

Brussels, 14 March 2024

PRESS RELEASE

Representatives of EFRAG and the Japanese Accounting and Sustainability Boards Hold Meetings in Brussels

Representatives of EFRAG – Europe’s voice in Corporate Reporting and representatives of the Accounting Standards Board of Japan (ASBJ) and the Sustainability Standards Board of Japan (SSBJ) (hereinafter referred to as “the Japanese Boards”) held meetings on 13-14 March 2024 in Brussels, Belgium.

Regarding sustainability reporting, meeting participants provided updates on their respective activities and exchanged views on items of mutual interest, including alignment and interoperability with IFRS Sustainability Disclosure Standards (ISSB Standards.)

Regarding financial reporting, meeting participants provided updates on their respective activities and exchanged views on the International Accounting Standards Board (IASB)’s IFRS accounting projects in which both parties have an interest, including climate-related and other uncertainties in the Financial Statements, power purchase agreements and post-implementation reviews of IFRS 9, IFRS 15 and IFRS 16.

EFRAG and the Japanese Boards plan to continue to exchange views on a regular basis.

Patrick de Cambourg, Chair of the EFRAG Sustainability Reporting Board, said:

“Our discussions with the Japanese Boards have been insightful and constructive, emphasising the importance of interoperability with ISSB Standards in sustainability reporting. This collaboration marks a significant step forward in enhancing global reporting standards.”

Wolf Klinz, Chair of the EFRAG Financial Reporting Board, said:

"The exchange of updates and views on IFRS accounting projects with the Japanese Boards has been very valuable. Addressing climate-related uncertainties and enhancing financial reporting standards are crucial for ensuring transparency and accountability in the global financial landscape."

Yasunobu Kawanishi, Chair of both the ASBJ and the SSBJ, said:

“I would like to thank EFRAG for hosting this meeting in Brussels. I found this meeting very meaningful to deepen our understanding of our respective activities concerning both accounting standards and sustainability disclosure standards. We look forward to continuing this productive dialogue with EFRAG.”

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About the Accounting Standards Board of Japan (ASBJ)

The Accounting Standards Board of Japan (ASBJ) was established in July 2001 under the Financial Accounting Standards Foundation (FASF) and is a private-sector organisation. Accounting standards developed by the ASBJ are to be authorised by the Financial Services Agency (FSA) as part of Japanese generally accepted accounting principles. The ASBJ develops accounting standards and implementation guidance that appropriately reflect the environment in which business enterprises operate. The ASBJ also communicates with corresponding organisations abroad and contributes to the development of global accounting standards. For more information about the ASBJ, visit its website at <https://www.asb-j.jp/en/>

About the Sustainability Standards Board of Japan (SSBJ)

The Sustainability Standards Board of Japan (SSBJ) was established in July 2022 under the FASF and is a private-sector organisation. The legal framework for sustainability disclosure standards is to be determined by the Financial Services Agency, and the SSBJ will develop domestic standards in line with such framework, once it is established. The SSBJ is a member of the Jurisdictional Working Group of the International Sustainability

Standards Board (ISSB) and has been appointed as one of the inaugural members of the Sustainability Standards Advisory Forum (SSAF). For more information about the SSBJ, visit its website at <https://www.ssb-j.jp/en/>

About EFRAG (<https://www.efrag.org/>)

EFRAG's mission is to serve the European public interest in both financial and sustainability reporting by developing and promoting European views in the field of corporate reporting. EFRAG builds on and contributes to the progress in corporate reporting. In its sustainability reporting activities, EFRAG provides technical advice to the European Commission in the form of draft European Sustainability Reporting Standards (ESRS) elaborated under a robust due process and supports the effective implementation of ESRS. EFRAG seeks input from all stakeholders and obtains evidence about specific European circumstances throughout the standard-setting process. Its legitimacy is built on excellence, transparency, governance, due process, public accountability and thought leadership. This enables EFRAG to speak convincingly, clearly, and consistently, and be recognised as the European voice in corporate reporting and a contributor to global progress in corporate reporting.