
ISSB Meeting

Date	April 2026
Project	Nature-related Disclosures
Topic	Information on engagement with Indigenous Peoples, Local Communities and affected stakeholders in the context of nature-related risks and opportunities – Recommendations
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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 and structure

1. The purpose of this paper is to provide staff analysis and recommendations in relation to disclosures on interactions and engagement with Indigenous Peoples, Local Communities and affected stakeholders¹ in the context of nature-related risks and opportunities,² and to ask the International Sustainability Standards Board (ISSB) to make a decision.
2. This paper should be read in conjunction with Agenda Paper 3B for this meeting. Agenda Paper 3B *Information on engagement with Indigenous Peoples, Local Communities and affected stakeholders in the context of nature-related risks and opportunities – Research findings* provides the findings of our research and outreach on disclosures on interactions and engagement with Indigenous Peoples, Local Communities and affected stakeholders in the context of nature-related risks and

¹ Society and stakeholders in scope of the staff recommendations are discussed in paragraphs 20–25 of this paper and the ISSB will need to consider the scope in its decision at this meeting.

² This project was initially titled 'Biodiversity, Ecosystems and Ecosystem Services' and used the acronym 'BEES'. In February 2026, the ISSB decided to change the project title to 'Nature-related Disclosures'.

opportunities. The staff analysis and recommendations in this paper are based on those findings.

3. The structure of the paper is as follows:
 - (a) purpose and structure (paragraphs 1–3);
 - (b) staff analysis (paragraphs 4–25);
 - (c) staff recommendation (paragraphs 26–30); and
 - (d) questions for the ISSB.

Staff analysis

4. In this section, we consider the approach the ISSB could take in addressing investor information needs on interactions, including engagement, with Indigenous Peoples, Local Communities and affected stakeholders in the context of nature-related disclosures, while building on the existing requirements and metrics in ISSB materials and leveraging the extensive work of the Taskforce on Nature-related Financial Disclosures (TNFD) on this topic.
5. Engagement with Indigenous Peoples, Local Communities and affected stakeholders can affect an entity's prospects³ in the context of nature-related risks and opportunities or may be relevant to the identification or management of nature-related risks and opportunities (as described in paragraphs 14–21 of Agenda Paper 3B for this meeting) and, therefore, related information can be material to investors.
6. Additionally, investors underlined the importance of information on (see paragraph 24 of Agenda Paper 3B for this meeting):
 - (a) an entity's exposure to nature-related risks and opportunities arising from interactions of the entity with Indigenous Peoples, Local Communities and

³ An entity's prospects refer to the entity's cash flows, its access to finance or cost of capital over the short, medium or long term, as defined in IFRS S1.

- affected stakeholders in the context of an entity's dependencies and impacts on nature;
- (b) the presence and specific characteristics of engagement with Indigenous Peoples, Local Communities and affected stakeholders;
 - (c) oversight of engagement processes; and
 - (d) integration of such processes in overall strategy and risk management – including in responses to nature-related risks and opportunities.
7. The staff thinks that disclosures based on particular requirements in IFRS S1, together with disclosure topics and metrics in the SASB Standards, relate to these identified investor information needs. This includes specifically IFRS S1 requirements on governance, strategy and risk management (see paragraphs 35–39 of Agenda Paper 3B for this meeting) and SASB disclosure topics and metrics covering exposure to risks and opportunities arising from interactions of the entity with Indigenous Peoples, Local Communities and affected stakeholders and the presence and characteristics of engagement (see paragraphs 40–46 of Agenda Paper 3B for this meeting).
8. Specifically, we noted that if material, an entity is required to provide information related to processes of engagement with stakeholders and society and outcomes of such processes in accordance with the following IFRS S1 requirements on:
- (a) board and management's role in governance processes, controls and procedures an entity uses to monitor, manage and oversee sustainability-related risks and opportunities (paragraphs 27(a) and (b) of IFRS S1);
 - (b) processes and related policies the entity uses to identify, assess, prioritise and monitor sustainability-related risks and opportunities (paragraphs 44(a) and (b) of IFRS S1); and
 - (c) current and anticipated effects of sustainability related risks and opportunities (linked to the output of engagement processes – or lack thereof) on the entity's business model and value chain (paragraph 32(a) of IFRS S1) and a description of where in the entity's business model and value chain

sustainability-related risks and opportunities are concentrated (paragraph 32(b) of IFRS S1).

9. Additionally, IFRS S1 requires an entity to provide information in a way that enables investors to understand connections between items to which information relates (paragraph 21 of IFRS S1), including:
- (a) connections between disclosures about various sustainability-related risks and opportunities – for example, nature-related risks and opportunities stemming from engagement with stakeholders and society and how this relates to risks and opportunities related to employment, livelihood and health; and
 - (b) connections between the entity’s disclosures – for example, description of, and metrics highlighting, nature-related risks and opportunities stemming from interactions and engagement (paragraphs 30 and 46(b)(i) of IFRS S1), to explain the relevance of information listed in paragraph 8 of this paper.
10. Finally, paragraphs 55, 57 and 58 of IFRS S1⁴ require that, in identifying sustainability-related risks and opportunities that could reasonably be expected to affect an entity’s prospects and related disclosures, an entity shall refer to and consider the applicability of the disclosure topics and metrics in the SASB Standards and may consider the applicability of other materials, including the CDSB Framework Application Guidance. These materials include requirements or recommendations on disclosures about interactions and engagement with stakeholders and society, as noted in Agenda Paper 3B for this meeting (paragraphs 34(a)–(b) of Agenda Paper 3B).
11. The staff thinks that existing requirements in IFRS S1, including the requirement to refer to and consider the applicability of the disclosure topics and metrics in the SASB Standards, therefore form a sufficient basis for disclosures on interactions and engagement with Indigenous Peoples, Local Communities and affected stakeholders in the context of nature.

⁴ At its March 2026 meeting the ISSB made tentative decisions about these references in the context of nature-related metrics. See Agenda Paper 3A [Nature-related metrics](#) (March 2026).

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12. However, IFRS S1 does not provide context for why this information may be relevant and indeed material in the context of nature-related risks and opportunities. It also does not provide context about how Indigenous Peoples, Local Communities and affected stakeholders may all be relevant but that there may be particular aspects of interactions and engagement with Indigenous Peoples, Local Communities and affected stakeholders that warrant attention. Disclosures aligned with TNFD recommendations and the SASB Standards that explicitly cover this topic show high disclosure rates of information related to such engagement indicating that the materials are effective in eliciting the provision of information and providing some evidence of feasibility (see paragraphs 47–49 of Agenda Paper 3B for this meeting). Furthermore, investors have found the related SASB topics and metrics useful to their decision-making, while highlighting areas of improvement.
 13. In the staff’s view, the IFRS S1 requirements provide a sufficient basis for material information to be provided on this topic and we have not identified particular information about such engagement that warrants disclosure that is missing from IFRS S1. However, IFRS S1 does not specifically mention information on interactions and engagement with Indigenous Peoples, Local Communities and affected stakeholders in the context of nature. The staff thinks that additional guidance is needed to support those applying IFRS S1 in providing disclosure about interactions with Indigenous Peoples, Local Communities and affected stakeholders in the context of nature-related disclosures to address the particular information needs that investors have highlighted. Guidance that explains the usefulness of information about particular features or aspects of this topic, particularly related to engagement, when applying existing requirements in IFRS S1 within the context of nature would result in the provision of decision-useful information.
 14. In developing this guidance, it would be useful for the ISSB to consider the recommendations and guidance from the TNFD framework, including terminology used in describing different communities and stakeholders. This additional guidance would be complemented by, and could reference, related disclosure topics and metrics in the SASB Standards given their relevance to investor decision-making and

industry-specific considerations for this topic (see paragraph 27 of Agenda Paper 3B for this meeting). Additionally, IFRS S1 requires an entity to provide information in a way that enables investors to understand connections between items to which information relates. Information on interactions and engagement with Indigenous Peoples, Local Communities and affected stakeholders can be material in the context of nature-related risks and opportunities, but it might sometimes overlap with other sustainability-related risks and opportunities linked to, for example, the workforce, rights beyond nature (for example, health) or climate. While there is still a potential link with nature even in those cases (for example, risks from the infringement of rights related to health or access to food due to pollution or land use) this is not the case in all instances. It would be useful for the proposed guidance to highlight the requirement for connected information in IFRS S1 in this context.

15. These connections and potential overlaps with other sustainability-related risks and opportunities are also one of the reasons that the staff thinks the ISSB should not develop incremental disclosure *requirements* on engagement with Indigenous Peoples, Local Communities and affected stakeholders in the context of nature. Additional guidance to apply existing requirements in IFRS S1 would provide useful nature-related context to those requirements and highlight for preparers aspects that might be useful to include in their disclosures according to those requirements. However, such guidance would not specify exactly what to disclose on interactions and engagement with Indigenous Peoples, Local Communities and affected stakeholders in the context of nature separately from the existing requirements on governance, strategy and risk management in IFRS S1. Specifying separate requirements otherwise runs the risk of an entity leaving out other useful information about engagement with Indigenous Peoples, Local Communities and affected stakeholders when considering broader social aspects, on which the ISSB has no current requirements other than referring to and considering the metrics included in the SASB Standards.
16. In this particular instance, guidance would also enable entities to provide information relevant in their specific circumstances compared to requirements, given the variations based on factors including location, industry and types of communities that

are pertinent to this topic. While this affects comparability to an extent, this is consistent with investor feedback on this topic noted earlier; that investors do not expect the same types of disclosure from all entities, but variations depending on these factors.

Location and industry

17. On location, our research and outreach highlighted its importance as a relevant precondition for many nature-related risks and opportunities stemming from engagement with Indigenous Peoples, Local Communities and affected stakeholders. Investors have mentioned location-specific information – for example, related to an entity’s operations in or near Indigenous territories (which is reflected in the SASB Standards) – as relevant for their decision-making. Investors also mentioned the need to access different types of information on location in this context, namely both aggregated information and more granular information, down to a specific site in some circumstances. For example, investors have found the SASB Standards valuable for their metrics providing aggregated information about the percentage of assets or business activities tied to a specific type of location but being limited in providing disaggregated and more granular information that can be material in some circumstances.
18. Agenda Paper 3A *Location-specific information about nature-related risks and opportunities* for this meeting provides staff recommendations on addressing common investor information needs related to location-specific information on nature-related risks and opportunities, including about providing aggregated or disaggregated and more granular information on location. This is relevant to consider in the context of interactions with Indigenous Peoples, Local Communities and affected stakeholders for nature-related disclosures, which the proposed guidance could make clear.
19. Specifically on the SASB Standards, outcomes from our research and outreach on the nature-related disclosures project highlighted potential areas of enhancement that mirror feedback received on the related disclosure topics and metrics as part of the

public consultation on the SASB Exposure Drafts (see paragraphs 45–46 of Agenda Paper 3B for this meeting). These include industry coverage, given the types of industries potentially exposed to nature-related risks and opportunities stemming from interactions, including engagement, with Indigenous Peoples, Local Communities and affected stakeholders. Some of the feedback also relates to the types of communities and affected stakeholders covered by the metrics.

Society and stakeholders in scope

20. In the context of nature-related disclosures, interactions and engagement with different stakeholders, communities and society mentioned in this paper might be relevant to an entity's prospects. Each case has specific characteristics, for example:
 - (a) Indigenous Peoples and Local Communities have distinctive relationships with nature that can give rise to specific nature-related risks and opportunities for an entity that are distinct from other societal and stakeholder groups, such as legal risks related to access to natural resources; and
 - (b) affected stakeholders may raise concerns about or experience nature-related impacts due to an entity's own activities or other activities in its value chain (for example, water depletion for a town due to presence of data centres), which can lead to those stakeholders initiating protest and creating reputational damage for such an entity.

21. The staff also acknowledges jurisdictional differences in approaches towards Indigenous Peoples and Local Communities and affected stakeholders. From research and outreach, we understood that:
 - (a) in some jurisdictions, Indigenous status is formally recognised in law (like in Canada).
 - (b) however, consideration of Indigenous Peoples only may not capture the full range of communities with substantive relationships to land, natural resources, and ecosystems in many emerging and developing economies. For example, in numerous regions across Africa, Asia and Latin America, community

governance structures are based on customary arrangements rather than formal Indigenous classification.

- (c) there is non-standardised nomenclature and terminology used in laws and regulations related to such communities and engagement that might be relevant for disclosure (for example, within the African continent, depending on the country, different terms are used in existing laws and regulations covering environmental and social impact assessments and engagement including communities, traditional communities, and local population).
22. In addition, terminology used in sustainability reporting standards and frameworks is not standardised and definitions are not always provided. The TNFD materials refer to engagement with, and provide the definitions of, ‘Indigenous Peoples’, ‘Local Communities’ and ‘affected stakeholders’ (see Appendix A of Agenda Paper 3B for this meeting). The SASB Standards refer to Indigenous Peoples and communities or local communities, and include an internationally recognised definition of Indigenous Peoples (see paragraph 44 of Agenda Paper 3B for this meeting). IFRS S1, the Integrated Reporting Framework and the IFRS Practice Statement 1 Management Commentary mention engagement with ‘local communities’ without providing a definition. Both ESRS and GRI Standards Glossary include definitions of ‘Indigenous peoples’, ESRS includes the definition of ‘affected community’ and the GRI Standards Glossary includes the definitions of ‘local community’ and ‘stakeholders’.
23. Given the applicability of related disclosures to different types of communities, and due to the lack of standardisation among regulation, law and reporting standards or frameworks, disclosures that describe the communities, stakeholders and society in scope of the engagement process of an entity can improve the understanding of such processes and improve disclosure comparability. This was confirmed in our outreach with investors. Therefore, the staff thinks that the recommended guidance should require an entity to identify the type of stakeholders, communities and society relevant to the disclosures it provides. The categories and definitions used by the TNFD could provide useful guidance for such disclosures, although in particular cases the entity may need to apply a jurisdiction-specific reference. This would also be beneficial

from an interoperability perspective as it would broadly align with how the matter is addressed in ESRS and GRI Standards. Additionally, including a disclosure requirement on interactions with Indigenous Peoples, Local Communities and affected stakeholders would align with the GRI Standards that require a description of the category of stakeholders engaged (GRI 2: General Disclosures 2021) (see paragraph 31 of Agenda Paper 3B for this meeting).

24. In summary, the staff thinks that the ISSB should propose guidance within nature-related disclosures to help preparers in applying particular IFRS S1 requirements and guidance from the SASB Standards in the specific case of information on interactions, including engagement, with Indigenous Peoples, Local Communities, and affected stakeholders in the context of an entity's dependencies and impacts on natural resources, ecosystems and ecosystem services.
25. Information on interactions and engagement with Indigenous Peoples, Local Communities and affected stakeholders in the context of nature is already relevant when applying IFRS S1 when this is material for an entity, but the guidance would support the provision of decision-useful information for investors. Since there would be no new requirements introduced (other than the requirement to describe the types of stakeholders, communities and society included in the scope of an entity's disclosures if it provides such information), there would be limited additional cost for preparers in applying this guidance to existing requirements.

Staff recommendations

26. To ensure entities meet investor information needs, the staff recommends that the ISSB provide guidance to explain how to apply the existing requirements in IFRS S1 and the metrics in the SASB Standards to provide material information to investors on how the entity's interactions, including engagement, with Indigenous Peoples, Local Communities and affected stakeholders can give rise to nature-related risks and opportunities that could reasonably be expected to affect its prospects.

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27. Specifically, the staff recommends that this guidance:
- (a) explain the relationship between nature and Indigenous Peoples, Local Communities and affected stakeholders;
 - (b) explain how interactions, including engagement, with Indigenous Peoples, Local Communities and affected stakeholders could give rise to or help respond to an entity's nature-related risks and opportunities and could affect its prospects, therefore supporting an entity's identification of nature-related risks and opportunities and its materiality judgement;
 - (c) explain how to apply existing requirements in IFRS S1 on strategy, risk management, governance and connected information⁵ together with relevant metrics in the SASB Standards, to provide the type of information that investors need;⁶ and
 - (d) provide examples of information that an entity might need to disclose (for example, from particular industries and/or jurisdictions to explain application).
28. The staff also recommends that the application guidance cover the following categories of society and stakeholders: Indigenous Peoples, Local Communities and affected stakeholders and that these categories be described in the guidance based on the TNFD framework.
29. Additionally, given the lack of standardisation of terminology and jurisdictional nuances, the staff recommends that an entity should be required to identify the type of stakeholders and communities included in the scope of its disclosures, if information about interactions and engagement with them in the context of nature is material for its circumstances.
30. Finally, the staff recommends that, within the work on enhancing the SASB Standards, the ISSB consider the findings of the nature-related disclosures project in

⁵ In particular, requirements highlighted in paragraphs 8–10 of this paper.

⁶ As described in paragraphs 22–28 of Agenda Paper 3B for this meeting.

determining the industry coverage of related disclosure topics and metrics, the types of stakeholders and communities covered by the metrics, and consistency of language and terminology, when relevant.

Questions for the ISSB

Questions for the ISSB

1. Does the ISSB have questions or comments on the analysis in this paper?
2. Does the ISSB agree with the staff recommendation in paragraph 27 about the content of the guidance (namely, an explanation of the relationship between nature and Indigenous Peoples, Local Communities and affected stakeholders, an explanation of how interactions, including engagement, with Indigenous Peoples, Local Communities and affected stakeholders could give rise to or help respond to an entity's nature-related risks and opportunities and could affect its prospects, the application of relevant IFRS S1 requirements together with relevant metrics in the SASB Standards, and inclusion of examples)?
3. Does the ISSB agree with the staff recommendation in paragraph 28 about the coverage of categories of society and stakeholders in the guidance (namely, Indigenous Peoples, Local Communities and affected stakeholders, and that these categories be described in the guidance based on the TNFD framework)?
4. Does the ISSB agree with the staff recommendation in paragraph 29 about requiring an entity to identify the type of stakeholders and communities included in the scope of its disclosures (if information about interactions and engagement with them in the context of nature is material for its circumstances)?
5. Does the ISSB agree with the staff recommendation in paragraph 30 about considering the findings of the nature-related disclosures project within the work on enhancing the SASB standards (in particular, when determining the industry coverage of related disclosure topics and metrics, the types of stakeholders and communities covered by the metrics, and consistency of language and terminology, when relevant)?