

MEDIA RELEASE

Milan, June 11, 2025

The IFRS Foundation Monitoring Board highlighted the importance of ongoing oversight of the standard-setting activities and governance of the IFRS Foundation during period of change

During last week's meeting of the IFRS Foundation Monitoring Board in Milan, 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 reaffirmed its commitment to ensuring the quality of IFRS Foundation's standard-setting activities, as well as the need to maintain proper balance in geographical representation and skillsets among board members and staff, in light of the Foundation's ongoing transformation programme. The Monitoring Board believes that the Foundation's standard-setting activities benefit jurisdictions worldwide, and as such a broad-based funding model should continue to be pursued. In this regard, the Monitoring Board Chair highlighted the importance of engagement with the Monitoring Board members on Trustee arrangements for IFRS Foundation financing.

As the Foundation undertakes the transformation programme, it is extremely important to ensure independence of both boards while pursuing consistency of their standards. With this in mind, the Monitoring Board welcomed the continued work on finalizing the revised draft of the Due Process Handbook as an initiative to further strengthen the governance of the Foundation. The Monitoring Board will continue to review the Trustees' oversight of the boards to ensure that their standard-setting processes are subject to strong governance, due process, and Trustee oversight.

The Monitoring Board took note of the IFRS Foundation's recent standard-setting activities. The Monitoring Board also discussed the importance of fully maximizing the advantages of multi-location model¹ in the short term.

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

"As Monitoring Board Chair, I am proud to host a joint meeting together with the Chair of the IFRS Foundation Trustees, providing an opportunity for the Monitoring Board members to have a dialogue with the Foundation at this critical moment where the IFRS Foundation embarks on its new stage with the transformation programme. The IFRS Foundation Trustees and the Monitoring Board members support good governance of the Foundation which promotes high quality standard-setting activities for the capital markets globally."

¹ The IFRS Foundation has a multi-location footprint with offices in London, Beijing, Frankfurt, Montreal, San Francisco and Tokyo.

About the IFRS Foundation Monitoring Board

The Monitoring Board was created in 2009 with the aim of monitoring and reinforcing the public interest oversight function of the IFRS Foundation, whose Trustees 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) and the Securities Commission of The Bahamas, which represents the IOSCO Inter-American Regional Committee, are observers.

Through the Monitoring Board, interaction with the IFRS Foundation has facilitated capital markets authorities responsible for setting the form and content of financial reporting in their respective jurisdictions in effectively carrying out their mandates regarding investor protection, market integrity and capital formation.

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