

10 May 2024

Mr Ken Siong
IESBA Program and Senior Director
International Ethics Standards Board for Accountants
529 Fifth Avenue
New York, NY 10017
USA

Dear Mr Siong:

IESBA Exposure Draft – Proposed *International Ethics Standards for Sustainability Assurance (including International Independence Standards)* (IESSA) and Other Revisions to the Code Relating to Sustainability Assurance and Reporting

RSM International Limited, a worldwide network of independent audit, tax, and consulting services firms focused on serving the middle market, appreciates the opportunity to comment on the IESBA's exposure draft – proposed '*International Ethics Standards for Sustainability Assurance (including International Independence Standards)* (IESSA) and Other Revisions to the Code Relating to Sustainability Assurance and Reporting' (ED-IESSA or the ED).

We support the IESBA developing the following in relation to sustainability assurance and reporting:

- (a) Revisions to the *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the IESBA Code) to address the ethics issues that might arise in sustainability reporting and
- (b) Ethics and independence standards for use and implementation by all sustainability assurance practitioners (i.e. professional accountants, conformity assessment bodies and other practitioners performing sustainability assurance engagements).

We are supportive of the objective of the standard that it should apply to all sustainability assurance practitioners, including professional accountants as well as other sustainability assurance practitioners who are not professional accountants. However, we have some concerns over how these new requirements of the IESBA Code will be practically implemented for sustainability assurance practitioners other than professional accountants as detailed in our response to question #2 regarding scope and enforceability. The IESBA's *Terms of Reference* authorises the IESBA to develop standards for professional accountants¹, but does not provide authority to develop standards in relation to practitioners who are not professional accountants.

¹ IESBA Terms of Reference, paragraph 3.1

We recommend that the IESBA updates its *Terms of Reference* to specify development of standards for all sustainability assurance practitioners. The IESBA's authority with respect to this could also be enhanced by:

- (a) Introducing a requirement of the International Auditing and Assurance Standards Board (IAASB) to use the IESBA Code or other relevant ethical standards that are at least as demanding when a sustainability assurance practitioner is performing an engagement under International Standard on Sustainability Assurance (ISSA) 5000, *General Requirements for Sustainability Assurance Engagements*, and/or
- (b) An authority for sustainability assurance practitioners who are not professional accountants (for example, a territory standard setting body or local law or regulation) adopting the IESBA Code for sustainability assurance practitioners who are not professional accountants.

In order to represent compliance with ISSA 5000, a sustainability assurance practitioner is required to comply with the requirements of the ISSAs², thereby requiring the sustainability assurance practitioner who is not a professional accountant to comply with the IESBA Code or other relevant ethical standards that are at least as demanding as the IESBA Code. Accordingly, it is imperative that the IESBA continue to work with the IAASB to develop ethics, independence and assurance standards for sustainability assurance that are consistent with each other, and the IAASB requires the IESBA Code (specifically Part 5 of ED-IESSA) or other relevant ethical standards at least as demanding be followed. In addition, the IESBA and IAASB should make sure that the relevant ethical standards use the requirements in Part 5, *International Ethics Standards for Sustainability Assurance (Including International Independence Standards)*, of ED-IESSA as criteria in order to be 'at least as demanding' as the IESBA Code. We recommend that the IESBA work closely with the IAASB to resolve the inconsistencies between the standards before the standards are published to help ensure effective implementation and compliance.

The proposed standard requires all sustainability assurance practitioners to comply with Part 5 of the IESBA Code. However, sustainability assurance practitioners who are not professional accountants are only 'encouraged' to follow Parts 1-4B of the IESBA Code due to the lack of authority over developing standards for practitioners who are not professional accountants. This creates a differential requirement to professional accountants, so we do not believe that the IESBA has achieved its objective of being a profession-agnostic standard.

The IESBA Code has been written for professional accountants. We have concerns that there may be an experience and knowledge gap in understanding, implementing and complying with the provisions of the IESBA Code for sustainability assurance practitioners who are not professional accountants as professional accountants generally have extensive experience in working with the provisions of the IESBA Code. We encourage the IESBA to consider issuing a 'start-up guide' and/or other background information that would include guidance to assist sustainability assurance practitioners who are not professional accountants in implementing ED-IESSA to help narrow the experience and knowledge gap.

Our responses to the 'specific requests for comment' assume the proposed Part 5 of ED-IESSA would apply to all sustainability assurance practitioners, including both professional accountants as well as other sustainability assurance practitioners who are not professional accountants, as drafted.

² ISSA 5000, paragraph 19

See the attached document for our responses to the enquiries for which specific comments were requested. Language recommended for deletion is ~~struck through~~. Language recommended for addition is underlined.

If you have any questions relating to our response, please contact me at peter.oastler@rsm.global.

Yours sincerely,

Peter Oastler

Peter Oastler
Global Ethics and Independence Leader
RSM International Limited

Request for Specific Comments

Sustainability Assurance

Main Objectives of the IESSAs

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? [See paragraphs 19 and 20 of the Explanatory Memorandum (EM)]**

We agree that the proposals in Chapter 1 of the IESBA's exposure draft – proposed '*International Ethics Standards for Sustainability Assurance (including International Independence Standards)* (IESSA) and Other Revisions to the Code Relating to Sustainability Assurance and Reporting' (ED-IESSA or the ED) are equivalent to the ethics and independence standards for audit engagements in the extant *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the Code or the IESBA Code) due to the nature and public interest of sustainability assurance engagements.

- (b) **Profession-agnostic and framework-neutral? [See paragraphs 21 and 22 of the EM]**

We agree that the proposals in Chapter 1 of the ED are framework-neutral. However, we do not believe that the proposals in Chapter 1 of the ED are necessarily profession-agnostic as described in paragraph 21 of the EM, which states that 'the IESSA should be capable of being understood and applied by all assurance practitioners of sustainability assurance engagements, including those who are not PAs [sic]' in order for the standards to be profession-agnostic. In addition, paragraph 21 of the EM states that 'the IESBA developed the proposed IESSA using terminology that it intends to be understandable by all sustainability assurance practitioners. It appears that the standard is currently structured to closely mimic the extant Code for audit and other assurance engagements.

The IESBA Code has been written for professional accountants (PAs). As such, PAs generally have extensive experience in understanding, implementing and complying with the provisions of the Code. In order to promote consistent implementation, application and compliance among all sustainability assurance practitioners (SAPs), we encourage the IESBA to consider issuing a 'start-up guide' and/or other background information. Notwithstanding our concern over the scope of the proposed Part 5, *International Ethics Standards for Sustainability Assurance (Including International Independence Standards)*, of ED-IESSA detailed in question #2, we suggest including guidance to assist SAPs who are non-professional accountants (non-PAs) in implementing ED-IESSA, since non-PAs may not have the same experience in understanding and complying with the IESBA Code as PAs. In addition, we recommend that the IESBA seek to work with non-PA SAPs to ensure consistent implementation and application between PA and non-PA SAPs.

In addition, it appears there may be differing independence requirements for SAPs who are PAs and SAPs who are non-PAs. Paragraph 5100.2a of ED-IESSA states,

When a sustainability assurance practitioner performs a sustainability assurance engagement that is not within the scope of the *International Independence Standards* in this Part³, Part 4B of the Code sets out the applicable independence standards.

In addition, paragraph 5400.3e in the proposed Part 5 of ED-IESSA, which is part of the *International Independence Standards* (IIS), states,

³ Part 5, paragraphs 5400.3a to 5400.3d, of ED-IESSA indicate which sustainability assurance engagements are subject to the IIS in Part 5.

Part 4B of the Code sets out International Independence Standards for other sustainability assurance engagements that are not within the scope of the International Independence Standards in this Part.

These paragraphs in Part 5 of ED-IESSA imply that SAPs who are non-PAs should also comply with Part 4B of the Code, *Independence for Assurance Engagements Other than Audit and Review Engagements*, when performing sustainability assurance engagements that are outside of the scope of the IIS in ED-IESSA. However, paragraph 42 of the EM states,

Although **Part 4B is currently applicable to PAs only**, as mentioned above, other sustainability assurance practitioners are also **encouraged to comply** with its provisions when performing other **sustainability assurance engagements outside of the scope of the IIS** in the proposed IESSA. As part of its Strategy and Work Plan 2024-2027 (SWP), the IESBA will consider how the Code might be enhanced, whether through **revision of the extant Part 4B or the development of a Part 4B equivalent in the new Part 5**, to ensure that all independence standards for sustainability assurance engagements are addressed in the Code in a profession-agnostic manner. **[emphasis added]**

Based on solely what is in the proposed Code, it is unclear whether SAPs who are non-PAs are required to comply with Part 4B when they perform a sustainability assurance engagement that is not within the scope of the IIS in Part 5, and it is also unclear of the IESBA's intent. Notwithstanding our concern over the scope of the proposed Part 5 of ED-IESSA detailed in question #2 and to be profession-agnostic, we believe the IIS should be equivalent for all SAPs regardless of whether they are a PA or a non-PA, as alluded to in the last phrase of paragraph 42 of the EM.

In addition, Parts 1-4B of the Code are only applicable to PAs per paragraph 36 of the EM. Accordingly, we believe Part 5 should not necessarily refer to Part 4B of the Code in order to incorporate and apply it to other sustainability assurance engagements not within the scope set in paragraphs 5400.3a and 5400.3b of ED-IESSA. Rather, we encourage the IESBA to develop a Part 4B equivalent in the new Part 5 as suggested in paragraph 42 of the EM.

Whether or not a Part 4B equivalent in the new Part 5 is developed, we recommend that IESBA clarify in the Code (rather than just the EM) if the referred to portions in Part 4B are required for non-PA SAPs and ensure independence requirements are equivalent for all SAPs regardless of whether they are a PA or a non-PA for each type of sustainability assurance engagement (i.e. engagements within the scope of 5400.3a, 5400.3b, or other sustainability assurance engagement).

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? [See paragraph 23 of the EM]

We agree that the proposals in Chapter 1 of the ED are responsive to the public interest in some respects when considering the Public Interest Framework's qualitative characteristics. Of the qualitative characteristics listed in paragraph 23 of the EM, we believe that ED-IESSA is responsive to the public interest with respect to *coherence* with the overall body of the IESBA's standards as the extant Code was used as a baseline for developing the ethics and independence standards in Part 5 of the Code (i.e. IESSA).



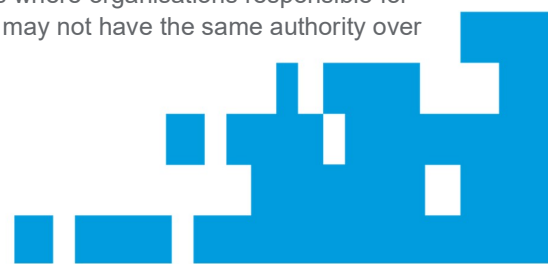
We have concerns that the ED may not be responsive to the public interest in respect to the following qualitative characteristics of the Public Interest Framework, specifically with respect to non-PAs:

- Clarity and conciseness of the standards: In the Public Interest Framework, *clarity* and *conciseness* refers to enhancing the understandability and minimising the likelihood of differing interpretations, which support proper intended application and facilitating implementation. We agree that using the extant Code's structure and drafting conventions contributes to the clarity and conciseness. SAPs who are PAs have extensive experience in understanding, implementing and complying with the provisions of the extant Code. However as detailed in our response to question #1(b), we are concerned that there may be an experience and knowledge gap in understanding, implementing and complying with the provisions of the extant Code that may contribute to issues in the clarity and conciseness of ED-IESSA for SAPs who are non-PAs. We believe our recommendation detailed in our response to question 1(b) would contribute to minimising the experience and knowledge gap without requiring revision to ED-IESSA to be responsive to the public interest in respect to clarity and conciseness.
- Implementability of the standards: In the Public Interest Framework, *implementability* refers to the ability of being *consistently applied and globally operable* across entities of all sizes and regions, respectively, as well as considerations of the different conditions prevalent in different jurisdictions. We agree that adopting the extant Code's structure contributes to the implementability of the standards. SAPs who are PAs have extensive experience in understanding, implementing and complying with the provisions of the extant Code. However as detailed in our response to question #1(b), we are concerned that there may be an experience and knowledge gap in understanding, implementing and complying with the provisions of the Code that may contribute to issues in implementability of ED-IESSA for SAPs who are non-PAs. We believe our recommendation detailed in our response to question #1(b) would contribute to minimising the experience and knowledge gap without requiring revision to ED-IESSA to be responsive to the public interest in respect to implementability.

In addition, we note that there may be a significant additional investment needed by non-PA SAPs to set up the systems and controls necessary to comply with the IESSA than for PAs. PAs generally already have the overall systems and controls to comply with the IESBA Code, and they will need to adapt this system to include sustainability assurance engagements. Non-PAs may not have been subject to the IESBA Code prior to the IESSA. In this case, the non-PAs would need to develop these systems and controls to comply with the IESSA, which could be a significant investment to the non-PAs.

- Enforceability: In applying the Public Interest Framework to sustainability assurance engagements, *enforceability* refers to the possibility to ascertain the extent to which a SAP has complied with the standards. We agree that PAs currently have regulators or organisations and systems and mechanisms to monitor and enforce compliance with the IESBA Code. However, it may be unclear in certain jurisdictions how the applicability of IESSA to non-PAs would affect the enforcement of compliance with the Code for various reasons, including that the regulators or organisations currently responsible for monitoring and enforcing compliance with the Code may only have authority over PAs. Notwithstanding our concern over the scope of the proposed Part 5 of ED-IESSA detailed below, we encourage the IESBA to work with regulators and national standard setters for ethics and independence to understand how the standards will be enforced for non-PAs.

We appreciate the IESBA avoiding the issue raised by some stakeholders about the lengthy legal process of adopting a new standalone standard or code on sustainability assurance in some jurisdictions by incorporating the proposed IESSA into the IESBA Code. This contributes to more consistent standards for SAPs who are PAs and non-PAs. However, it leaves the question of how the IESSAs will be enforced for non-PA SAPs in jurisdictions where organisations responsible for monitoring and enforcing compliance with the Code for PAs may not have the same authority over non-PAs.



- Scope: In applying the Public Interest Framework to sustainability assurance engagements, *scope* refers to appropriately addressing the identified key issues and to clearly specify to whom ED-IESSA applies. Although the proposed standard appears to clearly specify to whom the standard applies (e.g. Part 5 of ED-IESSA would apply to all SAPs, including those who are PAs and those who are non-PAs), we have concerns over the authority of the IESBA to develop standards for non-PA practitioners. In addition to our concerns detailed in question #1(b), paragraph 3.1 of IESBA's *Terms of Reference* states that:

The IESBA is designated as the responsible body, under its own authority and within its stated terms of reference, to develop and issue in the public interest high-quality ethics **standards for professional accountants** for adoption and application around the world. **[emphasis added]**

We are supportive that the Part 5 of ED-IESSA should apply to all SAPs, including both PAs and other SAPs who are non-PAs. The IESBA's authority with respect to this could also be enhanced by:

- (a) Introducing a requirement of the International Auditing and Assurance Standards Board (IAASB) to use the IESBA Code or other relevant ethical standards that are at least as demanding when a sustainability assurance practitioner is performing an engagement under International Standard on Sustainability Assurance (ISSA) 5000, *General Requirements for Sustainability Assurance Engagements*, and/or
- (b) An authority for sustainability assurance practitioners who are not professional accountants (for example, a territory standard setting body or local law or regulation) adopting the IESBA Code for sustainability assurance practitioners who are not professional accountants.

Paragraph 19 of ISSA 5000 states that a SAP is required to comply with the requirements of the ISSAs in order to represent compliance with ISSA 5000, thereby requiring the SAP who is a non-PA to comply with the IESBA Code or other relevant ethical standards at least as demanding.

Accordingly, it is imperative that the IESBA continue to work with the IAASB to develop ethics, independence and assurance standards for sustainability assurance that are consistent with each other, and the IAASB requires the IESBA Code (specifically Part 5 of ED-IESSA) or other relevant ethical standards at least as demanding be followed. In addition, the IESBA and IAASB should make sure that the relevant ethical standards use the requirements in Part 5 of ED-IESSA as criteria in order to be 'at least as demanding' as the IESBA Code. We recommend that the IESBA work closely with the IAASB to resolve the inconsistencies between the standards before the standards are published to help ensure effective implementation and compliance.

We have not identified any significant issues with the other qualitative characteristics identified in the Public Interest Framework.

Definition of Sustainability Information

3. Do you support the definition of "sustainability information" in Chapter 2 of the ED? [See paragraphs 24 to 26 of this document]

We support the definition of 'sustainability information' in Chapter 2 of the ED, subject to the comments below. We highly encourage the IESBA to work with the IAASB to come to a consensus on the definitions in the IAASB's ISSA 5000 and IESSA.

Per paragraph 26 of the EM, the IESBA combined the IAASB’s definition of ‘sustainability matters’ and ‘sustainability information’ into IESBA’s definition of ‘sustainability information’. Respondents to the ISSA 5000 exposure draft (ED-5000) believed ‘sustainability matters’ should only refer to ‘environmental, social or governance matters’ (i.e. ESG matters) as that has become a synonymous term with sustainability, which makes it more commonly understandable. Agenda Item 3-B from the IAASB’s March 2024 meeting, *Sustainability Assurance—Sustainability Matters, Sustainability Information and Disclosures*, included the following summary of responses to ED-5000 related to the definition of ‘sustainability matters’:

Respondents across stakeholder groups indicated a lack of clarity about the reference to ‘economic’ as one of the core sustainability matters in the definition. It was noted that ‘economic’ is a broad term that could be confusing because any sustainability topic that relates to the usage or creation of resources will have an economic impact, and ‘economic’ may be interpreted as relating to financial information or the financial statements. These respondents suggested deleting the reference to ‘economic’ in the definition or otherwise providing application material to explain it.

During the meeting, the IAASB approved the recommended revision. Accordingly, we recommend that:

- The IESBA consider separating the terms to be consistent with the IAASB, since there is a purpose for having the separate terms in an assurance engagement.
- The IESBA remove ‘economic’ and ‘other’ from the definition of ‘sustainability information’ to be consistent with the revisions made by the IAASB.

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? [See paragraphs 30 to 36 of the EM]**

Notwithstanding our concern over the scope of the proposed Part 5 of ED-IESSA detailed in question #2, we agree with the proposed scope for 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 for the reasons listed in paragraphs 32-34 of the EM.

Although it appears to be more implied than explicitly stated in Section 5100 of ED-IESSA, we agree that the ethics standards as described in paragraph 5100.2(a) in the proposed IESSA should cover all sustainability engagements regardless of the scope of the IIS as stated in paragraph 35 of the EM.

- 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? [See paragraphs 38 to 43 of the EM]**

We agree that the IIS in Part 5 apply to sustainability assurance engagements that have the same level of public interest as audits of financial statements. We also agree with the proposed criteria for such engagements in paragraph 5400.3a. We believe the sustainability assurance engagements that would meet the proposed criteria are the types of sustainability assurance engagements that would have a similar level of public interest as audits of financial statements. In addition, the other sustainability assurance engagements that do not meet the proposed criteria would apply similar independence requirements as other assurance requirements, which would be similar to Part 4B of the Code.

As detailed in our response to question #1(b) and based on solely what is in the proposed Code, it is unclear whether SAPs who are non-PAs are required to comply with Part 4B when they perform a sustainability assurance engagement that is not within the scope of the IIS in Part 5, and it is unclear of the IESBA's intent. In order to be profession-agnostic, we believe the IIS should be equivalent for all SAPs regardless of whether they are a PA or a non-PA. Notwithstanding our concern over the scope of the proposed Part 5 of ED-IESSA detailed in question #2, we encourage the IESBA to develop a Part 4B equivalent in the new Part 5 as suggested in paragraph 42 of the EM to ensure that all independence standards for sustainability assurance engagements are addressed in the Code in a profession-agnostic manner.

Whether or not a Part 4B equivalent in the new Part 5 is developed, we recommend that IESBA clarify in the Code (rather than just the EM) if the referred-to portions in Part 4B are required for non-PA SAPs and ensure independence requirements are equivalent for all SAPs regardless of whether they are a PA or a non-PA for each type of sustainability assurance engagement (i.e. engagements within the scope of 5400.3a, 5400.3b, or other sustainability assurance engagement).

Structure of Part 5

6. Do you support including Section 5270 in Chapter 1 of the ED? [See paragraphs 46 to 48 of the EM]

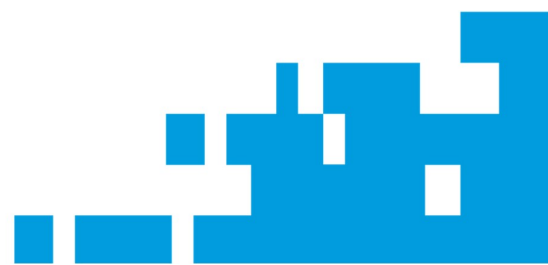
We support including Section 5270 in Chapter 1 of the ED.

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? [See paragraphs 56 to 67 of the EM]

We support the provisions added in extant Section 360 (paragraphs R360.18a to 360.18a A2 in Chapter 3 of ED-IESSA) and in Section 5360 (paragraphs R5360.18a to 5360.18a A2 in Chapter 1 of ED-IESSA) for the auditor and the sustainability assurance practitioner to consider communicating actual or suspected non-compliance with laws and regulations (NOCLAR) to each other. The requirements of Section 5360, *Responding to Non-Compliance with Laws and Regulation*, of ED-IESSA are consistent with the requirements in extant Section 360, *Responding to Non-Compliance with Laws and Regulation*, of the Code.

We note that extant Section 360 of the Code does not include a communication requirement for PAs performing an audit of financial statements to communicate to PAs performing non-audit services for the client regarding actual or suspected NOCLAR. In addition, proposed paragraph R360.18a of ED-IESSA is limited to sustainability assurance engagements that are within the scope of the IIS in proposed Part 5 of ED-IESSA. As noted in our response to question #5, we believe the sustainability assurance engagements that would be in the scope of the IIS in proposed Part 5 of ED-IESSA are the types of sustainability assurance engagements that would have a similar level of public interest as audits of financial statements. Thus, we support the requirement proposed in paragraph R360.18a of ED-IESSA as well as the exclusion of sustainability assurance engagements not within the scope of the IIS in proposed Part 5 of ED-IESSA, since they generally would have a similar public interest to non-audit services.



However, not all NOCLAR identified by PAs performing an audit of financial statements may be relevant to a sustainability assurance engagement. In addition, if the financial statement group or component auditor becomes aware of non-compliance in an entity within the group that is different than the entity with a sustainability assurance engagement, it is unclear if the financial statement group or component auditor would need to communicate with the sustainability assurance practitioner. Accordingly, we suggest that the IESBA add the following factor to consider regarding communication to the SAP after the second bullet in proposed paragraph 360.18a A1 of ED-IESSA:

- The relevance of the actual or suspected non-compliance with laws and regulations to sustainability matters or the entity where the sustainability assurance engagement is being performed.

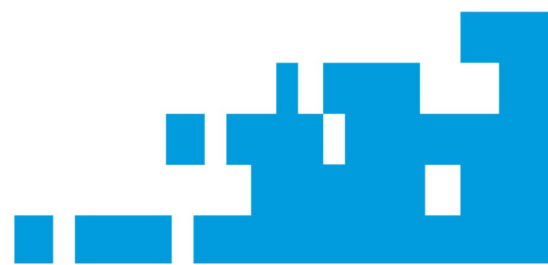
Proposed paragraph 5360.18a of ED-IESSA applies to SAPs of sustainability assurance engagements within the scope of the IIS in proposed Part 5 of ED-IESSA. This would apply to all SAPs, including PAs and non-PAs. We noted that if an SAP is a PA, they would also be required to comply with the communication requirements in paragraph R360.31 of the Code if the PA performing the audit of financial statements is the same firm or paragraph R360.32 of the Code if the PA performing the audit of financial statements is a network firm. (Paragraph R360.33 of the Code is equivalent to proposed paragraph 5360.18a of ED-IESSA, so a SAP that is a PA would comply with paragraph R360.33 of the Code when by complying with proposed paragraph 5360.18a of ED-IESSA. We recommend that the IESBA clarify this by adding the following to proposed paragraph 5360.18a of ED-IESSA:

R5360.18a The sustainability assurance practitioner shall consider whether to communicate the non-compliance or suspected non-compliance to the sustainability assurance client's external auditor, if any. If the sustainability assurance practitioner is a professional accountant for:

- An audit client of the firm or a component of an audit client of the firm, the accountant shall also apply paragraph R360.31 of the Code; or
- An audit client of a network firm or an audit client of a network firm, the accountant shall also apply paragraph R360.32 of the Code.

Footnote 24 in paragraph 59 of the EM explains that the factor regarding the likely materiality of the matter to the audit of the client's financial statements included in extant paragraph 360.34 A1 was not replicated in Part 5 because 'it might not be reasonable to expect a practitioner who is not a professional accountant (non-PA) to recognize the materiality of a NOCLAR situation to the audit of the client's financial statements.' While that may be the case, the non-PA practitioner can enquire of the financial statement auditor regarding the materiality. Accordingly, we recommend that the following be added as a fifth bullet in paragraph 5360.34 A1:

- The likely materiality of the matter to the audit of the client's financial statements or, where the matter relates to a component of a group, its likely materiality to the audit of the group financial statements. The sustainability assurance practitioner may obtain or discuss the materiality with the external auditor.



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) [See paragraph 68 of the EM]

We support expanding the scope of the extant requirement for PAIBs. It is consistent with the requirement in extant R260.15 and 260.15 A1. Due to the variety of sustainability information and NOCLAR, we believe the IESBA should consider including 'relevance to the sustainability engagement' as a factor that the senior professional accountant may consider in their determination of whether disclosure of the matter to the sustainability assurance practitioner is needed either as part of the requirement or in a separate application paragraph. Not all NOCLAR would be relevant to the sustainability assurance engagement. However, if the Board's position is that it is the sustainability assurance practitioner's responsibility to determine relevance, we support the requirement as is.

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? [See paragraphs 80 to 85 of the EM]

We agree with the proposal to use the determination of a public interest entity (PIE) for purposes of the audit of the entity's financial statements. In addition, we suggest that the IESBA consider adding sustainability-related factors that may be considered in evaluating the extent of public interest of an entity to new paragraph 400.14 included in the *Revisions to the Definitions of Listed Entity and Public Interest Entity in the Code* issued in April 2022. We believe that if an entity has significant public interest based on certain sustainability-related factors, there would also be a significant public interest in the financial condition of the entity as the sustainability information aids in stakeholders' decision making.

Paragraph 5400.13 in ED-IESSA states, 'an entity is a public interest entity in this Part if it has been determined as such for purposes of the audit of its financial statements in accordance with the relevant provisions in Part 4A.' The way that this is currently written appears to incorporate the relevant provisions of Part 4A into this clause, and accordingly, would be applicable to both PAs and non-PAs. Because it appears the intent per paragraph 36 of the EM is that Part 4A is not required for non-PAs (and only encouraged), we believe there are two primary scenarios where a non-PA is the sustainability assurance practitioner where it is unclear if the non-PA should use the definition of PIE in accordance with the relevant provisions in part 4A:

1. A PA is the financial statement auditor who treated the entity as a PIE during the audit, and the audit is not complete or has not started. The sustainability assurance practitioner may not know if the financial statement auditor determined an entity is a PIE without some kind of communication with the financial statement auditor, which would generally be more prevalent for entities that are not publicly traded entities⁴. We acknowledge that if the financial statement audit is complete, the sustainability assurance practitioner will know if the auditor determined the entity was a PIE for purposes of the financial statement audit by the disclosure in the audit report per paragraph 50(e)(ii) of International Standard on Auditing (ISA) 700 (Revised), *Forming an Opinion and Reporting on Financial Statements*, as amended by *Narrow Scope Amendments to ISA 700 (Revised)*, *Forming an Opinion and Reporting on Financial Statements*; and *ISA 260 (Revised)*, *Communication with Those Charged with Governance, as a Result of the Revisions to the IESBA Code that Require a Firm to Publicly Disclose When a Firm Has Applied the Independence Requirements for Public Interest Entities (PIEs)*. Even though it's in the auditor's report, the sustainability assurance practitioner may not know whether the client was determined to be a PIE in accordance with the relevant provisions in Part 4A or if the auditor voluntarily treated the entity as a PIE as described in paragraph 5400.13a of ED-IESSA, where the sustainability assurance practitioner would not be required to treat the entity as a PIE for sustainability assurance purposes. Accordingly, we recommend that the IESBA add a requirement for the SAP to communicate with the financial statement auditor to determine if the entity was a PIE for the purposes of the financial statement audit and whether or not the auditor voluntarily treated the entity as a PIE, if necessary.
2. The entity does not receive an audit of its financial statements. In this case, it is unclear how the SAP would determine if the entity would be a PIE for sustainability assurance purposes.

In addition, Part 4A of the Code is only applicable to PAs per paragraph 36 of the EM. Accordingly, Part 5 should not necessarily refer to Part 4A. Rather a copy of the portion of Part 4A referred to in Part 5 should be brought into Part 5. This would also address our concern of whether Part 4A is also applicable to non-PA SAPs. Notwithstanding our concern over the scope of the proposed Part 5 of ED-IESSA detailed in question #2, we recommend that IESBA clarify in the Code if the referred to portions in Part 4A are required for non-PA SAPs whether or not a copy of the portion of Part 4A referred to is brought into Part 5.

Group Sustainability Assurance Engagement

10. The IESBA is proposing that the International Independence Standards in Part 5 specifically address the independence considerations applicable to group sustainability assurance engagements. [See paragraphs 86 to 92 of the EM]

- (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?**

We support addressing group sustainability assurance engagements in IIS in Part 5. We also support IESBA's acknowledgement in paragraph 92 of the EM that until the IAASB or other sustainability assurance standard setters develop more specific standards addressing group sustainability assurance engagements, SAPs might need guidance to consistently apply the provisions in Part 5 applicable to group reporting situations. We highly encourage the IESBA to consider what implementation support resources, if any, it might commission to facilitate effective implementation of the provisions. We also highly encourage that the IESBA work closely with the IAASB regarding the IAASB's future considerations in relation to addressing group sustainability assurance engagements to achieve consistency between ISSA 5000 and the Code.

⁴ As defined in the IESBA's final pronouncement of *Revisions to the Definitions of Listed Entity and Public Interest Entity in the Code*.

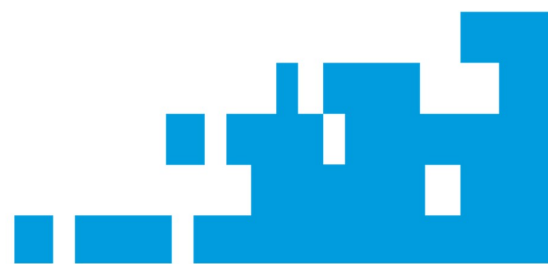
We believe most issues encountered in applying Section 5405, *Group Sustainability Assurance Engagements*, of the IESBA Code will be similar issues encountered with applying Section 405, *Group Audits*, of the IESBA Code. Notwithstanding our concern over the scope of the proposed Part 5 of ED-IESSA detailed in question #2, we believe the following practical issues or challenges may be anticipated in applying Section 5405 of the IESBA Code:

- Consistent implementation among sustainability assurance practitioners, especially many non-PAs due to their lack of sufficient experience with group assurance engagements
- Practical application of properly identifying and applying appropriate procedures for components within the reporting boundary versus value chain entities
- Practitioner's materiality considerations in group sustainability information
- Specific issues regarding various topics
- When the composition of the group per the financial reporting framework is different than the composition of the group per the sustainability reporting framework
- When the group auditor does not direct, supervise or review an individual's work (e.g. individuals from another practitioner)
- Requirements for various types of other practitioners, for example, a service organization's auditor, an individual from another practitioner performing specific procedures or a predecessor practitioner.
- Various criteria for assessing the composition of the group based on the sustainability reporting framework
- Acquisitions, divestitures and other changes in the composition of the group during the year and treatment per the sustainability reporting framework
- Periods during which independence is required when entities in the group have different fiscal year ends.

(b) If you support addressing group sustainability assurance engagements in the IIS in Part 5:

(a) 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)?

We 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 in order to be consistent and minimise incremental efforts in procedures at the client level when the same firm is both the financial statement auditor and the SAP.



(b) 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? [See paragraph 88 of the EM]

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. We do not support the IESBA including requirements from ISA 600 (Revised), *Special Considerations--Audits of Group Financial Statements (Including the Work of Component Auditors)*, in Part 5 of ED-IESSA as described in paragraph 88 of the EM because the IAASB has not included group sustainability engagements in the ISSAs, yet. We also noticed a similar reference to ISA 220 (Revised), *Quality Management for an Audit of Financial Statements*. However, extant paragraphs R405.3 to 405.4 A1 of the IESBA Code essentially references ISA 600 (Revised) and ISA 220 (Revised) and summarises its requirements regarding communication of relevant ethical standards. Proposed paragraphs R5405.3 to R5405a of ED-IESSA essentially removed the references to the ISAs and did not substantively change the requirement. We also believe it is more appropriate to exclude the references to the ISAs or any other auditing or assurance framework, since Part 5 of the IESBA Code is intended to be framework-neutral per paragraph 22 of the EM. By referencing the ISAs, extant Section 405 of the IESBA Code would not be considered framework-neutral.

(c) Do you agree with the proposed defined terms in the context of group sustainability assurance engagements (for example, “group sustainability assurance engagement” and “component”)?

We agree with the proposed defined terms in the context of group sustainability assurance engagements. We encourage the IESBA to work with the IAASB to achieve consistency between ISSA 5000 and the IESBA Code.

We believe the definition of ‘group sustainability information’ could be refined to be more consistent with the definition of ‘group financial statements’. ‘Group sustainability information’ in a group sustainability assurance engagement is similar to ‘group financial statements’ in a group audit. The definition of ‘group financial statements’ per the proposed revised glossary in ED-IESSA is ‘financial statements that include the financial information of more than one entity or business unit through a consolidation process’. The definition of ‘group financial statements’ includes ‘through a consolidation process’, which helps identify the entities and business units included in group financial statements, but the definition of ‘group sustainability information’ does not include similar information. In addition, we feel it is important to be clear that group sustainability information does not include entities within the value chain. Accordingly, we suggest the definition of ‘group sustainability information’ be revised as follows:

Sustainability information that includes the sustainability information of more than one entity or business unit through a consolidation process and within the organizational boundary that is defined, described, or otherwise specified in the applicable by the sustainability reporting framework. This excludes entities within the value chain.

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? [See paragraphs 93 to 101 of the EM]

We agree with the proposed independence provisions set out in Section 5406 of ED-IESSA. However, Section 5406 does not appear to address the requirements when the SAP cannot confirm that the other practitioner followed the requested relevant independence requirements. We suggest that the IESBA add these requirements.

We found the diagram in Appendix 3 of the EM to be useful and recommend that the IESBA put the diagram into the IESBA Code, rather than leaving it in the EM. This may help the practitioner determine which section of the IESBA Code to follow and what kind of other practitioner they are using.

We agree with the proposed independence provisions set out in Section 5406 of ED-IESSA. However, Section 5406 does not appear to address the requirements when the SAP cannot confirm that the other practitioner followed the requested relevant independence requirements. We suggest that the IESBA add these requirements.

We found the diagram in Appendix 3 of the EM to be useful and recommend that the IESBA put the diagram into the IESBA Code, rather than leaving it in the EM. This may help the practitioner determine which section of the IESBA Code to follow and what kind of other practitioner they are using.

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? [See paragraphs 102 and 103 of the EM]

We support the proposed definition of ‘value chain’ in the context of sustainability assurance engagements based on the reasons explained in paragraph 103 of the EM.

The proposed revised glossary in ED-IESSA defines a component as:

For a group sustainability assurance engagement, an entity, business unit, function or business activity, or some combination thereof, **determined by the group sustainability assurance firm** for purposes of planning and performing assurance procedures in the group sustainability assurance engagement. This excludes entities within the value chain. **[emphasis added]**

Entities and business units included in group sustainability information and entities included in the value chain are generally determined by the reporting framework. Components are determined by the group sustainability assurance firm. Although components and entities and business units included in group sustainability information are, in total, the same, components can be comprised of multiple entities and/or business units within the group sustainability information. In addition, paragraph 104 of the EM says, ‘value chain entities are not part of the client’s organizational boundary and are not under its control.’ Entities that are part of the reporting entity’s organizational boundary are generally within the group sustainability information. In order to promote consistency with being determined by the reporting framework, we propose the definition of ‘value chain’ be revised as follows:

The value chain is a reporting concept that is defined, described or otherwise specified in the applicable sustainability reporting framework.

The value chain might include, for example, a sustainability assurance client's customers and suppliers that are material for sustainability reporting purposes.

The value chain does not include components excludes entities or business units included in the group sustainability information and are not under control of the reporting entity.

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? [See paragraphs 104 to 110 of the EM]

We support the provisions in Section 5407, *Independence Considerations Relating to Assurance Work at, or with Respect to, a Value Chain Entity*, of ED-IESSA addressing the independence considerations when assurance work is performed at, or with respect to, a value chain entity. However, the requirements in paragraph 5407.6 of ED-IESSA are unclear when the SAP performs work on the value chain entity's sustainability information that is provided by the client and no assurance work is provided at the value chain entity.

Notwithstanding our concern over the scope of the proposed Part 5 of ED-IESSA detailed in question #2, we have some concerns that the provisions may be drafted in a way that may be unclear to non-PAs or PAs who may not be independence experts. We recommend that the IESBA clarify and simplify the language used. In addition, as detailed in question #1(b), we encourage the IESBA to consider issuing a 'start-up guide' and/or other background information to help users in implementing these provisions.

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?

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. This is also consistent with current independence requirements when using the work of a component auditor.

(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? [See paragraphs 111 to 114 of the EM]

We 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 proposed Section 5700, *Interests, Relationships or Circumstances Involving Value Chain Entities*, of ED-IESSA. However, we do not believe that proposed Section 5700 of ED-IESSA gives enough guidance for a SAP to be able to properly conclude on independence. For example, paragraph R5700.4 of ED-IESSA says that known factors should be considered, but there is no guidance in respect to what to do with that information. Furthermore, there is no reference or guidance to enquiring of appropriate personnel in order to obtain this information.

Paragraph 111 of the EM states that Section 5700 of the ED applies when ‘a firm uses the work of a SAP who separately performs the assurance work at a value chain entity whose sustainability information is included in sustainability information on which the firm expresses an opinion’. It is unclear when the subsection, ‘Independence Considerations When a Firm Intends to Use the Work of a Sustainability Assurance Practitioner at Value Chain Entity’ (i.e. paragraphs R5407.4-R5407.5 of ED-IESSA), would apply or when Section 5700 would apply or if there is a relationship between the two sections. We recommend that the IESBA clarify the relationship between the stated Section 5407 subsection and Section 5700 of ED-IESSA. If appropriate, we recommend embedding Section 5700 in Section 5407 to help clarify the relationship.

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)? [See paragraphs 115 and 116 of the EM]

We agree with the provisions in proposed Section 5600, *Provision of Non-Assurance Services to a Sustainability Assurance Client*, of ED-IESSA (for example, the ‘self-review threat prohibition’, determination of materiality as a factor and communication with those charged with governance) as it is consistent with extant Section 600, *Provision of Non-Assurance Services to an Audit Client*, of the Code.

There may be some non-assurance services that may not be as relevant to sustainability information as to an audit (e.g. tax services). It would be helpful for the IESBA to provide examples when these services may apply to or affect a sustainability assurance engagement.

16. Subsections 5601 to 5610 address specific types of NAS. [See paragraphs 118 to 120 the EM]

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

We agree with the coverage of such services and the provisions in Subsections 5601, *Sustainability Data and Information Services*, and 5610, *Corporate Finance Services*. We support the focus on self-review threats on sustainability assurance engagements.

In addition, we believe that paragraph 5601.2 A1 of ED-IESSA should be more explicit and state that SAPs cannot take responsibility for management roles, such as those outlined in that paragraph.

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

We believe that Part 5 should specifically address restructuring services in the context of sustainability assurance engagements. Restructuring services may be relevant where there is a corporate restructure which could impact a sustainability assurance engagement (for example, relocations in order to benefit from different environmental opportunities in other jurisdictions).

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)? [See paragraphs 123 to 131 of the EM]**

We agree with the proposed approach in Part 5 to address the independence issues that could arise when the SAP 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). However, the consideration of fees in ED-IESSA does not appear to include a situation where the sustainability assurance engagement is required by laws or regulations, and some jurisdictions may require or allow both the sustainability assurance engagement and the audit to be performed by the same PA as the auditor and SAP. We recommend that the IESBA add this scenario to ED-IESSA.

We are also supportive that there does not appear to be any prohibitions.

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?**

We 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. However as detailed in question #1(b), we encourage the IESBA to consider issuing a ‘start-up guide’ and/or other background information, which includes guidance to assist SAPs who are non-PAs in implementing ED-IESSA, since non-PAs may do not have the same experience in understanding and complying with the IESBA Code as PAs. In addition, notwithstanding our concern over the scope of the proposed Part 5 of ED-IESSA detailed in question #2, we recommend that the IESBA work with non-PA SAPs to ensure consistent implementation and application between PA and non-PA SAPs.

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

Proposed Revised Glossary

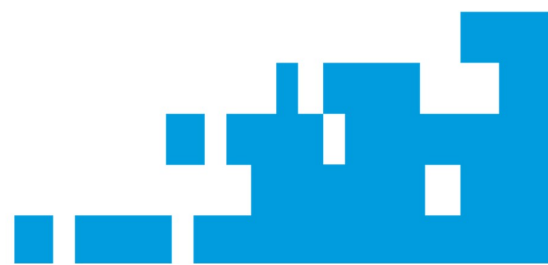
Organisational boundary

We noted that the term, organisational boundary, is used throughout the standard, but the term is not defined. Accordingly, we recommend adding this term to proposed revised glossary.

Fundamental principles

In the definition of ‘fundamental principles’, we noticed that the references for the ‘confidentiality’ principle were inconsistent with the others. We recommend changing the references to the following:

Confidentiality R114.1 to R114.3 and R5114.1 to R114.3



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? [See paragraphs 133 to 135 of the EM]

The IESBA could approach its new strategic work stream on expanding the scope of the Code to all preparers of sustainability by revising its *Terms of Reference* to include all sustainability practitioners rather than those that are PAs. In addition, the IESBA could consider an accreditation for sustainability reporting.

Notwithstanding our concern over the scope and enforceability of the proposed Part 5 of ED-IESSA detailed in question #2, it may be unclear in certain jurisdictions how the applicability of the Code to non-PA preparers of sustainability information would affect the enforcement of compliance with the Code for various reasons, including that the regulators or organisations currently responsible for monitoring and enforcing compliance with the Code may only have authority over PAs. We encourage the IESBA to work with regulators and national standard setters for ethics and independence to understand how the standards will be enforced for non-PAs.

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? [See paragraph 138 of the EM]

We agree that the proposals in Chapter 4, *Proposed Sustainability Reporting-Related Revisions to Parts 1 to 3 of International Code of Ethics for Professional Accountants (Including International Independence Standards)*, of the ED are responsive to the public interest, considering the Public Interest Framework’s qualitative characteristics, including coherence with the overall body of the IESBA standards; relevance, clarity and conciseness of the standards; implementability and enforceability. The proposed added language in Chapter 4 of the ED is largely the same as the extant code, but adds sustainability-related revisions.

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:

We 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. These standards are likewise suitable for addressing ethics issues that might arise when performing non-financial reporting.

(a) Proposed revisions to Section 220? [See paragraphs 139 to 141 of the EM]

We agree that the proposed revisions to Section 220, *Preparation and Presentation of Information*, of the extant Code in Chapter 4 of the ED are clear and adequate from a sustainability reporting perspective.

(b) Proposed examples on conduct to mislead in sustainability reporting, value chain and forward-looking information? [See paragraphs 143 to 153 of the EM]

We agree that the proposed examples on conduct to mislead in sustainability reporting, value chain and forward-looking information of the extant Code in Chapter 4 of the ED are clear and adequate from a sustainability reporting perspective, and they are appropriate and helpful.

We believe one of the new examples of a self-interest threat in paragraph 200.6 A1(a) of ED-IESSA should be re-assessed to see whether it is an appropriate example:

- A professional accountant holding a financial interest in a supplier of the employing organization and that supplier is impacted by the employing organization's sustainability targets or practices.

It should be recognised that holding shares in a supplier, for example, could in some cases indeed trigger a self-interest threat. However, it is questionable how it can be ruled out in practice that this situation could arise during a given financial year. Unlike group companies, suppliers are not in the control of the parent company, they can change quickly, and it is almost impossible to predict how long a value chain will exist as it did at the beginning of the audit period. Only in very few cases will holding a stake in a supplier lead to self-interest. In this respect, it seems questionable whether holding a financial interest in a supplier is a suitable example of a self-interest.

(c) Other proposed revisions? [See paragraph 155 of the EM]

We agree that the other proposed revisions of the extant Code in Chapter 4 of the ED are clear and adequate from a sustainability reporting perspective. However as detailed in our response to question #22(b), we believe the new example of a financial interest in a supplier should be reassessed for inclusion.

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

There are no other matters we would like to raise the following matter concerning the proposals in Chapter 4 of the ED.

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 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 to have relevant ethical standards for both PA and non-PA SAP when performing sustainability assurance engagements in accordance with ISSA 5000, notwithstanding our concern over the scope of the proposed Part 5 of ED-IESSA detailed in question #2.

Using the Work of an External Expert

Certain provisions in Section 5320 as well as Section 5390 of the proposed IESSA (in Chapter 1), and the revisions to "Using the Work of Others" in Section 220 and "Using the Work of an Expert" in Section 320, in the extant Code (in Chapter 4), all highlighted in grey, were developed under the Use of Experts project. See *Using the Work of an External Expert Exposure Draft* for the questions relating to these aspects. Any feedback should be provided in response to that Exposure Draft.

See our response to the consultation for IESBA's Exposure Draft, *Using the Work of an External Expert*, dated 30 April 2024 for our comments regarding using the work of an external expert within IESSA.

- End -