

2. SECTION I: ABOUT THE RESPONDENT

1. From which perspective are you providing this feedback?

The view of an organization

Please complete:

Your name:

Your organization (if applicable):

E-mail address:

Please complete:

Organization:

Hellenic Accounting and Auditing Standards Oversight Board (HAASOB)

Name(s) of contact(s) for this submission:

Nikolaos Papadimos

E-mail address(es) of contact(s):

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2. Please select from the following options to which stakeholder group you or your organization belongs:

Regulator or Audit, Assurance or Ethics Oversight Body

Please specify the type of accounting firm:

Please specify:

Please specify:

Please specify:

Please specify:

3. Please select from the following options the geographical region that best matches you or your organization:

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matches you or your organization:

Europe

4. SECTION III: SSBs' STRATEGIC POSITIONING FOR 2028–2031

4. As the SSBs look toward the 2028–2031 period, they are reflecting on how to position their strategies and work plans to best serve the public interest within a rapidly changing global environment. This involves careful consideration of how the SSBs remain relevant, responsive, and impactful in their standard-setting and other related work. In that context, what do you believe the SSBs should aspire to achieve during their next strategy period, 2028–2031?

Your answer may touch on different dimensions, for example:

The relevance, responsiveness and impact of the SSBs' standard-setting and related activities.

Broader adoption and effective implementation of the SSBs' standards.

The SSBs' interaction and engagement with key stakeholder groups.

The SSBs' ability to serve the public interest.

The examples above are for illustrative purposes only and should not limit, direct, or otherwise influence your response.

Your answer should address the IAASB and IESBA collectively; however, you may wish to also highlight matters specifically for the IAASB or IESBA (if applicable, you could use separate headings to address such matters).

HAASOB appreciates the efforts by the IAASB and IESBA to seek input on their strategy and work plans to ensure their activities and pronouncements continue to serve the public interest through high quality, interoperable, and complementary auditing, assurance, ethics and independence standards.

We agree to the collaboration of the IAASB and IESBA on projects that have major overlaps, including on the current workstream on firm culture and governance and future projects.

We strongly support the development and improvement of high quality auditing, ethics and independence standards by the IAASB and IESBA that enhance audit quality and promote global consistency.

6. SECTION IV: KEY TRENDS IMPACTING THE SSBs

A.1 Digital Transformation – Increasing Use of Emerging Technologies

6 – Strongly increasing in importance

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

Given the rapidly changing environment and new technologies emerging it is difficult in recognizing the importance and identifying which technology trends will exist in five years. Examples : Auditing firms are exploring agentic AI systems and are moving from single-task automation toward orchestrating multiple audit activities. Shift from standalone tools to unified audit platforms embedding multiple ATTs in a single workflow.

The use of Emerging Technologies is of utmost importance and should be a top priority for the SSBs for the next strategy period starting in 2028. More empirical evidence will be available this year and next year to see the new trends and to identified impacts for the the new digital era.

Oversight frameworks must keep pace with rapidly evolving technology.

A.2 Digital Transformation – Digital Assets and Institutionalization of Digital Assets

6 – Strongly increasing in importance

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

Given the growing use of emerging technologies such as blockchain, digital assets, including cryptocurrencies, cyber securities and Agentic AI will require new governance structures, clearer auditor accountability and professional judgement. Transparency with audit committees about technology's role is essential.

A.3 Digital Transformation – Financial Crimes Enabled by Technology

6 – Strongly increasing in importance

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

The nature of financial crime is rapidly evolving. Tackling these interconnected risks requires a proactive, collaborative approach between the public and private sectors. Track global guidelines and anti-money laundering strategies through the Financial Action Task Force is a way forward so auditors are aware of the dark web and digital assets ecosystems.

7. SECTION IV: KEY TRENDS IMPACTING THE SSBs

B.1 Changes in the Geopolitical and Regulatory Landscape – Regulatory Changes

4 – Slightly increasing in importance

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

See below B3

B.2 Changes in the Geopolitical and Regulatory Landscape – Risk of Fragmentation

5 – Increasing in importance

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

See below B3

B.3 Changes in the Geopolitical and Regulatory Landscape – Call for Greater Agility in Standard Setting

4 – Slightly increasing in importance

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

Potential areas of simplification should focus on non - Public Interest Entities (PIEs) and the use of the standalone standards for Less Complex Entities (LCEs). Guidance can be given to how auditors can use professional judgment to scale audit work for SMEs.

B.4 Changes in the Geopolitical and Regulatory Landscape – Greater Diversity of Voices Sought

4 – Slightly increasing in importance

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

See above B3

8. SECTION IV: KEY TRENDS IMPACTING THE SSBs

C.1 Evolving Expectations Concerning Sustainability Information – Continuing Demand for Sustainability Reporting and Assurance

5 – Increasing in importance

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

The International Standard on Sustainability Assurance (ISSA) 5000, is a globally accepted framework to govern assurance engagements and should be applied consistently. Despite rapid progress, an expectation gap remains between what stakeholder's demand and what auditors can currently deliver. Further guidance may be beneficial to auditors.

C.2 Evolving Expectations Concerning Sustainability Information – Regulatory and Geopolitical Changes

5 – Increasing in importance

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

Stakeholders in a broad meaning believe that greenwashing is a significant potential problem, this being when an organization makes false or misleading statements about sustainability information (intentional or unintentional). This concept is very similar to that of 'creative accounting' – where financial information is manipulated to serve the needs of the preparer of the information, rather than for the needs of the users of that information. Greenwashing can be considered to be fraudulent reporting. Added to this, the systems and processes that are generating sustainability information are often subject to change as the sustainability reporting requirements develop. Therefore, there is a higher risk of error, as well as deliberate misstatement, in the sustainability information that is published.

These risks, when coupled with the potential difficulties of obtaining evidence over qualitative disclosures and future-oriented information means that there can be danger of issuing an inappropriate assurance opinion. There is a reputation risk for the assurance provider if they report positively on sustainability information which turns out to be incorrect, inaccurate or exaggerated.

Given the risks of greenwashing mentioned above, further research is required on the definition on greenwashing by the SSBs.

9. SECTION IV: KEY TRENDS IMPACTING THE SSBs

D.1 Evolving Structure and Business Models of Accounting Firms – Alternative Ownership Structures

6 – Strongly increasing in importance

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

A spectrum of investment and ownership structures and Business Models have appeared in the auditing profession depending on regulatory restrictions. The business models that have occurred are namely:

- Private Equity Structures
- Platform Based Models
- Direct Minority or Majority Investments (mostly non-PIE audit firms)
- Buy and Build
- Growth Capital Funding
- Management Buyouts / Leveraged Buyouts
- Public Listings
- Staff Ownership

Each Business Model has its advantages and disadvantages which can impact audit quality, auditor independence and audit firm culture in a different way.

D.2 Evolving Structure and Business Models of Accounting Firms – Increased Involvement of Non-Professional Accountants in the Accounting and Auditing Profession

5 – Increasing in importance

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

The increased Involvement of Non-Professional Accountants in the Auditing Profession has its advantages and disadvantages which can impact audit quality, auditor independence, conflicts of interest and audit firm culture. Further guidance should be considered on this matter.

D.3 Evolving Structure and Business Models of Accounting Firms – Challenges to Attracting and Retaining Talent

5 – Increasing in importance

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

Career pathing has been a particular point of contention for many firms seeking to enlist fresh talent amid a growing shortage of new graduates. PE ownership could change the value proposition for employees and use structured opportunities for

advancement within firms to incentivize retention. There could be other opportunities in attracting and retaining talent. On the other side Private Equity (PE) firms and other Alternative Forms of Investment (AFI) ownership threaten to increase pressure on profitability, which can lead to reduced staffing on audit engagements, fewer specialists and maybe other resource constraints. Together with the short-term investment horizons, with exit strategies potentially misaligned with the audit firms long-term commitment to maintain staff and thus jeopardizing audit quality, auditor independence and audit firm culture. Retaining talent is of utmost importance to maintain high quality standards.

D.4 Evolving Structure and Business Models of Accounting Firms – Non-Assurance Service Line

5 – Increasing in importance

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

PE is often interested in the full firm, not just the audit/assurance practice — bringing the entire organisation into scope. PE investment in Non-Assurance Service Line creates both significant risks and meaningful opportunities for the audit profession.

Main risks include:

Complexity in identifying independence threats and conflicts of interest.

Impact on culture and professional skepticism.

Governance: changes in day-to-day operations & decision-making.

10. SECTION IV: KEY TRENDS IMPACTING THE SSBs - OTHER TRENDS AND RANKING

6. Are there trends or related areas or matters that you believe the SSBs should consider that are not covered? If so, please provide details.

Yes

Additional trends

Please number your additional trend (O.1, O.2, O.3, ...)

O1. Transformation

Please describe the additional trend

The entry of Private Equity (PE) and other Alternative Forms of Investment into the audit profession is not merely a change in ownership but a transformation of the audit professional services.

On a scale of 1 to 6, indicate the extent to which you believe this trend will increase or decrease in importance for the SSBs for their next strategy period starting in 2028.

Do you wish to explain your rating or highlight any matters relating to this trend for the IAASB, IESBA, or both the SSBs?

It is a strategic opportunity for the PE to introduce new governance structures in order to ensure that audit firms maintain an effective system of governance providing sound and prudent management; and that decisions are made to ensure high-quality audits. They depend on individuals, acting in the public interest, with experience, integrity, independence, professional judgement, and specialized skills so audits must be conducted in an environment that attracts, develops, and retains the best talent while adhering to the highest ethical standards. This can be achieved by establishing a Board of Directors with external seats (i.e. Independent Board Chairs with no financial ties to the PE firm) and strict corporate governance rules. Together with the Audit Committees, trust in audit quality can be strengthened.

Post PE investment, the firm has the responsibility to design, implement and operate a system of quality management under ISQM 1 taking into consideration the private equity arrangements.

PE investment (and influence over firm operations/management) can lead to a change in culture that places less emphasis on partnership, stewardship and public interest, which are the distinguishing characteristics of many firms, especially smaller practices.

Post PE investment, some firm leaders, as well as employees, may experience a loss of control over decision-making, especially in cross border transactions where PE leadership is not local. There can be resistance to operational changes, different client and service priorities, and a more "corporate" and commercial-focused approach to firm governance and performance.

The primary goal of a PE firm is a high return on investment (ROI) within five to seven years. This can clash with the audit firm's duty to provide unbiased, public-interest reporting and profitability may mean compromising firm culture, talent, independence and values.

PE firms often look for an "exit." This might lead to aggressive cost-cutting—like offshoring or reducing staff counts—that could potentially degrade audit quality over time.

Another important aspect is how are PE-backed firms are detailing their governance structure and how they manage potential conflicts of interest between their audit clients and their PE owner's other investments.

Failure of the new firm leadership under the private equity arrangements to establish new governance structures and strong controls for independence requirements and conflicts of interest could prove detrimental to audit quality over time and deteriorate ethical culture.

7. Based on your evaluation of the identified trends, please rank what you believe are the TOP FIVE most important trends for the SSBs to consider for their next strategy period starting in 2028.

Rank 1 : A.1 Digital Transformation – Increasing Use of Emerging Technologies

Rank 2 : A.2 Digital Transformation – Digital Assets and Institutionalization of Digital Assets

Rank 3 : D.1 Evolving Structure and Business Models of Accounting Firms - Alternative Ownership Structures

Rank 4 : O1. Transformation

Rank 5 : C.1 Evolving Expectations Concerning Sustainability Information – Continuing Demand for Sustainability Reporting and Assurance

11. SECTION V: AREAS FOR JOINT ACTIONS IN SSBs' WORK PLANS

8. Please share your views about areas of common interest and possible joint or parallel work plan topics (e.g., standard-setting or non-authoritative materials), or

other initiatives or activities.

We agree to the collaboration of the IAASB and IESBA on projects that have major overlaps, including on the current workstream on firm culture and governance and future projects.