
IFRS Sustainability Reference Group

Quarterly Meeting

June 2026

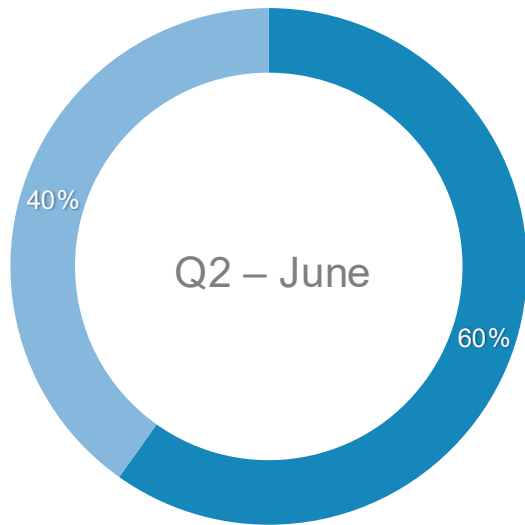
Overview

1. General updates for members
2. ISSB's mandate and context
3. Global landscape update
4. Ongoing SASB Standards consultation
5. Nature-related disclosures update
6. Human Capital research project update
7. Q&A session

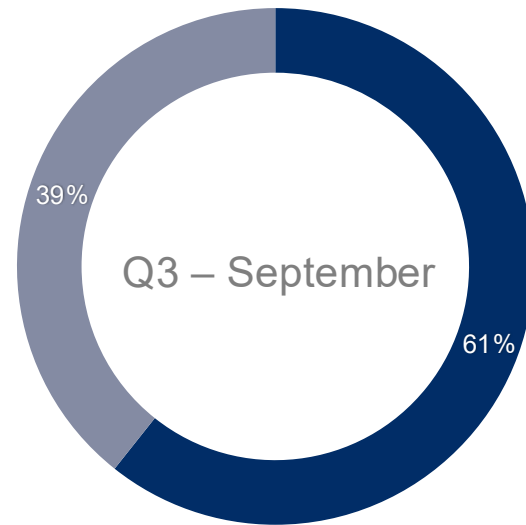
1. General updates for members



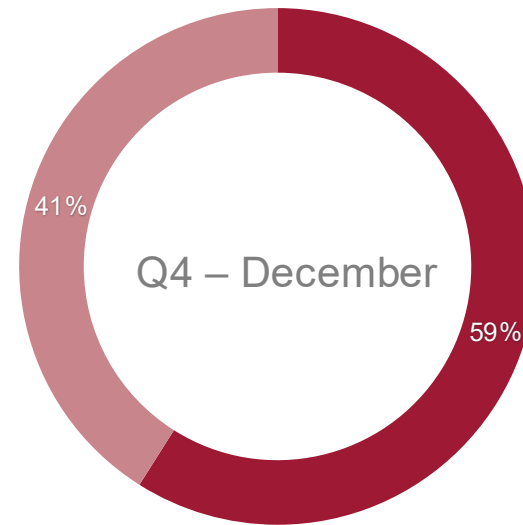
SRG members quarterly meeting attendance



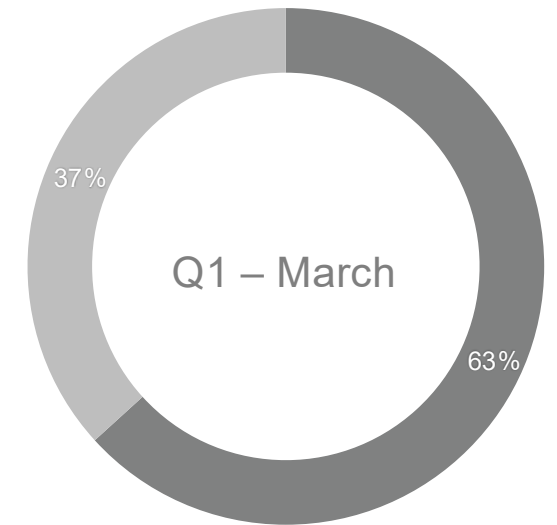
■ Yes - 70 ■ No - 47



■ Yes - 71 ■ No - 46

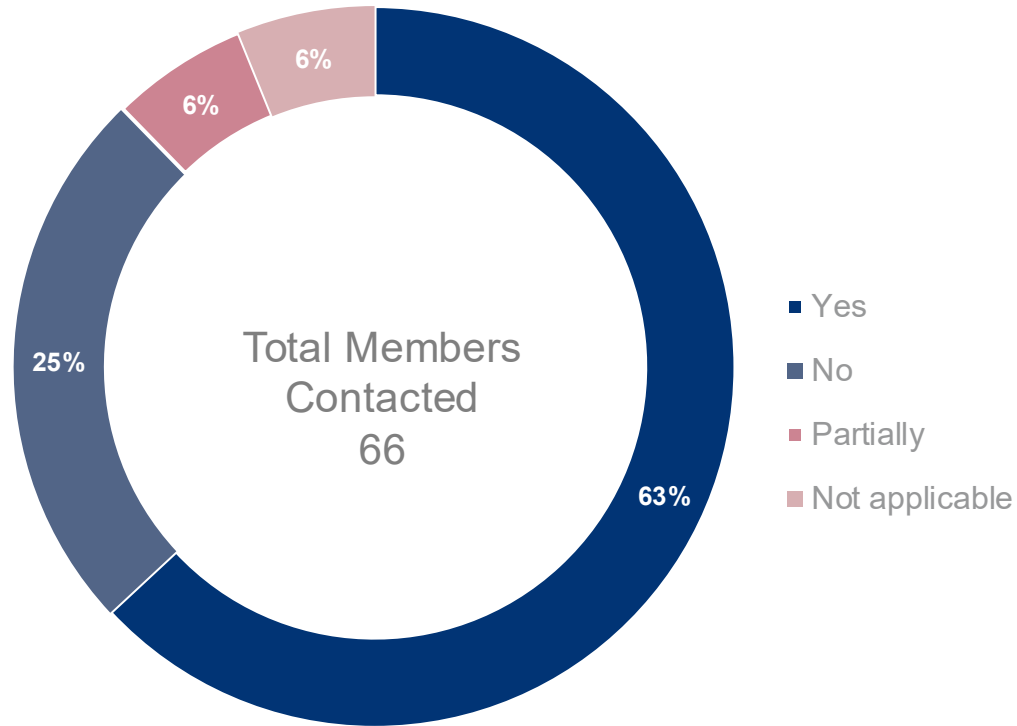


■ Yes - 69 ■ No - 48



■ Yes - 74 ■ No - 43

SRG members contacted in Q1 2026



Topics Covered*

Nature standard-setting project – Location-specific information and scenario analysis

Proposed amendments to the SASB Standards

Roundtables

Bilateral meetings

In person events

**Not an exhaustive list*

2. ISSB's Mandate and Context



Strong market demand

The ISSB was established as part of the IFRS Foundation because of investor, company and international policy maker (including the G20, G7, IOSCO and Financial Stability Board) demand for:

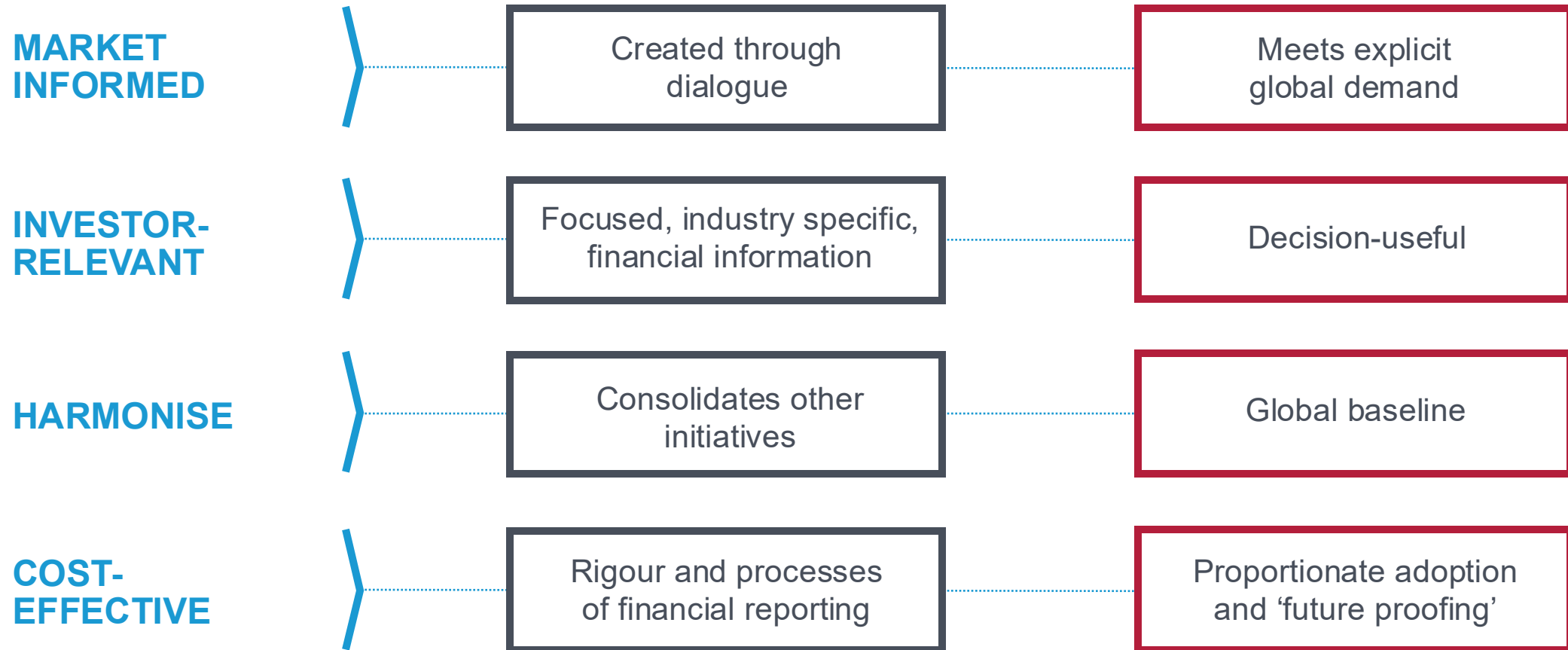
**decision-useful,
comparable information**

**ending the ‘alphabet
soup’ of voluntary
initiatives**

**an efficient reporting
landscape**

The ISSB has a transparent, rigorous due process to develop market-informed Standards that respond to these needs

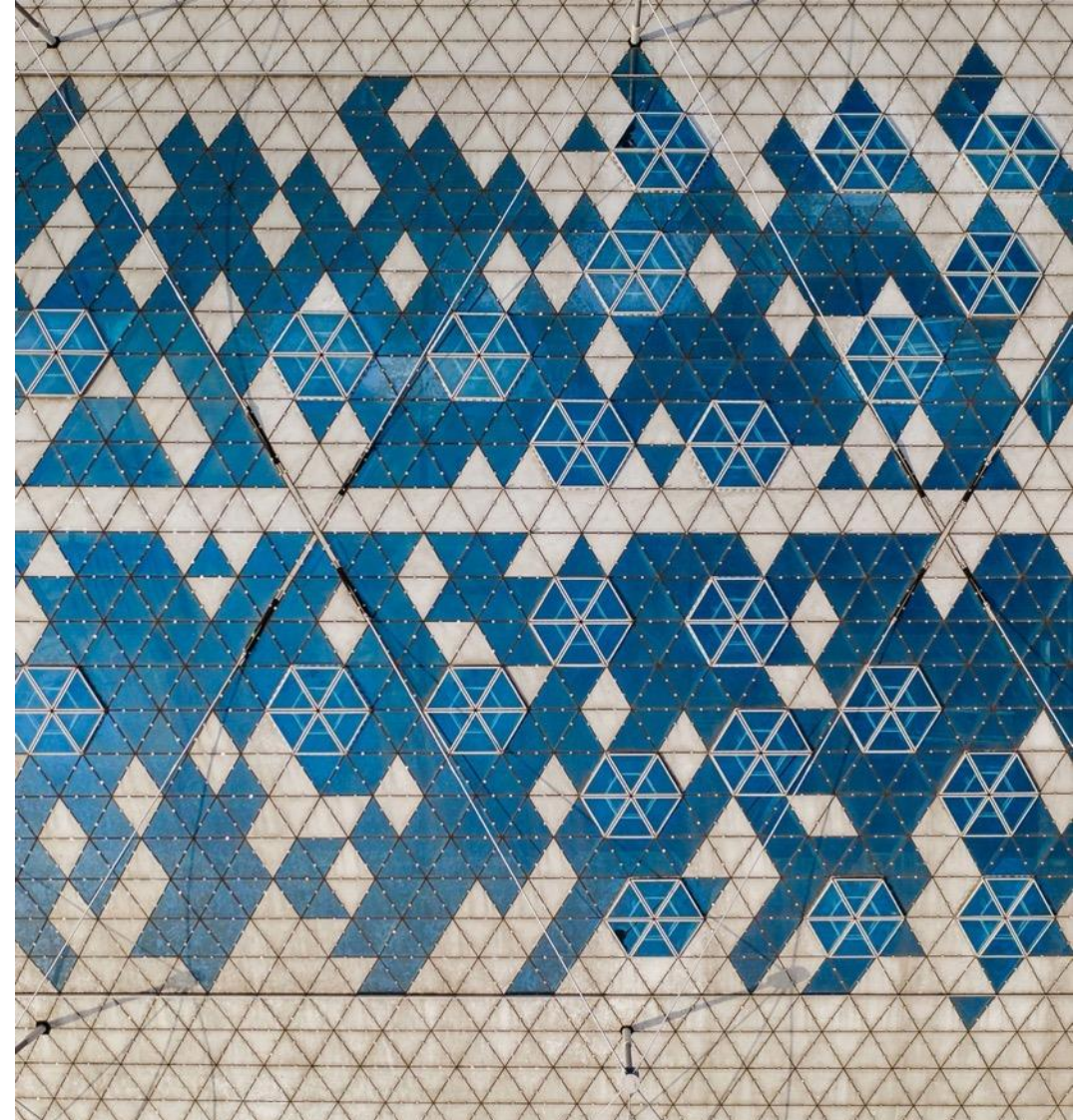
ISSB guiding principles



Materiality definition

Information is material if omitting, misstating or obscuring it could reasonably be expected to **influence investor decisions**

Based on the IASB's definition of 'material'.



3. Global Landscape Update



Jurisdictional progress

Americas

Bolivia, Brazil, Canada, Chile, Costa Rica, El Salvador, Honduras, Mexico, Panama, Peru

Asia-Oceania

Australia, Bangladesh, China, Hong Kong SAR, Indonesia, Japan, South Korea, Kyrgyzstan, Malaysia, Mongolia, Nepal, Pakistan, Philippines, Singapore, Sri Lanka, Chinese Taipei, Thailand, Uzbekistan

EMEA

Ethiopia, EU, Ghana, Jordan, Kenya, Nigeria, Oman, Qatar, Rwanda, Switzerland, Tanzania, Türkiye, Uganda, UK, Zambia, Zimbabwe

When to expect ISSB-based disclosures by jurisdictional effective dates

2025
reporting year

Australia, Bangladesh, EU, Hong Kong SAR*, Malaysia, Mexico, Pakistan, Singapore, Sri Lanka, Tanzania, Türkiye (2024), Zambia

2026

Brazil*, Chile, Jordan*, Philippines, Qatar, Chinese Taipei

2027

Ghana, Indonesia, Japan, Kenya, Rwanda, Thailand

2028 or later

Honduras, Mongolia*, Nigeria*, Oman*, Panama, Peru, Uganda, Zimbabwe*

To be
determined

Bolivia, Canada, China, Costa Rica, El Salvador, Ethiopia, Kyrgyzstan, Nepal, South Korea, Switzerland, United Kingdom*, Uzbekistan

* Jurisdictions that explicitly permit and have special guidelines for the use of ISSB Standards before regulatory action is completed

ISSB Standards and ESRS

ISSB Standards and ESRS (pre-omnibus)

- **High degree of alignment** in climate-related disclosures to provide information to investors
- Additional requirements in ESRS for stakeholders interested in impacts that do not create risks or opportunities for a company's prospects and to provide information **not material to investors**
- Some additional requirements in ISSB Standards (for example, financed emissions)
- **Interoperability guidance** developed to explain how to prepare disclosures to comply with both sets of standards

Current status - EU Omnibus:

- Some **positive aspects** for further efficiencies (for example, on industry-based disclosures and anticipated financial effects)
- **Most effective way** to help companies is to enable them to start with **ISSB Standards** and 'top up' with disclosures to comply with ESRS
- **In the absence of equivalence**, a company needs to **navigate both sets of standards**

Next steps

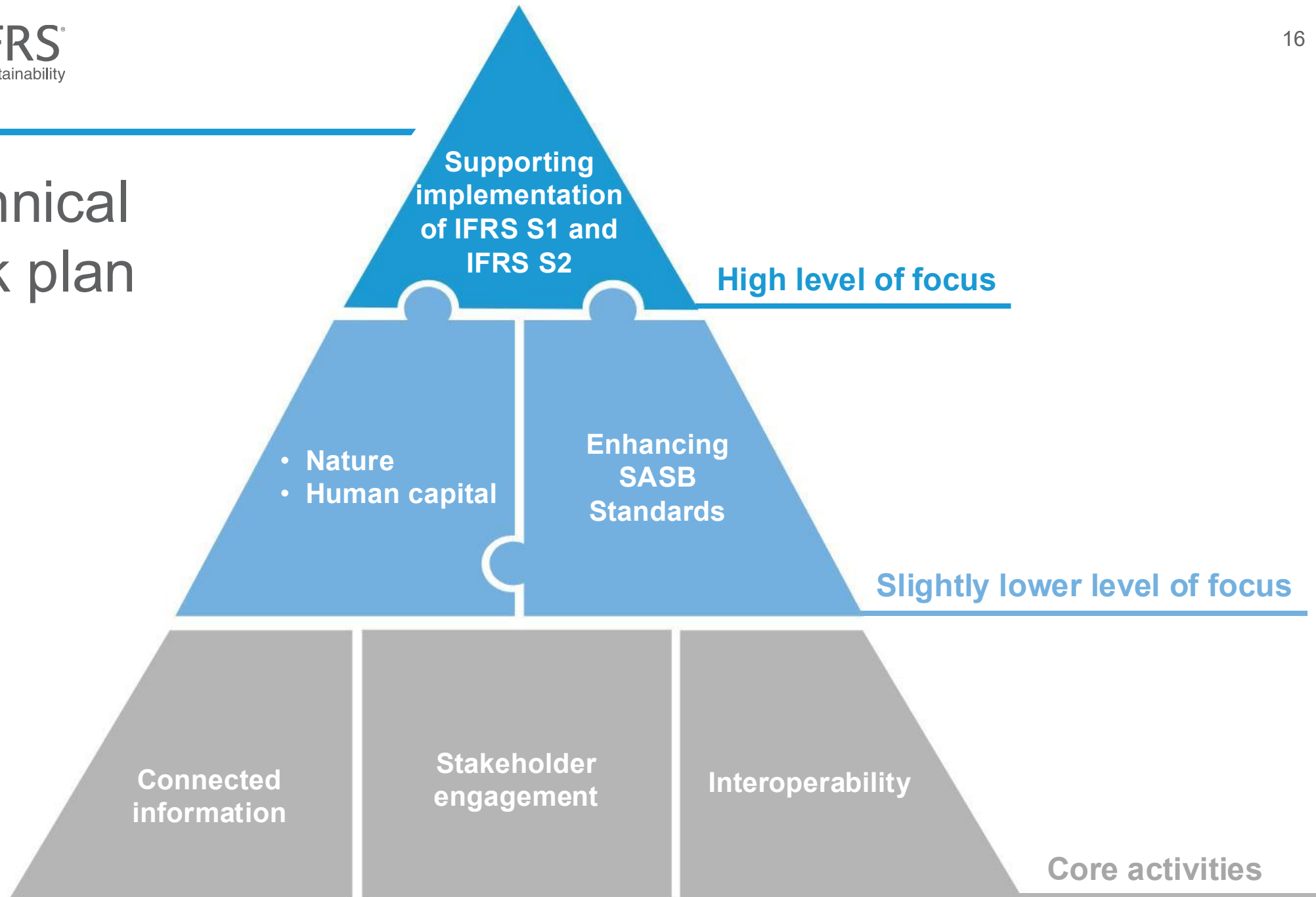
- ISSB continues to **engage the European Commission** as ESRS are moved into EU legislation to emphasise the benefits of alignment

4. Ongoing SASB Standards consultation



Project on enhancing the SASB Standards

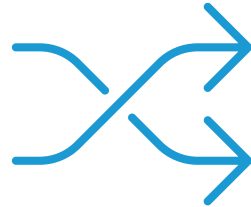
Technical work plan



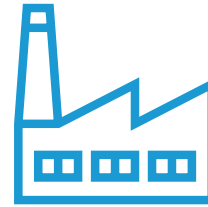
Why enhance the SASB Standards?



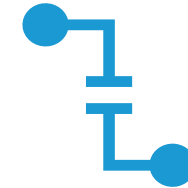
Support
implementation of
IFRS S1 and IFRS S2



Inform ISSB's
work on nature
and human
capital-related
disclosures



Reflect important
market changes
in industries



Improve efficiency for
preparers

Phased approach to the project

Phase 1

- Amendments to 12 industries from the Extractives & Minerals Processing, Food & Beverage and Infrastructure sectors
- Targeted amendments to 41 additional industries on key topics including water, energy, and workforce health and safety
- ISSB consulted on 9 industries and targeted amendments in 2025 and is now discussing feedback
- **ISSB currently consulting on 3 remaining industries until July 2026**

Phase 2

- Researching next stage of work, including which sectors, industries and/or topics to prioritise
- Incorporating feedback on challenges faced by stakeholders during Phase 1
- ISSB to discuss later this year

Overview of March 2026 Exposure Draft

Now open: Consultation on three SASB Standards

The proposed amendments:

- cover three SASB Standards prioritised by the ISSB for enhancement:



Agricultural Products



Meat, Poultry & Dairy



Electric Utilities & Power Generators

- include corresponding amendments to the IFRS S2 Industry-based Guidance
- are consistent with the ISSB's July 2025 Exposure Draft of proposed amendments to the SASB Standards

To participate:



1. Access the [Exposure Draft](#) and [Basis for Conclusions](#)



2. Submit your comments using the online survey before **24 July 2026**



Respondents may also submit a comment letter by sending an email to commentletters@ifrs.org.

Proposed updates: Electric Utilities Standard

Highlights

New disclosure topics

Proposes new disclosure topics to respond to initial research and investor and preparer input:

- ecological impacts
- community relations and rights of Indigenous Peoples
- employee recruitment, development and retention
- supply chain management

Revised topic scopes

Expands existing topics to improve relevance across different segments of the industry:

- coal ash management → *hazardous waste management*
- end-use efficiency and demand → *demand-side management*
- nuclear safety and emergency management → *critical incident risk management*

Improved metrics

Revises metrics in disclosure topics to enhance decision-useful information for investors:

- GHG emissions and energy resource planning
- air quality
- water management
- energy affordability
- workforce health and safety
- operational resilience and system reliability (proposed renaming of grid resiliency)

Proposed updates: Agricultural Products Standard

Highlights

Industry scope

Expansion of industry classification to include **direct farming activities** to reflect business models in emerging markets and developing economies

New disclosures

New topics and metrics regarding:

- food loss & food waste
- land use & ecological impacts (in direct farming activities)
- labour conditions (in direct farming activities)

Improved metrics

Revised metrics to enhance decision-useful information for investors, including:

- greenhouse gas emissions
- energy management
- water management
- food safety
- workforce health and safety

Cost-effectiveness

Removal of GMO Management disclosure topic and metric

Revised approach to supply chain disclosures

Reorganises disclosure topics and replaces metrics with ones that better capture risks and opportunities related to:

- deforestation
- sensitivity to nature- and climate-related physical risks
- sustainable agriculture practices
- traceability of sourced products
- environmental and social due diligence

Proposed updates: Meat, Poultry & Dairy Standard

Highlights

New disclosures

- New metric on methane emissions
- New disclosure topic and metric on **Product Innovation**

Improved metrics

Revised metrics to enhance decision-useful information for investors:

- greenhouse gas emissions
- energy management
- water management
- land use and ecological impacts
- food safety
- antibiotic use
- workforce health and safety
- animal care and welfare

Revised approach to supply chain disclosures

Reorganises disclosure topics and replaces metrics with ones that better capture risks and opportunities related to:

- deforestation
- sensitivity to nature- and climate-related physical risks
- nutrient management
- traceability of sourced products
- environmental and social due diligence

Proposed amendments to human capital-related metrics

Electric Utilities & Power Generators

Proposed new topic: Employee Recruitment, Development & Retention

Metric IF-EU-330a.2

Metric measures

(1) Voluntary and (2) involuntary employee turnover rate for:

- (a) all employees
- (b) occupational categories with a skill shortage

Why this matters

- **Voluntary turnover** indicates whether retention strategies are working and may signal labour or skills shortages
- **Involuntary turnover** shows exposure to layoff-related risks and the entity's approach to re- and up-skilling in the energy transition

Agricultural Products

Topic: Workforce Health & Safety

Metric FB-AG-320a.1

Metric measures

(1) Number of fatalities and (2) total recordable incident rate for:

- (a) employees
- (b) non-employee workers

Why this matters

- Captures exposure to labour-intensive hazards such as falls, transportation accidents, and chemical and heat-related risks
- Weak safety governance can trigger penalties, corrective costs and reputational harm
- Strong safety performance supports brand image, morale, productivity, lower turnover and community relations

Proposed amendments to nature-related metrics

Electric Utilities & Power Generators

New proposed topic: Ecological Impacts

Metric IF-EU-160a.2

Metric measures

Percentage of the total spatial footprint of operations in or near environmentally sensitive locations

Why this matters

- Shows potential exposure to risks from operating in or near sensitive areas
- Generation and transmission can affect the natural environment, while the industry footprint is expected to grow as demand rises and energy sources diversify
- These factors can create regulatory, legal, operational and reputational risks, including fines, penalties, disruption or postponed operations
- Environmental management plans can help mitigate impacts—for example, on birds from transmission lines or wind turbines

Agricultural Products

New proposed topic: Land Use & Ecological Impacts

Metric FB-AG-160a.3

Metric measures

Total area of land that is sustainably managed, by product

Why this matters

- Captures opportunities from innovative practices, technologies and robust management systems that can support improved yields and revenues
- Land-use practices and impacts on natural resources and ecosystem services can affect crop yields, land valuation and operating costs
- Better management can help address regulatory and reputational effects linked to land use and ecological impacts

How SRG members can support the ISSB

Current activities

- **Multi-channel approach** to outreach - bilateral meetings, industry association / regulatory roundtables, one-to-many format
- Collaboration with stakeholders (SSAF members, SRG members, national standard setters, industry associations) to organise meetings and identify attendees with relevant experience and expertise in prioritised industries

Please contact the Technical staff if you are interested in setting up joint outreach activities.

Luz Gomez luz.gomez@ifrs.org

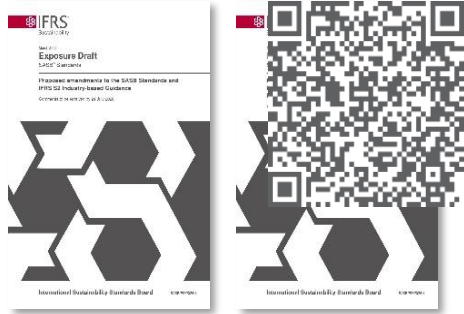
How you can help

- Provide your comments on the public consultation
- Continue to mobilize your network to rise awareness targeting especially **companies** (current SASB reporters or not) and suggest to answer to the consultation by **sending the industry snapshots and context**
- Support by acting as our local facilitator to convene stakeholders for workshops and Q&A and facilitate the response to the consultation


Examples: a SRG member reached an industry association to organise a roundtable with companies to collect feedback and prepare a response. Another SRG member helped the ISSB to reach stakeholders by inviting them to an ISSB hosted-event.

Supporting materials for the consultation

[Link to Online survey](#)




- [Exposure draft](#)
- [Basis for Conclusions](#)
- Translations available:
Japanese, French, Simplified Chinese, Korean, Spanish



Proposed SASB Standards with no markup:

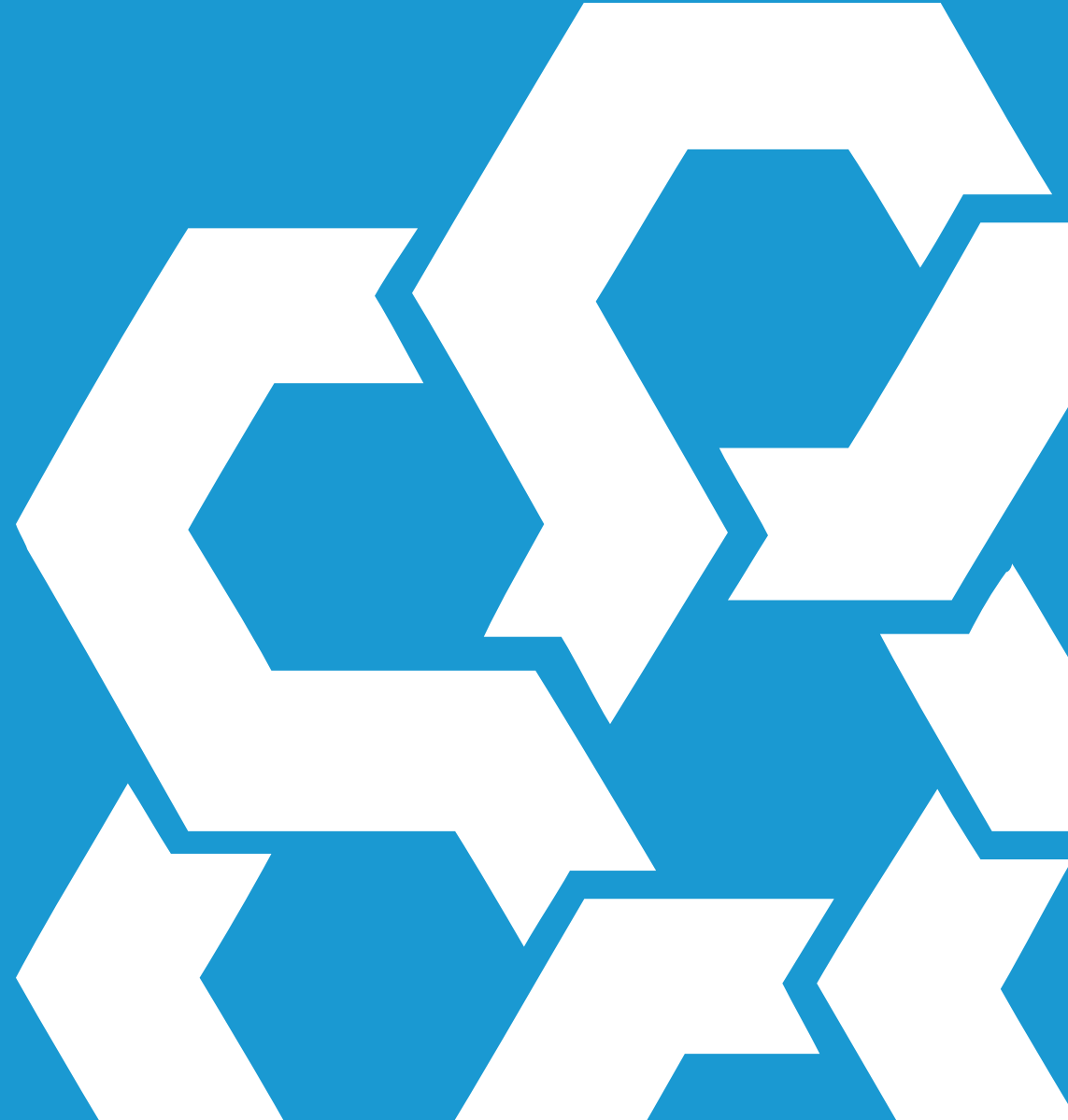
- [Agricultural Products](#)
- [Meat, Poultry & Dairy](#)
- [Electric Utilities & Power Generators](#)



Industry snapshots, summarising the context and key elements of the proposed amendments

- [Agricultural Products](#)
- [Meat, Poultry & Dairy](#)
- [Electric Utilities & Power Generators](#)

5. Nature-related disclosures update



Design of the Exposure Draft

Broad scope of nature-related decision-useful information

- Standard-setting scope encompassing **all nature-related risks and opportunities** rather than limiting scope to a particular nature-related topic or industry
- Consistent with the approach of the TNFD
- Requires information to be disclosed about risks and opportunities that could reasonably be expected to affect an entity's prospects, as is the case for IFRS S1 and IFRS S2

Incremental to requirements in IFRS S1 and IFRS S2

- Incremental requirements are those that are **not already specifically set out in IFRS S1 and IFRS S2**
- Goal to balance new requirements, including the application date, with focus on supporting implementation of IFRS S1 and IFRS S2
- Developing exposure draft with assumption that an entity is already applying IFRS S1 and IFRS S2
- Connected to SASB Standards (for example, 'shall refer to and consider' SASB Standards for disclosure of nature-related metrics)

Drawing on the work of the Taskforce on Nature-related Financial Disclosures (TNFD)

- **Delivers efficiencies, reduces fragmentation** and enables ISSB to build on leading practice
- Draws on TNFD materials where relevant to **meet investor information needs**
- Considers the TNFD recommendations, metrics and additional guidance, including the TNFD LEAP approach
- TNFD addresses nature across all nature topics—a non-siloed approach in line with ISSB scope

The ISSB is targeting publication of the **Nature-related Disclosures Exposure Draft** by COP17 in October 2026

IFRS Practice Statement as a form of standard-setting

- Stand-alone, prominent part of IFRS Foundation materials, subject to full due process
- Not an IFRS Standard: companies and jurisdictions can **apply/adopt ISSB Standards without using it**
- Not required to be applied to assert compliance with ISSB Standards, but **available for companies to apply and for jurisdictions to mandate**. If applied, a company must comply with *all* of its requirements to assert compliance with the Practice Statement
- Used previously for Management Commentary and Making Materiality Judgements



IFRS S1 already requires disclosure of material information about nature-related risks and opportunities; the Practice Statement **defines nature-related risks and opportunities** and **provides specificity on how to report information**

Why a Practice Statement?

- Advances nature-related disclosures by **giving ISSB nature-related disclosure requirements visibility** and prominence
- **Minimises disruption** to the substantial implementation effort underway on IFRS S1 and IFRS S2
- Enables developments in nature-related disclosures and **the future design of ISSB Standards to be considered in due course**
- **Keeps the door open to an ISSB Standard at a later stage**, subject to public consultation

The ISSB tentatively decided that the exposure draft will:

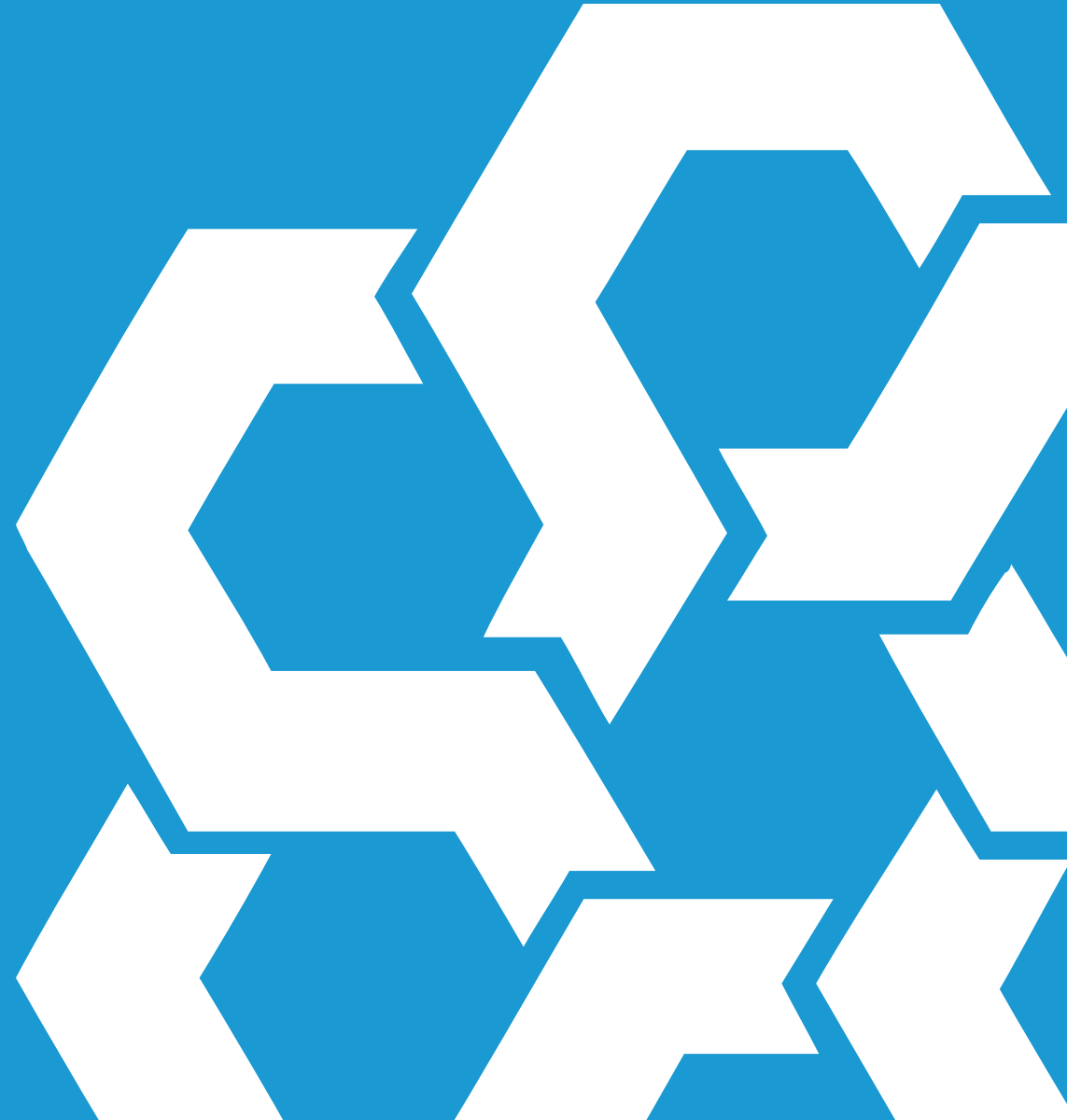
- propose addressing nature-related disclosures in the form of an **IFRS Practice Statement**
- **invite stakeholders to comment** on the form of standard-setting

Read ISSB's press release



A Practice Statement has a **full effect of an IFRS Standard** if applied and provides a **pathway** to an ISSB Standard in the future

6. Human Capital research project



Outstanding research areas

Jurisdictional landscape and creating a global baseline

- What are the drivers of variation in disclosure practices around the world?
- How do investors consider information that can't be compared globally?
- What are the drivers of variations in workforce-related effects on entity's prospects? How do geographic variations in effects on prospects affect what information is decision-useful for investors?

Disclosure practice and existing standards and frameworks

- Where and how is S1 already providing decision-useful workforce-related information? Where would additional materials be additive?
- Which elements of other disclosure standards and frameworks can be used to provide decision-useful information?

Topical information needs

- What are investors' specific information needs in relation to topics where they expressed an interest in the topic as a whole?

7. Q&A



Next SRG quarterly meeting Q3 2026

- **Option 1**

- 15 September at 5 PM PT / 8 PM ET
- 16 September at 8 AM CST / 9 AM JST / 10 AM AET

- **Option 2**

- 16 September at 9 AM ET / 10 AM BRT / 3 PM CEST / 3 PM SAST

Visit [ifrs.org](https://www.ifrs.org) to find out more

- [Access](#) the Standards and supporting materials
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- Learn about [digital financial reporting](#) resources
- [Join](#) the team