

IAASB's Technology Initiatives

1. Approach to Addressing Tech-Related Matters
2. Technology QM Workstream's Action Plan to Develop NAM



The Team

Technology Team



Angelo Giardina
Team Leader



Isabelle Raiche
Principal



Sachiko Kai
Senior Advisor



Ida Diu
Senior Manager



Fadi Mansour
Senior Manager



Megan Leicht
Project Manager

Project Board Members



Edo Kienhuis
IAASB Board Member



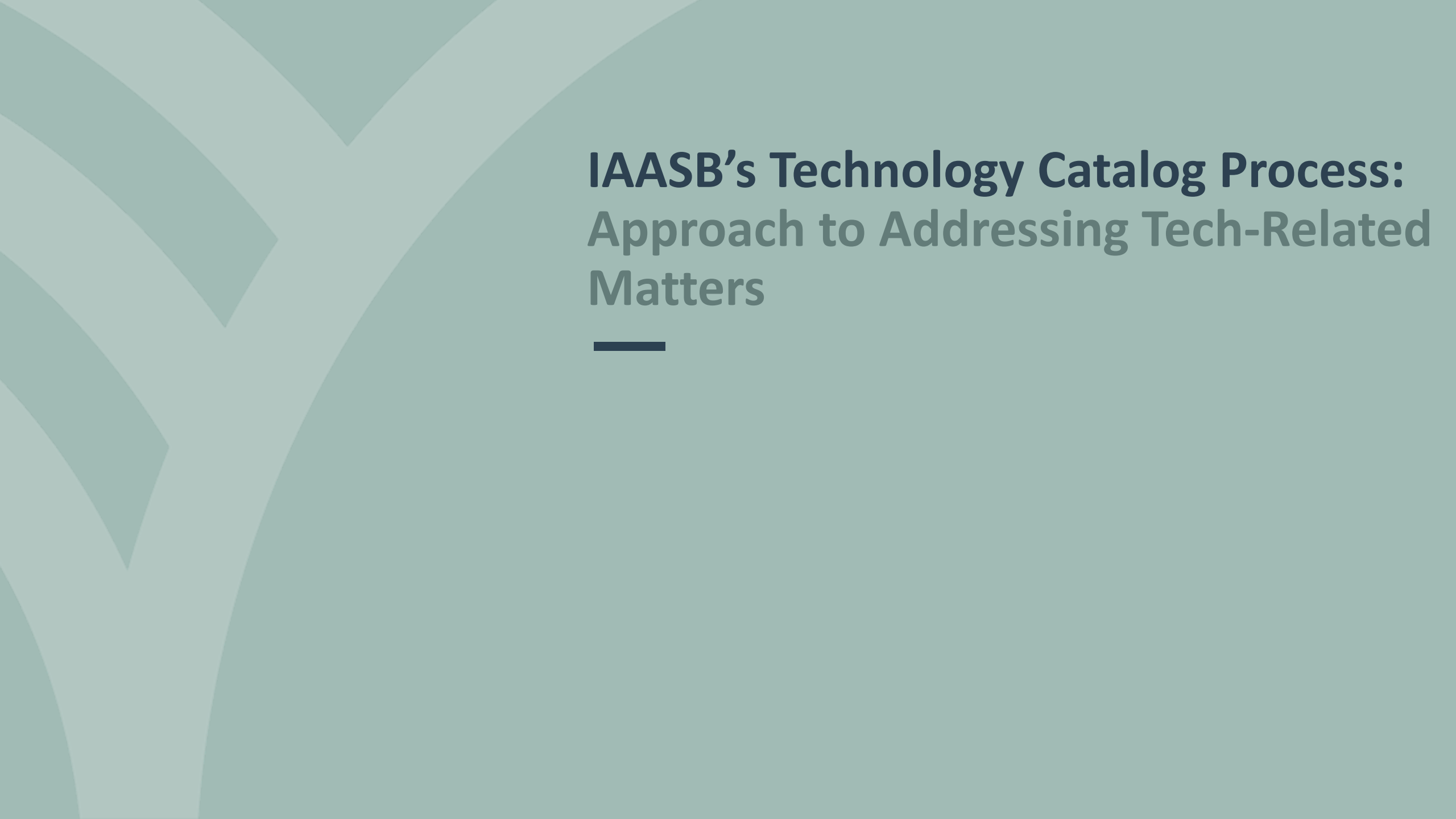
Nancy Cheng
IAASB Board Member

Agenda

TECHNOLOGY INITIATIVES

Part A **IAASB's Technology Catalog Process:**
Approach to Addressing Tech-Related Matters

Part B **Technology QM Workstream:**
Action Plan to Develop Non-Authoritative Material

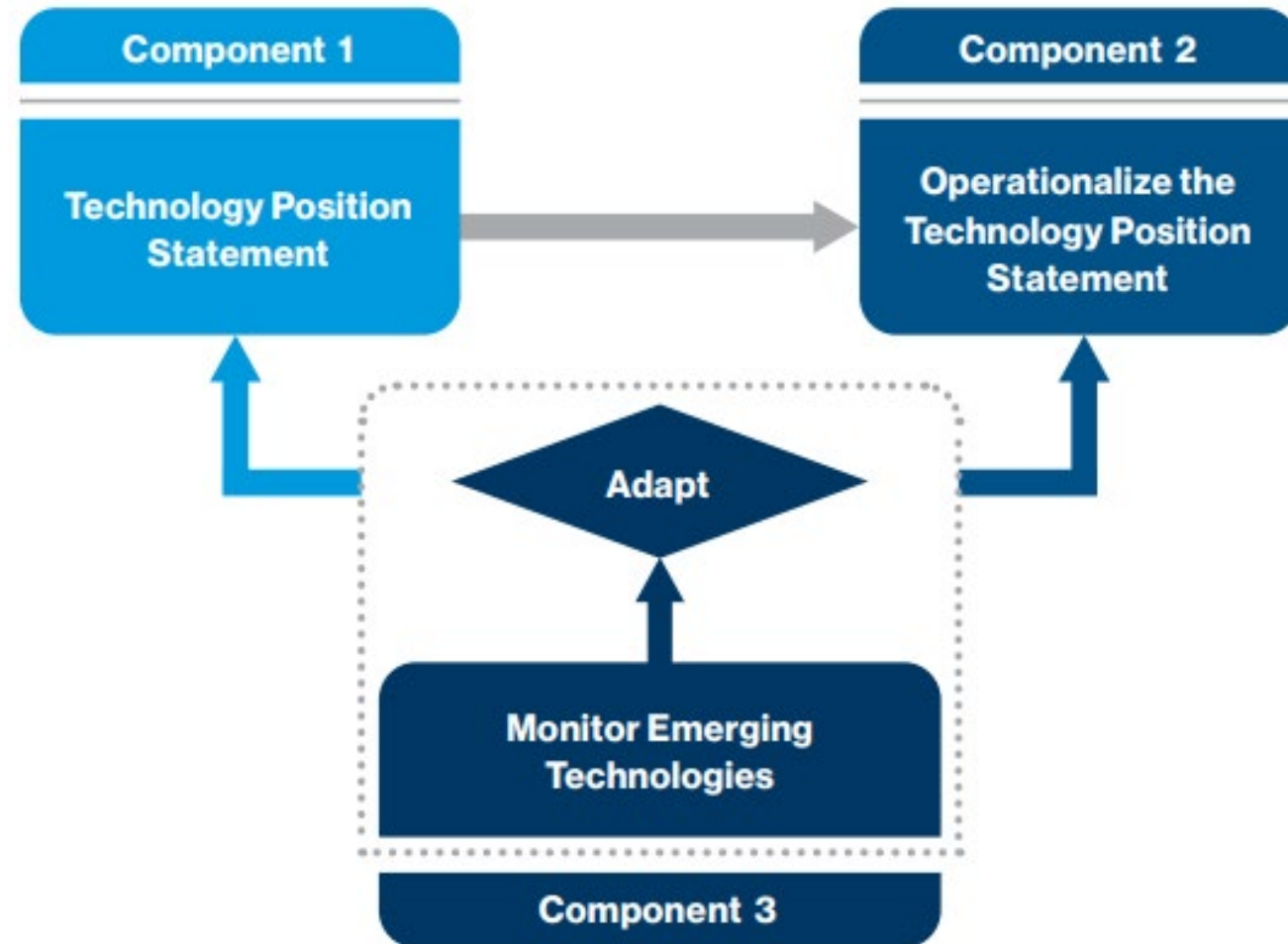


IAASB's Technology Catalog Process: Approach to Addressing Tech-Related Matters



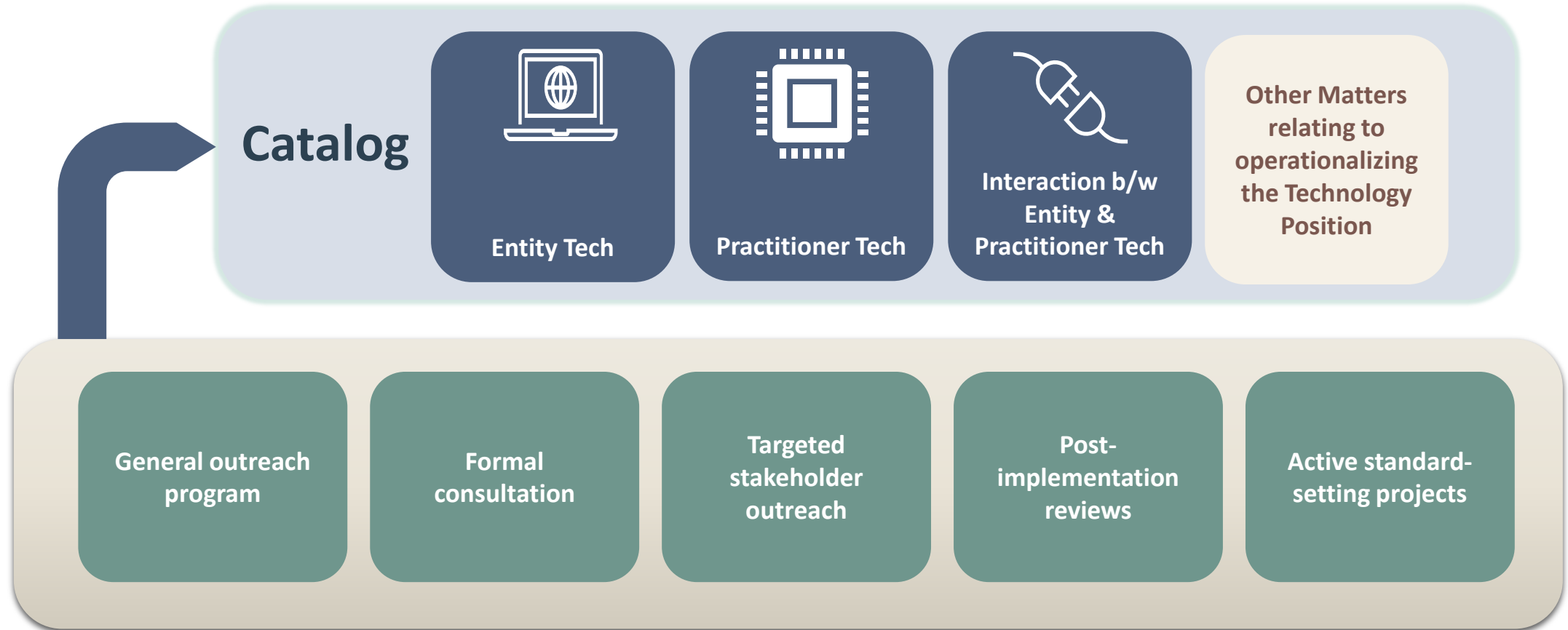
The IAASB's Technology Position

3 COMPONENTS



Technology Catalog Process

TECHNOLOGY-RELATED MATTERS



Qualitative Considerations

DECIDING BETWEEN STANDARD-SETTING AND NON-AUTHORITATIVE MATERIAL



Extent of established expectations for standard setting



Extent to which authoritative material is necessary



Extent to which guidance may become quickly outdated



Maturity and stability of the relevant technology and related practices



Existing principles in the standards appear robust but difficult to apply



Barriers to the use of technology arising from standards themselves



Matter is cross-cutting across multiple standards or engagement types

Qualitative considerations are applied holistically

Technology-Related NAM Development Process

TAILORED DEVELOPMENT AND CLEARANCE PROCESS

Non-Authoritative Documents (aka “Guides”)

developed by staff supported by:

- Project Board Members
- Expert Group, where applicable

Enhanced Board Involvement

- **Channel 4 clearance process** where Board oversees development of guides and approves guides in public session

Guides



More Flexible Writing Style



More Accessible Language



More Contextual and Background Information

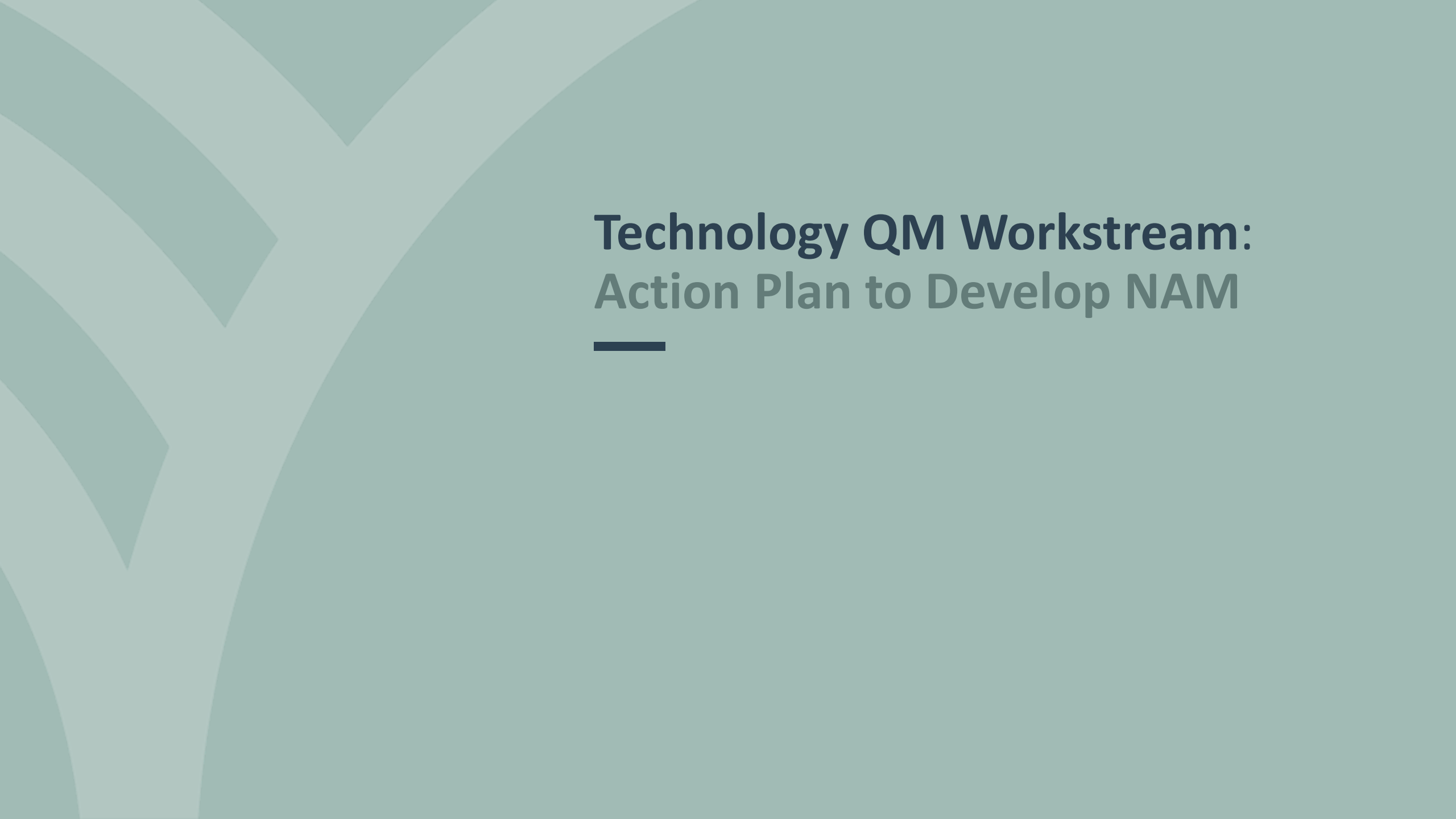
* **Alternative forms of NAM** (e.g., FAQs, flow charts, examples) and **clearance channels** may also be used to supplement the guides

Matters for IAASB Consideration

TECHNOLOGY CATALOG APPROACH



1. The Board is asked for its views on the proposed Approach (**Agenda Item 3-A**):
 - a) Does the Approach clearly describe how technology-related matters are identified, included and tracked in the Catalog?
 - b) Do the qualitative considerations outlined in the Approach provide an appropriate basis for the Board to apply its judgment whether a matter is best addressed through standard-setting or non-authoritative material?
 - c) Does the Board agree with the proposed tailored approach and development process for technology-related non-authoritative material ?



Technology QM Workstream: Action Plan to Develop NAM

Technology Quality Management Action Plan

GUIDANCE STRUCTURE AND THE USE OF THE LAYERING APPROACH

Engagement-level use in audit engagements

- **Examples:** using the tools for risk assessment, substantive procedures, documentation
- **Standard anchors:** ISA 220 (Revised) engagement-resources and direction/supervision/review requirements

Guide 3: Engagement-level use, oversight, and accountability

Firm-developed / configured applications

- **Examples:** Firm chat assistants, documentation tools, anomaly-detection routines
- **Standard anchors:** ISQM 1, paras. 32(f), A100, A101, A104

Guide 2: Tool layer

Foundational Gen AI model

- **Example:** LLM provided via cloud platform
- **Standard anchors:** ISQM 1, para. 32(f), A100, A105–A108

Guide 1: Third-party onboarding of foundational models and solutions

Technology Quality Management Action Plan

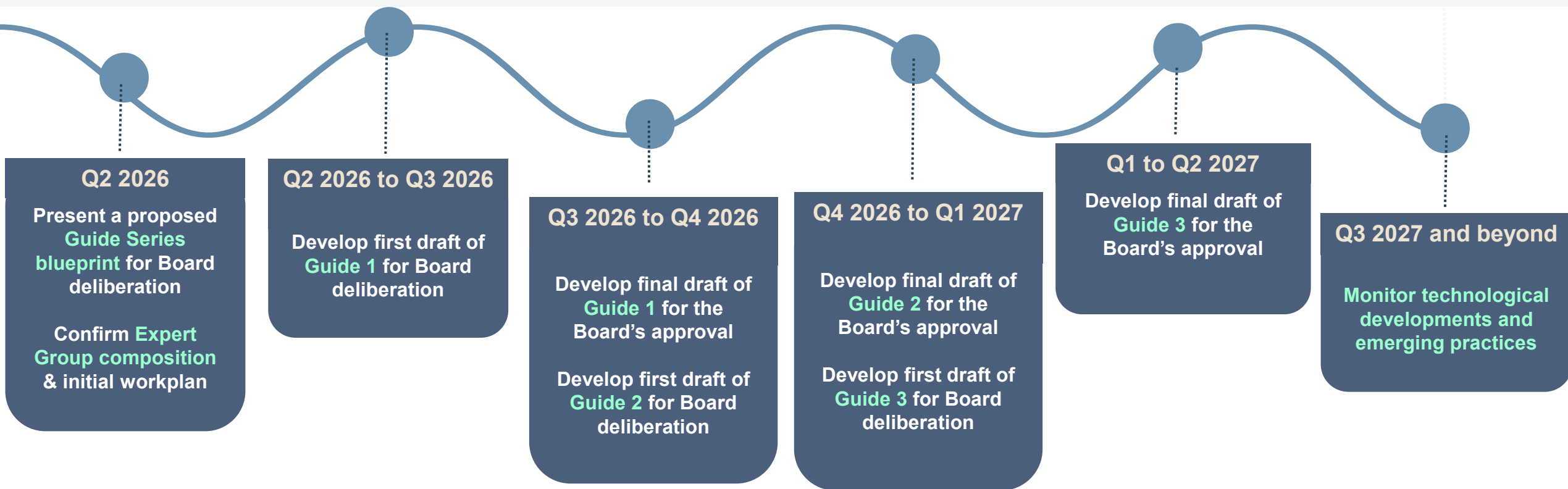
COVERAGE MAP OF GUIDES

Accountability					
Tool Lifecycle		Network-level (when applicable)	Firm-level	Engagement-level (firm-approved tools)	Engagement-level (non-firm-approved tools)
	Obtains foundational models from service providers				
	Develops a tool				
	Deployment of tool				
	Post-deployment				

See Table 1 of the Action Plan for detailed information

Technology QM Workstream: Action Plan to Develop NAM

TIMETABLE AND WAY FORWARD



Engagement with Expert Group / Targeted outreach

Matters for IAASB Consideration

TECHNOLOGY QM WORKSTREAM ACTION PLAN TO DEVELOP NON-AUTHORITATIVE MATERIAL



2. The Board is asked for its views on the proposed Action Plan (**Agenda Item 3-B**):
 - a) Does the Board agree with the proposed structure of the Technology Quality Management Guide Series, including the use of the layering approach to organize the guidance?
 - b) Does the Board agree that the proposed coverage map appropriately supports coherent and complete topic coverage across the Guide Series, including the lifecycle stages and levels at which responsibilities typically arise in practice (**paragraphs 30–31** and **Table 1** of **Section IV.C**)?
 - c) Is the proposed staged timeline and sequencing for developing and approving the guides reasonable and achievable (**paragraphs 48–50** and **Table 2** of **Section VI.A**)?