

MEDIA RELEASE

London, March 10, 2025

The IFRS Foundation Monitoring Board reaffirmed the importance of oversight of the standard-setting activities and governance by the IFRS Foundation Trustees

During last week's meeting of the IFRS Foundation Monitoring Board in London, the Monitoring Board discussed the activities of the Trustees of the IFRS Foundation (Trustees), including the Trustees' oversight responsibilities with respect to the International Accounting Standards Board (IASB) and the International Sustainability Standards Board (ISSB). The meeting was joined by the members of the Trustees under the leadership of Erkki Liikanen, Chair of the Trustees, as well as Andreas Barckow, Chair of the IASB, and Emmanuel Faber, Chair of the ISSB.

The Monitoring Board emphasized continued focus on high quality IFRS Accounting Standards for financial reporting and congratulated the IASB for making great progress on fulfilling its obligations established under the IASB's Third Agenda Consultation, including the launch of new projects on Intangible Assets, and Statement of Cash Flows and Related Matters. The Monitoring Board welcomes the IASB's upcoming Fourth Agenda Consultation, which provides the IASB with stakeholder feedback on the strategic direction and balance of the IASB's activities.

The Monitoring Board discussed the ISSB's progress on implementation and adoption initiatives and the publication of educational materials to assist relevant jurisdictions with the application of IFRS S1 and S2. Going forward, the Monitoring Board reaffirmed the importance of promoting consistency, comparability, and interoperability of sustainability disclosures in relevant capital markets through work across jurisdictions. The Monitoring Board also continues to expect the IFRS S1 and S2 to contribute to the development of sustainability related disclosures.

The Monitoring Board reiterated the need for a sound financial foundation for the IFRS Foundation to enable the IASB and ISSB to continue to perform high-quality standard-setting activities to improve the communication between stakeholders. In light of the ongoing discussion on sustainable funding and cost review, particularly, the Monitoring Board noted the importance of continued independence and sound governance of the IASB and ISSB as standard setters. The Monitoring Board also noted the continued need for adequate levels of high-quality staff and geographical balance of Board members to maintain high-quality standard setting. In this context, the Monitoring Board supports ongoing engagement with stakeholders around the world.

With the adoption of IFRS S1 and S2 in various jurisdictions worldwide, the multi-location model¹ is expected to continue facilitating and supporting the application of the standards in relevant jurisdictions. Ensuring connectivity between the IASB and ISSB also promotes the "Two Boards under One Foundation" model. In this context, the Monitoring Board welcomed the publication of the exposure draft of the Due Process Handbook amendments as an initiative to further strengthen the governance of the IFRS Foundation. The Monitoring Board will continue to work with the Trustees to ensure that the standard-

¹ The ISSB operates a multi-location model to ensure proximity and market relevance across the world. The IFRS Foundation has a multi-location footprint with offices in London, Beijing, Frankfurt, Montreal, San Francisco and Tokyo.

setting work of the IASB and ISSB is supported by strong governance, due process, and oversight.

During the meeting, members of the Monitoring Board discussed the IFRS Foundation Monitoring Board 2025-2026 Work Plan, which is expected to be published on the Monitoring Board website, once agreed.

Takashi Nagaoka, the current Chairman of the IFRS Foundation Monitoring Board, was re-elected as the Chair with unanimous support from the members of the Monitoring Board. His new term will run until the end of April 2027.

Takashi Nagaoka, Chairman of the IFRS Foundation Monitoring Board and Deputy Commissioner for International Affairs of Japan Financial Services Agency said:

“As Chair, I am pleased that the Monitoring Board had a constructive dialogue with the IFRS Foundation at this critical moment.

On behalf of my fellow Monitoring Board members, I would like to welcome the appointment of four new Trustees and re-appointments of two Trustees. I look forward to working closely with the Trustees towards our shared goals of promoting the continued development of high-quality global accounting and sustainability disclosure standards and enhancing the public accountability of the IFRS Foundation. I would also like to take this opportunity to thank four Trustees who have completed their mandates at the end of 2024 for their dedicated contribution to the continued success of the IFRS Foundation.

Also, I am honored to be re-appointed as the Chair of the Monitoring Board. I appreciate the strong support from my fellow Monitoring Board members as well as the Monitoring Board Secretariat.”

About the IFRS Foundation Monitoring Board

The Monitoring Board was created in 2009 with the aim of overseeing the IFRS Foundation, whose Trustees in turn exercise oversight over the IASB (International Accounting Standards Board) and the ISSB (International Sustainability Standards Board).

The members of the Monitoring Board are the Board of the International Organization of Securities Commissions (IOSCO), the IOSCO Growth and Emerging Markets Committee, the Financial Services Agency of Japan (JFSA), the European Commission, the US Securities and Exchange Commission (SEC), the Comissão de Valores Mobiliários (CVM) of Brazil, the Financial Services Commission (FSC) of Korea, the Ministry of Finance of the People’s Republic of China and the Financial Conduct Authority (FCA) of the United Kingdom.

The Basel Committee on Banking Supervision (BCBS) is an observer.

Through the Monitoring Board, capital markets authorities responsible for setting the form and content of financial reporting in their respective jurisdictions are able to carry out more effectively their mandates regarding investor protection, market integrity and capital formation.

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