



**IFRS<sup>®</sup>**  
Sustainability

July 2025

# Exposure Draft

IFRS<sup>®</sup> Sustainability Disclosure Standard

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## **Proposed Amendments to the *Industry-based Guidance on Implementing IFRS S2***

Comments to be received by 30 November 2025

## Exposure Draft

### Proposed Amendments to the *Industry-based Guidance on Implementing* *IFRS S2*

Exposure Draft ISSB/ED/2025/2 is published by the International Sustainability Standards Board (ISSB).

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## Introduction

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### Why is the ISSB publishing this Exposure Draft?

- IN1 As part of its 2024–2026 work plan, the International Sustainability Standards Board (ISSB) is enhancing the SASB Standards to provide timely support to entities applying IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*. The ISSB has published an exposure draft of proposed amendments to the SASB Standards (SASB exposure draft) as part of its comprehensive approach to enhancing the SASB Standards.<sup>1</sup>
- IN2 The *Industry-based Guidance on Implementing IFRS S2* (IFRS S2 industry-based guidance) is derived from the SASB Standards. When the ISSB issued IFRS S2, it made amendments to the climate-related content in the SASB Standards to maintain alignment between the two sets of materials. The IFRS S2 industry-based guidance is therefore largely identical to the climate-related content in the SASB Standards.<sup>2</sup>
- IN3 The SASB exposure draft includes proposed amendments to climate-related content that is also included in the IFRS S2 industry-based guidance. The ISSB proposes making corresponding consequential amendments to the IFRS S2 industry-based guidance to maintain alignment between the IFRS S2 industry-based guidance and the SASB Standards.

### Summary of the proposals in this Exposure Draft

- IN4 The SASB exposure draft sets out proposed amendments to nine SASB Standards that have been prioritised by the ISSB for comprehensive review (priority industries):<sup>3</sup>
- (a) Coal Operations;
  - (b) Construction Materials;
  - (c) Iron & Steel Producers;
  - (d) Metals & Mining;
  - (e) Oil & Gas – Exploration & Production;
  - (f) Oil & Gas – Midstream;
  - (g) Oil & Gas – Refining & Marketing;
  - (h) Oil & Gas – Services; and

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1 The Exposure Draft *Proposed Amendments to the SASB Standards* can be accessed at <https://www.ifrs.org/content/dam/ifrs/project/enhancing-the-sasb-standards/sasb-ed-2025-1-proposed-amends.pdf>.

2 The climate-related content in the SASB Standards is identical to the *Industry-based Guidance on Implementing IFRS S2*, except that the SASB Standards also include the topic of financed emissions (which is included in the application guidance in Appendix B to IFRS S2).

3 The ISSB has prioritised a total of 12 SASB Standards in the first phase of the project on enhancing the SASB Standards. The ISSB expects to issue another exposure draft of proposed amendments to the three remaining prioritised SASB Standards before the end of 2025.

## PROPOSED AMENDMENTS TO THE INDUSTRY-BASED GUIDANCE ON IMPLEMENTING IFRS S2

- (i) Processed Foods.
- IN5 The SASB exposure draft also proposes ‘targeted amendments’ to another 41 SASB Standards to maintain consistent disclosures for the same topics in different SASB Standards where appropriate. The proposed targeted amendments result from the proposed amendments to the nine priority industries that affect metrics occurring frequently in other SASB Standards.
- IN6 Sixty-eight of the 77 SASB Standards have a corresponding volume of IFRS S2 industry-based guidance with the same industry name. These volumes of guidance contain the topics and metrics in those SASB Standards that the ISSB determined are climate-related. The disclosure topic titles and topic summaries, metric titles and metric codes, and detailed ‘technical protocols’ for climate-related content are currently identical across the SASB Standards and IFRS S2 industry-based guidance.
- IN7 The amendments proposed in the SASB exposure draft would affect climate-related disclosure topics and metrics in the 46 volumes of industry-based guidance related to:
- (a) greenhouse gas emissions;
  - (b) energy management; and
  - (c) water management.
- IN8 This Exposure Draft proposes that the IFRS S2 industry-based guidance be amended to maintain alignment with the climate-related content in the SASB Standards. This Exposure Draft is intended to be read with the SASB exposure draft. Appendix A of this Exposure Draft contains a full list of the metrics in the IFRS S2 industry-based guidance that would be affected. These metrics are denoted by their metric codes, which correspond to metric codes in the SASB exposure draft. The SASB exposure draft contains a description of the proposed amendments to the SASB Standards, and the basis for conclusions accompanying the SASB exposure draft contains the ISSB’s reasons for the proposed amendments.

### **When would the proposed amendments be effective?**

- IN9 The ISSB proposes that the effective date for the amendments to the IFRS S2 industry-based guidance should be the same as the effective date for the amendments to the SASB Standards. Accordingly, the ISSB proposes to set an effective date for the amendments to the IFRS S2 industry-based guidance of 12–18 months after the amendments are issued, and to permit early application.
- IN10 The ISSB will decide the effective date of the amendments after considering the feedback on this Exposure Draft and the SASB exposure draft.

## Next steps

- IN11 The ISSB will discuss the feedback on the Exposure Draft and decide whether to make amendments to the IFRS S2 industry-based guidance. The ISSB intends to consider the amendments when considering the related amendments to the SASB Standards.

## Invitation to comment

The ISSB invites comments on the proposals in this Exposure Draft, particularly on the questions set out in this section.

Comments are most helpful if they:

- (a) respond to the questions as stated;
- (b) contain a clear rationale; and
- (c) include any alternative the ISSB should consider, if applicable.

Stakeholders that wish to comment on the specific proposed amendments to the IFRS S2 industry-based guidance should respond to the invitation to comment that accompanies the SASB exposure draft with reference to Appendix A of this Exposure Draft, which details the metrics that would be affected by the amendments to the SASB Standards.

### Question 1—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 in order to maintain alignment between the IFRS S2 industry-based guidance and the climate-related content in the SASB Standards.

Paragraphs BC11–BC14 of the Basis for Conclusions describe the reasons for this proposal.

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 the SASB exposure draft? Why or why not?

### Question 2—Effective date

The ISSB proposes to set an effective date for the consequential amendments that is the same as the effective date of the corresponding amendments to the SASB Standards. The ISSB proposes that the effective date be 12–18 months after the amendments are issued and to permit early application.

Paragraph BC15 of the Basis for Conclusions describes the reasons for this proposal.

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

## Proposed consequential amendments arising from proposed amendments to the SASB Standards

The ISSB proposes to make consequential amendments to the industry descriptions, disclosure topics and associated metrics in the *Industry-based Guidance on Implementing IFRS S2* (IFRS S2 industry-based guidance) to maintain alignment with the SASB Standards.

The consequential amendments are proposed to reflect amendments proposed for the climate-related content in the SASB Standards for nine industries prioritised by the ISSB:

- (a) Coal Operations;
- (b) Construction Materials;
- (c) Iron & Steel Producers;
- (d) Metals & Mining;
- (e) Oil & Gas – Exploration & Production;
- (f) Oil & Gas – Midstream;
- (g) Oil & Gas – Refining & Marketing;
- (h) Oil & Gas – Services; and
- (i) Processed Foods.

The specific proposed amendments can be accessed in the Exposure Draft *Proposed Amendments to the SASB Standards* (the SASB exposure draft).

The ISSB also proposes making consequential amendments to metrics in 37 other volumes of the IFRS S2 industry-based guidance to maintain alignment with the proposed targeted amendments described in the SASB exposure draft. The consequential amendments would affect metrics related to:

- (a) greenhouse gas emissions;
- (b) energy management; and
- (c) water management.

Tables A1, A2 and A3 in Appendix A provide lists of the metrics that would be affected by the consequential amendments.



**Approval by the ISSB of Exposure Draft *Proposed Amendments to the Industry-based Guidance on Implementing IFRS S2* published in July 2025**

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The Exposure Draft *Proposed Amendments to the Industry-based Guidance on Implementing IFRS S2* was approved for publication by all 14 members of the International Sustainability Standards Board.

Emmanuel Faber	Chair
Jingdong Hua	Vice-Chair
Suzanne Lloyd	Vice-Chair
Richard Barker	
Jenny Bofinger-Schuster	
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## Appendix A—Metrics in the IFRS S2 industry-based guidance that the ISSB proposes be subject to consequential amendments

**Table A1—Metrics in the IFRS S2 industry-based guidance proposed to be amended as set out in the SASB exposure draft**

<b>Consumer Goods sector</b>	EM-MM-110a.2	FB-FR-110b.1	RR-PP-110a.2	<b>Technology &amp; Communications sector</b>
CG-BF-130a.1	EM-MM-130a.1	FB-NB-140a.1	RR-PP-140a.1	TC-ES-140a.1
CG-EC-130a.1	EM-MM-140a.1	FB-NB-140a.2	RR-PP-140a.2	TC-IM-130a.1
CG-EC-130a.2	EM-EP-110a.1	FB-PF-130a.1	RR-ST-130a.1	TC-IM-130a.2
CG-HP-140a.1	EM-EP-110a.2	FB-PF-140a.1	RR-ST-140a.1	TC-SC-110a.1
CG-HP-140a.2	EM-EP-110a.3	FB-PF-140a.3	RR-ST-140a.2	TC-SC-110a.2
CG-MR-130a.1	EM-EP-140a.1	FB-RN-130a.1		TC-SC-130a.1
	EM-EP-140a.2	FB-RN-140a.1		TC-SI-130a.1
	EM-EP-140a.3		<b>Resource Transformation sector</b>	TC-SI-130a.2
<b>Extractives &amp; Minerals Processing sector</b>	EM-EP-140a.4	<b>Health Care sector</b>	RT-AE-130a.1	TC-TL-130a.1
EM-CO-110a.1	EM-EP-420a.1	HC-DR-130a.1	RT-CH-110a.1	
EM-CO-110a.2	EM-EP-420a.2	HC-DY-130a.1	RT-CH-110a.2	
EM-CO-140a.1	EM-EP-420a.3		RT-CH-130a.1	<b>Transportation sector</b>
EM-CO-140a.2	EM-EP-420a.4	<b>Infrastructure sector</b>	RT-CH-140a.1	TR-AF-110a.1
EM-CO-420a.1	EM-MD-110a.1	IF-RE-140a.1	RT-CH-140a.3	TR-AF-110a.2
EM-CO-420a.2	EM-MD-110a.2	IF-RE-140a.2	RT-CP-110a.1	TR-AL-110a.1
EM-CO-420a.3	EM-RM-110a.1	IF-RE-140a.4	RT-CP-110a.2	TR-AL-110a.2
EM-CM-110a.1	EM-RM-140a.1	IF-WM-110a.1	RT-CP-130a.1	TR-AP-130a.1
EM-CM-110a.2	EM-RM-410a.2	IF-WM-110a.3	RT-CP-140a.1	TR-CL-110a.1
EM-CM-130a.1	EM-RM-410a.3	IF-WU-130a.1	RT-CP-140a.2	TR-CL-110a.2
EM-CM-140a.1	EM-SV-110a.1		RT-EE-130a.1	TR-MT-110a.1
EM-CM-410a.1	EM-SV-110a.2	<b>Renewable Resources &amp; Alternative Energy sector</b>	RT-IG-130a.1	TR-MT-110a.2
EM-CM-410a.2	EM-SV-140a.2			TR-RA-110a.1
EM-IS-110a.1	<b>Food &amp; Beverage sector</b>	RR-BI-140a.1	<b>Services sector</b>	TR-RA-110a.2
EM-IS-110a.2		RR-BI-140a.2	SV-CA-130a.1	TR-RO-110a.1
EM-IS-130a.1	FB-AB-130a.1	RR-FC-130a.1	SV-HL-130a.1	TR-RO-110a.2
EM-IS-140a.1	FB-AB-140a.1		SV-HL-140a.1	
EM-IS-430a.1	FB-AB-140a.2	RR-PP-110a.1	SV-LF-130a.1	
EM-MM-110a.1				

**Table A2—Metrics proposed to be deleted from the IFRS S2 industry-based guidance**

EM-CO-140a.2	FB-PF-140a.2	RR-BI-140a.3
EM-MM-140a.2	FB-PF-430a.1	RT-CH-140a.2
EM-SV-110a.3	FB-PF-430a.2	RT-CP-140a.3
EM-SV-140a.1	FB-PF-440a.1	
EM-IS-130a.2	FB-PF-440a.2	

**Table A3—Metrics set out in the SASB exposure draft proposed to be added to the IFRS S2 industry-based guidance<sup>4</sup>**

EM-CO-110a.3	EM-EP-110a.4	FB-PF-410b.1 <sup>5</sup>
EM-CO-140a.3	EM-EP-140a.5	FB-PF-430b.1 <sup>6</sup>
EM-CO-140a.4	EM-EP-140a.6	FB-PF-430b.2 <sup>6</sup>
EM-CO-140a.5	EM-MD-110a.3	FB-PF-430b.3 <sup>6</sup>
EM-CM-430a.1	EM-RM-140a.3	
EM-MM-140a.3	EM-SV-110a.4	RR-BI-140a.4
EM-MM-140a.4	EM-SV-140a.3	RT-CH-140a.4
EM-MM-140a.5	EM-SV-140a.4	RT-CP-140a.4
EM-MM-430a.1	FB-PF-140a.4	

<sup>4</sup> Details regarding these new metrics can be found in the SASB exposure draft.

<sup>5</sup> The ISSB proposes adding this metric as part of the proposed addition of a new ‘Product Innovation’ disclosure topic.

<sup>6</sup> The ISSB proposes adding this metric as part of the proposed addition of a new ‘Environmental Supply Chain Management’ disclosure topic.



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July 2025

# Exposure Draft

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## **Basis for Conclusions on Proposed Amendments to the *Industry-based Guidance on Implementing IFRS S2***

Comments to be received by 30 November 2025

Basis for Conclusions on Proposed  
Amendments  
to the *Industry-based Guidance on  
Implementing IFRS S2*

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BASIS FOR CONCLUSIONS ON PROPOSED AMENDMENTS TO THE INDUSTRY-BASED GUIDANCE ON  
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## Basis for Conclusions on proposed amendments to the *Industry-based Guidance on Implementing IFRS S2*

*This Basis for Conclusions accompanies, but is not part of, the Exposure Draft Proposed Amendments to the Industry-based Guidance on Implementing IFRS S2 published in July 2025.*

### Background

- BC1 IFRS S2 *Climate-related Disclosures* refers entities to the *Industry-based Guidance on Implementing IFRS S2* (IFRS S2 industry-based guidance) to assist them to meet the disclosure requirements in the Standard. The guidance does not create additional requirements. Specifically, the IFRS S2 industry-based guidance suggests ways to identify and disclose information about climate-related risks and opportunities associated with particular business models, activities or other common features that characterise participation in an industry. An entity is not required to apply the guidance. However, in applying IFRS S2, an entity is required to refer to and consider the applicability of the information set out in the industry-based guidance, in accordance with paragraphs 12 and 32 of IFRS S2.
- BC2 The IFRS S2 industry-based guidance is derived from the SASB Standards. When the International Sustainability Standards Board (ISSB) issued IFRS S2, it made amendments to the climate-related content in the SASB Standards to maintain alignment between the two sets of materials. The IFRS S2 industry-based guidance is therefore largely identical to the climate-related content in the SASB Standards.<sup>1</sup>
- BC3 As part of its 2024–2026 work plan, the ISSB is enhancing the SASB Standards to provide timely support to entities applying IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2. The ISSB is taking a comprehensive approach to enhancing the SASB Standards, including considering enhancements to climate-related content.
- BC4 The ISSB approved the project on enhancing the SASB Standards at its July 2024 meeting. At its December 2024 and March 2025 meetings, the ISSB discussed preliminary feedback on the potential enhancements, its approach to developing an exposure draft of proposed amendments to the SASB Standards (SASB exposure draft) and the benefits of maintaining alignment between the climate-related content in the SASB Standards and the IFRS S2 industry-based guidance. At its June 2025 meeting, the ISSB decided:
- (a) to ratify the SASB exposure draft; and
  - (b) to propose making consequential amendments to the IFRS S2 industry-based guidance when it makes amendments to the SASB Standards to maintain alignment between these materials.

<sup>1</sup> The climate-related content in the SASB Standards is identical to the *Industry-based Guidance on Implementing IFRS S2*, except that it also includes the topic of financed emissions (which is included in the application guidance in Appendix B to IFRS S2).

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- BC5 The SASB exposure draft sets out proposed amendments to nine SASB Standards that have been prioritised by the ISSB for comprehensive review (priority industries);<sup>2</sup>
- (a) Coal Operations;
  - (b) Construction Materials;
  - (c) Iron & Steel Producers;
  - (d) Metals & Mining;
  - (e) Oil & Gas – Exploration & Production;
  - (f) Oil & Gas – Midstream;
  - (g) Oil & Gas – Refining & Marketing;
  - (h) Oil & Gas – Services; and
  - (i) Processed Foods.
- BC6 The SASB exposure draft also proposes ‘targeted amendments’ to another 41 SASB Standards to maintain consistent disclosures, where appropriate, for the same topics in different SASB Standards. The proposed targeted amendments result from the proposed amendments to the nine priority industries that affect metrics occurring frequently in other SASB Standards.

### **Proposed amendments to the Industry-based Guidance on Implementing IFRS S2**

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#### **The proposed consequential amendments**

- BC7 Sixty-eight of the 77 SASB Standards have a corresponding volume of IFRS S2 industry-based guidance with the same industry name. These volumes of guidance contain the disclosure topics and metrics in those SASB Standards that the ISSB determined are climate-related. The disclosure topic titles and topic summaries, metric titles and metric codes, and detailed ‘technical protocols’ for climate-related content are identical across the SASB Standards and IFRS S2 industry-based guidance.
- BC8 In the Exposure Draft *Proposed Amendments to the Industry-based Guidance on Implementing IFRS S2* (Exposure Draft), the ISSB proposes to make consequential amendments to the IFRS S2 industry-based guidance when it makes amendments to climate-related content in the SASB Standards in order to maintain alignment between the IFRS S2 industry-based guidance and the climate-related content in the SASB Standards. The proposed amendments in the Exposure Draft (which result from the proposals in the SASB exposure draft) would affect disclosure topics and metrics in 46 industries (that is, the volumes of industry-based guidance associated with the nine priority industries and 37 additional industries). The climate-related content in the

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<sup>2</sup> The ISSB has prioritised a total of 12 SASB Standards in the first phase of the project on enhancing the SASB Standards. The ISSB expects to issue another exposure draft of proposed amendments to the three remaining prioritised SASB Standards before the end of 2025.

priority industries has been reviewed comprehensively, while the targeted amendments to the 37 additional volumes focus on disclosure topics regarding:

- (a) greenhouse gas emissions;
- (b) energy management; and
- (c) water management.

BC9 Appendix A of the Exposure Draft contains a full list of the metrics in the IFRS S2 industry-based guidance that correspond with metrics that would be affected by the amendments proposed in the SASB exposure draft. These metrics are denoted by their metric codes, which correspond to metric codes in the SASB exposure draft.

BC10 The Exposure Draft focuses on whether to make the proposed consequential amendments. The SASB exposure draft sets out the specific amendments to the industry descriptions, topics and associated metrics the ISSB proposes as part of the project on enhancing the SASB Standards.

### **The benefits of updating the IFRS S2 industry-based guidance**

BC11 When the ISSB issued IFRS S2, it made consequential amendments to the climate-related content in the SASB Standards to maintain alignment between the two sets of materials. The ISSB's reasons for making this decision were that:

- (a) having multiple versions of the same metrics in the SASB Standards and the IFRS S2 industry-based guidance is contrary to the ISSB's objective of simplifying the sustainability disclosure landscape and could cause confusion;
- (b) misalignment could lead to increased costs for preparers—for example, entities that have been implementing the SASB Standards in preparation for applying the IFRS Sustainability Disclosure Standards might need to change their disclosures on climate-related transition if there were differences; and
- (c) misalignment could negatively affect users of the disclosures due to a lack of comparability between the climate-related disclosures of preparers that use the SASB Standards as a standalone resource and the climate-related disclosures of preparers that apply IFRS S2.

BC12 When the ISSB determined the scope of the project on enhancing the SASB Standards, it decided to take a holistic approach to evaluating potential enhancements. In conducting research and engaging with stakeholders, the ISSB found opportunities to enhance the disclosure topics and metrics in the SASB Standards:

- (a) to update them to reflect the evolution in the sustainability-related risks and opportunities entities face in their industries;

BASIS FOR CONCLUSIONS ON PROPOSED AMENDMENTS TO THE INDUSTRY-BASED GUIDANCE ON  
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- (b) to enhance the decision-usefulness of disclosures for investors and cost-effectiveness for preparers;
- (c) to enhance international applicability;
- (d) to enhance connections between the content in the SASB Standards and IFRS S1 and IFRS S2 (for example, by removing detailed guidance that overlapped with, but was not identical to, requirements in IFRS S2 and replacing it with cross-references to IFRS S2); and
- (e) to enhance interoperability and alignment with other sustainability-related standards and frameworks.

BC13 Because many preparers are in the process of implementing IFRS S2 and are therefore referring to and considering the IFRS S2 industry-based guidance, the ISSB noted that the benefits of any amendments should be weighed against the potential costs and disruption to preparers. The ISSB has determined that, in addition to maintaining alignment between the SASB Standards and the IFRS S2 industry-based guidance, there are other benefits to pursuing the consequential amendments that would outweigh any potential costs or disruption. For example:

- (a) enhancing the IFRS S2 industry-based guidance would support the implementation and application of IFRS S2; and
- (b) many of the enhancements to the IFRS S2 industry-based guidance would involve strengthening the connections to IFRS S2, which could have numerous benefits, including improving the clarity of the connections between these materials, making the guidance more cost-effective for preparers and supporting the provision of high-quality information for users.

BC14 The ISSB also noted that the risk of disruption could be mitigated by setting an effective date for the amendments that allows those currently implementing IFRS S2 to continue using the unamended version of the IFRS S2 industry-based guidance until such date. This would reduce the risk of disruption for those implementing IFRS S2 and for jurisdictions that are adopting or otherwise using ISSB Standards.

## Effective date

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BC15 The ISSB proposes to set an effective date 12 to 18 months after any amendments are issued, and to permit early application. This is because:

- (a) the ISSB has proposed the same effective date for the proposed amendments to the SASB Standards in the SASB exposure draft, and the ISSB is of the view that the effective date for any amendments to the IFRS S2 industry-based guidance should be the same as for any amendments to the SASB Standards to ensure alignment in the climate-related content over time;

- (b) many preparers are either already applying the IFRS S2 industry-based guidance, or are in the process of applying it as part of their implementation of IFRS S2, and require time to prepare for changes to the guidance. Allowing a period of 12–18 months before the amendments become effective post-finalisation would enable preparers to continue to implement IFRS S2 using the guidance prior to amendment, reducing the risk of disruption;
  - (c) the proposed amendments to the priority industries are extensive, so preparers might need time to adjust their internal controls and processes;
  - (d) jurisdictions that refer to the IFRS S2 industry-based guidance, including those who refer to translated versions of the IFRS S2 industry-based guidance, need time to make any changes that are necessary in their jurisdiction because of any amendments; and
  - (e) the option of early application will allow preparers to use the amended IFRS S2 industry-based guidance from publication, enabling preparers and users of information to benefit from the enhancements to this guidance.
- BC16 The ISSB will decide the effective date of the amendments after considering the feedback received on the proposed amendments, including the feedback on the proposed effective date.

## Next steps

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- BC17 Any amendments to the IFRS S2 industry-based guidance will be informed by the comments received on the Exposure Draft.



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