

January 7, 2025

Sustainability Standards Board of Japan
Fukoku Seimei Building 20F, 2-2
Uchisaiwaicho, 2-Chome, Chiyoda-ku
Tokyo, Japan 100-0011

Re: Comment on Exposure Drafts of SSBJ Sustainability Disclosure Standards

Dear Chair Kawanishi,

Boston Trust Walden Company is an independent, employee-owned investment management firm with approximately \$16.7 billion in assets under management.¹ Our firm has been integrating environmental, social, and governance (ESG) factors into investment decisions since 1975—one of the longest track records of any institutional investment manager.

At Boston Trust Walden, we seek to invest in enterprises with strong financial underpinnings, sustainable business models, prudent management practices, and a governance structure that supports these objectives. Consideration of ESG factors is part of our fiduciary duty to ensure client assets are invested in a set of securities well situated to produce attractive risk-adjusted returns over a long-term investment horizon.

Since 2017, Boston Trust Walden has served as a member of the Sustainable Accounting Standards Board (SASB) Investor Advisory Group, now the ISSB Investor Advisory Group, to support the development of a globally recognized framework for consistent, comparable, and reliable disclosure of financially material, decision-useful sustainability-related information. We support jurisdictional efforts to adopt disclosure requirements aligned with the IFRS Sustainability Disclosure Standards and welcome the opportunity to comment on the ongoing consultation.

Boston Trust Walden is greatly appreciative of the Sustainability Standards Board of Japan's (SSBJ) responsiveness to investor feedback on the initial exposure drafts of the SSBJ's Sustainability Disclosure Standards. With respect to the ongoing consultation regarding the calculation period for the reporting of metrics, we highlight the following key points for consideration:

- **We support the SSBJ's clarification that reporting companies must adjust the calculation period for the reporting of metrics if it is not the same as the reporting period for sustainability-related financial disclosures and the related financial statements.** Given the proposed SSBJ Sustainability Disclosure Standards seek only to include material sustainability-related financial information on significant sustainability-related risks and opportunities, we believe it is necessary that reporting occurs in parallel with traditional financial reporting. Doing so enables investors to integrate such information more readily and accurately within investment decision making. Notably, IFRS S1 already provides transition relief on this issue to enable jurisdictions and companies to adequately prepare.

Investors and companies both need credible risk information to make prudent financial decisions. In practice, for both investors and companies, it is challenging to integrate sustainability-related financial information into decision-making processes comprehensively

¹ AUM as of December 31, 2024, includes AUM of wholly-owned subsidiary Boston Trust Walden Inc.

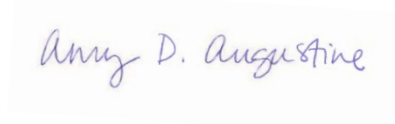
and holistically without considering this information in tandem with financial statements. Moreover, requiring sustainability-related financial disclosures be provided alongside the financial statements enhances the likelihood of assurance, maximizing user trust and confidence in the information disclosed.

- **Relatedly, we support the proposed removal of paragraph 71 of the Application ED and paragraphs 53 and 54 of the Climate ED, which allowed for deviations in the calculation and reporting periods of certain metrics.** While we recognize these allowances were introduced to reduce the data collection and reporting burden for companies where local regulations require a different data calculation period than the reporting period for corporate sustainability-related disclosures (and the related financial statements), we believe this jurisdictional deviation from the requirements of IFRS S1 would hinder the consistency and comparability of financially material, decision-useful sustainability-related information on a global basis. Again, it is challenging for both investors and companies to integrate sustainability-related financial information into decision-making processes comprehensively and holistically if the reporting period is not directly aligned with corresponding financial statements.

As an asset manager integrating material ESG-related information into investment decision-making, we are greatly encouraged by the prospects of the IFRS Sustainability Disclosure Standards to improve the consistency, comparability, reliability, and decision-usefulness of sustainability-related risks and opportunities disclosure globally. These aims will only be fulfilled if individual jurisdictions adopt the requirements of the IFRS Standards in full, prioritizing any use of temporary reliefs over the omission of certain disclosure requirements.

We appreciate the SSBJ's consideration of our feedback and are available to discuss further, if helpful. We can be reached at aaugustine@bostontrustwalden.com and jfernandez@bostontrustwalden.com.

Sincerely,



Amy D. Augustine
Director of ESG Investing



Jared Fernandez
Senior ESG Analyst & Manager, Proxy Voting