

IESBA 2025 Conference: Ethics and Audit Independence

Pillars of Resilience and Competitiveness in Turbulent Times

Decoding Ethics Podcast: Ethics v. Innovation? The Future of Technology in Audit and Accounting

Kick-off Statement from IAASB Chair Tom Seidenstein

It is a great pleasure to be with you today.

I am only sorry that I am not there in person for this timely and important event.

The International Auditing and Assurance Standards Board is meeting this week in New York and discussing many of the topics on today's conference agenda—we certainly eagerly await some of the key takeaways.

I don't need to tell you that technology and AI are reshaping all elements of life and business—how we gather our information, how we form insights, how we make decisions, and how we communicate our outcomes.

Rapid advances in generative AI mean that new data sources, sometimes genuine and sometimes not, and at times in languages we can't speak, are available at the tip of your fingers.

Our discussions with stakeholders show that emerging technologies are already shaping how audit and assurance are performed.

And one thing that we know is that we will always underestimate the pace of technological disruption.

My discussions with policymakers and regulators often focus on the risks stemming from technology. They are real and need to be recognized.

However, we must also note the enormous opportunities that the emerging technologies and their access to new sources of data to enhance audit quality and confidence in reported information.

Our ability to capitalize on these opportunities and navigate the risks will determine whether this noble profession:

- Maintains its relevance
- Can attract future generations of talent

At the IAASB, we are openly committed to encouraging responsible innovation. Three examples of this are:

- Adopting a new Technology Position, which guides how we adapt our work and standards to embrace technology and ensure our standards remain fit-for-purpose in a digital environment. This is our commitment to address technology.
- Embedding a technology and innovation focus on other standard-setting projects, including Audit Evidence and Risk Response and Modernizing the ISA 500 Series of standards.

This means exploring whether our audit evidence standard is appropriately crafted to be receptive to new technological approaches and asking, Does our risk response standard permit the use of technology?

Investigating how our quality management standards are being used in practice in relation to technology, a project that is in its early stages and where we are in 'listening mode' to learn what is needed by users and stakeholders.

As this conference suggests, none of this is possible without addressing core ethical challenges. We're collaborating with IESBA to ensure ethical considerations are not an afterthought.

I would ask the following questions:

- How and when do we ingrain an ethical mindset in those both developing audit technologies and utilizing technology? Does this change how we train accounting students and practicing accountants worldwide?
- What role should professional judgment and ethical leadership play in guiding the responsible adoption of AI and other emerging technologies?

I look forward to the panel's perspectives on these questions, and to exploring together how we can ensure technology strengthens – not undermines – the integrity of audit and accounting.