Staff paper

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ISSB Meeting

Date	**July 2026**
Project	**Enhancing the SASB Standards**
Topic	**Priorities for the next phase of SASB enhancements**
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Purpose and structure of this paper

1. This paper provides the International Sustainability Standards Board (ISSB) with the staff's analysis and recommendation for 'Phase 2' of the project on Enhancing the SASB Standards. The staff asks the ISSB whether it agrees with the staff recommendation to comprehensively enhance the six SASB Standards in the Technology & Communications SICS® sector for Phase 2.

2. This paper is structured in five parts:

   (a) purpose and structure (paragraphs 1–2);

   (b) background (paragraphs 3–6);

   (c) staff analysis of the options for Phase 2 activities (paragraphs 7–53):

      (i) overview of the options (paragraphs 10–20); and

      (ii) comparison of the options (paragraphs 21–54);

   (d) staff recommendation (paragraphs 55–64); and

   (e) questions for the ISSB (paragraph 65).

Background

3. The ISSB is enhancing the SASB Standards as part of its 2024–2026 work plan. The project is intended to support the implementation of IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures* and to help ensure that the SASB Standards are fit for use by a global audience.[1]

4. In July 2024, the ISSB decided:

   (a) to use a phased approach to enhancing the SASB Standards;

   (b) to start developing exposure drafts of enhancements to an initial set of SASB Standards for 12 prioritised industries and to consider making targeted amendments to other SASB Standards (Phase 1 Exposure Drafts);[2] and

   (c) to research priorities for the second phase of the project (Phase 2) and how to enhance the Sustainable Industry Classification System® (SICS).

5. The staff is currently reviewing the feedback received on the Exposure Draft published in July 2025 (July 2025 Exposure Draft), and the Exposure Draft published in March 2026 is still open for comment. Both of these exposure drafts proposed amendments to SASB Standards alongside amendments to the *Industry-based Guidance on Implementing IFRS S2* to retain alignment between these materials (consequential amendments).

6. At its February 2026 meeting, the ISSB decided to continue the project on Enhancing the SASB Standards and to start planning the next phase of the project. The ISSB also decided to respond separately to strategic stakeholder feedback on the July 2025 Exposure Draft.

[1] As outlined in the June 2024 ISSB Feedback Statement on *Consultation on Agenda Priorities*.

[2] As described in the ISSB *Update* July 2024.

Staff analysis

7. In developing options for Phase 2, the staff considered how the next phase of the project could best further the project objective while remaining consistent with previous ISSB decisions. These options reflect the staff's conclusions regarding how, when and within what boundaries Phase 2 should be conducted.

8. The options described in this paper are based on the following staff conclusions:

   (a) It is important to progress to Phase 2 consistent with the current project objective because stakeholders continue to show broad support for the project.[3]

   (b) Starting Phase 2 now ensures timely progress in improving the SASB Standards where enhancements are necessary and avoids losing the momentum established during Phase 1. It also supports the growing number of jurisdictions that are in the process of adopting ISSB Standards, the application of which is supported by the SASB Standards.

   (c) Phase 2 should be substantially completed prior to the launch of the ISSB's next work plan. Doing so would allow the ISSB to consult on its future priorities before committing significant resources to a specific phase of industry-based research and standard setting that stretches well into the future.[4]

   (d) Consistent with the ISSB's decision at its February 2026 meeting, the ISSB should respond to strategic stakeholder feedback on the role of the SASB Standards separately from the project on Enhancing the SASB Standards. Any ISSB decisions on future priorities for the SASB Standards, including on any changes to their role if necessary, could be informed by feedback to the ISSB's next agenda consultation.

[3] As noted in Agenda Paper 6A for the February 2026 ISSB meeting based on the feedback on the Phase 1 Exposure Draft published in July 2025.

[4] In Agenda Paper 2 for the July 2025 ISSB meeting on the agenda consultation, we noted 'Initiating the [agenda consultation] process in late 2026 would be intended to result in the publication of a request for information in 2027 (and a resulting coverage period beginning at a point in 2028)'.

9. Taken together, these conclusions framed the scope within which the staff developed and assessed the three options presented in paragraphs 10-20.

Overview of the options

10. The staff has developed three options the ISSB could pursue in Phase 2. Each option has a different scope (as summarised in Appendix A) and focus and so has different advantages and disadvantages. The options are:

    (a) Option 1—comprehensively enhance the six SASB Standards in the Technology & Communications SICS sector;

    (b) Option 2—focus on one or more matters across all SASB Standards; and

    (c) Option 3—enhance the industry-topic pairings across all SASB Standards.

Option 1—comprehensively enhance the six SASB Standards in the Technology & Communications SICS sector

11. Under Option 1, the ISSB would comprehensively enhance the six SASB Standards in the Technology & Communications SICS sector. As with the Phase 1 prioritised industries, the scope of the enhancements would include the industry descriptions, disclosure topics, metrics and technical protocols.

12. Investors consistently mention this sector as an area where there is a significant need for improved disclosures. The sector is undergoing rapid structural change and entities in the sector face evolving risks and opportunities, including those arising from changes in technology, dependencies on natural resources such as for semiconductor manufacturing or data centre operations, and social considerations, such as data privacy, the effects of artificial intelligence, and cybersecurity, with significant actual and potential effects on prospects.

Option 2—Focus on one or more matters across all SASB Standards

13. Under Option 2, the ISSB would enhance the disclosure topics, metrics and technical protocols related to one or more matters in several sectors.

14. These matters could be selected based on factors such as investor interest, the volume of stakeholder feedback on the current SASB Standards, and other factors such as significant changes in environmental or social impacts and dependencies that affect entity prospects—such as artificial intelligence, child labour and forced and compulsory labour, nature-related risks and opportunities, or circular economy.

15. At the industry level, existing disclosure topics and metrics would be assessed to determine whether they appropriately support entities in identifying the sustainability-related risks and opportunities related to those matters that could reasonably be expected to affect their prospects, and disclosing material information about them. The need for new disclosure topics and metrics would be considered if the existing content does not adequately address those matters.

16. Although the matters would be considered across all industries, proposed amendments would be limited to those industries for which revised disclosures would help entities to provide more decision-useful information to investors.

17. The number and scope of the matters selected will influence the resources required by the ISSB and its stakeholders, while also influencing the breadth of the SASB Standards covered by the enhancements.

Option 3—Enhance the industry-topic pairings across all SASB Standards

18. Under Option 3, the ISSB would perform a comprehensive review of the industry description (and therefore the accompanying industry classification per SICS) of each SASB Standard, alongside the accompanying disclosure topics.

19. The review would examine whether the current industries and disclosure topics remain suitable and useful across all SASB Standards. Metrics and technical protocols

would specifically be outside the scope of this work. Particular attention would be given to whether the current industries and disclosure topics would have international applicability, including adequately reflecting the business models of entities in emerging markets and developing economies.

20. The review would involve assessing whether business activities are missing from the SASB Standards and the SICS classification system, and whether any industries should be aggregated or disaggregated. Disclosure topics would be added, revised or removed based on their relevance to entity prospects.

Comparison of the options

21. The staff compared the three options in terms of investor need, interaction with the current work plan, expected execution risk, the capacity of the ISSB and its stakeholders to research and consult on proposed amendments, and likely usefulness of the resulting enhancements.

Option 1—Comprehensively enhance the six SASB Standards in the Technology & Communications SICS sector

Advantages of Option 1

Priority sector addressing topics of broader interest

22. When using the industry selection criteria developed during Phase 1 of the project, the Technology & Communications sector emerged as a top priority.[5]

23. Investors have underscored the need for the SASB Standards to be relevant and fit for purpose. Members of the ISSB's Investor Advisory Group identified the Technology & Communications SICS sector as a priority for enhancing the SASB Standards, through stakeholder surveys and informal engagement.

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[5] When deciding which industries to prioritise in Phase 1 of the project on Enhancing the SASB Standards, the ISSB applied selection criteria consistent with those used in its inaugural agenda consultation. These criteria, which were discussed in the context of the project on Enhancing the SASB Standards at the ISSB's July 2024 meeting, are presented in Appendix B.

24. Entities in this sector are exposed to large-scale changes, such as the widespread adoption of artificial intelligence in their products and operations. Entities are also facing new regulations regarding data governance and are highly dependent on access to reliable, affordable energy and natural resources such as water and critical minerals.

25. Another reason the Technology & Communications sector is likely to be important to prioritise from an investor perspective is because of its overall influence on their portfolios. This sector is the largest sector of the S&P Global 1200 index by a distance.[6]

26. Option 1 could also leverage research findings from the ISSB's projects on Nature-related Disclosures and Human Capital. The sector is exposed to a large range of human capital-related risks and opportunities—hardware and value-chain considerations or the effects of artificial intelligence on the workforce are particularly relevant for this sector.

27. The International Accounting Standards Board (IASB) has an active project on IAS 38 *Intangible Assets*. Given that intangible assets (recognised and unrecognised) create a significant portion of the value of entities in the Technology & Communications sector, there could be opportunities for shared learnings between the two projects and to consider how information reported in the financial statements in accordance with IFRS Accounting Standards relates to information that would result from applying the SASB Standards to support implementation of IFRS S1 and IFRS S2.[7]

Focused sectoral approach

28. Replicating the sectoral approach of Phase 1 would maintain efficiency of project execution. The staff has observed during the ongoing consultation on the remaining Phase 1 industries that stakeholders are becoming more familiar with a sector-based approach and the structure of the consultation, which helps them to engage more

[6] As of 30 April 2026, companies from the Technology & Communications sector represent 38% of the S&P1200 index by market capitalisation. The Financials sector is the second largest and represents 16% of the index.

[7] Further details on the IASB's project on Intangible Assets are available here.

efficiently and to provide more focused feedback. Using a consistent, repeatable process for enhancing the Standards over time allows the ISSB to build and iterate on established methods and enables stakeholders to draw on their experience from earlier consultations, creating efficiencies on both sides. Such efficiencies were also evident in the sector-based approach for the initial development of the SASB Standards.

Low execution and resourcing risk

29. Focusing on a single sector also responds to feedback that the ISSB's multi-sector approach to Phase 1 made stakeholder engagement more challenging.[8] For example, some of the comments on the July 2025 Exposure Draft related to the complexity created by combining comprehensive amendments to the prioritised SASB Standards with targeted amendments affecting many industries.[9] Enhancing the Standards effectively requires sufficient industry-specific feedback on each SASB Standard, which is difficult to obtain within a reasonable consultation period when many industries are affected at once. Amendments affecting many industries also requires engagement across many more stakeholders, which can be difficult during a period when many interested parties are focused on implementing ISSB Standards and/or other sustainability reporting requirements. Concentrating on the industries within a single sector would make consultation and engagement more manageable by reducing the complexity and volume of content.

30. The staff estimates that given the number of industries in this sector, a substantial portion of the work under Option 1 can be completed prior to the launch of the ISSB's next work plan. The work will also benefit from targeted amendments conducted in Phase 1 that would apply to some of the topics for industries in this sector. The estimated timeline of Option 1 allows work to proceed in parallel, in which the ISSB would complete Phase 1 while also advancing work on the Phase 2 prioritised sector. This is also manageable for the market, as the Technology & Communications sector

[8] Phase 1 involves a comprehensive review of 12 SASB Standards spread across three sectors. The Extractives & Minerals Processing sector is the only sector of the three subject to a comprehensive review. The review also involves targeted amendments to another 41 SASB Standards.

[9] As detailed in Agenda Paper 6A from the February 2026 ISSB meeting.

is distinct from the Phase 1 sectors—so finalising Phase 1 and starting Phase 2 would largely draw on different groups of preparers and investors rather than repeatedly on the same ones.

Broad overall coverage

31. The staff estimates that Phase 1 and Option 1 for Phase 2 together would achieve comprehensive enhancements for around 40% of all metrics in the SASB Standards and cover industries representing roughly 48% of the S&P 1200 Global Index market capitalisation as of 30 April 2026.

Risks and mitigating factors for Option 1

32. Prioritising one sector could lead the market to expect that the ISSB will continue its review sector by sector, until all 77 SASB Standards have been enhanced. However, the ISSB could choose to take a different approach in the future—particularly in the light of the upcoming agenda consultation. The ISSB would manage this expectation through clear communication that this sector approach applies only for Phase 2 at this time, until the ISSB makes any further decisions on its longer-term approach to the SASB Standards and their enhancement.

33. While the sector represents a significant share of global market capitalisation, much of this economic value is concentrated in a relatively small number of jurisdictions and companies. For example, 20 companies represent 74% of the market capitalisation of the sector in the S&P 1200 Global Index, of which 16 are located in the United States and three in the largest Asian economies.[10]

34. Although the headquarters of the largest preparers are geographically concentrated, the sector remains of interest to investors regardless of their jurisdiction. Additionally, these companies' operations and integration in value chains of other companies are global and affect stakeholders in many jurisdictions. The ISSB could address concerns regarding potential jurisdictional bias through seeking global representation and input across jurisdictions during the consultation process. Lastly, staff thinks that a degree

[10] These numbers are as of 30 April 2026.

of jurisdictional concentration is likely to be a feature of industry-based standard-setting generally. For example, during Phase 1 consultations, the ISSB observed that some industries – for example, metals and mining – play prominent roles in the economies of some jurisdictions, but not others.

Option 2— Focus on one or more matters in all SASB Standards

Advantages of Option 2

35. Option 2 addresses sustainability-related risks and opportunities that are relevant for multiple sectors. Evaluating these matters using a 'bottom up' approach across all sectors—rather than conducting isolated sector-by-sector reviews—would provide the ISSB with a way to address matters that are of significant interest to investors but not adequately captured in the current body of SASB Standards.

36. This option could also respond to stakeholder interest—particularly from some jurisdictions—in stronger links between the project on Enhancing the SASB Standards and the projects on Nature-related Disclosures and Human Capital. For example, if the ISSB were to prioritise nature-related matters, this option could strategically support the ISSB's project on Nature-related Disclosures, given that the ISSB decided that the proposed Practice Statement on nature-related disclosures would note the reference to the SASB Standards as a source of guidance for nature-related metrics.[11] When combined with the Phase 1 enhancements – particularly on matters like water management and ecological impacts – this work could provide updated guidance that helps entities disclose useful industry-specific information related to nature.

37. Similarly, this option could complement the ISSB's project on Human Capital. There is clear evidence that investors need improved industry-specific information on several human-capital-related topics, such as workers in business relationships and

[11] For more information regarding how the SASB Standards relate to the ISSB's project on Nature-related Disclosures, see Agenda Paper 3A from the ISSB's March 2026 meeting regarding nature-related metrics and Agenda Paper 3C from the ISSB's June 2026 meeting regarding sources of guidance for metrics.

health and safety.[12] The ISSB has been able to address some of these areas through Phase 1, but Option 2 would allow the ISSB to more comprehensively leverage the findings of the Human Capital project.

38. Option 2 could provide some efficiencies given current project timelines. For example, if Phase 2 on Enhancing the SASB Standards proceeds in parallel with the finalisation of standard setting under the ISSB's Nature-related Disclosures project and/or with further progress on the ISSB's Human Capital project, and the ISSB selects one of these matters for review across all SASB Standards, this could support greater coordination and consistency among the ISSB's projects. Similarly to the benefits of the targeted amendments approach under Phase 1, Option 2 would also support a consistent approach to these matters across the SASB Standards, avoiding unnecessary discrepancies that might arise from a sector-by-sector approach.

Risks and mitigating factors for Option 2

39. Conducting research and gathering informed, industry-specific feedback down to the metric level from stakeholders in many industries could present significant technical and logistical challenges and require considerable time and resources from both the ISSB and its stakeholders. This risk is most acute for a broader matter, which affects the greatest number of SASB Standards in diverse ways; a narrower scope could involve fewer industries and lead to a more focused consultation.

40. We experienced challenges with obtaining feedback on the targeted amendments that affected many industries in the July 2025 Exposure Draft. Some jurisdictions have highlighted the difficulty of gathering industry-specific input from many sectors of their economies. If the ISSB were unable to obtain industry-specific perspectives in sufficient quantity or quality, the resulting topics and metrics would rest on a weaker evidence base. This risk could be mitigated by excluding metrics and technical protocols from the scope, but the drawbacks of a disclosure-topics-only approach set

[12] As detailed in [Agenda Paper 4] from the December 2025 ISSB meeting. Workers in business relationships apply to workers in the upstream and downstream value chain.

out in Option 3 would then apply and the amount of content addressed through Phase 2 would be more limited. The ISSB could also focus on more narrow-scope matters, but this could limit the overall usefulness of the resulting enhancements to investors.

41. It could also be difficult to evaluate a disclosure topic appropriately without having first reviewed the relevant industry description and related industry classification boundaries. The industry classification and related description provide the necessary context for determining whether, and how, a disclosure topic should be included in the Standard. Addressing a topic across all 77 SASB Standards without that grounding could risk introducing disclosures that are not well-calibrated to each industry.

42. Although Option 2 would be rooted in an industry-based approach, because of the topical lens applied to enhancing the SASB Standards under this approach, some stakeholders could perceive it as the ISSB stepping back from its position regarding the importance of industry-specific information. The ISSB could mitigate this risk by being clear in its communications about the industry-based approach that would still be applied in undertaking the enhancements and how that is complementary to IFRS S1 and IFRS S2 as well as the thematic work being undertaken in other projects.

Option 3—Enhance the industry-topic pairings across all SASB Standards

Advantages of Option 3

43. Option 3, which would focus on enhancing the industry descriptions, classifications and disclosure topics in all the SASB Standards, could help to build stakeholder consensus around SICS and strengthen the foundation of the ISSB’s industry-based materials across all sectors. It may also increase engagement by reducing the volume of detailed materials that stakeholders would be asked to engage with.

44. The comprehensive review of the SICS classification system responds to longstanding concerns raised by some jurisdictions regarding the international applicability of the industry groupings. Addressing these concerns directly could support the international applicability of the ISSB's industry-based materials as part of the global baseline.

45. In addition, this option would support a core use case of the SASB Standards: helping investors and preparers identify, by industry, sustainability-related risks and opportunities that could reasonably be expected to affect an entity's prospects.

46. Detailed metrics and their associated technical protocols are the most technically challenging aspect of the ISSB's industry-based work. By prioritising disclosure topics, the ISSB could efficiently drive enhancements to its industry-based guidance while:

    (a) allowing more time for consensus to emerge on the underlying metrics; and

    (b) allowing the ISSB to consider the concerns raised by some stakeholders in response to the Exposure Draft published in July 2025—on the prescriptiveness and international applicability of the metrics—alongside the broader questions on the future role and status of the SASB Standards, outside this project.

47. In addition, for newer topics or in areas in which refreshed metrics are not yet available, this approach could also enable interoperability, as preparers could use metrics from other standards or frameworks (provided that the resulting information meets the needs of investors in respect of disclosure topics as described), as permitted under IFRS S1.

Risks and mitigating factors for Option 3

48. Because the scope of this work would exclude metrics and technical protocols, the practical usefulness of the resulting enhancements could be limited (at least in the near term) because they would not address investors' need for comparable information through high-quality, industry-based metrics.

49. Additionally, not enhancing metrics during Phase 2 could undermine the SASB Standards' role in the ISSB's Standards and the ISSB's ongoing project on Nature-related Disclosures. For example:

(a) the SASB Standards are referenced in IFRS S1 as a source of guidance for identifying material information to disclose about the sustainability-related risks and opportunities that an entity has identified, including the industry-based metrics required by IFRS S1;

(b) the SASB Standards are the basis for the *Industry-based Guidance on Implementing IFRS S2*, which IFRS S2 requires an entity to refer to and consider in determining industry-based metrics to disclose; and

(c) in the ISSB's Nature-related Disclosures project, the ISSB confirmed investors' need for industry-based nature-related metrics and discussed that the SASB Standards are a useful source of guidance in addressing those needs.

50. While a preparer might be able to use other standards and frameworks to disclose metrics, those other standards and frameworks referred to as sources of guidance in IFRS S1 are not designed solely with an investor focus. The industry-specific lens provided by the SASB Standards, along with their focus on the information needs of investors, can sometimes mean that standardised metrics may be unavailable for particular disclosure topics outside of the SASB Standards.

51. This approach comes with other trade-offs in terms of completeness: a phase of work focused on industry-topic pairings could identify the need for a new SASB Standard on an industry not currently addressed by the Standards, but the ISSB would not be able to devote resources to developing the associated metrics and technical protocols for that Standard within the same phase.

52. Focusing only on industries and disclosure topics would also create an inconsistency across the body of Standards, with some SASB Standards having updated metrics (following completion of Phase 1) and others not.

53. Like Option 2, the consultation process would pose challenges related to the complexity attached to engaging the market across all 77 industries. The staff thinks that consulting on the entire body of 400+ industry-topic pairings would require significant time and resources from the ISSB and its stakeholders in order to be

successful and supported by the market at large. However, the staff's view is that the process of consulting on industry-topic pairings would likely be a simpler exercise than evaluating the detailed guidance underlying industry-specific metrics in many industries per Option 2.

Staff recommendation

54. On balance, staff recommends that the ISSB choose Option 1 and comprehensively enhance the six SASB Standards in the Technology & Communications SICS sector for Phase 2. All three options would further the objectives of the project. However, they differ meaningfully in scope, risk and estimated timeline, and those differences make Option 1 the best of the three at this stage of the project.

55. The staff thinks that Option 1 is the most efficient use of the team's resources, would be less burdensome for stakeholders and has the lowest execution risk. It builds directly on the sector-based approach used in Phase 1, with which stakeholders have become increasingly familiar. The staff thinks that this approach could be executed alongside the completion of the redeliberation of the Phase 1 proposed amendments in an efficient manner for the ISSB and its stakeholders.

56. Options 2 and 3 would instead require simultaneous research and engagement for most or all 77 SASB Standards, requiring a relatively large use of the ISSB's (and its stakeholders) resources and possibly delaying the start of Phase 2 until Phase 1 redeliberations have been substantially completed. This also risks replicating the complexity of the Phase 1 targeted amendments—an aspect of Phase 1 that stakeholders found challenging.

57. Critically, Option 1 has the timeline that best fits within the scope of the current project on Enhancing the SASB Standards. Because it is relatively less resource-intensive and should be comparatively shorter in duration than Options 2 and 3, Option 1 offers the ISSB more flexibility to reallocate resources in the future based on stakeholder feedback on its next agenda consultation. It also provides the ISSB with

more flexibility to address the strategic feedback that stakeholders raised in Phase 1 in the context of the ISSB's overall future work plan, considering resource allocation for all its projects.

58. There is also clear and evidenced demand for enhancing the SASB Standards for the Technology & Communications sector as discussed in paragraphs 25–29.

59. The staff acknowledges that Options 2 and 3 have strategic attractions. Option 2 could be designed to directly complement the projects on Nature-related Disclosures or Human Capital, and Option 3 would assist in addressing longstanding concerns about the international applicability of the SICS classification system. On balance, however, the staff concludes that at this point in time, these benefits do not outweigh the higher resource demands, nor the longer and less certain timelines associated with those options.

60. Option 2 carries a greater risk that amendments would not be sufficiently calibrated to specific industries if the work were undertaken without first reviewing the related industry descriptions and boundaries. That lack of calibration would weaken the industry specificity that investors value. The usefulness of disclosures resulting from Option 2 also depends upon how the phase of work is scoped.

61. Option 3, though valuable as a structural exercise, would exclude metrics and technical protocols, which would limit the practical utility of the resulting disclosures for an uncertain period and may not meet investor demand for comparable, high-quality information. This includes demand for industry-specific metrics, which IFRS S1 and IFRS S2 require disclosures on.

62. Option 1 allows the ISSB to design the SASB Standards through a more 'complete' industry-specific lens, supporting the role they play in helping an entity identify all of the sustainability-related risks and opportunities that could reasonably be expected to affect its prospects, and identifying material information about them.

63. The staff also notes that Option 1 captures some of the benefits of the other options, partly due to the particular choice of sector – for example, in drawing on the Nature-

related Disclosures and Human Capital projects' research for the Technology & Communications sector, and incorporating elements of Option 3 in building a foundation for further development of the ISSB's industry-based materials – without their principal drawbacks. Prioritising this sector would also build the ISSB's understanding of rapidly evolving areas such as artificial intelligence. This knowledge could inform the next agenda consultation and future updates to other industries affected by these developments.

64. The staff has considered the risks associated with Option 1, including the expectation it might create that the ISSB will continue the work sector by sector, and the geographic concentration of the sector. The staff concludes that these risks can be managed—for example, by setting out an explicit rationale for the choice and by ensuring robust global engagement and feedback.

Questions for the ISSB

65. The staff presents the following questions for the ISSB.

Questions for the ISSB
1. Do ISSB members have any questions or comments on the analysis in this paper? 2. Does the ISSB agree with the staff recommendation to comprehensively enhance the six SASB Standards in the Technology & Communications SICS sector (Option 1) for Phase 2 of the project on Enhancing the SASB Standards?

Appendix A – Options summary

	Option 1	Option 2	Option 3
Overview	Comprehensively enhance the six SASB Standards in the Technology & Communications SICS® sector	Enhance the disclosure topics and metrics related to one or more matters across all SASB Standards	Enhance the industry-topic pairings across the SASB Standards, focusing on the international applicability of SICS and relevance of disclosure topics
Industry scope	Six SASB Standards of the Technology & Communications SICS sector	Matters considered across all 77 Standards, with amendments targeted to relevant industries	All 77 SASB Standards
Elements of the SASB Standards in scope for amendment			
Industry classification (SICS®)	✓ (for the sector)	–	✓
Industry description	✓	–	✓
Disclosure topics	✓	✓	✓
Metrics	✓	✓	–
Technical protocols	✓	✓	–

Appendix B–Criteria for the prioritisation of industries used in Phase 1

B1. As detailed in Agenda Paper 6 from the June 2024 ISSB meeting, the ISSB discussed the set of criteria to assist in prioritising the work on enhancing the SASB Standards and provided guidance to the staff regarding further work and prioritisation.

B2. At that meeting, the ISSB discussed applying the same criteria it uses to assess the projects added to its work plan. For Phase 1 of the project, these criteria included:

(a) indicators of an industry's importance to investors;

(b) volume of overall stakeholder feedback;

(c) prioritisation by other standard-setting bodies;

(d) prevalence of disclosure topics and metrics related to nature and human capital in each industry;

(e) previous research or legacy projects of the SASB Standards Board;

(f) disclosure analysis of entities that are applying the SASB Standards;

(g) industries with a high concentration of frequently occurring metrics that are similar or identical to metrics identified in multiple SASB Standards; and

(h) internal resourcing considerations.