



IESBA

International Ethics Standards Board for Accountants
AN IFEA BOARD

Firm Culture & Governance

IAASB Meeting

December 10, 2025



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Agenda

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1. Update on IESBA FCG sessions
 2. Coordination with IAASB
 3. Linkages between Draft IESBA FCG Viewpoints and ISQM 1

IESBA Discussions – December 2025

**Contextual
Piece**

**Overarching
Piece**

**IESBA
Viewpoints**

**Linkages with
ISQM 1**

Next Steps

Outreach and Supporting Materials/Initiatives Plans, Q1-Q2, 2026

- Senior Leadership Meetings
- Focus Group Discussions
- Stakeholder meetings/ outreach
- Simulation Exercise
- Interviews / Articles

June 2026 IESBA Meeting

- IESBA to agree on approach to FCG framework

BRIEFING NOTE

Contextual piece
Overarching piece
IESBA viewpoints
Linkages with ISQM 1

Plan for Outreach, Q1-Q2 2026

Aim

Stakeholder engagement:

- Seek feedback on viewpoints, taking into account possible options
- Seek input on other relevant matters

Outputs

Outreach report for June 2026

IESBA meeting:

- Summary of feedback
- Outline of possible way forward, including any options for Board consideration



Matters for IAASB consideration



IAASB members are asked to share their observations based on the update received from IESBA Staff on the progress of the IESBA FCG project

IESBA-IAASB Coordination



- Regular SSB staff catch-up
- IAASB-IESBA coordination meetings
- Developed ISQM 1 linkages paper in coordination with IAASB reps
- Considered IAASB reps' feedback on other agenda materials
- Project update at IAASB Dec 2025 meeting

Linkages between Draft IESBA Viewpoints and ISQM 1

Why this paper

- In response to calls from stakeholders and SSB members
- Close coordination with IAASB representatives
- Not like-for-like comparison – different types of documents, different authority

What does this paper highlight

- Inherent relationship between ethical culture and SOQM
- Key differences in objectives, scope, output and granularity of focus on ethical culture
- Illustrative comparison on two FCG elements: Ethical Leadership, Incentives and Disincentives

Next steps

- Use for stakeholder engagement in Q1-Q2 2026
- Proposing to resume comparison with ISQM 1 as part of development of draft FCG framework



Matters for IAASB consideration

The IAASB is asked to share their views on:

- a) The coordination activities undertaken; and
- b) The paper that discusses the linkages between the draft IESBA viewpoints and ISQM 1, including:
 - i. Whether the appendix to that paper is useful in illustrating the linkages, as well as key differences, between the draft IESBA viewpoints and ISQM 1; and
 - ii. Whether there is value in preparing a similar comparison for the remaining six sets of IESBA viewpoints before the IESBA has developed a draft FCG framework

Thank you

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