



INDEPENDENT REGULATORY BOARD FOR AUDITORS

COMMITTEE FOR AUDITOR ETHICS

Final Pronouncement: Ethics Standards for Sustainability Assurance (Including Independence Standards) and Related Revisions

Johannesburg / 24 February 2026

In January 2026, the Independent Regulatory Board for Auditors' (IRBA Board) approved the [Final Pronouncement: Ethics Standards for Sustainability Assurance \(Including Independence Standards\) and Other Revisions Relating to Sustainability Assurance and Reporting, Including the Using the Work of an External Expert Standard, and the Related South African Enhancements](#) for prescription and use by registered auditors.

Ethics Standards for Sustainability Assurance

The Ethics Standards for Sustainability Assurance (Including Independence Standards) introduce a new Part 5 to the IRBA Code of Professional Conduct for Registered Auditors (IRBA Code), establishing a comprehensive framework of ethics and independence requirements for sustainability assurance engagements. The standards are designed to be equivalent to Part 4A of the IRBA Code and apply the same high ethical and independence principles as those required for financial statement audits. The objective is to enhance the quality and credibility of sustainability information, as well as strengthen public and institutional confidence in sustainability reporting and assurance.

South African Enhancements

In developing local enhancements to Part 5, consideration was given to the applicability of the existing enhancements and the need for additional provisions where registered auditors provide both audit and sustainability assurance services, to ensure consistent ethical requirements across engagements. Focus was placed on improving the clarity and practical application of the new independence provisions relating to value chain components and the use of another practitioner. To promote consistent application, the enhancements provide greater clarity on scoping and transparency requirements.

The South African enhancements include:

1. A new application paragraph, 5400.3b A1 SA, to support the application of the scoping criterion in paragraph 5400.3b(a);
2. An appendix to the Independence Standards for Sustainability Assurance Engagements containing diagrammatic illustrations, to support the implementation of sections 5405 and 5406; and
3. Two new requirements, R410.31a SA and R5410.31a SA, mandating a separate disclosure of audit and sustainability assurance fees when both services are provided.

Consequential amendments were also made to extant localisations in sections 321, *Second Opinions*, and 400, *Applying the Conceptual Framework to Independence for Audit and Review Engagements*.

Using the Work of an External Expert Standard

This standard provides an ethical framework for registered auditors in evaluating whether an external expert has the necessary competence, capabilities and objectivity in order to use their work for the intended purpose. The standard also includes provisions to aid in applying the IRBA Code's conceptual framework when using the work of an external expert. While directly relevant to sustainability engagements, this standard also applies more broadly to the use of external experts in audit, review, other assurance engagements and other professional services.

As part of its ongoing collaboration and coordination with the International Ethics Standards Board for Accountants

(IESBA), the International Auditing and Assurance Standards Board (IAASB) published [narrow-scope amendments to its standards arising from the IESBA's Using the Work of an External Expert project](#). These amendments are designed to maintain interoperability between the IAASB standards and the IESBA Code. The process to adopt these amendments in South Africa is currently underway, with communication to follow in due course.

Effective Dates

Ethics Standards for Sustainability Assurance and Related Revisions to the IRBA Code

- Except for the provisions in sections 5405 and 5406 applicable to assurance work performed at value chain components, Part 5 of the IRBA Code, the consequential and conforming amendments to Parts 1 and 3 of the IRBA Code and the revisions to [Definitions](#) (Chapters 1-3 of the International Ethics Standards for Sustainability Assurance (IESSA)) are effective for sustainability assurance engagements for periods beginning on or after 15 December 2026, or as at a specific date on or after 15 December 2026.
- The sustainability reporting-related revisions to Parts 1 and 3 of the IRBA Code (Chapter 4 of IESSA) are effective as of 15 December 2026.
- The provisions in sections 5405 and 5406 applicable when assurance work is performed at a value chain component are effective for sustainability assurance engagements on sustainability information for periods beginning on or after 1 July 2028, or as at a specific date on or after 1 July 2028. For engagements involving value chain components prior to 1 July 2028, specific transitional provisions apply.
- Early adoption is permitted, while additional transitional provisions are prescribed to support that adoption.

Using the Work of an External Expert

- The provisions in Part 3 will be effective for:
 - Audit engagements, review engagements and other assurance engagements outside the scope of Part 5 for periods beginning on or after 15 December 2026, or as at a specific date on or after 15 December 2026.
 - Other professional services as of 15 December 2026.

- The provisions in Part 5 will be effective for sustainability assurance engagements on sustainability information for periods beginning on or after 15 December 2026, or as at a specific date on or after 15 December 2026.

Early adoption is permitted and encouraged.

Due Process

The adoption of the revisions to the IRBA Code follow the public consultation of three Exposure Drafts (EDs):

- [*The International Ethics Standards for Sustainability Assurance \(including International Independence Standards\)*](#) ([Board Notice 570 of 2024](#));
- [*The Using the Work of an External Expert*](#) ([Board Notice 570 of 2024](#)); and
- [*The Proposed Revised IRBA Code of Professional Conduct for Registered Auditors Incorporating Ethics Standards for Sustainability Assurance*](#) ([Board Notice 791 of 2025](#)).

A Board Notice will be released in the Government Gazette, advising on the publication of the final revisions to the IRBA Code, pursuant to the provisions of Section 10(1)(a) of the Auditing Profession Act, as amended.

Implementation Materials

The IESBA has developed several implementation materials to support the implementation of the Ethics Standards for Sustainability Assurance and the Using the Work of an External Expert Standard, including explainer videos, webinars, fact sheets, technical overviews, Basis for Conclusions and IESBA Staff Q&As. These implementation materials are available on the [IESBA's dedicated Sustainability Reporting and Assurance page](#) and the [IRBA Code webpage](#).

Save the Date: Webinar on the Adoption of Sustainability Assurance and Ethics Standards

To support the profession in navigating these landmark changes, the IRBA will host a virtual launch webinar on 16 March 2026. This session will provide an in-depth overview of the recently adopted [International Standard on Sustainability Assurance 5000, General Requirements for Sustainability Assurance Engagements](#), and the Ethics Standards for Sustainability Assurance, focusing on their

application within the South African context. We encourage all registered auditors, sustainability practitioners and relevant stakeholders to attend.

Formal invitations, including the registration link and the full agenda, will be circulated in due course.

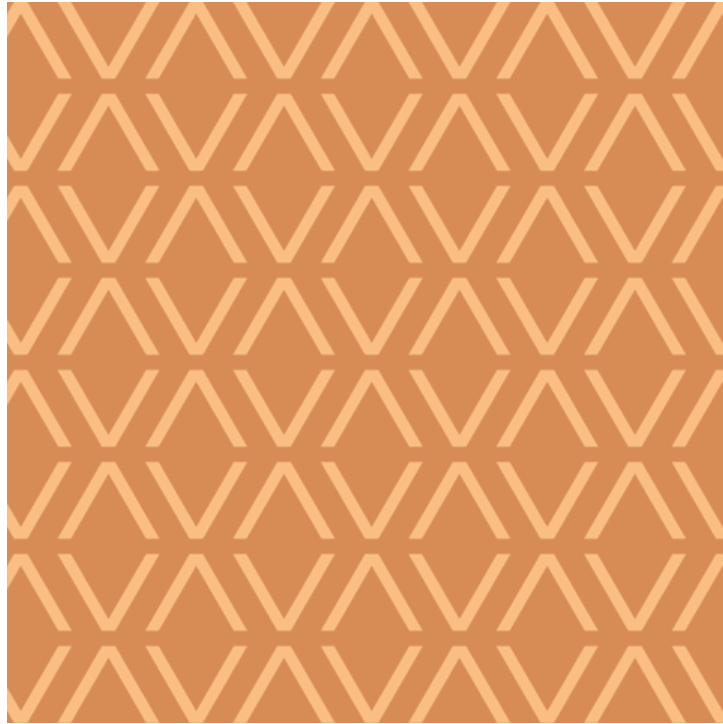
Should you have any further queries, please email the Standards Department at standards@irba.co.za.

Saadiya Adam
Director: Standards

The objective of the IRBA is to endeavour to protect the financial interests of the South African public and international investors in South Africa through the effective and appropriate regulation of audits conducted by registered auditors, in accordance with internationally recognised standards and processes.

The statutory responsibilities of the CFAS are to assist the IRBA to develop, maintain, adopt, issue or prescribe auditing pronouncements; to consider relevant international changes by monitoring developments by other auditing standard-setting bodies and sharing information where requested; and to promote and ensure the relevance of auditing pronouncements.





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