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## IFRS Foundation Trustees meeting – Due Process Oversight Committee

Date **June 2026**  
Topic **Update on ISSB technical activities**  
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This document is prepared for discussion at a public meeting of the IFRS Foundation Trustees' Due Process Oversight Committee (DPOC). The Trustees are responsible for governance of the IFRS Foundation, oversight of the International Accounting Standards Board (IASB) and the International Sustainability Standards Board (ISSB), and for delivery of the IFRS Foundation's objectives as set out in the IFRS Foundation *Constitution*.

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### Purpose

1. This report provides the Due Process Oversight Committee (DPOC) with an update on the activities of the International Sustainability Standards Board (ISSB) since the last update to the DPOC in March 2026. The report covers the period from 16 February 2026 until 31 May 2026 and addresses the following matters:
  - (a) supporting implementation of IFRS S1 *General requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*, including the:
    - (i) development of educational material; and
    - (ii) Transition Implementation Group on IFRS S1 and IFRS S2 (TIG);
  - (b) project on nature-related disclosures;
  - (c) research project on human capital;
  - (d) enhancing the SASB Standards; and
  - (e) the engagement of the ISSB's consultative groups.
2. [Appendix A](#) provides an overview of projects on the ISSB's Work Plan and its technical priorities.
3. The report aims to assist the DPOC in fulfilling its role of overseeing the due process activities of the ISSB, as set out in paragraphs 2.1–2.13 of the *Due Process Handbook* (Handbook). *No decisions are required of the DPOC—accordingly, all information in this report is for noting only.*

### Due process matters in the period for noting

#### ***Supporting implementation of IFRS S1 and IFRS S2***

##### **Development of educational material**

4. The ISSB continues to engage with stakeholders to understand where educational material should be developed to support the implementation of IFRS S1 and IFRS S2. During the period, the IFRS Foundation published material to support stakeholders in their understanding of the requirements in IFRS S2 to provide information about climate resilience, including the requirement to use climate-related scenario analysis to inform these disclosures.

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### **Transition Implementation Group on IFRS S1 and IFRS S2 (TIG)**

5. The TIG was established to inform the ISSB about implementation questions that arise when entities implement IFRS S1 and IFRS S2. TIG discussions inform what, if any, action the ISSB should take to address questions submitted to the TIG.
6. During the period under review, the TIG met once on 26 March 2026. At that meeting the TIG discussed the following two topics:
  - (a) biogenic emissions applying IFRS S2; and
  - (b) reporting on questions submitted for which detailed analysis was not necessary.
7. The staff provided a summary of the discussion to the ISSB at its April 2026 meeting. The timing of the next TIG meeting will be scheduled based on implementation questions submitted.
8. Paragraph 9 of the TIG's Terms of Reference states that if the TIG remains in place after two years, there will be an assessment prior to the end of such period of the composition of the group to ensure it remains fit for purpose. This assessment was presented to and approved by the ISSB in its February admin session.
9. The assessment did not result in any changes to the composition of the TIG membership. The TIG has been operating well, with good attendance and active participation by TIG members. The breadth of membership of the TIG members has served the purpose of the TIG well, with the group representing a diverse spread of geographies, company sizes and industries.<sup>1</sup>

### ***Project on nature-related disclosures***

10. During the period, the ISSB continued work on its project related to disclosures about risks and opportunities associated with nature.<sup>2,3</sup>
11. In April 2026 the ISSB tentatively decided the form of standard-setting that the exposure draft on nature-related disclosures would take—specifically, the ISSB decided:
  - (a) to propose requirements and guidance for nature-related disclosures in the form of an IFRS Practice Statement; and

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<sup>1</sup> The purpose of the TIG is to solicit, analyse and discuss stakeholder questions arising from implementation of the new Standards; to inform the ISSB about those implementation questions, which will help the ISSB determine what, if any, action will be needed to address those questions; and, to provide a public forum for stakeholders to learn about the new Standards from others involved with implementation.

<sup>2</sup> In February 2026 the ISSB decided to change the project title from 'Biodiversity, Ecosystems and Ecosystem Services (BEES)' to 'Nature-related Disclosures' in response to stakeholder feedback.

<sup>3</sup> Staff analysis and recommendations during this period were in part informed by surveys administered to members of the Sustainability Reference Group (SRG) and ISSB Investor Advisory Group (IIAG) and discussions with the Sustainability Standards Advisory Forum (SSAF).

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- (b) to invite stakeholders to comment on the proposed form of an IFRS Practice Statement—with reference to alternative forms—by including a specific question in the invitation to comment on the exposure draft.<sup>4, 5</sup>
12. IFRS S1 already requires that companies provide material information on all of the sustainability-related risks and opportunities that could reasonably be expected to affect a company's prospects thus already requires that information be provided about nature-related risks and opportunities when material for a company's investors. The proposals in the Draft IFRS Practice Statement will build on that requirement, addressing nature-related disclosures specifically. The ISSB is drawing on the Taskforce on Nature-related Financial Disclosures (TNFD) framework to specify particular aspects about material information on nature-related risks and opportunities for companies to disclose. When a company needs to provide information about nature-related risks and opportunities in accordance with IFRS S1, the Practice Statement would be available for use and explain how to do this. The application of an IFRS Practice Statement is not required for a company to assert compliance with IFRS Standards. Similarly, the adoption of an IFRS Practice Statement is not required for a jurisdiction to be described as an adopter of IFRS Standards. However, an entity could choose to use it and a jurisdiction could choose to require its use.<sup>6</sup>
13. This form of standard-setting therefore minimises disruption, which is particularly important because companies and jurisdictions are in the process of implementing and adopting the ISSB Standards. The Practice Statement would have the full effect of an ISSB Standard for the companies applying it and provides the ISSB with a pathway to a standard in the future.
14. This decision on the form of standard-setting follows the ISSB's decision in November 2025 to:
- (a) introduce incremental disclosure requirements about nature-related risks and opportunities not reflected in explicit requirements in IFRS S1 and IFRS S2; and
  - (b) draw on the TNFD framework to meet the common investor information needs about nature-related risks and opportunities.
15. In May 2026 the ISSB tentatively decided to note in the Practice Statement that when identifying nature-related risks and opportunities in accordance with the objective of IFRS S1, the *TNFD guidance on identification and assessment of nature-related issues: the LEAP approach* may be a relevant resource.
16. During this period, the ISSB also made tentative decisions on other technical matters related to this project. The ISSB plans to publish an Exposure Draft on disclosures about risks and opportunities associated with nature in Q4 2026.

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<sup>4</sup> The staff analysis and recommendations for the form of standard setting of nature-related disclosure requirements and guidance for inclusion in an exposure draft that the ISSB aims to publish in October 2026 are discussed in [Agenda Paper 3D](#) of the April 2026 ISSB meeting.

<sup>5</sup> At the March 2026 SSAF meeting, SSAF members commented on ways the ISSB could approach standard-setting for nature-related disclosures. These comments were considered in the staff analysis and recommendations on the form of standard setting and are included in [Agenda Paper 3D](#) of the April 2026 ISSB meeting.

<sup>6</sup> Further information about the ISSB's decision on the form of standard-setting for nature-related disclosures is available on the [IFRS Foundation website](#).

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**Research project on human capital**

17. During the period, the ISSB continued work on its research project related to disclosures about risks and opportunities associated with human capital.
18. The staff continues to undertake research and stakeholder engagement to refine the ISSB's understanding of the needs of users of general purpose financial reports, while also taking into account the costs of preparing the information in those reports. In particular, the staff's ongoing efforts seek to develop a more detailed understanding of such matters as:
  - (a) the particular information needs associated with the areas of 'necessity' identified by the staff;
  - (b) any practical challenges that preparers may face in applying new or existing ISSB materials, as well as other relevant disclosure standards and frameworks, in the context of human capital;
  - (c) the range of terms, concepts and definitions related to human capital and their implications for the scope of the ISSB's work, the mechanics of relevant requirements and the considerations of assurance providers and regulatory bodies;
  - (d) the key areas of human capital-related subject matter that are characterised by significant jurisdictional or regional variation; and
  - (e) the areas of potential connection with other projects on the ISSB's work plan, including Enhancing the SASB Standards, Nature-related Disclosures and the ISSB's ongoing work to support the implementation and consistent application of IFRS S1 and IFRS S2.
19. The staff plans to update the ISSB and ask for a decision on the project's direction in the coming months.

**Enhancing the SASB Standards**

20. During the period, the ISSB continued work on Enhancing the SASB Standards. The SASB Standards serve as a source of guidance for entities applying IFRS S1. IFRS S1 does not require entities to apply the SASB Standards. However, the SASB Standards help entities develop decision-useful and comparable disclosures in the absence of specific ISSB Standards. This project also includes work on the *Industry-based Guidance on Implementing IFRS S2* (IFRS S2 Industry-based Guidance), which includes the climate-related content in the SASB Standards.

**Enhancing the SASB Standards—Phase 1**

21. In July 2025 the ISSB published the [Exposure Draft Proposed Amendments to the SASB Standards](#) (July SASB Exposure Draft) to provide timely support to entities in applying IFRS S1 and IFRS S2 as part of its 2024–2026 work plan. The ISSB also proposed making consequential amendments to the *Industry-based Guidance on Implementing IFRS S2* in a [separate exposure draft](#) (July Industry-based Guidance Exposure Draft) proposing that this guidance continue to be aligned with the corresponding climate-related content in the SASB Standards.
22. The July SASB Exposure Draft set out proposed amendments to nine SASB Standards that have been prioritised by the ISSB for comprehensive review. The July SASB Exposure Draft also set out proposed targeted amendments to other SASB Standards beyond the priority industries to maintain consistent disclosures on common topics among industries, where appropriate. Forty-one additional industries would be affected by the proposed targeted amendments.

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23. In February 2026 the ISSB discussed an initial summary of stakeholder feedback on the July SASB Exposure Draft, specifically regarding the ISSB's execution of its 2024–2026 work plan and its strategy for the next steps of the project. The ISSB decided to continue executing the project on Enhancing the SASB Standards as set out in the ISSB's 2024–2026 work plan, including:
- (a) to proceed with the finalisation of the proposals in the Exposure Draft;
  - (b) to consider ratifying a prospective exposure draft as set out in [Agenda Paper 6B](#); and
  - (c) to start planning the next phase of the project.
24. The ISSB also decided to respond to strategic stakeholder feedback separately from the project.
25. In March 2026 the ISSB discussed feedback on the July SASB Exposure Draft and the July Industry-based Guidance Exposure Draft. The ISSB was not asked to make any decisions.
26. In May 2026 the ISSB continued to discuss feedback on the July SASB Exposure Draft. Specifically, the ISSB discussed a summary of stakeholder feedback on the proposed amendments to:
- (a) industry descriptions, industry classifications and disclosure topics in the SASB Standards in the Extractives & Mineral Processing sector;
  - (b) metrics in the SASB Standards in the Extractives & Mineral Processing sector; and
  - (c) the *Processed Foods* SASB Standard.
27. The summaries are intended to provide the ISSB with an understanding of the key messages from stakeholders and highlight potential areas of focus of the ISSB's discussions and redeliberations. In future sessions, staff will provide the ISSB with further analysis and recommendations to support discussions and redeliberations.

### **Enhancing the SASB Standards—Phase 1—Continued**

28. In February 2026 the ISSB decided to ratify (and subsequently publish) an Exposure Draft of proposed amendments to three remaining prioritised SASB Standards (also part of the phase 1 industries):
- (a) the *Agricultural Products* SASB Standard,
  - (b) the *Meat, Poultry & Dairy* SASB Standard; and
  - (c) the *Electric Utilities & Power Generators* SASB Standard.
29. The ISSB also decided:
- (a) to set a 120-day comment period for the exposure draft;
  - (b) to confirm it is satisfied the ISSB has complied with the applicable due process steps required to publish the exposure draft; and
  - (c) to propose an effective date for the amendments of 12–18 months after they are issued and to permit early application.

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30. The ISSB also tentatively decided to propose in the prospective exposure draft amendments to the three corresponding volumes of IFRS S2 Industry-based Guidance to maintain alignment with the climate-related content in the SASB Standards. The ISSB members:
- (a) confirmed they were satisfied the ISSB has complied with the applicable due process requirements to begin the process for balloting the proposed amendments to the IFRS S2 Industry-based Guidance;<sup>7,8</sup>
  - (b) decided to set a 120-day comment period for the exposure draft; and
  - (c) decided to propose an effective date for the amendments of 12–18 months after they are issued and to permit early application.
31. In March 2026, the ISSB published the [Exposure Draft Proposed Amendments to the SASB Standards and IFRS S2 Industry-based Guidance](#). The Exposure Draft is open for comment for 120 days, with the comment period closing on 24 July 2026.

### **Enhancing the SASB Standards—Phase 2**

32. In an upcoming meeting, the ISSB expects to continue discussions on the priorities for the next phase of the project on Enhancing the SASB Standards.

### ***The engagement of the ISSB’s consultative groups***

33. The ISSB has engaged its consultative groups throughout the period. Details of the work of the individual consultative groups and details of the meetings during the period are provided in [Appendix B](#).

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<sup>7</sup> The applicable due process steps for ratifying proposed amendments to the SASB Standards are discussed in [Agenda Paper 6B](#) of the February 2026 ISSB meeting.

<sup>8</sup> The applicable due process steps and permission to ballot proposed amendments to the *Industry-based Guidance on Implementing IFRS S2* are discussed in [Agenda Paper 6C](#) of the February 2026 ISSB meeting.

## Appendix A—Overview of projects on the Work Plan and ISSB technical priorities

Project	Objective	Next due process step	Date	Current activity	Last due process document
Nature-related Disclosures	The standard-setting phase of the project will involve developing disclosure requirements to respond to the needs of investors for information on nature-related risks and opportunities. These requirements will supplement the requirements in IFRS and IFRS S2, to be applied to nature-related risks and opportunities.	Exposure Draft	Q4 2026	Develop papers to support the development of an exposure draft to meet common investor information needs on nature-related risks and opportunities to supplement existing requirements in IFRS S1 and IFRS S2.	Request for Information published May 2023
Human Capital	To explore the necessity and feasibility of developing ISSB requirements and/or other materials related to Human Capital, taking into account investors' information needs and the likely costs for entities of preparing such information.	Decide project direction	H2 2026	Continuing analysis on next steps for the project.	Request for Information published May 2023
Enhancing the SASB Standards	As part of its 2024–2026 work plan, the ISSB will enhance the SASB Standards with the objective of promptly supporting the high-quality implementation of IFRS S1 and IFRS S2.	Analysis of stakeholder feedback on the Exposure Draft (Phase 1)  Analysis of stakeholder feedback on the Exposure Draft (Phase 1—continued)	H1 2026, H2 2026	Reviewing comment letter feedback on the July 2025 Exposure Draft <i>Proposed Amendments to the SASB Standards</i> and the Exposure Draft <i>Proposed Amendments to the Industry-based Guidance on Implementing IFRS S2</i> .  The March 2026 Exposure Draft <i>Proposed Amendments to the SASB Standards and IFRS S2 Industry-based Guidance</i> is currently open for comment.	Exposure Draft published March 2026 (Phase 1—continued)

## Appendix B—Consultative group activities

Name	Purpose	Composition	Oversight	Meetings in period
<b>Jurisdictional Adopters Working Group (JAWG)</b>	The Jurisdictional Adopters Working Group facilitates multilateral discussions among a community of jurisdictional authorities about strategic regulatory considerations affecting the degree of adoption and other use of ISSB Standards. This includes adoption or other use for local regulatory frameworks and how ISSB Standards can serve as a global passport, benefiting capital markets worldwide and addressing emerging cross border issues.	Originally called the Jurisdictional Working Group, the initial membership was expanded in 2026 to reflect the growing number of jurisdictions—currently around 40—planning to use ISSB Standards. See the <a href="#">JAWG member list</a> .	ISSB Chair and Vice Chair(s)	The JAWG met in February 2026 and discussed: <ul style="list-style-type: none"> <li>• JAWG objectives and focus areas;</li> <li>• Jurisdictional landscape: initiatives to support global comparability of sustainability-related disclosures;</li> <li>• ISSB 2026 priorities; and</li> <li>• JAWG: look ahead for 2026.</li> </ul>
<b>Sustainability Standards Advisory Forum (SSAF)</b>	To provide an advisory forum where members can constructively contribute towards the achievement of the ISSB’s goal of developing standards that provide a comprehensive global baseline of sustainability-related reporting that is interoperable with jurisdictional standards on sustainability reporting ensuring two-way engagement between the ISSB and jurisdictions as sustainability-related reporting requirements are developing.	12-16 jurisdictional and/or regional bodies. The composition of the SSAF was reviewed during the period. See the <a href="#">SSAF member list</a> .	Members of the SSAF are selected by the Trustees of the IFRS Foundation, following a call for candidates.	The SSAF met twice in the period. In March 2026 the SSAF discussed: <ul style="list-style-type: none"> <li>• Update on educational material;</li> <li>• Nature-related Disclosures, including: <ul style="list-style-type: none"> <li>• Project update and areas for nature-related standard setting; and</li> <li>• Key considerations for standard-setting; and</li> </ul> </li> <li>• Enhancing the SASB Standards—Project update.</li> </ul> In May 2026 the SSAF discussed: <ul style="list-style-type: none"> <li>• Supporting implementation of IFRS S1 and IFRS S2;</li> <li>• Latest work of the GHG Protocol;</li> <li>• Enhancing the SASB Standards; and</li> <li>• Nature-related disclosures.</li> </ul>
<b>Sustainability Consultative Committee (SCC)</b>	To identify, inform and advise the ISSB on priority sustainability matters and related technical protocols, as well as significant interdependencies between sustainability matters.	The SCC is Chaired by the ISSB Vice-Chair, 4 permanent multilateral member organisations (IMF, OECD, UN and World Bank) and up to 9 additional expert members. Additional expert members may be drawn from organisations with relevant expertise or appointed as individual experts without organisational association. See the <a href="#">SCC member list</a> .	The permanent multilaterals and SCC Chair present the recommendations to the IFRS Foundation Trustees, who then have final approval of the composition.	No SCC meetings in period.
<b>Integrated Reporting and Connectivity Council (IRCC)</b>	To provide advice on how reporting required by the IASB and the ISSB should be integrated and on how principles and concepts from the Integrated Reporting Framework should be	Members of the Council are the: a) current members of the Integrated Reporting Council of the Value Reporting Foundation; b) members of	The Council will continue in its current role until August 2026 when	The IRCC met in April 2026 and discussed: <ul style="list-style-type: none"> <li>• Report on Progress;</li> </ul>

Name	Purpose	Composition	Oversight	Meetings in period
	considered in relevant projects by the IASB and the ISSB.	the VRF and CDSB Boards who meet the criteria; and c) individuals whose expertise is deemed of high standing and who meet the criteria. IR Ambassadors who meet the criteria will also be invited to join the Council. Members will act in their personal capacity. See the <a href="#">IRCC member list</a> .	its future will be reviewed by the Trustees of the IFRS Foundation with advice from the IASB and ISSB.	<ul style="list-style-type: none"> <li>IRCC: completion of mission and embedding of advice on integrated reporting into the Foundation;</li> <li>Insight: use of IFRS Standards by companies using the IR Framework;</li> <li>Understanding the value proposition of integrated reporting; and</li> <li>IASB and ISSB current and future technical work.</li> </ul>
<b>IFRS Sustainability Reference Group (SRG)</b>	<p>The purpose of the SRG is to provide technical input to ISSB members and staff for research and standard-setting projects.</p> <p>Most of the engagement the ISSB or ISSB staff have with the SRG is undertaken virtually on an ad-hoc basis through bilateral meetings or through meetings with a small group of SRG members selected based on the topic for discussion. The full membership of the SRG is invited to a quarterly webcast meeting to share an update on the ISSB's activities.</p>	The SRG is a diverse group of subject matter experts in matters of sustainability and general purpose financial reports and disclosure. See the <a href="#">SRG member list</a> .	Oversight of composition and effectiveness will be provided by the DPOC.	<p>The primary role of the SRG is for members to be consulted individually or in small groups to provide technical input rather than this group being convened 'as a whole'.</p> <p>Over the review period, the SRG met once in March 2026 to receive updates from the ISSB and staff. The meeting recordings and materials can be found on the <a href="#">SRG webpage</a>.</p>
<b>ISSB Investor Advisory Group (IIAG)</b>	To provide strategic guidance on the development of IFRS Sustainability Disclosure Standards, helping to ensure that the investor perspective is articulated clearly and is considered in the ISSB standard-setting process. The IIAG also helps achieve widespread adoption and use of IFRS Sustainability Disclosure Standards by encouraging use of the Standards to communicate performance to investors on sustainability-related issues which impact enterprise value.	A group of leading asset owners and asset managers across markets who are committed to improving the quality and comparability of sustainability-related disclosure to investors. See the <a href="#">IIAG member list</a> .	Oversight of composition and effectiveness will be provided by the DPOC.	<p>The IIAG met in May 2026 and discussed:</p> <ul style="list-style-type: none"> <li>Progress report, passporting, and where investor voices are needed most;</li> <li>Fast Five Features – what investors may be missing in the ISSB Standards;</li> <li>Where are we going from here? SASB EDs; and</li> <li>Investor panel on use of sustainability disclosures (and what's not disclosed).</li> </ul>
<b>IFRS Taxonomy Consultative Group (ITCG)</b>	An expert consultative group that advises the International Accounting Standards Board (IASB) and ISSB on their respective digital taxonomies and related activities.	The ITCG comprises a maximum of 20 members with XBRL technical expertise, taxonomy content domain expertise and skills and practical knowledge on taxonomy interest groups. See <a href="#">ITCG member list</a> .	Co-chaired by an IASB member and ISSB member	<p>The ITCG met in March 2026 and discussed:</p> <ul style="list-style-type: none"> <li>Digital financial reporting work plan update;</li> <li>General improvements update—narrative elements review;</li> <li>IFRS Accounting Taxonomy—Proposed Taxonomy Update;</li> </ul>

Name	Purpose	Composition	Oversight	Meetings in period
				<ul style="list-style-type: none"> <li>IFRS Sustainability Disclosure Taxonomy; and</li> <li>XBRL's Open Information Model (OIM) Taxonomy.</li> </ul>
<b>Transition Implementation Group on IFRS S1 and IFRS S2 (TIG)</b>	<p>The purpose of the TIG is to:</p> <ul style="list-style-type: none"> <li>To solicit, analyse and discuss stakeholder questions arising from implementation of the new Standards.</li> <li>To inform the ISSB about those implementation questions, which will help the ISSB determine what, if any, action will be needed to address those questions.</li> <li>To provide a public forum for stakeholders to learn about the new Standards from others involved with implementation.</li> </ul>	<p>The TIG comprises members from the preparer community that are engaged in sustainability reporting as well as assurance providers that that are also engaged in the implementation of IFRS S1 and IFRS S2. See the <a href="#">TIG member list</a>.</p>	<p>Chaired by the ISSB Vice Chair and attended by three board members (the board advisors for supporting implementation of IFRS S1 and IFRS S2)</p>	<p>The TIG met in March 2026 and discussed:</p> <ul style="list-style-type: none"> <li>Reporting on other questions submitted; and</li> <li>Biogenic emissions applying IFRS S2.</li> </ul>