IESBA™ International Ethics Standards Board for Accountants AN IFEA BOARD

IESBA Post-Implementation Review (PIR) Survey

Responding to Non-Compliance with Laws and Regulations (NOCLAR®)

Introduction

This survey is only applicable to respondents that have adopted or use or benefit from the Responding to Non-Compliance with Laws and Regulations (NOCLAR) provisions in the International Code of Ethics for Professional Accountants (including International Independence Standards) (the Code). Sections 5260 and 5360 as contained in the International Ethics Standards for Sustainability Assurance (including International Independence Standards) (IESSA), and conforming amendments to Sections 260 and 360 arising from the development of the IESSA, are outside the scope of this survey and only become effective in December 2026.

1. The International Ethics Standards Board for Accountants (IESBA) is conducting a post-implementation review (PIR) of the NOCLAR provisions in Sections 260 and 360 of the Code.

2. This survey seeks to obtain input from a broad range of stakeholders to enable the IESBA to determine:

   (a) Whether the NOCLAR provisions have achieved their intended purpose by identifying:

      (i) Benefits from applying the provisions; and

      (ii) Any practical challenges or questions regarding their implementation, including whether they are being consistently understood and applied; and

   (b) What actions, if any, are needed by the IESBA to address identified matters.

3. The responses received will be analyzed for purposes of providing feedback to the IESBA and in developing recommendations for any actions.

4. Recognizing that some respondents may wish to discuss certain NOCLAR or NOCLAR-related matters on a confidential basis instead of documenting them in writing when responding to this survey, respondents are welcome to reach out to the IESBA Project Team (email jeanneviljoen@ethicsboard.org and kamleung@ethicsboard.org) to discuss such matters confidentially. In such circumstances, respondents are requested to discuss the matters on an anonymized basis.

5. The survey comment period starts on April 1 and ends on July 30.

Survey Responses to be Made Public

6. Unless confidentiality is specifically requested, respondents' submissions will be considered a matter of public record and will be posted to the IESBA's website. Where confidentiality is requested, respondents are nonetheless requested to provide any detailed input on an anonymized basis.

7. Some questions ask for details, examples or sharing of relevant reports or materials. Respondents are requested to provide such information on an anonymized basis.

Survey Instructions

8. Respondents to the survey are asked to provide their responses only on the questions applicable to

the stakeholder group to which they belong:

- Part A — Demographic Information (All Respondents)
- Part B — Jurisdictional Standard Setters (JSS)
- Part C — Professional Accountancy Organizations (PAOs)
- Part D — Regulators or Oversight Bodies
- Part E — Accounting Firms or Individual Professional Accountants in Public Practice (PAPPs)
- Part F — Professional Accountants in Business (PAIBs)
- Part G — Other Users or Beneficiaries of the Code

9. Respondents may respond to all questions or only selected questions or matters. All responses to this survey, whether complete or partial, will be accepted and considered as input for the IESBA Project Team's analysis.

Overview and Key Intended Outcomes of the IESBA NOCLAR Provisions

10. The IESBA NOCLAR provisions establish a response framework to guide auditors, other PAPPs, and PAIBs in deciding how best to act in the public interest when they become aware of NOCLAR or suspected NOCLAR.

11. NOCLAR is any act of omission or commission, intentional or unintentional, committed by a client or employer, or by those charged with governance (TCWG), by management or by other individuals working for or under the direction of a client or employer which is contrary to the prevailing laws or regulations.

12. For a more detailed overview of the NOCLAR provisions of the Code, please access the following link here.

13. Key intended outcomes of the NOCLAR provisions in the public interest include:
    - Ensuring that PAs respond in a timely way to identified or suspected NOCLAR.
    - Rectifying, remediating, or mitigating the adverse consequences of identified or suspected NOCLAR to stakeholders and the general public.
    - Deterring the commission of NOCLAR.
    - Stimulating increased reporting of identified or suspected NOCLAR where required by law or regulation, or where determined appropriate under the Code in the public interest.

Part A – Demographic Information (All Respondents)

1. Please indicate if you are responding as an individual or on behalf of your organization?

   (b) Organization

   - **Single jurisdiction - UK**

2. Please indicate the stakeholder category to which you belong, i.e., from which perspective are you providing your responses? *If you or your organization has one or more roles (e.g., JSS and*

Regulator), please respond to all relevant parts of the survey.

- **PAOs (Complete Part C)** ***(Please indicate whether your members are PAPPs and/or PAIBs) – Our membership comprises both PAPPs and PAIBs***
- **Regulators or oversight bodies (Complete Part D)** ***(Please indicate which of the following you regulate or oversee (select all that apply): PAPPs (including auditors), PAIBs, accounting firms (including audit firms),*** *none of the above)*

We regulate PAPPs, PAIBs, and audit firms which are registered with us. Due to the level of duplication in the survey, we have completed Part C only.

3. Please provide the following information (*Personal information will not be made public and will only be used by the Project Team to follow up if clarification on your responses is needed)*:

- **ICAS (The Institute of Chartered Accountants of Scotland)**
- **James Barbour CA, Director, Policy Leadership**
- jbarbour@icas.com
- **UK**

Part B – Jurisdictional Standard Setters (JSS)

Adoption status and effective date

> *Note:*
>
> *Adoption (full or with modifications) refers to the formal acceptance and incorporation of the IESBA standards into a jurisdiction's national laws, regulations or professional requirements.*
>
> *Convergence is where a jurisdiction aligns its national ethics (including independence) standards or provisions with the IESBA standards through a process that seeks to eliminate or minimize differences between the IESBA and national standards or provisions. This includes a process where an IESBA standard is used as a basis to develop the local standard or provisions.*

4. Has your organization adopted the NOCLAR provisions of the Code (IESBA NOCLAR provisions)? *(Please choose the most representative answer*)

   (a) Yes, through full adoption with no modifications *(Please provide (i) information on the effective date, and (ii) links to the local NOCLAR provisions or the specific announcement of the adoption or issuance of the local NOCLAR provisions)*

   (b) Yes, through adoption with modifications *(Please (i) describe the nature of, and reasons for, the modifications, (ii) provide information on the effective date, and (iii) provide links to the local NOCLAR provisions or the specific announcement of the adoption or issuance of the local NOCLAR provisions)*

   (c) No, but the local NOCLAR provisions are converged with the IESBA NOCLAR provisions *(Please (i) provide information on the effective date, (ii) provide links to the local NOCLAR provisions or the specific announcement of the issuance of the local NOCLAR provisions, and (iii) describe any significant differences between the local NOCLAR provisions and the IESBA NOCLAR provisions)*

   (d) No, there are provisions in relevant law or regulation or a different ethical framework that address NOCLAR *(Please describe any significant differences between the relevant law or regulation or ethical framework and the IESBA NOCLAR provisions)*

   (e) Not adopted *(Please specify reasons. If there is a plan to adopt the IESBA NOCLAR provisions, please provide details, including timing)*

   If you have answered (a), (b) or (c), were the IESBA NOCLAR provisions translated into the local NOCLAR provisions? If yes, please indicate the language of translation.

Guidance and educational materials

5. What guidance or educational materials has your organization issued, or what programs has your organization developed, to support understanding of the local NOCLAR provisions in your jurisdiction? (*Select all that apply and provide links*)

   - Technical guidance (e.g., FAQs)
   - Education/training programs (e.g., webinars, CPD programs)

- Articles, publications or newsletters (e.g., updates about standards, case studies or illustrative examples)
- Other *(Please specify) Buddy System*
- None

Other support

6. Does your organization provide guidance to individual professional accountants, accounting firms, or other users of your standards in the application of the local NOCLAR provisions if they seek such assistance, e.g., in dealing with a NOCLAR matter? (*Select all that apply)*

   - Ethics hotline or equivalent (e.g., for technical queries)
   - Discussion forum (e.g., for sharing knowledge)
   - Whistleblower hotline (e.g., to report actual or suspected NOCLAR)
   - Other *(Please specify) Buddy System and Protect*
   - None

Inquiries and questions

7. Which specific provisions in the local NOCLAR provisions has your organization commonly received inquiries or questions about? *(Please provide details, including from which stakeholder groups the inquiries or questions arose)*

   Professional accountants in business – We would not say commonly received but we have received queries in relation to tax compliance; financial statements – true and fair view; illegal dividends

Level of understanding

8. Do users of your organization's standards have an overall understanding of the local NOCLAR provisions? *(Please explain the basis for your response, including how your organization evaluates the overall understanding of the local NOCLAR provisions by users of your standards)*

   - Yes
   - Somewhat
   - No
   - Not known or no data available

Legal protection

9. In your jurisdiction, does legislation or regulation exist (e.g., under whistleblowing laws or regulations) that provides protection from civil, criminal or professional liability, or from retaliation, when NOCLAR or suspected NOCLAR is disclosed to an appropriate authority? Please provide details. Yes

   If yes, is the protection under the relevant law or regulation perceived to be effective? Please explain your response.

Observed outcomes (benefits and challenges)

10. Has your organization observed any trend in instances of NOCLAR reported or escalated?

    If so, please describe the trend and indicate the period for which this trend has been observed, as well as the general nature of the NOCLAR commonly observed.

11. Based on your organization's observations, has the application of the local NOCLAR provisions been effective in deterring the commission of NOCLAR, or rectifying, remediating or mitigating the consequences of NOCLAR? (*Please explain the basis for your response and provide any relevant details, including any supporting materials or reports*)

12. Has your organization observed any challenges in the application of the local NOCLAR provisions? *(Please provide details, including specific provisions that caused particular challenges and why, as well as any actions taken to address them)*

13. Has your organization observed any trends where professional accountants or accounting firms encountered NOCLAR or suspected NOCLAR but did not apply the local NOCLAR provisions in whole or in part?

    - Yes, the provisions were not applied in whole *(Please explain why the provisions were not applied (e.g., lack of evidence for suspected NOCLAR, confidentiality issues, etc.)*
    - Yes, the provisions were only partially applied *(Please explain which provisions were not applied and why (e.g., lack of evidence for suspected NOCLAR, confidentiality issues, etc.)*
    - No, not observed

Other comments

14. From your perspective, what further efforts should IESBA pursue to enhance the effectiveness of implementation of the IESBA NOCLAR provisions globally? *(Please explain your response)*

15. Do you have any other comments or specific matters the IESBA should consider as part of this PIR on the IESBA NOCLAR provisions (including on any benefits arising from using the local NOCLAR provisions, or on matters of translation)?

Part C – Professional Accountancy Organizations (PAOs)

Adoption status and effective date

> *Note:*
>
> *Adoption (full or with modifications) refers to the formal acceptance and incorporation of the IESBA standards into a jurisdiction's national laws, regulations or professional requirements.*
>
> *Convergence is where a jurisdiction aligns its national ethics (including independence) standards or provisions with the IESBA standards through a process that seeks to eliminate or minimize differences between the IESBA and national standards or provisions. This includes a process where an IESBA standard is used as a basis to develop the local standard or provisions.*

4. Has your organization adopted the NOCLAR provisions of the Code (IESBA NOCLAR provisions)? *(Please choose the most representative answer*)

(b) Yes, through adoption with modifications – the specific additional information requested is provided below

We adopted the NOCLAR provisions in full into the ICAS Code of Ethics with effect from 1 November 2017. However, we also include some additional wording (in italics) within Sections 260 and 360 of the ICAS Code of Ethics - icas-code-of-ethics-applicable-from-1-july-2026.pdf. These additions which we do not consider to be material modifications mainly highlight the need to consider anti-money laundering legislation, particularly relating to the risks of "tipping off" a money launderer or terrorist (which in the UK is a criminal offence) and, in the UK, there is also no de minimis threshold for reporting in anti-money laundering legislation. These modifications are set out below.

Section 260

Paragraph R260.6: "In some jurisdictions, there are legal or regulatory provisions governing how professional accountants are required to address non-compliance or suspected non compliance. These legal or regulatory provisions might differ from or go beyond the provisions in this section, *for example, anti-money laundering legislation.* When encountering such non-compliance or suspected non-compliance, the accountant shall obtain an understanding of those legal or regulatory provisions and comply with them, including: (a) Any requirement to report the matter to an appropriate authority; and (b) Any prohibition on alerting the relevant party."

Paragraph 260.7 A2: "A professional accountant who encounters or is made aware of matters that are clearly inconsequential is not required to comply with this section *unless other laws or regulations require it.* Whether a matter is clearly inconsequential is to be judged with respect to its nature and its impact, financial or otherwise, on the employing organisation, its stakeholders and the general public."

Paragraph 260.11 A2: "*A senior professional accountant's attention is drawn to the content of paragraph R260.6."*

Paragraph 260.24 A3: "A professional accountant's attention is drawn to the content of paragraph R260.6."

<u>Section 360</u>

Paragraph R360.6: "In some jurisdictions, there are legal or regulatory provisions governing how professional accountants should address non-compliance or suspected non compliance. These legal or regulatory provisions might differ from or go beyond the provisions in this section, *for example, anti-money laundering legislation.* When encountering such non-compliance or suspected non-compliance, the accountant shall obtain an understanding of those legal or regulatory provisions and comply with them, including: (a) Any requirement to report the matter to an appropriate authority; and (b) Any prohibition on alerting the client."

Paragraph 360.7 A2: "A professional accountant who encounters or is made aware of matters that are clearly inconsequential is not required to comply with this section unless other laws or regulations require it. *For example, a professional accountant in public practice in the UK needs to comply with Anti-Money Laundering legislation which contains no de minimis threshold for reporting.* Whether a matter is clearly inconsequential is to be judged with respect to its nature and its impact, financial or otherwise, on the client, its stakeholders and the general public."

Paragraph 360.7 A3: "This section does not address: (a) Personal misconduct unrelated to the business activities of the client; and (b) *Unless required by other laws or regulations,* non-compliance by parties other than those specified in paragraph 360.5 A1. This includes, for example, circumstances where a professional accountant has been engaged by a client to perform a due diligence assignment on a third party entity and the identified or suspected non-compliance has been committed by that third-party. The accountant might nevertheless find the guidance in this section helpful in 113 considering how to respond in these situations."

Paragraph 360.9 A1: *"The professional accountant in public practice is reminded especially of the requirement in paragraph R360.6 above in relation to over-riding laws and regulations."*

Paragraph R360.11: "*Unless prohibited by laws and regulations*, if the professional accountant identifies or suspects that non-compliance has occurred or might occur, the accountant shall discuss the matter with the appropriate level of management and, where appropriate, those charged with governance."

Paragraph 360.29 A3: "*The professional accountant in public practice is reminded especially of the requirement in paragraph R360.6 above in relation to over-riding laws and regulations."*

If you have answered (a), (b) or (c), were the IESBA NOCLAR provisions translated into the local NOCLAR provisions? If yes, please indicate the language of translation.

English is our local language so there was no need to translate the NOCLAR provisions.

Guidance and educational materials

5. What guidance or educational materials has your organization issued, or what programs has your organization developed, to support understanding of the local NOCLAR provisions in your jurisdiction? (*Select all that apply and provide links*)

- **Articles, publications or newsletters (e.g., updates about standards, case studies or illustrative examples) – please see below**
- **Other *(Please specify)* – please see below**

An article was included on icas.com when the NOCLAR provisions were first introduced into the ICAS Code of Ethics in November 2017 – this article is no longer available on icas.com

ICAS' The Power of One publication '<u>Moral Courage</u>' (page 9):

ICAS publication '<u>Guidance to the ICAS Code of Ethics – Sustainability</u>' (page 9) plus related article <u>Sustainability and the ICAS Code of Ethics: Non-compliance with laws and regulations (NOCLAR) - ICAS</u>

ICAS guidance article – '<u>Modern slavery – what CAs need to know</u>':

ICAS funded research by Catriona Paisey et al (2019) '<u>Speak up? Listen Up? Whistleblow? A survey of ICAS members</u>' (page 15):

ICAS case studies '<u>Shades of Grey – Ethical Dilemmas</u>' (pages 36, 43, 44, 72)

ICAS article '<u>Change in 2020 Code of Ethics – Inducements (including gifts and hospitality)</u>'

ICAS article '<u>Code of Ethics for insolvency practitioners- Non-compliance with laws and regulations (NOCLAR)</u>'

Other support

6. Does your organization provide guidance to individual members and accounting firms in the application of the local NOCLAR provisions if they seek such assistance, e.g., in dealing with a NOCLAR matter? (*Select all that apply)*

- **Ethics hotline or equivalent (e.g., for technical queries, application questions on the local NOCLAR provisions)**

ICAS offers an Ethics Helpline Service <u>ICAS Ethics Helpline Service - ICAS</u> where member queries can be submitted via our help centre, email or telephone.

- **Other *(Please specify)* – please see below**

<u>Ethics Buddy Service</u>

ICAS funded research by Catriona Paisey (2019) - '<u>Speak up? Listen up? Whistleblow? In their own words'</u> (page 16) – indicated that ICAS should consider establishing a specific ethics mentoring scheme to allow members with ethical dilemmas to be able to discuss these with suitably trained, experienced members. As a result, a new approach was introduced - our <u>Ethics Buddy Service - ICAS</u> - which enables a CA with an ethical dilemma, where deemed

appropriate, to have confidential, informal, discussions with an experienced ICAS Member – a 'sounding board' – in order to explore their issue and assist them in considering how they might approach the dilemma.

Protect

ICAS is also partnered with the independent whistleblowing charity Protect to provide ICAS members with access to its confidential helpline. As a charity, anyone can contact it, but we subscribe to the charity, which provides it with funds to continue its work in this area.

The helpline is free and provides independent and confidential counsel regarding whistleblowing. Members are encouraged to use Protect to help them make informed decisions about whether/how to whistleblow and understand the implications. We are aware that some members have used this service.

The Financial Conduct Authority (FCA) also recommends people contact Protect before whistleblowing to the FCA, aligning ICAS's approach with the main UK financial services regulator's advice.

Inquiries and questions

7. Which specific provisions in the local NOCLAR provisions has your organization commonly received inquiries or questions about? *(Please provide details, including from which stakeholder groups the inquiries or questions arose)*

The provisions in section 260 relating to both senior and non senior professional accountants in business. Inquiries have been received in relation to UK and overseas related matters.

Level of understanding

8. Do your organization's members have an overall understanding of the local NOCLAR provisions? *(Please explain the basis for your response, including how your organization evaluates the overall understanding of the local NOCLAR provisions by its members)*

- **Not known or no data available**

We do not have specific information in terms of whether our members have an overall understanding of the NOCLAR provisions. However, in our 2024 Ethical Leadership survey of ICAS members, 710 individuals participated and when asked "When exercising professional judgement, do you actively consider the principles set out in the ICAS Code of Ethics?", 78% responded "always" (41%) or "Yes – sometimes, depending on the circumstances" (37%). In addition, almost all (94%) agreed: "It is your role as a Chartered Accountant to call out behaviour that falls below accepted ethical standards."

Enforcement - our response to questions 9 and 10 is set out below question 10

9. Does your organization enforce the local NOCLAR provisions?

- Yes (*Please specify (i) when enforcement started, (ii) details such as disciplinary cases against* *members (the information may be anonymized), and (iii) links to relevant published reports*)

- No (*Please specify (i) why your organization does not enforce the local NOCLAR provisions, (ii) which organization enforces the local NOCLAR provisions, and (iii) whether your organization receives reports from them*)

Appropriate authority

10. Does your organization have the authority to investigate NOCLAR or suspected NOCLAR that is reported to it and take any necessary action?

    - Yes *(Please provide details, including the (i) nature of the NOCLAR matters that have been reported to your organization, and the (ii) actions taken (the information may be anonymized))*
    - No

    With respect to questions 9 and 10 above, responsibility for investigating the actual NOCLAR rests with the appropriate regulatory authority within the UK. The appropriate regulatory authority will depend on the nature of the breach, i.e. what law or regulation has been breached.

    ICAS would look into the conduct of members where it is brought to our attention that they have not complied with the provisions of the ICAS Code of Ethics (substantively based on the IESBA Code).

Legal protection

11. In your jurisdiction, does legislation or regulation exist (e.g., under whistleblowing laws or regulations) that provides protection from civil, criminal, or professional liability, or from retaliation, when NOCLAR or suspected NOCLAR is disclosed to an appropriate authority? Please provide details.

    If yes, is the protection under the relevant law or regulation perceived to be effective? Please explain your response.

    The UK's Public Interest Disclosure Act 1998 protects workers from detrimental treatment or victimisation from their employer if, in the public interest, they blow the whistle on wrongdoing.

    The Act protects workers in a number of ways, for example:

    - **If an employee is dismissed because he has made a protected disclosure that will be treated as unfair dismissal; and**
    - **In any event workers are given a new right not to be subjected to any 'detriment' by their employers on the ground that they have made a protected disclosure, and to present a complaint to an employment tribunal if they suffer detriment as a result of making a protected disclosure.**

    For a disclosure to be protected by the Act's provisions it must relate to matters that "qualify" for protection under the Act. Qualifying disclosures are disclosures which the worker reasonably believes tends to show that one or more of the following matters is either happening now, took place in the past, or is likely to happen in the future:

- **a criminal offence;**
- **the breach of a legal obligation;**
- **a miscarriage of justice;**
- **a danger to the health and safety of any individual;**
- **damage to the environment; or**
- **deliberate concealment of information tending to show any of the above five matters.**

Source: The Public Interest Disclosure Act - GOV.UK

We are aware that there have been calls for this Act to be updated as it is widely seen as no longer being fit for purpose.

Observed outcomes (benefits and challenges)

12. Has your organization observed any trend in instances of NOCLAR reported or escalated?

If so, please describe the trend and indicate the period for which this trend has been observed, as well as the general nature of the NOCLAR commonly observed.

We do not have information on the specific numbers of members who have whistleblown since the NOCLAR provisions took effect, but we have been contacted by members who have raised how challenging these situations are to navigate.

In our 2024 Ethical Leadership survey, we asked our members, generally speaking, do they think that ethical challenges are more or less common nowadays in comparison to recent years. 47% said they were no different; 42% said more common; and 5% less common.

We also asked our members what ethical challenges they had experienced in their career. The top eight issues related to the following: conflicts of interest (45%); workforce/employee issues (37%); pressure to provide or accept misleading or false information (36%); accounting practices/issues/irregularities (35%); bullying (31%); fraud/theft (28%); employee expenses (28%); audit issues (27%).

Across the eight issues, an average of 87% of respondents had raised concerns about the ethical issue. The majority raised concerns about the issue internally with management and/or colleagues.

In terms of how the issue was resolved, of the top eight issues, the % of those resolved internally (speak up) was as follows: conflicts of interest (84%); workforce/employee issues (84%); pressure to provide or accept misleading or false information (72%); accounting practices/issues/irregularities (68%); bullying (76%); fraud/theft (78%); employee expenses (85%); audit issues (74%).

Of the top eight issues, the % of those resolved with external organisation involvement was as follows:

- **conflicts of interest (11%);**
- **workforce/employee issues (12%);**
- **pressure to provide or accept misleading or false information (8%);**
- **accounting practices/issues/irregularities (16%);**
- **bullying (11%);**

- **fraud/theft (28%);**
- **employee expenses (6%);**
- **audit issues (14%).**

In the ICAS funded research by Catriona Paisey et al (2019) '<u>Speak up? Listen Up? Whistleblow? A survey of ICAS members</u>' (page 41) the most common issues were:

- **accounting irregularities;**
- **fraud/theft;**
- **'other';**
- **bullying;**
- **taxation issues; and**
- **bribery / corruption.**

When respondents provided clarification for their choice of 'other' these included money laundering, drug abuse, conflict of interests, and concerns about misuse of inside information. In most cases, the issue was resolved internally (48%), or it remained unresolved (24%). External authorities intervened in 8% of cases (page 44).

13. Based on your organization's observations, has application of the local NOCLAR provisions been effective in deterring the commission of NOCLAR, or rectifying, remediating or mitigating the consequences of NOCLAR? (*Please explain the basis for your response and provide any relevant details, including any supporting materials or reports*)

We have not undertaken any specific research on this matter to enable us to respond to this question on an informed basis.

14. Has your organization observed any challenges in the application of the local NOCLAR provisions? *(Please provide details, including specific provisions that caused particular challenges and why, as well as any actions taken to address them)*

Cases are harder when ICAS members are in overseas jurisdictions, because one needs the knowledge of local law and whistleblowing regimes, and the available protections.

In addition, in some countries whistleblowing could endanger individual lives; ICAS would not advise members to put their lives at risk to whistleblow.

From our 2024 Ethical Leadership survey, we note the following:

- **One in five respondents (22%) didn't think that organisations provide a supportive environment to raise ethical concerns.**
- **Most think that there should be 'greater protection for individuals' and an increase in a 'culture of openness' to provide increased protection for individuals who raise ethical challenges.**

15. Has your organization observed any trends where members or accounting firms encountered NOCLAR or suspected NOCLAR but did not apply the local NOCLAR provisions in whole or in part?

- Yes, the provisions were not applied in whole *(Please explain why the provisions were not applied (e.g., lack of evidence for suspected NOCLAR, confidentiality issues, etc.)*
- Yes, the provisions were only partially applied *(Please explain which provisions were not*

applied, and why (e.g., lack of evidence for suspected NOCLAR, confidentiality issues, etc.)

- No, not observed

We have not observed any such trends. We would highlight as noted above, that where suspected NOCLAR occur in jurisdictions other than the UK it is more difficult for us to provide appropriate advice to members.

Other comments

16. From your perspective, what further efforts should IESBA pursue to enhance the effectiveness of implementation of the IESBA NOCLAR provisions globally? *(Please explain your response)*

Do you have any other comments or specific matters the IESBA should consider as part of this PIR on the IESBA NOCLAR provisions (including on any benefits arising from using the local NOCLAR provisions, or on matters of translation)?

IESBA needs to understand:

- where the NOCLAR provisions are being used, are those jurisdictions in the minority?
- when the NOCLAR provisions have not been introduced, why?
- what could IESBA do to make it more palatable to improve the global situation in relation to whistleblowing? For example, IESBA may have to dilute some of the provisions – i.e. would it be better to have 80% of the world using it with 70% of the current rigour, versus only 10% of the world using it because the rigour is too high?

We are aware that some other jurisdictions have not implemented these provisions, and that is one of the challenges in this space.

For these provisions to work effectively, there needs to be an appropriate whistleblowing infrastructure in a particular jurisdiction with appropriate protection for those who may be considering whistleblowing. We believe there may well be a role for IESBA, IFAC and members of the Monitoring Group to seek to influence bodies such as the G20 to encourage the need for whistleblowing frameworks in their respective jurisdictions and others, that are fit for purpose in the 21st century.

Part D – Regulators or Oversight Bodies

Adoption status and effective date

Note:

Adoption (full or with modifications) refers to the formal acceptance and incorporation of the IESBA standards into a jurisdiction's national laws, regulations or professional requirements.

Convergence is where a jurisdiction aligns its national ethics (including independence) standards or provisions with the IESBA standards through a process that seeks to eliminate or minimize differences

between the IESBA and national standards or provisions. This includes a process where an IESBA standard is used as a basis to develop the local standard or provisions.

4. Has your organization adopted the NOCLAR provisions of the Code (IESBA NOCLAR provisions)? *(Please choose the most representative answer*)

    (a) Yes, with no modifications *(Please (provide (i) information on the effective date and (ii) links to the local NOCLAR provisions or the specific announcement of the adoption or issuance of the local NOCLAR provisions)*

    (b) Yes, with modifications *(Please (i) describe the nature of, and reasons for the modifications, (ii) provide information on the effective date, and (iii) provide links to the local NOCLAR provisions or the specific announcement of the adoption or issuance of the local NOCLAR provisions)*

    (c) No, but the local NOCLAR provisions are converged with the IESBA NOCLAR provisions *(Please (i) provide information on the effective date, (ii) provide links to the local NOCLAR provisions or the specific announcement of the issuance of the local NOCLAR provisions, and (iii) describe any significant differences between the local NOCLAR provisions and the IESBA NOCLAR provisions)*

    (d) No, there are provisions in relevant law or regulation or a different ethical framework that address NOCLAR *(Please describe any significant differences between the relevant law or regulation or ethical framework and the IESBA NOCLAR provisions)*

    (e) Not adopted *(Please specify reasons. If there is a plan to adopt the IESBA NOCLAR provisions, please* provide *details including timing)*

    If you have answered (a), (b) or (c), were the IESBA NOCLAR provisions translated into the local NOCLAR provisions? If yes, please indicate the language of translation.

Guidance and educational materials

5. What guidance or educational materials has your organization issued, or what programs has your organization developed, to support understanding of the local NOCLAR provisions in your jurisdiction? (*Select all that apply and provide links*)

    - Technical guidance (e.g., FAQs)
    - Education/training programs (e.g., webinars, CPD programs)
    - Articles, publications or newsletters (e.g., updates about standards, case studies or illustrative examples)
    - Other *(Please specify)*
    - None

Other support

6. Does your organization provide guidance to individual professional accountants or accounting firms in the application of the local NOCLAR provisions if they seek such assistance, e.g., in dealing with a NOCLAR matter? (*Select all that apply)*

- Ethics hotline or equivalent (e.g., for technical queries, application questions on the local NOCLAR provisions)
- Discussion forum (e.g., for sharing knowledge)
- Whistleblower hotline (e.g., to report actual or suspected NOCLAR)
- Other (Please specify)
- None

Inquiries and questions

7. Which specific provisions in the local NOCLAR provisions has your organization commonly received inquiries or questions about? *(Please provide details including which stakeholder groups the inquires or questions arose)*

Level of understanding

8. Do the professional accountants or accounting firms that your organization regulates or oversees have an overall understanding of the local NOCLAR provisions? *(Please explain the basis for your response, including how your organization evaluates the overall understanding of the local NOCLAR provisions by professional accountants or accounting firms you regulate or oversee)*

    - Yes
    - Somewhat
    - No
    - Not known or no data available

Enforcement

9. Does your organization enforce the local NOCLAR provisions?

    - Yes (*Please specify (i) when enforcement started, provide (ii) details such as disciplinary cases against professional accountants/accounting firms (information may be anonymized if not public), and (iii) links to relevant published reports*)
    - No (*Please specify (i) why your organization does not enforce the local NOCLAR provisions, (ii) which organization enforces the local NOCLAR provisions, and (ii) whether your organization receives reports from them*)

Authority to investigate

10. Does your organization have the authority to investigate NOCLAR or suspected NOCLAR that is reported to it and take any necessary action?

    - Yes *(Please provide details, including the (i) nature of the NOCLAR matters that have been reported to your organization, and the (ii) actions taken (the information may be anonymized if not public))*
    - No

Legal protection

11. In your jurisdiction, does legislation or regulation exist (e.g., under whistleblowing laws or regulations) that provides protection from civil, criminal, or professional liability, or from retaliation, when NOCLAR or suspected NOCLAR is disclosed to an appropriate authority? Please provide details.

    If yes, is the protection under the relevant law and regulation perceived to be effective? Please explain your response.

Observed outcomes (benefits and challenges)

12. Has your organization observed any trend in instances of NOCLAR reported or escalated?

    If so, please describe the trend and indicate the period for which this trend has been observed, as well as the general nature of the NOCLAR commonly observed.

13. Based on your organization's observations, has the application of the local NOCLAR provisions been effective in deterring the commission of NOCLAR, or rectifying, remediating or mitigating the consequences of NOCLAR? (*Please explain the basis for your response and provide any relevant details including any supporting materials or reports*)

14. Has your organization observed any challenges in the application of the local NOCLAR provisions? *(Please provide details, including specific provisions that caused particular challenges and why, as well as any action taken to address them)*

15. Has your organization observed any trends where professional accountants or accounting firms your organization oversees encountered NOCLAR or suspected NOCLAR but did not apply the local NOCLAR provisions in whole or in part?

    - Yes, the provisions were not applied in whole *(Please explain why the provisions were not applied (e.g., lack of evidence for suspected NOCLAR, confidentiality issues, etc.)*
    - Yes, the provisions were only partially applied *(Please explain which provisions were not applied, and why (e.g., lack of evidence for suspected NOCLAR, confidentiality issues, etc.)*
    - No, not observed.

Other comments

16. From your perspective, what further efforts should IESBA pursue to enhance the effectiveness of implementation of the IESBA NOCLAR provisions globally? *(Please explain your response)*

17. Do you have any other comments or specific matters the IESBA should consider as part of this PIR on the IESBA NOCLAR provisions (including on any benefits arising from using the local NOCLAR provisions, or on matters of translation)?

Part E – Accounting Firms or individual PAPPs

Adoption status and effective date

> *Note:*
>
> *Adoption (full or with modifications) refers to the formal acceptance and incorporation of the IESBA standards into a jurisdiction's national laws, regulations or professional requirements or, if your firm belongs to a network, your network's policies and methodologies.*
>
> *Convergence is where a jurisdiction aligns its national ethics (including independence) standards with the IESBA standards through a process that seeks to eliminate or minimize differences between the IESBA and national standards or provisions. This includes a process where an IESBA standard is used as a basis to develop the local standards or provisions.*

4. Has your firm implemented global, regional or local policies and methodologies that adopt the NOCLAR provisions of the Code (IESBA NOCLAR provisions) or the locally adopted version of the IESBA NOCLAR provisions, as applicable? *(Please choose the most representative answer*)

    (a) Yes, through full adoption with no modifications *(Please provide (i) information on the effective date and (ii) details of your firm's NOCLAR policies and methodologies)*

    (b) Yes, through adoption with modifications *(Please (i) describe the nature of, and reasons for the modifications, (ii) provide information on the effective date and (iii) provide details of your firm's NOCLAR policies and methodologies)*

    (c) No, our firm's policies and methodologies implement local NOCLAR provisions that are converged with the IESBA NOCLAR provisions *(Please (i) provide information on the effective date, (ii) provide details of your firm's NOCLAR policies and methodologies, and (iii) describe any significant differences between your firm's NOCLAR policies and methodologies and the IESBA NOCLAR provisions)*

    (d) No, our firm's policies and methodologies are based on law or regulation or a different ethical framework that address NOCLAR *(Please describe any significant differences between your firm's NOCLAR policies and methodologies and the IESBA NOCLAR provisions)*

    (e) Not adopted *(Please specify reasons. If there is a plan to adopt the IESBA or local NOCLAR provisions, please provide details, including timing)*

    If you have answered (a), (b) or (c), were the IESBA NOCLAR provisions translated into the local NOCLAR provisions? If yes, please indicate the language of translation.

5. This question is for global networks.

    Where an individual firm is part of a global network and the network has adopted the IESBA NOCLAR provisions, how are these provisions implemented across network firms in the following situations:

    - The jurisdiction in which the individual firm is based has not adopted the IESBA NOCLAR provisions *(Please describe the circumstances and how this interacts with the network policies)*

- The jurisdiction in which the individual firm is based has provisions in relevant law or regulation or another ethical framework that address NOCLAR *(Please describe the circumstances and how this interacts with the network policies)*

Guidance and Educational Materials

6. What guidance or educational materials has your firm or network issued, or what programs has your firm or network developed, to support understanding of the NOCLAR policies and methodologies of the firm or network? (*Select all that apply and provide links*)
   - Technical guidance (e.g., FAQs)
   - Education/training programs (e.g., webinars)
   - Articles, publications or newsletters (e.g., updates about standards, case studies or illustrative examples)
   - Other *(Please specify)*
   - None

Other support

7. If your firm is part of a network, does the network provide guidance to network firms in the application of the network's NOCLAR policies and methodologies? *(Select all that apply)*
   - Ethics hotline or equivalent(e.g., for technical queries, application questions on the network's NOCLAR policies and methodologies)
   - Discussion forum (e.g., knowledge sharing)
   - Other *(Please specify)*
   - None

Level of understanding by auditors

8. Do audit partners and staff within your firm have an overall understanding of your firm's NOCLAR policies and methodologies? *(Please explain the basis for your response, including how your organization evaluates the overall understanding of the local NOCLAR provisions by its audit personnel)*
   - Yes
   - Somewhat
   - No
   - Not known or no data available

Level of understanding by non-auditors (i.e., consulting/advisory)

9. Do non-audit partners and staff within your firm have an overall understanding of your firm's NOCLAR policies and methodologies? *(Please explain the basis for your response, including how your organization evaluates the overall understanding of the local NOCLAR provisions by its non-audit*

personnel)

- Yes
- Somewhat
- No
- Not known or no data available

Practical experience (benefits and challenges)

10. Have you or your firm encountered any NOCLAR or suspected NOCLAR (i) at a client, or (ii) within the firm?

    - Yes, *(Where possible, please provide details such as (i) general nature of the NOCLAR or suspected NOCLAR, (ii) whether the client was an audit or non-audit client, (iii) to whom it was communicated, and (iv) how the matter has been addressed (information provided may be anonymized))*
    - No

11. Have you or your firm observed any trend in instances of NOCLAR reported or escalated?

    If so, please describe the trend and indicate the period for which this trend has been observed, as well as the general nature of the NOCLAR commonly observed.

12. What benefits have you or your firm experienced as a result of the implementation of its NOCLAR policies and methodologies? *(Please explain the basis for your response, e.g., do partners and staff feel better equipped to hold a conversation on a NOCLAR matter with their client; the standard helpful in guiding partners and staff as to how to respond to a NOCLAR or suspected NOCLAR matter?)*

13. Which aspects of the IESBA NOCLAR provisions or the local NOCLAR provisions has your firm found most challenging to apply when responding to a NOCLAR or suspected NOCLAR? *(Please provide details, including whether the challenges were for (i) audit partners and staff, and (ii) non-audit partners and staff)*

14. Has your firm's whistleblowing policy been used by personnel within the firm to respond to a NOCLAR or suspected NOCLAR? If so, why was this used instead of escalating the matter to a supervisor or above? *(Please provide details (information provided may be anonymized))*

Legal protection

15. In your jurisdiction, does legislation or regulation exist (e.g., under whistleblowing laws or regulations) that provides protection from civil, criminal, or professional liability, or from retaliation, when NOCLAR or suspected NOCLAR is disclosed to an appropriate authority? Please provide details.

    If yes, is the protection under the relevant law and regulation perceived to be effective? *(Please explain your response)*

Other comments

16. From your perspective, what further efforts should IESBA pursue to enhance the effectiveness of implementation of the IESBA NOCLAR provisions globally? *(Please explain your response)*

17. Do you have any other comments or specific matters the IESBA should consider as part of this PIR on the IESBA NOCLAR provisions (including on matters of translation)?

Part F – Professional Accountants in Business (PAIBs)

This section refers to the "local NOCLAR provisions" issued by your professional accountancy organization, a regulator or the local standard setter responsible for promulgating ethics standards for PAIBs, where those local provisions are based on the NOCLAR provisions in the IESBA Code.

Guidance and educational materials

4. What guidance or educational materials have you received or accessed on the local NOCLAR provisions? (*Select all that apply and provide links*)
   - Technical guidance (e.g., FAQs)
   - Education/training programs (e.g., webinars, CPD programs)
   - Articles, publications or newsletters (e.g., updates about standards, case studies or illustrative examples)
   - Other *(Please specify)*
   - None
5. From which organizations have you received guidance or educational materials on the local NOCLAR provisions? *(Select all that apply)*
   - Professional Accounting Organization (PAO)
   - Regulator or oversight body
   - Accounting firms
   - Other
   - None

Other support

6. Do you have access to guidance on the application of the local NOCLAR provisions if you seek such assistance, e.g., in dealing with a NOCLAR or suspected NOCLAR? (*Select all that apply)*
   - Ethics hotline or equivalent (e.g., for technical queries, application questions on the local NOCLAR provisions)
   - Discussion forum (e.g., for sharing knowledge)
   - Whistleblower hotline (e.g., to report actual or suspected NOCLAR)
   - Other *(Please specify)*
   - None

Inquiries and questions

7. Which specific provisions in the local NOCLAR provisions have you inquired or raised questions about? *(Please provide details)*

Integration into internal framework

8. Has your employing organization made changes to its governance mechanisms, ethics policies and procedures, or internal code of conduct in response to the issuance of the local NOCLAR provisions?
    - Yes *(Please describe)*
    - No
    - Not known

Level of understanding

9. Do you have an overall understanding of the local NOCLAR provisions?
    - Yes
    - Somewhat
    - No

Practical experience (benefits and challenges)

10. Have you encountered any NOCLAR or suspected NOCLAR in your work?
    - Yes, *(Where possible, please provide details such as (i) general nature of the NOCLAR, (ii) to whom it was communicated, and (iii) how the matter has been addressed (information provided may be anonymized))*
    - No

11. What benefits have you experienced as a result of the application of the local NOCLAR provisions? *(Please explain the basis for your response, e.g., you feel better equipped to hold a conversation on a NOCLAR matter with management or those charged with governance of your employing organization; the standard was helpful in guiding you as to how to respond to a NOCLAR or suspected NOCLAR matter?)*

12. Which of the local NOCLAR provisions have you found most challenging to apply when responding to a NOCLAR or suspected NOCLAR? (*Please provide details)*

13. Have you used your employing organization's whistleblowing policy in responding to a NOCLAR or suspected NOCLAR? If so, why did you use this whistleblowing policy instead of escalating the matter to a supervisor or above? *(Please provide details (information provided may be anonymized))*

Legal protection

14. In your jurisdiction, does legislation or regulation exist (e.g., under whistleblowing laws or regulations) that provides protection from civil, criminal, or professional liability, or from retaliation, when NOCLAR or suspected NOCLAR is disclosed to an appropriate authority? Please provide details.

    If yes, is the protection under the relevant law and regulation perceived to be effective? Please explain your response.

Other comments

15. From your perspective, what further efforts should IESBA pursue to enhance the effectiveness of

implementation of the IESBA NOCLAR provisions globally? *(Please explain your response)*

16. Do you have any other comments or specific matters the IESBA should consider as part of this PIR on the IESBA NOCLAR provisions (including on any benefits arising from using the local NOCLAR provisions)?

Part G – Other Users or Beneficiaries of the Code

4. *This section refers to the "local NOCLAR provisions" issued by the local professional accountancy organization, a regulator or the local standard setter responsible for promulgating ethics standards for PAPPs and/or PAIBs, where those local provisions are based on the NOCLAR provisions in the IESBA Code.* Has implementation of the local NOCLAR provisions enhanced your confidence in professional accountants and accounting firms responding to NOCLAR or suspected NOCLAR? *(Please explain your response)*

5. From your perspective, what further efforts should IESBA pursue to enhance the effectiveness of implementation of the IESBA NOCLAR provisions globally? *(Please explain your response)*

6. In your jurisdiction, does legislation or regulation exist (e.g., under whistleblowing laws or regulations) that provides protection from civil, criminal, or professional liability, or from retaliation, when NOCLAR or suspected NOCLAR is disclosed to an appropriate authority? (*Please provide details*)

   If yes, is the protection under the relevant law or regulation perceived to be effective? *(Please explain your response)*

7. Do you have any other comments or specific matters the IESBA should consider as part of this PIR on the IESBA NOCLAR provisions?

End of survey

Thank you for your valuable input. Your input will inform the IESBA's Post-Implementation Review and help the IESBA develop clear, robust and practical ethics standards that reinforce public trust in the profession and effectively serve the public interest.