Agenda

1) Coordination activities with the Sustainability Reference Group (SRG), IAASB and ISO

2) Update on Other Outreach Activities

3) Proposed:
   - Title and Numbering of Part 5
   - Title of the Code
Update on Coordination & Outreach Activities
Coordination Activities

☑ Sustainability Reference Group:
  • Meeting on August 2
  • Written feedback on draft standards
  • Next meeting early October

☑ IAASB – Staff meetings throughout Q3

☑ ISO – technical meetings on August 7 and September 1

☑ IAF – ongoing engagement
Other Outreach Q3 2023

- ISSB
- Forum of Firms
- ISSB-ACMF Joint Conference in Singapore
- Accountancy Europe Roundtable
- IOSCO Sustainable Finance Task Force
- AccountAbility ESG and Boards Panel
- PPRAG Meeting
- Japan and Korea Outreach
- Nordic Federation General Assembly
- UofJ/PAFA and ICAN Conferences
Questions or Comments?
Proposed Title and Numbering of Part 5
Title of the Code
The Task Force considered the title of Part 5 taking into account:

1. The standards cover both ethics and independence and will apply globally

2. The standards are profession-agnostic and therefore no need to reference PAs

3. The ethics standards are proposed to apply to all sustainability assurance engagements (not just those subject to the independence scope)

**Task Force proposes the title of Part 5 as:**

“*International Ethics and Independence Standards for Sustainability Assurance*”
Part 5 Numbering

The Task Force considered whether Part 5 should be numbered in the 1000s vs 5000s:

• 1000s has the advantage of being sequential from Part 4B, which currently goes up to Section 990.

• 5000s:
  – Provides space for potential future standards between Parts 4B and 5.
  – Ensures Part 5 paragraphs all start with a 5 for clarity.
  – Creates a parallel with ISSA 5000.

*The Task Force proposes to number Part 5 in the 5000s.*
Part 5 Numbering

The Task Force will ensure the numbering in Part 5 is consistent with extant Parts 1 to 4A:

• For example, R5120.3 will be the equivalent to extant R120.3, R5300.4 equivalent to R300.4, and R5400.20 equivalent to R400.20 etc.

• Where extant paragraphs are not included in Part 5 there will be a reference to intentionally left blank to maintain numbering consistency.

• Where paragraphs are unique to Part 5 this will be indicated with an “a”, “b”, etc., for example paragraph R5360.18a, to maintain numbering consistency.

This consistency creates advantages to:

• Demonstrate Part 5’s equivalence and same high bar as audit.

• Facilitate adoption and implementation for PAs, particularly if performing the audit and sustainability assurance.
The Task Force considered changing the title of the Code and took into account:

- Changing the title could create jurisdictional implementation issues where the title is included in legislation.
- Including ethics and independence for sustainability assurance would make the title cumbersome.
- The Code has an established title and brand.

**Accordingly, the Task Force proposes not to change the title of the Code**
Do IESBA members agree with the Task Force’s proposals?