



Friday, 10 May 2024

Gabriela Figueiredo Dias
Chair
International Ethics Standards Board for Accountants
529 5th Avenue
New York, New York 10017

Submission via [IESBA website](#)

Dear Gabriela

Proposed International Ethics Standards for Sustainability Assurance (including International Independence Standards) (IESSA) and Other Revisions to the Code relating to Sustainability Assurance and Reporting

We commend the International Ethics Standards Board for Accountants (**IESBA**) for accelerating the development of the Exposure Draft *International Ethics Standards for Sustainability Assurance (including International Independence Standards) (IESSA) (the ED)* in response to the demand for high quality assurance on sustainability information. Globally consistent, high-quality assurance over sustainability information will be important to the impact of sustainability reporting and the decisions made by users of that information. We make this submission on behalf of our members and in the public interest.

We acknowledge the extensive global outreach that the Sustainability Task Force has done across a wide range of stakeholders during the development of the ED. Given that the proposals aim to be profession agnostic, we also acknowledge the formation of the Sustainability Reference Group (**SRG**) which the IESBA consulted with throughout the development of the ED.

We applaud the formation of the strategic partnership between the IESBA and the International Accreditation Forum (**IAF**) to advance the use of a common framework of high standards of ethical conduct to underpin trust in the assurance of sustainability information. We also support the IAF's stipulation to national accreditation bodies around the world, that the IESSA are to be used when accrediting and authorising conformity assessment bodies to carry out assurance work on sustainability information.

We recognise that the IESBA considered various options to determine what would most effectively meet its objective of delivering profession agnostic and framework neutral ethics and independence standards for sustainability assurance. We support, in principle, the direction that the IESBA has taken in developing ethics and independence requirements that will set the global baseline for sustainability assurance initially. However, we note that expectations will evolve, and the standards will need to be refined over time.

We agree that ethical and independence requirements for sustainability assurance should be equivalent to those for financial statement audits. Sustainability information is subject to a high level of public attention, and it is in the public interest that sustainability assurance engagements follow the same high ethical and independence requirements as financial statement audits.

However, we have heard concerns that the proposals are long and complex, and we question whether the requirements will be consistently applied by assurance practitioners from different professional backgrounds. The IESBA will likely need to produce application guidance on a scale not seen before. It follows that there is a risk that the existence of different monitoring and enforcement processes for assurance practitioners who are not professional accountants. We believe this will result in an actual or perceived two-tier system, which may undermine public confidence and trust.

Furthermore, the approach taken of using Parts 1 to 4A of the IESBA Code as the basis for the new Part 5, with certain exceptions, results in a large amount of duplication of existing requirements for professional accountants (**PAs**). Our members have called for a comparison document that highlights differences between the extant Code and Part 5 for PAs to bridge the gap and help make implementation more effective.

The importance of the entire sustainability reporting supply chain cannot be underestimated – all the parts and links in the chain need to be of high quality. High quality sustainability assurance depends on the quality of information to support the sustainability reporting, including the quality of standards relating to ethical behaviour. Therefore, sustainability reporting preparers have a critical role in supporting high quality sustainability assurance. We suggest that addressing the ethical requirements for sustainability reporting preparers will also need to be considered.

We appreciate the IESBA's efforts to coordinate with the IAASB due to the interoperability between the ED and ED ISSA 5000. However, the timing of the two consultations has created uncertainty as to how some gaps are being effectively dealt with, for example group sustainability assurance engagements and assurance at, or with respect to, a value chain entity. We are also concerned that the tight timeframe for finalisation does not allow for any significant changes to be re-exposed for public comment.

Our responses to the specific questions for comment raised in the ED follow in **Appendix A**, and **Appendix B** provides more information about Chartered Accountants Australia and New Zealand (**CA ANZ**). Should you have any queries about the matters in this submission, or wish to discuss them in further detail, please contact Amir Ghandar, Leader – Reporting and Assurance by email; amir.ghandar@charteredaccountantsanz.com.

Sincerely

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Appendix A

Request for Specific Comments

Sustainability Assurance

Main Objectives of the IESSA

1. Do you agree that the proposals in Chapter 1 of the ED are:

- (a) Equivalent to the ethics and independence standards for audit engagements in the extant Code?**
- (b) Profession-agnostic and framework-neutral?**

(a) We acknowledge that the IESBA has largely replicated the ethics and independence standards for financial statement audits in the extant Code into the ED for sustainability assurance engagements, so they are broadly equivalent.

(b) We agree that the proposals are reporting framework neutral and suitable for use irrespective of the underlying reporting framework used to prepare the sustainability information.

However, we have concerns about the useability of the ED for non-professional accountant practitioners (**NPAPs**). The extant Code is written for professional accountants who are required to use the IAASB assurance framework. So, by virtue of taking Parts 1 to 4A of the IESBA Code and largely replicating them for proposed Part 5, terms and phrases used in the IAASB suite of standards are included. These terms and phrases may not be well understood by NPAPs. Without extensive non-authoritative materials and support for NPAPs, few will be able to apply the Code correctly.

2. Do you agree that the proposals in Chapter 1 of the ED are responsive to the public interest, considering the Public Interest Framework's qualitative characteristics?

The reporting of sustainability information will be vital for entities and economies to achieve the climate and other sustainability metrics and goals that are increasingly being established. For users of sustainability information to be able to make decisions based on that information, they need to be able to rely on it. Reliance will require consistent, high-quality assurance over the information. For that reason, we believe that one of the key public interest aspects will be the determination of how compliance with the ethics and independence requirements will be monitored and enforced. We believe there is a risk that differences in monitoring and enforcement processes between professions, could result in an

actual or perceived two-tier system, resulting in different levels of effectiveness of standards and undermining public confidence and trust. We recommend the IESBA uses its influence to ensure that those regions adopting the standards have appropriate mechanisms in place for enforcing them. In our view this is a pre-condition for the IESBA to fully achieve its objective of developing profession agnostic ethics and independence standards for sustainability assurance engagements.

Another key public interest aspect regarding monitoring and enforcement will be the determination of how quality management requirements are assessed to be “at least as demanding as ISQM 1” as referenced in proposed paragraph 5400.3f. Ideally, existing international quality management requirements should be assessed at the international level so there is consistency in standards used by NPAPs. Similarly local standards should be assessed by national standard setters, or relevant regulators – as they will have to determine appropriate monitoring and enforcement processes. We do not believe that NPAPs should be able to self-assess whether the standards they are using are “at least as demanding as ISQM 1” as this will lead to inconsistency in practice and inconsistency in assurance quality.

Proposed paragraph 5100.6 A4 refers to “other stakeholders”. We are concerned that there may be unintended consequences if an auditor is required to consider the interests of this potentially much broader group. We recommend this be changed to “users of the sustainability information”.

Definition of Sustainability Information

3. Do you support the definition of “sustainability information” in Chapter 2 of the ED?

We broadly support the definition of “sustainability information” in the ED. However, we note that sustainability information is a very broad term which is commonly used to describe all sustainability-related information relevant to an entity, some of which could be outside the scope of the sustainability assurance engagement, and therefore this term could cause confusion.

Furthermore, we note the proposed definition of sustainability information in the ED is different to that in the IAASB’s ED-ISSA 5000 which we are concerned could cause confusion. We encourage the IESBA to work with the IAASB to fully align the definitions.

Scope of Proposed IESSA in Part 5

4. The IESBA is proposing that the ethics standards in the new Part 5 (Chapter 1 of the ED) cover not only all sustainability assurance engagements provided to sustainability assurance clients but also all other services provided to the same sustainability assurance clients. Do you agree with the proposed scope for the ethics standards in Part 5?

We agree with the proposed scope for the ethics standards in Part 5. We believe that sustainability assurance engagements should follow the same high ethical and independence requirements as financial statement audits.

5. The IESBA is proposing that the International Independence Standards in Part 5 apply to sustainability assurance engagements that have the same level of public interest as audits of financial statements. Do you agree with the proposed criteria for such engagements in paragraph 5400.3a?

We concur that the International Independence Standards in Part 5 should apply to those sustainability assurance engagements that have the same level of public interest as financial statement audits. We agree, in principle, with the proposed criteria for such engagements in paragraph 5400.3a, although consistent with our response to question 2 we recommend “investors and other stakeholders” is replaced by “users of the sustainability information”.

All sustainability assurance engagements should be underpinned by the IESBA ethics and independence standards. We strongly encourage the IESBA to include in their work plan a project to extend the scope of Part 5 to include all sustainability assurance engagements in the near future.

Structure of Part 5

6. Do you support including Section 5270 in Chapter 1 of the ED?

We support including Section 5270 Pressure to Breach the Fundamental Principles, adapted from Part 2 of the IESBA Code, in the ED. As Part 2 of the IESBA Code applies to professional accountants in business (PAIBs), i.e., sustainability assurance practitioners in the context of their relationship with the firm (e.g., in their capacity as an employee) this section might be particularly useful for NPAPs.

NOCLAR

7. Do you support the provisions added in extant Section 360 (paragraphs R360.18a to 360.18a A2 in Chapter 3 of the ED) and in Section 5360 (paragraphs R5360.18a to 5360.18a A2 in Chapter 1 of the ED) for the auditor and the sustainability assurance practitioner to consider communicating (actual or suspected) NOCLAR to each other?

We support the proposal to require the sustainability assurance practitioner to consider whether to communicate the non-compliance or suspected non-compliance with laws and regulations to the external auditor, and vice versa. However, it is unclear whether such a communication would be in breach of the confidentiality requirements of the Code. We recommend the IESBA clarifies that disclosure is permitted pursuant to paragraph R114.1(d) of the Code, similar to extant paragraph R360.26 that relates to disclosure of non-compliance or suspected non-compliance to an appropriate authority.

**8. Do you support expanding the scope of the extant requirement for PAIBs?
(See paragraphs R260.15 and 260.15 A1 in Chapter 3 of the ED)**

We support the proposed revisions requiring a senior PA to determine whether to disclose (actual or suspected) NOCLAR to the external auditor or the sustainability assurance practitioner.

Determination of PIEs

9. For sustainability assurance engagements addressed by Part 5, do you agree with the proposal to use the determination of a PIE for purposes of the audit of the entity's financial statements?

We agree with the proposal to use the financial statement audit determination of a PIE for the purpose of the sustainability assurance engagement. However, a cohort of our members do not support the proposal that where an entity is voluntarily treated as a PIE for the financial statement audit, then it does not have to be treated as a PIE for the sustainability assurance engagement. This is unlikely to happen in practice if it is the same firm doing both engagements but could arise if the two engagements were conducted by different firms, and we do not believe this outcome is in the public interest.

Group Sustainability Assurance Engagements

10. The IESBA is proposing that the International Independence Standards in Part 5 specifically address the independence considerations applicable to group sustainability assurance engagements.

- (a) Do you support the IIS in Part 5 specifically addressing group sustainability assurance engagements? Considering how practice might develop with respect to group sustainability assurance engagements, what practical issues or challenges do you anticipate regarding the application of proposed Section 5405?**
- (b) If you support addressing group sustainability assurance engagements in the IIS in Part 5:**
- (i) Do you support that the independence provisions applicable to group sustainability assurance engagements be at the same level, and achieve the same objectives, as those applicable to a group audit engagement (see Section 5405)?**
 - (ii) Do you agree with the proposed requirements regarding communication between the group sustainability assurance firm and component sustainability assurance firms regarding the relevant ethics, including independence, provisions applicable to the group sustainability assurance engagement?**
 - (iii) Do you agree with the proposed defined terms in the context of group sustainability assurance engagements (for example, "group sustainability assurance engagement" and "component")?**

- (a) We support the International Independence Standards in Part 5 specifically addressing group sustainability assurance engagements due to the entities with mandatory sustainability reporting and assurance requirements likely being part of a group. However, group sustainability assurance engagement considerations were not explicitly addressed in the IAASB's ED-ISSA 5000. Due to the interoperability between the ED and ISSA 5000, we would need to see what is added to ISSA 5000 to enable us to fully answer this question. At present there is a gap and we are unsure how it is being addressed.
- (b)
- (i) We support the independence provisions applicable to group sustainability assurance engagements being at the same level, and achieving the same objectives, as those applicable to a group audit engagement.
 - (ii) We agree with the proposed requirements regarding communication between the group sustainability assurance firm and component sustainability assurance firms regarding the relevant ethics, including independence, provisions applicable to the group sustainability assurance engagement.
 - (iii) In our view the new defined terms proposed in section 5405 ("Component sustainability assurance client", "Component sustainability assurance firm", "Group sustainability assurance client", "Group sustainability assurance engagement", "Group sustainability assurance firm", "Group sustainability assurance team", and "Group sustainability information") should be consistent with those in ISSA 5000. However, there are concerns that NPAPs will not necessarily understand these concepts, and therefore these should be key focus areas in the IESBA's implementation support resources.

Using the Work of Another Practitioner

11. Section 5406 addresses the independence considerations applicable when the sustainability assurance practitioner plans to use the work of another practitioner who is not under the former's direction, supervision and review but who carries out assurance work at a sustainability assurance client. Do you agree with the proposed independence provisions set out in Section 5406?

We agree with the proposed independence provisions set out in section 5406. However, paragraph 100 of the EM states that "If the firm cannot obtain confirmation regarding the independence of the other practitioner in accordance with the IIS in the proposed IESSA, the firm will need to consider that fact in determining whether, under the applicable sustainability assurance standards, it can proceed to use the assurance work of that practitioner for the purposes of the sustainability assurance engagement." Section 5406 appears to be silent on what the sustainability assurance practitioner must do if they are unable to obtain an independence confirmation from the other practitioner. We recommend this is also addressed in the final pronouncement.

Assurance at, or With Respect to, a Value Chain Entity

12. Do you support the proposed definition of “value chain” in the context of sustainability assurance engagements?

We support in principle the proposal to define “value chain” by reference to the applicable reporting framework. However, we do have concerns whether the various reporting frameworks will sufficiently define this term in a consistent manner. Differing definitions could create possible ambiguity around its meaning depending on the reporting framework applied and, in some cases, the reporting framework may not adequately define the term.

13. Do you support the provisions in Section 5407 addressing the independence considerations when assurance work is performed at, or with respect to, a value chain entity?

Feedback we received from our members indicates that this is the most challenging aspect of the ED. We have heard concerns regarding the practicalities of obtaining statements of independence from sustainability assurance practitioners who perform assurance work at value chain entities. Managing the process of administering (both requesting and providing) statements of independence could be onerous, especially given the sheer quantum of value chain entities that could potentially be involved in any one sustainability assurance engagement, for example, a supermarket. These practical difficulties would likely be exacerbated for small and medium practices (SMPs), so SMPs could be disproportionately impacted.

Paragraph 102 of the EM refers to “*material* value chain entities”, and we concur that materiality must be a consideration. However, materiality does not appear to be covered in the ED. Given the intent is clear in the EM, this appears to be an inadvertent omission in the ED which we recommend the IESBA rectifies in the final pronouncement.

Another suggestion we heard to make the process more manageable was the possible inclusion of a risk-based approach. For example, entities typically tend to have less influence over the sustainability practices of downstream value chain entities than upstream value chain entities, so they may be lower risk in terms of creating threats to independence.

We recommend the IESBA remove the value chain entity proposals in light of the significant feedback received and potential issues identified. Substantially redrafted value chain entity proposals would be required and would likely necessitate re-exposure to deal with this topic. For that reason, we recommend to progress the standard without this material, and take more time and input to address this in a separate project.

14. Where a firm uses the work of a sustainability assurance practitioner who performs the assurance work at a value chain entity but retains sole responsibility for the assurance report on the sustainability information of the sustainability assurance client:

(a) Do you agree that certain interests, relationships or circumstances between the firm, a network firm or a member of the sustainability assurance team and a value chain entity might create threats to the firm's independence?

(b) If yes, do you support the approach and guidance proposed for identifying, evaluating, and addressing the threats that might be created by interests, relationships or circumstances with a value chain entity in Section 5700? What other guidance, if any, might Part 5 provide?

- (a) We agree that certain interests, relationships or circumstances between the firm, a network firm or a member of the sustainability assurance team and a value chain entity might create threats to the firm's independence.
- (b) Feedback we received from our members suggests that the "knows or has reason to believe" principle basis in section 5700 is workable in practice in this regard. However, we recommend that section 5700 is incorporated into section 5407 so that all value chain entity considerations are in one place. This would provide clarity about the link between the "knows or has reason to believe" principle and section 5407.

Providing NAS to Sustainability Assurance Clients

15. The International Independence Standards in Part 5 set out requirements and application material addressing the provision of NAS by a sustainability assurance practitioner to a sustainability assurance client. Do you agree with the provisions in Section 5600 (for example, the "self-review threat prohibition," determination of materiality as a factor, and communication with TCWG)?

In our experience the self-review threat prohibition is not very well understood amongst NPAPs. The word "might" is not consistently considered as the mere possibility of a self-review threat occurring. Rather it is interpreted as needing to be *probable* that a self-review threat would occur. This appears to be most prevalent in relation to information technology systems services. Therefore, this is a particular area where implementation guidance would be well received.

Furthermore, we encourage the IESBA to consider adding a similar transitional provision to that of the [Revisions to the Non-Assurance Services Provisions of the Code](#). This would enable the firm or network firm to continue such engagements, entered into before the effective date and for which the work has already commenced, under the extant provisions of the Code until completed in accordance with the original engagement terms.

16. Subsections 5601 to 5610 address specific types of NAS.

(a) Do you agree with the coverage of such services and the provisions in the Subsections?

(b) Are there any other NAS that Part 5 should specifically address in the context of sustainability assurance engagements?

- (a) Section 5600 is very long so we recommend the IESBA also includes the subsections in the contents page to enable users of the Code to have a holistic view and assist with navigation.

The descriptions of services under subsection 5604 – Tax Services have raised questions as to the inclusion of this subsection. We would encourage the IESBA to include more sustainability-related examples of tax services that would be covered by this section to illustrate its relevance.

- (b) We are not aware of any other NAS that Part 5 should specifically address in the context of sustainability assurance engagements that are not already covered by one of the proposed subsections.

Independence Matters Arising When a Firm Performs Both Audit and Sustainability Assurance Engagements for the Same Client

17. Do you agree with, or have other views regarding, the proposed approach in Part 5 to address the independence issues that could arise when the sustainability assurance practitioner also audits the client’s financial statements (with special regard to the proportion of fees for the audit and sustainability assurance engagements, and long association with the client)?

In relation to fees, we disagree that there are potential threats to independence related to the provision of both the financial statement audit and sustainability assurance engagement by the same firm. In Australia, and possibly other jurisdictions, the sustainability assurance engagement is to be conducted by the financial statement auditor.¹ In practice, it may not even be possible to delineate fees between the two engagements because they are treated as a single service.

We acknowledge this view is recognised in the amendments proposed to paragraph 410.11 A2. However, we are concerned that the ED seems to treat sustainability assurance engagements as non-assurance services and that this attitude will be more broadly adopted by investors, and the media etc, creating an artificial issue around independence in appearance (perceived independence). We recommend a wholesale review of the extant and proposed fee provisions through a lens of combining the fees for the financial statement audit and sustainability assurance engagement and comparing this to the fees for non-assurance services. In terms of assessing fee dependency – it follows the consideration should be of the total fees generated from financial statement audit and the sustainability assurance engagement combined.

We are concerned about proposed paragraph R5410.31 that requires the firm providing the sustainability assurance to publicly disclose information regarding fees for PIEs (if the entity does not make the relevant disclosures). It is unclear how such a requirement is intended to

¹ [Treasury Laws Amendment \(Financial Market Infrastructure and Other Measures\) Bill 2024](#)

be operationalised. The sustainability assurance practitioner's only mechanism to make such public disclosures is in the assurance report but requiring a sustainability assurance practitioner to disclose 'new' information in their assurance report would not be appropriate.

There is an absence of clear and consistent requirements for sustainability reporting preparers in relation to disclosure of fees in relation to sustainability assurance engagements. We believe that any disclosures should be driven by sustainability reporting standards, and therefore we recommend the IESBA does not mandate such disclosures in the Code.

Some accounting standard frameworks in some jurisdictions require disclosure in the financial statements of fees for audit firms' services. In such jurisdictions, the only way that fees for the sustainability assurance engagement would be disclosed by a PIE is if the same firm conducts the financial statement audit and the sustainability assurance engagement. Even then the disclosure will be in the financial statements, not the sustainability report, so there are questions over its relevance for users of the sustainability information.

With regards to the proposed long association provisions, the coordination and management of auditor rotation requirements is already time consuming and costly for firms, and the proposals will only increase this complexity further. We recommend the IESBA clarifies whether they are intended to be applied retrospectively or prospectively from the proposed effective date.

We also note that some of the proposed and/or amended definitions for certain roles are inconsistent between financial statement audits and sustainability assurance engagements, for example:

- Engagement partner – does not have the reference to “public sector equivalent” that the definition of “Engagement leader” has, but it may also apply.
- Engagement leader – the addition of the words “appointed by the firm” could cause confusion as they are not in the definition of “Engagement partner”.

Other Matters

18. Do you believe that the additional guidance from a sustainability assurance perspective (including sustainability-specific examples of matters such as threats) in Chapter 1 of the ED is adequate and clear? If not, what suggestions for improvement do you have?

In our view, for the most part, the proposed additional guidance from a sustainability assurance perspective is useful so should be well received.

19. Are there any other matters you would like to raise concerning the remaining proposals in Chapters 1 to 3 of the ED?

No comments.

Sustainability Reporting

Scope of Sustainability Reporting Revisions and Responsiveness to the Public Interest

20. Do you have any views on how the IESBA could approach its new strategic work stream on expanding the scope of the Code to all preparers of sustainability information?

We support the IESBA's new strategic work stream on expanding the scope of the Code to all preparers of sustainability information. However, we acknowledge that this will come with its own set of challenges because those responsible for the preparation of sustainability information will vary and may not all be subject to compliance with the Code. The range of professionals expected to be involved with the preparation of sustainability information will be dependent on multiple factors such as the complexity of an organisation or limited resources available within an entity. For example, businesses operating in high-emitting industries may have dedicated climate specialists that prepare sustainability information whilst a not-for-profit organisation may have to rely on the inhouse accounting team or volunteers to prepare sustainability information. We encourage the IESBA to collaborate across jurisdictions and with other professional associations to understand if similar work is currently being undertaken or if the IESBA should take a leading role in bringing together industries to develop the Code in conjunction with other professionals who will be involved in the preparation of sustainability information.

21. Do you agree that the proposals in Chapter 4 of the ED are responsive to the public interest, considering the Public Interest Framework's qualitative characteristics?

The proposals in Chapter 4 of the ED, in our opinion, appear to be a reasonable approach when considering the qualitative characteristics of the Public Interest Framework. We agree with the direct considerations (to the Public Interest Framework) made in the ED relating to qualitative characteristics for proposed sustainability reporting-related revisions of coherence, relevance, clarity and conciseness, and implementability and enforceability (paragraph 138) and support that scalability will be considered over time as sustainability reporting and assurance evolves.

However, we do not believe that the scope for the proposals adequately considers the critical role in which sustainability reporting preparers have in the overall sustainability reporting supply chain. We suggest that addressing the ethical requirements for sustainability reporting preparers will also need to be considered. As noted in our response to question 20, we acknowledge that there are challenges with the proposed standard to cover the range of professionals that will be involved in the preparation of sustainability information, however it will be a critical factor to address for the supporting ethical standard.

Proposed Revisions to the Extant Code

22. Do you agree that the proposed revisions to Parts 1 to 3 of the extant Code in Chapter 4 of the ED are clear and adequate from a sustainability reporting perspective, including:

- (a) Proposed revisions to Section 220?**
- (b) Proposed examples on conduct to mislead in sustainability reporting, value chain and forward-looking information?**
- (c) Other proposed revisions?**

We support the proposed revisions to Parts 1 to 3 of the extant Code in Chapter 4 of the ED.

- (a) The proposed revisions to section 220 appear to be appropriate and we appreciate that the proposals are framework agnostic to allow for flexibility.
- (b) The proposed examples relating to conduct to mislead in sustainability reporting, value chain and forward-looking information appear to be appropriate.
- (c) No comments.

23. Are there any other matters you would like to raise concerning the proposals in Chapter 4 of the ED?

No comments.

Effective Date

24. Do you support the IESBA's proposal to align the effective date of the final provisions with the effective date of ISSA 5000 on the assumption that the IESBA will approve the final pronouncement by December 2024?

We support aligning the effective date with that of ISSA 5000, due to the interoperability between the two pronouncements, subject to the transitional provision we recommend in our response to question 15, and the clarification we recommend in our response to question 17. Although we note the ambitious timeline that both the IESBA and the IAASB are working to, and we are concerned that the timeline does not allow for significant changes to be re-exposed.

Request for General Comments

In addition to the request for specific comments above, the IESBA is also seeking comments on the matters set out below:

- (a) *Small- and Medium-sized Entities (SMEs) and Small and Medium Practices (SMPs)*** – The IESBA invites comments regarding any aspect of the proposals from SMEs and SMPs.
- (b) *Regulators and Oversight Bodies*** – The IESBA invites comments on the proposals from an enforcement perspective from members of the regulatory and oversight communities.
- (c) *Sustainability Assurance Practitioners Other than Professional Accountants*** – The IESBA invites comments on the clarity, understandability and usability of the proposals from sustainability assurance practitioners outside of the accountancy profession who perform sustainability assurance engagements addressed by the *International Independence Standards* in the proposed Part 5 of the Code.
- (d) *Developing Nations*** – Recognizing that many developing nations have adopted or are in the process of adopting the Code, the IESBA invites respondents from these nations to comment on the proposals, and in particular on any foreseeable difficulties in applying them in their environment.
- (e) *Translations*** – Recognizing that many respondents may intend to translate the final changes for adoption in their own environments, the IESBA welcomes comment on potential translation issues respondents may note in reviewing the proposals.

No comments.

Appendix B

About Chartered Accountants Australia and New Zealand

Chartered Accountants Australia and New Zealand (CA ANZ) represents more than 136,000 financial professionals, supporting them to build value and make a difference to the businesses, organisations and communities in which they work and live.

Around the world, Chartered Accountants are known for their integrity, financial skills, adaptability and the rigour of their professional education and training.

CA ANZ promotes the Chartered Accountant (CA) designation and high ethical standards, delivers world-class services and life-long education to members and advocates for the public good. We protect the reputation of the designation by ensuring members continue to comply with a code of ethics, backed by a robust discipline process. We also monitor Chartered Accountants who offer services directly to the public.

Our flagship CA Program, the pathway to becoming a Chartered Accountant, combines rigorous education with practical experience. Ongoing professional development helps members shape business decisions and remain relevant in a changing world.

We actively engage with governments, regulators and standard-setters on behalf of members and the profession to advocate in the public interest. Our thought leadership promotes prosperity in Australia and New Zealand.

Our support of the profession extends to affiliations with international accounting organisations.

We are a member of the International Federation of Accountants and are connected globally through Chartered Accountants Worldwide and the Global Accounting Alliance. Chartered Accountants Worldwide brings together members of 13 chartered accounting institutes to create a community of more than 1.8 million Chartered Accountants and students in more than 190 countries. CA ANZ is a founding member of the Global Accounting Alliance which is made up of 10 leading accounting bodies that together promote quality services, share information and collaborate on important international issues.

We also have a strategic alliance with the Association of Chartered Certified Accountants. The alliance represents more than 870,000 current and next generation accounting professionals across 179 countries and is one of the largest accounting alliances in the world providing the full range of accounting qualifications.