

AGENDA PAPER

Item Number: 5
Date of Meeting: 4 June 2026
Subject: Project update – Review of APES GN 40 *Ethical Conflicts in the Workplace – Considerations for Members in Business*

Action Required **For Discussion** **For Noting** **For Information**

Purpose

To update the Board on the project to review APES GN 40 *Ethical Conflicts in the Workplace – Considerations for Members in Business* (APES GN 40) and to seek the Board’s approval to issue an Exposure Draft (ED) for public consultation.

Background

APES GN 40 *Ethical Conflicts in the Workplace – Considerations for Members in Business* (APES GN 40) was first issued by the APESB in March 2012. [APES GN 40](#) superseded GN 1 – *Members in Business Guidance Statement*, which was jointly issued by CPA Australia and ICAA (now CA ANZ). APES GN 40 was subsequently revised in October 2015 and March 2020.

APES GN 40 provides guidance to Members in Business on the application of the fundamental principles of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code). The Guidance Note uses the Code’s conceptual framework to address ethical issues encountered by Members in Business. APES GN 40 also includes 21 case studies that illustrate ethical issues faced by Members in Business and the application of the Code’s ethical decision-making process to resolve them.

At the September 2025 Board meeting ([Agenda Item 5](#)), the Board approved the [project proposal](#) to review APES GN 40 and develop amendments to address recent revisions to APES 110 that impact Members in Business, including Technology, Tax Planning and Related Services and Sustainability Reporting. The project also provides an opportunity to assess whether there are further ethical challenges that need to be specifically addressed in APES GN 40. The Board discussed the draft amendments at the March 2026 Board meeting ([Agenda Item 10](#)).

Stakeholder engagement

Technical Staff have addressed the Board’s review comments from the March 2026 Board meeting and circulated the proposed ED to the professional bodies and G100 for feedback.

Staff will provide the Board with a verbal update on stakeholder feedback on the Exposure Draft at the meeting.

Matters for Consideration

APESB Technical Staff have prepared a draft Exposure Draft of the proposed requirements for APES GN 40:

- Incorporating new provisions to address the preparation and presentation of sustainability information by Members in Business resulting from [Sustainability Assurance and Reporting and Use of External Experts](#) (the Sustainability Amending Standard) (proposed paragraph 8.3, and amendments to extant paragraphs 6.3(d) and 12.1).
- Adding new provisions relating to Section 280 *Tax Planning Activities* of the Code, resulting from revisions for [Tax Planning and Related Services](#) (proposed paragraphs 6.3(h), 14.1 and 14.2).
- Adding new provisions relating to Section 290 *Using the Work of an External Expert* of the Code resulting from the Sustainability Amending Standard (proposed paragraphs 6.3(i) and 15.1–15.2).
- Adding new Case Studies 22–29.
- Removing extant Case Studies 3, 4, 10 and 12.
- Updated bibliography.
- Other editorial and consequential amendments.

Way forward

The proposed way forward for this project is for the Board to:

- Issue an Exposure Draft (ED) for proposed amendments to APES GN 40 *Ethical Conflicts in the Workplace – Considerations for Members in Business*; and
- Conduct a public consultation on the Exposure Draft.

Staff Recommendation

The Board approve issuing an ED for proposed amendments to APES GN 40 *Ethical Conflicts in the Workplace – Considerations for Members in Business*, with a 45-day comment period.

Material Presented

Agenda Item 5 (a) ED of Proposed amendments to APES GN 40 *Ethical Conflicts in the Workplace – Considerations for Members in Business* (marked-up)

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Date 20 May 2026