AA1000SES v3 Exposure Draft (ED) — Assurance Review Committee Comments

Submitted by: Chongjae Lee
Role: Assurance Review Committee Member
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1. Executive Summary

I welcome the overall direction of the Exposure Draft (ED). It aligns stakeholder engagement with corporate strategy and proposes a practical 5-phase operating model. The formalization of AA1000AP-based testing and scaled application will improve adoption. To reduce interpretation variance and strengthen assurance readiness, I recommend five controls be made explicit: governance obligations, level-specific minimum evidence, AP rating scales, KPI & decision rules, and interoperability mappings. These controls will reduce interpretation variance and strengthen assurance readiness.

2. Top 5 Recommendations (Priority Requests)

1) Governance obligations at Strategy: Elevate Board accountability and management KPI linkage to mandatory requirements within the Strategy phase. Suggested text: "The Board approves the organization's stakeholder engagement policy; management owns performance KPIs."

2) Level-specific minimum evidence: Publish a table that differentiates Full vs. Limited application with a minimum evidence list (e.g., stakeholder map, prioritization rationale, engagement plan, minutes, feedback loop, disclosure/decision note).

3) AA1000AP testing scales: Provide a checklist and 0–3 rating scale for the four AA1000AP principles (Inclusivity, Materiality, Responsiveness, Impact) and specify pass/advice thresholds.

4) KPI sets and decision rules: Offer baseline/advanced KPI sets and define a simple decision rule linking results to actions: Maintain / Adjust / Re-scope.

5) Interoperability mappings by category: Publish mapping tables by category: (a) reporting/disclosure — GRI, ISSB S1/S2, ESRS, KSSB; (b) principles/guidelines — UNGP, OECD; (c) risk frameworks — TNFD; and acknowledge assurance alignment with ISSA 5000.

3. Detailed Comments (Aligned to ED Structure)

3.1 Strategy

Document enterprise-level purpose and objectives. Embed stakeholder engagement within governance, strategy, and operations. Add a specific requirement for Board-approved policy and management KPIs. Minimum evidence: policy, KPI list, risk/opportunity matrix, annual plan.

3.2 Design

Link stakeholder identification and mapping to double materiality. Apply a salience framework (Power, Legitimacy, Urgency). When using digital/AI tools, evidence accessibility, privacy/GDPR considerations, and recordability. Minimum evidence: stakeholder map, prioritization rationale, privacy impact notes.

3.3 Engage

Follow a consistent flow: parameters → engagement plan → indicators → invitation/delivery → records. Include checks for silent stakeholders and vulnerable groups. Minimum evidence: topic briefs, attendance records, minutes, public feedback summary.

3.4 Measure

Measure effectiveness against pre-agreed indicators using a three-tier KPI model: Process (representativeness, pre-disclosure, accessibility), Output (proposals, adoption rate, agreements), Outcome/Impact (policy/product changes, risk reduction, complaints reduction, trust index).

3.5 Improve

Make decisions explicitly based on results: Maintain / Adjust / Re-scope. Issue a short decision note and assign follow-ups with timelines.

3.6 Prioritization & Salience

Score Power, Legitimacy, and Urgency (0–3) with agreed weights (e.g., 40/35/25). Define cut-offs to select engagement depth: co-design, deep consult, targeted inform/interview, or monitor. Keep documentary evidence of scoring logic, data sources, and quarterly refresh or event-triggered update.

3.7 Scaled Application (Self-assessment → Full/Limited)

Provide level definitions (Reactive / Tactical / Integrated / Strategic / Transformative). Fix minimum requirements per level in a table. For assurance, the third party should assess the rationale for the selected level and its sufficiency.

3.8 AA1000AP-Based Testing

Include principle-specific checkpoints with a 0–3 scale and an at-a-glance pass/advice visualization. Map evidence types to each principle to increase consistency.

3.9 Supplementary Materials & Platform

Release a starter bundle concurrently: templates, checklists, 20 use cases, mapping tables, and FAQs. Keep materials modular and plan quarterly updates through a web platform.

3.10 Interoperability (Categorized)

• **Reporting/Disclosure:**

GRI 2/3; ISSB IFRS S1/S2; ESRS; KSSB (Korea).

• **Principles/Guidelines:**

UN Guiding Principles (UNGP); OECD Guidelines.

• **Risk Frameworks:**

TNFD (nature-related risk and opportunity management).

• **Assurance Standards:**

ISSA 5000 (IAASB) — for sustainability assurance engagements; alignment refers to assurance readiness, not disclosure content.

3.11 Data Protection & Ethics
Apply minimization, purpose limitation, retention, and transparency. Offer jurisdictional notes: GDPR and Korea's PIPA (Personal Information Protection Act) with oversight by PIPC.

3.12 Consultation Timeline & Method
Publish UTC opening/closing timestamps for the three-week consultation, and clarify the time zone for the one-week committee deadline (e.g., 2025-09-21 00:00 UTC – 2025-10-12 23:59 UTC). Differentiate the review committee window from the public consultation.

4. Annex Suggestions (Summary Tables)
A. Minimum Evidence by Level (example)

• Reactive — stakeholder list, basic issue log, basic notice

• Tactical — map & prioritization rationale, engagement plan, outcome summary

• Integrated — feedback loop, disclosure/decision note, baseline KPI set

• Strategic — co-design examples, advanced KPI set, impact assessment

• Transformative — co-decision agreement, budget linkage, external review memo

B. AA1000AP Testing Scale (summary)

• Inclusivity — representativeness, accessibility, psychological safety

• Materiality — risk/opportunity link, value creation relevance

• Responsiveness — feedback loop, disclosure/decision evidence

• Impact — policy/product change, persistence of outcomes

• Ratings — 0: Insufficient / 1: Partial / 2: Meets / 3: Excellent

C. KPI Selection & Decision Rule

• Require baseline KPI; adopt advanced KPI where risk/importance is high

• Decision rule: Maintain ≥80%; Adjust 50–79%; Re-scope ≤49% or material negative impact detected

Thank you for the opportunity to comment.
Chongjae Lee, ETODAY
Assurance Review Committee Member
Email: joun4u@kosri.com