
IFRS Foundation Trustees Meeting – Due Process Oversight Committee

Date **November 2025**

Topic **Composition of the Financial Instruments Consultative Group**

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This document is prepared for discussion of a private meeting of the IFRS Foundation Trustees' Due Process Oversight Committee (DPOC). The Trustees are responsible for governance of the IFRS Foundation, oversight of the International Accounting Standards Board (IASB) and International Sustainability Standards Board (ISSB), and for delivery of the IFRS Foundation's objectives as set out in the IFRS Foundation *Constitution*.

Purpose of paper

1. This paper is intended to facilitate the DPOC's review of the proposed composition of the Financial Instruments Consultative Group (FICG).
2. The DPOC discussed the IASB's plans for establishing the FICG in June 2025. Following that discussion, the IASB invited applications for membership of the FICG via its website, and in October 2025 approved the proposed membership.
3. In accordance with paragraph 3.62 of the IFRS Foundation [Due Process Handbook](#) the DPOC is asked to review the proposed composition of the FICG to ensure an appropriate balance of perspectives—including geographical balance—before the members are confirmed and publicly announced.
4. The DPOC is asked whether it has any comments or questions about the proposed composition of the FICG.

Background

5. As discussed in the DPOC's June 2025 meeting, the FICG is intended to be a group of appointed members comprising preparers and users of financial statements (investors) with expertise relating to financial instruments. The group aims to provide the IASB with access to practical experience and expertise from stakeholders in different

jurisdictions and industries to inform the IASB's work related to financial instruments.

6. At the time, the IASB considered whether to include members representing auditors and prudential regulators in this group. However, the IASB noted that it regularly receives feedback from these stakeholders through other engagements, such as its periodic meetings with auditors as well as securities and prudential regulators.
7. Members of the FICG will serve on a voluntary, unpaid basis and be responsible for their own travel and accommodation costs when attending meetings.
8. The FICG will adhere to the same processes as other IASB consultative groups. The DPOC will oversee the monitoring of the effectiveness of the FICG as part of its annual review of consultative groups.

Proposed composition of the consultative group

9. The call for applications for membership of the consultative group was open from 9 July 2025 until the end of September 2025. The IASB sought members with expertise in accounting for financial instruments, consisting of preparers (from both financial and non-financial institutions) and investors.
10. The call stated that the essential attributes of members include:
 - (a) practical preparer or investor experience in accounting for financial instruments;
 - (b) practical knowledge relevant to the IASB's current projects, such as Financial Instruments with Characteristics of Equity, Amortised Cost Measurement and Dynamic Risk Management; and
 - (c) willingness to participate actively in open, constructive discussions.
11. The call also stated that in considering applications, the IASB will aim for balanced representation of regions and industries to ensure broad and inclusive perspectives.

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12. To help raise awareness of the call for members, IASB members and staff leveraged their networks and reached out to potential candidates with the desired expertise, backgrounds, and geographical representation to encourage them or a suitable representative from their organisation to apply.
 13. We received 85 applications for membership in the FICG from individuals with various backgrounds. Having considered the applications, the IASB agreed with the staff proposal to accept 17 candidates for members.
 14. Although this is more than the targeted 15 members, the IASB considered that including two additional members is necessary to achieve the IASB's objectives for the FICG and will not be detrimental to the effective operation of the group.
 15. In selecting the candidates, we focussed on their practical preparer or investor experience in financial reporting for financial instruments, as well as the need to achieve a balanced range of functional backgrounds and geographical distribution.
 16. We emphasise the following aspects of the proposed membership:
 - (a) we classified members according to the jurisdiction where they are based. However, while three of the four investors who applied and are proposed for membership are based in Europe, their roles involve analysing companies on a global basis. Similarly, some of the proposed members who are banking preparers have been classified as based in Europe. However, their professional responsibilities extend across regions, such as between Asia and Europe.
 - (b) we classified members based on their current function. However, several proposed members currently hold roles that span across multiple industries (for example, those employed by bancassurance entities, who may contribute insights from both the banking and insurance sectors), or have previously held roles in other industries (such as individuals presently working in banks who have prior experience with non-financial institutions).

17. The IASB also considered gender representation when determining the proposed composition of the FICG. Nonetheless, the primary focus was on ensuring a balanced representation between geographical regions, various industry preparers and investors, as well as prioritising individuals with greater expertise. The proposed membership consists of eleven males and six females.
18. At its October 2025 administrative session, the IASB considered and approved the proposed membership of the FICG, agreeing that it achieves an appropriate balance of perspectives to provide the input needed for projects on financial instruments. The paper considered by the IASB has been provided to the DPOC.
19. The IASB acknowledged that the proposed members include several preparers from the banking industry and who are based in Europe. This composition was needed so the FICG would have representation from both major global banks as well as smaller banks from less commonly represented countries such as Italy and Austria.

Distribution of the proposed membership between functional backgrounds

Functional background	Bank	Insurance	Automobile	General corporate	Credit rating	Sell-side analyst	Number of members	%
Preparers	✓	✓	✓	✓			13	76%
Investors					✓	✓	4	24%
Total							17	100%

Distribution of the proposed membership between geographical regions

Geographical region		Number of members	%
Africa	South Africa	2 ¹	12%
Americas	Canada	1	12%
	Brazil	1	
Asia	China	1	12%
	Japan	1	
Middle-East	Qatar	1	6%
Australia	Australia	1	6%
Europe	United Kingdom	2 ²	52%
	France	2 ³	
	Switzerland	2 ⁴	
	Spain	1	
	Italy	1	
	Austria	1	
Total		17	100%

Membership periods

20. Per the FICG terms of reference, members can be appointed for a period of one, two or three years. Members are eligible for reappointment, but the period a member can serve on the FICG usually would not exceed six consecutive years.
21. Membership periods for FICG members will be staggered to reduce the number of members rolling off at a given time.

Next steps

22. After the IASB's October 2025 meeting, we contacted the proposed members to confirm their interest and availability to join the FICG, pending DPOC approval.
23. Subject to this DPOC discussion, the IASB plans to announce the members of the FICG by end of November 2025. The staff expect that the first meeting of this group will be held virtually in mid-December 2025.

¹ Two members consist of a preparer and an investor.

² Two members consist of a preparer and an investor.

³ Two members consist of a preparer from banking industry and a preparer from insurance industry.

⁴ Two members consist of a preparer and an investor.