

**Draft Minutes of the 5th Joint Meeting of the
INTERNATIONAL AUDITING AND ASSURANCE STANDARDS BOARD and
INTERNATIONAL ETHICS STANDARDS BOARD FOR ACCOUNTANTS**

Held on September 18, 2024 in New York, USA

Voting Members

Present: IAASB
Tom Seidenstein (Chair)
Josephine Jackson (Vice-Chair)
Sue Almond
Sami Alshorafa
Hernan Casinelli
Julie Corden
Vishal Doshi
William Edge
Kai Morten Hagen
Sachiko Kai
Edo Kienhuis
Robert Koethner
Prof. Warren Maroun
Neil Morris
Chrystelle Richard
Greg Schollum
Wendy Stevens
Eric Turner
IESBA
Gabriela Figueiredo Dias (Chair)
Laurie Endsley (Vice Chair)
Saadiya Adam
Mark Babington
Vania Borgerth
Richard Huesken
Tomoyo Imura
Sung-Nam Kim
Héctor Lehuedé
Rania Uwaydah Mardini
Christelle Martin
Andrew Mintzer

Technical Advisors

IAASB
Helene Agéllii (Mr. Hagen)
Wolf Böhm (Prof. Marten)
Antoine Boitard (Ms. Richard)
Johanna Field (Mr. Turner)
Amy Groves (Ms. Corden)
Rene Herman (Mr. Edge)
Susan Jones (Mr. Morris)
Yvette Lange (Prof. Maroun)
Thokozani Nkosi (Ms. Jackson)
Misha Pieters (Mr. Schollum)
Claire Revenig (Ms. Almond)
Jamie Shannon (Mr. Kienhuis)
Brian Wilson (Ms. Stevens)
Fernando Zanet (Mr. Casinelli)
IESBA
Keith Billing (Mr. Babington)
David Clark (Mr. Huesken)
Ellen Gorla (Mr. Mintzer)
Marta Kramerius (Mr. Nisoli)
Charles Luo (Mr. Muthaura)
Ki-Tae Park (Mr. Kim)
Andrew Pinkney (Ms. Endsley)
Natashia Soopal (Ms. Adam)
Bruno Tesnière (Ms. Martin)
Kristen Wydell (Mr. Wijesinghe)
Masahiro Yamada (Ms. Borgerth and Imura)

Paul Muthaura
Luigi Nisoli
Amarjeet Singh
Channa Wijesinghe
David Wray

Present: **Public Interest Oversight Board (PIOB) Observers**

Dave Sullivan (IAASB PIOB Observer)
Janine van Diggelen (IESBA PIOB Observer)

IAASB and IESBA Technical Staff

James Gunn (Managing Director, Professional Standards)

IAASB

Willie Botha (Program and Technical Director), Jasper van den Hout (Director), Nathalie Baumgaertner Dutang, Taylor Carter-Jones, Ida Diu, Ana Espinal-Rae, Angelo Giardina, Claire Grayston, Michelle Harrison, Megan Hartman, Megan Leicht, Fadi Mansour, Isabelle Raiche, Kevin Reinhardt, Kalina Shukarova Savovska, Hankenson Jane Talatala, Kazuko Yoshimura and Dan Montgomery (Senior Advisor – Technical Projects)

IESBA

Ken Siong (Program and Senior Director), Linda Biek (Director), Geoffrey Kwan (Director), Joanna Bernard, Laura Leal, Kam Leung, Jon Reid, Szilvia Sramko, Carla Vijian, Jeanne Viljoen, Astu Tilahun, Diana Vasquez

1. Opening Remarks

Mr. Seidenstein and Ms. Dias welcomed all participants to the joint meeting of the IAASB and IESBA, focused on the topic of strategic coordination between the two Standard Setting Boards (SSBs). They commenced the session by highlighting the critical success factors for the two Boards and shared examples of coordination success over the last few years.

2. Joint IAASB-IESBA Board Session – Sustainability Coordination (Agenda Item J)

- Ms. Dias and Mr. Seidenstein provided an overview of the progress made by the two Boards in coordinating on their respective sustainability-related projects.
- Mr. Siong presented an overview of the revisions made to the proposed *International Ethics Standards for Sustainability Assurance (including International Independence Standards)* (IESSA) and the parallel project addressing using the work of an external expert, in relation to the coordination matters being addressed in the two Boards' sustainability-related projects. Specific matters highlighted related to using the work of an external expert and group sustainability assurance engagements, including the concepts "group components" and "value chain components" (as set out in **Agenda Item J-1** and further discussed during the IESBA Board session on September 16).
- Mr. Botha highlighted the corresponding matters with respect to proposed ISSA 5000, *General Requirements for Sustainability Assurance Engagements*, and that the changes made would be aligned in both Boards' sustainability-related standards.
- Both the IESBA and IAASB overall supported the positions reached on the various coordination matters, including alignment between definitions and key concepts in the Boards' standards, while recognizing that the IESBA would still have to complete its due process before considering its sustainability-related standards for final approval at its December 2024 meeting. It was noted that it would be important to be clear about the distinction between group components and value chain components for purposes of applying the relevant requirements in the two Boards' standards.
- Both the IESBA and IAASB expressed appreciation for the coordination efforts between the Task Forces and staff on the sustainability-related projects and acknowledged the need for timely coordination for future projects. Members noted in particular that early and robust coordination alleviates pressure points associated with project deadlines, promotes a sense of commonality of interests and actions, and provides time and flexibility for considering optimal solutions in the public interest.

3. PIOB Observers' Remarks

- Mr. Sullivan expressed appreciation for the efforts of the two Boards in coordinating on the development of the sustainability assurance and ethics (including independence) standards. He noted that many stakeholders as well as the PIOB had asked for this coordination to ensure the standards would be interoperable. Mr. Sullivan emphasized the importance of ensuring the standards would work together seamlessly once finalized.
- Ms. van Diggelen also thanked the two Boards for their substantial efforts in aligning the definitions, terminology, and concepts between the sustainability assurance and ethics (including independence) standards. She recognized that some fine-tuning was still required but stressed the importance of having clear standards for users. Additionally, Ms. van Diggelen highlighted the

need for guidance, such as diagrams or flowcharts, to demonstrate how the different concepts work together in practice.