

Meeting: IAASB & IESBA Board Meetings

Meeting Location: New York (IAASB) & Lisbon (IESBA)

Meeting Date: September 15–19, 2025

Agenda Item

8

Developing the IAASB and IESBA's Future Strategy – Joint Stakeholder Survey

Objective

1. Stakeholders have consistently cited the benefit of the IAASB and IESBA (together referred to as the Standard Setting Boards (SSBs)) integrating their work efforts further. The strategy process offers an opportunity for the SSBs to jointly identify areas for the SSBs' work and focus. A joint survey will also add efficiency and simplify the information-gathering process for stakeholders and the SSBs. This paper seeks the SSBs' views on developing a joint stakeholder survey (joint survey) as the first step in the strategic planning process. The paper then describes the joint SSB Working Group's proposed approach to developing the joint survey and the SSBs' respective SWPs. The purpose of the joint survey is to inform the SSBs' future strategies and work plans for the 2028–2031 period (SWPs).

Section I – Background

2. The current SWPs for both the IAASB and IESBA conclude at the end of 2027.¹ In accordance with the SSBs' [Integrated Due Process and Public Interest Framework \(PIF\) Operating Procedures](#), the SSBs may undertake a survey to obtain views from stakeholders. The input from such survey will inform the development of a Consultation Paper. See **Appendix 2** for the relevant excerpts from the SSBs' Due Process as they relate to the development of the IAASB's and IESBA's SWPs.
3. The SSB Chairs believe a joint survey is a useful step. The proposed joint survey would seek stakeholders' views on the SSB's stakeholder value proposition and relevant trends in the SSB's environment. The survey results will help the IAASB and IESBA develop their respective Consultation Papers for their SWPs. Stakeholder input, along with SSB research, will inform their respective strategic drivers², strategic objectives³ and strategic actions.⁴
4. To support the development of a joint survey, the SSB Chairs set up a Working Group that includes two other members from each SSB, including the Vice Chairs. See **Appendix 1** for the Working Group's composition and IAASB and IESBA Staff members involved.

¹ The IAASB's current Strategy and Work Plan for 2024–2027 is available [here](#), and the IESBA's current Strategy and Work Plan for 2024–2027 can be accessed [here](#).

² Strategic drivers are the environmental factors that drive the opportunities and challenges impacting the SSBs' ability to deliver on their mandates in the public interest.

³ Strategic objectives are the targeted outcomes that address the strategic drivers in support of achieving the SSB's overarching goal or vision. The strategic objectives will guide the selection and prioritization of standard-setting and related activities.

⁴ Strategic actions are the high-level actions to achieve the SSB's strategic objectives, and which inform its work plan.

5. **Appendix 3** presents an early draft timeline to finish the SSBs' respective SWPs. Considering that the final strategy is more than two years from being implemented, the SSBs should view the timelines as flexible.

Section II – Rationale and Approach for a Joint Survey

The Use of a Stakeholder Survey

6. The SSBs maintain a practice of regular and open dialogue with all stakeholders to ensure the SSBs' standard-setting work remains responsive to stakeholder demands and market needs and continues to serve the public interest. Consistent with that approach, the Working Group recommends that the SSBs undertake a stakeholder survey as the first information-gathering activity. This input, along with other research, stakeholder engagement, and Board discussion, will inform the Consultation Paper of each SSB in 2026.
7. Subject to the SSBs' feedback in September 2025, the input received from the survey will help the SSBs to:
 - Develop their stakeholder value proposition by gaining a better understanding of which values and outputs are most relevant and important to the SSBs' stakeholders (see **Section III-A**).
 - Obtain input on key trends that the SSBs should consider as they identify the strategic drivers for their next SWPs (see **Section III-B**).
 - Identify topics where both SSBs have a role to play and that should be undertaken jointly (see **Section III-C**).

Joint Approach to the Survey

8. For the following reasons, the Working Group recommends a joint survey:
 - Surveys are a straightforward way to gain early guidance to direct further work.
 - Such a joint approach reflects the SSBs' shared commitment to responding in a cohesive manner to:
 - Stakeholder demands and market needs; and
 - Matters that are of common interest to the SSBs.
 - A joint survey will better allow the SSBs' stakeholders to consider the matters raised from both an ethics and an audit and assurance lens.
 - A joint survey will reduce the burden on stakeholders (i.e., no need to response to two surveys).
 - Using technology, a joint survey can accommodate that there are differences between the SSBs' remits, stakeholder groups and environment. This will help both Boards develop a robust Consultation Paper that is tailored to the needs of their stakeholders and market.
9. Given the different remits and subjects of the SSBs, the Working Group is of the view that the IAASB and IESBA should have their own separate Consultation Papers and SWPs.

Matters for SSBs' Consideration

1. The SSBs are asked whether they support the Working Group's proposal of:
 - (a) Utilizing a survey to inform the development of the IAASB's and IESBA's Consultation Papers?
 - (b) Undertaking the survey jointly?

Process for Developing the Joint Survey and Other Information-Gathering Activities

Approach For Undertaking the Joint Survey

10. The Working Group proposes inviting stakeholders to share their views on the matters set out in the survey.
11. The structure of the joint survey, as well as matters and questions to be included, will be informed by the SSBs' discussions of the topics set out in **Sections III** below.
12. The Working Group will work closely with the SSBs' Communications Teams to develop a strategic, integrated communication plan (including a social media campaign) to promote the joint survey and raise awareness among a wide range of stakeholders. For ease of accessibility and providing input, the Working Group suggests that the joint survey be published on the SSBs' websites as an interactive online survey.

Outreach

13. The Working Group proposes that the joint survey be supplemented with further outreach activities. These outreach efforts are designed to complement the joint survey by ensuring input is received from a diverse and representative group of stakeholders. These activities will be particularly important for identifying nuanced perspectives and emerging issues that may not be captured through the joint survey alone. For example, these could include:
 - Discussions about the SSBs' SWPs as part of the SSBs' general outreach programs.
 - More targeted outreach with key stakeholders before and after the issue of the joint survey and in developing the IAASB's and IESBA's Consultation Papers. This would include outreach with:
 - Regulators and audit and other oversight authorities;
 - Practitioners;
 - Users of financial and non-financial external reporting of entities including investors;
 - Jurisdictional auditing, assurance and ethics standard setters (JSS). For example, a joint session with the JSS will take place in November 2025; and
 - Other international standard setters (such as reporting standard setters).
 - Further discussion about the SSBs' SWPs with the Stakeholder Advisory Council (SAC) in its October 2025 and April 2026 meetings.

The Working Group and SSBs Staff will stay alert to opportunities to undertake outreach activities jointly where practicable.

Stakeholder Advisory Council

14. In May 2025, the SAC discussed various topics that are of relevance to the development of the SSBs' SWPs. Among other matters, the SAC discussed:
 - The trends in the external reporting ecosystem and their potential implications for the IAASB and IESBA.
 - In greater depth, the potential implications of the trend towards deregulation and fragmentation in several major jurisdictions for the SSBs' sustainability and other international standards, and ways in which the SSBs might go about positioning their standard-setting activities and standards.
 - The relevance and value proposition of the SSBs' work and their impact on businesses and economies more broadly.
15. See the [SAC May 2025 Meeting Highlights](#) for key observations, advice and suggestions from the SAC on these topics.
16. The input from the SAC will inform the development of the joint survey and the Working Group plans to have additional discussions with the SAC following the release of the joint survey in 2026.

Matters for SSBs' Consideration

2. The SSBs are asked whether they support the Working Group's proposed approach for developing the joint survey, including the development of a communications plan.
3. The SSBs are asked for views on:
 - (a) The nature and extent of outreach activities, and specifically the types of activities that could be undertaken to supplement the joint survey (see paragraph 13 above); and
 - (b) Whether there are specific stakeholders that the SSBs should be targeting for input and the best way to do so.

Section III – Topics and Questions To Be Included in the Joint Survey

Section III-A – Value Proposition

17. As noted in paragraphs 14–15 above, in May 2025, the SAC discussed the relevance and value proposition of the SSBs' work for their stakeholders. During that discussion, SAC members highlighted the need for a compelling value proposition that clearly articulates the SSBs' public interest role, independence and impact and that emphasizes how their standards serve as a foundational element for public trust in capital markets. SAC members provided various suggestions on how to develop such a value proposition. See **Appendix 4** which summarizes the SAC's feedback received on a stakeholder value proposition for the SSBs.

18. The Working Group noted that the SSBs do not currently have a formal statement articulating a joint value proposition.⁵ In assessing the need to develop a joint value proposition, the Working Group has considered the following opportunities and challenges:
 - A joint value proposition demonstrates the connectivity of the SSBs' standards;
 - It provides a holistic view of the SSBs' value and impact on the external reporting ecosystem, reinforcing their complementary roles in serving the public interest;
 - It may be challenging to capture all aspects of the SSBs' respective values and impacts within a single value proposition, as both Boards have different remits.
19. The joint survey is a tool to obtain feedback on whether a joint stakeholder value proposition would be appropriate and helpful. The joint survey could include questions to drive the development of such a joint value proposition. For example, stakeholders could be asked to describe their expectations of the SSBs. The joint survey could include questions such as:
 - How do you define "value" in the context of the SSBs' mandates and work? What are the values that are important for your stakeholder group, and how do you believe the SSBs should serve you and your stakeholder group within their mandates?
 - What are your other expectations of the SSBs?
20. In addition, the Working Group is of the view that the joint survey could include draft core elements of the SSBs' value proposition and ask stakeholders to comment on these elements. The Working Group is of the view that the joint survey should not include a draft SSBs value proposition as that may distract stakeholders from commenting on the core elements and instead focusing on the drafting.

Matters for SSBs' Consideration

4. The SSBs are asked whether they support:
 - (a) The development of a joint value proposition to be included in the SSBs' respective SWPs and, if so, what opportunities and challenges there may be. Board members are asked to come with ideas how the challenges can be addressed.
 - (b) The Working Group's proposal of seeking input from stakeholders to inform the development of joint value proposition (see paragraphs 19–20).
5. The SSBs are asked for initial views on what could be included as core elements of a joint stakeholder value proposition (see also **Appendix 4**).

Section III-B – Information-Gathering on the SSBs' Environment

21. As noted in paragraphs 14–15 above, in May 2025, the SAC discussed the key trends shaping the accounting and auditing industry in 2025 and beyond and their potential implications for the SSB's work. In preparing the agenda paper for the SAC meeting, SSBs Staff conducted a comprehensive review of future trends from a wide range of sources, including news and publications from JSSs,

⁵ The IAASB included a stakeholder value proposition in its 2024–2027 Strategy and Work Plan. The IESBA did not include a value proposition in its 2024–2027 Strategy and Work Plan.

leading financial news outlets and industry research reports. This multi-source approach enabled the identification of recurring themes across key areas of practice for the SAC's consideration.

22. The trends discussed by the SAC include:

- The rapid acceleration of digital transformation, particularly using generative artificial intelligence (AI).
- Growing institutional investment in digital assets and cryptocurrencies.
- Evolving cybersecurity risks.
- Increased demand for environment, social and governance related reporting and assurance.
- Regulatory changes.
- Continued talent shortages in the profession.
- Rising private equity ownership in accounting firms.

23. Based on the May 2025 SAC discussions and additional research performed by SSBs Staff, the SSBs Staff has identified several key future trends that may impact the external reporting ecosystem, including the standard-setting landscape in the coming years. See **Appendix 5** for a preliminary list of future trends identified.

24. In developing their SWPs, the two Boards will consider which are the most relevant and impactful environmental trends of the external reporting ecosystem that will influence the IAASB's and IESBA's respective SWPs. These trends will then be incorporated in the SWPs as strategic drivers. To inform the Boards' thinking, the Working Group believes it would be helpful to seek stakeholders' feedback via the joint survey on identified environmental trends and on any other trends that they believe have the most significant impact on the SSBs' future work plans.

25. Taking into account the SSBs' discussions in September 2025, the Working Group will conduct additional structured research in Q4 2025 to obtain a better understanding of the trends and changes to the environment that will shape the SSBs' work in the next strategy period. The Working Group is considering using the PESTEL⁶ framework to examine those trends affecting the SSBs' environment, with special regard to the external reporting ecosystem. By analyzing the categories of the PESTEL framework, the SSBs will be able to better identify potential opportunities and challenges, which can then be used to inform the development of the IAASB's and IESBA's SWPs. The updated list of trends, informed by the additional research, will be included in the draft joint survey for the SSBs' consideration in December 2025.

Matters for SSBs' Consideration

6. The SSBs are asked:

- (a) Whether they agree with the inclusion of the key trends and changes to the SSBs' environment in the joint survey?
- (b) For their views on the additional structured research to be performed after the September 2025 meeting.

⁶ PESTEL stands for Political, Economic, Social, Technological, Legal, and Environmental factors.

7. Each member of the SSBs is requested to bring to their respective Board discussions, their three most relevant trends to their respective SSB's environment and how these factors might impact the SSB's future work plan.

Section III-C: Work Plans

26. As explained in paragraph 24 above, the most relevant and impactful environmental trends will be incorporated in the SSBs' SWPs as strategic drivers. In turn, the strategic drivers will influence each SSB's strategic objectives, strategic actions and the potential topics the IAASB and IESBA will include in the work plan section of the Consultation Papers. Although specific strategic drivers might have a greater impact on either the IAASB's or IESBA's work, the strategic drivers may translate into the identification of topics or items where both SSBs have a role to play, given the connectivity between the SSBs.
27. Therefore, the Working Group believes that the joint survey could seek feedback about commonalities of interest inherent in the identified trends and translating these into the identification of initiatives stakeholders believe the SSBs should consider where both Boards have a role to play and that may be undertaken jointly.
28. Therefore, the Working Group proposes including a section in the joint survey on potential joint projects and activities in the SSBs' respective work plans. This section will consist of two subsections:
 - A joint section describing the connectivity between the Boards' work plans, including sharing initial ideas about how the identified high-level trends may translate into the identification of topics or items where both SSBs have a role to play; and
 - A section describing, at a high level, how each SSB is progressing on its current work plan in order to provide an indication of projects underway in 2026 and 2027 that may be carried forward to the new work plan period.
29. The Working Group is of the view that it would be premature to solicit feedback in the joint survey on a list of initial ideas of potential projects and activities that the IAASB and IESBA may undertake during the 2028–2031 SWP period.

Matters for SSBs' Consideration

8. The SSBs are asked whether:
 - (a) They agree with the proposal for a section on the Work Plan in the joint survey;
 - (b) They agree with not presenting initial ideas of potential projects and activities that the IAASB and IESBA may undertake during the 2028–2031 SWP in the joint survey; and
 - (c) There are other areas that should be covered with respect to work plans?

Section IV: Way Forward

30. Subject to the SSBs' discussions in September, the Working Group will present a draft joint survey to the SSBs for consideration with a view to approval at the December 2025 IAASB and IESBA meetings, which will include both separate discussions by each SSB, as well as a joint session of the SSBs.

31. The finalized joint survey is expected to be released in January 2026 and will remain open for public comment for 90 days. Responses will inform the development of the IAASB's and IESBA's Consultation Papers, with further review and discussion scheduled throughout 2026.

Appendix 1

Strategy and Work Plan Working Group Assignments and Activities

SSBs Staff Contacts

1. The SSBs' Staff contacts for the project are:

IAASB	IESBA
Willie Botha, Program and Senior Director	Ken Siong, Program and Senior Director
Jasper van den Hout, Director	Geoff Kwan, Director
Nathalie Baumgaertener Dutang, Senior Manager	Szilvia Sramko, Principal

Working Group Members

2. The Working Group members:

IAASB	IESBA
Tom Seidenstein, Chair	Gabriela Figueiredo Dias, Chair
Josephine Jackson, Vice-Chair	Channa Wijesinghe, Vice-Chair
Edo Kienhuis, Board Member	Christelle Martin, Board Member

Activities

3. The Working Group held one virtual meeting in August 2025 to discuss the approach to developing a joint stakeholder survey as described in the issues paper.
4. In addition, the SSBs Staff and Chairs had various discussions on the development of the joint stakeholder survey and the IAASB's and IESBA's SWPs more broadly.

Appendix 2

Relevant Excerpts from the IAASB and IESBA's Integrated Due Process and Public Interest Framework Operating Procedures

1. The Integrated Due Process and PIF Operating Procedures outline what is required of the SSBs when setting their strategy and work programs, as follows:
 - The SSB is responsible for developing a comprehensive and integrated strategy and work plan for standards and related agenda priorities. Without prejudicing their independence, the SSBs engage in strategic and technical coordination with each other to enable the Boards to work closely on key projects that impact their respective mandates and the interoperability of their international pronouncements (Paragraph 5 of Integrated Due Process and PIF Operating Procedures).
 - The SSB identifies potential new projects based on a review of international and relevant national developments, findings from post-implementation reviews of new and revised international pronouncements, and on input from those who have a legitimate interest⁷ in the international pronouncements issued by the SSB. To facilitate this process, the SSB periodically develops and approves, based on public consultation, a strategy and work plan (Paragraph 6 of Integrated Due Process and PIF Operating Procedures).
 - The SSB consults with the Stakeholder Advisory Council (SAC) on the development of the SSB's strategy and work plan, including in relation to the SSB's project or work priorities to assist in establishing their appropriateness. In addition, the SSB may consult the SAC on any matter at any time, recognizing the strategic advisory role and objective of the SAC. Input received through consultation with the SAC is communicated with the SSB (Paragraph 7 of Integrated Due Process and PIF Operating Procedures).
 - In setting its strategy and work plan, the SSB obtains the PIOB's conclusion as to whether the SSB's strategy and work plan has been developed in a manner consistent with agreed due process and whether the strategy and work plan is responsive to the public interest. Concurrently, the SSB also obtains the PIOB's further conclusion on the appropriateness of the items in the work plan, and the completeness of the strategy and work plan from a public interest perspective. The SSB adds to its work plan those items that the PIOB resolves should, from a public interest perspective, form part of the SSB's work plan. Annually, the SSB discusses the SSB's upcoming year's work plan with the PIOB (Paragraph 8 of Integrated Due Process and PIF Operating Procedures).
2. The Due Process Working Procedures further note that:
 - The development of the SSB's strategy and work plan includes the issue of a consultation paper for public comment, made available on the SSB website where it can be accessed free of charge by the general public, for ordinarily no less than 60 days. The SSB considers the results of the public consultation in formulating, as necessary, a revised strategy and work plan (Paragraph A5 of Integrated Due Process and PIF Operating Procedures).

⁷ See the PIF.

- In advance of the SSB's strategy review, the SSB may undertake a survey of its key stakeholders to obtain views about issues that they believe should be addressed by the SSB in the immediate or near-term future (Paragraph A6 of Integrated Due Process and PIF Operating Procedures).
- The SSB's strategy reviews and consultations are not anticipated to be an annual process (Paragraph A7 of Integrated Due Process and PIF Operating Procedures).

Appendix 3**Timetable**

The following represents an indicative timetable to finalize the IAASB and IESBA Strategy and Work Plans for 2028–2031:

Activity	Timing
Development of Joint Stakeholder Survey (Joint Survey)	
Discussion about the approach to a joint survey	September 2025
Joint discussion and approval of the proposed joint survey	December 2025
Joint survey released publicly for a 90-day comment period	January 2026
Development of IAASB's and IESBA's Consultation Papers	
Present high-level summary of responses to the joint survey to the SSBs	June 2026
Further discussion of responses to the joint survey and first read of IAASB's and IESBA's Consultation Papers	September 2026
Approval of IAASB's and IESBA's Consultation Papers	December 2026
IAASB's and IESBA's Consultation Papers published for a 90-day comment period	January 2027
Development of SWPs	
Discussion of responses to the IAASB's and IESBA's Consultation Papers and first read of IAASB's and IESBA's SWPs	September 2027
Approval of IAASB's and IESBA's SWPs	December 2027
The Public Interest Oversight Board's conclusions on the IAASB's and IESBA's SWPs	April 2028

Appendix 4

Summary of SAC Feedback on a Joint Stakeholder Value Proposition

1. In its [May 2025 meeting](#), the SAC, as part of its discussion on the value proposition of the SSBs and the impact of recent revisions and enhancements to the IAASB's and IESBA's International Standards (Session 3), discussed whether a joint stakeholder value proposition would be valuable and how the SSBs can improve stakeholders' awareness and understanding of their standards' value proposition, including their impact on businesses and economies more broadly.
2. The SAC made the following key observations, advice and suggestions on the SSBs' value proposition:
 - It is critically important that the SSBs' standards remain consistent, scalable, principle-based and responsive to investor needs. Absent these characteristics, there is risk of jurisdictional divergence, which can impact investor confidence, the ability to attract investments and cross-border comparability.
 - There is need for a compelling value proposition that clearly articulates the SSBs' public interest role, independence and impact. In this regard, suggestions included:
 - Highlighting in the value proposition the direct beneficiaries, particularly investors, audit committees and preparers without, in any way, diminishing the importance of regulators.
 - Emphasizing how the SSBs' standards serve as a foundational element for public trust in capital markets.
 - Clearly spelling out the benefits of international standards and clarifying the public interest considerations.
 - Making the value proposition more tangible and accessible by adding examples of how the SSBs' standards add value.
 - Recognizing the distinct roles of standard setting and enforcement.
 - Using language in the value proposition that is clear and outcome-focused so that it better resonates with stakeholders both within and outside the profession. Also, to bring the value proposition to life, the SAC suggested making the principal / agent problem clear through real life cases and user-friendly communication mechanisms. This will improve the visibility of the SSBs' standards and will explain that the standards reduce the risks for investors.

Appendix 5

Preliminary List of Environmental Trends Impacting the External Reporting Ecosystem Prepared by SSBs Staff

1. Impact of Emerging Technologies

- (a) *Digital Transformation and Automation:* Businesses and industries, including accounting firms, are undergoing a far-reaching transformation driven by the adoption of emerging technologies such as generative AI and machine learning, robotics, internet of things, and blockchain. It is anticipated that these and other new technologies will continue to develop rapidly and impact significantly the external reporting ecosystem, including how auditing and accounting firms organize themselves and undertake their work.
- (b) *Digital Assets and Institutionalization of Digital Assets:* Given the growing use of emerging technologies, digital assets, including cryptocurrencies, have become more popular and their institutionalization is accelerating. For example, in the United States spot Bitcoin exchange-traded funds were approved by the Securities and Exchange Commission in early 2024, enabling traditional investors (e.g., pension funds) to more readily invest in Bitcoins. Currently, regulation varies by jurisdiction but the direction is likely to move towards cleared and more mature frameworks.
- (c) *Financial Crimes Enabled by Technology:* The growing use of emerging technology has also given rise to significant threats to cybersecurity and a significant rise in unlawful activities that exploit digital systems, networks, and generative AI to commit, conceal, or facilitate theft, fraud, or other forms of financial misconduct, for example, cyber- or AI-enabled fraud, money laundering, account-takeover, etc. With the significant increase in cyber threats, there will be more focus on IT controls, data security including on the cloud, and cybersecurity to protect sensitive financial and non-financial information.

2. Geopolitical Changes

- (d) *Multipolarity:* There is a shift toward a more multipolar world order, with greater inclusion of voices from developing countries. Given this, there are calls to reform global institutions (e.g., United Nations, International Monetary Fund and the World Bank) to amplify developing countries' representation. There is also likely to be a shift and re-balancing of economic influence from established G7 to the "Emerging-Seven" (China, Brazil, Indonesia, India, Russia, Mexico and Turkey) over the coming decade. Those shifts may impact political support for or resistance to the adoption and implementation of global standards.
- (e) *Geopolitical Tensions:* There is an increase in international conflicts involving a growing number of countries. Recent major conflicts and crises have had a significant impact on global stability. Examples include the wars in Ukraine and Gaza and recent trade wars. In addition, there is a move away from globalism toward a more nationalistic focus. Trade conflicts, sanctions, and regional instabilities may fragment international cooperation, making global convergence of standards more difficult.
- (f) *Regulatory Changes:* The accounting and auditing industry is navigating a complex regulatory environment, with ongoing changes. On the one hand, these changes are driven by the need

for market stability and to prevent economic disruptions caused by corporate failures. On the other hand, there is a trend towards reducing regulatory burdens and streamlining processes to foster innovation and economic growth.

- (g) *Risk to Fragmentation of Frameworks:* Given the multipolarity, different jurisdictions, industries, or organizations may use varied and sometimes conflicting frameworks, rules, and metrics for reporting information. In the accountancy profession, this is especially the case in areas like financial disclosures, sustainability reporting, and corporate governance.

3. Climate Change

- (h) *Persisting Demand for Climate Reporting:* As the impact of climate change continues to rise, climate reporting will continue to grow as a critical component of corporate transparency. Stakeholders, including investors and regulators, are demanding more comprehensive and accurate climate-related disclosures. This trend is driving the rise of sustainability reporting and assurance and integrated reporting frameworks.
- (i) *Regulatory Changes:* The regulatory landscape for climate reporting will continue to evolve, with potential amendments to existing regulations and the introduction of new standards.

4. Evolving Structure and Business Models of Accounting Firms

- (j) *Private Equity Investments:* Private equity organizations are increasingly investing in accounting firms, driving growth and technological innovation but raising ethics and auditor independence implications, including on firms' ethical culture.
- (k) *Involvement of Non-Professional Accountants in the Accounting and Auditing Industry:* Traditionally, accounting firms were staffed almost exclusively with accountants and auditors. Now, a growing share of their workforce consists of specialists from other disciplines, such as technology, data science, law, consulting, and sustainability.
- (l) *Talent Shortage:* The accounting and auditing industry is facing a significant talent shortage driven in part by perceptions of the industry as being less dynamic and innovative, and the attraction of alternative career paths.
- (m) *Changing Work Model:* The modern work model in the financial sector and professional services industries, including accounting firms, is becoming more flexible, not only with hybrid modes of working but also with the development of out-of-territory or centralized workforces in service delivery centers.