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## ISSB Meeting

Date	<b>May 2026</b>
Project	<b>Enhancing the SASB Standards</b>
Topic	<b>Feedback summary—proposed amendments to the <i>Processed Foods</i> SASB Standard</b>
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This paper has been prepared for discussion at a public meeting of the International Sustainability Standards Board (ISSB). This paper does not represent the views of the ISSB or any individual ISSB member. Any comments in the paper do not purport to set out what would be an acceptable or unacceptable application of IFRS<sup>®</sup> Sustainability Disclosure Standards. The ISSB's technical decisions are made in public and are reported in the ISSB *Update*.

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## Purpose

1. This paper:
  - (a) provides the International Sustainability Standards Board (ISSB) with a summary of the feedback received regarding proposed amendments to the *Processed Foods* SASB Standard set out in the Exposure Draft [Proposed Amendments to the SASB Standards](#) (SASB Exposure Draft); and
  - (b) sets out the staff's plan for redeliberations and finalisation of the proposed amendments of the Standard.
2. Agenda Paper 6 provides background and context on the SASB Enhancements project and sets out the structure and content 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 5-9);
- (b) Summary of stakeholder feedback (paragraphs 10-35);
- (c) Next steps (paragraphs 36-38); and
- (d) Questions for the ISSB (paragraph 39).

## Key takeaways

5. Most respondents expressed support for the proposed amendments, noting that the amendments enhance the relevance, clarity and international applicability of the Standard.
6. Most respondents welcomed the amendments to the industry description and stated that it captures the core industry activities and reflects the value chain of the processed foods industry.
7. Most respondents agreed with the proposed disclosure topics, with the revised approach to supply chain management disclosure topics in particular being well-received. Respondents also welcomed the new Product Innovation topic based on their view that it would provide forward-looking information on sustainability-related opportunities. Some respondents suggested including additional disclosure topics and metrics to provide more decision-useful information to investors. Suggestions included workforce health and safety and food loss and food waste, among others.
8. Most respondents—including almost all preparers and accounting firms, and most investors—agreed with the proposed metrics. Most respondents provided suggestions for the ISSB to consider, particularly related to how the metrics could better accommodate a broader variety of jurisdictional contexts.
9. Overall, the feedback indicates broad support for the proposed amendments but also emphasises areas where the ISSB may need to refine the proposals to improve cost-effectiveness for preparers and maintain focus on material information for users.

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## Summary of stakeholder feedback

10. Paragraphs 8-10 of Agenda paper 6 explains 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.
11. Most respondents supported the proposed amendments, noting that the updated Standard would better capture decision-useful information about sustainability-related risks and opportunities of entities in the processed foods industry. These respondents stated that the proposed amendments would improve clarity, comparability and strengthen alignment with internationally recognised standards, practices and norms, thereby improving international applicability.

### ***Feedback on the industry description and industry classification***

12. The proposed amendments to the industry description included more details regarding business activities undertaken by entities in the industry and a new note which provides context of where the industry sits in the broader value chain.
13. Most respondents, including almost all preparers and most investors, agreed with the proposed industry description, including the note regarding the distinction between processed foods activities and those in related industries. Some respondents provided recommendations to the ISSB. For example:
  - (a) some respondents from Africa and Asia requested more explicit acknowledgement of the regional nuances in the industry, such as the prevalence of smallholder farms upstream, vertically integrated supply chains, and informal retail; and
  - (b) a few respondents, including one standard-setter, raised concerns about the inclusion of pet food in the scope of the industry, saying it could affect the comparability and usefulness of disclosures which pertain primarily to human

health.<sup>1</sup> These respondents suggested to remove pet food from the industry description or to specify in the associated metrics that disclosures should be disaggregated between human and pet food;

14. A few respondents asked which SASB Standard covers activities associated with aquaculture and fishing production. A few other respondents requested further clarification on the boundaries between the Processed Foods, Agricultural Products, and Meat, Poultry and Dairy industries in the Sustainable Industry Classification System<sup>®</sup> (SICS) and requested guidance on the application of the SASB Standards for entities with business activities in more than one industry.

### ***Feedback on disclosure topics***

15. The proposed amendments to the disclosure topics included:
  - (a) adding a new Product Innovation disclosure topic; and
  - (b) removing the Environmental & Social Impacts of Ingredient Supply Chain and Ingredient Sourcing disclosure topics and replacing them with two new disclosure topics: Environmental Supply Chain Management and Social Supply Chain Management.
16. Most respondents, particularly investors, preparers, accounting firms and regulators, agreed that the proposed disclosure topics capture sustainability-related risks and opportunities that could reasonably be expected to affect the prospects of entities in the processed foods industry.
17. Most respondents supported the addition of the Product Innovation disclosure topic. Some stakeholders requested clarification on the scope of the disclosure topic because of potential overlap with risks and opportunities captured under the Health & Nutrition, Packaging, and Supply Chain Management topics.

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<sup>1</sup> While the respondents did not specify the metrics that were of interest to them, staff notes that the Health & Nutrition and Product Labelling & Marketing disclosure topics primarily relate to risks and opportunities that arise from effects of an entity's products on human health.

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18. Most respondents agreed that removing the Ingredient Sourcing and Environmental & Social Impacts of Ingredient Supply Chain and replacing them with two new topics better reflects the risks and opportunities associated with sourcing activities. These respondents stated that the revised approach more clearly articulates risks and opportunities that originate in the supply chain. A few respondents also recommended that the ISSB consider using this multi-topic approach to supply chain management for the SASB Standards in the Extractives & Minerals Processing sector.
19. Some respondents suggested that the ISSB consider including additional disclosure topics in the Standard. The disclosure topics recommended by respondents (from most frequently mentioned to least) were as follows:
- (a) workforce health and safety—some respondents, including investors, preparers and national standard-setters, noted that food processing involves intensive manufacturing activities which expose these entities’ workforces to occupational risks;
  - (b) food loss and food waste—an investor, a regulator and an accounting firm stated that the risks and opportunities associated with food loss and food waste could affect entity prospects because of potential regulatory actions and the topic’s links to operational efficiency; and
  - (c) a few respondents suggested adding other topics, including waste management, business ethics, and management of the legal and regulatory environment.
20. Feedback on the existing Energy Management and Water Management disclosure topics was mixed. Many respondents stated that both topics could reasonably be expected to affect entity prospects. However, a few investors and preparers, mostly from Asia, stated that the relevance of these disclosure topics can vary significantly by jurisdiction and that the related financial implications were relatively small compared with some other industries.

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***Feedback on metrics and technical protocols***

21. Most respondents, including almost all preparers and accounting firms and most investors, agreed with the proposed amendments to the metrics and technical protocols.
22. Respondents particularly welcomed the proposed metrics for the Health & Nutrition, Food Safety, and Environmental and Social Supply Chain Management disclosure topics. Many respondents provided the ISSB with suggestions on how to refine specific metrics and technical protocols to improve clarity and cost-effectiveness.
23. A few respondents from various stakeholder groups, particularly from emerging markets and developing economies, requested clarification of some definitions, such as ‘high-risk suppliers’, ‘recognised nutrient profile model’ and ‘co-packing’. These respondents stated that clearer definitions could improve applicability and comparability of the metrics.

***Food safety***

24. Most respondents across stakeholder types welcomed the proposed amendments to the Food Safety disclosure topic, including the removal of metrics related to Global Food Safety Initiative non-conformance rates and certification (FB-PF-250a.1 and FB-250a.2) and the metric related to number of notices of food safety violation received (FB-PF-250a.3), and the replacement of those metrics with two new metrics related to food safety certification (FB-PF-250a.5) and processes, controls and procedures for ensuring food safety throughout the value chain (FB-PF-250a.6). These respondents stated that these amendments improved international applicability.
25. Some respondents from emerging markets and developing economies suggested expanding the scope of metric FB-PF-250a.5 to recognise the jurisdictional or local food safety requirements.
26. Some respondents, including some investors and preparers, expressed concerns with the proposal to remove the metric related to number of notices of food safety violation

received (FB-PF-250a.3). These respondents said that this metric can provide a signal of an entity's compliance culture and the robustness of its food-safety management system.

27. Most respondents from all stakeholders types supported the amendment to the metric related to recalls (FB-PF-250a.4). A few respondents provided specific suggestions, including alternative units of measurement, and improvements to the technical protocols to clarify the scope of the metric.

#### *Health & Nutrition*

28. Most respondents from all stakeholders types welcomed the proposed amendments to the metrics in the Health & Nutrition disclosure topic. These respondents said that the new disclosures more accurately reflect evolving regulatory expectations and investor concerns regarding the related risks and opportunities. A preparer also highlighted that the proposals align with the World Health Organization (WHO) nutrition guidelines, ensuring consistency with global practices.
29. Many respondents noted significant variance in how jurisdictions approach the regulation of health and nutrition and provided the ISSB with suggestions on how to further enhance the associated metrics. For example, some respondents from Asia, Africa and Europe noted that nutrient profile models are not implemented in some jurisdictions and suggested that the ISSB consider an alternative metric for those jurisdictions. A few respondents requested that that the ISSB consider an alternative unit of measurements or country-level disaggregation for the metric related to revenue from products classified as healthy (FB-PF-260a.4).

#### *Product labelling & marketing*

30. Of the few respondents who commented on the proposed removal of the metric related to advertising to children (FB-PF-270a.1), all of them welcomed the proposal and agreed with the new metric FB-PF-270a.6 *Revenue from products sold (1) in*

*jurisdictions that restrict the advertising of specific products to children and (2) subject to regulations that restrict the advertising of specific products to children.*

Some respondents provided the ISSB with suggestions on improving the clarity of the technical protocols.

31. The proposed removal of the metric related to genetically modified organisms (GMOs) (FB-PF-270a.2) received mixed feedback. Some respondents, including investors and preparers, welcomed the removal. However, some respondents from Africa disagreed, stating that the use of GMOs affects market access. A few respondents from Europe, including investors, also questioned the proposed removal, citing consumer demand for non-GMO products.
32. A few respondents raised concerns regarding the cost-effectiveness of the amendments on metric related to incidents of non-compliance with labelling (FB-PF-270a.3). These respondents stated that a description of each incident is too granular and suggested that the ISSB undertake further cost-effectiveness analysis.

#### *Product innovation*

33. The proposed metric under the product innovation disclosure topic received mixed feedback. Many respondents welcomed the metric and stated that it captures both opportunities and risk mitigation strategies. Some respondents provided suggestions regarding the scope of the term ‘innovation’. Some respondents raised concerns with possible duplication and overlap with disclosures in the Food Safety and Health & Nutrition disclosure topics. A few respondents suggested to add quantitative information, for example revenue from innovative products. Some preparers also raised concerns that the requested disclosure could be commercially sensitive and provided suggestions to improve the feasibility of the metric.

#### *Supply chain management*

34. Many respondents provided the ISSB with suggestions regarding the metrics in the Environmental Supply Chain Management and Social Supply Chain Management disclosure topics. For example:

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- (a) a few respondents stated a desire for more detailed disclosures regarding labour conditions in the supply chain, particularly in relation to risks associated with child labour and forced labour;<sup>2</sup>;
  - (b) a few respondents suggested a supplier procurement and management metric to better reflect the role of smallholder farms in the supply chain;
  - (c) a few respondents suggested that the ISSB add metrics related to community relations and rights of Indigenous Peoples; and
  - (d) a few respondents suggested stronger alignment with TNFD, for example, including metric related to environmentally sensitive locations.
35. Some respondents, particularly investors and preparers, suggested including Scope 3 emissions-related metrics, and some also suggested methane disaggregation. These respondents stated that this information would be useful in assessing climate-related physical and transition risks, such as those related to dependence on agriculture activities and downstream activities such as transportation.

## Next Steps

36. The staff will continue to analyse this feedback to support the ISSB's discussions and redeliberations.
37. In performing our initial analysis on this feedback, the staff considered how to approach finalisation of the proposed amendments. The staff believes that the ISSB should redeliberate feedback and finalise amendments to the *Processed Foods SASB Standard* when it redeliberates and finalises amendments to the *Agricultural Products and Meat, Poultry & Dairy SASB Standards*. The ISSB is currently consulting on proposed amendments to the latter two Standards (both of which are also part of

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<sup>2</sup> This feedback is consistent with the findings of the Human Capital research project, which identified evidence on investor need for industry-based information on metrics related to child labour and forced labour. The findings are outlined in Agenda Paper 4 for the ISSB's December 2025 meeting *Research findings on the necessity and feasibility of standard setting*.

‘Phase 1’ of the project on Enhancing the SASB Standards), with the comment period set to close on 24 July 2026.

38. We believe this approach is the best way forward for the project because:
- (a) the overlap of metrics in these Standards, particularly between the metrics in the *Processed Foods* and *Agricultural Products* SASB Standards, means that feedback on metrics in one Standard will in many cases be relevant for others;
  - (b) the ISSB received feedback from stakeholders requesting further clarification on the boundaries of the industry classifications for these three industries;
  - (c) the ISSB received feedback, particularly from standard-setters, regarding the benefits of proposing and considering amendments to similar industries at the same time; and
  - (d) this approach strikes an appropriate balance between advancing the project in a timely matter with the need to efficiently respond to stakeholder feedback during redeliberations and finalisation.

## Questions for the ISSB

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

### Question for the ISSB

1. Does the ISSB have any questions or comments on the contents of this paper?
2. Does the ISSB have any questions or comments regarding the project next steps as set out in paragraphs 37-38?