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## ISSB Meeting

Date	<b>March 2025</b>
Project	<b>Human Capital</b>
Topic	<b>Current state of disclosure of human capital-related information— sector findings</b>
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## Purpose

1. This paper summarises the staff's assessment of the metrics entities disclosed on human capital-related topics within, between and among different economic sectors.
2. To research the current state of human capital-related disclosure, this assessment compares information from two databases: a sample of publicly-traded global companies in developed and emerging markets ('available reporters') and a sample of companies reporting in accordance with SASB Standards ('SASB reporters'). The staff's analysis draws on both data sets to compare disclosure patterns within, between and among sectors to understand similarities and differences. These findings will inform considerations for the next phase of the Human Capital research project and any potential future standard-setting activities, including enhancements to the SASB Standards.
3. This paper is meant to be read in tandem with Agenda Paper 4D *Current state of disclosure of human capital-related information* and Agenda Paper 3B and 4C *Approach to research on current state of disclosure of BEES and human capital-related information*. The staff will not ask the ISSB to make any decisions in this session.

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## Background

4. This paper explores the research question, ‘What is the current state of company disclosure about human capital-related risks and opportunities?’ The sector-based assessment presented herein specifically addresses, for human capital-related topics:
- (a) Do the topics appear to be *sector-based* or *cross-cutting* among sectors?
    - (i) A *sector-based* topic is one that could reasonably be expected to present risks or opportunities that are relevant to entities in only a subset of sectors or industries, or where the characteristics of the risks and opportunities appear to be specific to sector or industry contexts.
    - (ii) A *cross-cutting* topic is one that could reasonably be expected to present risks or opportunities that are relevant to entities in a wide range of different sectors and industries and appear to have similar characteristics regardless of sector or industry contexts.<sup>1</sup>
  - (b) Within a given sector, are there differences in the information disclosed between available reporters and SASB reporters?
    - (i) Given the above findings, what are future areas of investigation for the next phase of the research project and considerations for enhancements to the SASB Standards?
5. This assessment compares:
- (a) from the sample of available reporters, human capital-related information from disclosures determined to be similar to the metrics requirements in the IFRS S1 core content area; and
  - (b) from the sample of SASB reporters, human capital-related metrics and/or technical protocols (collectively referred to as ‘disclosure elements’) within the SASB Standards.

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<sup>1</sup> Subject to further research, these topics may still include aspects or information that is specific to sector or industry contexts.

6. For the purpose of comparing disclosures, the staff developed a list of 13 human capital-related topics to help categorise disclosures. Those topics consist of workforce governance; workforce-related human rights due diligence and risk assessments; workforce composition; pay and benefits; diversity and inclusion; recruitment and retention; training and development; health, safety and wellbeing; workforce transitions; worker voice and representation; grievance mechanisms; sourcing practices; working conditions and exploitation.<sup>2</sup>
7. The staff's findings regarding similarities and differences between the two databases are subject to additional analysis and engagement with stakeholders to better understand their potential relevance to investors' decisions and relationship to an entity's prospects. This paper is one element of assessing the current state of disclosure. 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.
8. Further information about the scope of reporters included and the approach for overall assessment can be found in AP3B and 4C *Approach to research on current state of disclosure of BEES and human capital-related information*.

## Summary of findings

9. In the analysis of human capital-related disclosures, the staff found that three out of 13 topics appear likely to be cross-cutting throughout sectors. These topics were found to be cross-cutting for a range of reasons. Some topics appear to be cross-cutting due to their general relevance and characterisation throughout sectors (workforce governance and recruitment and retention). Some topics appear to be

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<sup>2</sup> See Agenda Paper 3B and 4C *Approach to research on current state of disclosure of BEES and human capital-related information* for the definition of each category. While this topical tagging provides a structure for comparison, it should be noted that disclosures are often complex and may be similar or overlapping 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.

cross-cutting due to the consistency of measurement and disclosure in addition to overall relevance (diversity and inclusion).

10. The staff also noted three out of 13 topics that appear to be sector-based. These topics were found to be sector-based for a range of reasons. Some topics appear to be sector-based due to the sector specificity of the information disclosed under the topic (workforce-related human rights due diligence and risk assessments). Some topics appear sector-based due to sector-based disclosure patterns and the relevance of the topic itself to only a subset of sectors (health, safety and wellbeing and sourcing practices).
11. The staff's assessment of some topics as either cross-cutting or sector-based was found to be inconclusive, primarily due to low rates of disclosure on these topics and range of information disclosed. Six inconclusive topics show some indication of being cross-cutting (working conditions and exploitation, grievance mechanisms, workforce composition, pay and benefits, worker voice and representation and training and development). One topic shows some indication of being sector-based (workforce transitions). Further investigation is required to understand these topics throughout sectors, how information on this topic relates to an entity's prospects and whether investors find such information decision-useful.
12. The human capital-related topics were also assessed to determine differences in disclosure patterns between the available reporters and SASB reporters. Three topics (diversity and inclusion, recruitment and retention, and workforce composition) were found to have similar disclosure patterns between both databases. The remaining 10 human capital-related topics were found to have differences in disclosure patterns. Some of the differences can be attributed to the inherent structure of the SASB Standards, where the presence of defined technical protocols and the relative abundance of certain disclosure elements dictates the extent of disclosure to a degree. Most often, differences in disclosure were found due to a broader set of information and more qualitative information being disclosed by the available reporters as compared to the SASB reporters. Areas where structural differences to the SASB

Standards caused differences, or simply differing patterns emerged in comparison to the available reporters, are highlighted under each topic for future research.

#### Questions for the ISSB

1. Do ISSB members have any questions or clarifications about sector findings on the current state of disclosure of human capital-related information?
2. Which of the findings about the current state of disclosure of human capital-related information presented in this paper do ISSB members think warrant further research or engagement in the next phase of research?
3. Which of the findings about the current state of disclosure of human capital-related information presented in this paper do ISSB members think warrant further research or engagement with regards to the SASB enhancements?

## Analysis

### *Diversity and inclusion*

13. Available reporters: Most entities in the available reporters database disclosed information about diversity and inclusion. Entities in all 11 SICs sectors reported information related to this topic, with the highest disclosure rates in the Financials, Technology & Communications, Infrastructure and Resource Transformation sectors. Under this topic, information about gender representation within the workforce including by worker type (employees and non-employees) and by position type (management/leadership, middle management, etc.) was the most highly disclosed throughout sectors. Other aspects were disclosed under this topic at a significantly lower rate, including disaggregation of information by other diversity-related characteristics (including racial or ethnic groups, STEM roles/occupations, veteran status, and disabled workers), disaggregation by geography and considerations of diversity in recruiting practices.
14. SASB reporters: Relative to other human capital-related topics in the SASB Standards, diversity and inclusion-related disclosure elements are moderately

abundant and entities disclosed related information at a high rate on average.

Diversity and inclusion-related disclosure elements are present in five of 11 SICS sectors. The highest disclosure rates of diversity and inclusion-related information were in the Financials, Technology & Communications and Services sectors. Under this topic, the most highly disclosed and the most common disclosure element throughout sectors was the percentage of gender and diversity group representation among employee types (with most entities in four sectors reporting this information). Descriptions of policies and programmes to prevent worker harassment (in the Services sector) was disclosed at a medium rate. Monetary losses associated with legal proceedings on discrimination (in the Consumer Goods and Food & Beverage sectors) was on average the least frequently disclosed under this topic.

15. Comparison: Based on the current state of disclosure, this topic appears likely to be *cross-cutting*. Diversity and inclusion-related information is consistently characterised and measured and is relevant throughout sectors. There appear to be similar disclosure patterns between available reporters and SASB Standards disclosures, although entities in the sample of available reporters disclosed additional broader information including considerations of diversity in recruiting practices.

### ***Grievance mechanisms***

16. Available reporters: A few entities in the available reporters database disclosed information about grievance mechanisms. Entities in all 11 SICS sectors reported information related to this topic, with the highest disclosure rates in the Financials, Resource Transformation, Extractives & Minerals Processing, Technology & Communications and Infrastructure sectors. Under this topic, information on the number of incidents (such as number of complaints or grievances) was the most highly disclosed throughout sectors. Other aspects were disclosed under this topic at a significantly lower rate, including information on training on ethics, anti-corruption and compliance.

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17. SASB reporters: The SASB Standards do not contain standalone disclosure elements on grievance mechanisms for an entity's workforce.
  18. Comparison: Based on the current state of disclosure, further research is needed to develop understanding of how this topic is characterised. Information from the low reporting rates potentially indicates a cross-cutting topic. Disclosure patterns differ between the two databases due to the absence of specific disclosure elements on this topic in the SASB Standards. Further research is needed to determine how information on this topic relates to an entity's prospects and whether investors find such information decision-useful.

### ***Health, safety and wellbeing***

19. Available reporters: Most entities in the available reporters database disclosed information about health, safety and wellbeing. Entities in all 11 SICs sectors reported information related to this topic, with the highest disclosure rates in the Extractives & Minerals Processing, Resource Transformation and Infrastructure sectors. Under this topic, information on health and safety-related incidents that occurred (incident or injury rate, fatality rate and accident rate) was the most highly disclosed throughout sectors. Companies in the Financials and Technology & Communications sectors had relatively low disclosure rates on health and safety-related incidents that have occurred. Other aspects are disclosed under this topic at a significantly lower rate, including maternity, paternity, and family medical leave or paid sick leave, health program participation or general wellbeing initiatives and health and safety training.
20. SASB reporters: Relative to other human capital-related topics in the SASB Standards, health, safety and wellbeing-related disclosure elements are highly abundant and entities disclosed related information at a high rate on average. Health, safety and wellbeing-related disclosure elements are present in nine of 11 SICs sectors and are most numerous in the Extractives & Minerals Processing and Transportation sectors. The highest disclosure rates of information about this topic

were in the Infrastructure, Renewable Resources & Alternative Energy, Technology & Communications and Transportation sectors. Under this topic, the most highly disclosed and the most common disclosure element throughout sectors was incident rates (accidents, deaths, and near-misses and worker injuries), which was present in nine sectors. Information on an entity's management of risks to workers or management systems used to integrate a culture of safety was less abundant throughout sectors (six sectors) and was less highly reported on average. The SASB Standards do not contain standalone disclosure elements on other aspects disclosed in the sample of available reporters such as worker leave and wellbeing. A number of disclosure elements are present in a single sector to address specific health, safety and wellbeing aspects including the percentage of seafarers working maximum hours (Transportation), the number of reported cases of silicosis (Extractives & Minerals Processing) and total monetary losses from legal proceedings associated with employee health and safety violations (Technology & Communications).

21. Comparison: Based on the current state of disclosure, this topic appears likely to be *sector-based*. Although some information is consistently characterised at a high level, the relevance and specificity of some health, safety and wellbeing aspects appears to vary throughout sectors. There appear to be differing disclosure patterns between available reporters and SASB Standards disclosures; entities in the sample of available reporters disclosed broader information as compared to SASB Standards disclosures, including aspects such as worker leave and wellbeing.

### ***Pay and benefits***

22. Available reporters: Some entities in the available reporters database disclosed information about pay and benefits. Entities in all 11 SICS sectors reported information related to this topic at a relatively low rate, with the highest disclosure rates in the Consumer Goods, Financials and Food & Beverage sectors. Under this topic, information on the gender or racial pay gap was the most highly disclosed throughout sectors (except for the Renewable Resources & Alternative Energy sector, where this information was disclosed at a lower rate). Other aspects were disclosed



under this topic at a lower rate, including information on performance-based pay, minimum wage and retirement plans.

23. SASB reporters: Relative to other human capital-related topics in the SASB Standards, pay and benefits-related information disclosure elements are less abundant and entities disclosed related information at a lower rate on average. Pay and benefits-related disclosure elements are present in four of 11 SICS sectors. Pay and benefits-related information (primarily on average hourly wage and minimum wage) was most highly reported in the Consumer Goods, Food & Beverage and Services sectors. Pay and benefits-related information was significantly least frequently disclosed in the Transportation sector.
24. Comparison: Based on the current state of disclosure, further research is needed to develop understanding of how this topic is characterised. Information from the low reporting rates from the available reporters database potentially indicates a cross-cutting topic with minimum wage as a common aspect between available reporters and SASB reporters. Otherwise, differing disclosure patterns between available reporters and SASB Standards disclosures was evident; entities in the available reporters database disclosed broader pay and benefits-related information as compared to the SASB Standards disclosures. Further research is needed to determine how information on this topic relates to an entity's prospects and whether investors find such information decision-useful.

### ***Recruitment and retention***

25. Available reporters: Many entities in the available reporters database disclosed information about recruitment and retention. Entities in all 11 SICS sectors reported information related to this topic, with the highest disclosure rates in the Services, Health Care, Food & Beverage and Financials sectors. Under this topic, information on turnover rates was the most highly disclosed throughout sectors (except for the Renewable Resources & Alternative Energy sector, where this information was disclosed at a lower rate). Other aspects were disclosed under this topic at a lower

rate, including information on the number of hires, internal mobility and retention rate.

26. SASB reporters: Relative to other human capital-related topics in the SASB Standards, recruitment and retention-related disclosure elements are moderately abundant and entities disclosed related information at a medium rate on average. Recruitment and retention-related disclosure elements are present in five of 11 SICS sectors. Turnover rate disclosure elements are the most common throughout sectors: related information was disclosed most highly in the Services and Transportation sectors, moderately in the Food & Beverage and Health Care sectors, and was least frequently disclosed in the Consumer Goods sector. Description of talent recruitment and retention efforts is a disclosure element limited to the Health Care sector standards.
27. Comparison: Based on the current state of disclosure, this topic appears to be *cross-cutting*. Recruitment and retention-related information is consistently characterised throughout sectors, primarily focussed on turnover rate. Comparison of both databases indicates particular relevance of this topic to the Services, Food & Beverage and Health Care sectors subject to further research. There appear to be similar disclosure patterns between available reporters and SASB Standards disclosures. Entities in the sample of available reporters disclosed broader information as compared to SASB Standards disclosures but at a low rate, including on aspects such as the number of hires, internal mobility and retention rate.

### ***Sourcing practices***

28. Available reporters: Some entities in the available reporters database disclosed information about sourcing practices. Entities in all 11 SICS sectors reported information related to this topic. Under this topic, information on supplier assessments was the most highly disclosed throughout sectors (except for the Financials sector, where this information was reported at a lower rate). Other aspects were disclosed under this topic at a lower rate, including information on supplier audits, sustainability

assessment of suppliers and supplier compliance, corrective actions and supplier diversity.

29. SASB reporters: Relative to other human capital-related topics in the SASB Standards, sourcing practices-related disclosure elements are less abundant and entities disclosed related information at a medium rate on average. Sourcing practices-related disclosure elements are present only in the Food & Beverage sector, with qualitative information on an entity's management of social risks in the supply chain reported at a slightly higher rate than quantitative information on the percentage of food sourced meeting environmental or social standards. Details on SASB reporter disclosures on supply chain audits, compliance, conformance rates, and information related to other human capital-related risks are otherwise discussed under the relevant topics including 'Workforce-related human rights due diligence and risk assessments' (paragraph 47).
30. Comparison: Based on the current state of disclosure, this topic appears likely to be *sector-based*. Although some information is consistently characterised at a high level, the types and relevance of sourcing practices-related information varies by sector or industry context. There appear to be differing disclosure patterns between available reporters and SASB reporters; entities in the available reporters disclosed broader information such as sustainability assessments and supplier diversity as compared to SASB Standards disclosures.

### ***Training and development***

31. Available reporters: Many entities in the available reporters database disclosed information about training and development. Entities in all 11 SICs sectors reported information related to this topic, with the highest disclosure rates in the Food & Beverage, Infrastructure and Transportation sectors. Under this topic, information on training hours was the most highly disclosed throughout sectors. Other aspects were disclosed under this topic at a lower rate, including the number or percentage of employees participating in training, training costs, and performance reviews.

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32. SASB reporters: The SASB Standards contain health, safety and wellbeing-related disclosure elements that reference average hours of health, safety and emergency training under three industry standards in the Extractives & Minerals Processing sector. These disclosure elements were reported at a high rate on average.
  33. Comparison: Based on the current state of disclosure, further research is needed to develop understanding of how this topic is characterised. Information from the available reporters database potentially indicates a cross-cutting topic with average training hours as a common disclosure between available reporters and SASB reporters. Otherwise, differing disclosure patterns were evident due to the absence of broader disclosure elements on this topic under the SASB Standards. Further research is needed on types of workforce training and development and other related information to determine if such information may be sector-based, how it relates to an entity's prospects and whether investors find such information decision-useful.

### ***Worker voice and representation***

34. Available reporters: Most entities in the available reporters database disclosed information about worker voice and representation. Entities in all 11 SICS sectors reported information related to this topic, with the highest disclosure rates in the Health Care and Services sectors. Under this topic, information on employee satisfaction scores, employee engagement indexes and collective bargaining and union membership was the most highly disclosed. However, the disclosure rates were relatively low for these metrics among all sectors. Other aspects were disclosed under this topic at a lower rate, including information on employee survey response rate and performance reviews.
35. SASB reporters: Relative to other human capital-related topics in the SASB Standards, worker voice and representation-related disclosure elements are moderately abundant and entities disclosed related information at a high rate on average. Worker voice and representation-related disclosure elements are present in eight of 11 SICS sectors. Entities disclosed information on work stoppages, strikes

and lockouts (five sectors), the percentage of the workforce employed under collective agreements (four sectors), the percentage of employee engagement (three sectors), and descriptions of whistleblower policies (Financials sector). However, disclosure rates differed throughout sectors: entities in the Food & Beverage sector had the lowest disclosure rates for number of work strikes or stoppages and the percentage of the workforce employed under collective agreements. Entities in the Consumer Goods sector had the lowest disclosure rates for employee engagement information.

36. Comparison: Based on the current state of disclosure, further research is needed to develop understanding of how this topic is characterised. Information the available reporters database potentially indicates a cross-cutting topic. Information on aspects such as employee engagement and workforce collectives appear to be common between available reporters and SASB reporters. Disclosure patterns otherwise differ between the two databases and within disclosure under the SASB Standards with low rates of disclosure in the Food & Beverage and Consumer Goods sectors. Further research is needed to determine how information on this topic relates to an entity's prospects and whether investors find such information decision-useful.

### ***Workforce composition***

37. Available reporters: Some entities in the available reporters database disclosed information about workforce composition. Entities in all 11 SICS sectors reported information related to this topic, with the highest disclosure rates in the Transportation sector. Under this topic, information on workforce disaggregation by contract type was the most highly disclosed. However, disclosure rates differed throughout sectors. Other aspects were disclosed under this topic at a lower rate, including information on the total number of employees.
38. SASB reporters: Relative to other human capital-related topics in the SASB Standards, workforce composition-related disclosure elements are less abundant and entities disclosed related information at a lower rate on average. Workforce composition-related disclosure elements are present in three of 11 SICS sectors, with

the highest disclosure rates in the Technology & Communications and Transportation sectors. Relevant disclosure elements address workforce disaggregation by specific employment-related characteristics, including the percentage requiring a visa or percentage classified as independent contractors.

39. Comparison: Based on the current state of disclosure, further research is needed to develop understanding of how this topic is characterised. Information from the available reporters database potentially indicates a cross-cutting topic, with similar disclosure patterns between available reporters and SASB reporters. Further research is needed on certain types of disaggregation (including by contract type) and potential relevance to the Transportation sector to determine if such information may be sector-based, how it relates to an entity's prospects and whether investors find such information decision-useful.

### **Workforce governance**

40. Available reporters: Almost all entities in the available reporters database disclosed information about workforce governance. Entities in all 11 SICS sectors reported information related to this topic, including information on remuneration and compensation, committee structures and responsibilities, oversight of risks and relevant policies, and board composition.<sup>3</sup> Under this topic, information on board oversight on human capital-related topics was the most highly disclosed, including broad human capital management, executive remuneration, diversity and inclusion and training and development. Disclosure was high throughout sectors, where almost all entities in most sectors and many entities in Extractive and Renewable Resources & Alternative Energy sectors disclosed this information. Other aspects were disclosed under this topic at a lower rate, including information on governance practices.

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<sup>3</sup> For available reporters, workforce governance-related information is derived from disclosures determined to be similar to the governance requirements in the IFRS S1 core content area. Other topic information is derived from metrics as described in paragraph 5.

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41. SASB reporters: Relative to other human capital-related topics in the SASB Standards, workforce governance-related disclosure elements are less abundant and entities disclosed related information at a lower rate on average. Workforce governance-related disclosure elements are present in five of 11 SICS sectors. Entities disclosed information on the total amount of monetary losses as a result of legal proceedings associated with labour law violations (present under three sectors); however, disclosure rates were highest in the Transportation sector and significantly lower in the Consumer Goods and Services sectors. Entities reported other information such as the number and percentage of workers with a record of regulatory proceedings (Financials sector) and a description of a code of ethics (Healthcare sector).
42. Comparison: Based on the current state of disclosure, this topic appears to be *cross-cutting*. Broader governance-related information appears to be consistently characterised throughout sectors. However, there is potentially additional governance related-information that can be sector-based as is indicated by SASB Standards disclosures subject to further research. There appear to be differing disclosure patterns between available reporters and SASB Standards disclosures likely attributed to disclosure of this information in the ‘governance’ core content area.

### ***Workforce transitions***

43. Available reporters: A few entities in the available reporters database disclosed information about workforce transitions. Entities in all 11 SICS sectors reported information related to this topic, but at very low disclosure rates for all sectors. Under this topic, information about general upskilling of the workforce, reskilling of the workforce and upskilling in terms of digital skills are the most highly disclosed. However, disclosure rates differed throughout sectors. Entities in the Renewable Resources & Alternative Energy sector have the highest disclosure rates for all workforce transitions-related information, and disclosure rates were especially low for entities in the Resource Transformation, Technology & Communications, Extractives & Minerals Processing and Financials sectors. Other aspects were disclosed under this

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topic at a lower rate, including implementation of low carbon economy strategies and succession planning.

44. SASB reporters: The SASB Standards do not contain standalone disclosure elements on workforce transitions including upskilling and succession planning.
45. Comparison: Based on the current state of disclosure, further research is needed to develop understanding of how this topic is characterised. Information from the low reporting rates from the available reporters database potentially indicates a sector-based topic with relevance to the Renewable Resources & Alternative Energy sector. Otherwise, differing disclosure patterns were evident due to the absence of specific disclosure elements on this topic under the SASB Standards. Further research is needed to determine how information on this topic relates to an entity's prospects and whether investors find such information decision-useful.

### ***Workforce-related human rights due diligence and risk assessments***

46. Available reporters: Most entities in the available reporters database disclosed information about workforce-related risk assessments.<sup>4</sup> Entities in all 11 SICS sectors reported information related to this topic on how entities identify, assess and/or monitor human capital-related risks at relatively high disclosure rates. The risks mentioned in the disclosures were mostly related to the reporting entity's own workforce, especially for those risks associated with health, safety and wellbeing and worker voice and representation. On the other hand, risk management disclosures related to sourcing practices were more closely associated with workers in the value chain. Details on available reporter disclosures on supply chain audits, compliance, conformance rates, and information related to other human capital-related risks are otherwise discussed under 'Sourcing practices' (paragraph 28).

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<sup>4</sup> For available reporters, workforce-related human rights due diligence and risk assessments-related information is derived from disclosures determined to be similar to the risk management requirements in the IFRS S1 core content area. Other topic information is derived from metrics as described in paragraph 5.



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47. SASB reporters: Relative to other human capital-related topics in the SASB Standards, risk assessment-related disclosure elements are moderately abundant and entities disclosed related information at a high rate on average. Risk assessment-related disclosure elements are present in five of 11 SICS sectors, with variance among sector disclosure rates. Under this topic, the highest disclosure rates were consistently from entities in the Consumer Goods sector, namely on the number or percentage of facilities and/or suppliers audited to social criteria (present under two sectors total), supplier social non-conformance rates (three sectors), and the description of human capital-related risks and/or risk management efforts (three sectors). Non-conformance rates were less highly reported in the Food & Beverage sector, and risk management efforts were less highly reported in the Infrastructure sector.
48. Comparison: Based on the current state of disclosure, this topic appears to be *sector-based*. There appear to be differing disclosure patterns between available reporters and SASB reporters. Available reporters reported broader information related to a range of human capital-related risks (likely attributed to disclosure of this information in the ‘risk management’ core content area), whereas SASB disclosures were relatively more focussed on quantitative measure of risk assessment including audits and non-conformance.

### ***Working conditions and exploitation***

49. Available reporters: Some entities in the available reporters database disclosed information about working conditions and exploitation. Entities in all 11 SICS sectors reported information related to this topic, but at low disclosure rates for all sectors. Under this topic, information about the percentage of employees who took training related to human rights, modern slavery and human trafficking awareness and the number of incidents, percentage of assessed facilities or number of suppliers with child or forced labour risks was the most highly disclosed. Other aspects disclosed under this topic include information about legal compliance, supplier audits, non-discrimination practices, conformance rates and modern slavery.

50. SASB reporters: The SASB Standards do not contain standalone disclosure elements on working conditions and exploitation. Details on working conditions and exploitation-related information, such as supplier assessments, compliance and labour risks is otherwise discussed under topics including ‘Workforce-related human rights due diligence and risk assessments’ (paragraph 47).
51. Comparison: Based on the current state of disclosure, further research is needed to develop understanding of how this topic is characterised. Information from the low reporting rates from the available reporters database potentially indicates a cross-cutting topic. Differing disclosure patterns were evident due to the absence of specific disclosure elements on this topic under the SASB Standards. Further research is needed to determine how information on this topic relates to an entity’s prospects and whether investors find such information decision-useful.



## Appendix A: Quantitative analysis of disclosures of human capital-related information in the SASB Standards

The number of SASB Standards disclosure elements (#) and entity reporting rates (%) within sectors.

	Consumer Goods		Extractives & Minerals Processing		Financials		Food & Beverage		Health Care		Infrastructure		Renewable Resources & Alternative Energy		Resource Transformation		Services		Technology & Communications		Transportation	
Diversity and Inclusion	3	Most			2	Almost all	2	Most									3	Most	3	Almost all		
Pay and Benefits	1	Most					2	Most									1	Most			2	Many
Recruitment and Retention	2	Most					1	Most	4	Most							2	Almost all			1	Almost all
Sourcing Practices							3	Most														
Worker Voice and Representation	1	Most	4	Most	3	Almost all	2	Most			2	Almost all					1	Almost all	3	Most	4	Almost all
Workforce Composition	1	Most																	3	Most	1	Most
Workforce Governance	1	Most			1	Most			2	Most							1	Many			2	Most
Health, Safety and Wellbeing			17	Most			3	Most	3	Most	5	Almost all	4	Almost all	5	Most	3	Most	3	Almost all	18	Almost all
Workforce-related Human Rights Due	5	Almost all					4	Most			1	Many			1	Almost all			4	89%		