

IESBA Meeting Highlights and Decisions

September 2025

This summary of decisions of the International Ethics Standards Board for Accountants (IESBA) has been prepared for information purposes only. Except for documents approved for public exposure and issuance of final pronouncements, decisions reported on technical matters are tentative, reflect only the current status of discussions on projects, and may change after further deliberation by the IESBA.

The IESBA met in Lisbon, Portugal on September 16-19, 2025. The video recording of the meeting is available on the IESBA [YouTube](#) channel.

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Firm Culture & Governance (FCG)

The IESBA considered and shared views on draft IESBA “Viewpoints” on the eight elements of the FCG framework identified in the project proposal. The IESBA supported the Project Team’s approach to the Viewpoints, being that they are:

- Principles-based, actionable, and capable of driving practical outcomes with regards to supporting and reinforcing ethical culture within firms.
- Drafted at an appropriately high-level to take into consideration the diversity of firms, jurisdictions and regulatory and oversight frameworks.
- To be used to undertake further engagement with stakeholders during the first half of 2026 as a basis to inform the IESBA’s further consideration of the way forward regarding the development of the framework.

The IESBA asked the Project Team to develop a contextual piece to explain the nature and purpose of the Viewpoints as part of the process to develop the FCG framework.

The IESBA also explored field testing of the Viewpoints and agreed to further consider the matter at its December 2025 meeting, following agreement on the Viewpoints. In addition, the IESBA acknowledged the importance of clearly explaining the connectivity between the Viewpoints and the IAASB’s *International Standard on Quality Management 1 (ISQM 1)*.¹

Finally, the IESBA was supportive of the Project Team’s preliminary plan for non-authoritative material (NAM) and other supporting materials and initiatives, initially covering the period through Q2 2026.

At its December 2025 meeting, the IESBA will consider the revised Viewpoints with a view to agreeing them for purposes of stakeholder engagement in the first half of 2026, as well as the Project Team’s updated plan for NAM and other supporting materials and initiatives. The IESBA will also consider a draft

¹ ISQM 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*

of a linkage document between the Viewpoints and ISQM 1 as well as the draft contextual piece for the Viewpoints.

In anticipation of this timeline, the IESBA agreed to meet virtually in October 2025 to progress consideration of select draft Viewpoints and an initial draft of the contextual piece.

Role of CFOs

The IESBA considered and approved the Terms of Reference for its new workstream to gather information on the evolving role of Chief Financial Officers (CFOs) or equivalent senior finance roles within the private and public sectors. Among other matters, the Project Team will:

- Gather information with a view to identifying and understanding the ethics issues and challenges faced by individuals in these roles.
- Consider whether the Code remains fit for purpose in addressing the CFO's ethical responsibilities.
- Consider the need for NAM or other initiatives.

The IESBA noted that many CFOs are non-professional accountants (non-PAs), reinforcing the importance of understanding the landscape across jurisdictions and sectors, including how jurisdictional corporate governance codes and legal requirements supplement or interact with the Code.

The IESBA agreed to the importance of stakeholder engagement beyond the accounting profession, including corporate governance bodies and company boards, in order to consider whether public interest expectations are addressed consistently among CFOs who are PAs in business and non-PAs.

The IESBA will receive an update from the Project Team at its December 2025 meeting.

Collective Investment Vehicles (CIVs) and Pension Funds

The IESBA considered a preliminary analysis of the key themes identified in responses to the March 2025 consultation paper on [*Collective Investment Vehicles and Pension Funds – Auditor Independence*](#). The IESBA noted wide differences of opinion among respondents, even within individual stakeholder groups, on some of the matters raised in the consultation paper.

Some IESBA members felt that further work was not justified in light of the overall picture presented by the preliminary analysis. However, the majority of IESBA members supported the Project Team undertaking further analysis of the issues and arguments presented by respondents in order to establish a sound basis for the IESBA to determine the way forward in the public interest, taking into account the Project Team's recommendations.

The Project Team will present its final report and recommendations for the IESBA's consideration at its December 2025 meeting.

Independence Standards for Sustainability Assurance Engagements Outside the Scope of the *International Ethics Standards for Sustainability Assurance (including International Independence Standards)* (IESSA)

The IESBA considered and approved the Terms of Reference for its new workstream focusing on independence provisions for sustainability assurance engagements (SAEs) outside the scope of the International Independence Standards (IIS) in the IESSA. The objectives of the workstream are to undertake information gathering and develop recommendations to the IESBA as to:

- (a) Whether to start a project to develop specific independence provisions for SAEs outside the scope of the IIS in the IESSA; and
- (b) Whether the approach to such independence provisions should be profession-agnostic.

Subject to there being a sufficient basis for undertaking such a project, the Project Team will also:

- (c) Identify options for the approach to developing such independence provisions; and
- (d) Highlight questions of principle or judgment on which the IESBA's direction is needed before commencing any such project.

The IESBA will consider preliminary findings from the Project Team at its March 2026 meeting.

Adoption and Implementation

Adoption & Implementation Working Group (A&I WG) Update

The IESBA considered an update from the A&I WG on its activities since the June 2025 meeting, including progress on the development of draft jurisdictional profiles for the 17 prioritized jurisdictions as agreed at the June 2025 meeting. The IESBA also considered developments with respect to the adoption of the IESBA Sustainability and Experts Standards in Australia, Brazil, South Africa, and the United Kingdom.

The IESBA supported the A&I WG's proposed next steps, including:

- Further progressing towards the finalization of the draft jurisdictional profiles;
- Reprioritizing jurisdictions based on their profiles, A&I and capacity-building needs, and anticipated A&I timelines;
- Developing tailored stakeholder-engagement approaches for jurisdictions and establishing collaborative partnerships to support awareness-raising and capacity building; and
- Identifying additional jurisdictions to prioritize for a subsequent phase of work, taking into account recent developments.

The IESBA will consider a further update from the A&I WG at its December 2025 meeting.

IESSA Implementation Monitoring Advisory Group (IIMAG) Update

The IIMAG Chair provided a report-back on the composition of the IIMAG and the IIMAG's inaugural meeting in July 2025. The next IIMAG meeting has been scheduled for early November 2025, focusing on a more in-depth discussion of some of the early implementation matters that have been identified.

The IESBA will consider a report-back, including any recommendations for actions, from the IIMAG at the IESBA's December 2025 meeting.

Technology

The IESBA considered an update from the Technology Working Group (TWG) on the TWG's recent activities. The IESBA also considered presentations from both the IAASB Staff on the IAASB's technology work stream, and the UK Financial Reporting Council (FRC) Staff on the FRC's "Artificial Intelligence (AI)

in the Audit" guidance and its thematic review into the certification of automated tools and techniques (ATTs).

The IESBA reaffirmed that ongoing monitoring and collaboration are essential to maintaining trust in the profession, particularly in light of digital transformation and AI developments.

The IESBA will consider a further update from the TWG at its December 2025 meeting.

Strategy and Work Plan (SWP) 2028-2031

The IESBA considered and supported the joint IAASB-IESBA ("SSBs") SWP Working Group's proposal to conduct a joint IAASB-IESBA stakeholder survey as a first step in the consultation process regarding the SSBs' next SWPs for 2028-2031. The IESBA also agreed that the IAASB and IESBA should develop and issue separate consultation papers and SWPs, given their different remits.

The IESBA further agreed to seek input from stakeholders via the joint survey regarding:

- A joint IAASB-IESBA statement regarding the SSBs' value proposition.
- External trends in the SSBs' environment as a basis for identifying strategic drivers for the SWPs and specific actions responsive to those drivers.
- Opportunities for joint actions by the SSBs.

The IESBA will consider the draft joint stakeholder survey with a view to approving it at a joint plenary session with the IAASB at its December 2025 meeting.

Post-implementation Reviews (PIRs) – NOCLAR & Restructured Code

The IESBA considered and supported the Project Team's proposed objectives, scope and approach for the two PIRs on (1) the non-compliance with laws and regulations (NOCLAR) standard, and (2) the restructured Code. IESBA members discussed and emphasized the importance of understanding, among others:

- The impact of the standard, including evidence of effective implementation; and
- How the standard has been adopted and implemented in various jurisdictions, including the rationale for any modifications or carve-outs.

The IESBA will consider for approval draft surveys of stakeholders for the PIRs at its December 2025 meeting.

Next Meeting

The next virtual IESBA meeting is scheduled for October 24, 2025. The next in-person IESBA meeting is scheduled for December 8-12, 2025 in New York, NY, USA.