Canada Climate Law Initiative | L'Initiative canadienne de droit climatique

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17 November 2025

To:
Emmanuel Faber, Chair
Suzanne Lloyd, Vice-Chair
International Sustainability Standards Board
International Financial Reporting Standards Foundation
commentletters@ifrs.org

Dear Mr. Faber and Ms. Lloyd,

Re: Exposure Draft: Consultation on Proposed Amendments to the Sustainable Accounting Standards Board (SASB) Standards

The Canada Climate Law Initiative (CCLI) values the work of the International Financial Reporting Standards Foundation (IFRS) and its International Sustainability Standards Board (ISSB). CCLI welcomes the opportunity to comment on the proposed amendments to the Sustainable Accounting Standards Board (SASB) Standards to enhance their international applicability and complement and further align them with the IFRS (S1) General Requirements for Sustainability-related Financial Information and with the IFRS (S2) Climate-related Disclosures.

The SASB Standards, founded in 2011, played a leading role in defining material ESG factors across 77 industry sectors. Investors rely on SASB sector-specific, sustainability-related topics and metrics to inform their investment analysis across the investment cycle, including due diligence, ongoing monitoring, portfolio risk management, and valuations. CCLI supported the consolidation of the SASB Standards and other environmental, social, and governance (ESG) frameworks into the ISSB in order to streamline reporting and improve the comparability and usefulness of sustainability disclosures to investors.

In our view, users of general-purpose financial reporting must be able to access consistent, complete, comparable, and verifiable sustainability-related and climate-related information to appropriately assess investment risks and opportunities. CCLI agrees that an entity must disclose information that assists users to understand the potential impacts of material climate-related risks and opportunities on its financial position, including its financial performance and cash flows over the short, medium, and long term, as well as how these potential impacts are embedded in the entity's financial planning.

The ISSB is proposing to amend the SASB Standards with the objective of providing timely support to entities applying IFRS S1 and S2. The proposed amendments have been drafted under the assumption that an entity would apply the SASB Standards alongside IFRS Sustainability Disclosure Standards (although this is not required by IFRS S1 and S2). This would allow the SASB Standards to remain targeted and proportionate while avoiding unnecessary duplication of requirements already included in IFRS S1 and S2. IFRS S1 focuses on general sustainability-related financial disclosures, and IFRS S2 focuses on climate-related disclosures, each with respect to governance, strategy, risks, opportunities, and metrics and targets. By contrast, topics covered in the SASB Standards focus on more comprehensive ESG factors and metrics specific to each industry sector. Used in tandem, the SASB Standards and IFRS S1 and S2 should present a fuller picture of an entity's sustainability-related performance for users.

CCLI is responding to Questions 1, 3, 5 and 15 of the consultation, with several recommendations focused on treatment of greenhouse gas (GHG) emissions, water management, and Indigenous rights.

Question 1

a) Do you agree with the objective of the proposed amendments to the SASB Standards and related areas of focus?

CCLI supports the broad objective of the amendments to further align the SASB Standards with the ISSB standards as well as to promote the high-quality implementation of IFRS S1 and S2, and by extension, the implementation of the Canadian Sustainability Disclosure Standards (CSDS) 1 and 2, through timely enhancements to the SASB Standards.

We note that the sustainability measurement space is continually evolving, informed by our understanding of the interrelationships between nature, biodiversity, and climate. It is therefore important and appropriate for the ISSB to take a leading role in capturing relevant inter-relationships of metrics in this regard. It is also important, considering the plethora of sustainability reporting metrics and frameworks, to continually attempt to refine these metrics into a more concise, clear, and comparable format, focused on what is most material from a user's perspective.

However, the concept of timeliness is qualitative and may be interpreted differently by various preparers within and across industry groupings. It may be necessary to offer a phased approach to implementation, with larger companies expected to lead the way on earlier implementation. The European Union's (EU) Corporate Sustainability Reporting Directive (CSRD) provides a good example of phased-in implementation of disclosure requirements. It uses listed status, size, turnover, and number of employees to determine whether and when companies are subject to the CSRD requirements. CCLI believes that adopting a similar approach would help smaller entities by allowing more time to gather the necessary data and familiarize themselves with the methodologies available.

CCLI fully supports the ISSB objective to improve interoperability of the SASB Standards with other key sustainability standards and frameworks, such as the Global Reporting Initiative and the Greenhouse Gas Protocol. Better alignment of the language and concepts in the SASB Standards with the IFRS S1 will serve to enhance the SASB Standards' clarity, concision, and cost effectiveness for preparers.

CCLI supports the goal of the IFRS to facilitate corporate disclosure of relevant, comparable, material, and decision-useful ESG data. However, we note that there is an inherent conflict posed by these same criteria. Changing or adding new metrics may improve relevance and decision-usefulness, but it may also reduce overall disclosure rates as well as year-over-year comparability in the short term. Prior years' calculations may need to be restated, requiring significant rework and costs, while firms may have to adapt either to a new frame of reference, or change their protocols for what is measured, monitored, reported, and verified. ISSB must seek a balance between these elements to satisfy key stakeholders, while recognizing the urgency and importance of improving the robustness and transparency of the climate-related disclosure landscape.

Considering that ISSB is proposing multiple changes in topic areas, descriptors, and metrics, CCLI suggests that, in order to enhance comparative analysis, IFRS create a table to demonstrate the proposed amendments to topic areas and to metrics across the nine industries slated for change. This table would make it easier for stakeholders to identify where metrics differ for a topic area across industries, or where a metric or topic area is not covered for a certain industry. For example, it appears that Labour Relations has been renamed with new metrics in the Coal standard (page 13) but not in the Construction Materials standard (page 14) and similarly the new Community Relations & Rights of Indigenous Peoples' topic and metrics appear in the Coal standard (page 13) but not in the Construction Materials standard (page 14). It is not apparent whether and how the topic areas and metrics missing from the Construction Materials standard are immaterial to the industry. Furthermore, CCLI suggests ISSB itemizes whether a particular metric is not considered material to a certain industry, providing that list along with rationales for exclusion where possible.

CCLI broadly supports the related areas of focus for each industry, including environmental topics such as GHG emissions and related metrics, such as for methane. While the ISSB proposed amendments do request entities disclose their total scope 1 methane emissions, CCLI believes ISSB should go a few steps further. ISSB should additionally request that entities explain how they measure and monitor methane emissions; whether they have adopted a target to reduce these emissions; through which vehicle these emissions will be reduced, such as venting or flaring (oil and gas firms); and whether these emissions are verified through a third party. Clearer expectations for methane emissions measurement, monitoring, reporting and verification (MMRV) would benefit IFRS S2 preparers and support investors in accessing decision-useful information, especially given the significance of reducing methane emissions in combating climate change. Moreover, the ISSB could reference the Oil and Gas Methane Partnership (OGMP) 2.0, which has quickly become the leading global framework for measuring and reporting on methane emissions in the oil and gas industry, and was developed by the United Nations Environment Programme (UNEP) with a goal to facilitate deep reductions in industry-wide methane emissions.

We note that, in most of the standards, additional metrics for water management have been added, including, in some, a useful discussion of water-related risks and opportunities, any targets, total water discharged by destination and level of treatment; and, in others, metric for percentage of production from mine sites where acid and metalliferous drainage has the potential to occur. CCLI believes that all of these additional metrics will serve to better inform the user/investor of water risk and resilience. However, we also note that, without reference to any sort of peer or industry benchmark or year-over-year data, the user/investor may be confused as to whether the information conveyed represents adequate, normative, or superior performance on the part of the entity. We do note that the SASB Standards may fill this gap for some metrics, for example, in requiring that the entity disclose how it identifies water-stressed locations, SASB recommends using tools such as the World Resources Institute's (WRI) Aqueduct Water Risk Atlas and the World Wildlife Fund's Water Risk Filter.[1] CCLI believes that, where possible, recommended tools and benchmarks should be provided for all the additional metrics as well.

CCLI broadly supports the ISSB's objective to further enhance the international applicability of industry groupings, as well as disclosure topics and metrics for those groupings. CCLI suggests that an additional objective could be to improve the collection, monitoring, and assessment of complete and accurate emissions data to capture risk exposures and opportunities across multiple portfolios.

b) Do the proposed amendments meet this objective? Why or why not?

With respect to meeting the objective of improving clarity, CCLI notes that metrics that are more easily quantifiable have an increased specificity and clearer descriptors, which should both work to improve the quality of disclosure overall. For example, Table 1 for the GHG topic, the metric is improved by being more concise, more specific, and reflecting a higher degree of expectation.[2] The entity must now

[1] IFFRS, "Exposure Draft: Proposed amendments to the SASB Standards" (July 2025) at 109, ss 3.2.1– 3.2.2, online: *IFRS* <https://www.ifrs.org/content/dam/ifrs/project/enhancing-the-sasb-standards/sasb-ed-2025-1-proposed-amends.pdf> [SASB Exposure Draft].

[2] *Ibid* at 34.

describe the scope 1 GHG target and analysis of its performance relative to that target, whereas entities were previously offered the option to either discuss their scope 1 strategy or their plan to manage scope 1 emissions and targets. As another example, the targeted amendments 1.2.5 and 1.2.6 describe strategies to avoid the double-counting of emissions, serving to improve the accuracy of disclosure and efficiency of the data tracking process.[3]

With respect to timeliness, we agree that a timeline of 12-18 months after issuance of these amendments seems reasonable at first glance. However, CCLI believes this timeline may still be insufficient for companies, especially in industries slated for the most change to adapt. For example, the metals and mining industry type has ten revised disclosure topics, at least seven new metrics, and two completely new categories have been added—operations in conflict areas and supply chain management.

While we note that the new conflict areas metric aligns with the stated ISSB goal to enhance international applicability of industry groupings, we suggest that, where there are new and more metrics to be tracked, compliance considerations be given to entities to adapt. We note that the addition of certain metrics and topics, such as operations in conflict areas, highlight risks which might otherwise not be as visible, which should improve user/investor risk awareness.

Question 3 - Amendments to the climate-related content in the SASB Standards

a) Do you agree that the ISSB should amend the climate-related content in the SASB Standards for the priority industries and make targeted amendments to the climate-related content in the SASB Standards for other industries, as proposed in this Exposure Draft? Why or why not?

Considering that climate change is an urgent and pressing systemic risk, it is vital that investors be able to access fit-for-purpose climate risk data from investee companies, so as to inform their investment and stewardship strategies. While the landscape for climate-related metrics is constantly changing and it is important for the SASB Standards to stay relevant, it will also be important to balance the needs of the users and preparers of data to facilitate both more disclosure by companies and better-quality data for users.

Of the 77 SASB industry categories, nine categories (~12%) are captured in the proposed amendments, for the most CO_2-intensive industries, with the exception of agricultural products, as well as meat, poultry, and dairy. CCLI finds this approach, with its emphasis on material, climate-related metrics for the most CO_2-intensive industries, acceptable. However, we note that agriculture, while excluded from these amendments, is nevertheless estimated to account for 11.7% of global emissions, the second-highest emitting sector after energy.[4] As such, we recommend that ISSB publish a schedule for the inclusion of targeted amendments for all industries, including agriculture.

CCLI agrees with ISSB that the GHG disclosure topic and metrics should be revised and include scope 1 methane emissions for industries where methane is material (e.g. for coal, oil and gas, agriculture, etc.). With respect to GHG emissions more generally, investors are calling for more complete and accurate historical emissions data, as well as future-focused information regarding climate transition and adaptation plans, to better capture risk exposures and identify opportunities across portfolios.

[3] *Ibid* at 426, ss 1.2.5–1.2.6.

[4] Mengpin Ge, Johannes Friedrich & Leandro Vigna, "Where do Emissions Come From? 4 Charts Explain GHG Emissions by Sector" (5 December 2024), online: *World Resources Institute* <https://www.wri.org/insights/4-charts-explain-greenhouse-gas-emissions-countries-and-sectors>.

According to the International Energy Agency, methane is responsible for ~30% of the rise in global temperature since the Industrial Revolution.[5] It is CCLI's view that in industries for which methane emissions are material and significant, such as extractives and agriculture, SASB can and should do more to influence entities' performance on methane reductions. While requiring that these entities measure and report on their scope 1 methane emissions is important, SASB should request that entities report more fully on their targets, including their strategy for reaching those targets, performance relative to those targets, and their methane emissions verification processes, in alignment with OGMP 2.0. CCLI notes that the GHG disclosure topic does request a general description of scope 1 GHG targets and an analysis of performance against those targets; however, methane is not specified as part of that description.[6]

CCLI agrees with ISSB that a description of water-related risks and opportunities, including targets, and water discharged totals should be added for industries where water use is material (e.g. for coal, mining, oil and gas, agriculture, etc.). With respect to water, investors are increasingly recognizing the inter-relationship between climate and nature resilience, and as such, seek information regarding entities' water usage, dependencies, access, and local impacts. The Taskforce on Nature-related Financial Disclosures (TNFD) provides a framework for reporting on nature-related issues, including water metrics, such as total water withdrawn from the watershed, water discharged, and freshwater used. CCLI recommends that the SASB Standards for water align with the TNFD framework's water metrics.

We note the topic of Community Relations has been expanded to include Rights of Indigenous Peoples across several industry sectors, an expansion which includes climate-related considerations, due diligence processes and engagement with Indigenous Peoples. While Community Relations should certainly include engagement with Indigenous Peoples, it seems insufficient to only include consideration of the rights of Indigenous Peoples in this single topic. CCLI suggests that consideration of the Rights of Indigenous Peoples be included in other sections, such as Leadership & Governance.

With respect to the rights of Indigenous Peoples, legal scholars in Canada and elsewhere are advocating for free, prior, and informed consent (FPIC) as well as shared decision-making, co-governance practices and recognition of Indigenous jurisdiction. Canada's Bill C-5 (fast-tracking nation-building infrastructure projects) has caused great consternation, despite requiring consultation with Indigenous groups.[7] The concern is whether the Bill requires that consultation be meaningful or that it result in consent. The risk identified by scholars and Indigenous leaders is that the duty to consult may simply become a procedural formality of checking a box rather than engaging in a FPIC process.[8] CCLI believes that the metric's description of "engagement processes and due diligence practices related to upholding indigenous rights" is an improvement over the previous focus on "managing indigenous rights", but we also note that this new description does little to inspire confidence that the engagement and due diligence processes will involve meaningful two-way communication, or Indigenous FPIC.[9] Considering this topic of Community Relations & Rights of Indigenous Peoples is qualitative with no metrics to report on, CCLI recommends that guidance be provided for entities on key reporting parameters in alignment with the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), an international human rights instrument adopted by the United Nations.

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[5] International Energy Agency, "Global Methane Tracker 2025" (7 May 2025) at 3–4, online: *IEA* <https://www.iea.org/reports/global-methane-tracker-2025>.
[6] The OGMP 2.0 focuses on reporting Scope 1, direct methane emissions from sources such as venting and flaring and excludes Scope 2 emissions. See "Oil & Gas Methane Partnership 2.0", online: *OGMP* <https://www.ogmpartnership.org/>.
[7] Terri-Lynn Williams-Davidson, "Rising Tides and Indigenous Title: Infrastructure or Infringement Under Bills C-5 and 15?" (4 November 2025), online (blog): *CCLI* <https://ccli.ubc.ca/rising-tides-and-indigenous-title-infrastructure-or-infringement-under-bills-c-5-and-15/>.
[8] *Ibid*.
[9] SASB Exposure Draft, *supra* note 1 at 35.

CCLI broadly supports creating a Climate Resilience category because resilience should be a vital component of business strategy. For example, real assets, such as real estate and its related construction sector, should be assessed on their relative resilience to physical climate risk and for their adaptive capacity (e.g. emergency protocols, back-up generators, sprinkler systems, durable building materials, etc.). Separately, we believe capital expenditure (capex) remains a crucial indicator of climate strategy. Both Climate Action 100+ and Climate Engagement Canada assess entities on their future capex alignment, either on their commitment to align capex with their long-term decarbonization target or to phase out planned expenditure in unabated carbon-intensive assets or products.

CCLI broadly supports the inclusion of a new supply management disclosure topic to highlight environmental and social risks across the supply chain, aligning with ISSB's objective to make the standards more globally relevant. CCLI also supports ISSB in the name change from Waste Management to Waste & Hazardous Materials Management, as this more adequately highlights the associated climate-related risks.

b) Do you agree that the proposed amendments would enhance the decision-usefulness of the industry-specific information about climate-related risks and opportunities? Why or why not?

With respect to the decision usefulness of the proposed amendments, CCLI finds that some amendment components, such as the addition of the total scope 1 methane emissions, and three water-related metrics highly useful. However, we also believe that the SASB Standards can and should go further, as described above, to require that entities adopt and report on their progress against targets specific to methane emissions, as well as disclose whether and how these emissions are verified.

We suggest that ISSB provide clearer guidance on key performance indicators across industry sectors for the purpose of financial monitoring across portfolios, so as to help users make informed decisions. This guidance should also include recommendations on how to interpret and assess highly specific information. For example, with respect to the new section EM CO 140a.5[10] on percentage production from mine sites where acid and metalliferous drainage has the potential to occur, is mitigated, or under treatment, guidance on how an investor should interpret and assess this information would be useful.

Other proposed amendments are somewhat limited in their decision usefulness. For example, Section 7.17[11] offers a value at risk (VaR) model, which refers to a financial adjustment to the value of the project made for taking, as compared to not taking community-related risks into account, and the value of the project once adjusted for those risks. While investors typically conduct stress tests using a VaR model, especially for climate value at risk (CVaR), arriving at a community relations VaR based on qualitative factors may be particularly challenging to translate into a decision-useful quantitative model. It is possible that a community-based VaR is centred on one of the metrics pertaining to the number of days idle or operational delays; however, this is not outlined and so could just as easily be applied to working in a conflict zone, or work stoppages due to labour strife. CCLI finds the underlying metrics rubric for a community-based VaR should be further explained and examples be provided.

[10] *Ibid* at 49.
[11] *Ibid* at 66.

c) Do you agree that the proposed amendments would further clarify how the climate-related content in the SASB Standards and the IFRS S2 industry-based guidance relates to the requirements in IFRS S2?

As previously mentioned, CCLI finds that some of the proposed amendments are helpful in satisfying the requirements of IFRS S2. These helpful amendments include the addition of the total scope 1 methane emissions in evaluating climate risks and, to some extent, climate strategy, and the three water-related metrics that will help evaluate climate-related water risks, opportunities, and the strategies.

While the proposed amendments clarify the relationship between IFRS S2 and SASB standards with respect to climate-related information, CCLI also believes the ISSB should make related amendments to the IFRS S2 industry-based guidance in tandem with these proposed amendments. These IFRS S2 changes would further support global interoperability, alignment, information consistency, as well as comparability for investors, and possibly reducing the reporting burden for preparers.

Question 5 - Effective date

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

While 12-18 months may seem to provide sufficient time for larger companies to update their reporting systems, data collection processes, and internal controls, CCLI recommends extending leniency to smaller and resource-constrained entities, in order to promote both early buy-in from larger firms and fuller adoption by smaller firms.

CCLI proposes the following alternative approaches for compliance with the new SASB Standards:

- **Comply or explain basis**: A comply-or-explain approach that would offer flexibility to entities that lack the requisite information, whilst still providing a high quality of information to investors.
- **Transition relief**: A period of transition relief once the standards are amended would offer time for entities to adapt. The Canadian Sustainability Standards Board's CSDS 2 offers three years of transition relief on scope 3 emissions, beginning from the date the standard is first applied.[12] CCLI believes this would be an adequate and reasonable period of time for the SASB Standards as well.
- **Phased-in implementation**: A phased-in implementation approach would help smaller entities with reporting by allowing more time to gather the necessary data and familiarize themselves with the methodologies available and amendments. The EU's CSRD provides a good example of phased-in implementation of disclosure requirements. It uses listed status, size, turnover and number of employees to determine whether companies are subject to the CSRD requirements and when.[13]

[12] Canadian Sustainability Standards Board, *Canadian Sustainability Disclosure Standards: Climate-related Disclosures* (December 2024) at para C4.

[13] *Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting*, [2022] OJ L 322/15.

- **Safe harbour provisions**: Safe harbour provisions, similar to those offered in the United States,[14] would allow entities to disclose free from litigation risk. As methodologies may not be wholly developed or data fully accessible until disclosure becomes more widespread, disclosing entities may be more willing to explore existing or develop new methodologies, providing opportunities for improvement on methodologies and data in the future.

CCLI believes that these four potential alternatives—a comply or explain basis approach, transition relief, phased-in implementation, and safe harbour provisions—are all viable ways of providing disclosure relief to preparers and facilitating the implementation.

Question 15 - Targeted amendments to the SASB Standards

Beyond the amendments proposed to the nine priority SASB Standards, the ISSB proposes that the corresponding metrics in other SASB Standards be aligned to maintain consistent disclosures on these common topics among industries where appropriate. Forty-one additional industries would be affected by the proposed targeted amendments. The ISSB proposes targeted amendments to the metrics in other SASB Standards for:

- greenhouse gas emissions;
- energy management;
- water management;
- labour practices; and
- workforce health and safety.

Paragraphs BC47–BC48 of the Basis for Conclusions set out the ISSB's reasoning for proposing the targeted amendments. The section on 'Proposed amendments for the SASB Standards' in the Basis for Conclusions sets out the reasoning for specific amendments to the topics noted above. Appendix A to the Basis for Conclusions contains a full list of SASB Standards and metrics within those that would be affected by the targeted amendments.

a) Do you agree with the proposal to align corresponding metrics in other SASB Standards beyond the nine priority industries to maintain consistent disclosures on these common topics in industries subject to equivalent disclosure requirements? Do you agree that doing so would improve the comparability of information?

Do you agree with the proposed amendment? Why or why not?

CCLI broadly supports extending the amendments to the metrics listed above, beyond the nine priority industries, and agrees that this extension would promote alignment and consistency, eliminate minor variations, and improve the comparability of information.

[14] *Securities Act of 1933*, 17 CFR, Chapter II at § 230.175; *Securities Exchange Act of 1934*, 17 CFR, Chapter II at § 240.3b-6; *Securities Act of 1933*, 15 USC at § 77z-2; *Securities Exchange Act of 1934*, 15 USC at § 78u-5; *Private Securities Litigation Reform Act of 1995*, 109 Stat 737.

b) Do you agree that these proposed targeted amendments should be implemented before completing a comprehensive review of each of the SASB Standards affected by these amendments? Do you agree that this approach would support the objective of enhancing the SASB Standards to provide timely support to entities in applying IFRS S1? Why or why not?

CCLI agrees that implementing the proposed targeted amendments before completing a comprehensive review promotes greater agility, offers a more pragmatic approach, and is preferable to waiting for a comprehensive review of each SASB standard and amendment. CCLI cautions that a recent 2025 Planetary Health Check found that seven of the nine critical planetary boundaries have now been breached, evidenced by climate warming, biodiversity loss, ocean acidification, freshwater impacts, unhealthy levels of pollution, and more.[15] While this news is highly concerning, these changes are not yet irreversible, and the window to act remains open. Providing investors with more accurate and complete climate-related disclosures should remain an urgent ISSB priority.

c) Do you agree with the proposed targeted amendments associated with greenhouse gas emissions? Why or why not?

CCLI broadly agrees with the proposed targeted amendments and finds the GHG metrics to be both qualitative/narrative and future-focused—including discussion of long- and short-term strategy for each targeted sector, as well as quantitative/historical. CCLI suggests that ISSB use examples of qualitative and quantitative targets.

Considering that methane is 80 times more powerful than CO_2 over the first 20 years, it is vital for entities to measure, monitor, report, and verify (MMRV) those methane emissions, as well as act to reduce methane emissions through reduced venting and flaring (oil and gas) and updated industrial processes. In addition to requesting that entities disclose their scope 1 (operational) methane emissions, which comprise the vast majority of the oil and gas industry's methane footprint, ISSB should request entities disclose their scope 2 (purchased) methane emissions, as well as their targets and strategy to reduce methane emissions overall. Section 2 states that the entity shall disclose the portion of its scope 1 subject to jurisdictional laws or regulations, such as cap-and-trade schemes.[16] CCLI recommends that all entities disclose methane and any other highly material GHG by sector, regardless of whether they are required by law to do so.

For the sake of clarity, CCLI recommends that ISSB not drop reference to absolute and emissions intensity targets in EM-CO-110a.2 (2.2).[17] While absolute emissions reductions are the ultimate goal, measurement and tracking of emissions intensity is useful as a line of sight to help manage and reduce GHG intensity.

Paragraph 29 a) of IFRS S2 does state the entity shall report its absolute GHGs in the reporting period for scope 1, 2 and 3 emissions.[18] IFRS S2 also states that the entity should disclose its climate-related transition risks, which the proposed targeted amendments partially address in the Climate Resilience

[15] Stockholm Resilience Centre, "Seven of Nine Planetary Boundaries Now Breached" (24 September 2025) online: *Stockholm Resilience Centre, Stockholm University* <https://www.stockholmresilience.org/news--events/general-news/2025-09-24-seven-of-nine-planetary-boundaries-now-breached.html>.
[16] SASB Exposure Draft, *supra* note 1 at 40.
[17] *Ibid* at 42.
[18] ISSB, *IFRS S2 Climate-related Disclosures* (June 2023) at 14.

module.[19] CCLI suggests that ISSB consider taking this opportunity to describe and request entities to report on key components of a climate transition plan in alignment with IFRS S2, including absolute and intensity targets, baselines, and a discussion of future-focused strategy, scenario analysis, and stress testing.

c) Do you agree with the proposed targeted amendments associated with energy management? Why or why not?

This section describes proposed amendments to metrics titled (1) total energy consumed, (2) percentage grid electricity, and (3) percentage renewable.

CCLI broadly agrees that the amendments are useful and provide greater clarity, including specifying that entities shall disclose the total quantity of energy they consumed, including all forms of energy, purchased or acquired or self-generated. These amendments also clarify the determination of ownership or control of energy and serve to avoid double counting.

Conclusion

The Canada Climate Law Initiative (CCLI) broadly supports the objectives of the amendments. Our key messages focus on suggestions for accompanying guidance, a few substantive and strategic disclosure recommendations as well as on pragmatic considerations to assist with implementation, and in promoting interoperability with other leading frameworks.

As mentioned, CCCLI suggests IFRS create a table to demonstrate the entirety of proposed amendments to topic areas and to metrics across the nine industries slated for change. CCLI furthermore suggests that the SASB Standards use examples to promote enhanced disclosure, for example, to show qualitative and quantitative targets for GHG's.

CCLI suggests that consideration of the Rights of Indigenous Peoples be reviewed for inclusion in other sections, such as Leadership & Governance. CCLI also recommends that guidance be provided for entities on key reporting parameters in alignment with UNDRIP.

CCLI recommends that all sectors for which methane emissions are highly material be requested to disclose on methane, in alignment with OGMP 2.0 where possible, regardless of whether they are required by law to do so. Likewise, CCLI recommends that the SASB Standards for Water Management align with the TNFD framework's water metrics. From a strategic perspective, CCLI suggests that IFRS request that entities report on key components of a climate transition plan in alignment with IFRS S2.

Lastly, CCLI recommends extending leniency to smaller and resource-constrained entities, in order to promote both early buy-in from larger firms and fuller adoption by smaller firms. Once again, we thank the IFRS for the opportunity to comment on the proposed amendments to SASB. Please don't hesitate to contact us should you have any questions.

On behalf of the Canada Climate Law Initiative,

Sonia li Trottier
Director, Canada Climate Law Initiative

[19] *Ibid* at 15.

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About the Canada Climate Law Initiative

The Canada Climate Law Initiative (CCLI) is a collaboration between the faculties of law at the University of British Columbia and York University, providing businesses and regulators with climate governance guidance so that they can make informed decisions in the transition to a net-zero economy. Powered by the nation's top experts, we engage with boards of directors and trustees to ensure businesses, pension funds, and asset managers understand their legal duties with respect to climate change. Our legal research offers important insights into a rapidly transforming policy landscape.[20] CCLI is also the Canadian partner of the global Commonwealth Climate and Law Initiative, founded at Oxford University.

[20] Margot Hurlbert, "Cultivating effective climate governance: A guide for small farm corporations in Canada" (23 July 2024) online (blog): *CCLI* <https://ccli.ubc.ca/resource/cultivating-effective-climate-governance-a-guide-for-small-farm-corporations-in-canada/>; Helen Tooze , "Unearthing a Greener Future: Digging Deeper into Effective Climate Governance in the Canadian Mining Sector" (30 April 2024) online (blog): *CCLI* <https://ccli.ubc.ca/resource/unearthing-a-greener-future-digging-deeper-into-effective-climate-governance-in-the-canadian-mining-sector/>; Helen Tooze, "Canadian Credit Unions and Effective Climate Governance: Cooperating for a Sustainable Future" (14 June 2023) online (blog): *CCLI* <https://ccli.ubc.ca/resource/canadian-credit-unions-and-effective-climate-governance-cooperating-for-a-sustainable-future/>; Janis Sarra, "Banking on a Net-Zero Future: Effective Climate Governance for Canadian Banks" (20 October 2022) online (blog): *CCLI* <https://ccli.ubc.ca/resource/banking-on-a-net-zero-future-effective-climate-governance-for-canadian-banks/>; Janis Sarra, "Life, Health, Property, Casualty: Canadian Insurance Company Directors and Effective Climate Governance" (8 March 2021) online (blog): *CCLI* <https://ccli.ubc.ca/resource/life-health-property-casualty-canadian-insurance-company-directors-and-effective-climate-governance/>; Janis Sarra, Meghan Harris-Ngae, & Roopa Davé, "Audit Committees and Effective Climate Governance, A Guide for Boards of Directors" (1 December 2020) online (blog): *CCLI* <https://ccli.ubc.ca/resource/audit-committees-and-effective-climate-governance-a-guide-for-boards-of-directors/>.