

IESBA

International
Ethics Standards
Board for Accountants®

REPORT ON **IESBA** ACCOMPLISHMENTS

June 2016 – July 2020



Ethics and Trust – Breaking New Ground

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I am pleased to present this report, illustrating our key accomplishments over the last four years. It has been an intense period of work on interconnected streams, brave efforts by Board members and staff, and active engagements with stakeholders. The *International Code of Ethics for Professional Accountants, (including International Independence Standards)* (the Code) has been completely revamped, acquiring new momentum in global use, during demanding times.

The aftermath of the global financial crisis elicited many demands for ethical behavior by financial and corporate professionals. This naturally applied to professional accountants. IESBA's Strategy and Work Plan 2014 -2018 led by my predecessor, the late Jörgen Holmquist, was the strategic response. The restructuring of the Code in terms of clarity of concept and language, transparent architecture, global applicability, and enforceability was the centerpiece.

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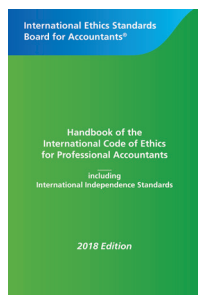
Informed by extensive input from our stakeholders, we at IESBA have been working diligently to ensure that the Code remains relevant, “future-proof” and globally operable.

Accomplishments and Milestones June 2016–July 2020

Restructured Code: Breaking New Ground

The restructured Code includes substantial changes that advance its public interest objectives. I cherry-pick indicative examples to underline the sizable progress:

- An enhanced conceptual framework that raises alertness to threats to ethical behavior and better targets responses to them.
- New provisions that set clear behavioral expectations regarding the common issues of pressure and unacceptable inducements, with guidance on how to navigate such situations.
- A path-breaking new standard on NOCLAR (non-compliance with laws and regulations) to guide accountants' responses in the public interest.
- Strengthened independence requirements for partner rotation addressing long association with an audit client.



The revised and restructured Code became effective in June 2019. Multiple activities followed to raise awareness and promote adoption. I am pleased that today more than 80 jurisdictions have adopted, or are in process of adopting, the new Code, including a majority of G20 jurisdictions. The international networks of the Forum of Firms have aligned their policies and methodologies to it in respect of transnational audits. I expect this considerable momentum on adoption to continue and grow.

A Smart Tool and New Approach to Support Adoption and Use

Two notable developments accompanied the release of the Code.

- First, the release of the game-changing eCode also in June 2019. The eCode is a smart digital platform with functionalities including search, navigation, cross-reference, and access to non-authoritative guidance. It delivers wide user facilitation for those applying, enforcing, or researching the Code.
- Second, we have fashioned a valuable partnership with the International Federation of Accountants (IFAC) in supporting the adoption and implementation of the Code. IFAC has been working to incentivize professional accountancy organizations, national standards setters, firms, accounting educators and others to use, adopt and implement the Code. The opportunity to leverage IFAC's resources in areas such as communications, and extensive relationships with those

stakeholders are of great value, as we collaborate to expand the relevance of the Code for accountants of the future.

Far-Reaching Current Priorities

IESBA released its Strategy and Work Plan 2019-2023 (SWP) in April 2019. Its ambition is to build on the strengths of the revised and restructured Code and increase relevance at a time of rapid change in technology and public expectations. The IESBA's planned activities center on areas critical to the public interest. This includes strengthening the Code's provisions in certain areas (e.g., independence, professional judgment) and tightening interactions with stakeholders around the world to expand and deepen the Code's influence and increase its adoption and effective implementation.



IESBA Chairman Thomadakis as keynote speaker at National Accounting Institute event, Beijing, China (November 2019)

As part of the SWP, IESBA prioritized work that goes to the core of auditor independence. Seminal new features include clarifying the limits of permissibility for provision of non-assurance services (NAS) to audit clients; establishing new requirements to promote transparency of audit fees; and strengthening the measures to eliminate fee dependency at the firm level. I am delighted that, as of the release date for this report, the IESBA has finalized its work with respect to NAS and Fees. Subject to the Public Interest Oversight Board's (PIOB) approval, the final NAS and Fees pronouncements will be released in Q2 2021.

A final pronouncement on "Role and Mindset" was completed and released in October 2020. Under this new pronouncement, accountants are required to exhibit an inquiring mind in applying the conceptual framework and be aware of bias in exercising professional judgment. The role and mindset pronouncement represents a significant ethical advancement, and it applies to all professional accountants, including those in business, government, and public practice.

IESBA's Technology initiative is another example of work with comprehensive ethical impact. We are working to address ethical and independence implications of major technological developments (AI, robotic process automation, and big data among others). Engaging with a broad range of stakeholders, we have gained insights from generous cooperation. Our goal is to develop "technology-proof" provisions and guidance to help accountants and firms deal with ethical dilemmas arising from advances in technology appropriately, exercise sound professional judgement, and where appropriate, be independent. An important input to our deliberations is the February 2020 Technology Working Group Phase 1 Final Report.

Salutary Coordination

IESBA's approach to standard setting has been reshaped by our enhanced coordination with the International Auditing and Assurance Standards Board (IAASB). What used to be occasional interactions, has now become systematic collaboration. This has proved valuable to both Boards. Beyond consistency, the synergy of the respective standards promises to increase their power and effectiveness, multiplying public interest outcomes.

IAASB Chair, Tom Seidenstein, and I are working together to articulate proposals for implementation of the Monitoring Group's recommendations to strengthen the international audit and ethics standard-setting system. We have a keen interest and responsibility to manage a smooth transition to new arrangements, to attain completion of our respective Boards' current Work Plans, and to deliver valuable human resources and experience to successor entities.



IAASB and IESBA Chairs Seidenstein and Thomadakis at the joint IAASB-IESBA CAG meeting, New York, US (September 2019)

Response to the Pandemic

The COVID-19 pandemic has affected our lives and work. The IESBA, as many others, has adjusted to virtual meetings and is pursuing energetically its work program, despite the stresses and

discomforts of the pandemic. We have focused on critical ethical guidance for present circumstances. An IESBA Staff Publication was released highlighting the importance of ethical judgment and compliance with the Code during this crisis. Other topic-specific COVID-19 guidance was developed by a newly established IESBA-National Standard Setters COVID-19 Working Group.

Concluding Greetings

Stakeholders of IESBA around the world have helped in sharpening our understanding of issues, and in strengthening our resolve for an innovative, forward-looking Code contributive to the global good. I am thankful to our interlocutors who have devoted time and resources to assist IESBA.



IESBA members Brian Friedrich (face not shown), Liesbet Haustermans, Kim Gibson and Hironori Fukukawa at IESBA meeting (March 2019)

Many colleagues who have supported our standard-setting as leaders of related entities have now ended their terms: Arnold Schilder, former IAASB Chairman, Kristian Koktvedgaard, former Chairman of the IESBA Consultative Advisory Group (CAG), Eddy Wymeersch, former PIOB Chairman, and Fayezul Choudhury, former IFAC CEO. They have all contributed decisively to IESBA's progress and I am grateful. They honor me with their friendship, and I extend my best wishes to them. I welcome their successors to our collaborative relationship.

My grateful acknowledgement goes to the many IESBA Members and Technical Advisors who retired from the Board during this period, having made distinguished contributions to its accomplishments.

Our valiant staff has been an effective, diligent, and dependable team. They have gained the respect of our partners and stakeholders, exhibited resilience in adversity, and carried, as they do now, a large share of collective responsibility for the multi-faceted progress depicted in this report.

I join Chairman Stavros Thomadakis in **congratulating IESBA members** on their impactful body of work over the period covered by this Report. Despite the challenges of the COVID-19 pandemic, the IESBA's priority projects and initiatives remain on track. Looking back, I would like in particular to:

- *Celebrate the release of the revised and restructured Code in 2018* (the Code) which came into effect in June 2019. The release of the Code brought to a successful completion several IESBA projects, including Structure of the Code; Safeguards; Revision of Part C; and Inducements, many of which had occupied the IESBA's agenda for most of the period covered by this report. The development of the comprehensive revisions and restructuring changes to the Code involved extensive public consultations over a five-year period and benefited from the inputs of all categories of stakeholders, including the CAG.
- *Highlight the successful launch of the eCode* – a joint IESBA-IFAC initiative. The eCode provides a digital version of the Code which includes smart features such as a search function and links to IESBA Staff publications, such as Basis for Conclusions, Staff Q&As, etc. The eCode represents an innovative way of making the Code more accessible, and easier to navigate and use for research.
- *Acknowledge the enhanced coordinating efforts between the IESBA and the IAASB*. Supported by a jointly agreed Coordination Framework, the Staff, Task Forces/ Working Groups and Boards follow a more structured process in identifying and considering topics and issues of mutual interest. The new process has resulted in more timely escalation and resolution of overlapping issues. Maintaining the strengthened working relationship between the IESBA and the IAASB is critical in ensuring that the Boards' standards remain compatible and easy to use, adopt and implement together.
- *Spotlight the release of the IESBA's Strategy and Work Plan 2019-2023 (SWP)*. As noted in the table at pages 10-11 of this report, the IESBA has completed some of its projects, including the revised Part 4B of the Code and the final pronouncement to promote the role and mindset expected of professional accountants. Most recently, in December 2020 the IESBA approved an Exposure Draft (ED) with proposed revisions to the definition of a public interest entity (PIE) and finalized its NAS and Fees projects.

I want to express my appreciation to all IESBA members, technical advisors, official observers, and all those who contributed to the work of the Board during the period of this report, including during the COVID-19 pandemic. A special word of thanks to those who contributed to the development of the revisions and restructuring changes to the Code. I am also grateful to my staff team, whose dedication and efforts in supporting the Board in all its activities have enabled it to deliver on its strategic commitments.



I applaud IESBA for its steadfast commitment to its mission, and to the public interest. I believe IESBA's accomplishments and key milestones are critical to the future of the global accounting profession. My team and I are proud of the work we do in the public interest, and we are honored to support the IESBA.

The Revised and Restructured Code

A key objective of the **Structure of the Code project** was to improve the clarity of the Code's provisions. The completely rewritten Code emphasizes the professional accountant's responsibility to comply with the fundamental principles, and apply the conceptual framework to identify, evaluate and address threats to such compliance, and where applicable, be independent. The Code's provisions are interconnected by design using a "building blocks" approach and drafting convention that minimizes duplication. Requirements paragraphs are clearly delineated from application material and independence provisions are given more prominence. The digital version of the Code — the eCode — accentuates the Code's new structure.



Key enhancements to the Code include:

- An **enhanced** and more prominently featured **conceptual framework**.
- Clearer and **more robust** provisions pertaining to **safeguards** that are better aligned to the specific threats.
- **Strengthened** independence provisions addressing the **long association** of personnel with an audit or assurance client.
- New and revised sections dedicated to professional accountants in business (PAIBs) relating to:
 - **Pressure** to breach the fundamental principles; and
 - **Preparing and presenting information**.
 - Clear guidance for professional accountants in public practice (PAPPs) that relevant PAIB provisions set out in Part 2 of the Code are applicable to them.
- **Strengthened** provisions for PAIBs and PAPPs relating to offering or accepting **inducements**, including gifts and hospitality.
- New application material to:
 - Emphasize the importance of understanding facts and circumstances when **exercising professional judgment (PJ)**.
 - Explain how compliance with the fundamental principles supports the **exercise of professional skepticism (PS)** in an audit or other assurance engagement.
- Packages the NOCLAR provisions which came into effect in July 2017 in a restructured format.
- Includes a **glossary of defined terms** and key concepts.



[Click here](#) to access the Code, and related resources, including the eCode.

The **Structure of the Code** project spanned a five-year period and involved careful planning and coordination with several other IESBA Task Forces.



IESBA Members, Technical Advisors and Staff at December 2017 Board meeting in Livingston, Zambia

Back row standing (*left to right*)

Asteway Tilahun, Tone Maren Sakshaug, Toshihiro Yasada, John Morrow, Michael Ashley, Brian Caswell*, Elizabeth Higgs, Don Thomson*, Andrew Pinkney, Peter Hughes*, Richard Fleck, David Clark, James Barbour, Ellen Gorla, Ken Siong

Hironori Fukukawa, Reyaz Mihular, Coleen Dunning, Liesbet Haustermans*, Denise Canavan, Kristian Koktvedgaard, Nigyar Mamedova, Saadiya Adam, Diane Jules, Patricia Mulvaney, Ian McPhee, Tania Sanchez, Geoffrey Kwan**

Front row sitting (*left to right*)

Sylvie Soulier, Stefano Marchese*, Chishala Kateka, Stavros Thomadakis, Helene Agélli, Gary Hannaford**, Kim Gibson**, Caroline Lee**

Not pictured: **Anthony Bromell*, James Gunn, Jens Poll**, Shirley Sommers**

*Member of Structure Task Force

**Member of Safeguards Task Force

Adoption and Implementation of the Code

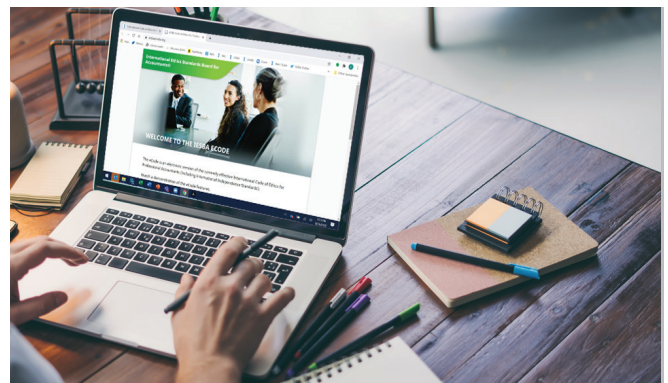
As part of its commitment to support the adoption of International Standards, IFAC monitors the progress of jurisdiction-level adoption of the Code. IFAC's *2019 International Standards Global Status Report* represented the first baseline for global adoption status and explained the differences in adoption approaches. For the majority of jurisdictions, adoption of international standards, including the Code, takes a significant amount of time and resources. The process typically involves extensive local stakeholder consultations, coalition-building, and advocacy. For non-English speaking jurisdictions, there is also additional time needed for translation.

The joint efforts of the IESBA and IFAC during the period covered by this report have resulted in a strong uptake in use and adoption of the revised and restructured Code. As of July 2020, more than 80 of the 134 IFAC member jurisdictions have either already adopted, or have made plans and commitments to adopt the 2018 Code. Also, the Code has been translated into numerous languages. It is important that this positive momentum continues.

Below are two other noteworthy developments arising from IESBA's partnership with IFAC:

- *The June 2019 launch of the eCode.* IESBA and IFAC jointly developed the eCode to deliver globally operable ethics and independence standards on a digital platform. The eCode has made the IESBA's Code easier to access and navigate including by non-accountants. Key features of the eCode include:
 - A smart-search function.
 - Hyperlinks and visual cues to help navigate the Code's provisions.
 - Pop-ups to highlight defined terms (e.g., "safeguards", "reasonable and informed third party").
 - Links to IESBA staff-prepared non-authoritative material, such as Basis for Conclusion.
- *The November 2019 Launch of the Exploring the IESBA Code* publication series. The joint IFAC-IESBA initiative is a 12-part installment series. Each installment highlights important concepts or topics in the Code in a relatable manner.

More than 80 of the 134 IFAC member jurisdictions have either already adopted, or have made plans and commitments to adopt, the 2018 Code. Also, **members of** the Forum of Firms adopt policies and methodologies that align to IESBA Code when conducting transnational audits.

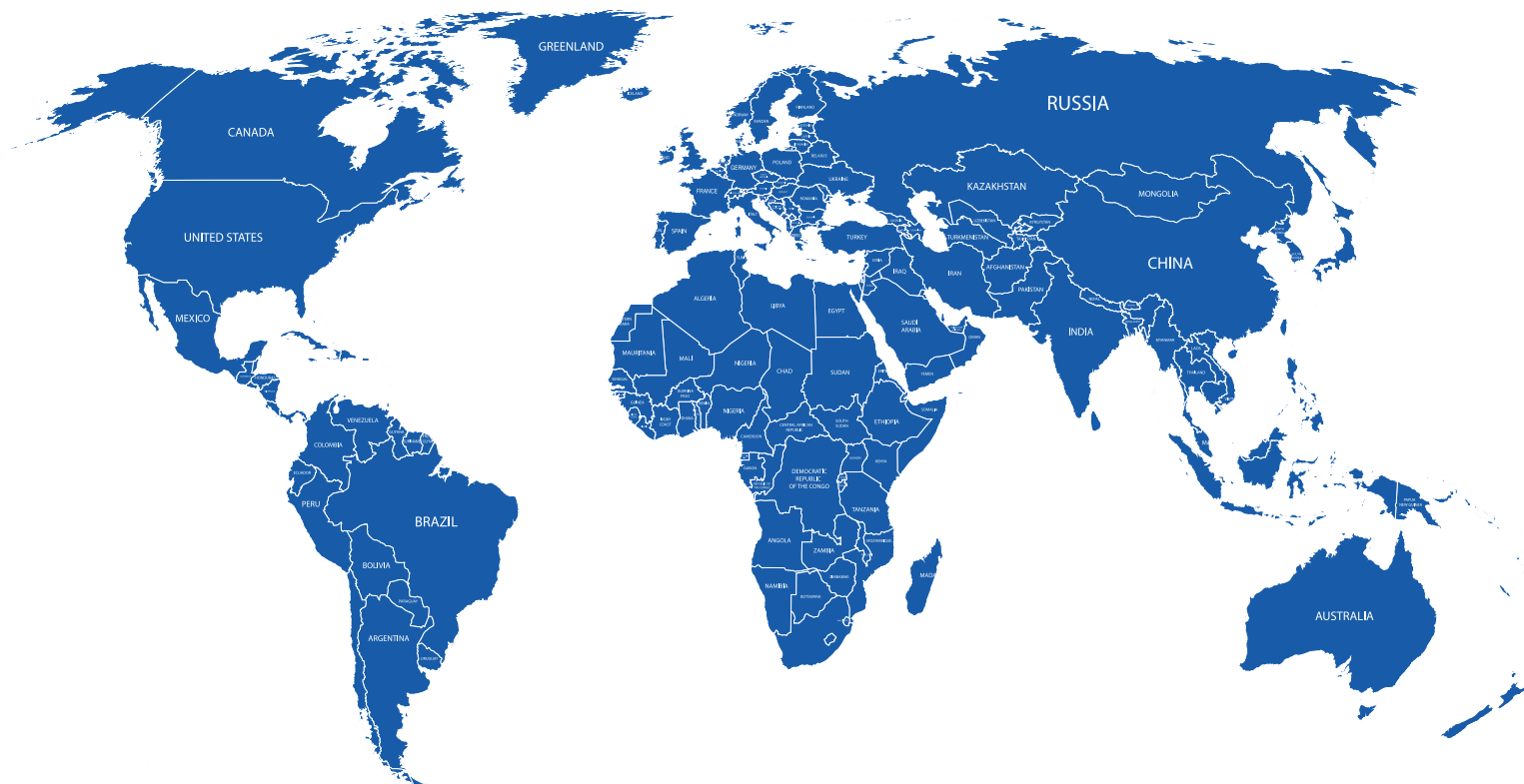


"The Exploring the IESBA Code series is the result of a strong collaborative effort between IESBA and IFAC. International standards are the bedrock on which our profession is built, and IFAC is committed to developing resources that raise awareness and encourage the adoption and implementation of such standards."

— Kevin Dancey, CEO of IFAC

Status of Adoption

Countries that have adopted, or have stated plans to consider adopting, the 2018 edition of the Code.



Africa

Botswana
Ghana
Kenya
Lesotho
Liberia
Madagascar
Malawi*
Malwai*
Mauritius
Mozambique*
Namibia
Nigeria
Rwanda
South Africa
Swaziland
Uganda
Zambia
Zimbabwe

Americas and Caribbean

Bahamas
Barbados
Brazil*
Cayman Islands
Guyana
Jamaica
Mexico*
Peru*
United States*

Asia - Pacific

Australia
Bangladesh*
China
Hong Kong*
India*
Indonesia*
Japan*
Lao PDR*
Malaysia
Mongolia*
New Zealand
Pakistan*
Papua New Guinea*
Singapore*
South Korea*
Vietnam*

Europe and Central Asia

Albania*
Austria
Azerbaijan*
Bulgaria*
Cyprus
Czech Republic*
Denmark
Finland*
Georgia
Germany
Greece*
Hungary
Iceland
Ireland
Kosovo*
Latvia
Lithuania
Luxembourg*

Malta*
Montenegro*
Netherlands
Poland*
Romania*
Serbia*
Slovenia*
Spain*
Sweden*
Switzerland*
Ukraine*
United Kingdom

Middle East and North Africa

Palestinian Territory
Saudi Arabia*
Turkey

G20

Australia
Brazil*
Canada*
China*
France*
Germany*
Indonesia*
India*
Italy
Japan
Mexico*
Russian Federation*
Saudi Arabia*
South Africa*
South Korea*
Turkey
United Kingdom
United States*

* Indicates countries with stated plans to review the 2018 Code for adoption

Status of IESBA's Current Strategic Priorities and Work Plan

Recently Completed Projects and Initiatives

Project/ Initiative	Status
Non-assurance Services (NAS) and Fees	<ul style="list-style-type: none"> • Having duly considered the feedback from respondents to the January 2020 Exposure Drafts, <i>Proposed Revisions to the Non-Assurance Services Provisions of the Code</i> (NAS ED), and <i>Proposed Revisions to the Fee-related Provisions of the Code</i> (the Fees ED), the IESBA approved revisions to the Code's NAS and fee-related provisions in December 2020. <ul style="list-style-type: none"> – The NAS ED was informed by four <u>roundtables</u> held in Australia, France, Japan and the US in 2018. – The Fees ED incorporated the insights from an IESBA Working Group's Final Fact-finding Report, including a <u>summary of research</u> conducted by an academic, and the responses to the IESBA's November 2017 <u>Fee Questionnaire</u>. • Subject to the PIOB's approval, the final NAS and Fees pronouncements will be released by May 2021. The pronouncements will be effective for audits of financial statements for periods beginning on or after December 15, 2022. Early adoption will be permitted.
Objectivity of an Engagement Quality Reviewer (EQR)	<ul style="list-style-type: none"> • Following its extensive deliberations on the issues raised by the PIOB and respondents to its January 2020 ED, <i>Proposed Revision to the Code Addressing the Objectivity of Engagement Quality Reviewers</i>, the IESBA approved revisions to the Code addressing the objectivity of an EQR and other appropriate reviewers in September 2020. The revisions: <ul style="list-style-type: none"> – Introduce to the Code a new section 325 titled, Objectivity of an Engagement Quality Reviewer and Other Appropriate Reviewers. – Were closely coordinated with the IAASB in the context of its project to develop International Standard on Quality Management (ISQM) 2, <i>Engagement Quality Reviews</i>. The IAASB's Quality Management Standards, including ISQM 2, were <u>released</u> in December 2020. • The PIOB approved the revisions in December 2020. The final pronouncement will be released in January 2021 and will be effective for audits of financial statements for periods beginning on or after December 15, 2022. Early adoption will be permitted.
Role and Mindset Expected of Professional Accountants (formerly Professional Skepticism)	<ul style="list-style-type: none"> • In October 2020, the IESBA released a <u>pronouncement</u> with revisions to the Code to promote the role and mindset expected of professional accountants. The revisions: <ul style="list-style-type: none"> – Take into account the feedback from respondents to the July 2019 ED, <i>Role and Mindset Expected of Professional Accountants</i>. – Reaffirm the accounting profession's responsibility to act in the public interest and the fundamental role of the Code in meeting that responsibility, and require accountants to have an inquiring mind in undertaking their professional activities. The revisions also emphasize the need for accountants to be aware of the potential influence of bias in exercising professional judgment. – Will come into effect in December 2021. Early adoption is permitted.
Alignment of Part 4B to ISAE 3000 (Revised)	<ul style="list-style-type: none"> • In January 2020, the IESBA released a <u>pronouncement</u> with revisions to Part 4B of the Code. Part 4B comprises the independence provisions for assurance engagements other than audit and review engagements. • Revised Part 4B reflects the terms and concepts used in the IAASB's ISAE 3000 (Revised) and was developed in close coordination with the IAASB. The revisions also incorporate the input from respondents to the March 2019 ED, <i>Proposed Revisions to Part 4B of the Code</i>. • The pronouncement will come into effect in June 2021. Early adoption is permitted.

Current Projects

Project/ Initiative	Status
Definition of a listed entity and a Public Interest Entity (PIE)	<ul style="list-style-type: none"> At its December 2020 meeting, the IESBA approved for exposure proposed revisions to the definitions of a PIE and a listed entity that were developed in close coordination with the IAASB. The ED will be released in January 2021.
Technology	<ul style="list-style-type: none"> Since the release of <i>the Technology Working Group Phase 1 Final Report</i> (the Report), the IESBA has been exploring possible approaches to advance its Technology Project, having regard to the recommendations in the Report. As part of this exploration, the IESBA is considering the potential ethical implications of advances in technology and how those developments might affect accountants' application of the Code's provisions. To inform a way forward: <ul style="list-style-type: none"> In October 2020, stakeholder surveys were issued to seek input on two specific topics – technology and complexity in the professional environment; and the impact of technology on auditor independence. Focused stakeholder discussions are being held, including with national and regional PAOs, NSS, regulators, firms, and academics. IESBA representatives participated in an IFAC hosted Virtual Knowledge Sharing event which was intended to explore non-authoritative guidance that might be developed to promote ethical behavior as a critical, consistent foundation for businesses, firms, and other organizations, particularly when developing and using technology.
Engagement Team – Group Audit Independence	<ul style="list-style-type: none"> In March 2020, the IESBA <u>approved a project</u>, Engagement Team-Group Audits Independence which is focused on: <ul style="list-style-type: none"> Exploring the need for potential revisions to align the extant Code's definition of "engagement team" with the revised definition of the same term under IAASB's ISA 220 (Revised), <i>Quality Management for an Audit of Financial Statements</i>. Clarifying how the independence provisions should be applied in a group audit context, particularly with respect to component auditors outside the group auditor's network.

Fact-finding or Research Initiatives

Project/ Initiative	Status
Tax Planning and Related Services	<ul style="list-style-type: none"> The objective of this fact-finding initiative is to: <ul style="list-style-type: none"> Obtain an understanding of regulatory, practice and other developments in relation to corporate and individual tax planning undertaken by PAIBs and PAPPs. Assess the ethical implications of such developments, including whether there are gaps in the Code. Develop recommendations, including whether there is a need for revisions to the Code. To-date the IESBA's Working Group has undertaken extensive outreach, including with representatives of the Organisation for Economic Co-operation and Development (OECD), members of European Parliament, and global tax leaders in the Big 4 accounting firms.
Benchmarking	<ul style="list-style-type: none"> In July 2020, the IESBA commissioned a Working Group to compare the International Independence Standards (IIS) that are applicable to PIEs to the independence requirements in major jurisdictions. This is a multi-phase initiative and will incorporate the revised NAS and fee-related revisions that were finalized in December 2020. Phase 1 will involve a comparison of the IIS to the US Securities and Exchange Commission (SEC), and the US Public Company Accounting Oversight Board (PCAOB) independence rules. The initiative will serve to provide insights to stakeholders about the similarities and key differences between the IIS and independence requirements in major jurisdictions.

Other

Project/ Initiative	Status
IESBA-IAASB Coordination	<ul style="list-style-type: none"> Coordination is a strategic priority for the IESBA and the IAASB. The objective of this initiative is to identify topics of mutual interest between the IAASB and IESBA, including in relation to the development of the independent Boards' strategy and work plans. The Coordination Team: <ul style="list-style-type: none"> Contributes to the development of the agenda for the annual IESBA-IAASB Joint Meeting, and Recommends conforming or consequential amendments for the Code as a result of the IAASB's projects, as appropriate.

IESBA's COVID-19 Response

The COVID-19 pandemic poses unprecedented challenges in all facets of life. The IESBA acknowledged the pandemic in April 2020, and committed jointly with the IAASB to support a strong and coordinated global response. Similar to many other organizations, the IESBA transitioned and has fully adapted to digital platforms. Since March 2020, all meetings, including board, Task Force and Working Group meetings, and many outreach activities are being held by audio or video conference.



COVID-19 Webpage and IESBA Staff Q&As

To help guide professional accountants during these challenging times, the IESBA launched a dedicated webpage which provides useful COVID-19 resources, including a May 2020 IESBA Staff Q&As Publication, *COVID-19: Ethics and Independence Considerations*. The Staff Q&As emphasize the need for all accountants to comply with the Code during the pandemic, and highlight aspects of the Code that are especially relevant in navigating ethics and independence challenges due to the COVID-19 pandemic. IESBA representatives have participated in several virtual conferences and webinars to promote awareness of the key messages in the Staff Q&A. In addition, IESBA launched a social media campaign on LinkedIn and Twitter to promote important ethical reminders during the pandemic.

National Ethics Standard Setters (NSS) COVID-19 Working Group

In addition to the IESBA Staff Q&As, the COVID-19 webpage includes guidance developed by others, including the IESBA-NSS COVID-19 Working Group. The objective of the Group is to develop implementation support resources to assist professional accountants in effectively applying the Code when facing circumstances created by the pandemic.

The Working Group is chaired by the IESBA Deputy Chair with support from the staff of the IESBA and the NSS. Participating NSS organizations comprise: Accounting Professional & Ethical Standards Board (Australia); Chartered Professional Accountants Canada; the Chinese Institute of Certified Public Accountants; the Independent Regulatory Board for Auditors (South Africa); the UK Financial Reporting Council; and the American Institute of Certified Public Accountants (US).

To-date the following publications have been released:

- Joint IRBA-IESBA-IAASB Staff Publication, *Navigating the Heightened Risks of Fraud and Other Illicit Activities During the COVID-19 Pandemic, including Considerations for Auditing Financial Statements*
- Joint CPA Canada-IESBA Staff Alert, *COVID-19 and Evolving Risks for Money Laundering, Terrorist Financing and Cyberthreats*
- Joint AICPA-IESBA-IAASB Staff Publication, *Using Specialists in the COVID-19 Environment: Including Considerations for Involving Specialists in Audits of Financial Statements*
- Joint APESB-IESBA Staff Publication, *Applying the Code's Conceptual Framework in COVID-19 Circumstances: Scenarios in Taxation and Valuation Services*

Stakeholder Engagement and Outreach

IESBA places a high value on the input obtained from its stakeholders. Stakeholders bring unique and important perspectives to IESBA's standard setting process, in particular with respect to the Board's information-gathering efforts on new projects or initiatives.

IESBA is committed to robust outreach and communication with stakeholders and maintains an extensive program of global outreach activities. Some activities are quasi-standing commitments, e.g., meetings with regulatory organizations such as the International Organization of Securities Commissions (IOSCO) and the International Forum of Independent Audit Regulators (IFIAR), or presentations at meetings of the Forum of Firms and the IFAC Small and Medium Practices Advisory Group. Others are initiated by IESBA to fulfill a specific need, e.g., to obtain perspectives to inform an IESBA project. Finally, IESBA representatives are sometimes invited by external organizations to participate in various events, including at the international, regional, or national level.

While IESBA has successfully pivoted its global outreach program to virtual as a result of COVID-19 related restrictions, the frequency and quality of stakeholder interactions have to some extent been impacted. In response, IESBA has been utilizing various digital communication channels (e.g., virtual events and social media) to promote awareness of the Code and the Board's work.



IESBA Chairman Thomadakis and the Hon. Nicola Roxon at an APESB-hosted event, Sydney, Australia (November 2018)



Participants in NAS and Professional Skepticism Roundtable in Washington DC, US (June 2018)

As discussed at page 20, the IESBA meets twice a year with the IESBA Consultative Advisory Group. In addition, IESBA hosts a meeting at least once annually with a group of ethics and independence NSS. The IESBA-NSS liaison group comprises organizations with direct responsibility for promulgating ethics and independence standards in Australia, Canada, China, France, Germany, Hong Kong SAR, India, Japan, the Netherlands, New Zealand, the Russian Federation, South Africa, the UK, and the US.

During June 2016 to July 2020, IESBA participated in over 400 outreach events in over 40 countries. Organizations that IESBA interacted with included:

Regulators and Oversight Bodies

ASEAN Audit Regulators Group (AARG)
 Australian Securities Investments Commission (ASIC)
 Australian Prudential and Regulatory Authority (APRA)
 Canadian Public Accountability Board (CPAB)
 Committee of European Audit Oversight Bodies (CEAOB)
 China Securities Regulatory Commission (CSRC)
 Dubai Financial Services Authority (DFSA)
 European Securities and Markets Authority (ESMA)
 Audit Council of the Ministry of Finance (Russia)
 Haut Conseil du Commissariat aux Comptes (H3C) (France)
 IFIAR
 IOSCO
 Independent Regulatory Board for Auditors (South Africa)
 Monitoring Group
 Securities Commission of Serbia
 Securities and Exchange Commission of Sri Lanka
 UK Financial Reporting Council (FRC)
 US National Association of State Boards of Accountancy (NASBA),
 including the NASBA-AICPA Uniform Accountancy Act Committee
 US Public Company Accounting Oversight Board (PCAOB)
 US Securities and Exchange Commission (SEC)

International Organizations Other than Regulators

IFAC, including its Professional Accountancy Organization
 Development & Advisory Group, Professional Accountants
 in Business Advisory Group, and the International Panel on
 Accountancy Education (IPAE).
 Institute of Internal Auditors
 International Monetary Fund
 Organisation for Economic Co-operation and Development (OECD)
 World Bank

Professional Accountancy Organizations and NSS

Association of Chartered Certified Accountants (ACCA)
 Accountancy Europe
 Accounting Professional & Ethical Standards Board – Australia (APESB)
 CPA Canada, including Public Trust Committee
 Conselho Federal de Contabilidade (CFC)
 Colegio de Contadores de Chile
 Colegio de Contadores Públicos de Costa Rica
 Colegio de Contadores Públicos Autorizados de Panamá
 Chinese Institute of Certified Public Accountants (CICPA)
 Hong Kong Institute of Certified Public Accountants (HKICPA)
 IBRACON
 Institute of Chartered Accountants in England and Wales (ICAEW)
 Institute of Chartered Accountants of India (ICAI)

Indonesia Institute of Accountants (IAI)
 Instituto Mexicano de Contadores Publicos (IMCP)
 Japanese Institute of Certified Public Accountants (JICPA)
 Malaysian Institute of Accountants
 Myanmar Institute of Certified Public Accountants
 New Zealand External Reporting Board (XRB)
 Pan African Federation of Accountants (PAFA)
 Saudi Organization for Certified Public Accountants (SOCPA)
 South African Institute of Professional Accountants (SAIPA)
 South Asian Federation of Accountants (SAFA)

Governments and Public Sector Organizations

International Organization of Supreme Audit Institutions (INTOSAI),
 in particular its Professional Standards Committee Steering
 Committee
 Ministry of Finance of Indonesia
 State Services Commission (New Zealand)
 Auditor General (New Zealand)
 Auditor General (Peru)
 Auditor General of Sri Lanka

Preparers, Investors, Governance Organizations and Others

Australian Institute of Company Directors (AICD)
 Brazilian Central Bank
 Brazilian Institute of Corporate Governance (IBGC)
 California State Teachers' Retirement System (CalSTRS)
 CFA Institute
 China Association of Public Companies (CAPCO)
 Founders Securities (China)
 Investment Management Association

Firms

Deloitte
 Ernst & Young
 Grant Thornton LLP
 IFAC Small and Medium Practices Advisory Group
 KPMG
 PricewaterhouseCoopers (PwC)
 Transnational Auditors Committee and Forum of Firms

Others, Including Academic and Research Organizations

Accounting Today
 American Accounting Association
 US Center for Audit Quality
 Financial Management Network (FMN)
 Harvard Business Review
 International Association for Accounting Education and Research (IAAER)



The International Ethics Standards Board for Accountants® (IESBA®) is an independent standard-setting body that develops the *International Code of Ethics for Professional Accountants (including International Independence Standards)* for use by the global accounting profession. The objective of the IESBA, as outlined in its Terms of Reference, is to serve the public interest by setting high-quality ethics standards for professional accountants by facilitating the convergence of international and national ethics standards. A single set of high-quality ethics standards can enhance the quality and consistency of services provided by professional accountants throughout the world, thereby contributing to public confidence in the accountancy profession.

The IESBA's standard-setting arrangement has a number of elements designed to ensure and protect the Board's independence. The most important of these is formal, independent, public interest oversight: the Public Interest Oversight Board (PIOB) has authority over key elements of the standard-setting structure and process.

Threats to the Board's independence are further safeguarded by three other aspects of the process. The first is a highly transparent due process for standard setting that is formally approved by the PIOB. The second is the involvement of the IESBA's Consultative Advisory Group (CAG) and observers in the standard-setting process. The CAG provides public interest input into the development of the IESBA's standards and guidance. The third is the requirement that members of the IESBA annually sign declarations that they will act in the public interest and with integrity, and will not submit to any improper influence. In addition, all nominating organizations are required

2019

Standing (left to right)

Alden Leung*, **Liesbet Haustermans**, **Sanjiv Chaudhary**, **Patricia Mulvaney***, **Jens Poll**, **Kim Gibson**, **Andrew Mintzer**, **Winifred Kiryabwire**, **Brian Friedrich**, **Hironori Fukukawa**, **Myriam Madden**

Sitting (left to right)

Ian McPhee, **Richard Fleck**, **Sylvie Soulier***, **Stavros Thomadakis**, **Caroline Lee**, **Gaylen Hansen**, **Robert Juenemann**

*Completed term in 2019

Not pictured are incoming IESBA members Ms. Laurie Endsley and Mr. Richard Huesken.

to sign a declaration that they will not exert undue influence that might impair the members' ability to serve or act with independence, integrity, and in the public interest.

The IESBA's membership consists of an independent chair and 17 volunteer board members from around the world. The 18 members comprise 9 practitioners and 9 individuals who are not members or employees of an audit firm ("non-practitioners"). At least three of the non-practitioners are public members: individuals who are expected to reflect, and are seen to reflect, the wider public interest. The appointments of members to the IESBA, including the independent chair, are based on the recommendation of the IFAC Nominating Committee and endorsement of the IFAC Board, and approved by the PIOB.

In developing its standards, independently and under its own authority, the IESBA is required to be transparent in its activities, and to adhere to due process as approved by the PIOB.

The adoption and implementation of the Code is promoted and supported by IFAC. IFAC has more than 175 members

and associate organizations in 130 countries and jurisdictions, representing nearly 3 million professional accountants. IFAC's membership requirements include adopting international standards, including the Code, and supporting its implementation. In addition, under their membership obligations, members of the Forum of Firms, an association of networks of international accounting firms, have agreed to have policies and methodologies that conform to the Code for transnational audits.

The structures and processes that support the operations of the IESBA are facilitated by IFAC. The IESBA is a component of the overall IFAC reporting entity; accordingly, its financial results are included within IFAC's audited financial statements, which are published as part of IFAC's Annual Review at www.ifac.org.

IESBA meetings are open to the public, and agenda papers are available at: www.ethicsboard.org/meetings. As of September 2020, the IESBA's meetings are also streamed on the IESBA's [YouTube Channel](#).

How to Access the Code and Related Resources?

Visit the Standards & Pronouncements section of IESBA's website to:

- Access the eCode.
- Access the current IESBA Handbook.

Visit the Support & Resources section of IESBA's website to access:

- IESBA staff-prepared publications (e.g., Basis for Conclusions, Q&As), and recorded webinars.
- IFAC-produced support material, including quick links to:
 - The Exploring the IESBA Code publication series
 - A Guide for Professional Accountancy Organizations - Developing Good Practices for Members Providing Tax Advice.
- IESBA-issued surveys and questionnaires.

Learn more about IESBA at www.ethicsboard.org, and follow the IESBA on [Twitter](#), [LinkedIn](#) and [YouTube](#)

Board Member	Country	2020	2019	2018	2017	2016
<i>Public Members</i>						
Stavros Thomadakis , Chair	Greece	✓	✓	✓	✓	✓
Richard Fleck (Deputy Chair)	United Kingdom	✓	✓	✓	✓	✓
Hironori Fukukawa *	Japan		✓	✓	✓	
Robert Juenemann	Brazil	✓	✓	✓	✓	✓
Winifred Kiryabwire	Uganda	✓	✓	✓		
Atsushi Kato	Japan					✓
Ian McPhee *	Australia		✓	✓	✓	✓
<i>Non-Practitioners</i>						
Michael Ashley	United Kingdom	✓	✓	✓	✓	✓
Brian Friedrich	Canada	✓	✓	✓		
Hironori Fukukawa *	Japan	✓				
Gary Hannaford	Canada				✓	✓
Claire Ighodaro	United Kingdom					✓
Chishala Kateka	Zambia				✓	✓
Myriam Madden	United Kingdom	✓	✓	✓		
Ian McPhee *	Australia	✓				
Jens Poll	Germany	✓	✓	✓		
Lisa Snyder	United States				✓	✓
<i>Practitioners</i>						
Helene Agélie	Sweden				✓	✓
Brian Caswell	United States			✓	✓	✓
Sanjiv Chaudhary	India	✓				
Laurie Endsley	United States	✓				
Kim Gibson	United States	✓	✓	✓	✓	✓
Liesbet Haustermans	Belgium	✓	✓	✓	✓	✓
Richard Huesken	United States	✓				
Caroline Lee	Singapore	✓	✓	✓	✓	
Alden Leung	Hong Kong		✓	✓		
Reyaz Mihular	Sri Lanka			✓	✓	✓
Andrew Mintzer	United States	✓				
Patricia Mulvaney	United States		✓	✓	✓	✓
Stefano Marchese	Italy				✓	✓
Sylvie Soulier	France		✓	✓	✓	✓

* Re-classified from a Public Member to Non-Practitioner in 2020

2016-2018 IESBA Board Members



2018

Standing (left to right)

Hironori Fukukawa, Alden Leung, Winifred Kiryabwire, Ian McPhee, Jens Poll, Robert Juenemann, Kristian Koktvedgaard, Brian Friedrich, Kim Gibson, Liesbet Haustermans, Michael Ashley

Sitting (left to right)

Brian Caswell, Myriam Madden, Sylvie Soulier, Stavros Thomadakis, Patricia Mulvaney, Reyaz Mihular, Caroline Lee

2017

Standing (left to right)

Hironori Fukukawa, Michael Ashley, Liesbet Haustermans, Reyaz Mihular, Kristian Koktvedgaard, Helene Agélie, Richard Fleck, Brian Caswell, Ian McPhee

Sitting (left to right)

Caroline Lee, Gary Hannaford, Sylvie Soulier, Stavros Thomadakis, Chishala Kateka, Stefano Marchese, Kim Gibson, Patricia Mulvaney



2016

Standing (left to right)

Ian McPhee, Richard Fleck, Helene Agélie, Claire Ighodaro, Robert Juenemann, Kim Gibson, Liesbet Haustermans, Reyaz Mihular, Atsushi Kato

Sitting (left to right)

Kristian Koktvedgaard, Brian Caswell, Sylvie Soulier, Stavros Thomadakis, Chishala Kateka, Lisa Snyder, Gary Hannaford

IESBA Observers, Technical Advisors and Staff as of July 2020

Technical Advisors

(Member name in brackets)

Saadiya Adam (Richard Fleck)

James Barbour (Michael Ashley)

David Clark (Richard Huesken)

Gregory Driscoll (Caroline Lee)

Jens Engelhardt (Jens Poll)

Laura Friedrich (Brian Friedrich)

Ellen Gorla (Andy Mintzer & Myriam Madden)

Marta Kramerius (Liesbet Haustermans)

Gina Maldonado-Rodek (Kim Gibson)

Andrew Pinkney (Laurie Endsley)

Kemisha Soni (Sanjiv Chaudhary)

Sundeep Takwani (Winnie Kiryabwire)

Kristen Wydell (Ian McPhee)

Masahiro Yamada (Mr. Fukukawa)

Observers

Gaylen Hansen, IESBA CAG Chair

Junpei Kato, Japanese Financial Services Agency (FSA)

(Participant varies), Public Interest Oversight Board (PIOB)

Staff

James Gunn, Managing Director, Professional Standards

Ken Siong, Senior Technical Director

Diane Jules, Deputy Director

Geoffrey Kwan, Principal

Kam Leung, Principal

Szilvia Sramko, Manager

Carla Vijian, Manager

Astu Tilahun, Assistant Manager

Diana Vasquez, Executive Assistant



IESBA Staff shortly after the July 2020 IESBA virtual meeting.

Top (left to right) Astu Tilahun, Carla Vijian, Diana Vasquez. Middle (left to right) Kam Leung, Ken Siong, Geoffrey Kwan. Bottom (left to right) Diane Jules, Szilvia Sramko
Not pictured: James Gunn

The IESBA **Consultative Advisory Group** (CAG) is an integral and important part of the IESBA's formal stakeholder consultation process. The CAG comprises member organizations with a public interest orientation that are interested in the development and maintenance of a robust set of ethics standards, including independence standards, for professional accountants around the globe.

About CAG Membership

The CAG membership is diverse in terms of geographical representation and stakeholder category. CAG member organizations comprise regulators, including five Monitoring Group members; international and regional organizations representing investors, and other users of financial statements; preparers and those charged with corporate governance; and professional accountancy organizations that provide a firm and national standard-setter perspective. The CAG's diverse membership composition strengthens its public interest focus and enriches the perspectives and viewpoints brought forward to the IESBA's deliberations. During the period covered by this Report, the composition of the CAG was further strengthened by the addition of the Inter-American Accounting Association.

The CAG was chaired by Mr. Kristian Koktvedgaard from July 2013 to June 2019. Mr. Koktvedgaard was succeeded by Mr. Gaylen Hansen in July 2019 who served on the IESBA CAG representing NASBA since 2010.

Role of the CAG

The CAG plays an important role in the due process regarding the development and maintenance of the Code, interacting with the IESBA at all stages in standard-setting projects. Representatives of the CAG member organizations provide advice in numerous areas, including the IESBA's agenda, project timetable (work program), priorities, projects, and other matters of relevance to the activities of the IESBA.

The CAG does not need to reach consensus. Actually, the strength of the CAG is in the breadth of stakeholder views and perspectives it represents. This results in rigorous debate and dialogue, and sometimes diverging views which enrich the advice the CAG is able to provide to the IESBA.

CAG Meetings and Terms of Reference

The CAG meets twice a year with meetings open to the public. Additional conference calls are made on an as-needed basis. Meeting agendas and background papers are available on the Consultative Advisory Group section of the IESBA's website prior to the CAG meeting date.

The CAG's objective and scope of activities, membership and composition, and operating procedures are set out in its Terms of Reference. The PIOB oversees the work of the CAG and approves the appointment of the CAG Chair.

The CAG's objective and scope of activities, membership and composition, and operating procedures are set out in its Terms of Reference. The Public Interest Oversight Board (PIOB) oversees the work of the CAG.

The Consultative Advisory Group Member Organizations and Observers

Member Organizations and Representatives

Accountancy Europe, Noémi Robert & Christian Orth
Associação Brasileira de Instituições Financeiras de Desenvolvimento, (vacant)
Basel Committee on Banking Supervision,* Robert J De Tullio
Business Europe, Dr Claes Norberg
CFA Institute, Mohini Singh
European Commission,* (vacant)
European Federation of Accountants and Auditors for SMEs, Hysen Cela
Financial Executives International, Laura Shiffman
Gulf States Regulatory Authorities, Dr. Obaid Saif Hamad Ali Al Zaabi
Institute of Internal Auditors, Paul Sobel
International Association of Financial Executives Institutes, Conchita L. Manabat
Inter-American Accounting Association, Daniel Sarmiento Pavas
International Association of Insurance Supervisors,* Sanders Shaffer
International Corporate Governance Network, Natasha Landell-Mills
International Organization of Securities Commissions,* Paul Munter, Takeshi Hirai & Hüseyin Yurdakul
International Organization of Supreme Audit Institutions, James Dalkin
Islamic Financial Services Board, Bello Lawal Danbatta
US National Association of State Boards of Accountancy (NASBA), Gaylen Hansen
Organisation for Economic Cooperation and Development, Inanc Yazar
Sri Lanka Accounting and Auditing Standards Monitoring Board, Asha Mubarak
World Bank,* Henry Fortin
World Federation of Exchanges, Meng Wei

Observers and Representatives

IFAC Small and Medium Practices Committee, Dawn McGeachy
International Monetary Fund, Simon Bradbury
US Public Company Accounting Oversight Board, Megan Zietsman

*Organization is a member of the Monitoring Group

Introduction

In July 2016 to June 2019, the CAG continued to engage in close dialogue with, and to provide advice to, the IESBA and its Chairman, Dr. Stavros Thomadakis. Under the direction of the IESBA Chair the IESBA successfully delivered on the priorities set out in its Strategy and Work Plan, 2014-2018. The CAG's advice was invaluable to the IESBA's development and finalization of the new strategic priorities, commitments and project timelines featured in the IESBA's Strategy and Work Plan, 2019-2023. Dr. Thomadakis' passion and result-oriented leadership style has been instrumental to the IESBA's timely completion and delivery of its many achievements, including the 2018 substantively revised and restructured International Code of Ethics for Professional Accountants (including International Independence Standards) (the Code).

Key Highlights for 2016 to 2019

In addition to its biannual in person meetings, the CAG held several conference calls during 2016 to 2019 to accommodate the ambitious timetables, predominantly in April, June, and November. During this time, the CAG provided technical advice to the IESBA in relation to its various workstreams relating to restructuring and enhancing the Code. All the Task Force Chairs presented key issues to the CAG which enabled representatives to provide constructive advice to the IESBA.



Participants in NAS and Professional Skepticism Roundtable in Tokyo, Japan (July 2018)

Together with fellow CAG representatives, I participated in the IESBA's 2018 Global Roundtables focusing on the IESBA's Role and Mindset Expected of Professional Accountants (formerly Professional Skepticism) and Non-Assurance Services (NAS) projects. The CAG supported the decision of the board to conduct three global roundtables to gain further insights about the various public interest issues from the different stakeholders. We found the roundtable process to be very informative

and important to the discussions we later had with the CAG and the broad spectrum of stakeholders represented contributed significantly to the Board's ability to understand the stakeholders' concerns and thus proved to be a valuable tool in setting the direction of the two projects.

In addition to the NAS and Role and Mindset projects, the CAG devoted a significant amount of time to the IESBA's Structure of the Code, Safeguards, Long Association and Inducements work-streams which culminated in the 2018 edition of the Code that came into effect in June 2019.

The CAG supported the strategic themes in the IESBA's Strategy and Work Plan, 2019-2023 and highlighted the importance of prioritizing activities to promote adoption and implementation of the Code. In this regard, the CAG welcomed the IESBA's collaboration efforts with the International Federation of Accountants, professional accountancy organizations and national standard setters to promote awareness of the 2018 edition of the Code.



The CAG plays an important role in the due process and maintenance of the Code, interacting with the IESBA at all stages in standard-setting projects. The CAG does not need to reach consensus. The strength of the CAG is in the breadth of stakeholder views, and perspectives it represents.

The key matters raised by the CAG representatives were captured in an IESBA report-back which explained how those matters were considered and disposed. This, together with the PIOB oversight, ensures thoughtful deliberation and consideration about public interest issues by the IESBA, which is the ultimate aim of the CAG.

Concluding Remarks

In 2016-2019, the public interest continued to be a focal point of the CAG's discussions, especially in relation to complex or controversial issues. Due to the nature and composition of the CAG, it was able to provide valuable advice to the IESBA and continued to play an important role in the transparency and due process of the IESBA's standard-setting activities.



Accountancy Europe Representatives Noémi Robert and Christian Orth at IAASB-IESBA Joint CAG meeting, New York, US (September 2019)

Discussions about ethics and independence matters are often inherently difficult due to the variation in the legal and regulatory frameworks across jurisdictions, which is why I am grateful to the volunteers who have generously lent their time and expertise to serving on the CAG, enriching our discussions and ensuring that the public interest is served.

During my time as Chair, a number of CAG representatives have rotated off. I would like to take this opportunity to extend my gratitude and appreciation for the dedication and time they invested in the CAG and, more importantly, to the standard-setting process. While we will miss both their collegiality and contributions, we welcome and look forward to benefiting from the addition of new CAG member organizations and their representatives.

Finally, I would like to thank the CAG for their continuous support. It has been an honor and privilege to have served as IESBA CAG Chair since 2013. I congratulate Mr. Gaylen Hansen on his appointment as CAG Chair. His experience and commitment working on ethics combined with his strong knowledge in audit, assurance and accounting issues is a great asset, and I am confident he will lead the CAG effectively in providing sound strategic and technical advice.

"I am grateful to the volunteers who have generously lent their time and expertise to serving on the CAG, enriching our discussions and ensuring that the public interest is served."

It has been an honor and privilege to serve as the Chair of the IESBA CAG since July 2019 and as a CAG representative since 2010. The CAG plays a vital role in enabling all those concerned in the work of, or services provided by, professional accountants to have a voice in the development and maintenance of standards that demand a high level of ethical conduct. The CAG's diverse views and perspectives have been invaluable in focusing the IESBA's deliberations on the public interest matters relating to its various projects and initiatives.

On behalf of the CAG, I congratulate the IESBA on its many accomplishments for the period July 2016 to July 2020, including:

- Release of the 2018 substantively revised and restructured International Code of Ethics for Professional Accountants (including International Independence Standards) (the Code) and the 2019 successful launch of the eCode.
- Finalization of the revisions to Part 4B of the Code to make it consistent with the revised assurance terms and concepts in the International Auditing and Assurance Standards Board's (IAASB's) International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.
- Approval of the revisions to the Code addressing the role and mindset expected of professional accountants.
- Key milestones reached on its Non-Assurance Services, Fees and Technology projects.

I applaud the IESBA and the IAASB for their joint commitment and coordination to preserve the existing alignment between the Code and the IAASB's standards. In this regard, I acknowledge the IESBA's consideration of the CAG's input in finalizing its January 2020 Exposure Draft (ED), Proposed Revision to the Code Addressing the Objectivity of Engagement Quality Reviewers and I am pleased that the CAG deliberations about the issues raised by respondents to the ED have informed the final revisions to the Code.

The IESBA's diligent coordination efforts with the CAG, the IAASB, national standard setters and other stakeholders to adapt to these unsettling times is worth noting. The IESBA and its staff have demonstrated tremendous agility and resilience in transitioning to fully digital platforms and virtual meetings in 2020.

I wish to thank my predecessor, Kristian Koktvedgaard for his kind assistance and support in the transition of CAG leadership last year. Finally, I would like to thank my fellow CAG colleagues for their support and contributions, particularly during this difficult and uncertain period. Without question, this is a period we will each reflect upon for years to come.



The IESBA's diligent coordination efforts with the CAG, the IAASB, national standard setters and other stakeholders to adapt to these unsettling times is worth noting. The IESBA and its staff have demonstrated tremendous agility and resilience in transitioning to fully digital platforms.

For more information about IESBA, please visit
www.ethicsboard.org.

Key Contacts:

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