
ISSB Meeting

Date	September 2024
Projects	Biodiversity, ecosystems and ecosystem services research project Human capital research project
Topic	Cover note: BEES- and human capital-related risks and opportunities in the SASB Standards
Contacts	Sam Wallace (sam.wallace@ifrs.org) Claire Goydan (claire.goydan@ifrs.org)

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Purpose

1. This paper introduces to the International Sustainability Standards Board (ISSB) a presentation on the connections between the content in the industry-based Sustainability Accounting Standards Board (SASB) Standards and the ISSB's research projects on risks and opportunities related to biodiversity, ecosystems and ecosystem services (BEES) and human capital (including own workforce and workers in the value chain). The presentation is published as Agenda Paper 3A and 4A.
2. The presentation serves to review a sample of relevant content in the SASB Standards ahead of future ISSB meetings regarding the research projects.
3. This paper does not seek any decisions from the ISSB.

Background

4. Enhancements to the SASB Standards and the ISSB's new research projects on BEES and human capital are connected. The ISSB has stated that industry-based disclosures will be an important consideration for research projects, as sustainability-related risks

and opportunities often differ by industry. The SASB Standards serve as a helpful resource for the research projects on BEES and human capital because they provide an avenue for the ISSB to consider how it might build on the requirements in IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information*.

5. The ISSB's research projects will therefore involve an industry-based component that includes evaluating the content in the SASB Standards related to BEES and human capital and analysing the related disclosures from preparers applying the SASB Standards. As staff proceeds with work on the ISSB's 2024-2026 work plan, proposals for updates to the SASB Standards may pertain to BEES- and human-capital related content, which can inform, and be informed by, work on the research projects.

Summary of staff presentation

6. The presentation in Agenda Paper 3A and 4A provides examples of disclosure topics and metrics in the SASB Standards that relate to BEES- and human capital-related risks and opportunities and disclosure of related material information. For example, many of the SASB Standards include BEES-related disclosure topics and metrics covering water and wastewater management, ecological impacts, materials sourcing, product design and lifecycle management. Human capital-related disclosure topics and metrics in the SASB Standards include labour practices, workforce health and safety, and employee engagement, diversity and inclusion.
7. BEES- and human capital-related topics and metrics occur broadly throughout the 77 SASB Industry Standards.¹ However, the distribution and types of disclosure requirements vary.
8. The disclosure topics that are BEES-related are diverse, reflecting the fact that companies face risks and opportunities related to BEES in many different forms, from

¹ Roughly 39% and 17% of SASB metrics are estimated to be related to BEES and human capital, respectively.

land use to product design. Human capital-related disclosure topics, by contrast, generally focus more directly on personnel and human resourcing activities. The majority of human capital-related topics are related to labour practices, employee health and safety and employee engagement, diversity and inclusion. Some industries also contain topics related to labour conditions in the supply chain.

9. Many BEES- and human capital-related topics and metrics are similar or identical in multiple SASB Standards, reflecting risks or opportunities that share similar characteristics irrespective of an entity's business activities. For example, the workforce health & safety topic exists in 27 SASB Standards and contains a common metric that can be used to measure safety incidents in different industries.
10. Other topics and metrics relate to the management of a risk or opportunity that is specific to a given industry. For example, the *Solar Technology & Project Developers* SASB Standard contains a metric regarding an entity's strategies to design products for high-value recycling, which is a unique metric in the SASB Standards.