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International Sustainability Standards Board
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Comments on the Exposure Draft
Proposed amendments to the SASB Standards and IFRS S2 Industry-based Guidance

The Japanese Institute of Certified Public Accountants (hereinafter refer to as "JICPA," "we," "our," and "us") expresses its respect for the ongoing efforts of the International Sustainability Standards Board (hereinafter "ISSB") and appreciate the opportunity to comment on the "Proposed Amendments to the SASB Standards and IFRS S2 Industry-based Guidance" (hereinafter the "Proposed Amendments").

As noted in our comment letter on the Exposure Draft for the Proposed Amendments to the SASB Standards published in July 2025 (hereinafter "July 2025 ED"), we recognize that the SASB Standards play an important role in sustainability disclosures based on the IFRS Sustainability Disclosure Standards (hereinafter "ISSB Standards"). In particular, given that disclosure standards for sustainability topics other than climate change have not yet been established, the SASB Standards function as a major source of guidance and contribute to disclosures that reflect differences in sustainability-related topics and metrics among industries. Accordingly, our comments are based on the understanding that the SASB Standards serve as a source of guidance in the context of IFRS S1.

In this comment letter, we focus not only on technical remarks on individual disclosure topics or metrics, but also on challenges related to the structure of the SASB Standards. Specifically, we consider that the following two issues stem from common structural characteristics of the SASB Standards:

- The treatment of disclosure topics and metrics that are common across industries
- The approach to the allocation of roles between the ISSB Standards and the SASB Standards

1. Challenges relating to the treatment of cross-industry disclosure topics and metrics

   As also noted in our comment letter on the July 2025 ED, we recognize that these challenges continue to exist in the Proposed Amendments and provide the following comments from the same perspective.

   By reviewing the March 2026 Proposed Amendments and the July 2025 ED, it has become clear that many SASB standards share common disclosure topics, metrics, and associated technical protocols. These include greenhouse gas ("GHG") emissions, air quality, water management, waste management, and human capital, which address risks and opportunities common to multiple industries.

   On the other hand, the SASB Standards are structured such that metrics and technical protocols are set out separately for each industry standard, with slight variations across industries.

   This structure is highly likely to give rise to significant practical challenges, including:

   - Increased costs associated with developing, amending and maintaining the standards;
   - Increased burdens on preparers in applying the standards; and
   - Potential impairment of comparability for users regarding information on similar risks and opportunities across industries.

   We consider that these challenges arise not only from individual metric design but also from the overall structure of the SASB Standards.

2. Challenges relating to the allocation of the role between the ISSB Standards and SASB Standards

   We support the ISSB's direction to enhance alignment between the ISSB Standards and the SASB Standards.

   However, as described in our response to Question 5, we consider that the relationship between information required by the ISSB Standards and metrics required by the SASB Standards is not sufficiently clear in the Proposed Amendments. In particular, this is evident in the climate-related disclosure requirements under IFRS S2 and GHG emission disclosure topics in the SASB Standards. That is, some disclosure requirements under the ISSB Standards are included as metrics in the SASB Standards, while others are not, even when they address similar matters, and the basis for such selection is not clear.

   Such a situation may lead to an interpretation that disclosure requirements under the ISSB Standards that are not included in the SASB Standards are considered to be of relatively lower importance, which could cause confusion for both preparers and users.

3. Possible approaches to addressing these challenges

To address these challenges, we consider that it is necessary to reconsider the structure of the standards and guidance of the ISSB, including the SASB Standards. In particular, the following points could be considered to improve consistency across the SASB Standards, clarify the relationship between the ISSB Standards and the SASB Standards, and reduce the overall complexity and volume of the standards:

- Metrics and technical protocols common to many industries should be organised on a cross-industry basis by topic, which would be then referenced by each industry-specific SASB Standard. As a result, the technical protocols included in each SASB Standard would be limited to those relating to metrics that are genuinely industry-specific; and
- Even where overlap with requirements in the ISSB Standards exists, the SASB Standards should comprehensively present disclosure topics and metrics considered material for each industry.

These revisions are expected to provide the following benefits:

- Rationalisation of the burden of developing and maintaining standards, improved cross-industry comparability, and consistency in interpretation; and
- Improved understanding by preparers and users of general-purpose financial reports of the overall set of disclosure topics and metrics considered relevant and material for companies in a given industry.

We consider that addressing these structural issues is important not only for the applicability of the SASB Standards, but also for the overall usefulness and sustainable maintenance.

We expect that the ISSB will give due consideration to these proposals and enhance the efficiency of developing and maintaining of the standards while improving international comparability and applicability.

Yours faithfully,

Minoru Ota
Executive Board Member—Sustainability Disclosure and Assurance
The Japanese Institute of Certified Public Accountants

Question 1—*Agricultural Products* SASB Standard

This Exposure Draft includes proposals to enhance the Agricultural Products SASB Standard, with a focus on ensuring that the Standard helps entities applying IFRS Sustainability Disclosure Standards to provide decision-useful information to users of general purpose financial reports. The information provided should help users understand the sustainability-related risks and opportunities that could reasonably be expected to affect the prospects of an entity in this industry.

The ISSB is interested in feedback on the amendments proposed in this Exposure Draft and on the Agricultural Products SASB Standard as a whole. The ISSB is particularly interested in feedback on whether the proposed amendments would result in the Standard meeting the needs of users of general purpose financial reports in a manner that is cost-effective for preparers.

The ISSB proposes:

- to revise the Agricultural Products industry description;
- to expand the scope of the Agricultural Products industry as classified in the Sustainable Industry Classification System® (SICS®) to include direct farming operations;
- to revise one activity metric FB-AG-000.A, remove activity metrics FB-AG-000.C and FB-AG-000.D and add two activity metrics relating to workforce composition;
- to revise the Greenhouse Gas Emissions disclosure topic and associated metrics;
- to revise the Energy Management disclosure topic and associated metric;
- to revise the Water Management disclosure topic and associated metrics, remove metric FB-AG-140a.3 and add new metric FB-AG-140a.4 Total water discharged by (1) destination and (2) level of treatment;
- to add a Food Loss & Food Waste disclosure topic and two associated metrics:
  - FB-AG-150a.1 (1) Total food loss generated, (2) quantity diverted; and
  - FB-AG-150a.2 Description of strategies to address opportunities related to food loss and food waste throughout the value chain;
- to add a Land Use & Ecological Impacts disclosure topic and six associated metrics:
  - FB-AG-160a.1 (1) Total spatial footprint of operations, (2) area disturbed and (3) area restored;
  - FB-AG-160a.2 Percentage of the total spatial footprint of operations in or near environmentally sensitive locations;
  - FB-AG-160a.3 Total area of land that is sustainably managed, by product;
  - FB-AG-160a.4 Percentages of agricultural products produced from direct farming operations determined to be deforestation- or conversion-free, including any targets set to monitor progress;
  - FB-AG-160a.5 Priority products from direct farming operations that are sensitive to nature- and climate-related physical risks; and
  - FB-AG-160a.6 Description of strategies to manage environmental resources and implement sustainable agriculture practices in direct farming operations;

- to revise the Food Safety disclosure topic and associated metric, remove metrics FB-AG-250a.1 and FB-AG-250a.2 and add two new metrics:
  - FB-AG-250a.4 Percentage of production volume from sites certified to internationally recognised food safety standards for (1) own operations and (2) intermediaries; and
  - FB-AG-250a.5 Processes, controls and procedures to ensure food safety throughout the value chain;
- to add a Labour Conditions disclosure topic and associated metric FB-AG-310a.1 Processes, controls and procedures to manage labour conditions, including forced labour and child labour, in direct operations;
- to revise the Workforce Health & Safety disclosure topic and associated metric;
- to remove the GMO Management disclosure topic and associated metric;
- to remove the Environmental & Social Impacts of Ingredient Supply Chain and Ingredient Sourcing disclosure topics and all associated metrics, and replace them with new Environmental Supply Chain Management and Social Supply Chain Management disclosure topics;
- to add three metrics to the proposed Environmental Supply Chain Management disclosure topic:
  - FB-AG-430c.1 Percentages of sourced agricultural products determined to be deforestation- or conversion-free, including any targets set to monitor progress;
  - FB-AG-430c.2 Priority sourced agricultural products that are sensitive to nature- and climate-related physical risks in the supply chain; and
  - FB-AG-430c.3 Description of strategies to manage environmental resources and implement sustainable agriculture practices in the supply chain;
- to add three metrics to the proposed Social Supply Chain Management disclosure topic:
  - FB-AG-430d.1 Processes, controls and procedures for managing labour conditions and impacts on local communities in the supply chain, including human rights due diligence;
  - FB-AG-430d.2 Percentages of sourced agricultural products certified to internationally recognised standards that trace the path of products through the supply chain; and
  - FB-AG-430d.3 Percentage of high-risk suppliers subject to an independent third-party audit or verification in the previous three years, with description of non-conformances and corrective actions.

Paragraphs BC51–BC102 of the Basis for Conclusions set out the ISSB's reasoning for these proposals.

(a) Do you agree with the proposed Agricultural Products industry description? Does it accurately describe the business activities of entities in this industry? Why or why not?

(b) Do you agree with the proposed inclusion of direct farming operations in the scope of activities included in the industry classification? Why or why not?

(c) Do you agree that the proposed industry description makes it clear that the intended scope of entities in the industry classification includes entities with direct farming operations, entities that source products from farms (including, for example, outgrowers, contract farmers and co-operatives), and entities that do both? Why or why not?

(d) Do you agree that the proposed disclosure topics in the Agricultural Products SASB Standard would accurately identify the sustainability-related risks and opportunities that could reasonably be expected to affect the prospects of entities in this industry? If not, what revisions would you suggest and why?

(e) Do you agree that the proposed metrics and technical protocols in the Agricultural Products SASB Standard would help an entity provide primary users with decision-useful information about sustainability-related risks and opportunities? If not, what revisions would you suggest and why?

(f) Do you agree that the proposed metrics in the Environmental Supply Chain Management and Social Supply Chain Management disclosure topics would support cost-effective disclosure of information that primary users need about sustainability-related risks and opportunities in the supply chain (for example, on soil health and water scarcity)? If not, what revisions would you suggest and why?

(g) Do you agree that the proposals would improve the international applicability of the Agricultural Products SASB Standard and would lead to the disclosure of decision-useful information from entities in the industry regardless of their jurisdiction? Why or why not?

(h) Do you agree that the proposed amendments would enhance the Agricultural Products SASB Standard's interoperability and alignment with other sustainability-related standards or frameworks? Why or why not? (Note that the ISSB is focused on providing material information for investors about the effects of sustainability-related risks and opportunities on an entity's prospects.)

(i) Are there any proposed metrics in the Agricultural Products SASB Standard that would benefit from the inclusion of specific proportionality mechanisms described in paragraphs BC47–BC48 of the Basis for Conclusions? If so, identify which metrics you believe would benefit from the introduction of such mechanisms and explain why.

Our Comments

1. Issues Related to Consistency across Industries in Disclosure Topics and Metrics

- The Agricultural Products SASB Standard does not include metrics relating to the percentages of methane emissions and nitrous oxide emissions, whereas the Meat, Poultry & Dairy SASB Standard includes a metric on the percentage of methane emissions. However, a significant portion of global nitrous oxide emissions originates from agricultural land, mainly from nitrogen in chemical fertilizers, and a significant amount of methane emissions is associated with rice cultivation. Information about such non-CO_2 GHG emissions may be decision-useful in evaluating climate-related risks and opportunities associated with agricultural activities.

Based on this understanding, we believe it would be useful to consider including the percentages of methane emissions and nitrous oxide emissions as metrics in the Agricultural Products SASB Standard.

In addition, in the July 2025 ED, there were industries for which disclosure of methane emissions within Scope 1 GHG emissions—either as total methane emissions or as both total methane emissions and the percentage of methane—was required. In finalising Phase 1 of the enhancement of the SASB Standards, it is desirable to ensure consistency with the nine SASB Standards included in the July 2025 ED and to revise the standards so that a consistent set of metrics is applied across industries.

2. Issues Related to the Relevance of Disclosure Topics and Metrics

- In the Proposed Amendments to the Agricultural Products SASB Standard, GHG emissions are included as a disclosure topic, and Scope 1 GHG emissions are identified as a related metric, whereas Scope 3 GHG emissions are not included among the metrics related to GHG emissions.
  However, for entities in the agricultural products industry, GHG emissions from upstream activities—that is, emissions in Category 1 of Scope 3 GHG emissions—often account for a substantial portion of the entity's overall GHG emissions. There is therefore concern that Scope 1 GHG emissions alone may not sufficiently capture climate-related risks for entities in this industry.
  In addition, the Proposed Amendments explain that Scope 3 GHG emissions are not included as a metric in order to avoid unnecessary duplication with IFRS S2. However, notwithstanding this arrangement, total Scope 1 GHG emissions are included as a metric while Scope 3 GHG emissions are not included in any of the metrics for either the GHG Emissions topic or the Environmental Supply Chain Management topic. This situation may raise concern that the SASB Standards give the impression that emissions in the upstream value chain of the agricultural products industry have been assessed as being of relatively low importance. Please also refer to our response to Question 5 on this point.
  In light of these circumstances, it would be desirable to make clear in the industry description or topic summary that the upstream supply chain is important, and to include upstream Scope 3 GHG emissions as a metric.
- In the current Agricultural Products SASB Standard, the percentage of agricultural products procured that are certified to a third-party environmental or social standard (FB-AG-430a.1) is positioned as a metric representing risks and opportunities in supply chains. On the other hand, in the Proposed Amendments, because this metric has been categorised under Social Supply Chain Management, the role of certifications relating to environmental aspects of supply chains is no longer explicitly reflected in the structure of the Standard.
  However, there are certifications that include environmental assessments among those

subject to FB-AG-430d.2, such as the Roundtable on Sustainable Palm Oil (“RSPO”), the Round Table on Responsible Soy (“RTRS”), and Rainforest Alliance. Therefore, limiting these certifications to Social Supply Chain Management may not be appropriate. These certifications may also provide useful information from the perspective of Environmental Supply Chain Management as proxy metrics indicating the extent to which sustainable agriculture practices have been implemented in supply chains.
On this point, we ask the ISSB to clarify the reason for classifying the percentage of sourced agricultural products certified to internationally recognised standards as Social Supply Chain Management while not explicitly indicating its relationship with Environmental Supply Chain Management.

3. Issues Related to the Lack of Clarity in Metrics or Technical Protocols

- FB-AG-160a.4 and FB-AG-430c.1 require disclosure regarding the percentage of agricultural products produced from direct farming operations determined to be deforestation- or conversion-free. On the other hand, no clear definition is provided as to how far back deforestation or conversion must have occurred to be covered by this disclosure, and the assumptions underlying judgments may differ among entities. In this regard, Technical Protocol 2 enhances transparency regarding assessment methods by requiring a description of the assessment method used to determine that the entity’s production is deforestation- or conversion-free. However, enhancing transparency regarding methods is not a substitute for specifying the temporal scope subject to judgment. For example, the GHG Protocol Land Sector and Removals Standard, published in January 2026, adopts the concept of using a certain historical period to identify deforestation or conversion in corporate GHG accounting. In revising the SASB Standards, it may also be considered to clarify certain guidance regarding the concept of the historical period used in determining whether production is deforestation- or conversion-free.
- This comment relates to matters that we also pointed out with the same intent in our comment letter on the July 2025 ED, and we comment on the Proposed Amendments from the same perspective.
  The technical protocol of FB-AG-250a.5 references the Global Food Safety Initiative (“GFSI”). Since awareness of this standard is not sufficiently established in Japan, the inclusion of an explanation of GFSI that would help practitioners who may be unfamiliar with it is considered beneficial.

4. Issues Related to Interoperability with Other Standards

These comments relate to matters that we also pointed out with the same intent in our comment letter on the July 2025 ED, and we comment on the Proposed Amendments from the same perspective.

(1) Comment on interoperability with GRI 303 regarding water management
FB-AG-140a.4 is a metric designed to enhance interoperability with GRI 303. However, the total volume of water discharged by treatment level is a recommendation in GRI 303, not a mandatory requirement (see paragraph 2.4.2 in GRI 303-4: Water discharge). The Proposed Amendment states "shall disclose," making it a stronger requirement. Furthermore, it is unclear whether this information is material to intended users, particularly investors. Considering the entity's effort required to calculate this metric and the cost-effectiveness, disclosure of the total volume of water discharged disaggregated by treatment level may not be necessary.

(2) Comment on the relationship with TNFD (timing of introduction)
FB-AG-160a.2 requires disclosure of the percentage of the spatial footprint of operations in or near environmentally sensitive locations. This concept is aligned with the LEAP approach in the Taskforce on Nature-related Financial Disclosure ("TNFD") recommendations. As the treatment of the TNFD recommendations by the ISSB has not yet been determined, it may be premature to introduce metrics based on this concept into the SASB Standards.

(3) Comment on the definition of sensitive locations
Similarly, FB-AG-160a.2 specifically and broadly provides a definition of sensitive locations by referencing sources such as the International Union for Conservation of Nature ("IUCN") and the Ramsar Convention. In contrast, while the TNFD Recommendations establish criteria for identifying sensitive locations, they only recommend reference indicators and data (such as the IUCN's Red List). In this respect, the provision is stricter than those provided in the TNFD Recommendations. Accordingly, it would be advisable to employ the formulation "shall refer" to ensure alignment with the TNFD Recommendations.

5. Issues Related to Applicability to Japanese Legal Framework and Business Environment

These comments relate to matters that we also pointed out with the same intent in our comment letter on the July 2025 ED, and we comment on the Proposed Amendments from the same perspective.

(1) FB-AG-110a.1 requires disclosure of the percentage of greenhouse gas emissions subject to "applicable jurisdictional greenhouse gas laws, regulations or programmes intended to limit or reduce greenhouse gas emissions directly," such as emissions trading schemes or carbon taxes. For taxes applied broadly and at low rates, such as Japan's Global Warming Countermeasures Tax (current rate is ¥289/tCO_2), disclosing only the percentage of greenhouse gas emissions subject to such taxes may mislead users of the information. We

consider it useful to require disclosure of supplementary information, such as the tax rate, rather than just the percentage.

(2) FB-AG-130a.1 specifies that the lower heating value ("LHV") should generally be used, while Technical Protocol 1.3.1 allows the use of the heating value required by a jurisdictional authority or exchange. However, since it is theoretically impossible to aggregate LHV and higher heating value ("HHV"), substituting HHV as required by law and combining it with LHV is inappropriate. If LHV is adopted for the SASB Standards, it should be applied consistently across disclosures. The burden of converting from HHV to LHV is generally regarded as minimal.

6. Other Matters: Industry Classification

- The industry description states that "entities may engage directly in crop production, act as intermediaries between farmers, processors, retailers and restaurants, or operate across multiple stages of the food value chain." In particular, the explanation that entities may operate across multiple stages of the food value chain may obscure the boundaries with other industries within the Food & Beverage sector. It would be useful to clarify that it is necessary to distinguish the application of this Standard from the industry standards for "Food Retailers & Distributors," "Processed Foods," "Restaurants" and other relevant industry standards, and to revise the above description.
- In the Proposed Amendments, paragraph BC56 explains that the production, buying and selling, processing and distribution of feed have been excluded from the Agricultural Products SASB Standard and consolidated into the Meat, Poultry & Dairy SASB Standard, while also stating that reference to the Agricultural Products SASB Standard is possible. However, this approach is not described in the body of the SASB Standard, including the industry description. Since there may be situations where the intended use has not been determined at the planting stage, entities that produce agricultural products for multiple uses, such as food, feed and biofuel, may be uncertain as to which SASB Standard should be applied. We consider it useful to organize the approach to applying the SASB Standards to activities of entities that may fall within multiple SASB Standards, so that the Standards are systematic and consistently applied, and understandable to both preparers and users of information.

Questions 2—*Meat, Poultry & Dairy* SASB Standard

This Exposure Draft includes proposals to enhance the Meat, Poultry & Dairy SASB Standard, with a focus on ensuring that the Standard helps entities applying IFRS Sustainability Disclosure Standards to provide decision-useful information to users of general purpose financial reports. The information provided should help users understand the sustainability-related risks and opportunities that could reasonably be expected to affect the prospects of an entity in this industry.

The ISSB is interested in feedback on the amendments proposed in this Exposure Draft and on the Meat, Poultry & Dairy SASB Standard as a whole. The ISSB is particularly interested in feedback on whether the proposed amendments would result in the Standard meeting the needs of users of general purpose financial reports in a manner that is cost-effective for preparers.

The ISSB proposes:

- to revise the Meat, Poultry & Dairy industry description;
- to revise activity metric FB-MP-000.B and add two activity metrics relating to workforce composition;
- to revise the Greenhouse Gas Emissions disclosure topic and associated metrics;
- to revise the Energy Management disclosure topic and associated metric;
- to revise the Water Management disclosure topic and associated metrics, remove metric FB-MP-140a.3 and add new metric FB-MP-140a.4 Total water discharged by (1) destination and (2) level of treatment;
- to revise the Land Use & Ecological Impacts disclosure topic and associated metric, remove metrics FB-MP-160a.1 and FB-MP-160a.2 and add five metrics:
    - FB-MP-160a.5 (1) Total spatial footprint of operations, (2) area disturbed and (3) area restored;
    - FB-MP-160a.6 Percentage of the total spatial footprint of operations in or near environmentally sensitive locations;
    - FB-MP-160a.7 Percentages of livestock produced from direct farming operations determined to be deforestation- or conversion-free, including any targets set to monitor progress;
    - FB-MP-160a.8 Priority products from direct farming operations that are sensitive to nature- and climate-related physical risks; and
    - FB-MP-160a.9 Percentage of livestock production from direct farming operations that implement and maintain a written nutrient management plan;
- to revise the Food Safety disclosure topic and associated metrics, remove metrics FB-MP-250a.1 and FB-MP-250a.2 and add two new metrics:
    - FB-MP-250a.5 Percentage of production volume from sites certified to internationally recognised food safety standards for (1) own operations and (2) co-packing operations; and
    - FB-MP-250a.6 Processes, controls and procedures to ensure food safety throughout the value chain;

- to revise the Antibiotic Use in Animal Production disclosure topic and associated metric;
- to revise the Workforce Health & Safety disclosure topic and associated metrics;
- to revise the Animal Care & Welfare disclosure topic and associated metric, including changing the disclosure topic name to Animal Health & Welfare, remove metrics FB-MP-410a.1 and FB-MP-410a.2 and add two metrics:
  - FB-MP-410a.4 Description of animal welfare strategy, including targets, procedures and value chain integration; and
  - FB-MP-410a.5 Description of risks and opportunities related to biosecurity, including strategies for disease management;
- to add a Product Innovation disclosure topic and associated metric FB-MP-410b.1 Use of innovation in food products to address sustainability-related risks and opportunities;
- to remove the Environmental & Social Impacts of Animal Supply Chain and Animal & Feed Sourcing disclosure topics and all associated metrics, and replace them with new Environmental Supply Chain Management and Social Supply Chain Management disclosure topics;
- to add four metrics to the proposed Environmental Supply Chain Management disclosure topic:
  - FB-MP-430b.1 Percentages of sourced (1) livestock and (2) animal feed determined to be deforestation- or conversion-free, including any targets set to monitor progress;
  - FB-MP-430b.2 Priority sourced livestock and animal feed that are sensitive to nature- and climate-related physical risks in the supply chain;
  - FB-MP-430b.3 Percentage of sourced livestock from farms implementing and maintaining a written nutrient management plan; and
  - FB-MP-430b.4 Percentage of animal protein sourced from confined animal feeding operations;
- to add three metrics to the proposed Social Supply Chain Management disclosure topic:
  - FB-MP-430c.1 Processes, controls and procedures for managing labour conditions and impacts on local communities in the supply chain, including human rights due diligence;
  - FB-MP-430c.2 Percentages of sourced animal feed certified to internationally recognised standards that trace the path of products through the supply chain; and
  - FB-MP-430c.3 Percentage of high-risk suppliers subject to an independent third-party audit or verification in the previous three years, with description of non-conformances and corrective actions.

Paragraphs BC103–BC137 of the Basis for Conclusions set out the ISSB's reasoning for these proposals.

(a) Do you agree with the proposed Meat, Poultry & Dairy industry description? Does it accurately describe the business activities of entities in this industry? Do you agree with the scope of activities included in the industry classification? Why or why not?

(b) Do you agree that the proposed disclosure topics in the Meat, Poultry & Dairy SASB Standard would accurately identify the sustainability-related risks and opportunities that could reasonably be expected to affect the prospects of entities in this industry? If not, what revisions would you suggest and why?

(c) Do you agree that the proposed metrics and technical protocols in the Meat, Poultry & Dairy SASB Standard would help an entity provide primary users with decision-useful information about sustainability-related risks and opportunities? If not, what revisions would you suggest and why?

(d) Do you agree that the proposed metrics in the Environmental Supply Chain Management and Social Supply Chain Management disclosure topics would support cost-effective disclosure of information that primary users need about sustainability-related risks and opportunities in the supply chain (for example, on soil health and water scarcity)? If not, what revisions would you suggest and why?

(e) Do you agree that the proposals would improve the international applicability of the Meat, Poultry & Dairy SASB Standard and would lead to the disclosure of decision-useful information from entities in the industry regardless of their jurisdiction? Why or why not?

(f) Do you agree that the proposed amendments would enhance the Meat, Poultry & Dairy SASB Standard's interoperability and alignment with other sustainability-related standards or frameworks? Why or why not? (Note that the ISSB is focused on providing material information for investors about the effects of sustainability-related risks and opportunities on an entity's prospects.)

(g) Are there any proposed metrics in the Meat, Poultry & Dairy SASB Standard that would benefit from the inclusion of specific proportionality mechanisms described in paragraphs BC47–BC48 of the Basis for Conclusions? If so, identify which metrics you believe would benefit from the introduction of such mechanisms and explain why.

Our Comments

1. Issues Related to Consistency across Industries in Disclosure Topics and Metrics

None in particular

2. Issues Related to the Relevance of Disclosure Topics and Metrics

- FB-MP-110a.1 requires disclosure of the percentage of methane emissions within Scope 1 GHG emissions. On the other hand, nitrous oxide emissions arising from manure management and other livestock-related activities are also considered important in this industry. Therefore, as with the disclosure of the percentage of methane emissions, it may be considered to include the percentage of nitrous oxide emissions within total GHG emissions as a metric for this topic, given that such emissions are industry-specific and material GHG emissions.
  In addition, in the July 2025 ED, there were industries for which disclosure of methane emissions within Scope 1 GHG emissions—either as total methane emissions or as both total

methane emissions and the percentage of methane—was required. In finalizing Phase 1 of the enhancement of the SASB Standards, it is desirable to ensure consistency with the nine SASB Standards included in the July 2025 ED and to revise the standards so that a consistent set of metrics is applied across industries.

3. Issues Related to the Lack of Clarity in Metrics or Technical Protocols

- FB-MP-160a.7 and FB-MP-430b.1 require disclosure regarding the percentage of livestock produced from direct farming operations determined to be deforestation- or conversion-free and the percentage of livestock and other items procured. On the other hand, no clear definition is provided as to how far back deforestation or conversion must have occurred to be covered by this disclosure, and the assumptions underlying judgments may differ among entities. In this regard, Technical Protocol 2 of EB-MP-160a.7 and Technical Protocol 3 of EB-MP-430b.a enhance transparency regarding assessment methods by requiring a description of the assessment method used to determine that the entity's production is deforestation- or conversion-free. However, enhancing transparency regarding methods is not a substitute for specifying the temporal scope subject to judgment. For example, the GHG Protocol Land Sector and Removals Standard, published in January 2026, adopts the concept of using a certain historical period to identify deforestation or conversion in corporate GHG accounting. In revising the SASB Standards, it may also be considered to clarify certain guidance regarding the concept of the historical period used in determining whether production is deforestation- or conversion-free.
- This comment relates to matters that we also pointed out with the same intent in our comment letter on the July 2025 ED, and we comment on the Proposed Amendments from the same perspective.
  FB-MP-250a.4 references the GFSI. Since awareness of this standard is not sufficiently established in Japan, the inclusion of an explanation of GFSI that would help practitioners who may be unfamiliar with it is considered beneficial.

4. Issues Related to Interoperability with Other Standards

These comments relate to matters that we also pointed out with the same intent in our comment letter on the July 2025 ED, and we comment on the Proposed Amendments from the same perspective.

(1) Comment on interoperability with GRI 303 regarding water management
FB-MP-140a.4 is a metric designed to enhance interoperability with GRI 303. However, the total volume of water discharged by treatment level is a recommendation in GRI 303, not a mandatory requirement (see paragraph 2.4.2 in GRI 303-4: Water discharge). The Proposed Amendment states "shall disclose," making it a stronger requirement. Furthermore, it is unclear whether this information is material to intended users,

particularly investors. Considering the entity's effort required to calculate this metric and the cost-effectiveness, disclosure of the total volume of water discharged disaggregated by treatment level may not be necessary.

(2) Comment on the relationship with TNFD (timing of introduction)
FB-MP-160a.6 requires disclosure of the percentage of the spatial footprint of operations in or near environmentally sensitive locations. This concept is aligned with the LEAP approach in the TNFD recommendations. As the treatment of the TNFD recommendations by the ISSB has not yet been determined, it may be premature to introduce metrics based on this concept into the SASB Standards.

(3) Comment on the definition of sensitive locations
Similarly, FB-MP-160a.6 specifically and broadly provides a definition of sensitive locations by referencing sources such as the IUCN and the Ramsar Convention. In contrast, while the TNFD Recommendations establish criteria for identifying sensitive locations, they only recommend reference indicators and data (such as the IUCN's Red List). In this respect, the provision is stricter than those provided in the TNFD Recommendations. Accordingly, it would be advisable to employ the formulation "shall refer" to ensure alignment with the TNFD Recommendations.

5. Issues Related to Applicability to Japanese Legal Framework and Business Environment

These comments relate to matters that we also pointed out with the same intent in our comment letter on the July 2025 ED, and we comment on the Proposed Amendments from the same perspective.

(1) FB-MP-110a.1 requires disclosure of the percentage of greenhouse gas emissions subject to "applicable jurisdictional greenhouse gas laws, regulations or programmes intended to limit or reduce greenhouse gas emissions directly," such as emissions trading schemes or carbon taxes. For taxes applied broadly and at low rates, such as Japan's Global Warming Countermeasures Tax (current rate is ¥289/tCO_2), disclosing only the percentage of greenhouse gas emissions subject to such taxes may mislead users of the information. We consider it useful to require disclosure of supplementary information, such as the tax rate, rather than just the percentage.

(2) FB-MP-130a.1 specifies that the LHV should generally be used, while Technical Protocol 1.3.1 allows the use of the heating value required by a jurisdictional authority or exchange. However, since it is theoretically impossible to aggregate LHV and HHV, substituting HHV as required by law and combining it with LHV is inappropriate. If LHV is adopted for the SASB Standards, it should be applied consistently across disclosures. The burden of converting from HHV to LHV is generally regarded as minimal.

Question 3—*Electric Utilities & Power Generators* SASB Standard

This Exposure Draft includes proposals to enhance the Electric Utilities & Power Generators SASB Standard, with a focus on ensuring that the Standard helps entities applying IFRS Sustainability Disclosure Standards to provide decision-useful information to users of general purpose financial reports. The information provided should help users understand the sustainability-related risks and opportunities that could reasonably be expected to affect the prospects of an entity in this industry.

The ISSB is interested in feedback on the amendments proposed in this Exposure Draft and on the Electric Utilities & Power Generators SASB Standard as a whole. The ISSB is particularly interested in feedback on whether the proposed amendments would result in the Standard meeting the needs of users of general purpose financial reports in a manner that is cost-effective for preparers.

The ISSB proposes:

- to revise the Electric Utilities & Power Generators industry description;
- to revise activity metric IF-EU-000.D and add two activity metrics relating to workforce composition;
- to revise the Greenhouse Gas Emissions & Energy Resource Planning disclosure topic and associated metrics, remove metric IF-EU-110a.3 and add three new metrics:
  - IF-EU-110a.5 Installed capacity, disaggregated by (1) major energy source and (2) energy storage;
  - IF-EU-110a.6 Planned capacity, disaggregated by (1) major energy source and (2) energy storage; and
  - IF-EU-110a.7 Description of how climate-related transition risks and opportunities influence capital strategy and investments;
- to revise the Air Quality disclosure topic and associated metric;
- to revise the Water Management disclosure topic and associated metrics, remove metric IF-EU-140a.2 and add new metric IF-EU-140a.4 Total water discharged by (1) destination and (2) level of treatment;
- to revise the Coal Ash Management disclosure topic, including changing the disclosure topic name to Hazardous Waste Management, remove metrics IF-EU-150a.1 and IF-EU-150a.3 and add three metrics:
  - IF-EU-150a.4 (1) Hazardous waste generated, (2) hazardous waste stored and (3) hazardous waste recycled;
  - IF-EU-150a.5 Number of significant incidents associated with hazardous waste management; and
  - IF-EU-150a.6 Hazardous waste management policies and procedures for active and inactive operations;
- to add an Ecological Impacts disclosure topic and three associated metrics:

- IF-EU-160a.1 (1) Total spatial footprint of operations, (2) area disturbed and (3) area restored;
- IF-EU-160a.2 Percentage of the total spatial footprint of operations in or near environmentally sensitive locations; and
- IF-EU-160a.3 Description of environmental management policies and practices for operational facilities;

· to add a Community Relations & Rights of Indigenous Peoples disclosure topic and four associated metrics:

- IF-EU-210a.1 Processes used to manage risks and opportunities associated with community rights and interests;
- IF-EU-210a.2 (1) Number of non-technical delays and (2) the total days idle;
- IF-EU-210a.3 Percentage of operations in or near Indigenous Peoples' land; and
- IF-EU-210a.4 Description of engagement processes and due diligence practices related to upholding Indigenous Peoples' rights;

· to revise the Energy Affordability disclosure topic, remove metrics IF-EU-240a.1, IF-EU-240a.3 and IF-EU-240a.4 and add two new metrics:

- IF-EU-240a.5 Description of energy affordability-related risks and opportunities and strategies to manage them; and
- IF-EU-240a.6 (1) Number of active participants and (2) number of eligible participants in energy affordability-related actions or programmes, disaggregated by (a) residential, (b) commercial and (c) industrial participants;

· to revise the Workforce Health & Safety disclosure topic and associated metric and add metric IF-EU-320a.2 Description of management systems used to foster a safe working environment;

· to add an Employee Recruitment, Development & Retention disclosure topic and two associated metrics:

- IF-EU-330a.1 Description of employee recruitment, development and retention-related risks and opportunities and strategies to manage them; and
- IF-EU-330a.2 (1) Voluntary and (2) involuntary employee turnover rate for (a) all employees and (b) occupational categories with a skill shortage;

· to revise the End-Use Efficiency & Demand disclosure topic, including changing the disclosure topic name to Demand-side Management, remove metrics IF-EU-420a.2 and IF-EU-420a.3 and add three metrics:

- IF-EU-420a.4 Description of demand-side management-related risks and opportunities and strategies to manage them, including any targets set to monitor progress;
- IF-EU-420a.5 (1) Number of active participants and (2) number of eligible participants in demand-side management-related actions or programmes, disaggregated by (a) residential, (b) commercial and (c) industrial participants; and

◦ IF-EU-420a.6 Peak demand savings from demand-side management strategies;

· to add a Supply Chain Management disclosure topic and two associated metrics:

◦ IF-EU-430a.1 Description of the process to manage supply chain risks arising from sustainability-related issues; and

◦ IF-EU-430a.2 Percentage of high-risk suppliers subject to an independent third-party audit or verification in the previous three years, with description of non-conformances and corrective actions;

· to revise the Nuclear Safety & Emergency Management disclosure topic and associated metric, including changing the disclosure topic name to Critical Incident Risk Management, remove metric IF-EU-540a.2 and add metric IF-EU-540a.3 Description of management systems used to identify and mitigate serious accidents;

· to revise the Grid Resiliency disclosure topic and associated metrics, including changing the disclosure topic name to Operational Resilience & System Reliability, and add three metrics:

◦ IF-EU-550a.3 Average availability factor for generation assets;

◦ IF-EU-550a.4 Amount and percentage of assets vulnerable to climate-related physical risks, disaggregated by industry asset type and climate-related physical risk; and

◦ IF-EU-550a.5 Description of strategies to manage operational resilience and system reliability-related risks and opportunities, including any targets set to monitor progress.

Paragraphs BC138–BC195 of the Basis for Conclusions set out the ISSB's reasoning for these proposals.

(a) Do you agree with the proposed Electric Utilities & Power Generators industry description? Does it accurately describe the business activities of entities in this industry? Do you agree with the scope of activities included in the industry classification? Why or why not?

(b) Do you agree that the proposed disclosure topics in the Electric Utilities & Power Generators SASB Standard accurately identify the sustainability-related risks and opportunities that could reasonably be expected to affect the prospects of entities in this industry? If not, what revisions would you suggest and why?

(c) Do you agree that the proposed metrics and technical protocols in the Electric Utilities & Power Generators SASB Standard would help an entity provide primary users with decision-useful information about sustainability-related risks and opportunities? If not, what revisions would you suggest and why?

(d) Do you agree that the proposals would improve the international applicability of the Electric Utilities & Power Generators SASB Standard and would lead to the disclosure of decision-useful information from entities in the industry regardless of their jurisdiction? Why or why not?

(e) Do you agree that the proposed amendments would enhance the Electric Utilities & Power Generators SASB Standard's interoperability and alignment with other sustainability-related standards or frameworks? Why or why not? (Note that the ISSB is focused on providing material information for investors about the effects of sustainability-related risks and opportunities on an entity's prospects.)

(f) Are there any proposed metrics in the Electric Utilities & Power Generators SASB Standard that would benefit from the inclusion of specific proportionality mechanisms described in paragraphs BC47–BC48 of the Basis for Conclusions? If so, identify which metrics you believe would benefit from the introduction of such mechanisms and explain why.

Our Comments

1. Issues Related to Consistency across Industries in Disclosure Topics and Metrics

None in particular

2. Issues Related to the Relevance of Disclosure Topics and Metrics

- IF-EU-110a.2 requires disclosure of "(1) transmission and distribution loss" and "(2) net electricity purchased." However, net electricity purchased is defined as "the total quantity of electricity generated from owned or controlled assets subtracted from the total quantity of electricity supplied to end-users." In light of transmission and distribution practices, the meaning and application of this definition, particularly with respect to its relationship with transmission and distribution loss, may not be sufficiently clear.
  In particular, the following factors could affect the calculation of net electricity purchased:
  - Electricity consumed in-house at generation facilities (station power) which, although not constituting supply to end-users, may be included in the calculation of net electricity purchased;
  - Transmission and distribution loss; and
  - Sales to retail electricity providers in addition to supply to end-users.

  Considering these points and the need to ensure comparability among different business models, it is desirable to clearly indicate a consistently applicable calculation method or approach to application.

3. Issues Related to the Lack of Clarity in Metrics or Technical Protocols

- IF-EU-110a.2 requires disclosure of transmission and distribution loss included in Scope 2 GHG emissions. However, based on footnote 31 in BC150, such transmission and distribution loss (T&D loss) may be classified differently depending on business structures such as whether the entity operates an integrated generation and transmission/distribution business. Nevertheless, the approach may not be clear in the body of the proposed standard. In particular, there are entities such as Japan's former General Electric Utilities, which combine self-generation and electricity procured from third parties, and in which generation, transmission and distribution, and retail businesses are separated on a standalone basis but integrated on a consolidated basis. For such entities, the classification of T&D loss may depend on both the business structure and the reporting unit. The same transmission and distribution loss may be classified as Scope 1, Scope 2 or Scope 3, and the classification may

differ between standalone reporting and consolidated reporting.
Therefore, a clear explanation or guidance in the body of the Standard is required regarding a consistent approach to scope classification and the scope of its application.

- It would be desirable to clarify that the scope of the workforce covered by IF-EU-320a.1 is defined based on “control” over the work or workplace, rather than the contractual form.
In the Proposed Amendments, non-employee workers are described as those who do not have an employment relationship with the entity but whose work is controlled by the entity or whose workplace is controlled by the entity. From the perspective of occupational health and safety, safety management systems and facility management at workplaces are also important, and the location of risks should be determined not by the existence or absence of an employment relationship but by substantive control over the work or workplace.
Therefore, we consider it appropriate to define workforce-safety metrics based on “control” as the criterion. This point is also consistent with the provision in Technical Protocol 2 of IF-EU-320a.2 concerning descriptions of coordination among business partners regarding workforce safety management.
However, in Technical Protocol 1.2 of IF-EU-320a.1, the definition of “individuals who render personal services to the entity and work under the entity’s direction in the same way as individuals who are regarded as employees for legal or tax purposes” may be interpreted as implying that non-employee workers must have a quasi-employment relationship or a command-and-control relationship with the entity, which may be misleading in some jurisdictions. Therefore, we consider it appropriate to indicate more clearly that the basis for including non-employee workers in the scope of disclosure is not similarity to employment, but substantive control over the work or workplace.

4. Issues Related to Interoperability with Other Standards

These comments relate to matters that we also pointed out with the same intent in our comment letter on the July 2025 ED, and we comment on the Proposed Amendments from the same perspective.

(1) Comment on interoperability with GRI 303 regarding water management
IF-EU-140a.4 is a metric intended to enhance interoperability with GRI 303; however, the total volume of water discharged by treatment level is a recommendation under GRI 303 (GRI 303-4 Water discharge, paragraph 2.4.2) and is not a mandatory requirement. On the other hand, the Proposed Amendments state that an entity “shall disclose” this information, making it a stronger requirement. In addition, it is not clear whether this information is material to the intended users of the information, particularly investors. Taking into account the cost-effectiveness of the effort required by entities to calculate this information, disclosure of water discharge disaggregated by treatment level is not necessarily considered necessary.

(2) Comment on the relationship with TNFD (timing of introduction)
IF-EU-160a.2 requires disclosure of the percentage of the spatial footprint of operations in or near environmentally sensitive locations, and this concept is aligned with the LEAP approach in the TNFD recommendations. At a stage where the treatment of the TNFD recommendations by the ISSB has not been determined, it may be premature to introduce metrics based on this concept into the SASB Standards.

(3) Comment on the definition of sensitive locations
Similarly, IF-EU-160a.2 specifically and broadly provides a definition of sensitive locations by referencing sources such as the IUCN and the Ramsar Convention. In contrast, while the TNFD Recommendations establish criteria for identifying sensitive locations, they only recommend reference indicators and data (such as the IUCN's Red List). In this respect, the provision is stricter than those provided in the TNFD Recommendations. Accordingly, it would be advisable to employ the formulation "shall refer" to ensure alignment with the TNFD Recommendations.

(4) Comment on air quality
IF-EU-120a.1 requires disclosure of both Particulate Matters ("PM") 2.5 and PM10 to enhance interoperability with GRI 305-7: Nitrogen oxides (NOx), Sulfur oxides (SOx), and other significant air emissions, as defined under GRI 305 "Emissions." The amendment mandates separate disclosures for both, which is more detailed than the requirements in GRI 305-7. Japanese regulations, however, only require unified reporting as soot and dust (i.e., particulates). We recommend reconsidering the necessity of separating the two, considering practical applicability.

5. Issues Related to Applicability to Japanese Legal Framework and Business Environment

- Regarding hazardous air pollutants in IF-EU-120a.1, SOx is defined as including SO_2 and SO_3. However, under Japan's Air Pollution Control Act, SOx refers to SO_2, and therefore, including SO_3 in the scope of disclosure would impose an excessive burden on the practice of Japanese entities. Therefore, if the definition of SOx is specified by regulations or other requirements in the jurisdiction to which an entity is subject, we suggest clarifying that the entity may follow that definition.
- As with the point raised in our comment letter on the July 2025 ED, IF-EU-110a.1 requires disclosure of the percentage of greenhouse gas emissions subject to "applicable jurisdictional greenhouse gas laws, regulations or programmes intended to limit or reduce greenhouse gas emissions directly," such as emissions trading schemes or carbon taxes. For taxes applied broadly and at low rates, such as Japan's Global Warming Countermeasures Tax (current rate is ¥289/tCO_2), disclosing only the percentage of greenhouse gas emissions subject to

such taxes may mislead users of the information. We consider it useful to require disclosure of supplementary information, such as the tax rate, rather than just the percentage.

- As with the point raised in our comment letter on the July 2025 ED, IF-EU-120a.1 specifies that the LHV should generally be used, while Technical Protocol 1.3.1 allows the use of the heating value required by a jurisdictional authority or exchange. However, since it is theoretically impossible to aggregate LHV and HHV, substituting HHV as required by law and combining it with LHV is inappropriate. If LHV is adopted for the SASB Standards, it should be applied consistently across disclosures. The burden of converting from HHV to LHV is generally regarded as minimal.

Question 4—Consequential Amendments to IFRS S2 Industry-based Guidance
The ISSB proposes to make consequential amendments to the IFRS S2 industry-based guidance when it makes amendments to the SASB Standards to maintain alignment between the IFRS S2 industry-based guidance and the climate-related content in the SASB Standards. Paragraphs BC196–BC197 of the Basis for Conclusions describe the reasons for this proposal. Do you agree that the ISSB should make consequential amendments to the IFRS S2 industry-based guidance when it makes amendments to the SASB Standards as set out in this Exposure Draft? Why or why not?

Our Comments

None in particular

Question 5—Relationship with the IFRS Sustainability Disclosure Standards
The proposed amendments to the SASB Standards have been drafted under the assumption that an entity would apply the SASB Standards as well as the IFRS Sustainability Disclosure Standards. Paragraphs BC40–BC46 of the Basis for Conclusions explain the ISSB's reasons for this approach. (a) Do you agree with the ISSB's proposed approach to amending the SASB Standards in relation to the content in IFRS Sustainability Disclosure Standards? Why or why not? (b) Do you agree that, for preparers applying the SASB Standards as well as IFRS Sustainability Disclosure Standards, the relationship between their contents is sufficiently clear? Why or why not?

Our Comments

(a) The SASB Standards are expected to function as a major source of guidance in sustainability disclosures based on the ISSB Standards. In particular, we consider that they provide a set of disclosure topics and metrics that reflects sustainability-related risks and opportunities across industries.

Based on this understanding, it is not desirable for differences in expressions or terminology to remain between the ISSB Standards and the SASB Standards, where they address the same matter.

From this perspective, we support the ISSB's approach to revising the SASB Standards so as to enhance alignment with the ISSB Standards and avoid unnecessary duplication of disclosure requirements.

(b) Although we support the approach, as noted in (a) above, we consider that there are points where the relationship between content that overlaps between the two standards is not sufficiently clear for preparers in the Proposed Amendments.

That is, looking at the relationship between (a) disclosure requirements in the ISSB Standards and (b) metrics in the SASB Standards that require disclosure of the same or similar content, there are situations where some metrics are also included in the SASB Standards—for example, Scope 1 GHG emissions—whereas other metrics are not—for example, Scope 2 and Scope 3 GHG emissions. In addition, in certain disclosure topics, information on strategy required by IFRS S1 or IFRS S2 is also required in the SASB Standards for the purpose of providing context for quantitative metrics, whereas in other disclosure topics only quantitative metrics are required.

We consider that these differences arise because the criteria for determining which information should remain in the SASB Standards as industry-specific metrics and which information should be left to the ISSB Standards may not be clear. As a result, users of the standards may find it difficult to understand why some metrics are retained while others are not, or whether those decisions are based on a consistent principle.

Such a situation may be understood as indicating that the ISSB has determined that metrics not included in the SASB Standards are of low importance or need not be considered, and may affect preparers' identification of sustainability-related risks and opportunities to be disclosed and their identification of material information about those risks and opportunities.

To address these challenges, even for topics for which thematic standards already exist in the ISSB Standards, we consider it desirable to adopt an approach under which the SASB Standards set out the full range of disclosure topics and metrics considered material for a particular industry. At the same time, for technical protocols relating to metrics with a high degree of commonality, it would be desirable to adopt an approach under which such protocols are addressed through the cross-industry arrangements discussed below.

Alternatively, an approach may also be considered under which metrics that overlap with disclosure content required by thematic standards—that is, IFRS S2—are removed entirely from the SASB Standards. However, whichever approach is adopted, it is essential that it be applied consistently across the standards as a whole.

In addition to the above challenges, as we also pointed out with the same intent in our comment letter on the July 2025 ED, we consider it useful to examine the nature of thematic standards and industry-based standards and their relationship.

Based on our review of the exposure drafts for a total of 12 industry-based standards, comprising the July 2025 ED and the current Proposed Amendments, we found that multiple disclosure topics and metrics are common across many industries. For example, air quality, water management and waste management are relevant to other sectors and industries within manufacturing, and impacts on ecosystems and energy management are also observed commonly across multiple industries.

Despite the existence of disclosure topics and metrics with such a high degree of commonality across industries, in the Proposed Amendments, detailed provisions, including technical protocols, are dispersed across individual standards. As a result, the overall volume and complexity of the exposure drafts increase, creating a structure that entails considerable costs for both the ISSB and market participants, particularly preparers and users. Such efforts are not limited to the scope of the amendments covering the 12 priority industries this time. Considering the remaining SASB Standards and any new standards that the ISSB may need to develop in the future, there is concern that the overall burden associated with developing and maintaining the standards will become substantial.

Even in areas with such a high degree of commonality, there may be subtle differences among industries in disclosure topics and metrics that are common across industries and in the associated technical protocols. These differences may impose additional burdens when applied by entities that operate businesses across multiple industries, and may result in impairing comparability across industries of information about similar material risks and opportunities that should originally have been comparable for users. We consider that this is a challenge arising from the structure of the standards as a whole, rather than a matter of individual metric design.

In light of this point, for disclosure topics and metrics with a certain degree of commonality, it may be advisable to organise them on a cross-industry basis by theme or topic on the premise that entities make materiality judgments. On that basis, while the SASB Standards would set out the full range of disclosure topics and metrics for each industry, the technical protocols relating to metrics common to many industries would refer to such cross-industry material, and detailed provisions would be established in the SASB Standards only for genuinely industry-specific metrics. By adopting such an approach, it is expected that the burden associated with developing and maintaining the standards would be rationalised while ensuring high-quality disclosure of industry-specific information. We believe that such an approach would contribute to a more scalable and sustainable structure for the future development and maintenance of the SASB Standards.

Question 6—Effective date
The ISSB proposes to set an effective date for the amendments that will occur between 12 and 18 months after their issuance and to permit early application. Paragraphs BC198–BC199 of the Basis for Conclusions describes the reasons for this proposal. Do you agree with the proposed approach for setting the effective date of the amendments and permitting early application? Why or why not?

Our Comments

None in particular