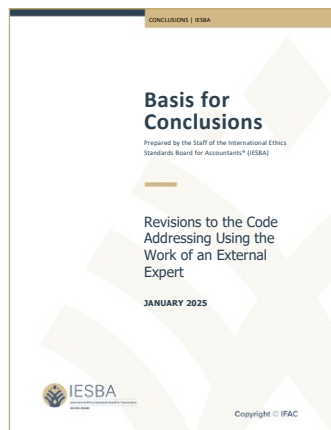
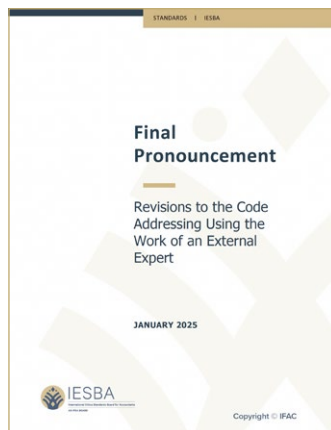


Using the Work of an External Expert

IESBA Staff Questions & Answers

SEPTEMBER 2025

This Questions and Answers (Q&A) publication is issued by the Staff of the [International Ethics Standards Board for Accountants](#) (IESBA). It is intended to assist professional accountants (PAs) in public practice (PAPPs) and in business (PAIBs), sustainability assurance practitioners (SAPs), jurisdictional standard setters, professional accountancy organizations, and accreditation bodies as they adopt, implement, or apply the provisions in the final pronouncement, [Using the Work of an External Expert](#). Regulators and oversight bodies may also find this publication helpful.



This Q&A publication is designed to highlight, illustrate or explain aspects of the provisions and thereby assist with their proper application. The pronouncement was developed in close coordination with the International Auditing and Assurance Standards Board (IAASB) to maximize alignment and interconnectivity with the IAASB's standards, including International Standard on Auditing™ (ISA®) 620, *Using the Work of an Auditor's Expert*, and International Standard on Sustainability Assurance™ (ISSA™) 5000, *General Requirements for Sustainability Assurance Engagements*.

The publication does not amend or override the Code, the text of which alone is authoritative. Reading the Q&As is not a substitute for reading the Code. The Q&A are not intended to be exhaustive and reference to the Code itself should always be made. This publication does not constitute an authoritative or official pronouncement of the IESBA.

Section 5390 in the *Using the Work of an External Expert* Final Pronouncement is an integral part of the [International Ethics Standards for Sustainability Assurance™ \(including International Independence Standards™\) \(IESSA™\)](#). Accordingly, users of this Q&A might also find the following IESBA Staff Q&As helpful:

[IESSA Q&A](#)

[Joint IAASB and IESBA Sustainability Staff Publication](#)



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I. Background to the Q&As

The *Using the Work of an External Expert* pronouncement introduces Sections 290 and 390 to the Code and includes changes to Sections 220 and 320. It also includes revisions to the Glossary and consequential amendments in Sections 120, 230, 280, 380, 600 and 950 of the Code.

The pronouncement also introduces Section 5390, which is an integral part of the International Ethics Standards for Sustainability Assurance™ (including International Independence Standards™) (IESSA™).

Unless otherwise specified:

- All Q&As set out in this publication are applicable to PAIBs, PAPPs and SAPs.¹
- All references to paragraph numbers and the term “PAPPs” in the context of Section 390 are equivalent to references to the corresponding paragraph numbers² and the term “SAPs” in the context of Section 5390, respectively.
- All references to audit engagements in the context of Section 390 are equivalent to references to sustainability assurance engagements (SAEs) in the context of Section 5390.

II: Evaluating Whether to Use the Work of an External Expert

Q1. When evaluating the competence and capabilities of an external expert, how does “competence” differ from “capabilities”?

- A.** Competence relates to the nature and level of expertise of the external expert (paragraphs 290.6 A1 and 390.6 A1).

On the other hand, capabilities relate to the ability of the external expert to exercise their competence in the circumstances of the professional activity or service (paragraphs 290.7 A1 and 390.7 A1).

Paragraphs 290.6 A2 and 390.6 A2 set out factors relevant in evaluating whether the external expert has the necessary competence for the PA’s purpose, such as the expert’s education, training, practical experience and reputation relevant to or consistent with the work to be performed.

Paragraphs 290.7 A2 and 390.7 A2 set out factors relevant in evaluating whether the external expert has the necessary capabilities for the PA’s purpose, such as the resources available to the external expert or whether the expert has sufficient time to perform the work.



Q2. What is the time frame that applies when evaluating an external expert’s objectivity under the standard?

- A.** The time frame that applies when evaluating an external expert’s objectivity will differ depending on who is using the external expert’s work and the context in which that work is being used. When the external expert’s work is used by:
- PAIBs, it will be the period during which the external expert is performing the work (paragraph 290.8 A2).
 - PAPPs performing non-assurance services (NAS), it will also be the period during which the external expert is performing the work (paragraph 390.8 A2).

For PAPPs performing audit and other assurance engagements, the IESBA recognized that aligning the time frame to the period during which an audit team member or assurance team member needs to be independent (i.e., both the period covered by the audit or assurance report and the engagement period) would be impracticable. This is because the external expert’s work will generally have been completed before the end of the period covered by the audit or assurance report or well before the date of issuance of the report.

Therefore, the standard requires the PAPP to obtain information in writing from the external expert to facilitate the PAPP’s evaluation of the expert’s objectivity from the beginning of the period covered by the audit or other assurance report *until the completion of the expert’s work* (see paragraphs R390.12 to R390.17, as applicable).

However, to mitigate the risk of not evaluating the objectivity impact of any changes to the information provided during the period covered by the audit or other assurance report through to the issuance of that report, the standard requires the PAPP to re-evaluate the expert’s objectivity if the expert communicates any such changes to the PAPP (see paragraphs R390.5(b)(ii) and R390.20).

¹ See the Appendix for the list of acronyms and abbreviations.

² For example, paragraph number 390.1 is equivalent to the corresponding paragraph number 5390.1 in the context of Section 5390.



Q3. With respect to the evaluation of the external expert's competence, capabilities and objectivity (CCO):

(a) Does the evaluation of the external expert's CCO need to be completed before the external expert can begin their work?

A. Not necessarily.

It may not be practicable to wait until the CCO evaluation has been completed before engaging the external expert to start the work. There may be unavoidable circumstances that may necessitate the external expert starting their work before the CCO evaluation has been completed. For example, a tight deadline may require them to begin the work immediately, or the time needed for the external expert to secure the information requested for the evaluation of their objectivity may be insufficient.

However, failure to determine whether the expert has the necessary CCO will mean that the PA will not be able to use the expert's work (paragraphs R290.12(a) and R390.21(a)).

Further, it is important to bear in mind that the PA might face pressure to accept the external expert's work if the PA encounters difficulties in concluding, or is unable to conclude, that the expert has the necessary CCO when the expert has already performed a significant portion of their work (paragraphs 290.10 A2 and 390.10 A2).

(b) Does the PA's evaluation as to whether an external expert has the necessary competence, capabilities and objectivity extend throughout the engagement?

A. Yes. While there is an initial evaluation of the external expert's CCO, the PA is expected to remain alert (paragraph 120.9 A1) and re-evaluate whether the external expert has the necessary CCO for the PA's purpose when new information or changes in facts and circumstances arise (paragraphs R290.11 and R390.19).

The IESBA's intent is to ensure that the CCO evaluation is not just at a point in time but remains ongoing, given that the circumstances in which the PA will be using the external expert's work may be dynamic. For example, there might be changes in the nature, scope, and/or objective of the work after the terms of engagement have been agreed. In the context of an audit or other assurance engagement, the external expert may also have communicated changes to the information provided pursuant to paragraph R390.5(b)(ii).

(c) If the PA determines that there are threats to the external expert's objectivity during the CCO evaluation, or re-evaluation of CCO when new information or changes in facts and circumstances arise, are there any safeguards that the PA can apply to address this situation?

A. There are various actions that might be safeguards to address threats to an external expert's objectivity. Paragraphs 290.8 A7 and 390.8 A6 set out examples of such actions, including :

- Consulting with qualified professionals (within or outside the PA's employing organization or firm), who have the necessary expertise to evaluate the external expert's work.
- Requesting the external expert to address a conflict of interest, such as segregating the external expert's work from the conflict of interest.
- Restructuring or reassigning the portion of the expert's work that gives rise to the threat to another external expert.

Specific to an audit or other assurance engagement, additional actions to eliminate the threats or that might be safeguards are available as set out in paragraphs 390.18 A3 and A4 of the standard.

If the threat to the external expert's objectivity cannot be eliminated or reduced to an acceptable level for the PA's purpose, the work of the external expert cannot be used (paragraphs R290.12(c) and R390.21(c).)

Q4. In the case of a highly complex or technical subject matter, does the PA need to engage another external expert to evaluate an external expert's CCO?

- A.** The standard does not require a PA to engage another external expert to evaluate an expert's CCO in the case of a highly complex or technical subject matter. A PA should exercise professional judgment and use the reasonable and informed third party test³ (RITP) when evaluating the external expert's CCO (paragraphs 290.10 A1 and 390.10 A1).

It might be the case that the highly complex or technical subject matter is related to an emerging field or area where information relevant to evaluating the competence of the external experts (paragraphs 290.6 A2 and 390.6 A2) is not available. For example, public recognition of the external expert as an indication of their reputation may be lacking, professional standards governing the external expert's work might not exist yet, or professional bodies might not have been established in the emerging field.

In such circumstances, paragraphs 290.17 A2 and 390.26 A2 provide guidance on how a PA could still evaluate the competence of an external expert.

Q5. What are the ethical implications when an external expert (a "primary expert") directly engages another expert (a "secondary expert") to help them complete their work, and how does this affect the PA's evaluation of the primary expert's CCO?

- A.** There may be different reasons why a primary expert engages a secondary expert to help them complete their work. For example, the primary expert:
- May need additional expertise in a specific area of the work required and thus engages the secondary expert.
 - May not have the resources to complete the work within the agreed time and thus engages the secondary expert.

Regardless of the reasons, the secondary expert is part of the primary expert's resources (paragraphs 290.7 A2 and 390.7 A2). This means that the PA should evaluate the primary expert's CCO inclusive of the competence and capabilities of the secondary expert, as well as the secondary expert's objectivity relative to the entity at which work is being performed.



In the context of an audit or other assurance engagement, a secondary expert used by a primary expert is a member of the primary expert's team, and therefore the extended objectivity requirements are applicable to the secondary expert (paragraph R390.15).

Q6. If a PAIB (via the PAIB's employing organization) engages an expert to assist in preparing a sustainability report for the PAIB's employing organization, is the expert an external expert?

- A.** If the PAIB engages the expert to assist in preparing the sustainability report and the expert is not under the direction, supervision and review of the PAIB (e.g., the expert is not a subcontractor – see paragraph 290.4 A4(a)), the expert is an external expert and Section 290 applies.

On the other hand, if the PAIB uses the work of an expert who is an employee of the employing organization, or is under the direction, supervision and review of the PAIB, paragraphs R220.7 to 220.7 A2 relating to *Using the Work of Others* apply.

Q7. With "expertise" defined as "skills, knowledge and experience in a particular field," why do certain provisions of the Code still refer to "knowledge and expertise"?

- A.** Where "expertise" is used together with "knowledge" in the extant Code (see, for example, paragraphs 200.6 A2 and 300.6 A2), it is used in a context where "knowledge" is broader than *knowledge in a particular field*. For example, the knowledge may relate to knowledge of the client or the client's business.

³ The reasonable and informed third party test is a consideration by the professional accountant about whether the same conclusions would likely be reached by another party. Such consideration is made from the perspective of a reasonable and informed third party, who weighs all the relevant facts and circumstances that the accountant knows, or could reasonably be expected to know, at the time the conclusions are made. The reasonable and informed third party does not need to be an accountant but would possess the relevant knowledge and experience to understand and evaluate the appropriateness of the accountant's conclusions in an impartial manner (Paragraph 120.5 A9).

III. External Experts in Audit or Other Assurance Engagements

A. Identifying an “External Expert”

The following questions are focused on identifying when an expert is an external expert in the context of an audit or other assurance engagement.

Q8. In the context of an audit engagement, can an expert employed by a firm be considered an external expert, and what distinguishes an external expert from experts who are part of the engagement team or audit team?

- A.** In the context of an audit engagement, an expert may be a firm’s internal expert, i.e., a partner or a member of the professional staff, including temporary staff, of the firm or a network firm.⁴

By contrast, as defined, an external expert is an expert *engaged* by a PAPP or the PAPP’s firm who possesses expertise in a field other than accounting or auditing, whose work in that field is used to assist the PAPP in obtaining sufficient appropriate audit evidence.

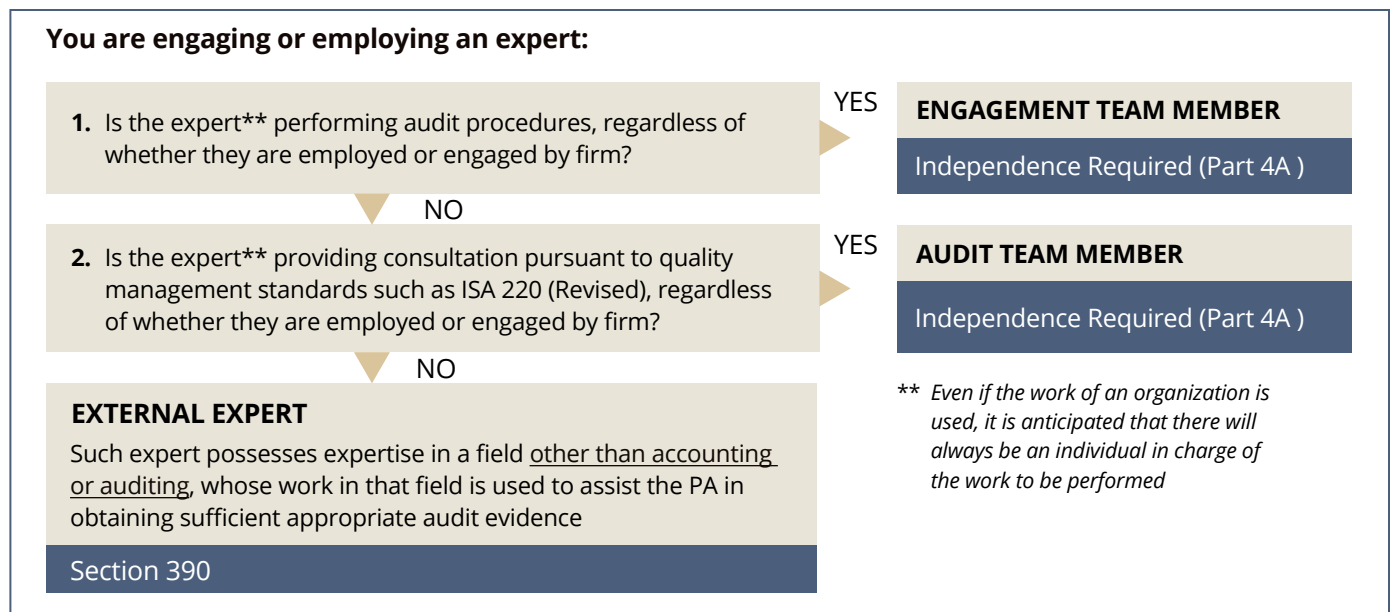
An expert employed by a firm is therefore not an external expert.

Further, an external expert is not an individual who is engaged by the firm to:

- (a) Perform audit procedures on the engagement (see the definition of “engagement team”); or
- (b) Provide consultation regarding technical or industry-specific matters in accordance with the requirements of quality management standards and who can directly influence the outcome of the audit engagement.⁵

Individuals who fall under (a) and (b) above are part of the engagement team (ET) and audit team (AT), respectively, and are subject to the Code’s independence requirements.

The flowchart below provides guidance on identifying whether an expert is part of the ET or AT, or whether the expert is an external expert:



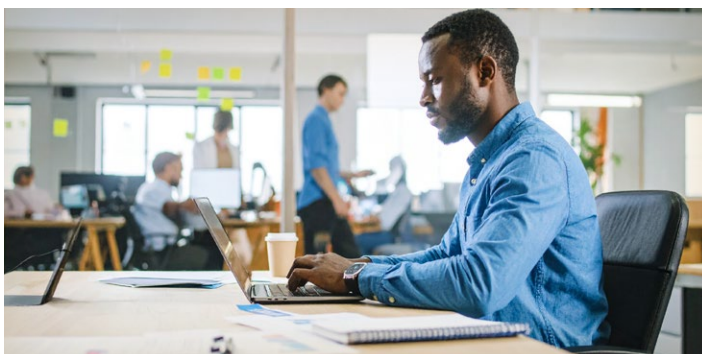
Paragraph 400.11 provides examples of different types of experts who are engagement team or audit team members. See also Q8 in the IESBA Staff Q&As on the [Revisions to the Code Relating to the Definition of Engagement Team and Group Audits \(ET-GA\)](#) for further illustration of circumstances where an expert might be either an external expert or an audit team member.

⁴ ISA 620, paragraph 6(a), states: “An auditor’s internal expert is a partner or staff, including temporary staff, of the auditor’s firm or a network firm.”

⁵ See definition of “Audit team,” sub-bullets (b)(ii) and (c). Under [ISQM 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements](#) and [ISA 220 \(Revised\), Quality Management for an Audit of Financial Statements](#):

- The firm is required to establish quality objectives that address the performance of quality engagements, including in relation to consultation on difficult or contentious matters. (See ISQM 1, paragraph 31(d).)
- The engagement partner is required to, among other matters, take responsibility for the engagement team undertaking consultation on difficult or contentious matters or other matters the engagement partner judges require consultation. (See ISA 220, paragraph 35(a).)

Consultations performed in accordance with ISQM 1 and ISA 220 (Revised) directly influence the outcome of the audit engagement, and individuals who provide such consultations are part of the audit team. This is because the engagement partner is required to determine that the nature and scope of, and conclusions resulting from, such consultations are agreed with the party consulted; and determine that conclusions agreed have been implemented. (see ISA 220, paragraph 35(c) and (d).)



Q9. What types of work used by a PAPP are not considered to be work performed by an external expert?

A. Paragraph 390.4 A4 provides specific instances of work performed by others which are not the work of an external expert and, therefore, not within the scope of the standard. These instances include:

- Work performed by others that effectively amounts to information provided by management, for example, the work of a specialist in the client's actuarial department.
- Work performed by others under the PAPP's direction, supervision and review, for example, individuals working in a shared service center.
- Information provided by an external organization for general use. An expert might have produced the information, but since it is for general use and the PAPP did not directly engage the expert, the information is not the work product of an external expert engaged by a PAPP to assist in obtaining sufficient appropriate audit evidence.

Q10. In the following scenarios, is the expert considered to be an external expert?

(a) The expert is engaged by the firm to perform IT-related audit procedures on the audit engagement.

A. No.

Since the individual is performing audit procedures on the engagement, they are a member of the engagement team (see also Q8). Accordingly, they are not an external expert under the Code.

(b) The expert is engaged by the auditor for purposes of evaluating the appropriateness of the client's valuation model for an asset and the assumptions underlying the valuation.

A. It depends on the nature of the work performed by the expert.

If the expert is engaged to perform audit procedures under the auditor's direction, supervision and review to evaluate the client's valuation of the asset (for example, reviewing the valuation methodology for financial instruments), the expert is a member of the engagement team and not an external expert.

In contrast, if:

- (a) The expert is engaged to perform valuation work outside the field of accounting or auditing with respect to the asset (for example, complex modeling for purposes of valuing financial instruments); and
- (b) The auditor performs audit procedures to determine the adequacy of the expert's work for the auditor's purposes,⁶

the expert is an external expert.

(c) The expert is engaged by the auditor to provide tax advice with respect to the tax treatment of a client's transaction.

A. It depends on the nature of the work performed by the expert.

If the expert is engaged for consultation on the auditor's preliminary view or conclusion on the tax treatment of the client's transaction in accordance with quality management requirements for the engagement, the expert is an audit team member⁷ and not an external expert. See also Q8.

If the expert is not engaged for purposes of consultation pursuant to quality management requirements, but is engaged to:

- Review the reasonableness of the method of accounting for current or deferred income tax relating to the transaction under the auditor's direction, supervision and review, this work would reflect the application of expertise in accounting or auditing. Accordingly, in such circumstances, the expert is a member of the engagement team and not an external expert.
- Issue advice on the interpretation of complex tax laws relating to the transaction and which is outside the auditor's expertise in accounting or auditing, and the auditor performs audit procedures to determine the adequacy of that advice for the auditor's purposes, the expert is an external expert.⁸

⁶ Paragraph 390.4 A5 indicates that the evaluation of the adequacy of an external expert's work for the professional accountant's purposes might be addressed in other professional standards.

⁷ See the definition of "audit team," sub-bullet (b)(ii) in the Glossary to the Code.

⁸ Paragraph 390.4 A5 indicates that the evaluation of the adequacy of an external expert's work for the professional accountant's purposes might be addressed in other professional standards.

(d) The expert's work is used by the auditor, but the audit client pays the expert's fees.

A. There might be circumstances in which the client pays the fees for an expert engaged by the auditor. For example, there might be unforeseen circumstances in which the auditor determines there is a need to engage an expert for purposes of the audit engagement. However, the cost of engaging such an expert was not factored into the original engagement fee. Therefore, the auditor might agree with the client that:

- The client pays the expert's fees⁹ (this would be less common); or
- The auditor obtains reimbursement of the expert's fee from the client.

The fact that the client pays the expert's fees does not imply that the expert is not an external expert. The determining factor as to whether the expert is an external expert is whether they meet the definition of an external expert under the Code and whether their work will be used to assist the auditor in obtaining sufficient appropriate audit evidence.

Q11. An audit firm has entered into a joint venture (JV) with an entity that provides expert services in the greenhouse gas emissions field. The firm uses the work of experts from the JV for purposes of SAEs for the firm's clients. Does the standard apply when the firm uses the work of such experts in performing the SAEs?

A. It depends on the particular facts and circumstances.

An assessment is first needed to determine whether the JV entity is either of the following:

(a) Part of the firm.¹⁰

This is unlikely to be the case. In a JV, each party is considered to have joint control over the JV entity and no single party has overall control.

However, if the facts and circumstances indicate that the firm effectively controls the JV entity, the JV entity would be deemed to be part of the firm under the Code.

In this case, experts from the JV would be considered to be internal to the firm (i.e., partners or members of the professional staff of the firm) and not external experts. The Code's independence provisions are applicable, and Section 5390 is not applicable.

(b) A network firm.

If the JV entity and the firm are both part of a larger structure that is aimed at co-operation and clearly aimed at profit or cost sharing, or sharing of common ownership, control or management, common quality management policies and procedures, common business strategy, the use of a common brand name, or a significant part of professional resources (see the definition of "network" in the Code), the JV would be a network firm.¹¹

In this case, experts from the JV entity would be considered internal experts (i.e., partners or members of the professional staff of a network firm) and not external experts. They would be subject to the Code's independence provisions, and Section 5390 is not applicable.

If the JV entity is neither part of the firm nor a network firm, then it is important to consider whether experts from the JV entity are supporting SAEs performed by the firm by:

- Performing assurance procedures; or
- Providing consultation regarding technical or industry-specific issues, transactions or events that directly influence the outcome of the engagement in accordance with quality management standards.

If so, experts from the JV entity would be deemed to be part of the engagement team or assurance team for the SAEs, respectively, and would be subject to the Code's independence requirements. Section 5390 is therefore not applicable.

However, where the JV entity is neither part of the firm nor a network firm, and the experts from the JV entity:

- Possess expertise in a field outside of assurance; and
- Perform work in such field of expertise that is used to assist the SAP in obtaining sufficient appropriate evidence,

such experts from the JV entity are external experts and Section 5390 is applicable.

It is therefore important to understand the specific facts and circumstances concerning the JV and the nature of the work the experts perform for the firm as there may be many factors that are relevant to, and will impact, the assessment as to whether the JV entity's experts are external experts.

⁹ Where the client pays the external expert's fee, consideration should be given to whether this might create a threat to the expert's objectivity (for example, if there is a risk of the client unduly influencing the expert).

¹⁰ The Code defines a firm as:

- (a) A sole practitioner, partnership or corporation of professional accountants or sustainability assurance practitioners;
- (b) An entity that controls such parties, through ownership, management or other means; and
- (c) An entity controlled by such parties, through ownership, management or other means.

¹¹ Paragraphs 400.50 A1 to 400.54 A1 of the Code provide further guidance on determining whether firms are network firms.

B. Management's Experts

Q12. Why does the Section 390 not apply to using the work of a management's expert?

- A.** The concept of a management's expert applies in the context of an audit or other assurance engagement. For example, ISA 620 (Revised) defines a management's expert as an individual or organization possessing expertise in a field other than accounting or auditing, whose work in that field is used by the entity to assist the entity in preparing the financial statements.

Management may employ or engage a management's expert in a field such as actuarial, valuation, engineering or sustainability. The work performed by the management's expert comes from the client's perspective and the client takes full responsibility for the management's expert's work that is used in preparing the financial statements. This means that from an ethical perspective, information prepared by the management's expert would be similar to information from any other sources within the client.

Therefore, the scope of Section 390 explicitly excludes using the work of a management's expert (see paragraph 390.4 A4(a)).

C. Extended Requirements for Evaluating an External Expert's Objectivity in the Context of an Audit or Other Assurance Engagement

Q13. In relation to the evaluation of an external expert's objectivity, is there any proportionality built into the information request to the external expert depending on the nature of the engagement?

- A.** Yes. The table below summarizes the information to be requested from the external expert for the objectivity evaluation depending on the type of engagement and whether the client is a public interest entity (PIE):

Section 390	Client	Information to be Requested
Audits, Reviews, and All Other Assurance Engagements Outside the Scope of Part 4A or Part 5 ¹²	Non-PIE	<ul style="list-style-type: none"> PA required to request information from the external expert on three specific matters to evaluate the expert's objectivity (R390.12(a) to (c))
All Other Assurance Engagements Outside the Scope of Part 4A or Part 5	PIE	<ul style="list-style-type: none"> PA to consider the need to request and evaluate any additional information (R390.13)*
Audits, Reviews	PIE	PA required to request information from the external expert on an extended list of specific matters to evaluate the expert's objectivity (R390.14(a) to (o))

* The likelihood of an external expert having interests, relationships and circumstances with the entity at which they are performing the work will vary depending on the facts and circumstances. For example, the likelihood will generally be greater the larger the external expert's practice, the broader its range of services, or the longer the expert has been practicing. Paragraphs 390.13 A1 and A2 provide guidance regarding the PA's determination of whether additional information should be requested from the external expert.

¹² See paragraph 5400.3b of the IESSA

Q14. Is there an inherent conflict of interest if an external expert is paid by a firm for their services and the external expert may be seeking future engagements with the same firm?

- A.** Within any business relationship involving a professional service, both parties have inherent mutual interests, as there is a transaction whereby one party needs a service and the other provides that service in return for compensation.

Such a relationship is generally at arm's length and does not automatically result in a conflict of interest or threats to the payor's (i.e., the firm's) or provider's (i.e., the external expert's) objectivity.

Where the expert is seeking future engagements with the same firm, the PA will need to evaluate the external expert's objectivity on each occasion pursuant to Section 390. Paragraph 390.8 A2 provides guidance on factors that are relevant in identifying threats to the external expert's objectivity, including whether the external expert might face an actual or potential conflict of interest.

Q15. Can an audit firm engage the same external expert for multiple audit clients?

- A.** Yes, an audit firm can engage the same external expert to support its audit work for multiple clients. However, for each audit client, the firm must evaluate the external expert's CCO separately in the context of the audit of that client's financial statements.

Q16. In the context of an audit or other assurance engagement, the standard requires the PA to request that the external expert and members of the external expert's team provide specific information in writing to facilitate the evaluation of objectivity. With respect to these requirements:

(a) What is the rationale for the PA to request information from the external expert in writing related to the additional objectivity considerations?

- A.** Since the Code does not impose direct ethics and independence requirements on an external expert (unless they are a PA), it is unlikely that the external expert will have a system to monitor and ensure compliance with such requirements. Therefore, to elevate the care and thoughtfulness applied by the external expert in responding to the PA's request for specific information, and to minimize the risk of misunderstandings between the PA and the external expert:

- The PA is required to first ensure that the external expert agrees to the provision of information in writing to facilitate the PA's evaluation of the expert's objectivity when agreeing the terms of engagement (paragraph R390.5(b)(i)).
- The PA is then required to request the external expert to provide, in writing, the specific information (paragraphs R390.12 to R390.17, as applicable).
- Finally, the PA is required to obtain the information requested in writing from the external expert (paragraph R390.28).

(b) Does the external expert's team include all individuals associated with the expert (e.g., administrative staff)?

- A.** No, the requirement covers only those individuals who are directly involved in performing the expert work (see paragraph R390.15).

(c) The standard requires the PA to obtain the information requested from the external expert in writing. Must the information provided by the external expert be submitted as an original hard copy document signed by the expert, or is it acceptable for it to be sent electronically (e.g., via email)?

- A.** The standard does not prescribe a specific format for the external expert's written response. What is essential is that the information is provided "in writing" and comes directly from the external expert. This can be in hard copy, signed by the expert or in electronic format, such as via email sent directly by the expert.

(d) With respect to a PIE audit client, does the PA need to obtain all the information set out in paragraph R390.14 relating to the evaluation of an external expert's objectivity?

- A.** Yes, the PA must obtain all the information listed in paragraph R390.14, in writing from the external expert, for the evaluation of the external expert's objectivity (see paragraph R390.28).

If for any reason (e.g., the external expert's immediate family member does not consent to sharing relevant information), the PA is unable to obtain one or more items in the extended list in paragraph R390.14, the PA will be unable to perform the objectivity evaluation and determine whether the external expert has the necessary objectivity for the PA's purpose. In such circumstances, the PA is prohibited from using the work of the external expert (paragraph R390.21(a)).

(e) Does the PA need to undertake any due diligence or “audit” of the information received from the external expert?

A. No, the PA is not required to undertake any due diligence or otherwise verify the information provided by the external expert. However, the PA is still required to apply the conceptual framework to identify, evaluate and address threats to compliance with the fundamental principles. This involves:¹³

- Having an inquiring mind (see also Q16(f)),
- Exercising professional judgment, and
- Using the RITP test.

In the context of engaging the external expert and using their work, the PA is also expected to remain alert to new information or changes in facts and circumstances that might impact the level of a threat or the PA's conclusions about identified threats to the PA's compliance with the fundamental principles.¹⁴

(f) What if the PA has questions or “doubt” about the information provided by the external expert?

A. With respect to the information received from the external expert, the PA should apply the conceptual framework, including having an inquiring mind. This means:

- Considering the source, relevance and sufficiency of the information obtained; and
- Being open and alert to a need for further investigation or other action.¹⁵

Accordingly, if the PA has questions or doubts about the integrity of the information provided by the external expert, the PA should further investigate or consider other action to clarify the matter.

If after further investigation, the PA has clear evidence of inconsistencies regarding information provided by the external expert and actual facts known to the PA through other sources, this may cast doubt about the external expert's integrity or indicate the possibility of error on the expert's part in providing the information. Establishing the reasons for the inconsistencies may be difficult. In such circumstances, the PA should exercise professional judgment to determine whether the PA is able to use the work of the external expert.

(g) Does the PA need to ask the external expert to update or refresh the information they have provided with respect to the objectivity evaluation before the expert finalizes and submits their work to the PA?

A. No. However, paragraph R390.5(b)(ii) requires the PA to obtain a commitment from the external expert when agreeing the terms of engagement for the expert to communicate any changes in information they have provided to the PA during the period covered by the audit, review or other assurance report up to the issuance of that report.

Paragraph R390.20 emphasizes the PA's obligation to re-evaluate whether the external expert has the necessary objectivity when there are any such changes communicated by the external expert.

Q17. How does a personal, non-familial relationship between an external expert and a PA's audit client impact the PA's evaluation of the external expert's objectivity?

A. When evaluating an external expert's objectivity, a PA might become aware of information that indicates that a personal relationship exists between the external expert and the PA's audit client. Such information might arise, for example, during the PA's inquiry of the audit client regarding any interests and relationships between the external expert and the client or the entity at which the work is performed (paragraph 390.9 A1).

In such circumstances, the PA should evaluate the impact of such a relationship on the external expert's objectivity (paragraphs R390.8 and R390.19). This is because the PA's audit client might exercise undue influence on the professional or business judgment of the external expert¹⁶ due to that personal relationship.

Examples of actions that might be safeguards to address threats to the external expert's objectivity are set out in paragraph 390.8 A6. Evaluating whether the external expert has the necessary objectivity for the PA's purpose involves exercising professional judgment and using the RITP test (paragraph 390.10 A1).

¹³ Paragraph R120.5

¹⁴ Paragraph 120.9 A1

¹⁵ Paragraph 120.5 A1

¹⁶ Objectivity relates to the possible effects that bias, conflict of interest, or the undue influence of, or undue reliance on, others might have on the professional or business judgment of the external expert (paragraph 390.8 A1).

IV. Concluding on an External Expert's Competence, Capabilities and Objectivity

Q18. In the context of an audit engagement, if an external expert refuses to provide any information in relation to the extended objectivity requirements in Section 390, how should the PA conclude on the external expert's CCO?

- A.** The PA would be prohibited from using the work of the external expert as the PA would be unable to determine whether the external expert has the necessary objectivity (paragraph R390.21(a)).

This prohibition applies regardless of the reason for the external expert's refusal to provide the required information, for example:

- If, as part of agreeing the terms of engagement with the PA, the external expert is unable to agree to provide information to assist the PA's evaluation of the external expert's objectivity due to confidentiality restrictions under law (see paragraph R390.5(b)).
- If, having agreed to provide the information when agreeing the terms of engagement, the external expert subsequently decides they cannot provide the information due to business reasons.

V. Potential Threats Arising from Using the Work of an External Expert

Q19. Can there be threats to a PA's compliance with the fundamental principles even when the PA has determined that an external expert whose work the PA intends to use has the necessary CCO ?

- A.** Even if the PA has determined that the external expert has the necessary CCO for the PA's purpose, threats to the PA's compliance with the fundamental principles might still be created. For example:
- A self-interest threat might be created if the PA has insufficient expertise to understand and explain the external expert's conclusions and findings.
 - A self-review threat might be created if the external expert relied on previous judgments made by the PA, which were provided to the expert for purposes of their work.

(See paragraphs 290.14 A1(a) and 390.23 A1(a).)

Paragraphs 290.15 A1 to 290.16 A2 and 390.24 A1 to 390.25 A2 provide guidance on factors relevant in evaluating the level of threats and actions to address the threats.

VI. Documentation

Q20. What is the required level of detail with respect to documentation?

- A.** Under the standard, the PA is encouraged to document (paragraphs 290.19 A1 and 390.29 A1):
- The steps taken to evaluate the external expert's CCO, and the resulting conclusions.
 - Any significant threats identified in using the expert's work and the actions taken to address them.
 - The results of any significant discussions with the external expert.

Documentation is a matter of the PA's professional judgment.

In the context of an audit or other assurance engagement, the PA is required to obtain the information in paragraphs R390.12 to R390.17, as applicable, in writing from the external expert, and retain such information in the PA's records of the engagement.

VII. Effective Date

Q21. Does the standard apply in the context of an integrated audit where an auditor has engaged an external expert to perform work regarding the client's internal controls over financial reporting and issues an audit report regarding the effectiveness of such internal controls as of December 31, 2026?

- A.** Where an external expert is engaged by a PA to perform work that the PA will use for purposes of the audit of the effectiveness of a client's internal controls over financial reporting as of December 31, 2026, the expert's work would generally need to have commenced prior to December 15, 2026, the effective date of the standard.¹⁷

Consequently, even though the audit report on the effectiveness of the internal controls will be as of December 31, 2026, (and therefore after the standard's effective date), the extant Code will apply.

However, the provisions of the standard will apply if the same expert is engaged again for the following year's integrated audit.

¹⁷ For audit and other assurance engagements, the standard is effective for periods beginning on or after December 15, 2026, or as at a specific date on or after December 15, 2026.

VIII. Considerations Related to the IESSA

The following questions relate to considerations specific to Section 5390 in the IESSA.

Q22. Does Section 5390 applicable to SAPs contain the same requirements and application material as Section 390 for PAs?

- A.** Section 5390 is largely the same as Section 390, save for the following differences:
- Use of different but equivalent terminology (e.g., SAPs instead of PAs, SAEs instead of audit engagements).
 - Additional examples of what constitutes work performed by an external expert, generally in the context of sustainability reporting, in paragraph 5390.4 A3.
 - The information to be requested by the SAP in the context of SAEs or other assurance engagements for the same sustainability assurance client. The table below summarizes the information to be requested from the external expert for the objectivity evaluation depending on the type of engagement and whether the client is a PIE.



Section 5390	Client	Information to be Requested
SAEs or Other Assurance Engagements for the Same Sustainability Assurance Client	Non-PIE	<ul style="list-style-type: none"> • PA required to request information from the external expert on three specific matters to evaluate the expert's objectivity (R5390.12(a) to (c)) • PA to consider the need to request and evaluate any additional information (R5390.13)
	PIE	PA required to request information from the external expert on an extended list of specific matters to evaluate the expert's objectivity (R5390.14(a) to (o))

Q23. In the context of an SAE, how should an external expert who performs work at a value chain component (VCC) be distinguished from another practitioner who (i) performs assurance work at the VCC, and (ii) performs non-assurance work at the VCC?

- A.** The glossary defines another practitioner as “a firm, other than the SAP’s firm, that performs work that the SAP intends to use for the purposes of the SAE, and the SAP is unable to be sufficiently and appropriately involved in that work. An individual from another practitioner who performs the work is neither a member of the engagement team *nor a practitioner’s expert*.” [Emphasis added.]

Therefore, according to the definition of “another practitioner,” an external expert cannot be another practitioner. In addition, under ISSA 5000, another practitioner’s work is performed for a different engagement than the SAP’s assurance engagement and not under the SAP’s direction. In contrast, the work of an external expert is performed for the SAP’s current engagement and at the SAP’s direction relative to the nature and scope of work to be performed for the SAP’s purpose.

If another practitioner performs assurance work at a VCC, Section 5406 of the IESSA would apply with respect to the independence of that practitioner.

If another practitioner performs non-assurance work at the VCC, paragraph R5300.11 applies. In such circumstances, the SAP should exercise professional judgment to determine the appropriate steps, if any, to fulfill the SAP’s responsibilities to comply with the fundamental principles of integrity, objectivity and professional competence and due care when using the work of the other practitioner.

FOR OTHER RESOURCES, SEE:

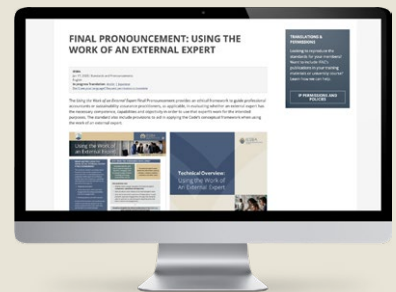
[Brief video: Overview of Standard](#)

[Fact Sheet](#)

[Technical Overview](#)

[Slides from Global Webinar](#)

[Recording from Global Webinar](#)



List of Acronyms and Abbreviations

AT	Audit team
CCO	Competence, capabilities and objectivity
ET	Engagement team
IAASB	International Auditing and Assurance Standards Board
IESBA	International Ethics Standards for Sustainability Assurance (including International Independence Standards)
IESSA™	International Ethics Standards for Sustainability Assurance (including International Independence Standards)
Internal expert	An expert employed by the firm who is a partner or a member of the professional staff, including temporary staff, of the firm or a network firm
ISA®	International Standard on Auditing
ISSA 5000™	International Standard on Sustainability Assurance (ISSA) 5000, <i>General Requirements for Sustainability Assurance Engagements</i>
JV	Joint venture
Management's expert	A term defined in the IAASB's auditing and assurance standards relevant in the context of audit and other assurance engagements only
NAS	Non-assurance service(s)
PA	Professional accountant
PAIB	Professional accountant in business
PAPP	Professional accountant in public practice
PIE	Public interest entity
RITP	Reasonable and informed third party test
SAE	Sustainability assurance engagement
SAP	Sustainability assurance practitioner
VCC	Value chain component

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