
ISSB Meeting

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Project	Biodiversity, Ecosystems and Ecosystem Services
Topic	Comparison of other BEES-related standards and frameworks to IFRS S1 and SASB Standards
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Purpose of the paper

1. This paper summarises the staff's comparison of biodiversity, ecosystems and ecosystem services (BEES)-related disclosure standards and frameworks to IFRS S1 and the SASB Standards, noting areas of similar, different and more specific disclosure elements.¹ The paper also presents a preliminary assessment of the areas of difference or of greater specificity, evaluating the decision-usefulness of the disclosed information to primary users, to inform the ISSB's thinking about potential future standard setting.
2. This paper is meant to be read in tandem with Agenda Paper 3A *Background on other BEES-related standards and frameworks*. The staff will not ask the ISSB to make any decisions in the session

¹ The staff presented its preliminary findings in this area to the ISSB in November 2024. See Agenda Paper 3A [Preliminary assessment of existing disclosure standards and frameworks](#) (November 2024).

Structure of the paper

3. The paper is structured as follows:
 - (a) Background (paragraphs 4–6);
 - (b) Approach (paragraphs 7–8);
 - (c) Summary of findings (paragraphs 9–14);
 - (d) Analysis of other BEES-related standards and frameworks compared to IFRS S1 and SASB Standards (paragraphs 15–65);
 - (i) Governance (paragraphs 20–25);
 - (ii) Risk Management (paragraphs 26–31);
 - (iii) Strategy (paragraphs 32–39);
 - (iv) Targets (paragraphs 40–45); and
 - (v) Metrics (paragraphs 46–65).

Background

4. This paper explores the research question, ‘What is the current landscape of standards and frameworks for BEES-related reporting and how do these standards and frameworks compare to IFRS S1 and the SASB Standards?’
5. A consideration of this question and the staff’s related findings can inform the ISSB’s thinking about potential future standard setting and, as appropriate, how that potential future work might leverage relevant aspects of other BEES-related standards and frameworks. To this end, the paper provides an understanding of:
 - (a) the applicability of IFRS S1 and the SASB Standards to BEES-related disclosure; and
 - (b) areas or topics drawn from other BEES-related standards and frameworks that the ISSB might consider addressing in standards, guidance, educational materials, or enhancements to IFRS S1, the SASB Standards or through other means.

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6. It is not the staff's intention that the ISSB consider these findings in isolation, but rather in combination with the findings of the other research areas. The staff plans to present further analysis of the connections among the different research areas at future meetings.

Approach

7. The BEES-related standards and frameworks included in this analysis are listed in the companion paper, Agenda Paper 3A *Background on other standards and frameworks*. The staff's assessment of these standards and frameworks consisted of the following activities:²
- (a) a review and analysis of currently available standards and frameworks relating to BEES (see Agenda Paper 3A) to assess:
 - (i) the nature of the standards or frameworks (for example, whether they are mandatory or voluntary, international or jurisdictional, focused on investors or the information needs of multiple stakeholders);
 - (ii) the topics and sub-topics covered (for example, particular dependencies, impacts, risks or opportunities);
 - (iii) the type of information required or recommended for disclosure (for example, qualitative or quantitative, historical or forward-looking, industry-based or cross-cutting);
 - (iv) whether there are similar elements among them; and
 - (v) an evaluation of the use of each standard or framework by preparers.
 - (b) assessing the standards and frameworks to determine disclosure elements that are similar to, different from and more specific than IFRS S1 and/or the SASB Standards (Agenda Paper 3B).

² See [Agenda Paper 2B Biodiversity, Ecosystems and Ecosystem Services and Human Capital research projects—Research design and approach](#) (July 2024).

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- An earlier draft of this paper was shared with the TNFD secretariat, GRI technical staff and EFRAG technical staff for comment.

Summary of findings

- The staff's initial findings comparing other BEES-related standards and frameworks with IFRS S1 and the SASB Standards are summarised in paragraphs 10–14 and detailed in the 'Analysis' section (paragraphs 15–65).
- In its analysis of other BEES-related standards and frameworks, the staff noted a significant number of similarities with IFRS S1.³ Those similarities were particularly evident with disclosure elements in the governance and risk management core content of IFRS S1, although the other BEES-related standards and frameworks provide some more specific BEES-related information in those areas. The staff also noted a significant number of similarities between the SASB Standards and the disclosure elements of the other BEES-related standards and frameworks related to the disclosure elements in the strategy, metrics and targets core content areas, particularly for those disclosure elements focused on specific topics such as resource use and extraction, waste and circularity, and water and wastewater.
- The staff also identified several areas in other standards and frameworks that are different from or more specific than the relevant disclosure elements in IFRS S1 and the SASB Standards, and that might be relevant to an investor's assessment of an entity's prospects⁴, such as:

³ This finding is perhaps unsurprising, given that, like IFRS S1, most of the other BEES-related standards and frameworks either informed (in the case of the CDSB guidance) or are structured around (in the case of the ESRS and TNFD recommendations) the four core elements of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

⁴ The staff assessed the different and more specific disclosure elements as to whether they might be decision-useful to investors using the qualitative criteria in Appendix D to IFRS S1, 'Qualitative characteristics of useful sustainability-related financial information.'

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- (a) information about how an entity’s governance and risk management policies, strategy and performance targets are informed by or are aligned with international agreements or related laws and regulations—particularly those associated with the 2050 goals and 2030 targets of the Global Biodiversity Framework. This is different from IFRS S1 in that it reflects a biodiversity-linked framework, however staff notes that such a requirement is similar to the reference in IFRS S2 *Climate-related Disclosures* regarding how climate-related targets are informed by ‘the latest international agreement on climate change’ and related jurisdictional commitments;
 - (b) information about an entity’s approach to identifying and assessing its dependencies and impacts in addition to its risks and opportunities;
 - (c) information about the location(s) of an entity’s assets and activities associated with significant BEES-related impacts, dependencies, risks or opportunities, and how to define reportable locations.⁵ This type of disclosure element is explicit in the location information that other standards and frameworks call for as compared to more implicit references to location in IFRS S1⁶;
 - (d) information about an entity’s nature-related transition plans as part of its strategy disclosures.⁷

⁵ See paragraph 20(c) of Agenda Paper 3A *Background on other BEES-related standards and frameworks* (February 2025).

⁶ For example, IFRS S1 paragraph 33(c) requires disclosure of the trade-offs between sustainability-related risks and opportunities that the entity considered [in its strategy decision making] (for example, in making a decision on the location of new operations, an entity might have considered the environmental impacts of those operations and the employment opportunities they would create in a community).

⁷ To the extent an entity is undertaking nature-related activities, such as nature-based solutions, that also influence greenhouse gas emissions, the entity would disclose information about such activities in accordance with the climate-related transition plan disclosures in IFRS S2.

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12. The staff thinks these differences may be relevant to investors' decision making and the ISSB may wish to consider these elements of BEES-related information in any future development or enhancement of its standards or guidance.
13. The staff thinks that the following areas of difference require additional analysis and engagement with investors to better understand their potential relevance to investors' decisions:
- (a) information about an entity's use of stakeholder engagements, including with affected communities and Indigenous Peoples, to help identify and assess risks;⁸
 - (b) information about whether and how an entity's risk management processes and/or its strategy resilience assessment takes account of nature-related and financial system-related systemic risks associated with BEES-related issues;
 - (c) information about whether and how an entity applies the 'mitigation hierarchy'⁹ to strategic decision making and target setting; and
 - (d) industry-specific information about particular BEES-related topics not currently covered in the SASB Standards such as invasive species and plastic use and pollution.
14. Based on feedback from the ISSB, the staff will aim to evaluate further the identified differences in terms of relevance for investor decisions by conducting additional research, pursuing coordination with standard setters and framework organisations, and drawing linkages with findings from the other areas of the BEES research project. This will be

⁸ SASB Standards include metrics on managing risks/opportunities related to stakeholder engagements including affected communities and Indigenous Peoples (primarily in the Extractives Sector Standards).

⁹ The mitigation hierarchy is usually applied at a project or landscape level to structure decisions about how the impacts of proposed activities on biodiversity and the environment might be mitigated. The hierarchy involves the steps of 1) avoidance, 2) minimisation, and 3) remediation on-site, and then if any residual impacts remain after the implementation of the first three steps, 4) biodiversity offsetting off-site. The steps are sequenced in order of preference from an environmental perspective. ([Convention on Biodiversity](#)).

part of the next phase of research—synthesising findings and analysing implications for standard-setting.

Questions for the ISSB

1. What questions do ISSB members have regarding the disclosure elements in the other BEES-related standards and frameworks, and how those other BEES-related standards and frameworks compare to IFRS S1 and the SASB Standards? In particular, do ISSB members have any questions about the areas of difference or greater specificity covered in paragraph 11 or the further research areas detailed in paragraph 13?
2. What areas of the BEES-related standards and frameworks raised in this paper beyond the identified differences do ISSB members think warrant further research or engagement to usefully inform their thinking about potential future standard setting and how that potential future work might leverage relevant aspects of other BEES-related standards and frameworks, as appropriate?
3. Do ISSB members have any questions or clarifications about the content of the background paper including the common disclosure elements among the other standards and frameworks?

Analysis

15. The staff compared disclosure elements¹⁰ in each of the other BEES-related standards and frameworks to those in IFRS S1 and the SASB Standards, noting where disclosure elements were similar, different or more specific.¹¹ The staff also assessed the decision-

¹⁰ A 'disclosure element' is used as a term in this paper to refer to a discrete piece of information to be disclosed under a given standard or framework. Typically, the disclosure elements of the other standards and frameworks were discrete disclosure requirements or recommendations at a paragraph or subparagraph level.

¹¹ For the purposes of this paper, the term 'differences' refers to an initial staff judgement regarding whether a corresponding disclosure element is not currently represented in IFRS S1 or the SASB Standards. The term 'more specific' refers to disclosures that contain more specific information, typically BEES-specific information, than an existing disclosure element in IFRS S1 or the SASB Standards. Our

usefulness of different and more specific disclosure elements.¹² This assessment is preliminary and is subject to further substantiation or modification based on feedback from the ISSB and engagement with investors and other relevant stakeholders in later phases of the research, as well as any technical deliberations and formal consultation that would be necessary if the ISSB elects to pursue standard-setting. In addition, by noting differences with and more specificity than IFRS S1, the staff is making no judgement, explicit or implicit, as to how a difference might be addressed by the ISSB should it decide to do so (for example, through standards, guidance, educational material, etc.).

16. In conducting the comparison between IFRS S1 and SASB Standards and the other BEES-related standards and frameworks, it is important to note that:
- (a) IFRS S1 is a general standard for the disclosure of material information about *sustainability-related* risks and opportunities, so it encompasses but is not specific to BEES-related subject matter. As such, when compared to IFRS S1 core content areas (governance, risk management, strategy and metrics/targets), the other BEES-related standards and frameworks are generally similar in that they specify broadly similar types of disclosure on things like, for example, governance structures, risk management processes, and characteristics of targets and metrics to be disclosed. Differences and areas of more specificity arise primarily for information particular to BEES-related topics, such as water, pollution, or land use change, primarily in the core content areas of strategy, metrics and targets, and to a limited extent governance; and
 - (b) the SASB Standards are designed to meet investor information needs regarding the sustainability-related risks and opportunities associated with particular business models, activities or other common features that characterise

use of the terms ‘similarities,’ ‘differences’ and ‘more specific’ do not necessarily imply anything about the level of alignment or possibility of future interoperability with other standards or frameworks.

¹² See footnote 4.

participation in an industry.¹³ The SASB Standards are organised by general issue categories, which vary in relevance from industry to industry. SASB disclosure elements are both quantitative and qualitative and are designed to, either individually or as part of a set, provide useful information regarding a company's performance in relation to a specific general issue category. As a result, the SASB Standards focus on aspects of a topic that may manifest in ways that are specific to a particular industry context. In contrast, the other standards and frameworks included in this analysis are designed primarily to facilitate sector-agnostic disclosure on one or more nature-related themes or topics for different audiences with different use cases.¹⁴ As such, the other BEES-related standards and frameworks are difficult to compare with the industry- and topic-based organisation of SASB disclosure elements.

17. Therefore, for the purpose of comparison to the SASB Standards, the staff developed a list of seven BEES-related topics to help categorise the disclosure elements of the other standards and frameworks. Those topics consist of biodiversity, species and ecosystems; land use and land use change; pollution; resource use and extraction; waste and circularity; and water and wastewater.¹⁵
18. Where differences or additional specificity in disclosure elements were noted from the SASB Standards, those disclosure elements will need to be evaluated further to determine whether they are likely to provide decision-useful information to investors across all

¹³ IFRS Foundation, [Educational material: Using the SASB Standards to meet the requirements in IFRS S1](#) (February 2024).

¹⁴ Some standards and frameworks, such as those of GRI and TNFD, include additional sector-specific disclosures. These disclosures are not included in the scope of this paper. See paragraph 18.

¹⁵ See paragraph 20(g) of Agenda Paper 3A for the definition of each category. While this topical tagging provides a framework for comparison, it should be noted that disclosure elements are often complex and may be similar across topics. These groupings do not represent proposed ISSB categories, definitions or focus areas. They were established purely to categorise and compare the findings in this analysis. Any proposed definitions, groupings or categories to be used in future research or standard-setting are still to be determined.

industries or only selected industries. As part of this further research, the staff is conducting a separate assessment of the BEES-related sector-specific guidance published by GRI and TNFD, which is not included in the scope of this paper. A comparison of the published sector guidance to the related SASB Standards will be presented to the ISSB at a future meeting.

19. Below, the staff's findings are organised by the core content areas of governance, strategy, risk management and metrics/targets. In each core content area, the other standards and frameworks are compared with IFRS S1 and, where relevant, the SASB Standards are included.

Governance

20. Most of the governance-related disclosure elements in the other BEES-related standards and frameworks are the same as or broadly similar to those in IFRS S1 with minor differences.
21. For example, all of the governance-related disclosure elements are similar in terms of the information IFRS S1 requires to be disclosed regarding board-level bodies, responsibilities, mandates/policies, skills and competencies, oversight of target setting and monitoring progress towards those targets, and how the board is informed of and considers sustainability-related risks and opportunities (IFRS S1, paragraph 27).¹⁶
22. The staff identified five areas in which the governance-related disclosure elements in the other BEES-related disclosure standards and frameworks are more specific than IFRS S1 and, in some cases, from the SASB Standards:
 - (a) the CDSB biodiversity application guidance under REQ-01 Governance recommends disclosing information about whether there are specific governance

¹⁶ The SASB Standards contain limited governance-related disclosure elements explicitly focussed on oversight bodies, processes, responsibilities, etc., although such disclosure is not precluded.

roles or mechanisms in place for priority geographic areas and for priority products/services to tackle compliance with the biodiversity-related regulatory landscape;

- (b) the other standards and recommendations specify information to be disclosed on board and management oversight of an entity's human rights policies and governance activities related to stakeholder engagement, particularly with respect to affected stakeholders, Indigenous Peoples, and local communities.¹⁷ The TNFD recommendations call for such information both as a part of their six 'general requirements' and as a recommended disclosure under Governance (Governance C). GRI 2: *General Disclosure* 2021 (GRI 2-29) specifies that an entity should disclose the purpose, method and category of stakeholders engaged, and the CDSB application guidance (REQ-02) recommends disclosure of similar information in both its water and biodiversity guidance. ESRS include requirements to disclose information about stakeholder engagement, not in relation to governance but to strategy and risk management—ie, as an input to strategic resilience assessments (E4, paragraph 13) and to the risk management process (E4, paragraph 17);
- (c) the GRI Standards and TNFD recommendations both have provisions for disclosure about how governance policies (and strategy) are informed by international policies and national regulations.¹⁸ For instance, the Nagoya Protocol is an international agreement that regulates how genetic resources are accessed and shared. The GRI Standards specify disclosure about compliance with regulations and measures regarding access and sharing of benefits related to

¹⁷ While the core content of IFRS S1 does not reference oversight of human rights policies and activities related to stakeholder engagement, the SASB Standards do contain some similar disclosure elements, primarily associated with the topics of (a) biodiversity, species and ecosystems and (b) water and wastewater.

¹⁸ The SASB Standards also differ from other BEES-related standards and frameworks in addressing access and sharing of benefits and how governance policies (and strategy) are informed by specific international policies and national regulations.

genetic resources and associated traditional knowledge held by Indigenous Peoples and local communities (GRI 101-3). The TNFD recommendations (Governance C) also specify disclosure about ‘how equitable access and benefit sharing has been attained.’ More generally, the GRI Standards specify disclosure about how an organisation’s biodiversity policies or commitments are informed by the 2050 goals and 2030 targets of the Global Biodiversity Framework (GRI 101-1) and the UN Sustainable Development Goals (GRI Topic and Sector Standards), while ESRS E4 *Biodiversity* and the TNFD recommendations have a similar disclosure element focussed on ‘alignment with international policy,’ but include it under strategy (E4, paragraph 15, and TNFD, Strategy B) and target-related disclosures (TNFD, Metrics and Targets C). The CDSB guidance covers this aspect in both water and biodiversity application guidance (under REQ-02 Management’s environmental policies, strategy and targets).¹⁹

23. The staff believes that the CDSB biodiversity application guidance recommendation for disclosing information about specific governance roles or mechanisms (paragraph 22(a) of this paper) is adequately covered in IFRS S1 paragraphs 26 and 27(a)(iv) for governance, and paragraphs 43–44 for risk management.
24. Specifying additional information about engagements with affected and other stakeholders, including Indigenous Peoples and local communities, may be relevant to investors. In particular, an entity’s BEES-related dependencies, impacts, risks and opportunities typically arise locally and therefore can affect local communities more directly than climate change. Indigenous Peoples also tend to reside in ecologically rich, biodiverse locations and can be directly affected by an entity’s BEES-related impacts or

¹⁹ References in other standards and frameworks to international policy, at a minimum, is to the Global Biodiversity Framework. The ESRS standards also include the Planetary Boundaries for biosphere integrity and land system changes. The TNFD recommendations and CDSB guidance include the UN Sustainable Development Goals and the Planetary Boundaries, and the TNFD recommendations also refer to the Paris Agreement on climate change and to other global reference environmental treaties, policy goals and system-wide initiatives.

dependencies. Information about stakeholder engagements, therefore, may be relevant to an investor trying to assess an entity's governance oversight and due diligence related to potential risks and opportunities such as reputational risk, regulatory risk, risks and opportunities associated with access to traditional knowledge and genetic or other resources, and license to operate, among others.²⁰ However, the staff believes further research is warranted to ascertain whether explicit information on this topic is likely to be decision useful and, if so, what particular information is needed by investors. Another question is whether existing provisions of IFRS S1 may be adequate for its disclosure—for example, IFRS S1 paragraph 27(a)(iii) regarding how ... the [governance] body(s) or individual(s) is informed—when this information is necessary to meet the objectives of the Standard.²¹ Finally, information on an entity's engagements with Indigenous Peoples may be more or less relevant in particular jurisdictions, geographies or industries. A deeper review of the SASB disclosure elements related to this topic also may be informative.

25. The staff believes that disclosure about how an entity considers, is informed by or aligns with international policies, agreements, norms and other expectations—including through related jurisdictional laws and regulations—is likely to be investor relevant and is not dissimilar to how IFRS S2 references the 'latest international agreement on climate change'.²² When such policies or agreements could reasonably be expected to affect an entity's prospects, such information is likely to have predictive or confirmatory value related to an entity's governance and oversight of risk management and strategy. Similarly, disclosure of information about access and sharing of benefits related to

²⁰ IFRS S1 paragraph 2 states that 'information about sustainability-related risks and opportunities ... is inextricably linked to the interactions between the entity and its stakeholders ...'

²¹ More generally, IFRS S1 requires the disclosure of information on governance that an investor needs to understand an entity's oversight of sustainability-related risks and opportunities. If an important element of such oversight is to engage with stakeholders, Indigenous Peoples and local communities, IFRS S1 may already implicitly require the disclosure of such information.

²² As noted in paragraph 22(c) the other standards and frameworks provide for this type of disclosure in different core content areas—governance, strategy or target setting.

genetic resources and associated traditional knowledge held by Indigenous Peoples and local communities could be investor relevant, for example, in assessing BEES-related opportunities involving such resources and knowledge, as well as in assessing an entity's regulatory and reputational risks. However, being informed by or aligned with BEES-related international policies, norms, and other expectations covers a much wider spectrum of potential policies and norms. In addition, information on access to genetic resources may be highly industry-specific and possibly only relevant in a small number of jurisdictions. This may have implications for how the ISSB approaches its consideration of this information in any future disclosure standards and the form by which it specifies disclosures.

Risk Management

26. The TNFD recommendations, ESRS and CDSB guidance provide for disclosures that are virtually identical to or broadly similar to IFRS S1's paragraphs 43–44, including addressing information about risk management objectives, an entity's processes to identify, assess, prioritise and monitor BEES-related risks and opportunities (inputs, use of scenarios, considerations of likelihood and magnitude, and process changes) and whether and how these processes are integrated into the entity's overall approach to risk management.²³
27. The GRI Standards provide disclosure about an entity's impacts, which are defined as the effects an entity's activities or business relationships have or could have on the economy, environment and people, including on their human rights, which in turn can indicate its contribution (positive or negative) to sustainable development (GRI 1, section 2.1).

²³ The SASB Standards contain similar disclosure elements in some industries, but differ regarding their specificity on the use of scenarios, integration into overall risk management, etc. These disclosure elements are primarily associated with the topics of biodiversity, species and ecosystems; land use and land use change; pollution; waste and circularity; and water and wastewater.

Similar to the risk management-related disclosures in other standards and frameworks, GRI 3 provides guidance on identifying, assessing and prioritising impacts.

28. In the context of risk management-related disclosures, the staff identified several differences between the disclosure elements in the other BEES-related standards and frameworks and the requirements in IFRS S1, including:
- (a) the TNFD recommendations and ESRS explicitly address disclosure of an entity’s approach to identifying and assessing its dependencies and impacts as well as its risks and opportunities. The TNFD recommendations assert that understanding an entity’s dependencies and impacts on nature is essential to inform a robust understanding of its risks and opportunities. Hence, the TNFD recommends that an entity identify and disclose its dependencies and impacts, and delineate in its disclosure the four types of nature-related issues (dependencies, impacts, risks and opportunities) and explain the links between them (Conceptual foundations, p. 41).^{24, 25}
 - (b) The TNFD recommendations, CDSB guidance, GRI Standards and ESRS specify disclosure of the degree to which the location or other site-specific information is considered in the risk management process.^{26, 27} For example, in TNFD General Requirement 3, it states that consideration of the geographic location of an entity’s ‘interfaces with nature—through direct operations as well as upstream and downstream value chain(s)’—is integral to the assessment of risks and

²⁴ The TNFD is conducting further analysis on the relationship between impacts/dependencies and risks/opportunities.

²⁵ The SASB Standards risk management-related disclosure elements reference impacts primarily associated with biodiversity, species and ecosystems. The SASB Standards do not explicitly reference or require disclosure of dependencies.

²⁶ Similarly, GRI 101 specifies disclosure of information about how an entity has determined ‘which of its sites and which products and services in its supply chain have the most significant actual and potential impacts on biodiversity.’

²⁷ See Agenda Paper 3A, paragraph 20(c), for further information on location-based disclosures.

opportunities and related disclosures in all four core content areas. It is also the rationale for the TNFD's ongoing efforts to improve access for report preparers and report users to reliable location-specific information and data.²⁸

- (c) ESRS E4 *Biodiversity and ecosystems* calls for disclosure about whether and how an entity considered systemic risks in its identification and assessment of BEES-related risks and opportunities. The TNFD recommendations include similar guidance suggesting that preparers should consider potential systemic risks in their risk management process, which the TNFD defines to include the destabilising breakdown of ecosystems (with consideration of ecological thresholds and tipping points) or of financial systems (triggered by compounding of nature-related physical and transition risks).
29. The staff thinks that material information about BEES-related impacts and dependencies would already be required to be disclosed in accordance with IFRS S1—or, in some cases, with IFRS S2—when those impacts or dependencies give rise to a risk or opportunity.²⁹ However, information about how an entity identifies and assesses its BEES-related dependencies and impacts in its risk management process may also be relevant to investors as it is likely to have predictive value regarding an entity's ability to effectively monitor a rapidly evolving risk landscape. For example, an entity's consideration of its dependencies is an important indicator of its ability to identify, assess and respond to BEES-related risks. In the staff's engagements with investors, they have repeatedly expressed an interest in access to high-quality information about an entity's impacts and dependencies, as well as information about how the entity takes those impacts and dependencies into account in its risk identification and assessment processes. A question, however, is whether, and if so why, investors need information on

²⁸ The SASB Standards for some industries contain disclosure elements focussed on locations or other site-specific information related to BEES.

²⁹ See, for example, IFRS Foundation, [Educational material *Nature and social aspects of climate-related risks and opportunities*](#) (December 2023).

- dependencies and impacts separately or only information about how impacts and dependences inform the identification and assessment of risks and opportunities.
30. Disclosure about whether and how an entity considers location or site differences or variations (for example, activities, ecosystems, conditions) in its risk management process also appears relevant to investors, given that BEES-related risks and opportunities are likely to vary by location. For example, an entity's identification of water use as a dependency may or may not result in a risk depending on whether water use is in a chronically water-stressed location or not, and/or whether it is in a location suffering from temporary drought conditions. Similar to information on dependencies and impacts, there is a question as to whether investors seek such information separately or only information on how it informs an entity's risk management process.
31. Finally, the staff thinks that further research is necessary to assess the decision-usefulness to primary users of information about whether and how an entity's risk management process takes into account BEES-related systemic risks. Investors have expressed mixed views regarding what information they need about systemic risks, where that information might come from and how it can be used to inform investment decisions in particular entities. Also, the usefulness of disclosure about systemic risk (and its consideration in the context of risk management) may be different for financial institutions than for entities in the 'real economy.'³⁰

Strategy

32. The strategy-related disclosure elements in the TNFD recommendations and in ESRS are very similar or, in some cases, identical to the corresponding requirements in IFRS S1.

³⁰ In addition, disclosure on how systemic risk is considered in the context of an entity's strategic resilience assessment (similar to the ESRS requirement) should be considered in the next phase of research.

Specifically, the TNFD recommendations and ESRS align very closely with the IFRS S1 disclosures about:

- (a) understanding risks and relevant time horizons (paragraphs 30–31 in IFRS S1);
 - (b) the effects of risks on the business model and value chain, including where those risks are concentrated (paragraph 32 in IFRS S1);
 - (c) an entity’s response to risks and opportunities, its progress against plans, and the trade-offs considered (paragraph 33 in IFRS S1)³¹;
 - (d) the effects on financial position, performance and cash flows (paragraph 35 in IFRS S1); and
 - (e) the entity’s resilience assessment and its capacity to adjust to uncertainties (paragraph 41 in IFRS S1).³²
33. The other BEES-related standards and frameworks also include some additional, more specific disclosure elements related to an entity’s plans and actions to address dependencies, impacts, risks and opportunities in general or in a particular topic area.³³ For example, GRI 303-1(c) specifies the disclosure of particular actions taken to address water-related impacts and GRI 306-2(a and b) specifies similar disclosure about actions taken to prevent and manage waste generation. The SASB Standards address an entity’s plans or actions in sectors most closely related to those BEES-related topic considerations, including the Consumer Goods, Extractives, Infrastructure and Renewable Resources & Alternative Energy sectors.

³¹ For example, GRI 101-2(e) also provides disclosure of information about biodiversity-related synergies and trade-offs.

³² The SASB Standards for some industries contain similar strategy-related disclosure elements.

³³ Strategy disclosures in GRI 2 mostly speak to an entity’s commitments and policies, which the staff has included in its consideration of governance-related disclosure for the purposes of this analysis; however such disclosures might also be included in the strategy core content area.

34. Despite the close alignment described in paragraphs 32–33 of this paper, the staff also identified a number of areas in which the strategy-related disclosure elements in the other BEES-related standards and frameworks differ from or provide more specifics than the corresponding disclosure elements in IFRS S1, including:
- (a) as with risk management, the TNFD recommendations and ESRS explicitly provide for disclosure about dependencies and impacts, along with information about risks and opportunities, in their strategy-related disclosure recommendations or requirements;³⁴
 - (b) as with risk management, the other BEES-related standards and frameworks specifically require or recommend the inclusion of location and/or other site-specific information, variously defined, in an entity’s disclosures about strategy;³⁵
 - (c) as with risk management, ESRS and the TNFD recommendations specify disclosure about the consideration of systemic risks in an entity’s strategy and in the context of an entity’s strategic resilience assessment;
 - (d) the TNFD recommendations³⁶ and ESRS (E4 *Biodiversity and ecosystems*) specifically refer to disclosure of information on nature-related transition plans;³⁷

³⁴ While IFRS S1 does not explicitly require the disclosure of an entity’s dependencies and impacts, it does acknowledge in paragraph 2 of the objective that ‘the entity’s dependencies ... and its impacts ... give rise to sustainability-related risks and opportunities for the entity.’ To the degree such risks and opportunities arise, IFRS S1 requires the disclosure of material information about those risks and opportunities and in many cases the ‘impact’-oriented information also will be material. For example, IFRS S2 requires disclosure of information about greenhouse gas emissions (an impact) and water consumption (a dependency). Therefore, where dependency or impact information serves as a measure of or useful proxy for risk exposure, it may be considered an implicit disclosure element in IFRS S1.

³⁵ The SASB Standards contain similar disclosures referencing impacts and location or site-specific information.

³⁶ To help support disclosure in line with its recommendations, the TNFD published in October 2024 draft guidance on nature transition plans for consultation. The draft guidance includes recommendations for how a nature transition plan should be disclosed aligned with the recommendations of the Transition Plan Taskforce (TPT) for climate transition plan disclosure. This draft guidance is expected to be pilot tested with a set of companies in 2025.

³⁷ References to transition plans do not exist in the other nature-related ESRS (E2, E3, and E5) or in the GRI Standards and CDSB guidance.

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- (e) the TNFD recommendations, GRI Standards and ESRS specify that information should be disclosed regarding how an entity makes and implements decisions in its strategy following the mitigation hierarchy (TNFD and GRI) and how an entity’s targets apply to the mitigation hierarchy (ESRS)³⁸;
- (f) ESRS (E4 *Biodiversity and ecosystems*) address disclosure about the alignment of an entity’s business model and strategy with the vision of the Global Biodiversity Framework and its relevant goals and targets (E4, paragraph 15). The TNFD recommendations (Strategy C) similarly provide disclosure of how an entity’s performance targets are aligned to the goals and targets in the Global Biodiversity Framework. These disclosure elements are closely related to those described in the discussion of governance-related disclosures in paragraph 22(c) of this paper.
35. For the staff’s views on disclosure of information on dependencies/impacts and locations, please refer to paragraphs 29–30 in the ‘Risk Management’ section of this paper.
36. In the context of an entity’s strategic resilience assessment, the staff believes that disclosure of information about whether and how an entity considers systemic risks, including any scenario analysis used to inform the assessment, could be relevant to investors’ decisions. In engagements with staff, some investors have expressed an interest in information on an entity’s assessment of BEES-related systemic risks and its capacity to adapt to related uncertainties. Such a consideration is similar to the ISSB’s approach to disclosure about an entity’s resilience to climate-related changes, developments and uncertainties in IFRS S2.
37. The staff thinks that disclosure of information about any nature-related transition plan an entity may have in place is likely to be highly relevant to investors. Such information is likely to be help investors assess an entity’s nature-related transition risks, its plans for

³⁸ See footnote 9.

responding to them and the entity's progress against any nature-related targets it may have set. Such information may also be useful to investors in making broader assessments of an entity's forward-looking strategy and transition pathways in terms of assumptions, uncertainties, resource commitments and expected returns. However, further research may be necessary to understand the degree to which disclosure on nature-related transition plans might build on the approach to climate-related transition plans set out in IFRS S2 and how it might be integrated with the ISSB's work to develop educational materials based on the work of the Transition Plan Taskforce.

38. The staff also thinks that whether and how an entity applies the mitigation hierarchy framework is likely to be useful information for investors regarding an entity's use of the hierarchy's steps to inform strategic planning, risk responses and performance targets. Disclosing such information may enhance comparability and understandability of disclosures based on a commonly used framework for addressing BEES-related impacts.
39. The staff thinks that disclosure of information about whether and how an entity's commitments, current and planned activities, performance metrics and targets are informed by the 2050 goals and 2030 targets of the Global Biodiversity Framework is likely to be relevant to investors. Such information would enable assessment of potential transition risks, such as policy, regulatory and compliance risks, as well as potential areas of opportunity for an entity—particularly in those jurisdictions with related national strategies, plans or programmes.

Targets

40. This subsection discusses the staff's analysis of disclosure elements related to disclosure requirements about targets in IFRS S1 (paragraphs 51–53 in IFRS S1). IFRS S1 requires the disclosure of information about the targets an entity has set to monitor progress towards achieving its strategic goals, as well as information about any targets required by law or regulation (paragraph 51 in IFRS S1). Information to be disclosed includes the

- specific qualitative or quantitative target(s), target period, base period, any interim targets, performance against the target and metric used, and any revisions to the target.
41. The target-related disclosure elements of the other BEES-related standards and frameworks are broadly similar or, in some cases, nearly identical to the corresponding requirements in IFRS S1.³⁹ The differences include:
- (a) *alignment with international policy goals*—the TNFD recommendations and CDSB guidance both recommend disclosure of whether and how a target aligns with the Global Biodiversity Framework and the UN Sustainable Development Goals, and the TNFD recommendations also reference other global environmental treaties, policy goals and system-wide initiatives (Metrics & Targets C). The ESRS include a similar disclosure element for the Global Biodiversity Framework (*E4 Biodiversity and ecosystems*, paragraph 32).
 - (b) *engagement, scope and basis*—ESRS and CDSB guidance include disclosure elements focussed on whether and how stakeholders were involved in the target setting process, and the GRI Standards specify disclosure of how stakeholder engagement has informed an entity’s actions (*GRI 3 Material Topics 2021*, Disclosure 3-3-f.). The other BEES-related standards and frameworks also include disclosure elements focussed on the target’s scope (ie, in relation to the business and value chain) and aspects of target composition (for example, whether ecological thresholds were considered when setting targets, and whether or not an entity used biodiversity offsets in setting targets).
42. The staff thinks that the disclosure of information about how a target is informed by or aligns with international policies, agreements, norms and other expectations is likely to be relevant to investors for the reasons set out in paragraph 39 of this paper.

³⁹ The SASB Standards most commonly address an entity’s targets in sectors most closely associated with BEES-related thematic considerations, including the Consumer Goods, Extractives, Infrastructure and Renewable Resources & Alternative Energy sectors.

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43. The staff thinks that the disclosure elements regarding target scope and basis in the other standards and frameworks is covered in IFRS S1 by the requirement to ‘disclose information about the targets [an entity] has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation.’ However, the disclosure elements discussed in paragraph 41(b) of this paper, in some cases, provide more specific BEES-related information and context regarding an entity’s targets and therefore may be relevant to investors when assessing BEES-related risks and opportunities.
44. In the staff’s view, further research and engagement may be necessary to determine the usefulness of the disclosure of information about stakeholder engagement and the target-setting process and specific elements of target composition and target-setting considerations such as biodiversity offsets. Disclosures of target composition elements and target setting considerations also may need to take into consideration other disclosure elements, including those associated with international policy goals (as described in paragraph 39) and any consideration of systemic risks incorporated into an entity’s resilience assessment (as described in paragraph 36) and its risk identification and assessment processes (paragraph 31).

Metrics

45. In this section, the metric-related disclosure elements of the other standards and frameworks are compared with IFRS S1 and the SASB Standards.

Comparisons to IFRS S1

46. IFRS S1 requires the disclosure of metrics, including those metrics required by an applicable ISSB Standard, those used to measure and monitor risks or opportunities, and those used to measure performance in relation to those risks and opportunities (paragraph 46 in IFRS S1). This includes metrics associated with particular business models, activities or other common features that characterise participation in an industry

(paragraph 48 in IFRS S1). However, IFRS S1 does not specify disclosure of any particular metric, although it refers to the SASB Standards and that an entity should refer to and consider their applicability.⁴⁰ Entities using a metric taken from a source other than ISSB Standards must disclose its source, how the metric is defined, the method used to calculate the metric, and whether the metric is validated by a third party (paragraphs 49–50 in IFRS S1).

47. The TNFD recommendations, ESRS and CDSB guidance include metric-related disclosure elements that are broadly similar to the metric-related requirements in IFRS S1.
48. The metric-related disclosure elements in the other BEES-related standards and frameworks differ from those in IFRS S1 in that the other BEES-related standards and frameworks provide particular metrics tied to specific aspects of BEES-related dependencies, impacts, risks and opportunities. For example, the TNFD recommendations (Metrics and Targets A and B) indicate that an entity's disclosed metrics for dependencies, impacts, risks and opportunities should include all TNFD core global metrics and core sector metrics, or if they are not disclosed, an explanation of why.⁴¹ ESRS also require the disclosure of particular metrics used to assess and manage impacts and dependencies on nature. The GRI Standards specify the disclosure of particular metrics related to an entity's BEES-related impacts.⁴² Some of these particular metrics are similar to SASB disclosure elements in certain industries (see next section).

⁴⁰ IFRS S1 paragraph 47 and 58(a).

⁴¹ The TNFD core global metrics include 15 metrics for land use, pollution, waste, plastic, and resource use (including water use) plus another 3 'placeholder' metrics for invasive species and state of nature. The TNFD disclosure metrics were selected through a consultation process which used criteria based on the IFRS Foundation's characteristics of useful information.

⁴² Similar to the TNFD recommended metrics, ESRS and GRI Standards specify disclosure of metrics associated with land use change, resource use, pollution, waste, plastics and invasive species.

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49. In the staff's view, the disclosure of particular BEES-related metrics is highly likely to be relevant to investor decisions. However, further research and engagement will be necessary to determine which particular metrics are likely to provide information that relates to risks and opportunities that could reasonably be expected to affect an entity's prospects and serves as material information for investment decision making, and in which contexts (for example, within specific industries). Consideration will need to be given to the ongoing SASB Standards enhancements when considering new or evolving BEES-related metrics.

Comparisons to SASB metrics

50. In this section, the metric-related disclosure elements in other BEES-related standards and frameworks are compared to the SASB Standards. Since relevant disclosure elements vary among the other standards and frameworks, the staff made comparisons based on a set of common BEES-related topic categories, as described in paragraph 17.⁴³
51. The purpose of this assessment is to determine high-level areas of similarity and difference in how metric-related disclosure elements reference varying issues or subtopics under each BEES-related topic. This assessment did not include a detailed comparison of particular metrics' protocols, methods of calculation or units of measurement. Where the SASB Standards address elements of governance, strategy, risk management and targets, these areas of overlap with the core content areas of IFRS S1 are noted earlier in the paper.

Biodiversity, species and ecosystems

52. The SASB Standards contain biodiversity, species and ecosystems-related disclosure elements under 12 industry standards. Areas of similarity with the SASB Standards:

⁴³ Each disclosure element was tagged to a single BEES-related topic. Although SASB general issue categories as well as some of the other BEES-related standards and frameworks are designed to cover particular topical areas, disclosure elements related to one topical area may fall under a nominally different topic, reflecting the interconnected nature of BEES-related topics.

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- (a) *Biodiversity impacts*: The CDSB biodiversity application guidance under REQ-04 and REQ-05 recommend metrics on sources of biodiversity impacts and performance, many of which are similar to SASB disclosure elements under BEES-related general issue categories such as Ecological Impacts and Air Quality. Some elements of CDSB recommendations such as historical data and baselines may differ depending on the metrics that an entity chooses to report.
- (b) *Location*: The CDSB guidance, ESRS E4, GRI 101-2 and TNFD also contain references to an entity's locations or sites with biodiversity-related impacts or proximity and the management or restoration of those sites. This is similar to disclosure elements within the SASB Standards under the Ecological Impacts general issue category, such as the percentage of sites in or near reserves with protected conservation status or endangered species habitat in the Extractives sector standards.
53. Areas of difference with the SASB Standards:
- (a) *Invasive species*: ESRS E4-5, GRI 101-6 and TNFD contain disclosure elements on the introduction of invasive species, which is a biodiversity-related topic not present in the SASB Standards.
- (b) *State of nature*: TNFD Core Global Metrics include 'placeholder indicators' on the state of nature including ecosystem condition and species extinction risk. ESRS E4-5 and GRI 101-7 include metrics on condition and changes to the state of biodiversity, species and ecosystems.

Land use and land use change

54. The SASB Standards contain land use and land use change-related disclosure elements under 5 industry standards. Areas of similarity with the SASB Standards:
- (a) *Sustainable mangement and restoration*: TNFD Core Metrics include metrics on the extent of ecosystems sustainably managed and restored, including land, freshwater and oceans. While the SASB Standards address similar information on

land, the SASB Standards do not address such information about freshwater and ocean ecosystem management and restoration.

55. Areas of difference with the SASB Standards:

- (a) *Land use*: ESRS E4-5 includes a metric on an entity's land use based on a Life Cycle Assessment where there may be impacts with regards to land use change or the extent and condition of ecosystems, which differs from the SASB Standards. Metrics measuring ecosystem use change and conversion over time (ESRS E4-5, GRI 101-6, TNFD Core Metrics) also differ from the SASB Standards.

Pollution

56. The SASB Standards contain pollution-related disclosure elements under 36 industry standards. Areas of similarity with the SASB Standards:

- (a) *Substances of concern*: ESRS E2 *Pollution*'s metrics on an entity's interactions with substances of concern are somewhat similar to disclosure elements referencing similar information in the SASB Standards.
- (b) *Air emissions*: SASB Standards also include multi-industry metrics on air emissions, similar to those in GRI 305-7⁴⁴ and the TNFD Core Metrics. GRI 305-6 include metrics on the production, import and export of emissions of ozone-depleting substances (ODS), whereas the SASB Standards include a somewhat similar metric on the percentage of refrigerants consumed with zero ozone-depleting potential under a Food & Beverage sector standard.
- (c) *Site-level pollution risk*: GRI 101-6 includes a metric on sites where activities lead or could lead to pollution and the quantity and types of pollution. In comparison, the SASB Standards address pollution generated at sites via metrics such as the percentage of mine sites where acid rock drainage may occur or is mitigated in the

⁴⁴ GRI pollution-related disclosures are currently under revision:
<https://www.globalreporting.org/standards/standards-development/topic-standard-project-for-pollution/>

Extractives sector and the number of locations in or near areas of dense population in the Extractives and Infrastructure sectors.

57. Areas of difference with the SASB Standards:
- (a) *Plastic pollution*: Other standards and frameworks include metrics on microplastics an entity generates or uses (ESRS E2) and an entity's plastic footprint (TNFD Core Metrics) in the context of pollution. While the SASB Standards address an entity's material use and pollution in other ways, the SASB Standards do not specifically address an entity's plastic footprint or microplastics.
 - (b) *Pollution releases*: ESRS E2 quantitative metrics on pollutant releases are related to but differ from pollution-related SASB disclosure elements on spills and incidents of non-compliance. ESRS E2 also includes a metric on any entity's emissions of air pollutants that are listed in a European regulation, which is not referenced in the SASB Standards.

Resource use and extraction

58. The SASB Standards contain resource use and extraction-related disclosure elements under 34 industry standards. Areas of similarity with the SASB Standards:
- (a) *Resource inflows/reuse and recycled*: ESRS E5-4 includes metrics on an entity's overall 'resource inflows' total weight and proportion of secondary reused or recycled components, which are similar to some metrics in the Supply Chain Management and Materials Sourcing & Efficiency general issue categories in the SASB Standards.
 - (b) *Sustainably sourced natural commodities*: TNFD Core Metrics include metrics on the quantity of (high-risk) natural commodities sourced and the proportion sourced under a sustainable management plan or certification programme. ESRS-E4 refers to the proportion of biological materials that are sustainably sourced. The SASB Standards contain similar metrics on natural commodities including food and beverage ingredients and palm oil.

59. Areas of difference with the SASB Standards:

- (a) *Cascading principle*: ESRS E5-4 includes a metric referring to an entity's application of the cascading principle regarding its use of biological materials.⁴⁵
- (b) *Exploitation of natural resources and species*: GRI 101-6 includes a metric on where an entity's activities lead or could lead to the exploitation of natural resources, to report for each wild species harvested, the quantity, the type, and extinction risk and the entity's water withdrawal and water consumption. The SASB Standards include only qualitative information on crop growing and risk, but do include location-based quantitative information on an entity's water withdrawal and consumption (see Water and wastewater).

Waste and circularity

60. The SASB Standards contain waste and circularity-related disclosure elements under 34 industry standards. Areas of similarity with the SASB Standards:

- (a) *Waste*: ESRS E5-5, GRI and the TNFD Core Metrics include quantitative metrics on waste similar to the SASB Standards including total waste generated, waste composition (hazardous/non hazardous), waste diverted (including amount recycled), and waste disposed (including types of disposal). Notably, in their non-sector-specific materials under the scope of this assessment, ESRS E5 and TNFD Core Metrics include metrics on waste types specific to the sector(s) in which the entity operates. The above metrics also contain minor differences from the SASB Standards regarding the specific categories of how waste is broken down.
- (b) *Circular design*: ESRS E5 includes a metric on descriptions of products and materials designed along circular principles. Where similar SASB metrics only explicitly reference durability under circularity-related metrics, within ESRS E5

⁴⁵ 'Cascading use is the efficient utilisation of resources by using residues and recycled materials for material use to extend total biomass availability within a given system.' European Commission, [Glossary](#).

circular design principles are specified as including durability, reusability, repairability and more.

61. Areas of difference with the SASB Standards:

- (a) *Product durability*: ESRS E5 includes a metric on the expected durability of an entity's products in comparison to the industry average.

Water and wastewater

62. The SASB Standards contain water and wastewater-related disclosure elements under 33 industry standards. Areas of similarity with the SASB Standards:

- (a) *Water withdrawal and consumptions*: Metrics on water withdrawal and consumption are common. ESRS E3 includes metrics on only water consumption, whereas CDSB application guidance, TNFD Core Metrics and GRI 303 include metrics on total water withdrawn and consumed including in water-stressed areas and breakdowns by water source, which is similar with the quantitative disclosure present in 8 sectors in the SASB Standards.

63. Areas of difference with the SASB Standards:

- (a) *Water discharge*: CDSB application guidance, GRI 303 and TNFD Core Global Metrics include metrics on total water discharged. This is not a common metric throughout the SASB Standards, although the Oil & Gas – Exploration & Production SASB industry standard includes a disclosure element on the percentage of volume of produced water and flowback fluid discharged, capturing water discharge-related information relevant to that industry.
- (b) *Water use intensity/water storage*: ESRS E3 includes a metric on an entity's water intensity and GRI 303 includes a metric on an entity's change in water storage, neither of which are specified under the SASB Standards.

Other

64. As previously noted, the TNFD recommendations treat nature as a holistic topic and as such, the TNFD Core Global Metrics and Metrics/Targets recommended disclosures A and B include ‘nature-related’ metrics not focused on a specific BEES-related theme. The metrics cover nature-related dependencies and impacts, nature-related opportunities (covering both business and sustainability performance), and nature-related risks (covering physical, transition and systemic risks). While the SASB Standards address many of these areas in the context of specific topics such as water, waste, etc., the SASB Standards do not characterise or refer to ‘nature’ as its own topic and as a result differ from these metrics.