Joint Stakeholder Survey - 2026

Response ID: 412 Data

2. SECTION I: ABOUT THE RESPONDENT

1. From which perspective are you providing this feedback?

On behalf of an organization

Please complete:

Your name:

Your organization (if applicable):

Email address:

Please fill in:

Organization:

Tokyo Stock Exchange, Inc.

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

Hisayoshi Imura

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

hisayoshi-imura@jpx.co.jp

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

Other

Please specify the type of accounting firm:

Please specify:

Please specify:

Please specify:

2. Please specify:

Stock Exchange

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

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

Asia Pacific

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 address various aspects, such as:
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 specific to the IAASB or IESBA (if applicable, you could use separate headings to address such matters).

It is desirable that the number of jurisdictions which accept both the IAASB and the IESBA standards increase. Particularly with regard to ethics standards, we believe it is crucial—in order to increase the number of jurisdictions that adopt them — to return to the essence of professional ethics for accountants and thoroughly consider the following perspectives. What should be the fundamental elements for the ethical standards developed by the IESBA? Does the establishment of detailed objective standards truly foster robust ethical values? Is the IESBA Code commonly acceptable across jurisdictions? In considering these perspectives, IESBA should take into account that the IESBA Code is rooted in the social and cultural context of each jurisdiction, and that professional ethics is a field in which neither enforcement through rules nor rules-based regulations is appropriate.

Furthermore, with regard to the IAASB, we believe that it is a key objective for the next strategic period that audit and assurance standards, including sustainability assurance standards are inter-operable across diverse jurisdictions, assurance systems, and assurance practitioners in a manner consistent with the ethics and independence standards, and thereby establish a framework in which users can understand the level and purposes of assurance.

We believe that it would be inappropriate to proceed with widespread adoption and implementation without the consideration described above.

6. SECTION IV: KEY TRENDS IMPACTING THE SSBs

A.1 Digital Transformation – Increasing Use of Emerging Technologies

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 related to this trend or identified impacts, or any additional impacts, for the IAASB, the IESBA, or both SSBs?

With regard to auditing and assurance standards, it is desirable to establish standards clear enough to ensure consistent judgement across jurisdictions. Furthermore, with regard to ethics standards, it is necessary to develop comprehensive standards with a view to universal application.

Given the expectation that digital transformation (DX) continues to accelerate, increasing importance is anticipated in areas such as providing audit guidance for digital assets (e.g., blockchain and crypto-assets) and emerging technologies in general, as well as establishing ethical and independence standards for assurance engagements other than audits and reviews—such as those involving AI utilization or sustainability disclosures.

Furthermore, in Japan, accounting standards for crypto-assets currently consist only of practical guidance, and self-issued crypto-assets are excluded from their scope. In light of this situation, it is expected that standards will be established in coordination with the IASB and other relevant bodies as appropriate. While it goes without saying that efforts should be made to ensure these standards are adopted in as many jurisdictions as possible, it is expected that measures will be taken to prevent the rules from becoming overly abstract and lacking in specificity—including those concerning the treatment of digital assets with ambiguous legal rights and obligations.

It is considered important to establish a framework that ensures DX investments by audited companies yield tangible benefits—such as reduced audit workload and lower audit costs resulting from lower audit risk—as the digital transformation of financial reporting at audited companies progresses and the reliability of their systems is verified.

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

5 – Growing 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?

As stated in the response to A1.

A.3 Digital Transformation – Technology-Enabled Financial Crimes

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, the IESBA, or both the SSBs?

As stated in the response to A1.

7. SECTION IV: KEY TRENDS AFFECTING SSBs

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

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, the IESBA, or both the SSBs?

With regard to "regulatory changes," rather than becoming less important in the next strategic period, their importance is likely to increase as a more strategic and challenging issue against the backdrop of "geopolitics, institutional competition, and ensuring trust. "Therefore, the IAASB and IESBA will likely be required to adopt a sophisticated strategic approach that fulfills two key elements: developing universal rules that do not excessively follow regulatory changes, and establishing practical international standards that serve the interests of both regulators and the market.

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?

Reports have indicated concerns that regional conflicts and sanctions could increase volatility across broad financial markets, significantly affecting asset prices and government bond spreads. Furthermore, global companies may need to simultaneously comply with differing regulations across multiple jurisdictions, which could substantially increase their compliance burden. In light of these circumstances, it is believed that recent changes and fragmentation in the geopolitical and regulatory environment will not have an insignificant impact on the next strategic plan.

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

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, the IESBA, or both the SSBs?

Since maintaining stable capital markets and ensuring reliability are critical factors, if a reassessment in light of current conditions reveals a need to revise standards to make them more reflective of reality, a high degree of agility will be required in the standard-setting process.

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

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, IESBA, or both the SSBs?

There is a growing need to solicit diverse opinions—driven by factors such as the rise of emerging economies resulting from shifts in the balance of power and the emergence of new stakeholders due to the spread of new technologies. Consequently, situations may arise where it becomes necessary to make adjustments based on factors such as market development stage, level of contribution, and importance, in order to respect diverse views to the greatest extent possible and incorporate them into the standard-setting process.

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, the IESBA, or both the SSBs?

In Japan, the disclosure of sustainability information will be applied on a phased basis for certain companies, starting with the fiscal year ending March 2027, and the introduction of third-party sustainability assurance services is scheduled to begin the following year and beyond. On the other hand, sustainability information currently includes areas where the direct impact on corporate value is not yet clear, as well as content that is difficult to subject to assurance from the perspectives of quantifiability and verifiability.

For this reason, it is expected that clarifying the relationship (overlap and discrepancies) between information that is genuinely useful for users' decision-making and information that is reasonable to be subject to assurance will become increasingly important going forward. In this environment, appropriate management of expectations regarding the scope and level of disclosure and assurance services will be required, and auditors and assurance practitioners will need consistent standards and an ethical framework to support their professional judgment.

As a result, expectations regarding sustainability information are deepening qualitatively, and the roles of the IAASB and IESBA—the international standard-setting bodies for auditing, assurance, ethics, and independence—are expected to remain highly significant heading into the next strategic period.

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?

Based on the content outlined in Answer B, among other factors, we believe its importance will increase.

9. SECTION IV: KEY TRENDS IMPACTING THE SSBs

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

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, the IESBA, or both the SSBs?

No special notes.

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, the IESBA, or both the SSBs?

It is necessary to exercise due caution to ensure that the increasing involvement of non-professional accountants in accounting and auditing services does not lead to a decline in the quality of accounting and auditing.

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, the IESBA, or both the SSBs?

It is necessary to exercise due caution to ensure that difficulties in attracting and retaining talent do not lead to a decline in the quality of accounting and auditing.

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, the IESBA, or both the SSBs?

It is necessary to exercise due caution to ensure that the quality of accounting and auditing does not decline as a result of the increasing proportion and importance of non-assurance services within accounting firms.

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

6. Are there any trends, related areas, or matters that you believe the SSBs should consider that are not covered here? 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 during their next strategy period beginning in 2028.

Would you like to explain your rating or highlight any matters related 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: B
Rank 2: A
Rank 3: C
Rank 4: D

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

8. Please share your views on 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.