

## 2. SECTION I: ABOUT THE RESPONDENT

### 1. From which perspective are you providing this feedback?

A personal view

#### Please complete:

Your name:

Koei Otaki

Your organization (if applicable):

SMBC Nikko securities Inc

E-mail address:

koei.otaki@smbcnikko.co.jp

#### Please complete:

Organization:

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

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

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

User of Financial or Non-Financial Information (e.g., investor, analyst, lender or other creditor)

#### 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:

Asia Pacific

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

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

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**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).**

I believe that sustainability reporting assurance should be temporarily frozen. Currently, international wars are raging over the acquisition of limited global resources, and countries are vying to secure energy. In such circumstances, those promoting sustainability reporting assurance (including standard-setters) should reconsider their stance of pursuing only their own short-term interests while ignoring international wars. More importantly, auditing and assurance will change dramatically in the near future due to AI. To utilize AI that lacks ethical considerations, those using the AI must also possess ethical standards. This need to be addressed urgently.

#### **6. SECTION IV: KEY TRENDS IMPACTING THE SSBs**

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##### **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?**

Auditing and assurance will change dramatically in the near future due to AI. To utilize AI that lacks ethical considerations, those using the AI must also possess ethical standards. This need to be addressed urgently.

## **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?**

## **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?**

## **7. SECTION IV: KEY TRENDS IMPACTING THE SSBs**

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

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?**

In today's world, where the entire globe is in a state of war, the important issue is not climate change, but the negative impacts of war on society, the economy, and the environment.

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

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?**

### **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?**

### **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?**

## **8. SECTION IV: KEY TRENDS IMPACTING THE SSBs**

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

0 – I do not agree that this is a trend to be considered

**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?**

### **C.2 Evolving Expectations Concerning Sustainability Information – Regulatory**

## and Geopolitical Changes

1 – Strongly decreasing 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?**

## 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?**

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

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?**

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

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?

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

0 – I do not agree that this is a trend to be considered

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

An urgent review of audit firms' structures, audit procedures, audit standards, and ethical standards is necessary, based on the premise of using AI.

**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?**

### **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.**

No

#### **Additional trends**

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

**Please describe the additional trend**

**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?**

**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

Rank 2 : D  
Rank 3 : B  
Rank 4 : C

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

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**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.**