ANNUAL REPORT
YEAR ENDED
DECEMBER 31, 2015

Pursuant to Rule 15c2-(11)(a)(5) Under the Securities Exchange Act of 1934

INTERNATIONAL SUSTAINABILITY GROUP INC.
81 Lancaster Avenue
Suite 302
Malvern, PA 19355

CUSIP No:
460412 109

TRADING SYMBOL:
ISGP

ISSUER'S EQUITY SECURITIES

COMMON STOCK
$0.001 Par Value
950,000,000 Common Shares Authorized
767,381,564 Shares Issued and Outstanding
50,000,000 Preferred Issued and Outstanding

Cautionary Note Regarding Forward-Looking Statements

This disclosure form includes certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements, which involve risks and uncertainties, relate to the discussion of our business strategies and our expectations concerning future operations, margins, profitability, liquidity and capital resources and to analyses and other information that are based on forecasts of future results and estimates of amounts not yet determinable. We use words such as "may", "will", "should", "expects", "intends", "plans", "anticipates", "believes", "estimates", "seeks", "expects", "predicts", "could", "projects", "potential" and similar terms and phrases, including references to assumptions, in this form to identify forward-looking statements. These forward-looking statements are made based on expectations and beliefs concerning future events affecting us and are subject to uncertainties, risks and factors relating to our operations and business environments, all of which are difficult to predict and many of which are beyond our control, that could cause our actual results to differ materially from those matters expressed or implied by these forward-looking statements. These risks and other factors are as follows:

- our lack of revenues to date
- recent worldwide and domestic economic trends and financial market conditions could adversely impact our financial performance;
- our potential need for additional capital, which, if not available on acceptable terms or at all, could restrict our future growth and severely limit our operations;
- our brands could fail to achieve more widespread consumer acceptance, which may limit our growth;
- the failure of even a few of our independent wholesale distributors to adequately distribute our products within their territories could harm our sales and result in a decline in our results of operations;
- an impairment in the carrying value of our goodwill or other acquired intangible assets could negatively affect our operating results and shareholders' equity;
- changes in consumer preferences and trends could adversely affect demand for our products;
- there is substantial competition in our industry and the many factors that may prevent us from competing successfully;

We assume no obligation to publicly update or revise these forward-looking statements for any reason, or to update the reasons actual results could differ materially from those anticipated in, or implied by, these forward-looking statements, even if new information becomes available in the future.

INTERNATIONAL SUSTAINABILITY GROUP, INC

All information contained in this Disclosure Statement was compiled from the issuer's books and records and is intended to fulfill the disclosure requirements of Rule 15c2-11 (a)(5) promulgated by the Securities and Exchange Act of 1934, as amended.

Item 1. – Name of the issuer and its predecessors

International Sustainability Group, Inc.

Item 2. – The address of the issuer's principal executive offices.

81 Lancaster Ave,
Suite 302
Malvern, PA 19355
Phone: 484-551-8345

Website: http://www.isgpglobal.com/
Email: info@isgpglobal.com

All Investor Relations inquiries should be addressed to the Company at the above address.

Item 3. – Security Information

The Company has: 767,381,564 common shares issued and outstanding.
Par value $0.001
Common Stock Cusip#: 460412 109
Symbol: ISGP
The Company has: 50,000,000 total preferred shares authorized out of which 5,000,000 Series A preferred shares issued and outstanding; and 45,000,000 Series B preferred shares issued and outstanding

There are no provisions in the Company's charter or by-laws that would delay, defer or prevent a change in control of the Company.

Fiscal Year 2015
Period end date: December 31, 2015
Common shares authorized: 950,000,000
Common shares outstanding: 767,381,564
Freely tradable shares (public float): 340,373,564
Preferred shares authorized: 50,000,000
Preferred shares (Series A) outstanding: 5,000,000
Preferred shares (Series B) outstanding: 45,000,000

Total number of beneficial shareholders: 191
Total number of shareholders of record: 191

Fiscal Year 2014
Period end date: December 31, 2014
Common shares authorized: 950,000,000
Common shares outstanding: 440,486,000
Freely tradable shares (public float): 18,451,000
Preferred shares authorized: 50,000,000
Preferred shares outstanding: 1,000,000
Total number of beneficial shareholders: 111
Total number of shareholders of record: 111

The name and address of the transfer agent.

Madison Stock Transfer
P. O. Box 145
Brooklyn, NY 11229
Phone: (718) 627-4453
Madison Stock Transfer, Inc. is an SEC approved transfer agency.

List any restrictions on the transfer of security:

None

Describe any trading suspension orders issued by the SEC in the past 12 months:

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

NON-SHELL STATUS

The Company is not currently a shell, and has never been a shell company, since inception. We have seen and carefully reviewed a copy of Rule 144. We do not have any reason to believe that the Company would not comply with Rule 144(i)(1)(i). as a non Shell status. We provided legal opinions several times by several attorneys in the past and current regarding reliance on the Rule 144 and rely upon the documents of the Company.

The key component is that the Company was privately held since the inception year 1990 until 2010, at which time the company began trading on the Gray Market. The Company's main business activity since inception (1990) till 2009 was to provide drilling services for oil and gas wells concentrating on reworking existing stripper wells, consulting to the energy industry, production, and exploration of new wells. A business plan (dated 10/01/1990) along with incorporation certificates of 1990 demonstrates that the Company was operational and providing Environmental Services with a revenue range $1 - $1,000,001 by Executive Office/Director Claude Smith at 1921 SE Washington #5, Idabel, OK 74745. This clearly exhibits that the Company was not a shell since inception as per the Rule 144(i)(1)(i).

During this period (1990 to 2010) the Company remained in the Gray Market until March 2014 when it was accepted by OTC Markets to trade on the Pink Sheet Market. At no time since 2010 was the company a public shell company as defined in Rule 230.405 of the Securities Act.

In late 2009 Mr. Darren Cioffi, was appointed as the new CEO and board of director as mentioned in the affidavit provided by Mr. Cioffi. As per Mr. Cioffi, in 2009 till 2011 the focus of the Company changed towards environmental services and specialty trade contracts such as remediation and construction and inspection jobs. The company's operation also moved from Idabel, OK to 366 N. Broadway, Ste 410, Jericho, NY 11753. A copy of the new business plan prepared by Mr. Cioffi dated September 5, 2009 demonstrates that the Company was operational and had revenue of $179,508.

As mentioned in the affidavit of Mr. Cioffi the business of the Company suffered due to the recession in the energy industry in 2011, so all remediation contracts of the Company was cancelled and Mr. Cioffi was forced to restructure and reorganize the company, that took couple of years. But, Mr. Cioffi continued operating the company by him without taking any salary and spending money from personal sources. That's the reason the tax returns in 2011 and consolidated financials of 2012 & 2013 that reflect a major financial fall (no revenue and very minimal expenses and bank balance) due to elimination of contracts.

In 2014, Mr. Cioffi was successful in reorganization and appointed Mr. Surajit Khanna as the new CEO and board of directors. Mr. Cioffi also resigned as the CEO and board of directors. Mr. Khanna brought a patent and substantial amount of asset to the company in order to grow algae and its derivatives. The new business plan

and 2014 financials demonstrate the assets and expenses of the Company. This clearly exhibits that the Company was not a shell since inception as per the Rule 144(i)(1)(i).

In 2015, the Company started its state of the art commercial testing laboratory and pilot plant for growing algae in West Chester, Pennsylvania. Furthermore, the Company introduced its first commercial algae based nutritional bar called "AlgaeUp" with a revenue forecast of $3 million in 2016. Further, in early 2015 the Company acquired two nutritional companies in Peru; the accounting books of these Peruvian companies are still been audited for including in the financials of the Company in 2016. The Company was setting up its nutritional bar production and distribution in Philadelphia, Mississippi in mid of 2015, unfortunately due to several logistic issues the Company decided to start setting up this production and distribution in greater Tampa area in Florida. The Company is not now a shell company, nor has it been a shell company, as defined under the amended Act (after review of the Company's quarterly and annual reports as posted on the OTC Disclosure & News Service), and is traded on the OTC Pink with current information.

SEC Release 33-8869, Footnote 172 specifically states:

Rule 144(i) does not prohibit the resale of securities under Rule 144 that were not initially issued by a reporting or non-reporting company or an issuer that has been at any time previously such a company, even when the issuer is a reporting or non-reporting shell company at the time of sale. Contrary to commenters' concerns, Rule 144(i)(1)(i) is not intended to capture a "startup company" or in other words, a company with a limited operating history, in the definition of a reporting or non-reporting shell company, as we believe that such a company does not meet the condition of having "no or nominal operations."

Furthermore, below are the details (with accurate timeline) of the factual analysis of the company:

1. In 1990 QUANTUM PRODUCTION SERVICES was formed as a Louisiana Corporation. Quantum was a "private company" and not publicly traded on any public market.
2. In 2006, Quantum changed its domicile to Nevada by share exchange and changed its name to SMITH OIL GROUP, INC. QUANTUM PRODUCTION SERVICES became a wholly owned subsidiary of SMITH OIL GROUP, INC. At this time, SMITH OIL GROUP, INC. is still a "private company" as it was not traded on any public market. SMITH OIL GROUP,

INC. was under the control of Claude Smith, who has been deceased since 2013.

3. SMITH OIL GROUP, INC. continued to operate under that name as a "private company" registered in the State of Nevada with ongoing business operations.
4. In 2009 SMITH OIL GROUP, INC. acquired HAWKSOLUTIONS GROUP, INC., a private New York corporation formed in 1999. The company is engaged in mechanical air quality retrofit, life Safety and energy consulting & contracting.
5. On July 20, 2009 85% of the shareholders voted to change the name of the Company from SMITH OIL GROUP, INC. to INTERNATIONAL SUSTAINABILITY GROUP, INC. At this point, none of the above-mentioned companies have ever been considered "public companies" as they are all "private companies" and they were never traded on any public market.
6. As of July 21, 2009, Mr. Darren J. Cioffi took over control of the "private company" known as INTERNATIONAL SUSTAINABILITY GROUP, INC. and began running the daily operations as Chief Executive Officer and Board Member.
7. On June 18, 2010, Steven D. Genegaban, a compliance examiner for the Financial Industry Regulatory Authority (FINRA) wrote a letter to Capital Path Securities, LLC regarding the public trading status of ISGP. The letter will confirm that June 18, 2010 was the first day that ISGP was ever cleared to be eligible to be publicly traded since its inception.
8. The first time that ISGP was ever traded on any public market was in 2010 when they began trading on the "Gray Market" and essentially became a non-reporting/no information public company listed on the Gray Market. ISGP continued to trade on the Gray Market from 2010 until March of 2014 when the stock became eligible for the OTC Pink market. Essentially the first time that ISGP was ever considered a public company was under the control of Mr. Darren J. Cioffi who has signed an affidavit stating that the company was not, and has never been a "public shell company".
9. In March of 2014, INTERNATIONAL SUSTAINABILITY GROUP, INC. [ISGP] was granted the right to be publicly traded on the OTC Pink Market and has continued to trade since that time.
10. On July 17, 2014, ISGP appointed new management and Board Members. On that same day, the former CEO and sole director of the company resigned. Surajit Khanna was officially appointed to the position CEO and has continued to be active in ISGP until the present date. During which time, the company has had daily business operations that have been overseen by Surajit Khanna, the company's CEO.
11. On August 8, 2014, ISGP was assigned patents from Surajit Khanna, the current CEO, and is considered to be the property of ISGP. These patents, and other ISGP intellectual property are associated with commercial algae production used to create biofuels. In addition, ISGP is currently, and has been since the time it began trading on the OTC Pink Market, a company with financial statements including but not limited to, bank statements, tax returns.

These financial statements and quarterly disclosures have been published to the OTC Markets website and clearly prove the company's business operations and the fact that ISGP is not a “Shell Company”.

At no time since its inception and evidenced transition from a “private company” to a “public company” has INTERNATIONAL SUSTAINABILITY GROUP, INC. been considered a “Shell company” according to the rules set forth by the Securities & Exchange Commission.

Item 4. – Issuance History

During the year ended December 31,2015 the Company issued 4,000,000 shares of preferred Stock (Series A) and 45,000,000 shares of preferred Stock (Series B) for the purchase of patent and IP.

During the year ended of December 31,2015 the Company issued 326,895,564 shares of common Stock for the purchase of assets, equipment and working capital.

The above issuances of the shares of Common Stock were exempt from registration under the Securities Act of 1933, as amended pursuant to Section 4(2) of the Securities Act. The certificates or other documents that evidence the shares contain a legend stating that the shares have not been registered under the Securities Act.

Item 5. – Interim Financial Statements

Please see Annual Report filed for Period ending December 31, 2015 filed on March 30, 2016 on www.otcmarkets.com.

Item 6. – Issuer’s Business, Products and Services.

A. Business Operations

International Sustainability Group, Inc. (“ISG” or the company”) is a publicly traded green sustainable corporation registered in the State of Nevada, having its headquarters in Malvern, Pennsylvania, focusing on commercial scale production and sales of various natural algae species and various algae based health and nutritional supplement products.

Initially ISG specialized in green energy audits, green engineering, design-build and life safety compliance. ISG has entered into the Algae market, by the acquisition of a

patented indoor commercialized algae development technology. This technology has been successfully developed and tested to produce commercial large-scale algae in an indoor environment using artificial light in vertical photo-bioreactors (PBR). ISG's patented, third party validated algae technology enables it to produce algae continuously (24X7) and control the growth environment for optimum yields. In addition, the vertical nature of the PBR's enables to reduce the land requirement significantly as compared to other technologies such as open pond. Algae products have been used in multiple industries such as nutraceutical, pharmaceutical, animal feed and bio-fuel, presenting a massive growth potential to the Company.

ISG plans to first address the requirements of premium markets such as nutraceutical and pharmaceutical, and later focus on the bio-fuel market after a significant production capacity expansion.

In order to increase revenue, ISG has continued with negotiations to acquire various algae production/distribution facilities, including various health, nutritional and pharmaceutical product manufacturing facilities. ISGP announced in July that it is ramping up production of its initial three AlgaeUp products in Peru to bring to the USA market, unfortunately due to some unforeseen circumstances the production couldn't take place. Currently, ISG is planning to start AlgaeUp products commercial production in USA. The products are planed to be available in USA market sometime in May/June 2016 time frame, provided all funding initiatives are in-place on timely fashion.

The acquisition of two Peru plants could not be completed by the end of fourth quarter due to lack of funding in time. As a result ISGP decided to withdraw the acquisition process. The acquisition could be visited again at a later time, if ISGP secures funding and sees the need.

Further, the manufacturing and distribution of ISG's health and nutritional supplement products that was planned to be started in Philadelphia, Mississippi by its joint venture company ISG-Lotus, Inc (On August 10th ISGP announced ISG's joint Venture with Lotus Holdings, LLLP) has been place on hold due to various un foreseen circumstances. This could be visited again at a later time, if ISGP secures required funding and sees the need.

The Company has 6 employees, is not bound by long-term contracts, and when necessary, the Company relies on the services of independent consultants and contractors to perform various professional services. These employees have not received compensation or salaries since the start of the business operations, but have deferred their pay until proper funding is available with the company. This deferred salary shall be documented in the accounting books by the end of the 4th quarter and

employees will be issued convertible promissory notes for services rendered. Such convertible promissory note will have the option to convert into non-restricted common shares.

As our operations increase, we anticipate engaging additional employees; however, we do not plan to add employees until the business is substantially increased, and we have generated adequate funds to support our operations.

Our growing lines of algae-based nutritional products are designed to support health through a formulation of nature's minerals, proteins, antioxidants, vitamins and omegas.

In addition to our initial nutritional health supplement products, which are "AlgaeUP™ Super Food Nutritional Bar", "AlgaeUP™ Energy Drink Supplement mix", "AlgaeUP™ supplement capsules", and "AlgaeUP™ Energy Supplement Shot", ISG is also formulated a new "AlgaeUP™ Moringa Nutritional Bar" and "AlgaeUP™ Maca Nutritional Bar". All products have been specially formulated using blue green algae Spirulina as its main ingredient along with whole Qnioa, Chia Seeds, Flax Seeds, etc, that constitutes "Super Food". Each product will allow our customers to achieve optimal health and fitness.

During the third quarter of 2015 ISG paused the build out of the algae commercial laboratory and spirulina pilot plant at 510 E. Banard St,. Unit- 45, West Chester, Pennsylvania. This build out shall start some time in Q2 or Q3 of 2016 at a different larger place; the actual place has not been finalized yet. The company has also shifted its Headquarters from 510 E. Banard St,. Unit-45, West Chester, Pennsylvania 19382 to 81 Lancaster Ave, Suite 302, Malvern, PA 19355. Also, shifted its administrative work location from 510 E. Banard St. Unit-45, West Chester, Pennsylvania 19382 and has established its administration and operations offices at 1525 Lakeville, Suite 200, Kingwood, TX 77339.

On 10th of November ISG signed a distribution agreement with New Global Energy, Inc. (OTCQB: NGEY) and a manufacturing agreement to produce a new Protein Bar to be called MoringaUP™ to complement our other AlgaeUp™ products. Adding a MoringaUP™ Protein Bar will add tremendously to our product line supporting health through a formulation of nature's minerals, proteins, antioxidants, vitamins and omegas. Moringa is known to be the most nutritious tree found on the earth. Moringa is considered "the power house" of Nutrients because the Moringa leaves contain more than 90 nutrients and 46 antioxidants.

On November 19, 2015 ISG signed a partnership agreement with CSS Alliance LLC., (APRE) to provide cost effective shipping Alternatives to ship Cocoa and Algae commodities for the production of all protein bars produced by ISGP. CSS Alliance has developed innovative containers that are more efficient, hold more, and have less spillage of product than other containers. This benefit enables there to be no loss of product between truck, rail or boat while shipping commodities overseas. Thus, ISGP has agreed to use CSS Alliance's horizontal and vertical relationships in the container and shipping industry to ship product for ISGP in a cost effective manner.

During the end of third quarter of 2015 (December 2, 2015) ISG started a new division named "Energy and Environmental Quality". Mark Miyaoka joins ISG as the Head of Energy and Environmental Quality. Mark's relationships in the various vertical industries will bring ISGP a new vertical in the environmental, climate control and carbon reductions. It is well know that algae are capable of cleaning wastewater and emissions to our atmosphere. As part of the cultivation process algae needs carbon, nutrients and sunlight to grow. Mark will establish this vertical using our various patented algae cultivation process. Algae are known to take out all the ammonia and a large percent of the nitrate and phosphate from waste-water. This will help clean up the receiving water at a waste treatment plant. A power plant's exhaust of CO2 emissions can feed our Algae cultivation, which will drastically cut down the power plants emissions.

On December 23, 2015 ISG partners with Cóndor Servicios Integrales S.A.S. to explore methodologies to help clean up the environment. Cóndor Servicios Integrales S.A.S., will implement a pilot program to integrate ISGP's patented Algae Bio-Reactor with Condor's Waste Treatment Power Generation Plant in Yopal, Casanare, Colombia.

B. The Company is a Nevada corporation, incorporated in 1990.

C. The Company's primary SIC code is 191 – General farms, primarily crop.

D. The Company's fiscal year end date is December 31.

E. Principal products and their markets – see "A" above.

Item 7. – Issuer's Facilities

The issuer co leases space at 81 Lancaster Ave, Suite 302 Malvern, PA 19355 and 1525 Lakeville, Suite 200, Kingwood, TX 77339

Item 8. – Officers, Directors and Control Persons.

A. The name of the chief executive officer, members of the board of directors, as well as control persons:

Chairman and Director – Surajit Khanna
Vice Chairman and Director – Robert Tanko
Chief Executive Officer (Interim) - Frank Rhodes
Chief Operating Officer International and Director – Eduardo Llaser
Director – Benny J Tillman
Director – Anand Poddar

Business address: 81 Lancaster Ave, Suite 302 Malvern, PA 19355.

Sohinii Khanna owns 123,451,556 common shares; = 16.087% of the issued and outstanding common shares.

Empire Venture Group owns 110,000,000 common shares; = 14.334% of the issued and outstanding common shares.

AlgaeUP, LLC owns 4,000,000 shares of Series A Preferred Stock and ISG Partners, LLC owns 1,000,000 shares out of 5,000,000 shares of Series A Preferred Stock outstanding. Series A Preferred Stock carries super voting rights of seventy percent (70%) of the entire voting Common Stock eligible to vote at any time until such Series A Preferred shares are converted, redeemed, liquidated or cancelled. The Series A Preferred Stock is convertible into common stock at 1:1 ratio (i.e. – one share of common stock issued for each share of Series A Preferred Stock converted).

AlgaeUP, LLC owns 45,000,000 shares of Series B Preferred Stock. The Series B Preferred Stock is convertible into common stock at 1:100 ratios (i.e. – one share of Series B Preferred Stock converts to one hundred shares of common stock issued).

B. In the last five years, none of the forgoing has been the subject of (i) a conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses); (ii) the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities; (iii) a finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or (iv) the entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities

activities.

C. Beneficial Shareholders

Sohinii Khanna owns 123,451,556 common shares; = 16.087% of the issued and outstanding common shares.

Empire Venture Group, Inc. owns 110,000,000 common shares; = 14.334% of the issued and outstanding common shares.
The address for the corporation is 595 Stewart avenue suite 710 Garden City, NY 11530. The principal contact for Empire Venture Group, Inc is John Antonucci.

AlgaeUP, LLC owns 4,000,000 shares of Series A Preferred Stock and ISG Partners, LLC owns 1,000,000 shares out of 5,000,000 shares of Series A Preferred Stock outstanding. Series A Preferred Stock carries super voting rights of seventy percent (70%) of the entire voting Common Stock eligible to vote at any time until such Series A Preferred shares are converted, redeemed, liquidated or cancelled. The Series A Preferred Stock is convertible into common stock at 1:1 ratio (i.e. – one share of common stock issued for each share of Series A Preferred Stock converted). The principal person for ISG Partners, LLC is Dean Petkanas. The principal person for AlgaeUP, LLC is Mike Vishnesky.

AlgaeUP, LLC owns 45,000,000 shares of Series B Preferred Stock. The Series B Preferred Stock is convertible into common stock at 1:100 ratio (i.e. – one share of Series B Preferred Stock converts to one hundred shares of common stock issued). The principal person for AlgaeUP, LLC is Mike Vishnesky.

Item 9. – Third Party Providers

Counsel.

The Law Offices of James Donovan
James Donovan, Esquire
317 Davisville Rd
Willow Grove, PA 19090

Accountants or Auditor.

RBSM LLP
805 Third Avenue
Suite 902
New York, N.Y. 10022

Investor Relations Consultant – None

Other Advisor – None

Item 10. – Certification

I, Surajit Khanna, certify that:

1. I have reviewed this continuing disclosure statement of International Sustainability Group, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement, and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: March 29, 2016

/s/Surajit Khanna
Chairman of the Board of Directors