
Proposed amendments to the SASB Standards

Breakout session

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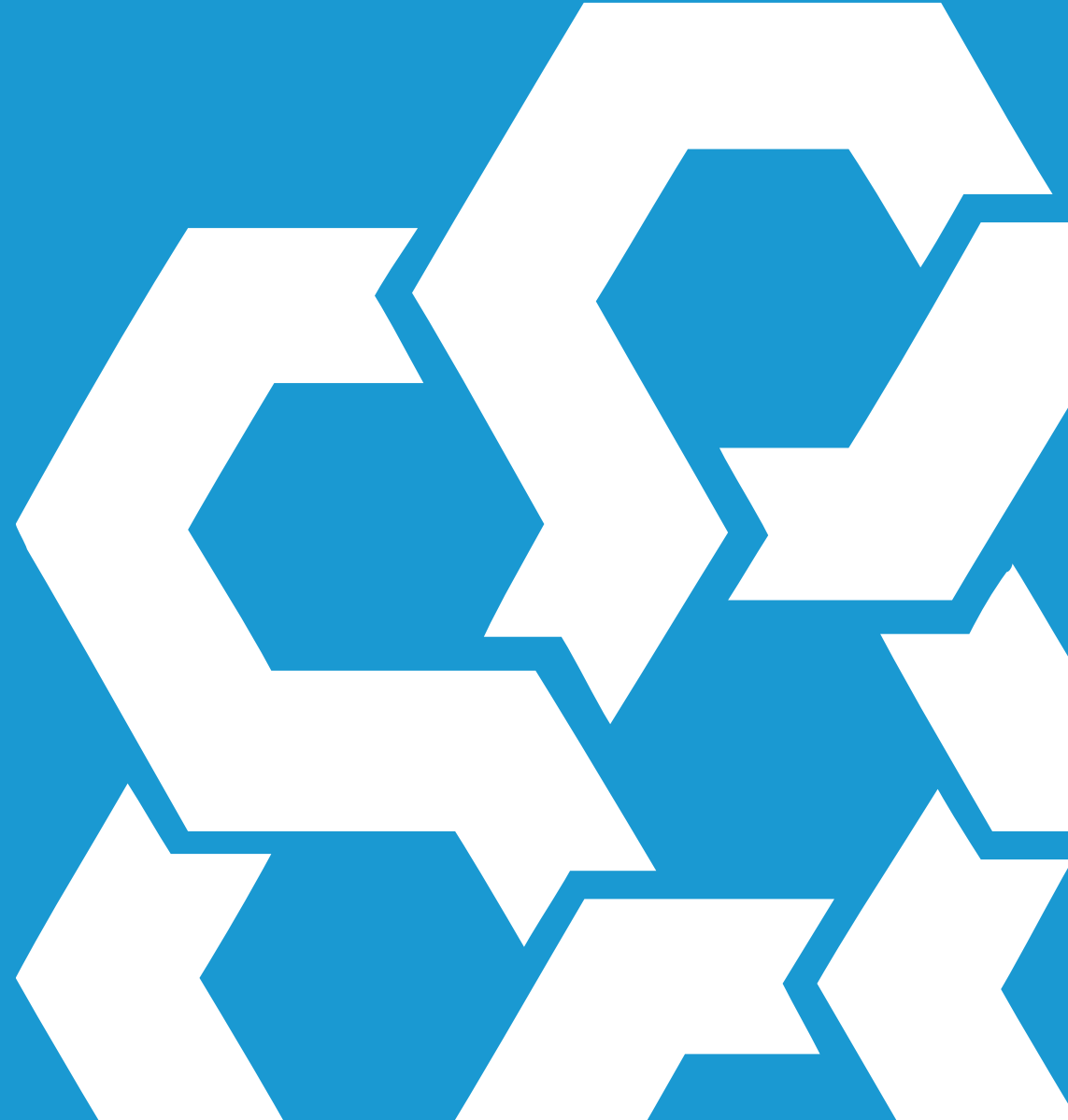
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Agenda

- 1 Project on enhancing the SASB Standards
- 2 Overview of the July 2025 SASB Exposure Draft
- 3 Proposed amendments
- 4 Next steps

Questions and Answers

Project on enhancing the SASB Standards



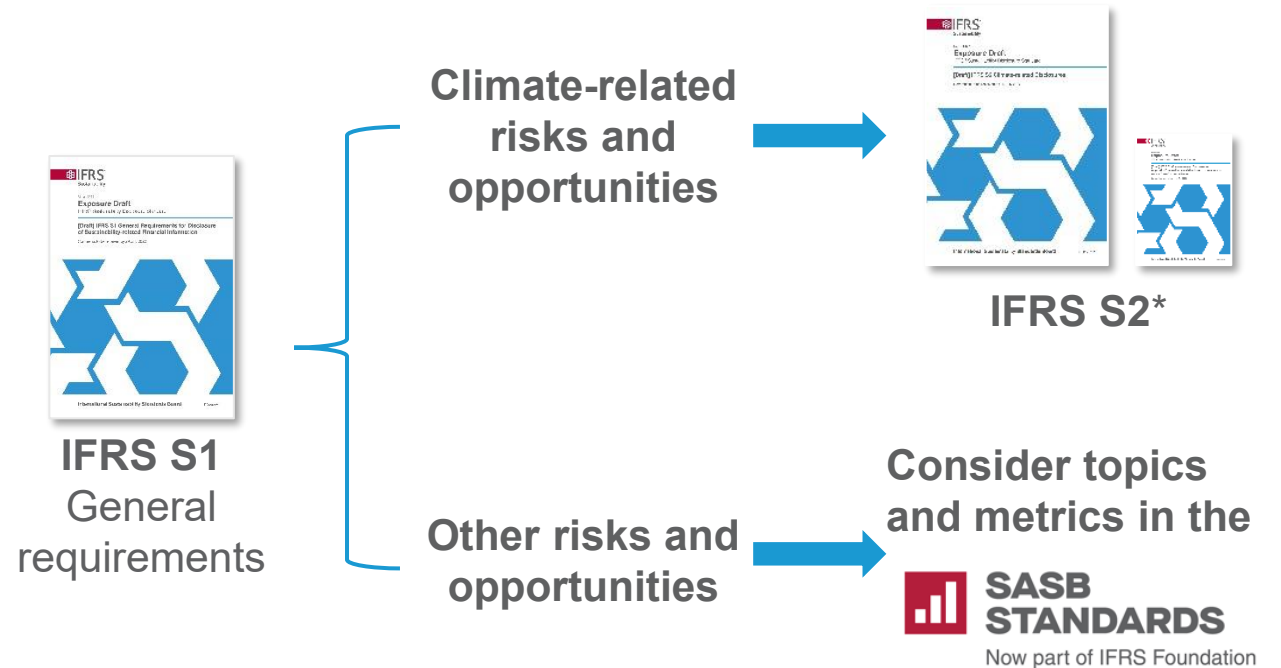
What are SASB Standards?

- 77 industry-specific disclosure Standards
- Important source of guidance for companies applying ISSB Standards
- Help identify the sustainability-related risks and opportunities most relevant to a company's prospects for a typical company in an industry
- Developed through transparent, market-informed due process
- Used by over 4,000 companies in over 80 jurisdictions
- Result in more comparable information for investors and other providers of capital



Role of the SASB Standards in the ISSB Standards

- Source of guidance in IFRS S1 for sustainability-related disclosures beyond climate
- Companies **refer to and consider** the SASB Standards when:
 - identifying sustainability-related risks and opportunities
 - identifying information to disclose about those risks and opportunities
- A company may decide that the disclosure topics and associated metrics in the SASB Standards are not applicable depending on its circumstances



**Note: IFRS S2 is accompanied by industry-based guidance derived from the SASB Standards*

SASB Enhancements: Project objective

To support the **high-quality implementation and application** of IFRS S1 and IFRS S2 through timely enhancements to the SASB Standards

Including a focus on:

- further enhancing the *international applicability* of industry groupings, disclosure topics, metrics and supporting technical protocols;
- opportunities to improve *interoperability* while ensuring continued focus on investor needs;
- aligning enhancements with the *ISSB's research projects* on Biodiversity, Ecosystems and Ecosystem Services (BEES) and Human Capital; and
- aligning *language and concepts* with IFRS Sustainability Disclosure Standards.

Overview of the July 2025 SASB Exposure Draft



ISSB seeks comments on two exposure drafts

The ISSB is currently seeking input from a broad range of stakeholders, including current users of the SASB Standards and those that are newer to them. The comment period closes on **30 November 2025**.



Exposure Draft of Proposed Amendments to the SASB Standards

- Proposed amendments to nine SASB Standards—all eight industries in the Extractives sector and the Processed Foods industry
- Proposed ‘targeted amendments’ to topics that occur frequently throughout the SASB Standards (for example, water management), and would impact 41 industries



Exposure Draft of Proposed Amendments to the Industry-based Guidance on Implementing IFRS S2

- Proposal to align the IFRS S2 industry-based guidance with the climate-related content in the SASB Standards

Proposed amendments to the *Industry-based Guidance on Implementing IFRS S2*

- **ISSB decision:** publish an [exposure draft](#) that proposes making consequential amendments to the IFRS S2 industry-based guidance when the ISSB finalises amendments to the SASB Standards
- **Continue to maintain alignment** between the IFRS S2 industry-based guidance and related content in SASB Standards

The amendments:

- Support the implementation of IFRS S2 and its high-quality application
- Improve international applicability
- Improve interoperability
- Reflect the evolution of climate-related risks and opportunities in different industries

SASB enhancements – July 2025 Exposure Draft

Priority industries

Comprehensive review of nine SASB Standards:

Extractives sector

- Oil & Gas (four industries):
 - Exploration & Production
 - Midstream
 - Refining & Marketing
 - Services
- Metals & Mining
- Construction Materials
- Iron & Steel Producers
- Coal Operations



Food & Beverage sector

- Processed Foods



Targeted amendments

Designed to maintain **consistent guidance** in various SASB Standards on key topics related to climate, nature and human capital, where relevant.

Alignment of metrics in **41 additional industries** on topics related to:

- Greenhouse gas emissions
- Energy management
- Water management
- Labour practices
- Workforce health & safety

What are the proposed targeted amendments?

- Intended to maintain consistency of metrics that occur frequently in other SASB Standards (beyond the nine priority industries)
- Would affect five topics across 41 SASB standards:
 - greenhouse gas emissions
 - energy management
 - water management**
 - labour practices
 - workforce health & safety

Household & Personal Products SASB Standard				
SUSTAINABILITY DISCLOSURE TOPICS & METRICS				
Table 1. Sustainability Disclosure Topics & Metrics				
TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	CODE
Water Management	(1) Total water withdrawn, (2) total water consumed: percentage of each in regions with High or Extremely High Baseline Water Stress, by property sector		Thousand cubic metres	
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	n/a	IF-RE-140a.4
Real Estate SASB Standard				
SUSTAINABILITY DISCLOSURE TOPICS & METRICS				
Table 1. Sustainability Disclosure Topics & Metrics				
TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	CODE
Energy Management	Energy consumption data coverage as a percentage of total floor area, by property sector	Quantitative	Percentage (%) by floor area	IF-RE-130a.1
	(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity and (3) percentage renewable, by property sector	Quantitative	Gigajoules (GJ), Percentage (%)	IF-RE-130a.2
	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property sector	Quantitative	Percentage (%)	IF-RE-130a.3
	Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property sector	Quantitative	Percentage (%) by floor area	IF-RE-130a.4
	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Discussion and Analysis	n/a	IF-RE-130a.5
Water Management	Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by property sector	Quantitative	Percentage (%) by floor area	IF-RE-140a.1
	(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property sector	Quantitative	Thousand cubic metres (m³), Percentage (%)	IF-RE-140a.2
	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property sector	Quantitative	Percentage (%)	IF-RE-140a.3
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	n/a	IF-RE-140a.4

The ISSB's approach to enhancing the SASB Standards

The ISSB took a comprehensive approach to developing the proposed amendments to the nine priority industries set out in the Exposure Draft. The ISSB considered whether:



Industry descriptions were appropriate and internationally applicable



Disclosure topics in each industry described the sustainability-related risks and opportunities that could reasonably be expected to affect the prospects of most entities in the industry



Metrics and technical protocols were likely to result in the disclosure of material information across a variety of jurisdictions

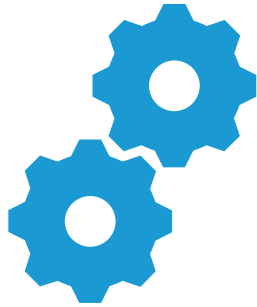


Challenges in applying the metrics could be resolved through better alignment with IFRS S1 or IFRS S2, or by improving interoperability or alignment with sustainability-related standards and frameworks



Metrics and technical protocols could be simplified or clarified

Interoperability considerations



While developing the proposed amendments, the **ISSB maintained a dialogue with the GRI, EFRAG and the TNFD** to inform interoperability and alignment.

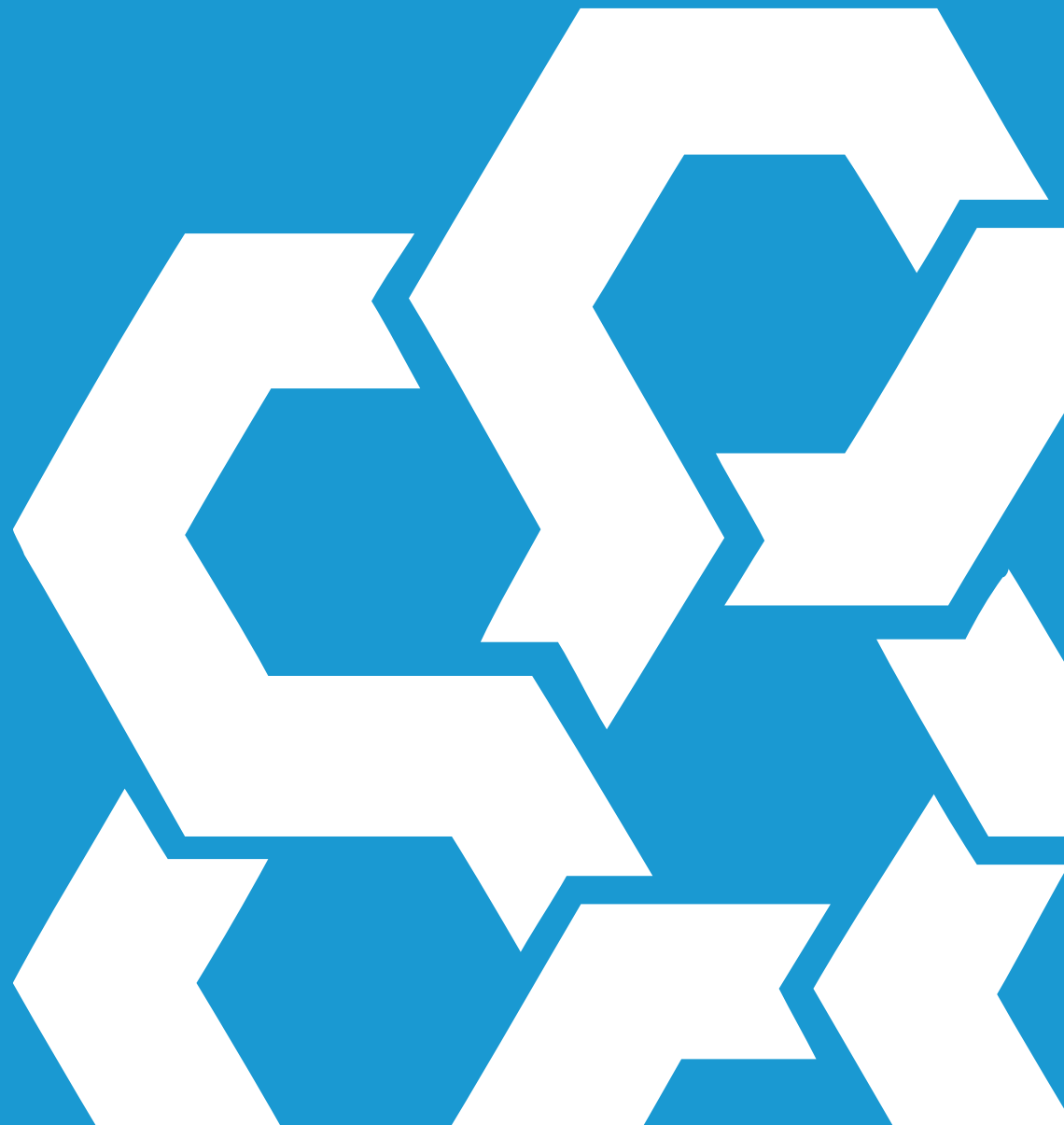


Appendix B in the *Basis for Conclusions on Proposed Amendments to the SASB Standards* provides an overview of the metrics where interoperability with the **GRI Standards** and alignment with the **TNFD disclosure recommendations** have led to proposed amendments to the SASB Standards.



The ISSB is now **seeking specific input** from stakeholders on how the proposed amendments would affect the SASB Standards' interoperability and alignment with other sustainability-related standards or frameworks.

Overview of proposed amendments



Updates to the Extractives sector – highlights

Proposed improvements

Focus on **decision-useful** information for investors led to revisions to metrics for existing disclosure topics:

- Air quality
- Energy management
- Water management
- Ecological impacts
- Workforce health & safety
- Product innovation
- Critical incident risk management

Revision of metrics in **Oil & Gas – Services** industry to better reflect business activities

Interoperability

Improved interoperability with **GRI Standards** and alignment with the **TNFD Recommendations**, for example:

- Common disclosure with GRI Standards on water and air quality
- Integration of concepts from TNFD on ecological impacts

Connectivity and consistency

- Simplification of **reserves-related metrics** and alignment with approach in financial disclosures
- Leveraging of language and concepts in IFRS S1 and S2
- Removal of minor differences between industries

Proposed additions

In response to investor and preparer input, new disclosures in these industries:

- Coal Operations (operations in conflict areas; methane)
- Construction materials (supply chain mgmt)
- Iron & Steel (labour practices)
- Metals & Mining (supply chain mgmt.)
- Oil & Gas – E&P (methane)
- Oil & Gas – Midstream (Workforce health & safety; methane)

Proposed updates to air quality metrics

Example of current approach:

EM-MM-120a.1 *Air emissions of the following pollutants: NO_x, SO_x, VOCs, PM10, Hg, Pb*



Example of proposed approach:

EM-MM-120a.1. Air pollutant emissions of: (1) NO_x (excluding N₂O), (2) SO_x, (3) volatile organic compounds, (4) hazardous air pollutants and (5) particulate matter

Key changes

- ✓ **Broadening of pollutant categories:** feedback indicated that relying on specific elements like lead or mercury could potentially overlook other pollutants, while also failing to provide material information to investors. Proposal includes broader, simpler set of categories
- ✓ **Disaggregation of PM10 and PM2.5:** investor interest in PM2.5 given recent changes in laws and regulations in some jurisdictions
- ✓ **Interoperability:** New pollutant categories align with those in GRI 305

Updates to the Processed Foods industry – highlights

Proposed improvements

Focus on **decision-useful** information for investors led to revisions to metrics for existing disclosure topics:

- Energy management
- Water management
- Food safety
- Product labelling & marketing
- Health & nutrition
- Packaging management

Interoperability

Improved interoperability with **GRI Standards** and alignment with the **TNFD Recommendations**, for example:

- Common disclosure with GRI Standards on water
- Integration of concepts from TNFD on deforestation- and conversion-free products

Proposed addition

In response to investor and preparer input, new **Product Innovation** topic to provide insight into strategies around more sustainable food products

Proposed revisions to supply chain disclosures

Reorganised disclosure topics and replaced current metrics with new ones to better capture risks and opportunities relating to:

- Deforestation
- Sustainable agriculture practices
- Human rights due diligence
- Traceability of sourced commodities

Health & Nutrition – Proposed Amendments

Metrics Removed

- **FB-PF-260a.1:** Percentage of products with nutrition or health claims
- **FB-PF-260a.2:** Revenue from products with nutrition or health claims

Metrics Added

1. **FB-PF-260a.3:** Strategy for managing health & nutrition attributes, including targets
2. **FB-PF-260a.4:** Revenue from products classified as healthy by a recognised nutrient profile model.
3. **FB-PF-260a.5:** Revenue from products sold in jurisdictions requiring health warning labels.

Purpose & Rationale

- Reflects **shifting consumer preferences** and **regulatory pressures** (e.g., sugar taxes, warning labels).
- Provides investors with insight into **portfolio healthiness, reputational risks, and regulatory exposure**.
- Enhances **decision-usefulness** and **comparability** across markets.

Targeted amendments - updates to water metrics

Current metric: (1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress

Feedback:

- Aggregate water withdrawal data alone is unlikely to be material information
- Current definition of water stress does not always accurately reflect local water stress conditions



Proposed metric: (1) Total water withdrawal, by source, (2) total water consumed; (3) percentages of water (a) withdrawn and (b) consumed from water-stressed locations

Response:

- Require disaggregation of withdrawals by source (groundwater, seawater, etc.) to provide insight into nature of potential risks and opportunities
- Revise definition of water stress to enhance accuracy of data

Current metric: Number of incidents of non-compliance associated with water quality permits, standards and regulations

Feedback:

- Metric does not provide sufficient information regarding risks associated with water discharges
- Non-compliance incidents may take years to reach conclusion, reducing timeliness of information



Proposed metric: Total water discharged by (1) destination and (2) level of treatment

Response:

- Remove current metric and replace with new metric that provides insights into quantity of discharged water and potential flood risks
- Treatment level provides information on risks arising from impacts on surrounding communities and ecosystems

Amendments would significantly improve interoperability with GRI 303: Water and Effluents 2018

Water metrics: improvements to interoperability with GRI

Proposed SASB metric	GRI Disclosures
<i>(1) Total water withdrawal, by source, (2) total water consumed; (3) percentages of water (a) withdrawn and (b) consumed from water-stressed locations</i>	303-3 Water withdrawal 303-5 Water consumption

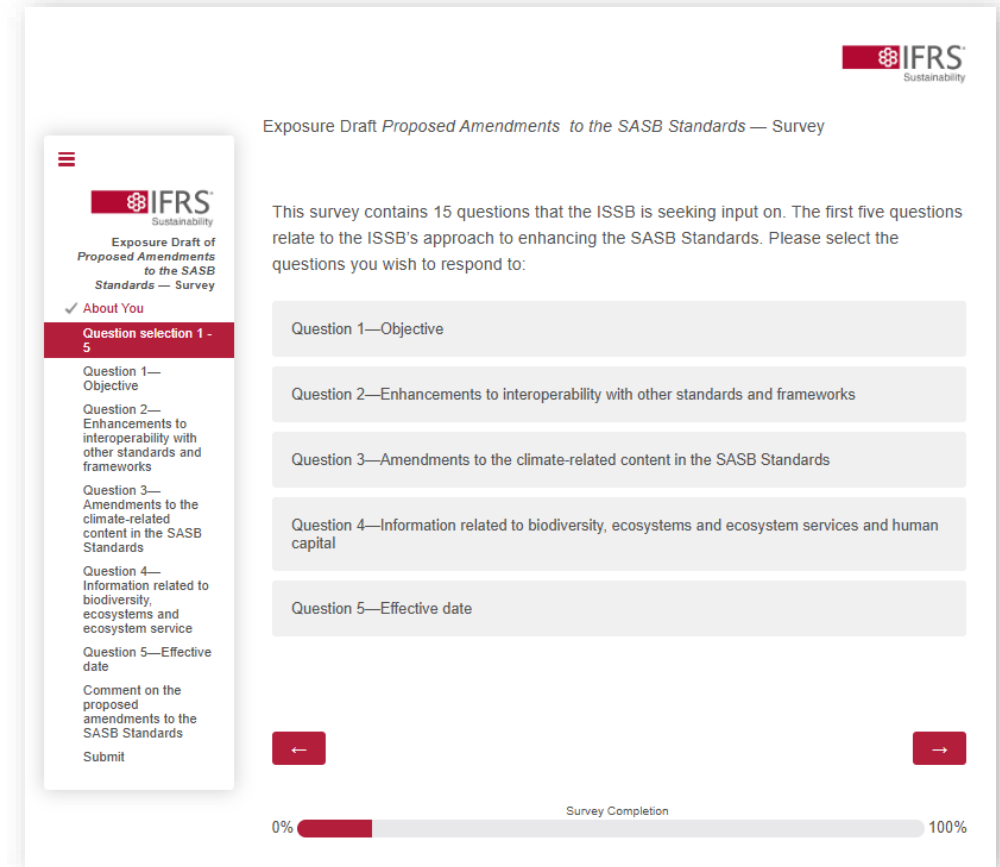
- **Common disclosure** of the same quantitative data related to water withdrawals disaggregated by source and water consumed, including unit of measure
- Verbatim definitions of water withdrawal, water sources, water consumption and water stress
- Shared guidance for assessing water stress and identifying water-stressed locations
- Aligned disclosure of water withdrawn and consumed from water-stressed locations (different unit of measure - % vs absolute)

Proposed SASB metric	GRI Disclosures
<i>Total water discharged by (1) destination and (2) level of treatment</i>	303-4 Water discharge

- **Common disclosure** of the same quantitative data related to discharged water, disaggregated by destination and treatment level
- Verbatim definitions of discharged water and levels of treatment
- Shared guidance for determining level of water treatment

Invitation to comment

- **Proposed approach** to the amendments:
 - Objective
 - Enhancements to interoperability
 - Amendments to climate-related content
 - Information related to ISSB research projects
 - Effective date
- **Each industry** standard:
 - Industry description
 - Disclosure topics
 - Metrics and technical protocols
 - Jurisdictional and interoperability considerations
- **Targeted amendments**:
 - Approach to targeted amendments
 - Metrics and technical protocols
 - Jurisdictional and interoperability considerations



The screenshot displays the IFRS Sustainability survey interface. At the top right is the IFRS Sustainability logo. The title of the survey is "Exposure Draft Proposed Amendments to the SASB Standards — Survey". Below the title, a message states: "This survey contains 15 questions that the ISSB is seeking input on. The first five questions relate to the ISSB's approach to enhancing the SASB Standards. Please select the questions you wish to respond to:". A sidebar on the left lists the questions: "Question 1—Objective", "Question 2—Enhancements to interoperability with other standards and frameworks", "Question 3—Amendments to the climate-related content in the SASB Standards", "Question 4—Information related to biodiversity, ecosystems and ecosystem services and human capital", and "Question 5—Effective date". Below the sidebar, there are five question cards, each with a title and a description. At the bottom of the sidebar, there is a "Submit" button. At the bottom of the main content area, there is a "Survey Completion" progress bar showing 0% completion, with a "Submit" button on the right.

Call to action and next steps



Enhancing the SASB Standards: consultation process



150-day comment period
(30 days longer than usual
comment period for IFRS
Foundation consultations)



Marked up changes to SASB
Standards and accompanying Basis
for Conclusions (usual format for IFRS
Foundation due process documents)
and **clean versions** to assist review



Dynamic **online survey** which allows
stakeholders to respond to specific
areas of interest (for example, focus
industries, interoperability, or topics
including nature, human capital and
climate)



Educational material to support
understanding of how the SASB
Standards are intended to be used by
entities applying ISSB Standards

Next exposure draft: remaining priority industries

- The ISSB is preparing **another exposure draft** of proposed amendments to three further industries prioritised by the ISSB:



Electric Utilities & Power Generators



Agricultural Products
Meat, Poultry & Dairy

- The ISSB expects to publish this exposure draft in **late 2025** or **early 2026**

Q&A

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