



Grant Thornton

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Proposed Revisions to the Code to Promote the Role and Mindset Expected of Professional Accountants

To the members of the International Ethics Standards Board for Accountants:

Grant Thornton International Ltd. (GTIL) appreciates the opportunity to comment on the exposure draft, Proposed Revisions to the Code to promote the Role and Mindset Expected of Professional accountants, approved for publication by the International Ethics Standards Board for Accountants (the IESBA or the Board).

GTIL is an umbrella organisation that does not provide services to clients. Services are delivered by GTIL member firms around the world. Representative GTIL member firms have contributed to and collaborated on this comment letter with the public interest as their overriding focus.

We support the Board's proposals and believe they will enable IFAC in its mission to serve the public interest and allow the Board to achieve its objective of strengthening the IESBA Code (the Code) by continuing to set high-quality standards that will enhance the profession.

Request for Specific Comment

Roles and Values of Professional Accountants

- 1. Do you support the proposals in Section 100 that explain the role and values of professional accountants as well as the relationship between compliance in the Code and professional accountants acting in the public interest? Are there other relevant matters that should be highlighted in these paragraphs?*

GTIL supports the proposals in Section 100 that explain the role and values of professional accountants as well as the relationship between compliance in the Code and professional accountants acting in the public interest.

We believe compliance with the Code is fundamental for professional accountants to meet their responsibility to act in the public interest, and that the Code and the fundamental principles outline the behaviours associated with public expectations of professional accountants.

Determination to Act Appropriately

- 2. Do you support the inclusion of the concept of determination to act appropriately in difficult situations and its position in Subsection 111?*

GTIL supports the inclusion of the concept however, we believe the concept and guidance of “determination to act appropriately” in difficult situation is better positioned in subsection 115 – Professional Behaviour.

The fundamental principle of professional behaviour explicitly discusses the professional accountant’s responsibility to act in the public interest, avoid conduct that will discredit the profession, and comply with relevant laws and regulations.

In our view, if a professional accountant does not act appropriately in difficult situations, a direct consequence of their conduct would be a failure to act in the public interest, potentially discrediting the profession.

Although we understand that all the fundamental principles underscore the professional accountant’s responsibility to act in the public interest, which is the core underpinning of the concept of determination to act appropriately, we feel the fundamental principle of professional behaviour best explains the requirements of the concept.

Professional Behaviour

- 3. Do you support the proposal to require a professional accountant to behave in a manner that is consistent with the profession’s responsibility to act in the public interest in paragraphs 110.1 A1 (e) and R115.1?*

GTIL supports the proposal to require a professional accountant to behave in a manner that is consistent with the profession’s responsibility to act in the public interest in paragraphs 110.1 A.1 (e) and R115.1. Acting in the public interest has always been an inherent responsibility and a distinguishing mark of the accounting profession, so including it specifically within one of the fundamental principles is supported

Impact of Technology

- 4. Notwithstanding that the IESBA has a separate Working Group that is exploring the implications of developments in technology, are there any additional matters relating to the impact of*

technology beyond the proposals in paragraphs 110.1 A1(b)(iii), 113.1 A2 and 120.12 A2 that you consider should be addressed specifically as part of the Role and Mindset project?

GTIL does not believe there are any additional matters relating to the impact of technology beyond the proposals noted in the paragraphs above.

While not part of the Role and Mindset project, GTIL would like the Board to address matters regarding the implications of developments in technology and whether any additional, specific guidance should be developed relating to the NAS permissibility of technology related products and service provisions.

Inquiring Mind

5. *Do you agree with the concept of an inquiring mind as set out in the proposal in Section 120?*

GTIL agrees with the concept of an inquiring mind as set out in the proposal in Section 120. We believe the meaning description is clearly outlined to explain what is meant of an inquiring mind.

Bias

6. *Do you support the approach to addressing bias? If so, do you agree with the list of examples of bias set out in paragraph 120.12 A2? Should any examples be omitted or new ones added?*

GTIL supports the approach to addressing bias and agrees with the list of examples of bias set out in paragraph 120.12.A2. We believe being aware of the risk of bias is an important consideration and the list of examples as provided are useful to assist in an understanding of the concept.

Organizational Culture

7. *Are there any other aspects about organizational culture in addition to the role of leadership that you consider should be addressed in the proposals?*

GTIL believes the role of leadership, coupled with education, training programs, and adhering to ethical values when dealing with third parties are sufficient aspects when discussing organizational culture.

GTIL would like to thank the IESBA for this opportunity to comment. As always we welcome an opportunity to meet with representatives of the IESBA to discuss these matters further. If you have any questions, please contact Gina Maldonado-Rodek, Director - Global Independence at gina.maldonado-rodek@gti.gt.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Peneycad', with a large, stylized flourish at the end.

David Peneycad – Global Chief Operating Officer
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