



International Auditing  
and Assurance  
Standards Board

International  
Ethics Standards  
Board for Accountants®

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**Meeting:** Stakeholder Advisory Council (SAC)  
**Meeting Location:** New York, United States of America  
**Meeting Date:** April 29-30, 2024

## Agenda Item H

### Extending the Scope of the IESBA Code (IESBA) – Cover

#### Objective of Agenda Item

1. To discuss the IESBA's strategic plan to explore extending the impact of the IESBA Code beyond the accountancy profession during this strategy period (2024-2027).

#### Project Status

2. Following deliberation of the feedback received on its strategy [Consultation Paper](#), the IESBA approved its Strategy and Work Plan 2024-2027 (SWP) in December 2023. The IESBA released the approved [SWP](#) in April 2024.
3. As a key strategic focus area under its SWP, the IESBA will explore the opportunity to extend the impact of the Code through an expansion of its scope and applicability to individuals who perform the same professional activities as professional accountants (PAs) but who are not PAs.

#### SAC Discussion

4. In considering how best to approach this broad topic of extending the impact of the Code beyond PAs, the IESBA has agreed to take a phased approach by focusing first on sustainability information, particularly given that its current Sustainability project has already taken the first step in extending the impact of the Code to all sustainability assurance practitioners, irrespective of whether they are PAs, with the introduction of the proposed new Part 5.<sup>1</sup>
5. With this in mind, the IESBA agreed to consider developing profession-agnostic standards relating to sustainability information with two new work streams on:
  - (a) Exploring extending the impact of the Code to all preparers of sustainability information (pp. 37-38 of the SWP); and
  - (b) Developing independence standards for sustainability assurance engagements not within the scope of Part 5 of the Code (pp. 38-39 of the SWP).

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<sup>1</sup> [Proposed International Ethics for Sustainability Assurance \(including International Independence Standards\) \(IESSA\) and Other Revisions to the Code Relating to Sustainability Assurance and Reporting](#), The IESSA will be contained in a new Part 5 of the Code.

6. Both work streams are due to commence in 2025.
7. In 2025, the IESBA also plans to commence a work stream on the role of chief financial officers and other senior professional accountants in business (PAIBs) (p. 40 of the SWP). Whilst the focus of this work stream will be on PAIBs (i.e., those who are members of IFAC member bodies), the IESBA anticipates that information collected and feedback from stakeholders will be relevant to the new work stream on exploring extending the impact of the Code to all preparers of sustainability information.
8. Whilst the two sustainability-related work streams are yet to commence, the IESBA intends to seek initial input from the SAC on matters such as the changing sustainability reporting landscape, stakeholder engagement and potential challenges in order to inform the approach to this strategic commitment.

#### **Matters for SAC Consideration**

1. How do you see the sustainability reporting landscape evolving over the next few years, and how might this affect who is involved in reporting on sustainability information within companies?
2. Do you agree that all preparers of financial and non-financial information, whether or not they are professional accountants, should be subject to the same high ethics standards?
3. How can IESBA effectively engage investors, those charged with governance (TCWG), users, regulators and other stakeholders outside the accountancy profession as it pursues the strategic objective of extending the impact of the Code beyond PAs?
4. What are the key considerations IESBA should take into account when commencing the work stream on exploring extending the impact of the Code to all preparers of sustainability information?
5. Absent a specific regulatory requirement, how might companies be guided to voluntarily adopt the IESBA Code to apply to those who perform similar professional activities as PAs internally but are not PAs themselves? What might be the challenges or hurdles and how might they be overcome?

#### **Way Forward**

9. The IESBA plans to commence the two new sustainability-related work streams highlighted above in 2025, taking into account feedback from SAC as well as information gathered from outreach and other work streams, including the current Sustainability project.

#### **Material Presented**

##### *For Discussion*

Agenda Item H.1: Presentation

##### *Related Materials*

- [IESBA's Strategy and Work Plan, 2024 – 2027: Towards a More Sustainable Future: Advancing the Centrality of Ethics](#)