Hong Kong Institute of Certified Public Accountants 香港會計師公會

MEMBERS' HANDBOOK

Update No. 332

(Issued 3 October 2025)

VOLUME I

Document Reference and Title	***Instructions***	***Explanations***
Contents of Volume I	Replace pages i and ii with revised pages i and ii.	Revised content pages
PROFESSIONAL ETHICS		
COE Chapter A, *Ethics Standards for Sustainability Assurance and Other Revisions to the Code Relating to Sustainability Assurance and Reporting*	Insert after COE (Revised), *Code of Ethics for Professional Accountants* revised in December 2024.	Note
COE Chapter A, *Revisions to the Code Addressing Using the Work of an External Expert*	Insert after COE Chapter A, issued in October 2025.	- ditto -

Note:

Amendments as a result of the International Ethics Standards Board for Accountants ("IESBA") *International Ethics Standards for Sustainability Assurance and Other Revisions to the Code Relating to Sustainability Assurance and Reporting* (the "Sustainability Ethics Standards") and *Revisions to the Code Addressing Using the Work of an External Expert* ("External Expert Revisions") issued in January 2025.

- Sustainability Ethics Standards are designed to address critical risks to the integrity, quality and effectiveness of sustainability reporting and assurance. These risks include bias, conflicts of interest, pressure to act unethically, fraud such as greenwashing, non-compliance with laws and regulations, and threats to the practitioner independence. Except for the specific provisions about value chain components (Sections 5405 and 5406 which take effect on 1 July 2028), the standards apply to sustainability assurance engagements for periods beginning on or after 15 December 2026; or as at a specific date on or after 15 December 2026. Other revisions will take effect from 15 December 2026. Early adoption is permitted and encouraged. The Key Impacts provides an overview of the standards and highlights how feedback from major local stakeholders, gathered during IESBA's consultation was addressed.

- The External Expert Revisions set ethical framework for professional accountants and sustainability assurance practitioners when deciding whether to use an external expert's work. The standard requires practitioners to assess the expert's competence, capabilities and objectivity before relying on their work. The standard also includes guidance to help practitioners

apply the *Code of Ethics for Professional Accountants'* conceptual framework when using the work of an external expert. The provisions will apply to audit, review, and other assurance engagements outside Part 5 for periods beginning on or after 15 December 2026, or as at a specific date on or after 15 December 2026; and for other professional services from 15 December 2026. Early adoption is permitted and encouraged. The Key Impacts highlights the key provisions and explains how key local stakeholder feedback from the IESBA consultation was addressed.