
ISSB Meeting

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| Project | Research Project - Biodiversity, ecosystems and ecosystem services |
| Topic | Nature and the proposed SASB amendments |
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This paper has been prepared for discussion at a public meeting of the International Sustainability Standards Board (ISSB). This paper does not represent the views of the ISSB or any individual ISSB member. Any comments in the paper do not purport to set out what would be an acceptable or unacceptable application of IFRS[®] Sustainability Disclosure Standards. The ISSB's technical decisions are made in public and are reported in the ISSB *Update*.

Purpose of the paper

1. During phase 1 of the research projects, the ISSB discussed disclosure topics and metrics in the SASB Standards related to nature—biodiversity, ecosystems and ecosystem services (BEES).¹ On 3 July 2025, the SASB Exposure Draft was published containing amendments to some disclosure topics and metrics related to nature.²
2. The purpose of this paper is to summarise the proposed SASB amendments that relate to nature in connection with the ISSB research project on BEES (hereafter referred to as nature). This summary of the proposed amendments includes a focus on areas of interoperability and improved alignment with the TNFD recommendations, metrics and guidance and the GRI Standards.³ This paper highlights areas of similarity and

¹ AP3A and AP4A *BEES and Human Capital-related risks and opportunities in the SASB Standards* (September 2024).

² The International Sustainability Standards Board (ISSB) has published an exposure draft of proposed amendments to a set of SASB Standards the ISSB has prioritised as a part of its work plan: <https://www.ifrs.org/projects/work-plan/enhancing-the-sasb-standards/>.

³ The Omnibus proposal to eliminate sector standards has paused the development of sector-specific sustainability standards under the European Sustainability Reporting Standards (ESRS), pending

difference between the standards and frameworks, including an overview of the GRI and TNFD sector standards and guidance compared to the related SASB Standards.

3. This paper supports the goals of the next phase of the research project as described in Agenda Paper 3. This analysis will contribute to the ISSB's future consideration of 'connecting the dots' between investor information needs and effects on an entity's prospects, and the extent to which the ISSB Standards and the amended SASB Standards can meet those needs.

Structure of the paper

4. The paper is structured as follows:
- (a) Background: Proposed SASB amendments and relation to the research projects
 - (b) Summary of findings
 - (c) Proposed SASB amendments related to nature
 - (d) Other sector standards and guidance: nature-related disclosures
 - (e) Appendix: Sector standards and guidance overview

Background

5. During phase 1 of the research projects and prior to the SASB Exposure Draft of proposed amendments, a summary of nature-related content in the SASB Standards was presented in AP3A and AP4A *BEES and Human Capital-related risks and opportunities in the SASB Standards* ([September 2024](#)). Several topics in the SASB Standards are related to nature, addressing risks and opportunities connected to biodiversity or the provision and maintenance of ecosystem services, accounting for

the outcome of the legislative negotiations ([ESRS](#)). Consideration of the ESRS is an important component of the research projects, including a comparison to the ESRS published in AP3B *Comparison of other BEES-related standards and frameworks to IFRS S1 and SASB Standards* ([February 2025](#)). Given the current status of the ESRS sector standards, they are not included as part of this paper.

over a third of SASB metrics overall. Disclosure topics on issues such as waste, water, materials sourcing and product design contain metrics connected to how an entity interfaces with nature and the natural capitals an entity may rely on of lands, water and living species. This summary contributed to a foundational understanding about existing standards and frameworks for the ISSB to consider in phase 2 of the research.

6. Subsequently, the ISSB published an Exposure Draft of proposed amendments to nine prioritised industries as a part of an initial phase of enhancements to the SASB Standards as outlined in [Agenda Paper 6 for the July 2024 ISSB meeting](#) and ratified as per [Agenda Paper 6A for the June 2025 ISSB meeting](#). In addition to the prioritised industries, the Exposure Draft also proposes ‘targeted amendments’ to metrics within 41 other SASB Standards to maintain consistent disclosures for the same topics in different SASB Standards where relevant. Many of the nature-related disclosure topics previously discussed, including ecological impacts, sourcing and product innovation, are revised as part of the proposed amendments.⁴
7. One focus area of the proposed SASB amendments was to explore opportunities to improve interoperability and alignment with other sustainability-related standards and frameworks, while ensuring continued focus on the needs of investors. The approach taken when considering interoperability and alignment in the amendments process includes consideration of:
 - (a) the objective of meeting investor needs for decision-useful information, while taking into account the cost for preparers (thus, for example, considering when a disclosure in another sustainability-related standard or framework could also be suitable for inclusion in the SASB Standards);
 - (b) relevance for the activities of entities in an industry;
 - (c) international applicability; and

⁴ Connections between the proposed SASB amendments and the research projects was previously presented in AP6 *Update on project activities and approach* ([March 2025](#)).

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- (d) how other standards and frameworks could help address stakeholder feedback on possible improvements to the priority SASB Standards.
8. This paper therefore presents a summary of the proposed SASB amendments that relate to nature. In addition, this paper highlights where interoperability and alignment with the TNFD and GRI have been important considerations. To further support this discussion, the paper also reviews the GRI and TNFD Sector standards and compares those to the related SASB Standards.⁵ This summary updates and completes the ISSB's baseline consideration of existing standards and frameworks in preparation for further discussions in phase 2, as outlined in Agenda Paper 3.

Summary of findings

9. Findings from phase 1 of the research projects demonstrated the industry specificity of nature-related risks and opportunities. This industry specificity appears in different ways including the varying relevance of nature-related topics, the differences in the types of information disclosed by entities and the differences in investor interest for various nature-related risks and opportunities in different industries.⁶
10. The SASB enhancements project pursued many approaches to improving nature-related content in the SASB Standards in phase 1 of the SASB enhancements based on industry-specific needs and stakeholder feedback. This primarily focused on improvements to metrics and their technical protocols with new topics added in limited cases. The approaches included:
- (a) streamlining disclosure for preparers (e.g. Air Quality pollutant categories);
 - (b) including new disclosure topics in select SASB Standards where research and feedback indicated important nature-related risks and opportunities were not

⁵ AP3B *Comparison of other BEES-related standards and frameworks to IFRS S1 and SASB Standards* ([February 2025](#)) did not explore sector comparisons in detail as the SASB Standards were being prepared for amendments.

⁶ This includes previous discussions in [January 2025](#) and [March 2025](#) during phase 1 of the research project.

- being captured (e.g. expanding the Supply Chain Management disclosure topic to two additional industries);
- (c) updating terminology and references used in the SASB Standards to reflect best practices and evolution in the understanding of nature-related risks and opportunities (e.g. Ecological Impacts terminology and definitions);
 - (d) enhancing decision usefulness and comparability of information (e.g. targeted amendments for metrics associated with Water Management);
 - (e) improving international applicability (e.g. amendments related to packaging-related regulations in the disclosure topic on Packaging Lifecycle Management); and
 - (f) adding new topics to address changes in business models and activities since the SASB Standards were last updated comprehensively (e.g. Product Innovation topic and metrics in the *Processed Foods* SASB Standard).
11. In addition to the above approaches, a significant consideration of the SASB enhancements project was to improve interoperability and alignment with GRI Standards and TNFD recommendations, metrics and guidance. This consideration included units of measurement, defined terms, references and types of information.
12. In many cases, improvements to interoperability and alignment in the SASB Standards resulted in the proposed amendments including the same disclosure requirements related to the common information needs of investors. In other cases, the opportunity to directly incorporate nature-related disclosures from the GRI Standards and TNFD recommendations was affected. For example, the industry-specific nature of the SASB Standards or their remit to meet the information needs of investors about sustainability-related risks and opportunities that could reasonably be expected to affect entity prospects affected interoperability and alignment with TNFD and GRI. The differing focus and scope of GRI (multi-stakeholder information needs, considering how an entity impacts the economy, environment, and people, including impacts on their human rights) and TNFD (material information for users of general

purpose financial reports as a baseline, with the ability to provide information to a broader set of stakeholders) contributed to these differences.

13. Even when the opportunity to leverage GRI or TNFD material was affected by these differences, the amendments sought to improve interoperability and alignment by using the same defined terms, references and types of information as far as possible. This improves efficiency for entities applying the SASB Standards alongside other standards or frameworks, for example by enabling the use of the same definitions for key terms or concepts where achieving the same disclosure requirements is not feasible.
14. As a result of the above approaches, the proposed amendments to the SASB Standards enhance their decision-usefulness and bring their nature-related content up-to-date—reflecting best practices, evolution in the understanding of nature-related risks and opportunities and important market changes in industries—while pursuing interoperability and alignment to improve efficiency and to reduce the costs of reporting for entities. These amendments are designed to ease and enhance the disclosure of information on nature-related risks and opportunities. Further decision-making related to the nature research project will be able to build on the SASB amendments to-date while considering industry-specific and interoperability-related matters.
15. While final amendments to the SASB Standards will depend on the outcome of the current consultation on the SASB Exposure Draft, including assessing stakeholder feedback and the ISSB’s deliberations on that feedback, the analysis presented below illustrates the extent to which the proposed amendments in the SASB Exposure Draft can produce industry-specific information that is decision-useful to investors on nature-related risks and opportunities relevant to an industry.

Proposed SASB amendments related to nature

16. The following is a summary of nature-related disclosure topics and metrics that have been proposed for amendment in all eight SASB Standards in the Extractives & Minerals Processing sector, in the *Processed Foods* SASB Standard, and in targeted amendments to the topic of Water Management in various SASB Standards. The discussion includes considerations of interoperability and alignment with the GRI and TNFD where these were significant factors in the proposed amendments per the approach noted in paragraph 7 above. The scope of nature-related content included in the proposed amendments was diverse and covered different aspects of the value chain, including direct biodiversity and ecological impacts from operations, product innovation and supply chain management.

Extractives & Minerals Processing sector

Air Quality

17. Many SASB Standards for industries in the Extractives & Minerals Processing sector contain a disclosure topic on air quality-related risks and opportunities. The topic captures information related to emissions of air pollutants, which can create significant and localised environmental risks in addition to health risks. An entity's active management of air pollutants can improve operational efficiency, manage compliance costs or capital expenditures and mitigate regulatory risks.
18. When proposing amendments to air quality metrics in the SASB Standards, improvements to interoperability with 'GRI 305-7: Nitrogen Oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions'⁷ was pursued to respond to stakeholder feedback on the complexity of SASB pollutant categories. The proposed amendments match the air pollutant categories in the SASB Standards with the pollutant categories provided in 'GRI 305-7', as well as integrating references to

⁷ The contents of 'GRI 305-7', including air pollutant categories, is currently under revision as part of the GRI's Topic Standard Project for Pollution.

relevant UN Conventions in *GRI 305: Emissions 2016*. As such, the amendments to the air quality metrics in the SASB Standards include common disclosures with ‘GRI 305-7’ on nitrogen oxides (NO_x), sulphur oxides (SO_x), volatile organic compounds (VOCs), and hazardous air pollutants (HAPs), to enable entities to use the same disclosures to meet the majority of the requirements in both sets of standards relating to air quality.⁸

19. Where necessary, the proposed SASB amendments include disclosures that are additional to those in ‘GRI 305-7’ to meet the information needs of investors about sustainability-related risks and opportunities that could reasonably be expected to affect entity prospects. For example, the proposed amendments require entities to separately disclose emissions of particulate matter, disaggregated as PM₁₀ and PM_{2.5}, to reflect the associated risk to operations from related jurisdictional laws and regulations for industries in which PM_{2.5} emissions are prevalent.⁹
20. Whereas interoperability with ‘GRI 305-7’ was prioritised in the proposed amendments to respond to stakeholder feedback on simplification of pollutant categories, the resulting pollutant categories in the SASB Standards are also aligned with TNFD *C2.4 ‘Non-GHG air pollutants’*.¹⁰ However, ‘TNFD Additional sector guidance – Metals and mining’ for the core disclosure metric *C2.4* includes additional pollutants not included in the proposed SASB amendments.
21. These proposed amendments are therefore intended to reduce the reporting burden for companies while enabling them to focus on providing material information to investors relevant to their decision-making.

⁸ Note that the unit of measurement to report the SASB metric is in metric tons while ‘GRI 305-7’ can be reported in kilograms or multiples, such as metric tons.

⁹ ‘GRI 305-7’ includes disclosure of particulate matter without disaggregation.

¹⁰ TNFD *C2.4* includes disaggregation of particulate matter by PM₁₀ and PM_{2.5}, aligned with the proposed SASB amendments.

Ecological Impacts

22. Disclosure topics in the SASB Standards in the Extractives & Minerals Processing sector address risks and opportunities related to biodiversity and ecological impacts. Related metrics cover land disturbance as well as spills, proximity to sensitive locations and an entity's environmental management policies and practices. Resulting disclosures would highlight risk exposure arising from an entity's impacts on nature. For entities in this sector, the land's environmental characteristics can affect the valuation of reserves, create operational risks, increase extraction costs or impose barriers to access. Regulatory and reputational risks to entities can occur as a result of impacts to endangered species and ecosystem condition. Entities with effective environmental management plans can minimise their compliance costs and legal liabilities and avoid permitting and operational delays.
23. The proposed amendments enhance calculation methodologies and better capture the nature and variety of locations and relevant risks, including in marine and coastal areas. They also include updated references and terminology consistent with best practice in use today.
24. Stakeholder feedback highlighted the opportunity for the ISSB to consider the TNFD in particular to inform its research project on risks and opportunities associated with nature.¹¹ Similarly, stakeholder feedback on the SASB Standards in the Extractives & Minerals Processing sector indicated that the terminology and references used in the biodiversity and ecological impacts-related metrics were outdated and needed to be updated, and that the TNFD recommendations could be useful in this regard where they focus on material information relevant for investor decision-making.

¹¹ At the April 2024 meeting the ISSB agreed that the TNFD recommendations would be included in its research thus enabling consideration of how these materials could be built on to provide investor-relevant information in accordance with ISSB Standards.
<https://www.ifrs.org/content/dam/ifrs/meetings/2024/april/issb/ap-2-agenda-consultation-projects-to-add-to-the-work-plan.pdf>

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25. In response, where relevant the proposed amendments directly incorporated disclosures, metrics and guidance from the TNFD recommendations to promote alignment in the disclosure guidance and the underlying basis of disclosure, including defined terms and types of information, using the same language as far as possible. For example, the proposed amendments update the sites in scope of disclosures from ‘sites with protected conservation status or endangered species habitat’ to ‘environmentally sensitive locations’, which is derived from the ‘sensitive locations’ definition in the TNFD recommendations (*Strategy D*). This amendment has been made to better capture the variety of locations that could present risks to entities.¹²
26. Other amendments which have incorporated TNFD recommendations include revising land area metrics and supporting definitions of ‘area disturbed’ and ‘area restored’ to align with *CI.0 ‘Total spatial footprint’* and associated definitions in the TNFD recommendations, as stakeholder feedback and staff analysis indicated these to be decision-useful metrics increasingly being used by entities in the Extractives & Minerals Processing sector that operate in environmentally sensitive locations.
27. Although amendments to the biodiversity and ecological impacts metrics in the SASB Standards prioritised alignment with TNFD based on stakeholder feedback, the resulting metrics are also broadly aligned with *GRI 101: Biodiversity 2024*.¹³

Water Management

28. The *Coal Operations* and *Metals & Mining* SASB Standards include a disclosure topic and associated quantitative metric on acid and metalliferous drainage (AMD), a wastewater effluent that presents risks to communities, water resources and the environment. Proper wastewater management is essential to manage regulatory risk

¹² The scope of ‘environmentally sensitive locations’ does not include ‘areas of high physical water risks’ or references to ‘benefits to Indigenous Peoples, Local Communities and stakeholders’, as these categories are covered by separate SASB disclosure topics.

¹³ Alignment between the SASB Standards and GRI Standards on this topic reflects existing consistency between the TNFD recommendations and related metrics in GRI 101: Biodiversity 2024. Interoperability between the GRI Standards and TNFD recommendations and metrics is described here: [TNFD_GRI_Accompanying_guide_Interoperability-mapping-1.pdf](#).

and avoid penalties, compliance costs, delays in production or higher costs related to site closure. The amendments propose to move the metric to the Water Management disclosure topic to better reflect the risks AMD poses and update terminology to respond to stakeholder feedback to improve the decision usefulness of the metric.

29. Further enhancements to the Water Management disclosure topic in the Extractives & Minerals Processing sector and across other SASB Standards as part of the targeted amendments are described in paragraphs 48-53.

Product Innovation

30. The *Construction Materials* and *Oil & Gas – Refining & Marketing* SASB Standards include metrics requiring an entity to disclose information about total addressable market and market share of innovative products, including advanced biofuels and associated infrastructure and products that reduce energy, water or materials impacts during usage or production. Product innovation that reduces environmental impacts of materials inputs and contributes to more efficient products can reduce pollution, resource extraction and land use change impacts. Entities can capture operational efficiencies and reduce operating costs as well as minimise regulatory risk, water supply shortages and community-related disruptions on operations. Innovation in sustainable products can provide an opportunity for an entity to improve their prospects, position an entity for competitiveness and contribute to its long-term growth.
31. The proposed amendments to these metrics would require an entity to disclose its revenue associated with such products, a measure stakeholders recommended would increase comparability as compared to the existing measures of total addressable market and market share. Stakeholders also noted such revisions would enable disclosures to be connected with information in the accompanying financial statements.
32. In addition, the *Construction Materials* SASB Standard includes a metric on the percentage of products that qualify for credits in sustainable building design and

construction certifications. Proposed amendments would permit the use of environmental product declarations (EPDs) to identify qualifying products in order to respond to stakeholder feedback supporting the usefulness and quality of information about EPDs.

Indigenous Peoples

33. The *Coal Operations, Metals & Mining* and *Oil & Gas – Exploration & Production* SASB Standards contain various metrics related to an entity's assets or operations in or near Indigenous Peoples' land. The proposed amendments adjust calculation methodologies and the disclosure topic names to better characterise the particular rights and interests of Indigenous Peoples and the related risks and opportunities of coal, mining and oil and gas operations in or near Indigenous Peoples' land.¹⁴ An entity's management of its engagement with Indigenous Peoples and operations near Indigenous Peoples' land is an important nature-related consideration as Indigenous Peoples manage or hold tenure over 25% of the world's land surface, intersecting about 40% of all terrestrial protected areas and ecologically intact landscapes and supporting about 80% of global biodiversity.¹⁵ Entities can face increased risks when operating in areas in or near Indigenous Peoples' land, where mismanagement of community relationships could result in protests or legal action disrupting operations. Entities failing to account for Indigenous Peoples' rights can face fines and penalties, compensation and settlement payments and impairment of their assets.
34. The proposed amendments include revised metrics related to the percentage of proved and probable reserves in or near Indigenous Peoples' land and engagement processes and due diligence practices related to upholding Indigenous Peoples' rights. These

¹⁴ Proposed amendments to the *Processed Foods* SASB Standard include a new Social Supply Chain Management disclosure topic, which would require an entity to provide information about how it screens, monitors and engages with suppliers on social topics including impacts on Indigenous Peoples.

¹⁵ C. Sobrevila, 'The role of indigenous peoples in biodiversity conservation: the natural but often forgotten partners', World Bank Group, Washington, DC, 2008, <http://documents.worldbank.org/curated/en/995271468177530126/The-role-of-indigenous-peoples-in-biodiversityconservation-the-natural-but-often-forgotten-partners>.

correspond to disclosures in *GRI 413: Local Communities 2016* and *GRI 411: Rights of Indigenous Peoples 2016*, as well as additional sector disclosures in *GRI 11: Oil and Gas Sector 2021*, *GRI 12: Coal Sector 2022* and *GRI 14: Mining Sector 2024*.

35. In some cases, there is alignment between the proposed amendments to the SASB Standards and corresponding GRI disclosures, with the same information used to meet some of the requirements in both sets of Standards. For example, EM-EP-120b.4 requires a *Description of engagement processes and due diligence practices related to upholding Indigenous Peoples' rights*. Here, disclosure of engagement processes and due diligence practices are required by both standards, albeit using different language which reflects the structure and emphasis of the respective requirements. A disclosure to fully meet the requirements of the proposed SASB metric is likely to partially meet the disclosures of relevant GRI Standards.

Supply Chain Management

36. Proposed amendments to SASB Standards in the Extractives & Minerals Processing sector would expand the Supply Chain Management disclosure topic from only the *Iron & Steel Producers* Standard to the *Iron & Steel Producers*, *Construction Materials* and *Metals & Mining* Standards. This would expand the industries in which an entity can describe how it manages the environmental and social risks associated with its suppliers when sourcing raw materials to manufacture products. These proposed amendments address stakeholder feedback and research that indicated that entities in all three industries frequently source raw materials from upstream suppliers and face similar sustainability-related risks and opportunities.

Critical Incident Risk Management

37. The *Oil & Gas – Exploration & Production*, *Oil & Gas – Midstream* and *Oil & Gas – Refining & Marketing* SASB Standards contain metrics related to how entities manage hazardous material spills and other significant accidents. Such hazardous spills can have severe impacts on biodiversity and ecosystem health. Without proper management practices, entities can face production downtime, increased costs, and

risk their licence to operate. In response to stakeholder feedback on the varying sets of metrics, the proposed amendments revise the metrics across the three Oil & Gas Standards including the types of incidents to enhance comparability, in addition to other revisions to improve international applicability and enhance the completeness of information.

Tailings Storage Facilities Management

38. The *Coal Operations* and *Metals & Mining* SASB Standards contain a disclosure topic on an entity's management of tailings. Leaks from tailings storage facilities can lead to contamination of land and water, whereas catastrophic failures can have severe impacts on ecosystems. These impacts may carry financial implications such as regulatory penalties, compensation payments and remediation or compliance obligations. Proposed amendments would change the unit of measure for stored tailings to address stakeholder feedback to enhance decision-usefulness and improve alignment with accepted industry guidance.

Processed Foods sector

Packaging Lifecycle Management

39. The Packaging Lifecycle Management disclosure topic in the *Processed Foods* SASB Standard contains metrics on recyclability and strategies to manage the environmental impact of packaging. Entities face pressure to manage the negative environmental externalities associated with packaging because of the associated materials extraction and waste. Entities that effectively manage the sustainability characteristics of their product packaging can reduce costs, improve brand reputation, mitigate compliance risks and reduce the environmental impact of their packaging.
40. The proposed amendments would revise language to account for potentially differing packaging-related regulations in different jurisdictions. The amendments would also require additional disclosures about an entity's management strategies, including

trade-offs and any targets set related to packaging. These amendments would ease measurement challenges and respond to investor feedback regarding the importance of management and target-setting information.

Product Innovation

41. The proposed amendments would add a new disclosure topic on opportunities related to product innovation to the *Processed Foods* SASB Standard. Enhancing sustainable product offerings, such as alternative protein products, can reduce risks associated with the production of less sustainable and more resource-intensive products. Entities that effectively develop or acquire assets which produce more sustainable products can capture market share of these verticals, while minimising risks arising from resource scarcity, climate change, price volatility and supply disruptions.

Environmental Supply Chain Management

42. The *Processed Foods* SASB Standard includes disclosure topics on risks and opportunities arising from supply chains and sourcing practices. An entity's ability to source ingredients, and source them at specific price points, might be affected by climate change, water scarcity and land management. Other factors that might affect the ability to source ingredients include the degradation of soil quality, biodiversity, ecosystems and ecosystem services. Negative environmental impacts, especially related to issues like deforestation, can lead to regulatory risk or affect an entity's reputation and licence to operate. Some of these environmental risks are independent of the impacts of an entity's supply chain operations and might be global or regional in nature, while others are more closely linked to impacts created by operations in entities' supply chains in specific locations.
43. There are further long-term risks to an entity's ability to source essential materials and ingredients, as more resource-intensive or environmentally sensitive ingredients might be subject to continuous price volatility and supply disruptions in the future. Conversely, entities that work with suppliers, or with local communities such as

Indigenous Peoples, to improve the sustainability of their agriculture practices in their supply chain can become more adaptable to such risks.

44. The proposed amendments would replace the current disclosure topics related to supply chains and sourcing with two new disclosure topics to provide more clarity and better align with the type of risks and opportunities that entities face: one topic on Environmental Supply Chain Management, which would require an entity to provide information about how it manages risks and opportunities arising from environmental impacts and dependencies when sourcing ingredients; and the other topic on Social Supply Chain Management, covering social topics. The proposed amendments would include three new metrics under a new Environmental Supply Chain Management disclosure topic: on deforestation- or conversion-free commodities; priority commodities and products that are sensitive to environmental risks (including risks arising from water stress); and strategies to manage environmental resources and implement sustainable agriculture practices. These proposed amendments to the metrics are intended to better capture strong investor interest in information on how entities are managing environmental risks in the supply chain that could reasonably be expected to affect entity prospects in the short, medium and long term.
45. For disclosure of deforestation- or conversion-free commodities, the new metrics added to the SASB Standards have sought to promote interoperability with the GRI Standards, particularly *GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022*, and alignment with TNFD recommendations, metrics and guidance as far as possible.
46. The new metric FB-PF-430b.1 *Percentages of sourced commodities determined to be deforestation- or conversion-free, including any targets set to monitor progress* was added in response to investor interest in how entities are managing risks related to deforestation. The language used, coverage of sourced commodities, and disaggregation of the disclosure by commodity in this metric is largely aligned with both 13.4.3 of *GRI 13* and TNFD food and agriculture sector metric *FA.C1.0 'Deforestation and conversion-free products'*. However, there are differences in the unit of measure for the disclosures. The proposed SASB metric requires disclosure of

the percentage of commodities by cost to reflect information that is likely to be decision-useful for investors, whereas GRI and TNFD require percentage of sourced volume.

47. In other cases, the metrics added to the *Processed Foods* SASB Standard differ from the related disclosures in the GRI Sector Standards due to the different (although related) industry focus in the *Processed Foods* SASB Standard compared to the GRI Sector Standard on Agriculture, Aquaculture and Fishing. For example, FB-PF-430b.3 *Description of strategies to manage environmental resources and implement sustainable agriculture practices in the supply chain* is proposed to capture information relevant to environmental supply chain management. Whereas the SASB Standard treats management of environmental resources and sustainable agriculture as a supply chain management topic in the processed foods industry, *GRI 13* considers these as direct impacts by the entity given its focus on activities associated with crop and animal production, aquaculture and fishing. As a result, *GRI 13* covers related impacts from operations through a range of specific disclosures (including biodiversity, soil health, pesticide use, water and effluents, waste, and land and resource rights). Although there is alignment in the aspects of environmental resource management and sustainable agriculture covered by both sets of standards, the SASB metric is designed for application by entities at a different point in the value chain compared to *GRI 13* and so has a distinct scope.

Water management: targeted amendments

48. In addition to the proposed amendments to the above sector standards, the SASB Exposure Draft also proposed targeted amendments to some disclosure topics that appear throughout many SASB Standards. These targeted amendments are proposed to result in consistent disclosures for common topics across industries where appropriate.
49. The SASB Standards contain disclosure topics on water management designed to provide information about an entity's access to water and its management of related

risks. Sufficient water availability and quality is a provisioning ecosystem service that is essential to many industries. The relevant disclosure topics in the SASB Standards include up to three metrics about an entity's water withdrawal, consumption, exposure to water stress, non-compliance associated with water quality permits and narrative disclosure requirements relating to water-related risks and opportunities.¹⁶ Reducing water use and contamination can create operational efficiencies and lower operating costs, remediation costs, potential fines or risk of operational disruptions.

50. The proposed amendments to the quantitative water management metrics in the SASB Standards improve interoperability, and propose common disclosures, with *GRI 303: Water and Effluents 2018*. These proposed amendments include:
- (a) requiring the same quantitative data to be disclosed about (1) water withdrawals disaggregated by source, (2) water consumed and withdrawn from water-stressed locations¹⁷ and (3) water discharge disaggregated by destination and treatment level;
 - (b) using the same definitions of water withdrawals, water sources, water consumption and water stress; and
 - (c) using the same guidance for assessing water stress and identifying water-stressed locations.
51. The proposed metrics covering water withdrawal, consumption and discharge are also aligned with TNFD metrics *A3.0 'Total water consumption and withdrawal'* and *C2.1 'Wastewater discharged'*, including proposing definitions of water sources and withdrawal that are the same as those in the TNFD recommendations. However,

¹⁶ Although these three metrics are similar among industries, their language, sub-metrics and technical protocols might vary to capture industry-specific nuance based on stakeholder feedback. Furthermore, not every industry contains all three metrics—some contain one or two out of the three metrics to capture industry-specific risks and opportunities.

¹⁷ Note that the proposed amendments to the SASB Standards require disclosure of the volume of water withdrawn from water-stressed locations as a percentage of total water withdrawn, whereas 'GRI 303-3' requires total water withdrawal from all areas of water stress. The disclosure requirements based on the proposed SASB amendments are different but drawn from the same information.

where the SASB Standards reference water consumed and withdrawn from ‘water-stressed locations’, consistent with *GRI 303* disclosures, TNFD metric *C3.0* references withdrawal and consumption from ‘areas of water scarcity’.¹⁸

52. The narrative disclosure requirements relating to water-related risks and opportunities and corresponding *GRI 303* disclosures have a different scope due to the different remits of the SASB Standards and the GRI Standards. For example, the SASB metric FB-PF-140a.3 requires entities to disclose ‘risks associated with water withdrawals, water consumption and discharge of water or wastewater’. Here, the metrics in the SASB Standards cover disclosure of information on the risks and opportunities associated with the topic, whereas the GRI Standards require disclosure of impacts and impact management associated with the same topic. This difference in scope is because of the SASB Standards’ focus on the information needs of investors about sustainability-related risks and opportunities that could be reasonably expected to affect an entity’s prospects, as compared to the GRI Standards’ focus on meeting the needs of a range of stakeholders, including investors. Although these disclosures require the provision of similar information, as risks and opportunities are likely related to the same impacts covered by *GRI 303*, the scope of disclosures is distinct per the remit of each organisation and the circumstances in which the information may be material when applying the respective Standards may differ (even for the same entity).
53. In comparison, the same narrative metric is aligned with TNFD recommended disclosures (*Strategy A, B, D* and *Metrics and targets C*), which include a description of nature-related risks and opportunities and their effect on an entity’s business model, on an entity’s targets and goals and identification of priority locations. TNFD metrics *C7.0* and *C7.1* also require disclosure of the value of assets, liabilities, revenue and

¹⁸ Whereas ‘water scarcity’ refers to the physical abundance of freshwater, ‘water stress’ is a broader concept which considers several physical aspects related to water resources, including availability, quality and accessibility. See: The CEO Water Mandate, ‘Driving Harmonization of Water-Related Terminology’, 2014, <https://ceowatermandate.org/wp-content/uploads/2019/11/terminology.pdf>

expenses that are vulnerable to nature-related transition and physical risks respectively, which also encompass water-related risks.

Other sector standards and guidance: nature-related disclosures

54. Where relevant, the proposed amendments directly incorporate disclosures specified in the GRI Topic and Sector Standards (for example, the metrics associated Air Quality and Water Management), and recommendations specified in the TNFD recommendations, metrics and additional sector guidance (for example, the metrics associated with Ecological Impacts) that are proposed to be used as part of the SASB Standards. Improving interoperability with the GRI Standards or alignment with the TNFD recommendations was considered and prioritised where relevant to address the amendments identified as being necessary for the SASB Standards.
55. The proposed amendments include some common disclosures between GRI and SASB requirements including verbatim language to the extent possible and alignment in the underlying basis of disclosure, such as units of measurement, definitions, references and types of information. Similarly, alignment including the use of identical language to that of the TNFD recommendations and guidance was pursued where possible. Although alignment exists between TNFD and GRI themselves, some language and disclosures differ, and so opportunities to align with one of the other standards or guidance sometimes resulted in differences with the other. The proposed amendments still result in some differences with the GRI Standards and TNFD recommendations ranging from differing language in disclosures for similar information to additional information in the scope of a disclosure due to differing remits of the respective standards. More detail on these considerations, including the relevant metrics in the SASB Standards, can be found in ‘Appendix B’ of *Basis for Conclusions on the Proposed Amendments to the SASB Standards*.¹⁹

¹⁹ See *Basis for Conclusions on the Proposed Amendments to the SASB Standards* here: <https://www.ifrs.org/content/dam/ifrs/project/enhancing-the-sasb-standards/sasb-ed-2025-1-bc-proposed-amends.pdf>

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56. Comparing the SASB Standards (inclusive of the proposed amendments) with the TNFD additional sector guidance and GRI Sector Standards, differences still exist in nature-related disclosures.²⁰ Some differences between SASB and other sector standards or guidance exist where a similar topic is addressed in other sector standards or guidance through disclosures with a broader scope or focus on impacts as described in paragraph 52.
57. Some differences exist where a particular aspect of nature is explicitly included in other sector standards or guidance and is not included in the SASB Standards. For example, TNFD Sector guidance: Oil and gas contains a sector-specific metric *OG.A4.0 Quantity (number) of invasive alien species identified; Number of invasive alien species removal programmes underway; Volume and proportion (%) of invasive alien species removed* whereas a similar disclosure is not included in the SASB Standards for the oil and gas industries.
58. Other differences exist where the structure of the other sector standards or guidance (as described in Appendix A) inherently differs from the SASB Standards. This includes differences such as TNFD's holistic approach to nature, which is not reflected as a distinct topic in the SASB Standards. Other differences result from differences in industry classifications between organisations. For example, TNFD Sector guidance: Food and agriculture is inclusive of but not identical in scope to the single Processed Foods SASB Standard prioritised in the SASB Exposure Draft, given that the TNFD guidance also encompasses other SASB industry standards. Table 1 compares the SASB industry standards proposed for amendment to corresponding TNFD additional sector guidance and GRI Sector Standards.
59. The ISSB will continue to engage with the GRI and TNFD, considering stakeholder feedback received during the consultation, to assess whether there are further

²⁰ Prior to the publication of the Exposure Draft of proposed SASB amendments, a summary of an industry-agnostic comparison was discussed in Agenda Paper 3B *Comparison of other BEES-related standards and frameworks to IFRS S1 and SASB Standards* ([February 2025](#)).

opportunities to improve interoperability and alignment with the respective standards and frameworks in the context of the SASB Enhancements project.

Questions for the ISSB

1. Do members of the ISSB have any clarifying questions or comments about the matters discussed in this paper?
2. Do members of the ISSB have any observations about the proposed amendments to nature-related content in the SASB Standards as it relates to the phase 1 findings or the phase 2 project plan and scope for the research project on nature?

Appendix A: Sector standards and guidance overview

- A1. GRI issued Sector Standards as part of its GRI Standards system and TNFD issued additional sector guidance to complement their TNFD recommendations. The structure of these sector standards and guidance is described below.²¹

SASB Standards

- A2. The SASB Standards Board codified the SASB Standards for 77 industries in 2018 and designed them to help entities identify and disclose sustainability-related risks and opportunities and provide material information to investors and other users of general purpose financial reports.
- A3. Within each industry standard, specific disclosure topics are identified that list metrics and technical protocols to guide companies in reporting. Activity metrics are included to support normalisation. Disclosure topics such as Ecological Impacts, Water Management and Waste & Hazardous Materials Management address nature-related issues relevant to entities in different industries.
- A4. Both IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures* require an entity to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In support of this requirement, IFRS S1 requires an entity to refer to and consider the applicability of the disclosure topics and associated metrics in the SASB Standards, and IFRS S2 requires an entity to refer to and consider the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures (IFRS S2 Industry-based Guidance), derived from the SASB Standards. Accordingly, nature-related amendments to the SASB Standards and consideration of the SASB Standards as part of the ISSB research project supports the implementation of IFRS S1.

²¹ A description and attributes of each standard or framework of the overall TNFD and GRI organising approach and scope can be found in AP3A *Background on other BEES-related standards and frameworks* ([February 2025](#)).

GRI Sector Standards

- A5. GRI has currently published four Sector Standards available for use: Oil and Gas (GRI 11), Coal (GRI 12), Agriculture, Aquaculture and Fishing (GRI 13), and Mining (GRI 14). The GRI Sector Standards guide organisations to report information on topics likely to be material for organisations in the sector on the basis of the sector's most significant impacts on the economy, environment, and people, including on their human rights.
- A6. The GRI Sector Standards comprise part of GRI's modular system of interrelated standards, organised into three series: GRI Universal Standards, GRI Sector Standards, and GRI Topic Standards. Most of the GRI Sector Standard disclosures are drawn from the GRI Topic Standards, which include separate topical standards for nature-related topics such as water and effluents, biodiversity and waste.

TNFD sector guidance

- A7. TNFD has currently published 16 sector guidance documents available for use: Apparel, accessories and footwear; Aquaculture; Beverages; Biotechnology and pharmaceuticals; Chemicals; Construction materials; Electric utilities and power generators; Engineering, construction and real estate; Financial institutions; Fishing; Food and agriculture; Forestry, pulp and paper; Marine transportation and cruise lines; Metals and mining; Oil and gas; and Water utilities and services. TNFD sector guidance provides sector-specific considerations in addition to the TNFD Recommendations and the TNFD LEAP approach to support the assessment, management and disclosure of nature-related issues by companies globally.
- A8. The TNFD sector guidance and metrics complement the TNFD core recommendations and LEAP assessment approach, which address nature at a holistic level. Companies may use the TNFD sector guidance to complete an assessment of nature-related issues using the LEAP approach and disclose sector-specific metrics in line with the TNFD's metrics architecture.

Table 1. SASB industry standards prioritized for proposed amendments and corresponding TNFD additional sector guidance and GRI Sector Standards.²²

| SICS Sector | SASB Industry Standard | Corresponding TNFD sector guidance | Corresponding GRI Sector Standards |
|-----------------------------------|--------------------------------------|---|------------------------------------|
| Extractives & Minerals Processing | Coal Operations | Additional sector guidance – Metals and mining | GRI 12: Coal Sector 2022 |
| Extractives & Minerals Processing | Construction Materials | Additional sector guidance – Construction materials | GRI 14: Mining Sector 2024 |
| Extractives & Minerals Processing | Iron & Steel Producers | Additional sector guidance – Metals and mining | |
| Extractives & Minerals Processing | Metals & Mining | Additional sector guidance – Metals and mining | GRI 14: Mining Sector 2024 |
| Extractives & Minerals Processing | Oil & Gas – Exploration & Production | Additional sector guidance – Oil and gas | GRI 11: Oil and Gas Sector 2021 |
| Extractives & Minerals Processing | Oil & Gas – Midstream | Additional sector guidance – Oil and gas | GRI 11: Oil and Gas Sector 2021 |
| Extractives & Minerals Processing | Oil & Gas – Refining & Marketing | Additional sector guidance – Oil and gas | GRI 11: Oil and Gas Sector 2021 |

²² This table only contains currently published sector guidance or standards available for use. Both TNFD and GRI are pursuing additional sector guidance or standards that are in development or scheduled for development.

| SICS Sector | SASB Industry Standard | Corresponding TNFD sector guidance | Corresponding GRI Sector Standards |
|-----------------------------------|------------------------|---|------------------------------------|
| Extractives & Minerals Processing | Oil & Gas – Services | Additional sector guidance – Oil and gas | GRI 11: Oil and Gas Sector 2021 |
| Food & Beverage | Processed Foods | Additional sector guidance – Food and agriculture | |