporting processes. As a result it will be difficult for practitioners to know at the client acceptance phase whether they will be able to obtain sufficient evidence. If a practitioner cannot provide limited or reasonable assurance due to concerns about obtaining evidence, the AASB should consider guidance on how to transition to another engagement type, such as agreed upon

procedures. We would recommend that the AASB work with the CSA and the CSSB in developing scalable reporting mechanisms for SME reporting issuers or those in the value chain of a reporting issuer.

**Question 3: The AASB anticipates that the IAASB will approve the final standard in September 2024. The proposed effective date is approximately 18 months after approval. What concerns, if any, do you have with this timeline?**

The availability of a standard will enable clear development of Canadian sustainability reporting infrastructure. However Canadian adoption timelines of the IAASB standard should remain flexible until information is available about the acceptance of the IAASB standard for US reporting purposes. Further, Canadian adoption should accommodate the timelines required by small and medium sized entities to develop robust sustainability reporting infrastructure.

We would be pleased to offer assistance to the AASB in further exploring issues raised in our response or in finding alternative solutions.

Yours truly,

**MNP LLP**

*Maryse Vendette,*

Maryse Vendette, CPA  
Partner, Assurance Professional Standards Group

December 31, 2023

Karen DeGiobbi, CPA, CA  
Director, Auditing and Assurance Standards  
Auditing and Assurance Standards Board  
277 Wellington Street West  
Toronto, ON M5V 3H2

**Re: Exposure Draft: Proposed Canadian Standard on Sustainability Assurance (CSSA) 5000 – Canadian Amendment Questions**

Thank you for the opportunity to comment on this Exposure Draft (“ED”).

MNP LLP (“MNP”) is one of Canada’s largest chartered professional accountancy and business advisory firms. Our client base is focussed on small to mid-size entities (SME’s) covering a broad range of industries including agriculture, agribusiness, retail and manufacturing as well as credit unions, co-operatives, Indigenous communities and businesses, medical and legal professionals, not-for-profit organizations, municipalities, government entities, and publicly traded companies. We believe that we are positioned well to provide feedback on this ED.

**Questions**

**Question 4: Do you agree with the proposed Canadian amendments to ISSA 5000 to adopt it as CSSA 5000? If not, what Canadian amendments do you believe may be required, and why?**

We agree with the proposed Canadian amendments to ISSA 5000 to adopt it as CSSA 5000.

**Question 6: The proposed standard is named CSSA 5000, General Requirements for Sustainability Assurance Engagements. The AASB already has an existing standard with the same numbering, Canadian Standard on Association (CSOA) 5000, Use of the Practitioner’s Communication or Name. Do you believe there will be confusion between the two standards in the marketplace? If your answer is “yes”, do you agree that for the reasons outlined below, CSOA 5000 should be renumbered to a new series (e.g., CSOA 8000)?**

- CSOA 5000 is a stand-alone Canadian standard and can be renumbered with limited amendments to other standards or regulation.
- Maintaining the 5000 series numbering for the CSSA indicates alignment with ISSA 5000 and supports the addition of any future CSSAs within that Series.

**If your answer is “no”, please explain why.**

We agree that there may be confusion and support the provided suggestion.

**Question 7: Do you think Canadian amendments are required in CSSA 5000 related to Indigenous matters, in particular, the role meaningful consultation with Indigenous Peoples plays in this standard?**

- a) If your answer is “yes”, do you agree with the potential Canadian amendments to paragraph 72 in ISSA 5000 and related application material? If not, what Canadian amendments do you believe may be required, and why? Any proposed amendments need to meet the criteria set out in the Appendix.**

We believe it is important that Canadian amendments for CSSA 5000 consider Indigenous involvement. However, as it is proposed we do have some concerns.

Canada is unique from most other countries in that Indigenous rights are constitutionally protected by Section 35 of the Constitution Act. Section 35, in turn (through common law) creates for the Canadian government, a duty to consult, and where appropriate, accommodate Indigenous groups when it considers conduct that might adversely impact potential or established Aboriginal or treaty rights. While this duty is held by the Crown, it is delegated to industry as needed. We do have concerns about the language used in the proposed standard, and whether the requirement of evaluating whether the entity has engaged in meaningful consultation with Indigenous Peoples may be conflated with the “duty to consult” as required by law. This requirement may cause confusion to report users who may think that the assurance work involves making a legal opinion over whether the duty to consult law was met.

The first four paragraphs of C72 focus on the ‘criteria’ and its evaluation however, the proposed paragraph e) does not appear to tie to the criteria. We recommend rewording C72 e) to connect the criteria with Indigenous “involvement” instead of “consultation”. Involvement may include some type of consultation but could lead to a greater consideration of more substantive accommodations such as compensation for loss of use/rights or equity partnerships. Like the word “consultation”, the word “involvement” is broad and can lead to significant interpretation of what is the minimum required to meet the standard. Who needs to be involved and at what level? It is not clear whether it is expected that an entity should be consulting with an individual, a community, an organization, or another level and within which geographic area, all factors that will be difficult to evaluate as being sufficient to meet the requirements.

We also note that the examples of what makes a consultation “meaningful” provided in paragraph CA185C of the application material are from the *Updated Guidelines for Federal Officials to Fulfill the Duty to Consult* document issued by the Government of Canada which was released in 2011 and is not necessarily reflective of consultations performed today. We recommend adding more examples of what is involved in substantive consultation and accommodations today.

As the criteria for sustainability reporting are separate from the assurance standard, it may be more appropriate to include a requirement relating to Indigenous consultation or involvement within the sustainability reporting standards (e.g., IFRS S1 and S2 as adopted by the Canadian Sustainability Standards Board) versus the assurance engagement process.

We recommend that the AASB continue to work with Indigenous stakeholders to establish a requirement around assessing whether the entity has engaged in meaningful consultation with Indigenous Peoples.

Yours truly,

**MNP LLP**

*Maryse Vendette,*

Maryse Vendette, CPA  
Partner, Assurance Professional Standards Group



November 3, 2023

Karen DeGiobbi, CPA, CA  
Director, Auditing and Assurance Standards  
Auditing and Assurance Standards Board  
277 Wellington Street West  
Toronto, ON M5V 3H2  
Email: kdegioffi@asbcanada.ca

Re: Proposed Canadian Standard of Sustainability Assurance (CSSA) 5000

Dear Members of the AASB Board:

NEI Investments is a Canadian asset manager specializing in responsible investing, with approximately \$11 billion in assets under management. We are part of Aviso Wealth's asset management business - Aviso being one of the largest Canadian financial services providers with over \$110 billion in assets under administration and management. NEI's approach to investing incorporates the thesis that companies can mitigate risk and take advantage of emerging business opportunities by integrating best environmental, social and governance (ESG) practices into their strategies and operations. As part of our investment process, we utilise sustainability-related financial information to better inform our investment decisions and guide our corporate proxy voting and engagement activities.

We appreciate the opportunity afforded by the AASB to provide input to this consultation as it looks to adopt ISSA 5000 with appropriate Canadian amendments.

We are responding to the General Questions as set out by the AASB.

1. Are there any types of assurance engagements on information, other than historical financial information, where it may be ambiguous whether they are scoped in to proposed CSSA 5000 or CSAE 3000? If your answer is "yes," please provide examples.

We have interpreted the scope for sustainability assurance engagements to apply to *all* sustainability information, except for a separate conclusion on a GHG statement for assurance engagements.

As the current practice in reporting of sustainability information still varies widely, generally at the discretion of the reporting entity, from inclusion in an integrated report to a stand-alone sustainability report or a report on a specific issue, Canadian investors have had to rely on a variety of public information and reports. The limited practice of assurance engagements on sustainability information makes it challenging to determine whether the reported sustainability information is reliable.

These examples include, but are not limited to information contained in Corporate Sustainability Reports, ESG Reports and Impact Reports. Other reports focused on social factors, such as the Human Rights Impact Assessment (HRIA) reports, may be used by investors to gauge the risk of human rights violations at a business and in its value and supply chain. It would be useful to clarify that material information used by investors would be in scope in guidance materials.

2. What implementation challenges, if any, might the proposed standard create for practitioners in Canada?

We believe it is critical that assurance practitioners demonstrate they have both the assurance skills and sustainability competence to conduct quality sustainability assurance engagements. Sustainability information may be provided by individuals in various professions, including engineers, climate scientists or human rights experts. The practitioner performing an assurance engagement on such information, may be held to different ethical standards than those adhered to by their own profession. We find the term “at least as demanding” in section 1-D of ISSA 5000 to be vague. We believe that practitioners should be held to the same ethical standards as those held by the auditing and assurance profession. This will ensure a level of consistency of the quality and reliability of the assurance engagement.

Separately, we believe that it would be helpful to disclose the expertise or background of the engagement team performing the assurance as the skills required can vary depending on the type of sustainability information.

3. The AASB anticipates that the IAASB will approve the final standard in September 2024. The proposed effective date is approximately 18 months after approval. What concerns, if any, do you have with this timeline?

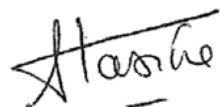
We have no specific remarks at this point. However, we will be observing the implementation of the sustainability standards released by the International Sustainability Standards Board and adoption by the Canadian Sustainability Standards Board and timing thereof.

Thank you again for the opportunity to respond to this consultation. We would be pleased to discuss any of our comments in further detail, as is helpful to the board.

Sincerely,



Adelaide Chiu, CPA CA CFA  
Vice President, Head of Responsible Investing  
NEI Investments



Hasina Razafimahefa  
Senior Manager, Evaluations & Proxy Voting  
NEI Investments

cc: Robert Arber, Senior Manager, Reporting

Colin Semotiuk CPA, CA  
Byron Ofner CPA, CA  
Office of the Auditor General of Alberta<sup>1</sup>  
Edmonton, Alberta

December 21, 2023

Karen DeGiobbi, CPA, CA  
Director, Auditing and Assurance Standards  
Auditing and Assurance Standards Board  
277 Wellington Street West  
Toronto, Ontario

Dear Karen DeGiobbi:

Thank you for the opportunity to provide comments on *Exposure Draft: Proposed Canadian Standard on Sustainability Assurance (CSSA) 5000*. Our comments are as follows:

1. Are there any types of assurance engagements on information, other than historical financial information, where it may be ambiguous whether they are scoped in to proposed CSSA 5000 or CSAE 3000? If your answer is “yes,” please provide examples.

Yes, there are various types of assurance engagements where it may be ambiguous as to whether the practitioner should use CSSA 5000, CSAE 3000 or CSAE 3001. One example would be in healthcare. In Canada, healthcare is primarily publicly funded and a practitioner may be requested to provide assurance over the sustainability of a province providing different standards of care. Management and the practitioner would need to assess/include factors such as age of population, availability of resources (both financial and human), etc. Identifying the most appropriate assurance report for managements reporting is critical and the AASB should provide clear guidance when the practitioner uses CSSA 5000, CSAE 3000 or CSAE 3001. This is further supported by the fact public sector SORP’s include vulnerability, flexibility and sustainability as indicators of financial performance, therefore CSSA 5000 needs a clear definer of sustainability to distinguish these concepts, especially since CSSA 5000 definition of “sustainability matters” includes “economic” matters.

2. What implementation challenges, if any, might the proposed standard create for practitioners in Canada?

One implementation challenge may be follow-up work. For example, if an initial audit was done under CSAE 3001, can the follow-up work be done under CSSA 5000, or must it be done under CSAE 3001? The original audit was a direct engagement, however a legislative auditor may complete follow-up audits as attest engagements. In this scenario, it would likely be difficult to transition to CSSA 5000.

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<sup>1</sup> The views expressed herein do not necessarily reflect the views of the Office of the Auditor General of Alberta.

3. The AASB anticipates that the IAASB will approve the final standard in September 2024. The proposed effective date is approximately 18 months after approval. What concerns, if any, do you have with this timeline?

We concur with the proposed effective date being for periods beginning approximately 18 months after approval.

4. Do you agree with the proposed Canadian amendments to ISSA 5000 to adopt it as CSSA 5000? If not, what Canadian amendments do you believe may be required, and why? Note: Any proposed amendments would need to meet the criteria set out in the Appendix.

We agree with amendment 1 (relevant ethical requirements), however the AASB should consider if ethical requirements will define sustainability, sustainability matters or sustainability information in the same way. If not, the AASB should override the definitions in the ethical requirements so that practitioners apply the rules consistently. This could be done by having CSSA 5000 stating *“notwithstanding definitions of sustainability, sustainability matters or sustainability information in the applicable ethical codes, practitioners shall apply those rules as if these were defined as in CSSA 5000.”*

**Note:** This is necessary because IESBA may define sustainability, sustainability matters or sustainability in ways not the same as ISSA 5000.

We agree with amendment 2 (direct engagements). The amendment makes it clear that direct engagements even those involving sustainability matters are 3001.

We note that the fundamental assertion of legislative compliance is not sufficiently included in IAASB ED-5000, a critical topic or aspect of topics in sustainability. IAASB ED-5000, paragraphs 59, 60, 61 and 101 are not sufficient, given legislative compliance (including regulatory compliance) is fundamental and foundational to sustainability. It appears paragraphs 61 and 101 would only require inquiry to be performed, even under reasonable assurance, which is not sufficient. Legislative compliance should also be an assertion. If the IAASB does not amend ED-5000 to further include legislative compliance, an additional Canadian amendment would be required to further incorporate legislative compliance, including:

- Paragraph 100 (b) should state *“How the entity is complying with that framework, including the entity’s system of internal control (Ref: Para. 102R (f)).”*
- Paragraph 102R should include *“(f) The entity’s process to identify and comply with relevant legal and regulatory requirements.”*
- Paragraph 138 should include *“(c) Review all instances of legislative non-compliance and determine the impact on the assurance report.”*
- Paragraph A353R should include *“Legislative compliance – the criteria, transactions and disclosures are in compliance with legislation and regulations.”*

This amendment would serve *“the Canadian public interest and maintain the quality of auditing and reporting in Canada” (ED CSSA 5000 Appendix)* by ensuring legislative compliance, a foundational aspect of sustainability, is sufficiently understood by

management, those charged with governance and the practitioner, and appropriately incorporated into ESG/sustainability reporting. In our view, these requirements should apply to all sustainability assurance engagements, not just ones performed by legislative auditors.

5. In your experience, are direct engagements on sustainability information in Canada prevalent? If your answer is “yes”:

In our experience, direct engagements on sustainability information usually take the form of audits of effectiveness of processes that are within the scope of sustainability, such as environmental management, water management, and other such topics. However, the public interest in assurance on sustainability information is growing and we anticipate it will become prevalent in the future.

- a. Do you agree with the proposed Canadian conforming amendment to add proposed paragraph 7A to CSAE 3001? If you do not agree with the proposed amendment, please explain why.

We agree with the proposed Canadian conforming amendment to add proposed paragraph 7A to CSAE 3001 because it is the nature of the engagement as a direct engagement, not the topic (sustainability), that should determine which standard (3001 or 5000) applies.

- b. Do you believe that a future standard-setting project for direct engagements on sustainability information is needed?  
(i) If “yes,” please provide examples of the engagement circumstances that would apply.  
(ii) If “no,” please explain why.

We do not believe a future standard-setting project for direct engagements on sustainability information is needed because CSAE 3001 is sufficient. If CSAE 3000 is updated in the future, CSAE 3001 can be updated as well.

6. The proposed standard is named *CSSA 5000, General Requirements for Sustainability Assurance Engagements*. The AASB already has an existing standard with the same numbering, Canadian Standard on Association (CSOA) 5000, *Use of the Practitioner’s Communication or Name*. Do you believe there will be confusion between the two standards in the marketplace? If your answer is “yes,” do you agree that for the reasons outlined below, CSOA 5000 should be renumbered to a new series (e.g., CSOA 8000)?
- CSOA 5000 is a stand-alone Canadian standard and can be renumbered with limited amendments to other standards or regulation.
  - Maintaining the 5000 series numbering for the CSSA indicates alignment with ISSA 5000 and supports the addition of any future CSSAs within that series.

If your answer is “no,” please explain why.

We agree that having two standards (CSSA 5000 and CSOA 5000) with the same numbering will cause confusion in the marketplace and maintaining the 5000 series numbering to align

with ISSA 5000 is appropriate. Therefore, updating CSOA 5000 to a different numbering (e.g. CSOA 8000), is appropriate.

7. Do you think Canadian amendments are required in CSSA 5000 related to Indigenous matters, in particular, the role meaningful consultation with Indigenous Peoples plays in this standard?
  - a) If your answer is “yes”, do you agree with the potential Canadian amendments to paragraph 72 in ISSA 5000 and related application material? If not, what Canadian amendments do you believe may be required, and why? Any proposed amendments need to meet the criteria set out in the Appendix.

Yes, we agree that a Canadian amendment is required in CSSA 5000 for Indigenous consultations. Canada has a unique history, and an amendment is required based on public interest and our history. This is demonstrated by call to action 92 which states, “Commit to meaningful consultation, building respectful relationships, and obtaining the free, prior and informed consent of Indigenous peoples before proceeding with economic development projects,” and the Canadian CPA profession recognizes the importance of reconciliation, therefore an amendment in the public interest is clearly met. In addition, implementing this Canadian amendment is consistent with the importance of Indigenous perspectives that IRCSS stressed and recognized.

In addition, for many ESG issues, such as resource projects, Indigenous consultation is required in Canada. Therefore, gaining an understanding of what consultations have occurred will help the practitioner to determine whether relevant and complete sustainability matters have been identified by management, and whether the engagement scope (what is assured or not) is appropriate.

We agree with the DRAFT amendment wording, “shall . . . evaluate whether the entity has engaged in meaningful consultation with Indigenous Peoples,” as it requires the practitioner to “evaluate” whether meaningful consultation has occurred, which is key because this makes the requirement scalable for different entities and sectors. For example, if a practitioner is completing an engagement on two separate housing developments. The first development is not on or near treaty lands and the second development is along a river which flows directly through treaty lands and within 5 km of treaty lands. For the first engagement, the amount of “meaningful consultation” may be minimum and not impact the engagement, however for the second engagement, given its location and proximity to an Indigenous water source, “meaningful consultation” would include significantly more than development one. We do not anticipate that this requirement will be onerous. Practitioners should be aware of ESG fundamentals from an Indigenous perspective. When additional work is required, especially on new engagements, it is acceptable in the spirit of reconciliation and the public interest.

We agree that the amendment should be a “shall” requirement to reflect how important this issue is in the Canadian context.

Some may argue that the amendment is not necessary because it makes CSSA 5000 into a reporting matter. In our view, the amendment is not a reporting issue but instead is fundamental in Canadian ESG assurance engagements to the evaluation of suitability of

the criteria. It is also not an either/or issue – if reporting frameworks have Indigenous reporting requirements, this requirement in CSSA 5000 is valid and important to include, because it helps practitioners with acceptance, scope, rational purpose and risk assessment. The other aspects of suitable criteria in paragraph 72 such as relevance, reliability, completeness, understandability and neutrality could also be dually considered reporting and assurance matters and this amendment may be viewed the same.

We note “cultural matters” in sustainability matters definition is directly relevant to Indigenous matters and supports making the Canadian amendment. Put another way, sustainability criteria in Canada are only suitable if they are the result of Indigenous consultation, they can’t be suitable otherwise.

Our concern is whether AASB has allowed enough time for Indigenous consultation on this. This is not an issue of whether the amendment should be made, but of specific wording of the amendment. Perhaps once CSSA 5000 is deployed, the AASB should plan for post-implementation consultations to confirm that specific wording is sufficient and practitioners have appropriate resources to support implementation. AASB should also establish how it determines that it has achieved sufficient Indigenous input on this issue.

Thank you for the opportunity to comment.

Sincerely,

Colin Semotiuk  
Byron Ofner





Office of the  
Auditor General  
of Canada

Bureau du  
vérificateur général  
du Canada

6 November 2023

Auditing and Assurance Standards Board  
227 Wellington Street West  
Toronto, ON  
M5V 3H2

Re: Exposure Draft - Proposed Canadian Standard on Sustainability Assurance (CSSA) 5000

Thank you for the opportunity to provide feedback on the above Exposure Draft. I am responding on behalf of the Office of the Auditor General of Canada.

Our response to the specific questions posed in the Exposure Draft is provided below. Responses may be limited to questions of relevance to our Office and public sector audit.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Heather Miller', with a long horizontal flourish extending to the right.

Heather Miller, CPA, CMA  
Assistant Auditor General

240 Sparks Street  
Ottawa, Ontario K1A 0G6

**Specific questions posed by AASB:**

**Question 1**

Are there any types of assurance engagements on information, other than historical financial information, where it may be ambiguous whether they are scoped in to proposed CSSA 5000 or CSAE 3000? If your answer is “yes,” please provide examples.

At this time, we are not aware of assurance engagements on information, other than historical financial information, where it will be ambiguous whether they are scoped in to proposed ED-CSSA 5000 or CSAE 3000.

**Question 2**

What implementation challenges, if any, might the proposed standard create for practitioners in Canada?

We have not noted significant implementation challenges to share at this time other than that stated in our response to question 7 below. Our response to the IAASB’s Exposure Draft on ISSA 5000 may include observations that relate to implementation challenges, and therefore we encourage the AASB to read our response to the IAASB’s exposure draft.

**Question 3**

The AASB anticipates that the IAASB will approve the final standard in September 2024. The proposed effective date is approximately 18 months after approval. What concerns, if any, do you have with this timeline?

We do not have concerns with the timeline.

**Question 4**

Do you agree with the proposed Canadian amendments to ISSA 5000 to adopt it as CSSA 5000? If not, what Canadian amendments do you believe may be required, and why? Note: Any proposed amendments would need to meet the criteria set out in the Appendix.

In general, we agree with the proposed Canadian amendments to ISSA 5000 to adopt it as CSSA 5000. Please see our specific response to question 7 below.

**Question 5**

In your experience, are direct engagements on sustainability information in Canada prevalent? If your answer is “yes”:

(a) Do you agree with the proposed Canadian conforming amendment to add proposed paragraph 7A to CSAE 3001? If you do not agree with the proposed amendment, please explain why.

(b) Do you believe that a future standard-setting project for direct engagements on sustainability information is needed?

(i) If “yes,” please provide examples of the engagement circumstances that would apply.

(ii) If “no,” please explain why.

Yes, direct engagements on sustainability information are prevalent at the OAG.

(a) Yes, we agree with the proposed Canadian conforming amendment to add proposed paragraph 7A to CSAE 3001.

(b) No, we do not believe that a future standard-setting project for direct engagements on sustainability information is needed. We have not identified CSAE 3001 application issues unique to sustainability matters at this time. Therefore we do not believe a future direct engagement standard-setting project is required.

**Question 6**

The proposed standard is named CSSA 5000, General Requirements for Sustainability Assurance Engagements. The AASB already has an existing standard with the same numbering, Canadian Standard on Association (CSOA) 5000, Use of the Practitioner’s Communication or Name. Do you believe there will be confusion between the two standards in the marketplace? If your answer is “yes,” do you agree that for the reasons outlined below, CSOA 5000 should be renumbered to a new series (e.g., CSOA 8000)?

- CSOA 5000 is a stand-alone Canadian standard and can be renumbered with limited amendments to other standards or regulation.
- Maintaining the 5000 series numbering for the CSSA indicates alignment with ISSA 5000 and supports the addition of any future CSSAs within that series.

If your answer is “no,” please explain why.

We agree there may be confusion between the two standards in the marketplace. We agree CSOA 5000 should be re-numbered, and suggest it be renumbered within the “General Assurance and Auditing” section.

**Question 7**

Do you think Canadian amendments are required in CSSA 5000 related to Indigenous matters, in particular, the role meaningful consultation with Indigenous Peoples plays in this standard?(a) If your answer is “yes”, do you agree with the potential Canadian amendments to paragraph 72 in ISSA 5000 and related application material? If not, what Canadian amendments do you believe may be required, and why? Any proposed amendments need to meet the criteria set out in the Appendix.

As a legislative auditor with a long history of auditing issues of importance to Indigenous Peoples, we are pleased to observe the AASB specific reflections on Indigenous matters in its due process.

As proposed and at this time, the exposure draft indirectly places a requirement on preparers to engage in meaningful consultation with Indigenous Peoples. In our view, the primary and most appropriate location for such a requirement is in the sustainability reporting framework itself, rather than the assurance standard, as it is the criteria being applied by the preparer. Framework content such as this would be a consideration for framework authors such as the Canadian Sustainability Standards Board.

We offer that additional guidance will likely be necessary to aid preparers and auditors in the application and evaluation of meaningful consultation in the context of sustainability reporting.



November 6, 2023

Karen DeGiobbi, CPA, CA  
Director, Auditing and Assurance Standards Board

Dear Ms. DeGiobbi,

I hope this message reaches you in good health and high spirits. I am reaching out on behalf of the Pehta Foundation in response to the AASB's inquiry into the considerations assurance professionals should integrate into their practice, especially concerning Indigenous rights risks within sustainability reporting.

The Pehta Foundation, through its involvement in promoting credible and comparable Indigenous impact metrics, recognizes the intricate layers involved in assessing organizations' interactions with Indigenous Communities. One key insight is the necessity of grounding the evaluation in the organization's character and the substantive quality of its relationships with Indigenous Communities. As such, the mere expression of commitment to FPIC principles and UNDRIP does not suffice.

To accurately report on Indigenous rights risks, it is crucial that assurance professionals demand empirically substantiated metrics that reflect true engagement with specific Indigenous Communities. This approach underpins the understanding that an organization's integrity is manifest in its actions and outcomes, rather than its stated intentions. As I have conveyed in discussions with industry stakeholders, without tangible outcomes that evidence engagement, the credibility of any sustainability report is questionable.

In our view, the effectiveness of an organization's commitment to Indigenous rights should be uniformly distributed across all its operational regions, indicating that such a commitment is embedded in its overall strategy and not just a localized initiative. This alignment should be evident at every organizational level, creating a coherent narrative that demonstrates genuine integrity and commitment.

Moreover, it is imperative for assurance professionals to distinguish between a commitment to Indigenous Peoples and Indigenous Communities. The former, while important, often lacks the specific, actionable engagement that characterizes the latter. In the context of financial materiality, this distinction is crucial; it is the Indigenous Community that ultimately has the agency to determine the trajectory of an organization's impact.



The essence of our message is that assurance providers must discern efforts from outcomes. Without the latter, the pursuit of identifying Indigenous Rights Risks exposure remains incomplete and does not provide the evidence needed for a robust sustainability report.

We at the Pehta Foundation are dedicated to advancing these considerations and stand ready to assist in shaping an assurance framework that truly reflects the nuanced dynamics of Indigenous Community engagements. Thank you for your commitment to enhancing the standards of sustainability reporting, and I look forward to potential collaboration on this front.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "A. Lambie".

Aaron Lambie  
Executive Director  
Pehta Foundation





December 20, 2023

Ms. Karen DeGiobbi, CPA, CA  
Director, Auditing and Assurance Standards  
Auditing and Assurance Standards Board  
277 Wellington Street West  
Toronto ON M5V 3H2

Dear Ms. DeGiobbi:

## **Exposure Draft –Proposed Canadian Standard on Sustainability Assurance CSSA 5000**

We appreciate the opportunity to comment on the ASSB's exposure Draft on the Proposed Canadian Standard on Sustainability Assurance CSSA 5000.

### **Overall comments**

We fully support the development of a new overarching standard for sustainability assurance engagements. The International Standard on Sustainability Assurance (ISSA) 5000 will provide global consistency in assurance standards on sustainability reporting and will enhance user confidence in the sustainability information produced. We also support the concurrent adoption in Canada of the proposed ISSA 5000 as Other Canadian Standard under a new Canadian Standard under the Sustainability Assurance (CSSA) series of standards.

### **Questions**

#### **General questions**

- 1. Are there any types of assurance engagements on information, other than historical financial information, where it may be ambiguous whether they are scoped in to proposed CSSA 5000 or CSAE 3000? If your answer is “yes,” please provide examples.**

We are not aware of other types of assurance engagements on information, other than historical financial information, where it may be ambiguous as to whether they are scoped in to proposed CSSA 5000 or CSAE 3000.

- 2. What implementation challenges, if any, might the proposed standard create for practitioners in Canada?**

Please refer to the letter issued by PricewaterhouseCoopers International Limited on the exposure draft of ISSA 5000.

PricewaterhouseCoopers LLP  
PwC Tower, 18 York Street, Suite 2500, Toronto, Ontario, Canada M5J 0B2  
T: +1 416 863 1133, F: +1 416 365 8215, ca\_toronto\_18\_york\_fax@pwc.com



- 3. The AASB anticipates that the IAASB will approve the final standard in September 2024. The proposed effective date is approximately 18 months after approval. What concerns, if any, do you have with this timeline?**

Please refer to the letter issued by PricewaterhouseCoopers International Limited on the exposure draft of ISSA 5000.

#### **Canadian amendments questions**

- 4. Do you agree with the proposed Canadian amendments to ISSA 5000 to adopt it as CSSA 5000? If not, what Canadian amendments do you believe may be required, and why? Note: Any proposed amendments would need to meet the criteria set out in the Appendix.**

Yes, we agree with the proposed Canadian amendments to ISSA 5000 to adopt it as CSSA 5000. We do not believe that other Canadian amendments are required.

- 5. In your experience, are direct engagements on sustainability information in Canada prevalent?**

No, we do not believe that direct engagements are prevalent.

- 6. The proposed standard is named *CSSA 5000, General Requirements for Sustainability Assurance Engagements*. The AASB already has an existing standard with the same numbering, *Canadian Standard on Association (CSOA) 5000, Use of the Practitioner's Communication or Name*. Do you believe there will be confusion between the two standards in the marketplace?**

Although CSSA 5000 and CSOA 5000 are very different topics, we believe that there could be some confusion due to the numbering being the same.

**If your answer is "yes," do you agree that for the reasons outlined below, CSOA 5000 should be renumbered to a new series(e.g. CSOA 8000)? Yes**

**CSSA 5000 is a stand-alone Canadian standard and can be renumbered with limited amendments to other standards or regulation. Maintaining the 5000 series numbering for the CSSA indicates alignment with ISSA 5000 and supports the addition of any future CSSAs within that series.**

#### **Potential additional Canadian amendments questions**

- 7. Do you think Canadian amendments are required in CSSA 5000 related to Indigenous matters, in particular, the role meaningful consultation with Indigenous Peoples plays in this standard? (a) If your answer is "yes", do you agree with the potential Canadian amendments to paragraph 72 in ISSA 5000 and related application material? If not, what Canadian amendments do you believe may be required, and why? Any proposed amendments need to meet the criteria set out in the Appendix.**

We agree that meaningful consultation with Indigenous Peoples plays a valuable role in sustainability engagements and that the proposed international standards adequately support the auditor's responsibilities to consider indigenous matters as part of providing assurance on sustainability engagements without further amendment.



Additional guidance, including highlighting the importance of meaningful consultations with Indigenous Peoples and providing a framework for defining if those meaningful consultations have occurred, is more appropriately covered in the IFRS Sustainability Disclosure Standards.

The management teams who will be responsible for holding these meaningful consultations will primarily be looking to the IFRS Sustainability Disclosure Standards for guidance, rather than the requirements of CSSA 5000. We encourage the International Sustainability Standards Board (ISSB) to include Indigenous Peoples in the process for the adoption of the IFRS Sustainability Disclosure Standards, to ensure that the spirit of this proposed amendment to CSSA 5000 is addressed. We believe that the Auditing and Assurance Standards Board should also participate in the consultation process, to convey the points raised during the CSSA 5000 discussions to the ISSB directly.

We hope that this response provides useful input in achieving the Board's goals. We would be happy to discuss our views further with you.

If you have any questions regarding this letter, please contact, Sophie Gaudreault at [sophie.gaudreault@pwc.com](mailto:sophie.gaudreault@pwc.com) or Alex Young at [alex.young@pwc.com](mailto:alex.young@pwc.com).

Yours sincerely,

/s/ Alex Young

Alex Young  
Chief Auditor