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## ISSB Meeting

Date	<b>May 2026</b>
Project	<b>Enhancing the SASB Standards</b>
Topic	<b>Feedback summary—industry descriptions and disclosure topics in the SASB Standards in the Extractives &amp; Minerals Processing sector</b>
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## Purpose

1. This paper provides the International Sustainability Standards Board (ISSB) with a summary of the feedback on the **industry descriptions, industry classifications and disclosure topics** for the SASB Standards in the Extractives & Minerals Processing Sector proposed in the [Exposure Draft on Proposed Amendments to the SASB Standards](#) (SASB Exposure Draft).
2. Agenda Paper 6 provides background and context on the project on Enhancing the SASB Standards and sets out the structure of the agenda papers for this meeting.
3. The ISSB will not be asked to make any decisions during this session. The staff will present further analysis and recommendations in future ISSB meetings.

## Structure of the paper

4. This paper is structured as follows:

- (a) Key takeaways (paragraphs 5-10);
- (b) Summary of stakeholder feedback on industry descriptions, industry classifications and disclosure topics (paragraphs 11-61):
  - (i) Question 6—*Coal Operations* SASB Standard (paragraphs 14-19);
  - (ii) Question 7—*Construction Materials* SASB Standard (paragraphs 20-24);
  - (iii) Question 8—*Iron & Steel Producers* SASB Standard (paragraphs 25-29);
  - (iv) Question 9—*Metals & Mining* SASB Standard (paragraphs 30-37);
  - (v) Question 10—*Oil & Gas – Exploration & Production* SASB Standard (paragraphs 38-44);
  - (vi) Question 11—*Oil & Gas – Midstream* SASB Standard (paragraphs 45-49);
  - (vii) Question 12—*Oil & Gas – Refining & Marketing* SASB Standard (paragraphs 50-56);
  - (viii) Question 13—*Oil & Gas – Services* SASB Standard (paragraphs 57-61);  
and
- (c) Questions for the ISSB (paragraph 62).

## Key takeaways

5. For all eight industries in the Extractives & Mineral Processing sector, most respondents agreed that the proposed amendments improve the relevance and clarity of each SASB Standard and will help preparers identify, and provide material information about, sustainability-related risks and opportunities.
6. Most stakeholders agreed that the proposed industry descriptions in each SASB Standard effectively capture core business activities of the relevant industry and were supportive of the industry classifications as set out in the Sustainable Industry

Classification System<sup>®</sup> (SICS). Some respondents provided detailed suggestions for additions and removals of business activities, which they stated could further help preparers identify which SASB Standards to refer to and consider—particularly for integrated and diversified entities, non-traditional or hybrid business models, and edge cases. In the staff’s view, the benefits of greater specificity in these industry descriptions – such as improving clarity – should be weighed against potential risks, such as unintentionally narrowing the scope of a classification.

7. Most respondents agreed that the proposed disclosure topics capture relevant sustainability-related risks and opportunities in each industry. Many investors, accounting firms, and standard-setters welcomed the proposed addition of the Labour Practices and Workforce Health & Safety disclosure topics in the *Iron & Steel Producers* and *Oil & Gas – Midstream* SASB Standards, respectively.
8. Beyond the proposed amendments, respondents also recommended that the ISSB add more disclosure topics, including:
  - (a) *Coal Operations* SASB Standard—Most investors who commented on this industry recommended adding an air quality disclosure topic.
  - (b) *Construction Materials* SASB Standards—A few respondents, including one investor, suggested adding disclosure topics on community relations & rights of Indigenous Peoples, and business ethics;
  - (c) *Metals & Mining* SASB Standard—Many respondents, including some investors, suggested adding a new disclosure topic regarding mine closure and rehabilitation. Many respondents also suggested broadening the scope of the Greenhouse Gas Emissions disclosure topic to cover other climate-related transition risks and opportunities beyond those related to direct emissions, including value-chain emissions and the role of critical minerals;

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- (d) *Oil & Gas – Exploration & Production* SASB Standard—Some investors suggested adding an energy management disclosure topic; and
  - (e) in the *Oil & Gas – Midstream* SASB Standard—Some respondents, including one investor, requested adding a climate resilience disclosure topic. Another investor suggested adding a hazardous materials management disclosure topic.
9. Related to these suggestions, some respondents indicated a desire for more clarity regarding the basis on which disclosure topics are included in, or excluded from, specific SASB Standards in the Extractives & Minerals Processing sector. This feedback suggests the ISSB could consider further articulating the rationale for these industry-specific disclosure topics in the future.<sup>1</sup>
10. In the oil and gas-related SASB Standards, respondents also requested clearer guidance on how the Standards apply to complex ownership, control and contractual structures, including joint ventures, non-operated assets, subcontractor models and production-sharing arrangements, to clarify whether specific activities and assets are in scope for disclosure. Additionally, respondents suggested that industry descriptions explicitly address the inclusion or exclusion of emerging activities, such as carbon capture and storage, hydrogen-based steelmaking and lithium brine operations, to ensure consistent application across diversified groups.

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<sup>1</sup> The current rationale for disclosure topics in the SASB Standards is informed by the historical standard-setting decisions and the SASB Rules of Procedure. Further articulation of the basis for inclusion or exclusion of disclosure topics will be subject to future ISSB discussion.

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## Summary of stakeholder feedback on industry descriptions, industry classifications and disclosure topics

11. The analysis in this section is organised primarily by the questions in the Invitation to Comment of the SASB Exposure Draft which are outlined in paragraph 11 of Agenda Paper 6. For each SASB Standard in the Extractives & Mineral Processing sector, this analysis summarises whether stakeholders agreed with:
  - (a) the proposed amendments overall;
  - (b) the proposed industry description and classification; and
  - (c) the proposed disclosure topics.
12. Agenda Paper 6B provides a summary of stakeholder feedback on proposed amendments to metrics in the SASB Standards in the Extractives & Mineral processing sector.
13. Paragraphs 8-10 of Agenda Paper 6 explain the staff's approach to analysing and quantifying the feedback (such as use of the terms 'some', 'most' and 'many'). These phrases are used to describe the proportion of responses to the specific question, not the number of responses to the SASB Exposure Draft as a whole. Not all respondents to the SASB Exposure Draft responded to each question in the Invitation to Comment.

### **Question 6—Coal Operations SASB Standard**

14. Most respondents agreed with the proposed amendments to the *Coal Operations* SASB Standard. These respondents stated that the amendments would improve the relevance, clarity and decision-usefulness of information by better reflecting sustainability-related risks and opportunities for entities in the industry.

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15. Most respondents agreed with the revised industry description, stating that it appropriately reflects the core activities of entities in the industry. The main feedback related to industry classification, specifically whether the description provides sufficient clarity on the treatment of scope boundaries and edge cases. In particular, many preparers and regulators asked the ISSB to clarify how the Standard should apply to integrated and non-traditional business models, including captive coal mines linked to cement or power operations, contract mining arrangements, royalty or lease-based structures, independent coal washing and beneficiation plants, and support-service activities. These respondents sought clearer guidance on which activities fall within the industry classification, and how the Standard should be applied where coal-related activities form part of a broader or integrated business model. A few respondents, primarily accounting firms and standard-setters, suggested that the ISSB consider whether coal mining and coal processing should be separate industry classifications given their different sustainability-related risk profiles.
  16. Many stakeholders stated that the proposed disclosure topics capture the sustainability-related risks and opportunities that could reasonably be expected to affect an entity's prospects in the industry.
  17. Respondents who disagreed stated that the Standard should include additional topics or broader coverage in some areas. Most investors, along with some public-interest bodies and standard-setters, questioned the absence of a disclosure topic and associated metrics related to air quality. These respondents stated that the pollutant emissions from coal operations could create exposure to regulatory actions, compliance costs, litigation risk, and community opposition, and therefore could reasonably be expected to affect the prospects of an entity in the industry.
  18. Some respondents, including one investor and one accounting firm, suggested that the Standard include additional energy-related information. However, this feedback did not

coalesce around a clear recommendation for a new energy management disclosure topic. Instead, their comments pointed to different aspects of the issue: some sought more information on purchased energy and the carbon intensity of power used,<sup>2</sup> while others referred more broadly to the industry's overall energy intensity.<sup>3</sup> The staff note that some energy-related risks are already reflected through the Greenhouse Gas Emissions disclosure topic, particularly where they arise from direct fuel combustion and associated emissions.

19. Some respondents, including standard-setters, raised the importance of aligning the proposed amendments with jurisdiction-specific considerations, including regulatory requirements, related to the rights of Indigenous Peoples. Some respondents based in Canada suggested that a disclosure topic and associated metrics solely focused on Indigenous Peoples would best reflect the distinct importance of associated risks and opportunities in that jurisdiction. On the other hand, some respondents based in Africa noted jurisdictional differences in legal recognition of Indigenous Peoples and indicated that by only requiring reserve-related proximity metrics in relation to these groups, the metrics risk omitting other local communities who may influence an entity's operations. To reflect these variations in both regulatory requirements and designations of Indigenous Peoples, some respondents suggested it may be necessary for the ISSB to allow more flexibility in the disclosure to improve international applicability and capture all communities relevant to an entity's sustainability-related risks and opportunities.<sup>4</sup> This feedback was also highlighted in [Agenda Paper 3B](#) for the ISSB's April 2026 meeting in the context of nature-related risks and opportunities.

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<sup>2</sup> IIGCC stated: 'Coal mining is, like other forms of mining, very energy intensive... This would help investor understand the energy efficiency of operations and carbon intensity of power used.' Comment letter 145: Institutional Investors Group on Climate Change (IIGCC).

<sup>3</sup> Deloitte Global noted that 'significant energy (diesel or electricity) is used by large vehicles that transport waste byproducts and coal ore.' Comment letter 174: Deloitte Global.

<sup>4</sup> The Community Relations & Rights of Indigenous Peoples disclosure topic is also included in the *Metals & Mining* and *Oil & Gas – Exploration & Production* SASB Standards. Stakeholder feedback regarding alignment with jurisdiction-specific regulatory requirements was consistent for all three industries in which this disclosure topic appears.

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**Question 7—Construction Materials SASB Standard**

20. Most respondents agreed with the proposed amendments to the *Construction Materials* SASB Standard, stating that they improve the decision-usefulness and international applicability of the Standard by updating important disclosure topics and metrics for the industry.
21. Almost all respondents agreed with the proposed industry description and classification. A few respondents, mainly standard-setters, suggested clarifying the scope of the classification. Specifically, they questioned whether the classification is intended to cover standalone quarrying, natural stone, and gypsum producers, and whether the wording in the industry description may inadvertently capture non-mineral-based products such as plastic-based materials, petroleum-based insulation and roofing products. These respondents generally sought clearer boundaries for the classification, rather than explicitly arguing that such products or activities should be included.
22. Most respondents agreed that the proposed disclosure topics capture the sustainability-related risks and opportunities that could reasonably be expected to affect the prospects of an entity in the industry.
23. Almost all respondents supported the proposed addition of the Supply Chain Management disclosure topic, with some stating that the associated disclosures would provide decision-useful information about how an entity manages environmental and social risks and opportunities in its value chain.
24. Some respondents suggested additional disclosure topics to be included in the Standard. A few respondents, including an investor, suggested adding a community relations & rights of Indigenous Peoples disclosure topic, arguing that in a quarrying- and extraction-intensive industry these matters can affect an entity's prospects through permitting, land-use constraints, and risks related to the social licence to operate.

25. A few respondents also suggested adding a Business Ethics disclosure topic to provide information about anti-corruption and related governance risks, noting associated effects on reputational standing, regulatory compliance costs and market access. One respondent linked the topic to risks arising from the industry’s large-volume sales to construction entities and wholesalers.

### **Question 8—Iron & Steel Producers SASB Standard**

26. Most respondents agreed with the proposed amendments to the *Iron & Steel Producers* SASB Standard, citing improved decision-usefulness, clarity, comparability and stronger connections with IFRS S1 and IFRS S2, and alignment with other frameworks. Some respondents – particularly investors, accounting firms and standard-setters – supported the amendments but raised concerns about the practicality of some of the proposed metrics and technical protocols.
27. Most respondents, including investors, standard-setters and professional bodies, agreed that the revised industry description and classification capture core iron and steel activities, including both primary production and secondary (recycling) pathways. Some preparers, accounting firms and standard-setters recommended refinements to improve the clarity and international applicability of the description, including:
- (a) clearer differentiation of major steelmaking routes such as blast furnace/basic oxygen furnace, electric arc furnace, and direct reduced iron or hydrogen-based direct reduction pathways;
  - (b) replacing terms such as ‘minimills’ with more internationally applicable terminology, for example ‘electric arc furnace steelmaking facilities’; and
  - (c) expanding product examples to include ‘long products’ such as rebar and structural steel.

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28. Some respondents also questioned whether wholesalers and metal service centres should remain within scope, noting that the proposed disclosure topics and metrics appear primarily designed for producers. A few respondents from emerging markets and developing economies also stated that the industry description assumes a formalised and integrated value chain that may not reflect business structures in some jurisdictions, particularly where scrap-based electric arc furnace production and informal scrap supply chains are more common.
  29. Most respondents agreed that the proposed disclosure topics capture the sustainability-related risks and opportunities that could reasonably be expected to affect entity prospects in the industry. Many investors, accounting firms and standard-setters welcomed the proposed addition of the Labour Practices disclosure topic, noting the topic is decision-useful because labour relations and work stoppages can affect operational continuity and value creation in the industry.
  30. Some respondents, particularly investors and regulators, stated the proposed disclosure topics could better capture industry-specific climate-related transition risks and opportunities. These respondents emphasised that different steelmaking routes and production models, including the role of scrap-based and secondary production, create different risk profiles, affecting an entity's exposure to carbon pricing regulations, capital investment needs, competitiveness and resilience. More detailed feedback on metrics and technical protocols is discussed in Agenda Paper 6B.

### **Question 9—Metals & Mining SASB Standard**

31. Many respondents agreed that the proposed amendments improve the *Metals & Mining* SASB Standard by better reflecting sustainability-related risks and opportunities that could reasonably be expected to affect an entity's prospects, particularly through enhanced coverage of supply chain management, tailings storage management, water

management, ecological impacts and social risks. Investors stated that these amendments would improve analysis of operational resilience, liability exposure and downstream value-chain risk. Some respondents nevertheless stated that important gaps remain, particularly mine closure and rehabilitation and related long-term liabilities, climate resilience and, according to a few respondents, management of the legal and regulatory environment. Respondents also provided a range of other suggestions which could be considered in later stages.

32. Many respondents, including preparers and accounting firms, agreed that the industry description and classification are appropriate, noting they capture core mining value chain activities and help clarify boundaries with adjacent industries, particularly coal operations and iron and steel producers. However, some preparers, standard-setters and accounting firms, as well as a few investors, stated that the description omits important lifecycle stages and related business activities, particularly exploration and pre-production, development, closure and post-closure.
33. Some investors and standard-setters also stated that the description could better reflect the diversity of business models within the industry, including issues for diversified or vertically integrated entities and whether smelting-only businesses should be treated separately from extraction. Some respondents further requested clearer treatment of specific commodities and ‘edge case’ business activities, stating that current drafting could create uncertainty about whether some entities or activities – for example lithium brine operations, rare earth refining and processing, quarrying or mining support services – clearly fall within the metals and mining classification, or an adjacent one.
34. Many respondents agreed that the disclosure topics identify many of the sustainability-related risks and opportunities that could reasonably be expected to affect an entity’s prospects in the industry. Some investors and accounting firms specifically welcomed the revised approach to Community Relations & Rights of Indigenous Peoples and the

proposed new Supply Chain Management disclosure topic. However, some respondents stated that the Standard could better address risks and opportunities associated with mine closure and rehabilitation. These respondents stated that closure-related obligations can affect rehabilitation costs, long-term liabilities, permitting, asset values and post-closure obligations.

35. Some respondents also stated that the proposed disclosure topics are incomplete, particularly in relation to climate-related transition risk, including greenhouse gas emissions in mining entities' value-chain and the role these entities play in supplying critical minerals and other commodities that are central to other sectors' decarbonisation strategies. These respondents stated that these risks and opportunities may affect a mining entity's prospects through energy costs, exposure to carbon pricing regulation, transition-related capital needs, market access, and shifts in demand and pricing across commodities.
36. Many respondents, including some investors, agreed with the proposed new Supply Chain Management disclosure topic, stating that responsible sourcing, conflict exposure, contractor practices, and upstream environmental and social harms can affect an entity's prospects in the industry. Those that disagreed with the new disclosure topic generally did so not because they opposed a supply chain topic in principle, but because they wanted the proposed disclosures to be more specifically adapted to mining companies' procurement practices.
37. Some respondents welcomed the proposed addition of the Operations in Conflict Areas disclosure topic, stating that operations or sourcing linked to conflict-affected or high-risk areas can give rise to risks through operational disruption, sanctions or compliance exposure, reputational damage from human rights controversies and supply-chain

interruption<sup>5</sup>. This was reinforced by some respondents from African jurisdictions, who stated that conflict-area disclosure is particularly relevant where weak governance, informal labour, conflict minerals and limited traceability affect mining operations. Those that disagreed with the new disclosure topic generally did so not because they opposed conflict-related disclosure in principle, but because they considered the proposed framing too narrow or insufficiently clear. Some accounting firms and national standard-setters and a few investors stated that the topic may be more decision-useful if reframed around operations in high-risk areas more broadly, including security risks and human rights risks such as those related to forced labour, and supported by clearer scoping and definitions.

38. Some regulators and a few other respondents from emerging markets and developing economies stated that the proposed Standard does not adequately reflect the important role that artisanal and small-scale mining (ASM) play in some jurisdictions. These respondents stated that in these jurisdictions, mining supply chains include artisanal miners, informal aggregators, uncertified local suppliers and weakly documented transport networks, giving rise to risks associated with human rights, traceability, contamination of licenced supply chains, community conflict, and related reputational risk exposure. They also noted that in jurisdictions where ASM and informal supply chains are prevalent, application of some metrics may be more challenging because data systems, monitoring infrastructure and formal traceability are limited. They suggested that the ISSB consider ASM-focused guidance, simplified reporting options, estimation-based approaches and phased implementation.

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<sup>5</sup> For example, respondents supporting the proposed topic included Impax Asset Management, Neuberger Berman, AIGCC, Comitê Brasileiro de Pronunciamentos de Sustentabilidade (CBPS), the Botswana Institute of Chartered Accountants, and PAFA

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**Question 10—Oil & Gas – Exploration & Production SASB Standard**

39. Most respondents, including many investors, agreed that the proposed amendments addressed disclosures that, in their view, the most financially relevant for the upstream oil and gas industry, such as methane, water-related risks, ecological impacts, and climate resilience. Some investors highlighted the value of the proposed new standalone Scope 1 methane metric and expanded water-related disclosures, with some investors also supporting renaming the reserves-related topic to Climate Resilience because it better links asset values and capital allocation to climate-related transition risk.
40. In contrast, some preparers – including two prominent industry bodies – raised concerns with what they perceived as an overly prescriptive approach to the metrics in the SASB Standards, as discussed in more detail in Agenda Paper 6B.
41. Most investors, many accounting firms and standard-setters agreed with the revised industry description, stating that it clearly captures upstream exploration and production activities and distinguishes them from midstream, downstream and services, which they viewed as important for identifying relevant risks and opportunities that could reasonably affect an entity’s prospects in the industry.
42. Some respondents requested clearer guidance for entities with activities in more than one oil and gas industry, and for entities with contractual arrangements common in upstream activities - such as concessions, production sharing contracts and joint ventures - because these features can affect reporting entities, allocation of emissions and reserves, and the relevance of some disclosures.
43. Many investors, accounting firms, standard-setters and some regulators stated that the disclosure topics identify important sustainability-related risks and opportunities that could reasonably be expected to affect an entity’s prospects. However, a few investors, along with some public-interest bodies, accounting firms and standard-setters, stated

that the disclosure topics remain incomplete in several important areas, particularly because they may not fully capture broader climate-related transition risk exposure beyond the risks associated with direct operational emissions and the proposed Climate Resilience disclosure topic.

44. Some investors requested additional energy management-related information to reflect the energy-intensive nature of the industry, noting that energy use can directly affect operating costs and exposure climate-related transition risks such as those related to carbon pricing regulations. However, this feedback did not coalesce around a clear recommendation for a separate energy management disclosure topic.
45. Some investors and regulators supported the proposed split of the Security, Human Rights & Rights of Indigenous Peoples topic into Community Relations & Rights of Indigenous Peoples and Operations in Conflict Areas. Others provided feedback on this topic consistent with that highlighted in paragraph 19.

#### **Question 11—Oil & Gas – Midstream SASB Standard**

46. Most respondents agreed with the proposed amendments to the *Oil & Gas – Midstream SASB Standard*. Respondents who disagreed stated that the proposals may be overly prescriptive, particularly where entities operate dispersed assets, joint ventures or are already subject to jurisdiction-mandated methodologies. A few respondents also stated that the amendments may still omit some sustainability-related risks and opportunities that could reasonably be expected to affect an entity's prospects in particular contexts, including information regarding workforce and community-related topics or emerging transition-related business activities.
47. Most respondents agreed that description and classification capture core midstream activities and improve clarity about the activities covered by the Standard. Some respondents nevertheless requested clearer coverage of particular activities, especially

LNG liquefaction, regasification and shipping, and of emerging models such as Floating Storage and Regasification Units (FSRUs). Some respondents also requested clearer guidance on how entities should determine the scope of the classification when activities are conducted through non-operated assets, joint ventures and different ownership and control arrangements, because uncertainty in these areas could affect how entities determine the activities and assets to which the Standard applies.

48. Many respondents agreed that the proposed disclosure topics identify many of the sustainability-related risks and opportunities that could reasonably be expected to affect an entity's prospects. These respondents stated that the topics improve coverage of key risk drivers such as fugitive emissions, spills, pipeline integrity failures, process safety incidents and ecological disturbance, and therefore improve users' ability to assess operational resilience, transition risk and liability exposure.
49. Some preparers, accounting firms, regulators and standard-setters specifically welcomed the proposed new Workforce Health & Safety disclosure topic. These respondents stated that the topic is relevant because midstream operations involve hazardous facilities and activities, and the topic would improve visibility over safety-related risks that could affect operational continuity and liability exposure. At the same time, some investors and some other respondents cautioned that comparability could be reduced if contractor-heavy operators cannot produce consistent data, particularly if the related definitions are unclear.
50. One investor suggested that the ISSB consider additional disclosure topics regarding climate-related transition risks, citing financial effects stemming from regulatory actions, operational efficiency and long-term resilience. Another investor suggested including a hazardous materials management disclosure topic, including sulphur disposal at processing plants, because of potential operational and environmental liabilities. Some other respondents also suggested additional disclosure topics, but the

feedback provided more limited evidence on whether such information could reasonably be expected to affect the prospects of entities in the industry.

### **Question 12—Oil & Gas – Refining & Marketing SASB Standard**

51. Most respondents agreed with the proposed amendments to the *Oil & Gas – Refining & Marketing* SASB Standard. These respondents stated that the amendments better reflect the principal sustainability-related risks and opportunities in this industry.
52. Most respondents agreed that the revised industry description and classification capture the core downstream activities of refining, distribution, marketing and retail and distinguish this industry from other industries. Some respondents requested clearer treatment of marketing activities such as terminals, branded retail networks and distribution infrastructure, and clearer boundaries for integrated groups and adjacent activities such as biofuel co-processing, petrochemicals, LNG-related activities and captive power. These respondents stated that this is relevant because unclear activity boundaries could lead to inconsistent application of the Standard and reduce comparability for diversified entities.
53. A few respondents, particularly from African jurisdictions, stated that the description reflects a relatively formalised market structure and does not sufficiently describe realities of operations in emerging markets and developing economies, including informal fuel markets, state ownership, limited regulatory enforcement, marine and coastal terminal dependence, and subsidy and pricing regimes.
54. Many respondents agreed that the proposed disclosure topics capture the principal sustainability-related risks and opportunities for the industry. However, many other respondents, including investors, regulators and accounting firms, stated that the Standard omits risks and opportunities that could reasonably be expected to affect the prospects of an entity in the industry. The most substantive additions requested were:

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- (a) ecological impacts;
  - (b) community relations and rights of Indigenous Peoples; and
  - (c) labour practices.
55. These respondents stated that the related risks and opportunities could affect the prospects of entities in this industry because refining and marketing operations can be exposed to significant costs and obligations tied to environmental remediation, affect communities located near refineries, depots and terminals, and are heavily dependent on labour and contractors.
56. Some investors, regulators and standard-setters stated that, although the proposed amendments include a Product Specifications & Clean Fuel Blends disclosure topic, the Standard does not yet provide sufficient coverage of climate-related transition risks. These respondents cited refinery conversion to biofuels, hydrogen readiness, electrification potential, renewable-energy integration, stranded-asset risk, and decommissioning obligations as relevant areas that could be better captured in the Standard. They stated that the related information could be material for this industry because downstream climate-related transition risk depends not only on operational emissions but also on the future demand, carbon intensity and competitiveness of fuels sold, and on the repurposing potential and impairment risk of refining assets.
57. Some respondents also requested clearer coverage of risks related to fuel quality and adulteration, and distribution and logistics. These respondents stated that the related information could be material because depots, terminals, transport networks and third-party operators can create exposure to regulatory risk, product integrity issues, spills, safety incidents and operational disruption, particularly in emerging markets.

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**Question 13—Oil & Gas – Services SASB Standard**

58. Most respondents supported the proposed amendments. These respondents, including investors, preparers, accounting firms, regulators and standard-setters, stated that the amendments improve the relevance of the Standard by better reflecting the operating model of oil and gas service providers and by focusing more clearly on sustainability-related risks and opportunities relevant to service companies. Some respondents did not support, or only partly supported, the amendments. These respondents stated that the proposals would benefit from clearer boundary-setting between service providers and operators and from broader consideration of some risks and opportunities relevant to contractor-heavy and operating environments in emerging markets and developing economies.
59. Most respondents stated that the revised industry description captures the core activities of the industry and sufficiently distinguishes service providers from other segments. Most respondents also considered that the underlying industry classification remains appropriate because it groups entities that support oil and gas operations rather than those that own or operate hydrocarbon assets. Some respondents requested clearer articulation of reporting boundaries, including the treatment of subcontractor and joint venture models and the breadth of services covered. A few respondents also recommended that the description reflect innovation and the evolution of adjacent and lower-carbon service offerings, such as digital services, decommissioning, geothermal and carbon capture-related activities, because these are becoming more relevant to the business models and prospects of some service providers.
60. Almost all respondents agreed with the proposed distinction between on-contract and off-contract activities because it better reflects the operations of the industry and focuses disclosures on risks and opportunities arising from activities more directly controlled by

service providers, such as fleets, yards, maintenance facilities and manufacturing sites, rather than outcomes primarily determined by the operator while on-contract.

61. Most respondents agreed that the proposed disclosure topics identify the principal sustainability-related risks and opportunities for the industry. Some respondents, including investors, regulators and accounting firms, emphasised the need for clearer operational boundaries and attribution, particularly in contractor-heavy and multi-client operating models, because unclear boundaries could lead to duplication or misattribution between the service provider and the operator.
62. Some respondents suggested that the ISSB add or expand disclosures topics, including regarding energy management, waste management, community-related impacts, and climate-related transition opportunities such as lower-carbon service offerings, stating that these issues can affect costs, licence to operate and the resilience of service-provider business models. A few respondents requested more specific consideration of water-related risks within the proposed disclosure topics, including more specific consideration of infrastructure resilience and water, sanitation and hygiene (WASH), stating that these can affect workforce reliability, operational continuity and social licence. Respondents also provided additional suggestions that could be considered in later stages.

## Questions for the ISSB

63. The staff presents the following question for the ISSB.

### Question for the ISSB

1. Does the ISSB have any questions or comments on the contents of this paper?