

**The LIAJ's Comments on the ED**  
***IFRS Sustainability Disclosure Standard***  
***Proposed Amendments to the SASB Standards***

**28 November 2025**

**The Life Insurance Association of Japan (LIAJ)**

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## Responses to the questions on ED “Proposed Amendments to the SASB Standards”

### Question 1: Objective

The ISSB is proposing to amend the SASB Standards with the objective of providing timely support to entities applying IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*. The proposed amendments have been drafted under the assumption that an entity would apply the SASB Standards alongside IFRS Sustainability Disclosure Standards. This assumption allows the SASB Standards to remain targeted and proportionate while avoiding unnecessary duplication of requirements already included in IFRS S1 and IFRS S2. The proposed amendments aim:

- to further enhance the international applicability of:
    - industry groupings, including to reflect value chains in emerging markets and developing economies;
    - disclosure topics in those industry groupings; and
    - metrics and supporting technical protocols;
  - to improve interoperability with other sustainability-related standards and frameworks, while ensuring continued focus on the needs of investors in order to serve as a global baseline of sustainability-related disclosures to meet the needs of capital markets;
  - to amend the disclosure topics and metrics in the SASB Standards related to biodiversity, ecosystems and ecosystem services (BEES) and human capital, to align the SASB enhancements with the ISSB’s research projects on those topics and to enable feedback on this Exposure Draft to provide input to those research projects;
  - to align the language and concepts in the SASB Standards with IFRS Sustainability Disclosure Standards; and
  - to enhance the SASB Standards’ clarity, conciseness and cost-effectiveness for preparers.
- (a) Do you agree with the objective of the proposed amendments to the SASB Standards and related areas of focus?
- (b) Do the proposed amendments meet this objective? Why or why not?

### Comment

- We, The Life Insurance Association of Japan (or the “LIAJ”), would like to extend our gratitude to the International Sustainability Standards Board (or the “ISSB”) for providing us with the opportunity to submit comments on the exposure draft “Proposed Amendments to the SASB Standards” (hereafter the “ED”), published in July 2025.

(a)

- The LIAJ does not agree with the objective of the proposed amendments to the SASB Standards and related areas on focus.
  - For the IFRS Sustainability Disclosure Standards to function as a global baseline, the LIAJ believes that it is important that the ISSB Standards be adopted in as many jurisdictions and as early as possible. As such, we support the objective of the project to provide timely support to entities in applying IFRS S1 and S2 by amending the SASB Standards which serve as a source of guidance.
  - The LIAJ also supports the ISSB’s focus on international applicability, interoperability with other standards and frameworks, alignment of the language and concepts in the SASB Standards with IFRS Sustainability Disclosure Standards, and the SASB Standards’ clarity.
  - However, as for biodiversity, ecosystems and ecosystem services (BEES) and human capital, the LIAJ believes that developing thematic standards prior to the SASB Standards would prevent the need for rework. Given that the ISSB’s research projects are ongoing on these topics and that guidance aims to support application of the standards, we believe setting the industry-specific metrics in the SASB Standards after development of the thematic standards is more likely to allow for the development of the guidance that contributes to supporting application of standards.
  - Developing thematic standards on BEES and human capital first would also bring the following benefits:
    - (i) repetition of similar metrics for different industries in the SASB Standards could be avoided;
    - (ii) complicated disclosure for conglomerates etc. due to minor differences of metrics among the industries can be prevented;
    - (iii) relevant sectors can surely be covered through cross-sectoral disclosure requirements, compared with the case where metrics in SASB Standards are developed for each sector separately; and
    - (iv) developing metrics uniformly would facilitate comparability among companies.
  - Finally, the LIAJ proposes that the ISSB prepares a separate opportunity to consult a broad range of stakeholders on the research projects. This is because stakeholders providing feedback on the ED may be concentrated in certain sectors, due to some stakeholders’ misconception that the ED focuses on guidance rather than standards, resulting in a lower priority being given to the ED. We would also like to note that this comment is not to deny utilizing feedback on the ED as the input for the research projects on BEES and human resources.
- (b)
- The LIAJ does not believe that the proposed amendments meet this objective.
  - The LIAJ is not opposed to any individual amendments proposed in the ED. However, the ISSB would need to note that it is difficult to assess whether the proposed amendment would meet the intended objective and would support the high-quality implementation of IFRS S1 and S2, as the attributes of the stakeholders who provided feedback are not specified in the Basis for Conclusions.

**Question 2: Enhancements to interoperability with other standards and frameworks**

In considering necessary amendments to the SASB Standards, the ISSB has identified possible amendments that would enhance the interoperability and alignment of the SASB Standards with other sustainability-related standards and frameworks, such as those of the Global Reporting Initiative (GRI), European Sustainability Reporting Standards, and the guidance published by the Taskforce on Nature-related Financial Disclosures (TNFD).

Paragraphs BC33–BC41 of the Basis for Conclusions explain the approach taken to improving interoperability and alignment with other sustainability-related standards and frameworks. Appendix B of the Basis for Conclusions provides a list of some of the proposed amendments that would enhance interoperability with the GRI Standards and alignment with TNFD disclosure recommendations, while maintaining a focus on the needs of primary users of general purpose financial reports.

- (a) Do you agree with the proposed approach to enhancing interoperability and alignment with other sustainability-related standards and frameworks? Why or why not?
- (b) Do you agree that the proposed amendments to the nine priority industries and targeted amendments to other SASB Standards will result in improved interoperability and thus achieve the objectives of improving the decision-usefulness of disclosed information for primary users and cost-effectiveness for preparers? Why or why not?
- (c) Could the interoperability and alignment of any disclosure topics or metrics be further enhanced while achieving the objectives of improving the decision-usefulness and cost-effectiveness of the information? What amendments would you propose and why?

**Comment**

- (a)
  - The LIAJ does not agree with the proposed approach to enhancing interoperability and alignment with other sustainability-related standards and frameworks.
  - Considering that the SASB Standards serve as a guidance for topics not covered by the IFRS Sustainability Disclosure Standards, improving interoperability with other standards and frameworks would lead to the enhanced global alignment and comparability of sustainability-related disclosures.
  - Similar results can also be achieved for the climate-related content if proposals in the ED are reflected in the Industry-based Guidance on Implementing IFRS S2.
  - However, considering amending the SASB Standards with an immediate focus on the consistency with the GRI and the ESRS for the purpose of ensuring interoperability would be problematic. The current SASB Standards include similar metrics for multiple industries. This tangled structure means that a change in one metric affects the standards for many industries.
  - When considering amending the SASB Standards on cross-industrial themes such as BEES and human capital, taking the following steps can help to simplify the standard's tangled structure:
    - (i) considering the development of the thematic standards;
    - (ii) determining whether industry-specific metrics are relevant; and

(iii) ensuring consistency with other standards (e.g., GRI and ESRS).

(b)

- The LIAJ does not agree that the proposed amendments will result in improved interoperability and thus achieve the objectives.
- The LIAJ supports the idea that the improved interoperability with other standards and frameworks would generally improve the decision-usefulness of disclosed information for primary users and cost-effectiveness for preparers, especially for entities operating globally.
- However, imposing disclosure requirements without considering the actual practices of each jurisdiction could impair usefulness of the information or increase costs for users. While the SASB Standards serve as a source of guidance of applying IFRS S1, a certain level of flexibility should be ensured in the application of requirements set out for each industry to allow for the consideration of the actual practice of each jurisdiction, when considering application of industry-specific metrics in newly developing topical standards or when considering making the Industry-based Guidance on Implementing IFRS S2 mandatory in the future.

(c)

[No comment]

### **Question 3: Amendments to the climate-related content in the SASB standards**

The ISSB is proposing to enhance the nine priority industries comprehensively, including the climate-related content in the priority industries. The ISSB also is proposing targeted amendments to some climate-related metrics in other SASB Standards. The proposed amendments are intended to assist preparers in identifying climate-related risks and opportunities and to enhance the decision-usefulness of industry-specific information about these risks and opportunities.

The *Industry-based Guidance on Implementing IFRS S2* (IFRS S2 industry-based guidance) is derived from, and is largely identical to, the climate-related content in the SASB Standards. The ISSB has maintained alignment between the SASB Standards and the IFRS S2 industry-based guidance. Therefore, the ISSB considered that the proposed amendments to the climate-related content in the SASB Standards could have implications for preparers who are implementing IFRS S2. The ISSB decided that it should propose making consequential amendments to the IFRS S2 industry-based guidance should it amend the climate-related content in the SASB Standards. That proposal is set out in the separate Exposure Draft *Proposed Amendments to the Industry-based Guidance on Implementing IFRS S2*. The ISSB also considered how it could use the effective date of the final amendments to ensure that they would not negatively affect preparers' implementation of IFRS S1 and IFRS S2.

- (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?

- (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?
- (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?

**Comment**

- (a)
- The LIAJ agrees 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.
  - Amending the climate-related content in light of the project objective set out in paragraph BC20 of the Basis for Conclusion is considered to improve usefulness of the information.
  - Given that the ED was developed assuming that the SASB Standards would be applied in parallel with the IFRS Sustainability Disclosure Standards, potential difference between the SASB Standards and the Industry-based Guidance on Implementing IFRS S2 could make it difficult to achieve the objective of global comparability, depending on whether it relates to climate. Therefore, The LIAJ would like the ISSB to ensure alignment between the SASB Standards and the Industry-based Guidance through taking into consideration stakeholder feedback on the Exposure Draft “the Industry-based Guidance on Implementing IFRS S2”.
- (b)
- [No comment]
- (c)
- [No comment]

**Question 5: Effective date**

The ISSB proposes to set an effective date for the amendments that will occur between 12 and 18 months after their issuance and permits early application. The ISSB’s rationale for this proposal can be found in paragraph BC161 of the Basis for Conclusions.

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

**Comment**

- The LIAJ agrees with the proposed approach for setting the effective date of the amendments and permitting early application.

- The proposal on the effective date, which takes into consideration the burden on preparers, is desirable.
- After finalisation of the ED, the ISSB would need to ensure issues raised in paragraphs BC161 (a) to (d) of that Exposure Draft have not occurred. If necessary, the ISSB would consider measures including delaying of the effective date, to ensure that the objective of the ED to support application of the IFRS Sustainability Disclosure Standards is met.

#### **Question 15: Proposed 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.

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

- (d) Do you agree with the proposed targeted amendments associated with energy management? Why or why not?
- (e) Do you agree with the proposed targeted amendments associated with water management? Why or why not?
- (f) Do you agree with the proposed targeted amendments associated with labour practices? Why or why not?
- (g) Do you agree with the proposed targeted amendments associated with workforce health and safety? Why or why not?
- (h) Are the proposed targeted amendments to the additional 41 industries appropriate and relevant for the individual SASB Standards? Are there any jurisdictional considerations related to these SASB Standards that have not been addressed in the proposals for targeted amendments that should be taken into account? If so, please explain.
- (i) Do you agree that the proposed targeted amendments to the SASB Standards would enhance the interoperability and alignment with other sustainability-reporting standards and frameworks? Why or why not? (Note that the ISSB is focused on providing material information for users about the effects of sustainability-related risks and opportunities on an entity's prospects.)

**Comment**

(a)

- The LIAJ does not agree with the proposal to align corresponding metrics in other SASB Standards beyond the nine priority industries to maintain consistent disclosure on these common topics in industries subject to equivalent disclosure requirements.
- The ED does not clearly specify the process to select the 41 industries that will be affected by the proposed targeted amendments. Therefore, it is difficult for external stakeholders to determine whether amendments are necessary for industries other than the 41 selected industries.
- For example, amendments related to human capital will cover a wide range of sectors. If the targeted amendments are implemented without clearly specifying how the industries to be affected are selected, only some industries may be required to take into consideration metrics related to human capital, raising concerns regarding fairness among industries.
- Additionally, limiting the scope of the targeted amendments to the 41 industries would impede improvements of the comparability across industries, while maintaining consistency on common disclosure topics among industries would improve the comparability.

(b)

- The LIAJ does not agree that these proposed targeted amendments should be implemented before completing a comprehensive review of each of the SASB Standards affected by these amendments.

- The currently proposed targeted amendments cover cross-industrial themes. As stated in our comment for Question 3, for metrics related to cross-industrial themes, the ISSB should first consider whether the metrics can be developed as thematic standards.
- Additionally, future comprehensive review on the industries to which targeted amendments are proposed may necessitate amending metrics in the nine priority industries again. Furthermore, development of cross-industrial thematic standards could require re-amendments of the metrics related to those themes. In that case, frequent amendments can diminish stability of the ISSB's framework, potentially hindering the objective of the project to support the high-quality implementation of the IFRS Sustainability Disclosure Standards.

[No comment]

(c)

[No comment]

(d)

[No comment]

(e)

[No comment]

(f)

[No comment]

(g)

[No comment]

(h)

[No comment]