



Minutes of the 257th meeting of the Ethics Committee held on Friday, 13 July 2023 at 12:30p.m. in Board Room of the Hong Kong Institute of Certified Public Accountants, 37/F., Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong (and via video conference)

- Present: Ms. Mary Xuereb (Chair)
Mr. Horace Ma (Deputy Chair)(Dial-in)
Mr. Paul Chan (Dial-in)
Mr. Stephen Chan (Dial-in)
Mr. Eric Hung (Dial-in)
Ms. Elaine Kwong (Dial-in)
Ms. Mary Lau (Dial-in)
Mr. Dacky Leung (Dial-in)
Ms. Rudolf Leung (Dial-in)
Ms. Shelley So (Dial-in)
- In attendance: Ms. Cecilia Kwei, Director of Standard Setting
Ms. Selene Ho, Deputy Director of Standard Setting
Mr. George Au, Associate Director of Standard Setting
Ms. Grace Lau, Associate Director of Standard Setting
Ms. Cherry Yau, Senior Manager of Standard Setting
Ms. Phoebe To, Manager of Standard Setting
- Apologies: Ms. Careen Wong
- Observer: Mr. Ambrose Wong, Accounting and Financial Reporting Council (Dial-in)
Ms. Kristin Ko, Accounting and Financial Reporting Council (Dial-in)

1899. Minutes of the 256th meeting

The Committee approved the minutes of the 256th meeting.

1900. Work Plan Status Report

The Committee considered the report and noted the progress of various projects. The Committee noted that no nominations had been received for the Sustainability Ethics Advisory Panel ("SEAP") since the last meeting and requested SSD to send out invitation emails to relevant committees of the Institute to seek nominations for SEAP.

1901. Ethics educational material

SSD reported to the Committee that an educational video had been developed following the guidance of the Ethics Educational Materials Advisory Panel ("AP"). The video aimed to highlight the role and expected mindset of accountants in the context of the Code and was developed according to the approved AP's work plan.

Following the broadcast of the video at the meeting, a member inquired regarding the availability of a Chinese-translated version of the video and the presentation style or the approach used for developing such videos. SSD explained that a Chinese-translated version of the video would not be available as the content was derived from the *Code of Ethics for Professional Accountants* which is in English. SSD

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further clarified that despite the unavailability of a Chinese-translated version of the video, other ethics training events included webinars, face-to-face seminars or workshops that were conducted in Cantonese with English terminology materials provided. SSD also remarked that the primary objective of the video was to raise awareness among members about the relevant topic. It was important to strike a balance between a concise video limited to three minutes to maintain members' attention and a relatively lengthier video with more interactions and comprehensive content that might not be as engaging. Subject to the topics and the types of educational materials to be produced, the member's comment would be taken into consideration.

The Committee considered the video was appropriate and approved to publish it.

[Post meeting note: The video was published on 13 July and is available at: <https://www.youtube.com/watch?v=fdxN0eDrzO8&feature=youtu.be>]

1902. Technical events on ethics

The Committee noted the planned technical training for the upcoming year. At the meeting, the Chair inquired about the language of instruction for the ICAC training. The Committee member representing ICAC responded that the two webinars on professional ethics would be conducted in Cantonese and English respectively. Training could also be conducted through face-to-face mode subject to HKICPA's preference.

The Committee considered the technical training plan was appropriate. The Committee also acknowledged the request to nominate suitable speakers to deliver the relevant trainings.

1903. Issuance of the revised Chapter C of the Code of Ethics for Professional Accountants

The Committee noted (a) the revisions to the relevant provisions in Chapter C of the Code reflected the transfer of the disciplinary function from the Institute to the Accounting and Financial Reporting Council ("AFRC"); and (b) the revisions were agreed with the relevant regulators. The Committee approved to issue the revised Chapter C of the Code.

[Post meeting note: The revised Chapter C of the Code was issued on 26 July 2023 in Members' Handbook Update No. 299 and is available at: <https://www.hkicpa.org.hk/-/media/HKICPA-Website/Members-Handbook/updates/update299.pdf>.]

1904. IESBA National Standards Setters ("NSS") virtual meeting

The Committee noted the Chair and SSD staff had participated the IESBA NSS meeting on 7 June and the key notes summarized from the meeting. SSD would keep the Committee posted on the IESBA's developments in the sustainability ethics and independence standards, and other key projects.

The Chair inquired if the slides of the IESBA's projects presented in the NSS meeting could be shared to the Committee members' firms. SSD would share the hyperlinks of the presentation slides to the Committee if those slides were publicly available.

[Post meeting note: The slides of the IESBA's projects presented at the NSS

meetings are available at: <https://www.ethicsboard.org/meetings/june-12-16-2023-nyc>.]

1905. Issuance of the *Technology-related Revisions to the Code*

SSD reported that the Institute's comments provided on the exposure draft had been addressed in the IESBA Final Pronouncement: *Technology-related Revisions to the Code*. The Committee considered and endorsed to issue the converged pronouncement for local adoption.

The Committee also approved SSD's proposed roll out activities aiming to support the local implementation of the converged pronouncement. The Committee acknowledged the request to nominate suitable speakers to deliver the proposed professional training at the Annual Auditing Update Conference.

[Post meeting note: *The Technology-related Revisions to the Code* was issued on 26 July 2023 in Members' Handbook Update No. 299 and is available at: <https://www.hkicpa.org.hk/-/media/HKICPA-Website/Members-Handbook/updates/update299.pdf>.]

1906. Any other business

The Committee did not have any local implementation issues on ethical requirements for discussion.

A member inquired about the progress of the AFRC's review of the draft PIE exposure draft. SSD reported that the Institute was awaiting feedback from the AFRC which would be due by early August. SSD would keep the Committee informed of any updates.

Ms. Shelley So informed the Committee that subsequent to the meeting, she would retire from the Committee due to personal reasons. The meeting recorded a vote of thanks to Ms. Shelley So for her contributions and support during her term of service.

The Committee noted that the next meeting would be held on 20 September and was requested to suggest agenda items by 29 August.

There being no further business, the meeting closed at 1:15 p.m.

MARY XUEREB
CHAIR

5 September 2023