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Initial analysis of proposed amendments to the three priority SASB standards

Objective

1. This paper presents an initial analysis of the proposed amendments to three priority SASB standards. It outlines first observations, which the EFRAG Secretariat will develop further following the announcement of ISSB's consultation and the stakeholder engagement.
2. The presented analysis was carried out on the 'near-final' Exposure Drafts of SASB standards presented and ratified by ISSB for public consultation on 26 February 2026. These drafts remain subject to editorial review of ISSB and other quality assurance processes. At the stage of preparing this paper, the public consultation with final Exposure Drafts is not yet announced and it remains to be published within end of March 2026.

Background

3. The EFRAG Secretariat conducted an analysis of proposed amendments from the 'near-final' Exposure Draft of proposed amendments to the SASB Standards and the associated Basis for Conclusions, to identify the key areas outlined in this paper.
4. The review is done with reference to the upcoming ISSB consultation questions (see Appendix 1) and dedicates particular attention to the aspects of interoperability and internal consistency between the standards being amended.
5. Since approximately 2/3 of the metrics were identified by ISSB as similar or identical to the ones on which EFRAG commented in 2025, EFRAG Secretariat focuses this analysis on the scope of new metrics introduced. The metrics identified as new are summarised in the Appendix 2.
6. This analysis has not yet been shared with the ISSB Staff.

Industry descriptions (ISSB question 1,2,3(a), 1(b))

7. Presented Basis for Conclusions note that the description of two standards was expanded to include additional scope of activity (Agriculture: direct farming; Electrical production: trading). At this stage, EFRAG Secretariat has no comments to raise regarding the industry descriptions, but will engage with stakeholders in the public consultation to see if they raise any comments.

Disclosure topics (ISSB question 1,2,3(b))

8. The Appendix 2 summarises the topics covered by the three amended SASB standards.

Environmental topics

9. Some disclosure topics are addressed in certain ISSB Standards, while omitted or represented differently in others. The rationale for these differences is not fully explained, which may raise questions about the internal consistency of the approach to standards revision. For example, the disclosure topic 'Energy Management' is not included in the Electric Utilities & Power Generators standard. Instead, the standards maintains 'Greenhouse Gas Emissions & Energy Resource Planning' topic. We consider it may be helpful to explain the choices made for establishing the topics for standards. The EFRAG Secretariat recommends raising this point with the stakeholders.
10. In some instances, we also observe that standards comment on applicability of the topic to a particular area of activity. This is done, for example, in Agricultural Products ('AG') standard and topic of Land Use & Ecological Impacts, which states 'the metrics associated with this topic are intended to capture information regarding direct farming operations'. According to Basis for Conclusions, this is done to simplify the standards application (BC 51-54). In other instances, such as Electric Utilities & Power Generators ('EU') standard, ISSB underlines that it decided not to provide additional guidance on the applicability of disclosure topics for entities engaged in specific activities, because the responsibility for making materiality judgements ultimately rests with the reporting entity (BC 137). EFRAG Secretariat considers that the guidance on the applicability of topics to specific activities can be useful information for preparers and proposes to recommend to ISSB to elaborate this aspects in more detail.

Social topics

11. Labour conditions in a company's own operations currently apply only to the AG standard, while Community Relations and Rights of Indigenous Peoples apply only to the EU standard. As all three sectors are significantly exposed to these risks. Expanding the applicability of these topics across the three standards would enhance consistency and standardisation. Similarly, Social Supply Chain Management is relevant across all three sectors but appears as a standalone topic only in the AG and Meat, Poultry & Dairy SASB ('MP') standards while EU include it as part of the topic Supply Chain Management. We would welcome harmonisation across the three standards.
12. For topics that are inherently sector agnostic, we encourage the ISSB to consider consolidating them within a future Human Capital standard. This would promote consistency and interoperability with frameworks such as ESRS and GRI. Sector-specific SASB disclosures could then focus on outcome-based metrics tailored to the specific characteristics of each sector. We acknowledge that this recommendation is dependent on the direction of the ISSB's Human Capital project.

Other topics – Digital transformation and just transition

13. We encourage the ISSB to explore whether sector specific disclosures, particularly for the EU sector, but also for AG, could be expanded to reflect the ongoing and future climate and digital transitions currently reshaping these industries and changing the business models. This could include developing and consulting on sector specific metrics that allow companies to explain their transition strategies, including related targets.
14. In the energy sector, just transition and digital transformation have been reported as material risks and opportunities under ESRS in 2024 and 2025. Companies recognise that their business models are evolving and that resilience increasingly depends on human capital. These transitions affect several dimensions, including employees (e.g., upskilling to improve retention), communities (including Indigenous Peoples for vertically integrated companies), and consumers (e.g., energy affordability and access).

15. Similar dynamics apply to the agriculture sector. ESRS reporters highlight sustainability related shifts across the value chain, including workforce impacts and growing consumer expectations for transparency through mechanisms such as traceability. In this context, we consider that disclosure of certification data may not be the most effective or informative approach.

Proposed metrics and technical protocols (ISSB question 1d, 2c, 3c)

16. EFRAG Secretariat considers that any revisions to proposed metrics and technical protocols need to be done in a way that ensures consistency of approach between the standards. In this context, we considered it is important to compare in detail the approach to specific disclosure requirements currently proposed in revised standards. The paragraphs below outline the first observations made with this regards.
17. The approach to scope 1, scope 2 and scope 3 may require further clarity. The published materials underline that the ISSB decided not to add metrics on scope 1, scope 2 and scope 3 GHG to all SASB standards to avoid duplication with requirements in IFRS S2. EFRAG Secretariat supports this principle and in the feedback of 2025, we noted several instances where it could be further enforced. In this context, we note that Electric Utilities & Power Generators ('EU') standards sets out a new precedent by requiring the disclosure of the scope 3 category 3 greenhouse gas emissions (IF-EU-110a.2). We are aware of the stakeholders raising the need to address specific categories of scope 3 emissions in the SASB standards, however we see the provision in EU standard as contradicting the principle outlined earlier by ISSB.
18. We also note the need for a consistent approach to addressing GHG targets. In general, other standards maintain a separate metrics for GHG targets, while the EU standard revision deletes it and embeds a similar provision as part of a technical protocol under transition risks metrics (IF-EU-550a.5). Given the ISSB intention to avoid duplication with IFRS S2, EFRAG Secretariat considers such change is justified, but we note that it creates inconsistencies in approach comparing to other consulted standards, which introduce a separate metrics.
19. In addition, the Agriculture standard introduces a topic of Food Loss & Food Waste while narrowing down the quantitative metrics to the food loss defined by FAO. Considering the broader relevance of waste in the industry, acknowledged by the description of the topic, EFRAG Secretariat proposes to investigate this point further.

Social topics

20. We welcome the inclusion of narrative and process-based disclosures that provide important context on how companies identify, assess, and manage social related sustainability risks and opportunities. Examples include due diligence disclosures on impacts affecting people and communities, as well as occupational health and safety management systems.
21. However, we observe potential duplication between these disclosures and IFRS S1. Given their largely sector-agnostic nature, we recommend considering their relocation to IFRS S1 guidance on Human Capital and 'Community relations and rights of Indigenous Peoples'.
22. In ESRS and GRI, due diligence informs impact materiality. We note that the SASB Exposure Draft refers to 'impacts' in a similar manner to ESRS although no definition is included. To support clarity, it would be helpful to explain the intended objective and role of due diligence disclosures on impacts within a financial materiality lens, including expectations regarding upstream and downstream value chain coverage. This clarification could also address whether disclosures on due diligence steps are required only when social and human rights related risks and opportunities are material under IFRS S1, or whether they apply by default at the sector level.

23. We also reiterate our previous comments regarding the inclusion of the IFC Performance Standards as part of SASB disclosure requirements as well as the absence of reference to IFC Performance Standard 7 on Indigenous Peoples. These standards overlap substantially with the some SASB disclosures and we would welcome clarification as to how they articulate with SASB disclosures, both in terms of their process and objectives. In addition, the IFC Performance Standards (dating from 2012) may not reflect recent developments in business and human rights, nor the evolution of soft law and hard law frameworks. We also note that the IFC is undertaking a revision of its Sustainability Framework, including the Performance Standards, for 2026–2028. We would welcome further clarity on how SASB intends to reflect these factors, including the exclusion of IFC Performance Standard 7 on Indigenous Peoples

International applicability and interoperability (ISSB questions 1e,1f, 2d, 2e, 3d, 3e)

24. EFRAG Secretariat considers that the comments from 2025 related to the interoperability of specific SASB metrics are equally applicable.

Social topics

25. Preparers have emphasised that alignment on key concepts and terminology is essential for interoperability across sustainability standards. We have therefore assessed several concepts where additional clarity could support application.
26. The term *labour conditions* is not defined and appears to be used inconsistently across the three draft standards. It is also unclear how this term relates to *working conditions*, which is more commonly used in ESRS and is a critical concept in the context of labour rights.
27. Similarly, while we welcome the use of the term *non-employees* and the corresponding disaggregation of health and safety metrics, we note differences between SASB's definition, based on control of work, and applicable to self-employed individuals, agency workers, and third-party workers, and the definition used in ESRS. Further alignment on this point would help ensure consistent application by preparers.

Other comments

28. EFRAG Secretariat notes that many of EFRAG recommendations from 2025 are equally applicable to the currently consulted three standards. These concern aspects such as:
- (a) addressing interoperability challenges related to metrics and technical protocols which demonstrate commonality with ESRS
 - (b) modification of the wording from 'shall' to 'may' [refer to and consider], to reduce the ambiguity which may result in undue reporting burden
 - (c) recommendation to clarify that in SASB standards (1) topics are an illustrative and non-exhaustive list of risks and opportunities, and (2) that metrics serve as examples of possible sector/entity-specific disclosures in ISSB-based reporting
 - (d) recommendation to ensure that SASB and IFRS standards are drafted in a fully complementary manner and that ISSB addresses any issues where redundancies or overlaps are in place
 - (e) suggestion for general clarification of the current and prospective architecture of the ISSB standards
 - (f) recommendation on resorting to publicly available and globally used industry classification system, or, if that is not feasible, deliver reconciliation tables between SICs and other industry classifications
 - (g) preparing sufficiently detailed Basis for Conclusions that can improve understanding of the standard-setting decisions taken, as well as contribute to greater transparency of the ISSB due process

29. Whenever relevant, we therefore propose to refer to the Comment Letter issued by EFRAG in 2025 in its response to the ISSB consultation on three remaining standards.

Questions for EFRAG SR TEG

30. Does EFRAG SR TEG/ agrees with observations presented in the paper?

31. Does EFRAG SR TEG has views on the content of proposed amendments to SASB standards?

Appendices

Appendix 1. ISSB consultation questions 2026

Appendix 2: Index of topics and metrics identified as new

Appendix 1: ISSB consultation questions 2026

This paper presents a review of the questions to the consultation provided in the 'near-final' Exposure Drafts of SASB standards presented and ratified by ISSB for public consultation on 26 February 2026.

Question 1—*Agricultural Products SASB Standard*

- a) Do you agree with the proposed Agricultural Products industry description? Does it accurately describe the business activities of entities in this industry? Why or why not?
- b) Do you agree with the proposed inclusion of direct farming operations in the scope of activities included in the industry classification? Why or why not?
- c) Do you agree that the proposed disclosure topics in the *Agricultural Products SASB Standard* would accurately identify the sustainability-related risks and opportunities that could reasonably be expected to affect the prospects of entities in this industry? If not, what revisions would you suggest and why?
- d) Do you agree that the proposed metrics and technical protocols in the *Agricultural Products SASB Standard* would help an entity provide primary users with decision-useful information about sustainability-related risks and opportunities? If not, what revisions would you suggest and why?
- e) Do you agree that the proposals would improve the international applicability of the *Agricultural Products SASB Standard* and would lead to the disclosure of useful information from entities in the industry regardless of their jurisdiction? Why or why not?
- f) Do you agree that the proposed amendments would enhance the *Agricultural Products SASB Standard's* interoperability and alignment with other sustainability-related standards or frameworks? Why or why not? (Note that the ISSB is focused on providing material information for investors about the effects of sustainability-related risks and opportunities on an entity's prospects.)

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

- a) Do you agree with the proposed Meat, Poultry & Dairy industry description? Does it accurately describe the business activities of entities in this industry? Do you agree with the scope of activities included in the industry classification? Why or why not?
- b) Do you agree that the proposed disclosure topics in the *Meat, Poultry & Dairy SASB Standard* would accurately identify the sustainability-related risks and opportunities that could reasonably be expected to affect the prospects of entities in this industry? If not, what revisions would you suggest and why?
- c) Do you agree that the proposed metrics and technical protocols in the *Meat, Poultry & Dairy SASB Standard* would help an entity provide primary users with decision-useful information about sustainability-related risks and opportunities? If not, what revisions would you suggest and why?
- d) Do you agree that the proposals would improve the international applicability of the *Meat, Poultry & Dairy SASB Standard* and would lead to the disclosure of useful information from entities in the industry regardless of their jurisdiction? Why or why not?
- e) Do you agree that the proposed amendments would enhance the *Meat, Poultry & Dairy SASB Standard's* interoperability and alignment with other sustainability-related standards or frameworks? Why or why not? (Note that the ISSB is focused on providing material information for investors about the effects of sustainability-related risks and opportunities on an entity's prospects.)

Question 3—Electric Utilities & Power Generators SASB Standard

- a) Do you agree with the proposed Electric Utilities & Power Generators industry description? Does it accurately describe the business activities of entities in this industry? Do you agree with the scope of activities included in the industry classification? Why or why not?
- b) Do you agree that the proposed disclosure topics in the *Electric Utilities & Power Generators* SASB Standard accurately identify the sustainability-related risks and opportunities that could reasonably be expected to affect the prospects of entities in this industry? If not, what revisions would you suggest and why?
- c) Do you agree that the proposed metrics and technical protocols in the *Electric Utilities & Power Generators* SASB Standard would help an entity provide primary users with decision-useful information about sustainability-related risks and opportunities? If not, what revisions would you suggest and why?
- d) Do you agree that the proposals would improve the international applicability of the *Electric Utilities & Power Generators* SASB Standard and would lead to the disclosure of useful information from entities in the industry regardless of their jurisdiction? Why or why not?
- e) Do you agree that the proposed amendments would enhance the *Electric Utilities & Power Generators* SASB Standard's interoperability and alignment with other sustainability-related standards or frameworks? Why or why not? (Note that the ISSB is focused on providing material information for investors about the effects of sustainability-related risks and opportunities on an entity's prospects.)

Question 4—Consequential amendments to the IFRS S2 industry-based guidance

- Do you agree that the ISSB should make consequential amendments to the IFRS S2 industry-based guidance when it makes amendments to the SASB Standards as set out in this Exposure Draft? Why or why not?

Question 5—Effective date

- Do you agree with the proposed approach for setting the effective date of the amendments and permitting early application? Why or why not?

Questions for respondents who did not respond to the July 2025 Exposure Draft

The consultation also reiterates the questions of 2025 consultation. ISSB invitation to comment underlines that 'for those stakeholders who did not respond to the July 2025 Exposure Draft, the ISSB has included similar questions in this Exposure Draft. However, stakeholders that already provided responses to these questions in response to the July 2025 Exposure Draft need not repeat their responses.'

The questions listed in this section are:

- Question 6. Objective [of the proposed amendments]
- Question 7. Enhancements to interoperability with other standards and frameworks
- Question 8. Amendments to the climate-related content in the SASB Standards.
- Question 9. Information related to biodiversity, ecosystems and ecosystem services and human capital

EFRAG Secretariat proposes to reference its comments made in 2025 in response to this section of questions.

Appendix 2: Index of topics and metrics identified as new

1. This appendix summarises the SASB metrics identified as new (not overlapping with ISSB consultation 2025), based on the materials published by ISSB. It also allocates the metrics to the expected topical relevance for EFRAG.

Summary of topics covered by the standards

Topic	Agricultural Products	Meat, Poultry & Dairy	Electric Utilities & Power Generators	REL.
Greenhouse Gas Emissions	✓	✓	X	E
Greenhouse Gas Emissions & Energy Resource Planning	X	X	✓	E
Energy Management	✓	✓	X	E
Air Quality	X	X	✓	E
Water Management	✓	✓	✓	E
Food Loss & Food Waste	✓	X	X	E/S
Hazardous Waste Management	X	X	✓	E
Land Use & Ecological Impact	✓	✓	X	E
Ecological Impacts	X	X	✓	E
Product Innovation*	X	✓	X	E
Environmental Supply Chain Management	✓	✓	X	E
Food Safety	✓	✓	X	S
Labour Conditions	✓	X	X	S
Community Relations & Rights of Indigenous Peoples	X	X	✓	S
Energy Affordability	X	X	✓	S
Workforce Health & Safety	✓	✓	✓	S
Employee Recruitment, Development & Retention	X	X	✓	S
Social Supply Chain Management	✓	✓	X	S
Supply Chain Management	X	X	✓	E/S
Demand-side Management	X	X	✓	S
Critical Incident Risk Management	X	X	✓	S
Animal Health & Welfare	X	✓	X	G
Antibiotic Use in Animal Production	X	✓	X	G
Operational Resilience & System Reliability**	X	X	✓	E/S/G

*Partly relevant to environment // **Including Cybersecurity

Electric Utilities & Power Generators

TOPIC	METRIC	ID	REL.
Greenhouse Gas Emissions & Energy Resource Planning	Greenhouse gas emissions associated with (1) transmission and distribution loss and (2) net electricity purchased	IF-EU-110a.2	E
	Installed capacity, disaggregated by (1) major energy source and (2) energy storage	IF-EU-110a.4	E
	Planned capacity, disaggregated by (1) major energy source and (2) energy storage	IF-EU-110a.5	E
Energy Affordability	Description of energy affordability-related risks and opportunities and strategies to manage them	IF-EU-240a.5	S
	(1) Number of active participants and (2) number of eligible participants in energy affordability-related actions or programmes, disaggregated by (a) residential, (b) commercial and (c) industrial participants	IF-EU-240a.6	S
Employee Recruitment, Development & Retention	Description of employee recruitment, development and retention-related risks and opportunities and strategies to manage them	IF-EU-330a.1	S
	(1) Voluntary and (2) involuntary employee turnover rate for: (a) all employees and (b) occupational categories with a significant skill shortage	IF-EU-330a.2	S
Demand-side Management	Description of demand-side management-related risks and opportunities and strategies to manage them, including any targets set to monitor progress	IF-EU-420a.4	S
	(1) Number of active participants and (2) number of eligible participants in demand-side management-related actions or programmes, disaggregated by (a) residential, (b) commercial and (c) industrial participants	IF-EU-420a.5	S
	Peak demand savings from demand-side management strategies	IF-EU-420a.6	S
Critical Incident Risk	Total number of nuclear power units, disaggregated by results of most recent independent national regulatory safety review	IF-EU-540a.1	S
Operational Resilience & System Reliability	Number of cybersecurity incidents related to disruptions of the electrical power system	IF-EU-550a.1	G
	(1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI)	IF-EU-550a.2	S/G
	Average availability factor for generation assets	IF-EU-550a.3	E
	Amount and percentage of assets vulnerable to climate-related physical risks, disaggregated by industry asset type and climate-related physical risk	IF-EU-550a.4	E
	Description of strategies to manage operational resilience and system reliability-related risks and opportunities, including any targets set to monitor progress	IF-EU-550a.5	E

Meat, Poultry & Dairy

TOPIC	METRIC	ID	REL.
Food safety	Information about markets that restrict, ban or suspend imports of the entity's products	FB-MP-250a.4	S
Antibiotic use in animal production	Percentage of animal production that received (1) medically important antibiotics and (2) not medically important antibiotics, by type of livestock	FB-MP-260a.1	G
Workforce health & safety	Description of efforts to assess, monitor, and mitigate acute and chronic health conditions	FB-MP-320a.2	S
Animal health & welfare	Percentage of production certified to a third-party animal welfare standard, by type of livestock and certification	FB-MP-410a.3	G
	Description of animal welfare strategy, including targets, procedures and value chain integration	FB-MP-410a.4	G
	Description of risks and opportunities related to biosecurity, including strategies for disease management	FB-MP-410a.5	G
Land Use & Ecological impacts	Percentage of animal protein production from confined animal feeding operations	FB-MP-160a.4	E
	Percentage of livestock production from direct farming operations that implement and maintain a written nutrient management plan	FB-MP-160a.9	E
Environmental supply chain management	Percentage of sourced livestock from farms implementing and maintaining a written nutrient management plan	FB-MP-430b.3	E
	Percentage of animal protein sourced from confined animal feeding operations	FB-MP-430b.4	E

Agricultural Products

TOPIC	METRIC	ID	REL.
Food loss & Food waste	(1) Total food loss generated, (2) quantity diverted	FB-AG-150a.1	E, S
	Description of strategies to address opportunities related to food loss and food waste throughout the value chain	FB-AG-150a.2	E, S
Labour Conditions	Processes, controls and procedures to manage labour conditions, including forced labour and child labour, in direct operations	FB-AG-310a.1	S