

August 5, 2023

By email: [comments@pcaobus.org](mailto:comments@pcaobus.org)

Office of the Secretary  
Public Accounting Oversight Board  
1666K Street, NW  
Washington, DC 20006-2803

**Re: Request for Comments on PCAOB Release No. 2023-003 – Proposing Release: Amendments to PCAOB Auditing Standards related to a Company’s Noncompliance with Laws and Regulations**

Dear Members of the PCAOB:

In response to PCAOB Release No. 2023-003, Teleflex Incorporated (“Teleflex”) would like to provide comments specifically addressing our concerns regarding the proposed amendments to PCAOB Auditing Standards related to a Company’s Noncompliance with Laws and Regulations (the “Proposed Amendments”).

We understand and are supportive of the PCAOB’s efforts to enhance auditing standards in order to address the increasing complexity of current business environments and foster high quality audits. We do, however, have significant concerns regarding and do not support the Proposed Amendments for similar reasons raised by PCAOB Board Members Duane DesParte and Christina Ho in the PCAOB’s June 6, 2023 meeting. Specifically, we believe the Proposed Amendments are far too broad in scope, may result in the violation of attorney client privilege, will not be practical for auditors to apply and will be too costly and burdensome to registrants like Teleflex.

The Proposed Amendments would require auditors to identify the “laws and regulations with which noncompliance could reasonably have a material effect on financial statements.” In this case the auditor would be expected and held accountable to identify any and all information that might indicate instances of an issuer’s noncompliance with any law or regulation across the company’s entire operations, without regard to materiality. Teleflex, a global provider of medical devices, operates in a highly regulated industry. Teleflex is also subject to various federal, state, and foreign healthcare laws targeting fraud and abuse in the healthcare industry. These regulations vary dramatically by country or jurisdiction, are extensive, and are in a state of continuous change.

We do not believe it is in the best interest of our stakeholders for our external auditors to perform separate procedures to verify our compliance with these laws and regulations as it is not practical for them to do so and it represents a management function. Auditors do not maintain the educational background or legal expertise to identify and evaluate these types of matters and would be required to engage many different specialists dedicated to our industry and/or areas of specialized expertise to comply with the Proposed Amendments. We believe the increase in audit hours dedicated to these types of regulatory matters and the need for specialized knowledge will result in a substantial increase in audit expenses to all registrants.

The focus of auditors on laws and regulatory matters may also likely shift the focus of the auditors away from their core competency, the financial statement portion of the audit. Further, laws and regulations are often subject to interpretation that may result in a different conclusion from management or external counsel. In addition, we firmly believe the proposed amendment would raise significant attorney-client privilege concerns and challenges due to the increased sharing of information with the auditors and their specialists.

In summary, we do not believe that the proposed standards are in the best interest of our company and shareholders. We appreciate the opportunity to provide feedback on PCAOB Release No. 2023-003 – Proposing Release: Amendments to PCAOB Auditing Standards related to a Company’s Noncompliance with Laws and Regulations.

Respectfully Submitted,

Liam Kelly

*Chairman, President and Chief Executive Officer*

Thomas E. Powell

*Executive Vice President and Chief Financial Officer*

Daniel V. Logue

*Corporate Vice President, General Counsel and Secretary*

John R. Deren

*Corporate Vice President and Chief Accounting Officer*