

24 November 2025

M. Emmanuel Faber  
Chair of the International Sustainability Standards Board  
IFRS Foundation  
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Canary Wharf  
London E14 4HD  
**United Kingdom**

Submitted via [Submit a comment letter](#)

Dear Mon. Faber,

### **Submission on Exposure Draft: Enhancing the SASB Standards**

Thank you for the opportunity to comment on the *Exposure Draft: Enhancing the SASB Standards*. We appreciate the ISSB's efforts to improve the relevance and global applicability of industry-based sustainability disclosures.

This comment letter outlines:

- general observations on the exposure draft and process;
- specific comments on implementation and interoperability; and
- recommendations.

#### **General observations**

- **Difficult to get meaningful engagement:** The scale and complexity of the proposed amendments have made meaningful consultation difficult. In Aotearoa New Zealand, we have been unable to engage stakeholders effectively, mainly due to time pressures and the technical depth required. We understand this challenge is not unique to our jurisdiction; other countries, such as Australia, Canada, and Japan, have faced similar issues with stakeholder engagement in this context.
- **Unclear consultation structure:** The consultation does not maintain a consistent approach to how amendments are applied. It moves between two different levels:
  - Making changes within specific sectors (amending nine industry standards), and
  - Applying consequential adjustments across a much wider set of 41 additional standards.Mixing sector-focused and cross-sector amendments creates confusion about the intent of the changes. The objectives – whether to resolve industry-specific issues or to establish universal metrics – should be clearly distinguished.

Further, when a metric defined for one of the first nine sectors is later applied to other sectors, it raises the question of whether this happens automatically, and if so, how that process is

managed. These structural uncertainties make it difficult to understand the overall direction and intent of the amendments, making it challenging to engage with stakeholders.

- **Appropriateness of uniform metrics:** Is it feasible or appropriate for a metric to remain identical across a wide range of industry sectors? While consistency can support comparability, it may overlook sector-specific nuances that are critical for meaningful reporting. We observe that some metrics appear to be consistent and applicable across sectors, while others remain tailored to the unique needs of specific industries.
- **ISSB architecture:** We seek clarification on the status of the SASB Standards within the ISSB architecture. Specifically, their relationship to any additional sustainability standards the ISSB may develop, such as those focused on human capital or biodiversity, ecosystems and ecosystem services (BEES). Furthermore, we seek clarification regarding the intended process for ongoing updates to these standards.

We understand the SASB Standards were originally developed to facilitate consistent reporting of sustainability information that is financially material to investors, with a focus on disclosure rather than the identification or management of risks. These standards guide preparers in selecting industry-specific metrics for reporting purposes, but they are not designed or structured to help entities identify or assess the underlying material sustainability risks themselves.

The way sector standards will function alongside other sustainability disclosures may depend on where the reporting entity is located, rather than solely on its sector. This consideration is especially important for BEES disclosures. Since the ISSB is still considering its approach to BEES, we recommend holding off on any changes to SASB standards until this approach has been finalised.

### Implementation and interoperability

- **Alignment with other frameworks:** We support efforts to align with frameworks such as GRI and TNFD. However, the rationale for specific interoperability decisions is not always clear in the basis for conclusions. More transparency is needed on how these alignments are determined and we encourage the ISSB to make explicit the alignment with other major frameworks, in particular the GRI, including clear cross-references in SASB tables.
- **Support:** Small teams and limited industry expertise constrain the ability of jurisdictional standard setters to facilitate meaningful discussions with affected sectors as the current engagement requires a strong understanding of the underlying IFRS standards, subject matter expertise across multiple sustainability topics and industry-level expertise into how these sustainability topics apply within specific industries.
- **Undue reporting burden:** If these standards are treated as mandatory disclosure requirements rather than guidance, preparers may face an unreasonable burden in explaining why certain metrics do not apply, especially when those metrics relate to risks that are not material to the reporting entity.

### Recommendations

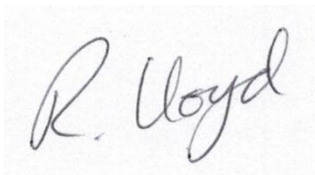
- **Clarify the role and status of SASB Standards within the ISSB architecture:** Clearly explain how the SASB Standards fit within the broader ISSB framework, including their relationship to any future standards on topics such as human capital or BEES. Provide transparency on the intended process for ongoing updates to the SASB standards.

- **Develop core, cross-sector metrics alongside industry-specific metrics:** restructure the SASB Standards to present metrics and protocols that are shared across multiple industries as core, industry-agnostic, or cross-sector disclosures which can be used where they relate to a material sustainability-related topic for an entity.
- **Separate consultations for sector-specific and cross-sector metrics:** Consultations should not combine both sector-specific standards and cross-sector metrics within the same process. Instead, consultations should be separated, with a clear distinction made between amendments intended to address industry-specific issues and those aimed at creating more generic, widely applicable metrics. This approach will help stakeholders better understand the objectives and implications of proposed changes, support more meaningful engagement, and avoid confusion regarding the scope and intent of each consultation.
- **Enhance transparency on interoperability decisions:** Provide greater transparency on the alignment with other frameworks such as GRI, including how decisions on alignment are made and how interoperability is achieved.
- **Provide additional support for jurisdictions and teams:** Recognise the resource and expertise constraints faced by jurisdictions, and provide additional support and guidance to help facilitate meaningful engagement and implementation during any consultations.
- **Position SASB Standards as non-mandatory guidance and relabel accordingly:** Ensure that preparers are not unreasonably burdened by the need to demonstrate non-relevance of certain metrics, especially where industry-specific circumstances differ. The SASB Standards should be positioned as non-mandatory guidance, and clearly relabelled to reflect this status.

We support the goal of enhancing industry-based sustainability disclosures but caution that the current process may not deliver the intended outcomes. We encourage the ISSB to address the concerns outlined above to ensure the standards are both effective and practical.

If you would like to discuss the comments in this letter in more detail, please contact Amelia Sharman ([amelia.sharman@xrb.govt.nz](mailto:amelia.sharman@xrb.govt.nz)).

Yours sincerely



Becky Lloyd  
Chair Sustainability Reporting Board, External Reporting Board