ICGN
International Corporate Governance Network

Istini T. Siddharta
Chair
Institute of Indonesia Chartered Accountants
Sustainability Standards Board
Jl. Sindanglaya No. 1 Menteng
Jakarta 10310
Indonesia

13 March 2025

Dear Ms. Istini T. Siddharta,

Subject: Exposure Draft Sustainability Disclosure Standards

The International Corporate Governance Network (ICGN) appreciates the opportunity to comment on the Exposure Draft Sustainability Disclosure Standards published by the Institute of Indonesia Chartered Accountants' (IAI) Sustainability Standards Board (DSK) Exposure Draft Sustainability Disclosure Standards.

Led by investors responsible for assets under management of >US$90 trillion, ICGN is an authority on global standards of corporate governance and investor stewardship. Headquartered in London, our membership is based in more than 40 countries. ICGN's *Global Governance Principles* and *Global Stewardship Principles*, written from an investor perspective, are widely used by our members in their company assessments and voting decisions, and by regulators when developing corporate governance rules.

We welcome the IAI DSK's efforts to develop standards functionally aligned with the International Sustainability Standards Board's (ISSB) Standards. ICGN supports the ISSB's mission to develop a global baseline of sustainability-related corporate disclosures.[1] Investors have been calling for comparable, reliable, and verifiable corporate sustainability disclosures, grounded in financial materiality, to make informed investment and stewardship decisions, and for their own reporting to beneficiaries. Global adoption of the ISSB Standards is key to achieve this.

We believe the adoption of the ISSB standards will contribute to greater transparency on companies' exposure to and management of sustainability risks and opportunities. This is an important step for efficient capital markets and sustainable economies. In May 2024, ICGN, alongside 121 investors, companies, industry associations and stock exchanges have signed on to a call for commitment from relevant authorities across jurisdictions to adopt the ISSB standards.[2] So far, jurisdictions representing over half the global economy by GDP announced steps to adopt or use the ISSB Standards.[3]

Investors need to be able to draw comparisons - across companies, markets, sectors and over time - for their analyses. To ensure comparability of information, we encourage the IAI

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[1] ICGN Letters "Inaugural global sustainability disclosure standards, International Sustainability Standards Board (ISSB)" (26 June 2023)
[2] PRI, London Stock Exchange Group, UN Sustainable Stock Exchanges initiative, World Business Council for Sustainable Development, "Call to Action: ISSB Global Adoption" (22 May 2024)
[3] IFRS Foundation, "Jurisdictions representing over half the global economy by GDP take steps towards ISSB Standards" (28 May 2024)

DSK to adopt the ISSB Standards without substantial modifications, to the greatest extent possible. For instance, we recommend that the reporting period for sustainability-related disclosures be the same as for financial statements, as per IFRS S1. We also recommend that Scope 3 greenhouse gas reporting follows the Greenhouse Gas Protocol (2004), to ensure comparability of information.

Thank you again for the opportunity to share our perspective.

Yours faithfully,

Jen Sisson

Jen Sisson
Chief Executive Officer, ICGN