

### Role of CFOs – Issues Paper

#### A. Executive Summary

1. The Role of CFOs workstream remains an exploratory, evidence-gathering initiative. The evidence gathered to date indicates that many Chief Financial Officer (CFO) and equivalent senior finance roles (hereinafter simply referred to as CFOs) have evolved and expanded well beyond traditional finance stewardship into strategy, enterprise risk, sustainability information, technology, artificial intelligence (AI), data governance, investor communications, organizational culture, and broader enterprise leadership. However, the role is not uniform and varies by entity size, sector, ownership structure, jurisdiction, governance model, and professional background.
2. The ethical issues raised during the outreach activities are not all new. Pressures relating to reporting judgments, conflicts of interest, short-term performance versus long-term business sustainability, procurement, related parties, tax, escalation, and management or board influence have long existed. What appears to have changed is the operating context: ethical decisions are faster and more complex, cross-functional, data-dependent, and exposed to public, regulatory, and stakeholder scrutiny.
3. The evidence to date does not indicate that the [International Code of Ethics for Professional Accountants \(including International Independence Standards\)](#) (the Code) and its fundamental principles or conceptual framework are no longer fit for purpose for professional accountants in business (PAIBs) who are CFOs. The stronger preliminary signal is that existing principles may not always be visible, accessible, or operationalized in CFO-specific contexts, particularly when issues are initially perceived as technical, commercial, legal, technological, or governance matters rather than ethical.
4. PAIB CFOs operate in mixed ecosystems alongside non-professional accountants (non-PA) CFOs, CEOs, boards, legal teams, technology teams, sustainability specialists, investors, regulators, and other decision-makers who may not be subject to equivalent professional ethical obligations. Whilst the Code applies to PAIBs, the broader ecosystem might affect how PAIB CFOs identify, evaluate, and address threats to compliance with the fundamental principles.
5. The outreach evidence to date points more strongly towards practical, scenario-based implementation support, awareness-raising and collaboration with professional accountancy organizations (PAOs) and other parts of the ecosystem rather than towards new Code requirements. However, the Project Team will continue to analyze Parts 1 and 2 of the Code against the full evidence base before developing final recommendations for the September 2026 IESBA meeting.

#### B. Introduction and Purpose of the Phase 1 Report

6. The IESBA sets high-quality international ethics standards, including independence standards, for the preparation, reporting, and assurance of financial and non-financial information. These standards apply to professional accountants in public practice (PAPPs) and PAIBs as the case may be. The standards are a cornerstone of ethical behavior in business and organizations and help support public

trust in the information that underpins the functioning and sustainability of organizations, financial markets, and economies worldwide.

7. In 2016, the IESBA revised the Code to address the ethical responsibilities of PAIBs<sup>1</sup> (including CFOs) when preparing or presenting information and dealing with pressure to breach the fundamental principles. The revisions aimed to ensure that the Code remained appropriate and robust in guiding PAIBs when they faced ethical issues or challenges.<sup>2</sup>
8. However, research suggests that over recent years, the role of the CFO 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),<sup>3</sup> CFOs are increasingly responsible for at least one function beyond finance, with potentially additional functions including data governance, strategy, and environmental, social, and governance (ESG) reporting.
9. As CFO roles evolve and ethical decision-making increasingly influences information relied upon by investors and markets, regulators, and society, the IESBA deemed it appropriate to examine whether its existing ethical framework remains clear, relevant, and practical in the public interest.<sup>4</sup> Accordingly, the IESBA's Role of the CFO workstream seeks to better understand how the evolving responsibilities of CFOs<sup>5</sup> are shaping ethical decision-making across organizations.

#### *Phase 1 Approach and Objectives*

10. The workstream is exploratory and evidence-based to assist the Project Team in informing the IESBA before any consideration of potential future actions. Through research, surveys, and global stakeholder engagement, the workstream is considering whether the Code remains clear, relevant, and fit for purpose in today's complex decision environments.

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<sup>1</sup> Part 1, *Complying with the Code, Fundamental Principles and Conceptual Framework*, and Part 2, *Professional Accountants in Business*, of the Code apply to PAIBs. PAIB is defined in the Code as a professional accountant working in areas such as commerce, industry, service, the public sector, education, the not-for-profit sector, or in regulatory or professional bodies, who might be an employee, contractor, partner, director (executive or non-executive), owner-manager, or volunteer. A professional accountant is defined in the Code as an individual who is a member of an International Federation of Accounting (IFAC) member body (a PAO that is a member of IFAC).

<sup>2</sup> Paragraphs 1 to 2 of the [Basis for Conclusions](#)

<sup>3</sup> McKinsey & Company (November 2023). [What are the roles and responsibilities of a CFO?](#)

<sup>4</sup> This aligned with the IESBA Strategy and Work Plan 2024–2027, which calls for a dedicated workstream to examine the evolving role of CFOs, including those in equivalent positions within the public sector and other senior PAIBs, and to identify and understand the ethics issues and challenges they face.

<sup>5</sup> The workstream addresses the most senior finance leader within organizations' finance function and the ethical responsibilities of that role, which could be a CFO, Finance Director, Controller, Chief Administrative Officer (CAO), or some other title. Whilst the role of CFO (or equivalent senior finance role) might not exist separately within a smaller organization, it could form part of the CEO's role. These CFOs are able to exert significant influence over, and make decisions regarding, the acquisition, deployment and control of the employing organization's human, financial, technological, physical, and intangible resources.

11. The following table summarizes the workstream's objectives as set out in the [Terms of Reference](#) (ToR) approved at the September 2025 IESBA meeting, the activities undertaken by the Project Team to date, and remaining activities to be undertaken before the September 2026 IESBA meeting, to address these objectives:

Workstream Objective	Activities to Date	Activities to be Completed
1. Gather information on the evolving role of CFOs within the private, not-for-profit, and public sectors, to identify and understand the ethics issues and challenges faced by individuals in those roles.	Desktop research, academic research, pulse and extended surveys, focus group meetings, and global roundtables.	Virtual global roundtable for Latin America and focus group meetings for India, the IAASB-IESBA User Advisory Group (UAG), and Australia and New Zealand.
2. Seek views on whether the current provisions in the Code relevant to CFOs remain adequate or require further enhancement to address these ethics issues. <sup>6</sup>	Per 1. above. IESBA-Jurisdictional Standard Setters (JSS) meetings in November 2025 and May 2026.	Per 1. above. Project Team will analyze Parts 1 and 2 of the Code to identify any gaps based on information gathered and ethical challenges raised.
3. Gather information on and understand existing regulatory requirements and investor expectations relating to ethical conduct.	Per 1. and 2. above.	Per 1. above. Project Team to conduct a gap analysis of jurisdictional regulatory requirements and corporate governance frameworks for the jurisdictions where outreach was undertaken. Further explore investor expectations via the UAG focus group meeting.
4. Explore whether the IESBA should develop or commission guidance, such as case studies or illustrative examples, or pursue other initiatives to raise awareness of and emphasize key provisions in the Code.	Per 1. and 2. above.	Per 1. above.
5. Collect information and feedback about individuals	Per 1. and 2. above.	Per 1. above.

<sup>6</sup> This includes consideration of recent IESBA projects such as Role and Mindset, Technology, Tax Planning, Sustainability, and Using the Work of an External Expert.

Workstream Objective	Activities to Date	Activities to be Completed
who are not PAIBs who undertake CFO roles to inform any future IESBA workstream.		
6. Raise awareness of the workstream's objectives and the relevance of ethical standards for CFOs globally.	Per 1. and 2. above. Developed a communications plan and <a href="#">Snapshot: IESBA's "The Role of CFOs" Initiative</a> , a short, non-technical overview of the workstream, its purpose, direction, and current focus.	Per 1. above.
7. Present a final report and recommendations for consideration at the September 2026 IESBA meeting.	Synthesis of information collected through research, surveys, and outreach as set out in this paper.	Further synthesize the results of all the roundtables, surveys, and research to develop a report and recommendations.

#### *Workstream Scope and Purpose*

12. The workstream focuses on CFOs across the private, not-for-profit, and public sectors, regardless of the role title or professional background. This includes both PAIBs and individuals who are not members of a PAO. Capturing this diversity is central to understanding how ethical decision-making operates in practice and where common themes may - or may not - emerge. However, the workstream does not intend to define the CFO role, which can vary in its title, functional responsibilities, and professional background, or to explore whether a specific section for CFOs should be incorporated into the Code.
13. The workstream did not start from an assumption of ethical failure or misconduct. Rather, it recognizes that roles, expectations, and decision-making environments have changed and seeks to understand whether existing ethical principles and guidance continue to operate effectively under these evolving conditions. Any consideration of standard-setting, the development of guidance, or other initiatives will take place only after the information-gathering phase has concluded and following full deliberation of the final report and recommendations at the September 2026 IESBA meeting.

**C. Key Takeaways from the March 2026 IESBA Meeting**

14. The Project Team provided an update on its activities at the March 2026 IESBA meeting. The key takeaways from that meeting and how the Project Team has, or will, address the matters raised are summarized in the following table:<sup>7</sup>

Key Takeaway	Activities to Date	Activities to be Completed
1. The need to segment the CFO population more carefully, given differences in roles, support structures, and context across entity types, sectors, and jurisdictions.	The Project Team has engaged with CFOs from the private, not-for-profit, and public sectors, across entity sizes and industries, to assess Code awareness and ongoing needs.	Consider the breadth of the population and the level and variation of support, maturity, and sophistication when developing recommendations for the IESBA.
2. Distinguishing between matters that may point to standard-setting, non-authoritative material, or other assistance, and those that fall more appropriately within the broader governance and regulatory ecosystem.	The Project Team has not approached its research or outreach activities with any pre-conceived notions of what the final recommendations might entail. The preliminary findings and observations outlined below highlight implications not only for the IESBA but also for other players across the broader regulatory ecosystem.	The Project Team's final position on any recommendations to the IESBA for further action will be incorporated into the final report.
3. The need for a clearer articulation of the initiative's problem statement and intended outcomes.	Addressed in Section A. above.	Further refinement and articulation of the proposed outcomes and recommendations to be incorporated into the final report.
4. Whether the ethical challenges are different across ownership structures, such as family-owned and start-up organizations.	The Project Team has engaged with CFOs from smaller and start-up organizations. Initial observations indicate that these types of organizations face unique ethical and governance challenges.	The remaining outreach activities will continue to target different ownership structures to inform the final report.
5. With respect to CFOs who are PAs, understanding whether mandatory	The Project Team has explored this question with CFOs, PAOs, and JSS during outreach	Continue to explore this question during the remaining outreach activities

<sup>7</sup> For further details of the matters raised, refer to the minutes from the March 2026 IESBA meeting.

Key Takeaway	Activities to Date	Activities to be Completed
continuous professional development (CPD) requirements cover training on ethics.	activities. CPD requirements on ethics are not uniform across jurisdictions.	to inform the final report and recommendations.

#### D. Methodology and Evidence-Base – Application of the SMART Framework

15. This section applies the IESBA's SMART Framework to the Role of CFOs workstream with respect to how the Project Team designed, managed, and progressed Phase 1 activities, rather than to any eventual substantive recommendations that may emerge. This distinction is important because the ToR frame Phase 1 as an information-gathering and assessment exercise to meet the workstream objectives set out in paragraph 11 above. The SMART assessment, therefore, focuses on the quality of the workstream's execution and evidence-gathering discipline, rather than whether a future output or standard-setting response would satisfy the Framework.
16. The Project Team approached Phase 1 through a combination of structured research, targeted outreach, iterative synthesis, and staged reporting. The ToR served as the principal anchor for the workstream's scope, objectives, phased approach, and expected deliverables. Building on that foundation, the Project Team developed survey instruments and supporting materials for CFOs and other stakeholders, as well as outreach decks, tailored invitation letters, briefing notes, agendas, breakout group questions, and IESBA meeting agenda materials. These materials were designed to support a consistent Phase 1 narrative across different formats and audiences, while remaining focused on understanding the evolving CFO role, identifying related ethical issues and challenges, and assessing whether Parts 1 and 2 of the Code remain fit for purpose.
17. A central methodological feature of the workstream was the use of multiple evidence channels rather than reliance on a single source. The Project Team designed and launched both pulse and extended surveys in July 2025 and February 2026, respectively, to capture input from CFOs and other stakeholder groups. Additionally, stakeholder lists were developed and segmented, and outreach was undertaken directly with CFOs and then other stakeholders to secure a broader range of perspectives and reduce dependence on a single participant base. Further, with the IESBA's agreement, the Project Team commissioned academic research and a literature review to widen the evidence base.
18. Outreach activities have thus far included focus group meetings in London and global roundtables in Milan, New York, and Nairobi, supported by tailored agendas, briefing notes, breakout group structures, and other logistical materials for both in-person and virtual engagements. The Project Team also drew on desktop research and early analysis of how emerging themes from outreach relate to Parts 1 and 2 of the extant Code (including recent IESBA projects on sustainability, tax planning, technology, and role and mindset).
19. The methodology has also been iterative. Each outreach activity was accompanied by clear communication of the workstream's objectives, status, and purpose, and meetings were followed by the provision of summaries to participants regarding the key themes discussed. Thank-you notes and tailored follow-up communications were used to reinforce the benefits of engagement and to maintain or build relationships with participants. Findings from London, Milan, New York, Nairobi, and Hong

Kong, along with survey responses, were synthesized and used in IESBA updates, Stakeholder Advisory Council (SAC) and JSS meetings, and for internal planning discussions.

20. Significant issues identified during outreach were monitored and escalated where appropriate, and key messages were checked for consistency across Board papers, minutes, briefing notes, and communication materials. The workstream treated outreach activities as a connected evidence-building process in which learnings from engagement activities helped to synthesize the facilitation of latter engagements.
21. This assessment is phase-specific as the workstream remains in an information-gathering and assessment stage. Therefore, the prominence and interpretation of the SMART pillars differ from what might be expected in a later phase or standard-setting project. At this stage:
  - **Simplification** reflects clarity of purpose, disciplined scoping, and consistency of messaging.
  - **Mobilization** has focused on securing participation from the right mix of stakeholders and jurisdictions.
  - **Responsiveness** related to capturing, synthesizing, and reusing evidence systematically.
  - **Targeted Action** has focused on directing effort toward the most important evidence gaps, including underrepresented sectors, jurisdictions, and non-PA CFO perspectives.
  - **Adoption** is less straightforward because there is no final output yet for this workstream for adoption, implementation, or uptake. Therefore, the adoption pillar is narrower, namely, to assess whether the workstream has produced sufficient robust evidence to inform possible future IESBA action.
22. **Agenda Item 8D** records for each pillar the strategic focus of Phase 1, what has been done so far, what is not yet applicable, the main challenges, and improvements.

#### **E. Stakeholder Engagement Undertaken**

23. The Project Team's stakeholder engagement was designed to obtain evidence from CFOs and stakeholders who interact with, oversee, appoint, regulate, or advise CFOs. It was designed to understand how the role is evolving, which ethical issues arise because of this evolution, how CFOs identify and address these issues, and whether the Code is sufficiently visible and practical for PAIBs in these roles.
24. As a reminder to the IESBA, to support candid discussion, the in-person and virtual events were structured as a CFO-only session followed by a separate session with other stakeholders (including regulators and oversight bodies, investors, PAOs, other professional bodies, accounting firms, those charged with governance, and governance specialists). This format enabled CFOs to discuss pressures, role conflicts, and ethical grey-area decisions in a peer-to-peer setting, while allowing other stakeholders to provide broader ecosystem perspectives.
25. Engagement undertaken to date has included the following channels:
  - London focus group meetings on March 3, 5, and 6, 2026 hosted by the UK Financial Reporting Council, Association of Chartered Certified Accountants (ACCA), and Institute of Chartered Accountants in England and Wales (ICAEW) respectively.

- Milan global roundtable on March 4, 2026, with CFOs and European stakeholders hosted by Deloitte Milan.
  - New York global roundtable on March 13, 2026, with CFOs and North American stakeholders.
  - Nairobi global roundtable on April 16, 2026, hosted by the Institute of Certified Public Accountants of Kenya (ICPAK) and supported by the Pan African Federation of Accountants (PAFA), with CFOs and African stakeholders.
  - Hong Kong SAR global roundtable on May 12, 2026, hosted by the Hong Kong Institute of Certified Public Accountants (HKICPA) with CFOs and other stakeholders from Asia and the international community.
  - JSS meetings in November 2025 and May 2026, and related engagements with PAOs, firms, international organizations, and other stakeholder networks.
  - Additional feedback from the IFAC PAIB Advisory Group (IFAC PAIBAG),<sup>8</sup> International Public Sector Accounting Standards Board (IPSASB) public sector-related discussions,<sup>9</sup> and Asia outreach.<sup>10</sup> These inputs have been incorporated into the preliminary findings and observations below where they reinforce or add nuance to the emerging themes from the regional CFO and other stakeholder roundtables and focus group meetings.
26. Across these sessions, the Project Team sought diversity by sector, jurisdiction, market maturity, professional background, entity size, and stakeholder role. The CFO participant base was not intended to be statistically representative, and some jurisdictions and sectors were more broadly represented than others.
27. Accordingly, this paper uses outreach evidence to identify cross-cutting preliminary findings. Further analysis for the final report in September 2026 will consider whether location-specific themes, sector settings, entity size, and professional background indicate significantly different ethical risks or practical support needs.

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<sup>8</sup> The Project Team provided an overview of the workstream to the IFAC PAIBAG on January 12, 2026, and conducted breakout group discussions.

<sup>9</sup> The Project Team provided an overview of the workstream to IPSASB at its December 2-5, 2025, meeting and conducted breakout group discussions.

<sup>10</sup> The IESBA Chair and Staff conducted extensive stakeholder outreach during January 2026 in Singapore, Malaysia, and Hong Kong SAR including on this workstream with PAIB CFOs on the ethical challenges they are facing.



28. Based on the outreach events completed to date, the Project Team has engaged with a total of 198 participants, comprising 101 CFOs and 97 other stakeholders (excluding meetings with the IFAC PAIBAG, IPSASB, SAC, and JSS).

Location	CFOs / equivalent senior finance leaders	Other stakeholders	Total
London and Milan	47	25	72
New York	26	27	53
Nairobi in-person and Africa virtual	18*	36	54
Hong Kong SAR	10	9	19
<b>Completed outreach to date</b>	<b>101</b>	<b>97</b>	<b>198</b>
Latin America virtual (confirmed participants)	11	9	20
CFO India	18	-	18
<b>Total, including Latin America and CFO India (confirmed participants)</b>	<b>130</b>	<b>106</b>	<b>236</b>

\* The numbers for the African virtual event are excluded as it will occur in June 2026, and participant numbers are not confirmed.

29. The CFO sessions included participants from listed entities, large private companies, SMEs, growth-stage entities, financial services, multinational groups, the public sector, and not-for-profit organizations. The other stakeholder sessions included regulators and oversight authorities, PAOs, standard setters, accounting firms, investors and other users, governance bodies, academia, and other relevant stakeholders.

## F. Preliminary Findings from Stakeholder Engagement

30. The findings below summarize the main cross-cutting observations from outreach undertaken to date. They draw on CFO sessions and other stakeholder sessions across London, Milan, New York, Nairobi, and Hong Kong SAR, as well as the May 2026 JSS meeting. The Project Team has not sought to present a location-by-location report in this paper, which will be incorporated in the final report for the September 2026 IESBA meeting. Instead, the analysis focuses on themes that recur across geographies and stakeholder groups, while noting areas where further analysis is needed before drawing conclusions.
31. The additional IFAC PAIBAG, IPSASB and Asia feedback is incorporated in this section where relevant to test the consistency of the regional outreach themes and to identify areas where the evidence base requires further nuance, particularly in relation to the public-sector setting, state-

owned entities, entity size, professional affiliation, escalation channels, and the interaction between ethical standards and broader regulatory requirements and governance frameworks.

### *Summary of Preliminary Findings*

32. The outreach indicates that the CFO role has evolved and expanded significantly over the last five to ten years. Participants consistently confirmed that the CFO's core stewardship, reporting, control and finance responsibilities remain central. However, those responsibilities are now being exercised in a wider and more demanding context, with CFOs increasingly involved in strategic, technological, sustainability, risk, stakeholder and enterprise leadership matters. The following sub-sections expand on how that evolution was described across outreach activities.
33. The outreach also indicates that many ethical issues faced by CFOs are not entirely new. Participants raised familiar issues, including reporting judgment, pressure from CEOs or boards, conflicts of interest, procurement, related-party matters, tax, escalation, and tension between short-term performance and long-term resilience. The important point for this workstream is not that these issues are necessarily new, but that they are arising in a faster, more complex and more exposed operating environment.
34. Stakeholders, including JSS representatives, broadly agreed on the continued relevance of the IESBA's principles-based ethical framework. Most JSS representatives did not view the Code as substantively deficient with respect to the evolved CFO role. Rather, the outreach points at this stage to questions of visibility, accessibility, and practical application. This distinction is important because the evidence to date supports further analysis of how the Code is used in practice, rather than an immediate conclusion that the Code itself is deficient.
35. The outreach also reinforces that the workstream cannot only be assessed through the lens of individual CFO conduct. Ethical outcomes are shaped by organizational culture, tone at the top, governance structures, ownership models, incentives, resourcing, regulatory expectations, PAO requirements, investor expectations, and the availability of escalation or whistleblowing channels. This is why the broader CFO ecosystem is relevant, even though the Code applies directly to PAIBs.
36. The IFAC PAIBAG and Asia outreach reinforced that the core mandate of the CFO remains anchored in integrity, stewardship and compliance, but that the context in which those responsibilities are exercised has broadened materially. IPSASB feedback added that, in public-sector settings, the ethical environment may be shaped by corruption risks, political influence, diffuse accountability frameworks, and public finance functions that do not always require formal professional qualification or PAO affiliation. These perspectives provide additional context for the detailed themes below, particularly on role variability, public-sector pressures, professional affiliation, and escalation.

### *How the CFO Role is Evolving*

37. A consistent finding across the CFO sessions is that the CFO is no longer viewed only as the senior finance steward. Participants described the CFO as a strategic partner, sounding board, or co-pilot to the CEO, and in some instances as the organization's ethical or guiding compass. The CFO is increasingly expected to provide independent, credible, and ethically grounded input on decisions that affect strategy, capital allocation, sustainability, technology investment, operational resilience, stakeholder communication, and enterprise value. During the Asia outreach, many participants

viewed the CFO's core mandate as unchanged but noted that CFOs now operate in a broader, more demanding context that encompasses strategic decisions, operational resilience, crisis management, and broader enterprise leadership.

38. The evolved role was reported across different markets and entity types. In London, participants emphasized the CFO as a co-pilot to the CEO and noted growth in areas of judgment, such as narrative reporting, valuations, and investor expectations. In Milan, participants stressed that core stewardship responsibilities remain but are being exercised in a much more challenging technological, regulatory, and business environment. In New York, participants highlighted expansion into technology (including AI), data, risk, human resources, and broader enterprise leadership, sometimes including Chief Operating Officer (COO) responsibilities. Nairobi and Hong Kong SAR participants similarly referred to strategy, operations, institutional accountability, sustainability, technology, data governance, investor communications, and resource allocation as forming part of the CFO role.
39. The breadth of the role varies by entity size, sector, organizational maturity, ownership structure, and jurisdiction. In larger entities, CFOs may have access to specialist sustainability and technology teams, legal support, and internal audit. In smaller or growth-stage entities, the CFO may be expected to cover a wider range of responsibilities with fewer resources. In the public sector, finance leaders may face additional expectations linked to public accountability, political pressure, procurement, resource allocation, and service delivery. In family-owned, founder-led, or private-equity-backed entities, the sources of pressure and the practical ability to challenge may differ.
40. The IFAC PAIBAG feedback reinforces this variability, particularly for smaller, private, public-sector and state-owned entities, where CFOs may be expected to assume wider responsibilities across sustainability, digital transformation, risk, governance, shareholder or stakeholder communication and broader business leadership.
41. The outreach discussions also highlighted the importance of the financial controller or Chief Accounting Officer (CAO) as the CFO's role expands. When CFOs take on more strategic, operational, or external-facing responsibilities, the controller or CAO may become a more important source of discipline and challenge in core accounting, controls, and reporting matters. This is relevant to the workstream because the evolution of the CFO role may create a need to understand not only the CFO's ethical expectations but also whether the support structures around the CFO are also evolving to help maintain reporting integrity.

#### *What Ethical Issues and Challenges are Emerging*

42. The most frequently raised ethical issues were not simple cases of misconduct. Participants repeatedly emphasized grey-area ethical decisions in which the answer is not immediately obvious, facts are incomplete, regulations and/or expectations conflict, or legal compliance does not necessarily equate to ethically appropriate decisions. Examples included valuation judgments, market disclosures, investor communications, sustainability information, use of AI outputs, data confidentiality, related-party matters, procurement, tax and compliance decisions, and escalation mechanisms.

43. A recurring theme was the distinction between what is legally defensible, technically compliant, commercially expedient, and ethically right, a space where CFOs are often required to operate. This was considered particularly difficult where the CFO is expected to support business strategy, protect the organization, meet market expectations, maintain objective judgment, and act consistently with professional obligations. In practice, these situations may create ethical challenges because applying the ethical principles requires judgment, courage, time, and support.
44. Several participants indicated that CFOs do not always recognize situations as ethical issues in real time. In Milan, participants observed that ethical issues became more visible when practical examples, including AI-related scenarios, were introduced. A CFO may treat a matter as operational, commercial, technological, legal, or regulatory until a practical scenario makes the ethical dimension explicit. This raises questions as delayed recognition or non-recognition may reduce the opportunity to appropriately consult, challenge, document, escalate, or apply safeguards to address ethical threats.
45. The outreach also identified that pressure may come from multiple sources or be multi-faceted. CFOs may face competing or conflicting expectations from CEOs, boards, controlling shareholders, founders, investors, government agencies, senior officials, lenders, auditors, regulators, and other organizational teams. A CFO may be expected to be a safe pair of hands and a strategic growth partner; a guardian of financial discipline and an enabler of commercial ambition; a technical expert and a cross-functional leader; and/or a short-term performance manager and long-term sustainability steward. IPSASB feedback added a public-sector dimension, noting that corruption and political influence can generate distinct ethical pressures in certain jurisdictions.

#### *Why Ethical Dilemmas are Becoming Harder for CFOs to Address*

##### **Pressure**

46. Outreach participants consistently identified pressure as a central feature of the current CFO environment. Whilst pressure is not new the outreach suggests that the scale, speed and concentration of pressures have increased. This can make it more difficult for CFOs to identify ethical dimensions, pause to reflect or seek advice, escalate concerns, or exercise professional judgment before decisions are made.
47. Participants described volatility, speed, complexity, and expanded expectations as key factors making ethical dilemmas more difficult to address. Whilst time pressure was a repeated theme, participants considered it not as an ethical dilemma in itself but rather as a threat amplifier. Time pressure may reduce the ability to identify issues, obtain facts, consult specialists, consider alternatives, involve the board or audit committee, document the basis for a decision, or apply relevant safeguards.
48. CFO participants described operating in more reactive and time-compressed environments. In Milan, participants noted that many CFOs have limited time to plan, which increases pressure on judgment and heightened ethical and operational risks. London participants referred to post-COVID volatility, geopolitical instability, tariffs, supply chain disruption, inflation and regulatory uncertainty. In New York, participants similarly observed that difficult issues often arise as grey-area judgments under extreme time pressure, and that the pace of change can make it harder to recognize ethical

dimensions early enough to respond effectively. Nairobi participants referred to workload, pace, and the challenge of maintaining judgment under strain.

49. The pressure identified in outreach is not limited to financial reporting. Participants referred to judgment calls involving narrative reporting, valuations, investor expectations, technology (including AI), data governance, sustainability, procurement, cybersecurity, internal controls, and broader enterprise decision-making. CFOs may be increasingly expected to exercise ethical judgment in areas where the facts may be incomplete, technical expertise may sit elsewhere in the organization, and the connection to traditional finance responsibilities may be less obvious.
50. A further issue is that pressure may erode professional competence and due care over time. Participants noted that as responsibilities widen, CFOs must rely increasingly on specialists in areas such as tax, technology, sustainability, cybersecurity, and complex compliance matters. This may not be inherently problematic but may create a need for appropriate delegation, supervision, challenge, and accountability. Hong Kong SAR stakeholders specifically raised capability and capacity pressures, including reliance on experts and accountability, where CFOs are expected to oversee areas outside their core technical expertise. London participants noted that maintaining professional competence and ethical awareness can be difficult because CPD and reflection may be deferred under time pressure.

#### Role Concentration & Dual Roles

51. Several outreach sessions highlighted the effect of role concentration. In some organizations, CFOs may be simultaneously expected to act as financial stewards, strategic advisers, operational leaders, risk managers, technology sponsors, sustainability reporting lead, and/or contributor to organizational culture. New York participants noted that CFOs may assume broader enterprise leadership responsibilities, including COO-type responsibilities. Nairobi stakeholders highlighted the complexity of the public sector and other settings where finance leadership may be combined with wider organizational or administrative responsibilities. Hong Kong participants noted that CFOs are increasingly expected to contribute to strategy, sustainability, data governance, technology, investor communications, resource allocation, and organizational accountability.
52. Where a CFO holds multiple roles, safeguards that might otherwise come from separation of responsibilities, independent challenge, or specialist review may be weakened. Participants noted that CFOs may act as CFO and COO, CFO and CEO, or CFO and broader administrative or corporate leader. This was identified as creating potential conflicts between stewardship responsibilities and operational delivery responsibilities. For example, it can reduce the distance between the person making or executing a business decision and the person expected to challenge its financial, reporting, or ethical effectiveness.
53. A CFO who is expected to be both a safe pair of hands and strategic business partner may face conflicting expectations: protecting reporting integrity and controls while also supporting growth, financing, cost reduction, investor messaging, transaction execution, or operational delivery. This can create pressure to rationalize decisions as commercially necessary, technically compliant or defensible under time constraints, even where ethical implications require more consideration.

## Organizational Culture and Governance

54. Organizational culture and power dynamics were identified by participants as matters that can impact the effectiveness of CFOs' ethical responses. Participants noted that tone at the top, CEO and board support (including non-executive directors), founder or investor influence, controlling shareholder expectations, and the effectiveness of escalation mechanisms can affect a CFO's ability to exert challenge. In some settings, particularly where whistleblowing or escalation mechanisms are weak, formal governance structures may not be sufficient to promote ethical decision-making.
55. Outreach also indicates that pressure is closely linked to organizational culture and governance. Participants noted that CFOs can respond better to ethical pressure where they have access to trusted teams, senior-level support, clear escalation routes, and a culture that permits challenge. Conversely, ethical risk appears to increase when the CFO is isolated, the CEO or controlling shareholder dominates decision-making, teams do not feel safe raising concerns, or the organization treats the CFO primarily as an execution function rather than an objective challenger.
56. Asia outreach reinforced that AI, sustainability, and geopolitics are creating faster decision cycles and more situations in which CFOs must exercise judgment in areas with limited precedent or clear guidance. It also highlighted that fear of retaliation can inhibit escalation, particularly where whistleblower protections are weak and ethical concerns conflict with commercial or organizational pressures. IPSASB feedback suggested that an emphasis on compliance can outweigh ethical judgment in some public-sector contexts, especially where accountability frameworks do not clearly define responsibilities.
57. IFAC PAIBAG feedback reinforced that the challenge extends beyond the CFO role to wider governance and leadership. Company codes and governance frameworks may be important, but the feedback suggested that they are not sufficient substitutes for ethical standards, particularly where enforcement is lower or where CFOs are not PAO members. Asia outreach also reinforced the importance of tone from the top, clear reporting lines, and support from boards and senior leadership to enable sound decision-making under pressure.
58. JSS feedback noted the importance of good governance. One observation was that CFOs need a direct route to the board, audit committee, or finance committee, which can serve as a release valve when they face ethical pressure from the CEO or management. Another observation was that the Code can complement legal and governance frameworks but cannot replace company culture, governance infrastructure, reporting lines, and speak-up mechanisms. Hong Kong SAR stakeholders emphasized that CFOs may face pressure from CEOs, boards, controlling shareholders, founders or family owners, particularly where governance structures, whistleblowing mechanisms or minority investor protections are less effective.

## Incentives

59. Incentive structures also appear relevant. Participants referred to short-term performance expectations, investor pressure, commercial targets, founder or controlling shareholder influence, and pressure from CEOs, boards or senior management. These factors may threaten objectivity, particularly where the CFO is expected to support a preferred business outcome while also providing independent challenge. London participants highlighted tension between short-term pressures and longer-term business interests and sustainability.

### Effectively Dealing with Ethical Challenges

60. The outreach also suggests that confidence in dealing with ethical challenges is developed through experience, leadership modeling, team support, and repeated exposure to difficult judgments. Some participants noted that CFO appointment or promotion processes may focus heavily on technical competence and experience, without sufficiently assessing ethical readiness, ability to challenge, communication skills, negotiation, influence, judgment, and resilience under pressure.

### *Technology and Data Governance*

61. Technology, including AI, was raised across multiple locations as both opportunities and sources of ethical risk for CFOs. Participants recognized the potential for efficiency gains and improved analysis from technological advances, but also noted risks related to data quality, data confidentiality, unauthorized tools, third-party software providers, the storage and processing of organizational data, the reliability of AI outputs, and the potential erosion of human judgment.
62. CFOs may not be technology specialists, but participants increasingly saw them as accountable for certain outputs and judgments that technology supports. This raises questions about professional competence and due care, reliance on experts, delegation, supervision, internal controls and documentation. The ethical question is not only whether AI or technology can be used, but whether the CFO has sufficient understanding and controls, and an inquiring mind to rely on the output in reporting, forecasting, risk assessment, resource allocation, or strategic decision-making.
63. Hong Kong SAR participants also raised a longer-term concern that automation may weaken traditional development pathways for future finance leaders. If junior finance professionals have fewer opportunities to build technical judgment, skepticism, and pattern recognition through hands-on work, future CFOs may be less equipped to recognize warning signs or challenge outputs. This may impact professional competence and due care and the development of professional judgment over time.

### *Professional Background, the Level-Playing-Field, and Broader Ecosystem Considerations*

64. The outreach did not demonstrate that ethical leadership is exclusive to PAIB CFOs; however, it did identify a potential accountability gap. PAIB CFOs are subject to a professional code, CPD requirements, possible investigation and sanctions, publication of disciplinary outcomes, and reputational consequences resulting from unethical behavior. Non-PA CFOs may operate under company policies, employment obligations, legal requirements or governance expectations, but may not be subject to equivalent professional ethical requirements or disciplinary mechanisms.
65. Participants who raised concerns about the level-playing-field generally framed this as the need to raise the bar for all CFOs (not to reduce expectations for PAIB CFOs) and/or to understand how ethical expectations can be made more consistent across the regulatory ecosystem. This distinction matters because the Code's scope remains PAIBs, but PAIB CFOs operate alongside non-PA executives, non-PA CFOs, and boards whose expectations and incentives may differ.
66. The outreach included examples where the Code directly supported CFOs to challenge a proposed course of action. In those situations, the Code operated as a reference point or shield when explaining why a particular action should not be taken. The efficacy of reference to the Code for PAIB CFOs is that they are professionally bound to comply with it. However, the effectiveness of this appears to

depend on the CFO's level of awareness of the Code and its relevance to the issue, has the confidence to invoke it, and the organizational environment.

67. Other stakeholders raised related enforcement and mandate questions. Some questioned whether the issues are CFO-specific or instead part of the broader C-suite, board and governance ecosystem. Others saw a public interest reason in understanding the wider ecosystem because PAIB CFOs do not make decisions in isolation.
68. PAO and jurisdictional differences also appear to matter. Participants noted that CPD requirements for ethics and enforcement mechanisms are not consistent across jurisdictions or PAOs. Some PAOs may have stronger ability to enforce requirements or obtain documents during a conduct investigation than others. Businesses often also address employee or executive conduct concerns internally, which may reduce the external visibility of ethical issues involving CFOs.
69. The IFAC PAIBAG and IPSASB feedback highlights the importance of considering this as an ecosystem issue. Company codes, governance frameworks, and legal requirements may provide important guardrails, but do not provide the same professional ethical framework, CPD expectations, or disciplinary mechanisms as PAO membership. IPSASB feedback also highlighted that public-sector finance functions in some jurisdictions may not require formal professional qualification or PAO affiliation, which raises questions about how ethical expectations are communicated, reinforced, and supported.

#### *Code Awareness and Accessibility*

70. The outreach to date provides limited direct evidence that CFOs consider the Code in any detail when addressing real-time ethical issues. Generally, CFOs, including PAIB CFOs, do not appear to be current in their use of the Code, do not revisit it regularly after professional qualification, or engage with ethical requirements through national codes, PAO materials, employer policies, or personal professional judgment.
71. Several participants, including JSS representatives, supported the view that the principles-based foundation of the Code remains sound. However, the outreach identified a practical gap between the Code's existence and its use by CFOs in fast-moving, grey-area ethical decisions. This appears to point to an awareness and application problem, rather than a conclusion that the Code, its fundamental principles, and conceptual framework are deficient.
72. Accessibility of the Code was repeatedly raised. Some participants viewed the Code as extensive and difficult for users to navigate in practice. However, stakeholders involved in regulation and enforcement noted that the Code's detail and structure serve important purposes. The Project Team is of the view that simplifying access for CFOs should not undermine the precision in the Code needed for regulation and enforceability.
73. The outreach also suggests that CFOs may be insufficiently aware of recent revisions to the Code relevant to their responsibilities, including sustainability, using the work of external experts, technology, tax planning, and role and mindset. This raises questions about how the IESBA, IFAC, and PAOs (and possibly even employers) can assist PAIB CFOs to be aware of Code revisions that affect business decision-making.



*Practical Support Requested by Participants*

74. Across CFO and other stakeholder sessions, participants consistently highlighted the need for practical support for CFOs. The most common suggestions were concise guidance, real-world case studies, dilemma-based examples, scenario-based learning, short digital tools, executive summaries, webinars or workshops, podcasts, peer discussion forums, and materials for boards, audit committees, and non-financial colleagues. Participants generally did not advocate for lengthy additional material unless it clearly has practical use.
75. Several participants emphasized that support should strengthen ethical reasoning and not prescribe a single answer to every situation. This is consistent with the many ethics issues raised in outreach that involve context-specific judgment. Potentially useful material would demonstrate how to identify threats, ask better questions, involve experts, escalate appropriately, document judgments where it may be helpful, and communicate with non-financial colleagues, rather than attempting to predetermine outcomes.
76. The outreach also highlighted the value of trusted peer networks and confidential spaces. CFO participants frequently noted experiencing isolation, particularly where they are expected to challenge CEOs, boards, founders, investors, or government officials. Peer forums, mentoring, and practical ethics discussions may help CFOs test their thinking before issues escalate. This may be particularly relevant where internal escalation channels are weak or there is limited access to objective advice.
77. Participants also suggested that digital access could help. New York stakeholders noted that some may benefit from tools that make the Code easier to search, query, and access when needed. Hong Kong SAR participants supported short-form content, executive summaries, industry-specific examples and more timely messaging, including channels that reach younger leaders. These observations may be relevant to the IESBA's SMART Framework initiative on simplification.

*Market, Investor and Governance Implications*

78. Other feedback noted that ethical behavior by CFOs is not only an internal management issue. Investor and governance perspectives, particularly in Hong Kong SAR, highlighted that weak finance leadership, lack of qualifications, limited ethical grounding, or poor control discipline can affect investment risk assessments. In higher-risk companies, weak finance leadership may increase perceived risk premiums or contribute to decisions not to invest.
79. Regulatory perspectives also linked CFO capability to market integrity. Participants in Hong Kong SAR noted the relationship between the quality of the finance function and the ability to close the books, maintain controls, address suspicious transactions, engage effectively with audit committees, and provide timely and accurate market disclosures. This reinforces the public-interest dimension of the workstream.
80. Some participants suggested that general counsels and chief legal officers should be included in any future engagement undertaken by the IESBA, because many CFO dilemmas sit at the intersection of law, compliance, reporting, governance, disclosure and ethics. Legal advice may determine what is permissible, but it does not always resolve what is ethically appropriate. Understanding how CFOs and legal leaders interact may help the Project Team assess whether future guidance materials outside the Code should address escalation and multidisciplinary decision-making.

81. The IPSASB feedback reinforces the importance of considering public-sector and state-linked environments in the final analysis. In those contexts, ethical decision-making may be affected not only by reporting or compliance requirements, but also by corruption risks, political influence, weak escalation channels, unclear accountability, and the absence of a professional affiliation requirement.

*Preliminary Evaluation of Whether the Code Remains Fit for Purpose*

82. The outreach thus far does not indicate that the Code, its fundamental principles, or conceptual framework is no longer fit for purpose for PAIB CFOs. The principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior remain directly relevant to the issues raised by participants.
83. The evidence to date indicates that the Code's practical impact depends on visibility, accessibility, and application. Whilst a principles-based Code can be robust, it may be underused in practice if PAIB CFOs do not see it as a live resource for the decisions they face. This is particularly important where decisions involve technology, sustainability, data, cybersecurity, strategy, culture, resource allocation, or other areas beyond traditional finance stewardship. There appears to be a practical need to improve awareness, accessibility and application of ethical principles in environments where CFOs face broader responsibilities, faster decision cycles, public-sector or political pressure, and uneven access to professional support structures.

*Areas for Further Analysis*

84. The Project Team's remaining analysis should consider whether the preliminary findings differ materially by sector, entity size, ownership structure, jurisdiction and professional background. Particular attention will be given to mandate and enforcement differences identified at the JSS meeting, including whether PAIBs are within scope of the relevant professional framework, whether ethics CPD is mandatory and Code-focused, and whether corporate governance or legal frameworks provide alternative accountability mechanisms for non-PA CFOs. The Project Team will also consider whether evidence from non-PA CFOs is sufficient.
85. The Project Team will also consider whether the issues identified are CFO-specific, CFO-relevant, or part of a broader executive and governance ecosystem. This distinction will be important for assessing what the IESBA can address through the Code, non-authoritative material, collaboration with PAOs and other standard setters, or further research.
86. Finally, the Project Team will further examine the appropriateness of Parts 1 and 2 of the Code in Q3 2026 against the outreach findings, survey results, academic research, and jurisdictional gap analysis. This will include consideration of recent IESBA initiatives, including sustainability, using the work of an external expert, technology, tax planning, and role and mindset. Many of the issues raised by CFOs are not isolated to this workstream. They may provide useful evidence for other IESBA workstreams on how PAIBs apply the Code in complex, fast-moving, and multidisciplinary environments.

## **G. Extended Surveys for CFOs and Other Stakeholders – Findings and Caveats**

### *Methodology and Purpose*

87. As part of Phase 1, the Project Team used survey evidence to supplement the academic research, desktop research, and stakeholder outreach activities. The July-August 2025 pulse survey provided an initial scan of CFOs. Building on that work, the Project Team undertook two surveys in 2026: one directed at CFOs, and one directed at other stakeholders, including PAOs, standard setters, regulators, governance bodies, investors, accounting firms, and others with relevant perspectives on the ethical responsibilities of CFOs.
88. The extended survey phase was launched on February 5, 2026. The analysis in **Agenda Item 8C** is based on responses received up to April 24, 2026. The surveys will remain available to support ongoing outreach activities, including roundtable participants who wish to provide additional confidential input or circulate the surveys through their networks.
89. The survey results should be interpreted as indicative evidence rather than statistically representative global findings. Participation was voluntary, response rates varied across questions due to partial responses, and some questions allowed respondents to select more than one answer. The survey reports do not provide respondent-level cross-tabulations, so references to patterns or signals should not be read as statistically tested correlations. The results should therefore be read alongside the outreach findings, academic research, and other evidence gathered through the workstream.

### *Response Profile and Jurisdictional Caveats*

90. The 2025 pulse survey received 135 responses, comprising 112 complete and 23 partial responses. The 2026 extended CFO survey received 251 responses, comprising 113 complete and 138 partial responses. The other stakeholder survey received 134 responses, comprising 22 complete and 112 partial responses.
91. There are also important profile and jurisdictional caveats. The 2025 pulse survey was highly concentrated, with 69% of respondents based in Italy. The 2026 extended CFO survey achieved a broader jurisdictional spread, although Italy remained the largest respondent group at 28%, followed by Greece (11%), Japan (9%), the United Kingdom (5%), Australia (4%), the United States (4%), South Africa (3%), and all other jurisdictions combined at 36%. The other stakeholder survey had a different profile more weighted towards PAOs and other professional organizations.

### *Evidence of Role Expansion*

92. The survey evidence supports the outreach findings that the CFO role is expanding beyond traditional finance stewardship. In the extended CFO survey, respondents most commonly identified expansion into risk management, compliance and internal controls (67%); sustainability or ESG reporting (53%); technology, data governance and AI oversight (45%); organizational culture and ethical leadership (45%); and direct engagement with investors, regulators or other external stakeholders (43%). Only 4% reported that the role had remained largely unchanged. Other stakeholder respondents broadly represented similar responses, particularly in relation to risk management, sustainability reporting and technology, data, or AI governance.

### *Professional Background*

93. The survey evidence reinforces the mixed professional background of the CFO population. The pulse and extended CFO surveys yielded different respondent profiles: 35% of pulse survey respondents and 59% of extended CFO survey respondents identified as PAIBs. This difference should not be interpreted as a trend, as the survey populations differed. However, across the two CFO surveys, 145 of 295 (49%) respondents who answered the PA question identified as PAO members. This indicative combined result should not be treated as a global estimate, but it reinforces that CFO roles are held by both PAs and non-PAs.
94. This mixed professional background is relevant to the workstream's scope and framing. The Code applies to PAIBs serving as CFOs. However, PAIB CFOs operate in mixed organizational ecosystems alongside boards, CEOs, legal teams, technology teams, sustainability teams, and other senior leaders who may not be subject to equivalent professional ethical obligations. Evidence about non-PA CFOs and the broader decision-making environment is therefore relevant to understanding how PAIB CFOs identify, evaluate, and address threats to compliance with the fundamental principles.

### *Professional Membership as a Confidence Signal*

95. The survey results suggest that professional membership is relevant as an ethical confidence signal, but not determinative of ethical conduct. CFO respondents identified benefits from PAO membership, including access to ethical frameworks, CPD, accountability, and a basis for challenge. Other stakeholders also value CFOs serving as members of a PAO, as it builds confidence in their ethical conduct. At the same time, qualitative responses cautioned that ethical behavior is not exclusive to PAIBs and that PAO membership does not, by itself, guarantee ethical leadership. Organizational culture, governance structures, tone at the top, escalation channels, and protection against retaliation remain important.

### *Visibility and Use of the IESBA Code*

96. The survey results also point to a potential visibility, accessibility, and/or application issue in relation to the IESBA Code, however, noting that the IESBA Code's influence may also be facilitated through national or PAO codes in over 130 jurisdictions. In both CFO surveys, respondents cited internal policies or codes (57%), professional body codes (51%), legislative or compliance frameworks (47%), and personal judgment or peer consultation (44%), more frequently than the IESBA Code (18%) as sources of ethical guidance. This should not be considered evidence that the Code has limited influence or practical relevance. Where respondents rely on a PAO or national code that adopts, is based on, or otherwise aligned to the IESBA Code, they may, in substance, be applying the IESBA Code without identifying it as the direct source. Rather, the results suggest that, for some CFOs, the IESBA Code itself may not always be directly visible, accessible, or applied as a regular reference point to address fast-moving ethical issues in practice.

### *Ethical Challenge Recognition*

97. Approximately one-third of CFO respondents in both the pulse (32%) and extended (35%) CFO surveys reported facing ethical challenges in the previous five years. However, the qualitative responses appear more ethics-intensive than the headline yes/no results suggest. Respondents described pressure to influence financial results or disclosures, pressure from CEOs, boards,

shareholders, senior officials or government representatives, conflicts of interest, procurement concerns, tax and VAT matters, whistleblowing and retaliation concerns, political pressure, sustainability information, AI, data governance, cybersecurity, and privacy. This supports the outreach finding that some CFOs may not label certain matters as ethical issues unless framed through practical scenarios.

98. The survey evidence is also relevant to professional competence and due care. CFO respondents reported role expansion into areas where many finance leaders may not have traditional technical training, including sustainability reporting, technology, data governance, AI, cybersecurity-related control environments, and broader risk management. Other stakeholder responses similarly identified concerns about whether CFOs can keep pace with developments in sustainability reporting, technology, and AI governance, particularly where regulatory and legislative frameworks are evolving and guidance is limited.

#### *Practical Support and Proportionality*

99. The survey findings point more strongly to the need for practical and implementation support and awareness-raising rather than to a conclusion that amendments to the Code are required. CFO respondents most frequently selected case studies or practical examples (75%); webinars, podcasts, or workshops (58%); awareness materials for boards and audit committees (53%); practice aids or implementation tools (46%); and FAQs or short guidance notes (44%). Other stakeholders also prioritized case studies or practical examples and awareness materials for boards and audit committees.
100. Some other stakeholder responses cautioned against additional regulation or questioned whether further IESBA action is needed. This reinforces the need for any future response by the IESBA to be proportionate and clearly within the IESBA's mandate.

#### *Cross-Reference to Full Analysis*

101. Further detail on the survey methodology, caveats, respondent profiles, and findings is set out in **Agenda Item 8C**.

#### **H. Academic Research and Literature Review**

102. The Project Team engaged Dr. [Mukesh Garg](#) (Monash University, Australia) to undertake academic research focusing on the role of CFOs and the objectives in paragraphs 6(a) and (d) of the [Terms of Reference](#). More specifically, Dr. Garg was requested to synthesize global research on the topic of the Role of CFOs and the implications for the IESBA's workstream on the topic, focusing in particular on:
- (a) The evolving role of CFOs (or equivalent senior finance roles) within the private or public sector over recent years to identify and understand the ethics issues and challenges faced by individuals in those roles;
  - (b) The nature and extent of the involvement of non-PAs in CFO roles; and
  - (c) An assessment of whether global research adequately addresses (a) and (b) above, and if not, providing recommendations to the IESBA with respect to any future research required to address (a) and (b) above.

103. The findings from Dr. Garg's report are set out in **Agenda Item 8B**.

**I. Indicative Implications for the IESBA and the Broader Regulatory Ecosystem**

104. The following sets out the Project Team's preliminary views on the indicative implications for the IESBA and the broader regulatory ecosystem, based on outreach activities undertaken to date, survey results, and academic research. However, as there are several outreach activities to be conducted, and areas for further analysis (identified in section F. above), these indicative implications are subject to change in the Project Team's final report and recommendations for the September 2026 IESBA meeting.

*Professional Background, the Level-Playing-Field, and Broader Ecosystem Considerations*

105. Outreach activities indicate that a significant proportion of CFOs come from outside the accountancy profession, a proportion that varies considerably across jurisdictions. This is supported by both CFO surveys, in which 145 of 295 (49%) respondents identified themselves as PAO members. There were limitations to the information gathering given the practical challenges of obtaining comprehensive data on non-PA CFOs and the workstream's capacity constraints. However, the Project Team will include considerations with respect to non-PA CFOs within its final report and recommendations.
106. Some outreach participants raised concerns about whether this creates an issue from a level-playing-field perspective vis-à-vis the differences between PAIB and non-PA CFOs with respect to being subject to a professional code, CPD requirements, possible investigation and sanctions, publication of disciplinary outcomes, and reputational consequences resulting from unethical behavior.
107. Further, PAO CPD requirements for ethics and enforcement mechanisms are not consistent across jurisdictions or PAOs, and some PAOs may have a greater ability to enforce requirements or obtain documents than others.
108. To determine the implications of this for the IESBA and the broader ecosystem, the Project Team will undertake a gap analysis in Q3 2026 incorporating the different mandate and enforcement mechanisms identified by the JSS (including whether PAIBs are within scope of the relevant professional framework and whether ethics CPD is mandatory and Code-focused), and whether corporate governance or legal frameworks provide alternative accountability mechanisms for non-PA CFOs. It is important to note that the Project Team's focus when reviewing governance requirements is on ethical issues, not governance as an oversight mechanism.
109. The findings of this analysis may have important implications for the IESBA, regulators, PAOs, and other JSS. For example, the analysis may help the Board consider whether there is a role for the IESBA, working with PAOs, JSS and other relevant bodies, to share evidence about CFO-related ethical issues and explore whether further coordination would be useful.

*Adequacy of the Code, Code Awareness, and Accessibility*

110. The Project Team's preliminary observation is that pressure, incentives, and role concentration should be considered threat amplifiers that affect the application of the Code, rather than standalone issues that require CFO-specific ethical provisions. The Code already addresses the application of the conceptual framework, professional competence and due care, pressure, conflicts of interest, preparation and presentation of information, and inducements. However, the outreach suggests that

CFOs may benefit from practical guidance on how these provisions apply when pressure is implicit, time is limited, facts are incomplete, and the CFO is balancing multiple roles.

111. To date, the Project Team has not obtained substantive evidence to suggest that the Code is no longer fit for purpose for the evolved CFO role and several outreach participants supported the view that the principles-based foundation of the Code remains sound. However, the in-person and virtual outreach activities also suggest that CFOs do not consider the Code (or consider it useful) when addressing real-time ethical issues. Furthermore, CFOs may be insufficiently aware of recent Code revisions relevant to their responsibilities. This may relate to perceptions around accessibility of the Code due to its length and perceived complexity. The survey results also indicate potential visibility, accessibility, and/or application issues with the Code (refer paragraph 96).
112. This highlights implications for the IESBA, IFAC, and PAOs regarding increasing awareness of the Code (and staying current with its revisions) to assist PAIB CFOs in addressing fast-moving, grey-area ethical decisions. This may require deeper collaboration among the IESBA, IFAC, and PAOs on the practical support requested by stakeholders addressed below.
113. There are also potential implications of these findings for other IESBA workstreams, namely the post-implementation review of the restructured Code, and the new IESBA SMART initiative on “Use of the Code” simplification project.

#### *Technology and Data Governance & Culture and Governance*

114. Technology (including AI in particular) was consistently raised in outreach as both an opportunity and a source of ethical risk for CFOs. The survey responses also identified AI, data governance, cybersecurity, and privacy as creating potential ethics issues for CFOs.
115. Organizational culture and governance were identified in outreach activities as matters that can impact the effectiveness of CFO responses to ethical challenges, including tone at the top, CEO and board support, founder or investor influence, controlling shareholder expectations, and the effectiveness of escalation mechanisms. These findings suggest that ethical decision-making by CFOs may not be shaped only by competence and judgment, but also by the governance environment in which they operate.
116. Therefore, there are also potential implications of these findings for other IESBA workstreams, namely the Technology workstream and the Firm Culture and Governance project, which will be explored further in the final report and recommendations.

#### *Practical Support Requested by Participants*

117. Outreach consistently highlighted the need for practical support for CFOs, with suggestions including concise guidance, real-world case studies, dilemma-based examples, scenario-based learning, short digital tools, executive summaries, webinars or workshops, podcasts, peer discussion forums, and materials for boards, audit committees, and non-financial colleagues. The survey findings also support the need for practical implementation support and awareness-raising.
118. This raises potential implications for the IESBA through a possible Phase 2 of the Role of CFOs workstream. This may also raise broader strategic questions for the IESBA with respect to prioritization and resource allocation given that the workstream has generated consistent feedback

in favor of practical support outside of the Code. For example, the IESBA could take a more leadership-oriented, collaborative approach with PAOs, IFAC, and other JSS to raise awareness and provide support to CFOs facing significant new pressures and complex ethical challenges.