Proposed CLP's responses to the survey

Exposure Draft *Enhancing the SASB Standards and IFRS S2 Industry-based Guidance*—Survey

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Document purpose:

The International Sustainability Standards Board (ISSB) welcomes views from stakeholders, who can submit responses to the Exposure Draft via a survey.

The purpose of this document is to provide stakeholders with an overview of the survey only; please do not submit this document in response to the Exposure Draft.

This document is provided for information only. To submit a survey in response to the Exposure Draft, please access the survey directly here.

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Introduction

The International Sustainability Standards Board (ISSB) published the Exposure Draft *Enhancing the SASB Standards and IFRS S2 Industry-based Guidance* on 26 March 2026. Comments must be received by 24 July 2026. This survey has been developed to support stakeholders in responding to the proposals in the Exposure Draft as an alternative to a comment letter.

Your comments on the Exposure Draft are vital to inform the ISSB's standard-setting process.

Working with the online survey

- To work with the online survey, you must enable cookies in your browser and on the survey site to prevent data loss if completing the survey over a long period.
- We recommend you complete the survey in one session. However, if you wish to come back to the survey to pick up where you left off, you must use the same browser and you must not clear your cookies.
- We also recommend you keep a copy of your survey answers if you are working with it over a long period, you may download an offline copy of the survey here. The survey questions are identical to the questions in the Exposure Draft.
- Please complete the survey in question order. If you need to return to a previous answer, you can navigate through the survey using the forward and back buttons, or by using the table of contents, which can be accessed from every page of the survey via the three lines in the upper left corner of the page.
- The survey will be saved automatically when you navigate to the next page. Please note that if you leave the survey before moving to the next page, the answers on the current

page will not be saved. Each text box has a character limit of 20,000 (between 2860 and 5000 words with spaces included).

- To submit your response, please select the 'Submit' button at the end of the survey.
- Your survey response will be made publicly available on the IFRS Foundation website in line with the IFRS Foundation's transparent due process.
- We recommend you refer to the ISSB's *Exposure Draft Enhancing the SASB Standards and IFRS S2 Industry-based Guidance* while completing the survey to better inform your response.

About the survey

- The survey consists of this introduction, an 'About You' section and 10 sections containing questions aligned with those in the Exposure Draft.
- The 'About You' section must be completed in order to submit your response, but you do not need to respond to all questions in the subsequent sections to submit your response.
- Most of the questions consist of two parts:
  - a multiple choice question to indicate whether you agree or disagree with the proposal.
  - a text box where you can explain your answer, subject to a character limit.

Question 3—*Electric Utilities & Power Generators* SASB Standard

This Exposure Draft includes proposals to enhance the *Electric Utilities & Power Generators* SASB Standard, with a focus on ensuring that the Standard helps entities applying IFRS Sustainability Disclosure Standards to provide decision-useful information to users of general purpose financial reports. The information provided should help users understand the sustainability-related risks and opportunities that could reasonably be expected to affect the prospects of an entity in this industry.

The ISSB is interested in feedback on the amendments proposed in this Exposure Draft and on the *Electric Utilities & Power Generators* SASB Standard as a whole. The ISSB is particularly interested in feedback on whether the proposed amendments would result in the Standard meeting the needs of users of general purpose financial reports in a manner that is cost-effective for preparers.

The ISSB's proposals are set out in pages 140–216 of the Exposure Draft. Paragraphs BC138–BC195 of the Basis for Conclusions set out the ISSB's reasoning for these proposals.

(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?

- v Agree
- Disagree
- Neither agree nor disagree

Explanation of response:

We agree with expanding the scope slightly by adding "sell and trade electricity" and introducing energy storage and distributed energy resources as relevant technologies.

(b). Do you agree that the proposed disclosure topics in the *Electric Utilities & Power Generators* 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?

- Agree
- v Disagree
- Neither agree nor disagree

Explanation of response:

We have concerns regarding the proposed new disclosure topics on Community Relations & Rights of Indigenous Peoples and Employee Recruitment, Development & Retention. Please refer to our detailed comments on the associated metrics in our response to Question 3(c).

(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?

- ○ Agree
- ○ v Disagree
- ○ Neither agree nor disagree

Explanation of response:

Under the topic of Greenhouse Gas Emissions & Energy Resource Planning

In the explanation of **IF-EU-110a.6**, it states that "Planned capacity includes the entity's investment and disposal plans, such as plans to which the entity is not contractually committed and plans to redeploy, repurpose, upgrade or decommission existing assets."

We have reservations about the proposed requirement to disclose forward-looking business plans, including investments and disposals that are not yet contractually committed, in particular regarding:

- Commercial confidentiality, particularly in competitive markets
- Potential disclosure of strategic intentions that could affect negotiations, market positioning, or regulatory interactions

In our view, the existing requirements under IFRS S2 for disclosures on an entity's climate-related transition plan are already sufficiently comprehensive to enable investors and other stakeholders to understand the entity's transition.

Furthermore, IF EU 110a.6 includes required disclosure of an entity's planned long-term electricity generation capacity in megawatts (MW). Such projections often extend beyond typical financial planning horizons and may therefore be subject to considerable uncertainty, making it challenging to provide reliable and decision-useful estimates.

Regarding the proposed new metric **IF-EU-110a.7**, we recommend removing this requirement. The metric appears to substantially overlap with existing disclosures under IFRS S2, limiting its incremental value to investors. At the same time, it would introduce additional complexity and reporting burden for preparers.

Under the topic of Hazardous Waste Management

We acknowledge the rationale for including disclosure on hazardous waste stored under **IF-EU-150a.4**, particularly given that hazardous waste storage or disposal incidents may lead to significant litigation, remediation costs, and environmental liabilities. However, we have concerns regarding the practicality, reliability, and decision-usefulness of this metric.

The exposure draft does not clearly define the methodology for measuring "hazardous waste stored," including:

- Whether the metric should reflect:
  - Point-in-time values (e.g. year-end balance), or
  - Average levels over a reporting period (e.g. monthly average)
- The boundary conditions for inclusion (e.g. on-site only vs. off-site storage under control)

In practice, the metric may be highly sensitive to timing effects, which could result in disclosures that do not faithfully represent underlying risk exposure.

We suggest removing the proposed metric of “hazardous waste stored”, but retaining more robust and decision-useful indicators, such as hazardous waste generated and treated/recycled.

Under the topic of Ecological Impacts

We support the objective of enhancing disclosures on ecological impacts under **IF-EU-160a.1** and **IF-EU-160a.2**. However, the definition of “spatial footprint” as currently drafted appears to be broad and in lack of a clear, standardised measurement methodology. This may introduce uncertainty and variability in how the metrics are calculated and reported.

In the absence of recognised international standards or prescribed measurement approaches, estimating total spatial footprint, area disturbed, or proximity to environmentally sensitive locations may result in disclosures that are difficult to interpret or compare across entities.

We suggest considering alternative disclosures that focus on site-level biodiversity risk identification and management, such as:

- The number and total area of operational sites;
- The number and total area of sites that have undergone biodiversity or environmental impact assessments; and
- Where relevant, the number and area of sites with significant biodiversity impacts or located in proximity to biodiversity of significance (e.g. protected areas or key biodiversity areas).

This approach would help focus disclosures on operational sites that pose higher ecological risks, enabling entities to prioritise mitigation and preventive actions where impacts on globally or nationally important biodiversity are most likely to occur. Biodiversity of significance may include sites such as IUCN Key Biodiversity Areas and protected areas, habitats of Critically Endangered or Endangered species on the IUCN Red List, and internationally recognised areas such as World Heritage Sites and Ramsar Wetlands. Proximity could be defined, for example, as sites located within five kilometres of the boundary of such areas.

Under the topic of Community Relations & Rights of Indigenous Peoples

The scope of metric **IF-EU-210a.1** appears overly broad. To enhance decision usefulness for investors, we suggest that disclosures under this metric focus primarily on corporate-level processes used to identify and manage the sustainability-related risks and opportunities associated with community rights and interests in areas where it operates. More detailed disclosures should be limited to those risks and opportunities that are assessed as material, and where the entity has a clear role, responsibility, or ability to influence outcomes. This would help ensure that reported information remains closely linked to the entity’s risk management practices and strategic decision-making.

For **IF-EU-210a.2**, we recommend providing clearer definitions of “non-technical delays.” In particular, “pending regulatory permits” is a routine part of normal operations, and it is unclear under what circumstances such delays should be classified as “non-technical.” Additional clarification would improve consistency in reporting and ensure that only material, risk-related delays are captured.

Please also see our comments on **IF-EU-210a.3** and **IF-EU-210a.4** in our response to Question 3(d).

Under the topic of Workforce Health & Safety and relevant activity metrics

Regarding information on "non-employee workers" in **IF-EU-000.F, IF-EU-000.G and IF-EU-320a.1**, these workers are defined as "individuals who render personal services to the entity and work under the entity's direction in the same way as individuals who are regarded as employees for legal or tax purposes. They perform work controlled by the entity but are not in an employment relationship with the entity according to applicable jurisdictional law or regulation". The definition encompasses a broad range of individuals, including agency workers, apprentices, contractors, interns, self-employed persons, subcontractors and volunteers.

We consider this grouping to be overly broad and insufficiently well-defined, as it combines categories of workers with fundamentally different relationships, roles, and characteristics. The concept of "work controlled by the entity" also lacks a clear, operational definition, making it difficult in practice to determine appropriate reporting boundaries. Together, these factors may dilute the usefulness and interpretability of the resulting disclosures.

For example:

- Volunteers differ significantly in nature, as they are typically unpaid and not part of core operations
- Interns and apprentices may, in many jurisdictions and organisations, be treated similarly to employees
- Self-employed persons may already fall within the scope of contractors

Aggregating such diverse categories into a single metric risks producing information that is not decision-useful for investors or other stakeholders. In addition, the breadth of the definition creates practical challenges in ensuring that reported metrics are complete, accurate and traceable. This is particularly relevant in the utilities sector, where multi-tier subcontracting arrangements are common. The proposal also does not sufficiently clarify the boundary between entity and supplier responsibility, increasing the risk of double counting where individuals work across multiple sites, projects, or entities, or where subcontracting chains overlap.

Given these challenges, we suggest narrowing or refining the required disclosure of "non-employee workers" to improve clarity and operability. In particular, focusing disclosures on material workforce segments—such as contractors and subcontractors—may provide more meaningful and decision-useful information, as these groups typically represent a significant portion of the workforce in the utilities sector. Clearer definitions and guidance on reporting boundaries would also help enhance consistency and comparability across entities.

Under the topic of Employee Recruitment, Development & Retention

With respect to the requirement under **IF-EU-330a.1** to disclose, for each risk and opportunity associated with employee recruitment, development, and retention, the time horizon (short, medium, or long term) over which the effects could reasonably be expected to occur, we consider this requirement to be overly complex for operational human resources-related topics, while providing limited incremental decision-usefulness to investors.

We therefore suggest reconsidering this requirement, or allowing for more flexible, principles-based disclosure that focuses on material workforce risks and opportunities without mandating detailed time horizon categorisation.

Regarding the disclosure of "occupational categories with a skill shortage" under **IF-EU-330a.2**, we suggest this requirement be reconsidered. The concept of occupational categories with a skill shortage—defined as situations where an entity's prospects could reasonably be expected to be affected by having fewer employees than necessary—is inherently subjective and difficult to operationalise.

In practice, the notion of a skill shortage is not uniformly defined within or across industries and jurisdictions. Assessments are often influenced by external labour market conditions, regulatory frameworks, and education systems. As a result, entities may rely heavily on judgement when interpreting and applying the requirement, which could lead to inconsistent implementation and reduced comparability, consistency, and auditability of disclosures across markets and entities.

Taken together, these considerations suggest that the proposed metric may lack sufficient traceability, reliability, and decision usefulness when reported on a yearly basis. Without clearer definitions, boundaries, and application guidance, the requirement may not achieve its intended objective for investors.

Under the topic of Critical Incident Risk

We propose clarifying the reporting boundary for **IF-EU-540a.1**, which requires an entity to disclose the total number of nuclear power units it owns or controls, disaggregated by the results of the most recent independent national regulatory safety review.

In particular, the applicability of this requirement should be aligned with the reporting boundary adopted by the entity. For example, some entities define the scope of their ESG disclosures to include assets where they (i) hold a majority ownership interest, or (ii) exercise operational control. Aligning the requirement with such boundaries would ensure that the reporting obligation rests with entities that have primary responsibility for operations and oversight, and are therefore better positioned to disclose the relevant information. Applying a clear and consistent reporting boundary would also reduce ambiguity in scope, and support more robust and decision-useful disclosures. We further propose that the same approach apply to **IF-EU-540a.3.**

Additional activity metrics

To improve clarity, we suggest revising the term "customers served" in **IF-EU-000.A** to "customer accounts served." This terminology would be more consistent with the accompanying note, which states: "The number of customers served for each category shall be the number of meters billed for residential, commercial, and industrial customers."
If the term in IF-EU-000.A is revised, the note should be updated accordingly to ensure consistency.

With regard to **IF-EU-000.D**, we recommend revising the metric from "Total electricity generated, percentage by major energy source" to "Electricity sent out, percentage by major energy source". This revision would better reflect the actual electricity transmitted from generation assets into the grid for end-use consumption. As such, it may provide a more decision-useful measure of operational output and energy mix from an investor perspective.

(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 decision-useful information from entities in the industry regardless of their jurisdiction? Why or why not?

- Agree
- v Disagree
- Neither agree nor disagree

Explanation of response:

We appreciate the ISSB's efforts to enhance the international applicability of the Electric Utilities & Power Generators SASB Standard. Nevertheless, in practice, jurisdictional nuances may limit like-for-like comparability.

Where requirements are not defined in a manner that reflects the approach in a given jurisdiction, we would expect any differences to be explained through the substance of the disclosure and addressed on a case-by-case basis, recognising that local context will largely determine how entities report and apply the metrics.

For example, with respect to **IF-EU-210a.3** and **IF-EU-210a.4**, implementation challenges may arise due to differing interpretations of the definition of "Indigenous Peoples' land" across jurisdictions.

Regarding **IF-EU-000.A** and **IF-EU-000.B,** we propose allowing greater flexibility in the categorisation of customers or customer accounts to reflect jurisdiction-specific regulatory requirements or to better reflect local market realities. The appropriate categories for disaggregation may vary across jurisdictions due to differences in regulatory frameworks, market structures, and customer classification practices. For instance, in the Australian energy and utilities sector, customer accounts are typically classified based on annual energy usage. "Mass market" accounts include residential and small-to-medium enterprise (SME) customers with lower consumption levels, while Commercial and Industrial (C&I) accounts represent higher-volume users. In comparison, CLP Power Hong Kong categorises customers as residential, commercial, infrastructure and public services, and manufacturing. These variations illustrate that a prescriptive global categorisation may not always be appropriate.

We also recommend providing further clarification on the definition of "total electricity delivered to" in **IF-EU-000.B**. In certain markets, including Australia, there may be multiple relevant measures of electricity volumes, such as: purchased volumes (e.g. volumes procured through wholesale markets such as AEMO, representing cost of goods sold); and gross sales volumes (i.e. electricity delivered and charged to end customers). Clarifying which of these concepts the metric intends to capture would enhance consistency and comparability across reporting entities.

Lastly, regarding **IF-EU-000.E**, we propose removing the metric on total wholesale electricity purchased, as it may not be universally applicable across different market structures. In some jurisdictions, vertically integrated utilities or regulated market frameworks may not involve wholesale electricity purchasing in a comparable manner. As a result, the metric may have limited relevance and comparability across entities.

(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.)

- ○ Agree
- ○ v Disagree
- ○ Neither agree nor disagree

Explanation of response:

We have concerns regarding the alignment of **IF-EU-550a.4** with IFRS S2.

The Exposure Draft of the SASB Standards specifies the unit of measure for the "amount of assets" as "monetary value", while also requiring entities to prepare disclosures for IF-EU-550a.4 in accordance with paragraphs 10 and 29(c) of IFRS S2. Paragraph 29(c) of IFRS S2 requires disclosure of "climate-related physical risks—the amount and percentage of assets or business activities vulnerable to climate-related physical risks". However, neither IFRS S2 nor its Illustrative Guidance prescribes that the "amount of assets" must be measured specifically in monetary terms.

We therefore recommend that IF-EU-550a.4 allow greater flexibility in the unit of measure used for reporting the "amount and percentage of assets," to better align with IFRS S2. This would ensure consistency with the intent of IFRS S2, as articulated in the Basis for Conclusions (BC77), which states: "The descriptions of the cross-industry metric categories in IFRS S2 are in most cases intentionally non-specific to enable an entity to identify appropriate metrics. The ISSB took this approach to allow for the likelihood that measurement methodologies and the availability and quality of underlying data might evolve over time."

In addition, requiring disclosure of the "amount of assets" strictly in monetary terms may raise concerns around commercial sensitivity or confidentiality, particularly where such information could reveal asset valuations. Allowing flexibility in measurement approaches would help mitigate these concerns while still supporting decision-useful disclosures and accommodating the evolving nature of climate-related risk measurement.

Regarding **IF-EU-320a.1**, we would like to offer the following observations and suggestions:

Total recordable incident rate (TRIR) denominator:
In the proposed SASB Standards, TRIR is defined as (number of recordable incidents × 1,000,000) divided by the total number of hours worked. By contrast, the GRI Standards allow flexibility in the choice of denominator (e.g. 200,000 or 1,000,000).

We suggest that similar flexibility be provided to enhance comparability with other widely used frameworks. In particular, using a denominator of 200,000 hours represents the approximate number of working hours for one full-time equivalent employee in a year, and is a widely adopted and meaningful method of normalisation in health and safety reporting.

Scope of the metric:
The proposed SASB metric explicitly combines work-related injuries and illnesses, whereas the GRI

Standards require these to be disclosed separately. We recommend clarifying this difference.

(f). Are there any proposed metrics in the *Electric Utilities & Power Generators* SASB Standard that would benefit from the inclusion of specific proportionality mechanisms described in paragraphs BC47–BC48 of the Basis for Conclusions? If so, identify which metrics you believe would benefit from the introduction of such mechanisms and explain why.

- ○ v Yes
- ○ No
- ○ Neither yes or no

Explanation of response:

The proposed metric **IF-EU-210a.1** under Community Relations & Rights of Indigenous Peoples appears overly broad and may benefit from the inclusion of proportionality mechanisms if it is retained.

Question 4—Consequential amendments to the IFRS S2 Industry-based Guidance

The ISSB proposes to make consequential amendments to the IFRS S2 Industry-based Guidance when it makes amendments to the SASB Standards to maintain alignment between the IFRS S2 Industry-based Guidance and the climate-related content in the SASB Standards. Paragraphs BC196–BC197 of the Basis for Conclusions describe the reasons for this proposal.

(4). 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?

- ○ v Agree
- ○ Disagree
- ○ Neither agree nor disagree

Explanation of response:

We suggest the ISSB consider our above-mentioned comments when making amendments to the SASB Standards and the IFRS S2 Industry-based Guidance.

Question 5— Relationship with IFRS Sustainability Disclosure Standards

The proposed amendments to the SASB Standards have been drafted under the assumption that an entity would apply the SASB Standards as well as the IFRS Sustainability Disclosure Standards.

Paragraphs BC40–BC46 of the Basis for Conclusions explain the ISSB's reasons for this approach.

(a). Do you agree with the ISSB's proposed approach to amending the SASB Standards in relation to the content in IFRS Sustainability Disclosure Standards? Why or why not?

- v Agree
- Disagree
- Neither agree nor disagree

(b). Do you agree that, for preparers applying the SASB Standards as well as IFRS Sustainability Disclosure Standards, the relationship between their contents is sufficiently clear? Why or why not?

- v Agree
- Disagree
- Neither agree nor disagree

Question 6—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 to permit early application.

Paragraphs BC198–BC199 of the Basis for Conclusions describe the reasons for this proposal.

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

- v Agree
- Disagree
- Neither agree nor disagree