

IESBA

International
Ethics Standards
Board for Accountants®

Global Sustainability Roundtable

Sydney, Australia

March 30, 2023



Sustainability Standards Infrastructure

Sustainability Reporting and Assurance

Standardized approach for **reporting** information



Reliable, comparable and decision useful information

Reporting Standards

Standardized approach for providing independent **assurance**



Credible and trustworthy information

Assurance Standards

Ethical mindset and behaviors to guide judgments and drive actions



Trustworthy information that is factual and not misleading

IESBA – Ethics and Independence Standards

Sustainability Assurance



- IESBA developing ethics and independence standards for sustainability assurance irrespective of:
 - Whether the engagements are carried out by a professional accountant (PA) or other sustainability assurance provider **(profession-agnostic)**
 - The reporting and assurance frameworks used to prepare and assure sustainability information **(framework-neutral)**
- **Key premise:** The new standards to be equivalent to those that apply to audits of financial statements for sustainability assurance engagements of heightened public interest, i.e., where the sustainability information is:
 - Reported in accordance with a general purpose reporting framework
 - Publicly available to support decision-making by investors or other stakeholders, or is required to be provided by law or regulation

Sustainability Reporting



- IESBA also developing ethics standards for sustainability reporting
- Currently no call from the international regulatory community for IESBA to develop ethics standards for reporting that are profession-agnostic
- Strategic question for IESBA:
 - Should IESBA promulgate ethics standards for sustainability reporting for both PAs and other sustainability preparers, or for PAs only?

Use of Experts



- Increasing use of experts
 - By organizations for the preparation and presentation of financial and non-financial information, including sustainability reporting
 - In audit and other assurance engagements, including sustainability assurance
- Public interest questions regarding ethics and independence expectations of experts
- IESBA developing ethics and independence standards regarding the use of experts
 - Being closely coordinated with development of ethics and independence standards for sustainability reporting and assurance



Breakout Discussions

