



For the attention of Mr. Willie Botha
Technical Director
International Auditing and Assurance Standards Board
529 Fifth Avenue, 6th Floor
New York, New York, 10017
USA

[Submitted via IAASB website]

11 April 2023

Dear Mr. Botha,

IAASB Consultation Paper: Proposed Strategy and Work Plan for 2024-2027

We¹ appreciate the opportunity to comment on the IAASB's proposed Strategy and Work Plan for 2024-2027.

Proposed Strategy

We support the Board's strategic goal, objectives and actions

We support the IAASB's defined goal of serving the public interest by enhancing trust in markets through developing high quality globally accepted audit, assurance and related services standards. Trust and confidence in the information needed for decision-making is vital to support the effective functioning of markets and economies. The Board's current and planned focus on developing sustainability assurance standards will be vital in achieving this goal.

With respect to strategic objective 1 (supporting the consistent performance of quality audit engagements), we believe the Board's strategic actions, designed to support the achievement of this objective, should be focused on developing high-quality standards that are capable of consistent interpretation and implementation without the need for extensive implementation support materials or additional non-authoritative guidance. A need for such support materials is indicative that a standard may not have achieved the Board's stakeholder value proposition described under "Our standards" with respect to coherence and operability.

First-time implementation support materials are valuable when issued timely

We recognise the value in useful first-time implementation support materials. The Board is, however, managing many competing demands on its resources. To be effective, such support materials need to be targeted, use illustrative examples and, above all, be issued timely. With the Board prioritising its focus on developing high-quality, coherent, scalable, proportionate and operable standards for both audit and assurance engagements, we recommend that the Board explores whether there may be alternative delivery mechanisms for developing first-time implementation support materials that leverages other resources. For example, this may be better addressed through collaboration with IFAC. This may also serve to help address the timeliness of publication of such materials.

¹ This response is being filed on behalf of the network of member firms of PricewaterhouseCoopers International Limited and references to "PwC", "we" and "our" refer to the PwC network of member firms.

*PricewaterhouseCoopers International Limited
1 Embankment Place
London WC2N 6RH
T: + 44 (0)20 7583 5000, F: + 44 (0)20 7822 4652*

Coordinated public consultations with IESBA should be a goal

It is important to the credibility of both the IAASB and IESBA that the Boards work collaboratively on projects that have overlapping implications for the IAASB's standards or the Code. We strongly encourage adopting a future approach where a single joint exposure draft is issued on a relevant project that sets out the proposed revisions to both the affected IAASB standard(s) and the Code in the same document.

Proposed Work Plan

Sustainability assurance should continue to be a priority

We fully support the priority given to developing standards for assurance on sustainability information in the proposed strategy and work plan. This is responsive to the significant growing public interest in high-quality external sustainability reporting as a key component of corporate reporting. The Board should maintain its momentum and build upon the foundation set in developing proposed ISSA 5000, which is intended to address general requirements for sustainability assurance engagements.

As the globally recognised international audit and assurance standard setter, the IAASB is uniquely positioned to lead the development of globally accepted assurance standards and related guidance in response to rapidly evolving corporate sustainability reporting standards and demand for assurance thereon. This area of work will, and should, form a significant proportion of the Board's activities over the forthcoming and subsequent work plan periods. In light of available resources, external stakeholder deadlines, jurisdictional requirements, and potentially conflicting demands from stakeholders, the Board will need to carefully consider what actions are necessary and determine priorities so that the IAASB's sustainability assurance standards are able to gain broad recognition as the basis for high-quality assurance services over reported sustainability information. That may mean making some difficult choices among competing demands for the IAASB's staff and Board resources.

Establishing a sustainability roadmap

Proposed ISSA 5000, like ISAE 3000 (Revised) today, will create a solid platform to build upon. But we recognise there are challenges that an overarching principles-based general requirements standard may not be able to address in sufficient detail. Practitioners and other users of the assurance standards are likely to seek direction on how to apply ISSA 5000 to particular topics, and regulators may expect the IAASB to take steps to facilitate more consistency in application when specific reporting frameworks are applied (e.g., ESRs promulgated by EFRAG). We encourage the Board to continue its outreach with stakeholders, including utilising the upcoming exposure draft process, to identify those challenges and areas where further subject- or topic- specific standards or guidance are most warranted. This may include, for example, further explaining critically important public interest areas such as fraud (including "greenwashing"), the concept of "double materiality" or "impact materiality", and materiality related to qualitative information.

In this regard, we think it would be useful if the Board's strategy could explain a directional roadmap for the future programme of additional sustainability assurance standards that will build on ISSA 5000. This would provide stakeholders with a clearer understanding of what is anticipated and may serve to manage any potential risk of an expectations gap arising. It is also critical that the Board remains agile and ready to respond in as timely a manner as possible to any emerging need for further standards and/or guidance, even if that means shifting priorities during the upcoming Work Plan period.

Extensive stakeholder engagement is critical to achieve global adoption

In our view, the Board should devote sufficient time and resources to conducting extensive outreach to build support for the IAASB's sustainability standard(s) and guidance. It is critical to the delivery of effective cross-border engagements that jurisdictions across the world are engaged and lend support to an international solution to sustainability assurance. A fragmented patchwork of bespoke national standards would result in an inconsistent approach to assurance that we do not believe would lead to high quality, comparable engagements, and the public trust in sustainability reporting that is at the heart of the IAASB's project.

Addressing technology should be the priority in the ISAs

We also urge the Board to pursue, as a priority, its proposed "omnibus" project on technology. Key questions have persisted for several years about whether the ISAs sufficiently address the increasing use of technology by entities and auditors, including the evolving use of technological tools in the audit. The current ISA 500 revision project was widely anticipated to be a source of needed clarity in this area, but the project has taken a relatively high-level approach. Likewise, the IAASB's Technology Consultation Group has published a number of FAQs, however these lack the authority of standards and may lack widespread recognition, thereby limiting their impact.

As technology continues to rapidly evolve, important questions are likely to remain and grow. For example, emerging issues such as Blockchain and artificial intelligence continue to raise new and challenging audit questions. The IAASB needs to be fully engaged in debates on these matters. A clear strategy and work plan that demonstrates a commitment and ability to respond nimbly to the outcomes of those debates is important. A project that takes a holistic approach to considering where, and to what extent, these questions can be addressed in the suite of ISAs would help resolve uncertainty amongst auditors and regulators about how such tools can help to provide sufficient appropriate audit evidence and enhance audit quality.

Fraud and Going concern - leading the ecosystem debate

Both fraud and going concern are topics of significant public interest. We support the Board's objectives in seeking to address the expectations gap, including through considering appropriate transparency in the auditor's report about the auditor's work in relation to going concern and fraud. We encourage the Board to finalise the changes to these standards as soon as practicably possible, following the Board's due process. However, changes to auditing standards represent only one part of the corporate reporting ecosystem and such changes, on their own, are unlikely to meaningfully reduce the expectation gap in these areas. We continue to believe the IAASB has a key role to play in bringing together and facilitating meaningful discussion among stakeholders in the wider ecosystem, with the goal of building consensus on broader changes in corporate reporting, governance and regulation that would further contribute to addressing the expectations gap. We encourage the Board to have proactive dialogue with bodies such as IOSCO, the IASB, IFAC, the OECD, Transparency International, the World Bank and the IMF, whose insight and support will be needed to achieve wider reforms.

Allow recent revisions to ISAs to take effect

The last five years has seen an intensive period of revision of core standards that are fundamental to the overall audit process (ISAs 220, 315, 540 and 600), as well as the fundamental revision of the firm level quality management standards (ISQM 1 and ISQM 2). These important standards, and the

revised requirements introduced to enhance audit quality, have led to very significant implementation efforts. Further significant implementation will be needed on the revisions of ISAs 240, 500 and 570. Time is needed for the changes introduced by all these standards to take effect and for firms to embed their consistent and effective implementation, as well as closely monitoring their impact on audit quality in accordance with the firm's system of quality management. Consequently, we believe there is a need for a period in which there is no revision of further significant auditing standards, to provide a period of "steady-state" under which recently revised standards can be embedded into practice without significant further planned implementation activities. We do not see an urgent need for any of the listed possible further ISA revision projects at this time. This will also free up resources so that the Board can focus its resources on sustainability assurance engagements in the next few years.

Monitoring Group reform

The Monitoring Group reforms are important in ensuring that the standard-setting model meets stakeholders' evolving expectations of an independent standard setter, whilst also positioning the IAASB to be fit for purpose for the future. In implementing the Monitoring Group recommendations, the Board needs to focus first and foremost on ensuring that the Board's structure and processes will continue to support the development of high-quality audit and assurance standards, following the Board's due process. This includes ensuring that appropriate technical rigour is maintained while staff resources are established, to ensure that standards are coherent, scalable, proportionate and operable, which is necessary in achieving the Board's first and second strategic objectives of supporting the consistent performance of quality audit engagements and establishing globally accepted standards for assurance on sustainability reporting.

One of the risks that the Board will need to manage in moving to a new operating model is an inadvertent decline in the quality of the Board's outputs in the transition phase. In explaining its strategic actions designed to achieve strategic objective number four (creating more agile and innovative ways of working), we believe the Board's strategy needs to provide greater transparency about how the quality of standards will be maintained as the Board's operating model and processes evolve to implement the Monitoring Group recommendations. This could be achieved by explaining how the strategic actions for objective number four interrelate with, and will be able to directly support, the strategic actions described for objectives one and two. Specifically, transparency about how the Board's processes will evolve to ensure quality is maintained while technical staff capacity is developed, and how quality will be measured once such staff complement is fully in place, is a matter of public interest.

We have responded to the individual questions posed in the consultation document in the appendix to this letter. We hope our observations in this letter and the accompanying appendix provide useful input in achieving the Board's strategic goals. We would be happy to discuss our views further with you.

If you have any questions regarding this letter, please contact Gilly Lord, at gillian.lord@pwc.com, or me, at james.chalmers@pwc.com.

Yours sincerely,



James Chalmers
Global Assurance Leader

Appendix - Responses to specific questions

1. Do you agree with Our Proposed Goal, and Our Proposed Keys to Success and Stakeholder Value Proposition?

We support the IAASB's defined goal of developing accepted and leading standards that enhance trust in markets and evolve in a timely manner to meet rapidly changing public interest demands. Globally accepted standards that enable the performance of high-quality engagements bring trust and confidence in the information needed for decision making which is vital to support the effective functioning of markets and economies.

We recommend that the final "key to our success" be adapted to state: "*building support for, and adoption of our standards across jurisdictions, by fostering confidence in.....*". This will be critical in the context of the proposed ISA for LCE and ISSA 5000, where adoption of the Board's proposed standards will be a key to success. Concerted strategic actions will be needed in this area.

2. Do you agree with Our Proposed Strategic Drivers as the key environmental factors that drive the opportunities and challenges impacting our ability to achieve our goal?

We agree (subject to our comment below) with the identified strategic drivers but believe the Board could more clearly articulate the risks it sees to achieving its objectives, such that it is clearer to stakeholders how the Board's planned strategic actions and activities (the Board's "responses") are responsive to the identified risks, enabling the Board to meet its stated objectives.

While we recognise the pressure on the Board to be seen to be able to develop or revise standards more quickly, it is important to the credibility of the Board and its standards that sufficient time be taken to ensure proposed new or revised standards are understandable, scalable and have benefited from robust consideration of practical implications, following the Board's stated due process. We believe the Board ought to build in a "root-cause" element to its process, to better understand the causal factors that lead to any recurring points of feedback from stakeholders about lack of clarity and/or scalability in response to exposure drafts. This could allow enhancements to be made to ongoing and future standard-setting projects, building an element of continuous improvement into the Board's standard-setting processes.

We highlight two specific drivers that we see as being critical to the success of the Board's forward strategy:

Sustainability reporting and other evolving areas for assurance engagements

We fully support the priority given to developing standards for assurance on sustainability information in the proposed Strategy and Work Plan. This is responsive to the significant growing public interest in high-quality external sustainability reporting as a key component of corporate reporting. The Board should maintain its momentum and build upon the foundation set in developing proposed ISSA 5000, which is intended to address general requirements for sustainability assurance engagements.

As the globally recognised international audit and assurance standard setter, the IAASB is uniquely positioned to lead the development of globally accepted assurance standards and related guidance in response to rapidly evolving corporate sustainability reporting standards and demand for assurance thereon. This area of work will, and should, form a significant proportion of the Board's activities over the forthcoming and subsequent work plan periods. In light of available resources, external stakeholder deadlines, jurisdictional requirements, and potentially conflicting demands from stakeholders, the Board will need to carefully consider what actions are necessary and determine

priorities so that the IAASB's sustainability assurance standards are able to gain broad recognition as the basis for high-quality assurance services over reported sustainability information. That may mean making some difficult choices among competing demands for the IAASB's staff and Board resources.

Impact of technology

It is clear that technological tools are continuing to change and enhance how audits are conducted and how information/evidence is obtained and validated. At the same time, technological advancements have changed, and are changing, the way organisations operate, which in turn further affects the way the auditor needs to think about how to audit the business and think about the risks of material misstatement in that new operating environment. Increasingly, businesses are operating in a digital environment, with information only available in electronic form. To ensure that the ISAs, and audit, remain relevant, we believe the IAASB needs to be thinking about how audit evidence is viewed in that construct in a more holistic manner. Technological advancements have the potential to be harnessed to enhance audit quality, but they might also be a disruptor, fundamentally changing the whole audit proposition.

The advent of automated tools and techniques, including artificial intelligence ("AI"), can significantly change how an audit is performed. It can both supplement the auditor's understanding of risk as well as generate audit evidence. Stakeholders likely have heightened expectations about how the auditor's approach should evolve in a technology-enabled world, including in circumstances where auditors may have the ability to analyse full transaction populations. Unless standards recognise the ability of technology, and AI in particular, to perform activities previously reserved for human auditors, we believe the ability to respond to profound changes in the quantity of data generated by companies and the changing expectations of stakeholders will be restricted.

A further result of the increased use of technology is that source information is increasingly stored and made available electronically i.e., no physical version of the information is retained. We believe that the IAASB needs to consider how the relevance and reliability of information that is obtained electronically to support risk assessments and provide substantive evidence can be evaluated. In considering how the integrity of information can be established, the implications of new technologies such as those based on Blockchain (which create immutable distributed ledgers) are clearly relevant.

The IAASB's possible new standard-setting project (*Technology targeted or omnibus project(s)*) should explore these significant questions to determine whether consensus with the IAASB's stakeholders can be reached in order to address some of the more pervasive modernization and technology challenges.

As the Board tackles these issues, the challenge will be to strike a balance between modernising the ISAs to be fit for purpose, acknowledging and giving appropriate recognition to how technological auditing techniques can support obtaining audit evidence, and avoiding requirements that inadvertently inhibit innovation - particularly if the audit is to retain its relevance to stakeholders.

3. Do you agree with Our Proposed Strategic Objectives and Our Proposed Strategic Actions?

We are supportive of the proposed strategic objectives and provide the following observations.

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

With respect to strategic objective 1 (supporting the consistent performance of quality audit engagements), we believe the Board's strategic actions, designed to support the achievement of this

objective, should be focused on developing high-quality standards that are capable of consistent interpretation and implementation without the need for extensive implementation support materials or additional non-authoritative guidance. A need for such support materials is indicative that a standard may not have achieved the Board's stakeholder value proposition described under "Our standards" with respect to coherence and operability.

We recognise the value in useful first-time implementation support materials. The Board is, however, managing many competing demands on its resources. To be effective such support materials need to be targeted, use illustrative examples and, above all, be issued timely. With the Board prioritising its focus on developing high-quality, coherent, scalable, proportionate and operable standards for both audit and assurance engagements, we recommend that the Board explore whether there may be alternative delivery mechanisms for developing first-time implementation support materials that leverages other resources. For example, this may be better addressed through collaboration with IFAC. This may also serve to help address the timeliness of publication of such materials.

The last five years has seen an intensive period of revision of core standards that are fundamental to the overall audit process (ISAs 220, 315, 540 and 600), as well as the fundamental revision of the firm level quality management standards (ISQM 1 and ISQM 2). These important standards, and the revised requirements they have introduced to enhance audit quality, have led to very significant implementation efforts. Further significant implementation will be needed on the revisions of ISAs 240, 500 and 570. Time is needed for the changes introduced by all these standards to take effect and for firms to embed their consistent and effective implementation, as well as closely monitoring their impact on audit quality, in accordance with a firm's system of quality management. Consequently, we believe there is a need for a period in which there is no revision of further significant auditing standards, to provide a period of "steady-state" under which recently revised standards can be embedded into practice without significant further planned implementation activities. We do not see an urgent need for any of the listed possible further ISA revision projects revisions at this time. This will also free up resources so that the Board can focus its resources on sustainability assurance engagements in the next few years.

The Board should also devote appropriate time to addressing a post-implementation review (PIR) of ISA 315 (Revised) and commence planning for PIRs of the quality management standards to evaluate whether the changes to these standards have achieved the Board's aims in revising them.

Establish globally accepted standard(s) for assurance on sustainability reporting

In our view, the Board should devote sufficient time and resources to conducting extensive outreach to build support for the IAASB's proposed sustainability assurance standard(s) and guidance. It is critical to the delivery of effective cross-border engagements that jurisdictions across the world are engaged and lend support to an international solution to sustainability assurance. A fragmented patchwork of bespoke national standards would result in an inconsistent approach to assurance that we do not believe would lead to high-quality, comparable engagements, and the public trust in sustainability reporting that is at the heart of the IAASB's project. See also our response to question 5.

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

We welcome the enhanced interactions and coordination between the IAASB and IESBA on recent projects and the alignment of their respective strategy periods for 2024-2027. This creates a platform for more effective forward planning. It is important to the credibility of both the IAASB and IESBA that the Boards work collaboratively on projects that have overlapping implications for the IAASB's standards or the Code. We strongly encourage adopting a future approach where a single joint

exposure draft is issued on a relevant project that sets out the proposed revisions to both the affected IAASB standard(s) and the Code in the same document. We note, for example, the IESBA current project on use of experts. The considerations with regard to external experts could have quite significant consequences for the IAASB's standards. It is essential that the IAASB is part of the discussions such that stakeholders have a full appreciation of the potential implications for audit and assurance engagement when providing feedback.

In considering the Board's future projects, we support the Board in seeking to work together with leading national standard setters and regulators to leverage both thinking and resources. For example, we envisage the holistic omnibus project on technology, and what it will address in terms of exploring the effects of technology on an audit, as being a project in which many jurisdictions will have a common interest. When the IAASB has an opportunity to leverage jurisdictional initiatives, closer collaboration will allow the Board to better understand how those initiatives were developed, whether they are capable of being applied across jurisdictions and, importantly, whether they achieved their intended purpose.

Create more agile, innovative ways of working in line with the Monitoring Group's reform vision

We are supportive of the Board implementing the Monitoring Group proposals in a manner that supports the development of high-quality audit and assurance standards.

In implementing the Monitoring Group recommendations, the Board needs to focus first and foremost on ensuring that the Board's structure and processes will continue to support the development of high-quality audit and assurance standards, following the Board's due process. This includes ensuring that appropriate technical rigour is maintained while staff resources are established, to ensure that standards are coherent, scalable, proportionate and operable, which is necessary to support the Board in achieving its first and second strategic objectives of supporting the consistent performance of quality audit engagements and establishing globally accepted standards for assurance on sustainability reporting.

In explaining its strategic actions designed to achieve strategic objective number four (creating more agile and innovative ways of working), we believe the Board's strategy needs to provide greater transparency about how the quality of standards will be maintained as the Board's operating model and processes evolve to implement the Monitoring Group recommendations. This could be achieved by explaining how the strategic actions for objective number four interrelate with, and will be able to directly support, the strategic actions described for objectives one and two. Specifically, transparency about how the Board's processes will evolve to ensure quality is maintained while technical staff capacity is developed, and how quality will be measured once such staff complement is fully in place, is a matter of public interest.

In contemplating the Board's work plan, which we comment on in response to question 4, we recommend the Board provide further emphasis to, and clarity about, the process for making limited scope ("targeted") amendments to standards. As described above, we do not believe there are any fundamental issues with the present suite of ISAs that require full standard revisions. However, to the extent that specific issues are identified, we encourage the Board to use its limited scope amendments concept and further refine an approach that could result in a much faster "rapid response" update to a standard.

- 4. Do you support the identified possible new standard-setting projects as set out in Table B within the area of audits and reviews (numbered A. to K.)? Please share your views on the individual topics, including, if relevant, why certain topics may be relatively more important to you, your organisation or within your jurisdiction.**

Overall, we agree with the list of identified possible projects. However, we do not see an urgent need for any of the listed possible further ISA revision projects at this time. This will also free up resources so that the Board can focus its resources on sustainability assurance engagements in the next few years. Our further views on the relative prioritisation of topics are described below.

Audit and review standards

ISAs

As described in our response to question 3, while we agree that ISA 330 may be next in line for revision, we do not believe there is an urgent need to re-open this standard at this time. Similarly, we do not believe there is a current need for revision of ISA 320, addressing materiality. We encourage the Board to allow for a period without a need to implement or more new or revised core ISAs to allow the quality enhancements from recent projects to embed and be evaluated.

Of the various projects listed, we would encourage the Board to focus on project G - *Technology targeted or omnibus project(s)* and to take a broad approach to considering the impact of technology across the suite of ISAs for the reasons set out in response to question 2.

The Board can leverage the work undertaken by the Technology Consultation Group and the FAQs it has issued as a useful starting point for thinking about the issues and questions that need to be addressed, as well as leveraging any relevant jurisdictional initiatives, as described above.

ISRE 2410

The Board has postponed revision of ISRE 2410 for too long. The range of questions arising in relation to, for example, reporting, fraud and going concern, is increasing. It is the last of the Board's primary standards that is in everyday use that remains in a pre-Clarity format. Further postponement of this project does not, therefore, seem justifiable.

Joint audits

Globally, we do not see a basis or need for standard-setting in this area, which is best left to individual jurisdictions to address based on local law, regulation or other market factors.

- 5. Do you support the identified possible new standard-setting projects as set out in Table B within the area of sustainability and other assurance engagements (numbered L. and M.)? Topic L., Further Standards for Assurance on Sustainability Reporting, would involve addressing multiple topics (as part of possible multiple projects). Please provide your views about likely candidate topics for further standards.**

We agree with both topics listed as possible projects.

Sustainability

We support the Board in being agile to monitor and respond to evolving sustainability reporting standards and demands for assurance thereon from intended users of sustainability information, to determine the need for, and prioritisation of, further International Standards or guidance on Sustainability Assurance.

Proposed ISSA 5000, like ISAE 3000 (Revised) today, will create a solid platform to build upon. But we recognise there are challenges that an overarching principles-based general requirements standard may not be able to address in sufficient detail. Practitioners and other users of the assurance

standards are likely to seek direction on how to apply ISSA 5000 to particular topics, and regulators may expect the IAASB to take steps to facilitate more consistency in application when specific reporting frameworks are applied (e.g., ESRs promulgated by EFRAG). We encourage the Board to continue its outreach with stakeholders, including utilising the upcoming exposure draft process, to identify those challenges and areas where further subject- or topic- specific standards or guidance are most warranted. This may include, for example, further explaining critically important public interest areas such as fraud (including “greenwashing”), the concept of “double materiality” or “impact materiality”, and materiality related to qualitative information.

In this regard, we think it would be useful if the Board's strategy could explain a directional roadmap for the future programme of additional sustainability assurance standards that will build on ISSA 5000. This would provide stakeholders with a clearer understanding of what is anticipated and may serve to manage any potential risk of an expectations gap arising. It is also critical that the Board remains agile and ready to respond in as timely a manner as possible to any emerging need for further standards and/or guidance, even if that means shifting priorities during the upcoming Work Plan period.

XBRL

For many jurisdictions, digital financial reporting is simply not being contemplated and therefore this project is seen as of little value and low priority. For other jurisdictions, such as in the EU and US, digital reporting is an area of growth and is likely to expand quite rapidly. As such, these jurisdictions view a project to address assurance needs in this area as being higher priority. Overall, we believe this is likely to become a much higher priority in the near future and the Board needs to maintain active monitoring of jurisdictional developments to determine if, and when, there is sufficient demand for global standard-setting activity, including assessing whether a global solution is possible based on jurisdictional requirements. In one respect, we would draw comparisons to the Board's current LCE project. There is a risk that, if the IAASB does not seek to address this topic in the short- to medium-term, the greater is the likelihood of more national standard setters developing jurisdictional responses and inconsistent approaches to assurance developing that creates barriers to a global baseline solution. At a minimum, we recommend the Board needs to accelerate its information gathering and research activities with respect to this project such that it is ready to move swiftly when the time is right.

- 6. Are there other topics that we should consider as new standard-setting projects? If so, please indicate whether any such topics are more important than the topics identified in Table B, and the needs and interests that would be served by undertaking work on such topic(s).**

No comment.

- 7. Our proposed Strategy and Work Plan emphasises the importance of close coordination with our sister-Board, IESBA. What are your views about whether and, if so, how coordination could be enhanced in terms of opportunities for joint or complementary actions that would better serve the public interest? Suggestions could entail standard-setting work, engagement with stakeholder groups, and improved ways of working, among others.**

See response to question 3 - Strengthen coordination with IESBA and other leading standard setters and regulators to leverage better collective actions in the public interest.

As the two Boards progress their respective work on sustainability assurance, this is an opportunity to demonstrate an integrated approach. Although within the current, rather than next, strategy period, we encourage the Boards to collaborate on their respective exposure drafts on this topic. In particular, given the differential timelines being followed for each Board's exposure draft, coordination is critical to



ensure there are no gaps or inconsistencies in the respective proposals, for example in terms of key overlapping definitions, which would serve to undermine stakeholder perceptions of effective collaboration. While we acknowledge that the timelines of the planned exposure of ISSA 5000 and changes to the Code make the issuance of a single exposure draft unworkable, we would still encourage an approach where both Boards utilise each other's exposure drafts to obtain relevant input on overlapping matters of interest to inform the ongoing development and refinement of their respective proposals. Such an approach could represent a blueprint for similar projects of mutual overlapping work in the 2024-2027 strategy period.

8. Are there any other matters that we should consider in finalising our Strategy and Work Plan?

No comment.