
Sustainability Consultative Committee (SCC) meeting

Date **February 2026**

Project **Biodiversity, ecosystems and ecosystem services (BEES)**

Topic **BEES update and questions to the SCC**

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Nature-related disclosures



Nature-related disclosures



Incremental disclosure requirements

ISSB will introduce incremental disclosure requirements on nature-related risks and opportunities not already covered by explicit requirements in IFRS S1 and IFRS S2



Educational material

Subsequently, ISSB will develop educational materials that explain how to apply the requirements in ISSB Standards in the context of providing material nature-specific information

Drawing on TNFD framework where relevant to meet investor information needs

ISSB to draw on TNFD

- Delivers efficiencies, reduces fragmentation and enables ISSB to build on leading practice
- Drawing where relevant to meet investor information needs in both standard setting and educational materials
- Utilising TNFD recommendations, metrics and additional guidance
- Includes TNFD's 'Locate, Evaluate, Assess, Prepare' or 'LEAP' approach
- TNFD addresses nature across all nature topics – a non-siloed approach
- 700+ companies globally already committed to using TNFD

TNFD will complete its technical work currently in progress by Q3 2026 as it supports the ISSB's work



Incremental nature-related disclosure requirements

- Incremental requirements that are not already reflected in explicit requirements in IFRS S1 and IFRS S2.
- ISSB to discuss approach and scope to standard-setting in coming months
- Standard-setting comes in many forms
- Could be a mix of application guidance or amendments to existing ISSB Standards, industry-based guidance, additional sources of guidance or a new standard
- Balance new requirements, including when deciding effective date, with focus on supporting implementation of IFRS S1 and IFRS S2



Targeting an Exposure Draft by COP17 in October 2026

Investor nature-related information needs

Clear evidence of investor interest and effects on entity prospects

Information on:

- Governance and oversight
- Strategy – including information on current and anticipated financial effects and information about **nature transition plans**
- Risk management – including use of scenarios for risk identification
- Metrics and targets – including quantitative information on topics like **water, land use changes (such as deforestation), biodiversity loss and pollution**

Information that is:

- **Location-specific**
- Relevant across the value chain
- Contextual
- Covering the **climate-nature nexus**
- Industry-specific covering Food & Beverage, Consumer Goods, Extractives & Minerals Processing, Renewable Resources, Infrastructure and Transportation
- Based on **standardised terminology**

IFRS S1 + SASB Standards address many of these information needs, but incremental disclosure requirements are needed for nature-specific contexts. The TNFD framework **covers many of these areas**

Summary of information areas for standard-setting

| Information area sequencing | Staff preliminary thinking on approach |
|--|---|
| Define essential terms and concepts | Create new requirements ^[1] or content |
| Engagement strategy and process, including in relation to Indigenous Peoples and local communities | Conducting analysis to determine what, if anything, should be proposed in the exposure draft |
| Nature-related transition plans | Conducting analysis to determine the proposed approach (requirements and/or guidance) |
| International policies and national regulations informing governance policies and strategy | Conducting analysis to determine what, if anything, should be proposed in the exposure draft |
| Metrics | Limit proposals in exposure draft at this time, and/or defer standard-setting to a subsequent phase of work |
| Location-specific information | Conducting analysis to determine the proposed approach (requirements and/or guidance) |
| Climate-nature nexus | Conducting analysis to determine what, if anything, should be proposed for the exposure draft |
| Nature-related targets | Conducting analysis to determine what, if anything, should be proposed for the exposure draft |
| Scenarios in identifying nature-related risks and opportunities | Conducting analysis to determine what, if anything, should be proposed for the exposure draft |
| Additional guidance to aid preparers in the identification of nature-related risks and opportunities | Conducting analysis to determine what, if anything, should be proposed for the exposure draft |

This table is derived from Table 1 in [Agenda Paper 3: Objective and scope of standard-setting on nature-related risks and opportunities](#), January 2026. The information areas and sequencing are subject to change.

^[1] The proposed status of the materials in the exposure draft is a matter to be considered. It is possible that the ISSB may determine that the resulting materials would be non-mandatory. The term 'requirement' is used for convenience but should be read in this light.

Questions for the SCC: areas of unclear investor need

Context

Information on an entity's **engagement strategy and process, including in relation to Indigenous Peoples and local communities** is an unclear investor need in the context of nature-related risks and opportunities and is not addressed explicitly by IFRS S1 and IFRS S2.

While investors did not widely or explicitly surface interest in this area in the context of nature-related risks and opportunities, initial research did provide some evidence of effects on entity prospects* as it relates to relationships with such communities and their interface with natural resources.

The TNFD recommendations include disclosures of the nature-related aspects of an entity's human rights policies and engagement activities, as well as oversight by the board and management with respect to 'Indigenous Peoples, Local Communities, affected and other stakeholders, in the entity's assessment of, and response to, nature-related issues'.

Questions

1. What particular nature-related aspects of engagement with Indigenous Peoples and local communities may be relevant to an entity's prospects and of interest to investors in making decisions in providing resources to an entity?
2. Is there clear evidence showing investor interest and relevance to effects on entity prospects, and does this depend on the industry in which the entity operates?
3. Considering the SASB Standards address this area in some industries, is the nature connection adequately covered by reference to the SASB disclosure topics and metrics in IFRS S1?
 - (As an example, see topic of Community Relations & Rights of Indigenous Peoples in the [Exposure Draft](#) of Proposed amendments to the SASB Standards, July 2025).

* Entity prospects refers to the entity's cash flows, access to finance or cost of capital in the short, medium or long term.

Questions for the SCC: areas of unclear investor need

Context

Information on **international polices and national regulations informing an entity's governance policies and strategy** is an unclear investor need.

This is generally addressed by IFRS S1 and it is addressed explicitly by IFRS S2 paragraph 33(h) in the context of climate-related targets.

Our research shows there is evidence of effects on entity prospects from nature-related policies and regulations and evidence of investor interest on the effects of nature-related regulatory risks on an entity. However, investors did not highlight the need for more information specifically in relation to how an entity's governance policies, strategy or targets are informed by international policies and national regulations.

Both the GRI Standards and the TNFD recommendations include such disclosures.

Questions

4. Is there evidence that nature-related international policy conventions and frameworks (e.g. Kunming-Montreal Global Biodiversity Framework (GBF)) influence *most* companies' strategy or targets with a potential effect on prospects? Is there a need to introduce nature-specific disclosures in this area as is the case in relation to climate in IFRS S2?

Questions for the SCC: metrics feasibility

Context

The need for **cross-industry metrics** on nature-related risks and opportunities was unclear.

While investor interest in metrics on particular nature-related topics was surfaced, it was unclear whether investors consider such metrics to be widely applicable to most entities irrespective of the industry they were in and thus suited for cross-industry disclosures (essentially being required to be considered by all entities and provided when material).

Note, this is relevant for the Metrics & Targets core content area in ISSB Standards (i.e. not including cross-industry requirements in the other core content areas of Governance, Strategy and Risk Management).

Questions

5. What is the preparer experience with applying existing cross-industry nature-related metrics from other standards and frameworks that might be relevant to information on an entity's risks and opportunities?
 - a. What does it demonstrate about the feasibility and cost-effectiveness of existing metrics?
 - b. Which types of metrics are more feasible or less feasible to report?
6. How significantly different is feasibility and cost-effectiveness of cross-industry nature-related metrics considering preparers in different jurisdictions (for example, preparers in emerging markets and developing economies compared to preparers in developed markets, or smaller or larger entities)?