

Mr. Carmine Di Noia  
Director, Directorate for Financial and Enterprise Affairs  
OECD  
2, rue André Pascal  
75016 Paris

30 January 2026

Dear Mr Di Noia,

**Subject: OECD Draft Guidelines for Corporate Bond Issuers**

The Investment Association (IA) welcome the opportunity to comment on the [OECD Draft Guidelines for Corporate Bond issuers](#), specifically on how the G20/OECD Principles on Corporate Governance can be applied to corporate bond issuers.

The IA champions UK investment management, a world-leading industry which helps millions of households save for the future while supporting businesses and economic growth in the UK and abroad. Our 250 members range from smaller, specialist UK firms to European and global investment managers with a UK base. Collectively, they manage £10 trillion for savers and institutions, such as pension schemes and insurance companies, in the UK and beyond. 51% of this is for overseas clients. The UK asset management industry is the largest in Europe and the second largest globally.

We view the Draft Guidelines as a timely and important step in strengthening governance standards across global debt markets and our members support the emphasis on transparency, accountability and extension of the Principles to bond issuers, which should help foster investor confidence and market integrity. We find that the Draft Guidelines broadly align with principles that the IA has advocated for as set out in its [guidelines for Housing Associations seeking funding from debt capital markets](#), particularly around the importance of robust disclosure practices, clear board responsibilities, and effective bondholder engagement. Within this letter, we set out areas of alignment and some suggestions as to how the Guidelines could be strengthened based on member feedback.

**Disclosure and Transparency**

The IA strongly supports the Draft Guidelines' emphasis on timely, accurate disclosure of all material information relevant to bond investors. This principle mirrors our own guidance that transparency is essential for any issuer accessing capital markets, given its impact on investor confidence, secondary market pricing, and the breadth of the investor base. In practice, bondholders often require at least the same level of information as shareholders – and frequently more detail on certain matters (for example, collateral values or covenant compliance) – in order to make informed investment decisions. We therefore

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welcome Guideline 1.A's call for disclosure of financial position, performance, risk factors, debt terms and governance arrangements, as well as Guideline 1.B's focus on transparency around debt covenants and the risk of non-compliance. These reflect member expectations that issuers regularly report on covenant compliance and alert investors to any emerging risks of covenant breaches. Some members note that further guidance from the OECD on harmonising disclosure standards internationally would help reduce fragmentation and improve comparability for global investors.

We are pleased to see the focus within the Draft Guidelines on ensuring that bondholders have equal and timely access to information- ideally through the same channels used for equity investors. Guideline 1.F recommends the use of official and non-discriminatory disclosure platforms to communicate with bond investors. This would avoid instances where issuers inadvertently share material information with certain bondholders who then become insiders and are unable to trade until the information is made publicly available. Through our own guidance we have encouraged issuers to establish explicit channels for bondholder communications. This can include: holding regular investor update calls, appointing a dedicated investor relations contact, and maintaining an investor dedicated webpage where all key disclosures are posted.

To further strengthen this section, we suggest that the OECD could encourage issuers to align their reporting timelines and practices with widely accepted market standards, depending on the jurisdiction in question. For example, the IA's guidance suggests that bond issuers should publish audited annual financial statements within three months of year-end, and interim half-year results within six-weeks of mid- year. This mirrors existing reporting practices for listed companies in the UK. Adopting such practices which are consistent with market norms in other jurisdictions would ensure that investors receive information within a reasonable timeframe for ongoing credit risk monitoring.

### **Board Responsibilities & Governance**

We support the Guidelines' focus on duties of the board in the context of bond issuance and agree with Guideline 2.A that directors should proactively engage with bondholders and other creditors to manage risks and seek outcomes that preserve value for all capital providers. This is particularly the case where there is a risk of insolvency or the company's ability to service its debt comes into question. Early communication and co-operation with creditors is key to avoid disorderly defaults and minimise losses. Guideline 2.B's recommends that boards regularly evaluate the company's capital structure to ensure that it remains consistent with corporate strategy and risk appetite, including an assessment of the sustainability of its bond financing arrangements. From an investor's viewpoint, robust board oversight of leverage, liquidity, and refinancing risk is a vital component of good governance in debt-funded companies.

We believe that high standards of corporate governance more generally underpin investor confidence in bond issuers. We are pleased that the Draft Guidelines encourage boards of bond issuers to uphold high standards of oversight and accountability. The Guidelines could be strengthened by encouraging bond-only issuers to voluntarily adopt a governance Code, and for issuers to state within their Annual Report how their governance aligns with their chosen Code. Creating such a formal arrangement would mirror established best practices and reinforce that bond investors receive a similar level of comfort to that provided by equity governance disclosures.

### **Bondholder Engagement and Rights**

3.A-3.G of the Draft Guidelines focus on facilitating bondholder engagement and protecting bondholder rights. IA members value practical mechanisms for communication and collective action in the bond market. In particular, we welcome Guideline 3.C's call to make bondholder identification and communication easier for issuers. As discussed above, we think it is important that issuers seek to level the informational playing field for bond investors. Bond issuers should take proactive steps for example through holding regular bondholder update calls or creating a dedicated investor webpage with all the relevant information and disclosures. These measures can be implemented quickly and with relatively low

cost, helping to ensure that bondholders can be reached efficiently and that no one is unfairly excluded from important notifications.

Enabling bondholder participation within bondholder meetings (including through a hybrid format) is an important consideration at Guideline 3.D which promotes participation that is equitable and accessible across borders. Although bondholder meetings in practice may be less frequent than shareholder meetings, they should still be accompanied by clear guidance and procedures which set out how they can be convened effectively and with adequate bondholder safeguards, particularly where bond issuers are offering hybrid participation. To help facilitate more effective engagement, some members would value additional guidance from the OECD on mechanisms for bondholder engagement in jurisdictions with diverse legal frameworks.

Guideline 3.E sets out the key role played by independent bond trustees or fiscal agents in representing bondholders' interests. In markets like the UK, trustees act as guardians for bond investors, monitoring compliance with bond terms and stepping in on behalf of bondholders if covenants are breached. Emphasising the importance of trustee independence and competence (Guideline 3.E.1) and articulating the trustee's duty of care toward bondholders (Guideline 3.E.2) is fully consistent with our members' desire to see robust safeguards in place. We agree that trustees should have the capabilities and legal authority to act decisively when needed to protect bondholders, and that they should be free of conflicts of interest. Ensuring that bondholders have confidence in their trustees ultimately contributes to market integrity and the enforceability of bondholders' rights.

We also support the Guideline's focus on equitable treatment of bondholders in restructuring and solicitation situations (3.F and 3.G). The Guidelines' encouragement of out-of-court restructuring frameworks, which are grounded in clear rules that enable early dialogue and cooperative engagement, also aligns with long-term investors' interests in efficient, value-preserving outcomes. This should in turn help to foster healthier dialogue between issuers and investors.

The IA and its members appreciate the OCED's efforts to extend important principles of corporate governance beyond the equity markets. We recognise that the Guidelines are intended as non-binding recommendations which will need to be adapted to different legal regimes and market contexts. If adopted, we believe that these recommendations should contribute to greater transparency and trust in corporate bond markets globally.

Thankyou again for the opportunity to comment. If you would like to follow up with any questions, please contact [stewardship@theia.org](mailto:stewardship@theia.org).

Yours Sincerely,

Andrew Ninian

**Director, Stewardship, Risk and Tax**