Agenda paper AC3

IFRS Advisory Council

Date **November 2026**

Project **Proposed targeted amendments to the *Constitution***

Topic **Project update**

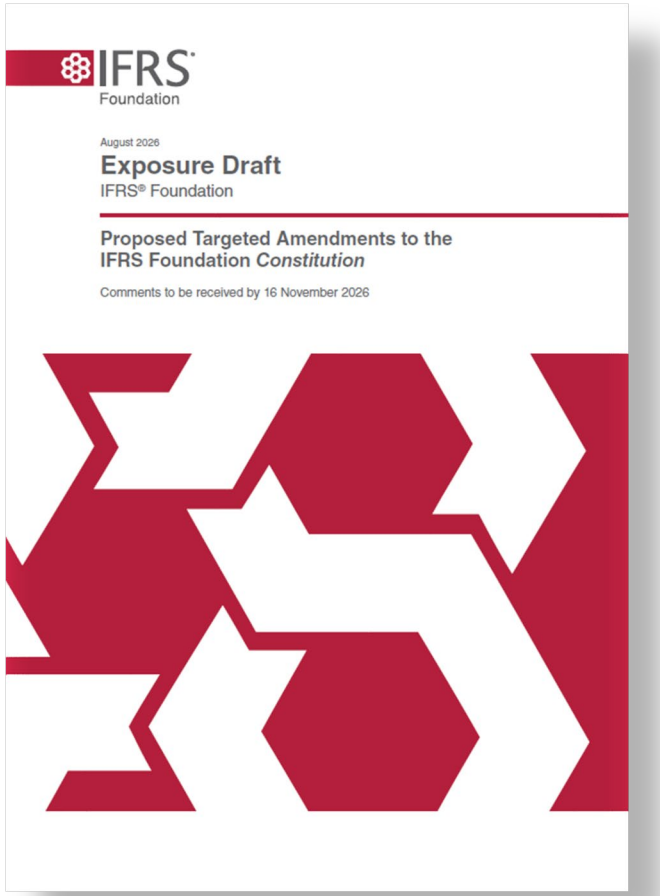
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Objective

Update the Advisory Council on the proposed targeted amendments to the *Constitution* and ask members for initial views

- Proposals published in August 2026
- Comments due by 16 November



Exposure draft available at:

https://www.ifrs.org/content/dam/ifrs/project/proposed-targeted-amendments-to-the-ifrs-foundation-constitution/ed-2026-ifrs-foundation-constitution.pdf

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Context

Context

- As part of the transformation programme designed to ensure the Foundation remains fit for the future, the Trustees decided in 2025 to gradually reduce the size of each board from 14 to 10 members.
- This is intended to enable the Foundation to continue to fulfil its mission effectively in a changing environment while using its resources efficiently and responsibly.
- Targeted amendments to the *Constitution* are needed to operationalise that decision.
- Proposals are designed to ensure that the smaller boards maintain diverse, balanced memberships and the capacity to deliver their work effectively and to continue high-quality standard setting.

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Proposals

Size range for board membership

- Proposals specify a constrained range of 8–12 members.
- Number of members determined for each board separately having regard to the boards' respective priorities and workloads.
- Each board is expected to comprise 10 members from 2028.

Outcome

- Trustees are confident that smaller boards will maintain the capacity to deliver high-quality Standards and support their adoption and consistent application worldwide.
- Proposed range maintains diversity of professional backgrounds, skills and perspectives as well as global participation.
- Avoids unnecessarily constraining the Trustees' ability to determine the most appropriate size for each board over time, taking account of respective environments, workloads and operational needs.

Geographical allocation of board members

- Board members are appointed as individuals and required to act in the public interest. Members are not representatives of jurisdictions or regions.
- To ensure geographical diversity and balance, the *Constitution* specifies a ‘normal’ geographical allocation of members.

Outcome

- Proposed allocation is broadly consistent with the existing allocation, adapted for smaller boards.
- Maintains internationally diverse and balanced membership with a broad range of jurisdictional perspectives.
- Explicit commitment to geographical balance in each board.
- ‘At-large’ positions facilitate appointment of members with exceptional skills and experience while increasing regional participation. Explicitly subject to not creating overall geographical imbalance.

Region	Current IASB	Current ISSB	Proposed IASB and ISSB
A-O	4	3	2
Europe	4	3	2
Americas	4	3	2
Africa	1	1	1
Any area (‘at-large’)	1	4	remaining
Total	14	14	8–12

Voting—Standards and exposure drafts

- Proposals require approval by a simple majority of board members plus 1 additional vote, and in no case fewer than 5 affirmative votes.
- Same outcome as today for a board of 12–14 members—ie 9 affirmative votes if 14 members and 8 affirmative votes if 12–13 members.
- For a board of 10 members, proposals require 7 affirmative votes (70% approval).

Outcome

- Proposals maintain a supermajority approach, adapted for smaller board sizes.
- Approval percentage for a board of 8–10 members is higher (67–75%) than currently for a board of 13–14 members (62–64%).
- Necessary to update voting provisions; the current requirements were not designed for a board with fewer than 12 members.
- Proposals enable smaller boards to continue making decisions efficiently and effectively.

Other provisions

Part-time board members	**No change proposed** to these provisions—up to 3 IASB members and a minority of ISSB members may be part-time. ISSB Chair proposed to be full-time (same as IASB Chair). Ability to appoint some part-time members can help attract individuals with particular skills and experience or to accommodate particular circumstances. In practice, the Trustees have not utilised the maximum number of part-time members.
Qualifications for board membership	**No change proposed** to the main qualifications—professional competence and recent relevant professional experience. It remains important that the boards have: • sufficient members covering the core skills needed; and • sufficient members with investor and preparer experience.
Voting—decisions other than Standards	**No change proposed**—other decisions, including the publication of a Discussion Paper or a Request for Information, require approval by a simple majority of members. Minimum-vote threshold (4 affirmative votes) proposed.
Other targeted amendments	**Clarifications and updates proposed** to particular other provisions, including the duration of board member terms, timing of the IASB's work plan consultation and the temporary provisions for the ISSB.

Next steps

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- Consultation ends on 16 November 2026
- Trustees will consider feedback and decide how to finalise the amendments
- Any revisions to the voting arrangements will be reflected in the *Due Process Handbook*

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Discussion

Do members have questions or initial views on the proposals?

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