

# Meeting summary

## ISSB Investor Advisory Group Q224 meeting

Date **17 June 2024 in New York City and online**

This document summarises the Q224 meeting of the ISSB Investor Advisory Group (IIAG), held 17 June in New York City and online. The IIAG is a group of leading asset owners and asset managers in various markets who are committed to improving the quality and comparability of sustainability-related financial disclosures. The IIAG serves as an advisory body to the ISSB: providing strategic guidance on developing IFRS Sustainability Disclosure Standards; and helping to ensure that the investor perspective is articulated clearly and is considered in the ISSB's standard-setting process. The IIAG also helps achieve widespread adoption of IFRS Sustainability Disclosure Standards by encouraging organizations to use the Standards to communicate performance to investors on sustainability-related issues that affect enterprise value.

## ISSB and IFRS Foundation Staff Participants

ISSB Members <ul style="list-style-type: none"><li>• Verity Chegar</li><li>• Michael Jantzi*</li><li>• Hiroshi Komori*</li><li>• Sue Lloyd*</li><li>• Ndidi Nnoli-Endozien*</li></ul>	IFRS Foundation Staff <ul style="list-style-type: none"><li>• Rebecca Bar*</li><li>• Natasha Flint*</li><li>• Emily Gaston</li><li>• Peter Kim</li><li>• Nicolai Lundy*</li><li>• Himani Phadke*</li><li>• Katie Schmitz Eulitt</li><li>• Nicolaj Sebrell</li><li>• Neil Stewart</li></ul>
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\*Participation online.

## Participating IIAG member organizations

<ul style="list-style-type: none"> <li>• Allianz Global Investors</li> <li>• Allspring Global Investments</li> <li>• Asset Management One*</li> <li>• AXA Investment Managers</li> <li>• Baillie Gifford</li> <li>• Bank of America</li> <li>• BCI</li> <li>• BlackRock</li> <li>• Boston Trust Walden</li> <li>• Brunel Pension Partnership</li> <li>• CalPERS</li> <li>• CalSTRS</li> <li>• Capital Group</li> <li>• The Carlyle Group</li> <li>• CPP Investments</li> <li>• Dai-ichi Life Insurance Company*</li> <li>• Domini Impact Investments</li> <li>• Fidelity Investments</li> <li>• Franklin Templeton Investments</li> <li>• Future Fund*</li> <li>• Goldman Sachs Asset Management</li> <li>• Harvard Management Company</li> <li>• J.P. Morgan Asset Management</li> <li>• KKR</li> <li>• LACERA</li> <li>• LGIM</li> </ul>	<ul style="list-style-type: none"> <li>• MUFG Asset Management*</li> <li>• Neuberger Berman</li> <li>• Nissay Asset Management*</li> <li>• Norges Bank Investment Management</li> <li>• NYSTRS</li> <li>• Ontario Teachers' Pension Plan</li> <li>• Oregon State Treasury</li> <li>• PGIM</li> <li>• PIMCO</li> <li>• Putnam Investments</li> <li>• Railpen</li> <li>• RBC Capital Markets</li> <li>• Schroders</li> <li>• SSGA</li> <li>• T. Rowe Price</li> <li>• Temasek*</li> <li>• UBS</li> <li>• Vanguard</li> <li>• Wellington Management Company</li> <li>• Wespath</li> </ul>
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\*Encore call for AO members on 16 July 2024

## Observers and Guests

- CFA Institute
- Cleary Gottlieb Steen & Hamilton
- GPIF
- Ninety One
- Roberts Capital Advisors
- Utah Retirement Systems

## Antitrust Disclaimer

- Jessica Hollis, representing Cleary Gottlieb Steen & Hamilton opened the meeting with an antitrust disclaimer.

## Opening Remarks by Richard Manley, IIAG Chair

- Opening remarks from the Group Chair discussed the importance of board oversight in sustainability and materiality assessments to fulfill fiduciary duties. Richard emphasized the strength of arguments based on materiality focused on meeting investor needs.

## **Market Momentum by Sue Lloyd, ISSB Vice-Chair**

- The ISSB Vice-Chair highlighted significant progress in jurisdictional adoption of ISSB standards. Sue praised IAG members' regulatory input – noting that it had been helpful in Australia in particular – and noted challenges in the EU. She introduced ISSB's jurisdictional guide to assist with adoption, emphasizing transparency and alignment with the global baseline.

## **Technical Update by Verity Chegar, ISSB Member, and Himani Phadke, Executive Technical Director**

- Verity Chegar outlined ISSB priorities, focusing on implementing the global baseline and enhancing SASB standards. She discussed the formation of a Transition Implementation Group, new projects driven by investor feedback, and recent SASB enhancements to align with global standards.
- Himani Phadke delved into possible modalities for enhancing SASB standards using specific criteria for relevance and feasibility, stressing the importance of meeting investor needs and alignment with other standards. She addressed consultation fatigue and suggested roundtable discussions for gathering quality input, focusing on potential project feasibility and impact.

## **Evergreen messaging by Verity Chegar, ISSB Member**

- Verity Chegar introduced messaging that IAG members could use in their individual comment letters to different jurisdictions regarding consultations on sustainability and climate disclosures. She highlighted the importance of comprehensive disclosures and encouraged submitting comment letters to support alignment with ISSB standards, while still ensuring that each organization makes its own decision about what to say in a consultation.

## **Interoperability by Neil Stewart, Director of Corporate Outreach**

- Neil Stewart discussed interoperability benefits in corporate reporting, presenting a variety of use cases showcasing the benefits of employing ISSB Standards to reduce duplication of effort, complexity and costs as preparers in a number of different circumstances navigate ESRS, California, and SEC disclosure requirements. The Q&A focused on clarifying the business benefits of ISSB standards and potential efficiency gains through alignment with EFRAG and other standards.

## **Recap of statements of investor support by Katie Schmitz Eulitt, Director of Outreach, Global Investors**

- Katie Schmitz Eulitt shared a variety of different demonstrations of investor support for ISSB-based disclosure with members, noting that even short, simple recognition of the value of ISSB-based disclosure can help avoid regulatory fragmentation and help reduce cost and complexity for preparers.

## **IAG Leadership Transition**

- IAG members unanimously approved Carine Smith Ihenacho as their nominee for incoming IAG Chair\* and Jonathan Bailey as their nominee for incoming IAG Vice Chair\*, as Richard Manley's term as Chair comes to a close.
- ISSB Chair and Vice-Chairs thanked Richard for his service as IAG Chair and expressed the hope that he would be an active Chair Emeritus.

\*Following the meeting, the ISSB Chair and Vice-Chairs approved the nominees for IAG Chair and Vice Chair.

## **Closing Remarks by Carine Smith Ihenacho, ILAG Vice Chair**

- The Group Vice Chair emphasized the value of interactive ILAG meetings and progress in jurisdictional adoption of standards. She highlighted the critical role of investor engagement, the use of tools like evergreen templates in consultation responses, as well as the importance of addressing issues critical to high quality, comparable, consistent, reliable data, including sector-specific disclosure requirements and alignment to the fullest extent possible with EFRAG and other standards.