

# IESBA Meeting Highlights and Decisions

December 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 New York, USA on December 8-12, 2025. The video recording of the meeting will be available on the IESBA [YouTube](#) channel in early January 2026.

Contact: Ken Siong, IESBA Program and Senior Director ([KenSiong@ethicsboard.org](mailto:KenSiong@ethicsboard.org))

## Strategies & Work Plans – IAASB and IESBA Joint Stakeholder Survey

The IESBA and International Auditing and Assurance Standards Board (IAASB) approved a joint stakeholder survey as the initial step in developing consultation papers for their next Strategies and Work Plans (SWPs) for 2028-2031.

The joint survey will be released for public input in January 2026. The IESBA and IAASB will consider full analyses of the responses received and first drafts of their SWP Consultation Papers at their September 2026 meetings.

## Firm Culture & Governance

The IESBA considered and accepted a package of documents for further stakeholder engagement in Q1-Q2, 2026 in support of its strategic commitment to develop an accounting firm culture and governance (FCG) framework. The package includes a contextual piece that sets out the background to the development of IESBA viewpoints on each of the eight elements of the FCG framework and the nature and purpose of the IESBA viewpoints; an overarching piece that provides an overview of the eight FCG elements and their interconnectivity; the IESBA viewpoints; and a document that explains the linkages and differences between the IESBA viewpoints and ISQM 1.<sup>1</sup>

The IESBA will use the viewpoints as a tool for further dialogue with stakeholders to better inform its deliberations on how best to approach the development of the FCG framework at its June 2026 meeting. In this regard, the IESBA supported the Project Team's proposed plan for stakeholder engagement on the IESBA viewpoints and the development of supporting materials or other initiatives in Q1 and Q2 2026.

The IESBA also supported the ongoing coordination with the IAASB and agreed to continue developing the linkages document to ISQM 1 to cover all eight elements of the FCG framework.

The IESBA will receive an update from the Project Team at its March 2026 meeting.

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<sup>1</sup> International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*

## IESSA Implementation Monitoring Advisory Group (IIMAG)

The IESBA considered an update on implementation matters raised in relation to the IESSA<sup>2</sup> by IIMAG members. The IESBA also considered proposed actions to address such matters and asked its Adoption and Implementation Working Group to work closely with the IIMAG to establish priorities for any additional implementation support for the IESSA.

The IESBA will continue to receive regular updates from the IIMAG throughout 2026.

## Collective Investment Vehicles and Pension Funds

The IESBA considered and accepted the Project Team's final report on auditor independence with respect to audits of collective investment vehicles (CIVs) and pension funds. The final report reflected the results of the Project Team's extensive research throughout the lifecycle of the workstream, as well as the significant comments raised by respondents to the March 2025 consultation paper (CP) on the topic and the IESBA's initial reflections on the CP responses at its September 2025 meeting.

After discussing the Project Team's analysis of four possible courses of action, the IESBA agreed with the Project Team's recommendation to commission the development of non-authoritative material (NAM) to provide further clarity and guidance regarding the application of the conceptual framework in this area.

The IESBA will consider the Project Team's proposals for the nature and extent of NAM to commission on the topic, and how best to approach the development of such NAM, in due course, taking into account other priority commitments.

## IESBA SMART Strategy

The IESBA considered and expressed strong support for the proposed SMART Framework, developed as an operational tool that aligns with the Public Interest Oversight Board's (PIOB) Public Interest Framework to enhance the clarity, coherence, and effectiveness of its work. IESBA Staff outlined the development process for the SMART Framework, from the initial diagnostic work and introduction of the concept to the September IESBA workshop in Lisbon, where IESBA input helped refine the pillars and their practical application. The Framework is supported by guidelines and fast-track actions to help project teams integrate SMART principles throughout the project cycle. The Framework is intended to drive specific outcomes, including improved problem definition, more structured planning, more precise articulation of value propositions, and more transparent decision-making as projects evolve.

The IESBA supported the proposed next steps to conduct a staff workshop in early 2026 and pilot the approach on selected projects, with periodic updates to the Board during the pilot phase.

## Technology

The IESBA considered a report-back on the technology session at the October 2025 Stakeholder Advisory Council (SAC) meeting, noting that emerging and complex technologies (particularly artificial intelligence or AI) are transforming the audit, assurance, and ethics landscape.

The IESBA further considered a brief update from the Technology Working Group (TWG), including the TWG's activities since the September 2025 meeting. As part of the update, the IESBA considered and supported the TWG's draft work plan for the first half of 2026. The TWG work plan focuses on raising

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<sup>2</sup> International Ethics Standards for Sustainability Assurance (including International Independence Standards)

awareness of the technology-related revisions to the Code that became effective in December 2024, developing new guidance on applying the Code's principles to emerging technologies such as AI, and sustaining momentum through ongoing environmental scanning and collaboration with the IAASB to keep guidance current.

## Role of CFOs

The IESBA considered an update from the Role of CFOs Project Team on its activities since the September 2025 meeting, which reaffirmed the exploratory nature of the workstream to strengthen the evidence base to inform future recommendations to the IESBA.

The IESBA considered a presentation from [Lynda Hawthorn-Kitamura](#), an experienced CFO and board chair across the private and public sectors, drawing on her professional experience and observations that:

- The CFO role has expanded beyond traditional finance responsibilities to include technology, cybersecurity, sustainability, and enterprise risk;
- The pace, complexity, and visibility of CFO decisions have intensified ethical pressures;
- The tone at the top and professional judgment are critical; and
- Ethical expectations are shared across public and private sectors, despite differences in accountability structures and stakeholder demands.

The IESBA considered the Project Team's proposed global outreach plan for Q1-Q2 2026 for in-person and virtual roundtables, focus group meetings, and separate extended surveys for CFOs and other stakeholders. The Project Team noted that early academic research indicates a lack of recent empirical evidence on the evolving CFO role, underscoring the importance of stakeholder engagement to understand real-world ethical challenges faced by CFOs. The IESBA emphasized the workstream's public interest imperative, the need to manage stakeholder expectations, and the need to maintain neutrality in communications.

The IESBA also considered the Project Team's recent engagement with the [International Public Sector Accounting Standards Board \(IPSASB\)](#), which provided insights specific to public-sector CFOs, including political influence, fragmented oversight arrangements and qualification pathways across jurisdictions, and with those CFOs often serving as informal ethical champions.

The IESBA will consider a further update from the Project Team at its March 2026 meeting.

## Adoption & Implementation

The IESBA considered an update from the Adoption and Implementation Working Group (A&I WG) on the WG's activities since the September 2025 meeting, including its proposed IESBA Partnership Framework for Promoting Adoption and Implementation (Partnership Framework), jurisdictional prioritization, stakeholder engagement, and updated Action Plan.

The IESBA considered and approved proceeding with the Partnership Framework. This Framework emphasizes leveraging partners' expertise and networks to support capacity building through collaboration, and enhancing the coordination, clarity, and consistency of the IESBA's outreach activities.

The IESBA agreed with the A&I WG's proposal to develop jurisdictional profiles for Argentina, Chile, China, Colombia, Hong Kong SAR, Mexico, and Türkiye. These profiles will be aligned with the

Partnership Framework, and take into account resource considerations and jurisdictional readiness and developments in developing tailored action plans for subsequent phases of the A&I WG's work.

The IESBA will consider a further update from the A&I WG at its March 2026 meeting.

### [Emerging Issues & Outreach Committee \(EIOC\)](#)

The IESBA considered an update on external developments identified since the EIOC's previous update. IESBA Staff presented key themes from emerging issues or developments observed throughout 2025, including insights gathered at Accounting Today's Private Equity Summit attended by IESBA staff in November 2025.

The IESBA noted the continued significance of private equity investment in accounting firms and its implications for ethics and independence. The IESBA agreed that this topic warrants a more dedicated focus and supported its transition to a dedicated work stream in early 2026.

### [Next Meeting](#)

The next IESBA meeting is scheduled for March 9-12, 2026 in New York, USA.