
The ISSB's research projects

Breakout session

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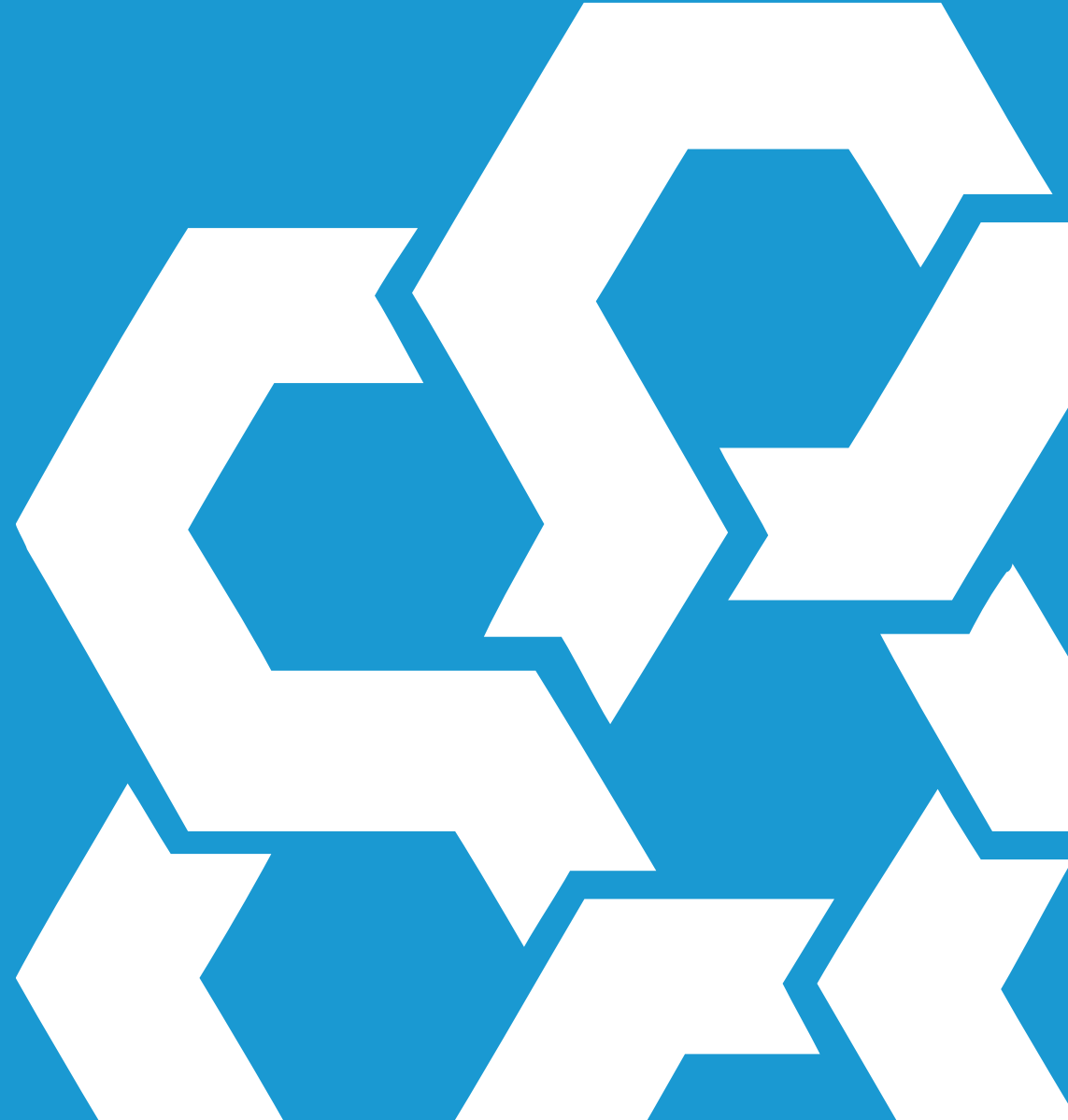
Expectations for the session



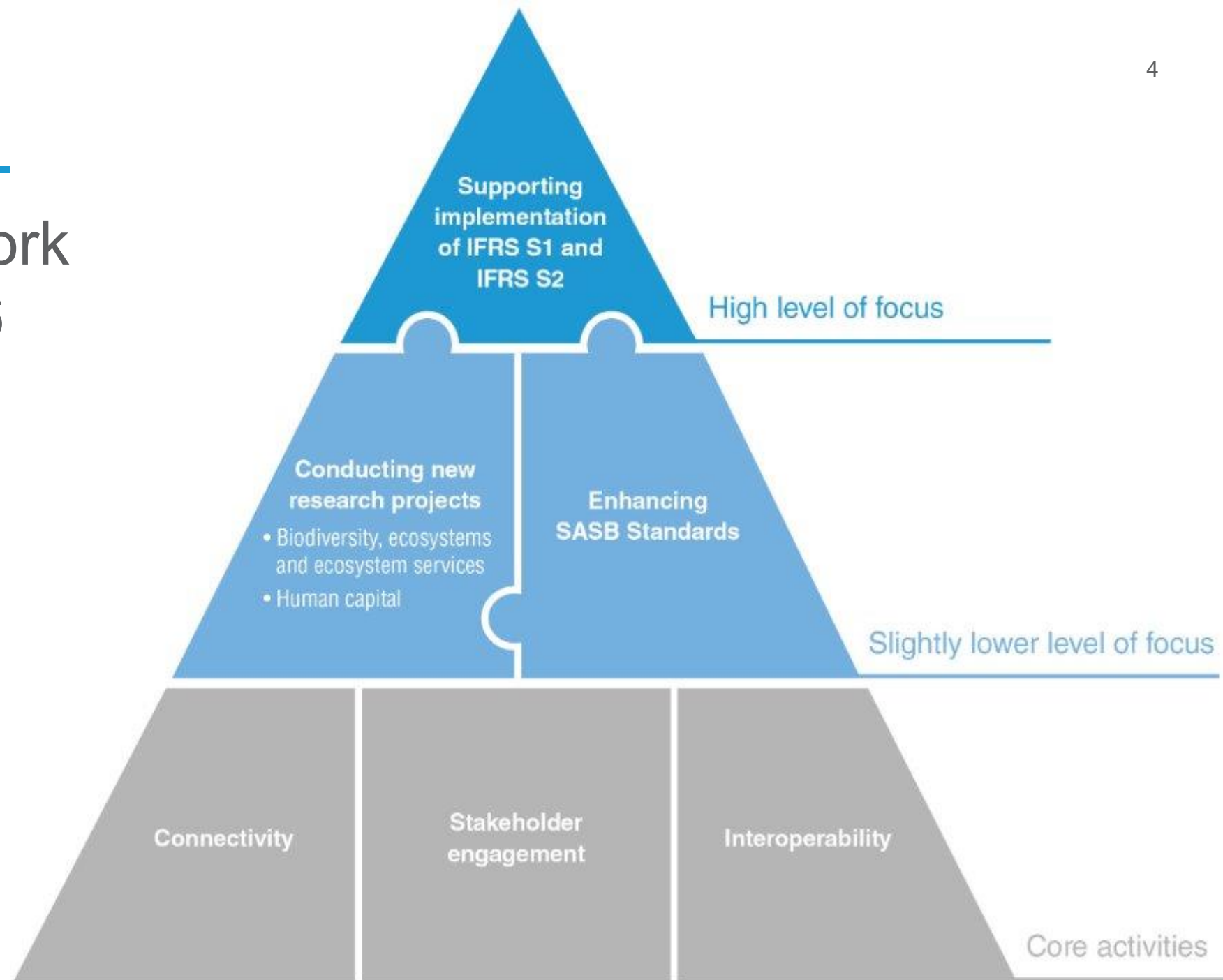
What are your **expectations** for this session?

What aspects of the ISSB's research projects do you **want to know more** about?

Overview of the research projects



Technical work plan to 2026



Research projects

The ISSB is researching disclosure about risks and opportunities associated with:



Biodiversity, ecosystems and ecosystem services

Might include matters related to water management, land-use management, pollution (for example, emissions into air, water and soil), resource depletion, and biodiversity risk management (for example, rehabilitation/restoration)



Human capital

Relates to workers in an entity's direct operations or those in its value chain, including workforce-related human rights. Might include matters such as worker wellbeing, pay and benefits, diversity and inclusion, and working conditions in the value chain.

Research projects – design and approach

Phase 1 Building the foundation

2024 Q3-2025 Q2 - Collecting the dots

Phase 2 Analysing the implications

2025 Q2 Onwards - Connecting the dots

Research areas for initial phase

Evidence of
investor interest

Effects on an
entity's prospects

Other standards
and frameworks

Current state of
disclosure

Connectivity

Interoperability

Stakeholder engagement

Research projects – Objectives of Phase 2

Phase 1 Building the foundation

2024 Q3-2025 Q2 - Collecting the dots

Phase 2 Analysing the implications

2025 Q2 Onwards - Connecting the dots



Assess **whether standard-setting is likely to result in improvements** to human capital and nature-related disclosure in a **feasible and cost-effective** way



Synthesise Phase 1 findings across two dimensions:

1. **Necessity**: whether there is a clear need for improved disclosure to investors
2. **Feasibility**: whether there is likely to be a practical and efficient approach to developing disclosure requirements

Phase two activities

- Develop an **organising construct** for understanding the various concepts associated with human capital/nature-related risks and opportunities.
- **Synthesising findings** from the first phase of research.
- Identify where human capital/nature-related risks and opportunities apply **across industries or are industry specific**.
- Explore potential synergies with the ISSB's project on **Enhancing the SASB Standards**, including opportunities for the topical research to inform industry-based enhancements and vice versa.

Possible paths forward

- **Educational materials** explaining existing requirements in IFRS S1, IFRS S2 and SASB Standards that are relevant to human capital/nature-related disclosures;
- New **application guidance** with specific context on human capital/nature-related disclosures;
- Targeted **amendments** to existing ISSB Standards;
- **Thematic standard setting** addressing one or more of governance, strategy, risk management, metrics and targets;
- **Industry-based standard setting**, including enhancements to SASB Standards; or
- **Combination** of the above.

Nature



Research projects – Findings of Phase 1

Nature-related risks and opportunities

Investors	<ul style="list-style-type: none">• Interest in nature-related information is strong. The use of information is nascent but rapidly developing
Disclosures	<ul style="list-style-type: none">• Companies already disclose nature-related information, but consistency and comparability are poor• Variation among sectors and industries
Effects on prospects	<ul style="list-style-type: none">• Evidence on effects of nature-related risks and opportunities on a company's prospects
Other standards and frameworks	<ul style="list-style-type: none">• TNFD, EFRAG, GRI - Similar to IFRS S1 and SASB Standards, with variation concentrated in the areas of strategy and metrics and targets*

* IFRS Foundation and TNFD have signed a Memorandum of Understanding signalling both parties' commitment to build upon the TNFD recommendations in the ongoing work of the ISSB

Reflections on the findings



Do these findings **align** with what you are seeing in **your jurisdiction**? If not, why not?

What specific **barriers, challenges or considerations** are there when it comes to the disclosure of information on **nature-related risks and opportunities** in your jurisdiction?

Phase two progress and next steps

To date

July 2025

- AP3 – Phase 2 research project plan and scope
- AP3A – Nature and the proposed SASB amendments

September 2025

- AP3 – Summary of common investor information needs and comparison to ISSB materials

Upcoming

- Comparison of gaps in common investor needs to other standards and frameworks
- Recommendation on whether and how to conduct standard setting on nature-related risks and opportunities

Human capital



Research projects – Findings of Phase 1



Human capital-related risks and opportunities

Investors	<ul style="list-style-type: none"> Interest mainly driven by risk management and/or return enhancement Interest varies considerably between an entity's own workforce and the workers in its value chain Seek human capital-related disclosure from all companies, but interest in particular topics/metrics can vary by sector and/or jurisdiction
Disclosures	<ul style="list-style-type: none"> Most companies disclose some human capital-related information, but completeness, consistency and comparability are limited
Effects on prospects	<ul style="list-style-type: none"> Strong links exist between financial outcomes and many human capital factors <i>(for example, employee satisfaction, retention, development and working conditions)</i>
Other standards and frameworks	<ul style="list-style-type: none"> Majority of disclosures aligned with IFRS S1, but provide additional detail on human capital topics, primarily in an entity's direct operations

Reflections on the findings



Do these findings **align** with what you are seeing in **your jurisdiction**? If not, why not?

What specific **barriers, challenges or considerations** are there when it comes to the disclosure of information on **human capital-related risks and opportunities** in your jurisdiction?

Phase two progress and next steps

To date

July 2025

- AP4 – Staff’s approach to understanding and organising human capital concepts in the ISSB’s research

Upcoming

- Organising construct for human capital-related concepts
- ‘Connecting the dots’ synthesis of findings from across the research project
- Recommendation on whether and how to conduct standard setting on human capital-related risks and opportunities

Q&A

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