



SASB Standards Investor Advisory Group (IAG)  
Richard Manley, IAG Chair  
Carine Smith Ihenacho, IAG Vice Chair

International Sustainability Standards Board (ISSB)  
Emmanuel Faber, ISSB Chair  
Sue Lloyd, ISSB Vice-Chair

19 May 2022

Dear Chair Faber and Vice-Chair Lloyd,

As Chair and Vice Chair of the SASB Standards Investor Advisory Group (IAG) and on behalf of SASB Standards IAG members (IAG), we are writing to commend the ISSB on the publication of exposure drafts IFRS S1, *General Requirements for Disclosure of Sustainability-related Financial Disclosure* and IFRS S2, *Climate-related Disclosures*. We are delighted to see the ISSB's responsiveness to investor needs for improved sustainability-related disclosures.

IAG members are global investors with global portfolios, hailing from major markets in Asia, Europe, North America, and the UK, representing more than US\$53 trillion in assets. We therefore need global standards for the disclosure of sustainability-related information to investors. Towards that end, we and other investors have long advocated for sustainability disclosures based on the industry-based SASB Standards (SASB) and the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD).<sup>1, 2</sup>

In November of 2021, in an open letter to IFRS Foundation Trustees Chair Erkki Liikanen, the IAG congratulated the IFRS Foundation on establishing the ISSB and encouraged the ISSB to move rapidly on evolving the SASB Standards into IFRS Sustainability Disclosure Standards through the ISSB's international due process. The publication of exposure drafts IFRS S1 and IFRS S2 – which incorporate content from both TCFD and SASB – are a promising step in the right direction.

IAG members represent a diverse array of asset owners and asset managers, with varying investment styles and mandates. Nonetheless, *we share a common interest in comparable, consistent, and reliable sustainability-related information to inform investment and stewardship decisions*. It is essential that a global baseline for sustainability-related disclosures for the capital markets be established through a rigorous, transparent, evidence-based process designed to connect sustainability-related risks and opportunities to drivers of enterprise value. SASB Standards were developed using such a process and gained strong investor support because they enable analysis of company performance on the sustainability issues most relevant to long-term value creation (or destruction). Industry-based sustainability disclosure standards – because they are focused on the drivers of risk and return most

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<sup>1</sup> Morrow Sodali Institutional Investor Survey 2020, Survey of 40+ institutional investors with US\$25 trillion in assets. Question 15 survey results, p. 22, states "An overwhelming 81% of respondents recommend that companies use SASB to better communicate ESG information and 77% recommended that companies use the TCFD recommendations to disclose climate-related financial information."

<sup>2</sup> US Securities and Exchange Commission (SEC) Proposed Rule. Footnote 146.cites the investors and investor associations, as well as issuers and trade associations, which supported the use of both TCFD and SASB for development of SEC disclosure guidance on climate change.

relevant to business models in a given industry – both improve comparability across companies and help reduce the burden to reporting companies.

Thus, we support the use of the SASB Standards in both IFRS S1 and IFRS S2, including the explicit incorporation of SASB Standards as priority guidance for preparers in fulfilling the requirements of IFRS S1 and the inclusion of the climate-related elements of SASB Standards as authoritative components of IFRS S2. We are especially encouraged that IFRS S1 requires disclosure of material information on significant sustainability-related risks and opportunities investors consider in their assessments of enterprise value, leveraging the organizing structure of the TCFD recommendations and the use of SASB Standards as implementation guidance. We strongly support this approach, which enables the ISSB to cover a broad range of sustainability topics from its inception, exceeding market expectations that it would initially focus solely on climate.

We believe ISSB's due process can strengthen the SASB Standards even further, as already evidenced by the internationalization of the industry-based climate-related metrics in IFRS S2. We welcome the ISSB's stated intent to fully internationalize the remaining SASB Standards. We also welcome the ISSB's commitment to maintaining an industry-based standard-setting approach and to evolving and enhancing SASB's existing industry-based standards over time. We encourage the ISSB to develop and communicate a timeline for moving the SASB Standards through ISSB due process to become IFRS Sustainability Disclosure Standards.

We are pleased to see the ISSB's recognition of investor needs for improved disclosure on sustainability-related risks and opportunities. We commend the speed with which the IFRS Foundation and the ISSB have begun to deliver on the promise inherent in the formation of the ISSB, just four months after announcing its formation. You are truly off to a "running start" to establishing a strong, global baseline for sustainability disclosure, leveraging the important work of SASB and TCFD.

Best regards,

Richard Manley  
IAG Chair

Carine Smith Ihenacho  
IAG Vice Chair

IAG Chairs Emeriti  
Christopher Ailman, Barbara Zvan, and  
Eivind Lorgen

IAG Vice Chairs Emeriti  
John Skjervem and Hans Op 't Veld

*Full SASB Standards Investor Advisory Group list appended.*

## The SASB Standards Investor Advisory Group

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| <b>Allianz Global Investors</b>                                 | Matt Christensen, Global Head of Sustainable and Impact Investing<br>Nina Hodzic, Director, Head of Sustainable Investment Office  |
| <b>Allspring Global Investments</b>                             | Christopher McKnett, Co-head, Sustainable Investing<br>Jessica Mann, Head of Stewardship   |
| <b>APG</b>  | Egon Vavrek, Director Global Emerging Markets Equities, Fundamental Strategies   |
| <b>Ariel Investments</b>  | John Rogers, Chairman, Co-CEO & Chief Investment Officer<br>John Oxtoby, Senior Vice President, Director of Environmental, Social, and Governance (ESG) Investing                  |
| <b>Asset Management One</b>                                     | Takeo Omori, Head of Responsible Investment  |
| <b>ATP</b>  | Christian Kjaer, Head of Liquid Markets, Senior Vice President<br>Ole Buhl, Head of ESG, Senior Vice President   |
| <b>AXA Investment Managers</b>                                  | Clémence Humeau, Head of RI Coordination and Governance  |
| <b>Baillie Gifford</b>  | Andrew Cave, Head of Governance and Sustainability<br>Kajetan Czyż, Senior Income G&S Specialist   |
| <b>Bank of America</b>  | Anna Snider, Head of Due Diligence for the Chief Investment Officer, Global Wealth & Investment Management   |
| <b>BCI (British Columbia Investment Management Corporation)</b> | Jennifer Coulson, Senior Managing Director, ESG Public Markets   |
| <b>BlackRock</b>  | Michelle Edkins, Managing Director BlackRock Investment Stewardship<br>Shinbo Won, Director, Head of Asia ex-Japan, BlackRock Investment Stewardship                               |
| <b>Boston Trust Walden</b>                                      | Amy D. Augustine, Director of ESG Investing<br>Jared Fernandez, Senior ESG Analyst & Manager of Proxy Voting   |
| <b>Breckinridge Capital Advisors</b>                            | Peter Coffin, Founder & President<br>Rob Fernandez, Vice President & Director of ESG Research  |
| <b>Brunel Pension Partnership</b>                               | Faith Ward, Chief Responsible Investment Officer   |
| <b>Caisse de dépôt et placement du Québec (CDPQ)</b>            | Bertrand Millot, Head of Sustainability  |
| <b>CalPERS</b>  | Dan Bienvenue, Deputy Chief Investment Officer, Total Portfolio<br>James Andrus, Interim Managing Investment Director<br>Simiso Nzima, Managing Investment Director, Global Equity |
| <b>CalSTRS</b>  | Christopher Ailman, Chief Investment Officer (IAG Chair Emeritus)<br>Kirsty Jenkinson, Investment Director, Sustainable Investment & Stewardship Strategies                        |
| <b>Calvert Research and Management</b>                          | John Streur, President & CEO<br>John Wilson, Vice President, Director of Corporate Engagement<br>Emily Chew, Global Head of Sustainability for Investment Management               |
| <b>Capital Group</b>  | Robert W. Lovelace, Vice-Chairman<br>Jessica Ground, Global Head of ESG<br>Ali Weiner, ESG Senior Manager  |
| <b>CBUS</b>   | Rosalind McKay, Head of Stewardship and Policy, Responsible Investment   |
| <b>CPP Investments</b>  | Richard Manley, Managing Director, Head of Sustainable Investing, Global Leadership Team   |
| <b>Dai-ichi Life Insurance Company</b>                          | Akifumi Kai, General Manager, Investment Planning Department<br>Miyuki Zeniya, Head of Sustainable Finance   |
| <b>Domini Impact Investments</b>                                | Carole M. Laible, CEO<br>Dr. Nolan Ritcey, Vice President – Impact Research  |
| <b>Federated Hermes</b>   | Eoin Murray, Head of Investment<br>Gemma Corrigan, Head of Policy and Advocacy<br>Martin Jarzebowski, Director of Responsible Investing  |
| <b>Fidelity Investments</b>                                     | Pam Holding, Co-Head, Equity Division<br>Rina Kupferschmid-Rojas Chief Sustainability Officer<br>David King, Head of ESG Stewardship   |
| <b>Franklin Templeton Investments</b>                           | Anne Simpson, Global Head of Sustainability  |

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| <b>Future Fund</b>                                | Kirsten Simpson, Head of Investment Stewardship and ESG   |
| <b>Goldman Sachs Asset Management</b>             | John Goldstein, Managing Director, Head of the Sustainable Finance Group<br>Catherine Winner, Vice President, Global Head of Stewardship  |
| <b>Harvard Management Company</b>                 | Michael Cappucci, Managing Director, Compliance and Sustainable Investing   |
| <b>Inclusive Capital Partners</b>                 | Eva Zlotnicka, Founder & Managing Partner   |
| <b>Ivy Investment Management Company</b>          | Gil Scott, Director of Research   |
| <b>J.P. Morgan Asset Management</b>               | Jennifer Wu, Global Head of Sustainable Investing   |
| <b>LACERA</b>                                     | Jonathan Grabel, Chief Investment Officer<br>Scott Zdrazil, Senior Investment Officer   |
| <b>Legal &amp; General Investment Management</b>  | Madeleine King, Head of Research and Engagement<br>John Hoepfner, Head of US Stewardship and Sustainable Investments, LGIM America  |
| <b>Man Group</b>                                  | Robert Furdak, CIO for ESG<br>Jason Mitchell, Co-Head of Responsible Investment<br>Steven Desmyter, Co-Head of Responsible Investment   |
| <b>Manulife Investment Management</b>             | Peter Mennie, Global Head of ESG and Risk<br>Frederick W. Isleib III, CFA, Director, ESG Research & Integration   |
| <b>Mitsubishi UFJ Trust and Banking</b>           | Masahiro Kato, Head of Responsible Investment<br>Masayuki Nakamura, Manager Responsible Investment  |
| <b>Morgan Stanley Investment Management</b>       | Ted Eliopoulos, Vice Chair Investment Management & Head of Strategic Partnerships<br>Rui de Figueiredo, Co-Head and CIO of the Solutions & Multi-Asset Group  |
| <b>Neuberger Berman</b>                           | Joseph V. Amato, President of Neuberger Berman Group LLC, Chief Investment Officer of Equities<br>Jonathan Bailey, Managing Director and Head of ESG Investing<br>Jared Mann, Managing Director and Senior Research Analyst |
| <b>Nissay Asset Management</b>                    | Tomoaki Fujii, Co-CIO<br>George Iguchi, Chief Corporate Governance Officer<br>Toshikazu Hayashi, Nippon Life Global Investors Europe Plc, Chief Director  |
| <b>Nordea Asset Management</b>                    | Katarina Hammar, Head of Responsible Investments<br>Thrainn Halldorsson, Data Scientist, Responsible Investments  |
| <b>Norges Bank Investment Management</b>          | Carine Smith Ihenacho, Chief Governance and Compliance Officer<br>Wilhelm Mohn, Global Co-Head of Corporate Governance<br>S  verine Neervoort, Senior Analyst, Corporate Governance   |
| <b>Northern Trust Asset Management</b>            | Julie Moret, Global Head of Sustainable Investing and Stewardship<br>Christopher Shipley, Senior Vice President and Head of Fundamental Equities<br>Catherine Moyer, Head of North America Stewardship                      |
| <b>NYSTRS</b>                                     | Thomas Lee, Executive Director and Chief Investment Officer   |
| <b>Ontario Teachers' Pension Plan</b>             | Miekela Singh, Principal, Corporate Governance - Total Fund Management  |
| <b>Oregon State Treasury, Investment Division</b> | Anna Totdahl, Investment Officer, ESG & Sustainability  |
| <b>PGGM Investments</b>                           | Brenda Kramer, Senior Advisor Responsible Investment<br>Pieter van Stijn, ESG Integration Specialist  |
| <b>PGIM Quantitative Solutions</b>                | Nydia Montoya, Senior Governance Officer<br>Patrick Pfeifer, CFA, Principal, Senior Quantitative Analyst, Research  |
| <b>PIMCO</b>                                      | Del Anderson, Senior Vice President, Credit Research  |
| <b>Putnam Investments</b>                         | Katherine Collins, Portfolio Manager and Head of Sustainable Investing  |
| <b>RBC</b>  | Lindsay Patrick, Managing Director & Head, Sustainable Finance<br>Melanie Adams, Vice President and Head of Corporate Governance and Responsible Investment, RBC Global Asset Management                                    |
| <b>Railpen</b>                                    | Mads Gosvig, Chief Fiduciary Officer<br>Michael Marshall, Head of Sustainable Ownership   |
| <b>Schroders</b>                                  | Andy Howard, Global Head of Sustainable Investing   |

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| <b>State Street Global Advisors</b>           | Karen Wong, Global Head of ESG and Sustainable Investing<br>Ben Colton, Co-head Asset Stewardship<br>Robert Walker, Co-head Asset Stewardship   |
| <b>Sustainable Insight Capital Management</b> | George Parker, Chief Operating Officer & General Counsel  |
| <b>T. Rowe Price</b>                          | Maria Elena Drew, Director of Research, Responsible Investing (TRPA)<br>Chris Whitehouse, Head of ESG (TRPIM)   |
| <b>Temasek International</b>                  | Chin Yee Png, Deputy Chief Financial Officer  |
| <b>UBS Asset Management</b>                   | Bruno Bertocci, Managing Director, Head of Sustainable Investors<br>Christopher Greenwald, Head of Sustainable and Impact Investing Research<br>Lucy Thomas, Head of Sustainable Investing  |
| <b>Vanguard</b>                               | John Galloway, Head of Investment Stewardship<br>Bill Roberts, Principal & Head of Investment Stewardship Policy and Research   |
| <b>Wellington Management Company</b>          | Wendy Cromwell, Vice Chair; Senior Managing Director; Partner; Sustainable Investment; and Portfolio Manager<br>A. Carolina San Martin, CFA, Managing Director and Director, ESG Research<br>Luke Stellini, Managing Director and Director, Sustainable Investments |
| <b>Wespath</b>                                | David Zellner, Chief Investment Officer<br>Nizida Arriaga, Manager, Fixed Income  |