

Meeting: IESBA

Meeting Location: Lisbon, Portugal

Meeting Date: September 16 – 19, 2025

Agenda Item

3

Role of CFOs

Objectives of the Session

1. To:
 - (a) Consider an update from the Project Team for the new Workstream on the Role of Chief Financial Officers (CFOs);
 - (b) Discuss the Project Team's Terms of Reference and provide any comments or observations to inform any subsequent phase of the Workstream;
 - (c) Provide views on the Project Team's Indicative Stakeholder Engagement Plan; and
 - (d) Consider the results of an initial "pulse survey" of CFOs.

Background to the Workstream

2. Research suggests that over recent years, the CFO role has transformed from one primarily focused on being a financial steward to also being a strategic leader with responsibilities for governance, sustainability, digital transformation, and enterprise risk. According to a McKinsey survey (2023),¹ 88% of CFO respondents report having responsibility for at least one function beyond finance, with additional functions including data governance, supply chain management, and non-financial information reporting.
3. This expanded remit has elevated the CFO's position within organizations. CFOs now play a critical role in overseeing the reliability and integrity of both financial and sustainability information.² In some instances, the CFO's role and responsibilities are transforming to that of a Chief Value Officer (CVO), shifting from traditional stewardship and value protection to value creation through extra roles as co-strategist and value manager.³ An EY report (2025) describes the CFO moving to that of a "Value Architect" who is not only expected to safeguard integrity but also to drive long-term value by integrating sustainability into strategy and capital allocation.⁴ The CFO role might also assume the duties of Chief Operating Officer (COO), which is often the case in private equity-funded

¹ McKinsey & Company (November 2023). [What are the roles and responsibilities of a CFO?](#)

² World Economic Forum (August 2021). [Sustainability is the CFO's new best friend. Here's why.](#)

³ IFAC PAIB Article, Prasad, B. (May 3, 2023). [The Transition to a Chief Value Officer – An Opportunity for Finance and Accounting Professionals | IFAC.](#)

⁴ Ernst & Young (January 2025). [How sustainability and technology will transform CFOs into Value Architects.](#)

organizations.⁵ As they navigate performance targets, investor expectations, and the long-term public interest, they are frequently positioned at the center of ethical and operational decision-making. This aligns with Baxter and Chua's observation (2008)⁶ that modern CFOs, while grounded in core finance competencies, increasingly act as both *strategists* and *watchdogs*, influencing decision-making beyond the finance function.

4. Emerging global risks have further intensified the complexity of the CFO role. The World Economic Forum's 2024 Global Risks Report ranked misinformation and cyber insecurity as top business threats.⁷ While CFOs may not be directly responsible for enterprise-wide cybersecurity, they do bear accountability for the financial and operational implications of vendor risk, particularly when financial systems are managed through artificial intelligence (AI) tools.⁸
5. Against this backdrop, the IESBA Strategy and Work Plan 2024–2027⁹ (SWP 2024-2027) calls for a dedicated Workstream to examine the evolving role of CFOs, including those in equivalent positions within the public sector and other senior professional accountants in business (PAIBs), and to identify and understand the ethics issues and challenges they face. According to the SWP 2024-2027, the Workstream will also examine whether current Parts 1¹⁰ and 2¹¹ of the Code adequately support PAIBs serving in CFO roles, and their evolving responsibilities, including in areas such as sustainability reporting and digital governance – that is, to determine whether the Code remains fit for purpose in a context where CFOs are increasingly expected to serve as both financial stewards and ethical leaders.¹²

Proposed Scope of the Workstream

6. The Project Team proposes that the scope of the Workstream should be the role of CFOs and other senior PAIBs in equivalent roles in the public sector. Recognizing, however, that senior PAIBs working in CFO roles may have different titles in different organizations, the Project Team proposes that the Workstream addresses the most senior PAIB within an organization's finance function and the responsibilities of that role, which could be the CFO, Finance Director, Controller, Chief Administrative Officer (CAO), or some other title.¹³
7. Whilst the SWP 2024-2027 envisaged the focus of the Workstream would be on PAIBs, the Project Team anticipates the need to explore the landscape in which many CFO roles are undertaken by

⁵ Takamizawa, L. IFAC PAIB Article (November 6, 2023). [CFO Perspectives: Creating and Protecting Value in Private Equity Funded Organizations | IFAC](#).

⁶ Baxter, Jane and Chua, Wai F., "Be(com)ing the chief financial officer of an organization: Experimenting with Bourdieu's practice theory", *Management Accounting Research*, Volume 19, Number 3, 2008, 212–230.

⁷ World Economic Forum (January 2024). [The Global Risks Report 2024 \(19th Edition\)](#).

⁸ PwC (June 5, 2025). [CFO's and finance leaders 100 days in: What's next for business](#).

⁹ [Towards a More Sustainable Future: Advancing the Centrality of Ethics | Ethics Board](#), page 27-28.

¹⁰ Part 1, *Complying with the Code, Fundamental Principles and Conceptual Framework*

¹¹ Part 2, *Professional Accountants in Business*

¹² CFO Dive (May 25, 2020). [Is the CFO an organization's conscience?](#)

¹³ Reference to CFO in the remainder of this paper means the most senior PAIB within an organization's finance function (private or public sector) and the responsibilities of that role, whatever the title. The role of CFO or a designated equivalent within smaller organizations might not be a CFO; it could be part of the CEO's role or some other title.

non-professional accountants (non-PAs). Accordingly, the Project Team proposes to collect information about non-PAs where possible, such as the proportion of non-PAs undertaking CFO roles and whether the ethical expectations of PAs in CFO roles align with or exceed those of their non-PA peers.¹⁴ This information and feedback from stakeholders will be relevant to inform any future IESBA workstream on exploring extending the impact of the Code to all preparers of sustainability information.

Evolving Role of the CFO and Potential Ethical Implications and Challenges

8. The Project Team's initial desktop research on recent literature and industry surveys as well as preliminary stakeholder outreach consistently portray a significant shift in the responsibilities of CFOs and highlight potential ethical implications and challenges resulting from the evolving role. Some of these key developments and challenges are set out below. Further desktop research and stakeholder outreach during Q4 2025 and Q1 2026 would explore these and other matters in greater depth to inform any recommendations the Project Team makes to the Board.

Increased Information, Regulatory, and Compliance Demands

9. CFOs are positioned as stewards of both financial and sustainability reporting, including now increasingly being responsible for identifying, measuring, and reporting on sustainability factors, and integrating non-financial metrics into existing financial reporting processes. Integrated financial and non-financial information is becoming more prevalent as are the demands from stakeholders for better environmental, social, and governance (ESG) disclosures.¹⁵ According to McKinsey Sustainability (2022), 90% of S&P 500 companies now issue sustainability disclosures to meet investor expectations.¹⁶ A BDO report (2022) notes that 95% of private equity firms now conduct ESG assessments as part of their due diligence, underscoring the strategic importance of robust ESG reporting for both capital access and stakeholder trust.¹⁷
10. CFOs also operate under increasing regulatory complexity, including sustainability reporting obligations,¹⁸ anti-corruption, cyber risk, and tax transparency. Therefore, CFOs appear to face increasing information, regulatory and compliance demands from their employing organizations, investors, regulators, and other stakeholders, but at the same time are expected to deliver greater value and lower costs. For example, 69% of finance leaders in an EY survey (2024) said "*investors ask more questions about nonfinancial drivers of value now than two years ago*".¹⁹ According to Deloitte (2025), CFOs are subject to greater internal and external scrutiny and pressure to reduce costs, increase revenue, and maintain control.²⁰ An Association of Chartered Certified Accountants

¹⁴ For example, companies' Codes of Conduct or professional or industry Codes and how these might align with the Code.

¹⁵ Ernst & Young (December 2021). [How do you transform data into insight?](#)

¹⁶ McKinsey Sustainability (August 10, 2022). [Does ESG really matter—and why?](#)

¹⁷ BDO (2022) [The CFO's Role in ESG Taking ESG From Vague to Value Driver](#).

¹⁸ Bolognesi, E., Burchi, A., Goodell, J. W., & Paltrinieri, A. (July 2025). Stakeholders and regulatory pressure on ESG disclosure. *International Review of Financial Analysis*, 103, 104145. <https://doi.org/10.1016/j.irfa.2025.104145>.

¹⁹ Ernst & Young (October 2024). [EY Global Corporate Reporting Survey](#), page 4. The Survey population consisted of over 2,000 finance leaders and 815 institutional investors globally.

²⁰ Deloitte (2025). [Four Faces of the CFO](#).

(ACCA) survey (2024) concludes that stricter regulations for transparency, accountability and integrity of financial and sustainability reporting add complexity to the ethical landscape.²¹ Accordingly, the weight of these expectations raises the question as to whether CFOs are now subject to greater and continually increasing pressure in the evolved role.

11. CFOs are the first line of defense against unethical behavior, including with respect to sustainability reporting where “greenwashing” risks are high. A PwC report (2025) notes responsibility for sustainability reporting is moving to finance due to its technical acumen.²² However, the EY survey (2024) reveals concerns about sustainability and transparency, with only 47% of finance leaders and 53% of investors believing it is very likely that sustainability targets will be met and 55% of finance leaders considering that sustainability reporting in their industry lacks credibility.²³ Whilst demand for sustainability information to help inform stakeholder decisions is high, confidence might be low in such information, potentially creating pressure on CFOs to place undue reliance on it.

Data Governance and Oversight

12. Data quality is a significant and recurring operational risk. A Pigment survey (2024) reported that 89% of finance leaders make decisions based on incomplete or inaccurate data at least monthly.²⁴ CFOs are therefore increasingly tasked with strengthening internal controls, coordinating with a broad range of stakeholders (such as compliance and audit functions), and ensuring there is a clear governance framework,²⁵ which should extend to outsourced service providers.
13. Data quality concerns are particularly apparent with sustainability information. Sustainability data can come from throughout an organization, some of which will be reliable, whereas other data is less mature and requires greater management judgment.²⁶ There also might be a disconnect between the expectations of investors and finance leaders. In the EY survey (2024), 78% of investors believe new reporting regulations and standards will positively impact the accuracy and comparability of sustainability disclosures, whereas 96% of finance leaders report some problems with non-financial data used for reporting.²⁷

Technology Oversight

14. CFOs are increasingly expected to be responsible for overseeing financial systems involving cloud platforms, enterprise resource planning (ERP), and in some cases, AI tools.²⁸ According to the PwC pulse survey (2025), “58% of CFOs are investing in AI and advanced analytics to adjust planning in

²¹ ACCA (October 2024). [The new era of ethical challenges for professional accountants | ACCA Global](#) which surveyed 1,165 accounting professionals from different sized organizations and 135 countries.

²² PwC (2025). [What's important to the CFO in 2025 Five trends every finance leader needs to know](#).

²³ Ernst & Young (October 2024). [EY Global Corporate Reporting Survey](#), page 3.

²⁴ Pigment (November 15, 2023). [New Report from Pigment Shows 89% of Finance Leaders Make Decisions Based on Inaccurate, Incomplete Data](#).

²⁵ The Australian (August 12, 2025). [CFOs own sustainability reporting: here's what they need to know](#).

²⁶ Ernst & Young (October 2024). [EY Global Corporate Reporting Survey](#), page 19.

²⁷ Ernst & Young (October 2024). [EY Global Corporate Reporting Survey](#), page 4.

²⁸ The CFO (May 23, 2025). [Gartner calls on CFOs to define their role in AI initiatives](#).

today's volatile environment."²⁹ While not typically responsible for enterprise-wide cybersecurity management, CFOs add value with respect to risk identification, management, and mitigation, leveraging cross-functional relationships and influencing decisions and policies on data processed by third-party vendors.³⁰ These responsibilities are heightened by evidence that 98% of 235,000 organizations analyzed had relationships with at least one third-party vendor that experienced a breach in the past two years.³¹

15. Technology offers not only new capabilities but also challenges for CFOs. CFOs are expected to set strategic, regulatory, and ethical boundaries for technological advancements,³² and to balance innovation against reasoned controls.³³ The EY survey (2024) recognizes that AI, analytics capability, and digitization help finance leaders' strategic decision-making.³⁴ However, this survey also found that of the finance leaders surveyed, only 32% have high-grade technology to manage and analyze data, 39% have limited IT resources, and 70% believe they should do more on upskilling and training on data analytics.³⁵ This aligns with the view that due to rapidly changing technological advancements and societal demands, PAs need to have a mindset to challenge and evolve their skills, whilst remaining alert to risks and being an ethical leader.³⁶

Cross-functional Responsibilities

16. CFOs are frequently expected to have responsibilities across organizational departments beyond the finance function, such as human resources, operations, and information technology. This trend is particularly evident in small and medium-sized enterprises (SMEs) in the German context.³⁷ Accordingly, role consolidation appears to be a common phenomenon.
17. As CFOs are likely required to work across departments and multi-disciplines, this raises the question as to whether this creates any new ethical challenges with respect to having the requisite skills and knowledge and sufficient time to meet ethical obligations such as professional competence and due care. Whilst CFOs may not need to be experts in all facets they oversee, they should understand key risks, impacts and ethical challenges and might need access to others' expertise. For example, the EY survey (2024) found 36% of finance leaders have an ESG controller in place and 58% are planning to create and fill this role, and with respect to analytics, 71% said they need greater use of

²⁹ PwC (June 5, 2025). [CFO's and finance leaders 100 days in: What's next for business](#).

³⁰ FLG Partners. (September 18, 2023). [Managing cybersecurity risk: The role of the CFO](#).

³¹ SecurityScorecard (February 1, 2022). [SecurityScorecard Research Shows 98% of Organizations Globally Have Relationships with At Least One Breached Third Party](#).

³² Deloitte (May 20, 2025). [CFO leadership can double the success rate of digital transformation](#).

³³ CPA Canada, ICAS, IFAC, and IESBA (December 2021). [Technology is a double-edged sword with both opportunities and challenges for the accountancy profession](#), pages 15 and 19.

³⁴ Ernst & Young (October 2024). [EY Global Corporate Reporting Survey](#), page 29.

³⁵ Ernst & Young (October 2024). [EY Global Corporate Reporting Survey](#), pages 5, 24 and 27.

³⁶ CPA Canada, ICAS, IFAC, and IESBA (April 2022). [Mindset and enabling skills of professional accountants – a competence paradigm](#).

³⁷ Weber, J., & Schäffer, U. (July 2013). The Chief Financial Officer's role in medium-sized firms: Exploratory evidence from Germany. *Journal of Applied Accounting Research*, 14(4), 386–406.

external partners.³⁸ The ACCA survey (2024) notes that the transformation of the accounting profession requires traversing diverse regulatory obligations and multifaceted ethical dilemmas.³⁹

Ethical Culture and Talent Development

18. CFOs are expected to contribute to organizational culture by embedding ethical values within the finance function and supporting mechanisms for internal reporting and ethical escalation (e.g., whistleblowing or ethics hotlines). Similarly, although in the context of accounting firms, Bangun & Asri (2017) found that ethical decisions are strengthened by a positive ethical climate, strong professional commitment, and an idealistic moral orientation.⁴⁰ CFOs might also need to develop talent and culture through hiring and upskilling to enable adaption to changing needs.⁴¹ These aspects reinforce the CFO's role in shaping workplace values.
19. CFOs should deliver trust and confidence in organizational governance, quality of data and reporting, and provide ethical leadership. CFOs are integral to establishing ethical norms and a culture of integrity.⁴² The EY report (2025) notes that 80% of institutional investors expect CFOs to challenge CEOs where necessary to prioritize long-term sustainability investments over short-term earnings.⁴³ However, an EY survey (2023) of 1,000 CFOs and senior finance leaders worldwide found that 68% of respondents do not feel confident in always speaking up when the consensus differs from their opinion and when they disagree on an important issue, 70% do not feel confident strongly challenging the executive team.⁴⁴
20. Increased scrutiny by investors and regulators and uncertainty and operational complexity might require greater ethical resilience from CFOs. CFOs can demonstrate ethical leadership and set a tone at the top by showing moral courage and considering and mitigating any ethical implications that arise from complex situations.⁴⁵ The ACCA survey (2024) notes leaders' role in upholding moral and ethical standards. It also found the following among the participants surveyed that in the last three years:⁴⁶
 - 55% have witnessed unethical behavior;
 - 64% believe ethical dilemmas are becoming more complex; and
 - 24% have experienced pressure to act unethically.

³⁸ Ernst & Young (October 2024). [EY Global Corporate Reporting Survey](#), page 20 and 27

³⁹ ACCA (October 2024) [The new era of ethical challenges for professional accountants | ACCA Global](#).

⁴⁰ Bangun, Y. K., & Asri, M. (2017). Ethical decision making in public accounting firm. *Journal of Economics, Business, and Accountancy Ventura*, 20(1), 19–30.
https://www.researchgate.net/publication/318390887_Ethical_Decision_Making_in_Public_Accounting_Firm

⁴¹ CFO Journal (June 17, 2024). [The 2024 CFO Agenda](#).

⁴² FLG Partners [Integrity and Ethics in the CFO Role: Leadership by Example](#).

⁴³ Ernst & Young (January 2025). [How sustainability and technology will transform CFOs into Value Architects](#).

⁴⁴ Ernst & Young (June 2023). [EY Global DNA of the CFO Survey](#), page 9.

⁴⁵ CPA Canada, ICAS, IFAC, and IESBA (June 2021). [Complexity and the professional accountant: Practical guidance for ethical decision-making](#), pages 16-17 and 22.

⁴⁶ ACCA (October 2024). [The new era of ethical challenges for professional accountants](#).

Organizational Structure and Scope

21. The extent of a CFO's responsibilities often varies with the size and structure of the organization. In large organizations, responsibilities or oversight may be distributed across dedicated departments or functions, with other individuals having line responsibility for those departments or functions. In smaller organizations, CFOs may be required to assume direct responsibility for multiple domains, including procurement and IT. Research by Hiebel, Duller and Neubauer (2013) found that CFOs in medium-sized German firms often have narrower formal remits than those in larger firms, but frequently take on broader operational roles as organizational needs require.⁴⁷ As the CFO role might vary depending on the organizational size and structure, it is important to consider whether this results in any ethical implications. For example, in smaller organizations where the CFO might be directly responsible for multiple functions, there is a question as to whether this creates additional challenges regarding professional competence and due care.

Provisions in the Code Applicable to PAIBs

22. In 2016, the IESBA issued revisions to what is now Part 2 of the Code⁴⁸ to address PAIBs' responsibilities when preparing or presenting information and dealing with pressure to breach the fundamental principles. The revisions were aimed at ensuring that the Code remained appropriate and robust for PAIBs.⁴⁹ For historical context, several respondents to the Exposure Draft leading to these revisions suggested that guidance in Sections 220⁵⁰ and 270⁵¹ of the Code should reflect the PAIB's seniority, with more stringent requirements for PAIBs in key management positions.⁵² When approving these revisions, the IESBA determined that such a distinction was not suitable or practical, including due to the varying nature, size and structure of employing organizations and situations in which PAIBs are employed, influencing appropriate actions taken by PAIBs as much as their seniority.⁵³
23. However, as highlighted above, since the 2016 revisions to Part 2 there has been a significant shift in the responsibilities of CFOs and potential ethical implications and challenges resulting from the evolving role. Accordingly, the Project Team proposes to explore via research and stakeholder engagement whether the current provisions in Parts 1 and 2 of the Code adequately support and

⁴⁷ Hiebel, M. R. W., Duller, C., & Neubauer, H. (2013). The Chief Financial Officer's Role in Medium-Sized Firms: Exploratory Evidence from Germany. *Journal of International Business and Economics*.

⁴⁸ [Changes to Part C of the Code Addressing Preparation and Presentation of Information and Pressure to Breach the Fundamental Principles](#). These revisions were prepared in accordance with the previous structure of the Code but formed the basis of the provisions in Part 2 of the restructured Code in 2018. Subsequent references in this paper refer to those in the restructured Code.

⁴⁹ Paragraphs 1 to 2 of the [Basis for Conclusions](#)

⁵⁰ Section 220, *Preparation and Presentation of Information*

⁵¹ Section 270, *Pressure to Breach the Fundamental Principles*

⁵² Paragraph 71 of the [Basis for Conclusions](#)

⁵³ Paragraphs 72-75 of the [Basis for Conclusions](#). IESBA amended (what is now) paragraph 200.5 A3 to emphasize that with more seniority, there is greater ability and opportunity to access information and influence policies, decisions and actions taken by others in the organization and an expectation that senior PAIBs would encourage and promote an ethics-based culture. Further, the provisions on non-compliance with laws and regulations (NOCLAR) in Section 260 of the Code differentiate between "senior PAIBs" and other PAIBs due to the expectations that the nature and extent of an appropriate response to an act of NOCLAR will depend on the PAIBs seniority.

provide sufficient ethical guidance to CFOs to address any new ethical implications and challenges resulting from the evolving role. This includes considering the revisions to the Code already made under recent projects, including the Role and Mindset, Technology, Tax Planning, Sustainability, and Using the Work of an External Expert projects, and whether the interconnectedness of the various provisions across different Sections of the Code is clear and easy to follow. **Appendix A** summarizes the 2016 revisions to Part 2 and other recent revisions applicable to PAIBs.

Stakeholder Engagement and Engagement Plan

24. The Project Team's Indicative Stakeholder Engagement Plan (refer to **Agenda Item 3-B**) outlines proposed targeted stakeholder groups,⁵⁴ estimated timing, and rationale for engagement. The proposed plan includes in person and virtual roundtables in Q1 2026 to inform the Workstream's direction. These engagements aim to explore the extent of CFO responsibilities across jurisdictions, gather insights into the ethical tensions CFOs face in practice, and assess how well the current Code supports PAIBs in CFO roles. Additionally, outreach with some stakeholders began in Q3 2025 as part of the initial fact-finding exercise (refer to **Appendix B** of this document).
25. As part of the initial fact-finding exercise, the Project Team, with the assistance of David Wray, IESBA Member, issued a short survey in July 2025 to three different stakeholder groups⁵⁵ to scan the landscape and gather indicative data on CFOs or equivalent senior finance professionals across sectors and jurisdictions. The survey aimed to determine the proportion of individuals in these roles who are PAs (i.e., members of professional accountancy organizations (PAOs)), their level of awareness of the IESBA Code or other professional Codes of Ethics/Conduct, and the types of ethical dilemmas they have encountered in practice.
26. The following highlights some key results from the survey (refer to **Agenda Item 3-C** for the survey questions and full results):
 - 56% of respondents have served in a CFO or equivalent role for more than 10 years and 20% for 6-10 years, suggesting the survey largely reflects seasoned professionals;
 - 35% of respondents reported being PAs, 3% part-qualified or in progress, and 62% non-PAs;
 - Of the PA respondents, 40% said they were subject to a Code of Ethics set by the PAO, 21% subject to the IESBA Code, 19% not subject to a Code of Ethics, and 19% were unsure;
 - Of the non-PA respondents:
 - 16% reported being members of another professional body (i.e., not a PAO);
 - 59% reported being subject to a Code of Ethics/Conduct set by their employing organization, 16% a Code of Ethics/Conduct established by their professional body, 11% a national or industry-specific Code of Ethics/Conduct, 12% not subject to any Code of Ethics/Conduct, and 3% were unsure; and

⁵⁴ Including CFOs, IFAC PAIB Advisory Group, Professional Accounting Organizations (PAOs), Jurisdictional Standard Setters (JSS), Standard Setting Boards (SSBs), investors, regulators, and the Stakeholder Advisory Council (SAC).

⁵⁵ International CFO Alliance (ICFOA), Association nationale des directeurs financiers et de contrôle de gestion (DFCG), and CFO Mastermind.

- 32% of respondents faced ethical challenges over the past 5 years which included pressure to meet financial and sustainability targets, managing potential conflicts of interest, navigating greenwashing or misleading reporting risks, dealing with cybersecurity and data integrity concerns, fraud, bribery, and ethical dilemmas relating to the use of emerging technologies.

Next Steps

27. Proposed next steps include:

- Proposed Q4 2025 activities to focus on continued desktop research, exploring the potential for commissioning academic research, and stakeholder engagement (refer to **Agenda Item 3-B**);
- In-person and virtual roundtables and other stakeholder outreach in Q1 2026;
- Draft report to be presented at the June 2026 IESBA meeting; and
- Final report and recommendations to be presented at the September 2026 IESBA meeting.

Action Requested

28. IESBA members are asked to:

- (a) Agree the Terms of Reference set out in **Agenda Item 3-A** and provide any comments or observations to inform any subsequent phase of the Workstream;
- (b) Provide views on the Project Team's proposed approach and Indicative Stakeholder Engagement Plan set out in **Agenda Item 3-B**; and
- (c) Consider the results of the initial stakeholder survey set out in **Agenda Item 3-C**.

Material Presented

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|-----------------|--|
| Agenda Item 3-A | Draft Terms of Reference |
| Agenda Item 3-B | Indicative Stakeholder Engagement Plan |
| Agenda Item 3-C | Role of CFO Pulse Survey – Results |

Appendix A

Recent Revisions to the Code Applicable to PAIBs

Substantive amendments in the 2016 revisions to Part 2 of the Code⁵⁶ included:

- Amendments to (what is now) paragraph 200.5 A3 to emphasize that with more seniority, there is greater ability and opportunity to access information and influence policies, decisions and actions taken by others in the organization and an expectation that senior PAIBs would encourage and promote an ethics-based culture.
- Amendments to Section 220 and its requirements to be equally applicable to financial and non-financial information recognizing PAIBs may be involved with both types of information that may be made public or used for internal purposes.⁵⁷
- Enhanced guidance on addressing the misuse of discretion when making judgments or assumptions in preparing or presenting information.⁵⁸
- Requiring PAIBs to use professional judgment when determining what steps to take, if any, if intending to place reliance on the work of others.⁵⁹
- Enhanced guidance when a PAIB is faced with association with misleading information and an encouragement to document the relevant facts and communications.⁶⁰
- A new Section 270 on pressure and requirements for PAIBs not to allow pressure, or place pressure on others, to result in a breach of the fundamental principles.⁶¹

Subsequent to the above revisions, IESBA issued the following amending standards relevant to PAIBs:

- Role and mindset revisions,⁶² which reinforce aspects of the principles of integrity, objectivity, and professional behavior, require PAs to have an inquiring mind, emphasize the need for PAs to be aware of the potential influence of bias in their judgments and decisions, and highlight the supportive role organizational culture can play in promoting ethical conduct and business.
- Technology-related revisions,⁶³ which guide the ethical mindset and behavior of PAs when using technology, and address threats to confidentiality, professional competence and due care, and circumstances of complexity.

⁵⁶ [Close-Off: Changes to Part C of the Code Addressing Preparation and Presentation of Information and Pressure to Breach the Fundamental Principles](#)

⁵⁷ Paragraph 9 of the [Basis for Conclusions](#)

⁵⁸ Paragraph 18 and 20 of the [Basis for Conclusions](#)

⁵⁹ Paragraph 35 of the [Basis for Conclusions](#)

⁶⁰ Paragraph 37 of the [Basis for Conclusions](#)

⁶¹ Paragraphs 51 to 67 of the [Basis for Conclusions](#)

⁶² [Final Pronouncement: Revisions to the Code to Promote the Role and Mindset Expected of Professional Accountants](#)

⁶³ [Final Pronouncement: Technology-related Revisions to the Code](#)

- Tax planning and related services,⁶⁴ which includes a new Section 280 applicable to PAIBs and sets out a principle-based framework to guide PAIBs on expected behaviors when providing tax planning activities.
- Sustainability reporting-related revisions,⁶⁵ which enhance the Code to ensure it remains fit for purpose for sustainability reporting including adding sustainability references where applicable, and revisions to existing examples and new examples specific to misleading conduct (including “greenwashing”), value chain considerations, and forward-looking information.
- Using the work of an external expert,⁶⁶ which includes a new Section 290 applicable to PAIBs that provides an ethical framework to guide the evaluation of whether an external expert has the necessary competence, capabilities, and objectivity to use that expert's work for the intended purposes.

Another important consideration is whether certain extant definitions in the Code, including PA, PAIB, and professional activity, adequately capture the evolving role of CFOs and the activities undertaken that fall outside accounting/finance. For example, the current definition of “professional activity” focuses on accounting, sustainability, and finance:

An activity requiring professional skills undertaken by a professional accountant or a sustainability assurance practitioner, including accounting, auditing, sustainability reporting or assurance, tax, consulting, and financial management.

⁶⁴ [Final Pronouncement - Revisions to the Code Addressing Tax Planning and Related Services](#)

⁶⁵ [Final Pronouncement: International Ethics Standards for Sustainability Assurance \(including International Independence Standards\) and Other Revisions to the Code Relating to Sustainability Assurance and Reporting](#)

⁶⁶ [Final Pronouncement: Using the Work of an External Expert](#)

Appendix B

List of Stakeholder Outreaches in Q3 2025

IESBA Board Members

1. Tomoyo Imura – Director, Member of the Board and Member of the Audit and Supervisory Committee of Nomura Asset Management Co., Ltd. (NAM)
2. Christelle Martin – previously held Senior Executive positions at ENGIE in the areas of Finance & Accounting, Human Resources, Corporate Secretary and Ethics & Compliance
3. David Wray – previously Senior Director of Accounting & Reporting at Huawei Global Finance and held several finance executive roles in the technology industry

IFAC PAIB Advisory Group (Staff and Member)

4. Stathis Gould – IFAC Director, Member Engagement and PAIB
5. Laura Takamizawa – IFAC Principal
6. IFAC PAIB Advisory Group Member [Mike Driver](#) – United Kingdom public sector specialist

Academics

7. Mukesh Garg – Associate Professor in the Department of Accounting (Monash University)
8. Linda Kidwell, Ph.D. – Chair – Accounting & Taxation/Professor – Accounting (Nova Southeastern University)
9. Donna Street – Professor and Mahrt Chair in Accounting (University of Dayton)