IESBA Meeting Highlights and Decisions

June 2026

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 June 8-11, 2026. The video recording of the meeting is available on the IESBA YouTube channel.

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Firm Culture & Governance

The IESBA considered the Project Team's analysis of key stakeholder feedback gathered from the Firm Culture and Governance (FCG) dialogue series since March 2026, an update on recent coordination activities with the International Auditing and Assurance Standards Board (IAASB), as well as a presentation on the findings from two "simulation" exercises for the IESBA viewpoints on FCG from Christine Schaefer, Ph.D. and Enrique Martínez-González, two human behavior experts who facilitated the exercises.

The IESBA also deliberated the Project Team's proposed options and recommendation on how best to approach the development of the FCG framework in the public interest. After considering all the feedback from the FCG dialogues, the insights from the simulation exercises, the liaison with the IAASB, and the Project Team's analysis and recommendation, the IESBA agreed to develop a single, high-level, overarching requirement and related application material in the Code to anchor the FCG framework in the Code, accompanied by practical non-authoritative material (NAM) to support implementation of the framework.

The IESBA will consider a first-read draft of the proposed provisions in the Code addressing FCG as well as the proposed work plan regarding the development of NAM at its September 2026 meeting.

Private Equity and Other External Investments in Accounting Firms (PE&OEI)

The IESBA considered and approved the Terms of Reference for the PE&OEI workstream with the objectives of gathering information on the ethical and independence implications arising from PE&OEI, and developing recommendations to inform the IESBA's future work on this topic.

The Project Team will coordinate closely with the IAASB on the information gathering, given potential matters of mutual interest from a quality management perspective and broader considerations relating to audit and other assurance quality.

The IESBA will consider an update from the PE&OEI workstream at its September 2026 meeting.

Technology

The IESBA considered a presentation from the Project Team on the use of Artificial Intelligence (AI) by professional accountants (PAs) as part of the Board educational series on Technology. The briefing included a brief history of AI, international policies on AI, ethical risks arising from AI, and relevant characteristics of technology.

The IESBA also considered updates from the Technology Working Group (TWG) on its activities since the March 2026 meeting, including feedback received from stakeholder engagement, and key observations from environmental scanning conducted by the Technology Expert Group.

The IESBA also discussed a draft overarching IESBA Staff publication addressing ethical considerations relating to emerging technologies for PAs through taking a characteristic-based approach to such technologies. The publication is expected to be issued in July 2026, taking into account final input from the IESBA.

The IESBA will consider further updates from the TWG at its September 2026 meeting.

Trends and Risks Committee (TRC)

The TRC presented its proposed work plan and outlined the structure of its biannual report on trends, risks and opportunities relevant to the IESBA's activities and future work.

The IESBA supported the proposed work plan, including the development of a dedicated database to facilitate the TRC's monitoring and analysis activities.

The IESBA will consider the TRC's first report at its December 2026 IESBA meeting.

Strategy and Work Plan 2028-2031

The IESBA considered an update on the responses to the joint IAASB-IESBA stakeholder survey on the Boards' Strategies and Work Plans (SWPs) 2028-2031. The update focused on respondents' ranking of the key environmental trends that may influence the external environment for the two Boards and their work in the future.

The IESBA and the IAASB will consider a full analysis of the joint survey responses and key matters relating to the development of their draft SWP 2028-2031 Consultation Papers at their September 2026 meetings.

Adoption & Implementation

The IESBA considered an update from the A&I Working Group (A&I WG) on its activities since the March 2026 meeting, including:

- Ongoing coordination with the International Federation of Accountants (IFAC) regarding adoption status reporting for the IESBA Code, including on jurisdictional complexities, matters relating to the interpretation and application of existing definitions for adoption status, and opportunities to enhance the transparency and evidential basis of adoption reporting.
- Progress on jurisdictional outreach, including tailored correspondence to the initial 17 prioritized jurisdictions to confirm adoption status and identify implementation or capacity-building needs.

- Publication of adoption status information for the *International Ethics Standards for Sustainability Assurance (including International Independence Standards)* to support transparency and monitor jurisdictional progress.
- Progress in operationalizing the IESBA Partnership Framework, including consideration of an initial group of eight prospective partners and a phased approach to developing priority relationships, taking into account resource considerations.

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

Role of Chief Financial Officers (CFOs)

The IESBA considered an update from the Project Team on its activities since the March 2026 meeting, including outreach findings, survey results, and alignment to the IESBA's SMART[1] Framework.

The IESBA also considered a presentation from Dr. Mukesh Garg, Associate Professor, Department of Accounting, Monash University (Melbourne) on his academic research on the topic, and the Project Team's preliminary observations on implications for the IESBA and the broader regulatory ecosystem from the insights and information gathered to date.

The IESBA supported the Project Team's continued evidence-gathering activities, and emphasized the need to:

- Clearly distinguish issues within the IESBA's remit from broader ecosystem matters.
- Further analyze Part 2 of the Code against findings to date and understand jurisdictional regulatory obligations.
- Distinguish any differences between PA and non-PA CFOs' approaches to ethical issues where evidence can be obtained.

The IESBA will consider the Project Team's final report and recommendations at its September 2026 meeting.

Independence Standards for Sustainability Assurance Engagements Outside the Scope of the IESSA

The IESBA considered the Project Team's final report and recommendations, following information gathering on whether to undertake a project to develop independence standards for sustainability assurance engagements (SAEs) outside the scope of the International Independence Standards in the IESSA.

The IESBA agreed not to initiate a standard-setting project for such SAEs at this time in light of the current limitations in available information and stakeholder feedback indicating no perceived gaps in the Code.

The IESBA supported the recommendation to continue monitoring developments in sustainability assurance practice through existing mechanisms, including the IESSA Implementation Monitoring Advisory Group.

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[1] IESBA SMART (**S**implification, **M**obilization, **A**doption, **R**esponsiveness, **T**argeted Action) is IESBA's stakeholder-centric approach to enhancing the clarity, impact and coherence of its activities.

IESSA Implementation Monitoring Advisory Group (IIMAG) Update

The IESBA received an update from the IIMAG on implementation issues and practical challenges related to the implementation of the IESSA raised at IIMAG meetings since December 2025, as well as engagement with the A&I WG.

The IESBA commissioned IESBA Staff to develop additional NAM in a questions and answers format addressing key implementation questions or challenges arising from the first-time implementation of the IESSA. The IESBA also supported continued coordination with the IAASB on matters of shared relevance relating to the implementation of the IESSA and the IAASB's ISSA 5000, *General Requirements for Sustainability Assurance Engagements*.

The IESBA will consider a further update from the IIMAG at its December 2026 meeting.

SMART

The IESBA considered an update from staff on the implementation of the SMART Framework, including feedback from the pilot application of SMART to two workstreams. The IESBA was also briefed on progress on the development of supporting tools and processes to assist with activities such as project planning, stakeholder engagement, Board materials, adoption and implementation, and communications.

The IESBA welcomed the progress made and emphasized the importance of a proportionate approach, avoiding duplication of any processes, templates or information sources, and leveraging existing processes wherever possible.

The IESBA will consider a further update from IESBA Staff at its September 2026 meeting.

Strategic Priorities

The IESBA considered its strategic priorities over the next 12 months, acknowledging the need for a more structured and transparent approach as to how it prioritizes its work streams and activities.

The IESBA also discussed the importance of maintaining a work plan that focuses on the highest priorities and that reflects resource constraints following the shift to a staff-driven operating model. Various approaches to expanding resource capacity were also discussed, such as increased collaboration with external stakeholders, leveraging their expertise and knowledge on specific topics.

The IESBA will further discuss its approach to strategic priorities at its September 2026 meeting.

Next Meeting

The next IESBA meeting is scheduled for September 14-18, 2026 in Madrid, Spain.