

# The AA1000 Advantage

Using the Principles to Build Competitive Sustainable Performance

April 15<sup>th</sup>, 2026

DUBAI

LONDON

NEW YORK

RIYADH

# AccountAbility is an expert ESG Advisory and Standards firm

## About AccountAbility

AccountAbility is a global consulting and standards firm that works with businesses, investors, governments, and multilateral organizations to innovate and advance the global sustainability / ESG agenda by improving the practices, performance, and impact of organizations.

We focus on delivering *practical, effective, and enduring* results that enable our clients to succeed. AccountAbility operates globally through a highly qualified team from offices in New York, London, Riyadh, and Dubai.

The firm is the recipient of multiple business awards from the Financial Times, Forbes, and Capital Finance International.



### ADVISORY

Practical, relevant, and innovative solutions customized to meet client needs



### STANDARDS

Simple, adaptable, and easy-to-use frameworks to guide responsible and impact-driven performance



### INSIGHTS

Expert perspectives, forward-looking trends, and industry context

# Presenters

## Members of AccountAbility's Global Standards Team



**Udaya Nanayakkara**

*Head of Standards*  
**London**



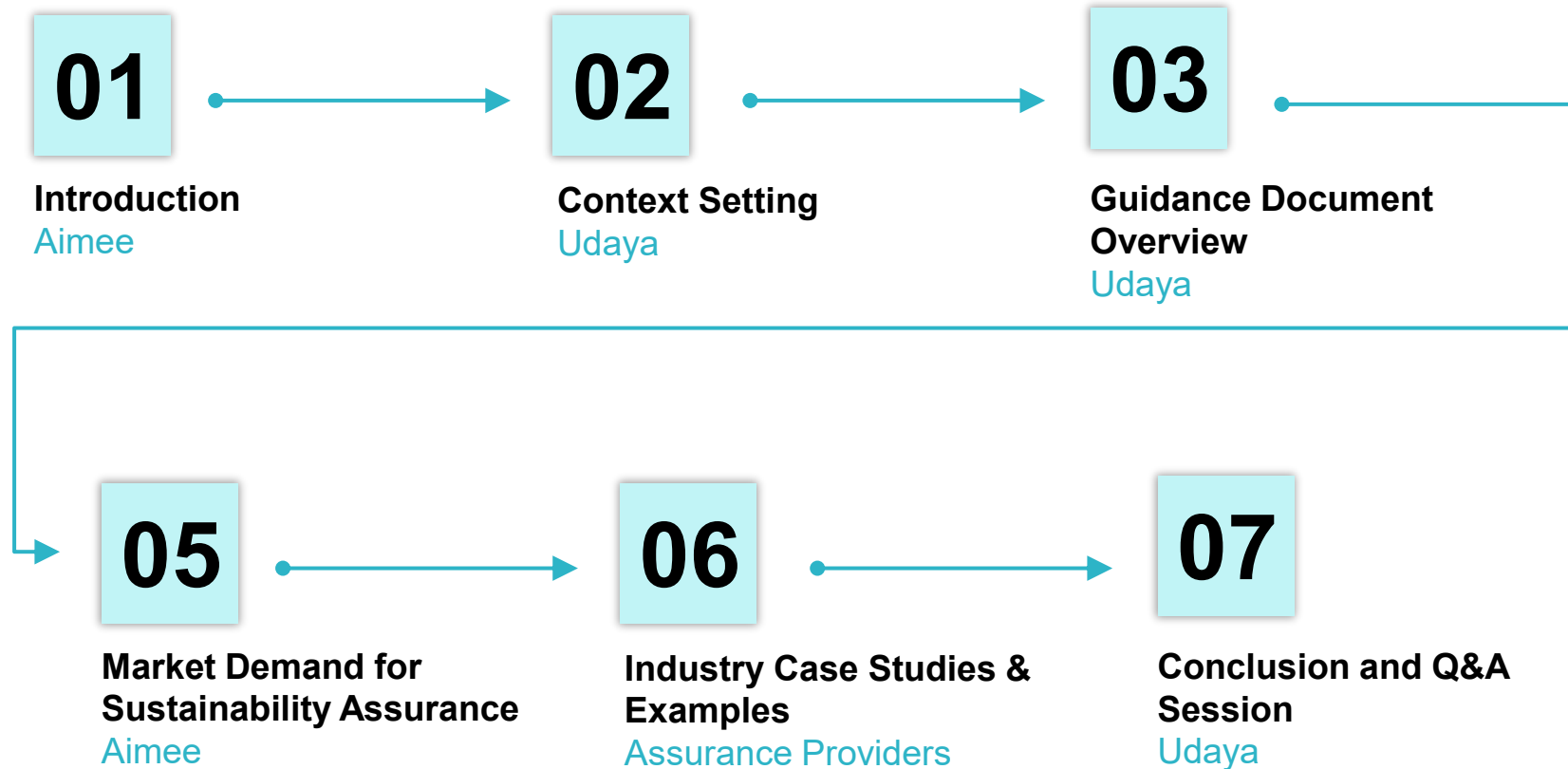
**Aimee Shah**

*Associate*  
**New York**

Joined by Gina Macilwraith (Sustainability Assurance Services) & Kenny Chen (Turbo Net Zero)  
with contributions from George Patrick (EVORA Global)

# Agenda

An overview of today's webinar





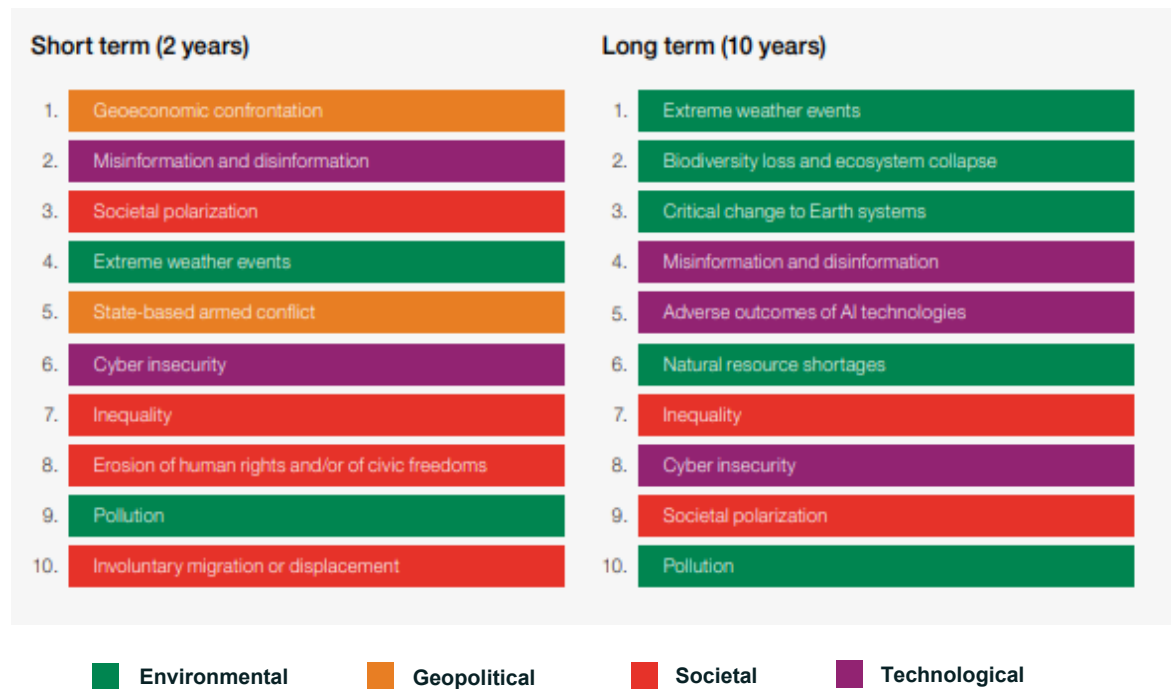
# Context Setting

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# WEF Global Risks

## The Risk Landscape Highlights the Importance of Sustainability Assurance Today

### Global Risks Ranked by Severity



### Benefits of Sustainability Assurance to Risk Mitigation

- Promotes **transparency** and **credibility**
- Increases the **social license to operate** by building **trust** with stakeholders
- Maintains **integrity** through robust data governance and management processes
- Facilitates the identification of risks and opportunities allowing for more **proactive approaches** to be taken
- Fosters **strategic decision-making**
- Supports mitigation and adaptation **planning**

# The AA1000 Principles and Standards are adopted and used globally

## The AA1000 AccountAbility Principles and Standards

At the core of AccountAbility's work is the **AA1000 Series of Standards**. These are principles-based Standards and Frameworks used by a broad spectrum of organizations globally to demonstrate leadership and performance in accountability, responsibility and sustainability.

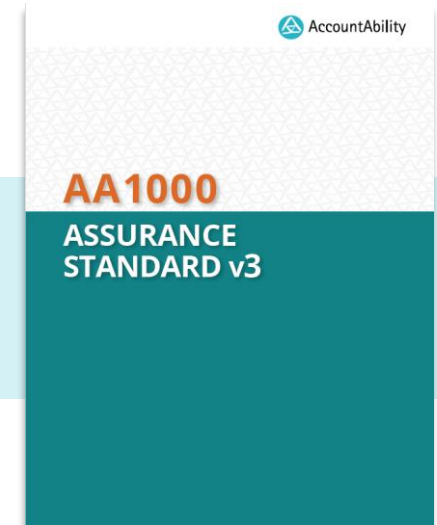
The AA1000 Standards are based on the principles of **Inclusivity, Materiality, Responsiveness** and **Impact**.



The **AA1000 AccountAbility Principles Standard (2018)** outlines the foundational AccountAbility Principles.



The **AA1000 Stakeholder Engagement Standard (2015)** is designed to enable organizations to respond to stakeholders in a comprehensive and balanced way to material issues, impacts, and opportunities.



The **AA1000 Assurance Standard v3** is the leading methodology used for sustainability-related assurance engagements, to evaluate the nature and extent to which an organization adheres to the AA1000AP.

**AA1000**

**GUIDANCE ON  
APPLYING  
THE AA1000AS v3**  
FOR ASSURANCE PROVIDERS

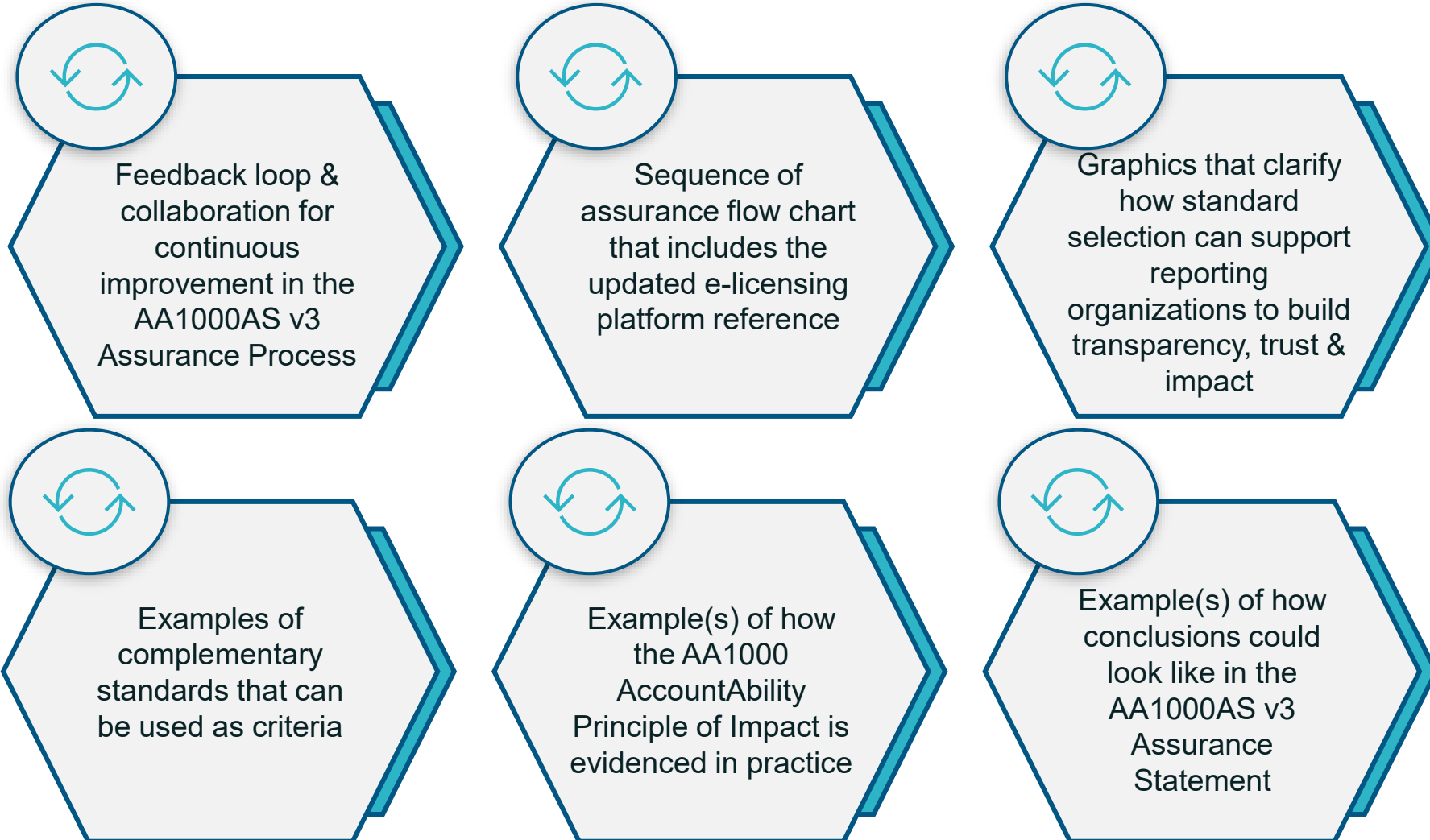
**MARCH 2026**

# Guidance on Applying the AA1000AS v3

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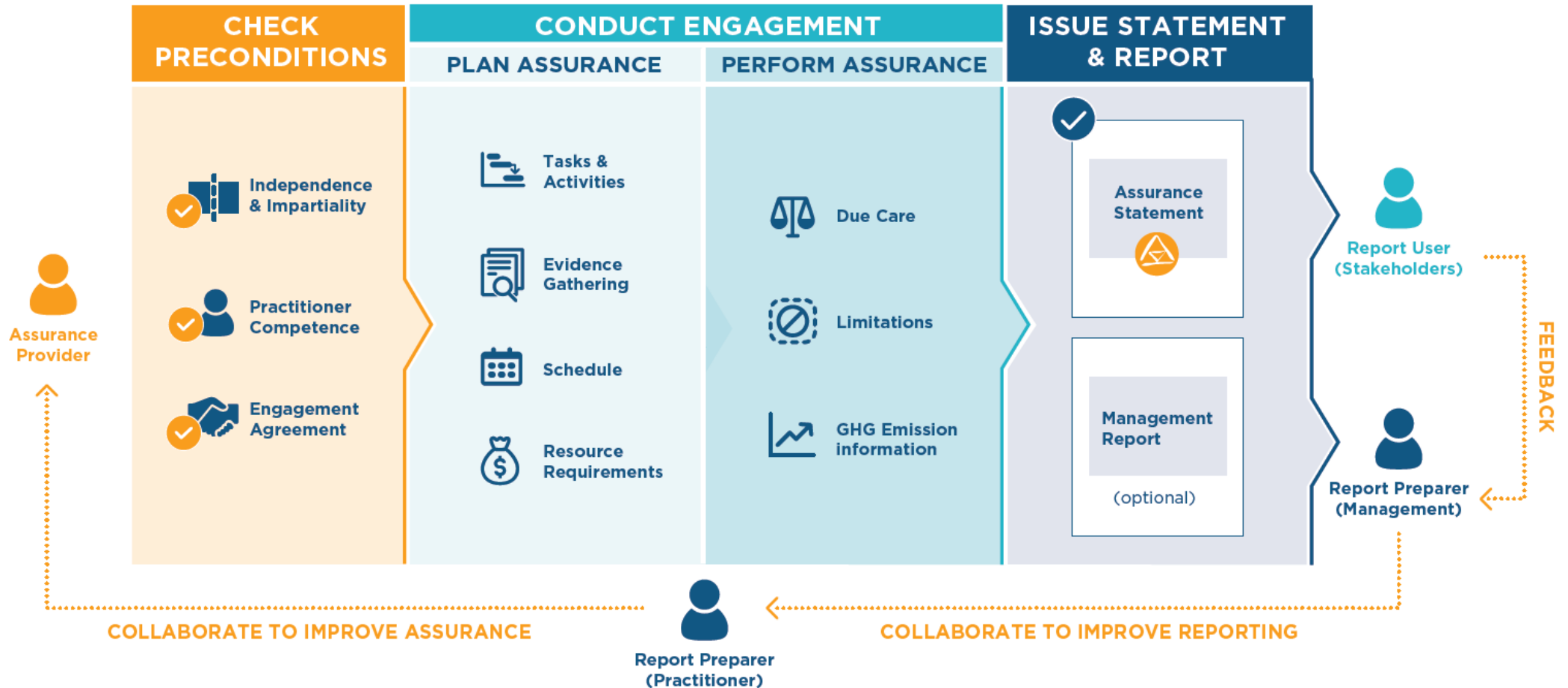
# Overview of the Key Changes

## What has Changed in the AA1000AS v3 Guidance Document



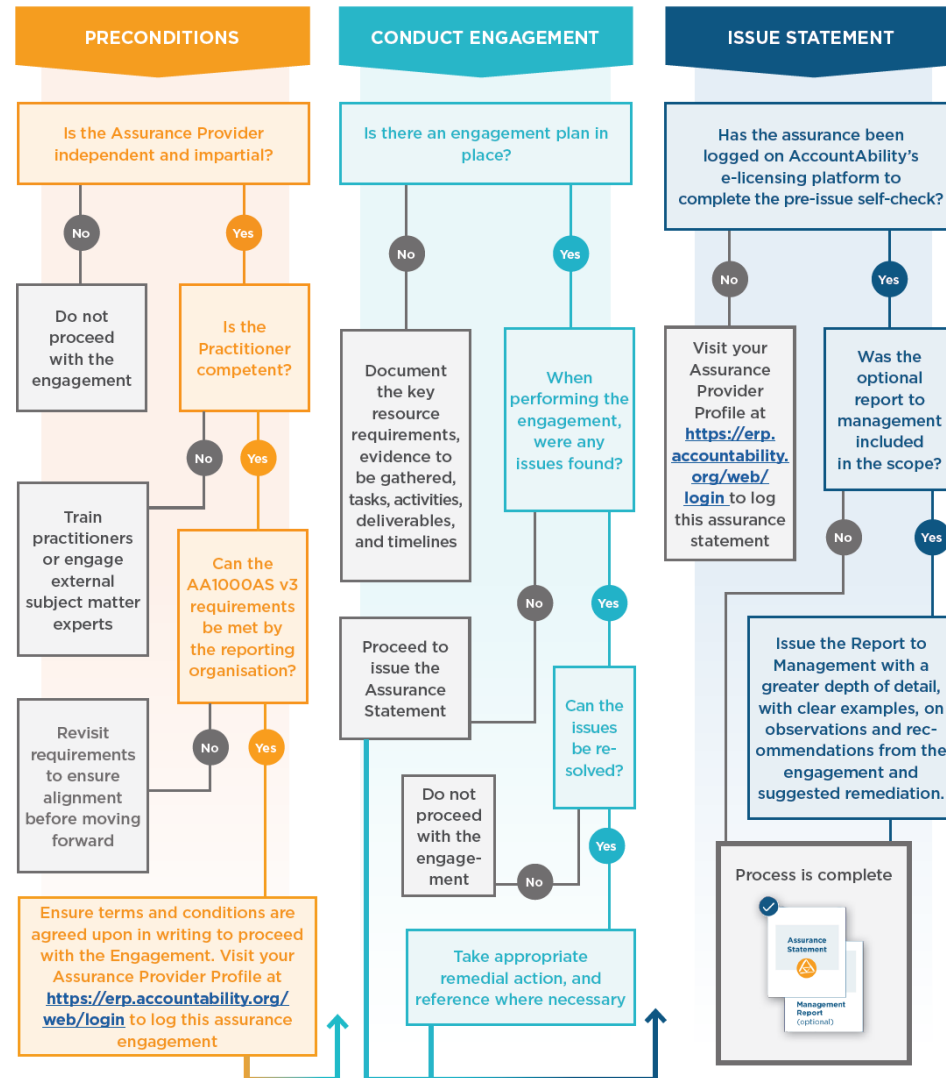
# AA1000AS v3 Assurance Process

## The AA1000AS v3 Assurance Process



# Assurance Flow Chart

## The Sequential AA1000AS v3 Assurance Process



# How Standard Selection Can Support Reporting Organizations

## Building Transparency, Trust & Impact

### MATERIAL CRITERIA FOR REPORTING-

#### SUITABLE SUSTAINABILITY PERFORMANCE CRITERIA

- ▶ **GRI Standards (Global Reporting Initiative):** Globally recognised sustainability reporting criteria [O, T, I]
- ▶ **IFRS: S1** for sustainability-related financial information or adapted Jurisdictional Sustainability Disclosure Standards / national standards based on ISSB standards [O], and S2 for climate-related disclosures [T]
- ▶ **ESRS (European Sustainability Reporting Standards):** For EU companies to report on their sustainability impacts, risks, and opportunities [R]

#### PERFORMANCE INDICATORS SUPPORTED BY APPROPRIATE PROTOCOLS

- ▶ **GHG Protocol:** Reporting greenhouse gas emissions [T]
- ▶ **CDP (formerly known as Carbon Disclosure Project):** Standardised indicators and protocols for climate, water, and forest-related disclosures [T]

#### SUITABLE SYSTEMS, PROCESS CRITERIA AND ASSOCIATED CERTIFICATIONS

- ▶ **ISO 14001 (Environmental Management Systems):** Environmental management systems [T]
- ▶ **EMAS (Eco-Management and Audit Scheme):** EU-based system for evaluating, reporting, and improving environmental performance [T, R]

### REPORTING ORGANISATION WILL SELECT FROM-

### MATERIAL CRITERIA FOR REPORTING-

#### PRODUCT AND LABELLING CRITERIA AND ASSOCIATED CERTIFICATION PROGRAMS

- ▶ **Fairtrade Certification:** On ethical sourcing and stakeholder engagement [T]
- ▶ **Rainforest Alliance Certification:** For sustainable agriculture and forestry, with traceable product labeling [I]

#### PROCEDURES THAT SUPPLEMENT THE REQUIREMENTS AND GUIDANCE IN THE AA1000AS V3

- ▶ **ISSA 5000 (IAASB's International Standard on Sustainability Assurance):** Can be used in conjunction with AA1000AS v3 to provide assurance on non-financial information [O]
- ▶ **AA1000AS GHG Assurance Guidance:** A supplemental document to AA1000AS v3 for assuring greenhouse gas emissions data [T]

#### BENCHMARKS THAT CAN BE USED TO ASSESS ADHERENCE TO THE AA1000 PRINCIPLES AND PERFORMANCE

- ▶ **GRESB (Global Real Estate Sustainability Benchmark):** ESG performance indicators for real estate and infrastructure assets backed by protocols and methodologies [I]
- ▶ **TWSE Local Industry Sustainability Disclosure Indicators:** Developed by the Taiwan Stock Exchange (TWSE), these indicators are tailored to key industries reflecting Taiwan's industrial characteristics [R, I]

#### EVIDENCE OF COMMITMENTS TO PRINCIPLES OR CODES OF PRACTICE

- ▶ **UN Global Compact:** Companies commit to principles on human rights, labor, environment, and anti-corruption [O, T]
- ▶ **OECD Guidelines for Multinational Enterprises:** Code of responsible business conduct that is aligned with AA1000 principles [O]

# Impact Evidenced in Practice

## The Practical Application of the AA1000AP

EXAMPLE 1: COMPANY XYZ – operating in the retail industry, headquartered in the EU

CONTEXT	PROCESS	PERFORMANCE
<ul style="list-style-type: none"><li>▶ <b>Senior management involvement:</b> Demonstrated through commissioning a lifecycle assessment for the circular packaging initiative.</li><li>▶ <b>Integration into strategy:</b> Impacts of material topics are considered in enterprise risk management with external reporting according to GRI Standards, with GRI 414-2 used to assess and manage risks across the supply chain.</li><li>▶ <b>Resource allocation:</b> Dedicated teams conduct supplier audits and manage corrective action plans, supported by training and budget allocations.</li></ul>	<ul style="list-style-type: none"><li>▶ <b>Defined methodology:</b> Lifecycle assessment provides a structured, science-based method to evaluate environmental impact.</li><li>▶ <b>Credible and replicable processes:</b> Sustainability reporting according to the ESRS and GHG emissions reporting aligned with ESRS E1-6 ensures standardised methodologies that would result in externally verifiable data.</li><li>▶ <b>Scope and boundaries:</b> Workforce development tracking shows integrating impact orientation into key management processes, including social impact methodology beyond environmental metrics.</li></ul>	<ul style="list-style-type: none"><li>▶ <b>Quantitative evidence:</b> Emissions data under ESRS E1-6; career progression metrics from the Future Skills program.</li><li>▶ <b>Qualitative evidence:</b> Acknowledgement and accountability for unintended impacts.</li><li>▶ <b>Disclosures:</b> Transparent reporting to stakeholders on both environmental and social impacts, including unintended consequences.</li></ul>

# Examples of How to Present Findings

## Providing Concrete Examples of Conclusions in Assurance Statements

INCLUSIVITY	MATERIALITY
<p>Company XYZ has embedded stakeholder inclusivity into its governance and operations. A formal resolution passed by the Board of Directors in Q1 2024 established stakeholder accountability as a strategic imperative. This commitment has since cascaded through the organisation, with stakeholder engagement now integrated into business planning, risk management, and performance reviews.</p> <p>Stakeholder engagement is embedded within relevant policies, operational procedures, and systems. This includes stakeholder concerns and expectations used to inform risk analyses, materiality assessments, and the establishment of measurable objectives.</p> <p>The company's periodic global stakeholder mapping initiative identified underrepresented voices in its satellite country operations. XYZ has launched a multilingual digital engagement platform for participation from local suppliers and community groups. These insights directly influenced the company's updated procurement policy, which now includes social impact criteria.</p>	<p>Company XYZ has implemented a structured and dynamic materiality determination process, overseen by a cross-functional committee chaired by the Chief Sustainability Officer. The process is reviewed annually and considers both internal and external factors, including regulatory shifts, stakeholder expectations, and emerging ESG risks.</p> <p>In its most recent assessment, the company identified rising material issues from evolving sustainability landscape, including macroeconomic, geopolitical and regional climate volatility. This led to the development of a climate-adaptive logistics strategy, including the redesign of distribution hubs in flood-prone areas and the integration of climate risk into supplier contracts.</p> <p>The company has clearly defined the purpose, scope, boundaries, and time frame of its materiality assessments, with underlying assumptions transparently documented. The evaluation of material topics is supplemented by sustainability performance topics from the European Sustainability Reporting Standards (ESRS), ensuring consistency and objectivity in determining relevance.</p>
<p><b>Other common impact activities:</b> Stakeholder mapping, Engagement forums, Engagement plans, Diverse representation, Feedback documentation, Engagement ownership, Vulnerable stakeholders inclusion, Pre-engagement information availability, Participation tracking, Public disclosure</p>	<p><b>Other common impact activities:</b> Materiality assessments, topic identification, Stakeholder prioritization, Assessment criteria, Management validation, Regular updates, Topic change tracking, Strategy alignment, Methodology disclosure</p>

RESPONSIVENESS	IMPACT
<p>Company XYZ has demonstrated a clear commitment to actively listening and responding to stakeholder concerns, not only through formal channels but also by embedding responsiveness into its operational culture. Following stakeholder feedback on supply chain transparency, the company has launched a supplier audit program across three continents, resulting in the publication of its first Responsible Sourcing Report.</p> <p>In response to employee concerns raised during regional engagement forums, the company revised its internal mobility policy, addressing workforce development expectations and evidenced strengthened internal collaboration.</p> <p>Company XYZ maintains a stakeholder feedback dashboard that aggregates insights across verticals. This system has enabled the company to identify emerging issues and respond with targeted initiatives. When faced with diverging views, Company XYZ facilitated a multi-stakeholder roundtable, the outcomes of which informed a revised water roadmap that balances ambition with credibility.</p>	<p>Company XYZ has demonstrated a strong commitment to understanding and managing the impacts of its activities. Beyond focusing solely on outputs, the company evaluates the outcomes and long-term effects of its initiatives. After launching a circular packaging initiative, XYZ commissioned a lifecycle assessment. In workforce development, the company tracked the career progression of participants in its "Future Skills" program.</p> <p>The company also took accountability for unintended impacts. XYZ has collaborated with local authorities to reroute schedules and invest in infrastructure upgrades. These actions reflect a maturing approach to impact management, grounded in transparency, stakeholder input, and continuous learning.</p>
<p><b>Other common impact activities:</b> Action plans, Topic ownership, Feedback integration, Strategy adjustment, Grievance mechanisms, Progress tracking, Governance escalation, Response communication</p>	<p><b>Other common impact activities:</b> Impact identification, Evaluation, Impact or KPI framework, stress testing, long term analysis, prioritization review, impact assessments, stakeholder feedback and evaluation, impact disclosure</p>

**SPECIFIED PERFORMANCE INFORMATION (Example for a conclusion at Type 2 High level)**

As part of this Type 2 assurance, we evaluated the reliability, completeness, and accuracy of Company XYZ's Scope 1 and Scope 2 GHG emissions disclosures for the reporting year ending 31 December 2024, in alignment with ESRS E1-6 and the GHG Protocol. Based on the evidence reviewed and evaluated during the assurance engagement, we conclude that Company XYZ has achieved a High level of assurance, as sufficient evidence has been obtained to determine that the risk of error is near zero.

The emissions inventory covered 100% of operations under the operational control approach, with no material exclusions identified. Minor data inconsistencies identified during the final consolidation of the sustainability information were corrected during the assurance engagement.

We found the data collection and calculation methodologies to be transparent, replicable, and traceable, supported by adequate internal controls. No material misstatements or omissions were identified once corrected.

**Type 2 performance information:** Data governance, Defined methodologies, Documented controls, Data ownership, Collection procedures, Internal verification, Data validation, Calculation review, Consistency checks, Audit trails

# Market Demand for Sustainability Assurance

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# Rising Tide of Sustainability Assurance

Today, Jurisdictions are Increasingly Seeking to Standardize Sustainability Assurance

The assurance of sustainability information is acknowledged for its benefits in proving the accuracy and reliability of data, enhancing decision making and strengthening stakeholder relationships

**California, US**  
Implemented



- In California, the Californian Air and Resources Board (CARB) introduced **limited assurance** requirements for Scope 1 & 2 emissions under SB 253

**India**  
Implemented



- The Securities and Exchange Board of India (SEBI) implemented **reasonable assurance** requirements for the disclosure of sustainability information under the Business Responsibility and Sustainability Report (BRSR) Core Framework

**Hong Kong**  
In progress



- The Accounting and Financial Reporting Council (AFRC) has proposed a requirement that those subject to mandatory reporting using HKFRS Sustainability Disclosures Standards must obtain **limited assurance**

# AA1000AS v3 Differentiators

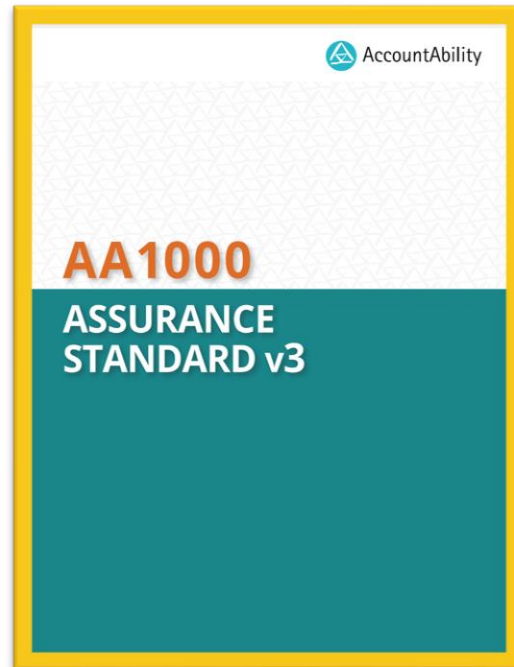
## Why Choosing an Assurance Standard and Provider Matters to You

### Bound to Core Sustainability Principles

- Each report assured by the AA1000AS v3 receives an assurance statement explaining **how the reporting company meets the underlying AccountAbility Principles**, which have *sustainability at their core*.

### Quality Assurance

- All AA1000AS v3 engagements and assurance providers need to meet **AccountAbility quality assurance protocols**.



### Builds a Robust Sustainability Network

- Using the AA1000AS v3 allows **sustainability experts and practitioners** to assess the sustainability data providing a *long-term perspective and a more accurate view* of performance.

### Stakeholder Dispute Resolution

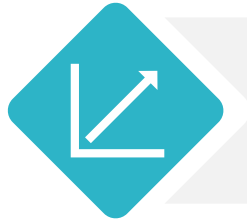
- AccountAbility has an **issue and dispute resolution process** which is a rigorous process to ensure that providers meet quality standards and *reinforces the credibility and robustness of the assurance statement*.

# AA1000AS v3 increases ESG Rating Scores

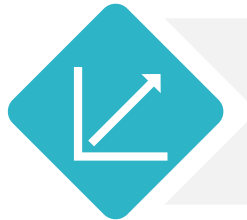
## Generating Value Through Sustainability Assurance



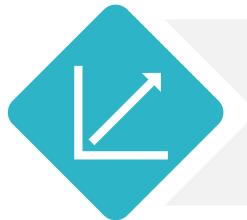
Issuing an ESG report increased a company's overall score by a **5.4 point** average over two years — **0.9 points more than non-reporting companies gain over that time.**



Those that used the AA1000AS v3 to assure their report received a **5.9-point** increase — **1.4 points over non-reporters.**



Regular users of the standard saw **continuous growth year-over-year** on their **ESG rating score.**



The AA1000AS v3 helped companies grow their scores specifically in **6 sustainability topics**, including **leadership ethics; board management; training, health and safety; diversity and labor rights; compensation and benefits; and product.**

# Case Study Use of the AA1000AS v3

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# Case Study: Using the AA1000AS v3 for SMEs

Energy Vault Engaged Sustainability Assurance Services (SAS) to Conduct Assurance of their Sustainability Report & Environmental / Social KPIs



The image shows a webinar title slide with a background of a modern glass skyscraper. The AccountAbility logo and tagline 'Setting the Standard for Sustainability' are in the top left. The main title 'SAS Assurance of Energy Vault' is centered in white, with 'For April CPD Webinar' below it in orange. A circular portrait of Gina MacIlwraith is on the right, with her name in a blue box below. A teal bar at the bottom contains the cities 'DUBAI', 'LONDON', 'NEW YORK', and 'RIYADH'. A small name tag for Gina MacIlwraith is in the bottom left corner.

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## SAS Assurance of Energy Vault

For April CPD Webinar

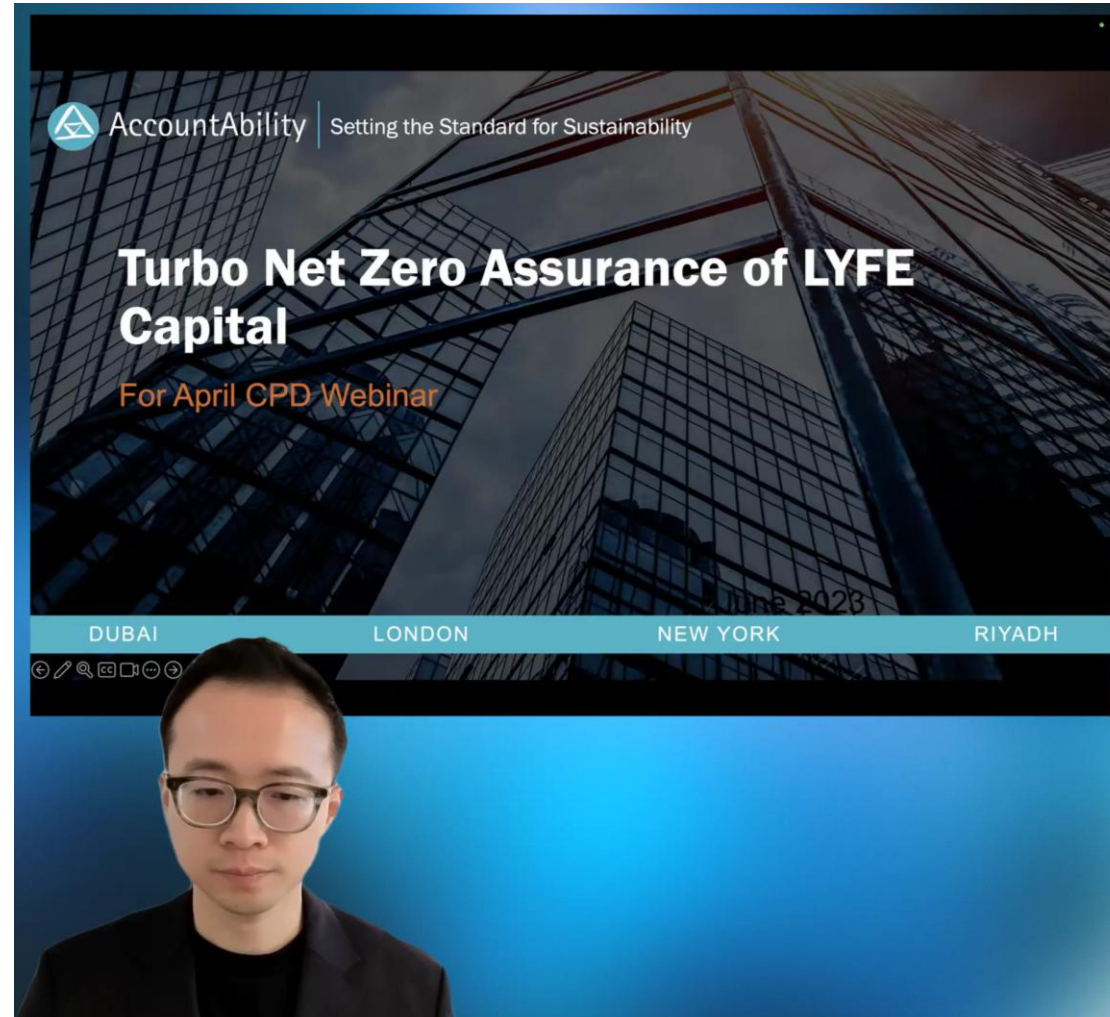
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Gina MacIlwraith

Gina MacIlwraith

# Case Study: Using the AA1000AS v3 for Impact Verification

LYFE Capital Engaged Turbo Net Zero for Verification of Their Impact Framework, Investment Processes and Reporting Practices



# Case Study: The Value of the AA1000AS v3 EVORA Global

## EVORA Global Highlighted Why they Value the AA1000AS v3

EVORA is a leading sustainability advisor delivering climate solutions to real asset investors







### They Choose the AA1000AS v3

- EVORA has **completed over 200 assurance engagements, reviews and projects** in the past five years and frequently chooses the AA1000AS v3 to carry out these engagements
- They select the **AA1000AS v3 as it is a globally recognized standard aligned with leading reporting frameworks**, including GRESB, INREV and EPRA.
- For assurance engagements, EVORA conducts a **Type 2, Moderate Assurance using the AA1000AS v3** covering energy, water, waste and greenhouse gas data across underlying real estate assets with investment funds

# Case Study: EVORA Global

## Why the AA1000AS v3 Worked Well

-  **Structured and Scalable Approach:** It is applicable across diverse sectors and geographies from small portfolios of 2 assets to large portfolios of 200 assets
-  **Goes Beyond Comparable Standards:** It evaluates internal data collection processes and highlights continuous improvement opportunities
-  **Strengthens Confidence in Reported Data:** The detailed review of data quality, accuracy and reliability strengthens confidence in reported data
-  **Actionable Recommendations:** The assurance statement and management report provide clear, transparent communication of findings and recommendations to clients and stakeholders





# Q&A

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# THANK YOU

AccountAbility is providing this information overview for discussion purposes.

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