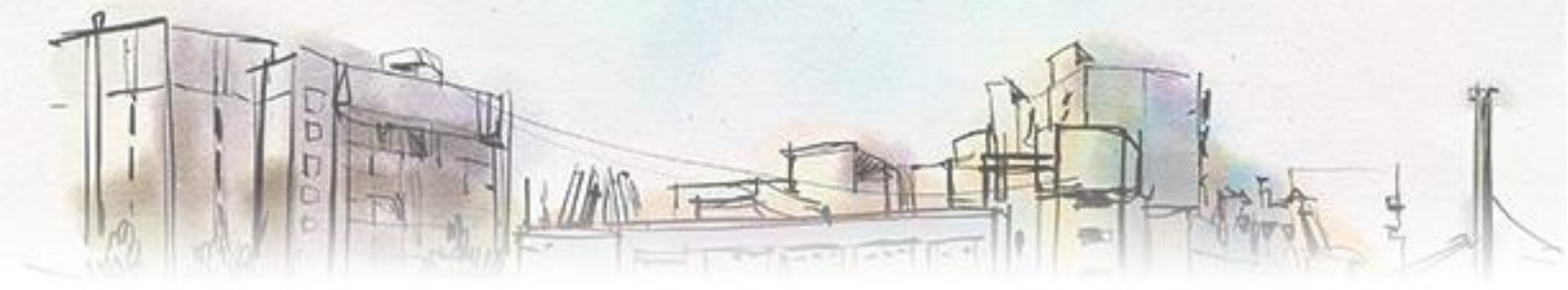
FASB FINANCIAL ACCOUNTING STANDARDS BOARD®

STANDARDS THAT WORK

FROM MAIN STREET TO WALL STREET

FASB Chair Report

April 1, 2026 – June 30, 2026



LETTER FROM THE FASB CHAIR

In 1931, the George Washington Bridge was completed after just four years of construction. That engineering achievement still stands today, carrying by some estimates more than 100 million vehicles annually—a lasting symbol of timely, high-quality execution. Timeliness is also a critical—and often overlooked—component of high-quality standard setting. It is fair to ask how an accounting standard could take longer to complete than the George Washington Bridge. I would share that concern.

So how do we ensure that standard setting is both high quality and timely? The answer begins with early, high-quality stakeholder outreach. It allows us to clearly define the issue, evaluate practical solutions, and develop standards that deliver relevant information to investors—at a reasonable cost and on a timely basis following our full due process.

In the second quarter of 2026, the Board demonstrated that discipline by advancing priority projects informed by our 2025 agenda consultation and other stakeholder outreach. We voted to issue proposed Accounting Standards Updates (ASUs) on eight projects, published two proposals for comment, and issued two final standards.

Proposed and Final Standards

Addressing new and emerging accounting issues in a timely manner remains central to our mission. To support that objective, I added a research project on current trends and emerging issues to assess the continuing relevance of FASB standards and identify opportunities for improvement in a rapidly changing business environment. This research project provides further transparency into some of the many efforts that we undertake at the FASB to proactively consider emerging issues. We routinely perform extensive outreach not only to understand what is happening but to get further insight into what may happen in the future. These efforts currently include understanding potential financial accounting and reporting issues related to data infrastructure arrangements, nontraditional lending, and potential changes in regulatory requirements related to interim reporting. So far, these efforts have resulted in two new technical agenda projects: fair value measurement of equity securities by

investment companies and private credit disclosures. This is in addition to projects recently referred to the FASB by the Emerging Issues Task Force (EITF) related to power purchase arrangements and consideration payable to a customer.

During the second quarter, the Board voted to expose eight proposed Accounting Standards Updates (ASUs) for public comment:

- Cash equivalents—disclosure enhancement and classification of certain digital assets
- Equity method of accounting
- Accounting for commodities
- Mortgage servicing rights
- Subjective acceleration clauses
- Indexation—debt and equity
- Investment companies—contractual sale restrictions
- Codification improvements related to LIBOR references.

Also, in March, the Board voted to expose a ninth proposed ASU on Codification improvements. We expect to publish all of those proposed ASUs by year-end.

The FASB released two proposed ASUs during the quarter. The first, based on an EITF recommendation, would improve discount rate guidance for certain market-return cash balance plans. The second would address three discrete hedge accounting issues to better reflect the economics of an entity's risk management activities in its financial statements. Both proposals are subject to 60-day comment periods ending in August.

We also issued two final standards: one on accounting for and disclosure of environmental credits and environmental credit obligations, and another clarifying the initial measurement of paid-in-kind dividends on equity-classified preferred stock. The latter, also based on an EITF recommendation, reflects the group's continued value in resolving narrow-scope practice issues efficiently and effectively.

Roundtables: CECL and DISE Standards

Our work does not end when we issue a final standard. We remain focused on monitoring implementation, evaluating outcomes, and making targeted improvements when warranted.

We hosted a roundtable on the post-implementation review (PIR) of the current expected credit losses (CECL) standard, where stakeholders provided substantive input on the standard's effectiveness and implementation challenges. The PIR not only helps us identify whether changes are needed to a standard but also provides important lessons for future improvements to the standard-setting process. We will present that feedback, along with all other stakeholder input, in our final PIR report, expected by year-end.

Our roundtable on the disaggregation of income statement expenses (DISE) standard convened stakeholders who are at varying stages of the implementation process. They provided valuable

insights, including into the “top down” and “bottom up” disaggregation approaches being applied across industries. Specifically, DISE permits the use of estimates to reduce the costs associated with compliance with the standard, and understanding experiences with developing and relying on such estimates was particularly important. The Board expects to discuss publicly all feedback received on the DISE implementation experience, including from the roundtable, at a future meeting.

Board Transition

Finally, I want to recognize Christine Botosan, who completed her second and final Board term on June 30, 2026, and to welcome Cathy Shakespeare, who assumes her seat on July 1. We are grateful for Christine’s distinguished service and many contributions to the Board’s work, and we look forward to the perspective and expertise Cathy will bring to the role.

The Board’s progress this quarter underscores the value of a stakeholder-informed standard-setting process. We will continue to apply our agenda criteria, seek broad and balanced input, and focus on timely, cost-effective improvements that provide investors and other allocators of capital with better information for capital allocation decisions.



Richard R. Jones
Chair, Financial Accounting Standards Board

TECHNICAL AGENDA AND OTHER PROJECTS

Technical Agenda

The FASB (the Board) undertakes technical agenda projects to establish and improve financial accounting and reporting standards. The Board evaluates potential standard-setting projects against certain criteria to determine whether a project should be added to the technical agenda. The Private Company Council (PCC) works with the Board in identifying, deliberating, and voting on improvements to financial reporting by private companies, subject to endorsement by the Board.

The following table summarizes the changes in the Board's technical agenda during the second quarter of 2026:

Number of Projects				
As of March 31	**Added (removed)**	**Projects Completed**	**As of June 30**	**# EDs Issued**
13	**7 (1)**	**(2)**	**17**	**2**

Two projects were completed through the issuance of a final Accounting Standards Update (ASU):

- Equity (Topic 505): Initial Measurement of Paid-in-Kind Dividends on Equity-Classified Preferred Stock
- Environmental Credits and Environmental Credit Obligations (Topic 818).

The Board added seven projects to the technical agenda:

- Fair Value Hedging—Portfolio Layer Method for Liabilities
- Investment Companies—Contractual Sale Restrictions
- Private Credit Disclosures
- Accounting for Nonrefundable Transferable Tax Credits
- Mortgage Servicing Rights—Recapture
- Subjective Acceleration Clauses and Debt Default Disclosures
- Codification Improvements Related to LIBOR References.

The Board removed one project from the technical agenda:

- Statement of Cash Flows Targeted Improvements.

The Board considered but decided not to add projects on the following topics to the technical agenda:

- Intangibles
- Not-for-profit reporting
- Earnings per share
- Financial key performance indicators for business entities.

A detailed listing of the projects on the Board's technical agenda as of the end of the quarter is included in the appendix.

The Board issued the following proposed Accounting Standards Updates (ASUs):

- *Compensation—Retirement Benefits—Defined Benefit Plans—Pension (Subtopic 715-30): Discount Rate Used to Measure the Benefit Obligation for Certain Market-Return Cash Balance Plans*
- *Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Interest Rate Risk Hedging and Net Investment Hedging*.

The Board discussed the following projects on the technical agenda during the quarter:

Project	Board Meeting(s)	Summary of Discussions
Accounting for Transfers of Crypto Assets	April 15	• Decided to expand the scope of Subtopic 350-60, Intangibles—Goodwill and Other—Crypto Assets, to address crypto assets that provide the holder with a right to receive another crypto asset that would be within the scope of Subtopic 350-60. • Decided to clarify the existing disclosure guidance in Subtopic 350-60 by providing an example of a tabular disclosure illustrating that wrapped tokens, if significant, would be disclosed separately from other significant crypto asset holdings.
Cash Equivalents—Disclosure Enhancement and Classification of Certain Digital Assets	April 15	• Decided to require all entities that present assets as class equivalents to disclose, for annual reporting periods, the significant components and related amounts of cash equivalents. • Decided to provide illustrative examples in Topic 230, Statement of Cash Flows, to clarify whether certain digital assets meet the Master Glossary definition of the term *cash equivalents*. • Decided that (1) the amendments related to the evaluation of certain digital assets as cash equivalents would be applied on a modified prospective basis, (2) the amendments related to the disclosures would be applied on a prospective basis, and (3) early adoption would be permitted. • Directed the staff to draft a proposed ASU with a 90-day comment period.

Project	Board Meeting(s)	Summary of Discussions
Fair Value Hedging—Portfolio Layer Method for Liabilities	April 22	• Discussed agenda requests and feedback received on the portfolio layer method for liabilities in response to the 2025 Invitation to Comment, *Agenda Consultation* (2025 ITC). • Added a project to the technical agenda to extend the portfolio layer method to liabilities to better align financial reporting with entities' risk management activities.
Statement of Cash Flows—Targeted Improvements	April 22	• Discussed work performed to date and feedback received in response to the 2025 ITC. • Decided to remove the project from the technical agenda.
Private Credit Disclosures	May 13	• Added a project to the technical agenda on private credit disclosures. • Decided that the scope of the project would be limited to investment companies within the scope of Topic 946, Financial Services—Investment Companies.
Investment Companies-Contractual Sale Restrictions	May 13 June 17	• Added a project to the technical agenda on the fair value measurement of equity securities subject to contractual sale restrictions. • Decided that the scope of the project would be limited to investment companies within the scope of Topic 946. • Decided that a contractual sale restriction and the related equity security should be the same unit of account and that the new guidance would apply only to contractual sale restrictions on equity securities. • Decided that the guidance would be required (rather than be optional) and that an investment company should disclose the discount attributable to the contractual sale restriction in the notes to financial statements for both interim and annual reporting periods. • Decided (1) that an investment company would apply the new guidance prospectively to all investments in equity securities, with any adjustments from adoption recognized immediately in earnings and disclosed, and (2) to permit early adoption.

Project	Board Meeting(s)	Summary of Discussions
		• Directed the staff to draft a proposed ASU with a 15-day comment period.
Equity Method of Accounting	May 13	• Decided to (1) require a single threshold (significant influence) for applying the equity method, regardless of the type of entity, (2) make three targeted improvements to the significant influence guidance in Subtopic 323-10, Investments—Equity Method and Joint Ventures—Overall, and (3) maintain the current population of investments eligible for proportionate consolidation and proportional amortization. • Decided that the amendments related to the scope of the equity method would be applied on a modified prospective approach or a modified retrospective approach depending on whether or not an entity elects the measurement alternative in Topic 321, Investments—Equity Securities, when it no longer applies the equity method. • Decided to (1) move the guidance in Subtopic 970-323, Real Estate—General—Investments—Equity Method and Joint Ventures, that is not industry- or transaction-specific to Subtopic 323-10, (2) add illustrative examples to Topic 323 to show a possible method that could be used to allocate equity in earnings in complex allocation structures, (3) make changes to Topic 810, Consolidation, on allocating income to noncontrolling interest holders to reference the guidance in Topic 323 on complex allocation structures, and (4) remove guidance on consolidation of real estate ventures that is not industry-specific. • Decided that the amendments related to complex allocation structures would be applied on a prospective basis. • Decided that early adoption would be permitted. • Directed the staff to draft a proposed ASU with a 75-day comment period.
Nonrefundable Transferable Tax Credits	May 13	• Discussed stakeholder feedback received, including feedback received in response to the 2025 ITC. • Added a project to the technical agenda to specify that nonrefundable transferable tax credits should be

Project	Board Meeting(s)	Summary of Discussions
		accounted for in accordance with Topic 740, Income Taxes. • Decided not to provide guidance on the derecognition of nonrefundable transferable tax credits.
Accounting for Commodities	May 27	• Decided to provide a fair value accounting policy election for tangible commodity inventories (by specified type of commodity), for entities within the scope of Topic 942, Financial Services—Depository and Lending, including subsidiaries of those entities. • In addition to disclosures required for assets held at fair value in accordance with Topic 820, Fair Value Measurement, decided to require certain additional disclosures including the carrying amount and types of commodities the election applies to, along with management's reasons for making the election. • Decided that the guidance would be applied as a cumulative-effect adjustment to retained earnings as of the beginning of the first annual period of adoption and that early adoption is permitted. • Directed the staff to draft a proposed ASU with a 45-day comment period.
Mortgage Servicing Rights—Recapture	May 27	• Added a project to the technical agenda to address whether the value attributable to recapture should be included when measuring a mortgage servicing right (MSR). • Consistent with the recommendation of the Emerging Issues Task Force (EITF), decided that a residential MSR and recapture are a single unit of account and, therefore, the measurement of a residential MSR should include the effects of recapture. • Decided that the guidance would be applied on a modified prospective basis and that early adoption would be permitted. • Directed the staff to draft a proposed ASU with a 45-day comment period.

Project	Board Meeting(s)	Summary of Discussions
Subjective Acceleration Clauses	May 27	• Discussed the recommendations of the Private Company Council (PCC) and added a project to the technical agenda on subjective acceleration clauses (SACs) in determining the classification of debt. • Decided that a SAC would result in long-term debt being classified as a current liability when triggered. • Decided to make conforming changes to the classification guidance on (1) the intent and ability to refinance on a long-term basis and (2) revolving credit agreements. • Decided to require disclosures about events of default for all entities similar to those required for public business entities by the SEC in Regulation S-X Rule 4.08(c), General Notes to Financial Statements. • Decided that the guidance would be applied prospectively and that early adoption would be permitted. • Directed the staff to draft a proposed ASU with a 60-day comment period.
Indexation—Debt and Equity	June 3	• Decided to clarify certain of the acceptable variables that would not preclude an instrument from being considered indexed to an entity's own stock. • Decided to remove the down round feature scope exception in Subtopic 815-40, Derivatives and Hedging—Contracts in Entity's Own Equity, including any down round feature specific guidance in Topic 260, Earnings Per Share, and Topic 505, Equity. • Decided to add a clarifying disclosure requirement for equity-classified contracts about variables (or contingent events) that could or did affect the settlement amount. • Decided that entities would apply a modified prospective transition approach with additional transition disclosures. • Directed the staff to draft a proposed ASU with a 60-day comment period.

Project	Board Meeting(s)	Summary of Discussions
Codification Improvements Related to LIBOR References	June 24	• Added a project to the technical agenda to amend the Codification to remove or replace references to the London Interbank Offered Rate (LIBOR). • Decided to (1) remove the LIBOR swap rate from the list of benchmark interest rates and the Master Glossary, (2) replace LIBOR references with Secured Overnight Financing Rate (SOFR)-based rates, and (3) make certain technical corrections to related guidance. • Decided that the guidance would be applied prospectively. • Directed the staff to draft a proposed ASU with a 60-day comment period.

Other Projects

In addition to projects on its technical agenda, the Board also has:

- Research Projects: Projects on the Board's research agenda are those that may be considered for the technical agenda at a future date as issues and potential alternative solutions are identified.
- PCC Projects: Projects on the PCC's agenda are intended to address issues identified by private company stakeholders. These projects provide alternatives or practical expedients within GAAP that meet the needs of users of private company financial statements while reducing cost and complexity where possible. The decisions reached by the PCC are subject to Board endorsement.
- EITF Projects: These projects result from the EITF's identification and discussion of narrow-scope improvements to timely address emerging issues. The EITF can recommend that the Board add a project to the FASB's technical agenda and address the issue using the EITF's recommended solution.
- Post-Implementation Review (PIR) Projects: These projects are aimed at evaluating whether standards that have been issued are achieving their objectives and whether there are areas of improvement that the Board should address.

The following table summarizes the changes in these projects during the second quarter of 2026:

	Number of Projects					
	As of April 1	Added (removed)	Transferred	Final Documents Issued	As of June 30	# of Exposure Drafts or Invitations to Comment
Research Projects	7	1 (1)	0	0	7	0
PCC Projects	0	0	0	0	0	0
EITF Projects	3	0	(1)	0	2	0
PIR Projects	1	0	0	0	1	0
Total	**11**	**1 (1)**	**(1)**	**0**	**10**	**0**

Research Projects: The Board continued to move forward on its research projects.

- On April 6, the Chair added a research project to monitor current trends and emerging issues and solicit stakeholder feedback to evaluate the continuing relevance of the FASB standards and identify potential improvements. Areas being looked at include data infrastructure arrangements and nontraditional lending (private credit).
- The Board met on May 13 to discuss the Accounting for and Disclosure of Intangibles research project. The Board decided not to add a project to the technical agenda.
- The Board met on June 11 to discuss the Statement of Cash Flows research project. The Board directed the staff to perform additional research to explore potentially replacing the statement of cash flows for certain entities.
- The Board met on June 24 to discuss the Hedge Accounting research project and provided guidance on the overall direction and outreach plan.
- On June 24, the Board discussed research related to financial key performance indicators and feedback from stakeholders. The Board decided not to add a project to the technical agenda. As a result of this discussion, the Chair removed the Financial Key Performance Indicators for Business Entities project from the research agenda.
- The Board continues to work on the Agenda Consultation research project as part of its goal to discuss all of the agenda consultation topics by the end of fall 2026, including several meetings during the second quarter to discuss agenda consultation feedback on not-for-profit related issues, earnings per share, and the definition of a public business entity, among other topics.

PCC Projects: The PCC met on June 1-2 and discussed its Employee Stock Ownership Plans (ESOPs) and Lease Accounting Simplifications research projects. The PCC did not add any new projects to its own agenda as a result of the June 1-2 meeting.

EITF Projects: The project on mortgage servicing rights—recapture was transferred to the Board's technical agenda on May 27 when the Board met to discuss (and agreed with) the recommendations that had been made by the EITF at its March 12 meeting. The EITF met on June 23 to discuss two projects: Application of Topic 815 Normal Purchases and Normal Sales (NPNS) Scope Exception to Electricity Contracts and Consideration Payable to a Customer. At that meeting, the EITF recommended that the Board add a project to its technical agenda to make refinements to the NPNS scope exception to accommodate retail power purchase arrangements, and it also provided recommendations for certain disclosure enhancements, such as disclosure of key contractual terms. Also at that meeting, the EITF recommended that the Board add to its technical agenda a project to clarify which payments made on behalf of a customer, or to a customer of an entity's customer, should be evaluated as consideration payable to a customer. For both issues, the Board will meet in the coming months to determine whether to add a project to its technical agenda.

PIR Projects: The PIR process is an evaluation of whether a standard is achieving its objective by providing investors and other allocators of capital with relevant information in ways that justify the cost of providing it. It is an important quality-control mechanism built into the standard-setting process that begins after the issuance of select standards. During the PIR process, the Board solicits and considers diverse stakeholder input and other research to evaluate the standards that are issued and whether there are areas of improvement that the Board should address.

The FASB reports on the progress of PIR projects during its public meetings and reports regularly to the Standard-Setting Process Oversight Committee (SSPOC) of the FAF Board of Trustees. The final PIR reports are reviewed by the SSPOC and available on the FAF website.

Currently, the FASB is reviewing the following:

- Credit losses.

For the Credit Losses PIR project, the staff is actively monitoring implementation efforts and ongoing application as well as performing outreach with investors, preparers, auditors, and regulators. The PIR project team is also actively engaging with the PCC to obtain feedback related to private companies.

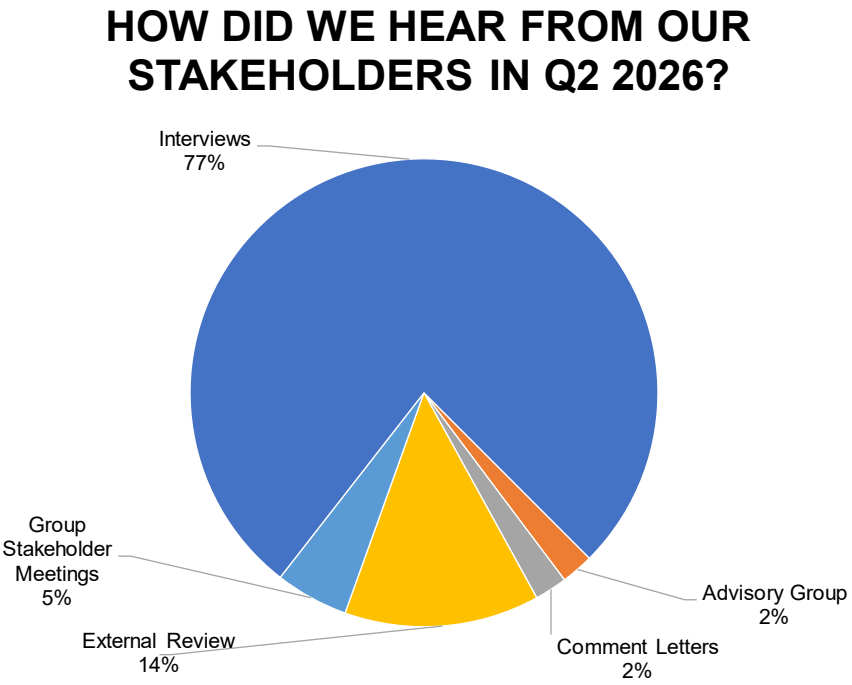
The following table lists activities connected with PIR projects:

Project	Activities
Credit Losses	• Held a public roundtable on May 12, 2026, to solicit feedback from stakeholders on the benefits and costs of CECL. • Initiated a survey of stakeholders' experience with CECL at implementation and on a recurring basis. • Continued to monitor implementation of the current expected credit losses model and engage with stakeholders on various implementation issues through technical inquiries, advisory group meetings, and speeches.

ADVISORY COMMITTEE AND OTHER STAKEHOLDER ENGAGEMENT

Throughout its technical agenda and other projects, the Board and staff conduct extensive research and outreach to help understand the impact of issues and potential solutions on diverse stakeholder groups.

The following graphs and charts summarize how the Board and the staff heard from stakeholders and who they heard from:

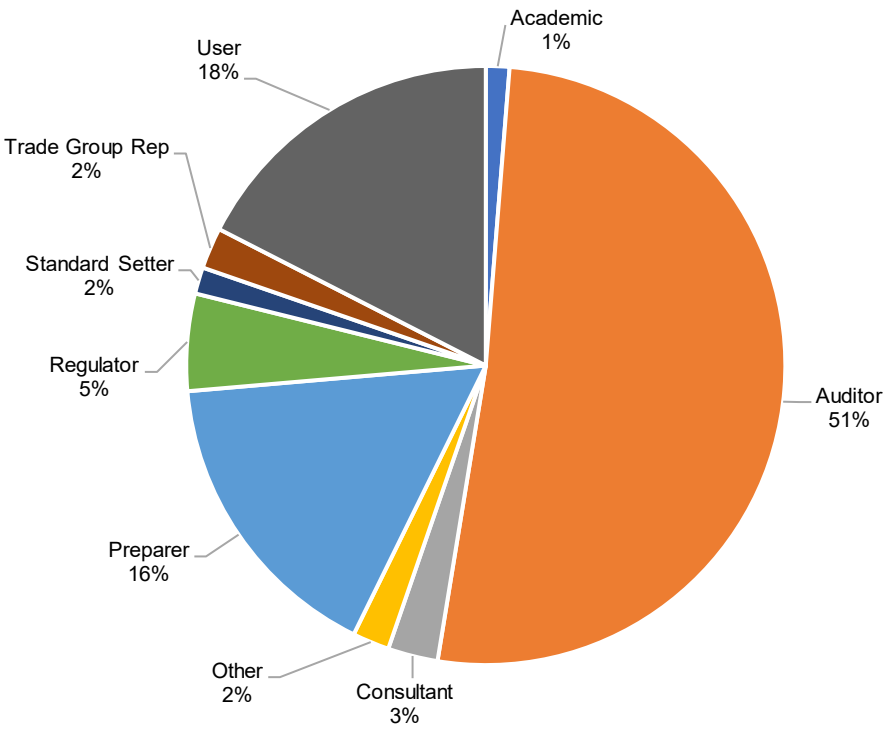


Q2 Summary Statistics		
Type	Q2	YTD
# of Interviews	138	306
# of Comment Letters	2	2
# of External Review Responses	24	44
# of Group Stakeholder Meetings	9	12
# of Advisory Group Meetings*	4	8

Note:

**Advisory group meetings include one meeting each with the PMAC, IAC, PCC, and EITF.*

WHO DID WE ENGAGE WITH IN Q2 2026?



Types of Stakeholders	
Preparers	
Public Entities	60%
Private Entities	34%
Not-for-Profit Entities	6%
Auditors	
Big 4 Firms	62%
Other Global	14%
U.S. National	16%
U.S. Regional & Local	8%
Investors and Other Users	
Buy-side	45%
Sell-side	28%
Credit Rating Agencies, Private Equity, Lender, and Other Users	27%

The following table summarizes the main topics discussed in meetings with the FASB's advisory groups:

Group	Meeting Date(s)	Topics
PMAC	May 14, 2026	• Indexation—Debt and Equity • Cash Equivalents—Disclosure Enhancement and Classification of Certain Digital Assets • Accounting for Transfers of Crypto Assets • Consolidation and the Definition of Common Control • Hedge Accounting • Equity Method of Accounting: Targeted Improvements • Effects of the Use of Technology on Standard Setting
IAC	May 28, 2026	• Emerging Issues and Trends • Cash Equivalents and Certain Digital Assets • Hedge Accounting • Disaggregation of Income Statement Expenses (DISE) • Borrower's Accounting for Debt Restructurings
PCC	June 1-2, 2026	• PCC Research Project—Employee Stock Ownership Plans • Subjective Acceleration Clauses and Related Disclosures • Town Hall and Liaison Meetings Update • PCC Research Project—Leases • Indexation—Debt and Equity • Definition of Common Control • FASB Agenda Consultation and PCC Agenda Priorities • Digital Assets Projects • Equity Method of Accounting: Targeted Improvements
EITF	June 23, 2026	• Application of the Topic 815 Normal Purchases and Normal Sales Scope Exception to Electricity Contracts • Consideration Payable to a Customer

Members appointed or reappointed to advisory groups in the quarter were:

- PMAC: Brad Broberg, Pieter Combrink, Mary Hill, Niall O'Malley, and Abhay Srivastava
- PCC: Jere Shawver, David Finkelstein, Bradley Hendricks, and David Hoagland

INTERNATIONAL ACTIVITIES

The FASB collaborates with other national standard setters and the IASB to help improve and align, where appropriate, standards across the globe. The groups monitor each other's decisions and share research and findings on projects of mutual interest. The following table details these activities during the quarter:

Activity	Meeting Date(s)
IASB/FASB Info Exchanges*	
FASB-IASB Chair Meeting	May 21
Joint FASB-IASB Educational Meeting	June 5
Multilateral Activities	
International Forum of Accounting Standard Setters (IFASS)	April 28-30
Multi-Lateral Network (MLN) Meeting	April 1-2 June 19
*Ongoing monitoring of implementation activities through regular meetings between the director, FASB staff, and the IASB technical director.	

LEGISLATIVE/REGULATORY OUTREACH

FASB members and staff participate in ongoing dialogue with members of Congress, regulators, and other Washington, DC stakeholders to understand and explain standard-setting matters that affect their constituents. The FASB chair, FASB vice chair, FASB director, and FASB staff also continue to meet regularly with the SEC commission and staff, including the chief accountant and other senior staff of the SEC.

OTHER KEY COMMUNICATION ACTIVITIES

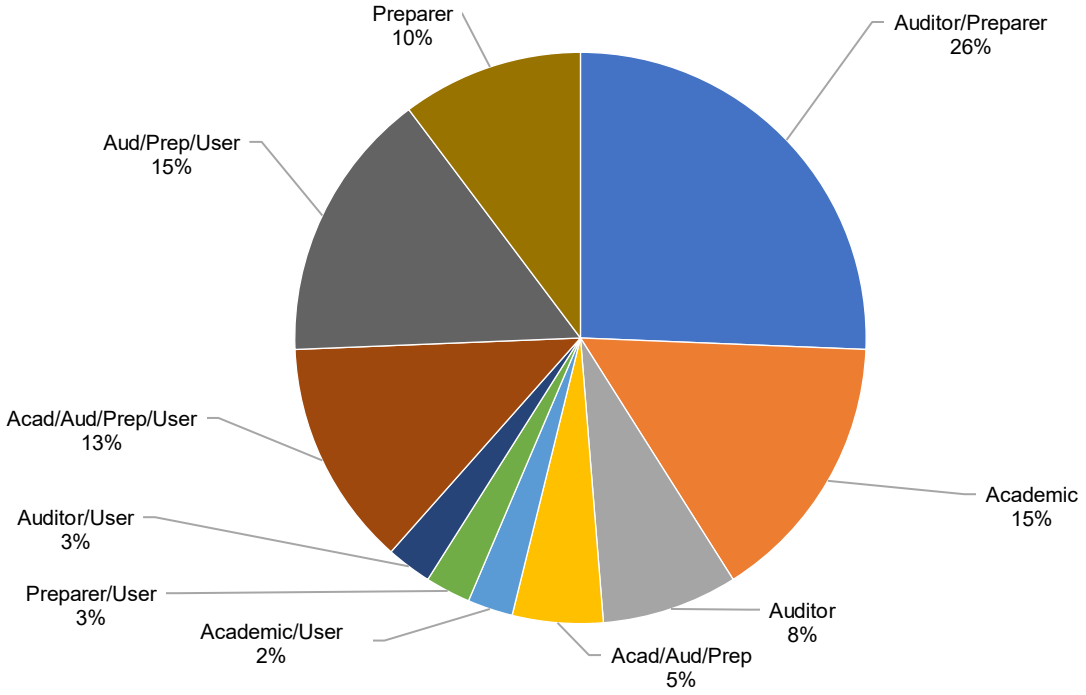
The FASB also continually communicates with a broad range of stakeholders through speaking engagements, media announcements, interviews, videos, and social media. The following tables and graphs detail the educational webinars and videos provided and summarize the speeches delivered during the quarter.

Communication Method	Event Name	Date
Webinar	2026 GAAP and SEC Reporting Taxonomy Improvements and SEC Update	April 14, 2026
Webinar	FASB Update for Private Companies and Not-for-Profit Organizations	May 4, 2026

Speech Activity			
Speaker	2024 2Q	2025 2Q	2026 2Q
FASB Members	13	13	13
FASB Staff	35	33	33
PCC	4	4	5
Total	**52**	**50**	**51**

- *A total of 51 FASB speakers presented at 39 events. 25% of speakers were FASB members, 65% were FASB staff, and 10% were PCC members.*
- *Staff speeches primarily relate to newly issued or broadly applicable recent guidance and periodic updates about FASB project developments.*

AUDIENCE TYPES



Press Releases, Media Advisories, and Social Media

- The FASB issued 13 press releases, media advisories, meeting recaps, and stakeholder emails on a variety of topics, with accompanying social media.

Other Communications Activities and Education

- On April 3, the FASB hosted academics from around the country for the third and final Emerging Financial Reporting Issues Research Symposium in Norwalk. The event was co-hosted with the Chookaszian Accounting Research Center of the University of Chicago Booth School of Business. FASB members and staff participated in panels, and academics presented their research papers on the benefits and costs of recently implemented standards.

- On May 7, Rich Jones presented on the opening panel at the 24th Annual Baruch Zicklin Financial Reporting Conference in New York City. Jackson Day and other staff also participated in other panel discussions.
- On June 4, Rich Jones presented on the opening panel at the 44th Annual University of Southern California (USC) SEC and Financial Reporting Conference in Los Angeles. Jackson Day also participated in a FASB technical update panel.
- On June 9, Hillary Salo and Sue Cosper joined PCC Chair Jere Shawver, three other PCC members, and FASB staff for the AICPA's ENGAGE 2026 conference in Las Vegas. The event included a PCC Town Hall.

XBRL ACTIVITIES

At the request of the SEC, the FASB develops and maintains the GAAP Financial Reporting Taxonomy (GRT) and the SEC Reporting Taxonomy (SRT) applicable to public issuers registered with the SEC. In addition, the FASB staff maintains and publishes annually the Data Quality Committee Rules Taxonomy (DQCRT).

Technical Activities

The FASB staff:

- Published as final (pending annual update) taxonomy improvements for:
    - Accounting Standards Update 2026-01—*Equity (Topic 505): Initial Measurement of Paid-in-Kind Dividends on Equity-Classified Preferred Stock*
    - Accounting Standards Update 2026-02—*Environmental Credits and Environmental Credit Obligations (Topic 818)*.
- Published proposed taxonomy improvements for:
    - *Compensation—Retirement Benefits—Defined Benefit Plans—Pension (Subtopic 715-30): Discount Rate Used to Measure the Benefit Obligation for Certain Market-Return Cash Balance Plans*
    - *Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Interest Rate Risk Hedging and Net Investment Hedging*.
- Performed research to support various Board projects.

Outreach Activities Supporting Board Initiatives

The Taxonomy staff performed outreach in support of Board initiatives in this quarter, which included the following:

- Hosted and participated in meetings of the FASB Taxonomy Advisory Group, XBRL US Data Quality Committee, XBRL US Academic Subcommittee, various XBRL International technical working groups, the IASB IFRS Taxonomy Consultative Group, the GASB Taxonomy Consultative Group, and the SEC Division of Economic and Risk Analysis (DERA) staff.

FASB/GASB INTERACTION

The FASB and the GASB regularly share knowledge and research, including meeting minutes and draft proposed and final standards, to support each other's work on similar standard-setting issues. The FASB and GASB directors met monthly to discuss their technical agenda projects and other matters of mutual interest, and the FASB and GASB chairs and their respective directors held their quarterly meeting to discuss technical issues and other matters of mutual interest.

Appendix—Technical Agenda and Other Projects

Revised June 30, 2026

PROJECTS	Next Milestone	Expected Date
Accounting for Commodities	Exposure Draft	4Q 2026
Accounting for Debt Exchanges	Final ASU	Ongoing
Accounting for Nonrefundable Transferable Tax Credits	Board deliberations	Ongoing
Accounting for Transfers of Crypto Assets	Board deliberations	Ongoing
Application of Topic 715 to Market-Return Cash Balance Plans	Exposure Draft	Comments Due August 10, 2026
Cash Equivalents—Disclosure Enhancement and Classification of Certain Digital Assets	Exposure	3Q 2026
Codification Improvements (Evergreen)	Exposure Draft	3Q 2026
Codification Improvements Related to LIBOR References	Exposure Draft	4Q 2026
Definition of Common Control	Board deliberations	Ongoing
Equity Method of Accounting: Targeted Improvements	Exposure Draft	4Q 2026
Fair Value Hedge—Portfolio Layer Method for Liabilities	Board deliberations	Ongoing
Indexation—Debt and Equity	Exposure Draft	4Q 2026
Investment Companies—Contractual Sale Restrictions	Exposure Draft	3Q 2026
Mortgage Servicing Rights--Recapture	Exposure Draft	4Q 2026
Private Credit Disclosures	Board deliberations	Ongoing
Subjective Acceleration Clauses and Debt Default Disclosures	Exposure Draft	4Q 2026
Targeted Improvements to Hedge Accounting for Interest Rate Risk and Net Foreign Investments	Exposure Draft	Comments Due August 17, 2026

RESEARCH PROJECTS
Accounting for and Disclosure of Intangibles
Accounting for Derivatives
Agenda Consultation
Consolidation for Business Entities
Current Trends and Emerging Issues
Hedge Accounting
Statement of Cash Flows

EITF
Application of the Topic 815 Normal Purchase and Normal Sales Scope Exception to Electricity Contracts
Consideration Payable to a Customer

POST-IMPLEMENTATION PROJECTS
Credit Losses