I. Objective

1. To:
   
   (a) Receive an update on the Working Group’s\textsuperscript{1} activities; and
   
   (b) Consider the Working Group’s proposed way forward for the technology initiative in 2023.

II. Activities since last IESBA Meeting

2. Since the September 2022 Board meeting, the Working Group met virtually to finalize its Phase 2 Report and develop the related shorter pieces of non-authoritative materials and dedicated dynamic webpage.

3. The full Phase 2 Report was released on November 18, 2022. The related other publications and webpage are anticipated to be ready by mid-December.

III. Matters for IESBA Information

4. A status snapshot of the pre-committed technology thought-leadership and other materials is contained in Appendix 1.

IV. Action Requested

5. The IESBA is asked to provide views and react to the Working Group’s proposed four-pillar approach for the technology initiative’s way forward (with a planned re-evaluation in December 2023), as outlined below:

   • **Pillar 1**: Making available regular internal education for the Board on emerging areas, such as technology and sustainability.

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\textsuperscript{1} The Working Group comprises:

- Brian Friedrich, Chair, IESBA Member
- Vania Borgerth, IESBA Member
- Christelle Martin, IESBA Member
- David Clark, IESBA Technical Advisor
- Sundeep Takwani, former IESBA Technical Advisor

Liaison with the IAASB’s technology work is provided by Correspondent Member Johanna Field, and additional support for the Working Group is provided by Laura Friedrich, IESBA Technical Advisor.
Proposed approach: The Working Group suggests that the relevant workstream on the subject matter (such as through the Technology Working Group and Sustainability Working Group) is well-positioned to arrange such internal education opportunities in this regard. This includes suggesting appropriate timing and relevant subject matter experts.

- **Pillar 2:** Conducting ongoing, but substantially less intensive, environmental scanning to monitor advancements and developments in existing and new technologies, their application, and related issues.

Proposed approach: The Working Group suggests that the Technology Experts Group (TEG) continue to provide input to the Working Group in this regard and that for 2023 two environmental updates be obtained from the TEG and shared with the Board.

- **Pillar 3:** Maintaining the capacity for ad hoc analysis of technology-related issues encountered by IESBA workstreams, to identify and assess any potential Code implications or need for additional non-authoritative guidance.

Proposed approach: The Working Group believes that it – with a slimmed down membership – and supported by the TEG, is well-positioned to continue its remit in this regard.

- **Pillar 4:** Maintaining the capacity for engagement with other IESBA workstreams or non-IESBA stakeholders to facilitate the consideration of the Phase 2 recommendations, as well as contributing to the development and/or review of non-authoritative resources and materials proposed in the Phase 2 Report.

Proposed approach: The Working Group believes that it – with a slimmed down membership – and supported by the TEG as needed, is well-positioned to provide input in this regard. This is because the Working Group is well versed in the key themes and insights and recommendations arising from the initiative’s findings.

Materials presented

**Agenda Item 7-A**

Technology Working Group – Proposed Way Forward (Presentation)
### Appendix 1

**Overview of Technology Thought Leadership and Other Materials**

The table below provides an overview, including the anticipated completion/release date of the various thought leadership and other materials.

<table>
<thead>
<tr>
<th>Topic/ Title of Thought leadership and Other Materials</th>
<th>Developed by/ In Collaboration with</th>
<th>Status as of August 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Complexity and the Professional Accountant</strong></td>
<td>CPA Canada, ICAS, IFAC</td>
<td>• Released in Aug 2021</td>
</tr>
<tr>
<td><strong>Technology is a Double-Edged Sword</strong></td>
<td>CPA Canada, ICAS, IFAC</td>
<td>• Released in Dec 2021</td>
</tr>
<tr>
<td><strong>Managing Bias and Mis/Disinformation</strong></td>
<td>CPA Canada, ICAS, IFAC</td>
<td>• Released in Feb 2022</td>
</tr>
<tr>
<td><strong>Mindset and Enabling Skills</strong></td>
<td>CPA Canada, ICAS, IFAC</td>
<td>• Released in Apr 2022</td>
</tr>
<tr>
<td><strong>Applying the Code’s Conceptual Framework to technology-related scenarios</strong></td>
<td>JICPA</td>
<td>• Released in Sep 2022</td>
</tr>
<tr>
<td><strong>Technology-related considerations for Auditor Independence</strong></td>
<td>APESB</td>
<td>• In progress; being aligned with material in final NAS FAQs</td>
</tr>
<tr>
<td><strong>Exploring the IESBA Code: Technology-related instalments</strong></td>
<td>IFAC staff</td>
<td>• <a href="#">Artificial Intelligence installment</a> released in March 2022</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• High-level awareness-raising publication: Completed, in discussion with IFAC on appropriate release date</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• IFAC developing topic-specific technology instalments following the approval of the final technology-related provisions</td>
</tr>
</tbody>
</table>