

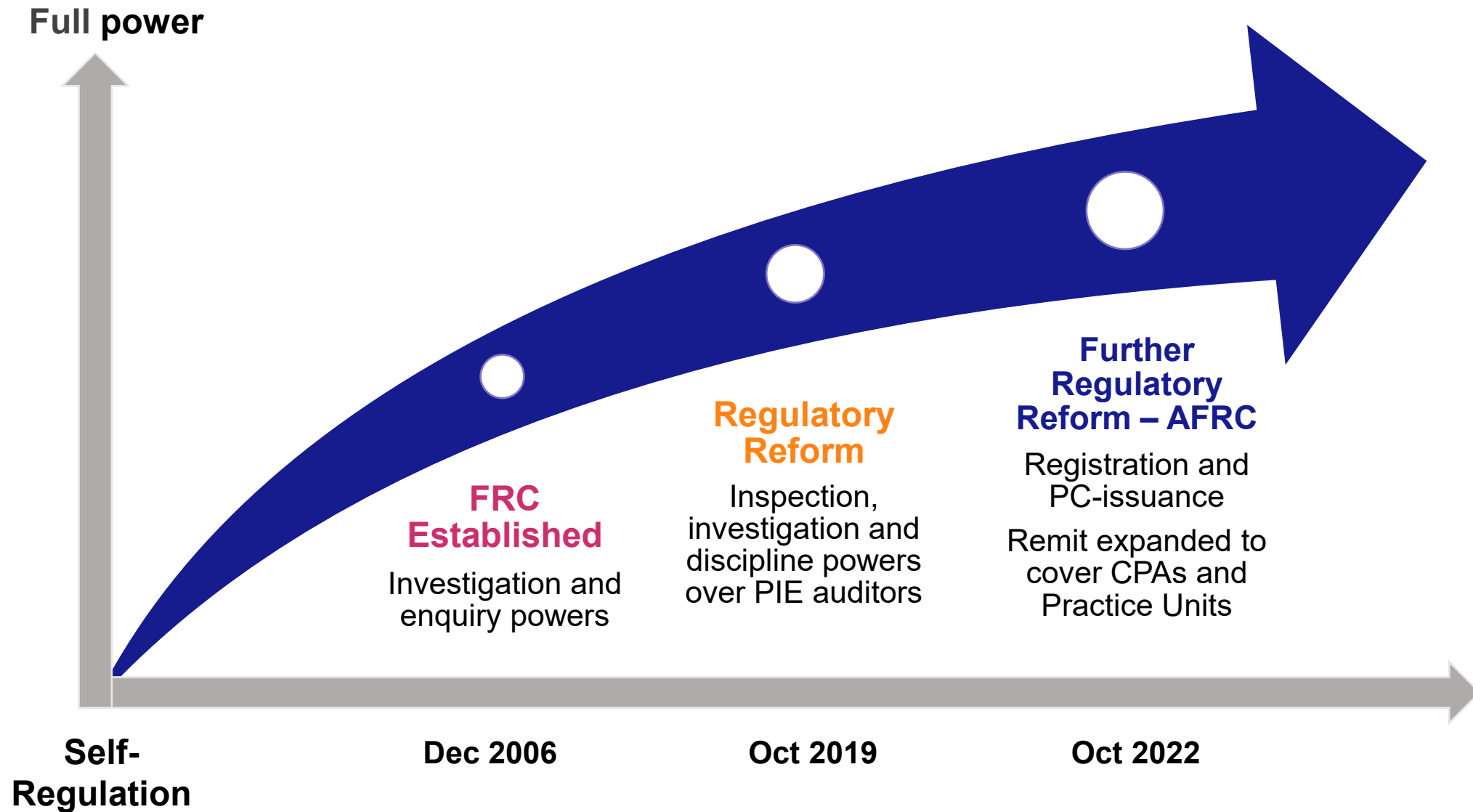
# Update on Regulatory Developments and Other Initiatives to Enhance Audit Quality and Value of Audit

**ASEAN Audit Regulators Group (AARG)**

**26 September 2023**

Ms. Hester Leung, Head of Discipline, AFRC

# AFRC – A Full-fledged Independent Regulatory and Oversight Body



# Mission and Values

As an independent regulator, we spearhead and lead the accounting profession to constantly raise the level of quality of professional accountants, and thus protect the public interest.

Our mission is to shape a competitive environment that will nurture and promote success of the profession.

Dialogue

Understanding

Collaboration

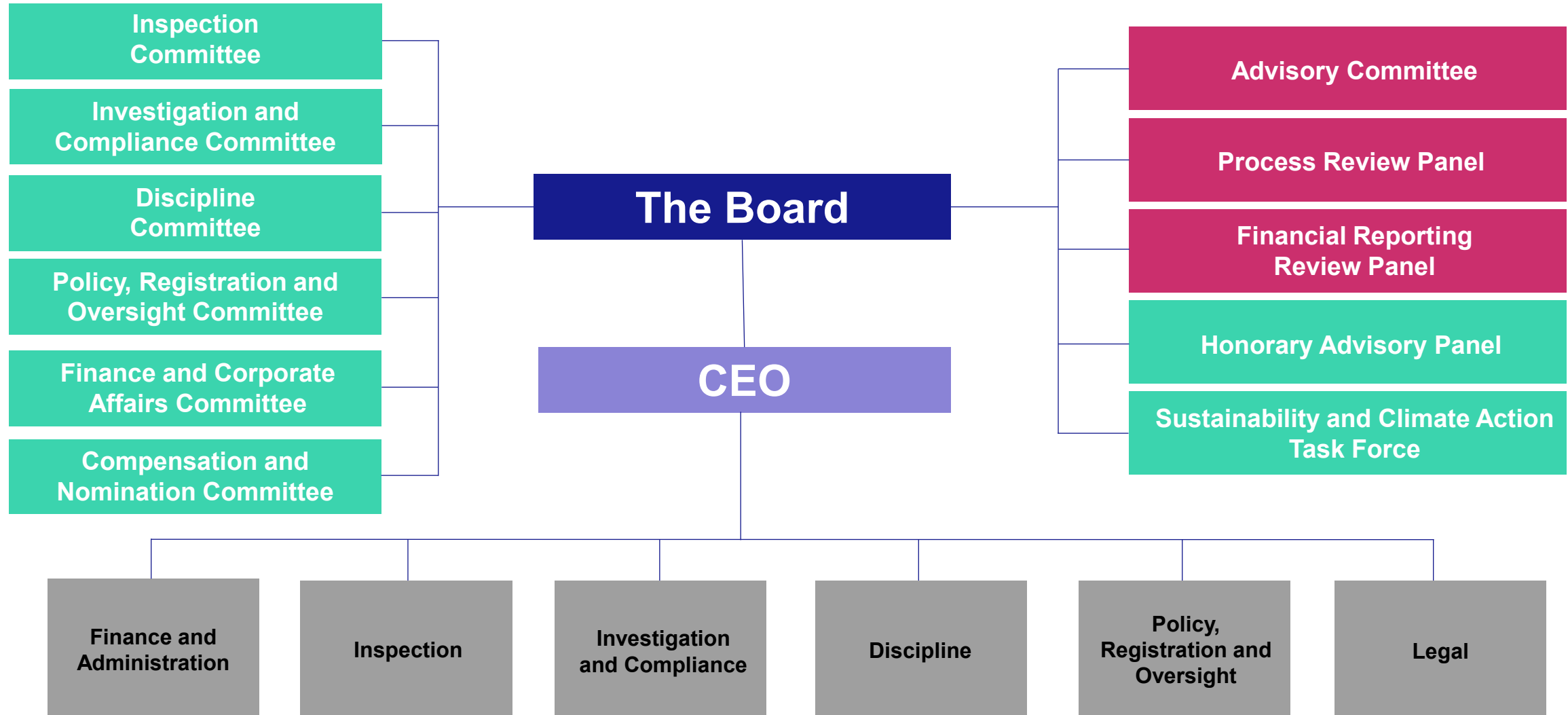
Law & Governance

Thought Leadership

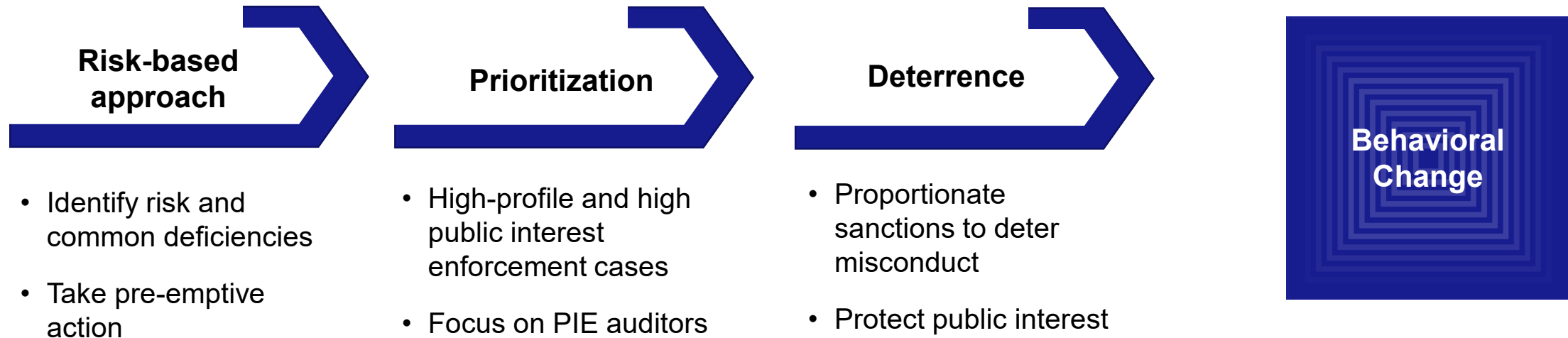
Ripple Effect

# Governance Structure – Impartial, Transparent and Accountable

as of 31 March 2023



# Regulatory Approach – Proportionate and Fair



# Regulatory Initiatives – Efficient Process, Effective Outcome

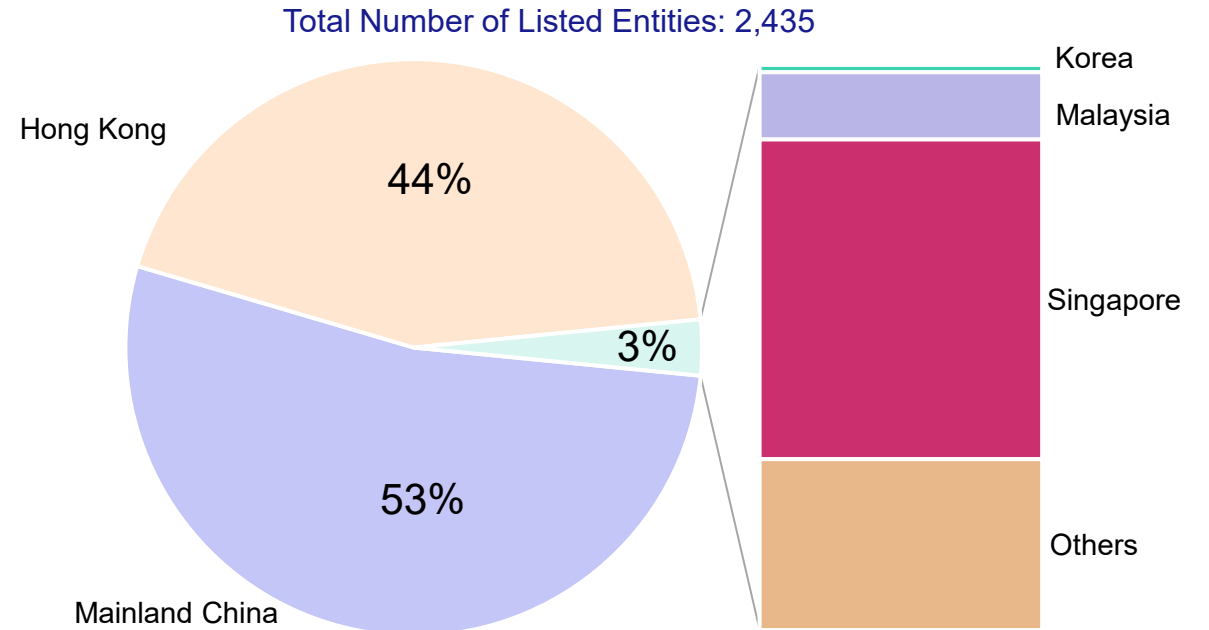
- Seamless collaboration across regulatory functions to develop multi-pronged strategies
- Timely action to pre-empt and deter misconduct through the effective use of our regulatory tools



# Regulatory Collaboration – Upholding Integrity of Capital Markets

- Strategic collaboration with local regulators
- Cross-border cooperation with the PRC Ministry of Finance
- Strengthen collaboration with international regulators and organizations

## Hong Kong Listed Entities by Operation Jurisdiction



\* Data based on published annual reports with year-end 31 May 2022

\* Others: Australia, Canada, Italy, Japan, Luxembourg, Macau, UK, Russia, Taiwan and U.S.

# Thought Leadership to Drive Behavioral Change

## Importance of thought leadership

- Reinforce good behavior and promote best practices
- Discourage bad behavior and pre-empt misconduct

## Our role as a thought leader

- Stay vigilant to market intelligence & audit quality issues
- Provide directional guidance through publications
- Timely communication with key stakeholders







Accounting and Financial  
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# Thank you

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