Staff paper

Agenda reference: 4A

ISSB meeting

Date	**November 2026**
Project	**Workforce-related Disclosures**
Topic	**Terms and definitions landscape**
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Purpose and structure

1. This paper:

   (a) provides the International Sustainability Standards Board (ISSB) with an overview of the key terms and concepts used to describe workforce-related matters in the IFRS Accounting Standards, widely used sustainability reporting standards and key labour-related initiatives.

   (b) analyses where these key terms and concepts are common between sources, where they diverge in meaning and where they are unique to a single source.[1]

   (c) considers the possible implications for the ISSB potential standard-setting—including specific considerations relating to interoperability.

2. This paper does not:

[1] In this paper, a term is 'common' where more than one source defines or describes it and those definitions or descriptions convey the same meaning, whether the wording is identical or differs slightly. A term is 'unique' where only one of the sources reviewed defines or describes it. 'A term is 'divergent' where more than one source defines or describes it and those definitions or descriptions convey a different meaning.

(a) determine which terms the ISSB would need to use or define in any future Standard(s) or other materials;

(b) assess whether any third-party definition is suitable for use by the ISSB, or recommend particular terms or definitions;

(c) present an exhaustive set of sources, terms or options;

(d) establish the scope of any future disclosure requirements; or

(e) prejudge whether the ISSB will move the project from research to standard-setting.

3. This paper also does not suggest that the ISSB needs to use a term because it is common between sources or that a term being common between sources means the ISSB needs to define it. The ISSB would use a term in any future standard-setting only where the term is necessary in order to apply an ISSB requirement and where it supports information that is useful to primary users of general-purpose financial reports. So, some common terms may not be needed if no ISSB requirement or guidance will use them. Where the ISSB does use a term, it could define a term—that is, include it in the defined terms in the appendix to a Standard or it could describe a term in the body of a Standard. Such decisions will be discussed with the ISSB at a future meeting if the ISSB decides to move the project to standard-setting.

4. The paper is structured as follows:

(a) summary of findings (paragraphs 6–14);

(b) staff analysis (paragraphs 15–32);

(c) consideration that could arise in any future work (paragraphs 33–53);

(d) questions for the ISSB;

(e) Appendix A—Scope and methodology of the research on workforce-related terms;

(f) Appendix B—Overview of sources and their differing objectives; and

(g) Appendix C—List of key workforce-related terms.

5. The ISSB is not asked to make any decisions at this meeting.

Summary of findings

Approach

6. To understand the current landscape, the staff reviewed the workforce-related terms defined in five sources—terms defined in the glossaries of the European Sustainability reporting Standards (ESRS), the Global Reporting Initiative (GRI) Standards, International Labour Organisation (ILO) instruments and IFRS Accounting Standards, and terms described in the SASB Standards. For each source, the staff identified the terms that, in its judgement, relate to workforce-related matters—covering both workers in an entity's own operations and those in other parts of its value chain—and then compared each term across every source that defines or describes it, classifying it as common, unique to one source, or divergent. This section summarises the landscape of workforce-related terms and the implications of the staff's findings for potential standard-setting.

7. The staff acknowledges that a term may not be formally defined in a glossary but may nevertheless be described or explained in the body of a standard; such terms were outside the scope of this exercise. We also note that a term not being defined in a source does not mean the term is not used or is not meaningful in that source. If the ISSB decides to move the project to standard-setting, the staff might also consider how relevant terms are used within the standards, not only how they are defined.

8. Our analysis is ultimately focused on the landscape of terms and definitions that may be relevant for understanding risks and opportunities that could affect an entity's prospects. While some of the sources used have a broader focus, we have only considered them to the extent that they are relevant for our remit of meeting investors' information needs.

9. Appendix A sets out the methodology, the rationale for the sources selected and the limitations of the analysis in full. Appendix B gives an overview of the five sources used and their different objectives. Appendix C lists the terms that are common between sources, the terms that are defined by only one source and the terms that are defined differently between sources.

The landscape

10. The staff identified approximately 86 key workforce-related terms in the five sources. The ESRS, the GRI Standards and ILO instruments define the highest number of terms. IFRS Accounting Standards define only a small number, and the SASB Standards describe a similarly small number within individual industry standards.[2]

11. Of those 86 terms:

    (a) most of the terms are unique to and defined by only one source—most of these unique terms relate to matters that only one source addresses in detail (for example, the ILO's ‘worst forms of child labour’, the SASB Standards' ‘days idle’ and ‘lockout’, and IFRS Accounting Standards' ‘post-employment benefit’ terms).

    (b) many terms are common throughout the sources that define them—that is, they convey the same meaning even where the wording differs slightly. These terms cover a wide range of workforce-related matters, including ‘collective bargaining’, ‘forced labour’, ‘grievance mechanisms’, ‘remuneration’, ‘workers' representatives’, ‘occupational health and safety management systems’, and ‘work-related injury and ill health’.

    (c) a few terms are defined differently between sources—these terms are: ‘benefit’, ‘discrimination’, ‘employee’, ‘harassment’ and ‘worker’. The term

[2] For the purposes of this paper, the staff reviewed terms that are formally defined in the consolidated glossaries of the ESRS and the GRI Standards. The staff did not review descriptions or explanations of terms set out in individual ESRS or GRI Standards, or terms in ESRS or GRI standards that are still being developed.

'child' initially appeared to diverge, paragraph 22 explains why the staff concluded it does not diverge.

What the landscape suggests

12. The staff identified two features of the landscape that are relevant to any future work on terminology:

    (a) where more than one source defines a term, the definitions usually convey the same meaning. If the ISSB decides to move the project to standard-setting, there may therefore be scope for the ISSB to build from some existing definitions, where it determines that a term is relevant to an ISSB requirement and needs to be defined. Whether a particular definition serves the ISSB's objective would need to be assessed term by term, in the context of the specific disclosure concerned.

    (b) in most cases, however, only one source defines a term, and in a small number of cases the sources that define a term convey different meanings. This means that most workforce-related terms have no shared definition, and the only existing definition was written to meet that source's own objective. If the ISSB decides to move the project to standard-setting, this means that for those terms the ISSB would be considering which source's definition, if any, to draw on—either because only one source defines the term, or because the sources diverge. That consideration would be evaluated based on how effectively a definition supports the disclosure of information about an entity's workforce-related risks and opportunities that is useful to users of general-purpose financial reports in making decisions relating to providing resources to the entity.

13. The staff also observed that some definitions have different meanings in different jurisdictions. For example, the ESRS and GRI Standards define an employee as an individual in an employment relationship with the entity 'according to national law or practice', so the individuals covered depend on the jurisdiction in which the entity

operates. Whether this is appropriate would depend on the purpose of the disclosure concerned.

14. Paragraphs 33–53 set out considerations that could arise in any future work on workforce-related terminology.

Staff analysis

Terms and definitions that are unique to one source

15. Of the 86 key workforce-related terms identified, 62 terms (approximately 72 per cent) are defined by only one source (unique terms). This is, by a significant margin, the largest category.

16. The unique terms are distributed in different sources as follows:

Table 1—Distribution of unique terms

Source	Number of unique terms	Examples of unique terms
GRI Standards	25	Employee category, entry level wage, indicator of diversity, work-related hazard, work-related incident, worker consultation, worker participation, vulnerable group and under-represented group
ESRS	16	Own workforce, non-employee, adequate wage, family-related leave, channels to raise concerns or needs, process to provide or cooperate in remediation, Global Framework Agreements and ‘work-life balance
SASB Standards	13	Days idle, strike, lockout, licensed employees, identified decision-makers and professionals
IFRS Accounting Standards	7	Post-employment benefits, post-employment benefit plans, multi-employer benefit plans, termination benefits, other

		long-term employee benefits, key management personnel, and retirement benefit plans
ILO	1	The worst forms of child labour

Terms and definitions that are common between sources

17. Of the 86 key workforce-related terms identified in the staff analysis, 18 terms (approximately 21 percent) are defined by more than one source and are common between those sources.

18. The staff observed that, in most cases, the sources that define a common term have drawn, directly or indirectly, on the same underlying authoritative instrument, for example ILO Conventions and guidance.

19. Most of the common terms are aligned in substance but expressed using different wording. The staff found that:

    (a) some definitions are aligned word for word—for example, ‘defined benefit plan’ and ‘defined contribution plan’ in IFRS Accounting Standards and GRI Standards, and ‘occupational health and safety management system’ in the ESRS, GRI Standards and ILO sources;

    (b) some definitions are common in substance, but one source includes additional notes or examples. For example, the ESRS and the GRI Standards convey the same meaning of 'non-guaranteed hours employee', but only the ESRS definition gives examples—casual employees, employees with zero-hours contracts and on-call employees; and

    (c) some sources use different labels for the same concept. For example, GRI Standards use ‘basic salary’ and ‘part-time employee’, whereas ILO sources use ‘basic pay or wages’ and ‘part-time worker’, respectively.

Terms and definitions that differ between sources

20. Table 2 shows the terms that are defined differently between sources, the sources that define each term and the staff's assessment of whether the difference is substantive.

Table 2—Terms that are defined differently between sources

Term	Which source defines the term?	Nature of the divergence
Benefit	GRI, ILO and IFRS Accounting	Substantive
Employee	ESRS, GRI, IFRS Accounting and SASB Standards[3]	Substantive
Child	GRI and ILO	Not a divergence (see paragraph 22)
Discrimination	ESRS, GRI, ILO and SASB Standards	Not substantive—same concept, four different lenses
Harassment	ESRS and SASB Standards	Not substantive
Worker	GRI and ILO	Not substantive

21. Paragraphs 22–25 discuss four of the six divergences that the staff regards as not substantive. Paragraphs 26–32 discuss the two substantive divergences.

Divergences that are not substantive

22. Child—the ILO defines 'child' as any person under 18 (Convention No. 182). ILO Convention No. 138 separately sets the minimum age for admission to employment at not less than the age of completion of compulsory schooling, and in any case not less than 15. The GRI Standards definition of 'child' corresponds to the ILO's minimum age for admission to employment. The two sources are therefore not in disagreement.

23. Discrimination—the four sources describe the same underlying concept of unequal treatment from four different lenses:

[3] ESRS and the GRI Standards share a common definition of 'employee'. However, this definition differs from those used in IFRS Accounting Standards and the SASB Standards.

(a) the GRI Standards and ILO definition focus on the effects of unequal treatment;

(b) the ESRS definition focuses on how discrimination occurs, requiring a comparator group analysis; and

(c) the SASB Standards definition lists protected characteristics on which discrimination can be based, without describing the act of discrimination itself.

24. Harassment—the ESRS and the SASB Standards both describe harassment as discriminatory behaviour that creates a hostile environment. They share the same basic idea of harassment but differ in the types of behaviour and situations they cover.

25. Worker—the GRI Standards anchor the definition to the reporting organisation because it is eliciting disclosure, while the ILO anchors it to an employer because it is setting labour standards.

Divergences that are substantive

Benefit

26. Table 3 shows the definitions of 'benefit'.

Table 3—Definition of 'benefit'

Source	Definitions
GRI	'benefit' Direct benefit provided in the form of financial contributions, care paid for by the organization, or the reimbursement of expenses borne by the employee. Note: Redundancy payments over and above legal minimums, lay-off pay, extra employment injury benefit, survivors' benefits, and extra paid holiday entitlements can also be included as a benefit.
ILO	'benefit' A payment related to contributions paid in respect of the beneficiary's employment whether under a compulsory or a voluntary scheme.

IFRS Accounting	‘employee benefits’ All forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment.

27. The GRI Standards and the ILO instruments both view benefits as distinct from baseline compensation: for the GRI Standards a benefit is an extra layer of direct welfare or reimbursement; for the ILO it is an insurance-style payout linked to systemic contributions. IFRS Accounting, by contrast, captures all forms of consideration for employee service—including base salary.

28. The same word therefore denotes a wider population of costs in IFRS Accounting Standards than in the GRI Standards or ILO instruments. This is not a difference of emphasis; an amount that is plainly an employee benefit under IFRS Accounting Standards may, for example, plainly not be a benefit under the GRI Standards.

Employees

29. Table 4 shows the definitions of ‘employee’.

Table 4—Definition of ‘employee’

Source	Definitions
GRI	‘employee’ An individual who is in an employment relationship with the undertaking according to national law or practice.
ESRS	‘employee’ An individual who is in an employment relationship with the undertaking according to national law or practice.
IFRS Accounting	‘employees and others providing similar services’ Individuals who render personal services to the entity and either (a) the individuals are regarded as employees for legal or tax purposes, (b) the individuals work for the entity under its direction in the same way as individuals who are regarded as employees for legal or tax purposes, or (c) the services rendered are similar to those rendered by employees. For

	example, the term encompasses all management personnel, i.e. those persons having authority and responsibility for planning, directing and controlling the activities of the entity, including non-executive directors.
SASB Standards	'employees' Are defined as individuals on the entity's payroll, whether they are full-time, short service, part-time, executive, labour, salary, seasonal, migrant, or hourly employees. Employees exclude contract workers.[4]

30. The GRI and the ESRS definitions are common, differing only in whether they refer to 'organisation' or 'the undertaking'. Both are jurisdiction-dependent—who counts as an employee varies with the applicable 'national law or practice'.

31. The IFRS Accounting Standards definition goes beyond the legal status and captures the economic substance of the relationship. Two distinctions follow:

    (a) IFRS Accounting Standards definition can capture individuals who are not legally employees but function like them—for example, agency workers or contractors who work under the entity's direction and perform work similar to that of employees. The GRI Standards and the ESRS definition would exclude these unless national law or practice classifies them as employees.

    (b) IFRS Accounting Standards definition explicitly includes non-executive directors. Non-executive directors are typically not in an employment relationship under national law, so they could fall outside the GRI Standards and the ESRS definition unless national law or practice classifies them as employees.

32. The SASB Standards focuses on whether an individual is on the entity's payroll, and expressly excludes contract workers.

[4] Food Retailers & Distributors Sustainability Accounting Standard.

Considerations that could arise in any future work

33. This section sets out considerations that could arise if the ISSB decides to move the workforce-related disclosures project from research to standard-setting.

34. The staff highlights three points that provide context for the considerations in paragraphs 35–53:

    (a) definitions cannot be appropriately evaluated in the abstract. Whether a definition is appropriate depends on the subject matter, the particular risk or opportunity, the intended disclosure and the analytical purpose the information serves. The ISSB would therefore not necessarily be selecting a universally applicable definition of each term. The same expression could require different treatment in different contexts, or the ISSB might decide not to use that expression at all.

    (b) the ISSB would consider using terms and definitions in the ESRS and the GRI Standards where possible because this will help entities applying ISSB Standards that also need or choose to apply the ESRS or the GRI Standards to do so efficiently. Where a term is common in different sources, aligning terminology may reduce the risk of duplicative effort. However, the ISSB is not constrained to align with any particular source. The ESRS and the GRI Standards are important reference points, particularly given the ISSB's interoperability work. But, depending on the context and the information need, a future approach could draw on IFRS Accounting Standards, the SASB Standards, ILO instruments, another source, a combination of sources, or a formulation developed for the ISSB's own purposes.

    (c) alignment of terminology is not the same as interoperability. Using a common definition may support interoperability, but interoperability also depends on other factors, including the associated scope, disclosure requirements, measurement basis, application guidance and disaggregation. Conversely, different terminology need not prevent information from being interoperable where:

(i) the relationship between the populations or measures in each set of standards is transparent and understandable, and

(ii) the information an entity collects, or is required to disclose in each set of standards can be reconciled.

35. The staff has identified the following considerations that the ISSB might weigh in any future work on terminology. These considerations are not listed in order of priority, and the weight attaching to each is likely to differ between terms.

(a) relevance to investors' information needs and the purpose of a potential disclosure (paragraph 36);

(b) interoperability with the ESRS and the GRI Standards (paragraphs 37–38);

(c) connection with IFRS Accounting Standards and consistency with the SASB Standards (paragraphs 39–43);

(d) global applicability and appropriate comparability (paragraphs 44–46);

(e) jurisdictional context (paragraphs 47–48);

(f) cost, complexity and verifiability (paragraphs 49–50); and

(g) role of ILO instruments (paragraphs 51–53);

Relevance to investors' information needs and the purpose of a potential disclosure

36. The objective of IFRS S1 is the starting point for any terminology decision. A definition would be appropriate only to the extent that it:

(a) supports the disclosure of information about an entity's workforce-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity; and

(b) helps users understand how those risks and opportunities could reasonably be expected to affect the entity’s prospects.

Interoperability with the ESRS and the GRI Standards

37. Most of the terms identified are defined by only one of the ESRS and the GRI Standards, and in one case—'discrimination'—the two sources convey different meanings. In these situations, the ISSB would consider which definition, if any, serves the purpose of the relevant disclosure.

38. The staff notes three further points:

    (a) interoperability is not an end in itself. If neither the ESRS definition nor the GRI definition is consistent with the ISSB's remit, adopting one of them to secure interoperability would not improve the information investors receive.

    (b) a term defined by only one source carries no 'interoperability cost' in the other direction. Using a definition drawn from the GRI Standards that the ESRS do not define would not of itself conflict with the ESRS, and would not necessarily prevent an entity seeking to comply with both from doing so efficiently.

    (c) where the ISSB uses different terminology from the ESRS or the GRI Standards, the effect on interoperability would depend in part on two factors: whether the relationship between populations or measures used in each set of standards can be explained in a way that is transparent and understandable, and whether the information an entity collects, or is required to disclose, under each set of standards can be reconciled.

Connection with IFRS Accounting Standards and consistency with the SASB Standards

39. The ISSB and the IASB share a primary user group, which supports connected information in an entity's financial statements and its sustainability-related disclosures. An investor reading the two together may expect a term used in both to carry the same meaning, and using the same term with different meanings in the IFRS Accounting Standards and the IFRS Sustainability Disclosures Standards (ISSB Standards) might create inefficiencies for entities seeking to comply with both.

40. Two terms identified in the research are defined differently in IFRS Accounting Standards and in the ESRS and the GRI Standards—'employee benefits' and 'employees and others providing similar services'. In considering these, it is useful to distinguish between:

    (a) differently worded definitions of the same underlying concept; and

    (b) terms constructed for a distinct accounting or reporting purpose.

41. 'Employees and others providing similar services' falls into the second category. It is defined in IFRS 2 *Share-based Payment* to identify the population of service providers to which particular share-based payment requirements apply, rather than as a general definition of 'employee'. The IASB adopted a substance-based approach for that purpose and in that context. This limits the conclusions that can be drawn from a direct comparison with the ESRS and GRI Standards' definition of 'employee', although the approach itself remains instructive—it illustrates how a population can be identified by reference to the substance of a relationship where a particular measurement or disclosure objective requires it.

42. Where the ISSB uses a term that is already defined in IFRS Accounting Standards, it could choose to use the existing IFRS Accounting Standards definition, use a definition drawn from another source, including the GRI Standards or ESRS, or use a different term and reserving the accounting term for its accounting meaning. Each has implications. The first supports a connection across the IFRS Accounting Standards and the ISSB Standards. The second may support interoperability with the GRI Standards or the ESRS. The third avoids the same word carrying two meanings in IFRS Accounting Standards and ISSB Standards, but adds to the terms investors must navigate. The staff has not formed a view, and notes only that the approach is unlikely to be the same for every term—the case for a connection is strongest where a disclosure is intended to be read against a related disclosure in the financial statements.

43. The SASB Standards form part of the ISSB Standards architecture, and the staff would seek to use consistent terminology between this project and the SASB

Standards wherever possible, including by updating the SASB Standards, as appropriate.

Global applicability and appropriate comparability

44. ISSB Standards are intended to serve as a global baseline, so any definition would need to be capable of being applied by entities in any jurisdiction. A definition that takes its content from the law or practice applicable to the entity supports applicability, because entities can identify the population by reference to a concept already embedded in their legal and payroll systems.

45. The implications for comparability are less straightforward and depend on the purpose of the disclosure. Where the relevant risk or opportunity arises from an entity's legal or regulatory obligations to its workforce, a definition based on legal status may produce the more comparable—and more relevant—information, because the population reported would correspond to the population to which those obligations attach. Where the relevant risk or opportunity arises from an entity's dependence on the people who perform its work, a definition based on legal status could produce different populations for entities with identical working arrangements, which may limit comparability for that purpose.

46. We also note that these approaches are not mutually exclusive. A population identified by reference to the substance of a relationship could, where relevant, be disaggregated to identify the subset of individuals who are also employees under the applicable law or regulation. Whether such disaggregation would be useful would depend on the disclosure concerned.

Jurisdictional context

47. Some ESRS and GRI Standards definitions take their content from the law applicable to the entity. The clearest example is 'employee'—an individual in an employment relationship with the entity 'according to national law or practice'. Under this

approach, each entity would identify its employees by applying the law or practice of its own jurisdiction.

48. The staff notes that referring only to 'national law' would not give the full picture. In some jurisdictions, these rules may be set below the national level, for example by states or provinces. In other jurisdictions, they may be shaped by rules that apply across several countries. The ESRS and the GRI Standards refer to law 'or practice', which suggests they recognise that 'national law' alone does not always determine employment status. Any approach based on applicable law would therefore need to take account of sources of obligation other than national law.

Cost, complexity and verifiability

49. The ISSB would consider the practical implications and associated costs of a definition for preparers, including in relation to:

(a) availability of data—where a definition corresponds to a population an entity already identifies for legal, regulatory or payroll purposes, the data is likely to exist and no parallel population would need to be constructed;

(b) verifiability—for example, employment status under applicable law or regulation is likely to be documented in contracts and payroll records, whereas a substance-based approach may require preparers to judge whether an individual works in the same way as an employee; and

(c) complexity—a definition that differs from those an entity already applies would need to be applied alongside, rather than by reference to, its existing populations.

50. None of these factors is a precondition that must be met before the ISSB could use a particular definition; rather, they are considerations the ISSB would weigh and the weight given to each would depend on the term and the disclosure concerned. These considerations would also be assessed in light of the availability of proportionality mechanisms to support entities when applying definitions.

The role of ILO instruments

51. The research found that most ILO terms are already defined in the ESRS, the GRI Standards, or both, and in most cases consistently. The ILO is therefore unlikely to supply many additional terms.

52. The value to the ISSB of terms defined in ILO instruments lie elsewhere. ILO definitions are explicitly global in scope. Where the ISSB needs to reconcile ESRS and GRI wording, or to justify a definition that differs from both, ILO instruments offer an additional reference point for the ISSB to consider. Staff will continue to use them for that purpose, while remaining cognisant that the normative focus of the instruments may not be appropriate in the context of financially-material disclosure.

53. The staff notes one further consideration arising from the research. ILO definitions are drawn from specific Conventions and must be read in that context—the apparent difference in the definition of 'child' dissolves once it is understood that the two definitions come from different Conventions serving different purposes. When adopting an ILO definition, the ISSB should consider the purpose and context of the instrument it comes from.

Questions for the ISSB

Questions for the ISSB
1. Do members of the ISSB have any comments or questions on the on the terminology landscape described in this paper? 2. Are there additional considerations the staff should take into account when developing working descriptions for use during the remainder of the research phase?

Appendix A—Scope and methodology of the research on workforce-related terms

A1. This appendix sets out the methodology used in assessing the landscape of workforce-related terms and definitions and the rationale for this approach.

Sources used

A2. Staff reviewed workforce-related terms from five sources:

(a) definitions in IFRS Accounting Standards;

(b) descriptions in SASB Standards;

(c) definitions in the European Sustainability Reporting Standards (ESRS);

(d) definitions in the GRI Standards; and

(e) definitions in International Labour Organization (ILO) instruments;

A3. The staff selected these sources for the following reasons:

(a) *IFRS Accounting Standards*—because the staff want to preserve connections between the requirements in ISSB Standards and IFRS Accounting Standards, reflecting the ISSB's decision to make this a core activity in its March 2024 meeting.

(b) *SASB Standards*—because these already form part of the ISSB Standards architecture and the staff want to use consistent terminology whenever possible between this project and the SASB Standards.

(c) *the ESRS and the GRI Standards*—because the ISSB decided at its July 2024 meeting to consider how it might make ISSB Standards interoperable with these two standards.

(d) *ILO instruments*—because the ILO provides the most globally accepted and widely embedded international legal framework governing labour-related issues. ILO instruments are therefore highly influential and also have a scope that is similarly global to ISSB Standards.

A4. The sources listed in paragraph A3 are not exhaustive. Other sources may also define or describe workforce-related terms—for example, the Workforce Disclosure Initiative, the Human Capital Management Coalition's foundational disclosures and the US Securities and Exchange Commission's Regulation—and staff may extend the review to other sources if the ISSB decides to move the project into standard-setting.

How terms were identified

A5. For each source, staff identified the terms that, in its judgement, relate to workforce-related matters. Workforce includes workers that are part of an entity's own operations as well as those in other parts of the entity's value chain. The specific approach differed by source, reflecting how each source organises its definitions:

(a) *ESRS*—staff sourced terms from the 2026 revised ESRS glossary.

(b) *GRI Standards*—staff sourced terms from the latest GRI Standards glossary.[5]

(c) *ILO*—the ILO does not publish a single, all-encompassing glossary in which all workforce-related terms are defined. Instead, definitions are distributed through official sector-specific glossaries, Conventions and Recommendations. For the purposes of this exercise, staff selected the terms listed on the glossary in the ILO website and searched ILO sources to obtain the corresponding definitions.

(d) *IFRS Accounting Standards*—staff sourced terms from the 2026 IFRS glossary.

(e) *SASB Standards*—staff sourced terms from the individual SASB Standards (version 2023-12). The SASB Standards describe terms, including workforce-related terms, within the standards themselves rather than defining them in a consolidated glossary.

[5] The 'GRI Standards Glossary' with the publication date of 26 June 2025 downloaded from GRI website in September 2026. The staff did not review terms described within individual GRI topic standards, including standards currently in development.

How terms were compared

A6. Staff compared the definition of each term in every source that defines it or describes it, and classified each term into one of three categories:

(a) *common*—a term that is defined or described by more than one source, where those definitions or descriptions convey the same meaning, whether the wording is identical or differs slightly;

(b) *unique to one source*—a term that is defined or described by only one of the sources reviewed and;

(c) *divergent*—a term that is defined or described by more than one source, where those definitions or descriptions convey a different meaning.

A7. The classification in paragraph A6 reflects staff judgement.

Limitations

A8. The following limitations apply to the analysis in this paper:

(a) *limited survey of ILO terms*—because the ILO does not maintain a single master glossary, it is likely that further workforce-related terms are defined in ILO instruments that staff did not identify.

(b) *use of judgement in scoping*—which terms are 'workforce-related' is a matter of judgement. A different reader might include or exclude terms at the margin.

(c) *point in time*—the analysis reflects the sources as at a point in time. Both the ESRS and the GRI Standards are subject to ongoing revision, and the conclusions in this paper may need to be revisited as those revisions take effect.

(d) *definitions compared in isolation*—staff compared definitions as drafted. A definition's practical effect also depends on the application guidance, scope and disclosure requirements that surround it, which staff did not analyse in detail at this stage.

(e) *partial overlap between differently labelled terms*—some terms have different labels between sources and cover overlapping subject matter without conveying the same meaning. For example, the ESRS define 'family-related leave' as an umbrella term covering maternity, paternity, parental and carers' leave, whereas the GRI Standards define 'parental leave' alone. The staff classified most of these terms as unique to one source.

(f) *concepts explained but not defined*—the staff identified terms that are defined in the GRI Standards, the ESRS and ILO instruments and described in SASB Standards. A concept may not be defined in a glossary but may nevertheless be explained or described within the body of a standard or instrument. The staff did not review the bodies of the standards for concepts of this kind.

(g) *concepts expressed through a combination of defined terms*—one source may define a single composite term where another defines its components separately. The staff compared terms as labelled and did not assess whether combinations of separately defined terms in one source correspond in scope to a composite term in another.

(h) *concepts on which workforce-related disclosures rely*—some concepts are not themselves workforce-related, but workforce-related disclosures across sources rely on them. The staff did not include such concepts in this exercise.

Appendix B— Overview of sources and their differing objectives

B1. The five sources reviewed in this paper were each developed for a different objective, by a different body, for different users. Terms that look similar may therefore serve different purposes. Understanding the differences in objective between the sources is necessary to interpret the findings in this paper.

B2. Paragraphs B3–B8 describe the objective of IFRS Sustainability Disclosures Standards (ISSB Standards) and the objectives of each of the five sources reviewed by the staff.

The sources

IFRS Sustainability Disclosure Standards

B3. The ISSB Standards are intended to result in the provision of high-quality, transparent and comparable information in sustainability disclosures that is useful to investors and other participants in the world's capital markets in making economic decisions.[6] Within that overall aim, IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* prescribes how an entity prepares and reports its sustainability-related financial disclosures, setting out general requirements for the content and presentation of those disclosures. Its objective is to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.[7]

ESRS

B4. The objective of the ESRS is to require an 'undertaking' to disclose information about its material impacts on people and the environment and about its material sustainability-related risks and opportunities (collectively 'impacts, risks and/or

[6] Paragraph 2 of the IFRS Foundation *Constitution*.

[7] Paragraph 1 of IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information*.

opportunities'). These two perspectives are together referred to as 'double materiality'. An 'undertaking' applying the ESRS reports this information in a 'sustainability statement'—a dedicated section of its management report. The objective of the sustainability statement, taken as a whole, is to present fairly all the undertaking's sustainability-related 'material impacts, risks and opportunities' and how the undertaking manages them. The reported information is required to be decision-useful for the users of general-purpose sustainability statements. Users of general-purpose sustainability statements are defined as:

(a) primary users of general-purpose financial reports, such as existing and potential investors, lenders and other creditors, including asset managers, credit institutions and insurance undertakings; and

(b) other users of general-purpose sustainability statements, such as the undertaking's business partners, social partners (trade unions and employer organisations), civil society and non-governmental organisations.[8]

GRI

B5. The objective of sustainability reporting using GRI Standards is to provide transparency on how an organisation contributes or aims to contribute to sustainable development. The GRI Standards enable an organisation to publicly disclose its most significant impacts on the economy, environment, and people, including impacts on their human rights and how the organisation manages these impacts. The GRI Standards specify that stakeholders and other information users can use the information disclosed using the GRI Standards to understand what organisations are expected to report about. Stakeholders can also use an organisation's reported information to assess how they are affected or could be affected by the organisation's activities. In GRI Standards, stakeholders are defined as individuals or groups with an interest that is affected or could be affected by the organisation's activities.[9]

[8] Paragraphs 2–4 of ESRS 1 *General requirements*.

[9] GRI 1: Foundation 2021 (sections 1.1 and 1.2)

ILO

B6. The ILO is the only tripartite agency of the United Nations, bringing together governments, employers and workers of its member States. Its objective is to set international labour standards that promote decent work, and internationally recognised labour and human rights.[10] It does so principally through Conventions and Recommendations. Conventions are binding on member States that ratify them; ratifying States are then required to give effect to them, typically through national law. ILO instruments are therefore not reporting standards—they establish obligations for States, and in turn for employers, rather than specifying what an entity discloses.

IFRS Accounting Standards

B7. The IFRS Accounting Standards are intended to result in the provision of high-quality, transparent and comparable information in financial statements that is useful to investors and other participants in the world's capital markets in making economic decisions.[11] Paragraph 1.2 of the *Conceptual Framework for Financial Reporting* specifies that the objective of general purpose financial reporting is to provide financial information about the reporting entity that is useful to existing and potential investors, lenders and other creditors in making decisions relating to providing resources to the entity.

SASB Standards

B8. The SASB Standards—a set of 77 industry-specific standards—enable preparers to provide industry-based disclosures about sustainability-related risks and opportunities that could reasonably be expected to affect their cash flows, access to finance or cost of capital over the short, medium or long term.[12]

[10] https://www.ilo.org/about-ilo

[11] Paragraph 2 of the IFRS Foundation Constitution.

[12] https://www.ifrs.org/issued-standards/sasb-standards/

Summary of the key differences between sources

Table B1—Key differences between sources		
Source	**Primary users**	**Materiality perspective**
ISSB Standards	Existing and potential investors, lenders and other creditors	Financial
ESRS	Primary users: Existing and potential investors, lenders and other creditors, including asset managers, credit institutions and insurance undertakings; Other users: the undertaking's business partners, social partners (trade unions and employer organisations), civil society and non-governmental organisation)	Double
GRI Standards	Stakeholders including investors (for example, business partners, civil society organisations, consumers, customers, employees and other workers, governments, local communities, non-governmental organisations, shareholders and other investors, suppliers, trade unions, vulnerable groups)	Impact
ILO[13]	States, employers, workers	Not applicable
IFRS Accounting Standards	Existing and potential investors, lenders and other creditors	Financial
SASB Standards	Investors	Financial

[13] ILO instruments are not reporting standards.

Appendix C—List of key workforce-related terms

C1. Appendix B is a list of terms that are common between sources, terms that are defined by only one source and terms that are defined differently between sources.

Term	Defined by ESRS	Defined by GRI	Defined by ILO	Described by SASB Standards	Defined by IFRS Accounting Standards	Common / Unique (to one source) / Divergent
Basic salary/pay or wages	X	X	X			Common
Child labour	X		X			Common
Collective agreements			X	X		Common
Collective bargaining	X	X	X			Common
Defined benefit plan		X			X	Common
Defined contribution plan		X			X	Common
Forced labour or compulsory labour	X	X	X			Common
Grievance mechanism	X	X				Common
Local minimum wage/minimum wage		X	X	X		Common
Non-guaranteed hours employee	X	X				Common
Occupational health and safety management system	X	X	X			Common
Occupational health services		X	X			Common

Term	Defined by ESRS	Defined by GRI	Defined by ILO	Described by SASB Standards	Defined by IFRS Accounting Standards	Common / Unique (to one source) / Divergent
Part-time employee/worker		X	X			Common
Pay/remuneration	X	X	X			Common
Recordable work-related injury or ill health	X	X				Common
Workers' representatives	X	X	X			Common
Work-related injury or ill health		X	X			Common
Annual total remuneration/ Compensation	X				X	Common
Benefit/employee benefits		X	X		X	Divergent
Child		X	X			Divergent[14]
Discrimination	X	X	X	X		Divergent
Employees/ employees and others providing similar services	X	X		X	X	Divergent
Harassment	X			X		Divergent
Worker		X	X			Divergent
Adequate wage Channel to raise concerns or needs Equal treatment Family-related leave	X					Unique

[14] Child' initially appeared to diverge; paragraph 21 explains why the staff concluded that it does not.

Term	Defined by ESRS	Defined by GRI	Defined by ILO	Described by SASB Standards	Defined by IFRS Accounting Standards	Common / Unique (to one source) / Divergent
Global Framework Agreement (GFA) Incident of discrimination Independent board member Non-employee Own workforce Process to provide or cooperate in remediation Recordable work-related accident Social dialogue Social protection Training Worker in the value chain Work-life balance						
Continued employability Employee category Employee turnover Entry level wage Formal joint management–worker health and safety committee Freedom of association Full-time employee Grievance High-consequence work-related injury		X				Unique

Term	Defined by ESRS	Defined by GRI	Defined by ILO	Described by SASB Standards	Defined by IFRS Accounting Standards	Common / Unique (to one source) / Divergent
High-potential work-related incident Indicator of diversity Occupational health and safety risk Parental leave Permanent employee Regular performance and career development review Security personnel Senior executive Standard benefit Temporary employee Under-represented social group Vulnerable group Worker consultation Worker participation Work-related hazard Work-related incident						
The worst forms of child labour			X			Unique
Contract employees/workers Days idle Diversity Diversity groups Executive management Identified decision-makers				X		Unique

Term	Defined by ESRS	Defined by GRI	Defined by ILO	Described by SASB Standards	Defined by IFRS Accounting Standards	Common / Unique (to one source) / Divergent
Independent contractors Labour violation Licensed employees Lockout Non-executive management Professionals Strike						
Key management personnel Multi-employer (benefit) plans Other long-term employee benefits Post-employment benefit plans Post-employment benefits Retirement benefit plans Termination benefits					X	Unique