

IESBA and IAASB Joint Stakeholder Survey – Strategic Positioning for 2028–2031

02.01. A&I Guidance and NAM rather than New Standards

01. Monitoring Group

International Organization of Securities Commissions (IOSCO) Committee

3. Enhance Agility and Responsiveness to Emerging Risks and Technologies The rapid pace of technological change reinforces the need for forward-looking and timely standard-setting. We encourage the Boards to maintain agility by continuously monitoring emerging risks and technologies and ensuring they can respond in a timely and practical manner. This includes considering targeted or narrow-scope amendments to standards when appropriate, issuing timely non-authoritative material that is developed in consultation with a diverse set of stakeholders, maintaining the flexibility to allocate resources to emerging public-interest priorities as needed, and closely coordinating with relevant reporting standard setters to ensure coherent development of accounting and auditing requirements.

02. Users of Financial or Non-Financial Information

Impax Asset Management

2. Adoption and effective implementation

During 2028–2031, success should be measured not only by formal adoption, but by consistent and high-quality implementation. To that end, the SSBs should:

- Invest more systematically in implementation guidance, capacity-building and jurisdictional dialogue, particularly in emerging and developing markets.
- Work closely with regulators, oversight bodies and professional organisations to identify implementation challenges early and respond through targeted guidance rather than piecemeal amendments.
- Use post-implementation reviews and stakeholder feedback to assess whether standards are delivering meaningful improvements in assurance quality and ethical outcomes, not just compliance.

International Corporate Governance Network (ICGN)

The SSBs should prioritise broad international adoption and effective implementation of existing standards. Given the risk of fragmentation across jurisdictions, particularly in sustainability reporting and assurance, the SSBs' principal focus should be on supporting global consistency, interoperability, capacity-building, and implementation, rather than developing new requirements unless there is a clear public interest need. This is particularly important given implementation complexity and stakeholder "change fatigue".

03. Preparers or Issuers of Financial Statements or Other Information

Ajinomoto Co., Inc.

The development and dissemination of guidance and guidelines that would also serve as useful references for operating companies.

05. Regulators and Oversight Authorities

Committee of European Auditing Oversight Bodies (CEAOB)

6. Furthermore, to remain responsive to emerging issues, the SSBs should retain flexibility in how they allocate resources in their work program and ensure at all times a high level of agility. The CEOB emphasizes the importance of clearly distinguishing between matters that require formal standard-setting,

those that call for targeted narrow amendments, and those that are better addressed through timely, principle-based guidance, particularly as rapid advances in the use of new technologies may render aspects of the current standards obsolete.

Independent Regulatory Board for Auditors (IRBA)

- **Forward Looking Guidance and Thought Leadership:** As practice continues to evolve rapidly, particularly in areas such as technology, data analytics, and artificial intelligence, there is an opportunity for the SSBs to further strengthen their role as thought leaders. Providing forward looking perspectives, including through exploratory or non-authoritative materials used to inform research and debate, can help shape practice early and reduce pressure for later, more extensive standard revisions. Such materials can also signal regulatory-relevant issues without undermining the authority or enforceability of the standards.

Public Accountants and Auditors Board Zimbabwe (PAABZ)

Focus area 2: Broader Adoption and Effective Implementation

The SSB issued some key standards lately such as those related to sustainability and those related to Less Complex entities. In the upcoming strategy for 2028 -2031, a focus on implementation support will be critical. The Boards should work strongly with regulators as implementation partners with support in the form of implementation toolkits, Train the Regulator programs, jurisdictional guidance. This can be implemented in collaboration with bodies such as PAAB.

06. Jurisdictional and National Standards Setters (JSS)

Accounting Professional & Ethical Standards Board (APESB)

Further, APESB considers that enhancing implementation support should be a key objective of the Boards. For example, more targeted non-authoritative material, a program of post-implementation reviews, and further exploration of ways to support jurisdictions with limited resources in adopting and implementing the standards.

Australian Auditing and Assurance Standards Board (AUASB)

Guidance may be developed more quickly and support agility to address changing circumstances where necessary, rather than making frequent changes to standards

Hong Kong Institute of Certified Public Accountants (HKICPA)

At the same time, standards should continue to be principles based and outcome focused. Where new risks arise from technological developments, a guidance-first approach should be considered to clarify the application of existing principles before embarking on new standard-setting projects.

To remain relevant, responsive, and impactful, the SSBs should continue to advance high-quality standard-setting, promote adoption, strengthen stakeholder engagement, and deliver public interest outcomes. Beyond these, we encourage the SSBs to prioritise capacity building—particularly in emerging markets—by supporting education and upskilling in ethics, sustainability, and digital competencies. In addition, the SSBs should explore how technology can be leveraged to enhance implementation, such as through AI-powered tools, interactive guidance, and digital learning platforms.

To support broad and effective adoption, the SSBs should also provide more practical implementation support (e.g. guidance, Q&As and illustrative examples), particularly to assist SMEs, SMPs and sole practitioners that may have more limited technical resources than larger firms. These efforts will enhance consistency and accessibility, and empower practitioners globally to apply standards effectively in an increasingly complex and technology-driven environment.

Instituto Mexicano de Contadores Públicos (IMCP)

The pace of changes and evolution of the profession is moving too fast, accounting standards are increasing complexity and therefore, assurance engagements also tend to be more challenging to ensure fair presentation/compliance with the applicable reporting framework. We know that it is important to improve trust in the accounting and assurance profession. Acceptability, implementation and operability of standards are critical going forward. There may be no need to create new standards if it is not strictly necessary but rather promote guidance and other non-authoritative materials to help the profession and tackle emerging trends that are considered significant and could affect quality of the work.

Japanese Institute of Certified Public Accountants (JICPA)

Furthermore, while we recognize the importance of continuous engagement with all stakeholders, we consider it even more critical to enhance the operability and acceptability of the standards for professional accountants who apply them in practice. Even after standards have been issued, we believe that strengthening support for their adoption and implementation in each jurisdiction—through initiatives such as communication and education, the promotion of understanding, and the identification, resolution, and sharing of practical implementation issues—should be a key role for the SSBs in the next strategy period. We also believe it is important that the SSBs maintain and reinforce a principles-based approach in their standards so that they remain applicable across a wide variety of environments, while avoiding an excessive shift toward detailed, rules-based requirements. From the perspectives of cost-benefit and the public interest, it is essential to focus on the most important issues, which in turn requires careful prioritization. This includes, where appropriate, relying on guidance and other non-authoritative tools rather than creating new standards, or even consciously choosing not to act on certain topics. From an ethics perspective, careful consideration will also be needed in relation to any expansion of the scope of the IESBA Code, particularly to ensure consistency in its application across jurisdictions.

New Zealand Auditing and Assurance Standards Board (NZAuASB)

IMPROVE SCALABILITY AND PROPORTIONALITY BY SIMPLIFYING PRINCIPLES BASED STANDARDS As standards continue to evolve, they have increased in length and complexity. We see an opportunity for the SSBs to reflect on how standards are written, with greater emphasis on core principles, clearer articulation of why changes are necessary, and why auditors are required to do something. Writing in short, clear, plain English will enhance scalability and proportionality. Simplifying standards, supported by practical examples and non authoritative guidance, would improve accessibility and support consistent application—without undermining the principles based foundations of the standards.

Nordic Federation of Public Accountants (NRF)

2. The importance of truly principles based standards

In a rapidly changing global environment, ensuring that standards and the Code remain genuinely principles based must be a top priority. The boards should focus on maintaining standards that are stable over time and capable of absorbing change without frequent amendment. Constant revisions are a sign that the standards are not sufficiently anchored in enduring principles. Emerging issues are better addressed through non authoritative guidance rather than through continuous changes to the standards and the Code.

4. Focus on pre assessments

Before initiating new projects, both boards should strengthen their pre assessment processes by stress testing whether emerging developments truly require changes to the standards or the Code. This assessment should also help determine whether issues can be more effectively addressed through non authoritative guidance rather than formal revisions. Such an approach ensures that the boards remain responsive to new developments while preserving the stability and principles based nature of the standards and the Code.

Royal Netherlands Institute of Chartered Accountants (NBA)

- The priority should be effective implementation and adoption of existing standards rather than continuing developments of new requirements. The Code and standards should be as principles based as possible. They should be compact and clear with long term value. Environments change rapidly so detailed rules-based regulations are quickly outdated.

When there are signs indicating guidance is needed on specific topics, new or more specific standards are not always the solution. We would prefer options like an e-learning, supporting explanations (NAM) etc. to support the application of the principles in the occurring circumstances.

Wirtschaftsprüferkammer (WPK)

The WPK principally welcomes that both Boards have taken current trends and challenges in accounting and auditing as a basis for this survey and the Strategy and Work Plan. When assessing key trends, we have focused on their relevance to the audit profession. However, a high importance rating of 5 or 6 ("strongly increasing importance" or "increasing importance") does not automatically indicate the need for a new standard-setting project; existing regulations may already address the issue in a sufficient manner, or enhanced guidance and non-authoritative materials may be more appropriate to support the profession.

07. Accounting Firms

BDO International Limited

- A focus on guidance will also reduce concerns about SSBs' ability to respond to new and emerging issues, preserve the primacy of a set of principles-based standards and also enable both SSBs to respond to challenges (e.g., AI and digital transformation) without feeling the need to engage in full blown (and very lengthy) standard setting.

- We would recommend both SSBs:

- o Include as a standing item on their quarterly in-person meetings an agenda item focused on adoption and implementation as performed by IFAC Member Compliance Program (of their body of standards/the Code) to help inform both SSB about what NAM could help drive improve adoption

- o Set one or more KPIs focused on adoption and review achievement or otherwise on an annual basis o Ask IFAC's Member Compliance Program to set targets to improve adoption and implementation of IFAC member bodies o Focus on adoption, by thinking of alternative ways to aid implementation of the standards/the Code, by:

Being very clear and unambiguous (including in messaging to regulators and other stakeholders) about the non-authoritative nature of such guidance

Developing more user-friendly guidance, flowcharts, Q&As and education/training/workshops of all stakeholders including educators, national standard setters

Developing non-authoritative materials on topics such as digital transformation (on a joint-SSB basis). Working closer with stakeholders

A shift towards being measurably impactful, not just 'productive':

- With an extant and established set of standards and the IESBA Code, both SSBs need to shift their focus from identifying 'new' standard setting activities and instead to:

- o Maintain a body of standards which are principles-based (and do not result in overly detailed or prescriptive requirements) accompanied by timelier and more useful NAM (such as educational materials) which can be used to address rapidly changing issues.

- o Focus on measuring the impact of their standards and potential for new and improved 'guidance' (e.g., educational materials) to help support adoption and implementation.

Deloitte Touch Tohmatsu Limited

For IAASB, greater agility is needed to timely and effectively address emerging issues impacting audit and assurance while maintaining the foundational, principles-based standards. We encourage the IAASB to

prioritize non-authoritative material wherever possible and to draw upon guidance/standards that have already been issued by jurisdictional and other oversight bodies where appropriate.

Ernst & Young Global Limited (EY)

- Maintain a principles-based, "future proof" approach by developing NAM to help the profession navigate fast evolving developments. Issuing NAM rather than new standards will help the profession manage disruption effectively while reducing the risk of partial or non-adoption by jurisdictions if standards are deemed inconsistent with local market regulations, remits of jurisdictional standard setters or their views of public interest needs.

- Work with professional accountancy organizations (PAOs) through the International Federation of Accountants (IFAC), as well as jurisdictional standard setters (JSS) and regulators, to reduce fragmentation and support interoperability among auditing and assurance requirements, ethics and independence provisions, and jurisdictional regulation. This coordination should also involve identifying and leveraging initiatives by these organizations to develop NAM to assist with implementation of standards. It is important that NAM issued by the Boards are interoperable across jurisdictions, particularly to avoid conflicts in the interpretation of the Boards' standards.

7. Given rapid technological advancement, it is critical for the Boards to develop NAM to support implementation of existing standards and conduct a parallel assessment of their ongoing suitability. We strongly support the IAASB's technology initiatives, including the Technology Position Initiative and Technology Quality Management Workstream, and urge the IAASB to expedite outputs from their recently established Technology Expert Panel within the current strategy period, including by leveraging the work of JSSs. We also encourage evaluation of whether existing requirements remain future proof, supported by technology agnostic, principle-based standards. Finally, we support coordination with IESBA on ethical considerations and believe it is more efficient to incorporate ethics expertise within the IAASB's Technology Expert Panel than to establish a separate IESBA panel.

In response to this question, EY offers four overarching recommendations for what the IAASB and IESBA (the Boards) should collectively aspire to achieve as they look toward the 2028–2031 strategy period. Our themes focus on the Timeliness, Relevance, and Implementability, including consistent application and global operability, characteristics in the Public Interest Framework (PIF).

- Prioritize strengthening global adoption and consistent implementation of standards to enhance credibility, comparability, and public trust worldwide. This includes closely monitoring adoption rates and barriers, being transparent about how the Boards respond to stakeholder feedback, and providing timely, high-quality non-authoritative materials (NAM) (e.g., practical examples and illustrations) to support effective implementation in practice.

Forvis Mazars Global Limited (Mazars)

We do not believe that standard setting is necessarily the answer to many of the current topics and developments under consideration, and the Boards should carefully consider whether their resources are better used in developing non-authoritative guidance to support existing standards where possible. For example, standard setting is not the answer to geopolitical uncertainty or in responding to regulatory changes, nor is standard setting timely and prompt enough to respond to challenges such as these and standards can quickly become outdated. Guidance, however, can be quicker to produce and more easily updated to reflect ongoing developments. Standard setting is most effective where issues are pervasive and cannot be sufficiently addressed through application of existing principles.

Grant Thornton International Ltd (GTI)

5. Be strategic and selective about when standard-setting is needed versus non-authoritative guidance: In recent projects, we have observed that issues in practice and publicly reported ethical failures identified by the SSBs' Staff during project scoping are sometimes treated as justification for a new standard or

amendments without identifying the root cause of the issue. We encourage the SSBs to recommit to assessing whether issues in practice indicate that an existing requirement is not fit for purpose, or if non-authoritative guidance, targeted outreach, or education would be more effective in addressing the issue. If such an analysis is completed before the project plan is approved, projects are more likely to be aligned with the Public Interest Framework. Additionally, such an approach would help preserve capacity in the SSBs' strategy and work plans to pursue implementation guidance, outreach, and non-authoritative guidance in a more timely manner. Finally, when IESBA is identifying standard-setting and non-authoritative guidance projects, we believe they should only accept projects that are within their remit and impact professional accountants who use the Code.

3. Ensure standards are globally operable and can be consistently applied: Adoption approaches differ across jurisdictions. We believe the SSBs should continue to focus on outreach and other information gathering activities to understand why standards are not adopted, or are adopted only in part, especially in jurisdictions with limited resources to adapt global frameworks. We suggest the SSBs focus on providing clear non-authoritative guidance to help local standard setters and regulators adopt and implement standards in a way that supports local public interest needs while maintaining a global baseline. We suggest the baseline standards should be designed so jurisdictions can add requirements only when needed (that is, the baseline should not require jurisdictions to remove requirements to make it operable). Finally, we suggest the SSBs test the operability of their standards before approval (for example, through structured field testing or implementation workshops) to confirm a shared understanding of what the standard requires and reduce implementation issues.

1. Prioritize adoption and implementation over issuing new standards. We are concerned that the current pace and volume of standard-setting is difficult for firms, regulators, and educators to absorb, which is not in the public interest. We encourage the SSBs to plan a consolidation period so stakeholders can adopt and implement recent and ongoing projects before starting major new projects. Audit quality depends on consistent implementation of existing standards, not issuing standards alone. Realistic timelines are essential, including adequate implementation periods and first-time implementation guidance issued at least 12 months before a standard's effective date.

2. Recommit to principles-based and scalable standard-setting. Principles-based standards that are designed to scale across emerging services, entity types and regions are essential to global operability and adoption. Overly detailed requirements increase the risk that jurisdictions will not adopt a standard (or will adopt only parts of it), which can lead to fragmentation between jurisdictions. We encourage the SSBs to develop standards with mid-sized entities in mind and to rigorously apply the CUSP drafting principles throughout the project. For example: avoid performance requirements that are "buried" in application material; reduce repetition across standards; and rebalance the proportion of requirements to application material. We also encourage the SSBs to provide more first-time implementation guidance and broader implementation support to reduce issues in practice and avoid later revisions that add prescriptive requirements in response to regulatory scrutiny.

KPMG International Limited

In assigning a ranking to indicate the extent to which we consider that each trend is expected to increase or decrease in relative importance over the survey period, we consider the potential impact of each trend in terms of driving actions of both Boards. Trends assigned a higher ranking may not always be in relation to standard-setting activities as the primary response. Instead, they may relate to the development of implementation guidance to address emerging issues and challenges in practice, as well as involving outreach and advocacy for/promotion of the SSBs' standards. For certain trends or aspects of trends, the Boards may determine that the standards remain fit for purpose and that no response is necessary.

The SSBs' workplans for the 2028-2031 survey period need to emphasize agility in strategy and execution. This means being able to identify when an urgent standard-setting response is needed and respond accordingly (whilst maintaining appropriate due process); to pivot priorities; to pause, narrow or discontinue projects, and to develop timely and targeted non-authoritative materials as an alternative to standard setting where appropriate. In doing so, the Boards should focus on ensuring that the standards achieve their intended public interest outcomes, recognizing that introducing additional prescriptive requirements or overly

granular Code enhancements may conflict with the underlying premise that the standards are principles-based, and such changes may hinder adoption, reduce interoperability, and potentially drive fragmentation of standards across jurisdictions.

PricewaterhouseCoopers International Limited (PWC)

Agility

To remain relevant and responsive, the SSBs should place renewed emphasis on agility by developing more timely mechanisms to delivering Board outputs. This could include a rapid-response approach to address urgent targeted issues without undertaking full standard-setting projects, complemented by an annual improvements programme for narrower maintenance matters. Greater use of high-quality non-authoritative guidance materials, developed with appropriate Board and stakeholder engagement, would also provide practical clarity on applying principles-based standards to new and emerging circumstances.

RSM International Limited

Evidence-based standard-setting: Prior to undertaking maintenance activities, such as those relating to 'The International Standard on Auditing for Audits of Financial Statements for Less Complex Entities' (The ISA for LCE), the SSBs should seek to understand actual implementation and adoption challenges in practice.

Emphasis on practical guidance: We encourage the development of non-authoritative or implementation-focused guidance to support consistent application during transition periods, particularly ahead of mandatory requirements. We welcome the increased focus on implementation support and other non-authoritative materials, which may help firms and regulators better absorb and apply new and existing standards.

09. Public Sector Organizations

Audit Board of Republic Indonesia

For period 2028-2031 SSBs adoption and implementation of standard by users are crucial, for this communication strategy should be develop by considering the users' needs and on the right time

United States Government Accountability Office (GOA)

We recognize that, by focusing on core principles, standard-setting activities may be limited to addressing emerging issues. However, particularly for emerging issues, we suggest that the IAASB consider whether changes to the baseline standards are needed or if the matters could be addressed by either developing new sections that apply to these unique situations (similar to ISA 600) or through authoritative guidance. We believe this approach would promote more widespread adoption.

10. Member Bodies or Other Professional Accountancy Organizations

Accountancy Europe (AE)

We believe that the priority for both boards should be effective implementation and adoption of existing standards rather than continuing development of new requirements. Many emerging issues (e.g. technology) are better addressed through guidance, education and tools rather than new standards

Association of Chartered Certified Accountants (ACCA)

Equally important is the SSBs' role in supporting effective implementation. Without adequate implementation support, even high quality standards may not achieve their intended outcomes. Continued efforts to provide guidance, address implementation challenges, and engage with stakeholders will therefore be critical to ensuring that the benefits of standard-setting are fully realised in practice.

Chamber of Hungarian Auditors (MKVK)

From the perspective of the Chamber of Hungarian Auditors, the most important objective is not only to develop high-quality standards, but also to ensure that such standards can be implemented consistently by practitioners, including small and medium-sized practices and auditors serving less complex entities.

Chartered Accountants Australia and New Zealand (CAANZ)

The pace of change in standard setting also has an impact on both continued and new adoption of the standards in jurisdictions. The profession would benefit from a period of stability in standard setting to consolidate changes into meaningful practice. Periods of relative stability support effective implementation and embedding of standards in practice, while frequent changes may deter continued or prospective adoption. We encourage the SSBs to carefully balance the volume and timing of standard setting projects with the use of guidance and outreach.

The SSBs need to continue to focus on encouraging adoption globally. This includes focusing on projects that respond to specific market needs and global demand in order to reduce fragmentation and promote global acceptance.

Chartered Accountants Ireland (CAI)

. 3. Adopt more agile and time-limited responses to emerging risks: The survey itself recognises that priorities in a rapidly changing world may shift significantly over time. To remain relevant while conveying consistent expectations, IESBA and IAASB should complement its core standards with more agile responses, particularly for fast-moving areas such as emerging technologies. Concise, practical, non-authoritative guidance, capable of being updated or retired as circumstances evolve, may be more effective than long-cycle standard-setting in supporting ethical decision-making and high-quality audit and assurance practices.

CPA Australia

- Where trends exist in specialised domains (e.g., AI, cyber, sustainability), engage technical experts to inform application support, while retaining the standards' principles based focus and remit discipline.
- 2) Broader adoption and effective implementation of standards
- Make implementation success a strategic priority, including where appropriate, structured support via education/practice alerts material and implementation support for scalability, proportionality and operability across firm sizes and jurisdictions.

Global Accountancy Alliance (GAA)

Global Adoption, Implementability, and Stability

The SSBs should also make broader adoption, effective implementation, and long-term stability central objectives of the next forward strategic period. For IESBA in particular, increasing adoption of more recent versions of the Code should be a major priority, supported by practical, scalable materials and sustained engagement with the profession and other key stakeholders. Rather than focusing primarily on promotion after standards are issued, the SSBs should embed global acceptance and implementation considerations throughout the project lifecycle. A meaningful period of stability is also needed so recent revisions can be implemented, understood, and assessed through post-implementation review before significant further amendments are pursued. Frequent or incremental changes can impose considerable implementation, training, and systems costs on the profession, reporting entities, and society more broadly, and can contribute to fragmentation rather than consistency.

Institute of Chartered Accountants in England and Wales (ICAEW)

h) Complex and fast-developing issues, such as AI, are better addressed through flexible and easy to update guidance and education and training tools, rather than by new standards, which may be quickly outdated and difficult to change. The use of scenarios and case studies to highlight the application of existing standards to emerging issues has considerable merit and should be considered by the SSBs.

Institute of Chartered Accountants of Scotland (ICAS)

Global Adoption, Implementability, and Stability

Broader adoption, effective implementation, and long-term stability should be central objectives. For IESBA, wider adoption of recent versions of the Code should be a priority, supported by practical and scalable implementation materials and enhanced ongoing engagement with the accountancy profession.

For both IESBA and IAASB, adoption and implementation should be considered throughout the project lifecycle, not only after standards are approved and issued. There is also a need for a continued period of stability so that recent revisions can be embedded and assessed before further major changes are made.

Institute of Singapore Chartered Accountants (ISCA)

We believe that the transition to mandatory climate-reporting requirements in Singapore, phased in from FY 2025 to FY 2030 for all listed and large non-listed companies, will accelerate the demand for high quality sustainability reporting and assurance for the strategy period 2028 – 2031. In light of this, we encourage the SSBs to prioritise the strategic objective relating to enhancing trust in sustainability reporting and assurance. In particular, we value the issuance of non authoritative materials by the SSBs to aid in adoption and implementation efforts.

International Federation of Accountants (IFAC)

- Strengthen the full standard-setting lifecycle, including implementation and review.

Greater emphasis should be placed on adoption, implementation, and post-implementation learning. Standards have become longer and more complex, which can impair adoption and consistency of application. This can also heighten the risk of increasing cost and work effort without commensurate benefits. The SSBs should focus on acceptability, adoptability, implementability and operability, supported by timely post-implementation reviews, analysis of adoption patterns, and structured feedback loops. Practical challenges such as translation, terminology and scalability should be considered in detail with an understanding that quality of implementation also requires sufficient time, moving too quickly to the next major project can undermine the value of standards already developed. The Boards should also strongly consider whether simplification initiatives are needed.

IFAC supports the SSBs' need to remain relevant, responsive and impactful in a rapidly changing environment. However, responsiveness should not be equated with continually expanding standards or initiating new standard-setting projects in response to every emerging trend.

A central consideration for the 2028–2031 period is therefore what the role of a standard setter should be in areas such as technology, sustainability and evolving business models. In many cases, the appropriate response may instead be monitoring, implementation support, education, non-authoritative material, coordination with other bodies, or no action rather than standard setting.

Pan African Federation of Accountants (PAFA)

Second, there should be a stronger focus on bridging the implementation gap, which is a key challenge in Africa. Standards should be accompanied by clearer implementation guidance, phased adoption approaches where appropriate, and practical tools that support SMEs, SMPs, and developing regulatory environments.

The SSBs should continue to apply an evidence based approach to standard-setting, recognising that in some circumstances implementation guidance, educational materials, FAQs, or narrow-scope interventions may better serve the public interest than extensive new standard-setting projects."

Pavel Dimitrov (Union of Accountants in Bulgaria)

Broader adoption and effective implementation should be supported through practical guidance tailored to diverse jurisdictions, including the public sector, SMEs, and emerging markets.

Polish Chamber of Statutory Auditors (PIBR)

1. Practical guidelines on the scalability of standards, support materials on the implementation of the ISA for LCE, and the reduction of the administrative burden associated with the extensive requirements of standards for small audit firms.

South African Institute of Chartered Accountants (SAICA)

Rather than prescribing increasingly detailed requirements, greater emphasis should be placed on high quality, timely implementation guidance that supports consistent and effective application of existing standards in evolving contexts. Such an approach would enhance understanding, scalability, and judgment, while preserving professional flexibility and avoiding unnecessary complexity or unintended consequences. One area noted is uneven implementation support across jurisdictions, particularly in developing or emerging economies. While standards are issued globally, smaller firms and less-resourced jurisdictions have sometimes had limited access to:

- Practical guidance tailored to their environments
- Affordable or accessible training materials
- Ongoing technical support

For example, when revised auditing standards (such as those dealing with quality management) were introduced, larger international firms were generally well-equipped to implement them, but smaller practices in some regions faced challenges translating the requirements into practice without more hands-on, localized guidance.

Supporting broader adoption and effective implementation of standards could be strengthened through more practical,

jurisdiction-sensitive initiatives. This may include developing implementation toolkits, illustrative examples, and industry-specific guidance to help practitioners apply standards consistently. Capacity-building efforts—such as training programs, webinars, and partnerships with professional bodies in developing economies—could further support smaller firms and emerging markets in adopting the standards effectively.

Broader Adoption and Effective Implementation of Standards

While adoption of IAASB and IESBA standards is extensive, variability in implementation quality persists. For 2028–2031, the SSBs should aim to:

- 1) Strengthen implementation support as a core strategic pillar, not an addition or extension to standard setting.
- 2) Develop more practical, scalable guidance tailored to different firm sizes, jurisdictions, and stages of maturity, for public interest entities, SMEs, and audits in emerging economies.
- 3) Collaborate more closely with audit regulators, professional bodies, and networks to promote consistent interpretation and application.
- 4) Use post implementation reviews to identify systemic implementation challenges and respond decisively through clarifications, amendments, practical guidance or withdrawal of ineffective requirements. This will also help to ensure standards remain fit for purpose.

High quality, non authoritative implementation guidance—delivered through efficient, accessible tools—is therefore critical to supporting effective adoption of the standards by practitioners across the profession, whether early career professionals or highly experienced practitioners.

It is SAICA's view that in the 2028-2031 period, the Boards should place significantly greater emphasis and investment in developing such guidance, including practical examples, scalable applications, and digital delivery mechanisms. This need is amplified by the current pace of change in the profession, as well as the likelihood that this pace will continue to accelerate. Robust implementation support will be essential to help firms apply professional judgment confidently, manage complexity, and sustain audit quality without resorting

to increasingly detailed or prescriptive standards. This will also require a lot more engagement and interaction with jurisdictional standard setters and professional bodies such as SAICA.

11. Academics

European Accounting Association (EAA) Auditing, Assurance and Ethics Standard Committee

Collectively, the Committee would welcome a strategic period oriented towards improving the usability and consistent application of existing standards, supporting practitioners across firms of different sizes and jurisdictions, and maintaining a strong focus on implementation support and coordination

12. Others

Cristian Emmanuel Munarriz

I think the SSBs should focus on implementation of new standards rather than new standards. IAASB should also work in modernizing standards for use of technology

02.02 Disciplined, Evidence-Based, Stable Standard-Setting

01. Monitoring Group

International Organization of Securities Commissions (IOSCO) Committee

2. Clearly Define Standard-Setting Objectives and Scopes that Strengthen Global Consistency

We encourage clear articulation of standard-setting project objectives and scopes, supported by rigorous, evidence-based assessment of expected costs, benefits, and practical implications. In doing so, it is important that the Boards remain focused on developing standards that contribute to a globally operable baseline, minimizing jurisdictional divergence that could lead to inconsistent application, interpretive variability, and regulatory fragmentation across markets. To support this aim, it is important to design standards that are aligned with public-interest priorities, principles based, sufficiently clear and operational, and scalable for use across jurisdictions with different regulatory environments. It is also important that the Boards consider how standards are interpreted and enforced in practice through engagement with audit regulators and oversight bodies to understand common inspection findings and areas where requirements may be inconsistently applied. This would help ensure that 2 standards remain sufficiently clear, operational, and capable of consistent application, while also promoting global consistency and comparability.

4. Increase the Use of Post-Implementation Reviews

We encourage the Boards to establish a more regular cadence of conducting post implementation reviews, as these reviews can be a practical and cost-effective way to evaluate whether standards are achieving their intended objectives, identify practical challenges, and inform whether targeted clarifications or enhancements may be necessary. For example, reviews of ISQM 1 could provide insight into how firms are addressing governance, incentives, and firm-level risks, given its foundational role in firms' systems of quality management. We note that a post-implementation review of ISA 315 (Revised) is planned for 2027 and we encourage the IAASB to use this review to assess whether the revised standard is being applied consistently in practice.

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Impax Asset Management

2. Adoption and effective implementation

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- Work closely with regulators, oversight bodies and professional organisations to identify implementation challenges early and respond through targeted guidance rather than piecemeal amendments.
- Use post-implementation reviews and stakeholder feedback to assess whether standards are delivering meaningful improvements in assurance quality and ethical outcomes, not just compliance.

International Corporate Governance Network (ICGN)

The SSBs should prioritise broad international adoption and effective implementation of existing standards. Given the risk of fragmentation across jurisdictions, particularly in sustainability reporting and assurance, the SSBs' principal focus should be on supporting global consistency, interoperability, capacity-building, and implementation, rather than developing new requirements unless there is a clear public interest need. This is particularly important given implementation complexity and stakeholder "change fatigue".

05. Regulators and Oversight Authorities

UK Financial Reporting Council (UK FRC)

The post implementation reviews (PIRs) have a critical role. It is important that the objectives include consideration of how perceived complexities, including in the structure of the IESBA Code, can be addressed and the standards made more accessible and scalable. Addressing these issues would be a significant benefit to existing users and also assist adoption by new users. Accordingly the PIRs need to have a high priority in the work plans of both SSBs and be completed on a timely basis to ensure benefits are realized quickly.

06. Jurisdictional and National Standards Setters (JSS)

Accounting Professional & Ethical Standards Board (APESB)

APESB believes the 2028–2031 strategy period provides an important opportunity for IESBA to develop a balance between agility in standard-setting and stakeholder capacity. While timely responses to emerging issues are essential, our engagement with Australian stakeholders indicates that the volume and pace of recent consultations suggest a degree of stakeholder fatigue. APESB considers that there needs to be a period of consolidation with some focus on global adoption and implementation of the Code. Further, APESB considers that enhancing implementation support should be a key objective of the Boards. For example, more targeted non-authoritative material, a program of post-implementation reviews, and further exploration of ways to support jurisdictions with limited resources in adopting and implementing the standards.

This is an opportunity to demonstrate that high-quality, principles-based frameworks can be supported through timely, targeted and proportionate interventions. APESB acknowledges that, in developing the strategy for 2028-2031, there are necessary trade-offs, including balancing the need for the IESBA to be agile in responding to emerging trends (e.g., AI) with the need for stakeholders to have stable requirements to facilitate the adoption of the Code.

American Institute of Certified Public Accountants - Professional Ethics Executive Committee and Auditing Standards Board (AICPA PEEC & AICPA ASB)

- Strengthen research and evidence-based project selection.
- Strengthen global adoption

It is critical to strengthen global adoption and consistent implementation through practical, scalable guidance and engagement with a broad range of stakeholders, often with an emphasis on the practitioners responsible for applying the SSBs standards. We observe that greater prescriptiveness of a standard —

especially one trying to address the objectives of those charged with inspection and enforcement — can negate proportionality and scalability objectives.

Additionally, effective implementation of scalable standards requires a period of stability to allow adequate time for assessing the effects of recent amendments. We recommend more rigorous analysis of the benefits to quality relative to the costs of implementation to inform scalability and ability to implement globally. Against that backdrop, we strongly recommend that IESBA not pursue significant new amendments to the IESBA code during 2027–2031.

The standard-setting activities of the SSBs should also result in standards that are proportionate as explained in the Public Interest Framework. This includes a continual focus on interoperability of SSB standards. One recent example is the two SSBs' independent projects on the use of external experts. We anticipate professional accountants will experience confusion and duplication of effort because of the SSBs' work on this topic.

Strengthen research and evidence based project selection

We believe the SSBs should conduct a strategic review of their approaches, methods, and techniques for gathering and analyzing stakeholder input to inform all phases of the standard-setting process. The SSBs would benefit from greater research rigor to ensure standards are clear and capable of being consistently and effectively implemented by those directly responsible for applying them. We recommend the SSBs work with experts who can assist in conducting more statistically rigorous outreach activities to inform your standard-setting activities, including gaining input from broader range of key stakeholders. The ASB has gained significant experience in this regard over the past few years, and we would be pleased to share our experiences with the SSBs.

The SSBs should prioritize a focused, evidence-based work plan aligned to areas where the public interest needs and quality gaps are greatest. This requires stronger discipline at project initiation to ensure standard setting is evidence based and targeted to systemic issues, balanced with greater emphasis on stability, scalability, and post implementation evaluation. Such an approach will support effective implementation, preserve professional judgment, reduce unnecessary complexity, and enhance confidence among stakeholders that standards serve the public interest without imposing undue burden. We believe this will have a substantial impact on reducing jurisdictional fragmentation.

Australian Auditing and Assurance Standards Board (AUASB)

The public interest and cost/benefit continue to be important considerations.

Some Stakeholder Fatigue

Some stakeholders indicated that stability is currently needed in the sustainability space. Stakeholders raised concerns about fatigue from the pace of standard setting (i.e. major new standards on sustainability, fraud and going concern) and supported the approach of no major new standards before the end of 2027. The volume and pace of recent standard-setting activity have strained practitioners, especially smaller firms and particularly with sustainability assurance. Relatively principles-based standards can also assist in this regard.

Institut der Wirtschaftsprüfer (IDW)

4. Standards should be designed to be durable and stable over time. Frequent or incremental changes can impose considerable costs on the profession, reporting entities, and society more broadly, including implementation, training, and system adaptation costs. Accordingly, standard setters should place a strong emphasis on stability and avoid changes unless absolutely necessary. For IESBA in particular, we are not convinced that significant new amendments to the Code are needed in the period 2028-2031.

1. Meeting the public interest should place greater emphasis on whether the overall benefits of any new, or changes to, standards outweigh the costs, as well as on how those costs and benefits are distributed across stakeholders. Particular attention should be given to whether certain groups, such as smaller firms, smaller entities, or specific jurisdictions, bear a disproportionate burden. A balanced approach should ensure that requirements are proportionate, practical to implement, capable of consistent application, and responsive to

the needs of jurisdictions, the profession, and users of financial information. Embedding cost benefit considerations into the due process should go beyond a standalone impact analysis and instead assess the overall effect on the allocation of resources in society.

3. Triggers for standard-setting projects, as well as for new or amended requirements and guidance, should not arise from isolated instances of non-compliance with clear existing requirements. Instead, standard-setting actions should be based on robust evidence that existing standards are deficient in substance, rather than on deficiencies in their application. In doing so, due consideration should be given to the potential international impact of a project, including cost-benefit considerations, proportionality, and the effective allocation of scarce standard-setting resources. Standard setting should be driven by market needs and appropriate triggers, not by the mere availability of resources. In this context, greater emphasis and importance should be attached to post-implementation reviews when considering changes to existing standards. Given our comments on the diminishing returns for standard setting for audits and ethics, we believe that both standard setting boards should monitor technological developments, and hence future standard setting for the IAASB should focus on issues of relevance to the assurance and related services market, including matters such as artificial intelligence, risk management, internal control and cybersecurity. In this respect, even for technological developments, we believe that the ethics and independence standard setting has reached a saturation point, which implies that IESBA should focus on achieving a more consistent and rigorous global ethics baseline for the accountancy profession that would serve the global public interest.

Japanese Institute of Certified Public Accountants (JICPA)

During the next strategy period, we believe the SSBs should aspire to develop high-quality international standards that serve the public interest in a timely and practical manner, based on evidence supported by appropriate research and analysis, and to enhance trust in professional accountants through the adoption and implementation of those standards. In particular, with respect to outreach activities and surveys, we suggest that the SSBs design and employ effective fact-finding methodologies and use the information gathered to assess whether issues arise from the absence of standards or instead from the inappropriate application or implementation of existing standards. We also suggest that the SSBs further strengthen mechanisms such as post-implementation reviews in order to continuously assess both the intended effects and any unintended consequences of newly introduced standards.

We also believe it is important that the SSBs maintain and reinforce a principles-based approach in their standards so that they remain applicable across a wide variety of environments, while avoiding an excessive shift toward detailed, rules-based requirements. From the perspectives of cost-benefit and the public interest, it is essential to focus on the most important issues, which in turn requires careful prioritization. This includes, where appropriate, relying on guidance and other non-authoritative tools rather than creating new standards, or even consciously choosing not to act on certain topics. From an ethics perspective, careful consideration will also be needed in relation to any expansion of the scope of the IESBA Code, particularly to ensure consistency in its application across jurisdictions.

New Zealand Auditing and Assurance Standards Board (NZAuASB)

EMBED CLEAR ANALYSIS OF VALUE AND IMPACT THROUGHOUT THE PROCESS

We see a need to elevate discussions about how assurance adds value, particularly in a high-cost environment. Standard setting should start with a clear statement of the problem to be addressed and be supported by robust impact analysis. This analysis should consider both costs and benefits for users and entities, and how they balance against the value delivered by enhanced requirements.

In a world of competing priorities, the value proposition of audit is under increasing public scrutiny. We encourage the SSBs to consider the cost of any new proposals alongside benefits throughout the process, from project proposal to standard approval. While this is not a key part of the Public Interest Framework, we encourage this to be considered in a similar way as it is considered by other standard setting boards including the IASB in their due process handbook.

Nordic Federation of Public Accountants (NRF)

4. Focus on pre assessments

Before initiating new projects, both boards should strengthen their pre assessment processes by stress testing whether emerging developments truly require changes to the standards or the Code. This assessment should also help determine whether issues can be more effectively addressed through non authoritative guidance rather than formal revisions. Such an approach ensures that the boards remain responsive to new developments while preserving the stability and principles based nature of the standards and the Code.

Wirtschaftsprüferkammer (WPK)

Furthermore, the profession is currently focused on implementing recently issued standards, particularly ISSA 5000 and IESSA, which more than ever calls for a period of relative calm and some restraint in initiating new standards.

Before launching any new project, a robust gap analysis should be conducted to demonstrate that existing regulations do not adequately address the issue. Where a significant gap is identified, each potential project should be preceded by a clear cost benefit analysis and justification of its necessity, considering the impact on companies as well as auditors and audit firms.

07. Accounting Firms

Baker Tilly International

- Robust cost / benefit analysis of standards and standard setting processes

BDO International Limited

- There should be a shift away from standard setting towards measuring adoption (full, partial or none) thereby reducing the risk of fragmentation (referenced later in this Survey). This would need to include appropriate root cause analysis combined with thorough investigation of reasons for non-adoption and a planned response to move jurisdictions toward an 'adopted' status. This approach will also improve the relevance of both SSBs and their credibility with stakeholders.

Deloitte Touch Tohmatsu Limited

We encourage IESBA to leverage input received from ongoing and forthcoming post-implementation reviews to inform its 2028- 2031 priorities, as this will be a key source of feedback on potential implementation challenges with recent standards and whether they have achieved their public interest aims. Before investing in new projects that may widen the existing implementation gap, we recommend a deliberate pause in new standard setting activity to allow local jurisdictions time to adopt and embed existing requirements in a consistent and high-quality manner. A period of stability in standard setting would provide a clearer picture of the true state of global adoption of the Code and give IESBA the opportunity to determine the root causes behind the lack of uptake in certain jurisdictions.

Ernst & Young Global Limited (EY)

3. Enhance due process, including the application of the PIF for selection of projects to be included in the Boards' work plans. Analyze the root cause of implementation issues and the extent to which the existing standards already would address such issues as well as obtain advance input from JSS and regulators on known barriers to the adoption of any projects, including whether certain projects are not in their local remits or would face significant legislative barriers for a jurisdiction to adopt. Given this comprehensive input, a cost-benefit analysis should be conducted to assess whether revisions to the standards are necessary to achieve intended outcomes and whether the associated compliance costs for such revisions will be proportionate to the realized benefits, including the rate of jurisdictional adoption.

Grant Thornton International Ltd (GTI)

1. Prioritize adoption and implementation over issuing new standards. We are concerned that the current pace and volume of standard-setting is difficult for firms, regulators, and educators to absorb, which is not in the public interest. We encourage the SSBs to plan a consolidation period so stakeholders can adopt and implement recent and ongoing projects before starting major new projects. Audit quality depends on consistent implementation of existing standards, not issuing standards alone. Realistic timelines are essential, including adequate implementation periods and first-time implementation guidance issued at least 12 months before a standard's effective date.

5. Be strategic and selective about when standard-setting is needed versus non-authoritative guidance: In recent projects, we have observed that issues in practice and publicly reported ethical failures identified by the SSBs' Staff during project scoping are sometimes treated as justification for a new standard or amendments without identifying the root cause of the issue. We encourage the SSBs to recommit to assessing whether issues in practice indicate that an existing requirement is not fit for purpose, or if non-authoritative guidance, targeted outreach, or education would be more effective in addressing the issue. If such an analysis is completed before the project plan is approved, projects are more likely to be aligned with the Public Interest Framework. Additionally, such an approach would help preserve capacity in the SSBs' strategy and work plans to pursue implementation guidance, outreach, and non-authoritative guidance in a more timely manner. Finally, when IESBA is identifying standard-setting and non-authoritative guidance projects, we believe they should only accept projects that are within their remit and impact professional accountants who use the Code.

KPMG International Limited

The SSBs' workplans should also incorporate a thorough assessment of whether any proposed action of standard-setting will realistically and directly address the identified problem (i.e., what problem are the SSBs trying to solve). If the measure does not target the identified problem, any eventual standard could add complexity without improving outcomes or behavior and such a standard would be at greater risk of not being adopted by jurisdictional standard setters, furthering fragmentation, as discussed later in this survey.

MAH, Chartered Accountants

try not to change the standards unless they result in significant improvements

RSM International Limited

Avoid premature standard-setting: Given the varied pace of adoption of sustainability assurance in some jurisdictions, advancing prescriptive requirements too early may not align with local regulatory environments and could create practical implementation challenges.

Evidence-based standard-setting: Prior to undertaking maintenance activities, such as those relating to 'The International Standard on Auditing for Audits of Financial Statements for Less Complex Entities' (The ISA for LCE), the SSBs should seek to understand actual implementation and adoption challenges in practice.

Scope and project discipline: Carefully assess whether certain proposed projects (for example, CFO-related initiatives or broad extensions of the ethics code to sustainability for preparers) fall clearly within the SSBs' remit to avoid undertaking projects without sufficient justification, while recognising the value of post-implementation reviews.

09. Public Sector Organizations

Sanford Rich (NYC Board of Education Retirement System)

Stability and clarity of reporting standards that focus on the usability and accuracy of financial reporting that reflects the demands of professional stakeholder groups. This requires significant stakeholder engagement.

10. Member Bodies or Other Professional Accountancy Organizations

Accountancy Europe (AE)

Frequent amendments in response to emerging situations risk undermining the clarity, stability and usability of the Code. Instead, greater emphasis should be placed on thorough post-implementation reviews of recently issued standards, such as those on non-assurance services (NAS), fees, external experts and the International Ethics Standards for Sustainability Assurance (IESSA), rather than broad or generalised survey approaches.

Fundamentally, changes should be based on a more robust analysis of costs and benefits, being mindful of who receives the benefits and who bears the costs (e.g. smaller versus larger audit firms and reporting entities). Embedding more sophisticated cost benefit considerations into the due process would not only improve the value delivered overall but also help convince jurisdictions that local adoption is worthwhile. Standards should be designed to be durable and stable over time. Frequent or incremental changes can impose considerable costs on the profession, reporting entities, and others, including implementation, training, and system adaptation costs. Accordingly, standard setters should place a strong emphasis on stability and avoid changes unless genuinely necessary and justified by robust root cause and cost benefit analyses.

These elements are critical to ensuring that the standard-setting boards serve the public interest by promoting high-quality, globally consistent standards that are practical, implementable and stable over time.

Chartered Accountants Australia and New Zealand (CAANZ)

The pace of change in standard setting also has an impact on both continued and new adoption of the standards in jurisdictions. The profession would benefit from a period of stability in standard setting to consolidate changes into meaningful practice. Periods of relative stability support effective implementation and embedding of standards in practice, while frequent changes may deter continued or prospective adoption. We encourage the SSBs to carefully balance the volume and timing of standard setting projects with the use of guidance and outreach.

Chartered Accountants Ireland (CAI)

2. Prioritise post-implementation review over new standard-setting: Establish a systematic programme of post-implementation reviews to examine how standards are applied in practice across different jurisdictions and regulatory environments. Where there is a natural intersection in remit, IESBA and IAASB could collaborate on targeted thematic reviews to gain shared insights into implementation challenges, variations in application and unintended consequences. The evidence from such reviews should inform targeted refinements where appropriate, rather than defaulting to new standard-setting

CPA Australia

- Adopt a deliberate "pause, reflect and evaluate" posture to allow major reforms (e.g., quality management, sustainability assurance, recent Code revisions) time to bed down before layering further requirements. Continuous revision of standards leads to reduced global adoption as many jurisdictions become "overwhelmed" with changes, and the inability to be able to determine if previous changes that have been made are having the expected effect.

- Strengthen feedback loops include pre-implementation groups that examine implementation prior to the standard taking effect (e.g. IESSA), or even prior to the standard being finalised, post implementation reviews, targeted outreach so that evidence from practice determines whether changes are needed and what form they should take. This should include conducting Post-Implementation Reviews on a more timely basis (for example, 2–3 years after a standard becomes effective) to support broader adoption and effective implementation, rather than several years after issuance.

- Use targeted engagement across firm sizes to test operability and cost benefit early (pre-implementation feedback), reducing late stage resistance and supporting global acceptance.

Additional dimension:

5) Clear "intervention logic" for when standard setting is warranted

- Publish a clear set of criteria for intervention (e.g., evidence of a durable gap in existing standards, global relevance, likelihood of timely benefit, implementability, and whether non authoritative support would be sufficient).

Global Accountancy Alliance (GAA)

Global Adoption, Implementability, and Stability

The SSBs should also make broader adoption, effective implementation, and long-term stability central objectives of the next forward strategic period. For IESBA in particular, increasing adoption of more recent versions of the Code should be a major priority, supported by practical, scalable materials and sustained engagement with the profession and other key stakeholders. Rather than focusing primarily on promotion after standards are issued, the SSBs should embed global acceptance and implementation considerations throughout the project lifecycle. A meaningful period of stability is also needed so recent revisions can be implemented, understood, and assessed through post-implementation review before significant further amendments are pursued. Frequent or incremental changes can impose considerable implementation, training, and systems costs on the profession, reporting entities, and society more broadly, and can contribute to fragmentation rather than consistency.

Stakeholder Engagement, Project Discipline, and Remit

The SSBs should engage earlier and more systematically with a broad range of stakeholders so that agenda-setting and project development are informed by practical experience, not disproportionately shaped by any single constituency. This should include greater emphasis on how standards are experienced by professional accountants who must apply them in practice, including in smaller firms and across diverse jurisdictions. The SSBs should also use the next strategy period to reassess whether existing and proposed projects remain justified. In this period, the focus should be on conducting post-implementation reviews of previous projects and monitoring key developments, as set out below. The SSBs should avoid profession-agnostic expansion and adopt a rebuttable presumption that changes to the Code or standards are evidence-based and globally relevant.

We have set out below what we believe each of the SSBs should aspire to achieve during their next strategy period, 2028 - 2031 with a clear focus on certain key priorities.

Evidence-Based Standard Setting and Proportionate Prioritization

We believe the SSBs should focus on projects that respond directly to evidence-based, public interest needs. This may mean pursuing fewer projects in order to prioritize projects with clear global relevance. We address several of these themes throughout our survey response.

We recognize that the SSBs apply the Public Interest Framework (PIF) throughout the standard-setting life cycle; however, the PIF omits explicit quantitative and qualitative consideration of the benefits and their relationship to costs. Accordingly, we believe the strategies and work plans of the SSB's should place greater emphasis on assessing whether the expected public interest and quality benefits justify the costs, including how those costs and benefits are distributed across stakeholders, including firms of all sizes. We also urge the SSBs to explicitly consider the effect of newly proposed standards on small and medium-sized firms.

In our view, SSB standard-setting actions should be grounded in robust evidence of a clear quality gap or market deficiency at the global level, not isolated instances of noncompliance or historical events. This calls for greater discernment at the information gathering stage of a project to clearly understand the problems that can be solved through standard setting. It also requires stronger attention to proportionality and scalability, and a willingness to pause, narrow, or discontinue projects when the expected burden may outweigh the likely benefits or when global demand has shifted.

Institute of Chartered Accountants in England and Wales (ICAEW)

a) The accountancy profession is already dealing with a proliferation of standards. The IESBA Code of Ethics, in particular, is becoming increasingly unwieldy and impractical to use, and appears to be drifting ever increasingly towards a series of detailed rules and burgeoning application material.

e) The development of standards (including revisions to extant standards) creates a corresponding and not-inconsiderable compliance costs for the profession. It is therefore in the public interest for the SSBs to publish standards that are clear and unambiguous, proportionate, practical, and future proof where possible. Robust cost/benefit analysis should be a key consideration for the SSBs when determining whether to initiate a project that might lead to the development of new standards.

f) The SSBs should clearly identify the issue that any new standards are intended to address, the anticipated outcome or change in professional behaviour sought; the impact on different sections of the profession and different-sized practices and organisations; and measures of success - so that these assumptions can be verified accurately in a post-implementation review. Should the anticipated benefits fail to materialise, then consideration should be given to removal of requirements from extant standards as well.

g) The IESBA Code should not be extended with any new standards at this time. We consider that the fundamental principles and existing standards are flexible enough to be applied to any new trends or concerns identified by the SSBs.

Institute of Chartered Accountants of Scotland (ICAS)

Stakeholder Engagement, Project Discipline, and Remit

There should be earlier and more frequent engagement by the SSBs with a broad range of stakeholders, including practitioners in smaller firms. Agenda-setting should be informed by practical experience and not be unduly shaped by any single constituency. The next strategy period should also be used to reassess whether projects remain justified. Additionally, further post-implementation reviews should be performed on recent revisions to the Code and monitoring key developments should be a key activity, e.g. in technology. The SSBs should adopt a rebuttable presumption that changes to the Code or standards are based on appropriate and sufficient evidence, and have global relevance. The SSBs should also avoid profession-agnostic expansion.

Global Adoption, Implementability, and Stability

Broader adoption, effective implementation, and long-term stability should be central objectives. For IESBA, wider adoption of recent versions of the Code should be a priority, supported by practical and scalable implementation materials and enhanced ongoing engagement with the accountancy profession. For both IESBA and IAASB, adoption and implementation should be considered throughout the project lifecycle, not only after standards are approved and issued. There is also a need for a continued period of stability so that recent revisions can be embedded and assessed before further major changes are made.

Fragmentation

Fragmentation is not a separate issue but rather the culmination of various matters set out above. To mitigate against this risk, the SSBs should pursue only projects supported by clear evidence of a global need; embed adoption and implementation considerations throughout the lifecycle, including engagement with key stakeholders; preserve stability; and strengthen coordination across boards.

Evidence-Based Standard Setting and Proportionate Prioritisation

The SSBs should focus only on projects supported by clear evidence of there being a global public interest need. The SSBs' respective strategies and work plans should place greater weight on whether expected public interest benefits justify the costs, including how those costs fall on stakeholders of different sizes, including small and medium-sized firms. Standard setting should respond to systemic global issues rather than isolated cases, with projects narrowed, paused, or stopped where likely burdens outweigh the related benefits.

International Federation of Accountants (IFAC)

- Adopt a disciplined, evidence-based approach to standard-setting- Standard-setting should not be the default response. The SSBs should clearly define the public-interest issue, demonstrate that a genuine gap exists, assess whether existing standards already address the issue, evaluate cost-benefit and scalability, and consider whether implementation support or non authoritative material would be more appropriate responses before determining whether standard-setting activity is justified. At the point of releasing an exposure draft, further detailed effects analysis is needed to determine the impact of specific proposals and to communicate to stakeholders how the benefits outweigh the costs. Such analysis should include considerations of impact on preparers, users of the standard and the users of reported information. It is imperative that the impact on SMEs and SMPs is explicitly covered. If benefits commensurate to costs cannot be demonstrated, then standard setting should not proceed.

- Strengthen the full standard-setting lifecycle, including implementation and review.

Greater emphasis should be placed on adoption, implementation, and post-implementation learning. Standards have become longer and more complex, which can impair adoption and consistency of application. This can also heighten the risk of increasing cost and work effort without commensurate benefits. The SSBs should focus on acceptability, adoptability, implementability and operability, supported by timely post-implementation reviews, analysis of adoption patterns, and structured feedback loops. Practical challenges such as translation, terminology and scalability should be considered in detail with an understanding that quality of implementation also requires sufficient time, moving too quickly to the next major project can undermine the value of standards already developed. The Boards should also strongly consider whether simplification initiatives are needed. .

Pan African Federation of Accountants (PAFA)

The SSBs should continue to apply an evidence based approach to standard-setting, recognising that in some circumstances implementation guidance, educational materials, FAQs, or narrow-scope interventions may better serve the public interest than extensive new standard-setting projects."

Polish Chamber of Statutory Auditors (PIBR)

IESBA

1. Accelerating work on business relations—current regulations in this area are inadequate and do not keep pace with reality.
2. Accelerating work on developing profession-neutral independence standards for sustainability assurance services that fall outside the scope of Part 5—this would be advisable in light of the Omnibus.
3. Accelerating the post-implementation review – the engagement team – group audit independence – the requirements are too complex; they should be simplified.

South African Institute of Chartered Accountants (SAICA)

Amidst these changes, SAICA's view is that in responding to these challenges, the emphasis of standard setters should not be

on frequent revision of extant standards or the proliferation of new requirements. The strength of the IAASB's and IESBA's frameworks lies in their principles based nature, which provides durability and adaptability across jurisdictions, entities, and emerging risks.

Broader Adoption and Effective Implementation of Standards

While adoption of IAASB and IESBA standards is extensive, variability in implementation quality persists. For 2028–2031, the SSBs should aim to:

- 1) Strengthen implementation support as a core strategic pillar, not an addition or extension to standard setting.
- 2) Develop more practical, scalable guidance tailored to different firm sizes, jurisdictions, and stages of maturity, for public interest entities, SMEs, and audits in emerging economies.
- 3) Collaborate more closely with audit regulators, professional bodies, and networks to promote consistent interpretation and application.
- 4) Use post implementation reviews to identify systemic implementation challenges and respond decisively through clarifications, amendments, practical guidance or withdrawal of ineffective requirements. This will also help to ensure standards remain fit for purpose.

In addition to developing robust non authoritative implementation guidance, SAICA believes that the Boards should place greater emphasis on post implementation review activities for recently issued standards. Systematic and timely assessments of how standards are being applied in practice, and whether they are achieving their intended outcomes, are essential to maintaining their effectiveness and credibility. Such reviews can provide valuable insights into areas of unintended complexity, inconsistent application, or disproportionate cost, allowing the Boards to refine guidance and support without resorting to further amendments or new requirements. A disciplined focus on post implementation effectiveness will help ensure that standards remain fit for purpose.

The cost of implementing new standards and additional requirements is significant for practitioners across the profession. While large network firms may be better positioned to absorb these costs through access to extensive financial and technical resources, SMPs face proportionately greater challenges, both in terms of funding and the availability of suitably skilled personnel. This creates a real risk of widening the gap between large firms and SMPs, potentially undermining audit market diversity, competition, and availability of services—particularly for smaller and mid sized entities.

These concerns are enhanced considering the suite of substantive new and revised standards coming into effect from December 2026, including those relating to fraud, going concern, and sustainability assurance amongst others, which will require substantial investment in training, methodology updates, and systems.

11. Academics

European Accounting Association (EAA) Auditing, Assurance and Ethics Standard Committee

Looking ahead to the 2028–2031 strategy period, the Committee hopes that both the IAASB and the IESBA will continue to build on the significant progress achieved in recent years, with a shared focus on consolidation, coherence, and responsiveness to an increasingly demanding and fast-changing environment with a potential standard overload risk.

12. Others

Wai Man (Emily) Ho

From 2028 to 2031, the standard-setting boards should envisage as catalysts of trust and progress to anchor stability while embrace adaptability. In light of recent technological transformation, sustainability imperatives and evolving stakeholder needs, the mission is expected to preserve continuity but also ignite innovation. This would shape a transparent, resilient, and future ready global economy.

02.03. Principles-Based Standards, Simplification & Reduced Complexity

01. Monitoring Group

International Federation of Independent Audit Regulators (IFIAR)

dealt with in international standards on quality management (ISQM 1).

8. IFIAR continues to support the development and improvement of high quality auditing, ethics and independence standards that enhance audit quality and reliability and promote global consistency. IFIAR also highlights the importance of standards that are principle based, scalable, and responsive to emerging risks and opportunities, including technological developments, and addressing stakeholder expectations in the public interest. Clarity of the pronouncements are also a key feature to allow for consistent application and enforceability.

International Organization of Securities Commissions (IOSCO) Committee

2. Clearly Define Standard-Setting Objectives and Scopes that Strengthen Global Consistency

We encourage clear articulation of standard-setting project objectives and scopes, supported by rigorous, evidence-based assessment of expected costs, benefits, and practical implications. In doing so, it is important that the Boards remain focused on developing standards that contribute to a globally operable baseline, minimizing jurisdictional divergence that could lead to inconsistent application, interpretive variability, and regulatory fragmentation across markets. To support this aim, it is important to design standards that are aligned with public-interest priorities, principles based, sufficiently clear and operational, and scalable for use across jurisdictions with different regulatory environments. It is also important that the Boards consider how standards are interpreted and enforced in practice through engagement with audit regulators and oversight bodies to understand common inspection findings and areas where requirements may be inconsistently applied. This would help ensure that standards remain sufficiently clear, operational, and capable of consistent application, while also promoting global consistency and comparability.

02. Users of Financial or Non-Financial Information

Impax Asset Management

- Ensure standards are principles-based but operationally robust, supporting consistent application across firms of different sizes and across jurisdictions with varying levels of market maturity.

International Corporate Governance Network (ICGN)

The SSBs should remain responsive to technological change, particularly the increasing use of AI and other emerging technologies by preparers, accountants and auditors. This may require guidance or targeted standard-setting on professional judgement, professional scepticism, accountability, competence, confidentiality and objectivity in technology-enabled environments. Given the rapid pace of change, such guidance should be principles-based and future-fit, rather than overly current technology-specific.

03. Preparers or Issuers of Financial Statements or Other Information

Business Europe

- Holistically consider the need for amendments in the standards to address the changes in global landscape beyond the topics addressed. Audit- and ethical standards should be sufficiently robust and adaptable to for instance address digital developments without the need for ongoing changes.
- Ensure that ethics and independence standards remain fit for purpose as technology, multidisciplinary teams and business models evolve, while continuing to protect confidence in the quality and objectivity of assurance services. This could be supported by a clearer and continuous articulation of the ethics implications arising from new developments and how the current standards and Code are intended to address

05. Regulators and Oversight Authorities

Independent Regulatory Board for Auditors (IRBA)

- Designing Standards for Future Users: A future-ready approach also considers how standards are accessed, navigated, and applied by new generations of auditors. Without extending into responsibility for education or training, the SSBs can aspire to design standards and guidance that are more intuitive and usable in a digital context—for example, through clearer structure, enhanced cross referencing, or technology enabled ways of interacting with authoritative and non-authoritative materials. Thoughtful attention to usability supports clearer understanding of requirements and, in turn, more consistent and enforceable application in practice.

Public Company Accounting Oversight Board (PCAOB) – Views of the PCAOB Chief Auditor

As autonomous technology becomes increasingly prevalent, the very survival of the auditing profession depends upon the ability to adapt to its use. Key to this is to have auditing standards evolve accordingly to remain relevant and to ensure a level of investor protection and trust in capital markets. While rapid developments in technology call for agile standard-setting approaches, they also call for principle-based requirements that lessen the risk of becoming too quickly outdated. At the same time, significant standard-setting activity in the area could stifle innovation that would otherwise increase the effectiveness of the audit. A balanced approach is a necessity.

UK Financial Reporting Council (UK FRC)

Requirements should continue to be principles based and designed to achieve the objectives and desired outcomes. Such requirements are capable of application to a wide range of circumstances. Overly detailed requirements should be avoided as they may lack the necessary flexibility to be adaptable to changing circumstances; they may also encourage a rules-based mindset which would not be appropriate.

06. Jurisdictional and National Standards Setters (JSS)

Accounting Professional & Ethical Standards Board (APESB)

More broadly, APESB considers that, over the 2028–2031 strategy period, the IAASB and IESBA should focus on strengthening the usability and practical application of their standards in an environment characterised by rapid geopolitical, regulatory and technological change. A key aspiration should be to ensure that the standards remain principles-based yet sufficiently clear to support consistent application across jurisdictions with differing levels of maturity.

Auditing and Assurance Standards Board of Canada (AASBC)

From the perspective of a jurisdictional standard setter, and informed by our ongoing engagement with interested and affected parties in Canada, we see several risks to the SSBs' continued relevance and responsiveness—and, ultimately, to global adoption and serving the public interest:

- Increasing complexity of standards and perceived imbalanced focus on serving a narrower group of entities. Over the past decade, standards have increased significantly in complexity, with a perceived emphasis on serving the needs of larger and more complex entities. This has created growing application challenges, particularly for SMPs and engagements for smaller entities, and risks undermining the accessibility and scalability of the standards.
- o To mitigate, in the next strategy period it is important that the SSBs ensure:
Balanced and inclusive engagement, ensuring broad and diverse input from all key groups, including increased engagement with SMPs, without disproportionate influence by any single group.
A focus on reduced complexity and enhanced scalability, including greater emphasis on simplification and on supporting the application of professional judgment across entities and engagements of varying size and complexity.

Australian Auditing and Assurance Standards Board (AUASB)

Principles-Based Standards

The AUASB supports relatively principles-based assurance standards which can be applied to new and emerging circumstances, and do not provide bright lines that can be worked around. Guidance may be developed more quickly and support agility to address changing circumstances where necessary, rather than making frequent changes to standards. Additionally, we encourage the IAASB to continue to apply the CUSP drafting principles with scalability for smaller entities being front of mind when drafting requirements and providing application material. The public interest and cost/benefit continue to be important considerations.

Hong Kong Institute of Certified Public Accountants (HKICPA)

At the same time, standards should continue to be principles based and outcome focused. Where new risks arise from technological developments, a guidance-first approach should be considered to clarify the application of existing principles before embarking on new standard-setting projects.

Institut der Wirtschaftsprüfer (IDW)

2. There is a growing concern that standards have become increasingly lengthy and complex over time. In many cases, revised standards have expanded to several times the length of their previous versions, adding layers of detail with diminishing returns in terms of improved engagement quality or ethical outcomes. This is particularly the case for auditing and ethical (especially independence) standards, for which the question arises whether the additional cost involved through the greater granularity of requirements and guidance is subject to diminishing returns of audit and ethical quality. Greater discipline is needed to ensure that revisions focus on clarity, usability, and relevance, rather than continually increasing prescriptiveness, detail and complexity.

3. Triggers for standard-setting projects, as well as for new or amended requirements and guidance, should not arise from isolated instances of non-compliance with clear existing requirements. Instead, standard-setting actions should be based on robust evidence that existing standards are deficient in substance, rather than on deficiencies in their application. In doing so, due consideration should be given to the potential international impact of a project, including cost-benefit considerations, proportionality, and the effective allocation of scarce standard-setting resources. Standard setting should be driven by market needs and appropriate triggers, not by the mere availability of resources. In this context, greater emphasis and importance should be attached to post-implementation reviews when considering changes to existing standards. Given our comments on the diminishing returns for standard setting for audits and ethics, we believe that both standard setting boards should monitor technological developments, and hence future standard setting for the IAASB should focus on issues of relevance to the assurance and related services market, including matters such as artificial intelligence, risk management, internal control and cybersecurity. In this respect, even for technological developments, we believe that the ethics and independence standard setting has reached a saturation point, which implies that IESBA should focus on achieving a more consistent and rigorous global ethics baseline for the accountancy profession that would serve the global public interest.

Instituto Mexicano de Contadores Públicos (IMCP)

We believe that the Boards should focus on Quality of standards and maintain a principle base approach for requirements to facilitate the understandability of the global standards for the application in the market.

Japanese Institute of Certified Public Accountants (JICPA)

We also believe it is important that the SSBs maintain and reinforce a principles-based approach in their standards so that they remain applicable across a wide variety of environments, while avoiding an excessive shift toward detailed, rules-based requirements. From the perspectives of cost-benefit and the public interest, it is essential to focus on the most important issues, which in turn requires careful prioritization. This includes, where appropriate, relying on guidance and other non-authoritative tools rather than creating new standards, or even consciously choosing not to act on certain topics. From an ethics perspective, careful consideration will also be needed in relation to any expansion of the scope of the IESBA Code, particularly to ensure consistency in its application across jurisdictions.

New Zealand Auditing and Assurance Standards Board (NZAuASB)

IMPROVE SCALABILITY AND PROPORTIONALITY BY SIMPLIFYING PRINCIPLES BASED STANDARDS As standards continue to evolve, they have increased in length and complexity. We see an opportunity for the SSBs to reflect on how standards are written, with greater emphasis on core principles, clearer articulation of why changes are necessary, and why auditors are required to do something. Writing in short, clear, plain English will enhance scalability and proportionality. Simplifying standards, supported by

practical examples and non authoritative guidance, would improve accessibility and support consistent application—without undermining the principles based foundations of the standards.

Nordic Federation of Public Accountants (NRF)

2. The importance of truly principles based standards

In a rapidly changing global environment, ensuring that standards and the Code remain genuinely principles based must be a top priority. The boards should focus on maintaining standards that are stable over time and capable of absorbing change without frequent amendment. Constant revisions are a sign that the standards are not sufficiently anchored in enduring principles. Emerging issues are better addressed through non authoritative guidance rather than through continuous changes to the standards and the Code.

3. Focus on simplification, relevance, and fit for purpose for the entire profession

The boards should acknowledge the need for simplification and ensure that outputs remain fit for purpose for the entire profession — including SMPs and SMEs. This perspective must be embedded from the outset and maintained throughout the standard setting process. Simplification is also closely linked to relevance: in a world where the profession faces increasing competition from other service providers and technological solutions, usability and accessibility of the standards are essential to maintaining the profession's relevance and credibility.

Royal Netherlands Institute of Chartered Accountants (NBA)

- The priority should be effective implementation and adoption of existing standards rather than continuing developments of new requirements. The Code and standards should be as principles based as possible. They should be compact and clear with long term value. Environments change rapidly so detailed rules-based regulations are quickly outdated.

When there are signs indicating guidance is needed on specific topics, new or more specific standards are not always the solution. We would prefer options like an e-learning, supporting explanations (NAM) etc. to support the application of the principles in the occurring circumstances.

Wirtschaftsprüferkammer (WPK)

As a starting point, we wish to emphasize that adopting a principles-based approach is essential for the work of both Boards. The developments in many areas as well as in some key trends discussed in this survey tend to be so rapid that the relatively time-consuming standard-setting process does not seem to be able to keep pace with them. Therefore, it is not practical to respond to such developments with more and more detailed and complex requirements and rules. Principles are more appropriate to be quickly adapted to new developments and changes in the environment. Attempting to address every special case or even almost every development with specific rules risks creating an overly complex, inconsistent and impractical framework. Instead, it is important to prioritize the usability of the IAASB standards and the IESBA Code of Ethics.

07. Accounting Firms

Baker Tilly International

- Thinking less is more – a standard setting response should not be a default response to all matters • Striving to reduce / simplify standards to aid understanding in the public interest

BDO International Limited

A shift towards being measurably impactful, not just 'productive':

- With an extant and established set of standards and the IESBA Code, both SSBs need to shift their focus from identifying 'new' standard setting activities and instead to:

- o Maintain a body of standards which are principles-based (and do not result in overly detailed or prescriptive requirements) accompanied by timelier and more useful NAM (such as educational materials) which can be used to address rapidly changing issues.
- o Focus on measuring the impact of their standards and potential for new and improved 'guidance' (e.g., educational materials) to help support adoption and implementation.

- For the IAASB:

- o There should be a housekeeping exercise performed to ensure that all published standards are in the clarified format (e.g., interim reviews update which highlighted critical areas not updated to reflect the current ways of auditing)

Ernst & Young Global Limited (EY)

- Maintain a principles-based, "future proof" approach by developing NAM to help the profession navigate fast evolving developments. Issuing NAM rather than new standards will help the profession manage disruption effectively while reducing the risk of partial or non-adoption by jurisdictions if standards are deemed inconsistent with local market regulations, remits of jurisdictional standard setters or their views of public interest needs.

Forvis Mazars Global Limited (Mazars)

It is imperative that the Boards focus on developing principles-based standards and to avoid the proliferation of rules that are making their way into standards. In the case of IESBA in particular, it would be helpful if the Board focused on considering "how" auditors can apply the extant Code, in particular the conceptual framework, rather than making further changes to the Code itself. We would also urge IESBA to pause and reflect on the Code, giving time for recent complex standards to be embedded through jurisdictional adoption and implementation by firms.

Grant Thornton International Ltd (GTI)

2. Recommit to principles-based and scalable standard-setting. Principles-based standards that are designed to scale across emerging services, entity types and regions are essential to global operability and adoption. Overly detailed requirements increase the risk that jurisdictions will not adopt a standard (or will adopt only parts of it), which can lead to fragmentation between jurisdictions. We encourage the SSBs to develop standards with mid-sized entities in mind and to rigorously apply the CUSP drafting principles throughout the project. For example: avoid performance requirements that are "buried" in application material; reduce repetition across standards; and rebalance the proportion of requirements to application material. We also encourage the SSBs to provide more first-time implementation guidance and broader implementation support to reduce issues in practice and avoid later revisions that add prescriptive requirements in response to regulatory scrutiny.

KPMG International Limited

The SSBs' workplans for the 2028-2031 survey period need to emphasize agility in strategy and execution. This means being able to identify when an urgent standard-setting response is needed and respond accordingly (whilst maintaining appropriate due process); to pivot priorities; to pause, narrow or discontinue projects, and to develop timely and targeted non-authoritative materials as an alternative to standard setting where appropriate. In doing so, the Boards should focus on ensuring that the standards achieve their intended public interest outcomes, recognizing that introducing additional prescriptive requirements or overly granular Code enhancements may conflict with the underlying premise that the standards are principles-based, and such changes may hinder adoption, reduce interoperability, and potentially drive fragmentation of standards across jurisdictions.

09. Public Sector Organizations

United States Government Accountability Office (GOA)

The IAASB and IESBA face challenges in developing standards that can be accepted and adopted globally. Some jurisdictions have mature regulatory environments and established histories of accountability for public and private sector entities. These jurisdictions may demand the development of complex, detailed standards to address challenging nuances in emerging issues. Other jurisdictions may have less-established accountability frameworks, and practitioners may be striving to improve their capacity to perform engagements that comply with IAASB and IESBA requirements. These jurisdictions may desire more straightforward, streamlined principles-based standards that provide clear expectations. In both environments, there may be local legal or regulatory requirements that supplement or contradict those in the standards.

To address these tensions, we suggest that the IAASB and IESBA review each active and proposed project to ensure that the core standards remain principles based, with specific performance requirements added only when necessary to prevent undesirable diversity in practice. This will help promote more widespread adoption of the IAASB and IESBA standards, as the standards can be applied in both mature and maturing jurisdictions and there will likely be fewer legal and regulatory conflicts to reconcile before the standards are adopted.

10. Member Bodies or Other Professional Accountancy Organizations

Accountancy Europe (AE)

There is a growing concern that standards have become increasingly lengthy and complex over time. In many cases, revised standards have expanded to several times the length of their previous versions, adding layers of detail with diminishing returns in terms of improved audit quality or ethical outcomes.

Chartered Accountants Ireland (CAI)

1. Reaffirm a principles-based, proportionate global ethics framework: Prioritise clarity, proportionality and usability by placing greater emphasis on the fundamental ethical principles, supported by guidance that assists consistent application in practice. Building on what already exists, rather than continually adding to it, with a particular emphasis on accelerating adoption of the current version of the Code and supporting implementation across jurisdictions, is important to ensure the Code remains coherent and effective. This approach supports professional judgement and helps avoid an overly prescriptive rules-based model that, when combined with local regulatory frameworks, may become overly complex without necessarily enhancing public interest outcomes.

CPA Australia

1) Relevance, responsiveness and impact of standard setting and related activities

- Reaffirm a principles based architecture as the primary means of staying relevant in a rapidly changing environment (i.e., standards should remain technology and business model neutral wherever possible).
- Avoid reactive expansion of standards in response to every identified trend. That is, treat trend identification as an input to analysis, not an automatic trigger for new requirements.
- Prioritise work that demonstrably improves outcomes (audit quality, ethical behaviour, trust in reporting) in the public interest over work that primarily increases documentation, prescription or complexity.

Maintain discipline over scope creep. Where issues are primarily jurisdictional (local enforcement driven or local policy based) the SSBs should prefer collaboration, education and interoperability efforts over standard setting. Moreover, jurisdictional changes/tweaks to an international standard does not immediately indicate "fragmentation", especially where the standards are focused on principles, which can be applied in different ways in different jurisdictions, but still remain as a robust pillar of the standard.

European Federation of Accountants and Auditors for SMEs (EFAA)

IESBA specific comment:

As ethical expectations evolve, especially around independence, technology, and sustainability-related services, the IESBA should ensure that ethical requirements remain principle-based, clear, and operable for SMPs providing a broad range of services to SMEs.

Institute of Chartered Accountants in England and Wales (ICAEW)

i) Agility in standard-setting does not necessarily mean being reactive to short-term trends by introducing new standard-setting projects. It relies on developing new standards at pace when required (eg, ISSA 5000), ensuring they remain principles-based and stand the test of time, all while being agile with non-authoritative guidance and education in other instances. Technology that is at the forefront now, will not be the same as that in 2031.

International Federation of Accountants (IFAC)

Against this backdrop, IFAC believes the SSBs should aspire to deliver high-quality, principles-based, proportionate and globally operable standards that demonstrably serve the public interest and can be adopted and implemented effectively across diverse jurisdictions and practice environments.

To achieve this, IFAC believes the SSBs should:

- Preserve and reinforce principles-based standards- Principles-based frameworks should be capable of enduring in a changing environment without requiring frequent revision. The SSBs should avoid reacting to each emerging issue with new requirements where existing principles can be applied with appropriate support.

Malaysian Institute of Accountants (MIA Malaysia)

Agility

In a fast-moving environment, the ability of the Boards to issue timely and relevant outputs will become increasingly important. This could be supported by a rapid-response route for narrow, time-sensitive matters that do not require a full standard-setting project, alongside an annual improvements cycle for routine maintenance items. High-quality non-authoritative guidance, developed with appropriate Board and stakeholder engagement, can also help practitioners apply principles-based standards to new and evolving situations in a practical way.

The SSBs should also continue to place strong emphasis on scalability and proportionality in standard-setting to ensure that international standards remain operable across firms of different sizes and varying levels of resources and complexity. This is particularly important for small- and medium-sized practices (SMPs) and emerging economies, where excessive complexity or implementation burden may affect the sustainability of the profession, reduce market participation and limit access to professional services for SMEs and other entities. In this regard, implementation support, practical guidance and consideration of operational realities will remain important in facilitating consistent and high-quality application of the standards.

Modernisation

The pace of technological change — and its impact on business models, audit and assurance practice, and the ethical considerations surrounding them — means that keeping international standards current is no longer optional. Both Boards have acknowledged this, with the IAASB's current technology project being a clear example. Sustaining this momentum should, in our view, be a headline priority for the 2028–2031 period. At the same time, modernisation needs to remain firmly principles-based and outcome-focused, so that standards can continue to be applied meaningfully across entities of different sizes and at different stages of technological maturity.

Pavel Dimitrov (Union of Accountants in Bulgaria)

First, the SSB encourages the development of agile, principles-based standards that can adapt to technological, regulatory, and economic change while maintaining global consistency

South African Institute of Chartered Accountants (SAICA)

Amidst these changes, SAICA's view is that in responding to these challenges, the emphasis of standard setters should not be on frequent revision of extant standards or the proliferation of new requirements. The strength of the IAASB's and IESBA's frameworks lies in their principles based nature, which provides durability and adaptability across jurisdictions, entities, and emerging risks.

02.04. Proportionality, Scalability & SMP_SME Focus

01. Monitoring Group

International Federation of Independent Audit Regulators (IFIAR)

dealt with in international standards on quality management (ISQM 1).

8. IFIAR continues to support the development and improvement of high quality auditing, ethics and independence standards that enhance audit quality and reliability and promote global consistency. IFIAR also highlights the importance of standards that are principle based, scalable, and responsive to emerging risks and opportunities, including technological developments, and addressing stakeholder expectations in the public interest. Clarity of the pronouncements are also a key feature to allow for consistent application and enforceability.

International Organization of Securities Commissions (IOSCO) Committee

2. Clearly Define Standard-Setting Objectives and Scopes that Strengthen Global Consistency

We encourage clear articulation of standard-setting project objectives and scopes, supported by rigorous, evidence-based assessment of expected costs, benefits, and practical implications. In doing so, it is important that the Boards remain focused on developing standards that contribute to a globally operable baseline, minimizing jurisdictional divergence that could lead to inconsistent application, interpretive variability, and regulatory fragmentation across markets. To support this aim, it is important to design standards that are aligned with public-interest priorities, principles based, sufficiently clear and operational, and scalable for use across jurisdictions with different regulatory environments. It is also important that the Boards consider how standards are interpreted and enforced in practice through engagement with audit regulators and oversight bodies to understand common inspection findings and areas where requirements may be inconsistently applied. This would help ensure that 2 standards remain sufficiently clear, operational, and capable of consistent application, while also promoting global consistency and comparability.

02. Users of Financial or Non-Financial Information

Impax Asset Management

For the IAASB specifically, Impax sees value in continued focus on scalable, high-quality sustainability assurance standards

that support both reasonable and limited assurance while promoting convergence in practice over time.

- Ensure standards are principles-based but operationally robust, supporting consistent application across firms of different sizes and across jurisdictions with varying levels of market maturity.

05. Regulators and Oversight Authorities

UK Financial Reporting Council (UK FRC)

Proportionality and scalability are generally raised as significant concerns, particularly by smaller practitioners, for both auditing and ethical standards. There is also a perception that guidance often simply takes the form of "in a less complex situation a less complex approach may be appropriate" which is not

considered helpful practical advice. We encourage both SSBs to give practical examples in supporting materials of applying the standards on a proportional and scalable basis. More attention to proportionality and scalability may help encourage broader adoption and effective implementation of the standards, particularly in jurisdictions with high numbers of audits of smaller entities or that may be transitioning from less sophisticated standards.

06. Jurisdictional and National Standards Setters (JSS)

American Institute of Certified Public Accountants - Professional Ethics Executive Committee and Auditing Standards Board (AICPA PEEC & AICPA ASB)

Strengthen global adoption

It is critical to strengthen global adoption and consistent implementation through practical, scalable guidance and engagement with a broad range of stakeholders, often with an emphasis on the practitioners responsible for applying the SSBs standards. We observe that greater prescriptiveness of a standard — especially one trying to address the objectives of those charged with inspection and enforcement — can negate proportionality and scalability objectives.

Additionally, effective implementation of scalable standards requires a period of stability to allow adequate time for assessing the effects of recent amendments. We recommend more rigorous analysis of the benefits to quality relative to the costs of implementation to inform scalability and ability to implement globally. Against that backdrop, we strongly recommend that IESBA not pursue significant new amendments to the IESBA code during 2027–2031.

The standard-setting activities of the SSBs should also result in standards that are proportionate as explained in the Public Interest Framework. This includes a continual focus on interoperability of SSB standards. One recent example is the two SSBs' independent projects on the use of external experts. We anticipate professional accountants will experience confusion and duplication of effort because of the SSBs' work on this topic.

Auditing and Assurance Standards Board of Canada (AASBC)

From the perspective of a jurisdictional standard setter, and informed by our ongoing engagement with interested and affected parties in Canada, we see several risks to the SSBs' continued relevance and responsiveness—and, ultimately, to global adoption and serving the public interest:

- Increasing complexity of standards and perceived imbalanced focus on serving a narrower group of entities. Over the past decade, standards have increased significantly in complexity, with a perceived emphasis on serving the needs of larger and more complex entities. This has created growing application challenges, particularly for SMPs and engagements for smaller entities, and risks undermining the accessibility and scalability of the standards.

- o To mitigate, in the next strategy period it is important that the SSBs ensure:

Balanced and inclusive engagement, ensuring broad and diverse input from all key groups, including increased engagement with SMPs, without disproportionate influence by any single group.

A focus on reduced complexity and enhanced scalability, including greater emphasis on simplification and on supporting the application of professional judgment across entities and engagements of varying size and complexity.

Australian Auditing and Assurance Standards Board (AUASB)

Additionally, we encourage the IAASB to continue to apply the CUSP drafting principles with scalability for smaller entities being front of mind when drafting requirements and providing application material.

Hong Kong Institute of Certified Public Accountants (HKICPA)

To support broad and effective adoption, the SSBs should also provide more practical implementation support (e.g. guidance, Q&As and illustrative examples), particularly to assist SMEs, SMPs and sole practitioners that may have more limited technical resources than larger firms. These efforts will enhance consistency and accessibility, and empower practitioners globally to apply standards effectively in an increasingly complex and technology-driven environment.

Institut der Wirtschaftsprüfer (IDW)

1. Meeting the public interest should place greater emphasis on whether the overall benefits of any new, or changes to, standards outweigh the costs, as well as on how those costs and benefits are distributed across stakeholders. Particular attention should be given to whether certain groups, such as smaller firms, smaller entities, or specific jurisdictions, bear a disproportionate burden. A balanced approach should ensure that requirements are proportionate, practical to implement, capable of consistent application, and responsive to the needs of jurisdictions, the profession, and users of financial information. Embedding cost benefit considerations into the due process should go beyond a standalone impact analysis and instead assess the overall effect on the allocation of resources in society.

New Zealand Auditing and Assurance Standards Board (NZAuASB)

IMPROVE SCALABILITY AND PROPORTIONALITY BY SIMPLIFYING PRINCIPLES BASED STANDARDS As standards continue to evolve, they have increased in length and complexity. We see an opportunity for the SSBs to reflect on how standards are written, with greater emphasis on core principles, clearer articulation of why changes are necessary, and why auditors are required to do something. Writing in short, clear, plain English will enhance scalability and proportionality. Simplifying standards, supported by practical examples and non authoritative guidance, would improve accessibility and support consistent application—without undermining the principles based foundations of the standards.

Nordic Federation of Public Accountants (NRF)

3. Focus on simplification, relevance, and fit for purpose for the entire profession

The boards should acknowledge the need for simplification and ensure that outputs remain fit for purpose for the entire profession — including SMPs and SMEs. This perspective must be embedded from the outset and maintained throughout the standard setting process. Simplification is also closely linked to relevance: in a world where the profession faces increasing competition from other service providers and technological solutions, usability and accessibility of the standards are essential to maintaining the profession's relevance and credibility.

07. Accounting Firms

Alan Am

While Standards are definitely needed, they should be adaptable to the specific needs and circumstances of the professional and the final actual destination/users of the information subject to analysis (assurance/not assurance). Both IAASB and IESBA should serve the profession as equally as they want to serve the "public". Thus, supporting the profession should be a huge part of their tasks.

In this sense, providing standardized adaptable templates/guidance for different levels of professionals, service and final clients should be a priority for the Boards, with consideration of the current developments in both standards and technological. It seems currently these are "property" of Big Firms and not spread over the rest of the profession.

Grant Thornton International Ltd (GTI)

2. Recommit to principles-based and scalable standard-setting. Principles-based standards that are designed to scale across emerging services, entity types and regions are essential to global operability and adoption. Overly detailed requirements increase the risk that jurisdictions will not adopt a standard (or will

adopt only parts of it), which can lead to fragmentation between jurisdictions. We encourage the SSBs to develop standards with mid-sized entities in mind and to rigorously apply the CUSP drafting principles throughout the project. For example: avoid performance requirements that are "buried" in application material; reduce repetition across standards; and rebalance the proportion of requirements to application material. We also encourage the SSBs to provide more first-time implementation guidance and broader implementation support to reduce issues in practice and avoid later revisions that add prescriptive requirements in response to regulatory scrutiny.

KPMG International Limited

The IAASB and IESBA (the "SSBs") should aspire to ensure their standards are fit for purpose, relevant, and capable of global adoption and consistent implementation. To drive global adoption and engagement quality, the standards should be scalable, practicable, capable of being interoperable with those issued by other standard-setters, and responsive to a rapidly evolving global environment.

Krzysztof Burnos

just standard setting but with the real perception of SMEs and SMPs. Currently the perspectives and experiences of big auditors and public companies are in the focus.

Kudos International

The SSBs need to pay more attention to ensure scalability of standards and how they will be implemented. This can be done by ensuring outreach to 95% of SMPs rather than the 5% of SMPs that seek to engage. SSBs need to engage with a far greater pool of SMPs rather than the 'poster children' that will engage with them.

10. Member Bodies or Other Professional Accountancy Organizations

Association of Chartered Certified Accountants (ACCA)

In this regard, the primary focus should be on developing standards that are fit for purpose. This includes ensuring that standards are responsive to emerging developments, scalable and proportionate to different types of entities and engagements, and sufficiently clear to support consistent application. Achieving these attributes will, in turn, support broader adoption and enhance the overall impact of the standards.

Belgian Institute of Tax Advisors and Accountants (ITAA)

This would be particularly valuable for European institutes, which operate on a much smaller scale compared to those in other regions of the world. Guidelines based on the "think small first" principle would provide significant support.

Chamber of Hungarian Auditors (MKVK)

The IAASB and IESBA should aspire, during 2028–2031, to strengthen public trust by ensuring that international auditing, assurance, ethics, and independence standards remain globally credible, operational in practice, and proportionate for firms of different sizes and structures

European Federation of Accountants and Auditors for SMEs (EFAA)

The SSBs should aspire to be timely and pragmatic standard setters, capable of responding to rapid developments such as digitalization, sustainability reporting, and evolving public expectations, while avoiding unnecessary complexity. For SMEs and SMPs in particular, relevance is closely linked to proportionality. Standards that are overly complex risk reduced adoption or inconsistent application, ultimately undermining audit quality and ethical outcomes.

IESBA specific comment:

As ethical expectations evolve, especially around independence, technology, and sustainability-related services, the IESBA should ensure that ethical requirements remain principle-based, clear, and operable for SMPs providing a broad range of services to SMEs.

IAASB specific comment:

Continued focus on scalable assurance solutions for SMEs, including the further embedding and support of SME-relevant standards, is essential as expectations expand to new areas such as sustainability information.

EFAA for SMEs believes that during the 2028–2031 strategy period the IAASB and IESBA should aspire to strengthen trust in the accountancy profession while ensuring that global standards remain proportionate, implementable, and relevant for small and medium-sized entities (SMEs) and SMPs, which together constitute the backbone of most economies.

Across all their activities, the SSBs should give full consideration to SMEs at the early policy development stage (Think Small First" principle and prioritize impact in practice, not only conceptual robustness. This requires a deliberate focus on usability, scalability, and consistent application across jurisdictions with diverse economic and regulatory environments.

EFAA encourages the SSBs to embed proportionality more explicitly in their standard-setting approach, including through: - Clear differentiation between requirements essential to public interest outcomes and those that may be scalable or guidance based.

- Expanded use of implementation guidance, examples, and practical tools tailored to SME contexts. - Clear promotion and communication of the quality of these standards, with a focus on SMPs and SMEs

In this regard, proportionality should be understood as an essential element for the effective quality of the audit and the ethical behaviour of auditors.

The SSBs should deepen their engagement with practitioners serving SMEs and SMPs, ensuring that their perspectives are systematically considered throughout the standard-setting lifecycle, not only during formal consultation phases. This includes: - Early-stage outreach when identifying emerging issues.

- Targeted field testing and outreach in SME-dominated jurisdictions.

- Stronger collaboration with regional professional organizations such as EFAA.

Global Accountancy Alliance (GAA)

We have set out below what we believe each of the SSBs should aspire to achieve during their next strategy period, 2028 - 2031 with a clear focus on certain key priorities.

Evidence-Based Standard Setting and Proportionate Prioritization

We believe the SSBs should focus on projects that respond directly to evidence-based, public interest needs. This may mean pursuing fewer projects in order to prioritize projects with clear global relevance. We address several of these themes throughout our survey response.

We recognize that the SSBs apply the Public Interest Framework (PIF) throughout the standard-setting life cycle; however, the PIF omits explicit quantitative and qualitative consideration of the benefits and their relationship to costs. Accordingly, we believe the strategies and work plans of the SSB's should place greater emphasis on assessing whether the expected public interest and quality benefits justify the costs, including how those costs and benefits are distributed across stakeholders, including firms of all sizes. We also urge the SSBs to explicitly consider the effect of newly proposed standards on small and medium-sized firms.

In our view, SSB standard-setting actions should be grounded in robust evidence of a clear quality gap or market deficiency at the global level, not isolated instances of noncompliance or historical events. This calls for greater discernment at the information gathering stage of a project to clearly understand the problems that can be solved through standard setting. It also requires stronger attention to proportionality and scalability, and a willingness to pause, narrow, or discontinue projects when the expected burden may outweigh the likely benefits or when global demand has shifted.

Institute of Chartered Accountants in England and Wales (ICAEW)

e) The development of standards (including revisions to extant standards) creates a corresponding and not-inconsiderable compliance costs for the profession. It is therefore in the public interest for the SSBs to publish standards that are clear and unambiguous, proportionate, practical, and future proof where possible. Robust cost/benefit analysis should be a key consideration for the SSBs when determining whether to initiate a project that might lead to the development of new standards.

f) The SSBs should clearly identify the issue that any new standards are intended to address, the anticipated outcome or change in professional behaviour sought; the impact on different sections of the profession and different-sized practices and organisations; and measures of success - so that these assumptions can be verified accurately in a post-implementation review. Should the anticipated benefits fail to materialise, then consideration should be given to removal of requirements from extant standards as well.

Institute of Chartered Accountants of Scotland (ICAS)

Evidence-Based Standard Setting and Proportionate Prioritisation

The SSBs should focus only on projects supported by clear evidence of there being a global public interest need. The SSBs' respective strategies and work plans should place greater weight on whether expected public interest benefits justify the costs, including how those costs fall on stakeholders of different sizes, including small and medium-sized firms. Standard setting should respond to systemic global issues rather than isolated cases, with projects narrowed, paused, or stopped where likely burdens outweigh the related benefits.

Institute of Public Accountants (IPA)

- standard-setting activities that are even more targeted/relevant and responsive to the stakeholders' needs. This would require the SSB to identify potential issues early and the timely issuance of the necessary standards and/or guidance for implementation. The standards should also be where possible, scalable for implementation by entities of differing size and complexity.

International Federation of Accountants (IFAC)

Against this backdrop, IFAC believes the SSBs should aspire to deliver high-quality, principles-based, proportionate and globally operable standards that demonstrably serve the public interest and can be adopted and implemented effectively across diverse jurisdictions and practice environments.

- Strengthen the full standard-setting lifecycle, including implementation and review.

Greater emphasis should be placed on adoption, implementation, and post-implementation learning. Standards have become longer and more complex, which can impair adoption and consistency of application. This can also heighten the risk of increasing cost and work effort without commensurate benefits. The SSBs should focus on acceptability, adoptability, implementability and operability, supported by timely post-implementation reviews, analysis of adoption patterns, and structured feedback loops. Practical challenges such as translation, terminology and scalability should be considered in detail with an understanding that quality of implementation also requires sufficient time, moving too quickly to the next major project can undermine the value of standards already developed. The Boards should also strongly consider whether simplification initiatives are needed. .

- Adopt a disciplined, evidence-based approach to standard-setting- Standard-setting should not be the default response. The SSBs should clearly define the public-interest issue, demonstrate that a genuine gap exists, assess whether existing standards already address the issue, evaluate cost-benefit and scalability, and consider whether implementation support or non authoritative material would be more appropriate responses before determining whether standard-setting activity is justified. At the point of releasing an exposure draft, further detailed effects analysis is needed to determine the impact of specific proposals and to communicate to stakeholders how the benefits outweigh the costs. Such analysis should include considerations of impact on preparers, users of the standard and the users of reported information. It is imperative that the impact on SMEs and SMPs is explicitly covered. If benefits commensurate to costs cannot be demonstrated, then standard setting should not proceed.

- Place quality at the center of their strategies- Global acceptance, adoption and effective implementation of standards are essential markers of quality. This requires greater emphasis on understandable, proportionate and practicable standards as being in the public interest outcomes.

Malaysian Institute of Accountants (MIA Malaysia)

Agility

In a fast-moving environment, the ability of the Boards to issue timely and relevant outputs will become increasingly important. This could be supported by a rapid-response route for narrow, time-sensitive matters that do not require a full standard-setting project, alongside an annual improvements cycle for routine maintenance items. High-quality non-authoritative guidance, developed with appropriate Board and stakeholder engagement, can also help practitioners apply principles-based standards to new and evolving situations in a practical way.

The SSBs should also continue to place strong emphasis on scalability and proportionality in standard-setting to ensure that international standards remain operable across firms of different sizes and varying levels of resources and complexity. This is particularly important for small- and medium-sized practices (SMPs) and emerging economies, where excessive complexity or implementation burden may affect the sustainability of the profession, reduce market participation and limit access to professional services for SMEs and other entities. In this regard, implementation support, practical guidance and consideration of operational realities will remain important in facilitating consistent and high-quality application of the standards.

Modernisation

The pace of technological change — and its impact on business models, audit and assurance practice, and the ethical considerations surrounding them — means that keeping international standards current is no longer optional. Both Boards have acknowledged this, with the IAASB's current technology project being a clear example. Sustaining this momentum should, in our view, be a headline priority for the 2028–2031 period. At the same time, modernisation needs to remain firmly principles-based and outcome-focused, so that standards can continue to be applied meaningfully across entities of different sizes and at different stages of technological maturity.

Pan African Federation of Accountants (PAFA)

Fourth, for IESBA in particular, greater emphasis is needed on practical ethics guidance for emerging and transitional economies, especially addressing independence challenges in SMP-dominated markets and jurisdictions with limited enforcement capacity.

Pavel Dimitrov (Union of Accountants in Bulgaria)

Broader adoption and effective implementation should be supported through practical guidance tailored to diverse jurisdictions, including the public sector, SMEs, and emerging markets.

Polish Chamber of Statutory Auditors (PIBR)

IAASB

1. Accelerating work on quality management in technology.
2. Accelerating work on the standard for less complex entities has been under discussion in Poland for several years now. Statutory auditors would prefer a standard with fewer requirements for these types of entity.
 1. Practical guidelines on the scalability of standards, support materials on the implementation of the ISA for LCE, and the reduction of the administrative burden associated with the extensive requirements of standards for small audit firms.
 2. Scalability of the quality management system for small audit firms – the need to simplify and develop a standard for less complex audit firms (SMPs).

South African Institute of Chartered Accountants (SAICA)

These concerns are enhanced considering the suite of substantive new and revised standards coming into effect from December 2026, including those relating to fraud, going concern, and sustainability assurance amongst others, which will require substantial investment in training, methodology updates, and systems.

The cost of implementing new standards and additional requirements is significant for practitioners across the profession. While large network firms may be better positioned to absorb these costs through access to extensive financial and technical resources, SMPs face proportionately greater challenges, both in terms of funding and the availability of suitably skilled personnel. This creates a real risk of widening the gap between large firms and SMPs, potentially undermining audit market diversity, competition, and availability of services—particularly for smaller and mid sized entities.

12. Others

Louise Willdrige (LBW Global)

During the 2028–2031 strategy period, I would like to see the IAASB and IESBA continue focusing on standards and guidance that are practical, relevant, and capable of being applied proportionately by firms of different sizes and structures.

For smaller and medium-sized firms in particular, proportionality and scalability are really important. Standards can only be effective if firms are able to translate them into meaningful actions in practice, so continued implementation support, examples, and practical guidance would be very valuable.

02.05. Agility, Responsiveness & Timeliness

01. Monitoring Group

International Organization of Securities Commissions (IOSCO) Committee

3. Enhance Agility and Responsiveness to Emerging Risks and Technologies The rapid pace of technological change reinforces the need for forward-looking and timely standard-setting. We encourage the Boards to maintain agility by continuously monitoring emerging risks and technologies and ensuring they can respond in a timely and practical manner. This includes considering targeted or narrow-scope amendments to standards when appropriate, issuing timely non-authoritative material that is developed in consultation with a diverse set of stakeholders, maintaining the flexibility to allocate resources to emerging public-interest priorities as needed, and closely coordinating with relevant reporting standard setters to ensure coherent development of accounting and auditing requirements.

03. Preparers or Issuers of Financial Statements or Other Information

Business Europe

- Improve the agility of standard setting and shorten time-to-market where appropriate, without weakening due process, external consultation or the quality of stakeholder input.
- Remain relevant by responding in a timely, practical and proportionate manner to major developments affecting audit, assurance and ethics, including digital reporting infrastructure, new reporting models, evolving firm structures and geopolitical developments.

05. Regulators and Oversight Authorities

Committee of European Auditing Oversight Bodies (CEAOB)

6. Furthermore, to remain responsive to emerging issues, the SSBs should retain flexibility in how they allocate resources in their work program and ensure at all times a high level of agility. The CEOB emphasizes the importance of clearly distinguishing between matters that require formal standard-setting,

those that call for targeted narrow amendments, and those that are better addressed through timely, principle-based guidance, particularly as rapid advances in the use of new technologies may render aspects of the current standards obsolete.

Independent Regulatory Board for Auditors (IRBA)

1. Agility and Responsiveness in Standard Setting

Aspiration: Enable standards to remain aligned with evolving practice and emerging risks through forward looking guidance and more targeted, timely updates, while maintaining clarity and enforceability.

- **Forward Looking Guidance and Thought Leadership:** As practice continues to evolve rapidly, particularly in areas such as technology, data analytics, and artificial intelligence, there is an opportunity for the SSBs to further strengthen their role as thought leaders. Providing forward looking perspectives, including through exploratory or non-authoritative materials used to inform research and debate, can help shape practice early and reduce pressure for later, more extensive standard revisions. Such materials can also signal regulatory-relevant issues without undermining the authority or enforceability of the standards.
- **Targeted, Modular Approaches to Enhance Responsiveness:** Greater agility may be achieved by focusing on well-defined areas of weakness or emerging risk within existing standards, rather than reopening standards in their entirety. More modular standards, narrower scope projects, and more frequent, targeted enhancements can allow the SSBs to respond proportionately to change, while preserving stability where it is working well.

Irish Auditing & Accounting Supervisory Authority (IAASA)

Both SSBs should remain adaptable and responsive to change, recognising that their work plans may need to evolve in the public interest. In this context, continued and proactive engagement with a diverse range of stakeholders beyond the profession will be important. In addition, the SSBs should systematically monitor developments in audit and sustainability assurance to ensure their standards remain fit for purpose

Public Company Accounting Oversight Board (PCAOB) – Views of the PCAOB Chief Auditor

As autonomous technology becomes increasingly prevalent, the very survival of the auditing profession depends upon the ability to adapt to its use. Key to this is to have auditing standards evolve accordingly to remain relevant and to ensure a level of investor protection and trust in capital markets. While rapid developments in technology call for agile standard-setting approaches, they also call for principle-based requirements that lessen the risk of becoming too quickly outdated. At the same time, significant standard-setting activity in the area could stifle innovation that would otherwise increase the effectiveness of the audit. A balanced approach is a necessity.

06. Jurisdictional and National Standards Setters (JSS)

American Institute of Certified Public Accountants - Professional Ethics Executive Committee and Auditing Standards Board (AICPA PEEC & AICPA ASB)

Focus on project prioritization and agility

The SSBs should more routinely reassess priorities to ensure the agenda focusses on projects that can be implemented effectively and adopted globally, with initiatives paused or discontinued if the benefits to quality relative to development efforts diminish. We encourage routine and periodic meetings of the SSB planning committees to gain sufficient situational awareness of the other SSB's work plan.

It is also important that the SSBs' SWPs not commit to so many projects that the SSBs lose adequate bandwidth and flexibility to tackle emerging matters. Once a project appears in the SWP, it can be perceived as "must do."

The SSBs should dedicate executive session time each meeting to review ongoing horizon scanning results to calibrate the scope and priority of their work plans to be more agile. When the SSBs re-sequence or

pause projects, it is usually to reorder project work aligned with staff capacity, rather than to demonstrate agility or a pivot to prioritize what matters.

- Focus on project prioritization and agility.

Auditing and Assurance Standards Board of Canada (AASBC)

- Responding to the pace of technological change. Technology is evolving rapidly and, in our view, represents the most significant trend affecting the SSBs over the next strategy period. If standards and related standard-setting activities do not adapt in a timely manner, there is a risk to their continued relevance.

- o To mitigate, the SSBs should ensure their processes support:

Agility and responsiveness, maintaining flexibility in the standard-setting process to enable SSBs to adapt to emerging developments and evolving needs in a timely manner.

GLASS Group of Latin American Accounting Standard Setters (GLENIF)

Two respondents mentioned "The relevance, responsiveness, and agility of the profession."

Instituto Mexicano de Contadores Públicos (IMCP)

Also, consider that the trends presented later in the responses may change in the short time and there will be a need to adjust the strategy to be responsive to current facts and circumstances.

New Zealand Auditing and Assurance Standards Board (NZAuASB)

AGILITY IS KEY TO REMAINING IMPACTFUL

We are living in a rapidly changing environment. To remain relevant, responsive, and impactful standard setting must adopt more forward-looking, agile approaches with a higher tolerance for taking managed risks rather than defaulting to caution.

Recognising resource constraints, we encourage both SSBs to prioritise refining and coordinating their processes to support timely responses to evolving user needs, while maintaining due process and public interest focus.

07. Accounting Firms

Baker Tilly International

- Timeliness of publication of standards and non-authoritative materials

BDO International Limited

Proposed cycle of Strategy and Work Plan (SWP) activities:

- To remain relevant, both SSBs need to be more agile in their approach to identifying matters for inclusion in any future Strategy Work Plan (SWP) and associated projects.
- Asking for views and perspectives for a proposed cycle of SWP activity spanning 2028 – 2031 does not reflect the rapidity of change within the accounting profession, including digital transformation, which needs to be more of a priority.
- There is a danger that by setting out plans so far in advanced, both SSBs find it more difficult to flex toward newer challenges that could emerge in the next 2-5 years.
- We would recommend both SSBs consider a move towards a rolling 2-year Work Plan, by:
 - o Establishing appropriate stakeholder input processes to obtain input on a timely basis
 - o Putting in place 6-monthly review points for both SSBs to evaluate progress or the need for changes in the 2-year rolling Working Plan.

Deloitte Touch Tohmatsu Limited

The themes covered in this survey are highly relevant in today's environment and the SSBs should track them closely. However, it is important to recognize that these issues will evolve and that the auditing, assurance, and ethical matters most critical to address in 2028 and beyond may look very different than they do today. The SSBs will need to closely monitor the macro environment to ensure their work plans are addressing topics of most concern to users of the standards. If needs were to shift, the standard setting model should be sufficiently flexible to allow for reprioritization of projects and timetables

Ernst & Young Global Limited (EY)

- Significantly enhance processes to become more coordinated and agile to keep pace with emerging issues while maintaining effective due process. For example, the Boards can consider joint participation on the IESBA's Trends and Risks Committee or create a single technology expert panel.

Jack Schoeman (PWC)

The focus should be on agility rather than volume. The SSBs' must move from a reactive posture to a proactive and digital first regulatory framework that actively anticipates the integration of AI and autonomous auditing seen in the world today. By the 2028 to 2031 period, standard setting should facilitate the use of advanced technology to drive audit quality rather than just permitting it. We do not need more regulation or additional layers of legislation because that just adds complexity without value. Instead, we need the existing requirements updated to keep pace with rapid innovation.

KPMG International Limited

The SSBs' workplans for the 2028-2031 survey period need to emphasize agility in strategy and execution. This means being able to identify when an urgent standard-setting response is needed and respond accordingly (whilst maintaining appropriate due process); to pivot priorities; to pause, narrow or discontinue projects, and to develop timely and targeted non-authoritative materials as an alternative to standard setting where appropriate. In doing so, the Boards should focus on ensuring that the standards achieve their intended public interest outcomes, recognizing that introducing additional prescriptive requirements or overly granular Code enhancements may conflict with the underlying premise that the standards are principles-based, and such changes may hinder adoption, reduce interoperability, and potentially drive fragmentation of standards across jurisdictions.

PricewaterhouseCoopers International Limited (PWC)

Agility

To remain relevant and responsive, the SSBs should place renewed emphasis on agility by developing more timely mechanisms to delivering Board outputs. This could include a rapid-response approach to address urgent targeted issues without undertaking full standard-setting projects, complemented by an annual improvements programme for narrower maintenance matters. Greater use of high-quality non-authoritative guidance materials, developed with appropriate Board and stakeholder engagement, would also provide practical clarity on applying principles-based standards to new and emerging circumstances.

Modernisation

The SSBs, in particular the IAASB that is undertaking a significant project in the 2024-2027 work plan period, have recognised the need to address the impact of technology. Actions to modernise the international standards to ensure they remain fit-for purpose in a rapidly evolving technological landscape that is reshaping business models, audit and assurance approaches, and ethical considerations should be a clear priority. This will require a proactive and forward-looking approach to emerging issues in order to meet stakeholder needs and serve the public interest. At the same time, any modernisation should remain firmly principles-based and outcome-focused.

The strategies and workplans of the SSBs for the 2024–2027 period were primarily focused on standard-setting, particularly in relation to sustainability reporting, and on enhanced collaboration, both among the SSBs and with external stakeholders. The strategic objectives relating to strengthened coordination and agility from that period remain important as the SSBs move into the 2028–2031 strategy and workplan cycle.

RSM International Limited

Reprioritisation of work plans: Consider deferring lower impact 2026–2027 initiatives to accelerate more forward-looking priorities in the 2028–2031 plan, including those relating to digitalisation and AI.

10. Member Bodies or Other Professional Accountancy Organizations

Chartered Accountants Australia and New Zealand (CAANZ)

Agile standard setting

We believe that the SSBs need to consider ways to be more agile in response to emerging developments in markets and technology. It is important that revisions to standards, and the development of new standards, involves appropriate fact-finding, development and consultation to ensure that standards are fit for purpose. In fast-moving areas such as technology, the pace of change may exceed the capacity of formal standard setting. The strategies should clearly articulate how the SSBs will decide whether emerging issues require amendments to underlying principles or can be addressed through guidance supporting consistent application. In particular, when it comes to fast moving topic areas such as sustainability and technology, it is important for the SSBs to be clear that unless there is clear evidence that a principle in a standard or the Code needs revision to respond to change, that other forms of response such as outreach, education and guidance should be used.

Chartered Accountants Ireland (CAI)

. 3. Adopt more agile and time-limited responses to emerging risks: The survey itself recognises that priorities in a rapidly changing world may shift significantly over time. To remain relevant while conveying consistent expectations, IESBA and IAASB should complement its core standards with more agile responses, particularly for fast-moving areas such as emerging technologies. Concise, practical, non-authoritative guidance, capable of being updated or retired as circumstances evolve, may be more effective than long-cycle standard-setting in supporting ethical decision-making and high-quality audit and assurance practices.

CPA Australia

- Recognise timing constraints where a trend evolves faster than due process can respond, prioritise agile practice alerts materials and coordinated outreach over formal standard revision.
- Ensure IAASB/IESBA differentiation where implications diverge (e.g., technology affects audit evidence differently from independence threats), while maintaining coherent overall positioning.

European Federation of Accountants and Auditors for SMEs (EFAA)

The SSBs should aspire to be timely and pragmatic standard setters, capable of responding to rapid developments such as digitalization, sustainability reporting, and evolving public expectations, while avoiding unnecessary complexity. For SMEs and SMPs in particular, relevance is closely linked to proportionality. Standards that are overly complex risk reduced adoption or inconsistent application, ultimately undermining audit quality and ethical outcomes.

Institute of Chartered Accountants in England and Wales (ICAEW)

h) Complex and fast-developing issues, such as AI, are better addressed through flexible and easy-to-update guidance and education and training tools, rather than by new standards, which may be quickly outdated and difficult to change. The use of scenarios and case studies to highlight the application of existing standards to emerging issues has considerable merit and should be considered by the SSBs.

i) Agility in standard-setting does not necessarily mean being reactive to short-term trends by introducing new standard-setting projects. It relies on developing new standards at pace when required (eg, ISSA 5000), ensuring they remain principles-based and stand the test of time, all while being agile with non-authoritative guidance and education in other instances. Technology that is at the forefront now, will not be the same as that in 2031.

Institute of Public Accountants (IPA)

- standard-setting activities that are even more targeted/relevant and responsive to the stakeholders' needs. This would require the SSB to identify potential issues early and the timely issuance of the necessary standards and/or guidance for implementation. The standards should also be, where possible, scalable for implementation by entities of differing size and complexity.

Malaysian Institute of Accountants (MIA Malaysia)

Agility

In a fast-moving environment, the ability of the Boards to issue timely and relevant outputs will become increasingly important. This could be supported by a rapid-response route for narrow, time-sensitive matters that do not require a full standard-setting project, alongside an annual improvements cycle for routine maintenance items. High-quality non-authoritative guidance, developed with appropriate Board and stakeholder engagement, can also help practitioners apply principles-based standards to new and evolving situations in a practical way.

The SSBs should also continue to place strong emphasis on scalability and proportionality in standard-setting to ensure that international standards remain operable across firms of different sizes and varying levels of resources and complexity. This is particularly important for small- and medium-sized practices (SMPs) and emerging economies, where excessive complexity or implementation burden may affect the sustainability of the profession, reduce market participation and limit access to professional services for SMEs and other entities. In this regard, implementation support, practical guidance and consideration of operational realities will remain important in facilitating consistent and high-quality application of the standards.

That said, the environment in which the next strategy period will unfold is shifting in important ways. Rapid technological change — with artificial intelligence at the forefront — is reshaping how corporate reporting is prepared, used and relied upon. At the same time, the uptake of international standards across jurisdictions is becoming increasingly uneven, raising a real risk of fragmentation. Against this backdrop, we suggest that the SSBs anchor their next strategy around three guiding themes: modernisation, agility and alignment. Together, these themes will help ensure that the standards remain technically sound, practical to apply across different markets, and firmly grounded in the public interest.

Pavel Dimitrov (Union of Accountants in Bulgaria)

First, the SSB encourages the development of agile, principles-based standards that can adapt to technological, regulatory, and economic change while maintaining global consistency

South African Institute of Chartered Accountants (SAICA)

Relevance, Responsiveness, and Impact of Standard Setting

The SSBs should aspire to be anticipatory, not reactive, with a focus on identifying emerging risks and assurance gaps early and

responding timely, principle-based standards and guidance. For the 2028–2031 period, the SSBs should aim to build on their current progress while continuing to strengthen their role in supporting trust in a rapidly

evolving global environment. Rather than a major shift in direction, the focus could be on deepening their impact, improving responsiveness, and reinforcing global relevance.

Key elements could include:

- 1) Future focused standard setting, addressing evolving business models, digitalization, use of AI in audits, group audits in complex global structures, assurance over non financial and sustainability related information.
- 2) Clear prioritisation within work plans, focusing resources on areas with the highest public interest risk rather than proliferating standards or guidance for marginal issues.
- 3) Impact oriented outcomes, where success is measured not only by standards issued, but by whether they improve audit quality, ethical behavior, and user (public interest) confidence.

12. Others

Wai Man (Emily) Ho

From 2028 to 2031, the standard-setting boards should envisage as catalysts of trust and progress to anchor stability while embrace adaptability. In light of recent technological transformation, sustainability imperatives and evolving stakeholder needs, the mission is expected to preserve continuity but also ignite innovation. This would shape a transparent, resilient, and future ready global economy.

02.06. Remit Discipline & Avoiding Scope Expansion

06. Jurisdictional and National Standards Setters (JSS)

Institut der Wirtschaftsprüfer (IDW)

6. Standard-setting bodies must remain within their defined remit. This is particularly important for IESBA, which is explicitly mandated to develop ethics, including independence, standards for professional accountants in the public interest. Extending standard-setting activities beyond this scope blurs responsibilities, creating regulatory overlap, imposing disproportionate requirements and ultimately damaging the reputation of the profession. There should be a disciplined adherence to the established standard-setting mandate. For these reasons, we do not support the IESBA projects on Firm Culture and Governance (an area covered by national regulation or governance codes) or on CFOs (which extends beyond professional accountants). In particular, there needs to be recognition that standard setting should not be misused to address matters that – though addressing them may be in the public interest – are not within the remit of the standard setting boards, but rather in the remit of reporting standard setters, national legislators or regulators.

07. Accounting Firms

Ernst & Young Global Limited (EY)

5. Ensure IESBA's projects remain focused on professional accountants, which is the limit of IESBA's remit under its approved Terms of Reference (TORs). As described in the IESBA Code, its purpose is to set out fundamental principles of ethics for professional accountants. In recent years, IESBA has undertaken projects that seek to provide ethics standards for non professional accountants (e.g., Role of CFOs and Firm Culture & Governance) that exceed its remit under its TORs. These out of-scope projects risk further fragmentation and could undermine the relevancy of IESBA if it continues to emphasize projects that are not centered on setting ethics standards for professional accountants. As stated in the PIF, "standards that cannot be adopted, or cannot be implemented by practitioners, are not much use".

Grant Thornton International Ltd (GTI)

4. Deepen and formalize IAASB and IESBA coordination: In recent years, inconsistent coordination among the SSBs has contributed to conflicting definitions, misaligned effective dates, and requirements that are not

aligned across the IAASB standards and the IESBA Code. We suggest a formal requirement for joint deliberation and simultaneous approval of projects that affect both SSBs. The formal requirement should include the following: a) no projects may be approved by one SSB before the other has resolved any related issues; b) definitions and terminology are aligned across IAASB standards and the IESBA Code so that professional accountants are not navigating conflicting concepts; c) requirements that affect how an audit or assurance engagement are performed are within the remit of the IAASB, not the IESBA (for example, when the IESBA Code introduces performance requirements or terminology that are not defined in the IAASB standards, it reduces the interoperability of the SSBs' standards); and d) effective dates are aligned so that implementation is sequenced appropriately (for example, ethics and independence standards should not become effective before the related assurance standards they are designed to support have been approved).

5. Be strategic and selective about when standard-setting is needed versus non-authoritative guidance: In recent projects, we have observed that issues in practice and publicly reported ethical failures identified by the SSBs' Staff during project scoping are sometimes treated as justification for a new standard or amendments without identifying the root cause of the issue. We encourage the SSBs to recommit to assessing whether issues in practice indicate that an existing requirement is not fit for purpose, or if non-authoritative guidance, targeted outreach, or education would be more effective in addressing the issue. If such an analysis is completed before the project plan is approved, projects are more likely to be aligned with the Public Interest Framework. Additionally, such an approach would help preserve capacity in the SSBs' strategy and work plans to pursue implementation guidance, outreach, and non-authoritative guidance in a more timely manner. Finally, when IESBA is identifying standard-setting and non-authoritative guidance projects, we believe they should only accept projects that are within their remit and impact professional accountants who use the Code.

RSM International Limited

Scope and project discipline: Carefully assess whether certain proposed projects (for example, CFO-related initiatives or broad extensions of the ethics code to sustainability for preparers) fall clearly within the SSBs' remit to avoid undertaking projects without sufficient justification, while recognising the value of post-implementation reviews.

09. Public Sector Organizations

United States Government Accountability Office (GOA)

Finally, we encourage both organizations to ensure that their activities do not exceed their specific mandates. For example, IESBA standards should not create new requirements for performing engagements, and the IAASB should not create independence or ethics requirements that do not pertain to engagement performance. Further, we suggest that the IAASB and IESBA rescind any existing requirements that exceed their mandates.

10. Member Bodies or Other Professional Accountancy Organizations

Accountancy Europe (AE)

Regarding the IESBA code of ethics, it is essential that it remains strictly within its remit, is principle-based, robust and adaptable, rather than becoming increasingly rules-based or reactive to individual developments not necessarily relevant to professional accountants.

Chartered Accountants Australia and New Zealand (CAANZ)

The primary purpose of the SSBs is to set standards for PAPs and the central focus of the 2028-20231 strategies of both SSBs should be on serving that purpose. The existence of emerging technologies and subject areas for corporate reporting, such as sustainability, does not change the fundamental purpose of the SSBs.

Recently we have seen projects that have focused on profession agnostic developments. The SSBs need to ensure they are operating within their mandates and prioritising projects that serve PAPs and address clear market needs. SSB projects should not be approved without clear evidence of either the existence of market demand for change or of a systemic problem that requires a standard setting response.

We note that where aspects of key trends have been rated as increasing in importance or strongly increasing in importance, this does not indicate that there is a need for standard setting as the default response.

CPA Australia

Important trends but largely outside the SSBs' remit:

- Alternative ownership and investment structures in firms
- Increased use of multidisciplinary teams and non-professional roles
- Talent attraction and retention challenges
- Growth of non-assurance service lines

Global Accountancy Alliance (GAA)

Stakeholder Engagement, Project Discipline, and Remit

The SSBs should engage earlier and more systematically with a broad range of stakeholders so that agenda-setting and project development are informed by practical experience, not disproportionately shaped by any single constituency. This should include greater emphasis on how standards are experienced by professional accountants who must apply them in practice, including in smaller firms and across diverse jurisdictions. The SSBs should also use the next strategy period to reassess whether existing and proposed projects remain justified. In this period, the focus should be on conducting post-implementation reviews of previous projects and monitoring key developments, as set out below. The SSBs should avoid profession-agnostic expansion and adopt a rebuttable presumption that changes to the Code or standards are evidence-based and globally relevant.

Institute of Chartered Accountants in England and Wales (ICAEW)

d) The SSBs are funded by the accountancy profession. Therefore, any standards issued should be primarily intended for, and of benefit to, the accountancy profession. ICAEW discourages any attempts to develop further 'profession agnostic standards' at this time, as the benefit of creating such standards is not clear.

Institute of Chartered Accountants of Scotland (ICAS)

Stakeholder Engagement, Project Discipline, and Remit

There should be earlier and more frequent engagement by the SSBs with a broad range of stakeholders, including practitioners in smaller firms. Agenda-setting should be informed by practical experience and not be unduly shaped by any single constituency. The next strategy period should also be used to reassess whether projects remain justified. Additionally, further post-implementation reviews should be performed on recent revisions to the Code and monitoring key developments should be a key activity, e.g. in technology. The SSBs should adopt a rebuttable presumption that changes to the Code or standards are based on appropriate and sufficient evidence, and have global relevance. The SSBs should also avoid profession-agnostic expansion.

International Federation of Accountants (IFAC)

- Enhance coordination, but avoid duplication- Coordination between IAASB and IESBA should be purposeful and based on clearly defined shared issues. Not all trends require joint action, and each Board should act within its remit where a clear standards gap exists. Coordination should also extend to other relevant standard setters to support compatible terminology, definitions, timelines, and implementation.

- Maintain clear remits and avoid scope creep- The SSBs should remain focused on their core mandates and avoid extending into areas more appropriately addressed by others. The central focus should be on ensuring that standards for professional accountants are fit for purpose. Profession agnostic developments or pushing the boundaries of remit (as has recently been the case with IESBA into firm governance and CFO related work where the majority of CFOs are outside the scope of its Code) are especially problematic. Emerging trends should not lead to expansion beyond clearly defined responsibilities.

02.07. IAASB–IESBA Coordination & Interoperability

01. Monitoring Group

International Federation of Independent Audit Regulators (IFIAR)

IFIAR stresses the need for greater coordination across the global standard setting and regulatory ecosystem, including accounting, auditing, ethics and independence standard setters, securities and audit regulators. Strong coordination is critical to support consistent, high-quality application of standards worldwide. IFIAR encourages further coordination of the IAASB and IESBA on projects that have significant overlap, including on the current workstream on firm culture and governance and future projects. In this context, IFIAR notes that ethical considerations, which are fundamental for quality audits, represent one component of the broader and interconnected principles dealt with in international standards on quality management (ISQM 1).

We appreciate the efforts by the IAASB and IESBA to seek input on their strategy and activities to ensure their activities and pronouncements continue to serve the public interest through high quality, interoperable, and complementary auditing, assurance, ethics and independence standards.

International Organization of Securities Commissions (IOSCO) Committee

5. Enhance Coordination Across Standard-Setting Boards

We strongly encourage continued coordination between the IAASB and IESBA to ensure that their respective standards remain interoperable and mutually reinforcing, particularly in areas where audit, ethics, and independence considerations intersect. At a broader level, we also emphasize the importance of strengthened coordination with other relevant reporting standard setters. Many emerging corporate reporting developments have direct assurance and ethical implications. Early and ongoing engagement among the IAASB, IESBA, and relevant reporting standard setters helps promote cohesive and aligned standard-setting. Examples of key areas where coordinated action is particularly important include:

- Technology – Technology development, including the use of AI-enabled tools, data governance, and the implications for audit evidence, risk assessment, and ethical responsibilities, requires the IAASB, IESBA, and other relevant reporting standard setters to coordinate closely. Alignment across accounting, auditing, 3 and ethics perspectives is critical to ensure that guidance is coherent, principles-based, and capable of consistent and scalable global application.
- Trending Accounting Topics – We encourage continued coordination between the IASB and IAASB to ensure accounting and auditing requirements remain aligned. This includes implementation-stage coordination for finalized standards such as Management-defined Performance Measures under IFRS 18 Presentation and Disclosure in Financial Statements, helping the IAASB fully understand accounting expectations when considering auditor responsibilities, as well as early coordination on ongoing projects like Business Combinations— Disclosures, Goodwill and Impairment to support clear and practical audit requirements once the accounting standard is finalized.
- Public Interest Entity (PIE) Framework and Definitions – Consistent with prior IOSCO positions, we encourage the IAASB and IESBA to continue coordinating on PIE-related matters to ensure alignment of definitions and related requirements across standards. Ongoing collaboration will be critical to help promote a clear and robust global baseline, reducing jurisdictional divergence and the risk of fragmentation.

02. Users of Financial or Non-Financial Information

Impax Asset Management

4. Serving the public interest in a changing environment

Finally, the SSBs should aspire to be recognised as trusted public-interest institutions in an environment characterised by geopolitical fragmentation, regulatory divergence and growing scrutiny of ESG-related claims. This will require:

- Strong coordination between the IAASB and IESBA to present a coherent and credible global framework for assurance and ethics.

- Transparency in decision-making and prioritisation, clearly articulating how strategic choices respond to public interest risks.
- Continued innovation in how the SSBs operate, while safeguarding independence and due process.

Kei Tsuchiya (The Securities Analysts Association of Japan)

Coordination among the SSBs and with other standard setters and regulators

I welcome the IAASB's and IESBA's decision to conduct this joint stakeholder survey. I understand that the SSBs are independent Boards, each with its own remit, and that they undertake their standard-setting activities independently. At the same time, through the process of developing users' comment letters on the SSBs' exposure drafts relating to sustainability, I have come to strongly recognize that the SSBs work closely together and that such coordination is indispensable.

With respect to sustainability-related information, the introduction of mandatory disclosures in accordance with sustainability disclosure standards and assurance in accordance with the relevant standards developed by the SSBs is progressing across jurisdictions. In the early stages of adoption, a range of implementation challenges typically arise, and these challenges are likely to continue into the next strategic period. In addition, how professional-agnostic standards will function in practice under different regulatory frameworks across jurisdictions may become an increasingly important issue.

Against this background, I consider that the importance of coordination among the SSBs will continue to increase. Furthermore, in order to understand implementation realities and address emerging challenges, coordination with sustainability disclosure standard setters such as the ISSB, as well as with IOSCO and regulators in individual jurisdictions, is also indispensable. In this regard, the IAASB Strategic Objectives for Its Current Strategy Period, 2024–2027, explicitly include the objective to "Strengthen coordination with IESBA and other leading standard setters and regulators to leverage better collective actions in the public interest," whereas no equivalent objective is articulated in the IESBA's strategic objectives.

For the next strategic period, I believe that the strategic objectives of the SSBs should explicitly include strengthening coordination among the SSBs and with other standard setters and regulators, in order to leverage better collective actions in the public interest.

The European Federation of Investors and Financial Services Users (BETTER FINANCE)

From an end-user perspective, relevance and impact should be assessed not solely by the issuance of standards, but by whether those standards improve the quality, comparability and reliability of information available to markets. The increasing interconnection between financial reporting, sustainability reporting, corporate governance and stewardship means that assurance and ethics frameworks should continue evolving in a coordinated manner. The IAASB and IESBA should maintain close cooperation and proactively engage with other standard setters and regulators to reduce fragmentation and support a coherent reporting ecosystem.

05. Regulators and Oversight Authorities

Canadian Public Accountability Board (CPAB)

CPAB supports the IAASB and IESBA's continued focus on relevance, responsiveness, and global consistency. In that context, there remains a clear need for strong coordination across the global standard setting and regulatory ecosystem. Greater coordination among accounting, auditing, ethics and independence standard setters, securities regulators, and oversight bodies is critical to ensuring coherent and effective outcomes.

CPAB encourages greater coordination between the IAASB and IESBA on projects with significant conceptual and operational overlap, including work on firm culture and governance, and alternative ownership structures for audit firms. Ethical considerations are foundational to audit quality and represent one component of the interconnected principles addressed in the International Standards on Quality Management (ISQM) 1. Initiatives related to firm culture and governance, and alternative ownership structures for audit firms should be designed to align seamlessly with ISQM 1 and support effective operationalization within firms' systems of quality management.

Committee of European Auditing Oversight Bodies (CEAOB)

5. The SSBs' strategies should aim to develop, update, and continually enhance high-quality standards and pronouncements for audit and sustainability assurance that uphold the public interest, ensure the quality of engagements' outcomes, and allow for their consistent and effective implementation. The development of mutually interoperable and complementary standards by both SSBs - which requires a continuous and close engagement between IAASB and IESBA - strengthens the quality and reliability of engagements' outcomes and facilitates greater global consistency in their application.

Hellenic Accounting and Auditing Standards Oversight Board (HAASOB)

AASOB appreciates the efforts by the IAASB and IESBA to seek input on their strategy and work plans to ensure their activities and pronouncements continue to serve the public interest through high quality, interoperable, and complementary auditing, assurance, ethics and independence standards.

We agree to the collaboration of the IAASB and IESBA on projects that have major overlaps, including on the current workstream on firm culture and governance and future projects.

We strongly support the development and improvement of high quality auditing, ethics and independence standards by the IAASB and IESBA that enhance audit quality and promote global consistency.

Independent Regulatory Board for Auditors (IRBA)

2. Holistic and Integrated Guidance

Aspiration: Support more integrated, cross disciplinary guidance that reflects how standards are applied together in practice and supports consistent interpretation and oversight.

- Integrated Guidance Across Audit and Ethics: We support the SSBs' ongoing coordination with one another and with other standard setting bodies, recognising their distinct mandates and purposes. Building on this foundation, there is an opportunity to further enhance the usability of standards through more integrated guidance on topics that naturally cut across audit and ethics. Many contemporary developments, such as the use of advanced technologies, sustainability reporting, and evolving firm business models, raise interconnected considerations for auditors. Coordinated or jointly developed guidance, where appropriate, could provide a more cohesive reference point for practitioners, reduce fragmentation, and support enforceability by limiting divergent interpretation across related requirements.

Irish Auditing & Accounting Supervisory Authority (IAASA)

It is essential for international acceptance of the standards that there is clear alignment and consistency between the IAASB standards and the IESBA Code. Given the level of public interest in audit and the growing importance of sustainability assurance, both SSBs should ensure sufficient focus and coordination to maintain consistency across their frameworks. This should reflect the evolving audit landscape, including developments in technology and changing firm structures, such as alternative investment models.

Martina Morrissey (IAASA)

1) Potential of joining up of IESBA & IAASB.

National Association of State Boards of Accountancy (NASBA)

NASBA supports the continued collaboration between the SSBs. Harmonization among standard-setters is in the public interest as it promotes consistency in application and avoids confusion for practitioners and users of financial statements/external reporting.

UK Financial Reporting Council (UK FRC)

We note that for the sustainability projects the SSBs paid particular attention to coordination, ensuring interoperability and aligning the definitions of terms used. We encourage the SSBs to continue operating in that manner going forwards.

While the SSBs are independent standard setting Boards they both fall under the umbrella of IFAC. Members of IFAC are expected to support the adoption of pronouncements issued by both the SSBs. Given this, the standards issued by both SSBs should be designed to be interoperable. To help facilitate interoperability, it is important to ensure coordination by the SSBs at the earliest possible opportunity and avoid the Boards addressing overlapping matters at different times, for example as happened for PIEs/listed entities (which IAASB addressed later than IESBA) and group audits (which IESBA addressed later than IAASB). This also assists each Board identify possible issues arising from actions proposed by the other and for both to work together in addressing them a timely manner. See also our comments in response to 5D-D1 about the IESBA Firm Culture and Governance Framework project,

Further, to avoid risks of misunderstanding, the terms used in the pronouncements of the SSBs should have the same meaning. This is particularly important for professional accountants undertaking audit and other assurance services. In its proposed strategy and work plan for 2024-2027, the IESBA identified that there are existing differences between the definitions of some terms in the Code and the definitions of the same terms in the IAASB standards and commented that "As many users apply both the IAASB standards and the Code simultaneously, the alignment of terms and definitions will eliminate ambiguity and improve the interoperability of the two Boards' standards, making it easier for adoption and implementation, including translation." However, in finalising the 2024-2027 work plan, the IESBA took the decision that, notwithstanding respondents' acknowledgment of the importance of alignment between the IESBA's and IAASB's terms and definitions and support for the topic to be included in the SWP, it was of lower priority and the IESBA planned to consider it towards the end of the strategy period, subject to agenda capacity and resources. This is an important issue, as confirmed by stakeholders, and the SSBs should not keep deferring attention to it.

06. Jurisdictional and National Standards Setters (JSS)

Accounting Professional & Ethical Standards Board (APESB)

APESB also considers that the SSBs are well-placed to elevate the level of coordination between the IAASB and IESBA. Improved alignment of project timing and sequencing would allow stakeholders to consider related proposals concurrently, particularly when changes to the Code affect auditing standards. APESB encourages the boards to prioritise timely responses to emerging issues, which may require more flexible project approaches, earlier identification of cross-cutting issues between the Boards, and closer coordination between the boards to avoid duplication or misalignment.

American Institute of Certified Public Accountants - Professional Ethics Executive Committee and Auditing Standards Board (AICPA PEEC & AICPA ASB)

Enhancing resource management policies and capabilities

To deliver against each SSB's 2028–2031 strategic plan, we offer several perspectives and recommended actions the SSBs should take to invest in resources and capacity ahead of the expected demand and need.

- SSB coordination and collaboration. The SSBs need to enhance their coordination and collaboration on crossover topics of interest and in those matters that are pivotal to the interoperability of SSB standards. This includes undertaking crossover projects simultaneously where global needs are most relevant. We offer several specific recommendations in our response to question 8.

To improve interoperability, we encourage the IAASB and IESBA to more clearly delineate the respective application of their standards where concepts overlap, particularly between IAASB quality management and other performance-related requirements and IESBA ethics principles. This would help clarify how similar concepts, such as objectivity, are intended to be applied in practice and reduce potential ambiguity for professional accountants.

We also recommend the SSBs develop a clear framework for determining the subject matter that each board should address and those situations in which one SSB should "act first." When the SSBs are not well-coordinated, it raises questions about where accountability rests and may create further implementation barriers for JSSs.

In addition, the SSBs should be more direct and focused on accountability when delivering against their respective forward strategic plans and their joint activities. Performing an "after-action" review of why and how separate standards came about is a specific action the SSBs could take to help shared stakeholders better understand accountability. Examples include NOCLAR, public interest entities, and external experts. This is fundamentally different than a post-implementation review; an after-action review is intended to promote learning, trust, and continuous improvement regarding how the SSBs coordinate and collaborate in their standard setting processes.

Strengthen global adoption

It is critical to strengthen global adoption and consistent implementation through practical, scalable guidance and engagement with a broad range of stakeholders, often with an emphasis on the practitioners responsible for applying the SSBs standards. We observe that greater prescriptiveness of a standard — especially one trying to address the objectives of those charged with inspection and enforcement — can negate proportionality and scalability objectives.

Additionally, effective implementation of scalable standards requires a period of stability to allow adequate time for assessing the effects of recent amendments. We recommend more rigorous analysis of the benefits to quality relative to the costs of implementation to inform scalability and ability to implement globally. Against that backdrop, we strongly recommend that IESBA not pursue significant new amendments to the IESBA code during 2027–2031.

The standard-setting activities of the SSBs should also result in standards that are proportionate as explained in the Public Interest Framework. This includes a continual focus on interoperability of SSB standards. One recent example is the two SSBs' independent projects on the use of external experts. We anticipate professional accountants will experience confusion and duplication of effort because of the SSBs' work on this topic.

Australian Auditing and Assurance Standards Board (AUASB)

Coordination Between Boards

There is a need for stronger alignment between the two boards in overlapping areas, including consistent in definitions, and coordinated timing

Hong Kong Institute of Certified Public Accountants (HKICPA)

Strong coordination between the IAASB and IESBA, including aligned strategies, project timelines and effective dates, remains critical to providing stakeholders with a coherent and integrated view of requirements.

Instituto Mexicano de Contadores Públicos (IMCP)

There is a need to improve the interoperability of both Boards in common topics keeping in mind that priorities may not align one hundred percent.

New Zealand Auditing and Assurance Standards Board (NZAuASB)

STRENGTHEN COORDINATION TO ENHANCE RELEVANCE, COHERENCE AND PUBLIC CONFIDENCE

The NZAuASB strongly supports the co-ordinated IAASB's and IESBA's initiative to seek joint feedback on their proposed strategic priorities and welcomes the recent transparency regarding consultation timelines. We encourage the SSBs to strengthen coordination further - at the strategic level, the process level, and for individual projects - to mutually support the public confidence in financial and non-financial assurance. Aligning consultation timelines for issues that affect both the Code and the auditing and assurance standards would benefit stakeholders. It would help stakeholders consider requirements holistically and support concurrent amendments to the Code and the ISAs, reducing the risk of unintended divergence.

Royal Netherlands Institute of Chartered Accountants (NBA)

- Alignment between the Code and the standards is important. We urge the Boards to ensure that projects that have impact on both the standards and the Code are conducted in an integrated approach and simultaneously open for public comment and consideration. For example, this was the case regarding project external expert. Now the IESBA has launched a workstream on private equity investment in accounting firms. However, private equity investments in accounting firms has also impact on the quality standards of the IAASB. It seems this is not included and a project solely by IESBA. Hence, we highlight the importance of working together on projects.

Wirtschaftsprüferkammer (WPK)

Wirtschaftsprüferkammer (WPK) appreciates the opportunity to take part in the IAASB-IESBA Joint Stakeholder Survey.

We are in favor of the joint efforts of both Boards and encourage their coordination wherever possible—not only regarding the Strategy and Work Plan but throughout all phases of standard-setting, ideally well before the start of any new project.

07. Accounting Firms

BDO International Limited

Working together:

- We continue to support initiatives - like this joint Survey approach – of both SSBs to work together. - This close working relationship needs to be deeper and should operate across both SSBs' individual SWPs and respective projects. This will also help create alignment between the work of both SSBs, reducing the need for additional projects/task forces to reconcile terminology or definitions between both SSBs (e.g., on matters such as 'sustainability information'/'professional accountant').

- Rather than having separate areas of expertise (such as IESBA's Trends and Risks Committee, IAASB's QM Technology project) both SSBs should be working together on these types of future-thinking groups – to help inform both SSBs (increasing the sharing of knowledge and insights and reducing the burden for each SSB to source its own experts and information).

Ernst & Young Global Limited (EY)

- Significantly enhance processes to become more coordinated and agile to keep pace with emerging issues while maintaining effective due process. For example, the Boards can consider joint participation on the IESBA's Trends and Risks Committee or create a single technology expert panel.

4. Deepen coordination between the Boards on matters that affect audit and assurance engagements to ensure interoperability of their respective standards and avoid unintended consequences. For example, the inability of the IAASB to adopt the PIE definition issued by IESBA or the creation of two separate expert panels to address technology, which may result in duplication. This coordination should include NAM issued by both Boards on previously issued standards as well as aligning on timelines for soliciting external input and effective dates.

Grant Thornton International Ltd (GTI)

4. Deepen and formalize IAASB and IESBA coordination: In recent years, inconsistent coordination among the SSBs has contributed to conflicting definitions, misaligned effective dates, and requirements that are not aligned across the IAASB standards and the IESBA Code. We suggest a formal requirement for joint deliberation and simultaneous approval of projects that affect both SSBs. The formal requirement should include the following: a) no projects may be approved by one SSB before the other has resolved any related issues; b) definitions and terminology are aligned across IAASB standards and the IESBA Code so that professional accountants are not navigating conflicting concepts; c) requirements that affect how an audit or assurance engagement are performed are within the remit of the IAASB, not the IESBA (for example, when the IESBA Code introduces performance requirements or terminology that are not defined in the IAASB standards, it reduces the interoperability of the SSBs' standards); and d) effective dates are aligned so that implementation is sequenced appropriately (for example, ethics and independence standards should not become effective before the related assurance standards they are designed to support have been approved).

KPMG International Limited

The SSBs should also prioritize interoperability between their standards, particularly in ensuring that the IESBA Code operates seamlessly with the IAASB's quality management standards. Where requirements relating to the firm's system of quality management directly interact with ethics and independence obligations, such interoperability enables the standards to be applied together in a coherent, integrated way, without duplication, gaps, or conflicting expectations.

PricewaterhouseCoopers International Limited (PWC)

Alignment

Clear alignment between the IAASB and the IESBA is essential to maintaining global confidence in international standard setting. To the extent that either Board retains an explicit strategic objective addressing coordination, it is important that both Boards adopt an equivalent objective. The SSBs should continue to coordinate their strategies and project timelines, including issuing joint exposure drafts where appropriate, to present stakeholders with a coherent view of the combined implications of proposed standards. Alignment of effective dates should be the default position, unless there is a clear justification for divergence.

RSM International Limited

The general direction outlined in the draft materials is aligned with our experience. The collaborative approach by the SSBs

provides a strong foundation for addressing emerging issues effectively. We set out below a number of recommendations for consideration in the 2028–2031 strategy period:

We appreciate that IESBA and IAASB (the standard-setting boards; SSBs) issued a joint survey and are coordinating the development of the 2028–2031 strategy and work plan initiative. We encourage the standard-setting boards to continue working closely together as their project plans evolve to ensure that assurance^[FN1] and ethics standards remain aligned, coherent and fit for purpose.

In coordinating between the SSBs, it is important to maintain shared goals and objectives while avoiding fragmentation or misalignment between assurance and ethics standards. A coordinated approach will be critical in ensuring consistent application and avoiding unnecessary complexity for practitioners.

We observe that the professional landscape in which firms operate is becoming increasingly complex. This includes factors such as growth in alternative practice structures, the use of artificial intelligence (AI), the expansion into additional non-assurance services and professionals undertaking multiple roles. This complexity presents ongoing challenges to independence and ethical compliance, reinforcing the need for standards that are well-coordinated, practical and capable of being applied consistently across jurisdictions.

10. Member Bodies or Other Professional Accountancy Organizations

Accountancy Europe (AE)

Accountancy Europe supports the initiative for a joint consultation between IAASB and IESBA and encourages enhanced coordination between the two boards. We also appreciate the joint efforts of the IAASB and IESBA and would strongly encourage further joint initiatives. Where projects have impact on the Code and standards the IAASB and IESBA must ensure an integrated approach and simultaneously open for public comments and consideration. However, it is important to recognise that the two boards have fundamentally different mandates.

Association of Chartered Certified Accountants (ACCA)

Overall, early identification of areas of common interest and continued coordination between the SSBs will be important to ensure that their respective outputs remain interoperable, practical, and effective in serving the public interest.

Chartered Accountants Australia and New Zealand (CAANZ)

In determining their strategies, we encourage the SSBs to explicitly consider the following interrelated issues. Collaboration

We appreciate the IAASB and IESBA undertaking this survey jointly. The work of the two SSBs is closely connected and effective collaboration is essential to maintain interoperability and audit and assurance quality.

There have been several instances where amendments have been made to the IESBA Code of Ethics that need to be 'operationalised' through amendments to the IAASB Standards. Two recent examples include: IESBA's Using the Work of an External Expert and Definitions of Listed Entity and Public Interest Entity projects. In both these cases, Code amendments were finalised before corresponding IAASB conforming amendments were developed, limiting stakeholders' ability to assess the full implications of the changes. We encourage the SSBs to coordinate amendments using aligned timelines, enabling stakeholders to consider Code and standards changes together and ensuring alignment from the outset.

However, we also note that it is important for the IESBA to also focus on non-assurance PAs and proposed changes impact them.

Chartered Accountants Ireland (CAI)

5. Improve interoperability between IESBA and IAASB, and other standard setters: Enhance coordination so that changes to ethics and auditing standards are developed in lockstep, with aligned effective dates and consistent definitions across standard setting frameworks. , In particular, closer alignment of key definitions in the IESBA Code with those used by other major standard setters (e.g. the SEC and PCAOB) would significantly simplify application for firms operating internationally. Areas such as independence (including treatment of affiliates) and professional skepticism illustrate how differences in underlying definitions, rather than policy intent, can create unnecessary complexity. Such collaborative approaches can enhance consistency, usability and confidence in the standards, while avoiding duplication or reopening matters already addressed by local regulators.

Consejo General de Economistas de España

- Governance and evaluation of the control environment of the structures of service firms, specifically with the entry of Private Equity. Alternative ownership structures, including private equity investment in auditing and professional services firms, should be a joint IAASB–IESBA priority. These structures can provide capital for technology, talent, succession, and growth, but they can also create risks to the independence, ethical culture, resource allocation, effective professional control, and long-term resilience of the audit market. Any external investment model should be compatible with the public interest only if it is

demonstrated, in practice and not only formally, that independence, audit quality and professional control by qualified auditors are preserved.

- In terms of "Protection and confidentiality": develop non-binding material for SMPs and SMEs using AI tools, focusing on confidentiality, data protection, traceability, transparency, control over technology providers and limits on the use or reuse of information. This guide should help small and medium-sized firms evaluate AI tools without imposing burdens equivalent to those of large firms with their own technology departments.
- Considerations on the independence of auditors, related to the use of AI and other professionals who use IESBA standards before AI developers or providers. IESBA should analyze the independence risks arising from the use of common technology providers by the audit firm and the audited entity, especially when these providers intervene in financial information systems, AI tools, automation of controls or generation of data used as evidence. Threats of self-review, technological dependence, confidentiality, access to data and appearance of independence must be analyzed.
- Cybersecurity Non-binding guide that analyzes the main issues on cybersecurity and good practices. Cybersecurity should be treated as a matter of managing the quality, confidentiality and operational continuity of audit firms, not just as a technological risk. The non-binding guidance should address how firms, especially SMPs, should consider cybersecurity risks in customer acceptance and continuity, information protection, third-party vendors, access control, incidents, cloud tools, and quality management systems.
- Talent, practical training and learning curve The use of AI, and in particular on future auditors, is its learning curve and the management of generational change, as it produces an alteration of the learning process that was traditionally carried out through practical experience. AI can improve efficiency, but also alter the learning curve of junior auditors, by automating tasks through which they traditionally acquired practical knowledge about evidence, exceptions, documentation, risks, and professional judgment. IAASB and IESBA should consider the impact of AI on practical training, professional competence, team supervision and generational renewal. The activity of auditing accounts must prevent automation from reducing the exposure of new auditors to the fundamentals of professional work and judgment

Relevant topics where IAASB and IESBA should work together or in a coordinated manner (included in section V):

- Governance and evaluation of the control environment in the use of AI: Guides on the use of new technological tools and AI in audited companies in terms of risk identification and evaluation of internal control. Future guidelines should cover the impact on AI-generated evidence, algorithmic transparency, bias, human oversight, confidentiality, and documentation of professional reasoning when using technological tools. Regarding the acceptance of the assignment and execution of the audit work cover requirements of transparency in tools, algorithms and biases when incorporating AI into processes, procedures and decision making.

Global Accountancy Alliance (GAA)

Technology Monitoring and Cross-Board Coordination

Technology should remain an area of active monitoring and coordinated attention by both boards, but monitoring should not be assumed to justify new requirements. In the IESBA context, we are not currently aware of evidence that the Code is deficient in responding to technological developments, including AI-related issues, because existing principles-based requirements, recent revisions to the Code, and nonauthoritative materials already address the ethical concerns that we are currently aware of. More broadly, because technology creates significant overlap between ethics and assurance, the SSBs should strengthen deliberate coordination from project selection through development so that duplication, inconsistency, and unintended overlap are minimized

Institute of Chartered Accountants in England and Wales (ICAEW)

ICAEW welcomes this early opportunity to contribute to the strategy and work plans of both Standard Setting Bodies (SSBs), and strongly encourages close co-operation between IAASB and IESBA on standard setting initiatives.

Institute of Chartered Accountants of Scotland (ICAS)

Technology Monitoring and Cross-Board Coordination

Technology is a key societal trend and therefore should be subject to ongoing monitoring by both boards given the pace of innovation. From an IESBA perspective, we are not aware of evidence that the Code is currently deficient in addressing technological developments, including AI. Existing principles-based requirements, recent revisions, and non-authoritative materials appear to address the key ethical issues that have been identified, including AI hallucinations. Given the overlap between ethics and assurance, stronger coordination between the boards is needed to avoid duplication and inconsistency.

International Federation of Accountants (IFAC)

- Enhance coordination, but avoid duplication- Coordination between IAASB and IESBA should be purposeful and based on clearly defined shared issues. Not all trends require joint action, and each Board should act within its remit where a clear standards gap exists. Coordination should also extend to other relevant standard setters to support compatible terminology, definitions, timelines, and implementation.

Malaysian Institute of Accountants (MIA Malaysia)

The SSBs' work under the 2024–2027 cycle has centered largely on standard-setting — with sustainability reporting taking the lead — and on building stronger working relationships, both between the two Boards and with the broader stakeholder community. In our view, the themes of closer coordination and greater responsiveness that shaped this period remain highly relevant, and should continue to carry through into the 2028–2031 cycle.

Alignment

In order to maintain global confidence in international standard-setting, it is essential that the IAASB and IESBA remain closely aligned in their work. Where one Board carries a strategic objective on coordination, the other should, in our view, have a counterpart objective in place. In practical terms, this means continuing to align on strategies, project timelines and — where it makes sense — issuing exposure drafts jointly, so that stakeholders can see the combined picture of what is being proposed. Aligning effective dates should be the default, with divergence only where there is a clear and compelling justification.

South African Institute of Chartered Accountants (SAICA)

Collectively, the SSBs should prioritise:

- Strengthening interoperability between auditing, assurance, ethics, and independence standards, especially in sustainability reporting and assurance.
- Supporting effective implementation, not only through standards but also through non-authoritative guidance, capacity building, and outreach.
- Enhancing agility in standard setting to respond more quickly to technological developments, new business models, and emerging risks.
- Deepening engagement with regulators, investors, those charged with governance, and users of information, particularly from under-represented regions.

11. Academics

Nicole Ratzinger-Sakel (University of Hamburg Business School)

Improved coordination between IAASB and IESBA, especially for joint projects or projects that have an impact on the other SSB's activities.

12. Others

AIDS Committee of Toronto

Strengthen coordination with IESBA and other leading standard setters and regulators to leverage better collective actions in the public interest

02.08. Coordination with Other Standard Setters, Regulators & the Wider Ecosystem

01. Monitoring Group

International Federation of Independent Audit Regulators (IFIAR)

IFIAR stresses the need for greater coordination across the global standard setting and regulatory ecosystem, including accounting, auditing, ethics and independence standard setters, securities and audit regulators. Strong coordination is critical to support consistent, high-quality application of standards worldwide. IFIAR encourages further coordination of the IAASB and IESBA on projects that have significant overlap, including on the current workstream on firm culture and governance and future projects. In this context, IFIAR notes that ethical considerations, which are fundamental for quality audits, represent one component of the broader and interconnected principles dealt with in international standards on quality management (ISQM 1).

We appreciate the efforts by the IAASB and IESBA to seek input on their strategy and activities to ensure their activities and pronouncements continue to serve the public interest through high quality, interoperable, and complementary auditing, assurance, ethics and independence standards.

02. Users of Financial or Non-Financial Information

Impax Asset Management

2. Adoption and effective implementation

During 2028–2031, success should be measured not only by formal adoption, but by consistent and high-quality implementation. To that end, the SSBs should:

- Invest more systematically in implementation guidance, capacity-building and jurisdictional dialogue, particularly in emerging and developing markets.
- Work closely with regulators, oversight bodies and professional organisations to identify implementation challenges early and respond through targeted guidance rather than piecemeal amendments.
- Use post-implementation reviews and stakeholder feedback to assess whether standards are delivering meaningful improvements in assurance quality and ethical outcomes, not just compliance.

Kei Tsuchiya (The Securities Analysts Association of Japan)

Coordination among the SSBs and with other standard setters and regulators

I welcome the IAASB's and IESBA's decision to conduct this joint stakeholder survey. I understand that the SSBs are independent Boards, each with its own remit, and that they undertake their standard-setting activities independently. At the same time, through the process of developing users' comment letters on the SSBs' exposure drafts relating to sustainability, I have come to strongly recognize that the SSBs work closely together and that such coordination is indispensable.

With respect to sustainability-related information, the introduction of mandatory disclosures in accordance with sustainability disclosure standards and assurance in accordance with the relevant standards developed by the SSBs is progressing across jurisdictions. In the early stages of adoption, a range of implementation challenges typically arise, and these challenges are likely to continue into the next strategic period. In

addition, how professional-agnostic standards will function in practice under different regulatory frameworks across jurisdictions may become an increasingly important issue.

Against this background, I consider that the importance of coordination among the SSBs will continue to increase. Furthermore, in order to understand implementation realities and address emerging challenges, coordination with sustainability disclosure standard setters such as the ISSB, as well as with IOSCO and regulators in individual jurisdictions, is also indispensable. In this regard, the IAASB Strategic Objectives for Its Current Strategy Period, 2024–2027, explicitly include the objective to "Strengthen coordination with IESBA and other leading standard setters and regulators to leverage better collective actions in the public interest," whereas no equivalent objective is articulated in the IESBA's strategic objectives.

For the next strategic period, I believe that the strategic objectives of the SSBs should explicitly include strengthening coordination among the SSBs and with other standard setters and regulators, in order to leverage better collective actions in the public interest.

03. Preparers or Issuers of Financial Statements or Other Information

Japan Business Federation – Keidanren

To promote and establish the disclosure and assurance of sustainability information on a global basis, it is essential to ensure sufficient feasibility and consistency across frameworks.

As in the field of financial accounting, the ideal would be to establish a system under which disclosure and assurance requirements in all jurisdictions can be met through a single set of disclosure standards and an assurance framework. Resolving the proliferation of standards and frameworks—often referred to as "alphabet soup"—is an urgent priority.

At present, however, each jurisdiction is independently developing its own framework, and inconsistencies in underlying approaches, terminology, and concepts are undermining the overall coherence of sustainability disclosure and assurance. As a result, global companies are required to respond to multiple reporting requirements and assurance engagements, creating an excessive burden. If this situation persists, it may lead companies to reconsider their listings or scale back their business operations.

Disclosure and assurance frameworks should not become a constraint on corporate activities, and these burdens should be addressed without delay. To this end, it is essential that global and jurisdictional standard-setters and relevant authorities work in coordination to advance the development of frameworks, including their legal underpinnings.

In light of the above, we strongly expect the SSB to position ensuring consistency between jurisdictional and global frameworks as a core objective of its next strategic plan and to take a leading role in promoting alignment across frameworks from a neutral and high-level perspective.

05. Regulators and Oversight Authorities

Botswana Accountancy Oversight Authority (BAOA)

- Ensure that there are regulators representatives (could be regional representatives) in the task teams to enhance coordination and support the effective application of sustainability standards and other new or emerging issues.

Canadian Public Accountability Board (CPAB)

CPAB supports the IAASB and IESBA's continued focus on relevance, responsiveness, and global consistency. In that context, there remains a clear need for strong coordination across the global standard setting and regulatory ecosystem. Greater coordination among accounting, auditing, ethics and

independence standard setters, securities regulators, and oversight bodies is critical to ensuring coherent and effective outcomes.

Enhanced engagement with the accounting standard setters is also increasingly important to ensure that new and evolving accounting standards are auditable in practice and can be implemented consistently across jurisdictions. Fragmented or misaligned developments across the ecosystem risk creating unnecessary complexity, undermining audit quality, and eroding public trust.

Independent Regulatory Board for Auditors (IRBA)

2. Holistic and Integrated Guidance

Aspiration: Support more integrated, cross disciplinary guidance that reflects how standards are applied together in practice and supports consistent interpretation and oversight.

- **Integrated Guidance Across Audit and Ethics:** We support the SSBs' ongoing coordination with one another and with other standard setting bodies, recognising their distinct mandates and purposes. Building on this foundation, there is an opportunity to further enhance the usability of standards through more integrated guidance on topics that naturally cut across audit and ethics. Many contemporary developments, such as the use of advanced technologies, sustainability reporting, and evolving firm business models, raise interconnected considerations for auditors. Coordinated or jointly developed guidance, where appropriate, could provide a more cohesive reference point for practitioners, reduce fragmentation, and support enforceability by limiting divergent interpretation across related requirements.

Public Company Accounting Oversight Board (PCAOB) – Views of the PCAOB Chief Auditor

In considering the key trends identified in the Stakeholder survey, I believe the most important key trend and area for working together relates to digital transformation.

As artificial intelligence and other technologies are rapidly changing the financial reporting and audit processes, I stress the need for greater coordination across the global standard-setting and regulatory ecosystem, including accounting, auditing, ethics and independence standard setters, securities regulators, and oversight bodies. Strong coordination is critical to avoid fragmented or misaligned developments across standards, reduce unnecessary complexity in audit work and support consistent, high-quality application of standards worldwide.

06. Jurisdictional and National Standards Setters (JSS)

Auditing and Assurance Standards Board of Canada (AASBC)

- **Current approach to coordination between the SSB's standards and standard-setting activities.** We recognize and support increased coordination between the SSBs. However, given the IAASB standards are more widely adopted across jurisdictions than the IESBA code, revising IAASB standards solely in response to changes in the IESBA Code may hinder the continued adoption of IAASB standards in some jurisdictions.

- o To mitigate, the SSBs should:

Focus on interoperability rather than alignment, maintaining coordination where it adds clear value (for example, outreach and engagement), while remaining mindful of the adoption implications of standard revisions.

Remain open to alternative approaches to interoperability, such as the development of non authoritative materials, where these may achieve the same objectives without creating barriers to adoption.

Australian Auditing and Assurance Standards Board (AUASB)

Coordination between other standard setting boards

The AUASB considers that the coordination between the IAASB and the IASB and ISSB is important both as their standards are developed to minimise any potential assurance implementation issues where appropriate and to address ongoing issues such as the IASB addressing going concern disclosures through its standards.

Brazil Institute of Independent Auditors (IBRACON)

SSBs should aspire to achieve effective coordination with local bodies and regulators as part of its strategic objectives for further enhancing global operability and acceptance of the standards across jurisdictions, taking global consistency into consideration while facilitating the incorporation of the standards' core concepts to local contexts which may vary. For example, acting together and more closely with local regulators in a way they feel encouraged to refine the Public Interest Entity (PIE) and Publicly Traded Entity (PTE) definitions when appropriate in the circumstances, to the extent it is appropriately responsive to local contexts and demands, while maintaining the global consistency and operability of the standards.

New Zealand Auditing and Assurance Standards Board (NZAuASB)

DEEPEN COORDINATION WITH OTHER STANDARD SETTERS TO ENHANCE RESPONSIVENESS
Coordination between the IAASB/IESBA and other standard-setting boards could be enhanced, particularly with the IASB and ISSB as new reporting standards are developed. Early, structured engagement would improve responsiveness and support the verifiability of new reporting requirements and help to identify and minimise any potential assurance implementation challenges before standards are finalised.

07. Accounting Firms

Deloitte Touch Tohmatsu Limited

Greater integration with the broader standard-setting ecosystem will also help alleviate the risk of fragmentation.

Ernst & Young Global Limited (EY)

- Work with professional accountancy organizations (PAOs) through the International Federation of Accountants (IFAC), as well as jurisdictional standard setters (JSS) and regulators, to reduce fragmentation and support interoperability among auditing and assurance requirements, ethics and independence provisions, and jurisdictional regulation. This coordination should also involve identifying and leveraging initiatives by these organizations to develop NAM to assist with implementation of standards. It is important that NAM issued by the Boards are interoperable across jurisdictions, particularly to avoid conflicts in the interpretation of the Boards' standards.

6. Enhance and formalize processes for soliciting practitioner input in the development of new standards, including NAM, of both Boards. This includes improving coordination processes with the JSS, the Global Public Policy Committee (GPPC) and the Forum of Firms (FoF). Existing due processes should also be evaluated and updated to address appropriate review protocols as well as the conditions for approval of the NAM by the Boards, such as issuing fatal flaw invitations to comment, or other required outreach to get the appropriate level of technical and other stakeholder input relevant to determining that the NAM is fit for purpose before issuance.

KPMG International Limited

We emphasize the importance of wide-spread global adoption of the standards by jurisdictional standard setters. This requires close engagement by the SSBs with regulators and standard-setting bodies to set out the benefits of using the IAASB standards, underpinned by the IESBA Code, and to understand and address any barriers to adoption and consider practical challenges in jurisdictional application.

PricewaterhouseCoopers International Limited (PWC)

The strategies and workplans of the SSBs for the 2024–2027 period were primarily focused on standard-setting, particularly in relation to sustainability reporting, and on enhanced collaboration, both

among the SSBs and with external stakeholders. The strategic objectives relating to strengthened coordination and agility from that period remain important as the SSBs move into the 2028–2031 strategy and workplan cycle.

10. Member Bodies or Other Professional Accountancy Organizations

Chartered Accountants Ireland (CAI)

5. Improve interoperability between IESBA and IAASB, and other standard setters: Enhance coordination so that changes to ethics and auditing standards are developed in lockstep, with aligned effective dates and consistent definitions across standard setting frameworks. , In particular, closer alignment of key definitions in the IESBA Code with those used by other major standard setters (e.g. the SEC and PCAOB) would significantly simplify application for firms operating internationally. Areas such as independence (including treatment of affiliates) and professional skepticism illustrate how differences in underlying definitions, rather than policy intent, can create unnecessary complexity. Such collaborative approaches can enhance consistency, usability and confidence in the standards, while avoiding duplication or reopening matters already addressed by local regulators.

CPA Australia

- The SSB's need to better aligned with the work of the IASB. Unison is critical to ensure that the whole eco system is working to ensure there is not a disparity between financial statement preparers and assurers. The most relevant example is the changes to ISA 570 without any changes being made to the relevant IAS.
- 4) Ability to serve the public interest

International Federation of Accountants (IFAC)

IFAC supports the SSBs' need to remain relevant, responsive and impactful in a rapidly changing environment. However, responsiveness should not be equated with continually expanding standards or initiating new standard-setting projects in response to every emerging trend.

A central consideration for the 2028–2031 period is therefore what the role of a standard setter should be in areas such as technology, sustainability and evolving business models. In many cases, the appropriate response may instead be monitoring, implementation support, education, non-authoritative material, coordination with other bodies, or no action rather than standard setting.

Malaysian Institute of Accountants (MIA Malaysia)

The SSBs' work under the 2024–2027 cycle has centered largely on standard-setting — with sustainability reporting taking the lead — and on building stronger working relationships, both between the two Boards and with the broader stakeholder community. In our view, the themes of closer coordination and greater responsiveness that shaped this period remain highly relevant, and should continue to carry through into the 2028–2031 cycle.

Pan African Federation of Accountants (PAFA)

First, the SSBs should deepen inclusive participation in standard setting, moving beyond consultation to structured co-creation with emerging economies. This includes stronger and earlier engagement with African PAOs, regulators, and regional bodies such as PAFA to ensure African perspectives are systematically integrated into agenda setting and technical development.

Third, the SSBs should embed capacity building into the standard-setting ecosystem, working with global and regional partners to strengthen readiness for adoption through training, implementation support, and "train-the-trainer" models within PAOs

South African Institute of Chartered Accountants (SAICA)

Broader Adoption and Effective Implementation of Standards

While adoption of IAASB and IESBA standards is extensive, variability in implementation quality persists. For 2028–2031, the SSBs should aim to:

- 1) Strengthen implementation support as a core strategic pillar, not an addition or extension to standard setting.
- 2) Develop more practical, scalable guidance tailored to different firm sizes, jurisdictions, and stages of maturity, for public interest entities, SMEs, and audits in emerging economies.
- 3) Collaborate more closely with audit regulators, professional bodies, and networks to promote consistent interpretation and application.
- 4) Use post implementation reviews to identify systemic implementation challenges and respond decisively through clarifications, amendments, practical guidance or withdrawal of ineffective requirements. This will also help to ensure standards remain fit for purpose.

Strengthening collaboration with regulators, firms, and educators could help ensure that standards translate into consistent, high-quality practices.

11. Academics

European Accounting Association (EAA) Auditing, Assurance and Ethics Standard Committee

Engaging meaningfully with a diverse range of stakeholders, including those from emerging and developing economies, will be important to ensure that standards continue to reflect and serve the global public interest. The Committee looks forward to continued engagement with both the IAASB and the IESBA as these important areas evolve

12. Others

AIDS Committee of Toronto

Strengthen coordination with IESBA and other leading standard setters and regulators to leverage better collective actions in the public interest

02.09. Broader, Balanced & Inclusive Stakeholder Engagement

01. Monitoring Group

International Federation of Independent Audit Regulators (IFIAR)

IFIAR stresses the need for greater coordination across the global standard setting and regulatory ecosystem, including accounting, auditing, ethics and independence standard setters, securities and audit regulators. Strong coordination is critical to support consistent, high-quality application of standards worldwide. IFIAR encourages further coordination of the IAASB and IESBA on projects that have significant overlap, including on the current workstream on firm culture and governance and future projects. In this context, IFIAR notes that ethical considerations, which are fundamental for quality audits, represent one component of the broader and interconnected principles dealt with in international standards on quality management (ISQM 1).

We appreciate the efforts by the IAASB and IESBA to seek input on their strategy and activities to ensure their activities and pronouncements continue to serve the public interest through high quality, interoperable, and complementary auditing, assurance, ethics and independence standards.

International Organization of Securities Commissions (IOSCO) Committee

1. Strengthen Responsiveness and Transparency in Stakeholder Engagement We encourage the Boards to maintain regular and open dialogue with a diverse range of stakeholders and to enhance transparency around how stakeholder feedback informs both the identification of standard-setting priorities and the direction of project decisions. Demonstrating how input is evaluated, prioritized, and incorporated will reinforce confidence in the Boards' due process and the responsiveness of their standard-setting activities.

In this context, a more formalized and consistent due process framework is needed and can be applied by both Boards, which could further strengthen transparency and accountability, particularly with respect to how stakeholder input is considered and how decisions are made regarding the development of standard-setting projects and non-authoritative material. We also encourage the Boards to proactively involve relevant experts throughout the standard-setting process, whether Board members, staff members, secondees, technical advisors, or expert groups, and to transparently communicate how this expertise informs project planning and decisions.

02. Users of Financial or Non-Financial Information

Impax Asset Management

3. Stakeholder engagement and inclusiveness

The SSBs should continue to broaden and deepen engagement beyond the profession, with particular emphasis on: • Investors and other users of information, whose decision-making relies on the credibility of audited and assured information. • Preparers and assurance practitioners in sustainability reporting, especially where new practices are emerging. • Regulators and oversight bodies, to support coherence across standard-setting, supervision and enforcement.

From Impax's perspective, ongoing, structured dialogue with investors and civil society will be essential to ensure standards reflect public interest expectations, not solely professional feasibility.

International Corporate Governance Network (ICGN)

Finally, the SSBs should continue to expand direct outreach with users of financial and non-financial information, particularly investors. Investors are key beneficiaries of high-quality audit, assurance, ethics and independence standards, and their perspectives should be central to not only standard-setting, but also to implementation support, post-implementation reviews and ongoing dialogue on emerging public interest issues

Takeshi Kimura (Nippon Life Insurance Company (Board Member, PRI) (Steering Committee Member, TISFD))

Finally, it is important to strengthen continuous and structured dialogue with users, particularly institutional investors with a long term perspective. As investor needs expand from entity-level analysis toward broader system-level considerations, reflecting these perspectives early and consistently in the standard-setting process will enhance the relevance and future-readiness of standards.

The European Federation of Investors and Financial Services Users (BETTER FINANCE)

Broader stakeholder engagement should remain a strategic priority. The SSBs should continue expanding engagement beyond the accounting and audit profession to include investors, consumer representatives, civil society organizations, academics and users of financial and sustainability information. This is particularly important in areas where standards increasingly affect broader societal and market outcomes.

03. Preparers or Issuers of Financial Statements or Other Information

Ajinomoto Co., Inc.

The SSBs' interaction and engagement with key stakeholder groups.

05. Regulators and Oversight Authorities

Botswana Accountancy Oversight Authority (BAOA)

- Hold more regular open forums to engage key stakeholders and assess standard-setting bodies to determine whether their needs are being addressed, thereby broadening outreach and maintaining stakeholder trust in the relevance of standards.

Committee of European Auditing Oversight Bodies (CEAOB)

7. Finally, the CEAOB reiterates the importance, as key driver for the upcoming strategy for standard-setting purposes, for the SSBs to take into consideration the needs and expectations of a wide range of stakeholders from the corporate reporting ecosystem through appropriate outreach mechanisms, to ensure that the standards remain responsive and continue to serve the public interest.

Irish Auditing & Accounting Supervisory Authority (IAASA)

Both SSBs should remain adaptable and responsive to change, recognising that their work plans may need to evolve in the public interest. In this context, continued and proactive engagement with a diverse range of stakeholders beyond the profession will be important. In addition, the SSBs should systematically monitor developments in audit and sustainability assurance to ensure their standards remain fit for purpose

National Association of State Boards of Accountancy (NASBA)

NASBA applauds recent efforts by the SSBs in establishing the joint User Advisory Group (UAG), creating a dedicated channel for users of financial statements and other external reporting to directly inform global standard setting. Interaction with the UAG will provide timely feedback to help ensure that standards remain relevant, practical and responsive to evolving market needs.

Public Accountants and Auditors Board Zimbabwe (PAABZ)

Focus area 3: Interaction and Engagement with Stakeholders

We aspire to a strategy that formalizes the inclusion of regional regulators in the standard-setting process earlier. As PAAB Zimbabwe, we represent a jurisdiction which have realities that may differ to those of other continents. We commend the current joint survey and hope to see this become the standard for 2028–2031.

UK Financial Reporting Council (UK FRC)

The SSBs' ability to serve the public interest could be enhanced by effective horizon scanning to identify emerging issues and seeking to be proactive where possible rather than reactive. Working with stakeholders can help this.

06. Jurisdictional and National Standards Setters (JSS)

Accounting Professional & Ethical Standards Board (APESB)

APESB considers the strategy period a significant opportunity for the IESBA to obtain input from a broader and more representative range of stakeholder perspectives on its work. Users, preparers and investors are often underrepresented in consultations, and APESB believes that more deliberate engagement with these groups will help ensure that the IESBA's strategic priorities are well-informed.

American Institute of Certified Public Accountants - Professional Ethics Executive Committee and Auditing Standards Board (AICPA PEEC & AICPA ASB)

- Obtaining input from stakeholders. Both the IAASB and IESBA would benefit from seeking input from key stakeholders beyond that received through comment letter responses on proposed standards, particularly

when the objectives of a new or revised standard are intended to drive behavioral change to improve quality and when public interest needs are cited as an impetus for change.

In this regard, IESBA's established use of roundtables — and its recent introduction of pilot testing — provides a strong foundation that could be further leveraged. Similarly, we encourage the IAASB to be more intentional about conducting field testing to gain an understanding about issues in practice that cannot be identified through general outreach. The benefits of such work can (1) raise awareness earlier among the stakeholders interested in auditor/practitioner performance and performance reporting requirements and help the SSB consider various alternatives, (2) identify whether proposed standard setting actions do or do not address the quality objectives and public interest needs of users and other stakeholders, (3) inform the adoption and implementation of performance and reporting requirements, such as phased implementation for smaller and medium size audit firms that would benefit from such measures, (4) provide for more tailored and specific training upon final adoption of a new or revised standard, and (5) encourage wider acceptance and adoption of SSB standards.

Strengthen global adoption

It is critical to strengthen global adoption and consistent implementation through practical, scalable guidance and engagement with a broad range of stakeholders, often with an emphasis on the practitioners responsible for applying the SSBs standards. We observe that greater prescriptiveness of a standard — especially one trying to address the objectives of those charged with inspection and enforcement — can negate proportionality and scalability objectives.

Additionally, effective implementation of scalable standards requires a period of stability to allow adequate time for assessing the effects of recent amendments. We recommend more rigorous analysis of the benefits to quality relative to the costs of implementation to inform scalability and ability to implement globally. Against that backdrop, we strongly recommend that IESBA not pursue significant new amendments to the IESBA code during 2027–2031.

The standard-setting activities of the SSBs should also result in standards that are proportionate as explained in the Public Interest Framework. This includes a continual focus on interoperability of SSB standards. One recent example is the two SSBs' independent projects on the use of external experts. We anticipate professional accountants will experience confusion and duplication of effort because of the SSBs' work on this topic.

Auditing and Assurance Standards Board of Canada (AASBC)

From the perspective of a jurisdictional standard setter, and informed by our ongoing engagement with interested and affected parties in Canada, we see several risks to the SSBs' continued relevance and responsiveness—and, ultimately, to global adoption and serving the public interest:

- Increasing complexity of standards and perceived imbalanced focus on serving a narrower group of entities. Over the past decade, standards have increased significantly in complexity, with a perceived emphasis on serving the needs of larger and more complex entities. This has created growing application challenges, particularly for SMPs and engagements for smaller entities, and risks undermining the accessibility and scalability of the standards.

- o To mitigate, in the next strategy period it is important that the SSBs ensure:

Balanced and inclusive engagement, ensuring broad and diverse input from all key groups, including increased engagement with SMPs, without disproportionate influence by any single group.

A focus on reduced complexity and enhanced scalability, including greater emphasis on simplification and on supporting the application of professional judgment across entities and engagements of varying size and complexity.

Australian Auditing and Assurance Standards Board (AUASB)

Outreach and Consultation

Ultimately, assurance exists to serve the needs of users; however, these stakeholders are often underrepresented in consultation submissions. Given that user groups are frequently multinational, the IAASB is uniquely positioned to engage with them directly. The AUASB encourages the IAASB to continue

and, where possible, enhance their engagement with users and preparers as part of their project outreach activities.

Institut der Wirtschaftsprüfer (IDW)

5. Engagement with key stakeholder groups should be rebalanced to ensure that all those significantly affected by standards are adequately represented in the standard-setting process. Engagement with the profession should not only include international firms and global professional accountancy organizations, but in particular national standard setters that are often responsible or involved in the adoption of international standards. Engagement processes should avoid over-reliance on input from regulators and instead ensure a more proportionate and inclusive consideration of perspectives from the profession.

Japanese Institute of Certified Public Accountants (JICPA)

Furthermore, while we recognize the importance of continuous engagement with all stakeholders, we consider it even more critical to enhance the operability and acceptability of the standards for professional accountants who apply them in practice. Even after standards have been issued, we believe that strengthening support for their adoption and implementation in each jurisdiction—through initiatives such as communication and education, the promotion of understanding, and the identification, resolution, and sharing of practical implementation issues—should be a key role for the SSBs in the next strategy period.

New Zealand Auditing and Assurance Standards Board (NZAuASB)

KEEP STANDARD SETTING RELEVANT WITH USERS' NEEDS AT THE CENTRE

A continuing focus of the NZAuASB is engagement with users. While regulators and practitioners play a critical role, assurance ultimately exists to meet users' needs, and users are often under-represented in consultation processes. Given that many users operate across jurisdictions, the IAASB and IESBA are uniquely positioned to engage directly with relevant users.

We commend the establishment of the Joint IAASB-IESBA User Advisory Group. Going forward, we think that this could be an invaluable resource for users to input directly into the standard setting process and encourage transparency over the feedback received and how this influences outcomes.

The NZAuASB also encourages the SSBs to continue to engage with a diverse range of practitioners and other experts as reliance on other experts in areas such as technology, or sustainability or other assurance practitioners is likely to continue to increase in the next period.

Nordic Federation of Public Accountants (NRF)

5. Balanced stakeholder input

External stakeholder input is vital to the boards' understanding of how standards and the Code are perceived and applied in practice. At the same time, it is important not to weigh the views of regulators disproportionately compared to other stakeholders. As the standards and the Code are ultimately applied by practitioners, their perspectives provide essential insight into practical implementation and usability. Input from users, investors, and other external parties also contributes valuable context, particularly regarding expectations and emerging needs. A balanced consideration of these perspectives will help ensure that the boards' outputs remain relevant, practical, and broadly supported.

Royal Netherlands Institute of Chartered Accountants (NBA)

- Measures to promote transparency in due process and governance are vital for fostering stakeholder trust in standards, as well as their consistent adoption and implementation:

- Stakeholder Input – Emphasizing the necessity of balanced participation from all stakeholders, while ensuring adequate involvement from practitioners to enhance the practicality and effectiveness of high-quality standards, particularly in a rapidly changing environment.

- Transparency – Proposing approaches to reinforce stakeholder confidence through increased transparency in Board decisions, including clear communication on how feedback was incorporated when determining the rationale for initiating standard-setting; addressing matters of public interest; and documenting final decisions regarding the standards.

Saudi Organization for Chartered and Professional Accountants (SOCPA)

SOCPA believes that the SSBs should continue their work to enhance the relevance, responsiveness and impact of their standard setting projects and related activities; this is important in an era of rapid changes and instability. We believe that the SSBs should also continue enhancing its balanced interaction and engagement with key stakeholder groups and its ability to serve the public interest in different parts of the world.

07. Accounting Firms

BDO International Limited

- There is an opportunity to work closer with practitioners and preparers in the standard setting and Non-Authoritative Material (NAM) development phases at an earlier stage in projects (whether as SSB members, Staff, SMEs/technical advisors on working groups/task forces or with increased representation by practitioners at the SSBs)
- This involvement should be earlier on in the process at project development (not when standards are nearing finalisation and moving to the exposure draft stage of a project) to make best use of their knowledge and experience in applying standards and using NAM
- There should also be a joint program of 'CPD' for all SSB members to ensure that they are hearing regularly from SMEs/technical experts and practitioners regarding how the profession is changing and what this means for both the role of professional accountants as well as the future of the profession

Ernst & Young Global Limited (EY)

6. Enhance and formalize processes for soliciting practitioner input in the development of new standards, including NAM, of both Boards. This includes improving coordination processes with the JSS, the Global Public Policy Committee (GPPC) and the Forum of Firms (FoF). Existing due processes should also be evaluated and updated to address appropriate review protocols as well as the conditions for approval of the NAM by the Boards, such as issuing fatal flaw invitations to comment, or other required outreach to get the appropriate level of technical and other stakeholder input relevant to determining that the NAM is fit for purpose before issuance.

Forvis Mazars Global Limited (Mazars)

For both boards, when determining the need for a standard setting project, there needs to be a focus on whether standard setting meets the needs of all stakeholders, including for example auditors, investors and other users of financial statements, audit committees and national standard setters rather than focusing on the needs of public interest entity regulators above others, to ensure that their standards are relevant and have broad applicability, making them more likely to be widely adopted both geographically and across audits and assurance engagements of all types of entity. The Boards should also communicate the decision-making process with greater transparency on how comments were weighted and balanced for all stakeholders.

KPMG International Limited

In addition, we believe it is important that the IAASB take the lead in terms of shaping the future of assurance, convening working groups of different parties, including regulators, standard-setters, the profession, and other stakeholders to discuss emerging issues and explore practical solutions, including

developing materials to demonstrate how the assurance standards can be effectively applied to different subject matters

Kudos International

The SSBs need to pay more attention to ensure scalability of standards and how they will be implemented. This can be done by ensuring outreach to 95% of SMPs rather than the 5% of SMPs that seek to engage. SSBs need to engage with a far greater pool of SMPs rather than the 'poster children' that will engage with them.

RSM International Limited

Capacity and pace of change: Regulators, professional accounting organisations and other stakeholders are facing challenges in keeping pace with the volume and speed of new guidance and regulatory developments. This should be considered when setting the pace and prioritisation of future initiatives.

09. Public Sector Organizations

Sanford Rich (NYC Board of Education Retirement System)

Stability and clarity of reporting standards that focus on the usability and accuracy of financial reporting that reflects the demands of professional stakeholder groups. This requires significant stakeholder engagement.

10. Member Bodies or Other Professional Accountancy Organizations

Accountancy Europe (AE)

Stakeholder engagement processes should avoid an overreliance on input from regulators and instead ensure a more proportionate and inclusive consideration of perspectives across the profession, preparers, users, and other stakeholders especially from small and medium-sized practitioners and entities.

Association of Chartered Certified Accountants (ACCA)

Finally, ongoing engagement with a broad range of stakeholders remains essential to ensure that the SSBs' activities remain relevant and responsive to evolving market needs. In doing so, the SSBs should seek to consider and address the full spectrum of stakeholder perspectives and practical challenges, thereby reinforcing their ability to serve the public interest.

CPA Australia

3) Interaction and engagement with key stakeholder groups

- Broaden and rebalance engagement so that users, preparers, small medium practitioners (SMPs) are heard meaningfully (not only those with resources to submit formal responses). The strong perception is that standard setters are only interested in the views of the Big 6

Global Accountancy Alliance (GAA)

Stakeholder Engagement, Project Discipline, and Remit

The SSBs should engage earlier and more systematically with a broad range of stakeholders so that agenda-setting and project development are informed by practical experience, not disproportionately shaped by any single constituency. This should include greater emphasis on how standards are experienced by professional accountants who must apply them in practice, including in smaller firms and across diverse jurisdictions. The SSBs should also use the next strategy period to reassess whether existing and proposed projects remain justified. In this period, the focus should be on conducting post-

implementation reviews of previous projects and monitoring key developments, as set out below. The SSBs should avoid profession-agnostic expansion and adopt a rebuttable presumption that changes to the Code or standards are evidence-based and globally relevant.

Institute of Chartered Accountants in England and Wales (ICAEW)

c) When considering whether to create new standards or to develop application material, ICAEW would encourage the SSBs to listen and give equal weight to the diverse spectrum of stakeholders that represent the profession.

Institute of Chartered Accountants of Scotland (ICAS)

Stakeholder Engagement, Project Discipline, and Remit

There should be earlier and more frequent engagement by the SSBs with a broad range of stakeholders, including practitioners in smaller firms. Agenda-setting should be informed by practical experience and not be unduly shaped by any single constituency. The next strategy period should also be used to reassess whether projects remain justified. Additionally, further post-implementation reviews should be performed on recent revisions to the Code and monitoring key developments should be a key activity, e.g. in technology. The SSBs should adopt a rebuttable presumption that changes to the Code or standards are based on appropriate and sufficient evidence, and have global relevance. The SSBs should also avoid profession-agnostic expansion.

Institute of Public Accountants (IPA)

- increase its interaction and engagement not only with the larger developed economies but also include other smaller jurisdictions that may not have the geographic proximity or the resources to express their voices to the ISSB.

International Federation of Accountants (IFAC)

- Improve stakeholder engagement and balance perspectives- Engagement should be broadened and better balanced across stakeholder groups, including SMPs, preparers, PAOs, practitioners and emerging economies. Input from those directly applying standards should be obtained earlier in the process. More proactivity in engagement with under-represented groups is needed and a rebalancing of the extent to which their views are weighed against others. For example, there is considerable concern that large regulator and oversight body feedback is being disproportionately weighted at present.

Pavel Dimitrov (Union of Accountants in Bulgaria)

Second, deeper engagement with regulators, professional bodies, investors, public-sector entities, academia, and technology providers is essential to ensure that standards reflect real-world needs and evolving public-interest expectations.

South African Institute of Chartered Accountants (SAICA)

It is SAICA's view that in the 2028-2031 period, the Boards should place significantly greater emphasis and investment in developing such guidance, including practical examples, scalable applications, and digital delivery mechanisms. This need is amplified by the current pace of change in the profession, as well as the likelihood that this pace will continue to accelerate. Robust implementation support will be essential to help firms apply professional judgment confidently, manage complexity, and sustain audit quality without resorting to increasingly detailed or prescriptive standards. This will also require a lot more engagement and interaction with jurisdictional standard setters and professional bodies such as SAICA.

Engagement and Interaction with Key Stakeholders

The SSBs should aim to deepen and broaden engagement beyond traditional constituencies by:

- 1) Enhancing structured engagement with investors, audit committees, regulators, preparers, and civil society, particularly on public interest risks and emerging assurance needs.
- 2) Ensuring greater geographic and economic diversity in outreach, including stronger voices from emerging and developing economies.
- 3) Making consultations more accessible through clearer problem statements, focused questions, and feedback loops explaining how stakeholder input influenced outcomes.
- 4) Using roundtable discussions, engagements, pilots, and field testing more systematically to ground standards in operational reality.

These type of engagements and interactions could be effective to help the SSBs understand not only what stakeholders think, but why challenges arise in practice and what trade offs are acceptable in the public interest.

11. Academics

Nicole Ratzinger-Sakel (University of Hamburg Business School)

Raising the awareness of the positive impact of international standard setting among different stakeholder groups, also beyond the audit/accounting profession.

Reacting adequately to the uncertain geopolitical development and in this context the necessary interaction and engagement with key stakeholder groups.

02.10. Due Process & SSBs Governance

01. Monitoring Group

International Organization of Securities Commissions (IOSCO) Committee

1. Strengthen Responsiveness and Transparency in Stakeholder Engagement We encourage the Boards to maintain regular and open dialogue with a diverse range of stakeholders and to enhance transparency around how stakeholder feedback informs both the identification of standard-setting priorities and the direction of project decisions. Demonstrating how input is evaluated, prioritized, and incorporated will reinforce confidence in the Boards' due process and the responsiveness of their standard-setting activities. In this context, a more formalized and consistent due process framework is needed and can be applied by both Boards, which could further strengthen transparency and accountability, particularly with respect to how stakeholder input is considered and how decisions are made regarding the development of standard-setting projects and non-authoritative material. We also encourage the Boards to proactively involve relevant experts throughout the standard-setting process, whether Board members, staff members, secondees, technical advisors, or expert groups, and to transparently communicate how this expertise informs project planning and decisions.

02. Users of Financial or Non-Financial Information

CFA Institute

- Secure stable funding for the SSBs and its oversight body so that they can effectively carry out their mission. The source of funding must be independent from the firms subject to the SSBs' standards.
- Make progress towards full-time board membership and increase the representation of users on the SSBs

Impax Asset Management

4. Serving the public interest in a changing environment

Finally, the SSBs should aspire to be recognised as trusted public-interest institutions in an environment characterised by geopolitical fragmentation, regulatory divergence and growing scrutiny of ESG-related claims. This will require: • Strong coordination between the IAASB and IESBA to present a coherent and credible global framework for assurance and ethics.

- Transparency in decision-making and prioritisation, clearly articulating how strategic choices respond to public interest risks.
- Continued innovation in how the SSBs operate, while safeguarding independence and due process.

International Corporate Governance Network (ICGN)

The SSBs should resolve any outstanding questions relating to their own governance reforms in a way that enhances the effectiveness of standard-setting and the efficiency of oversight, without undermining confidence in the standard-setting system. The independence, due process and public interest focus of the SSBs remain critical to trust in their standards.

Sarasin & Partners

SSB governance and financing reform

Beyond our proposals to embed clearer investor accountability and stronger firm governance as key to unlocking alignment with the public interest and higher quality audits, the current governance and funding structure for the SSBs requires urgent review. Specifically, there are worrying signs that reforms introduced three years ago to insulate audit standards setting from the undue influence of the audit profession are being reversed. This is happening largely out of the public eye, and thus not getting the attention it deserves.

Context: The funding and oversight of the SSB's has long been a challenge due to the inherent free-rider problem. Audit standards are classic public goods, benefiting all users in the system. Governments and regulators, therefore have a clear role in providing these standards, just as they oversee, for instance, airline standards, or health and safety standards.

Currently, audit and assurance standard setting is housed within the International Foundation for Ethics and Audit (IFEA), a nonprofit organization. The IAASB and the IESBA develop standards independently, overseen by the Public Interest Oversight Board (PIOB). In addition, a Monitoring Group sits at the apex of the structure, bringing together representatives from key international entities that have an interest in an effective audit system, including the Basel Committee on Banking Supervision, the European Commission, the Financial Stability Board, the International Association of Insurance Supervisors, the International Forum of Independent Audit Regulators, the International Organization of Securities Commissions, and the World Bank. The Monitoring Group does not oversee individual standard-setting decisions, but monitors the overall governance of the system, appoints PIOB members, and issues recommendations for reform.

The current governance system was established in 2022-23 on advice from the Monitoring Group to replace oversight of standard setting that had previously been led and funded by the audit profession, through the International Federation of Accountants (IFAC)¹³. The goal of the reforms was to ensure independent standard setting and reinforce the public interest.

Problem: While the goals of the reform agenda were well-intentioned, challenges have come with implementation. Even with the new structures, the audit profession still exerts notable influence, both through participation in key decision-making structures and through their ongoing funding of IFEA, the SSBs and the PIOB. The situation has deteriorated markedly in 2025 and 2026.

Take the key oversight body for the SSBs, IFEA. Of the six trustees, two are appointed by IFAC, with the other four appointed by the PIOB. The PIOB's latest financial statements make clear that decision-making at IFEA Board is by consensus, not majority, giving the IFAC appointed trustees an effective veto¹⁴.

In terms of funding, IFAC and the large global audit networks have provided the lion's share of funding as well as in-kind contributions for the SSBs, channelled through IFEA. Based on the latest Financial Statements for IFEA, \$19.0mn of IFEA's total income of \$19.3mn (98%) came from IFAC with the balance provided by the Australian Department of the Treasury for sustainability assurance work¹⁵.

Turning to the PIOB, who's mandate is to provide independent oversight of IFEA's standard-setting activities, roughly half of all funding has come from IFAC (directly and via IFEA) in 2024 and 2025, representing a direct conflict of interest. How can the PIOB independently oversee IFEA and the SSBs, where it relies on IFEA for 50% of its funding?

This dependence on auditor funding is also a major risk, as the audit profession in line with the Monitoring Group's recommendations has sought to reduce its funding. In the last four years, the PIOB has issued Going Concern warnings due to its lack of revenue security, with operations only continuing due to emergency and non-recurring grants by IFEA/IFAC¹⁶.

As detailed in the Notes to the PIOB's 2025 Financial Statements, of particular concern was that in 2025 the budget shortfall of €0.7 million led not just to significant cost reductions (and thus oversight work) but an IFEA grant of €500,000 came with conditions to restructure the standard setting process. While the Conditional Grant Agreement is not publicly available, which itself raises transparency concerns, Note 3 (Income and Cost Recognition) and Note 2 (Going Concern) of the PIOB's 2025 Financial Statements provide insights as to its content:

- The original agreement September 4, 2025 (between the PIOB and IFEA) included provisions under which the PIOB may be required to return the grant amount unless the PIOB takes all reasonable and necessary steps to: 1) Jointly prepare with IFEA a Proposed Plan on the enhancement of efficiency and simplification of the current standard-setting structure comprising the PIOB and IFEA, by October 15, 2025; and 2) Support the presentation of the Proposed Plan to the Monitoring Group for consideration, input and amendment.
- December 2025 amendment: On December 18, 2025 the parties signed an amendment to the Conditional Grant Agreement which 1) removed the obligation to repay the funding after December 31, 2025, 2) extended the deadline for preparation of the proposed plan from October 15, 2025 to March 31, 2026; and 3) stated that assuming the Proposed Plan is approved by the Monitoring Group, IFAC and the PIOB, IFEA and PIOB agree to commence reasonable implementation steps by September 30, 2026, for realisation in January 2027.
- May 2026 update: Subsequent to the December amendment, a date of May 15, 2026 was agreed with the Monitoring Group Chair for submission of the Proposed Plan, and the implementation timeline will necessarily be over 2026 and 2027.

In addition to the Conditional Grant Agreement, a separate indemnification agreement was also signed on the same date as the Conditional Grant Agreement to cover €1 million legal liabilities of PIOB Trustees in the event of liquidation¹⁷. Given the level of financial and personal legal liability protection being provided by the audit industry via IFEA, it is hard to see how PIOB trustees can act independently.

For 2026, the Monitoring Group approved a budget, this time with another IFEA contribution of €750,000, leaving a residual shortfall of €0.17 million. Critically, according to Note 2 (Going Concern) of the PIOB's 2025 financial statements, "there are no assurances at this point that adequate funding for 2027 will be forthcoming."

To put it plainly, the body tasked with providing independent public interest oversight of international audit and ethics standard-setting, the PIOB:

- Has been subject to a going concern warning for four consecutive years and has no confirmed funding for 2027.
- Resolved its 2025 deficit only through a conditional grant from IFEA - the entity it oversees - which came with conditions attached requiring the PIOB to jointly prepare a "Proposed Plan on enhancement and simplification" of the standard-setting structure, with little transparency provided publicly on what this means.
- Is dependent on a €1 million liquidation indemnity (to cover legal liabilities of PIOB Trustees in the event of liquidation) from IFEA, further impairing its ability to act independently and robustly to protect the public interest.

This is a perilous position for the world's audit standard setting watchdog to be in. It is also disappointing given the small size of its annual budget of approximately €2.2 million - less than the annual package for senior partner at a Big Four firm.

To make matters worse, the apparent defunding of the PIOB and the rising risks that standard setting could move back under the purview of the audit industry is happening at a time of rising business and financial risks across the system. It is investors and the public who will suffer if auditing standards are weakened.

Conclusion

It has long been clear to us as global investors that an independent and rigorous audit system is critical to financial market stability and efficient functioning. It underpins trust in companies' accounts, enabling investors to allocate capital with greater confidence. This, in turn, supports economic growth.

Despite its importance, the governance, accountability frameworks and standard setting processes that are needed to align auditor incentives with investors are too often neglected by investors. In this submission, we

propose new standards to enhance auditors' direct accountability to investors; to strengthen governance practices in audit firms and to broaden SSB's remit to cover both.

In addition, we call for audit and ethics standard oversight to be moved out from the purview of the audit industry and housed within a public multilateral body funded by member governments (which may in turn be funded through a levy on the audit industry). We suggest that the most aligned organisations to take on this role would be either IOSCO or IFIAR. We recognise that this would require a substantial expansion in the resourcing of these entities and restructuring, but believe this would offer a more credible and sustainable long-term governance structure than the current model.

In making these proposals, we would like to stress that we are not suggesting that the audit industry should have no role in standard setting - their professional and technical expertise is of vital importance. Indeed, through these governance and standard reforms, our view is the audit industry will become more aligned with investors and the public interest. For this to be achieved, however, we must be clear about the conflicts of interest that exist in the sector, and manage them robustly.

We hope that these proposals spark a healthy debate and bold action.

06. Jurisdictional and National Standards Setters (JSS)

Royal Netherlands Institute of Chartered Accountants (NBA)

- Measures to promote transparency in due process and governance are vital for fostering stakeholder trust in standards, as well as their consistent adoption and implementation:

- Stakeholder Input – Emphasizing the necessity of balanced participation from all stakeholders, while ensuring adequate involvement from practitioners to enhance the practicality and effectiveness of high-quality standards, particularly in a rapidly changing environment.
- Transparency – Proposing approaches to reinforce stakeholder confidence through increased transparency in Board decisions, including clear communication on how feedback was incorporated when determining the rationale for initiating standard-setting; addressing matters of public interest; and documenting final decisions regarding the standards.

07. Accounting Firms

BDO International Limited

experience in applying standards and using NAM

- We would also advocate both SSBs revisit their own due process to see if there is way to:
 - o Deliver smaller more agile and relevant pieces of work
 - o Make more targeted updates to extant standards

Ernst & Young Global Limited (EY)

3. Enhance due process, including the application of the PIF for selection of projects to be included in the Boards' work plans. Analyze the root cause of implementation issues and the extent to which the existing standards already would address such issues as well as obtain advance input from JSS and regulators on known barriers to the adoption of any projects, including whether certain projects are not in their local remits or would face significant legislative barriers for a jurisdiction to adopt. Given this comprehensive input, a cost-benefit analysis should be conducted to assess whether revisions to the standards are necessary to achieve intended outcomes and whether the associated compliance costs for such revisions will be proportionate to the realized benefits, including the rate of jurisdictional adoption.

6. Enhance and formalize processes for soliciting practitioner input in the development of new standards, including NAM, of both Boards. This includes improving coordination processes with the JSS, the Global Public Policy Committee (GPPC) and the Forum of Firms (FoF). Existing due processes should also be evaluated and updated to address appropriate review protocols as well as the conditions for approval of the

NAM by the Boards, such as issuing fatal flaw invitations to comment, or other required outreach to get the appropriate level of technical and other stakeholder input relevant to determining that the NAM is fit for purpose before issuance.

Forvis Mazars Global Limited (Mazars)

For both boards, when determining the need for a standard setting project, there needs to be a focus on whether standard setting meets the needs of all stakeholders, including for example auditors, investors and other users of financial statements, audit committees and national standard setters rather than focusing on the needs of public interest entity regulators above others, to ensure that their standards are relevant and have broad applicability, making them more likely to be widely adopted both geographically and across audits and assurance engagements of all types of entity. The Boards should also communicate the decision-making process with greater transparency on how comments were weighted and balanced for all stakeholders.

PricewaterhouseCoopers International Limited (PWC)

In parallel, providing enhanced transparency in due process considerations, including how stakeholder feedback was evaluated in reaching key decisions – in particular when there are competing viewpoints across different stakeholder groups – and ensuring an appropriate balance of stakeholder (including sufficient practitioner) input, will be critical to maintaining trust and confidence in the SSBs' outputs, supporting global adoption, and mitigating the risk of jurisdictional fragmentation.

10. Member Bodies or Other Professional Accountancy Organizations

Consejo General de Economistas de España

- In terms of "Protection and confidentiality": develop non-binding material for SMPs and SMEs using AI tools, focusing on confidentiality, data protection, traceability, transparency, control over technology providers and limits on the use or reuse of information. This guide should help small and medium-sized firms evaluate AI tools without imposing burdens equivalent to those of large firms with their own technology departments.
- Considerations on the independence of auditors, related to the use of AI and other professionals who use IESBA standards before AI developers or providers. IESBA should analyze the independence risks arising from the use of common technology providers by the audit firm and the audited entity, especially when these providers intervene in financial information systems, AI tools, automation of controls or generation of data used as evidence. Threats of self-review, technological dependence, confidentiality, access to data and appearance of independence must be analyzed.
- Cybersecurity Non-binding guide that analyzes the main issues on cybersecurity and good practices. Cybersecurity should be treated as a matter of managing the quality, confidentiality and operational continuity of audit firms, not just as a technological risk. The non-binding guidance should address how firms, especially SMPs, should consider cybersecurity risks in customer acceptance and continuity, information protection, third-party vendors, access control, incidents, cloud tools, and quality management systems.
- Talent, practical training and learning curve The use of AI, and in particular on future auditors, is its learning curve and the management of generational change, as it produces an alteration of the learning process that was traditionally carried out through practical experience. AI can improve efficiency, but also alter the learning curve of junior auditors, by automating tasks through which they traditionally acquired practical knowledge about evidence, exceptions, documentation, risks, and professional judgment. IAASB and IESBA should consider the impact of AI on practical training, professional competence, team supervision and generational renewal. The activity of auditing accounts must prevent automation from reducing the exposure of new auditors to the fundamentals of professional work and judgment

CPA Australia

- Strengthen legitimacy and trust by clearly defining, explaining and following due process, including transparent communication of how key trade-offs (such as complexity versus clarity and global consistency versus local responsiveness) are considered in standard-setting decisions..

International Federation of Accountants (IFAC)

The IAASB and the IESBA (the SSBs) should prioritize clarity of role, effective due process including multi-stage effects analysis, a commitment to high-quality standards and maximizing adoption and implementation during their next strategy period.

Malaysian Institute of Accountants (MIA Malaysia)

Equally important, in our view, is stronger transparency in how the Boards run their due process. This means being open about the way stakeholder feedback shapes decisions — particularly where perspectives diverge — and making sure the mix of voices heard is genuinely balanced, with meaningful representation from the profession. Doing so will help sustain trust in the Boards' work, support broader adoption of their standards, and reduce the risk of jurisdictional drift.

02.11. Digital Transformation & Technology (AI, cyber, digital assets)

01. Monitoring Group

International Federation of Independent Audit Regulators (IFIAR)

dealt with in international standards on quality management (ISQM 1).

8. IFIAR continues to support the development and improvement of high quality auditing, ethics and independence standards that enhance audit quality and reliability and promote global consistency. IFIAR also highlights the importance of standards that are principle based, scalable, and responsive to emerging risks and opportunities, including technological developments, and addressing stakeholder expectations in the public interest. Clarity of the pronouncements are also a key feature to allow for consistent application and enforceability.

International Organization of Securities Commissions (IOSCO) Committee

3. Enhance Agility and Responsiveness to Emerging Risks and Technologies The rapid pace of technological change reinforces the need for forward-looking and timely standard-setting. We encourage the Boards to maintain agility by continuously monitoring emerging risks and technologies and ensuring they can respond in a timely and practical manner. This includes considering targeted or narrow-scope amendments to standards when appropriate, issuing timely non-authoritative material that is developed in consultation with a diverse set of stakeholders, maintaining the flexibility to allocate resources to emerging public-interest priorities as needed, and closely coordinating with relevant reporting standard setters to ensure coherent development of accounting and auditing requirements.

02. Users of Financial or Non-Financial Information

International Corporate Governance Network (ICGN)

The SSBs should remain responsive to technological change, particularly the increasing use of AI and other emerging technologies by preparers, accountants and auditors. This may require guidance or targeted standard-setting on professional judgement, professional scepticism, accountability, competence, confidentiality and objectivity in technology-enabled environments. Given the rapid pace of change, such guidance should be principles-based and future-fit, rather than overly current technology-specific.

Koei Otaki (SMBC Nikko securities Inc)

More importantly, auditing and assurance will change dramatically in the near future due to AI. To utilize AI that lacks ethical considerations, those using the AI must also possess ethical standards. This need to be addressed urgently.

03. Preparers or Issuers of Financial Statements or Other Information

Business Europe

Support more efficient and proportionate assurance services by reducing unnecessary compliance burden, enabling the effective use of technology and reinforcing a risk-based approach grounded in professional judgment rather than process-heavy, tick-the-box requirements. This should be founded in a stronger focus on efficiency and cost-effectiveness in the delivery of audit and assurance services and a clear focus on the practical use of technology to improve audit quality, reduce unnecessary compliance burdens and enable a more risk-focused approach.

05. Regulators and Oversight Authorities

Committee of European Auditing Oversight Bodies (CEAOB)

6. Furthermore, to remain responsive to emerging issues, the SSBs should retain flexibility in how they allocate resources in their work program and ensure at all times a high level of agility. The CEOB emphasizes the importance of clearly distinguishing between matters that require formal standard-setting, those that call for targeted narrow amendments, and those that are better addressed through timely, principle-based guidance, particularly as rapid advances in the use of new technologies may render aspects of the current standards obsolete.

Independent Regulatory Board for Auditors (IRBA)

- **Designing Standards for Future Users:** A future-ready approach also considers how standards are accessed, navigated, and applied by new generations of auditors. Without extending into responsibility for education or training, the SSBs can aspire to design standards and guidance that are more intuitive and usable in a digital context—for example, through clearer structure, enhanced cross referencing, or technology enabled ways of interacting with authoritative and non-authoritative materials. Thoughtful attention to usability supports clearer understanding of requirements and, in turn, more consistent and enforceable application in practice.

3. Future Ready Skills and Knowledge

Aspiration: Ensure standards and guidance are designed for the "auditor of the future" by reflecting the skills, technologies, and ways of working that underpin high quality audits in a digital age, while providing clear, enforceable expectations.

- **Standards Fit for a Tech Enabled Audit Environment:** The next strategy period presents an opportunity to further embed digital era considerations across audit, assurance, ethics, and independence standards. As auditors increasingly rely on technologies such as AI, blockchain and advanced data analytics, standards should continue to provide clear and robust framing for how foundational concepts or fundamental principles apply in highly automated or data driven environments. By 2031, success would mean that auditors, regulators and other stakeholders view the standards as clearly articulating enforceable expectations for the responsible and effective use of technology, including emerging risks such as the reliability of AI-generated information or the risk of synthetic or manipulated evidence.

Irish Auditing & Accounting Supervisory Authority (IAASA)

It is essential for international acceptance of the standards that there is clear alignment and consistency between the IAASB standards and the IESBA Code. Given the level of public interest in audit and the growing importance of sustainability assurance, both SSBs should ensure sufficient focus and coordination to maintain consistency across their frameworks. This should reflect the evolving audit landscape, including developments in technology and changing firm structures, such as alternative investment models.

Public Accountants and Auditors Board Zimbabwe (PAABZ)

Focus area 1: Agility in Digital Transformation.

Technology is now central to most business operations and business models are continuously changing to adapt to technology. Standard setting on technology effects must be priority but with special consideration to be done on the digital divide which remains a challenge as entities in our jurisdiction have different stages of digital maturity.

Public Company Accounting Oversight Board (PCAOB) – Views of the PCAOB Chief Auditor

In considering the key trends identified in the Stakeholder survey, I believe the most important key trend and area for working together relates to digital transformation.

As artificial intelligence and other technologies are rapidly changing the financial reporting and audit processes, I stress the need for greater coordination across the global standard-setting and regulatory ecosystem, including accounting, auditing, ethics and independence standard setters, securities regulators, and oversight bodies. Strong coordination is critical to avoid fragmented or misaligned developments across standards, reduce unnecessary complexity in audit work and support consistent, high-quality application of standards worldwide.

I agree with the three areas included in the survey as examples of digital transformation that will influence the future of standard setting, specifically, the increasing use of emerging technologies, digital assets and institutionalization of digital assets, and financial crimes enabled by technology.

As autonomous technology becomes increasingly prevalent, the very survival of the auditing profession depends upon the ability to adapt to its use. Key to this is to have auditing standards evolve accordingly to remain relevant and to ensure a level of investor protection and trust in capital markets. While rapid developments in technology call for agile standard-setting approaches, they also call for principle-based requirements that lessen the risk of becoming too quickly outdated. At the same time, significant standard-setting activity in the area could stifle innovation that would otherwise increase the effectiveness of the audit. A balanced approach is a necessity.

06. Jurisdictional and National Standards Setters (JSS)

Auditing and Assurance Standards Board of Canada (AASBC)

- Responding to the pace of technological change. Technology is evolving rapidly and, in our view, represents the most significant trend affecting the SSBs over the next strategy period. If standards and related standard-setting activities do not adapt in a timely manner, there is a risk to their continued relevance.

- o To mitigate, the SSBs should ensure their processes support:

Agility and responsiveness, maintaining flexibility in the standard-setting process to enable SSBs to adapt to emerging developments and evolving needs in a timely manner.

Hong Kong Institute of Certified Public Accountants (HKICPA)

At the same time, standards should continue to be principles based and outcome focused. Where new risks arise from technological developments, a guidance-first approach should be considered to clarify the application of existing principles before embarking on new standard-setting projects.

Institut der Wirtschaftsprüfer (IDW)

7. Third-party reliance issues, particularly the limited availability, accessibility, and reliability of evidence from external parties, are an increasing concern. Complex value chains, cloud and blockchain environments, and the use of external service providers are creating growing dependencies and interconnections. We would

like to emphasize the growing dependence of entities and practitioners on service providers of various types, the blurring of the distinction between software and service providers, and the increasing reliance on third party confirmations in the value chain vs. rising assurance expectations in this regard that may only be resolved by one-to-many report solutions.

07. Accounting Firms

Baker Tilly International

- A relentless focus on evolving technology

BDO International Limited

- For the IAASB:

- o Future proofing of standards – we have noted recent proposed changes and revisions still do not address the impact of changes in technology (e.g., ISA 500 series does not really touch upon how technology can both support and challenge auditors) – there is a danger that the body of standards of both SSBs can lose credibility when stakeholders have to 'infer' how they can be used in a technology-enabled part of the financial reporting ecosystem.

Ernst & Young Global Limited (EY)

7. Given rapid technological advancement, it is critical for the Boards to develop NAM to support implementation of existing standards and conduct a parallel assessment of their ongoing suitability. We strongly support the IAASB's technology initiatives, including the Technology Position Initiative and Technology Quality Management Workstream, and urge the IAASB to expedite outputs from their recently established Technology Expert Panel within the current strategy period, including by leveraging the work of JSSs. We also encourage evaluation of whether existing requirements remain future proof, supported by technology agnostic, principle-based standards. Finally, we support coordination with IESBA on ethical considerations and believe it is more efficient to incorporate ethics expertise within the IAASB's Technology Expert Panel than to establish a separate IESBA panel.

Gats-Ratings Professionals

Attention should be focused on Digital Assets and Cryptocurrency, and to prevent Money Laundering and Terrorism Financing.

Jack Schoeman (PWC)

The focus should be on agility rather than volume. The SSBs' must move from a reactive posture to a proactive and digital first regulatory framework that actively anticipates the integration of AI and autonomous auditing seen in the world today. By the 2028 to 2031 period, standard setting should facilitate the use of advanced technology to drive audit quality rather than just permitting it. We do not need more regulation or additional layers of legislation because that just adds complexity without value. Instead, we need the existing requirements updated to keep pace with rapid innovation.

PricewaterhouseCoopers International Limited (PWC)

Modernisation

The SSBs, in particular the IAASB that is undertaking a significant project in the 2024-2027 work plan period, have recognised the need to address the impact of technology. Actions to modernise the international standards to ensure they remain fit-for purpose in a rapidly evolving technological landscape that is reshaping business models, audit and assurance approaches, and ethical considerations should be a clear priority. This will require a proactive and forward-looking approach to emerging issues in order to meet stakeholder needs and serve the public interest. At the same time, any modernisation should remain firmly principles-based and outcome-focused.

The upcoming strategy period will take place against the backdrop of a rapidly evolving corporate reporting ecosystem, undergoing fundamental change driven by new and emerging technologies, particularly artificial intelligence, as well as the risk of increased fragmentation in adoption of international standards. To remain relevant and to be perceived by stakeholders as responsive and impactful in this environment, the SSBs should focus on three core priorities: modernisation, agility and alignment.

These priorities will underpin the SSBs' ability to serve the public interest and deliver high-quality, globally operable standards that remain fit for purpose in a changing landscape.

RSM International Limited

Reprioritisation of work plans: Consider deferring lower impact 2026–2027 initiatives to accelerate more forward-looking priorities in the 2028–2031 plan, including those relating to digitalisation and AI.

10. Member Bodies or Other Professional Accountancy Organizations

Chartered Accountants Australia and New Zealand (CAANZ)

Impact of technology

The application of emerging technologies presents both opportunities and risks. The use of AI audit tools can enhance the effectiveness and efficiency of an audit. However, AI audit tools must be used appropriately, or audit quality may be compromised.

Increased use of AI and other emerging technologies by clients also present challenges to auditors in relation to internal controls, understanding the models used by the technology, and increased risk of falsified documentation. Clients may also have increased demand for assurance over aspects of emerging technology other than the impact of the technology on financial statement or sustainability reporting. Professional accountants in both business and practice roles need to understand the ethical impacts of AI and other emerging technologies.

In determining the appropriate responses to these risks and opportunities the SSBs need to consider their monitoring approach as well as information gathering and/or research in order to identify issues require amendment to the standards and where, due to the rapid pace of technological change, issues relating to specific technologies may need to be addressed via guidance.

Consejo General de Economistas de España

Relevant topics where IAASB and IESBA should work together or in a coordinated manner (included in section V):

- Governance and evaluation of the control environment in the use of AI: Guides on the use of new technological tools and AI in audited companies in terms of risk identification and evaluation of internal control. Future guidelines should cover the impact on AI-generated evidence, algorithmic transparency, bias, human oversight, confidentiality, and documentation of professional reasoning when using technological tools. Regarding the acceptance of the assignment and execution of the audit work cover requirements of transparency in tools, algorithms and biases when incorporating AI into processes, procedures and decision making.

- In terms of "Protection and confidentiality": develop non-binding material for SMPs and SMEs using AI tools, focusing on confidentiality, data protection, traceability, transparency, control over technology providers and limits on the use or reuse of information. This guide should help small and medium-sized firms evaluate AI tools without imposing burdens equivalent to those of large firms with their own technology departments.

- Considerations on the independence of auditors, related to the use of AI and other professionals who use IESBA standards before AI developers or providers. IESBA should analyze the independence risks arising from the use of common technology

providers by the audit firm and the audited entity, especially when these providers intervene in financial information systems, AI tools, automation of controls or generation of data used as evidence. Threats of self-review, technological dependence, confidentiality, access to data and appearance of independence must be analyzed.

- **Cybersecurity** Non-binding guide that analyzes the main issues on cybersecurity and good practices. Cybersecurity should be treated as a matter of managing the quality, confidentiality and operational continuity of audit firms, not just as a technological risk. The non-binding guidance should address how firms, especially SMPs, should consider cybersecurity risks in customer acceptance and continuity, information protection, third-party vendors, access control, incidents, cloud tools, and quality management systems.

- **Talent, practical training and learning curve** The use of AI, and in particular on future auditors, is its learning curve and the management of generational change, as it produces an alteration of the learning process that was traditionally carried out through practical experience. AI can improve efficiency, but also alter the learning curve of junior auditors, by automating tasks through which they traditionally acquired practical knowledge about evidence, exceptions, documentation, risks, and professional judgment. IAASB and IESBA should consider the impact of AI on practical training, professional competence, team supervision and generational renewal. The activity of auditing accounts must prevent automation from reducing the exposure of new auditors to the fundamentals of professional work and judgment

Global Accountancy Alliance (GAA)

Technology Monitoring and Cross-Board Coordination

Technology should remain an area of active monitoring and coordinated attention by both boards, but monitoring should not be assumed to justify new requirements. In the IESBA context, we are not currently aware of evidence that the Code is deficient in responding to technological developments, including AI-related issues, because existing principles-based requirements, recent revisions to the Code, and nonauthoritative materials already address the ethical concerns that we are currently aware of. More broadly, because technology creates significant overlap between ethics and assurance, the SSBs should strengthen deliberate coordination from project selection through development so that duplication, inconsistency, and unintended overlap are minimized

Institute of Chartered Accountants in England and Wales (ICAEW)

h) Complex and fast-developing issues, such as AI, are better addressed through flexible and easy to update guidance and education and training tools, rather than by new standards, which may be quickly outdated and difficult to change. The use of scenarios and case studies to highlight the application of existing standards to emerging issues has considerable merit and should be considered by the SSBs.

i) Agility in standard-setting does not necessarily mean being reactive to short-term trends by introducing new standard-setting projects. It relies on developing new standards at pace when required (eg, ISSA 5000), ensuring they remain principles-based and stand the test of time, all while being agile with non-authoritative guidance and education in other instances. Technology that is at the forefront now, will not be the same as that in 2031.

Institute of Chartered Accountants of Scotland (ICAS)

Stakeholder Engagement, Project Discipline, and Remit

There should be earlier and more frequent engagement by the SSBs with a broad range of stakeholders, including practitioners in smaller firms. Agenda-setting should be informed by practical experience and not be unduly shaped by any single constituency. The next strategy period should also be used to reassess whether projects remain justified. Additionally, further post-implementation reviews should be performed on recent revisions to the Code and monitoring key developments should be a key activity, e.g. in technology. The SSBs should adopt a rebuttable presumption that changes to the Code or standards are based on appropriate and sufficient evidence, and have global relevance. The SSBs should also avoid profession-agnostic expansion.

Technology Monitoring and Cross-Board Coordination

Technology is a key societal trend and therefore should be subject to ongoing monitoring by both boards given the pace of innovation. From an IESBA perspective, we are not aware of evidence that the Code is currently deficient in addressing technological developments, including AI. Existing principles-based requirements, recent revisions, and non-authoritative materials appear to address the key ethical issues that have been identified, including AI hallucinations. Given the overlap between ethics and assurance, stronger coordination between the boards is needed to avoid duplication and inconsistency.

International Federation of Accountants (IFAC)

IFAC supports the SSBs' need to remain relevant, responsive and impactful in a rapidly changing environment. However, responsiveness should not be equated with continually expanding standards or initiating new standard-setting projects in response to every emerging trend.

A central consideration for the 2028–2031 period is therefore what the role of a standard setter should be in areas such as technology, sustainability and evolving business models. In many cases, the appropriate response may instead be monitoring, implementation support, education, non-authoritative material, coordination with other bodies, or no action rather than standard setting.

Malaysian Institute of Accountants (MIA Malaysia)

Modernisation

The pace of technological change — and its impact on business models, audit and assurance practice, and the ethical considerations surrounding them — means that keeping international standards current is no longer optional. Both Boards have acknowledged this, with the IAASB's current technology project being a clear example. Sustaining this momentum should, in our view, be a headline priority for the 2028–2031 period. At the same time, modernisation needs to remain firmly principles-based and outcome-focused, so that standards can continue to be applied meaningfully across entities of different sizes and at different stages of technological maturity.

Pavel Dimitrov (Union of Accountants in Bulgaria)

Finally, the SSB highlights the importance of addressing emerging risks and opportunities—particularly sustainability reporting and assurance, AI-enabled systems, data governance, and cybersecurity.

IAASB should prioritize sustainability assurance and technology-enabled audit methodologies.

IESBA should advance ethical guidance for technology and promote global adoption of the International Code of Ethics.

Polish Chamber of Statutory Auditors (PIBR)

IAASB

1. Accelerating work on quality management in technology.
2. Accelerating work on the standard for less complex entities has been under discussion in Poland for several years now. Statutory auditors would prefer a standard with fewer requirements for these types of entity.
3. The impact of AI on audit practice, including both professional standards and ethical principles – the scope of possible AI applications.

11. Academics

European Accounting Association (EAA) Auditing, Assurance and Ethics Standard Committee

In this regard, the Committee welcomes the attention that both the IAASB and the IESBA are giving to the implications of artificial intelligence and digital transformation — including questions around confidentiality, audit quality, and data analytics integration — recognizing their importance for preserving the value and credibility of professional assurance

Regarding the IESBA, the Committee recognizes the importance of its ongoing focus on ethics and future-oriented assurance, and hopes that the coming strategy period will provide an opportunity to deepen this work across several interconnected areas. These include the ethical implications of AI adoption and digital transformation, the evolving landscape of firm culture and governance, and the broader challenge of attracting, developing, and retaining talent in a profession whose complexity and skillset requirements continue to grow.

Kenichi Akiba (Waseda University)

A key strategic focus for the SSBs in the 2028–2031 period could be to further enhance the global adoption and effective implementation of their standards. It will also be important for the standards to remain responsive to the evolving digital environment and the increasing demands of sustainability reporting.

Nicole Ratzinger-Sakel (University of Hamburg Business School)

Considering the evolution of the audit environment, such as PE-investments in audit/accounting firms, digitalization, etc.

02.12. Sustainability Reporting & Assurance

02. Users of Financial or Non-Financial Information

Impax Asset Management

From Impax Asset Management's perspective as a long-term, sustainability-focused investor, the IAASB and IESBA should aspire during the 2028–2031 period to consolidate trust, credibility and global consistency in assurance and ethics frameworks, particularly in light of the rapid expansion of sustainability-related reporting, evolving assurance practices, and heightened public scrutiny of professional conduct. At a high level, the SSBs' next strategy period should focus on deepening real-world impact, moving beyond standard issuance toward demonstrable improvements in audit and assurance quality, ethical behaviour, and confidence in reported information across jurisdictions.

1. Relevance, responsiveness and impact of standard-setting

The SSBs should aim to:

- Maintain clear alignment with global sustainability reporting frameworks, particularly the ISSB standards, while remaining adaptable to emerging reporting topics (e.g. transition plans, scenario analysis, value-chain data and use of estimates).

For the IAASB specifically, Impax sees value in continued focus on scalable, high-quality sustainability assurance standards that support both reasonable and limited assurance while promoting convergence in practice over time.

For the IESBA, it will be important to continue strengthening ethical and independence expectations as sustainability assurance becomes more integrated with financial audit and advisory activities, including clarity around permissible services and safeguards.

Kei Tsuchiya (The Securities Analysts Association of Japan)

Coordination among the SSBs and with other standard setters and regulators

I welcome the IAASB's and IESBA's decision to conduct this joint stakeholder survey. I understand that the SSBs are independent Boards, each with its own remit, and that they undertake their standard-setting activities independently. At the same time, through the process of developing users' comment letters on the SSBs' exposure drafts relating to sustainability, I have come to strongly recognize that the SSBs work closely together and that such coordination is indispensable.

With respect to sustainability-related information, the introduction of mandatory disclosures in accordance with sustainability disclosure standards and assurance in accordance with the relevant standards developed by the SSBs is progressing across jurisdictions. In the early stages of adoption, a range of implementation challenges typically arise, and these challenges are likely to continue into the next strategic period. In addition, how professional-agnostic standards will function in practice under different regulatory frameworks across jurisdictions may become an increasingly important issue.

Against this background, I consider that the importance of coordination among the SSBs will continue to increase. Furthermore, in order to understand implementation realities and address emerging challenges, coordination with sustainability disclosure standard setters such as the ISSB, as well as with IOSCO and regulators in individual jurisdictions, is also indispensable. In this regard, the IAASB Strategic Objectives for Its Current Strategy Period, 2024–2027, explicitly include the objective to "Strengthen coordination with IESBA and other leading standard setters and regulators to leverage better collective actions in the public interest," whereas no equivalent objective is articulated in the IESBA's strategic objectives.

For the next strategic period, I believe that the strategic objectives of the SSBs should explicitly include strengthening coordination among the SSBs and with other standard setters and regulators, in order to leverage better collective actions in the public interest.

Koei Otaki (SMBC Nikko securities Inc)

I believe that sustainability reporting assurance should be temporarily frozen. Currently, international wars are raging over the acquisition of limited global resources, and countries are vying to secure energy. In such circumstances, those promoting sustainability reporting assurance (including standard-setters) should reconsider their stance of pursuing only their own short term interests while ignoring international wars

Martin Lawrence (Ownership Matters Pty Ltd)

Focus on bedding down existing sustainability standards and increasing confidence in assuring reporting against these standards.

Work to lift audit standards to ensure both accounting & sustainability standards reflects the intent of the relevant standard

Takeshi Kimura (Nippon Life Insurance Company (Board Member, PRI) (Steering Committee Member, TISFD))

Historically, sustainability-related information has been considered important primarily because it helps users assess an entity's future cash flows and financial performance. In this context, assurance over sustainability disclosures has developed as a means to enhance the reliability of information relevant to entity-level financial risks and opportunities. This framework remains important.

However, companies inevitably generate externalities. While audit and assurance are performed at the level of individual entities, it is important to recognize that even impacts that appear limited at the firm level can accumulate and interact over time, potentially giving rise to broader system-level risks affecting markets and the economy as a whole. As a result, they can influence the broader environment and risk structure of markets and the economy. Issues such as climate change, degradation of natural capital, social instability and rising inequality may affect not only individual firms, but also macroeconomic conditions and the overall return profile of capital markets.

For highly diversified, long-term investors—often referred to as universal owners—these cumulative effects are not merely firm specific concerns. They directly affect long-term portfolio returns. Against this backdrop, investor information needs are evolving. They are moving beyond the assessment of entity-level financial risks, toward a broader understanding of how companies generate externalities and how they are connected to wider risk environments. In addition, when information is used not only to evaluate individual firms, but

also to aggregate, compare and analyze data across sectors and markets, the reliability and comparability of company-level disclosures become even more important.

This evolution in investor needs and materiality also affects the scope of disclosures. Discussions of system-level risk are no longer limited to climate and nature. They are increasingly extending into the social domain. One concrete example of this development is the ongoing work of the TISFD, which is expected to issue its final recommendations in 2027. TISFD seeks to capture how corporate activities contribute to social outcomes, including inequality, not only at the level of individual entities but also at the level of the broader economic system. In this sense, it reflects the growing importance of system-level materiality in the social domain.

As disclosures take on this "social × system-level" nature, their characteristics also change. In the social domain, unlike areas such as greenhouse gas emissions, information is not always easily expressed in clear quantitative metrics. Topics such as human rights risks, labor practices and organizational culture cannot be reduced to a single number. They require a combination of quantitative and qualitative information.

As a result, the focus of assurance also shifts. It is no longer sufficient to verify the accuracy of numbers alone. Greater emphasis is placed on assessing the reasonableness of judgment processes and the adequacy of supporting evidence. For example, if a company claims that it appropriately assesses human rights risks, assurance would need to consider whether its methodologies, scope and frequency of assessment are reasonable. If a company claims that no significant incidents have occurred, this would need to be assessed against internal records such as grievance mechanisms and audit trails, as well as consistency with other disclosures and external information. For forward-looking information, such as targets and action plans, assurance would not confirm outcomes. Instead, it would focus on whether underlying assumptions are reasonable and whether there are no material inconsistencies.

In this context, assurance is no longer limited to what might traditionally be considered "data assurance." Its core purpose is not simply to verify numbers, but to enhance the credibility of claims on which users rely. As the drivers of enterprise value expand beyond accounting profits to include risk management capability, social trust and alignment with broader systems, the quality of governance and processes becomes part of the information set used in decision-making. Accordingly, the scope of assurance may expand from financial data to non-financial data, and further to processes and systems.

Importantly, the implications of such information extend beyond ensuring accuracy at the entity level. Reliable information about corporate externalities and broader risk exposures can influence market-wide risk perceptions and the direction of capital allocation. In this sense, assurance standards are not merely technical tools. They also function as institutional elements that support market stability and long-term value creation.

03. Preparers or Issuers of Financial Statements or Other Information

Japan Business Federation – Keidanren

To promote and establish the disclosure and assurance of sustainability information on a global basis, it is essential to ensure sufficient feasibility and consistency across frameworks.

As in the field of financial accounting, the ideal would be to establish a system under which disclosure and assurance requirements in all jurisdictions can be met through a single set of disclosure standards and an assurance framework. Resolving the proliferation of standards and frameworks—often referred to as "alphabet soup"—is an urgent priority.

At present, however, each jurisdiction is independently developing its own framework, and inconsistencies in underlying approaches, terminology, and concepts are undermining the overall coherence of sustainability disclosure and assurance. As a result, global companies are required to respond to multiple reporting

requirements and assurance engagements, creating an excessive burden. If this situation persists, it may lead companies to reconsider their listings or scale back their business operations.

Disclosure and assurance frameworks should not become a constraint on corporate activities, and these burdens should be addressed without delay. To this end, it is essential that global and jurisdictional standard-setters and relevant authorities work in coordination to advance the development of frameworks, including their legal underpinnings.

In light of the above, we strongly expect the SSB to position ensuring consistency between jurisdictional and global frameworks as a core objective of its next strategic plan and to take a leading role in promoting alignment across frameworks from a neutral and high-level perspective.

06. Jurisdictional and National Standards Setters (JSS)

Australian Auditing and Assurance Standards Board (AUASB)

Some stakeholders indicated that stability is currently needed in the sustainability space. Stakeholders raised concerns about fatigue from the pace of standard setting (i.e. major new standards on sustainability, fraud and going concern) and supported the approach of no major new standards before the end of 2027. The volume and pace of recent standard-setting activity have strained practitioners, especially smaller firms and particularly with sustainability assurance. Relatively principles-based standards can also assist in this regard.

On the other hand, given the newness of sustainability assurance, the IAASB should not hesitate to make necessary narrow scope amendments to ISSA 5000 rather than waiting for a post implementation review.

07. Accounting Firms

Ernst & Young Global Limited (EY)

8. The IAASB should focus on the modernization of ISAE 3000 and ISAE 3402, together with initiatives to develop NAM for application to emerging subject matters. Incorporating relevant concepts and making other enhancements to ISAE 3000 and 3402 based on the IAASB's development of the sustainability assurance standard (ISSA 5000) is important to prioritize, especially given increased assurance demands for assurance on such subject matters as AI, controls and cybersecurity, as well as regulations relating to these areas. In parallel to an initiative for modernizing ISAE 3000 and 3402, we believe that the development of NAM to assist with their application to emerging subject matters should also be a priority. Since many of these subject matters involve controls not related to financial reporting or trust services criteria, we believe NAM for the application of ISAE 3000 to assurance engagements on controls that are not in the scope of ISAE 3402 is especially needed in practice.

Grant Thornton International Ltd (GTI)

7. Lead thoughtfully on sustainability assurance without overreaching: We support the development of ISSA 5000 as a global baseline for sustainability assurance. We also support robust first-time implementation guidance for ISSA 5000, particularly for non-professional accountant practitioners who lack foundational training in assurance concepts. We recommend delaying topic specific ISSAs until the overarching standard has stabilized in practice. We support a global baseline for independence and ethics for professional accountants performing sustainability assurance engagements. However, we are concerned that some requirements in the IESSA may not be sufficiently calibrated to the specific threats that arise in sustainability engagements, which could create adoption challenges. We suggest the IESBA focus on adoption and implementation of the IESSA and obtain an understanding of why certain jurisdictions are not adopting the IESSA.

10. Member Bodies or Other Professional Accountancy Organizations

Chartered Accountants Australia and New Zealand (CAANZ)

Ethical requirements for preparers of sustainability information

We believe the IESBA's primary focus should be on the adoption of the IESSA in more jurisdictions globally to avoid fragmentation of practice.

We support the IESBA's project on exploring extending 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 in 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, high-emitting entities may employ specialised climate professionals, while not-for-profit organisations may rely on in-house finance teams or volunteers.

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.

Consejo General de Economistas de España

- Sustainability: ISSA 5000 implementation and proportionality: The implementation of ISSA 5000 should remain a strategic priority. IAASB should monitor its practical application, especially in jurisdictions with evolving regulatory frameworks, and develop supporting materials on proportionality, connectivity between financial and sustainability reporting, use of specialists, evidence in non-financial data and accounting effects of climate risks, grants, tax incentives, and sustainability-related financial instruments

Institute of Chartered Accountants in England and Wales (ICAEW)

ICAEW strongly supports the increasing demand for sustainability reporting and assurance. However, the combination of IFRS S1 and S2, UK SRs, CSRD, ISSA 5000 and the IESSAs, and their ongoing implementation means there is not currently a pressing need for new standard-setting projects.

Institute of Singapore Chartered Accountants (ISCA)

We believe that the transition to mandatory climate-reporting requirements in Singapore, phased in from FY 2025 to FY 2030 for all listed and large non-listed companies, will accelerate the demand for high quality sustainability reporting and assurance for the strategy period 2028 – 2031. In light of this, we encourage the SSBs to prioritise the strategic objective relating to enhancing trust in sustainability reporting and assurance. In particular, we value the issuance of non authoritative materials by the SSBs to aid in adoption and implementation efforts.

International Federation of Accountants (IFAC)

IFAC supports the SSBs' need to remain relevant, responsive and impactful in a rapidly changing environment. However, responsiveness should not be equated with continually expanding standards or initiating new standard-setting projects in response to every emerging trend.

A central consideration for the 2028–2031 period is therefore what the role of a standard setter should be in areas such as technology, sustainability and evolving business models. In many cases, the appropriate response may instead be monitoring, implementation support, education, non-authoritative material, coordination with other bodies, or no action rather than standard setting.

Pavel Dimitrov (Union of Accountants in Bulgaria)

Finally, the SSB highlights the importance of addressing emerging risks and opportunities—particularly sustainability reporting and assurance, AI-enabled systems, data governance, and cybersecurity. IAASB should prioritize sustainability assurance and technology-enabled audit methodologies. IESBA should advance ethical guidance for technology and promote global adoption of the International Code of Ethics.

Polish Chamber of Statutory Auditors (PIBR)

IESBA

1. Accelerating work on business relations—current regulations in this area are inadequate and do not keep pace with reality.
2. Accelerating work on developing profession-neutral independence standards for sustainability assurance services that fall outside the scope of Part 5—this would be advisable in light of the Omnibus.
3. Accelerating the post-implementation review – the engagement team – group audit independence – the requirements are too complex; they should be simplified.

11. Academics

European Accounting Association (EAA) Auditing, Assurance and Ethics Standard Committee

With respect to the IAASB, the Committee notes the importance of continuing to develop a future-ready assurance framework capable of addressing both financial and non-financial information in a coherent and integrated manner. As sustainability assurance and AI-related risks continue to evolve, the Committee would welcome an approach that prioritizes clarity and practical usability across diverse contexts. Continued attention to fraud risk, audit evidence, and the auditor's responsibilities in technology-driven environments — including questions around third-party providers and AI-generated information — would also be valuable as experience in these areas develops.

Kenichi Akiba (Waseda University)

A key strategic focus for the SSBs in the 2028–2031 period could be to further enhance the global adoption and effective implementation of their standards. It will also be important for the standards to remain responsive to the evolving digital environment and the increasing demands of sustainability reporting.

02.13. Global Adoption, Operability & Mitigating Fragmentation

01. Monitoring Group

International Organization of Securities Commissions (IOSCO) Committee

2. Clearly Define Standard-Setting Objectives and Scopes that Strengthen Global Consistency

We encourage clear articulation of standard-setting project objectives and scopes, supported by rigorous, evidence-based assessment of expected costs, benefits, and practical implications. In doing so, it is important that the Boards remain focused on developing standards that contribute to a globally operable baseline, minimizing jurisdictional divergence that could lead to inconsistent application, interpretive variability, and regulatory fragmentation across markets. To support this aim, it is important to design standards that are aligned with public-interest priorities, principles based, sufficiently clear and operational, and scalable for use across jurisdictions with different regulatory environments. It is also important that the Boards consider how standards are interpreted and enforced in practice through engagement with audit regulators and oversight bodies to understand common inspection findings and areas where requirements may be inconsistently applied. This would help ensure that 2 standards remain sufficiently clear, operational, and capable of consistent application, while also promoting global consistency and comparability.

02. Users of Financial or Non-Financial Information

Impax Asset Management

- Ensure standards are principles-based but operationally robust, supporting consistent application across firms of different sizes and across jurisdictions with varying levels of market maturity.

International Corporate Governance Network (ICGN)

For the 2028–2031 strategy period, the SSBs should focus on strengthening trust in audit, assurance, ethics and independence standards, while ensuring their work remains practical, globally relevant and capable of broad adoption.

The SSBs should prioritise broad international adoption and effective implementation of existing standards. Given the risk of fragmentation across jurisdictions, particularly in sustainability reporting and assurance, the SSBs' principal focus should be on supporting global consistency, interoperability, capacity-building, and implementation, rather than developing new requirements unless there is a clear public interest need. This is particularly important given implementation complexity and stakeholder "change fatigue".

Takeshi Kimura (Nippon Life Insurance Company (Board Member, PRI) (Steering Committee Member, TISFD))

Maintaining and strengthening international consistency and interoperability of standards is also essential. Fragmentation across jurisdictions reduces comparability and creates uncertainty for long-term diversified investors. A globally coherent framework is a key foundation for the efficiency and stability of capital markets.

The European Federation of Investors and Financial Services Users (BETTER FINANCE)

The SSBs should also place greater emphasis on implementation and usability. Producing globally accepted standards is important, but effective implementation, consistent application and enforceability are equally critical to achieving public-interest outcomes. Differences in jurisdictional interpretation and implementation risk undermining comparability and public confidence. Enhanced implementation support, practical guidance and mechanisms for identifying emerging implementation issues should therefore become a more integral component of the SSBs' work.

03. Preparers or Issuers of Financial Statements or Other Information

Business Europe

- Preserve a globally operable set of standards by remaining closely connected to regional and jurisdictional developments, thereby reducing the risk of fragmentation, carve-outs and unnecessary local divergence. For the 2028–2031 strategy period, the standard-setting boards should remain relevant, globally operable, practical oriented and forward-looking. The standard setting boards should be focussed on whether the standards are and remain operable and proportionate for the businesses that rely on audit and assurance services, while ensuring that the standards continue to serve the public interest and respond to the needs of users of the assured information.

Japan Business Federation – Keidanren

To promote and establish the disclosure and assurance of sustainability information on a global basis, it is essential to ensure sufficient feasibility and consistency across frameworks.

As in the field of financial accounting, the ideal would be to establish a system under which disclosure and assurance requirements in all jurisdictions can be met through a single set of disclosure standards and an assurance framework. Resolving the proliferation of standards and frameworks—often referred to as "alphabet soup"—is an urgent priority.

At present, however, each jurisdiction is independently developing its own framework, and inconsistencies in underlying approaches, terminology, and concepts are undermining the overall coherence of sustainability disclosure and assurance. As a result, global companies are required to respond to multiple reporting requirements and assurance engagements, creating an excessive burden. If this situation persists, it may lead companies to reconsider their listings or scale back their business operations.

Disclosure and assurance frameworks should not become a constraint on corporate activities, and these burdens should be addressed without delay. To this end, it is essential that global and jurisdictional standard-setters and relevant authorities work in coordination to advance the development of frameworks, including their legal underpinnings.

In light of the above, we strongly expect the SSB to position ensuring consistency between jurisdictional and global frameworks as a core objective of its next strategic plan and to take a leading role in promoting alignment across frameworks from a neutral and high-level perspective.

05. Regulators and Oversight Authorities

Hellenic Accounting and Auditing Standards Oversight Board (HAASOB)

AASOB appreciates the efforts by the IAASB and IESBA to seek input on their strategy and work plans to ensure their activities and pronouncements continue to serve the public interest through high quality, interoperable, and complementary auditing, assurance, ethics and independence standards.

We agree to the collaboration of the IAASB and IESBA on projects that have major overlaps, including on the current workstream on firm culture and governance and future projects.

We strongly support the development and improvement of high quality auditing, ethics and independence standards by the IAASB and IESBA that enhance audit quality and promote global consistency.

Independent Regulatory Board for Auditors (IRBA)

- **Alignment to Support Education and Enforcement:** A holistic approach also considers how new standards are understood and applied. While the SSBs are not responsible for education or implementation, continued engagement with educational bodies and the profession can help promote alignment between standards and professional learning. Such alignment can support consistent interpretation, particularly as standards evolve to address new technologies, competencies, and forms of assurance.

UK Financial Reporting Council (UK FRC)

Proportionality and scalability are generally raised as significant concerns, particularly by smaller practitioners, for both auditing and ethical standards. There is also a perception that guidance often simply takes the form of "in a less complex situation a less complex approach may be appropriate" which is not considered helpful practical advice. We encourage both SSBs to give practical examples in supporting materials of applying the standards on a proportional and scalable basis. More attention to proportionality and scalability may help encourage broader adoption and effective implementation of the standards, particularly in jurisdictions with high numbers of audits of smaller entities or that may be transitioning from less sophisticated standards.

06. Jurisdictional and National Standards Setters (JSS)

American Institute of Certified Public Accountants - Professional Ethics Executive Committee and Auditing Standards Board (AICPA PEEC & AICPA ASB)

Strengthen global adoption

It is critical to strengthen global adoption and consistent implementation through practical, scalable guidance and engagement with a broad range of stakeholders, often with an emphasis on the practitioners responsible for applying the SSBs standards. We observe that greater prescriptiveness of a standard — especially one trying to address the objectives of those charged with inspection and enforcement — can negate proportionality and scalability objectives.

Additionally, effective implementation of scalable standards requires a period of stability to allow adequate time for assessing the effects of recent amendments. We recommend more rigorous analysis of the benefits to quality relative to the costs of implementation to inform scalability and ability to implement globally. Against that backdrop, we strongly recommend that IESBA not pursue significant new amendments to the IESBA code during 2027–2031.

The standard-setting activities of the SSBs should also result in standards that are proportionate as explained in the Public Interest Framework. This includes a continual focus on interoperability of SSB standards. One recent example is the two SSBs' independent projects on the use of external experts. We anticipate professional accountants will experience confusion and duplication of effort because of the SSBs' work on this topic.

Reduce jurisdictional fragmentation

A needs-focused approach will help promote worldwide acceptance and reduce jurisdictional fragmentation. We acknowledge that jurisdictional standard setters (JSSs) are consulted for input at the information gathering stage of a project or potential project and at other milestones and they often respond to exposure drafts.

However, we do not believe that JSSs are sufficiently engaged or consulted throughout the standard-setting process regarding the likelihood or impediments to adoption and convergence, or promotion at the jurisdictional level. Recent SSB projects such as the publicly traded entity and public interest entities projects and the IESBA's IESSA project are prominent examples of fragmented jurisdictional adoption.

This indicates the SSBs need to do more earlier in the life cycle of their project work to discern global demand and to identify barriers to greater adoption at the jurisdictional level. Broadly expressed project objectives do not necessarily reflect the likelihood for jurisdictional acceptance and adoption. Rather than promoting standards after approval, we recommend embedding global acceptance objectives into strategic, operational, and project-level processes, supported by clear metrics and ongoing tracking.

- Strengthen global adoption.
- Reduce jurisdictional fragmentation.

Auditing and Assurance Standards Board of Canada (AASBC)

Responding to these risks to the SSBs' relevance, by focusing on appropriate mitigation activities, will be essential to ensuring continued global adoption of the SSBs' standards.

We support the SSBs' focus in their next strategy period on standard setting and related activities that are relevant, responsive, and impactful, with the ultimate aspiration of supporting global adoption of international standards.

Brazil Institute of Independent Auditors (IBRACON)

SSBs should aspire to achieve effective coordination with local bodies and regulators as part of its strategic objectives for further enhancing global operability and acceptance of the standards across jurisdictions, taking global consistency into consideration while facilitating the incorporation of the standards' core

concepts to local contexts which may vary. For example, acting together and more closely with local regulators in a way they feel encouraged to refine the Public Interest Entity (PIE) and Publicly Traded Entity (PTE) definitions when appropriate in the circumstances, to the extent it is appropriately responsive to local contexts and demands, while maintaining the global consistency and operability of the standards.

GLASS Group of Latin American Accounting Standard Setters (GLENIF)

The majority of respondents believe that SSNs should aim to achieve "Widener adoption and more consistent application of standards."

Instituto Mexicano de Contadores Públicos (IMCP)

The pace of changes and evolution of the profession is moving too fast, accounting standards are increasing complexity and therefore, assurance engagements also tend to be more challenging to ensure fair presentation/compliance with the applicable reporting framework. We know that it is important to improve trust in the accounting and assurance profession. Acceptability, implementation and operability of standards are critical going forward. There may be no need to create new standards if it is not strictly necessary but rather promote guidance and other non-authoritative materials to help the profession and tackle emerging trends that are considered significant and could affect quality of the work.

Nordic Federation of Public Accountants (NRF)

The following themes are equally important for both boards and should, in our view, guide their joint strategic direction. 1. Aim to achieve increased adoption and implementation

Both boards should aspire to achieve greater adoption and implementation of the existing standards and the current version of the Code. Stability and continuity are essential to enable consistent application and to build trust across jurisdictions and firm sizes.

07. Accounting Firms

Deloitte Touch Tohmatsu Limited

We are grateful to the SSBs for engaging the stakeholder community in a forward-looking way and providing the opportunity to share our views. In the 2028-2031 period, the SSBs should continue to promote confidence in the relevance and effectiveness of their standards by focusing on expressed needs of the users of the standards and by improving their processes for developing content (standards or implementation support) that is timely, responsive, and workable in practice globally

A key measure of success for any standard-setting action is global acceptance/adoption. Therefore, we encourage the SSBs to stay alert to potential barriers to implementation throughout the standard-setting process so they can be effectively mitigated.

Ernst & Young Global Limited (EY)

1. Assess the rate of jurisdictional adoption of the IAASB standards and the IESBA International Code of Ethics for Professional Accountants (Including International Independence Standards) (the "IESBA Code") and develop responsive actions. Such an assessment should inform strategies to address present fragmentation and to mitigate the risk of future global divergence in the adoption of standards and projects under development by the Boards. As part of their assessment, the Boards should evaluate whether adoption is supplemented with jurisdictional requirements that are more restrictive than international standards. We also believe post implementation reviews of the large volume of recently issued standards should be a priority of both Boards.

2. Understand the risks to the continued viability of IAASB standards arising from the current adoption rates of the IESBA Code. The IAASB requires adherence to ethical requirements that are at least as demanding as the IESBA Code in conducting audit and assurance engagements in accordance with its standards.

However, as fewer jurisdictions have adopted the IESBA Code and its scope has expanded significantly over the past decade, jurisdictions and firms may face compliance challenges if their local ethics codes do not reflect the latest revisions, potentially limiting their ability to apply IAASB standards.

In response to this question, EY offers four overarching recommendations for what the IAASB and IESBA (the Boards) should collectively aspire to achieve as they look toward the 2028–2031 strategy period. Our themes focus on the Timeliness, Relevance, and Implementability, including consistent application and global operability, characteristics in the Public Interest Framework (PIF).

- Prioritize strengthening global adoption and consistent implementation of standards to enhance credibility, comparability, and public trust worldwide. This includes closely monitoring adoption rates and barriers, being transparent about how the Boards respond to stakeholder feedback, and providing timely, high-quality non-authoritative materials (NAM) (e.g., practical examples and illustrations) to support effective implementation in practice.

Forvis Mazars Global Limited (Mazars)

High quality, globally consistent international standards are critically important for ensuring the public interest. However, there is a risk that the ever-increasing complexity of auditing standards and the IESBA Code may increase the risk of regulatory

fragmentation due to difficulty in implementation and adoption, ultimately leading to further risk to the public interest. The standards boards' efforts would be better spent in supporting wider adoption and implementation rather than further standard setting.

Grant Thornton International Ltd (GTI)

7. Lead thoughtfully on sustainability assurance without overreaching: We support the development of ISSA 5000 as a global baseline for sustainability assurance. We also support robust first-time implementation guidance for ISSA 5000, particularly for non-professional accountant practitioners who lack foundational training in assurance concepts. We recommend delaying topic specific ISSAs until the overarching standard has stabilized in practice. We support a global baseline for independence and ethics for professional accountants performing sustainability assurance engagements. However, we are concerned that some requirements in the IESSA may not be sufficiently calibrated to the specific threats that arise in sustainability engagements, which could create adoption challenges. We suggest the IESBA focus on adoption and implementation of the IESSA and obtain an understanding of why certain jurisdictions are not adopting the IESSA.

2. Recommit to principles-based and scalable standard-setting. Principles-based standards that are designed to scale across emerging services, entity types and regions are essential to global operability and adoption. Overly detailed requirements increase the risk that jurisdictions will not adopt a standard (or will adopt only parts of it), which can lead to fragmentation between jurisdictions. We encourage the SSBs to develop standards with mid-sized entities in mind and to rigorously apply the CUSP drafting principles throughout the project. For example: avoid performance requirements that are "buried" in application material; reduce repetition across standards; and rebalance the proportion of requirements to application material. We also encourage the SSBs to provide more first-time implementation guidance and broader implementation support to reduce issues in practice and avoid later revisions that add prescriptive requirements in response to regulatory scrutiny.

3. Ensure standards are globally operable and can be consistently applied: Adoption approaches differ across jurisdictions. We believe the SSBs should continue to focus on outreach and other information gathering activities to understand why standards are not adopted, or are adopted only in part, especially in jurisdictions with limited resources to adapt global frameworks. We suggest the SSBs focus on providing clear non-authoritative guidance to help local standard setters and regulators adopt and implement standards in a way that supports local public interest needs while maintaining a global baseline. We suggest the baseline standards should be designed so jurisdictions can add requirements only when needed (that is, the baseline should not require jurisdictions to remove requirements to make it operable). Finally, we suggest the SSBs test the operability of their standards before approval (for example, through structured

field testing or implementation workshops) to confirm a shared understanding of what the standard requires and reduce implementation issues.

KPMG International Limited

The SSBs' workplans should also incorporate a thorough assessment of whether any proposed action of standard-setting will realistically and directly address the identified problem (i.e., what problem are the SSBs trying to solve). If the measure does not target the identified problem, any eventual standard could add complexity without improving outcomes or behavior and such a standard would be at greater risk of not being adopted by jurisdictional standard setters, furthering fragmentation, as discussed later in this survey.

We emphasize the importance of wide-spread global adoption of the standards by jurisdictional standard setters. This requires close engagement by the SSBs with regulators and standard-setting bodies to set out the benefits of using the IAASB standards, underpinned by the IESBA Code, and to understand and address any barriers to adoption and consider practical challenges in jurisdictional application.

The IAASB and IESBA (the "SSBs") should aspire to ensure their standards are fit for purpose, relevant, and capable of global adoption and consistent implementation. To drive global adoption and engagement quality, the standards should be scalable, practicable, capable of being interoperable with those issued by other standard-setters, and responsive to a rapidly evolving global environment.

PricewaterhouseCoopers International Limited (PWC)

The upcoming strategy period will take place against the backdrop of a rapidly evolving corporate reporting ecosystem, undergoing fundamental change driven by new and emerging technologies, particularly artificial intelligence, as well as the risk of increased fragmentation in adoption of international standards. To remain relevant and to be perceived by stakeholders as responsive and impactful in this environment, the SSBs should focus on three core priorities: modernisation, agility and alignment.

These priorities will underpin the SSBs' ability to serve the public interest and deliver high-quality, globally operable standards that remain fit for purpose in a changing landscape.

10. Member Bodies or Other Professional Accountancy Organizations

Accountancy Europe (AE)

Excessive standard-setting risks increasing complexity, reducing adoption and contributing to fragmentation.

Chartered Accountants Ireland (CAI)

4. Safeguard global consistency and avoid regulatory fragmentation: As geopolitical and regulatory fragmentation increases, IESBA's and IAASB'S role in maintaining a credible, globally adoptable standards become more important. Priority should be given to reinforcing core ethical, audit and assurance expectations and avoiding duplication of effort in areas already subject to detailed regulatory oversight. Standards need not be highly prescriptive to be effective, and care should be taken to avoid adding layers that may complicate adoption or reduce comparability across jurisdictions.

CPA Australia

In the 2028–2031 period, the IAASB and IESBA (SSBs) should aspire to remain relevant, responsive and impactful by delivering high quality, globally accepted and implemented standards that are durable over time and supported by proportionate, timely implementation assistance. We encourage the SSBs to consider articulating a clear decision framework that distinguishes between how the SSBs determine which:

- (i) matters require standard setting,
- (ii) matters are best addressed through education materials and implementation support, and
- (iii) matters are better addressed by jurisdictional action or other stakeholders.(i.e. IESBA FCG project)

Global Accountancy Alliance (GAA)

Fragmentation

Building on the previous three topics, fragmentation is not a stand-alone issue; it is the cumulative result of weaknesses in each of those areas. When standard setting is not sufficiently evidence-based, proportionate, or disciplined at the pre-initiation stage, projects may proceed without a clearly demonstrated global need, leading to requirements or materials that are harder for jurisdictions to endorse consistently. When adoption, implementability, and periods of stability do not receive enough weight, the pace and volume of amendments can outstrip the ability of jurisdictions and firms to absorb, translate, train on, and implement change, which in turn produces uneven uptake and divergence in practice. And when stakeholder engagement is not broad enough, or projects move beyond remit or are not reassessed as they develop, standard setting can drift toward matters that are jurisdiction-specific, profession-agnostic, or overlapping between boards, creating duplication, interoperability challenges, and added complexity. In our view, correcting fragmentation therefore requires the SSBs to address all three causes together: pursue only projects supported by clear evidence of a systemic global issue, embed adoption and implementation objectives throughout the project lifecycle, preserve meaningful stability and reliance on post-implementation review, and apply stronger discipline around remit, stakeholder engagement, and cross-board coordination so that international standards remain a durable and globally operable baseline.

Global Adoption, Implementability, and Stability

The SSBs should also make broader adoption, effective implementation, and long-term stability central objectives of the next forward strategic period. For IESBA in particular, increasing adoption of more recent versions of the Code should be a major priority, supported by practical, scalable materials and sustained engagement with the profession and other key stakeholders. Rather than focusing primarily on promotion after standards are issued, the SSBs should embed global acceptance and implementation considerations throughout the project lifecycle. A meaningful period of stability is also needed so recent revisions can be implemented, understood, and assessed through post-implementation review before significant further amendments are pursued. Frequent or incremental changes can impose considerable implementation, training, and systems costs on the profession, reporting entities, and society more broadly, and can contribute to fragmentation rather than consistency.

Institute of Chartered Accountants in England and Wales (ICAEW)

b) The SSBs should focus on the uniform adoption and implementation of current standards across all IFAC jurisdictions (along with post-implementation reviews) before embarking on new standard setting projects.

Institute of Chartered Accountants of Scotland (ICAS)

Global Adoption, Implementability, and Stability

Broader adoption, effective implementation, and long-term stability should be central objectives. For IESBA, wider adoption of recent versions of the Code should be a priority, supported by practical and scalable implementation materials and enhanced ongoing engagement with the accountancy profession.

For both IESBA and IAASB, adoption and implementation should be considered throughout the project lifecycle, not only after standards are approved and issued. There is also a need for a continued period of stability so that recent revisions can be embedded and assessed before further major changes are made.

Fragmentation

Fragmentation is not a separate issue but rather the culmination of various matters set out above. To mitigate against this risk, the SSBs should pursue only projects supported by clear evidence of a global need; embed adoption and implementation considerations throughout the lifecycle, including engagement with key stakeholders; preserve stability; and strengthen coordination across boards.

Institute of Public Accountants (IPA)

- mitigate the risk of fragmentation.

International Federation of Accountants (IFAC)

- Place quality at the center of their strategies- Global acceptance, adoption and effective implementation of standards are essential markers of quality. This requires greater emphasis on understandable, proportionate and practicable standards as being in the public interest outcomes.

- Strengthen the full standard-setting lifecycle, including implementation and review.

Greater emphasis should be placed on adoption, implementation, and post-implementation learning. Standards have become longer and more complex, which can impair adoption and consistency of application. This can also heighten the risk of increasing cost and work effort without commensurate benefits. The SSBs should focus on acceptability, adoptability, implementability and operability, supported by timely post-implementation reviews, analysis of adoption patterns, and structured feedback loops. Practical challenges such as translation, terminology and scalability should be considered in detail with an understanding that quality of implementation also requires sufficient time, moving too quickly to the next major project can undermine the value of standards already developed. The Boards should also strongly consider whether simplification initiatives are needed.

Against this backdrop, IFAC believes the SSBs should aspire to deliver high-quality, principles-based, proportionate and globally operable standards that demonstrably serve the public interest and can be adopted and implemented effectively across diverse jurisdictions and practice environments.

The IAASB and the IESBA (the SSBs) should prioritize clarity of role, effective due process including multi-stage effects analysis, a commitment to high-quality standards and maximizing adoption and implementation during their next strategy period.

Malaysian Institute of Accountants (MIA Malaysia)

That said, the environment in which the next strategy period will unfold is shifting in important ways. Rapid technological change — with artificial intelligence at the forefront — is reshaping how corporate reporting is prepared, used and relied upon. At the same time, the uptake of international standards across jurisdictions is becoming increasingly uneven, raising a real risk of fragmentation. Against this backdrop, we suggest that the SSBs anchor their next strategy around three guiding themes: modernisation, agility and alignment. Together, these themes will help ensure that the standards remain technically sound, practical to apply across different markets, and firmly grounded in the public interest.

Pan African Federation of Accountants (PAFA)

From an African perspective, the SSBs should, in the 2028–2031 period, strengthen their role not only as global standard setters but as inclusive and implementation-focused institutions that ensure standards are both globally relevant and locally actionable.

11. Academics

Kenichi Akiba (Waseda University)

A key strategic focus for the SSBs in the 2028–2031 period could be to further enhance the global adoption and effective implementation of their standards. It will also be important for the standards to remain responsive to the evolving digital environment and the increasing demands of sustainability reporting.

02.14. Public Trust, Public Interest & Expectation Gap

01. Monitoring Group

International Federation of Independent Audit Regulators (IFIAR)

dealt with in international standards on quality management (ISQM 1).

8. IFIAR continues to support the development and improvement of high quality auditing, ethics and independence standards that enhance audit quality and reliability and promote global consistency. IFIAR also highlights the importance of standards that are principle based, scalable, and responsive to emerging risks and opportunities, including technological developments, and addressing stakeholder expectations in the public interest. Clarity of the pronouncements are also a key feature to allow for consistent application and enforceability.

International Organization of Securities Commissions (IOSCO) Committee

As the IAASB and IESBA consider their strategies and work plans for the 2028–2031, we encourage both Boards to remain firmly grounded in the public interest and in their respective mandates. We believe it is essential that both Boards prioritize the development of high-quality standards that promote audit quality which can further strengthen public confidence in the global auditing and assurance profession, while also supporting the reliability, comparability, and transparency of financial and non-financial reporting thereby strengthening investor confidence. We also support the Boards' ongoing efforts to ensure their standards remain responsive to the needs of all stakeholders, without undue emphasis on any one stakeholder group.

02. Users of Financial or Non-Financial Information

CFA Institute

- Increase trust in information in the capital markets that is prepared, assured, or audited by professional accountants. To achieve that:
- Enhance capability to identify and prioritize unmet public interest (focus on user) needs, weaknesses in standard setting. This involves stakeholder input but also should involve intelligence from inspections, market events, desk research.
- Issue standards to address the areas of greatest unmet public interest (user) needs, weaknesses in standard setting.

Impax Asset Management

4. Serving the public interest in a changing environment

Finally, the SSBs should aspire to be recognised as trusted public-interest institutions in an environment characterised by geopolitical fragmentation, regulatory divergence and growing scrutiny of ESG-related claims. This will require:

- Strong coordination between the IAASB and IESBA to present a coherent and credible global framework for assurance and ethics.

- Transparency in decision-making and prioritisation, clearly articulating how strategic choices respond to public interest risks.
- Continued innovation in how the SSBs operate, while safeguarding independence and due process.

In summary, Impax believes the 2028–2031 strategy period represents an opportunity for the SSBs to embed trust in sustainability and financial reporting ecosystems globally, ensuring that assurance and ethics standards remain fit for purpose, widely adopted, and demonstrably effective in supporting well-functioning capital markets and sustainable economic outcomes.

International Corporate Governance Network (ICGN)

For the 2028–2031 strategy period, the SSBs should focus on strengthening trust in audit, assurance, ethics and independence standards, while ensuring their work remains practical, globally relevant and capable of broad adoption.

Where enhancements are pursued, they should be targeted at issues that demonstrably improve audit quality, assurance quality, ethical behaviour, independence, or accountability. This includes areas that strengthen trust in financial reporting and, where applicable, financially material sustainability-related reporting. The SSBs should also recognise that audit quality is affected not only by technical standards, but

by governance, incentives and accountability within the audit ecosystem. From an investor perspective, it is important that standards and related activities reinforce the auditor's public interest role and the importance of accountability to users of audited information.

Takeshi Kimura (Nippon Life Insurance Company (Board Member, PRI) (Steering Committee Member, TISFD))

In the 2028–2031 strategy period, I believe that the IAASB and the IESBA should continue to fulfill their core role of ensuring the reliability of individual entities through auditing, assurance and ethics standards. At the same time, they should more clearly articulate that these standards also function as an institutional foundation supporting the stability and trust of capital markets as a whole.

03. Preparers or Issuers of Financial Statements or Other Information

Business Europe

For the 2028–2031 strategy period, the standard-setting boards should remain relevant, globally operable, practical oriented and forward-looking. The standard setting boards should be focussed on whether the standards are and remain operable and proportionate for the businesses that rely on audit and assurance services, while ensuring that the standards continue to serve the public interest and respond to the needs of users of the assured information.

04. Those Charged With Governance

Kaori Ito (Yourmysyar Inc.)

During the 2028–2031 strategy period, the IAASB and IESBA should aspire to strengthen their public-interest impact by addressing not only what standards require, but how professional judgment is formed, communicated, and acted upon in increasingly complex organizational environments.

Many of the most significant governance and ethical challenges arise well before a clear breach of standards occurs, particularly when early concerns or contextual information are filtered through indirect communication channels. While independence and appropriate escalation pathways remain essential, there is a growing risk that judgment and meaning may be unintentionally diluted as information moves across multiple layers.

By complementing high-quality standards with clearer articulation of how timely, context-rich dialogue supports sound judgment among management, those charged with governance, and auditors, the SSBs can remain relevant and responsive in a more transparent, data-rich, and judgment-intensive environment—without compromising independence or professional boundaries.

05. Regulators and Oversight Authorities

Independent Regulatory Board for Auditors (IRBA)

As a strong supporter of international standard setting, we encourage a continued aspiration toward a more future oriented standard setting model, one that not only responds to change, but actively shapes thinking on emerging issues in the public interest and re-affirms trust in the profession. In pursuing this evolution, it is essential that standards continue to be clearly articulated, implementable, and enforceable across jurisdictions, as enforceability underpins their credibility, adoption, and public interest impact. The themes below are offered as opportunities to further enhance the relevance, credibility, and long term resilience of the standards in an increasingly dynamic environment.

06. Jurisdictional and National Standards Setters (JSS)

Australian Auditing and Assurance Standards Board (AUASB)

The public interest and cost/benefit continue to be important considerations.

Japanese Institute of Certified Public Accountants (JICPA)

During the next strategy period, we believe the SSBs should aspire to develop high-quality international standards that serve the public interest in a timely and practical manner, based on evidence supported by appropriate research and analysis, and to enhance trust in professional accountants through the adoption and implementation of those standards. In particular, with respect to outreach activities and surveys, we suggest that the SSBs design and employ effective fact-finding methodologies and use the information gathered to assess whether issues arise from the absence of standards or instead from the inappropriate application or implementation of existing standards. We also suggest that the SSBs further strengthen mechanisms such as post-implementation reviews in order to continuously assess both the intended effects and any unintended consequences of newly introduced standards.

Saudi Organization for Chartered and Professional Accountants (SOCPA)

SOCPA believes that the SSBs should continue their work to enhance the relevance, responsiveness and impact of their standard setting projects and related activities; this is important in an era of rapid changes and instability. We believe that the SSBs should also continue enhancing its balanced interaction and engagement with key stakeholder groups and its ability to serve the public interest in different parts of the world.

07. Accounting Firms

Baker Tilly International

- A focus on what needs doing in the public interest in the eyes of stakeholders

Grant Thornton International Ltd (GTI)

6. Guard against actions that may expand the expectations gap: We remain concerned that some recent and ongoing projects may inadvertently widen the expectations gap by implying that auditors are capable of, or responsible for, outcomes that are not achievable within the inherent limitations of an audit (for example, related to fraud, going concern, and sustainability). We are also concerned that references to negative assurance statements and negative reporting requirements in proposals and meeting papers may be misunderstood as providing assurance beyond the work performed. We recommend care be taken to avoid such statements in meeting papers throughout the standard-setting process. Public communication as part of the first-time implementation guidance for new and revised standards could be developed to clearly explain what changes in auditor responsibilities do and do not mean for users of financial statements or other reports. Additionally, clear and consistent presentation of management's and those charged with governance's responsibilities alongside the auditor's responsibilities would help users understand the auditor's role within the broader accountability framework.

Jack Schoeman (PWC)

The focus should be on agility rather than volume. The SSBs' must move from a reactive posture to a proactive and digital first regulatory framework that actively anticipates the integration of AI and autonomous auditing seen in the world today. By the 2028 to 2031 period, standard setting should facilitate the use of advanced technology to drive audit quality rather than just permitting it. We do not need more regulation or additional layers of legislation because that just adds complexity without value. Instead, we need the existing requirements updated to keep pace with rapid innovation. This evolution is critical to finally bridging the expectation gap regarding fraud and going concern while securing the long term relevance of the profession and its mandate to serve the public interest.

PricewaterhouseCoopers International Limited (PWC)

Modernisation

The SSBs, in particular the IAASB that is undertaking a significant project in the 2024-2027 work plan period, have recognised the need to address the impact of technology. Actions to modernise the international standards to ensure they remain fit-for purpose in a rapidly evolving technological landscape that is reshaping business models, audit and assurance approaches, and ethical considerations should be a clear priority. This will require a proactive and forward-looking approach to emerging issues in order to meet stakeholder needs and serve the public interest. At the same time, any modernisation should remain firmly principles-based and outcome-focused.

In parallel, providing enhanced transparency in due process considerations, including how stakeholder feedback was evaluated in reaching key decisions – in particular when there are competing viewpoints across different stakeholder groups – and ensuring an appropriate balance of stakeholder (including sufficient practitioner) input, will be critical to maintaining trust and confidence in the SSBs' outputs, supporting global adoption, and mitigating the risk of jurisdictional fragmentation.

10. Member Bodies or Other Professional Accountancy Organizations

Association of Chartered Certified Accountants (ACCA)

Serving the public interest is the core mandate of the SSBs and is embedded in their standard-setting activities. Therefore, the aspiration for the 2028–2031 period should focus on how this mandate is most effectively delivered in practice.

Chamber of Hungarian Auditors (MKVK)

The IAASB and IESBA should aspire, during 2028–2031, to strengthen public trust by ensuring that international auditing, assurance, ethics, and independence standards remain globally credible, operational in practice, and proportionate for firms of different sizes and structures

CPA Australia

4) Ability to serve the public interest

- Serve the public interest by being better focused and more targeted, ensuring that the SSBs' work is directed towards key public-interest issues. High quality standards that are adopted and implemented consistently will deliver more benefit than frequent, expansive revisions that create implementation fatigue and downward trends in quality.

Institute of Public Accountants (IPA)

IPA supports the SSB's objectives of setting high-quality and globally accepted standards for assurance and code of ethics that are responsive to stakeholder needs, that help strengthen public trust and confidence in financial and non-financial information. Given the increasing number of jurisdictions adopting the SSB standards, the increasing complexity of the reporting landscape,

Institute of Singapore Chartered Accountants (ISCA)

We believe that the transition to mandatory climate-reporting requirements in Singapore, phased in from FY 2025 to FY 2030 for all listed and large non-listed companies, will accelerate the demand for high quality sustainability reporting and assurance for the strategy period 2028 – 2031. In light of this, we encourage the SSBs to prioritise the strategic objective relating to enhancing trust in sustainability reporting and assurance. In particular, we value the issuance of non authoritative materials by the SSBs to aid in adoption and implementation efforts.

Pavel Dimitrov (Union of Accountants in Bulgaria)

The SSB believes that the 2028–2031 strategy period is a pivotal opportunity for the IAASB and IESBA to reinforce their global leadership in strengthening trust, accountability, and integrity in financial and non-financial reporting. To remain relevant and impactful in a rapidly changing environment, the Boards should focus on several key priorities.

Third, the Boards should continue strengthening their contribution to public trust by reinforcing ethical conduct, transparency, and accountability across the profession.

South African Institute of Chartered Accountants (SAICA)

Serving the Public Interest in a Broader Sense

In serving the public interest in 2028–2031 the SSBs should:

- 1) Reinforce ethical leadership, particularly in areas of independence, conflicts of interest, economic pressures, and the use of technology and data.
 - 2) Maintain a strong focus on professional skepticism, judgment, and culture, recognizing that standards alone cannot drive behavior.
 - 3) Act visibly and decisively where public trust is threatened through timely responses to major failures, crises, or systemic risks.
 - 4) Balance innovation with stability, ensuring that change enhances trust rather than creating confusion or regulatory fatigue.
 - 5) Articulate a clear public interest narrative by explaining how their work protects capital markets, supports confidence in reporting, and ultimately benefits society—not just the profession. Maintaining flexibility and responsiveness in standard-setting is beneficial. As the global environment continues to change, approaches such as principle-based standards, modular frameworks, and more timely updates could help the SSBs remain relevant while still upholding due process and quality.
- The SSBs should consider ways to better understand and demonstrate the impact of their work in the public interest. This involves exploring metrics or feedback mechanisms that provide insight into adoption, consistency, and overall effectiveness of the standards.

11. Academics

European Accounting Association (EAA) Auditing, Assurance and Ethics Standard Committee

More broadly, the Committee hopes that the 2028–2031 period will be one oriented to strengthen public trust in the profession

12. Others

AIDS Committee of Toronto

Support the consistent performance of quality audit and review engagements by enhancing our standards in areas where there is the greatest public interest need

Louise Willdridge (LBW Global)

I also think the SSBs have an important role to play in helping address the expectation gap between the public, companies, regulators, and the profession itself. There can sometimes be very different expectations about what audit and assurance are intended to achieve. Continued focus on ethics, independence, professional skepticism, transparency, and professional judgment will remain essential to maintaining trust and confidence.

02.15. Evolving Firm Structures & Ownership Models

05. Regulators and Oversight Authorities

Irish Auditing & Accounting Supervisory Authority (IAASA)

It is essential for international acceptance of the standards that there is clear alignment and consistency between the IAASB standards and the IESBA Code. Given the level of public interest in audit and the

growing importance of sustainability assurance, both SSBs should ensure sufficient focus and coordination to maintain consistency across their frameworks. This should reflect the evolving audit landscape, including developments in technology and changing firm structures, such as alternative investment models.

Public Company Accounting Oversight Board (PCAOB) – Views of the PCAOB Chief Auditor

A key trend I also see as important is the evolving structure and business models of accounting firms, although I encourage the SSBs to remain cautiously aware of which aspects of this issue can be addressed by the SSBs and which need to be addressed at a jurisdictional level or by others in the accounting and auditing ecosystem.

10. Member Bodies or Other Professional Accountancy Organizations

Consejo General de Economistas de España

- Governance and evaluation of the control environment of the structures of service firms, specifically with the entry of Private Equity. Alternative ownership structures, including private equity investment in auditing and professional services firms, should be a joint IAASB–IESBA priority. These structures can provide capital for technology, talent, succession, and growth, but they can also create risks to the independence, ethical culture, resource allocation, effective professional control, and long-term resilience of the audit market. Any external investment model should be compatible with the public interest only if it is demonstrated, in practice and not only formally, that independence, audit quality and professional control by qualified auditors are preserved.

International Federation of Accountants (IFAC)

IFAC supports the SSBs' need to remain relevant, responsive and impactful in a rapidly changing environment. However, responsiveness should not be equated with continually expanding standards or initiating new standard-setting projects in response to every emerging trend.

A central consideration for the 2028–2031 period is therefore what the role of a standard setter should be in areas such as technology, sustainability and evolving business models. In many cases, the appropriate response may instead be monitoring, implementation support, education, non-authoritative material, coordination with other bodies, or no action rather than standard setting.

11. Academics

European Accounting Association (EAA) Auditing, Assurance and Ethics Standard Committee

The Committee also looks forward to following the further development of the IESBA's work on firm structures and alternative ownership models, as well as its efforts to promote consistent application of ethics standards across diverse global contexts.

Nicole Ratzinger-Sakel (University of Hamburg Business School)

Considering the evolution of the audit environment, such as PE-investments in audit/accounting firms, digitalization, etc.

02.16. Specific Standards & Project-Level Priorities

02. Users of Financial or Non-Financial Information

Impax Asset Management

- Prioritise areas where investor confidence and public trust are most at risk, including assurance over narrative and forward looking information, use of experts, group audits, and the management of conflicts of interest.

05. Regulators and Oversight Authorities

Martina Morrissey (IAASA)

2) No changes to the existing ISAs which would result in a reduction in quality of audits e.g. I would not be in favour of changing the requirements of ISA 330.18.

Public Company Accounting Oversight Board (PCAOB) – Views of the PCAOB Chief Auditor

In general, I believe the current projects on audit evidence and risk response and other standards in the ISA 500-Series may encompass consideration of changes to some standards due to increased use of autonomous technology.

07. Accounting Firms

Jack Schoeman (PWC)

The focus should be on agility rather than volume. The SSBs' must move from a reactive posture to a proactive and digital first regulatory framework that actively anticipates the integration of AI and autonomous auditing seen in the world today. By the 2028 to 2031 period, standard setting should facilitate the use of advanced technology to drive audit quality rather than just permitting it. We do not need more regulation or additional layers of legislation because that just adds complexity without value. Instead, we need the existing requirements updated to keep pace with rapid innovation. This evolution is critical to finally bridging the expectation gap regarding fraud and going concern while securing the long term relevance of the profession and its mandate to serve the public interest.

Kudos International

The SSBs need to pay much more attention to value for money that the profession is investing in them. Firms, including ours have no objection to funding well thought out and clear standards. What does not impress are standards and projects that were clearly going to fail (such as the ill thought out LCE standard) and projects that perhaps will lead to unnecessary time consuming burdens such as IESBA project on firm culture and governance.

The LCE project produced a great document. It just isn't a standard that people are using as regulators (as they told you via the ED process) will not allow it to be used in 95% of countries. Please consider re-purposing it as guidance. Then it need not go through time consuming processes when it needs to be updated- which it does already.

10. Member Bodies or Other Professional Accountancy Organizations

Consejo General de Economistas de España

IAASB:

- Audit evidence: Change the way findings are documented, evidence from AI-managed processes.
- ISA for LCE: It is not a lower quality standard or a marginal development, but a key tool for maintaining high-quality, proportionate and relevant risk-focused audits of accounts in less complex entities. The IAASB should strengthen its visibility within the global framework of auditing standards, monitor its adoption by jurisdictions, analyse implementation barriers and prevent its lack of adoption from generating regulatory fragmentation or competitive disadvantages for SMPs. We propose to include the reference to the ISA for LCE in the text of the standards (ISAs) itself, making visible its inclusion within the regulatory framework, not as an added development, but as part of the complete body of norms. Strengthen the definition of the LCE and Promote actions and studies on the implementation of the ISA-LCE by the different jurisdictions, comparative study of the implementation of the ISA-LCE in the different geographical areas (around the European Union, America, Africa, Asia and Oceania).

Institute of Public Accountants (IPA)

Other comment:

IPA is of the view that the Joint Stakeholder Survey has identified the key trends impacting the standard-setting Boards (SSB), comprising the IAASB and IESBA. We appreciate that the key trends were developed following the SSB's comprehensive review of a wide range of information sources. However, we find the survey's structure misses the opportunity for the SSB to solicit more targeted and comprehensive feedback from stakeholders. The brevity of the document also belies the comprehensiveness of the SSB's work in identifying the key trends.

We think a better approach is for each of the key trends identified, for example A.1 Digital Transformation – Increasing Use of Emerging Technologies, to include specific questions relating to the trend that would better assist the SSB in considering the specific emerging technologies being used, the issues that arise from their use, their relevance and impact, and what and how specifically would stakeholders like the SSB to address. This contrasts with the approach in the survey, which comprises of a rating scale of 0 to 6 on the importance of the trend and free text fields to gather additional feedback on the trend.

02.17. Feedback on the Survey Approach & Rating Methodology

06. Jurisdictional and National Standards Setters (JSS)

Institut der Wirtschaftsprüfer (IDW)

Approach to survey response

We have found it difficult to rate our quantitative responses to the questions posed. We have also provided separate ratings for both boards in some cases, as on certain topics our belief is that there is a clear differential in the importance of the topic to the respective standard setters based on what each of them has already done in that area to date. A higher rating should not be interpreted as suggesting that standard setting in its narrow sense is needed: it may just indicate that additional monitoring and information gathering is required. In addition, our narrative responses should be given greater weight than the ratings.

Nordic Federation of Public Accountants (NRF)

We appreciate the initiative between the IAASB and the IESBA to provide a joint consultation and are very supportive of collaborative efforts between the two boards. However, the grading approach has proven challenging — both in terms of assigning a single grade applicable to both boards, which is not self evident, and because discussions with several persons have shown that individuals often wish to grade differently even though, when explaining their reasoning, they express similar views. Bearing this in mind, we believe it is important that both boards avoid drawing extensive conclusions from the grading results and instead focus primarily on the written input.

07. Accounting Firms

KPMG International Limited

In assigning a ranking to indicate the extent to which we consider that each trend is expected to increase or decrease in relative importance over the survey period, we consider the potential impact of each trend in terms of driving actions of both Boards. Trends assigned a higher ranking may not always be in relation to standard-setting activities as the primary response. Instead, they may relate to the development of implementation guidance to address emerging issues and challenges in practice, as well as involving outreach and advocacy for/promotion of the SSBs' standards. For certain trends or aspects of trends, the Boards may determine that the standards remain fit for purpose and that no response is necessary.

As this is a joint survey and the Boards have different remits, there are instances where we have assessed the relative importance of certain trends differently for the IAASB and the IESBA. However, the survey format allows only a single rating to be entered for each question, therefore in such cases the rating provided reflects the higher of the two different ratings for the two boards. The individual ratings are also clearly noted in the accompanying comments. We ask that both ratings be taken into account when considering the responses, and where differences exist, we have highlighted these and provided separate perspectives for each Board.

Shreekant Prasad (Govindham Consultancy Services)

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10. Member Bodies or Other Professional Accountancy Organizations

Accountancy Europe (AE)

IAASB focuses on audit and assurance standards while the intention is for IESBA to focus on principle-based ethical framework for all professional accountants. This distinction creates challenges when responding through a single survey with uniform ratings. We have therefore provided separate ratings and comments in our responses as necessary. Please note that our assumption of rating each topic is related to the need for standard-setting activities only and not the importance of the topic more broadly. For some topics, we provided different ratings in the comment boxes. In addition, in the overall scoring, we used the higher of the IAASB and IESBA ratings. The rating system proved to be complex and required additional interpretation. Looking ahead, simplifying the rating approach would help ensure more consistent and straightforward responses.

CPA Australia

Observation on the survey's structure

We note a structural issue in the survey that is relevant to how we have responded and is relevant to how strategic positioning for 2028–2031 should be understood.

Responding to this survey is challenging due to the constraints of the rating scale and the lack of clarity about how the rating is intended to relate to the SSBs' response. Certain trends may be important for the SSBs to consider; however, recognising a trend is not, of itself, indicative of how the SSBs should respond (for example, through standard setting, implementation support, or monitoring only).

We are also not able to conclude, at this point, what the SSBs' response should be in three years' time, as it is difficult to predict whether the trends identified by the SSBs will increase or decrease in importance over that period. There is also the issue of "relative" importance. That is, another bigger issue may arise in 2027, that makes the most important issue we identify today, as being relatively less important. Therefore, we have not rated the trends identified by the SSBs in Section IV: Key Trends Impacting the SSBs below. However, for certain trends in Section IV, we consider it appropriate for the SSBs to monitor developments, without making assumptions about what form any response should take. The appropriate response may differ depending on the outcomes of monitoring and the extent to which any issues crystallise in practice. Further, the appropriate response from the IAASB and the IESBA may differ for the same trend due to their respective roles and remits in acting in the public's interest.

Institute of Chartered Accountants in England and Wales (ICAEW)

However, we consider the survey format is not the best means of seeking high quality feedback on the trends that may impact on the strategies of the SSBs.

We note that:

1. The issues to be considered by the two SSBs are not the same and may require a different approach. The requirement to provide a single 'score' that applies to both SSBs is therefore simply unworkable, and masks important nuance and differences in relation to each individual SSB.

2. It is unclear as to whether the 'score' to be inserted, relates to:

a) the 'gross' importance of the trend under consideration as ranked by the stakeholder responding to the survey; or b) the stakeholder's view of whether the trend under consideration should form the basis of a standard setting project by the SSBs.

3. Given the uncertainty about the purpose of the scores and how they are to be interpreted by the SSBs, ICAEW has chosen to:

a) provide individual scores for each SSB in the body of the text boxes; and

b) insert a final figure in the scores box which is intended to indicate whether or not the theme under consideration should form the basis of a work stream or project which may lead to the development of new standards OR non-authoritative guidance material.

Where we have not identified a high score on a trend, it does not follow necessarily that ICAEW does not think a trend is important. Indeed, that trend may still be increasing, but just not to the same extent as other trends identified, and there may not be a standard-setting need. For example, ICAEW strongly supports the increasing demand for sustainability reporting and assurance. However, the combination of IFRS S1 and S2, UK SRSs, CSRD, ISSA 5000 and the IESSAs, and their ongoing implementation means there is not currently a pressing need for new standard-setting projects.

4. Additionally, the requirement to score trends that have been pre-identified by the SSBs runs the risk of introducing anchoring bias into the survey results. ICAEW considers that the SSBs would have obtained much richer and more valuable feedback had the survey employed open questions throughout.

International Federation of Accountants (IFAC)

IFAC also notes that the structure of this survey, particularly the numerical rating of trends, risks being interpreted as support for standard-setting activity. A trend may be important without implying that new or revised standards are needed. Additionally, many of the identified trends are inherently fast-moving and uncertain. Assessing their future importance is therefore challenging and may not provide a reliable basis for long-term strategic decisions. Further, the survey applies a single rating across both

IAASB and IESBA, even though trends may differ significantly in relevance between the two Boards. Taking all of this into account, we would advise that narrative responses should be weighed more heavily than numerical scores, and any conclusions drawn from scoring should be treated with caution.

02.18. Other

02. Users of Financial or Non-Financial Information

CFA Institute

- Broaden adoption of the SSB's standards and increase user awareness of those standards by, for example, increasing the inclusion of the term "ISA" and related IFEA terminology in auditor's reports rather than just jurisdiction-specific terminology

First Nations Financial Management Board

In countries like Canada, where there are populations of Indigenous Peoples, it is important that the concept of serving the public interest includes respecting Indigenous rights.

Indigenous rights – which are inherent – are affirmed in two main international instruments: the International Labor Organization's Indigenous and Tribal Peoples Convention, 1989 ("ILO 169"), adopted in 1989, and the United Nations Declaration on the Rights of Indigenous Peoples ("UNDRIP") (2007). In Canada, these rights are also affirmed in section 35 of the Canadian Constitution and in the United Nations Declaration on the Rights of Indigenous Peoples Act.

While only 24 countries have ratified ILO 169, the instrument is a binding international treaty. Around two decades later, the UNDRIP was adopted by the United Nations General Assembly in 2007. The UNDRIP has been endorsed by 148 countries, including Canada, the US, Australia, New Zealand, Brazil, Costa Rica, Denmark, Finland, Iceland, Norway and Sweden. Of the ten most attractive mining jurisdictions in the world, all have approved UNDRIP and eight have significant Indigenous populations.

It is important for the SSBs to be familiar with the UNDRIP, ILO 169, and any other country or state specific laws, customs or social expectations that are aligned with Indigenous rights. For example, the SSBs should become well informed of the body of research and findings produced by the Truth and Reconciliation Commission of Canada, specifically the 94 Calls to Action. Call to Action 92 specifically applies to the corporate sector and should be considered in the context of standard setting.

The SSBs should not mistake Indigenous Peoples as stakeholders – they are rights holders. The inherent rights of Canada's Indigenous Peoples are affirmed in Canada's constitution. Indigenous Peoples are not special interest groups.

The SSBs should find ways to promote and facilitate the inclusion of Indigenous knowledge especially in the context of sustainability standards (e.g. BEES).

Note that the FMB will only provide comments that are related to its mandate. Where we have not provided feedback, it is for this reason.

Kei Tsuchiya (The Securities Analysts Association of Japan)

Periodic review of Board composition

I welcome the transition to a multi-stakeholder model for the composition of the IAASB and IESBA Boards, which has enabled investors and preparers to participate as Board members. Looking ahead to the next strategic period, I expect that the appropriateness of Board composition will continue to be reviewed periodically in light of changing circumstances. I also note that the perspective of preparers encompasses both those with governance responsibilities and those responsible for executing day-to-day operations. Accordingly, I expect that Board composition will appropriately reflect a balanced consideration of these perspectives.

Sarasin & Partners

Investors depend implicitly on reliable accounting by investee companies. Company financial statements are the foundation for allocating capital and for holding company directors accountable through voting at Annual General Meetings. A robust and demonstrably independent audit system, therefore, is a core investor protection, underpinning investors' trust in company financial disclosures.

As noted in our cover letter, we consider long-term investors and the public to have a shared interest in robust and dependable audit that underpins market efficiency and sustainable economic growth. We, therefore, believe that an audit system that works for investors collectively will also serve the public interest. Our submission is anchored in this belief.

To contextualise our proposals, we start by identifying 1) what the goals of the SSBs are and 2) where there are weaknesses in the delivery against these goals today.

Goal

The SSBs' primary goal, as we understand it, is to support robust and independent audit and assurance that, in turn, underpins trust that company accounting is reliable, providing a true and fair view of corporate economic health and financial performance. Financial market efficiency and stability depends on strong auditing. Both investors and the public are, thus, plainly served by an effective audit system.

Problem statement

The reason regulators globally have taken a keen interest in the audit system is an acknowledgement of its vital public benefits but also a recognition that audit has been associated with a number of market failures, which result in inadequate audit services being provided in the absence of rigorous government or regulatory oversight. The core market failure is an agency problem: the ultimate beneficiaries/users (investors/the public) are not the direct payers, and thus they are not perceived as 'clients' by audit firms. They, therefore, have limited influence over the audit service. Added to this, is a problem of asymmetric

information: investors lack visibility of the audit work and quality, undermining their ability to hold auditors accountable.

The result is, more often than not, that instead of focusing on the ultimate end users, auditors treat the preparers as their 'client'; despite them also being the target of the audit. Where an effective and independent Board-level Audit Committee - acting on behalf of shareholders - controls the audit appointment process and ensures full accountability, the agency problem can be mitigated.

Too often, however, Audit Committees themselves have limited interaction with shareholders and lean heavily on the preparers' finance teams in directing the audit, creating incentives for auditors to reach agreement with management rather than flagging concerns to shareholders. Audit Committees have also been found to favour smooth working relations between auditors and finance teams and are rarely inclined to highlight accounting concerns to shareholders². Where this occurs, the upshot is that the executives who are being audited end up with excessive influence over the audit, weakening auditors' ability to act independently with sufficient professional scepticism, posing a threat to audit quality and the public interest.

Evidence of deficiencies:

In terms of hard evidence of weak audit quality, the most comprehensive review is provided by the International Federation of Independent Audit Regulators (IFIAR). In its 2025 Survey of Inspection Findings relationships, likely liabilities (including litigation), related-party transactions and key revenue drivers.

- Advocacy disclosures: Audit firms are active participants in standard-setting consultations, regulatory reviews, and political lobbying on accounting and audit matters. This advocacy is not currently disclosed in any structured or comprehensive way. Given the influence exerted by the industry, investors and the public have an interest in knowing how audit firms are lobbying to ensure it aligns with investor /public interests.

These requirements could alternatively be incorporated into International Standard on Quality Management (ISQM) r, which governs audit firm quality management¹². At the very least, ISQM r should more explicitly recognise the central importance of firm governance (tone at the top, the incentive structures, the independence framework, investor accountability, transparency, the oversight mechanisms) in delivering high quality audits.

Proposal 3: Audit Governance, Accountability & Ethical Standards

We suggest that the two proposed standards above (an Investor Accountability Standard and an Audit Firm Governance Standard) are combined with existing Ethics Standards under expanded Audit Governance, Accountability & Ethics Standards. These standards for auditors would mirror Corporate Governance standards required of publicly-listed and public-interest entities.

In our view, this shift in emphasis towards governance and accountability would address a major gap in the SSBs' framework and is vital if audit firms are to align with investors and the public interest. Ethics standards are important but, in the end, ethical behaviour cannot be prescribed; it must be incentivised. Consequently, the standards should focus on delivering an incentive framework which rewards professional scepticism, by reinforcing independence from the audited entity and supporting alignment with investors. Governance and accountability mechanisms need to be at the heart of such a framework.

Takeshi Kimura (Nippon Life Insurance Company (Board Member, PRI) (Steering Committee Member, TISFD))

Overall, the IAASB and the IESBA should, in the next strategy period, more clearly position themselves as institutional pillars supporting trust and stability in global capital markets. This requires taking into account the expansion of disclosure domains, the cumulative nature of risks, and the evolving nature of assurance itself, while further strengthening standard setting, implementation support, international coordination, and engagement with users.

05. Regulators and Oversight Authorities

Committee of European Auditing Oversight Bodies (CEAOB)

8. The CEOB outlines below the trends identified in the survey document that are likely to influence both the financial and non-financial reporting ecosystem and the broader standard-setting environment, thereby relevant for shaping the SSBs' strategic direction for the 2028–2031 period.

Independent Regulatory Board for Auditors (IRBA)

- **Acknowledging Evolving Competencies and Team Models:** Alongside technological change, the nature of audit teams and required competencies continues to evolve. We acknowledge that significant progress has already been made in this area, including recent enhancements to standards addressing the use of experts and specialists. At the same time, an important question remains for the future design of auditing standards: as technology becomes integral to audit execution, the boundary between the auditor's own competencies and those of specialists (and in the future that of generative AI) is increasingly blurred. Auditors now require a baseline level of technological and analytical understanding to plan, perform, and evaluate audit work effectively - raising questions about where core auditor competencies end and specialist expertise begins. Clarifying these boundaries can support consistent supervisory expectations and reinforce accountability, while still enabling firms to deploy multidisciplinary teams effectively.

06. Jurisdictional and National Standards Setters (JSS)

American Institute of Certified Public Accountants - Professional Ethics Executive Committee and Auditing Standards Board (AICPA PEEC & AICPA ASB)

- Enhance resource management policies and capabilities.
- Resource management. The strategies and work plans of the SSBs are ultimately about resource management and organizational positioning; the more the SSBs can do to improve each, the greater the likelihood the SSBs can deliver their forward strategies and work plans. We observe that the existing work plans of the SSBs currently require a significant amount of time, focus, and resources. SSB staff resource capacity and expertise often needs to be supplemented through mechanisms such as seconded resources, outreach to firms, the use of technical advisors to augment staff, various advisory and other expert groups (often associated with technology) and co-sourcing arrangements with jurisdictional standard setters (e.g., the IAASB ISRE 2410 project).

We applaud these innovations but at the same time, we believe the work of other jurisdictional standard setters could be more directly leveraged and used for agility for project work. We recommend the SSBs carefully consider how they allocate finite resources to the projects that matter most (i.e., those that serve the greatest quality and public interest need and that can be jurisdictionally implemented) and identify what structural or perceived impediments may exist to using the knowledge and intellectual outputs of others, such as JSSs. The SSBs should set a goal to identify how they can work with their JSS partners to pool resources to accomplish shared objectives. For the IAASB, this could include partnering on the development of guidance on the use of technology in financial statement audits.

Though we list these priorities separately, some of these topics are interrelated and some themes may repeat across topics: • Focus on areas that have a demonstrated need for additional guidance, whether in the form of standard-setting or nonauthoritative materials.

We expand upon these in more detail below with specific recommended actions.

Focus on areas that have a demonstrated need for additional guidance, whether in the form of standard-setting or nonauthoritative materials

We believe that the SSBs' forward 2028–2031 strategic period should focus on standard setting and related activities that align with areas that have a demonstrated need of additional guidance. To identify those needs, the SSBs should leverage the results of this current environmental survey while also performing

continuous horizon scanning techniques to identify the signals that may evolve into emerging issues but are not yet present in current period outreach.

The ASB and AICPA staff are involved in such efforts, particularly the future of assurance and the potential role standard setting should play. Those insights have informed our response throughout this survey. We can share more insights from our research findings as details become available throughout 2026. Additionally, on June 8, 2026, the AICPA will release the highly anticipated Finance and Accounting 2040: Rise to the Future Together report that's based on global input. The report will envision what the world might look like in 2040 and what accountants in firms and finance departments may do to guide the profession to continued success over the next 15 years. We would be pleased to share this report after its release and discuss with the SSBs.

Australian Auditing and Assurance Standards Board (AUASB)

Public Sector

Public-sector considerations are receiving insufficient attention at the international level and public-sector issues are often left to jurisdictional standard setters, despite the sector's size and importance. The IAASB should consider giving more attention to the need for public sector specific standards and guidance, and greater engagement with public-sector stakeholders.

PLEASE NOTE: THIS SURVEY RESPONSE DOES NOT COVER MATTERS SPECIFIC TO IESBA BUT DOES COVER MATTERS RELEVANT TO COORDINATION BETWEEN THE IAASB AND IESBA.

Instituto Mexicano de Contadores Públicos (IMCP)

Also, we encourage to be more strategic in nature and do not deep dive into detailed/very specific topics.

Wirtschaftsprüferkammer (WPK)

The WPK principally welcomes that both Boards have taken current trends and challenges in accounting and auditing as a basis for this survey and the Strategy and Work Plan. When assessing key trends, we have focused on their relevance to the audit profession. However, a high importance rating of 5 or 6 ("strongly increasing importance" or "increasing importance") does not automatically indicate the need for a new standard-setting project; existing regulations may already address the issue in a sufficient manner, or enhanced guidance and non-authoritative materials may be more appropriate to support the profession.

07. Accounting Firms

Deloitte Touch Tohmatsu Limited

Additionally, the effectiveness of the Boards and the standard-setting process depends on a well-functioning staff with sufficient knowledge of the subject matter and proficiency in drafting technical standards. The Board should augment the staff as necessary.

Please note: In ranking the importance of the trends in Section IV of this survey, our key consideration was whether each trend merits continued monitoring by the SSBs and some degree of action or outreach. Our rankings should not be seen as a definitive call for standard setting.

Ernst & Young Global Limited (EY)

Note related to our completion of this survey: Because each Board has its own mandate, our ranking of the importance of key trends sometimes differs between IAASB and IESBA. When this is the case, we selected the higher ranking as our overall response and provided, through our comments, an explanation of our ranking for each Board.

Grant Thornton International Ltd (GTI)

6. Guard against actions that may expand the expectations gap: We remain concerned that some recent and ongoing projects may inadvertently widen the expectations gap by implying that auditors are capable of, or responsible for, outcomes that are not achievable within the inherent limitations of an audit (for example, related to fraud, going concern, and sustainability). We are also concerned that references to negative assurance statements and negative reporting requirements in proposals and meeting papers may be misunderstood as providing assurance beyond the work performed. We recommend care be taken to avoid such statements in meeting papers throughout the standard-setting process. Public communication as part of the first-time implementation guidance for new and revised standards could be developed to clearly explain what changes in auditor responsibilities do and do not mean for users of financial statements or other reports. Additionally, clear and consistent presentation of management's and those charged with governance's responsibilities alongside the auditor's responsibilities would help users understand the auditor's role within the broader accountability framework.

8. Ensure standard setting teams have current, relevant practical experience. The auditing environment is changing more rapidly than ever; accordingly, we recommend that both SSBs prioritize recruiting and retaining staff and board members with current, relevant practical experience in the subject matter for which they are setting standards. Based on the trends identified in this survey, we believe both SSBs need to continually seek to augment the experience of staff and board members related to emerging technology and increasingly complex regulatory landscapes.

RSM International Limited

Jurisdictional considerations: While sustainability and digital topics are important, regulatory timelines differ significantly across jurisdictions. For example, in Singapore, climate reporting and assurance requirements have been deferred and phased in over several years, whereas Australia implemented 'International Standard on Sustainability Assurance (ISSA) 5000, General Requirements for Sustainability Assurance Engagements' early. Accordingly, a 'one-size-fits-all' approach may not be appropriate. The SSBs should consider jurisdictional readiness and allow for flexibility in timing and implementation to ensure standards are practical and capable of consistent application globally. Cultural differences should also be considered, since they may influence how standards are interpreted, applied and enforced across different regions.

10. Member Bodies or Other Professional Accountancy Organizations

Chartered Accountants Australia and New Zealand (CAANZ)

Support for continued adoption/globalisation

We believe the SSBs should continue to seek feedback from diverse sources to produce the best outcomes in standard setting.

While we support sector-neutral standards, we have received feedback that the IAASB could enhance its engagement with the public sector and consider additional mechanisms to obtain public sector input.

CPA Australia

Trends the SSBs should continue to monitor:

- Emerging technologies (including AI)
- Digital assets and ongoing market evolution
- The changing of how intangible assets are perceived
- Technology-enabled financial crime and cybersecurity risks
- Regulatory change and divergence across jurisdictions
- Fragmentation and interoperability
- Expectations for greater agility in standard setting
- Broader and more diverse stakeholder engagement
- Sustainability reporting and assurance
- Sustainability-related regulatory and geopolitical developments

Institute of Public Accountants (IPA)

- address the increasing involvement of non-professional accountants operating in the accounting and auditing profession.

Polish Chamber of Statutory Auditors (PIBR)

IESBA

1. Accelerating work on business relations—current regulations in this area are inadequate and do not keep pace with reality.

South African Institute of Chartered Accountants (SAICA)

SAICA appreciates the opportunity to comment on the consultation.

The survey questions focus on identified trends and the extent to which respondents believe the trends will increase or decrease in importance for the SSBs for their next strategy period. To provide context to our responses: Our ratings reflect our views on whether the identified trends will increase or decrease in significance. However, trends that we have rated as "strongly increasing in significance", for example, should not be interpreted as meaning that standard-setting activity is necessarily required regarding that trend. Our commentary on the ratings articulates the sentiments of our members.

SAICA appreciates that the IAASB and IESBA operate in an increasingly complex and demanding environment. Rapid digital transformation, including the use of data analytics and artificial intelligence, is reshaping how audits are planned and performed, while the global drive toward sustainability and broader non financial reporting is expanding the scope and expectations of assurance. At the same time, heightened focus on anti money laundering, fraud, and economic crime, together with growing stakeholder scrutiny and regulatory fragmentation across jurisdictions, places sustained pressure on standard setters to remain relevant, robust, and forward looking in their responses to an accelerating pace of change.

12. Others

Wenzel Reyes (MindBridge)

The SSBs should focus on ensuring the standards are modernized for the current times and allow for the users of these standards to transition smoothly and swiftly to the modernized standards.

02.19. Response Unrelated

02. Users of Financial or Non-Financial Information

Jane Wilson (Wilsojay Investments)

These standards have no relevance to a sophisticated investor. None. The SSBs' "responsiveness" is to vocal attention-seeking groups who have now started up consulting businesses to advise on how to conform to your standards. The impact of the SSBs standards is a severe negative effect on investment markets. Our stock markets are not healthy. No fledgling companies can afford to go public and they don't want to. Instead we end up with opaque private equity funds that are unsuited to individual investors. I am disgusted that you, my professional organization, the Chartered Financial Analysts organization, the accounting profession, have shamelessly signed on to this gigantic busywork project. Just stop. When I was a junior investment analyst, quarterly reports were one fanfold page, and annual reports were the size of an average magazine. Now, a quarterly report looks like a 10k from a multi-billion dollar company.

If you raised your nose from your paperchase, you'd discover that a very significant number of scientists reject the theory that CO2 production is relevant and they reject the idea that our "sustainability" activities will have any statistically significant effect on anything. We have too many products with toxic ingredients and often too much pollution. Do you address that?? I doubt it.

It seems like every cause starts with good intentions in modern times, then the grifters take over and recognize how much profit is to be made, facts notwithstanding.

Jose Esposito (Credicorp Ltd.)

A more transparent capital markets taking into consideration inputs and requirements from investors who are already playing a role in the market.

07. Accounting Firms

José María Hinojal (BNFIX)

IAASB

10. Member Bodies or Other Professional Accountancy Organizations

Asociación Interamericana de Contabilidad (AIC)

Ambas entidades deben continuar sus acciones y actividades, en un ambiente de neutralidad, objetividad y practicidad en los temas que aborden. El próximo plan estratégico 2028-2031, que seguirá en construcción y actualización permanente, deben contemplar:

- a. la incorporación de jóvenes profesionales en la contaduría y actividades de servicios relacionados, que se incorporen a los entes técnicos globales y regionales, para que además de conocer la normativa actual, su formación, discusión y emisión, sean los líderes en pocos años de estas entidades; una grave problemática en la región (AIC) es la falta de jóvenes en los entes regionales y nacionales (países) comprometidos con la profesión y sus buenas prácticas,
- b. el plan estratégico debe focalizar un espacio relevante e importante, respecto a cómo trabajar con inteligencia artificial (IA), trabajar en IA, y reportería en base a "skills" y agentes, y su aceptación y confiabilidad, mediante la utilización y aplicación de los contadores y similares, para entregar a usuarios internos y externos de las organizaciones.
- c. evaluar la necesidad de contar con auditorías de sistemas de información basadas en IA.
- d. identificar, procesar y emitir normativa sobre el uso de IA en la contaduría pública y el nivel de responsabilidad de los contadores y quienes apoyan en su diseño y generación (profesionales de apoyo).
- e. impulsar la preparación y entrega oficial y razonada, de entes técnicos regionales y nacionales (miembros) sobre normas nuevas, actualización de normativa y guías de uso, implementación y casuísticas.

12. Others

Eri Murakami (Wood Design Studio Inc.)

IAASB is stakeholders and supply chains-relationships multiple group.I larning based IESBA and International law.

02.20. No specific response

02. Users of Financial or Non-Financial Information

Goro Kumagai (The Securities Analysts Association of Japan)

Investment Company Institute

03. Preparers or Issuers of Financial Statements or Other Information

Ascendia EOOD

Sevdalina Paskaleva

06. Jurisdictional and National Standards Setters (JSS)

Compagnie Nationale des Commissaires aux Comptes (CNCC) - Conseil National de l'Ordre des Experts Comptables (CNOEC)

07. Accounting Firms

AFCA Desarrollos Profesionales

Piotr Witek (Moore Polska)

Shreekant Prasad (Govindham Consultancy Services)

na

08. Sustainability Assurance Providers other Than Accounting Firms

Anum Atique (Islamic Non Banking Financial Institution)

Keung Ho Keung Ricky

10. Member Bodies or Other Professional Accountancy Organizations

Malta Institute of Accountants (MIA Malta)

11. Academics

Kiran Seth (Sunway University)

12. Others

Kazuhiro Yoshii (Securities Firm)

Mahmoud Bilal (Unimar)