
ISSB Meeting

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| Date | June 2026 |
| Project | Nature-related Disclosures |
| Topic | Sources of guidance for metrics |
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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. This paper discusses sources of guidance in the context of nature-related disclosures, specifically whether sources of guidance should include references to:
 - (a) Taskforce on Nature-related Financial Disclosures (TNFD) framework disclosure metrics;¹ and
 - (b) the CDSB Framework Application Guidance.
2. The paper presents the staff's analysis and recommendations and asks the International Sustainability Standards Board (ISSB) for decisions.
3. This paper is structured as follows:
 - (a) purpose and structure (paragraphs 1–5);
 - (b) background (paragraphs 6–11);
 - (c) staff recommendations (paragraphs 12–13);
 - (d) a recap of the TNFD metrics (paragraphs 14–28);

¹ The term Taskforce on Nature-related Financial Disclosures (TNFD) framework is used to collectively refer to the suite of TNFD materials, including TNFD recommendations, guidance and other materials.

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- (e) a recap of SASB metrics and the SASB Enhancements project (paragraphs 29–31);
 - (f) staff analysis (paragraphs 32–55); and
 - (g) questions for the ISSB.
4. This paper includes Appendix A—Extracts from IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information*.
 5. This paper is accompanied by Agenda Paper 3D *Supplement to AP3C—Consideration of the TNFD framework in standard-setting on nature-related disclosures* which provides an overview of how the ISSB has considered the TNFD framework across information areas for standard-setting on nature-related disclosures in this project to date.

Background

Metrics

6. In March 2026, the ISSB tentatively decided to limit its work on cross-industry metrics for nature-related disclosures. Specifically, the ISSB tentatively decided to consider what cross-industry metrics, if any, to require an entity to disclose within the identified information areas² for this project, but not to do further work on cross-industry metrics at this time.
7. In April 2026, the ISSB tentatively decided to require an entity to disclose the amount and percentage of assets or business activities vulnerable to the nature-related risks the entity has identified and those aligned with the nature-related opportunities it has identified.³ In making that decision, the ISSB noted that similar metrics are included

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).

³ The International Sustainability Standards Board (ISSB) also tentatively decided to introduce a proportionality mechanism for this disclosure 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.

in TNFD core global metrics C7.0 and C7.1 which refer to the value of assets, liabilities, revenue and expenses that are assessed as vulnerable to nature-related transition risks, and nature-related physical risks (total and proportion of total).

8. The ISSB did not decide to propose any further metrics for the information areas discussed in the project.

Sources of guidance in paragraphs 57 and 58 of IFRS S1

9. In March 2026, the ISSB tentatively decided to specify that, in disclosing metrics on nature-related risks and opportunities, an entity:
 - (a) 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
 - (b) is permitted to refer to and consider the applicability of other sources of guidance as set out in paragraph 58(b)–(c) of IFRS S1.⁴
10. Agenda Paper 3A *Nature-related metrics* ([March 2026](#)) stated that the staff would ask the ISSB at a future meeting to consider potential specific changes to the list of other sources of guidance in the context of nature-related metrics, in particular:
 - (a) whether to directly reference the TNFD framework as a permitted source of guidance for the disclosure of nature-related metrics (similar to the references to the GRI Standards and the European Sustainability Reporting Standards (ESRS) in IFRS S1). This was based on the emerging use of the TNFD core global indicators and metrics for disclosure of cross-industry metrics discussed in that paper.

⁴ Paragraphs 57–58 of IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* apply in the absence of an IFRS Sustainability Disclosure Standard that specifically applies to a sustainability-related risk or opportunity (emphasis added). In April 2026, the ISSB tentatively decided to propose requirements and guidance for nature-related disclosures in the form of an IFRS Practice Statement. As a result, notwithstanding the March 2026 ISSB tentative decision on sources of guidance specifically for the disclosure of metrics, paragraphs 57–58 of IFRS S1 would apply to the disclosure of all types of information about nature-related risks and opportunities.

- (b) whether to keep the reference to the CDSB Framework Application Guidance given there is no stated intention to enhance the CDSB materials and given the ISSB's decision to draw on the TNFD framework, which itself has leveraged the CDSB materials.
11. Agenda Paper 3A ([March 2026](#)) also noted that including a reference to the TNFD framework as a permitted source of guidance can be considered alongside any other potential areas within standard-setting for drawing on the TNFD framework. Agenda Paper 3D for this meeting provides an overview of how the ISSB has considered the TNFD framework across information areas for standard-setting on nature-related disclosures in this project to date.

Staff recommendations

12. The staff recommends that:
- (a) the IFRS Practice Statement on nature-related disclosures permits an entity to refer to and consider applicability of the TNFD disclosure metrics to the extent that this source:
 - (i) assists the entity in meeting the objective of IFRS S1 (see paragraphs 1–4 of IFRS S1); and
 - (ii) does not conflict with IFRS Sustainability Disclosure Standards and the IFRS Practice Statement; and
 - (b) the reference to the CDSB Framework Application Guidance as a source of guidance in IFRS S1 is retained.
13. The illustrative drafting of the staff recommendation set out in paragraph 12(a) is presented below using paragraph 58(c) of IFRS S1 as the basis:
- In making the judgement described in paragraph [...]:
- [...]

an entity may—to the extent that this source assists the entity in meeting the objective of IFRS S1 (see paragraphs 1–4 of IFRS S1) and does not conflict with IFRS Sustainability Disclosure Standards and this Practice Statement—refer to and consider the applicability of the Taskforce on Nature-related Financial Disclosures disclosure metrics.

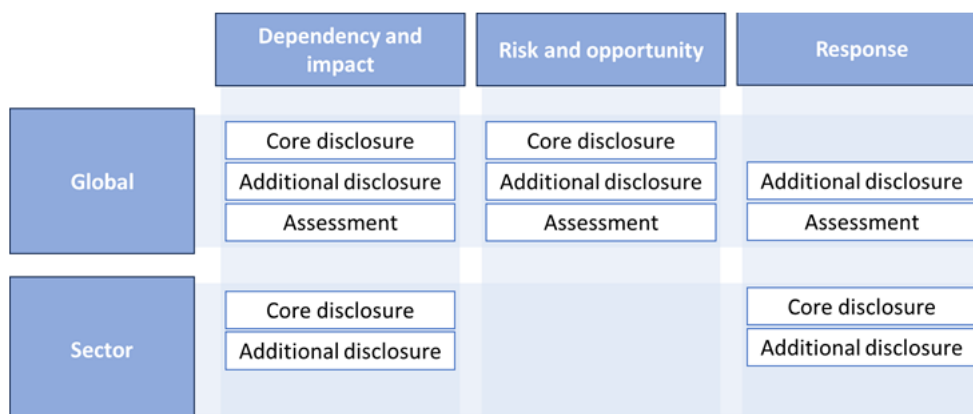
Recap of the TNFD metrics

The TNFD metrics architecture

14. As discussed in Agenda Paper 3 *Common investor information needs and comparison to the TNFD framework* ([October 2025](#)), similar to IFRS S1, the TNFD covers metrics and targets as part of its fourth pillar of disclosure, specifically as part of Metrics and Targets A, B and C. The overall structure of the TNFD recommendations for disclosure of metrics and targets has similarities with the IFRS S1 core content of metrics and targets. The TNFD recommendations ask for disclosure of metrics and targets, including:
 - (a) metrics that the entity uses to assess and manage ‘nature-related risks and opportunities’ and ‘dependencies and impacts on nature’; and
 - (b) targets and goals (more specifically, their description) that the entity uses to manage nature-related dependencies, impacts, risks and opportunities and its performance against these.
15. The TNFD has employed a particular approach to structure the metrics for disclosure. The TNFD adopts a ‘leading indicators approach’ which focuses on a set of indicators that can serve as consistent and comparable measures, with a tiered metrics architecture that incorporates different categories of disclosure metrics. It is noted for completeness that the TNFD also sets out assessment metrics—which are suggested for an entity’s internal use—in its Guidance on identification and assessment of nature-related issues: The LEAP guidance.

16. The TNFD disclosure metrics comprise:
- (a) core global metrics that apply to all sectors,⁵ including:
 - (i) core global disclosure indicators and metrics for dependencies and impacts on nature; and
 - (ii) core global disclosure metrics for nature-related risks and opportunities;
 - (b) core sector disclosure metrics, including:
 - (i) sector disclosure metrics for dependencies and impacts on nature; and
 - (ii) sector disclosure metrics for an entity’s response to its nature-related dependencies, impacts, risks and opportunities; and
 - (c) additional disclosure metrics—including global and sector metrics covering dependencies and impacts, risks and opportunities and an entity’s response to those—which are recommended for disclosure, where relevant, to best represent an entity’s nature-related issues, based on the entity’s specific circumstances.
17. Figure 1 illustrates the architecture of the TNFD metrics.

Figure 1—Architecture of the TNFD metrics



⁵ It is noted for completeness that in the TNFD recommendations these metrics and the core sector metrics are expected to be disclosed on a comply or explain basis. The staff do not propose that this concept be considered for the Practice Statement.

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18. The TNFD disclosure metrics are set out in the following publications:
- (a) core global disclosure metrics—Annex 1 of the [TNFD recommendations](#);⁶
 - (b) additional global disclosure metrics—Annex 2 of the [TNFD recommendations](#); and
 - (c) core and additional sector disclosure metrics—Section 3 of the relevant [TNFD sector guidance](#).⁷
19. The TNFD recommended disclosures Metrics and Targets A and B set out expectations for how TNFD recommended metrics should be disclosed, including setting out that an entity should disclose the metrics that are most relevant to and most accurately represent the nature-related issues on which it is reporting and with reference to the associated location.
20. The structure of the metrics architecture comprising global and sector metrics is intended to support this approach to disclosure of metrics. It recognises that in the TNFD framework, a nature-related risk or opportunity will be driven by a combination of factors, including an entity’s sector and its location. The characteristics of an entity’s location may lead to nature-related issues that are atypical for its sector and vice versa.

The process for developing the TNFD metrics architecture

21. The TNFD metrics architecture was developed by the TNFD working group on metrics. The development of the metrics architecture was split into several phases. Feedback was obtained and consolidated over a design and development phase through consultation workshops, market feedback on TNFD discussion papers, and research calls.

⁶ The TNFD has placeholder indicators for invasive alien species and state of nature (ecosystem condition and species extinction risk). The TNFD will publish the final versions of these indicators and accompanying metrics in October 2026.

⁷ TNFD sector guidance for [Alternative fuels](#) and [Technology and Communications](#) are being finalised and will be published in June 2026 and July 2026, respectively.

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22. During the TNFD's early deliberations and market consultation on its metrics architecture, the TNFD identified an investor need for standardised metrics that enable cross-sector comparability, and that can be aggregated to ensure outputs are comparable and decision-useful.
 23. Further consultations led to the final prioritised set of TNFD disclosure metrics and the final metrics architecture design. There was support for impact driver metrics for disclosure to be prioritised, focusing on land, ocean and freshwater use change, non-GHG emissions to air, pollutants released to soil, water discharged, waste, water withdrawal and consumption, high-risk commodities sourced and plastic pollution.
 24. Feedback to the TNFD also highlighted that investors wanted comparability across all companies, but also comparability within sectors for sector-specific issues. This led TNFD to develop:
 - (a) 'global' disclosure metrics that could apply to all sectors, supported by sector-specific guidance and specification where necessary (e.g. interpretation of definitions in the sector context); and
 - (b) sector-specific metrics to support reporting on issues that were only relevant to those sectors (e.g. metrics for habitat fragmentation for companies involved in constructing linear infrastructure).
 25. Other notable feedback included that:
 - (a) the inclusion of a small set of core global disclosure metrics would help to make the TNFD framework verifiable;
 - (b) the number of metrics in the TNFD framework should not be too large; and
 - (c) alignment of TNFD metrics with other standards and frameworks was important for standardisation.
 26. Feedback further suggested that the proposed core disclosure metrics were feasible for report preparers but may take some time for report preparers to adopt. On this basis, the TNFD decided to introduce the 'comply or explain' principle for a small set of

‘core’ metrics to enable entities to disclose when any of these metrics were not currently feasible or material.

Interoperability with other standards

27. Staff noted in Agenda Paper 3: *Common investor information needs and comparison to the TNFD framework (October 2025)* that since the publication of the TNFD metrics architecture, the TNFD has published correspondence or interoperability mappings showing the high level of alignment and consistency achieved between its disclosure recommendations and metrics and, respectively:

- (a) the GRI Standards (including GRI nature-related Standards such as [GRI 101: Biodiversity 2024](#) and the relevant [GRI Sector Standards](#))⁸; and
- (b) the ESRS environmental standards beyond climate change (ESRS E2-E5).⁹

28. Specifically on metrics:

- (a) the GRI mapping showed consistency between the TNFD core global disclosure metrics and the related metrics in the GRI Standards. There is also consistency between the TNFD core global disclosure metrics and the related metrics in ESRS.
- (b) the mapping of the TNFD sector metrics and the relevant GRI Sector Standards also highlights consistency at this level.

Recap of SASB metrics and the SASB Enhancements project

29. As noted in paragraph 9(a), the ISSB tentatively decided to specify that, in disclosing metrics on nature-related risks and opportunities, an entity is required to apply paragraphs 57 and 58(a) of IFRS S1, including the requirement for an entity to refer to

⁸ See GRI and TNFD, [Interoperability mapping between the GRI Standards and the TNFD Recommended Disclosures and metrics](#), 2024.

⁹ See EFRAG and TNFD, [Correspondence mapping: ESRS requirements and TNFD Disclosure Recommendations and metrics](#), 2024.

and consider the applicability of metrics associated with the disclosure topics in the SASB Standards. This decision was intended to maintain consistency with the current requirements in IFRS S1 that refer to the SASB Standards as a source of guidance that an entity is required to refer to and consider applicability of in providing investor-focused metrics on matters for which an ISSB Standard does not set out metrics. This reference is relevant as the focus of the SASB Standards is such that they can assist entities in identifying metrics that are expected to provide material information about sustainability-related risks and opportunities that could reasonably be expected to affect an entity's prospects given the activities it engages in.

30. Agenda Paper 3A *Nature and the proposed SASB amendments (July 2025)* discussed how the July 2025 Exposure Draft *Proposed amendments to the SASB Standards* focused on improved alignment with the TNFD recommendations, metrics and guidance. Table A3 of the Basis for Conclusions on *Proposed amendments to the SASB Standards (July 2025)* lists the metrics where the recommended disclosures, metrics and guidance in the TNFD recommendations have been incorporated into the proposed amendments to the SASB Standards and where the metrics and guidance are aligned. Table A3 of the Basis for Conclusions on the more recent Exposure Draft *Proposed Amendments to the SASB Standards and IFRS S2 Industry-based Guidance* published in [March 2026](#) shows similar information on additional metrics.
31. Respondents to the July 2025 SASB Exposure Draft noted that the proposed amendments resulted in improved alignment with existing standards and frameworks, including the TNFD recommendations and metrics, and stated that this would reduce complexity and duplication for preparers and simultaneously improve the decision-usefulness of information for investors. Respondents emphasised that while pursuing improved alignment with other standards and frameworks, the ISSB should maintain its focus on meeting the information needs of investors.¹⁰

¹⁰ Agenda Paper 6A *Feedback summary—Questions 1-5 in the SASB Exposure Draft (March 2026)*.

Staff analysis

Introduction

32. At its March 2026 meeting, the ISSB considered the staff's findings¹¹ of mixed evidence at this time on investor need for cross-industry metrics and the specific metrics that would enable provision of decision-useful information on nature-related risks and opportunities irrespective of an entity's industry. Some investors highlighted that consensus and readiness of current market practices and methodologies for cross-industry metrics are still emerging and this requires further assessment to ensure feasibility, including across sectors and regions.
33. Therefore, as discussed in paragraphs 6–10, the ISSB:
- (a) tentatively decided to do no further work on cross-industry metrics at this time, beyond considering what cross-industry metrics, if any, to require an entity to disclose within the identified information areas for this project;
 - (b) tentatively decided to permit the use of other sources of guidance for metrics according to paragraphs 58(b)–(c) of IFRS S1, including references to the GRI Standards and ESRS, considering that without the ISSB undertaking specific work on cross-industry metrics at this time entities could use these other sources of guidance to identify such metrics where relevant; and
 - (c) noted that the staff would ask the ISSB at a future meeting whether to directly reference the TNFD framework as a permitted source of guidance for the disclosure of nature-related metrics (similar to the references to the GRI Standards and ESRS in IFRS S1).
34. Given the ISSB's tentative decision to do no further work on cross-industry metrics at this time beyond the identified information areas, and consistent with the intention stated in March 2026 Agenda Paper 3A (see paragraph 10), the staff considered:

¹¹ AP3A *Nature-related metrics* ([March 2026](#)).

- (a) whether the IFRS Practice Statement on nature-related disclosures should refer to the TNFD disclosure metrics as a source of guidance that an entity may refer to and consider;
- (b) whether that reference should cover all or some TNFD disclosure metrics; and
- (c) whether the reference to the CDSB Framework Application Guidance in IFRS S1 should be retained.

TNFD metrics as a source of guidance

35. In the absence of an IFRS Sustainability Disclosure Standard that specifically applies to a sustainability-related risk or opportunity, IFRS S1 refers an entity to other sources of guidance to assist them in meeting the requirement in IFRS S1 to provide material information about all sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Essentially, those sources of guidance are intended to assist in 'filling the gap' in the absence of more specific requirements from the ISSB. As noted above, the source of guidance that IFRS S1 *requires* entities to refer to and consider applicability of its metrics associated with the disclosure topics included the SASB Standards. However, IFRS S1 also *permits* other sources of guidance to be used, including ESRS and GRI Standards to the extent that the information provided is consistent with meeting the objectives of IFRS S1 and the sources do not conflict with IFRS Sustainability Disclosure Standards (see Appendix A).
36. The ISSB tentatively decided in this project to introduce two additional metrics in the context of location-specific information, as noted in paragraph 7, but the ISSB did not decide to propose any further metrics for the information areas discussed in the project. As a consequence, in relation to metrics for nature-related risks and opportunities, those applying the Practice Statement will not be in a significantly different situation when applying the Practice Statement than when applying IFRS S1. Thus, the question arises whether, in the context of nature-related disclosures, there is benefit in complementing the sources of guidance in IFRS S1 by *also* expressly

permitting entities to refer to some or all of the disclosure metrics in the TNFD framework.

37. There is significant market use and intended use of the TNFD recommendations. However, as outlined in [Agenda Paper 3A](#) for the March 2026 ISSB meeting, our research indicates mixed perspectives on the TNFD metrics, indicating that they could be a useful starting point or tool for investor assessments and therefore a useful reference for preparers to consider for their nature-related disclosures, but there is limited uptake to date on the full range of metrics as well as data and methodological challenges with reporting on those metrics affecting feasibility across sectors and highlighting the need for industry-specificity.
38. The TNFD framework is not focused solely on the provision of information to meet the needs of users of general purpose financial reports: it is designed to accommodate different approaches to materiality. This means that the TNFD framework (or its relevant aspects) would need to be *specifically referenced* to confirm that TNFD metrics are an available source of guidance when applying the IFRS Practice Statement on nature-related disclosures together with IFRS S1¹².
39. The staff thinks that a reference to the TNFD framework disclosure metrics:
- (a) would need to be included in the **IFRS Practice Statement** on nature-related disclosures rather than being included in IFRS S1. Doing so would:
 - (i) be consistent with the rationale for the April 2026 ISSB tentative decision on the form of standard-setting, including the need to avoid making amendments to ISSB Standards and to avoid disrupting their ongoing adoption and implementation;
 - (ii) reflect the fact that the TNFD disclosure metrics specifically focus on nature-related risks, opportunities, dependencies and impacts—rather than relate to all types of sustainability-related matters; and

¹² This is the case given the requirements in paragraphs 58(b)(ii) and (iii) of IFRS 1 (see Appendix A).

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- (iii) help encourage the use of the Practice Statement.
 - (b) would need to be based on the requirements in IFRS S1 for the **permitted sources of guidance** (i.e. materials that an entity may refer to and consider) rather than on the requirements for the sources of guidance that an entity is required to refer to and consider (i.e. materials that an entity shall refer to and consider). This approach would be:
 - (i) consistent with the existing ISSB approach to referencing third-party materials that have a broader focus than material information for investment decision-making. Indeed, paragraphs 27–28 note the alignment of aspects of the TNFD framework with ESRS and GRI Standards.
 - (ii) more proportionate than requiring an entity to refer to and consider the TNFD disclosure metrics, as otherwise all entities would be required to refer to both the TNFD metrics and the SASB Standards, and in addition those applying GRI Standards and ESRS would be required to consider the TNFD metrics when already applying other nature-related metrics, which in any case overlap with the TNFD metrics as outlined above.
 - 40. The staff next considered whether the reference to the TNFD framework should cover all or only some TNFD disclosure metrics.
 - 41. The staff note that the ISSB could limit the reference to TNFD global disclosure metrics rather than also referencing the TNFD sector disclosure metrics. This is because, as noted in paragraph 35, third-party references in ISSB literature are designed to ‘fill in the gaps’ in the absence of more specific requirements from the ISSB. As noted in paragraph 6, the ISSB decided not to undertake further work on cross-industry metrics in this project other than as necessary within identified information areas. In contrast, the ISSB already requires an entity to refer to metrics associated with the disclosure topics included in the SASB Standards, which provide

industry specificity. The ISSB discussed¹³ that this reference is relevant in the context of nature-related disclosures and helps address the investor need identified in the research phase of this project for industry-specific information about nature-related risks and opportunities. In fact, as noted in paragraphs 30–31, the ISSB is already undertaking work to align SASB metrics more closely with the relevant TNFD recommendations and sector guidance where appropriate. The potential ‘gap’ therefore, is currently in the ISSB not specifying cross-industry metrics other than in a limited manner, particularly given that consensus and readiness of current market practices and methodologies for cross-industry metrics are still emerging.

42. However, the staff notes that for other third-party sources of guidance set out in IFRS S1—in particular, the GRI Standards and ESRS—the ISSB did not limit the reference to particular components of those sources. The staff notes that like the TNFD, GRI Standards also include sector-specific disclosures. Instead, the ISSB provided discipline in considering those materials in preparing sustainability-related financial disclosures by specifying that an entity is only permitted to refer to and consider those sources to the extent that these sources:
- (a) assist the entity in meeting the objective of IFRS S1 (see paragraphs 1–4 of IFRS S1); and
 - (b) do not conflict with IFRS Sustainability Disclosure Standards.¹⁴
43. The consequences of limiting the reference to the TNFD global disclosure metrics would also be significant as it would prevent entities referring to a significant portion of TNFD disclosure metrics even if relevant to meet investor needs in accordance with IFRS S1. Accordingly, on balance, the staff think that it would be preferable for a reference to TNFD disclosure metrics to cover all those metrics to maintain

¹³ At its March 2026 meeting and based on AP3A Nature-related metrics ([March 2026](#)).

¹⁴ The ISSB also noted that in applying the third-party sources of guidance specified in paragraph 58(c) of IFRS 1 an entity would not be permitted to obscure material information required by IFRS Sustainability Disclosure Standards (see paragraph B27 of IFRS S1).

consistency with the existing approach in IFRS S1 and to avoid introducing unnecessary complexity.¹⁵

44. If the ISSB were to include a reference to the TNFD disclosure metrics as a source of guidance that an entity may refer to and consider in order to meet the requirements to provide metrics about nature-related risks and opportunities that could reasonably be expected to affect the entity's prospects, this would have the following benefits:
- (a) it would enable entities already using the TNFD recommendations to build on their nature-related reporting;
 - (b) it would enable the Practice Statement to benefit from the work that has been undertaken by the TNFD in relation to metrics, including its due process steps;
 - (c) it would be consistent with the ISSB's decision to draw upon the work of the TNFD;
 - (d) it would support the ISSB's objective of reducing fragmentation by more completely setting out disclosures on nature and enabling those using the TNFD recommendations and disclosure metrics, to move to applying ISSB Standards to report on nature-related risks and opportunities; and
 - (e) this approach would complement the ISSB's decision on being targeted in specifying particular nature-related metrics in the Practice Statement while supporting the provision of relevant metrics to meet the requirements in ISSB Standards.
45. However, the staff notes that the following considerations are important:
- (a) some of the disclosure metrics that the staff recommends referring to are not yet widely reported and this area of reporting is still evolving;

¹⁵ It is noted that the staff recommendation to specifically refer to the TNFD disclosure metrics rather than the TNFD recommendations overall reflects the fact that the ISSB has considered the other aspects of the TNFD recommendations in developing the IFRS Practice Statement on nature-related disclosures building on IFRS S1. Agenda Paper 3D for this meeting provides an overview of how the ISSB has considered the TNFD framework across information areas for standard-setting on nature-related disclosures in this project to date.

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- (b) some of the metrics may be challenging for entities to apply. However, the staff does not recommend that entities are *required to provide* the metrics or even are *required to refer* to and consider applicability of those metrics;
 - (c) given the early stage of application, we do not have conclusive evidence that shows clearly which metrics would result in material information for users of general purpose financial reports;
 - (d) although the metrics the staff recommends referring to have been designed with the focus of providing information material for users of general purpose financial reports in relation to nature-related risks and opportunities, this is not the sole focus of those metrics; and
 - (e) if the ISSB includes a reference to TNFD disclosure metrics now that are not ultimately determined to be relevant to the objectives of ISSB Standards, doing so could risk embedding application of practice that ultimately the ISSB may decide to change at a later date if the ISSB develops metrics itself for an ISSB Standard. However, this is true today for other sources of guidance used in IFRS S1—but by adding a reference to the TNFD metrics this issue would be extended.
46. On balance, the staff recommends that the ISSB proposes that the Practice Statement expand the sources of guidance that an entity is permitted to refer to and consider (i.e. materials that an entity may refer to and consider) when identifying metrics on nature-related risks and opportunities that could reasonably be expected to affect an entity's prospects that:
- (a) are relevant to the decision-making of users of general purpose financial reports; and
 - (b) faithfully represents those risks and opportunities in accordance with paragraph 57 of IFRS S1.
47. The staff thinks that in the same way that the additional sources of guidance in paragraphs 58(b)–(c) of IFRS S1 are useful to provide support for the provision of

decision-useful information on sustainability-related risks and opportunities in the absence of an ISSB Standard that addresses a particular risk or opportunity, in addition to requiring entities to refer to the SASB Standards, *enabling* entities to refer to the TNFD disclosure metrics will support the provision of high-quality decision-useful metrics in relation to nature-related risks and opportunities. This is particularly important:

- (a) given the ISSB’s decisions to limit the specific metrics that will be proposed in the Practice Statement; and
 - (b) to enable entities to build on the use of the TNFD recommendations, simplifying transition to use of the Practice Statement.
48. However, the staff recommends that the use of the TNFD disclosure metrics should be subject to these metrics being used to the extent that these metrics:
- (a) assist the entity in meeting the objective of IFRS S1 (paragraphs 1–4 of IFRS S1); and
 - (b) do not conflict with IFRS Sustainability Disclosure Standards and the IFRS Practice Statement on nature-related disclosures.
49. Paragraph 13 provides indicative drafting of the staff recommendation building on the requirements in paragraph 58(c) of IFRS S1.
50. This approach is consistent with the ISSB’s decision in relation to the use of metrics from ESRS and GRI Standards in meeting the requirements of IFRS S1. This is important because the TNFD recommendations are not *solely* designed to meet the needs of the users of general purpose financial reports. This is also consistent with stakeholder feedback on the project to Enhance the SASB Standards and investor input received as part of the nature-related disclosures project that highlighted that while alignment with the TNFD recommendations and metrics can help improve decision-usefulness of information for primary users and cost-effectiveness for preparers, in these efforts there is a need for ISSB materials to remain focused on the

provision of material information to meet investor information needs. The approach in paragraph 48 would confirm this focus.

CDSB Framework Application Guidance as a source of guidance

51. In March 2026, the ISSB tentatively decided to permit an entity to refer to and consider the applicability of other sources of guidance as set out in paragraph 58(b)–(c) of IFRS S1 when disclosing metrics on nature-related risks and opportunities. These other sources of guidance include the CDSB Framework Application Guidance for [water](#)- and [biodiversity](#)-related disclosures.¹⁶
52. The staff noted in Agenda Paper 3 *Common investor information needs and comparison to the TNFD framework (October 2025)* that the TNFD framework incorporates, especially as part of its metrics architecture, the CDSB Framework Application Guidance and relevant nature-related metrics and indicators used in the SASB Standards.
53. The staff considered whether to keep the reference to the CDSB Framework Application Guidance in IFRS S1 given there is no stated intention to enhance the CDSB materials and given the ISSB’s decision to draw on the TNFD framework, which itself has leveraged the CDSB materials.
54. In April 2026 the ISSB tentatively decided to propose requirements and guidance for nature-related disclosures in the form of an IFRS Practice Statement to minimise disruption to the implementation and adoption of IFRS S1 and IFRS S2, leaving IFRS S1 and IFRS S2 unchanged at this stage.¹⁷
55. Given the tentative decision to develop an IFRS Practice Statement and leave IFRS S1 and IFRS S2 unchanged at this stage, the staff recommend that the ISSB not amend

¹⁶ As noted in paragraph 39(a)(i), given the ISSB April 2026 tentative decision on the form of standard-setting, paragraphs 57–58 of IFRS S1 will continue to apply to all types of information about nature-related risks and opportunities.

¹⁷ AP3D *Form of standard-setting (April 2026)*.

the reference to the CDSB Framework Application Guidance as a source of guidance in IFRS S1 as part of this project.

Questions for the ISSB

Questions for the ISSB

1. Do ISSB members have questions or comments on the analysis in this paper?
2. Does the ISSB agree with the staff recommendations to:
 - a. permit an entity in the IFRS Practice Statement on nature-related disclosures to refer to and consider applicability of the TNFD disclosure metrics to the extent that this source:
 - i. assists the entity in meeting the objective of IFRS S1 (see paragraphs 1–4 of IFRS S1); and
 - ii. does not conflict with IFRS Sustainability Disclosure Standards and the Practice Statement; and
 - b. retain the reference to the CDSB Framework Application Guidance as a source of guidance in IFRS S1?

Appendix A—Extracts from IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information*

[...]

56. In identifying applicable disclosure requirements about a sustainability related risk or opportunity that could reasonably be expected to affect an entity's prospects, an entity shall apply the IFRS Sustainability Disclosure Standard that specifically applies to that sustainability-related risk or opportunity.
57. In the absence of an IFRS Sustainability Disclosure Standard that specifically applies to a sustainability-related risk or opportunity, an entity shall apply judgement to identify information that:
- (a) is relevant to the decision-making of users of general purpose financial reports; and
 - (b) faithfully represents that sustainability-related risk or opportunity.
58. In making the judgement described in paragraph 57:
- (a) an entity shall refer to and consider the applicability of the metrics associated with the disclosure topics included in the SASB Standards. An entity might conclude that the metrics specified in the SASB Standards are not applicable in the entity's circumstances.
 - (b) an entity may—to the extent that these sources do not conflict with IFRS Sustainability Disclosure Standards—refer to and consider the applicability of:
 - (i) the CDSB Framework Application Guidance;
 - (ii) the most recent pronouncements of other standard-setting bodies whose requirements are designed to meet the information needs of users of general purpose financial reports; and
 - (iii) the information, including metrics, disclosed by entities that operate in the same industry(s) or geographical region(s). an entity may—to the

extent that these sources assist the entity in meeting the objective of this Standard (see paragraphs 1–4) and do not conflict with IFRS Sustainability Disclosure Standards—refer to and consider the applicability of the sources specified in Appendix C.

[...]

- C1. This Standard requires (see paragraph 57) that in the absence of an IFRS Sustainability Disclosure Standard that specifically applies to a sustainability related risk or opportunity, an entity shall apply judgement to identify information that:
- (a) is relevant to the decision-making of users of general purpose financial reports; and
 - (b) faithfully represents that sustainability-related risk or opportunity.
- C2. In making that judgement, an entity may—to the extent that these sources assist the entity in meeting the objective of this Standard (see paragraphs 1–4) and do not conflict with IFRS Sustainability Disclosure Standards—refer to and consider the applicability of:
- (a) the Global Reporting Initiative Standards; and
 - (b) the European Sustainability Reporting Standards.
- C3. In applying the sources of guidance specified in paragraph C2, an entity shall not obscure material information required by IFRS Sustainability Disclosure Standards (see paragraph B27). If an entity applies the sources of guidance specified in paragraph C2 without applying the requirements in IFRS Sustainability Disclosure Standards, the entity shall not make an explicit and unreserved statement of compliance with IFRS Sustainability Disclosure Standards.

[...]