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## IFRS Foundation Trustees

Date **4–6 March 2025**  
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This document reports on a meeting of the Trustees of the IFRS Foundation, the oversight body of the International Accounting Standards Board (IASB) and the International Sustainability Standards Board (ISSB). The Trustees are responsible for governance of the IFRS Foundation and for delivery of the IFRS Foundation's objectives as set out in the *IFRS Foundation Constitution*.

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### 1. Introduction

- 1.1 The IFRS Foundation Trustees met in the Foundation's office in London, UK on 4–6 March 2025. The Chair of the Trustees, Erkki Liikanen, welcomed four new Trustees to their first in-person Trustees' meeting, [Sheila Alrowaily](#), [Shixin Chen](#), [Rowena Chu](#) and [Assietou Diouf](#).

### 2. Report of the Chair of Trustees and the Managing Director

- 2.1 The Trustees received reports from:
- a) the Chair of the Trustees on his meetings with key stakeholders, including his engagement with the Monitoring Board; and
  - b) the Managing Director, Michel Madelain, on recent activities including the development of the 2025 budget, the reorganisation of internal functions, progress on the ongoing review of cost savings and efficiencies, and the work to strengthen the Foundation's funding model.

### 3. Horizon-scanning

- 3.1 The Chair of the International Accounting Standards Board (IASB), Andreas Barckow, and the Chair of the International Sustainability Standards Board (ISSB), Emmanuel Faber, provided an overview of horizon-scanning activities undertaken as part of the boards' technical work. This overview includes considering global geopolitical, economic, legal, regulation and other developments. Such work informs the boards of potential impacts on the technical agendas and contributes to their ability to be prepared to act. Hypothetical matters highlighted included:
- a) the potential for loss of policy level support;
  - b) the risk that jurisdictional funding could be impacted;
  - c) the risk of deregulation and a demand for the reduction of preparers costs;
  - d) the reduction of explicit public support from influential organisations and public bodies; and
  - e) the risk that a reduction of public support could be perceived as jurisdictional or organisational roll back of support.
- 3.2 Trustees noted the discussion was timely and that discussions would be continuing at the boards and Trustee level.

## 4. Report of the Chair of the IASB

4.1 Andreas Barckow reported on the IASB's activities since the October 2024 Trustees meeting. This report included updates on:

- a) continued momentum delivering the technical agenda, including:
  - publishing the third edition of the *IFRS for SMEs* Accounting Standard in February 2025;
  - expecting to publish in June 2025 the Revised Practice Statement on Management Commentary; and
  - expecting to publish in Q4 2025 a new IFRS Accounting Standard on Rate-regulated Activities, to replace the existing interim Standard.
- b) managing uncertainties in 2025 including handling differing stakeholder expectations and sensitivities, the global geopolitical landscape and human capital planning;
- c) progress on executing jurisdictional strategy coming out of the IASB strategy—Generation 3.0; and
- d) developing the fourth agenda consultation to hear directly from stakeholders on priorities.

## 5. Report of the Chair of the ISSB

5.1 Emmanuel Faber reported on the ISSB's activities since the October 2024 Trustees meeting. This report included updates on:

- a) recent educational materials explaining proportionality mechanisms in IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*, and how to apply IFRS S1 when reporting only climate-related disclosures in IFRS S2;
- b) reporting to the Financial Stability Board on global progress towards both mandated and voluntary corporate climate-related disclosures;
- c) the Growth and Emerging Markets Committee (GEMC) of International Organization of Securities Commissions (IOSCO) launching a dedicated network to support its members in the adoption or other use of ISSB Standards;
- d) the decision to propose targeted amendments to IFRS S2; and
- e) the launch of IFRS Sustainability Reference Group (SRG) comprising 117 subject-matter experts in sustainability and general purpose financial reporting from 37 jurisdictions.

## 6. Amendments to the IFRS Foundation Constitution

- a) Henry Rees, Director of Governance and Trustee Activities, set out some preliminary proposals for consideration for possible targeted amendments to the IFRS Foundation *Constitution* in the light of the ongoing organisation review work.

## 7. 2025 budget and projections

7.1 Richard Sexton, Chair of the Budget and Finance Committee, provided an overview of the 2025 budget that was approved by Trustees in January 2025, highlighting key elements and sensitivities, including noting provisions had been made against uncertain revenues.

- 7.2 Mr Madelain emphasised the Foundation's revenue and cost challenges and the need to focus on closing the deficit gap and highlighted the importance of the ongoing work on the financial projections for 2025–2027.

## 8. Update on funding

- 8.1 Isabel de Saint Malo, Chair of the Funding Committee provided an update on the Foundation's contributed revenue and the 2025 funding strategy and reported on the Funding Committee's work to generate the targeted new annual funding, including diversifying funding sources, strengthening jurisdictional funding, and working on developing the philanthropic and corporate philanthropic funding base.
- 8.2 Ms de Saint Malo confirmed that the Funding Committee would be integrated into the Budget and Funding Committee to allow for the alignment of strategy and goals. She noted that the Foundation was recruiting to fill a new Chief Development Officer role, responsible for both contributed and earned revenue and the execution of a multi-stakeholder, diversified funding strategy.

## 9. Functional reorganisation and cost review

- 9.1 Michel Madelain provided an update on the Foundation's recent reorganisation of internal functions completed in mid-February 2025 which resulted in a new operating model that streamlines the resources of the Foundation and its inherited organisations to enhance unified decision-making and clearer accountability.
- 9.2 Mr Madelain highlighted that the reorganisation enables efficiencies and a more cost-effective model of service delivery. He updated the Trustees on the ongoing review of costs savings and efficiencies, including reducing staff costs, resource and process optimisation and other cost saving measures, including in the operating costs of the boards and the costs of governance.

## 10. Trustee body evaluation

- 10.1 Michel Madelain introduced a summary of the feedback from the biennial Trustee body evaluation, launched in December 2024. This evaluation considers how the Trustees body, as a whole, ensures it fulfils its governance role and operates effectively and efficiently. Input was sought from all Trustees, board Chairs and Vice-Chairs and Foundation senior management.
- 10.2 Key themes from the feedback and proposed focus areas for Trustees to consider were shared and further work to analyse the feedback was agreed.

## 11. Reports from recent Trustee Committee meetings

### 11.1 Audit and Risk Committee

Maria Theofilaktidis, Chair of the Audit and Risk Committee reported on the work of the Committee which included:

- reviewing the finalisation of the 2024 group and subsidiary audits;
- reviewing the Director of Internal Audit's independent annual opinion and his update on recent internal audit activity;
- reviewing the Foundation's risk management process, including discussing the Foundation's risk appetite approach and of key risk indicators;
- reviewing the internal sustainability program, including the appointment of an external auditor for the GHG inventory; and

- reviewing the compliance programme.

## 11.2 Budget and Funding Committee

Richard Sexton, Chair of the Budget and Funding Committee reported on the work of the Committee which included:

- reviewing the 2025 budget and discussing the Foundation's three-year forecast;
- reviewing the organisation's treasury and portfolio management approach;
- discussing the funding position of the organisation; and
- discussing the integration of the Funding Committee into the Budget and Funding Committee.

## 11.3 Due Process Oversight Committee

Steven Maijor, Chair of the Due Process Oversight Committee, reported on the Committee's [4 March 2025](#) meeting.

## 11.4 Human Capital Committee

Keiko Tashiro, Chair of the Human Capital Committee, reported on the Committee's work on various human capital related matters., in particular discussion on cost saving plans.

## 11.5 Funding Committee

Isabel de Saint Malo, Chair of the Funding Committee, reported on the work of the Committee which included:

- discussing the 2025 budget and the importance of aligning fundraising objectives with wider financial goals;
- reviewing the funding strategy, focusing on contributed revenue opportunities;
- discussing the earned revenue strategy;
- discussing opportunities for fundraising from alternate sources; and
- discussing the integration of the Funding Committee into the Budget and Funding Committee.

## 11.6 Nominating Committee

Ken Robinson, Chair of the Nominating Committee, reported on the Committee's work on various nominations processes.

## 11.7 Trustee Strategy Committee

Bob Pozen, Chair of the Trustee Strategy Committee, reported on the work of the Committee which included:

- discussing the ISSB's progress on initiatives including working with EFRAG on sustainability simplification efforts and engagement and collaboration across key jurisdictions and bodies;
- discussing funding updates and plans to secure future funding;
- reviewing the potential for the IASB and ISSB to enhance connectivity further; and
- reviewing potential amendments to the Constitution and the associated public process.

## 12. Report of the Integrated Reporting and Connectivity Council (IRCC)

Morgan Després, Vice-Chair of the IRCC, reported on the work of the IRCC which included:

- planning for the integrated reporting and integrated thinking conference, to be held in Tokyo in April 2025;

- reviewing the IRCC's focus areas of reviewing current and potential future trends that will affect the corporate reporting; and
- discussing how the future of corporate reporting aligns to the Foundation's work.

### **13. Report of the Transitional Advisory Group (TAG)**

In the absence of Masamichi Kono, TAG Chair, Richard Sexton, Trustee observer to the TAG, reported on the TAG's final meeting in October 2024 which included:

- discussing the ISSB's progress against plans including an update on the jurisdictional adoption of the ISSB Standards and reviewing an outline of a regulatory implementation programme and roadmap development tool;
- receiving a report on US engagement and the implementation of a US jurisdictional strategy;
- reviewing the Foundation's people strategy;
- reviewing the focus areas of the Integrated Reporting Connectivity Council; and
- taking stock on conclusion of the TAG's work after two years in line with its terms of reference.

Mr Sexton highlighted that the TAG had served a useful role as part of the governance of the integration of CDSB's and VRF's people and assets into the Foundation.

### **14. Joint meeting of the IFRS Foundation Trustees and the Monitoring Board**

- 14.1 The Trustees met the IFRS Foundation Monitoring Board on 4 March. The Monitoring Board's [media release](#) following the meeting is available online.

### **15. Meeting with Jean-Paul Servais, Chair, IOSCO**

- 15.1 The Trustees were joined by the Chair of the IOSCO, Jean-Paul Servais, on 5 March. Mr Servais noted the historic relationship between IOSCO and the Foundation and its continued support, particularly of the ISSB's work where he reflected on the progress made from the previous patchwork of sustainability approaches and how IFRS S1 and IFRS S2 were fit for purpose.
- 15.2 Mr Servais emphasised the importance of the ISSB's capacity building approach, with a focus on emerging markets, and concluded by noting the continued importance of due process and being prepared for challenges ahead.