

Annual Report **2025**

Fit for the future



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About this report

This annual report by the IFRS Foundation Trustees covers the financial year ended 31 December 2025 and was authorised for issue in March 2026.

If you have questions or feedback on the report, please email communications@ifrs.org.

We have sought to keep the annual report concise, providing links to relevant sections on our website for more detailed information.

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Who we are

IFRS Foundation

The IFRS Foundation is an independent, not-for-profit organisation created in 2001 to develop—in the public interest—high-quality, understandable, enforceable and globally accepted standards for financial reporting, and to promote and facilitate their adoption. Our objectives are set out in the [IFRS Foundation Constitution](#).

The Standards—IFRS® Accounting Standards and IFRS® Sustainability Disclosure Standards—are collectively referred to as IFRS® Standards. They are set by the Foundation's two independent standard-setting boards, the International Accounting Standards Board (IASB) and the International Sustainability Standards Board (ISSB), using a rigorous, inclusive and transparent [due process](#).

Oversight

The IFRS Foundation Trustees oversee the two boards and are accountable to a Monitoring Board of public authorities.

Locations

The Foundation has offices in Beijing, Frankfurt, London, Montreal, San Francisco and Tokyo.





Our mission

Our mission is to develop IFRS Standards that bring transparency, accountability and efficiency to capital markets around the world. Our work serves the public interest by fostering trust, growth and long-term financial stability in the global economy.

Both the IASB and the ISSB focus on the needs of investors by requiring companies to disclose financially material information—that is, information that, if omitted, misstated or obscured, could reasonably be expected to influence investment decisions. This concept aims to ensure that financial reports are decision-useful and free from unnecessary detail.

Global reporting language

IFRS Accounting Standards are used by more than 140 jurisdictions worldwide and 40 jurisdictions have adopted or are in the process of adopting or otherwise using IFRS Sustainability Disclosure Standards.

Benefits of IFRS Standards



Investors
Transparency builds trust

IFRS Standards give investors transparent and high-quality information that enables them to compare companies globally, fostering confidence and supporting capital allocation and cross-border capital flows



Companies
Lower cost, greater access

Global standards enable companies to communicate effectively with investors and reduce reporting complexity and costs, unlocking access to and lowering cost of capital



Regulators
Efficient oversight

High-quality standards help regulators fulfil their mandate to protect investors and promote investor confidence in the efficiency and integrity of capital markets



Governments
Cost savings and alignment

Using IFRS Standards helps governments avoid the cost and complexity of maintaining national standards and facilitates globally comparable reporting. It supports efficient oversight and financial stability, attracts foreign direct investment and fosters well-functioning capital markets



Society at large
Shared prosperity

Everybody benefits from well-functioning capital markets, which promote economic growth, job creation and financial stability

What we do



How we do it

Independence, transparency and integrity

Jurisdictions that adopt or otherwise use our Standards avoid the complexity and cost of maintaining separate national standards while remaining engaged in the international standard-setting process. This collaborative model works because the IFRS Foundation remains independent—free from undue influence by any single jurisdiction or stakeholder group—and because of our due process.

We are supported by a funding model based on contributions from jurisdictions, corporates, audit firms and other market participants that use the Standards, as well as earned revenue. Funding streams for the two boards are kept separate to reinforce the integrity and autonomy of their work.

By making technical decisions in public meetings and publishing papers informing their discussions in advance, our boards ensure transparency and enable stakeholders to stay informed on standard-setting developments. Furthermore, all proposals are subject to public consultation. The Trustees' Due Process Oversight Committee ensures that the boards follow the agreed-upon process; its oversight meetings are also held publicly. The [due process](#) is set out in detail in the *Due Process Handbook*. The Monitoring Board, in turn, oversees the Trustees' work.

Read about our [values](#).

Stakeholder engagement

Effective engagement with our stakeholders is fundamental to meeting our objectives. Enabling all those affected by or with an interest in financial reporting to contribute to our standard-setting is an integral part of our due process. By incorporating their feedback, we deliver high-quality Standards that can be applied consistently around the world.

Our extensive outreach programmes and public consultations allow us to engage with stakeholders globally and respond to emerging information needs as business models evolve, ensuring that IFRS Standards reflect real-world economics and continue to result in the provision of transparent and reliable information.

We actively consult and collaborate with a broad range of stakeholders, combining their insights and our expertise to develop our Standards. To facilitate regular engagement, we have dedicated [advisory committees and consultative groups](#) representing the many stakeholder groups that have an interest in and are affected by financial reporting. We also hold regular [conferences](#) and speak at events to engage interested parties on standard-setting developments and to support the adoption and use of IFRS Standards by national standard-setters, regulators, companies and investors. These engagements complement the public consultation required for all proposals developed by the IASB and the ISSB.





Key accomplishments in 2025

IFRS Foundation

- Successfully initiated an organisational restructure to improve effectiveness and deliver efficiencies as part of an ongoing transformation programme focused on increasing income, reducing costs and strengthening leadership capacity in central functions.

IASB

- Made substantial progress on the work plan and delivered decision-useful financial reporting outcomes for stakeholders, including a major update to the *IFRS for SMEs* Accounting Standard, which is used in 85 jurisdictions, completion of the revised IFRS Practice Statement 1 *Management Commentary* and amendments to IFRS 19 *Subsidiaries without Public Accountability: Disclosures*.
- Reached a significant milestone with the proposed risk mitigation accounting model, which seeks to address a gap in how interest rate risk—one of the most important risks that financial institutions manage—is reflected in financial statements.
- Responded to reporting challenges through engagement and targeted guidance, publishing illustrative examples on how to disclose uncertainties in the financial statements and issuing amendments to clarify how companies should translate financial statements from a non-hyperinflationary currency into a hyperinflationary one.

ISSB

- Assisted 40 jurisdictions in adopting or otherwise using IFRS Sustainability Disclosure Standards by providing targeted tools and guidance for regulators—including the *Jurisdictional Roadmap Development Tool* and *Jurisdictional Rationale* materials—and publishing profiles and snapshots to give stakeholders a clear view of jurisdictional adoption progress.
- Supported consistent application of IFRS Sustainability Disclosure Standards by delivering educational materials, issuing clarifications to IFRS S2 *Climate-related Disclosures* and engaging with stakeholders, and supported interoperability and efficient disclosures by working with other standard-setters.
- Published an exposure draft on a comprehensive review to enhance SASB Standards, advanced research on human capital disclosures and moved from research to standard-setting in the project on nature-related risks and opportunities, with a plan to consult on proposed requirements in 2026.





Report from the Chair of the IFRS Foundation Trustees

Fit for the future



Erkki Liikanen

For 25 years the IFRS Foundation has played a crucial role in the global regulatory framework by providing reporting standards that enhance the efficiency of capital markets worldwide.

Our Standards—developed by the International Accounting Standards Board (IASB) and the International Sustainability Standards Board (ISSB)—allow capital to flow freely across borders and enable companies to operate in several jurisdictions without incurring undue reporting costs. They ensure that financial information is transparent and comparable and can be trusted by investors. Jurisdictions benefit from the expertise and global engagement that underpin our Standards; they can use the Standards as an ‘off-the-shelf’ solution that reduces local costs and supports market oversight by regulators.

While the boards are funded independently and have separate work plans, both are focused on developing Standards that meet the needs of investors for financially material information. The two sets of Standards need not be applied together. However, when used in combination they complement each other, offering investors a more comprehensive and decision-useful package of information.

Significant progress

Prevailing economic conditions—characterised by slow global growth, persistent inflation and rising fragmentation of global markets—bring increasing uncertainty for investors and make clear, comparable global reporting more vital than ever.

In developing and issuing IFRS Accounting Standards, the IASB has produced a global public good that is critical for capital markets and investors. The IASB’s focus remains on maintaining these Standards and supporting the more than 140 jurisdictions that require companies to apply them.

One of the IASB’s major objectives in 2025 has been to complete the large number of projects on its work plan, ensuring that the Standards remain robust and up to date. It has delivered strongly on this objective. I commend the IASB for its diligent and sustained efforts over several years in working through a complex and demanding programme of projects.

The ISSB is at an earlier stage in its life cycle. It is currently focused on supporting jurisdictions and market participants in adopting and implementing its global baseline of sustainability disclosures for the capital markets. To date, 40 jurisdictions are on the path to adopting or otherwise using the ISSB’s Standards.

In 2025 the ISSB published a broad range of resources for regulators considering adoption and for companies seeking practical guidance on applying the ISSB’s requirements.

The boards’ work represents a significant advance in enhancing companies’ reporting to the capital markets and, in doing so, meeting investors’ information needs. The reports from the Chairs of the IASB and the ISSB on pages 10 and 14 summarise their progress throughout the year and their priorities for 2026.



Funding and finances

The long-term success of IFRS Standards depends on sustainable and predictable contributions from all those benefiting from the Standards. Securing this support is essential to ensuring that the Foundation can continue to protect, strengthen and further develop the global public good represented by IFRS Standards.

Report from the Chair of the IFRS Foundation Trustees continued

We have reported a £1.3 million surplus for the financial year that ended 31 December 2025 due to:

- cost savings delivered by an organisation-wide transformation programme (see the next section for more details);
- some late-arriving 2024 contributions recognised in 2025; and
- deferral of planned technology projects and recruitment until 2026.

As a result, we have increased our reserves to £49 million.

Information about how we allocate our resources to support the IASB and the ISSB's work can be found on pages 22–23.

We remain focused on the Foundation's long-term funding and on carefully managing our costs. I am confident that through prudent oversight and our proactive income-generating strategies, costs and income will be appropriately balanced over time, ensuring the boards can continue to fulfil the Foundation's important public-interest mission. Support from our stakeholders remains critical in this process.

Transformation programme

All successful organisations benefit from a period of reflection, to take stock of their achievements and to ensure they are properly organised and focused on the future. The Foundation is no exception. As such, in 2024 we initiated a transformation programme to enhance organisational efficiency and to ensure appropriate resourcing over the long term. Good progress has been made, with further work ahead of us. Key elements of this programme have included:

- an organisational restructure to enhance operational efficiency and effectiveness throughout the Foundation—including the creation of a new Management Committee.
- a cost review, which has led to a 15% reduction in staff costs, a reduction in governance costs and a decision to gradually reduce the number of IASB and ISSB members from 14 to 10, while maintaining expertise and appropriate geographical balance on both boards.
- an enhanced focus on revenue generation supported by a strengthened revenue team, to broaden and update IASB funding and to renew ISSB funding while transitioning to a more durable, long-term funding arrangement.



- the start of work to refresh the Foundation's overarching medium-to-long-term strategy, including its target operating model and use of technology. Our aim is to ensure appropriate alignment between the ambition of our stakeholders and the resources required to deliver it.

In implementing the transformation programme, we remain committed to delivering both boards' work plans in a timely manner and to the high standard of quality rightfully expected by our stakeholders.

People changes

The Trustees are responsible for appointments to the IASB, the ISSB, the IFRS Interpretations Committee and many of our advisory bodies.

We have appointed or reappointed several members to both the IASB and the ISSB. I would like to thank IASB members Ann Tarca and Jiangqiao Lu, and ISSB members Michael Jantzi and Tae-Young Paik—all of whom stepped down during 2025—for their service to the Foundation. I welcome Yu Chen, whose term as an IASB member commenced on 19 January 2026.

I would also like to take this opportunity to thank the Trustees who departed in 2025—Vice-Chair Maria Theofilaktidis, Sukjoon Lee and Erhard Schipporeit—and welcome new Trustees Hans-Ulrich Engel, whose term started on 15 September 2025, and Joong-Kyung Choi and Yaprak Baltacioglu, whose terms started on 1 January 2026.

**Report from the Chair of the IFRS Foundation Trustees** continued**2026 priorities**

We have two important and planned leadership changes in 2026. In 2025 the Trustees began the search for the next IASB Chair to succeed Andreas Barckow when his term ends in June 2026 and for Michel Madelain's successor as Managing Director when his term ends in the autumn. With a clear mandate and carefully designed transition plans to safeguard continuity and stability, we are committed to ensuring these important leadership changes will be carried out seamlessly.

Our public consultation on revising the *Due Process Handbook* closed in 2025 and we will publish the revised *Handbook* in 2026. The amendments will reflect the creation of the ISSB and clarify elements of our due process.

We will also seek feedback on the targeted amendments to the *Constitution* to reflect the transition to fewer members on the IASB and the ISSB mentioned earlier.

Finally, we will continue overseeing the transformation programme, focusing on funding and the longer-term strategy and operating model. We will actively engage with all jurisdictions using our Standards to ensure they contribute appropriately to our work.

Our priority for the IASB is to increase funding from contributing jurisdictions in line with inflation while also increasing the number of jurisdictions that provide funding. For the ISSB our aim is to secure transition funding to bridge between the seed funding ending in 2026 and a more sustainable funding model based on contributions from those adopting or otherwise using IFRS Sustainability Disclosure Standards.

Thank you

We are grateful to our stakeholders for providing essential funding and feedback. Without you we could not do our job.

Thank you to the Monitoring Board for constructive engagement throughout the year, to my fellow Trustees for their contribution to the Foundation and to our board members and staff for their tireless work.

Erkki Liikanen

Chair of the IFRS Foundation Trustees





Report from the IASB Chair

Navigating change with purpose—Ensuring trust and transparency in global financial reporting



Andreas Barckow

As the world around us continues to change—often in unpredictable ways—the role of globally consistent accounting standards becomes more, not less, important. We are operating in an environment shaped by geopolitical uncertainty, shifting economic alliances and growing pressures towards fragmentation. Yet global capital markets remain deeply interconnected even as policy, regulatory and economic conditions diverge across jurisdictions.

This dual reality—fragmented policy and integrated markets—underscores the importance of maintaining consistency and comparability in financial reporting. Although global accounting standards are not designed to resolve these broader dynamics, they provide a stable reference point for trust, comparability and informed decision-making. That stability is a public good. Preserving it requires discipline and prioritisation.

Delivering with discipline and purpose

The IASB's work in 2025 has been guided by a clear directive from our stakeholders—prioritise delivery while carefully managing the scale and timing of change. Every change brings disruption, and although that disruption might be necessary, it affects all participants in the financial reporting system. Discipline, therefore, is essential.

Maintaining discipline has been especially important during a period of organisational change at the IFRS Foundation. For the IASB, that discipline has centred on delivering our work plan as scheduled and communicated to stakeholders.

Since the last agenda consultation in 2022, the IASB has completed around 20 major projects. This pace of delivery has resulted in a work plan that is resilient, realistic and aligned with the capacity of both our stakeholders and our own organisation. By prioritising effectively and by completing these longstanding projects, we have positioned ourselves to respond quickly to emerging needs and opportunities.

Delivery, for us, goes beyond meeting timelines. It is about safeguarding the quality and credibility of IFRS Accounting Standards and ensuring they remain globally applicable—even as economic conditions continue to evolve.

Strengthening support for a broader range of stakeholders

The IASB's work has always been shaped by the needs of a diverse global community of stakeholders. In 2025 we continued to focus on how our technical work functions in practice throughout this community, recognising that consistency depends not only on high-quality standard-setting but also on effective and proportionate application of the Standards in a wide range of reporting contexts.

Our work on the third edition of the *IFRS for SMEs Accounting Standard* was a particular focus in 2025. We completed a major update to the Standard aimed at improving the information that SMEs provide to users of their financial statements while maintaining the simplicity and proportionality that underpin the Standard. The update reflects extensive consultation and stakeholder feedback carried out as part of a comprehensive review.

To support implementation of the new Standard and help our stakeholders gain a better understanding of the significant changes from the previous version, we published comprehensive educational materials throughout 2025 to explain the updated sections. Additional materials will follow in 2026 to complete this programme of work.

The *IFRS for SMEs Accounting Standard* is required or permitted in 85 jurisdictions worldwide and we will continue to work with other jurisdictions that are planning to adopt it.

2025 also saw further progress on the reduced disclosure framework for subsidiaries within groups. During the year, we issued amendments to IFRS 19 *Subsidiaries without Public Accountability: Disclosures* to complete the planned catch-up work following the issuance of the Standard in 2024. IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements, which are intended to meet the needs of investors while reducing unnecessary cost and complexity for companies wherever possible.



Report from the IASB Chair continued

With this catch-up work now completed, IFRS 19 will in future be considered at the same time as changes are made to other IFRS Accounting Standards, helping to ensure ongoing alignment.

We also completed a major revision to the IFRS Practice Statement 1 *Management Commentary*, which provides a voluntary framework for narrative reporting that accompanies the financial statements. Since the first edition of the Practice Statement was issued in 2010, narrative reporting has developed significantly. Stakeholders have overwhelmingly supported the idea of modernising the Practice Statement to align it with today's reporting landscape. Our revised Practice Statement reflects developments in narrative reporting by offering clearer principles to support the quality and focus of information provided to investors. Although voluntary, the IASB intends for the revised Practice Statement to serve as a global benchmark for regulators and companies alike.

Further progress made in 2025

The treatment of uncertainty in financial reporting has been an area of heightened interest for stakeholders, reflecting wider economic and business uncertainty. In 2025 the IASB issued *Disclosures about Uncertainties in the Financial Statements – Illustrative Examples* to demonstrate how companies can apply IFRS Accounting Standards when reporting the effects of

uncertainties in their financial statements. These examples are intended to reinforce the application of established principles and do not introduce new reporting requirements.

Finally, one of the most significant areas of progress in 2025 has been our work on risk mitigation accounting. Interest rate risk is one of the most important risks that banks and other financial institutions manage. However, stakeholders have consistently told us that the current hedge accounting requirements do not adequately reflect how this risk is managed in practice.

Our proposed risk mitigation accounting model seeks to close this gap by better reflecting how financial institutions manage interest rate risk throughout their portfolios in a dynamic environment. Its objective is to bring accounting and risk management closer together, enhancing internal efficiency and strengthening communication between financial institutions and their stakeholders. Recognising the significance and operational complexity of our proposal, we have extended the comment period on the proposed model to 240 days to give our stakeholders enough time to test the model using their own data and provide practical feedback before any final decisions are made.

Looking ahead to 2026—Implementation, consultation and potential renewed capacity

As companies prepare to apply IFRS 18 *Presentation and Disclosure in Financial Statements*, 2026 will be a pivotal year. It will be the first year in which companies will need to collect the information that will be presented as comparative information when IFRS 18 becomes effective in 2027. Our experience with previous Standards tells us that implementation is the phase during which questions about application will naturally emerge. Accordingly, the IASB will be working closely with the IFRS Interpretations Committee to support consistent application of IFRS 18 in jurisdictions worldwide.

Through its established and transparent process, the Committee plays a central role in promoting comparability by considering questions about how our requirements apply to specific fact patterns. The Committee's work will help ensure that the benefits of IFRS 18 are realised in practice.

In parallel with this focus on implementation, the IASB will continue to progress current projects, including improvements to the statement of cash flows and the accounting for intangible assets. Both these projects were added to our work plan following stakeholder feedback during the IASB's third agenda consultation when they were identified as high priorities.

The IASB will also begin work on its next agenda consultation in 2026. This consultation will be concurrent with that of our sister board, the ISSB. Running these consultations in parallel in 2027 is intended to make engagement more efficient for stakeholders, allowing them to consider the priorities of both boards at the same time. This approach departs from the IASB's usual five-year consultation cycle, but it is intended as a one-time, pragmatic adjustment in response to stakeholder capacity.

Finally, as several of our projects near completion, capacity might become available. During this period, the IASB will consider whether additional projects could be added to the work plan, applying the same discipline and prioritisation that have characterised our work in recent years.

Board changes

I would like to acknowledge changes to the IASB that occurred during 2025. We said farewell to two IASB members, Ann Tarca and Jianqiao Lu, and I thank them for their longstanding service and contributions to the IASB's work over many years.

In 2026 we welcome Yu Chen as a new member of the IASB. Yu Chen's proven track record in aligning Chinese Accounting Standards with IFRS Accounting Standards and her active engagement with our advisory bodies will further strengthen the IASB's global perspective.



Report from the IASB Chair continued

Reflections as I conclude my term

Allow me to end on a personal note. In 2026 I complete my term as Chair of the IASB. Chairing the board has been one of the greatest privileges of my professional life. The IASB’s achievements during the past five years are the result of collective effort—grounded in rigorous debate, careful judgement and deep technical expertise from my fellow IASB members and our staff.

The pace and breadth of what we have delivered have been possible only because of the dedication, integrity and professionalism of everyone involved. To my colleagues at the IASB and our outstanding technical staff, past and present, I extend my sincere thanks.

I am equally grateful to our stakeholders around the world. Your engagement with our work has improved and strengthened our Standards. The IASB’s legitimacy rests on the confidence and trust of a diverse global community, and that support remains essential.

As I conclude my term, I do so with confidence in the IASB and in the enduring value of IFRS Accounting Standards. In a world marked by shifting conditions and constant change, the IASB’s purpose remains clear: to provide a stable, high-quality foundation for financial reporting—one that helps foster transparency, comparability and trust in capital markets.

Thank you for your support, your engagement and your commitment to high-quality financial reporting. It has been an honour to serve.

Andreas Barckow
Chair of the IASB



International Accounting Standards Board

As at 31 December 2025

Andreas Barckow
Chair

From: Germany
Region: At large
First term ends
30 June 2026



Linda Mezon-Hutter
Vice-Chair

From: Canada
Region: Americas
First term ends
31 August 2027



Nick Anderson

From: United Kingdom
Region: Europe
Second term ends
31 August 2027



Patrina Buchanan

From: Ireland
Region: Europe
First term ends
30 November 2027



Tadeu Cendon

From: Brazil
Region: Americas
Second term ends
30 June 2029



Florian Esterer

From: Switzerland
Region: Europe
First term ends
31 March 2028



Zach Gast

From: United States
Region: Americas
Second term ends
31 July 2028



Hagit Keren

From: Israel
Region: Asia-Oceania
First term ends
29 February 2028



Bruce Mackenzie

From: South Africa
Region: Africa
Second term ends
30 September 2030



Bertrand Perrin

From: France
Region: Europe
Second term ends
30 June 2029¹



Rika Suzuki

From: Japan
Region: Asia-Oceania
Second term ends
30 June 2029



Robert Uhl

From: United States
Region: Americas
First term ends
31 August 2027



The IASB's required composition is set out in our *Constitution*. Member biographies are available on the [IASB members webpage](#).

Ann Tarca and Jianqiao Lu completed their tenure on 30 June and 31 August, respectively.

Yu Chen was appointed to serve from 19 January 2026.

¹ Bertrand Perrin was reappointed in 2025 to serve a second three-year term starting in 2026.



Report from the ISSB Chair

Passport to progress—Unlocking global sustainability disclosure



Emmanuel Faber

The widespread positive reception to IFRS Sustainability Disclosure Standards (hereafter referred to as ISSB Standards) demonstrates the sustained demand for a global baseline for sustainability-related financial disclosures. Jurisdictions, investors and companies continue to see the benefits of globally comparable information about sustainability-related risks and opportunities. As 40 jurisdictions took steps to introduce ISSB Standards, we focused on deepening understanding and supporting adoption of the Standards.

We face challenges, of course. Chief among them is ensuring that sustainability reporting for investors is introduced at an appropriate pace and in a manner that reflects differing jurisdictional circumstances, while balancing what is feasible for companies with the information needs of investors.

Our implementation support has been twofold: we are working with and for jurisdictions through our regulatory implementation programme and we are providing support to companies through educational activities and capacity building initiatives.

Regulatory implementation programme

The Roadmap Development Tool for adopting ISSB Standards, which was launched in March 2025, is an example of our jurisdictional support. The tool helps regulators and other relevant authorities as they work through the policy considerations and steps involved in designing their roadmap for the adoption or other use of ISSB Standards. It also supports them in assessing the implications of alternative decisions and approaches.

October saw the publication of the *Jurisdictional Rationale Guide for the adoption or other use of ISSB Standards* and accompanying tool—further resources to support regulators and other relevant authorities as they assess and articulate a clear rationale for adopting or otherwise using ISSB Standards.

We are also providing transparency to capital markets on progress in jurisdictional adoption by publishing jurisdictional profiles and snapshots. The profiles include information about each jurisdiction's stated target for alignment with ISSB Standards and the status of its sustainability-related disclosure requirements. The snapshots provide an overview of jurisdictions that have not yet finalised their regulatory approaches.

ISSB Standards as a global passport

An important decision taken in 2025 was to expand the Jurisdictional Working Group to invite all jurisdictions taking steps to use ISSB Standards. Through the group we will facilitate discussions among regulators on how ISSB Standards can serve as a global passport, so that jurisdictions accept reports prepared in accordance with ISSB Standards as issued by the ISSB while accommodating jurisdiction-specific conditions as necessary. We see the introduction of passporting provisions as vital to enhancing the efficiency of sustainability reporting systems. It will lower costs for preparers, reduce friction between regulatory frameworks and strengthen global capital markets.

Capacity building initiatives

I encourage you to review our 2025 [Capacity Building Programme Activity Report](#) for insights into how we've worked to build a deeper understanding of ISSB Standards. The report provides details of the training we have delivered in more than 45 jurisdictions, with a focus on jurisdictions in the Global South. It also reflects on the launch of a four-part e-learning programme provided through the IFRS Sustainability Knowledge Hub—which has attracted around 10,000 registered users—and the delivery of our 'Perspectives on Sustainability Disclosure' webinar series.

**Report from the ISSB Chair** continued

Partners around the world have a crucial role in our capacity building initiatives and I thank them for their ongoing collaboration, which enables us to support diverse audiences at global, regional and jurisdictional levels.

Educational activities

Our main technical priority for 2024–2026 is supporting the implementation of IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*. Consistent with this priority, in 2025 we developed educational materials explaining how to:

- apply IFRS S1 when reporting only climate-related disclosures in accordance with IFRS S2;
- use proportionality mechanisms to apply specific requirements in ISSB Standards;
- disclose information about greenhouse gas emissions in accordance with IFRS S2;
- disclose information about a company's plans to reduce carbon emissions and enhance resilience to climate-related physical risks;
- use the ISSB industry-based guidance; and
- disclose information about the anticipated financial effects of sustainability-related risks and opportunities.

Responding to application challenges

A major focus of our implementation support in 2025 was the timely delivery of targeted amendments to IFRS S2 related to the disclosure of information about greenhouse gas (GHG) emissions. We made the amendments in response to application challenges that emerged as companies began to use that Standard, with our response being informed by Transition Implementation Group discussions.

We responded quickly—consulting on the amendments, deliberating on stakeholder feedback and issuing reliefs and clarification in December. The amendments provide application support to companies, while keeping investor information needs in focus and minimising disruption to jurisdictions in the process of adopting or otherwise using ISSB Standards.

Enhancing industry-based disclosures

Enhancing and maintaining the 77 industry-specific SASB Standards is another central tenet of our work to support the implementation of ISSB Standards. A company applying IFRS S1 is required to refer to the SASB Standards to identify sustainability-related risks and opportunities and associated disclosures, and guidance based on these materials is also referred to in IFRS S2. In both cases, these references assist companies in identifying material industry-specific information for investors.

Enhancing the SASB Standards therefore ensures that companies applying ISSB Standards are supported in meeting their requirements and decision-useful information is provided to investors.

We are using a phased approach to deliver this project. In 2025 we consulted on enhancing the first nine of 12 SASB Standards prioritised by the ISSB. In 2026 we will consult on the remaining three industries and move forward with the next steps in this project.

Expanding on the global baseline

Although we are a climate-first board, we are not climate only: IFRS S1 requires companies to disclose material information about all sustainability-related risks and opportunities that are reasonably expected to affect their prospects. ISSB Standards do not include specific disclosure requirements for matters beyond climate; instead, IFRS S1 refers companies to materials with guidance or requirements that can be used as a basis for appropriate disclosures.

During 2025 we explored the feasibility and necessity of developing requirements related to disclosing information about nature- and human capital-related risks and opportunities. In considering whether to develop nature-related requirements, we researched:

- what investors need to know in relation to nature-related risks and opportunities and how well current disclosure practice is meeting those needs;

- whether, how and to what extent nature-related risks and opportunities affect company cash flows over time and the implications of these risks and opportunities for access to finance and cost of capital;
- whether standard-setting, additional guidance or educational material is necessary; and
- whether we could draw on the work of other standard-setters and framework providers—in particular, the Taskforce on Nature-related Financial Disclosures (TNFD) recommendations—in developing requirements or guidance.

Informed by our research findings, we decided to move forward with standard-setting, drawing on the TNFD recommendations where appropriate, to meet investor information needs. In this work, the ISSB will build on the disclosures already required by IFRS S1 and IFRS S2.

In 2026 we will consider the scope of standard-setting. We will carefully consider how to balance meeting investors' information needs with the significant work already being carried out by companies internationally to implement ISSB Standards. Our objective is to have an exposure draft ready in time for the 17th meeting of the Conference of the Parties (COP17) to the Convention on Biological Diversity in October 2026.



Report from the ISSB Chair continued

We have also made progress in our research on the need for and feasibility of standard-setting for disclosures about human capital-related risks and opportunities. Our research indicates strong investor interest in such information.

Working together for efficient reporting

We continue to work with others to seek efficiencies in reporting for those using ISSB Standards. In 2025 we engaged with the European Commission and EFRAG to discuss opportunities to further align the European Sustainability Reporting Standards (ESRS) and ISSB Standards as part of the EU's simplification agenda. The revised draft ESRS improve interoperability with ISSB Standards and we will continue to engage with the European Commission and EFRAG as ESRS are issued to simplify application for companies that need or want to apply both ISSB Standards and ESRS.

Our governance arrangements with the GHG Protocol enable us to be actively engaged in updates to the GHG Protocol Corporate Standard, which companies applying IFRS S2 are required to use to measure GHG emissions. The GHG Protocol is the most widely used measurement tool in the world, and its use will only increase as ISSB Standards are implemented globally, thereby driving global comparability for investors.

We continue to work with the Global Reporting Initiative (GRI) to find opportunities for companies to provide the same disclosures to meet requirements in both ISSB Standards and GRI Standards in cases where that information is relevant to the remit of both organisations. Most notably in 2025, we were pleased to agree with the GRI that those applying GRI 102: Climate Change 2025 could comply with its greenhouse gas emissions disclosure requirements by providing the disclosures required by IFRS S2.

Collaborating with the IASB

Sustainability-related financial disclosures are provided in a company's general purpose financial report. However, because IFRS S1 does not specify a particular location within that report, companies can provide sustainability-related financial disclosures prepared in accordance with ISSB Standards within management commentary if they choose to do so.

We welcomed the IASB's issuance of the revised IFRS Practice Statement 1 Management Commentary in June. The Practice Statement, which builds on concepts from the Integrated Reporting Framework, will support connected reporting and facilitate better connections between companies' financial statements and their sustainability-related financial disclosures.

Looking ahead

Supporting the adoption or other use of ISSB Standards in new jurisdictions and working with jurisdictions that have already agreed roadmaps to support implementation will remain a priority in 2026. Many companies will report in accordance with ISSB Standards for the first time in 2026. Responding to stakeholder needs as they go through this process will be an essential part of our work.

Developing nature-related disclosure requirements for consultation will enable us to expand the global baseline and meet investor information needs, as will our enhancements to the next group of SASB Standards.

We will also determine the next steps in our work on disclosures related to human capital-related risks and opportunities.

Finally, we will begin work on our next agenda consultation in late 2026, with a plan to publish a request for feedback from stakeholders in 2027. The timing of our consultation will be aligned with that of the IASB to enable us to identify and explain any potential joint projects and to enable stakeholders to consider our proposals at the same time.

2025 marked the ISSB's last meeting in its original composition, as the terms of inaugural board members Michael Jantzi and Tae-Young Paik came to an end. I would like to thank Michael and Tae-Young for their important contributions and am grateful that I will continue to work closely with Tae-Young in his new capacity as my Senior Advisor.



Our guiding principle is to enable the provision of better information for better decisions, focusing on financially material information. We are closer to achieving this goal than ever before, as jurisdictions and investors converge around the ISSB's global baseline. I look forward to working with our partners to improve and simplify sustainability-related reporting in the years ahead.

Emmanuel Faber
Chair of the ISSB



International Sustainability Standards Board

As at 31 December 2025

Emmanuel Faber
Chair



From: France
Region: At large
Location: Frankfurt
Second term ends
31 December 2027

Sue Lloyd¹
Vice-Chair



From: New Zealand
Region: At large
Location: Frankfurt
Second term ends
28 February 2030

Jingdong Hua
Vice-Chair



From: China
Region: At large
Location: Montreal
First term ends
30 September 2026

Richard Barker



From: United Kingdom
Region: Europe
Location: Frankfurt
First term ends
30 September 2026

Jenny Bofinger-Schuster



From: Germany
Region: Europe
Location: Frankfurt
First term ends
30 November 2027

Verity Chegar



From: United States
Region: Americas
Location: San Francisco
First term ends
30 June 2027

Jeffrey Hales²



From: United States
Region: At large
Location: Montreal
First term ends
30 June 2027

Hiroshi Komori^{1,2}



From: Japan
Region: Asia-Oceania
Location: Tokyo
Second term ends
30 September 2026

Bing Leng



From: China
Region: Asia-Oceania
Location: Beijing
First term ends
30 September 2026

Ndidi Nnoli-Edozien



From: Nigeria
Region: Africa
Location: Frankfurt
First term ends
30 September 2026

Veronika Pountcheva



From: Bulgaria
Region: Europe
Location: Frankfurt
First term ends
30 September 2027

Elizabeth Seeger¹



From: United States
Region: Americas
Location: Montreal
Second term ends
30 September 2030

The required composition of the ISSB is set out in our *Constitution*. Member biographies are available on the [ISSB members webpage](#).

Michael Jantzi and Tae-Young Paik stepped down as members at the end of their terms on 30 September 2025.

¹ Sue Lloyd, Hiroshi Komori and Elizabeth Seeger were reappointed in 2025 to serve second terms.

² Serves part-time.



Connected financially material information for capital markets

Investors consistently emphasise the need for clear connections in a company's reporting to support informed decision-making. The IASB and the ISSB develop high-quality IFRS Standards that work well together as a package to enable companies to provide connected information for capital markets.



While IFRS Standards are intended to work well together, they need not be used together. They can be applied separately, and alongside third-party materials. In 2025 the IASB and the ISSB took opportunities to strengthen connections between their Standards where appropriate. For example:

- in June the IASB issued the [revised IFRS Practice Statement 1 Management Commentary](#). In finalising the Practice Statement, the IASB considered the requirements in IFRS Sustainability Disclosure Standards and made targeted refinements that aid alignment with those Standards.
- the ISSB published a [statement](#) explaining why the Practice Statement works well with IFRS Sustainability Disclosure Standards and how it will facilitate better connections between financial statements and sustainability-related financial disclosures.
- in November the IASB issued *Disclosures about Uncertainties in the Financial Statements – Illustrative examples*. The IASB collaborated with the ISSB in developing the examples, which included holding a joint meeting in February to discuss feedback on the IASB's proposals. Although the examples apply to all uncertainties, they were developed to respond to stakeholder concerns about the reporting of the effects of climate-related uncertainties—in particular, concerns that information about these effects in the financial statements sometimes appears to be inconsistent with information reported outside the financial statements.

Furthermore, the IASB and the ISSB considered plans for determining their future agenda priorities and decided to carry out their agenda consultations concurrently, beginning in late 2026 with a view to seeking stakeholder feedback in 2027. This coordinated timing will allow stakeholders who are interested in both boards' work to consider their priorities holistically and efficiently.

To support companies in applying IFRS Standards together, IASB and ISSB members and staff participated in and held education sessions on connected information at various events including the IFRS Foundation Conference, the World Standard-setters Conference and the IFRS Sustainability Symposium.



Report on central functions

Strengthening our foundation—Enabling excellence in our global operations

The Foundation's support for the IASB and the ISSB is underpinned by centralised teams that are essential in enabling the boards to deliver on their objectives and work plans, in promoting and facilitating use of IFRS Standards, and in supporting the quality of the Standards.



These teams include functions common to many organisations, such as communications, finance, HR, legal and technology. We also have specialised teams including content delivery, which supports both boards, and the governance and trustee activities team, which supports the Trustees in fulfilling their responsibilities.

Improving structure

We have in 2025 restructured these teams and streamlined reporting lines to make them more efficient and effective, and strengthened our people and revenue teams by appointing a successor to the Chief People Officer role and hiring a Chief Revenue Officer. We also created a Management Committee comprising the leaders of key strategic functions, including the two boards, to ensure aligned decision-making throughout the Foundation.

The Management Committee meets monthly and is chaired by Managing Director Michel Madelain. It comprises:

- the Chair or Vice-Chair of the IASB;
- the Chair or Vice-Chair of the ISSB;
- the Executive Operations Director;
- the Chief of Communications;
- the Chief Financial Officer;
- the Chief Revenue Officer;
- the Chief People Officer; and
- the Chief Engagement Officer.

Throughout the year we used departmental and organisation-wide staff meetings to engage with staff and keep them informed on our strategy.

Enhancing systems and processes

We are continually enhancing our systems and processes to provide more robust information to support and enhance our management's operating decisions. In 2025, to help us operate as efficiently as possible, we introduced new technologies and processes, including:

- a new global HR system to manage all staff information and talent development processes, replacing legacy platforms;
- initial development of a global salary benchmarking framework;
- a new recruitment platform to streamline the processes for sourcing, interviewing and onboarding new staff;
- improved technology for security and cyber risk processes to enhance our technical resilience and a new cross-organisational group to monitor technical developments, including artificial intelligence;
- improved processes for budget control and reporting, staff development and project management; and
- a new enterprise risk management framework, including compliance training for all staff.

We also improved access to our Standards and other materials for stakeholders by launching a SASB Standards Navigator and ePub versions of IFRS Accounting Standards.



Report on central functions continued

Multi-location model

Our multi-location model with offices in several jurisdictions facilitates a better understanding of regional perspectives and priorities, and helps us to support adoption and implementation of IFRS Standards globally.

This model has served us well in advancing the boards' work in 2025, and we continue to review our footprint to ensure it remains aligned with organisational needs.

Sustainability

In delivering on our mission, we consider our sustainability commitments in line with our sustainability policy and relevant regulatory requirements. We measure the Foundation's Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions annually and verify the results externally (see our GHG Report). The 2024 report, published in June, shows a reduction in our emissions compared with the previous year.

2026 priorities

In 2026 we will implement the next phase of the transformation programme by:

- advancing our revenue strategy and cost-management initiatives to secure the Foundation's long-term financial resilience, while retaining separate funding for the boards and refining our value proposition;
- enhancing our compliance and governance;
- further enhancing the processes and technologies enabling our work—including by implementing service level agreements and further exploring how use of artificial intelligence can drive efficiencies;
- strengthening our performance management to ensure alignment with organisational goals, and expanding our workforce capabilities by investing in training to upskill our staff and developing our organisational culture; and
- developing our longer-term strategy and operating model.

We will also appoint a new Managing Director, ensuring a smooth handover between the current and new Managing Director to maintain continuity and momentum.



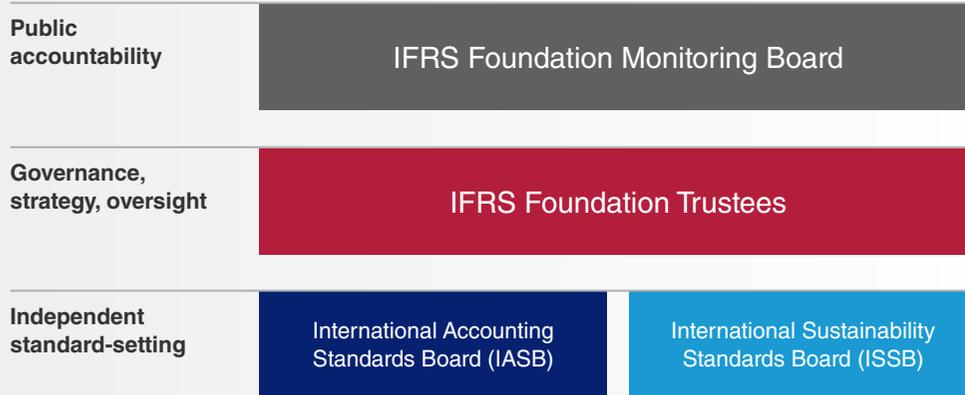


Our structure

The IFRS Foundation has a three-tier governance structure. This structure is designed to keep standard-setting independent of special interests, maintain a high level of accountability to stakeholders and provide a formal link to public authorities.

The IFRS Foundation Trustees oversee the two independent standard-setting boards of experts—the IASB and the ISSB—and are accountable to the IFRS Foundation Monitoring Board.

IFRS Foundation governance structure



IFRS Foundation Monitoring Board

The Monitoring Board is a group of capital market authorities responsible for setting the form and content of financial reporting in their jurisdictions. It fulfils a critical role in reinforcing the public oversight of the Foundation and the Trustees. The Monitoring Board approves all Trustee appointments. See page 32.

Chair: Toshiyuki Miyoshi

IFRS Foundation Trustees

The Trustees are appointed from various countries and professional backgrounds. They are responsible for governance and organisational strategy; for maintaining the Foundation's *Constitution* and the *Due Process Handbook*; for overseeing the work of the IASB and the ISSB; for appointing members to the IASB, the ISSB, the IFRS Interpretations Committee and various advisory bodies; and for funding. See page 25.

Chair: Erkki Liikanen

International Accounting Standards Board (IASB)

The IASB is an independent accounting standard-setting body of the IFRS Foundation. Its members are appointed from various countries and professional backgrounds, including academia, accountancy, investment, reporting companies, regulation and standard-setting.¹ The IASB issues IFRS Accounting Standards, the *IFRS for SMEs* Accounting Standard and the IFRS Accounting Taxonomy, which enables digital reporting.² See page 13.

Chair: Andreas Barckow

International Sustainability Standards Board (ISSB)

The ISSB is an independent sustainability disclosure standard-setting body of the IFRS Foundation. Its members are appointed from various countries and professional backgrounds, including academia, accountancy, investment, reporting companies, sustainability, regulation and standard-setting.¹ The ISSB issues IFRS Sustainability Disclosure Standards and the IFRS Sustainability Disclosure Taxonomy, which enables digital reporting. The ISSB also maintains the SASB Standards.² See page 17.

Chair: Emmanuel Faber

IFRS Interpretations Committee

The [IFRS Interpretations Committee](#) comprises 14 external members and a non-voting chair. The Committee works with the IASB to support consistent application of IFRS Accounting Standards by responding to stakeholders' application questions and carrying out other work at the request of the IASB. The Committee proposes that the IASB make narrow-scope amendments to the Accounting Standards and develops other materials supporting stakeholders.

Chair: Bruce Mackenzie

¹ In 2025 the Trustees decided to reduce the number of members of the IASB and the ISSB from 14 to 10 by the end of 2028.

² The IASB and the ISSB are jointly responsible for the Integrated Reporting Framework.

Our resources and how we use them

The Trustees' decision to create the ISSB and to consolidate several investor-focused sustainability standard-setting bodies resulted in changes to staff numbers.

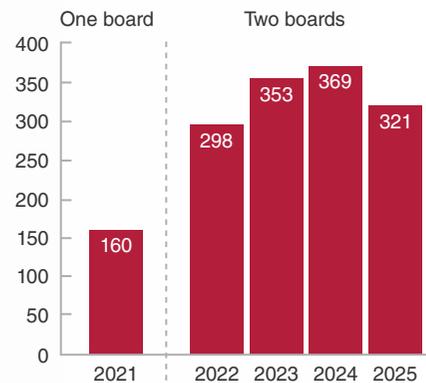
This decision prompted an increase in headcount, both to build new capabilities and to integrate colleagues joining the organisation through the consolidation. The transformation programme that began in 2024 provided an opportunity to take stock of the needs of the organisation as a whole and to optimise its structure and processes for greater efficiency and effectiveness. As part of this work, 76 roles were removed and new roles were created to support our future needs. Overall headcount reduced from 369 at the end of 2024 to 321 at the end of 2025.¹

Both the IASB and the ISSB teams are largely composed of technical staff. However, the ISSB staff also includes an engagement team dedicated to supporting adoption of the newly introduced IFRS Sustainability Disclosure Standards.

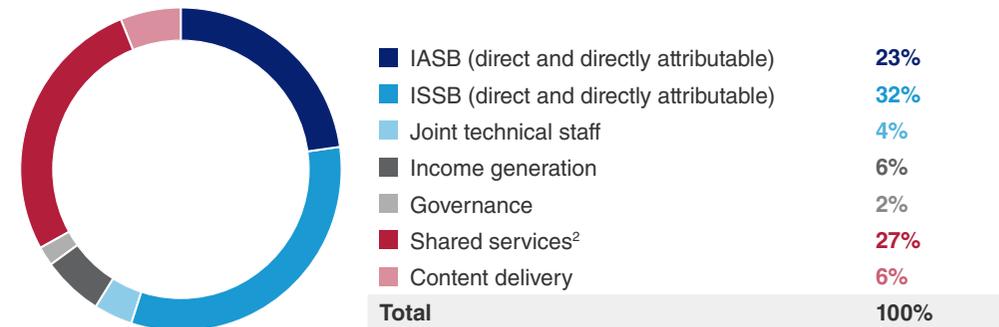
321
Staff As at 31 December 2025

40+
Nationalities

Staffing trend 2021–2025



Staff by function 2025



¹ The headcount includes all staff, whether they are employed on a full-time, part-time or contract basis.

² Shared services include communications, finance, HR, legal, technology and other enabling functions.



Our resources and how we use them continued

Income and expenses by board

The information in this section is based on the consolidated statement of comprehensive income (page 46) and is intended to show how we use our resources to support the boards' work.

Contributions from jurisdictions, philanthropies and corporates are designated by the contributor to support either the IASB or the ISSB's activities, and earned revenue is generated predominantly from licensing each board's Standards and related materials. Contributions include £8.1 million of seed funding to establish the ISSB that will mature in 2026 and will need to be renewed or replaced.

Costs fall under three categories: direct costs, shared-services costs directly attributable to each board and other shared-services costs. Within this last category, some costs, such as governance, are split equally between the boards. Other shared-services costs, including content delivery and core operational and enabling functions, are allocated using a headcount-based methodology that reflects the support provided to each board.

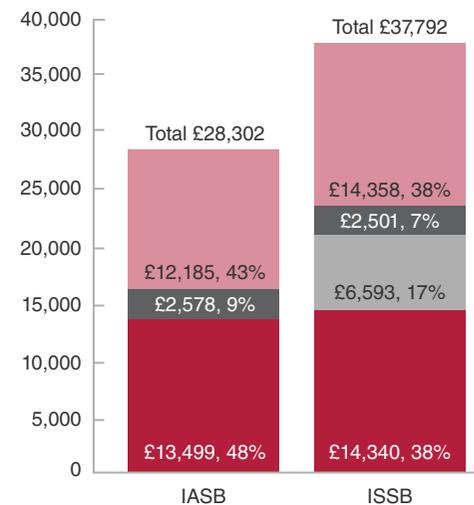
In 2025 the Foundation's total comprehensive income for the year was £1.3 million, increasing reserves to £49 million. Based on the cost allocations explained in the previous paragraph, the IASB reported a deficit of £1.4 million and the ISSB reported a surplus of £2.5 million.

A key objective of the transformation programme is to bring both boards to a balanced income and expenditure position by continuing to carefully manage costs while expanding income-generating programmes in 2026 and beyond, with the support of all those using our Standards.

£'000	IASB	ISSB	Total
Contributions	16,117	23,434	39,551
Earned revenue	12,185	14,358	26,543
Total income	28,302	37,792	66,094
Operating expenses	(29,645)	(35,124)	(64,769)
Finance expense	(42)	(125)	(167)
Total (loss)/income	(1,385)	2,543	1,158
Net unallocated finance income and costs ^(a)			172
Total comprehensive income for the year			1,330

^(a) Net unallocated finance income and costs include tax, investment and interest income, and net foreign exchange movements.

Income by board (£'000)^(a)



- Jurisdictions (including seed funding)
- Philanthropies
- Corporates and other
- Earned revenue

^(a) IASB philanthropic funding of £40,000 is not shown on the chart.

Operating expenses by board (£'000)



- Direct costs
- Directly attributable costs
- Shared-services allocation

Further information on income is provided in Notes 3 and 4 to the financial statements (pages 52–54), including information on how funding is used to support local offices in Note 3a, and on operating expenses in Note 5 (pages 54–57).



Organisational risks and mitigation

Consistent with the organisational transformation that has been effected throughout the Foundation, we have both streamlined and strengthened our risk management structures and processes in 2025. In line with our new risk management policy, published in 2025, the Foundation has focused on implementing a new enterprise risk management framework. This framework ensures an integrated and standardised approach to risk management at all levels of the organisation.

The IFRS Foundation's Executive Risk Committee (ERC) remains responsible for identifying, managing and mitigating organisation-wide risks faced by the Foundation that might affect whether it achieves its operational and strategic objectives (enterprise risks). The ERC has been reconstituted and now comprises an IASB and an ISSB member alongside a smaller number of senior executives representing all parts of the Foundation. The ERC meets three times a year to identify, assess and monitor enterprise risks and appropriate mitigating actions.

Processes for the assessment, recording and management of departmental, programme and project risks are now codified in the new *Enterprise Risk Management Handbook*.

The process for the escalation of risks has been formalised, as has risk management at departmental levels.

The Trustees' Audit and Risk Committee provides oversight of the Foundation's risk management processes and systems and reports to the Foundation's Trustees, who are accountable for monitoring risk.

The ERC reviews the Foundation's appetite for risk annually and the assessment scale has been simplified in 2025 to ease comprehension for staff.

The main risk areas identified by the ERC as at 31 December 2025 are ranked in the table on page 25. The risks are rated out of 5 (with 1 lowest and 5 highest) by the ERC and reviewed at each meeting. It factors in both impact and likelihood, considering the risk, contributing factors and residual risk after mitigating actions.

**Organisational risks and mitigation** continued

Rank	Risk	Mitigating actions in 2025
1	<p>Funding</p> <p>Risk that the Foundation is unable to deliver on our mission over the medium to long term due to financial constraints</p>	<ul style="list-style-type: none"> • Appointed a Chief Revenue Officer • Consolidated revenue teams into a single function and built team capacity • Continued engagement with current and potential funders • Improved budget processes and reporting with further improvements planned for 2026
2	<p>Reputation</p> <p>Risk that external factors or the quality and extent of stakeholder feedback undermine confidence and trust in the Foundation and our ability to deliver on our mission</p>	<ul style="list-style-type: none"> • Continued engagement with all stakeholder groups and jurisdictions • Carried out strategic 'pulse checks' through senior executive travel throughout the year • Monitored jurisdictional consultations on adoption or other use of IFRS Sustainability Disclosure Standards • Monitored media
3	<p>Strategy</p> <p>Risk that our strategy does not adapt sufficiently to meet evolving market demands</p>	<ul style="list-style-type: none"> • Carried out scenario testing against the mid- to long-term strategy • Decided on concurrent agenda consultations for the IASB and the ISSB • Continued discussions with regulators • Set up an AI Centre of Excellence to monitor technology developments
4	<p>Technology</p> <p>Risk that the Foundation's technology fails to support effective operation or protect the organisation from cyber attacks</p>	<ul style="list-style-type: none"> • Commissioned an independent penetration test to assess and strengthen our cyber security posture • Implemented a cyber security awareness programme for staff • Began implementing a mobile device management policy throughout the organisation
5	<p>Talent</p> <p>Risk that we are unable to attract and retain key talent for board, technical and management positions</p>	<ul style="list-style-type: none"> • Refreshed our performance management approach • Started work on a global salary benchmarking framework • Implemented a new HR information system
6	<p>Organisation</p> <p>Risk that organisational changes do not sufficiently address structural and resourcing weaknesses within the Foundation, or that these changes place significant stress on its infrastructure, people or capacity</p>	<ul style="list-style-type: none"> • Initiated the transformation programme to enhance the efficiency and effectiveness of the organisation • Drafted service level agreements for central functions • Developed a senior management development plan to be launched in 2026 • Held staff re-engagement workshops and regular all-staff meetings to update staff on strategy and progress



Trustees of the IFRS Foundation

As at 31 December 2025

Erkki Liikanen

(Europe) Chair

From: Finland
Former Governor of the Bank of Finland
Third term ends 30 September 2027
Attendance 2025:
Scheduled meetings 3/3
Ad hoc meetings 4/4



Masamichi Kono

(at large) Vice-Chair

From: Japan
Member of Global Advisory Board, Mitsubishi UFJ Financial Group Bank,
Former Deputy Secretary General of the Organisation for Economic Co-operation and Development
Second term ends 31 December 2026
Attendance 2025:
Scheduled meetings 2/3
Ad hoc meetings 4/4



Maria Theofilaktidis

(Americas) Vice-Chair

From: Canada
Executive Vice President and Chief Auditor, Bank of Nova Scotia
Second term ended 31 December 2025
Attendance 2025:
Scheduled meetings 3/3
Ad hoc meetings 2/4



Morgan Després (at large)

From: France
Executive Director for international climate finance, land use and net zero macroeconomy at the European Climate Foundation
First term ends 31 December 2026
Attendance 2025:
Scheduled meetings 3/3; Ad hoc meetings 4/4

Assietou Diouf (Africa)

From: Senegal
CEO of VaxSen, a subsidiary of Institut Pasteur of Dakar, leading commercialisation of vaccines in Africa and globally
First term ends 31 December 2027
Attendance 2025:
Scheduled meetings 3/3; Ad hoc meetings 3/4

Sheila Alrowaily (at large)

From: Saudi Arabia
CEO of Wisayah Investment Management Company, a subsidiary of Saudi Aramco; board member of public and private organisations
First term ends 31 December 2027
Attendance 2025:
Scheduled meetings 3/3; Ad hoc meetings 3/4

Rudolf Bless (Americas)

From: USA
Former Chief Accounting Officer for Bank of America
First term ends 31 December 2026¹
Attendance 2025:
Scheduled meetings 3/3; Ad hoc meetings 4/4

Koushik Chatterjee (Asia-Oceania)

From: India
Executive Director and Chief Financial Officer, TATA Steel Ltd
Second term ends 31 December 2028²
Attendance 2025:
Scheduled meetings 2/3; Ad hoc meetings 3/4

Bertrand Badré (Europe)

From: France
Managing Partner and Founder of Blue Like an Orange Sustainable Capital
First term ends 31 December 2026
Attendance 2025:
Scheduled meetings 3/3; Ad hoc meetings 4/4

Shixin Chen (Asia-Oceania)

From: China
Former Vice President of the Asian Development Bank; former Director General of the Department of International Economic and Financial Cooperation, Chinese Ministry of Finance
First term ends 31 December 2027
Attendance 2025:
Scheduled meetings 3/3; Ad hoc meetings 4/4

Rowena Chu (Asia-Oceania)

From: Hong Kong SAR
Co-founder and Chairman of the board of investment platform Prion3 Group
First term ends 31 December 2027
Attendance 2025:
Scheduled meetings 3/3³; Ad hoc meetings 3/4

Hans-Ulrich Engel (Europe)

From: Germany
Former Vice Chairman, CFO and Chief Digital Officer at German multinational company BASF
First term ends 31 December 2028
Attendance 2025:
Scheduled meetings 1/14; Ad hoc meetings N/A

Jorge Familiar (Americas)

From: Mexico
Vice President and Treasurer of the World Bank
Second term ends 31 December 2027
Attendance 2025:
Scheduled meetings 2/3; Ad hoc meetings 3/4

¹ Appointed as Vice-Chair from 1 January 2026.
² Appointed to serve a second term from 1 January 2026.
³ Term effective 1 March 2025.
⁴ Term effective 15 September 2025.

**Trustees of the IFRS Foundation** continued**Sukjoon Lee** (Asia-Oceania)

From: South Korea
Chairman and Chief Executive Officer, NongHyup Financial Group Inc.
First term ended 31 December 2025
Attendance 2025:
Scheduled meetings 0/3; Ad hoc meetings 1/4

Steven Maijor (Europe)

From: The Netherlands
Executive Board Member and Chair of Supervision, De Nederlandsche Bank
Second term ends 31 December 2028¹
Attendance 2025:
Scheduled meetings 3/3; Ad hoc meetings 2/4

Chong-Tee Ong (Asia-Oceania)

From: Singapore
Chairman of the Accounting and Corporate Regulatory Authority in Singapore
First term ends 31 December 2026
Attendance 2025:
Scheduled meetings 3/3; Ad hoc meetings 3/4

Robert Pozen (Americas)

From: USA
Senior lecturer, MIT Sloan School of Management
Second term ends 31 December 2026
Attendance 2025:
Scheduled meetings 3/3; Ad hoc meetings 4/4

Ken Robinson (Americas)

From: USA
Member of the Board of Directors at Abercrombie and Fitch, Paylocity Holding Corporation, Morgan Stanley US Banks and Occidental
Second term ends 31 December 2026
Attendance 2025:
Scheduled meetings 3/3; Ad hoc meetings 3/4

Giovanni Sabatini (Europe)

From: Italy
Former General Manager of the Italian Banking Association
First term ends 31 December 2026
Attendance 2025:
Scheduled meetings 3/3; Ad hoc meetings 2/4

Isabel de Saint Malo (Americas)

From: Panama
Advisor to the Administrator of the UN Development Programme, Member of the Advisory Council of the SEK International Institution
Second term ends 31 December 2028¹
Attendance 2025:
Scheduled meetings 2/3; Ad hoc meetings 3/4

Richard Sexton (Europe)

From: UK
Member of the Board and the Audit Committee Chair for Northumbrian Water and a Trustee and Audit and Risk Committee Chair of Our Future Health
First term ends 31 December 2026
Attendance 2025:
Scheduled meetings 3/3; Ad hoc meetings 3/4

Keiko Tashiro (Asia-Oceania)

From: Japan
Deputy President, Daiwa Securities Group Inc.
Second term ends 31 December 2027
Attendance 2025:
Scheduled meetings 3/3; Ad hoc meetings 4/4

Trustees who stepped down on or before 31 December 2025

Erhard Schipporeit, Sukjoon Lee and Maria Theofilaktidis

New Trustees appointed to serve from 1 January 2026

Yaprak Baltacioglu and Joong-Kyung Choi

For more information on the Trustees, see the [Trustee members webpage](#).



¹ Appointed to serve a second term from 1 January 2026.



Trustee committees

The Trustees meet several times a year and operate through committees.

Audit and Risk Committee (five meetings)

Members	Activities and decisions
Maria Theofilaktidis (Chair) Rudolf Bless Jorge Familiar Sukjoon Lee Chong-Tee Ong Erhard Schipporeit ¹ Richard Sexton	<ul style="list-style-type: none"> Advised the Trustees on whether the financial statements for the group and its subsidiaries are fair, balanced and understandable Reviewed the 2024 Form 990 and recommended its approval by the Trustees Reviewed and monitored the integrity, adequacy and effectiveness of the Foundation's system of risk management, including detailed research on the risks associated with cyber security Reviewed and approved the internal audit charter Approved the annual internal audit programme Reviewed the results and conclusions of the internal audit programme, including management progress against internal audit recommendations Received regular updates on the programme to improve the Foundation's compliance functions Reviewed progress on the Foundation's internal sustainability programme

Budget and Funding Committee (four meetings)

Members	Activities and decisions
Richard Sexton (Chair) Sheila Alrowaily Bertrand Badré Rudolf Bless Shixin Chen Hans-Ulrich Engel Giovanni Sabatini Isabel de Saint Malo Maria Theofilaktidis	<ul style="list-style-type: none"> Reviewed the Foundation's annual budget, accounts and related forecasts Approved the business planning process to develop the 2026 budget and recommended the Trustees approve the 2026 budget Provided feedback on the assumptions and scenarios underpinning the operating expense and funding projections for the period 2025–2027 Considered recommendations to enhance the Foundation's investment policy and portfolio performance Advised the Trustees to approve the revised foreign exchange risk management policy, enhancing the Foundation's framework for managing foreign currency exposures Provided feedback on proposals to update the Foundation's reserves policy, including clearer guidance on liquidity, how reserves are invested over different time horizons and the approach to scenario planning Worked with the Funding Committee to review the measures being taken to diversify and expand the Foundation's revenue base Reviewed options for enhancing transparency about the IFRS Foundation's use of resources across the IASB and the ISSB

¹ Stepped down in September 2025.



Trustee committees continued

Due Process Oversight Committee (six meetings)

Members

Steven Maijor (Chair)
Shixin Chen
Morgan Després
Assietou Diouf
Masamichi Kono
Chong-Tee Ong
Robert Pozen

Activities and decisions

- Received regular updates on the technical activities of the IASB, the ISSB and the IFRS Interpretations Committee
- Considered the staff's annual reviews of the IFRS Foundation's consultative groups, due process for the educational materials published by the Foundation to support the consistent application of IFRS Standards and various matters relating to comment letters, board papers and dialogue with regulators
- Reviewed and approved a request for a shortened comment period for proposed amendments to IFRS S2 *Climate-related Disclosures*
- Received a comprehensive briefing from both boards on their plans for concurrent agenda consultations
- Reviewed the initial composition of the Financial Instruments Consultative Group to support the IASB's work related to financial instruments and the composition of the IFRS Taxonomy Consultative Group as a result of proposed appointments and reappointments
- After the IASB completed its technical discussions, reviewed the due process applied in developing:
 - The revised IFRS Practice Statement 1 *Management Commentary*
 - The forthcoming Standard on Rate-regulated Activities
- Considered correspondence relating to the IASB's project on Rate-regulated Activities and confirmed that the IASB had met the required due process requirements
- Considered the feedback from stakeholders on proposed amendments to the *Due Process Handbook*. The updated *Handbook* would reflect the creation of the ISSB and include some enhancements and clarifications

Ethics and Governance Committee (one meeting)

Members

Masamichi Kono (Chair)
Rudolf Bless
Jorge Familiar
Steven Maijor
Maria Theofilaktidis

Activities and decisions

The committee met to review and provide confidential advice to the Trustees on ethical questions





Trustee committees continued

Executive Committee (12 meetings)

Members	Activities and decisions
Erkki Liikanen (Chair) Masamichi Kono Steven Maijor Robert Pozen Ken Robinson Isabel de Saint Malo Richard Sexton Keiko Tashiro Maria Theofilaktidis	<ul style="list-style-type: none"> Supported the Trustee Chair and Vice-Chairs in ensuring priorities and key decisions are advanced on behalf of the Trustees; for example: <ul style="list-style-type: none"> Oversaw proposals to improve the efficiency and effectiveness of the IFRS Foundation management structure Discussed and monitored the implementation of the Foundation's cost-saving programme Discussed strategies to increase the resilience of the medium- to long-term funding base for the Foundation Provided feedback on proposals to refresh and strengthen the Foundation's risk management structure Discussed HR policies including staff compensation Discussed global developments affecting standard-setting Provided feedback on the timing and content of the forthcoming consultation on targeted amendments to the <i>Constitution</i> to reflect the Trustees' decision to gradually reduce both boards from 14 to 10 members Reviewed the agendas ahead of each in-person meeting of the Trustees

Funding Committee (subcommittee of the Budget and Funding Committee) (five meetings)

Members	Activities and decisions
Isabel Saint Malo (Chair) Bertrand Badré Rudolf Bless Shixin Chen Sukjoon Lee Giovanni Sabatini	<ul style="list-style-type: none"> Received regular updates on the two boards' funding position Approved proposals to redesign and rebrand the Corporate Champions Network as the Corporate Donors programme, with an entirely philanthropic focus Provided feedback on a short-term strategy to respond to declining contributions to the IASB Oversaw continued development of a multi-year funding strategy; for example, by: <ul style="list-style-type: none"> Reviewing options to increase funding from licensing Reviewing the progress to develop a 'fair share' funding model to provide a more structured approach to jurisdictional contributions for the Foundation Supported the strengthening of the Foundation's revenue resources





Trustee committees continued

Human Capital Committee (five meetings)

Members	Activities and decisions
Keiko Tashiro (Chair) Rudolf Bless Jorge Familiar Chong-Tee Ong Giovanni Sabatini Isabel de Saint Malo	<ul style="list-style-type: none"> Discussed and made recommendations on the annual review of remuneration in association with the Audit and Risk Committee Received updates on the launch of the project to implement an HR information system Discussed and made recommendations related to the implications of the Foundation's cost-saving programme Received updates on changes in jurisdictional tax regimes that affect employees Discussed and made recommendations on a revised performance management approach including staff development plans Reviewed human capital risk and compliance metrics, including HR policy updates

Nominating Committee (eight meetings)

Members	Activities and decisions
Ken Robinson (Chair) Hans-Ulrich Engel Masamichi Kono Steven Maijor Isabel de Saint Malo Richard Sexton Keiko Tashiro	<ul style="list-style-type: none"> Recommended the appointment or reappointment of five Trustees Started the search for the successor to IASB Chair Andreas Barckow Recommended the appointment or reappointment of two IASB members Recommended the reappointment of three ISSB members Recommended the appointment of three IFRS Interpretations Committee members Started the search for the successor to Managing Director Michel Madelain Recommended the appointment or reappointment of 28 organisations and representatives of the IFRS Advisory Council

Strategy Committee (three meetings)

Members	Activities and decisions
Robert Pozen (Chair) Morgan Després (Vice-Chair) Rudolf Bless Masamichi Kono Chong-Tee Ong Giovanni Sabatini Richard Sexton Maria Theofilaktidis	<ul style="list-style-type: none"> Received updates on the strategic initiatives of the IASB and the ISSB Discussed geopolitical dynamics and the effect on standard-setting Reviewed progress towards signing memoranda of understanding with key strategic partners Discussed proposals to adjust the timing of the IASB agenda consultation to run concurrently with the ISSB agenda consultation Received reports from the Chair of the Technology Strategy Committee regarding emerging technologies and their relevance for the Foundation

Technology Strategy Committee (subcommittee of the Strategy Committee) (three meetings)

Members	Activities and decisions
Chong-Tee Ong (Chair) Rudolf Bless Morgan Després Robert Pozen Richard Sexton	<ul style="list-style-type: none"> Reviewed and approved its terms of reference Reviewed Foundation's technology infrastructure and future strategy Discussed the risks and opportunities for the Foundation arising from artificial intelligence (AI) technology, and received updates on AI projects that have already been carried out by the Foundation Reviewed a 10-year technology horizon-scanning paper discussing emerging technologies and their relevance for the Foundation



Report from the Chair of the IFRS Foundation Monitoring Board

Strengthening oversight to support a transforming Foundation



Toshiyuki Miyoshi

In a year marked by significant progress in standard-setting, the Monitoring Board has continued to reinforce its oversight role to ensure that the IFRS Foundation's high-quality global Standards serve the capital markets effectively. Our focus remains on sound governance, independence and a sustainable foundation for the future.

Review of the past year

The past year has been a pivotal period for the Foundation as it advanced its transformation programme and continued its work to enhance the quality and global relevance of its Standards. Throughout this period of change, the Monitoring Board has prioritised effective oversight of the Trustees and has reaffirmed the importance of strong governance, due process and public accountability.

In 2025 the Monitoring Board had in-person meetings with the Foundation Trustees in London and Milan. The meetings provided opportunities for structured dialogue with the Trustees, including on their oversight of both the IASB and the ISSB. These interactions underscored our shared commitment to maintaining the independence of both boards while pursuing consistency in their Standards. We also emphasised the importance of appropriate geographical balance and expertise among board members and staff, reflecting the global nature of markets and standard-setting.

We believe that the Foundation's standard-setting benefits jurisdictions worldwide, and as such a broad-based funding model should be further pursued. The transformation programme has also highlighted the importance of sustainable

funding for the Foundation. The Monitoring Board reiterated the need for a sound and transparent financial model capable of supporting the long-term independence and operational strength of both boards. In this context, we engaged with the Trustees on the importance of broad-based international funding and welcomed ongoing efforts to provide increased clarity regarding the separate funding arrangements for the boards' activities.

We also commended the Trustees for their work on the revised *Due Process Handbook*. This initiative represents an important step towards further strengthening the governance architecture of the Foundation, particularly at a time when the evolving scope of global reporting standards requires even greater transparency and accountability.

Finally, last year's meetings served as a reminder of the value of the Foundation's multi-location model. With offices in key jurisdictions, the model supports proximity to market needs, enhances stakeholder engagement and facilitates application efforts worldwide.

Priorities for the year ahead

Looking forward, the Monitoring Board will continue to focus on:

- ensuring strong governance and due process as the Foundation advances its transformation programme;
- supporting financial sustainability, including by providing enhanced transparency and clarity regarding the funding of the standard-setting bodies;

- supporting global and consistent application of IFRS Standards; and
- monitoring the implementation of the revised *Due Process Handbook* to ensure it continues to serve the public interest.

Through these efforts, we aim to reinforce market confidence and ensure that the Foundation continues to meet the evolving needs of capital markets.

Succession of the Monitoring Board Chair

In August 2025 Takashi Nagaoka stepped down as Chair of the Monitoring Board, and I, Toshiyuki Miyoshi, Vice Minister for International Affairs of the Financial Services Agency, Japan, succeeded him as Chair for the remainder of his term—that is, until the end of April 2027.

Thank you

I would like to express my sincere appreciation to the Trustees, Chairs of both boards, board members, staff and fellow Monitoring Board members, including the former Chair, for their dedication and collaboration over the past year. Their commitment to high-quality global standards is essential to the functioning of capital markets worldwide. I look forward to continuing our work together in the year ahead.

Toshiyuki Miyoshi
Chair of the IFRS Foundation
Monitoring Board

**Report from the Chair of the IFRS Foundation Monitoring Board** continued**IFRS Foundation Monitoring Board**

As at 31 December 2025

Public authority	Member	Position
Chair		
Japan Financial Services Agency	Toshiyuki Miyoshi	Vice Minister for International Affairs
Members		
Brazil Securities and Exchange Commission (Comissão de Valores Mobiliários)	Otto Lobo	Acting Chairman
European Commission	Maria Luís Albuquerque	Commissioner for Financial Stability, Financial Services and Capital Markets Union
IOSCO	Jean-Paul Servais	IOSCO Board Chair and Chairman of the Financial Services and Markets Authority, Belgium
IOSCO Growth and Emerging Markets Committee	Ibrahim Ömer Gönül	Chair, Capital Markets Board, Türkiye
People's Republic of China Ministry of Finance ¹	–	–
South Korea Financial Services Commission	Min Woo Park	Standing Commissioner, Securities & Futures Commission
United Kingdom Financial Conduct Authority	Nikhil Rathi	Chief Executive
United States Securities and Exchange Commission	Paul Atkins	Chair
Observers		
Basel Committee on Banking Supervision	Mathilde Lalaude-Labayle	Member of the BCBS Secretariat
IOSCO Inter-American Regional Committee	Christina Rolle	Vice-Chair of the IOSCO Inter-American Regional Committee and Executive Director, Securities Commission, Bahamas

¹ Appointment of a successor is in process.



Summary of financial results 2025

Overview

As a not-for-profit organisation, we aim to ensure our long-term financial stability by generating sufficient income from diverse sources to cover the costs of delivering our strategy and by maintaining reserves to absorb unexpected shortfalls.

In 2025 we reported a pre-tax surplus of £1.7 million (compared to a £1.6 million deficit in 2024). Total income was £66.1 million (down from £67.6 million in 2024) and operating expenses were £64.8 million (down from £68.9 million in 2024). Total comprehensive income for 2025 was £1.3 million (compared to a total comprehensive loss of £1.6 million in 2024), resulting in our reserves increasing to £49.2 million (2024: £47.9 million).

As in prior years, staff salaries and related costs represent the majority of our operating expenditure.

We continued work on the transformation programme started in late 2024 to ensure the Foundation remains fit for purpose, operates effectively and efficiently, and is resourced to meet our public-interest mission. The programme included a restructuring to improve clarity of roles, accountability and efficiency throughout the organisation and a cost review to reduce staff and governance costs. The cost review resulted in a planned reduction in headcount over a two-year period and a gradual transition from 14 to 10 members of each standard-setting board by the end

of 2028. Furthermore, all Trustees waived their fees for 2025, contributing to reduced governance costs.

The most significant financial impact arose from the headcount reductions and broader efficiency measures. During the restructuring period, some expenditure and investments were deferred while teams were aligned. We also reduced costs through proactive cost management, some deferred recruitment, lower professional fees and by awarding no salary increases in 2025. Overall, savings in 2025 were higher than planned, although some costs are expected to rise again in 2026 as vacancies are filled, travel increases and deferred projects resume.

Our reserves are sufficient to support ongoing operations. We continue to strengthen our revenue strategy. The strategy includes a structured programme to secure transition funding for the ISSB to bridge between seed funding and a longer-term funding model; engagement with priority jurisdictions to increase contributions to the IASB for inflation and to expand the funding contributor base; and further development of earned revenue streams.

Income and expenses



■ 2025 ■ 2024



Summary of financial results continued

Income

Our organisation is funded through a combination of contributions and earned revenue. Contributions are provided by jurisdictions, corporates and organisations globally in support of our public-interest mission and are fundamental to maintaining our independence. The ISSB also benefits from fixed-term seed funding, much of which will end in 2026.

In 2025 total income was £66.1 million, a decrease of £1.5 million (2%) compared to the previous year.

Contributions represented 60% of total income. In 2025 they included £13.5 million in jurisdictional funding for the IASB and £14.2 million of seed and jurisdictional funding to support the ISSB and its offices around the world. ISSB income also benefited from stronger philanthropic contributions totalling £6.6 million. The remaining £5.3 million came from corporates, accounting firms and other sources.

In line with our revenue strategy, we are focused on increasing support from jurisdictions and expanding complementary

revenue streams to strengthen and diversify the long-term funding base, supporting sustainable cost coverage.

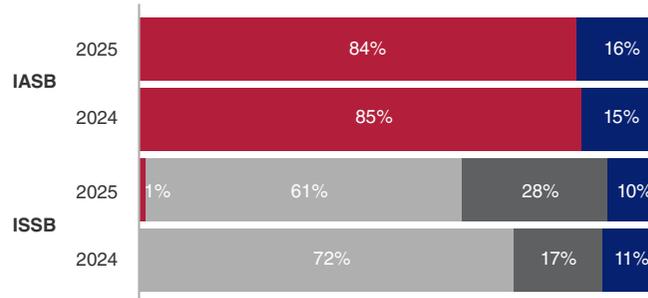
The overall decrease in contributions compared with 2024 primarily reflects the absence of the top-up contributions received from Germany in the prior year to support ISSB activities together with lower contributions from corporates.

Earned revenue, which represented the other 40% of total income, came primarily from licensing intellectual property.

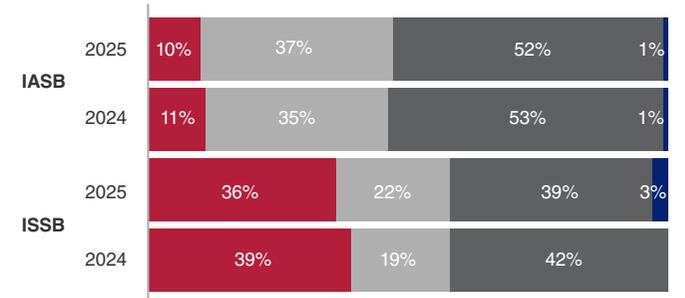
Income



Contributions by source



Contributions by region



■ Contributions ■ Earned revenue

■ Jurisdictions ■ Seed funding ■ Philanthropy ■ Corporates and other

■ Americas ■ Asia-Oceania ■ Europe ■ Other



Summary of financial results continued

Operating expenses

Total operating expenses were £64.8 million, representing a decrease of £4.0 million (6%) year on year.

As in prior years, staff salaries and related costs represent the majority of our operating expenditure.

In 2025 we carried out a formal cost review as part of our transformation programme, resulting in a managed 15% reduction in headcount costs over a two-year period, combined with reduced governance costs. The measures, introduced in April 2025, delivered savings earlier than originally anticipated, particularly within the central functions.

As a result, staff salaries and related costs, excluding restructuring costs, decreased to £48.5 million (2024: £51.3 million). This decrease was partly offset by the annualised salary costs for employees that joined during

2024. Restructuring costs totalling £1.6 million were incurred during the year.

Staff costs were further reduced by vacancies that remained unfilled during the year, mainly within the ISSB staff. A portion of these savings is temporary and will reverse as recruitment progresses and salary costs are fully annualised in 2026.

The greatest reduction in expenditure was in technology. Costs in this area decreased compared to the prior year through tighter prioritisation within the transformation programme and a deferral of some planned activities to 2026, and savings achieved through a review of software subscriptions and IT infrastructure.

Travel expenditure was £0.5 million lower than the prior year, reflecting both cost control measures and reduced travel activity during the restructuring period, as well as lower headcount.

Legal and professional fees were significantly lower than in 2024. The prior year included advisory costs associated with establishing the ISSB and finalising the multi-location model, including tax- and compliance-related matters. This work concluded in 2024.

Expenses associated with earned revenue activities decreased compared to the prior year as a result of lower remuneration and travel costs following the cost review, reduced publication-related expenditure and the reclassification of some roles to technical and operational functions. As a result, both cost of goods sold and salary expenses attributable to earned revenue activities decreased in 2025.

Financial performance and effect of foreign exchange rate changes

Net income from financing and foreign exchange was £0.4 million in 2025, compared to net costs of £0.3 million in 2024.

Tax charges of £0.2 million (2024: £0.2 million) resulted in income after tax of £1.5 million (2024: £1.8 million deficit).

After recognising an exchange loss of £0.2 million (2024: £0.2 million gain) on the translation of foreign operations, total comprehensive income for 2025 was £1.3 million, compared to a total comprehensive loss of £1.6 million in 2024.

Investments

We invest surplus funds in high-quality, liquid fixed-income instruments with relatively short durations, alongside a diversified multi-asset portfolio.

At 31 December 2025 the carrying value of the bond portfolio was £8.2 million (2024: £12.7 million). The reduction reflects bonds that matured late in the year, with proceeds temporarily held on deposit pending reinvestment. We intend to reinvest these funds in line with our investment policy.

We also hold investments in the Barclays Medium-Low Risk Multi Asset Class Sustainable Portfolio, which includes exposure to equities, commodities and real estate, with a fair value of £3.1 million at year end (2024: £2.9 million).

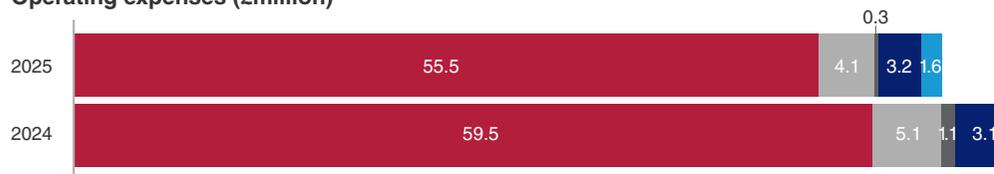
During 2025 we reviewed our reserves position in the light of updated five-year financial projections. As part of our regular review of investment allocations, we confirmed in early 2026 the appropriate allocation between cash, fixed-income instruments and multi-asset investments. Investments will continue to be profiled to align with liquidity requirements and risk tolerance.

Reserves

At 31 December 2025 total reserves were £49.2 million (2024: £47.9 million). These reserves are unrestricted and provide flexibility to support our activities.

The reserves policy is designed to maintain an appropriate level of accessible funds to manage income volatility and unforeseen expenditure. The Trustees may authorise the use of reserves for one-off, non-recurring initiatives that strengthen long-term capability, including investment in people, research and infrastructure, or for opportunities aligned with the Foundation's mission.

Operating expenses (£million)



- Technical and operational activities (see Note 5)
- Earned revenue activities
- Trustee oversight
- Premises, occupancy and related expenses
- Restructuring costs



Summary of financial results continued

The Trustees remain focused on maintaining reserves at a level consistent with the Foundation's risk profile and operating model. Five-year financial projections are prepared under a range of revenue scenarios and reviewed by the Trustees. These projections inform decisions on expenditure, recruitment and programme activity, and provide an early basis for adjusting cost levels if revenue growth does not meet expectations, thereby protecting reserve levels over the medium term.

2026 outlook

The Foundation values the continued support from our funding providers, as acknowledged on pages 67–74. Their contributions remain central to the delivery of our public-interest mission and the work of both the IASB and the ISSB.

To support the Foundation's long-term financial sustainability, the Trustees initiated a transformation programme, which will continue through 2026.

Actions taken under the programme include an organisational restructure, the establishment of a Management Committee and a comprehensive cost review. The cost review has reduced staff and governance costs and includes a phased reduction in the number of IASB and ISSB members from 14 to 10 on each board over the period 2026 to 2028, while maintaining appropriate expertise and geographical balance. Work is also under way to refresh the Foundation's medium- to long-term strategy, including its target operating model and use of technology.

The 2026 budget approved by the Trustees reflects the full-year cost of roles filled during 2025, the filling of some vacancies that remained open during 2025 and a return to more typical levels of travel throughout the organisation. Inflationary pressures will also contribute to higher expenditure. These increases are expected to be partly offset by the full-year impact of measures implemented through the cost review programme.

In a challenging funding environment, revenue projections remain conservative and the budget has been prepared on a prudent basis, with tight cost control and a focus on avoiding commitments that would create ongoing expenditure beyond available resources.

Supported by a strengthened revenue team, the enhanced focus on revenue generation will continue in 2026, including broadening and updating IASB funding and renewing ISSB funding as it transitions to a more durable, long-term funding arrangement. Current ISSB seed funding will remain in place throughout 2026. Strengthening IASB jurisdictional contributions and securing transition funding for the ISSB remain priorities to ensure sustainable cost coverage beyond this period.

At the same time, we remain committed to delivering the work plans of both boards in a timely manner.

Going concern

The Trustees have reviewed the Foundation's financial performance for 2025, our reserves at the reporting date and cash flow projections covering the 18 months following approval of these financial statements. These projections

include stress testing under a range of assumptions. In forming their assessment, the Trustees also considered the 2026 budget and the availability of ISSB seed funding throughout 2026, together with the Foundation's ability to monitor liquidity closely and manage expenditure in response to funding flows.

The Foundation operates within a multi-location model and receives funding from a broad range of jurisdictions. Global economic conditions, foreign exchange volatility, inflationary pressures and regulatory or policy developments might influence funding or the adoption pace of IFRS Standards in some regions. These factors are monitored as part of the Foundation's ongoing risk management processes. Foreign exchange exposures are overseen through active treasury management, including the use of swap arrangements where appropriate.

Based on this review—and having regard to the reserves held and the range of management actions available—the Trustees have a reasonable expectation that the Foundation will be able to continue to operate and meet its liabilities as they fall due for at least 18 months from the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.



Trustees' responsibilities statement

The Trustees are responsible for preparing the annual financial statements in accordance with applicable law and regulations.

In accordance with IFRS Accounting Standards, the Trustees can only approve the annual financial statements if they are satisfied that the statements give a true and fair view of the state of affairs and profit or loss of the group for that period. In preparing these financial statements, the Trustees ensure that they:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- apply IFRS Accounting Standards with no material departures; and
- prepare the annual financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Foundation's transactions, disclose with reasonable accuracy at any time the financial position of the Foundation, and enable them to ensure that the financial statements comply with applicable law and regulations. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustee approval

To the best of our knowledge:

- the group financial statements, prepared in accordance with IFRS Accounting Standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Foundation and the undertakings included in the consolidation taken as a whole; and

- the annual financial statements include a fair review of the development, performance and position of the Foundation and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that it faces.

The financial statements were approved and authorised for issue by the Trustees of the Foundation on 27 March 2026. At that date there had been no events since 31 December 2025 that required an adjustment to the financial statements.

Erkki Liikanen
Chair of the IFRS Foundation Trustees



Independent auditor's report to the Trustees of the IFRS Foundation

Opinion

Our opinion on the group financial statements is unmodified

We have audited the group financial statements of the IFRS Foundation (Foundation) and its subsidiaries (the group) for the year ended 31 December 2025, which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in reserves, the consolidated statement of cash flows and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

In our opinion, the group financial statements give a true and fair view of the state of the consolidated financial position of the group as at 31 December 2025 and of its consolidated financial performances and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the IASB.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the group financial statements' section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group to cease to continue as a going concern.

Our evaluation of the Trustees' assessment of the group's ability to continue to adopt the going concern basis of accounting included:

- obtaining an understanding of how management prepared their base case, sensitised forecast and reverse stress test for 18 months after the year end to 30 June 2027;
- understanding the significant assumptions of key contributions, earned revenue and cash flow and comparing those assumptions to underlying historical financial data and post-year-end information;
- assessing the reasonableness of the Trustees' assumptions, including board member and staff costs across the group;
- considering the inherent risks associated with the group's multi-location model including effects arising from macroeconomic factors and assessing how these factors were incorporated into the base case, sensitised and reverse stress test forecasts;
- analysing how the risks identified and disclosed by the Trustees might affect the group's financial resources or ability to continue operations over the going concern period;
- evaluating management's reverse stress test forecast and the plausibility of events occurring resulting in a decline in cash that would eliminate cash for working capital purposes;
- performing procedures on the mathematical accuracy and consistency checks on management's going concern base case, sensitivities and reverse stress test forecasts; and
- assessing the adequacy of the disclosures within the annual report for consistency with management's assessment of going concern and whether they are in line with the IFRS Accounting Standards.

Independent auditor’s report to the Trustees of the IFRS Foundation continued

In our evaluation of the Trustees’ conclusions, we considered the inherent risks associated with the group’s business model, including effects arising from macroeconomic uncertainties such as increases in the cost of living, inflationary rates and other macroeconomic circumstances relevant to the group. We assessed and challenged the reasonableness of estimates made by the Trustees and the related disclosures and analysed how those risks might affect the group’s financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the Trustees’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group’s ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Our approach to the audit

Overview of our audit approach



Overall materiality: £1.96m, which represents 3% of the group’s total income.

Key audit matters were identified as:

- contributions received after the reporting date (the same as the previous year); and
- income recognised from performance-based grants (the same as the previous year).

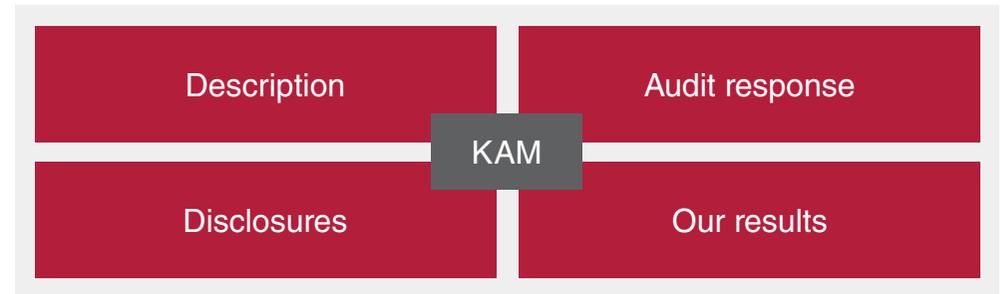
Our auditor’s report for the year ended 31 December 2024 included no key audit matters that have not been reported as key audit matters in our current year’s report.

The engagement team evaluated the scoping and significance of each component of the group; the parent entity is the only significant component in the group, and we have tested 99% of total assets and 97% of total income. There are no key changes in the group or key changes in the scope of the audit from the prior year.

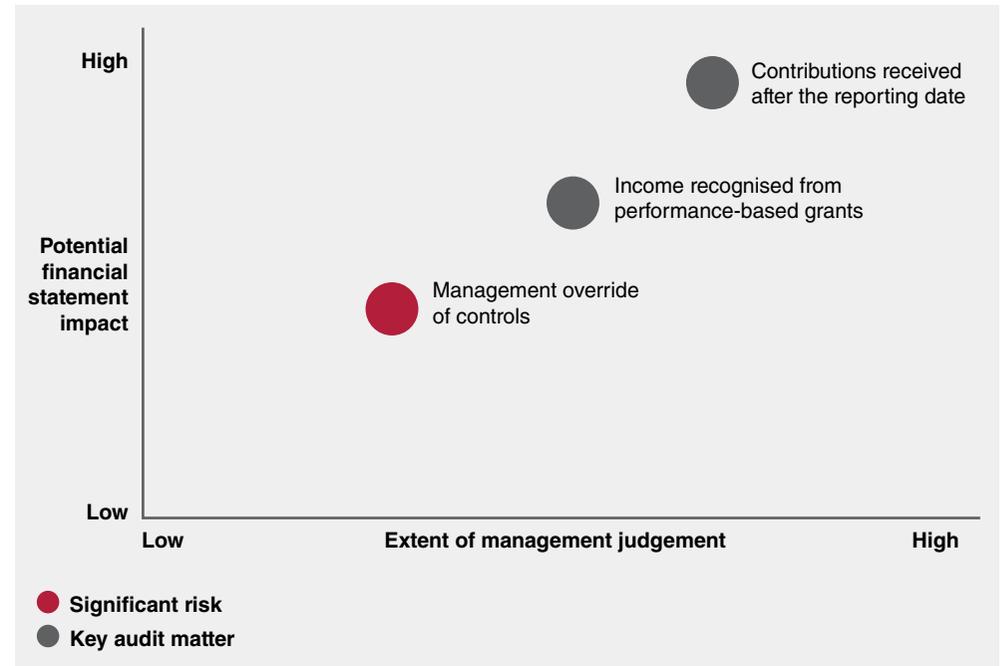
Key audit matters (KAMs)

Key audit matters (KAMs) are those matters that, in our professional judgement, were of most significance in our audit of the group financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the group financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



In the graph below, we have presented the key audit matters, significant risks and other risks relevant to the audit.





Independent auditor's report to the Trustees of the IFRS Foundation continued

Key audit matter

Contributions received after the reporting date

We identified contributions received after the reporting date and incorrectly recognised as revenue within FY2025 as one of the most significant assessed risks of material misstatement due to fraud and error.

A significant proportion of income relates to voluntary contributions. These contributions are recognised on a receipts basis, exceptions being those received post year end, which have been designated by the external contributor as related to the previous year. As at year end, £4.6m (2024: £5.4m) is included within contributions receivable. Unpaid contributions were considered a significant risk due to the significant judgements made by management in determining whether they were recognised appropriately in the current year.

How our scope addressed the matter

In responding to the key audit matter, we performed the following audit procedures:

- performing a non-substantive analytical review of contributions income year on year by contributor and jurisdiction to identify any unusual movements in balance to contribute to the engagement team's risk assessment of contributions received after the report date.
- selecting a sample of unpaid contributions and obtaining evidence of subsequent receipt by inspecting post-year-end bank statements to identify whether unpaid contributions have been received post year end. If the contributor had not paid after year end, the engagement team liaised directly with the contributor to obtain a contribution confirmation directly from them.
- inspecting correspondence with the contributor for the sample selected to determine whether they had provided a firm commitment to the group to pay the funds due and whether the contribution related to the correct financial year.

Relevant disclosures in the annual report

The group's accounting policy on contributed revenue is shown in Note 3 to the financial statements and related disclosures are included in this note.

Our results

Based on our audit work, we did not identify material misstatements concerning contributions received after the reporting date.

Key audit matter

Income recognised from performance-based grants

We identified income recognised from performance-based grants as one of the most significant assessed risks of material misstatement due to fraud and error.

Income recognised from performance-based grants was identified as a key audit matter due to the material grants received during the year from several contributors. These grants included several terms and conditions alongside an intended timeframe. Management made significant judgements in determining:

- the amount of grant income to recognise during the year due to the conditions in the grant agreements applicable in the duration of the grant agreement;
- the most appropriate IFRS Accounting Standard to apply in recognising the revenue recognition of the grant income, which management determined was IAS 20 *Accounting for Government Grants and Disclosure of Government Assistance* rather than IFRS 15 *Revenue from Contracts with Customers*; and
- the accounting policy to apply in recognising the grant income.

Relevant disclosures in the annual report

The group's accounting policy on grant income is shown in Note 3 to the financial statements and related disclosures are included in this note.

How our scope addressed the matter

In responding to the key audit matter, we performed the following audit procedures:

- confirming with management that the considerations and judgements applied in FY2025 for performance-based grants in accordance with IAS 20 are the same as those set out in the accounting paper for the previous year;
- inspecting correspondence between the providers of any material grants and the Foundation, including the signed grant agreements, to identify whether management's judgements aligned with the agreed conditions;
- inspecting management's workings for any material grants received during the year to identify expenditures that had not been funded through other contributions during the year;
- inspecting the remaining expenditure for any material grants received during the year, comprising primarily staff costs, to identify whether this expenditure met the criteria of the relevant grant agreement;
- confirming directly with a judgemental sample of the relevant employees whether they worked on the projects stated within the grant agreement during the period for any material grants received during the year; and
- inspecting the Foundation's bank statements to identify whether the grant monies were received in 2025 for any material grants recognised as revenue during the year.

Our results

Based on our audit work, we did not identify material misstatements concerning income recognised from performance-based grants.



Independent auditor’s report to the Trustees of the IFRS Foundation continued

Our application of materiality

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements, if any, on the financial statements and in forming the opinion in the auditor’s report.

Materiality was determined as follows:

Materiality measure	Group
Materiality for financial statements as a whole	We define materiality as the magnitude of misstatement in the financial statements that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of these financial statements. We use materiality in determining the nature, timing and extent of our audit work.
Materiality threshold	£1.96m (2024: £1.7m), which represents 3% of total income (2024: 2.5% of total income).
Significant judgements made by auditor in determining materiality	In determining materiality, we made the significant judgement that income is the most appropriate benchmark because the group is a not-for-profit organisation and income is a key benchmark used by its stakeholders. Materiality for the current year is higher than the level that we determined for the year ended 31 December 2024 to reflect an increased threshold of 3% of total income, compared to our threshold of 2.5% in the prior year.

Materiality measure

Group

Performance materiality used to drive the extent of our testing

We set performance materiality at an amount less than materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Performance materiality threshold

£1.5m (2024: £1.3m), which is 75% (2024: 75%) of financial statement materiality.

The range of component performance materialities used across the group was £0.8m to £1.1m.

Parent company component performance materiality has been capped at an amount less than group performance materiality for group audit purposes.

Significant judgements made by auditor in determining performance materiality

In determining performance materiality, we made the following significant judgements based on:

- our understanding of the group, updated during the performance of risk assessment procedures; and
- our experience with auditing the financial statements of the group in previous years.

In determining component performance materiality, we made the following significant judgements such as:

- the extent of disaggregation of financial information across components, including the relative risk and size of each component to the group.

For each component in scope for our group audit, we allocated a performance materiality that is less than our overall group performance materiality.

Independent auditor’s report to the Trustees of the IFRS Foundation continued

Materiality measure	Group
Specific materiality	<p>We determined specific materiality for one or more particular classes of transactions, account balances or disclosures for which misstatements of lesser amounts than materiality for the financial statements as a whole could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.</p> <p>We determined a lower level of specific materiality for the following areas:</p> <ul style="list-style-type: none"> • fees payable to the external auditor—audit services; • fees payable to the external auditor—non-audit; and • related party transactions.
Communication of misstatements to the Audit and Risk Committee	<p>We determine a threshold for reporting unadjusted differences to the Audit and Risk Committee.</p>
Threshold for communication	<p>£0.098m (2024: £0.08m), which represents 5% of financial statement materiality, and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.</p>

The graph below illustrates how performance materiality and the range of component performance materiality interacts with our overall materiality and the threshold for communication to the Audit and Risk Committee.

Overall materiality—Group



FSM: Financial statement materiality, PM: Performance materiality, RoPM: Range of performance materiality at two components, TfC: Threshold for communication to the Audit and Risk Committee.

An overview of the scope of our audit

We performed a risk-based audit that requires an understanding of the group’s business and, in particular, matters related to:

Understanding the group, its components, their environments and its system of internal control including common controls

- The engagement team obtained an understanding of the group and its environment, including common controls, and assessed the risks of material misstatement at the group level.
- The engagement team also gained an understanding of the group organisational structure and group financial reporting system.

Identifying components at which to perform audit procedures

- Having assessed the significance of the group’s components by reference to total income for the year, only the parent was financially significant to the group. Significance was determined as a percentage of the group’s total income and the group audit team considered any qualitative factors such as the nature of the component. No other components were assessed as being financially significant to the group.
- The group audit team evaluated the significant classes of transactions across the subsidiaries in accordance with ISA 600 (Revised) and incorporated an element of unpredictability when identifying components at which to perform audit procedures.

Type of work to be performed on financial information of parent and other components (including how it addressed the key audit matters)

- The engagement team performed a full-scope audit of the Foundation (parent) and performed specific-scope audit on two of the components, and analytical procedures for the remaining components. The audit of the Foundation and its subsidiaries included the procedures described earlier for the key audit matters of contributions received after the reporting date and income recognised from performance-based grants.



Independent auditor's report to the Trustees of the IFRS Foundation continued

Performance of our audit

- We performed a full-scope audit for one component, which amounted to 97% of total income for the group and 99% of total assets. We performed a specific-scope audit for two components, which amounted to 21% of total board member and staff costs, 5% of cash and cash equivalents and 55% of leasehold improvements, furniture and equipment for the group.
- The engagement team visited one location. Most of the Foundation's subsidiaries are non-trading and therefore do not have a physical location. The visited location represents 97% of the income for the group and the engagement team visited this location to perform the audit work.
- Further audit procedures performed on components subject to specific scope and specified procedures may not have included testing of all significant account balances of such components, but further audit procedures were performed on specific accounts within that component that we, the group auditor, considered had the potential for the greatest impact on the group financial statements either due to risk, size or coverage.
- The components within the scope of further audit procedures accounted for the following percentages of the group's results, including the key audit matters identified:

Audit approach	No. of components	% coverage total assets	% coverage income
Full-scope audit	1	99%	97%
Specific-scope audit	2	5%	0%
Full-scope and specific-scope-procedures coverage	3 (2024: 3)	99% (2024: 98%)	97% (2024: 98%)
Analytical procedures	7 (2024: 7)	2% (2024: 2%)	2% (2024: 2%)
Total	10	100	100

Communications with component auditors

- We did not engage component auditors to perform audit work for the group for the year ended 31 December 2025.

Changes in approach from previous period

- There were no changes in the number of components for the year ended 31 December 2025 where specific-scope procedures were performed compared to the year ended 31 December 2024.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 38, the Trustees are responsible for the preparation of the group financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of group financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group financial statements, the Trustees are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the group financial statements

Our objectives are to obtain reasonable assurance about whether the group financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these group financial statements.

**Independent auditor's report to the Trustees of the IFRS Foundation** continued

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- The group is subject to many laws and regulations for which the consequences of non-compliance could have a material effect on amounts or disclosures in the group financial statements. The significant laws and regulations we have identified as the most likely to have a material effect if non-compliance were to occur are the International Financial Reporting Standards, HMRC tax legislation for payroll, tax and value added tax filings, tax legislation within the United States, anti-bribery legislation and employment law in the United Kingdom.
- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience and through discussion with the Trustees, and from inspection of the group's board minutes and legal and regulatory correspondence. We discussed the policies and procedures regarding compliance with laws and regulations with the Trustees.
- Based on the results of our risk assessment we designed further audit procedures to identify non-compliance with such laws and regulations. These procedures were performed for all components of the group. Our procedures also involved journal entry testing, with a focus on journals meeting our defined risk criteria based on our understanding of the business; enquiries of legal counsel and management; and consideration of the volume and nature of complaints received through whistleblowing during the year.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement to identify or recognise non-compliance with laws and regulations included consideration of the engagement team's:
 - understanding of and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
 - knowledge of the industry in which the client operates;
 - understanding of the legal and regulatory requirements specific to the group including:
 - the provisions of the applicable legislation;
 - the regulator's rules and related guidance, including guidance issued by relevant authorities that interprets those rules; and
 - the applicable statutory provisions.

- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. We communicated the potential for fraud in revenue recognition through manipulation of contributions received after the reporting date and income recognised from a performance-based grant. These are also reported as key audit matters in the key audit matter section of our report, where the matters are explained in more detail and the specific procedures we performed in response are described in more detail.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Foundation's Trustees, as a body, in accordance with our letter of engagement dated 25 October 2025. Our audit work has been undertaken so that we might state to the Foundation's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Foundation and the Foundation's Trustees as a body, for our audit work, for this report or for the opinions we have formed.

Grant Thornton UK LLP

Ant Thomas BSc FCA

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

London

27 March 2026



Consolidated statement of comprehensive income

Year ended 31 December 2025

	Note	2025 £'000	2024 £'000
Income			
Contributions	3	39,551	40,997
Earned revenue	4	26,543	26,577
		66,094	67,574
Operating expenses			
Technical and operational activities			
Board members and staff costs	5(a)	(45,939)	(48,309)
Other technical and operating costs	5(b)	(9,246)	(10,781)
IFRS Advisory Council, IFRS Interpretations Committee and other advisory bodies	5(d)	(350)	(416)
Earned revenue activities	4	(4,144)	(5,146)
Trustee oversight	6	(314)	(1,119)
Premises, occupancy and related expenses	7(a)	(3,233)	(3,146)
Restructuring costs	8	(1,618)	–
		(64,844)	(68,917)
Net operating income/(deficit)		1,250	(1,343)
Finance income	15	1,308	1,399
Finance costs and net foreign exchange losses	15	(862)	(1,662)
		446	(263)
Income/(deficit) before tax		1,696	(1,606)
Income tax charge	10(a)	(178)	(172)
Income/(deficit) for the year after tax		1,518	(1,778)
Other comprehensive income—items that may be reclassified subsequently to the income statement			
Exchange differences on translating foreign operations		(188)	175
Total comprehensive income/(loss) for the year		1,330	(1,603)

The notes on pages 48–66 form part of these financial statements.

Consolidated statement of financial position

As at 31 December 2025

	Note	2025 £'000	2024 £'000
Assets			
Current assets			
Cash and cash equivalents	13(b)	43,609	35,545
Contributions receivable	3(a)	4,588	5,404
Trade and other receivables	4	2,992	2,723
Prepaid expenses	5(b)	1,983	1,685
Inventories		51	35
Bonds at amortised cost, including accrued interest	14	8,192	1,491
Bonds at fair value, including accrued interest	14	–	3,029
Forward currency contracts at fair value	13(f)	–	4
		61,415	49,916
Non-current assets			
Bonds at amortised cost, including accrued interest	14	–	8,153
Investment portfolio	14	3,120	2,940
Leasehold improvements, furniture and equipment	7(b)	2,000	2,422
Right-of-use assets	9(b)	2,402	3,244
Intangible assets	5(c)	100	395
		7,622	17,154
Total assets		69,037	67,070
Liabilities			
Current liabilities			
Trade and other payables		953	1,179
Payroll taxes payable		1,073	1,080
Accrued expenses		2,565	3,205
Lease liability	9(b)	1,247	918
Tax liability	10(a)	202	229
Earned revenue received in advance	4	5,769	5,747
Contributions received in advance	3(a)	4,414	3,031
Forward currency contracts at fair value	13(f)	–	4
Provisions—other	11	483	–
		16,706	15,393
Non-current liabilities			
Lease liability	9(b)	2,090	3,170
Provisions—reinstatement	11	553	503
Accrued expenses		354	–
Deferred tax liability	10(b)	123	123
		3,120	3,796
Total liabilities		19,826	19,189
Net assets/reserves		49,211	47,881

Erkki Liikanen

Erkki Liikanen

Chair of the IFRS Foundation Trustees



Consolidated statement of changes in reserves

Year ended 31 December 2025

	Retained surplus £'000	Translation reserve £'000	Total £'000
Balance at 1 January 2025	47,917	(36)	47,881
Income for the year after tax	1,518	–	1,518
Other comprehensive income			
Exchange differences on translating foreign operations	–	(188)	(188)
Balance at 31 December 2025	49,435	(224)	49,211
Balance at 1 January 2024	49,695	(211)	49,484
(Deficit) for the year after tax	(1,778)	–	(1,778)
Other comprehensive income			
Exchange differences on translating foreign operations	–	175	175
Balance at 31 December 2024	47,917	(36)	47,881

Consolidated statement of cash flows

Year ended 31 December 2025

	Note	2025 £'000	2024 £'000
Operating activities			
Cash received			
Contributions		41,751	40,011
Earned revenue		26,180	27,963
Interest		1,114	1,010
Cash paid			
Salaries, wages and benefits		(45,772)	(48,591)
Earned revenue-related activities expenses		(4,006)	(4,982)
Trustees' fees		(251)	(678)
Other operating expenses		(13,319)	(13,322)
Net cash from operating activities		5,697	1,411
Investing activities			
Matured bonds receipts		4,545	5,567
Purchase of investments		–	(5,154)
Purchase of leasehold improvements, furniture and equipment		(249)	(1,241)
Net cash from/(used in) investing activities		4,296	(828)
Financing activities			
Payment of lease liabilities	9(b)	(1,094)	(1,447)
Net cash used in financing activities		(1,094)	(1,447)
Effects of exchange rate changes on cash and cash equivalents		(835)	(1,254)
Net increase/(decrease) in cash and cash equivalents		8,064	(2,118)
Cash and cash equivalents at the beginning of the year		35,545	37,663
Cash and cash equivalents at the end of the year		43,609	35,545



Notes to the consolidated financial statements

Year ended 31 December 2025

1. Basis of accounting, material accounting policy information and judgements and estimates

(a) General information

The parent entity (IFRS Foundation) is a not-for-profit corporation incorporated without share capital under the General Corporation Law of the State of Delaware, registered as the International Financial Reporting Standards Foundation with the address of 1209 Orange Street Wilmington, New Castle County, Delaware 19801, United States. The IFRS Foundation operates in England and Wales as an overseas company (Company number: FC023235), with its principal office at Columbus Building, 7 Westferry Circus, Canary Wharf, London, E14 4HD.

The IFRS Foundation was incorporated on 6 February 2001. The objectives and governance arrangements of the IFRS Foundation and its independent standard-setting bodies, the International Accounting Standards Board (IASB) and the International Sustainability Standards Board (ISSB), are set out in the IFRS Foundation's Constitution.

The IFRS Foundation has established subsidiaries and offices comprising:

- IFRS Foundation (ISSB) Montreal—incorporated on 13 July 2022 in Montreal, Canada;
- IFRS Foundation (ISSB) Frankfurt—incorporated on 15 November 2022 in Frankfurt, Germany;
- IFRS Foundation Asia-Oceania Ippan Shadan Hojin—established on 2 May 2023 in Tokyo, Japan, taking over the operations, assets and liabilities of the Foundation's Tokyo branch on 31 August 2023; and
- International Financial Reporting Standards Foundation (USA) Beijing Office—established on 12 June 2023 in Beijing, China.

All subsidiaries are 100% owned directly by the IFRS Foundation.

(b) Basis of preparation

The consolidated financial results for 2025 encompass the global operations of the IFRS Foundation and its subsidiaries (Foundation), which include its offices in Canada, China, Germany, Japan, the UK and the US. The consolidated financial statements have been prepared on a basis that reflects these operations, providing a comprehensive view of the Foundation's position and performance.

The consolidated financial statements are presented in GBP, which is the functional currency of the parent company.

Foreign currency transactions are translated into the functional currency of the respective reporting entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from settling such transactions and from remeasuring monetary items denominated in foreign currency at period-end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at the period end; they are measured at historical cost (translated using the exchange rates at the transaction date).

The Foundation has prepared the consolidated financial statements in accordance with IFRS Accounting Standards, as issued by the IASB. The consolidated financial statements are based on the historical cost principle, except for financial assets and financial liabilities measured at fair value.

Assets acquired and liabilities assumed as part of a business combination are measured at their acquisition fair values.

(c) Going concern

Management has prepared cash flow forecasts covering the 18-month period from the date of approval of these financial statements. These forecasts are based on the Foundation's approved 2026 budget.

Cash inflows from contributions reflect agreed funding commitments and expected receipts, conservatively adjusted where appropriate. Earned revenue assumptions are based on contracted arrangements and historical patterns of recognition. Cash outflows include committed and planned expenditure, including programme activity and capital investment.

To assess financial resilience, management carried out stress testing focused primarily on revenue because it is the principal variable outside the Foundation's direct control. The scenarios modelled over the 18-month assessment period included:

- a 10% reduction in all revenue;
- a 25% reduction in all revenue; and
- reduction of non-contracted contributions to zero.

Under each of these scenarios, the Foundation remained able to meet its liabilities as they fall due, supported by available liquidity reserves.



Notes to the consolidated financial statements continued

Year ended 31 December 2025

A reverse stress test was also carried out to determine the percentage of revenue reduction that would result in the depletion of liquidity within the 18-month assessment period. This analysis indicated that a reduction of approximately 57% of total revenue would be required before liquidity was exhausted by June 2027. The reverse stress test assumed no mitigating management action, including no adjustment to expenditure and no supplementary revenue measures. In practice, the Foundation monitors revenue flows closely and retains the ability to adjust expenditure and prioritise activities if required.

In forming their conclusion, the Trustees also considered the Foundation's operating model. The Foundation operates in several jurisdictions and receives funding in several currencies. Global economic conditions, foreign exchange volatility, inflationary pressures and regulatory or policy developments might influence funding or adoption pace of IFRS Standards in some regions. These factors are monitored through treasury oversight, diversified cash management and, where appropriate, foreign exchange hedging arrangements.

Having regard to the reserves held, available liquidity and the range of management actions available, the Trustees have a reasonable expectation that the Foundation will be able to continue to operate and meet its liabilities as they fall due for at least 18 months from the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

(d) New Standards adopted as at 1 January 2025

The amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates—Lack of Exchangeability* have become effective for annual reporting periods beginning on or after 1 January 2025 and have been adopted in the current year. The amendments clarify how to determine an exchange rate if a currency is not exchangeable. Adopting these amendments did not have a material effect on the Foundation's financial statements because the Foundation does not operate in environments where currencies are subject to exchange restrictions that would prevent conversion at observable market rates.

(e) Issued but not yet effective accounting pronouncements

IFRS 18 *Presentation and Disclosure in Financial Statements* was issued in April 2024, effective for annual reporting periods beginning on or after 1 January 2027. IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. It includes many of the requirements in IAS 1, but introduces new requirements to better structure financial statements and to provide more detailed and useful information, including:

- the introduction of two defined subtotals in the statement of profit or loss: operating profit, and profit or loss before financing and income taxes. For the Foundation, operating profit is expected to be broadly consistent with the current presentation of net operating income within the consolidated statement of comprehensive income.
- the classification of income and expenses into five categories: operating, investing, financing, income tax and discontinued operations. For the Foundation, finance income and expenses and net foreign exchange gains and losses will be presented within these categories in accordance with the new classification principles. Interest received and fair value movements on financial instruments are expected to be presented within investing activities, interest paid within financing activities and foreign exchange differences classified according to the underlying items to which they relate.
- enhanced principles relating to the aggregation and disaggregation of information in both the primary financial statements and the accompanying notes.

The Foundation does not expect IFRS 18 to affect the recognition or measurement of income or expenses. However, it will result in changes to the presentation and structure of some line items within the statement of comprehensive income and related disclosures.

The Foundation is currently assessing the detailed presentation and disclosure implications of IFRS 18. Adoption is expected in accordance with its effective date.

The Foundation has concluded that no other issued but not yet effective IFRS Accounting Standards or IFRIC Interpretations are expected to have a material effect on the financial statements.

(f) Cash

Cash and cash equivalents are defined as cash and short-term bank deposits. The cash flow statement has been prepared in accordance with the direct method.



Notes to the consolidated financial statements continued
Year ended 31 December 2025

(g) Inventories

Inventories consist of the Foundation's publications, which are carried at the lower of the cost of printing, on a first-in, first-out basis or their net realisable value.

(h) Financial instruments

Financial assets and financial liabilities are recognised when the Foundation becomes a party to the contractual provisions of the financial instrument.

Financial assets include cash and cash equivalents, trade receivables, investments and derivatives (forward currency contracts). Trade receivables are initially measured at their transaction price. All other financial assets are initially measured at fair value. Financial assets are classified into either amortised cost or fair value through profit or loss based on the characteristics of the asset and the business model applied. The Foundation assesses the characteristics of the asset and the applicable business model at initial recognition of a financial asset based on the evidence available at the time. The Foundation reassesses the business model of existing asset portfolios at each reporting date. Existing portfolios would be reclassified only if the business model were to change. A significant change in the Foundation's operations that is observable to external parties would be evidence of a change in the business model.

Financial liabilities include trade and other payables. Financial liabilities are initially measured at fair value and then held at amortised cost.

(i) Other material accounting policy information

Other material accounting policy information is included in the note to which it relates.

(j) Judgements and estimates

When preparing the consolidated financial statements, management makes estimates, judgements and assumptions about the recognition and measurement of assets, liabilities, revenues and expenses.

The key judgements made by management in applying the accounting policies of the organisation that have the most significant effect on these financial statements relate to:

- i. the lack of explicit requirements on the treatment of philanthropic grants in IFRS Accounting Standards, which necessitates the use of management judgement to select an appropriate accounting policy. The Foundation has decided to adopt IAS 20 *Accounting for Government Grants and Disclosure of Government Assistance* to recognise income from philanthropic grants.

IAS 20 offers a relevant framework for these types of grants, which often share features with government grants.

In accordance with IAS 20, revenue recognition is systematic, based on the fulfilment of performance conditions tied to specific outcomes. The Foundation recognises grant income during the period when these conditions are met, ensuring transparency and consistency in its financial reporting. This method aligns with the Foundation's strategic objectives, because many grants are multi-year and intended to support specific projects.

By recognising this grant income in accordance with IAS 20, the Foundation provides a clear basis for the timing and measurement of this income, thereby helping users of its financial statements to understand the financial effects of grant funding.

IAS 20 sets clear criteria for recognising grant income, emphasising the need for a company to be entitled to the funds, have fulfilled the performance conditions associated with the grant, be reasonably assured of its receipt and be able to measure the amount reliably. These criteria align with the nature of the Foundation's grants, which often span several years with performance-based milestones.

Management applies judgement to ensure revenue is recognised only when funds are available for drawdown, expenditures comply with grant terms and specified outcomes are achieved.

(k) Explanatory information

The explanatory notes have been organised into sections that provide a cohesive presentation of the financial reporting implications of the Foundation's core activity (the development, adoption and application of IFRS Accounting Standards and IFRS Sustainability Disclosure Standards), how it funds that activity and how it manages its financial risk. Each section presents the financial information and any material accounting policy information that is relevant to understanding the activities of the Foundation.



Notes to the consolidated financial statements continued
Year ended 31 December 2025

2. Consolidation

The financial results for 2025 cover the Foundation's global operations, including its offices in Canada, China, Germany, Japan, the UK and the US. The accounting principles are applied consistently for the IFRS Foundation and its subsidiaries and are based on the same accounting periods.

Subsidiaries are entities over which the IFRS Foundation, directly or indirectly, has control. Control over an entity is evidenced by the Foundation's ability to exercise its power to affect any variable returns that the Foundation is exposed to through its involvement with the entity.

When preparing the consolidated financial statements, intra-group transactions and balances, along with gains and losses on transactions between Foundation entities, are eliminated.

In the consolidated financial statements, all assets, liabilities and transactions of the Foundation's foreign operations with a functional currency other than GBP are translated into GBP upon consolidation. The functional currencies of the Foundation's foreign operations have remained unchanged during the reporting period. Assets and liabilities in foreign operations have been translated into GBP at the closing rate at the reporting date. Income and expenses in foreign operations have been translated into GBP at the average rate over the reporting period. Exchange differences are charged or credited to other comprehensive income and recognised in the currency translation reserve in equity.

(a) Composition of the Foundation

All subsidiaries are owned 100% directly by the Foundation:

Name of entity	Country of incorporation/formation	Date incorporated/formed	Principal activity	Status at 31 December 2025
Subsidiaries				
Value Reporting Foundation UK	UK	2011	Integrated Reporting	Active
Value Reporting Charity UK	UK	2015	Integrated Reporting	Active
IFRS Foundation (ISSB) Frankfurt	Germany	2022	Standard-setting	Active
IFRS Foundation (ISSB) Montreal	Canada	2022	Standard-setting	Active
International Financial Reporting Standards Foundation LLC	US	2022	Standard-setting	Dormant parent with active subsidiary
IFRS UK Ltd	UK	2022	Standard-setting	Dormant
IFRS Foundation Asia-Oceania Ippan Shadan Hojin	Japan	2023	Standard-setting	Active
International Financial Reporting	UK	2023	Standard-setting	Dormant
Branches and representative offices of the parent company (IFRS Foundation)				
International Financial Reporting Standards Foundation (branch office in the UK)	UK	2001	Standard-setting	Active
International Financial Reporting Standards Foundation (USA) Beijing office	China	2023	Standard-setting	Active

The annual reporting date of each subsidiary is 31 December.



Notes to the consolidated financial statements continued
Year ended 31 December 2025

3. Contributed revenue

(a) Contributions from jurisdictions, seed capital and contributions from companies

Contributions to the Foundation are voluntary and are recognised as income in the year designated by the funding provider. Contributions that have been received but are designated for use after the reporting date are deferred and recognised as contributions received in advance. At the year end £4.4 million (2024: £3.0 million) of contributions received are deferred. Of the £3.0 million (2024: £1.8 million) balance of contributions received in advance at the beginning of the year, £1.3 million (2024: £1.7 million) of income was recognised in the year.

Contributions received after the reporting date but designated for use in the reporting period are recognised as income and as contributions receivable. At the year end, £4.6 million (2024: £5.4 million) is included within contributions receivable.

The Foundation has signed Memoranda of Understanding (MoUs) with parties in China, Canada, Germany and Japan setting out seed-funding arrangements for the ISSB. They provide financial support for the ISSB and include commitments relating to operational activities and staffing in various locations.

The German MoU established partnerships with German public- and private-sector institutions to support the ISSB in Frankfurt. In 2024 the Foundation received an additional grant from the German public institutions to further this commitment; no equivalent top-up funding was received in 2025.

Similarly, the Canadian MoU with the Federal and provincial governments and the private sector supports the presence of the ISSB in Montreal.

The MoU with the Chinese Ministry of Finance formalised support for setting up and providing continued funding support for the ISSB's office in Beijing.

The Japanese MoU, which updates a prior agreement, provides continued funding support from the Financial Accounting Standards Foundation, Japan, for the Foundation's activities in its Asia-Oceania office in Tokyo.

(b) Contributions from philanthropy

In accordance with IAS 20, the recognition of income from philanthropic grants by the Foundation is based on several criteria: the Foundation must be entitled to the funds, the performance conditions associated with the grants must be met, the receipt of income must be probable and reliable measurement of the amount must be possible. Any amounts that do not meet these criteria are deferred and may be recognised in income in later years as these conditions are satisfied.

In 2025 the Foundation secured new multi-year philanthropic grants totalling £8.0 million for ISSB-related activities (2024: £7.0 million). Of this amount, £4.1 million was recognised as income (2024: £4.5 million). The remaining grant amounts will be recognised in future periods as the Foundation meets the required performance conditions, and the funds fall due. This systematic approach meets the requirements in IAS 20, ensuring that our income recognition complies with the grant conditions and aligns with the timeline for fulfilling our performance obligations.

Grant income recognised in 2025 includes funding received under a funding agreement that requires a corresponding sub-grant to be made to a partner organisation. Income of £750,000 was recognised when the related entitlement conditions were satisfied and is fully matched by the sub-grant expense recognised in the year (see Note 5(b)).

A full list of funding providers can be found on pages 67–74.

(c) Contributions by board

	2025 £'000	2024 £'000
IASB-related activities	16,117	15,218
ISSB-related activities	23,434	25,779
	39,551	40,997

**Notes to the consolidated financial statements** continued

Year ended 31 December 2025

(d) Contributions by region

	2025 £'000	2024 £'000
Americas	10,165	11,838
Asia-Oceania	10,997	10,236
Europe	17,520	18,774
Other	869	149
	39,551	40,997

(e) Contributions by currency

The Foundation receives contributions from jurisdictions in a range of currencies.

	2025 £'000	2024 £'000
GBP	8,647	5,888
Canadian dollars	4,887	7,982
Euro	9,805	11,581
US dollars	12,657	10,582
Yen	2,969	3,447
Other	586	1,517
	39,551	40,997

For more information on how the Foundation manages its currency risk, see Note 13(f).

4. Earned revenue

The Foundation generated earned revenue from publications and subscription services, licensing of intellectual property, membership fees for the IFRS Sustainability Alliance, education programmes and conferences.

The table presents the components of the net income generated by all earned revenue activities.

	Note	2025 £'000	2024 £'000
Revenues from contracts with customers			
Licensing		20,279	19,538
Publications		1,518	1,187
Subscription services		1,238	1,370
Membership services		2,276	2,554
Education services		787	986
Conferences and speaking engagements		445	942
		26,543	26,577
Expenses			
Staff salaries and related costs	5(a)	2,569	3,032
Cost of goods sold		837	1,252
Depreciation	7(a)	155	158
Occupancy	7(a)	153	164
Communication and technology		274	250
Other costs		156	290
		4,144	5,146
		22,399	21,431
Net income from earned revenue activities			

The Foundation enters into non-exclusive licensing contracts granting intellectual property rights to customers who wish to use its intellectual property in their commercial offerings or commercial practices. The arrangements are governed by contracts that establish the fees and term. Consideration for these contracts is in the form of fixed or variable fees. Revenues for fixed-fee contracts are recognised on a time-apportioned basis over the term of the licence because the contracts provide ongoing access to updated versions of IFRS Standards and other related content. Revenues for variable-fee contracts are recognised as the customers' sales occur. Revenue is measured based on the consideration specified in the contracts.

**Notes to the consolidated financial statements** continued

Year ended 31 December 2025

Revenue from printed publications is recognised when control of the publication is transferred to the customer, which occurs upon shipment. Publications are paid for in advance of shipment. Customers are entitled to refunds or returns in accordance with statutory requirements; however, based on experience, such occurrences are expected to be infrequent and immaterial.

Revenue from subscription and membership services is recognised over the subscription or membership period on a time-apportioned basis. Subscriptions and memberships are generally paid for in advance. Some subscriptions and memberships renew automatically on an annual basis. If payment is not received within a defined time, the subscription is cancelled and any revenue recognised is reversed.

Revenue from education services is recognised when the relevant exam is taken by the customer.

Revenue from conferences and speaking engagements is recognised on conclusion of the event.

Revenue received in advance arises from revenue received (for licensing, memberships, subscriptions, conferences and education services) in advance of the period in which the Foundation provides the services. The balance at the beginning of the year of £5.7 million has been recognised as revenue during the year. The balance at the end of the year of £5.8 million is expected to be recognised as revenue in 2026.

Trade and other receivables of £3.0 million (2024: £2.7 million) include balances arising from revenue from contracts with customers of £2.1 million (2024: 1.9 million).

5. Technical and operational activities**(a) Staff salaries and related costs**

Staff salaries and related costs constitute the Foundation's largest area of expenditure. These costs support the development of IFRS Standards, as well as adoption, implementation, stakeholder engagement and supporting activities throughout the organisation.

Staff salaries and related costs, excluding restructuring costs, decreased compared to the prior year. The reduction primarily reflects the effect of the restructuring implemented in April 2025, which reduced overall headcount. This decrease was partly offset by the annualisation of salary costs for employees that joined during 2024.

Staff costs were also lower due to vacancies that remained unfilled during the year, mainly within the ISSB staff.

As a result of the restructuring and other workforce changes during the year, the number of staff employed by the Foundation has decreased from 369 at the end of 2024 to 321 at the end of 2025.¹

The Trustees review and approve salary and benefit levels, taking into account benchmarking and market conditions.

The Foundation makes fixed contributions to independent pension and insurance arrangements for eligible employees. It has no legal or constructive obligation to pay further contributions beyond these fixed amounts, which are recognised as an expense in the period in which the related employee services are received.

In 2025 £2.4 million (2024: £2.4 million) was recognised within operating expenses in respect of defined contribution pension schemes.

Staff salaries and related costs are analysed as follows:

	2025 £'000	2024 £'000
Technical and operational activities	45,939	48,309
Earned revenue activities (Note 4)	2,569	3,032
Sub-total	48,508	51,341
Restructuring activities (Note 8)	1,404	–
	49,912	51,341
	2025 £'000	2024 £'000
IASB member salaries and related costs	8,231	8,455
ISSB member salaries and related costs	6,648	6,697
Other staff salaries and related costs	35,033	36,189
	49,912	51,341

¹ Headcount as at 31 December. Staff includes all permanent and fixed-term contract employees, casual workers, consultants, secondees and visiting fellows.



Notes to the consolidated financial statements continued
Year ended 31 December 2025

Staff salaries and related costs by region were as follows:

	2025 £'000				
	UK	Asia-Oceania	Europe	Americas	Total
Board	8,234	1,151	3,678	1,816	14,879
Technical and operational	23,014	945	3,421	7,653	35,033
	31,248	2,096	7,099	9,469	49,912

	2024 £'000				
	UK	Asia-Oceania	Europe	Americas	Total
Board	8,389	1,498	3,217	2,048	15,152
Technical and operational	23,090	836	3,408	8,855	36,189
	31,479	2,334	6,625	10,903	51,341

The IASB and the ISSB each had 12 members at the end of the year (2024: 14 members) following the departure of two members from each board during the year (2024: no changes).

Remuneration for board members is either:

- an annual allowance, inclusive of employer taxes, with members able to elect how this amount is received between salary, pension contributions and other benefits; or
- a gross salary with employer taxes payable by the Foundation in addition.

Board member salaries are paid in a range of currencies.

The total cost for the Chairs and Vice-Chairs of the boards, covering all compensation, benefits and employer taxes, is shown under key management personnel in the table.

The average cost (on a full-year equivalent basis), including all compensation, benefits and employer taxes, for all other IASB and ISSB members is £517,000 (2024: £518,000). ISSB members are based in the Foundation's global offices and are paid in local currencies. As a result, foreign exchange rate movements affect the average salary reported in GBP. The decrease compared to the prior year primarily reflects foreign exchange fluctuations.

Key management personnel

Key management personnel include the Chairs and Vice-Chairs of the boards, and the Managing Director. The total annual allowances including all compensation, pension contributions and benefits of these key personnel are as follows:

	2025 £'000			2024 £'000		
	Short-term employee benefits	Post-employment benefits	Total benefits	Short-term employee benefits	Post-employment benefits	Total benefits
Salary received as annual allowance						
Andreas Barckow	737	4	741	737	4	741
IASB Chair						
Emmanuel Faber	741	–	741	741	–	741
ISSB Chair						
Sue Lloyd	619	22	641	619	22	641
ISSB Vice-Chair						
Linda Mezon-Hutter	637	4	641	637	4	641
IASB Vice-Chair						
Salary received as gross salary plus employer taxes						
Jingdong Hua	467	4	471	465	2	467
ISSB Vice-Chair						
Salary received as gross salary plus pension and other benefits						
Lee White	–	–	–	106	11	117
Managing Director (until February 2024)						
Michel Madelain	131	–	131	158	–	158
Managing Director (from September 2024)						

Included in Lee White's 2024 short-term employee benefits is £29,000 as payment in lieu of untaken holiday, which he received upon his departure from the Foundation in February 2024. Michel Madelain assumed his role in September 2024. The amount reported for the Managing Director in 2025 reflects the waiver of a significant portion of his remuneration during the year.

Outstanding amounts owed to the above key management personnel at the year end totalled £22,000 (2024: £nil). Information related to the remuneration of the Trustees is provided in Note 6.



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Year ended 31 December 2025

(b) Other technical and operating costs

Operating expenses, which include other technical and operating costs, are recognised when the service is used or as incurred.

	2025 £'000	2024 £'000
Group auditor's fees		
Fees payable to the external auditor—audit services	101	100
Fees payable to the external auditor—non-audit services	28	13
	129	113
Legal and professional services		
Establishment of ISSB/multi-location model	–	859
Other	1,153	1,258
	1,153	2,117
Technology		
Software-as-a-Service and IT infrastructure	2,734	2,957
Technology transformation programmes	761	1,310
Intangible asset amortisation (Note 5(c))	296	303
	3,791	4,570
Travel and meetings	1,447	2,003
Other costs		
Communications and external relations	385	412
Sub-grants to partner organisations	750	–
Human resource and recruitment activities	756	784
Other office-related costs	835	782
	2,726	1,978
	9,246	10,781

Licences for technology platforms and Software-as-a-Service are paid in advance and recognised as an expense over the period to which they relate, with any unexpired element at the reporting date recognised as a prepayment. Prepaid expenses at the year end totalled £2.0 million (2024: £1.7 million), of which £1.1 million (2024: £0.8 million) related to technology costs. The technology transformation programmes had a total budget of £5 million covering the period from 2023 to 2025. Spend on these programmes reduced compared to the prior year through tighter prioritisation and a deferral of some planned activities to 2026.

Establishment of ISSB/multi-location model costs in 2024 comprised fees for tax, compliance and employment-related advice associated with finalising the multi-location structure. This workstream ended in 2024.

Sub-grants awarded to partner organisations are recognised as an expense when the recipient becomes entitled to the funding or when the group has a present obligation to make the payment based on the original grant agreement. Sub-grants are awarded to support activities aligned with the Foundation's mission and are typically funded by specific income received for that purpose.

(c) Intangible assets

The Foundation measures intangible assets at cost, minus accumulated amortisation and impairment losses.

The Foundation's most important intangible asset—the intellectual property embodied in IFRS Standards and related content—is not recognised on the balance sheet because its cost cannot be reliably measured. Expenditures related to the development of IFRS Standards and related content are recorded as expenses in the year they occur.

The Foundation's technology programmes involve the development of new software and IT infrastructure.

Expenditure associated with computer software licences, research activities and project management does not meet the criteria for capitalisation and is expensed as incurred. Research and development costs of £479,000 (2024: £567,000) that do not meet the criteria for capitalisation have been recognised as an expense in the period in which they were incurred.

Expenditures directly attributable to the development of new software and IT infrastructure are capitalised as intangible assets when the recognition criteria in IAS 38 *Intangible Assets* and SIC-32 *Intangible Assets—Web Site Costs* are met. These criteria include:

- the ability to measure development costs reliably;
- the availability of adequate technical, financial and other resources to complete the development;
- the probability that future economic benefits will arise; and
- the Foundation's ability to control those future economic benefits and restrict access by others.

Capitalised development costs are not amortised until the asset is available for use. Once available for use, amortisation is recognised on a straight-line basis over the asset's estimated useful life, which is generally five years or less. Useful lives are reviewed annually, taking into account technological change and planned replacement. After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs might be impaired.



Notes to the consolidated financial statements continued
Year ended 31 December 2025

All recognised intangible assets have finite useful lives. The estimated useful life of the modern web platform and other internally developed intangible assets is five years. At the reporting date, the remaining amortisation period for the modern web platform is one year, and for other intangible assets is up to two years.

An amortisation charge of £296,000 was recognised in 2025 (2024: £303,000) and is included in other technical and operating costs (Note 5(b)).

	2025 £'000		
	Modern web platform	Other	Total
Cost			
1 January	1,202	324	1,526
Additions	–	–	–
31 December	1,202	324	1,526
Accumulated amortisation			
1 January	900	230	1,130
Charge for the year	241	55	296
31 December	1,141	285	1,426
Carrying amount	61	39	100

	2024 £'000		
	Modern web platform	Other	Total
Cost			
1 January	1,202	324	1,526
Additions	–	–	–
31 December	1,202	324	1,526
Accumulated amortisation			
1 January	660	168	828
Charge for the year	241	62	303
31 December	901	230	1,131
Carrying amount	301	94	395

(d) The IFRS Advisory Council, IFRS Interpretations Committee and other advisory bodies

The annual remuneration for the Chair of the IFRS Advisory Council was £29,000 in 2025 (2024: £50,000). The Foundation also reimburses the Chair's travel and accommodation costs. Other members of the IFRS Advisory Council do not receive remuneration and meet their own costs for attending meetings. Members of the IFRS Interpretations Committee and members of the Capital Markets Advisory Committee are not remunerated, but they are reimbursed for their travel and accommodation costs for attending meetings. Members of other advisory bodies meet their own costs for attending meetings and are not remunerated by the Foundation.

Costs associated with these committees and advisory bodies are:

	2025 £'000	2024 £'000
Remuneration costs	29	50
Travel and meeting costs	321	366
	350	416

6. Trustee oversight

The Trustees oversee the Foundation's management and governance. In 2025 there were 21 Trustees from January to February, increasing to 22 from March to December. In 2024 there were 21 Trustees from January to June, increasing to 22 from July to December. The Trustees met seven times during the year—three times in person and four times virtually (2024: three times in person and once virtually). The Chair of the Trustees receives an annual fee of £200,000 and the other Trustees receive £20,000 annually, with committee chairs receiving an additional £7,000 per year.

In 2025 all 22 Trustees waived their fees (2024: two Trustees waived their fees). No Trustees received any remuneration for consultancy services (2024: one trustee received £20,000). All Trustees are reimbursed for travel expenses related to Foundation business, with amounts owed for reimbursement totalling £nil at year end (2024: £2,000).

Costs associated with Trustee activities are:

	2025 £'000	2024 £'000
Remuneration costs	–	640
Travel and meeting costs	314	479
	314	1,119

Travel and meeting costs were lower in 2025, reflecting that two out of the three physical meetings were held at Foundation premises and that overall travel outside of Trustee meetings was reduced.



Notes to the consolidated financial statements continued
Year ended 31 December 2025

7. Premises, occupancy and related expenses

(a) Components of premises, occupancy and related expenses

	2025 £'000	2024 £'000
Property taxes, insurance and energy	731	729
Rent—short-term leases (Note 9(a))	537	466
Service charges	487	473
Depreciation—leasehold improvements, furniture and equipment fixed assets (Note 7(b))	633	635
Depreciation—right-of-use asset (Note 9(b))	1,019	1,037
Other costs	134	128
	3,541	3,468
Minus amounts allocated to expenses for earned revenue activities:		
Depreciation (Note 4)	(155)	(158)
Occupancy (Note 4)	(153)	(164)
	3,233	3,146

(b) Leasehold improvements, furniture and equipment

Leasehold improvements, furniture and equipment and other fixed assets are initially measured at cost and then depreciated on a straight-line basis from the date on which the asset is available for use. Leasehold improvements are depreciated over the remaining periods of the related leases or their useful lives, whichever is shorter. Furniture and equipment are depreciated over three or five years.

	2025 £'000		
	Leasehold improvements	Furniture and equipment	Total
Cost			
1 January	4,199	1,980	6,179
Additions	30	218	248
Disposals	–	(55)	(55)
Net exchange differences	(40)	(18)	(58)
31 December	4,189	2,125	6,314
Accumulated depreciation			
1 January	2,193	1,564	3,757
Charge for the year	429	204	633
Disposals	–	(55)	(55)
Net exchange differences	(19)	(2)	(21)
31 December	2,603	1,711	4,314
Carrying amount	1,586	414	2,000

	2024 £'000		
	Leasehold improvements	Furniture and equipment	Total
Cost			
1 January	3,279	1,757	5,036
Additions	955	286	1,241
Disposals	–	(61)	(61)
Net exchange differences	(35)	(2)	(37)
31 December	4,199	1,980	6,179
Accumulated depreciation			
1 January	1,835	1,371	3,206
Charge for the year	379	256	635
Disposals	–	(52)	(52)
Net exchange differences	(21)	(11)	(32)
31 December	2,193	1,564	3,757
Carrying amount	2,006	416	2,422



Notes to the consolidated financial statements continued
Year ended 31 December 2025

8. Restructuring costs

In 2025 the Trustees began a strategic review of the Foundation's operating model to ensure it remains effective and financially sustainable as part of a transformation programme. It included a formal cost review, focusing primarily on headcount and resulting in a two-year cost savings plan targeting an overall reduction of approximately 15% in remuneration costs.

Restructuring costs recognised in the year primarily relate to redundancy payments, notice costs and associated employment-related expenses arising from the reduction in headcount.

The table provides an analysis of restructuring costs recognised during the year.

	2025 £'000	2024 £'000
Staff costs (Note 5(a))	1,404	–
Professional fees	214	–
	1,618	–

9. Leases

The Foundation makes use of leasing arrangements principally for the provision of office space. The Foundation also has leases for some IT and office equipment. Except for short-term leases and leases of low value, each lease is reflected in the statement of financial position as a right-of-use asset and a lease liability.

Right-of-use assets are measured at cost and comprise the amount of the initial measurement of the lease liability less accumulated depreciation. The Foundation depreciates the right-of-use asset on a straight-line basis from when the asset is available for use to the earlier of the end of the useful life of the underlying asset or the end of the lease term.

Lease liabilities are recognised at the present value of lease payments not yet paid discounted using the Foundation's incremental borrowing rate at the date of the lease inception—if the interest rate implicit in each lease cannot be readily determined. Interest expense on the lease liability is included in finance costs (see Note 15).

The Foundation has elected not to recognise a right-of-use asset or lease liability for short-term leases (lease term of 12 months or less) or for leases of low-value assets. Payments for such leases are expensed on a straight-line basis over the lease term.

(a) Short-term leases and leases of low-value assets

The Foundation has short-term leases for office premises in Beijing and Frankfurt, and leases of low value for some IT and office equipment. In 2024 there was also a short-term lease for office premises in Montreal (ending April 2024). The expense relating to payments not included in the measurement of the lease liability is as follows:

	2025 £'000	2024 £'000
Short-term premises leases (Note 7(a))	537	466
Office equipment	5	5
	542	471

(b) Long-term leases (lease term of more than 12 months)

The Foundation has long-term leases for the office premises in London, Montreal, San Francisco and Tokyo.

The 10-year London office-premises lease commenced in January 2018. The lease includes a five-year termination clause and incentives in the form of rent-free periods both initially and in year six. In 2022 the Foundation made the decision not to exercise the termination clause and benefited from a one-year rent-free period in 2023 (amortisation was still charged to the income statement). The lease term has not been modified or changed.

A five-year lease commenced on 1 October 2022 for the Tokyo office premises.

The lease for the Foundation's previous office premises in San Francisco expired in July 2025. A new 26-month lease for office premises in San Francisco commenced in July 2025.

The lease for office premises in Montreal began in September 2023. This lease includes a rent-free period for installing leasehold improvements up to 1 May 2024, during which time the premises remained unoccupied, followed by a 10-year rental period. The lease offers a five-year termination clause and incentives, including a rent-free period and a contribution towards leasehold improvements. The Foundation has a right to sublease the premises. In determining the lease term, management applied judgement and considered the economic incentives associated with the lease, the investment in leasehold improvements, the operational role of the Montreal office and the range of practical alternatives available to the entity, including the ability to sublet the premises, in assessing whether the break option is likely to be exercised.

Expected useful lives for the right-of-use assets are determined by reference to the lease term.



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Year ended 31 December 2025

The following amounts are recognised in the statement of financial position as right-of-use assets relating to leases:

	2025 £'000	2024 £'000
Buildings	2,370	3,208
IT equipment	32	36
	2,402	3,244

In 2025 additions to the right-of-use assets totalled £201,000, comprising £193,000 relating to the lease of new office premises entered into during the year and £8,000 for IT equipment. In 2024 additions totalled £15,000 and were related to IT equipment.

The following amounts are recognised in the statement of profit or loss relating to leases:

	Note	2025 £'000	2024 £'000
<i>Depreciation charge for right-of-use assets:</i>			
Buildings		(1,007)	(1,027)
IT equipment		(12)	(10)
	7(a)	(1,019)	(1,037)
Interest expense (included in finance costs)	15	(167)	(205)

Future undiscounted lease commitments under the premises leases are:

	2025 £'000	2024 £'000
Within one year	1,375	1,060
In two to five years	1,832	2,857
More than five years	550	749
	3,757	4,666
Effect of discounting	(420)	(578)
Lease liability at 31 December	3,337	4,088
Current	1,247	918
Non-current	2,090	3,170
	3,337	4,088

Lease liabilities are the only liabilities arising from financing activities. Changes in lease liabilities are set out in the table:

	Note	£'000
At 1 January 2024		5,417
Financing cash flows		(1,447)
New leases		15
Interest expense	15	205
Foreign exchange adjustments		(102)
At 31 December 2024		4,088
Financing cash flows		(1,094)
New leases		201
Interest expense	15	167
Foreign exchange adjustments		(25)
At 31 December 2025		3,337

10. Taxation

The IFRS Foundation was incorporated in February 2001 and is registered in the US as a not-for-profit corporation, known as a Section 501(c) (03) tax-exempt organisation. The exemptions are subject to periodic review by the federal and state taxing authorities, and management is confident that the IFRS Foundation continues to satisfy all federal and state statutes to continue to qualify for continued tax exemption status.

The Foundation operates on a not-for-profit basis in Canada, China, Germany and Japan, resulting in no tax payable in these jurisdictions. Although the Foundation also functions as a not-for-profit in the UK, UK tax regulations do not provide the same tax-exempt status. Therefore, the current tax charge detailed in the table below specifically reflects the Foundation's UK tax obligations.

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Year ended 31 December 2025

(a) Current tax charge

In 2025 the Foundation has a surplus before tax of £1,696,000 (2024: £1,606,000 deficit). The current tax liability is £202,000 (2024: £229,000). The tax charge of £178,000 (2024: £172,000) comprises:

	2025 £'000	2024 £'000
Current tax charge for the year	153	229
Adjustments for current tax of prior periods	25	(48)
Deferred tax charge (credit) for the year	–	(9)
Total tax charge	178	172

The tax assessed for the period is analysed in the table. The 2025 rate was 25% (2024: 25%).

	2025 £'000	2024 £'000
Income/(deficit) before tax	1,696	(1,606)
Applicable tax rate	25.00%	25.00%
Tax charge/(credit) at the applicable tax rate	424	(402)
Effects of:		
– items not (chargeable)/deductible for tax purposes	(271)	631
– adjustment differences in prior years	25	(48)
– deferred tax charge (credit) (see table below)	–	(9)
Tax charge	178	172

(b) Deferred tax

Deferred taxes recognised at the balance sheet date are determined using the anticipated future tax rate. With the current enacted UK corporation tax rate of 25% expected to remain stable, deferred tax balances are calculated using this rate (2024: 25%).

As at 31 December 2025 the Foundation has recognised a deferred tax liability of £123,000 related to temporary differences (2024: £123,000).

Deferred taxes are summarised as:

	Total 2025 £'000	Total 2024 £'000
Deferred tax liability at 1 January	(123)	(132)
Deferred tax credit for the year	–	9
Deferred tax liability at 31 December	(123)	(123)

11. Provisions

	2025 £'000			2024 £'000		
	Current	Non-current	Total	Current	Non-current	Total
Lease reinstatement provision	–	553	553	–	503	503
Other provisions	483	–	483	–	–	–
	483	553	1,036	–	503	503

The lease reinstatement provision is the estimated cost of returning leasehold property to its original state at the end of the lease in accordance with the lease terms. The provision is released on termination of the lease (Note 9(b)).

The carrying amounts and the movements in provisions are as follows:

	Lease reinstatement £'000	Other provisions £'000	Total £'000
Carrying amount 1 January 2025	503	–	503
Additional provisions	–	483	483
Unwinding of discount	60	–	60
Net exchange differences	(10)	–	(10)
Carrying amount 31 December 2025	553	483	1,036



Notes to the consolidated financial statements continued
Year ended 31 December 2025

12. Contingent liabilities and commitments

The Foundation is subject to routine audit reviews by a grantor of a funding grant. The audit review, which is still ongoing, may raise dispute over whether the Foundation met the grant's conditions, which could, if proven, result in a claim for repayment. The Foundation is working with the audit review to satisfy any information requests. No provision has been recognised.

13. Risk management

The Trustees have overall responsibility for establishing and overseeing the Foundation's risk management framework. Risk management policies are designed to identify and analyse risks faced by the Foundation, establish appropriate controls and risk limits, and monitor compliance with those controls.

The Foundation has a conservative approach to financial risk. The principal objective of the treasury management policy is to maintain sufficient liquidity and safeguard the Foundation's reserves. The Trustees oversee management's monitoring of compliance with financial risk management policies and regularly review the adequacy of the risk management framework.

As at 31 December 2025 the Foundation has not identified any risks arising from climate change that would have a significant effect on the consolidated financial statements. No impairment of leasehold improvements, furniture and equipment, nor any revision to useful lives or depreciation rates, has been identified as necessary as a result of climate-related considerations.

(a) Capital management

The Foundation considers its capital to be its reserves and has no debt. The Foundation's objective is to maintain an appropriate level of accessible funds and to use these funds in a timely and strategic manner. The Foundation holds reserves to provide cover for unexpected changes in income and expenditure, allowing the Foundation to continue its activities in the event of any shortfall in income (particularly from contributions) or unforeseen costs.

The Trustees monitor and manage the reserves to ensure they remain within an acceptable range for a not-for-profit organisation. The Trustees review the financial position of the Foundation at each meeting.

(b) Liquidity risk

Liquidity risk is the risk that the Foundation will not be able to meet its financial obligations as they fall due. The Foundation's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Foundation's reputation. The Foundation has no borrowings.

The contractual maturity analysis for lease liabilities is presented in Note 9(b). All other financial liabilities comprising trade and other payables are due within six months.

The Foundation holds reserves in different currencies to provide cover for unexpected changes in income and expenditure, allowing the Foundation to continue activities in the event of any shortfall in revenue (particularly from the voluntary elements of its funding), as well as unforeseen costs.

Cash is principally held in current accounts and deposits, which include short-term overnight deposits at floating rates and fixed-rate deposits with short- or medium-term durations. Balances are actively managed, with deposits continually maturing and being reinvested. Cash at bank is maintained in GBP, Canadian dollar, euro, US dollar and yen accounts to fulfil expenditure obligations in various currencies.

	2025 £'000	2024 £'000
Cash and cash equivalents		
Cash at hand	27,473	28,006
Short-term deposits	16,136	7,539
	43,609	35,545

Surplus funds are invested in short-duration investments, all of which are of high credit quality (Note 14). Cash and cash equivalents include £4.4 million of philanthropic grant funding restricted to ISSB-related projects.

(c) Credit risk

Credit risk is the risk of financial loss to the Foundation if a counterparty or customer to a financial instrument fails to meet its contractual obligations. The Foundation is exposed to credit risk in relation to its fixed-interest investments and its financial assets measured at amortised cost comprising cash and cash equivalents, contributions receivable and earned revenue receivables. The Foundation has assessed the credit risk of its financial assets measured at amortised cost and has determined that the loss allowance for expected credit losses of those assets is immaterial to the financial statements. The Foundation has a history of very low credit losses, which is not expected to change in the foreseeable future.

The Foundation is mainly exposed to credit risk associated with its anticipated contributions receivable and earned revenue receivables.



Notes to the consolidated financial statements continued

Year ended 31 December 2025

As at 31 December 2025 the Foundation had contributions receivable totalling £4.6 million (2024: £5.4 million). At year end, notable outstanding contributions include £1.0 million from Japan, £0.8 million from China, £0.7 million from Germany and £0.7 million from the rest of the EU. These jurisdictions are known for their high credit ratings and stable economic environments, and the Foundation has determined these receivables have low credit risk.

Exposure to credit risk arising from earned revenue activities is managed by requiring advance payments for some products and services and with the contractual control of the use of the Foundation's intellectual property. The Foundation retains a right to terminate contracts and cancel all rights and licences, although such occurrences are expected to be infrequent and immaterial.

The credit risk on fixed-interest investments is limited because the Foundation only invests in highly liquid investments, all of which are of high credit quality, and are held to maturity.

Credit risk also arises from cash and cash equivalents and deposits held with banks and financial institutions. For banks and financial institutions, only independently rated parties with high credit ratings are accepted. Counterparty credit ratings are reviewed regularly.

The carrying amount of the Foundation's financial assets represents the maximum credit exposure.

(d) Market risk

Market risk is the risk that changes in market prices will affect the Foundation's income or the value of its holdings of financial instruments. The Foundation is exposed to risks from movements in interest rates, asset prices and foreign currency exchange rates that affect its assets and forecast transactions. To manage market risk, the Foundation employs various strategies. These strategies include diversifying investments across different asset classes and regions, actively monitoring market conditions and conducting regular reviews of cash flows. Stress testing is also used to assess potential impacts of extreme events, and investment policies are regularly reviewed and adjusted to align with risk tolerance and objectives.

(e) Interest rate risk

Interest rate risk is the risk that the fixed-income bonds will lose value due to an increase in interest rates. To mitigate this risk, the Foundation's objective is to hold sufficient cash reserves to meet its liabilities as they fall due so that it can hold bonds to maturity. The Foundation only invests in short-duration bonds, all of which are of high credit quality. The sensitivity analysis for bond prices is shown within the section on 'Price risk'.

(f) Foreign currency management

The Foundation receives contributions and cash inflows in multiple currencies, primarily GBP, US dollars, Canadian dollars, euro and yen. Foreign exchange risk is managed through a combination of natural hedging—retaining funds in their original currency to match local expenditure—and, where appropriate, the use of derivative instruments in accordance with the Foundation's treasury policy.

Under this policy, the Foundation may enter into foreign exchange swap or forward arrangements to hedge exposures arising when foreign currency inflows require conversion to GBP to meet central expenditure. Foreign exchange derivatives are recognised initially at fair value and subsequently measured at fair value through profit or loss.

During 2024 and 2025 the Foundation entered into foreign exchange swaps to manage identified exposures. As at 31 December 2025 no swaps were outstanding, which reflected the timing of foreign currency inflows and conversions during the year and the level of exposures at the reporting date.

In February 2026 the Foundation entered into US dollar forward contracts with a notional value of \$25 million to hedge forecast conversions in accordance with the approved hedging policy.

The table presents the notional amounts and fair values of derivative financial instruments as at 31 December 2025.

Forward foreign exchange contracts by currency	2025 '000			2024 '000		
	Fair value	Notional value	Weighted average rate	Fair value	Notional value	Weighted average rate
Financial assets						
US dollar (Level 2)	–	–	–	£4	\$11,620	1.252
Financial liabilities						
US dollar (Level 2)	–	–	–	(£4)	\$5,810	1.252

The fair values of forward foreign exchange contracts are based on third-party valuations predicated on pricing models that use observable exchange rates and meet the definition of Level 2 set out in IFRS 13 *Fair Value Measurement*.



Notes to the consolidated financial statements continued
Year ended 31 December 2025

Exposure

The Foundation is exposed to foreign exchange risk arising from financial assets and liabilities denominated in currencies other than its presentation currency (GBP). The table sets out the Foundation's net transactional exposure as at 31 December.

The analysis excludes the translation of overseas operations into the presentation currency because such translation differences are recognised in other comprehensive income and do not give rise to transactional cash flow risk. The amounts shown are translated into GBP at the closing exchange rate at the reporting date.

	2025 £'000			
	Canadian dollar	Euro	Yen	US dollar
Financial assets	9,283	5,575	1,317	6,760
Financial liabilities	(40)	(39)	–	(29)
Total exposure	9,243	5,536	1,317	6,731

	2024 £'000			
	Canadian dollar	Euro	Yen	US dollar
Financial assets	6,319	3,048	2,313	7,781
Financial liabilities	(40)	(104)	–	(43)
Total exposure	6,279	2,944	2,313	7,738

The exposures represent the net monetary assets and liabilities held in each currency at the reporting date. No foreign exchange derivatives were outstanding as at 31 December 2025 (2024: £nil).

Sensitivity

The following analysis illustrates the effect on income after tax and net reserves of a reasonably possible change in exchange rates at the reporting date, with all other variables held constant. The percentage change has been determined based on the average market volatility in exchange rates in the previous 12 months. The analysis assumes that the change in exchange rates occurs at the reporting date and is applied to the net exposures set out above.

	Impact on post-tax income and equity £'000	
	31 December 2025	31 December 2024
Canadian dollar – 6% change (2024: 10%)	555	576
Euro – 5% change (2024: 10%)	277	594
Yen – 8% change (2024: 10%)	105	441
US Dollar – 7% change (2024: 10%)	471	431
	1,408	2,042

(g) Price risk

The Foundation is exposed to price risk in respect of its investment portfolio, which is held at fair value through profit or loss (Note 14). The investment portfolio includes equities, commodities and real estate. The strategy of the portfolio is low to medium risk and is globally diversified.

Sensitivity

For the investment portfolio, an average volatility of 5.3% has been observed in the period (2024: 4.4%). If the quoted price for the securities within the portfolio increased or decreased by that amount, income after tax would have changed by £165,000 (2024: £129,000).



Notes to the consolidated financial statements continued
Year ended 31 December 2025

14. Investments

Bonds portfolio

The Foundation invests in low-risk, short-duration, AAA-rated bonds with maturities up to three years. The Foundation's bond portfolio comprises investments measured both at fair value through profit or loss and at amortised cost, with the carrying values of each category shown in the table below.

Bond portfolio	2025 £'000	2024 £'000
Bond portfolio at fair value	–	3,029
Bond portfolio at amortised cost	8,192	9,644
	8,192	12,673

Bonds measured at fair value through profit or loss

Bonds acquired prior to 2023 were designated at fair value through profit or loss and were subsequently measured at fair value. These investments were managed on a fair value basis in accordance with the Foundation's investment strategy at that time.

Fair values were determined using quoted market prices in active markets and were therefore classified as Level 1 within the IFRS 13 fair value hierarchy.

All bonds measured at fair value held at the beginning of the year matured during 2025. As at 31 December 2025 no bonds were measured at fair value through profit or loss.

The fair values and face values of bonds measured at fair value are presented in the table.

Bond portfolio at fair value	2025 £'000		2024 £'000	
	Fair value	Face value	Fair value	Face value
Current, including accrued interest	–	–	3,029	3,067
Non-current, including accrued interest	–	–	–	–
	–	–	3,029	3,067

Bonds measured at amortised cost

Bonds acquired since 2023 are held under a hold-to-collect business model, whereby the objective is to collect contractual cash flows consisting solely of payments of principal and interest. Accordingly, these bonds are measured subsequently at amortised cost.

The business model assessment is performed at initial recognition, based on the evidence available at that time. Reclassification would occur only if the Foundation were to change its business model for managing financial assets, which would be expected to result from a significant and demonstrable change in operations observable to external parties.

Bonds measured at amortised cost are recognised initially at fair value plus directly attributable transaction costs and are subsequently measured using the effective interest method.

The bond portfolio measured at amortised cost comprises publicly traded fixed-rate bonds with interest rates ranging between 4.0% and 5.0%. These bonds mature in 2026.

The carrying amounts (measured at amortised cost), fair values and face values of these bonds are presented in the table.

At the reporting date, the amortised cost bond portfolio comprises high-credit-quality supranational issuers with short remaining maturities (up to 12 months). These financial assets are considered to have low credit risk at the reporting date and therefore there has been no significant increase in risk since initial recognition. The resulting ECL allowance is immaterial and therefore no loss allowance has been separately presented in the financial statements.

The balance of the bond portfolio at 31 December 2025 is lower than in the prior year as some bonds matured shortly before year end. The related proceeds were held in cash and short-term deposits at the reporting date pending reinvestment in accordance with the Foundation's treasury and investment policy. The timing of reinvestment reflects normal portfolio management and liquidity planning considerations.

Bond portfolio at amortised cost	2025 £'000		
	Amortised cost	Fair value	Face value
Current, including accrued interest	8,192	8,039	8,047
Non-current, including accrued interest	–	–	–
	8,192	8,039	8,047

Bond portfolio at amortised cost	2024 £'000		
	Amortised cost	Fair value	Face value
Current, including accrued interest	1,491	1,488	1,478
Non-current, including accrued interest	8,153	8,123	8,047
	9,644	9,611	9,525



Notes to the consolidated financial statements continued
Year ended 31 December 2025

Multi-Class Asset Portfolio

In June 2022 the Foundation invested £2.5 million of its funds in the Barclays Medium-Low Risk Multi Asset Class Sustainable Portfolio (investment portfolio). The investment portfolio includes equities, commodities and real estate, with an emphasis on global diversification.

The investment portfolio is recognised at fair value and subsequently measured at fair value through profit or loss. Its valuation is based on quoted prices in active markets and it is classified as Level 1 within the IFRS 13 fair value hierarchy.

As at 31 December 2025 the fair value of the portfolio was £3.1 million (2024: £2.9 million), reflecting cumulative gains since initial investment.

	2025 £'000		2024 £'000	
	Fair value	Investment cost	Fair value	Investment cost
Investment portfolio				
Non-current, including accrued interest	3,120	2,500	2,940	2,500

15. Finance income and finance costs

	2025 £'000	2024 £'000
Finance income		
Interest income	1,052	1,013
Fair value gains on bonds	66	222
Fair value gains on investment portfolio	190	164
	1,308	1,399
Finance costs and net foreign exchange losses		
Interest on lease liabilities (Note 9(b))	(167)	(205)
Provisions: unwinding of discount (Note 11)	(60)	–
Net exchange losses on monetary assets and liabilities	(635)	(1,457)
	(862)	(1,662)

Fair value gains and losses from bonds do not include interest income.

16. Fair value of financial instruments

The fair values of investments are disclosed in Note 14 and foreign exchange derivatives in Note 13(f). Financial assets are classified and measured in accordance with IFRS 9 *Financial Instruments*, either at fair value through profit or loss or at amortised cost, depending on the applicable business model and contractual cash flow characteristics.

All other financial instruments are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

Due to their short-term nature, the carrying amounts of cash and cash equivalents, trade and other receivables, and trade and other payables approximate to their fair value.

Financial liabilities include lease obligations with a total carrying amount of £3.3 million (2024: £4.1 million).

17. Events after the reporting period

No material non-adjusting events have occurred since 31 December 2025, nor any events that required an adjustment to the financial statements.



Appendices

Funding providers

For the year ended 31 December 2025

Amounts converted into sterling on date received

Jurisdiction	Organisation																																	
Australia																																		
£487,200	Department of the Treasury on behalf of the Commonwealth of Australia																																	
Brazil																																		
£111,718																																		
£50,000+	Itaú Unibanco																																	
£25,000+	Vale S.A.																																	
Less than £25,000	Instituto dos Auditores Independentes do Brasil (IBRACON) Petróleo Brasileiro S.A. (Petrobras)																																	
Canada																																		
£4,886,945																																		
£250,000+	Chartered Professional Accountants of Canada <i>Through the Coalition of Canadian Champions (individual contributions disclosed)</i>																																	
£250,000+	Autorité des marchés financiers Ontario Securities Commission																																	
£100,000+	<table border="0"> <tr> <td>Alberta Investment Management Corporation (AIMCo)</td> <td>First Nations Financial Management Board</td> <td>Public Sector Pension Investment Board (PSP Investments)</td> </tr> <tr> <td>ATB Financial</td> <td>Healthcare of Ontario Pension Plan (HOOPP)</td> <td>Royal Bank of Canada</td> </tr> <tr> <td>BDO Canada LLP</td> <td>iA Financial Group—iA Groupe Financier</td> <td>Suncor Energy Inc.</td> </tr> <tr> <td>Bell Canada</td> <td>Intact Financial Corporation—Intact Corporation Financière</td> <td>TD Bank Group</td> </tr> <tr> <td>BMO Financial Group</td> <td>KPMG LLP</td> <td>TELUS</td> </tr> <tr> <td>British Columbia Securities Commission</td> <td>La Caisse</td> <td>The Bank of Nova Scotia</td> </tr> <tr> <td>Canada Life</td> <td>Magna International Inc.</td> <td>The Co-operators Group</td> </tr> <tr> <td>CIBC</td> <td>National Bank of Canada</td> <td>TMX Group</td> </tr> <tr> <td>Deloitte LLP</td> <td>OMERS</td> <td></td> </tr> <tr> <td>Desjardins Group</td> <td>PricewaterhouseCoopers LLP (PwC)</td> <td></td> </tr> <tr> <td>Ernst & Young LLP (EY)</td> <td></td> <td></td> </tr> </table>	Alberta Investment Management Corporation (AIMCo)	First Nations Financial Management Board	Public Sector Pension Investment Board (PSP Investments)	ATB Financial	Healthcare of Ontario Pension Plan (HOOPP)	Royal Bank of Canada	BDO Canada LLP	iA Financial Group—iA Groupe Financier	Suncor Energy Inc.	Bell Canada	Intact Financial Corporation—Intact Corporation Financière	TD Bank Group	BMO Financial Group	KPMG LLP	TELUS	British Columbia Securities Commission	La Caisse	The Bank of Nova Scotia	Canada Life	Magna International Inc.	The Co-operators Group	CIBC	National Bank of Canada	TMX Group	Deloitte LLP	OMERS		Desjardins Group	PricewaterhouseCoopers LLP (PwC)		Ernst & Young LLP (EY)		
Alberta Investment Management Corporation (AIMCo)	First Nations Financial Management Board	Public Sector Pension Investment Board (PSP Investments)																																
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Deloitte LLP	OMERS																																	
Desjardins Group	PricewaterhouseCoopers LLP (PwC)																																	
Ernst & Young LLP (EY)																																		
	<i>Through the Coalition of Canadian Champions (individual contributions not disclosed)</i>																																	
	CPP Investments Ontario Teachers' Pension Plan Sun Life																																	

**Funding providers** continued**Amounts converted into sterling on date received**

Jurisdiction	Organisation
Chinese Taipei	
£65,100	
Less than £25,000	Accounting Research and Development Foundation Taipei Exchange Taiwan Depository & Clearing Corporation Taiwan Futures Exchange Taiwan Stock Exchange Corporation
EU	
£2,610,071	
	European Commission
Finland	
£79,140	
	Confederation of Finnish Industries
France	
£930,147	
	<i>Voluntary levy through the Ministry of the Economy, Finance and Industrial and Digital Sovereignty. The Foundation would like to thank the individual companies and accounting firms that contribute to the voluntary levy.</i>
£500,000+	Ministry of the Economy, Finance and Industrial and Digital Sovereignty
£50,000+	Fonds de Bois
Germany	
£4,547,084	
£1,000,000+	Hessisches Ministerium für Wirtschaft, Energie, Verkehr und Wohnen
£100,000+	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ)
	<i>Voluntary contribution through the Institut der Wirtschaftsprüfer in Deutschland e.V. (IDW)</i>
£100,000+	Deloitte GmbH EY GmbH & Co. KG KPMG AG PricewaterhouseCoopers GmbH
£25,000+	BDO AG



Funding providers continued

Amounts converted into sterling on date received

Jurisdiction	Organisation		
Germany continued			
Less than £25,000	Baker Tilly GmbH & Co. KG dhpG Wirtschaftsprüfer Rechtsanwälte Steuerberater GmbH & Co. KG ETL AG Forvis Mazars GmbH & Co. KG Genoverband e.V. Grant Thornton AG	Institut der Wirtschaftsprüfer in Deutschland e.V. Nexia GmbH PKF Fasselt Partnerschaft mbB Rödl & Partner GmbH RSM Ebner Stolz GmbH & Co. KG	
	<i>Voluntary levy through the Accounting Standards Committee of Germany (DRSC)</i>		
£100,000+	BVI—Bundesverband Investment und Asset Management e.V. Deutsche Bank AG		
£50,000+	BASF SE Bayer AG Deutsche Post AG Deutsche Telekom AG Henkel AG & Co. KGaA Interessengemeinschaft Frankfurter Kreditinstitute	Mercedes-Benz Group AG Merck KGaA RWE AG SAP SE Siemens AG Siemens Energy AG	
£25,000+	Allianz SE BMW—Bayerische Motoren Werke AG Continental AG Deutsche Börse AG DZ Bank AG Fresenius Medical Care AG	Helaba Landesbank Hessen-Thüringen Girozentrale Infineon Technologies AG Münchener Rückversicherungs-Gesellschaft AG Siemens Healthineers AG Vonovia SE	
Less than £25,000	Aareal Bank AG B. Metzler seel. Sohn & Co. AG BayWa AG Bilfinger SE Commerzbank AG Covestro AG DekaBank Dermapharm AG Deutsche Bahn AG Deutsche Beteiligungs AG Dürr AG EnBW Energie Baden-Württemberg AG Evonik Industries AG Fielmann Group AG GDV—Gesamtverband der Deutschen Versicherungswirtschaft e.V. GEA Group AG Generali Deutschland AG	Hannover Rück SE Hapag-Lloyd AG Heidelberger Druckmaschinen AG Hensoldt AG HORNBAACH Holding AG & Co. KGaA KfW Bankengruppe Klöckner & Co. SE Knorr-Bremse AG Krones AG KSB SE & Co. KGaA METRO AG ODDO BHF AG PATRIZIA SE Robert Bosch GmbH Sartorius AG Sartorius Corporate Administration GmbH Schaeffler AG	SGL Carbon SE Siltronic AG SIXT SE Softing AG Südzucker AG Symrise AG Talanx AG thyssenkrupp AG UBS Europe SE UniCredit Bank GmbH Uniper SE

**Funding providers** continued**Amounts converted into sterling on date received**

Jurisdiction	Organisation
Hong Kong SAR	
£498,937	
£100,000+	CK Hutchison Holdings Limited
£50,000+	Hong Kong Exchanges and Clearing Limited Hong Kong Telecommunications Link Asset Management Limited The Securities and Futures Commission of Hong Kong
£25,000+	Hong Kong Institute of Certified Public Accountants
Less than £25,000	CLP Holdings Limited Hong Kong Monetary Authority
India	
£76,205	
	Tata Steel Limited
Indonesia	
£71,400	
£25,000+	Financial Services Authority (OJK) Indonesia Stock Exchange
International	
£732,603	
£500,000+	The International Climate Initiative (IKI) of the German Federal Ministry for the Environment, Climate Action, Nature Conservation and Nuclear Safety (BMUKN) via the United Nations Development Programme (UNDP)
£25,000+	International Fund for Agricultural Development
Less than £25,000	Bank for International Settlements
Ireland	
£7,908	
	Central Bank of Ireland
Israel	
£17,850	
	Israel Securities Authority
Italy	
£436,361	
	Organismo Italiano di Contabilità

**Funding providers** continued**Amounts converted into sterling on date received**

Jurisdiction	Organisation
Japan	
£3,214,506	Financial Accounting Standards Foundation
Kazakhstan	
£8,561	National Bank of Kazakhstan
Malaysia	
£68,250	Malaysian Accounting Standards Board
Netherlands	
£1,572,154	
£1,000,000+	Stichting IKEA Foundation
£250,000+	Ministry of Finance
£50,000+	Ingka Group IKEA Koninklijke Philips N.V. (Philips)
£25,000+	Heineken N.V.
Less than £25,000	De Nederlandsche Bank
New Zealand	
£69,605	External Reporting Board
Panama	
£36,986	Colegio de Contadores Públicos Autorizados de Panamá
People's Republic of China	
£4,085,510	
	<i>Through system created by the Ministry of Finance</i>
£1,000,000+	Ministry of Finance of the People's Republic of China
£500,000+	Chinese Institute of Certified Public Accountants Shanghai Stock Exchange Shenzhen Stock Exchange

**Funding providers** continued**Amounts converted into sterling on date received**

Jurisdiction	Organisation
People's Republic of China continued	
£50,000+	Agricultural Bank of China Bank of China China Construction Bank Corporation China Development Bank China Investment Corporation China Petroleum & Chemical Corporation CNOOC Limited Industrial and Commercial Bank of China Limited PetroChina Company Limited
£25,000+	Bank of Communications Co., Ltd. China CITIC Bank Corporation Limited China Communications Construction Company Ltd China Merchants Bank Co., Ltd. China Mobile Communication Co., Ltd. China Pacific Insurance (Group) Co., Ltd. China Telecom Corporation Limited China United Network Communications Corporation Limited
Less than £25,000	Huaneng Power International, Inc. PICC Property and Casualty Company Limited
	<i>Other</i>
£50,000+	Alibaba (China) Co., Ltd.
£25,000+	Tencent Holdings Ltd.
Portugal	
£19,110	Banco de Portugal
Republic of Korea	
£2,000,000	<i>Amount includes both the 2024 contribution (remitted in March 2025) and the 2025 contribution Through a system created by the Korea Accounting Standards Board (KASB) and the Korea Sustainability Standards Board (KSSB) under the Korea Accounting Institute (KAI)</i>
£100,000+	Deloitte Anjin LLC Ernst & Young Han Young Financial Supervisory Service Hana Financial Group Inc. KB Financial Group Inc. KB Kookmin Bank Korea Accounting Institute (KAI) KPMG Samjong Accounting Corp. NongHyup Financial Group Inc. Samil PricewaterhouseCoopers Shinhan Financial Group Co., Ltd Woori Financial Group Inc.
£25,000+	Celltrion, Inc.
Less than £25,000	Hyosung Corporation
Saudi Arabia	
£145,657	Saudi Organization for Chartered and Professional Accountants (SOCPA)

**Funding providers** continued**Amounts converted into sterling on date received**

Jurisdiction	Organisation
Singapore	
£102,604	
£50,000+	Accounting and Corporate Regulatory Authority
£25,000+	Temasek International Pte Ltd.
South Africa	
£136,868	
£100,000+	Department of Trade, Industry and Competition (Republic of South Africa)
Less than £25,000	Johannesburg Stock Exchange
Spain	
£76,500	Banco Bilbao Vizcaya Argentaria, S.A. (BBVA)
Switzerland	
£405,989	
£100,000+	Fondation Hoffmann Laudes Foundation
£50,000+	SwissHoldings
Thailand	
£85,314	Federation of Accounting Professions (TFAC)
United Kingdom	
£4,772,483	
£1,000,000+	Department for Business and Trade
£500,000+	<i>Levy system organised by the Financial Reporting Council</i> Generation Foundation The Children's Investment Fund Foundation
£100,000+	London Stock Exchange Group UK Foreign, Commonwealth & Development Office
£50,000+	Unilever PLC
Less than £25,000	UK Department for Energy Security & Net Zero

**Funding providers** continued**Amounts converted into sterling on date received**

Jurisdiction	Organisation
United States of America	
£3,745,570	
£1,000,000+	Gordon and Betty Moore Foundation
£250,000+	Ford Foundation Sequoia Climate Foundation
£100,000+	AICPA Bank of America Corporation S&P Global Inc.
£50,000+	ClimateWorks Foundation New Venture Fund Zegar Family Foundation
£25,000+	Cisco Systems, Inc. Pfizer Inc. Salesforce, Inc.
Less than £25,000	Morgan Stanley PepsiCo, Inc.
International accounting firms¹	
£3,446,575	
£500,000+	Deloitte (US\$865,652) EY (US\$865,652) KPMG (US\$865,652) PwC (US\$865,652)
£250,000+	Brussels Worldwide Services BV (US\$449,822)
£100,000+	Grant Thornton (US\$315,000) Forvis Mazars (US\$210,000)

¹ Deloitte, EY, KPMG and PwC have licensing agreements with the Foundation, for which annual fees are received in addition to their voluntary contributions.



IFRS Interpretations Committee

As at 31 December 2025

Non-voting Chair: Bruce Mackenzie, IASB member

Name	Position	Organisation	Current term ends
Renata Bandeira	Controllership, Tax and Internal Controls Director, Brazil	Rede Américas Group—Hospitals	30 June 2026
Gary Berchowitz	Partner, Global and UK Corporate Reporting Services	PwC	30 June 2028
Andre Besson	Head of Group Financial Reporting Guidelines	Nestlé S.A.	30 June 2027
Claire Dusser	Partner	Forvis Mazas	30 June 2028
Usman Hamid	Director of Group Governance and Policies	Saudi Aramco	30 June 2028
Karen Higgins	Audit and Assurance Partner	Deloitte	30 June 2027
Leon Yongbum Kim	Head of Finance Office	KT&G Corporation	30 June 2027
M P Vijay Kumar	Executive Director and Group Chief Financial Officer	Sify Technologies Limited	30 June 2027
Yanli Liu	Senior Executive	State Grid International Development Company Limited	30 June 2028
Mark Mahar	Partner, Professional Practice and Americas IFRS Leader, United States	EY	30 June 2027
Sophie Massol	Head of Group Accounting Policies, France	AXA	30 June 2026
Brian O'Donovan	Global IFRS and Corporate Reporting Leader	KPMG	30 June 2026
Donné Sephton	Head of IFRS Advisory Services	FirstRand Limited	30 June 2026
Natsumu Tsujino	Managing Director, BofA Global Research	BofA Securities Japan Co., Ltd.	30 June 2027



Observer organisations

- Basel Committee on Banking Supervision
- European Commission
- IOSCO

More information about the IFRS Foundation Interpretations Committee, including member biographies, can be found on the [Committee webpage](#).

¹ Lisa Bomba (Deutsche Bank), Jens Freiberg (BDO) and Karsten Ganssaug (PwC) completed their terms on 30 June 2025. Gary Berchowitz, Claire Dusser and Usman Hamid started their first terms on 1 July 2025.



IFRS Advisory Council

As at 31 December 2025

Chair: Merran Kelsall AO

Represented body	Represented by	Position
AFEP (French Association of Large Companies)	Le Quang Tran Van	Director for Financial Affairs
Asian Development Bank (ADB)	Steven Beck	Head, Trade and Supply Chain Finance
Banco Bilbao Vizcaya Argentaria	Maria Erviti	Head of Group Financial Statements
Basel Committee on Banking Supervision	Neil Esho	Secretary General
Bayer	Martin Schloemer	Head of Global Accounting/ Senior Vice President, Chief Accounting Officer
BDO	Ehud (Udi) Greenberg	Professional Practice Partner at BDO Israel and at BDO Global IFRS Advisory Group
BusinessEurope	Tina Aggerholm	Leading Senior Advisor, Accounting and Audit, Danish Industry
CFA Institute	Sandra Peters	Senior Head, Global Advocacy
Chartered Accountants of Sri Lanka and SAFA	Manil Jayasinghe	Former Country Managing Partner of EY Sri Lanka and Maldives, Chair of the Committee on Accounting Standards SAFA and Chair of the Accounting Standards Committee of Sri Lanka
Corporate Reporting Users' Forum	Greig Paterson	Managing Director of UK Insurance Research at Keefe, Bruyette & Woods
Council of Institutional Investors	Robert McCormick	Executive Director
Deloitte	Shinya Iwasaki	Partner

Represented body	Represented by	Position
European Accounting Association	Thorsten Sellhorn	EAA President; Professor of Accounting and Director of the Institute for Accounting, Auditing and Analysis at Ludwig-Maximilian University Munich's School of Management
European Central Bank	David Grünberger	Heads the Prudential Regulation and Accounting Section
European Federation of Financial Analysts Societies (EFFAS) ¹	–	–
EFRAG	Saskia Slomp	CEO
European Securities and Markets Authority (ESMA)	Isabelle Grauer-Gaynor	Head of Corporate Finance and Reporting Unit
EY	Michiel van der Lof	Partner, Professional Practice, Global Corporate Reporting Service Team
Grant Thornton	Thomas Senger	Partner
Individual (Harvard University)	Emily Chien	Senior Fellow
Individual (University of São Paulo—School of Accounting and Actuarial Science)	Eduardo Flores	Assistant Professor in the Accounting and Actuarial Science Department
Individual (Johannesburg Stock Exchange)	Tania Wimberley	Head of Financial Reporting Issuer Regulation Division
Institute of Certified Public Accountants of Kenya (ICPAK)	Grace Kamau	CEO and Secretary to Council
Insurance Europe (European Insurance and Reinsurance Federation)	Anna Vidal Tuneu	Vice-Chair of the Financial Reporting Working Group (FRWG); Director of Group Accounting Policies and Regulation at CaixaBank Group



IFRS Advisory Council continued

Represented body	Represented by	Position
International Actuarial Association	Simon Curtis	Member, International Actuarial Association Executive Committee
International Association for Accounting Education and Research (IAAER)	Leslie Hodder	Representative and Conrad Prebys Endowed Professor of Accounting at Indiana University's Kelley School of Business
International Association of Insurance Supervisors (IAIS)	Romain Paserot	Deputy Secretary General
International Corporate Governance Network	Jenn-Hui Tan	Chief Sustainability Officer, Fidelity International
International Federation of Accountants (IFAC)	Lee White	Chief Executive Officer
International Monetary Fund	Alexis Boher	Senior Financial Sector Expert
International Organization of Securities Commissions ¹	–	–
Investment Association	Emma Millar	Director EMEA Accounting Policy Blackrock
Investment Company Institute	Glen Yelton	Global Head of ESG, Invesco
Japanese Institute of Certified Public Accountants (JICPA)	Aiko Sekine	Advisor
KPMG	Melissa Taylor	Partner
Malaysian Accounting Standards Board (MASB)	Bee Leng Tan	Executive Director
Organisation for Economic Co-operation and Development (OECD)	Carmine Di Noia	Director for Financial and Enterprise Affairs
Organismo Italiano di Contabilità	Elbano de Nuccio	Member, Board of Directors
Pan African Federation of Accountants	Aletta Maria (Alta) Prinsloo	CEO

Represented body	Represented by	Position
People's Republic of China Ministry of Finance	Qiyun Lin	Director-General, Accounting Regulatory Department
Principles for Responsible Investment (PRI) ¹	–	–
PwC	Gary Berchowit	Partner, PwC Global
S&P Global Ratings	Osman Sattar	Director and Accounting Specialist Financial Institutions Group
The Securities Analysts Association of Japan (SAAJ)	Takashi Kozu	President and CEO
SK hynix	Bangsil Lee	Vice President, Head of Social Value Creation
United Nations (UN) Trade and Development	Nan Li Collins	Senior Director, Division on Investment and Enterprise, UN Trade and Development and Chair, UN Sustainable Stock Exchange Initiative
World Bank	Barbara McGowan	Head of Accounting Policy
Xiamen University	Feng Liu	Chair Professor and Director at the Centre for Accounting Studies

Observer organisations

- European Commission
- Japan Financial Services Agency
- US Securities and Exchange Commission

¹ The representative stepped down during 2025; a new representative will assume the role effective 1 January 2026.



Thank you

The Trustees of the IFRS Foundation thank all staff, members of advisory bodies, stakeholders and partners around the world for contributing to the delivery of the Foundation's mission during 2025. By engaging with you, we realise the vision of enabling better decisions through the provision of better information.

Photography

Alex Griffiths, CORIM2024, Paul van den Boom, LSEG and Emma Dark

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