
ISSB meeting

Date	June 2026
Project	Nature-related Disclosures
Topic	Cover note
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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*.

Introduction

1. This cover note provides an overview of the:
 - (a) background to the project (paragraphs 3–9);
 - (b) topics previously discussed (paragraphs 10–11);
 - (c) papers for this meeting (paragraph 12); and
 - (d) next steps (paragraphs 13–14).
2. Appendix A provides a summary of discussions and tentative decisions made by the International Sustainability Standards Board (ISSB) to date on the Nature-related Disclosures project.

Background to the project

3. The ISSB is developing disclosure requirements and guidance to respond to the needs of primary users of general purpose financial reports for information on nature-related risks and opportunities.
4. The requirements and guidance will supplement the requirements in IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and

IFRS S2 *Climate-related Disclosures* and complement guidance on nature-related risks and opportunities in the SASB Standards and the IFRS S2 *Industry-based Guidance on implementing Climate-related Disclosures*.

5. IFRS S1 already requires an entity to provide material information about all sustainability-related risks and opportunities, including material information about nature-related risks and opportunities that could reasonably be expected to affect the entity's prospects.
6. For climate-related risks and opportunities, IFRS S2 repeats most of the disclosure objectives and disclosure requirements in IFRS S1 related to governance, strategy and risk management, with an explicit reference to climate-related risks and opportunities. In addition, IFRS S2 includes incremental requirements to the requirements in IFRS S1.¹
7. IFRS S1 and IFRS S2 require entities:
 - (a) to provide industry-specific information; and
 - (b) to refer to and consider the applicability of the SASB Standards (in the case of IFRS S1) and the *Industry-based Guidance on Implementing IFRS S2* that extracts the climate-related metrics from the SASB Standards (in the case of IFRS S2).
8. In developing nature-related disclosure requirements and guidance, the ISSB:
 - (a) is assuming that an entity is applying IFRS S1 and IFRS S2. Therefore, disclosure requirements or guidance on nature-related risks and opportunities:
 - (i) will not duplicate content from IFRS S1 and IFRS S2; and
 - (ii) will supplement the requirements in IFRS S1 and IFRS S2 to meet investor information needs on nature-related risks and opportunities.

¹ See further details in Appendix A of AP3A *Addressing investor information needs on nature-related risks and opportunities* ([November 2025](#)).

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- (b) is considering requirements and guidance that would cover material information on all nature-related risks and opportunities that could reasonably be expected to affect an entity's prospects instead of limiting the scope to a particular nature-related topic or industry.
 - (c) is drawing on the Taskforce on Nature-related Financial Disclosures (TNFD) framework, in circumstances in which it is relevant and consistent with the objective of IFRS S1.
9. In addition, subsequent to standard-setting, the ISSB will consider developing educational materials to support the application of the requirements in ISSB Standards in the context of providing nature-specific information.

Topics previously discussed

10. The ISSB discussed the following topics in previous meetings:
- (a) nature-related scenario analysis (May 2026);
 - (b) identification of nature-related risks and opportunities (May 2026);
 - (c) form of standard-setting (April 2026);
 - (d) location-specific information about nature-related risks and opportunities (April 2026);
 - (e) interactions, including engagement, with Indigenous Peoples, Local Communities and affected stakeholders (April 2026);
 - (f) nature-related metrics (March 2026);
 - (g) nature-related transition (March 2026);
 - (h) nature-related targets and consideration of international agreements and related jurisdictional commitments (March 2026);
 - (i) terms and concepts, including change to the project title to 'Nature-related Disclosures' (February 2026);

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- (j) connections between climate- and nature-related risks and opportunities (February 2026);
 - (k) objective and scope of standard-setting project on nature-related risks and opportunities (January 2026);
 - (l) moving the Biodiversity, ecosystems and ecosystem services (BEES) research project to a standard-setting project in the ISSB work plan (December 2025); and
 - (m) addressing investor information needs on nature-related risks and opportunities, including discussion on the potential to draw on the TNFD materials, and potential approaches for the ISSB to meet those needs, including ways to approach standard-setting (November 2025).
11. Appendix A provides a summary of the ISSB’s discussions and tentative decisions to date.

Papers for this meeting

12. The papers for this meeting provide an analysis of the following information areas and standard-setting considerations:
- (a) terms and concepts—see Agenda Paper 3A *Update on terms and concepts essential to standard-setting on nature* and Agenda Paper 3B *Supplement to AP3A—Illustrative drafting of defined terms and application guidance on nature-related risks and opportunities*;
 - (b) sources of guidance for metrics—see Agenda Paper 3C *Sources of guidance for metrics* and Agenda Paper 3D *Supplement to AP3C—Consideration of the TNFD framework in standard-setting on nature-related disclosures*;
 - (c) first application of the IFRS Practice Statement and statement of compliance—see Agenda Paper 3E *First application of the IFRS Practice Statement and statement of compliance*.

Next steps

13. The staff expects the ISSB will complete its planned deliberations of information areas and other standard-setting considerations in the project plan (discussed at the January 2026 ISSB meeting) at this meeting. The staff expects to ask the ISSB for permission to start the balloting process of the exposure draft at the July 2026 ISSB meeting. The staff will bring to the ISSB any sweep issues identified during the balloting process for discussion at a future meeting.
14. If the ISSB gives the staff permission to start the balloting process at the July 2026 ISSB meeting, the staff expects the exposure draft to be published in October 2026.

Appendix A—Summary of discussions and tentative decisions made by the ISSB to date on the Nature-related Disclosures project

Date	Topic	ISSB discussions and tentative decisions
May 2026	Scenario analysis (Agenda Paper 3A and Agenda Paper 3B)	<p>The ISSB discussed information about the use of nature-related scenario analysis and related requirements and guidance that would be specific to nature-related risks and opportunities and incremental relative to the general requirements and guidance in IFRS S1 <i>General Requirements for Disclosure of Sustainability-related Financial Information</i>.</p> <p>The ISSB tentatively decided:</p> <ul style="list-style-type: none"> (a) not to provide incremental requirements or guidance on disclosing information about the use of scenario analysis to inform an entity’s identification of nature-related risks; (b) to provide an incremental requirement for an entity to disclose information about whether and how the entity uses scenario analysis to inform its identification of nature-related opportunities; and (c) to provide an incremental requirement for an entity to disclose information about whether and how the entity uses scenario analysis to inform its assessment of the nature, likelihood and magnitude of the effects of nature-related risks, including information about: <ul style="list-style-type: none"> (i) the inputs the entity used; (ii) the key assumptions the entity made in the analysis; and (iii) the part of the entity to which the scenario analysis applies (for example, whether the analysis applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific region). (d) to require an entity to use nature-related scenario analysis to provide information about the entity’s resilience to nature-related risks proposing requirements consistent with those in IFRS S2 on

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		<p>resilience assessment using climate-related scenario analysis, including the proportionality mechanisms set out in IFRS S2; and</p> <p>(e) to emphasise that the assessment in the context of nature-related changes, developments and uncertainties would be more location- and asset-specific than the assessment described in IFRS S2 due to the characteristics of nature-related risks and opportunities.</p>
<p>May 2026</p>	<p>Identification of nature-related risks and opportunities (Agenda Paper 3C)</p>	<p>The ISSB tentatively decided to note in the proposed IFRS Practice Statement that the TNFD <i>Guidance on identification and assessment of nature-related issues: The LEAP approach</i> might be relevant in providing nature-related disclosures in accordance with the objective of IFRS S1.</p> <p>The Practice Statement would note that:</p> <p>(a) when an entity identifies nature-related risks and opportunities in accordance with the objective of IFRS S1, the LEAP approach might be relevant to support the entity in:</p> <ul style="list-style-type: none"> (i) locating where, within the entity’s business model and throughout its value chain, interfaces with nature occur, and understanding the characteristics of nature in those locations; (ii) evaluating the related dependencies and impacts; and (iii) assessing the associated nature-related risks and opportunities; and <p>(b) if an entity chooses to use the LEAP approach to identify nature-related risks and opportunities, it would do so to assist in meeting the objective of IFRS S1.</p> <p>The ISSB stated that the Practice Statement would specify the applicable version of the TNFD LEAP approach, and that noting the relevance of the LEAP approach:</p>

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		<ul style="list-style-type: none"> (a) is intended to highlight a process that could support application of the Practice Statement; and (b) is not intended to require a particular process or approach, nor to require the application of the LEAP approach to assert compliance with the Practice Statement or IFRS Sustainability Disclosure Standards.
April 2026	Form of standard-setting (Agenda Paper 3D)	<p>The ISSB tentatively decided:</p> <ul style="list-style-type: none"> (a) to propose requirements and guidance for nature-related disclosures in the form of an IFRS Practice Statement; and (b) to invite stakeholders to comment on the proposed form of an IFRS Practice Statement—with reference to alternative forms of standard-setting—by including a specific question in the exposure draft.
April 2026	Location-specific information (Agenda Paper 3A)	<p>The ISSB tentatively decided:</p> <ul style="list-style-type: none"> (a) to provide incremental guidance to explain how the location of an entity’s assets and business activities can be relevant to identifying nature-related risks and opportunities that could reasonably be expected to affect its prospects over the short, medium and long term. This guidance would be based on the explanations and examples set out in the paper. (b) to provide incremental guidance on disclosing location-specific information about nature-related risks and opportunities across core content areas. The guidance is intended to help an entity determine the appropriate level of granularity and aggregation for that information, considering the entity’s specific facts and circumstances. This guidance would be based on the explanations and examples set out in the paper. (c) to require an entity to disclose the amount and percentage of assets or business activities:

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		<ul style="list-style-type: none"> (i) vulnerable to the nature-related risks it has identified; and (ii) aligned with the nature-related opportunities it has identified. <p>(d) to introduce a proportionality mechanism for the disclosure specified in (c) requiring an entity to use all reasonable and supportable information that is available to the entity at the reporting date without undue cost or effort.</p>
April 2026	Interactions, including engagement, with Indigenous Peoples, Local Communities and affected stakeholders (Agenda Paper 3B and Agenda Paper 3C)	<p>The ISSB tentatively decided to provide guidance on interactions, including engagement, with Indigenous Peoples, Local Communities and affected stakeholders in the context of nature-related risks and opportunities. This guidance would focus on information about how an 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. Specifically, this guidance would:</p> <ul style="list-style-type: none"> (a) explain the relationship between nature and Indigenous Peoples, Local Communities and affected stakeholders; (b) cover categories of society and stakeholders comprising Indigenous Peoples, Local Communities and affected stakeholders, and describe these categories based on the Taskforce on Nature-related Financial Disclosures framework; (c) 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, thereby supporting the entity's identification of nature-related risks and opportunities and its materiality judgements;

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		<p>(d) explain how to apply requirements in IFRS S1 on strategy, risk management, governance and connected information, together with relevant metrics in the SASB Standards (through application of IFRS S1, which references these metrics as a source of guidance), to provide the information that primary users need; and</p> <p>(e) provide examples of information an entity might need to disclose (for example, from specific industries or jurisdictions to explain application).</p> <p>The ISSB tentatively decided to require an entity to identify the types of stakeholders and communities included within the scope of its disclosures, if information about interactions, including engagement, with them in the context of nature is material in its circumstances. The ISSB tentatively decided to consider the findings of the nature-related disclosures project as part of its work on enhancing the SASB Standards (in 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, if relevant).</p>
March 2026	Nature-related metrics <u>(Agenda Paper 3A)</u>	<p>The ISSB tentatively decided:</p> <p>(a) to specify that, in disclosing metrics on nature-related risks and opportunities, an entity:</p> <ul style="list-style-type: none"> (i) is required to apply paragraphs 57 and 58(a) of IFRS S1, including the requirement to refer to and consider the applicability of metrics associated with the disclosure topics in the SASB Standards; and (ii) is permitted to refer to and consider the applicability of other sources of guidance as set out in paragraph 58(b)–(c) of IFRS S1.

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		(b) to consider what cross-industry metrics, if any, to require an entity to disclose within the identified information areas ² for this project, but to do no further work on cross-industry metrics beyond those areas at this time.
March 2026	Nature-related transition (Agenda Paper 3B)	The ISSB tentatively decided to provide incremental requirements and guidance for disclosing information on the effects of nature-related risks and opportunities on an entity's strategy and decision-making, including information about an entity's response, and plans to respond, to nature-related risks and opportunities, regardless of whether these actions form part of a transition plan. The requirements and guidance will be specific to nature-related risks and opportunities and incremental relative to the general requirements and guidance in IFRS S1.
March 2026	Illustrative drafting of incremental requirements and guidance on strategy and decision-making (Agenda Paper 3C)	The ISSB discussed illustrative drafting of incremental requirements and guidance for disclosing information that enables users of general purpose financial reports to understand the effects of an entity's nature-related risks and opportunities on its strategy and decision-making. The ISSB decided to use the illustrative drafting, subject to feedback provided by ISSB members, as a basis for the development of proposals in the exposure draft.
March 2026	Information on nature-related targets and consideration	The ISSB tentatively decided: (a) to provide incremental guidance on:

² 'Identified information areas' are set out in Table 1 of AP3 *Objective and scope of standard-setting on nature-related risks and opportunities* ([January 2026](#)).

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	of international agreements and related jurisdictional commitments (Agenda Paper 3D)	<ul style="list-style-type: none"> (i) the breadth of what nature-related targets could relate to (for example, land, freshwater and ocean use change and pollution reduction); and (ii) the disclosure of location-specific information associated with nature-related targets and their objectives. <p>(b) to set out an incremental requirement for an entity to disclose whether and how a nature-related target has been informed by law or regulation.</p>
February 2026	Terms and concepts (Agenda Paper 3A)	<p>The ISSB tentatively decided subject to further discussion, to:</p> <ul style="list-style-type: none"> (a) define the terms ‘nature-related risks’, ‘nature-related opportunities’, ‘nature-related transition risks’, ‘nature-related physical risks’ and ‘ecosystem services’; (b) describe the terms ‘dependencies on nature’, ‘impacts on nature’, ‘nature’ and ‘ecosystems’; and (c) define the concept of ‘environmental assets’ (with revised wording). <p>The ISSB also decided to change the project title to ‘Nature-related Disclosures’.</p>
February 2026	Connections between climate- and nature-related risks and opportunities (Agenda Paper 3B)	<p>The ISSB tentatively decided to provide additional guidance to support the application of the requirement for connected information in paragraph 21 of IFRS S1 to nature-related disclosures—in particular, to information about connections, trade-offs and co-benefits between climate-related and nature-related risks and opportunities. The guidance will focus on information about the effects of climate-nature connections on an entity’s strategy and risk management that the entity would need to provide to meet the requirements in paragraphs 28 and 43 of IFRS S1.</p>

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January 2026	Objective and scope of standard-setting project on nature-related risks and opportunities (Agenda Paper 3)	<p>The ISSB decided to proceed with standard-setting on the basis that it would:</p> <ul style="list-style-type: none"> (a) cover material information on all nature-related risks and opportunities that could reasonably be expected to affect an entity’s prospects instead of limiting the scope; and (b) assume that entities are applying IFRS S1 and IFRS S2 and result in disclosure requirements or guidance on nature-related risks and opportunities to supplement those requirements.
December 2025	Moving the BEES research project to a standard-setting project in the ISSB work plan (Agenda Paper 3)	<p>The ISSB decided:</p> <ul style="list-style-type: none"> (a) to move the project from research to standard-setting in its work plan. The standard-setting project will develop disclosure requirements to respond to the needs of primary users of general purpose financial reports for information on nature-related risks and opportunities. These requirements will supplement the requirements in IFRS S1 and IFRS S2, to be applied to nature-related risks and opportunities. (b) to publish an exposure draft as the next due process step, forgoing a discussion paper.
December 2025	Need for a consultative group for standard-setting (Agenda Paper 3A)	<p>The ISSB decided to use its existing advisory bodies, consultative groups and resources instead of creating a new consultative group for the project.</p>
November 2025	Addressing investor information needs on nature-related	<p>The ISSB discussed the information that primary users of general purpose financial reports commonly need about nature-related risks and opportunities.</p> <p>The ISSB decided:</p> <ul style="list-style-type: none"> (a) to draw on the TNFD framework to meet primary users’ common information needs about nature-

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	risks and opportunities (<u>Agenda Paper 3</u>)	<p>related risks and opportunities, and to build on the requirements in IFRS S1.</p> <p>(b) to undertake standard-setting to introduce incremental disclosure requirements about nature-related risks and opportunities not reflected in explicit requirements in IFRS S1 and IFRS S2.</p> <p>(c) to consider developing educational materials to support the application of the requirements in IFRS Sustainability Disclosure Standards in the context of providing nature-specific information subsequent to standard-setting.</p> <p>The ISSB discussed ways to approach standard-setting but was not asked to make any decisions on the form and content of standard-setting at this meeting.</p>