EXPOSURE DRAFT

ESRS E4
Biodiversity and ecosystems

Basis for conclusions

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PTF-ESRS
Project Task Force on European sustainability reporting standards

EFRAG

DISCLAIMER

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Objective

BC1. The objective of this [Draft] Standard is to set disclosure requirements that cover the information required by undertakings across all sectors (subject to the rebuttable presumption in ESRS 1 paragraph 57 to 62) in order to report under a double materiality perspective. It covers in particular:

(a) the impacts (on biodiversity and ecosystems);

(b) the actions and results of those actions;

(c) the material risks and opportunities arising from the undertaking's impacts and dependencies. Such risks and opportunities are sources of financial effects; and

(d) the effects of risks and opportunities on the undertaking's development, performance and position over the short-, medium- and long-term and therefore on its ability to create enterprise value (financial effects).

Context and reference table

BC2. The approach to drafting this proposal has been described in the cover note of the consultation documents.

BC3. ESRS E4 was drafted in light of the international conventions on biodiversity such as:

(a) Convention on Biological Diversity, 1992;

(b) Cancun Declaration, 2016[1];

(c) Sharm El-Sheikh Declaration, 2018[2]; and

(d) Kunming Declaration, 2021[3].

BC4. Besides, all environment objectives of the Taxonomy are interrelate as reminded in the Platform on Sustainable Finance's report with recommendations on technical screening criteria for the four remaining environmental objectives of the EU Taxonomy. Hence the provisions of ESRS E4 are to be read in conjunction with other environmental standards.

BC5. In order to comply with the requirements of the [Draft] Corporate Sustainability Reporting Directive ("CSRD"), considering the EU legislative framework and taking into account current international frameworks, the following disclosure requirements emerge as most relevant:

[1] highlights the necessity to support sustainable production and consumption throughout the value chains.

[2] Biodiversity and ecosystems are the fundamental infrastructure that supports all forms of life on Earth. They are essential not only for the provision of all natural services, but also for underpinning economic growth and sustainable development (Sharm El-Sheikh Declaration, 2018). Additionally, according to the Sharm El-Sheikh Declaration (2018), human health depends on biodiversity in multiple ways, and that the loss of biodiversity and ecosystem services negatively impacts human health.

[3] The Kunming Declaration (October 2021) is concerned that the ongoing loss of biodiversity jeopardizes achievement of the Sustainable Development Goals and other international goals and targets, and acknowledges with grave concern that the unprecedented and interrelated crises of biodiversity loss, climate change, land degradation and desertification, ocean degradation, and pollution, and increasing risks to human health and food security, pose an existential threat to our society, our culture, our prosperity and our planet

Disclosure Requirement	European framework references	International framework references
Disclosure Requirement E4-1 – Transition plan in line with the targets of no net loss by 2030, net gain from 2030 and full recovery by 2050	[Draft] CSRD Art. 19a (2) iii	CDSB Application Guidance on Biodiversity-related disclosures REQ-02
Biodiversity and ecosystems-related specific application guidance on ESRS 2 Disclosure Requirement SBM 4 (paragraph 47 (d)) Resilience of the strategy and business model	[Draft] CSRD Art. 19a (2) lit. (b)	CDSB Application Guidance on Biodiversity-related disclosures REQ-02 SASB Integrated Reporting Framework GRI 2 Global Capitals Coalition Biodiversity Guidance p. 18 Science Based Targets for Nature TNFD Technical Scope (2021) and TNFD draft disclosure recommendations (2022)
Biodiversity and ecosystems-related specific application guidance on ESRS 2 Disclosure Requirements IRO 1 and IRO 2 on materiality assessment	[Draft] CSRD Art. 19a (1), (2) lit. (e) (ii) and lit. (f) SFDR, PAI, Indicator 7 of Table 1 of Annex 3 and Indicator 10 and 14.1 of Table 2 of Annex 3 SFDR Art. 4 & 6	EMAS and Biodiversity 2016 Guidelines Product Environmental Footprint (p. 11, 40, 41, 44, 53) TNFD LEAP (Locate, Evaluate, Assess, Prepare) SASB Integrated Reporting Framework GRI 102-30 Convention on Biological Diversity CDSB Application Guidance on Biodiversity-related disclosures REQ-03 SBTN p.12, 16. 20, 21 Biodiversity Guidance of the Natural Capital Protocol p. 16, 17, 19
Disclosure Requirement E4-2 – Policies implemented to manage biodiversity and ecosystems	[Draft] CSRD Art. 5 and 6 PAI, Indicators 14 1. and 2. of Table 2 of Annex 3	EMAS and Biodiversity 2016 Guidelines PTF-NFRS ISO 14001 Convention on Biological Diversity / Kunming Declaration (2021) / Nagoya Protocol GRI Universal Standards 2021 CDP Forests questionnaire

		TNFD (2022) UNGC Communication on Progress CDSB Application Guidance for Biodiversity
Disclosure Requirement E4-3 – Measurable targets for biodiversity and ecosystems	[Draft] CSRD Art. 19a (2) lit. (b)	EMAS Regulation Science Based Targets for Nature (2020) p. 12, 43 Biodiversity Guidance of the Natural Capital Protocol GRI 3 CDSB Application Guidance for Biodiversity Disclosures CDP Forests 2021 questionnaire Task-Force for Nature-related Financial Disclosures (2021, 2022) ISO 14097, IUCN
Disclosure Requirement E4-4 – Biodiversity and ecosystems action plans	[Draft] CSRD Art. 19a (2) lit. (e)	Taxonomy Regulation Annex II and IV of the EMAS Regulation Kunming Declaration GRI 3 Convention on Biological Diversity (1992) Global Biodiversity Framework SBTN (2020) p. 30 Biodiversity Guidance of the Natural Capital Protocol p. 63 TNFD (2022)
Disclosure Requirement E4-5 – Pressure metrics	[Draft] CSRD Article 19a (2) lit. (g) SFDR, PAI, Indicator 21 of Table 2 of Annex 3	Annex IV of the EMAS Regulation SBTN (2020) p. 12 Convention on Biological Diversity (1992, 2010) REQ-04 of the CDSB Framework TNFD OECD Pressure-State/Impact-Response model developed Convention on Biological Diversity (1992, 2010) SBTN (2020) p.12 TNFD IUCN (2018) p.9
Disclosure Requirement E4-6 – Impact metrics		
Disclosure Requirement E4-7 – Response metrics		
Optional Disclosure Requirement E4-8 – Biodiversity-friendly consumption and production metrics		

Optional Disclosure Requirement E4-9 – Biodiversity offsets		GRI 304-3
Disclosure Requirement E4-10 – Financial effects from biodiversity-related impacts, risks and opportunities	[Draft] CSRD Recitals (54)	PTF-NFRS

BC6. This [Draft] Standard sets disclosure requirement for undertakings to report about their contribution to achieve the main policy targets in relation to biodiversity and ecosystems, which can be summarised below (please see Appendix B "Global and EU goals and targets" for reference):

(a) Halt desertification, restore degraded land and soil, including wetlands and land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world, and reach land degradation neutrality by 2030. For at least 30% of species and habitats not currently in favourable status are classified in that category or show a strong positive trend, and significant areas of degraded and carbon-rich ecosystems are restored.

(b) Ensure that at least 30% globally of land areas and of sea areas, especially areas of particular importance for biodiversity and its contributions to people, are conserved. This conservation takes place through effectively and equitably managed, ecologically representative and well-connected systems of protected areas and other effective area-based conservation measures and integrated into the wider landscapes and seascapes. At least 30% of the land and 30% of the sea are protected in the EU by 2030. Reduce the rate of land take, urban sprawl and sealing to achieve no net land take by 2050.

(c) Strive to end natural forest loss by 2030 in full respect of ecological principles, bring 350 million hectares of deforested and degraded land into restoration, including planting at least 3 billion additional trees in the EU by 2030. Also, to protect strictly at least a third of the EU's protected areas, including all remaining EU primary and old-growth forests. Achieve 55-75% of total area of forested land, whereof 60-85% tropical and boreal forest, in line with planetary boundaries.

(d) Ensure all areas under agriculture, aquaculture and forestry are managed sustainably, in particular through the conservation and sustainable use of biodiversity. Ensure increasing the productivity and resilience of these production systems and promote sustainability in agriculture by eliminating deforestation in relation to agricultural commodities. This will require working in partnership with consumer and producer countries and with all actors along the supply chains to this end.

(e) Ensure that at least 25% of the EU's agricultural land is organically farmed by 2030 and bring back at least 10% of agricultural area under high-diversity landscape features, protect soil fertility, reduce soil erosion and increase soil organic matter.

(f) Strive to conserve, restore and use in a sustainable way terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands by 2020. Restore wetlands globally to offer 14% of the mitigation potential needed to limit global warming by 2 degrees by 2030.

(g) By 2030, achieve the sustainable management and efficient use of natural resources, with all businesses (public and private, large, medium and small) assess and report on their dependencies and impacts on biodiversity. Such assessment and reporting should include local to global, and progressively work to reduce negative impacts, by at least half and increase positive impacts. Furthermore reduce biodiversity-related risks to businesses and moving towards the full sustainability of extraction and production practices, sourcing and supply chains, and use and disposal.

(h) Contribute towards ensuring biodiversity through the conservation of natural habitats and of wild fauna and flora in the European territory of the Member States. Establish the world's largest network of protected areas under Natura 2000 and any other EU and Member State protection/classification schemes.

(i) Stop the degradation of natural habitats, halt the loss of biodiversity and protect and prevent the extinction of threatened species, with a decrease in the proportion of species that are threatened, and the abundance and distribution of populations of species is enhanced or at least maintained.

(j) Save one million animal and plant species currently threatened with extinction. Prevent the extinction of known threatened species and improve and sustain their conservation status, particularly of those most in decline. Reverse the decline in pollinators.

(k) End poaching and trafficking of protected species of flora and fauna and address both demand and supply of illegal wildlife products. Ensure that the harvesting, trade and use of wild species is sustainable, legal, and safe for human health.

(l) Ensure active management actions to enable the recovery and conservation of species and the genetic diversity of wild and domesticated species, including through ex situ conservation. Effectively manage human-wildlife interactions to avoid or reduce human-wildlife conflict.

(m) Safeguard genetic diversity of wild and domesticated species, with an increase in the proportion of species that have at least 90% of their genetic diversity maintained.

(n) Prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems. Control or eradicate the priority species, with the aim to manage established invasive alien species and decrease the number of Red List species they threaten by 50%.

(o) Protect the rights of local communities considering their traditional knowledge, innovations and practices. Protect the rights of indigenous people, involving them in the decision-making process related to biodiversity which ensures their free, prior, and informed consent.

(p) Ensure benefits, including nutrition, food security, medicines, and livelihoods for people especially for the most vulnerable through sustainable management of wild terrestrial, freshwater and marine species. Protect customary sustainable use by indigenous peoples and local communities.

(q) Improve awareness and knowledge of values of biodiversity and related science base and technologies also regarding pollinator decline.

(r) Mobilize financial resources for the Strategic Plan for Biodiversity 2011-2020 from all sources, integrate green infrastructure (GI), including nature-based solution, into key policy areas and eliminate incentives, including subsidies, harmful to biodiversity.

BC7. The following rationale for choosing disclosure requirements results from the above list of objectives:

(a) Biodiversity and climate change are intertwined issues, as noted in the co-organised workshop between IPBES[4] and IPCC[5]: "Unprecedented changes in climate and biodiversity, driven by human activities, have combined and increasingly threaten nature, human lives, livelihoods and well-being around the world. Biodiversity loss and climate change are both driven by human economic activities and mutually reinforce each other. None will be successfully resolved unless both are tackled together." (International Platform on Biodiversity and Ecosystem Services, 2021)[6]. In conjunction with scientific knowledge progress, two significant global initiatives are mirroring existing climate change frameworks and science-based targets for biodiversity: the Taskforce for Nature Financial-related Disclosures and the Sciences-based targets for Nature. In addition, the Climate Disclosure Standards Board issued Application guidance for biodiversity-related disclosures in 2021.

(b) Biodiversity is a systemic issue. Science Based Targets for Nature (2020) introduced a fourth step called "transform" (transform underlying systems, at multiple levels, to address the drivers of nature loss) in their action framework, and the Taskforce for Nature-related Financial Disclosures (2021) added the category of "systemic risks" related to nature.

(c) Impacts on biodiversity are location-specific and local in nature. Therefore, two appropriate disclosure pathways exist: through geographical locations of sites, and through geographical locations of raw materials.

(d) Biodiversity and ecosystems disclosures are approached via dependencies, impacts and biodiversity loss impact drivers.

(e) According to the IPBES, pressures on biodiversity and ecosystems, also termed key biodiversity loss impact drivers, originate from five categories of impact drivers: land-use or habitat change, climate change, pollution, natural resource use and exploitation, as well as invasive species and are partly covered by other standards.

(f) The mitigation hierarchy is key to categorising policies, targets and actions.

[4] International Platform on Biodiversity and Ecosystem Services

[5] Intergovernmental Panel on Climate Change

[6] https://www.ipbes.net/events/ipbes-ipcc-co-sponsored-workshop-report-biodiversity-and-climate-change

(g) Biodiversity and ecosystems metrics can be separated in two groups: species and ecosystems' metrics. Moreover, they can be categorised using the pressure-impact/state-response framework[7]. This categorisation is also consistent with IPBES Global assessment report summary for policymakers[8] and the underlying concepts of the SBTN framework referring to abundance and diversity of species on the one hand and biodiversity on the other hand[9].

(h) Biodiversity and social issues are intertwined, especially concerning genetic resources and traditional knowledge. Therefore, disclosures pertaining to the interaction between local and indigenous communities and biodiversity are included, where relevant.

(i) The entire value chain (including supply chain, operations, products and services sold and used) has to be considered when assessing materiality.

Disclosure Requirements

General, strategy, governance and materiality assessment

Disclosure Requirement E4-1 – Transition plan in line with the targets of no net loss by 2030, net gain from 2030 and full-recovery by 2050

BC8. Users need information that allow them to assess how the undertaking creates value over the medium-and long-term, including how they ensure that their business model and strategy is compatible with the transition to a sustainable economy and with the preservation and restoration of biodiversity and ecosystems globally. Therefore, undertakings should report on the transition plans they have in place, in line with the targets of no net loss by 2030 and net gain by 2050.

BC9. This Disclosure Requirement is based on the CDSB Framework Application guidance for biodiversity-related disclosures REQ-02 asking firms to "report management's environmental policies, strategy and targets, including the indicators, plans and timelines used to assess performance." The CDSB application guidance also emphasises the role of transitioning to a biodiversity-positive economy and its financial implications on the undertaking.

BC10. Based on the definition of a transition plan, the disclosure should include information that is material to understand the undertaking's strategic direction, including references but not duplicating, information from other sections of the [Draft] Standard. The transition plan is understood as part of an undertaking's overall strategy that includes a set of targets and actions supporting its transition towards a nature-positive economy. A biodiversity and ecosystems action plan (e.g. on restoration) is considered to be a part of the overall transition plan. However, it is more specific by providing an overview of key actions taken or planned to achieve a specific biodiversity and ecosystems restoration target or to implement a e.g. land use change mitigation policy, including timelines, responsibilities, (expected) outcomes and allocated resources.

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[7] https://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=OCDE/GD(93)179&docLanguage=En

[8] ipbes_global_assessment_report_summary_for_policymakers.pdf

[9] Biodiversity – Science Based Targets Network

BC11. Users need to understand how the undertaking plans to ensure that its business model and strategy are compatible with the transition to a nature-positive economy in line with the targets for 2030 and beyond currently being negotiated by the Convention on Biological Diversity. Taskforce on Nature-related Financial Disclosures ("TNFD") argues that "our economies are embedded within nature, not external to it" and that investors and other stakeholders are interested to understand how nature, including biodiversity and ecosystems, can affect the undertaking's business strategy over the short, medium, and long term, since this informs the expectations about the undertaking's future performance[10]. Stakeholders are increasingly interested to understand how the undertaking's current business model and strategy related to biodiversity and ecosystems degradation impact drivers across the value chain and if the undertaking has a credible transition plan in place that is in line with achieving a full recovery of nature by 2050.

BC12. Users need as well to be informed about circumstances where the undertaking has not adopted a transition plan in line with the targets of no net loss by 2030, net gain from 2030 and full recovery by 2050, including the reasons for not having adopted such a plan. This disclosure requirement allows the undertaking in this circumstance to report a timeframe in which it aims to have such a plan in place.

Biodiversity and ecosystems-related specific application guidance on ESRS 2 Disclosure Requirement SBM 4 (paragraph 47 (d)) on the resilience of the strategy and business model

BC13. The objective of biodiversity and ecosystems-related specific application guidance on ESRS 2 SBM 4 is to provide an understanding of whether the undertaking's strategy and business model(s) can withstand material biodiversity and ecosystems-related risks over time and under different plausible future states.

BC14. In addition to the disclosures on the transition plan, it is important that undertakings create transparency on how biodiversity and ecosystems-related risks and opportunities can affect their business models and strategies. How resilient the current business model of an undertaking is towards biodiversity and ecosystems-related risks and how it causes and drives adverse or positive impacts on biodiversity and ecosystems.

BC15. The materialisation of biodiversity and ecosystems-related risks greatly differs among undertakings depending, among others, on the type of their activities and business relationships and the location of their assets. Despite entity-specific differences, all undertakings will face the need to assess how biodiversity and ecosystems-related dependencies and impacts can affect them, to test their current business models and practices against physical and transition risks. This also includes the need to develop plans of how to be part of the transition ahead. In conclusion, undertaking will have to be transparent on where they stand.

[10] TNFD, „Why nature-related risk and opportunitiy management matters", 2022. Available here.

BC16. All undertakings should report how business model resilience has been assessed and if a range of biodiversity and ecosystems-related scenarios were used to inform the assessment. If so, undertakings should explain scenarios, assumptions and modelling parameters used. The reason for this requirement is to provide transparency on whether and to what extent undertakings consider the effects of biodiversity and ecosystems in their strategy. Users are interested to know whether in incorporating the potential effects of biodiversity and ecosystems in their strategic decision-making, companies do consider how biodiversity and ecosystems-related risks and opportunities may evolve over time and what their potential business implications are under different conditions. For this purpose, biodiversity and ecosystems-related scenario analysis is a highly useful approach. However, for many undertakings it is a new concept that brings methodological and operational challenges.

BC17. Limiting such information to an undertaking's own operations might disguise principal material biodiversity and ecosystems-related dependencies, impacts, risks and opportunities that are linked to its broader business context. Hence, reporting should take into account the whole value chain of an undertaking.

BC18. Users need to understand (as required by Article 19a (2)) how the undertaking defines its strategy and business model in a manner that:

(a) reduces its total impact on biodiversity and ecosystems;

(b) is consistent with global and EU policy objectives for biodiversity and ecosystems;

(c) is resilient to the potential impacts of biodiversity and ecosystem-related risks; and

(d) take opportunities into account which will rise from satisfying the needs of stakeholders.

Biodiversity and ecosystems-related specific application guidance on ESRS 2 Disclosure Requirements IRO 1 and IRO 2 on materiality assessment

BC19. Almost all undertakings contribute, to varying extents, to the loss of biodiversity and degradation of ecosystems. Lost biodiversity and degraded ecosystems will both negatively impact ecosystem services. Undertakings, however, heavily depend on biodiversity, intact ecosystems, and ecosystem services to generate value. The operations of the undertaking will increasingly be affected through physical hazards induced by degraded ecosystems or policy and market responses in the EU and beyond to limit biodiversity loss in line with the Convention on Biological Diversity. On the other hand, the transition to an economy that contributes to protection and restoration of biodiversity and ecosystems may also result in opportunities to the undertaking, e.g. for undertakings offering products and services that contribute to these two goals.

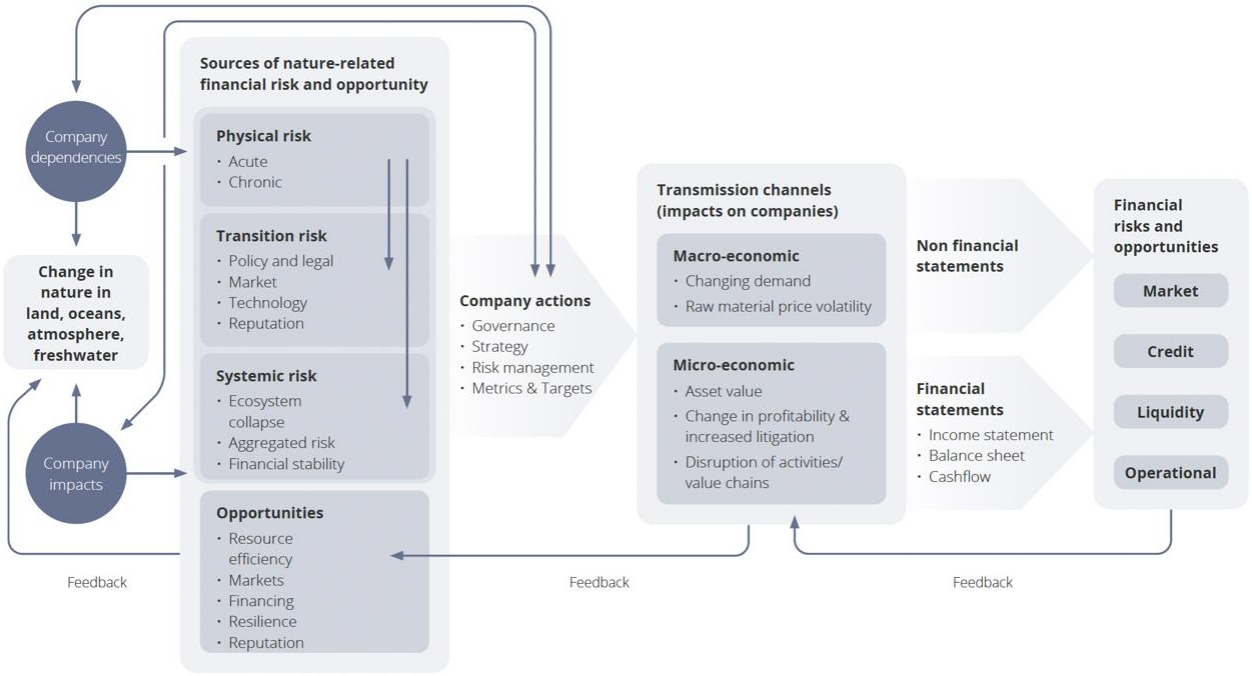
BC20. Impacts on biodiversity and ecosystems are location specific. Therefore, disclosures need to contain a geographical dimension.

BC21. Users need to understand:

(a) what impacts are caused, and will be caused, to biodiversity and ecosystems by the undertaking, over the value chain (supply chain, operations, products and services), and what are and will be, the financial effects;

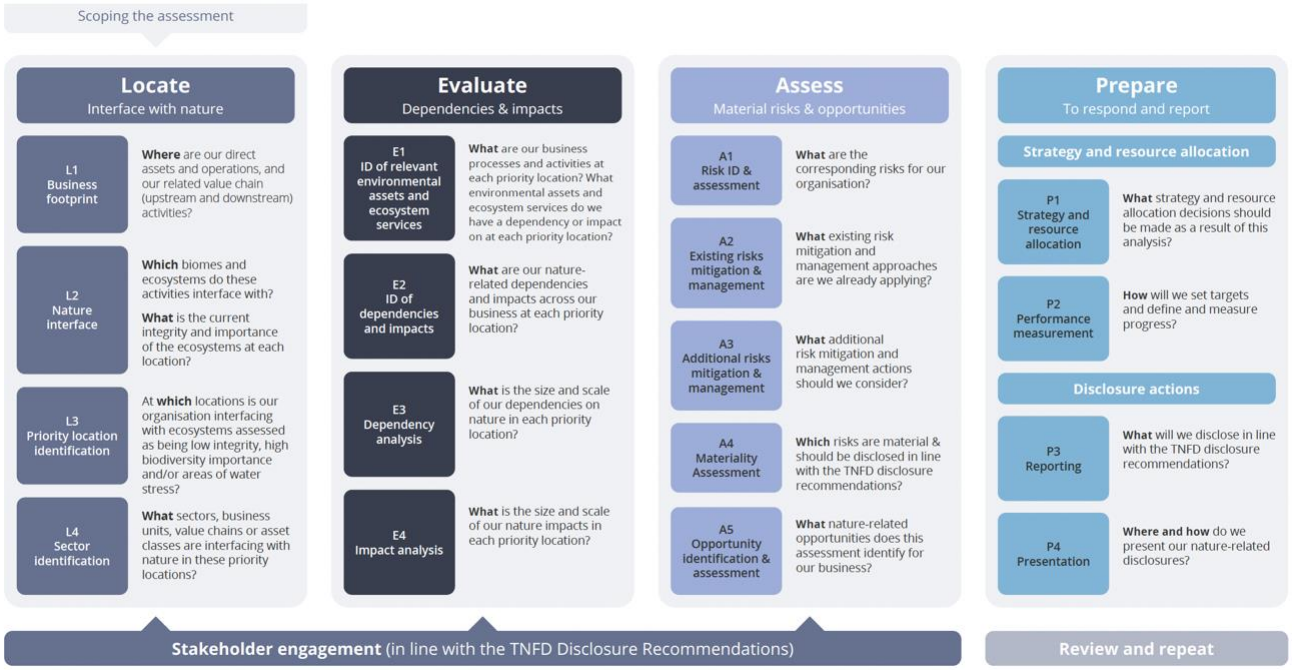
(b) how the state of biodiversity and ecosystems has impacted and will impact the undertaking's value chain and in which location and what are and will be, the financial costs and consequences of these physical and financial impacts in term of risks and opportunities; and

(c) how impacts, risks, opportunities and dependencies are assessed and how they serve as an input to the elaboration of the undertaking's strategy and business model.



Source: TNFD (2022), p. 40,41.

BC22. The LEAP (Locate, Evaluate, Assess, Prepare) approach published by TNFD (2022) emphasises a location-based approach to dependencies, impacts, risks and opportunities (p.11). TNFD emphasizes that a location-based approach is critical for a robust identification of material nature-related risks and opportunities (p.44). In relation to this location-based approach, TNFD requires "In addition, organisations should describe their processes for prioritising nature-related risks, including how materiality determinations are made within their organisations and how priority locations are identified" (p.53). This analysing grid could help undertakings in its materiality assessment.



Source: TNFD (2022), p.11

Policies, targets, actions plans and resources

Disclosure Requirement E4-2 – Policies implemented to manage biodiversity and ecosystems

BC23. The disclosure relies on the European Commission's proposal for the CSRD, requires that undertakings should give a fair and comprehensive view of their policies, outcomes and risks, at least for environmental matters, social and employee related matters, respect for human rights, anti-corruption and bribery matters.

BC24. Users need to understand the undertaking's ability to mitigate its negative impacts on biodiversity and ecosystems and to maximise its positive impact throughout the value chain. Undertakings should focus on describing policy commitments related to biodiversity and ecosystems, sustainable production, consumption and sourcing of raw materials, screening and engagement of suppliers on biodiversity and ecosystems-related aspects and social consequences of biodiversity and ecosystems-related dependencies and impacts.

BC25. Users should be able to understand how the undertaking engages with suppliers, how its policies allow the sustainable production, consumption and sourcing of raw materials. How the social consequences of biodiversity related dependencies and impacts are turned into policies and the implementation of policies.

Disclosure Requirement E4-3 – Measurable targets for biodiversity and ecosystems

BC26. To ensure a sound understanding of the undertaking's targets related to biodiversity and ecosystems and to be able to assess those targets' contribution to the achievement of targets set out in EU-regulation and global frameworks, specific targets on nature loss mitigation, protection and restoration actions that the undertaking intends to achieve in the future and their effectiveness in ensuring compatibility with net gain by 2050 shall be disclosed.

BC27. The concept of no net loss by 2030 and net gain by 2050 is principally designed to be applied at global or sub-global scales but acknowledges attempts to define methodologies to determine net-nature loss and gain at the level of the undertaking. There is not yet consensus on the definition and methodologies for assessing nature-positivity and net zero nature loss at the level of the undertaking. However, the Science-Based Target for Nature Initiative is working on delivering guidelines soon.

BC28. Further guidelines on local/context-based biodiversity and ecosystems "budgets", building on existing work from IPBES and others such as from biodiverse - ERA-NET promoting European research on biodiversity and Belmont Forum[11] could be helpful for undertakings to set and disclose no net loss or net gain targets.

BC29. Stakeholders, including Regulators where applicable, need to understand undertaking's targets related to the reduction of the loss of natural capital and related ecosystem services. The UN Conference of the Parties to the Convention on Biological Diversity in Kunming, China aims at adopting a global biodiversity framework, featuring global and national measurable targets. At the same time, investors and other stakeholders are increasingly willing to act as evidenced by the formation of several initiatives, such as the TNFD and SBTN.

BC30. Users need to understand:

(a) the process of translating strategy into goals and measurable targets;

(b) the connection of these goals and targets to global and EU policy goals (please see Appendix B "Global and EU goals and targets" for reference);

(c) how these targets are monitored; and

(d) what aspects of biodiversity and ecosystems are covered by targets.

Disclosure Requirement E4-4 – Biodiversity and ecosystems action plans

BC31. The specific actions taken, their corresponding target and the resources allocated to that action shall be disclosed. This is to ensure a sound understanding of the undertaking's actions and resources allocated for biodiversity and ecosystems and to be able to assess the contribution of those actions to the targets as identified by the undertaking.

BC32. Users need to understand:

(a) How actions and resources are linked to defined targets.

(b) What topics are covered by actions, where, who are the parties involved, with what knowledge and over what time horizon.

[11] Handbook on the use of biodiversity scenarios (biodiverse and Belmont Forum)

Performance measures

Disclosure Requirements E4-5 to E4-8

BC33. The objective of the Disclosure Requirements E4-5 to E4-8 is to enable a thorough understanding of an undertaking's relationship to biodiversity and ecosystems with metrics to allow a performance evaluation (such as evolution over time, resource use efficiency, ability to meet targets, comparison with other companies).

BC34. The [draft] Standard is organised around the following metrics:

(a) pressures (impact drivers);

(b) impacts (equal to "states" for current impacts, whereas "impacts" are also forward-looking);

(c) responses; and

(d) biodiversity-friendly consumption and production.

BC35. The term "metric" rather than "performance indicators" has been used, contrary to other [draft] ESRS Standards as currently there are "metrics" (i.e. single quantitative figures) available, but there are only few "performance indicators" (expected to be more complex and combining a number of individual metrics in the biodiversity common language).

BC36. The Pressure-State/Impact-Response model referred to in paragraph 69 provides a commonly accepted framework for identifying and structuring indicators. It distinguishes indicators of environmental pressures, indicators of environmental conditions, and indicators of societal responses, developed by the OECD[12]. The Pressure-State/Impact-Response model considers that:

(a) human activities exert pressures on the environment and affect its quality and the quantity of natural resources ('state/impact');

(b) society responds to these changes through environmental, general economic and sectoral policies and through changes in awareness and behaviour ('societal response').

(c) The model highlights these cause-effect relationships, and helps decision makers and the public see environmental, economic, and other issues as interconnected. It thus provides a means of selecting and organising indicators in a way useful for decision-makers and the public, and of ensuring that no material issue has been overlooked[13].

BC37. This is consistent with the IUCN (2018) understanding of biodiversity indicators, which suggests the following categories: state of biodiversity (E4-6), pressures on biodiversity (E4-5), business response or actions (E4-7 to E4-9 and Taxonomy DR) and benefits people derive from biodiversity[14].

[12] OECD (2019), "The Post-2020 Biodiversity Framework: Targets, indicators and measurability implications at global and national level", November version.

[13] Source: OECD (2003), OECD Environmental Indicators, development, measurement and use, annex 2.

[14] IUCN (2018) The development and use of biodiversity indicators in business: an overview, p. 9. Available here.

BC38. Performance measures on biodiversity and ecosystems have not reached a global consensus yet and remain the object of many ongoing collective work at the time of the drafting of this [draft] Standard. That is why the proposed Disclosure Requirements in this [Draft] Standard are mostly principle-based, so as to clarify the categories of performance measures expected. The [Draft] Standard also lays out the features of biodiversity and ecosystems-related measures rather than proposing specific metrics *per se*. Wherever possible, the application guidance refers to examples of commonly used metrics and tools in the public domain to allow application of the different categories of measures required under this Disclosure Requirement.

BC39. The accidental or voluntary introduction of invasive alien species is one of the most common threats to species, as well as a very important factor in ecosystems' decline and deterioration, therefore the requirement in paragraph 51 of ESRS E4.

BC40. Disclosure Requirement E4-5 follows section 65 in the framework of the Convention for Biological Diversity ("CBD"), where the guiding principle of a three-stage hierarchical approach about 1. prevention, 2. early detection/rapid action and 3. eradication was developed (COP 6 Decision VI/23). This means that the priority should be given to preventing the introduction of invasive alien species. Consequently, it is important to consider potential pathways of introduction of alien species as preventive impact driver and not only measures addressing the existent threat of species or ecosystems. There is a direct link to Article 13 of Regulation (EU) No 1143/2014 on "Action plans on the pathways of invasive alien species".

Optional Disclosure Requirement E4-9 – Biodiversity offsets

BC41. It is not possible for most undertakings to eliminate all biodiversity and ecosystems-related impacts associated with their activities, products and services immediately. Therefore, an increasing number of undertakings use offsets from external projects with the aim to balance or compensate their biodiversity and ecosystems-related impacts. However, this trend in market practice is observed with caution as offsets are limited in many ways. First, they are a source of greenwashing if they do not fulfil stringent quality criteria. Secondly, they can lead to disguising the need for the reduction of impacts in the undertaking's own operations and value chain.

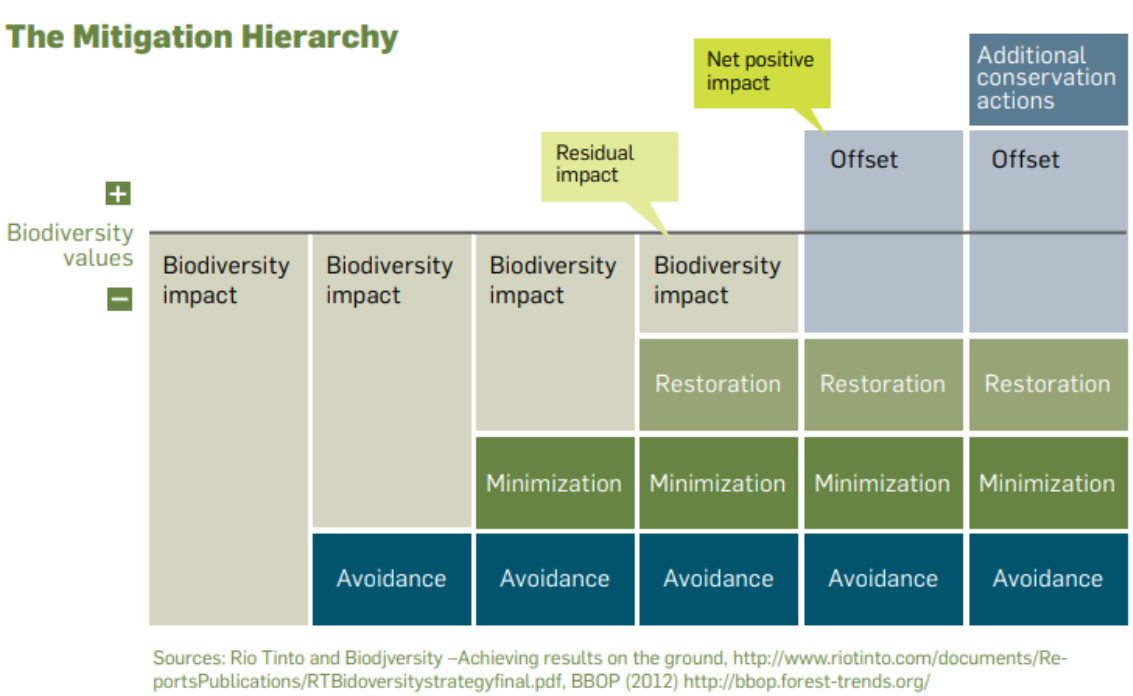
BC42. The mitigation hierarchy mentioned in paragraph AG. 80 of the [Draft] Standard refers to a generally accepted "mitigation hierarchy". This mitigation hierarchy can be described in more depth as follows:

(a) Avoidance: measures taken to avoid creating detrimental impacts from the outset, such as careful spatial or temporal placement of elements of infrastructure, in order to completely avoid impacts on certain components of biodiversity.

(b) Minimisation: measures taken to reduce the duration, intensity and/or extent of detrimental impacts (including direct, indirect and cumulative impacts, as appropriate) that cannot be completely avoided, as far as is practically feasible.

(c) Rehabilitation/restoration: measures taken to rehabilitate degraded ecosystems or restore cleared ecosystems following exposure to impacts that cannot be completely avoided and/or minimised.

(d) Offset: measures taken to compensate for any residual significant, adverse impacts that cannot be avoided, minimised (and/or in some cases) rehabilitated or restored, in order to achieve at least no net loss of biodiversity and ecosystem services.



Source: A Framework for Corporate Action on Biodiversity and Ecosystem Services (2012)

BC43. The application of the mitigation hierarchy ensures that disclosures comply with faithful presentation characteristic per ESRS 1 paragraph 31. The use of the mitigation hierarchy ensures that offsets do "not obscure relevant information" of the undertaking on its biodiversity and ecosystems-related impacts via netting.

Disclosure Requirement E4-10 - Financial effects from biodiversity-related impacts, risks and opportunities

BC44. The draft CSRD proposal (article 19 a 1) requires to set disclosure requirements in ESRS that allow to report information necessary to understand how sustainability matters affect the undertaking's development, performance and position. This requirement is reflected in the objective of this [draft] standard, in particular in the need to set requirements for undertakings to report about the effects of risks and opportunities on the undertaking's development, performance and position over the short-, medium- and long-term and therefore on its ability to create enterprise value (financial effects).

BC45. This disclosure implements this requirement.

Appendix A: Global / international goals and targets (as of November 2021)

Official name of text	Target or goal	Ref. target for disclosures	Indicator (ESRS-PTF synthesis if required)	Time horizon	Source
Bonn Challenge	Bring 150 million hectares of deforested and degraded land into restoration by 2020 and 350 million hectares by 2030	350 million ha	Restoration of degraded and deforested landscapes	2030	https://www.bonnchallenge.org/
UNEP targets set out in the context of the UN Decade on Ecosystems Restoration	Save 1 million animal and plant species currently threatened with extinction	1 million animals and plant species	Extinction rate	2030	https://wedocs.unep.org/bitstream/handle/20.500.11822/30919/UNDecade.pdf?sequence=11
New York Declaration on Forests	At least halve the rate of loss of natural forests globally by 2020 and strive to end natural forest loss by 2030	Reduce to 0%	Reduce natural forests loss	2030	https://forestdeclaration.org/goals/goal-1
New York Declaration on Forests	Restore 150 million hectares of degraded landscapes and forestlands by 2020 and significantly increase the rate of global restoration thereafter, which would restore at least an additional 200 million hectares by 2030	350m ha	Rate of forest cover and tree cover gain (hectares established over time): Forest cover gain from FLR (ha)	2030	https://forestdeclaration.org/goals/goal-5
New York Declaration on Forests	Restore 150 million hectares of degraded landscapes and forestlands by 2020 and significantly increase the rate of global restoration	350m ha	Rate of forest cover and tree cover gain (hectares established over time):	2030	https://forestdeclaration.org/goals/goal-5

Official name of text	Target or goal	Ref. target for disclosures	Indicator (ESRS-PTF synthesis if required)	Time horizon	Source
	thereafter, which would restore at least an additional 200 million hectares by 2030		Tree cover gain inside and outside the forest (ha)		
New York Declaration on Forests	Restore 150 million hectares of degraded landscapes and forestlands by 2020 and significantly increase the rate of global restoration thereafter, which would restore at least an additional 200 million hectares by 2030	350m ha	Forest landscape restoration efforts (political and socio-economic advancements towards): High-level pledges	2030	https://forestdeclaration.org/goals/goal-5
New York Declaration on Forests	Restore 150 million hectares of degraded landscapes and forestlands by 2020 and significantly increase the rate of global restoration thereafter, which would restore at least an additional 200 million hectares by 2030	350m ha	Forest landscape restoration efforts (political and socio-economic advancements towards): Planning and finance for FLR activities	2030	https://forestdeclaration.org/goals/goal-5
New York Declaration on Forests	Strengthen forest governance, transparency, and the rule of law, while also empowering communities and recognizing the rights of indigenous peoples, especially those pertaining to their lands and resources	Number of cases reported / litiagtion cases?	Illigal logging and land grabbing?	not specified	https://forestdeclaration.org/goals/goal-10
New York Declaration on Forests	Strengthen forest governance, transparency, and the rule of law, while also empowering communities and recognizing the rights of indigenous peoples, especially those pertaining to their lands and resources	Rights of indigenous peoples and local communities?	Empowering and ensuring the rights of indigenous peoples and local communities	not specified	https://forestdeclaration.org/goals/goal-10

Official name of text	Target or goal	Ref. target for disclosures	Indicator (ESRS-PTF synthesis if required)	Time horizon	Source
CITES (the Convention on International Trade in Endangered Species of Wild Fauna and Flora)	Ensure that international trade in specimens of wild animals and plants does not threaten the survival of the species	Conservation status and projection?	Trade does not threaten species	ongoing	What is CITES? | CITES
First draft of the post-2020 global biodiversity framework	Goal A The integrity of all ecosystems is enhanced, with an increase of at least 15 per cent in the area, connectivity and integrity of natural ecosystems, supporting healthy and resilient populations of all species, the rate of extinctions has been reduced at least tenfold, and the risk of species extinctions across all taxonomic and functional groups, is halved, and genetic diversity of wild and domesticated species is safeguarded, with at least 90 per cent of genetic diversity within all species maintained	15%	Extent of selected natural and modified ecosystems (i.e. forest, savannahs and grasslands, wetlands, mangroves, saltmarshes, coral reef, seagrass, macroalgae and intertidal habitats)	2050	https://www.cbd.int/conferences/post2020/wg2020-03/documents (CBD/WG2020/3/3/ADD1)
First draft of the post-2020 global biodiversity framework	Goal A The integrity of all ecosystems is enhanced, with an increase of at least 15 per cent in the area, connectivity and integrity of natural ecosystems, supporting healthy and resilient populations of all species, the rate of extinctions has been reduced at least tenfold, and the risk of species extinctions across all taxonomic and functional groups, is halved, and genetic diversity of wild and domesticated species is safeguarded, with at least 90 per cent of genetic diversity within all species maintained	10x decrease	Extinction rate	2050	https://www.cbd.int/conferences/post2020/wg2020-03/documents (CBD/WG2020/3/3/ADD1)

Official name of text	Target or goal	Ref. target for disclosures	Indicator (ESRS-PTF synthesis if required)	Time horizon	Source
First draft of the post-2020 global biodiversity framework	Goal A The integrity of all ecosystems is enhanced, with an increase of at least 15 per cent in the area, connectivity and integrity of natural ecosystems, supporting healthy and resilient populations of all species, the rate of extinctions has been reduced at least tenfold, and the risk of species extinctions across all taxonomic and functional groups, is halved, and genetic diversity of wild and domesticated species is safeguarded, with at least 90 per cent of genetic diversity within all species maintained	90%	Genetic diversity within species	2050	https://www.cbd.int/conferences/post2020/wg2020-03/documents (CBD/WG2020/3/3/ADD1)
First draft of the post-2020 global biodiversity framework	Goal A The integrity of all ecosystems is enhanced, with an increase of at least 15 per cent in the area, connectivity and integrity of natural ecosystems, supporting healthy and resilient populations of all species, the rate of extinctions has been reduced at least tenfold, and the risk of species extinctions across all taxonomic and functional groups, is halved, and genetic diversity of wild and domesticated species is safeguarded, with at least 90 per cent of genetic diversity within all species maintained	> 500	Proportion of populations within species with a genetically effective population size	2050	https://www.cbd.int/conferences/post2020/wg2020-03/documents (CBD/WG2020/3/3/ADD1)
First draft of the post-2020 global biodiversity framework	Goal A The integrity of all ecosystems is enhanced, with an increase of at least 15 per cent in the area, connectivity and integrity of natural ecosystems, supporting healthy and resilient populations of all species, the rate of extinctions has been reduced at least tenfold, and the risk of species extinctions across all taxonomic and functional groups, is halved, and genetic diversity of wild and domesticated species is safeguarded, with at least	At least 15% in the area	CMS connectivity indicator	2050	https://www.cbd.int/doc/c/437d/a239/12a22f2eaf5e6d103ed9adad/wg2020-03-inf-02-en.pdf

Official name of text	Target or goal	Ref. target for disclosures	Indicator (ESRS-PTF synthesis if required)	Time horizon	Source
	90 per cent of genetic diversity within all species maintained				
First draft of the post-2020 global biodiversity framework	Goal A The integrity of all ecosystems is enhanced, with an increase of at least 15 per cent in the area, connectivity and integrity of natural ecosystems, supporting healthy and resilient populations of all species, the rate of extinctions has been reduced at least tenfold, and the risk of species extinctions across all taxonomic and functional groups, is halved, and genetic diversity of wild and domesticated species is safeguarded, with at least 90 per cent of genetic diversity within all species maintained	At least 15% in the area	Ecosystem Integrity Index	2050	https://www.cbd.int/doc/c/437d/a239/12a22f2eaf5e6d103ed9adad/wg2020-03-inf-02-en.pdf
First draft of the post-2020 global biodiversity framework	Goal A The integrity of all ecosystems is enhanced, with an increase of at least 15 per cent in the area, connectivity and integrity of natural ecosystems, supporting healthy and resilient populations of all species, the rate of extinctions has been reduced at least tenfold, and the risk of species extinctions across all taxonomic and functional groups, is halved, and genetic diversity of wild and domesticated species is safeguarded, with at least 90 per cent of genetic diversity within all species maintained	At least 15% in the area	Species status information index (GEOBON)	2050	https://www.cbd.int/doc/c/437d/a239/12a22f2eaf5e6d103ed9adad/wg2020-03-inf-02-en.pdf

Official name of text	Target or goal	Ref. target for disclosures	Indicator (ESRS-PTF synthesis if required)	Time horizon	Source
First draft of the post-2020 global biodiversity framework	Goal A The integrity of all ecosystems is enhanced, with an increase of at least 15 per cent in the area, connectivity and integrity of natural ecosystems, supporting healthy and resilient populations of all species, the rate of extinctions has been reduced at least tenfold, and the risk of species extinctions across all taxonomic and functional groups, is halved, and genetic diversity of wild and domesticated species is safeguarded, with at least 90 per cent of genetic diversity within all species maintained	At least 15% in the area	Proportion of populations maintained within species (GEOBON)	2050	https://www.cbd.int/doc/c/437d/a239/12a22f2eaf5e6d103ed9adad/wg2020-03-inf-02-en.pdf
First draft of the post-2020 global biodiversity framework	Milestone A.2 The increase in the extinction rate is halted or reversed, and the extinction risk is reduced by at least 10 per cent, with a decrease in the proportion of species that are threatened, and the abundance and distribution of populations of species is enhanced or at least maintained	Halted or reversed and reduced by least 10%	Extinction rate	2030	First draft of the post-2020 global biodiversity framework (cbd.int)
First draft of the post-2020 global biodiversity framework	Milestone A.3 Genetic diversity of wild and domesticated species is safeguarded, with an increase in the proportion of species that have at least 90 per cent of their genetic diversity maintained	At least 90%	Genetic diversity of wild and domesticated species maintained	2050	First draft of the post-2020 global biodiversity framework (cbd.int)
First draft of the post-2020 global biodiversity framework	Target 3. Ensure that at least 30 per cent globally of land areas and of sea areas, especially areas of particular importance for biodiversity and its contributions to people, are conserved through effectively and equitably managed, ecologically representative and well-connected systems of protected areas and other effective area-based	At least 30%	Coverage of Protected areas and OECMS (by effectiveness)	2030	https://www.cbd.int/conferences/post2020/wg2020-03/documents

Official name of text	Target or goal	Ref. target for disclosures	Indicator (ESRS-PTF synthesis if required)	Time horizon	Source
	conservation measures, and integrated into the wider landscapes and seascapes				(CBD/WG2020/3/3/ADD1)
First draft of the post-2020 global biodiversity framework	Target 3. Ensure that at least 30 per cent globally of land areas and of sea areas, especially areas of particular importance for biodiversity and its contributions to people, are conserved through effectively and equitably managed, ecologically representative and well-connected systems of protected areas and other effective area-based conservation measures, and integrated into the wider landscapes and seascapes	At least 30%	Protected area coverage of key biodiversity areas	2030	https://www.cbd.int/doc/c/437d/a239/12a22f2eaf5e6d103ed9adad/wg2020-03-inf-02-en.pdf
First draft of the post-2020 global biodiversity framework	Target 3. Ensure that at least 30 per cent globally of land areas and of sea areas, especially areas of particular importance for biodiversity and its contributions to people, are conserved through effectively and equitably managed, ecologically representative and well-connected systems of protected areas and other effective area-based conservation measures, and integrated into the wider landscapes and seascapes	At least 30%	Protected Area Management Effectiveness (PAME) (Protected Planet)	2030	https://www.cbd.int/doc/c/437d/a239/12a22f2eaf5e6d103ed9adad/wg2020-03-inf-02-en.pdf
First draft of the post-2020 global biodiversity framework	Target 3. Ensure that at least 30 per cent globally of land areas and of sea areas, especially areas of particular importance for biodiversity and its contributions to people, are conserved through effectively and equitably managed, ecologically representative and well-connected systems of protected areas and other effective area-based conservation measures, and integrated into the wider landscapes and seascapes	At least 30%	Area under conservation management (Species Protection Index (GEOBON)	2030	https://www.cbd.int/doc/c/437d/a239/12a22f2eaf5e6d103ed9adad/wg2020-03-inf-02-en.pdf

Official name of text	Target or goal	Ref. target for disclosures	Indicator (ESRS-PTF synthesis if required)	Time horizon	Source
First draft of the post-2020 global biodiversity framework	Target 4. Ensure active management actions to enable the recovery and conservation of species and the genetic diversity of wild and domesticated species, including through ex situ conservation, and effectively manage human-wildlife interactions to avoid or reduce human-wildlife conflict	Effectively manage	Proportion of species populations that are affected by human wildlife conflict	2030	https://www.cbd.int/conferences/post2020/wg2020-03/documents (CBD/WG2020/3/3/ADD1)
First draft of the post-2020 global biodiversity framework	Target 4. Ensure active management actions to enable the recovery and conservation of species and the genetic diversity of wild and domesticated species, including through ex situ conservation, and effectively manage human-wildlife interactions to avoid or reduce human-wildlife conflict	Recover, conserve	Number of plant genetic resources for food and agriculture secured in medium or long-term conservation facilities	2030	https://www.cbd.int/conferences/post2020/wg2020-03/documents (CBD/WG2020/3/3/ADD1)
First draft of the post-2020 global biodiversity framework	Target 4. Ensure active management actions to enable the recovery and conservation of species and the genetic diversity of wild and domesticated species, including through ex situ conservation, and effectively manage human-wildlife interactions to avoid or reduce human-wildlife conflict	Recover, conserve	Green Status of Species Index (IUCN)	2030	https://www.cbd.int/doc/c/437d/a239/12a22f2eaf5e6d103ed9adad/wg2020-03-inf-02-en.pdf
First draft of the post-2020 global biodiversity framework	Target 5. Ensure that the harvesting, trade and use of wild species is sustainable, legal, and safe for human health	Ensure	Proportion of wildlife that is harvested legally and sustainably	2030	https://www.cbd.int/conferences/post2020/wg2020-03/documents

Official name of text	Target or goal	Ref. target for disclosures	Indicator (ESRS-PTF synthesis if required)	Time horizon	Source
					(CBD/WG2020/3/3/ADD1)
First draft of the post-2020 global biodiversity framework	Target 5. Ensure that the harvesting, trade and use of wild species is sustainable, legal, and safe for human health	Ensure	Proportion of fish stocks within biologically sustainable levels	2030	https://www.cbd.int/conferences/post2020/wg2020-03/documents (CBD/WG2020/3/3/ADD1)
First draft of the post-2020 global biodiversity framework	Target 6. Manage pathways for the introduction of invasive alien species, preventing, or reducing their rate of introduction and establishment by at least 50 per cent, and control or eradicate invasive alien species to eliminate or reduce their impacts, focusing on priority species and priority sites	Reduce by at least 50%	Rate of invasive alien species spread	2030	https://www.cbd.int/conferences/post2020/wg2020-03/documents (CBD/WG2020/3/3/ADD1)
First draft of the post-2020 global biodiversity framework	Target 6. Manage pathways for the introduction of invasive alien species, preventing, or reducing their rate of introduction and establishment by at least 50 per cent, and control or eradicate invasive alien species to eliminate or reduce their impacts, focusing on priority species and priority sites	Reduce by at least 50%	Rate of invasive alien species impact (GEOBON)	2030	https://www.cbd.int/doc/c/437d/a239/12a22f2eaf5e6d103ed9adad/wg2020-03-inf-02-en.pdf
First draft of the post-2020 global biodiversity framework	Target 9. Ensure benefits, including nutrition, food security, medicines, and livelihoods for people especially for the most vulnerable through sustainable management of wild terrestrial,	Not defined	Ensure benefits to people through sustainable management of resources	2030	https://www.cbd.int/conferences/post2020/wg2020-

Official name of text	Target or goal	Ref. target for disclosures	Indicator (ESRS-PTF synthesis if required)	Time horizon	Source
	freshwater and marine species and protecting customary sustainable use by indigenous peoples and local communities				03/documents (CBD/WG2020/3/3/ADD1)
First draft of the post-2020 global biodiversity framework	Target 9. Ensure benefits, including nutrition, food security, medicines, and livelihoods for people especially for the most vulnerable through sustainable management of wild terrestrial, freshwater and marine species and protecting customary sustainable use by indigenous peoples and local communities	Not defined	Ensure benefits to people through sustainable management of resources	2030	https://www.cbd.int/doc/c/437d/a239/12a22f2eaf5e6d103ed9adad/wg2020-03-inf-02-en.pdf
First draft of the post-2020 global biodiversity framework	Target 9. Ensure benefits, including nutrition, food security, medicines, and livelihoods for people especially for the most vulnerable through sustainable management of wild terrestrial, freshwater and marine species and protecting customary sustainable use by indigenous peoples and local communities	Not defined	Ensure benefits to people through sustainable management of resources	2030	https://www.cbd.int/doc/c/437d/a239/12a22f2eaf5e6d103ed9adad/wg2020-03-inf-02-en.pdf
First draft of the post-2020 global biodiversity framework	Target 9. Ensure benefits, including nutrition, food security, medicines, and livelihoods for people especially for the most vulnerable through sustainable management of wild terrestrial, freshwater and marine species and protecting customary sustainable use by indigenous peoples and local communities	Not defined	Ensure benefits to people through sustainable management of resources	2030	https://www.cbd.int/doc/c/437d/a239/12a22f2eaf5e6d103ed9adad/wg2020-03-inf-02-en.pdf
First draft of the post-2020 global biodiversity framework	Target 10. Ensure all areas under agriculture, aquaculture and forestry are managed sustainably, in particular through the conservation and sustainable use of biodiversity, increasing the	All	Area of forestry, agriculture and aquaculture under sustainable management	2030	https://www.cbd.int/conferences/post2020/wg2020-

Official name of text	Target or goal	Ref. target for disclosures	Indicator (ESRS-PTF synthesis if required)	Time horizon	Source
	productivity and resilience of these production systems				03/documents (CBD/WG2020/3/3/ADD1)
First draft of the post-2020 global biodiversity framework	Target 13. Implement measures at global level and in all countries to facilitate access to genetic resources and to ensure the fair and equitable sharing of benefits arising from the use of genetic resources, and as relevant, of associated traditional knowledge, including through mutually agreed terms and prior and informed consent	Not defined	Facilitate access to genetic resources	2030	https://www.cbd.int/conferences/post2020/wg2020-03/documents (CBD/WG2020/3/3/ADD1)
First draft of the post-2020 global biodiversity framework	Target 15. All businesses (public and private, large, medium and small) assess and report on their dependencies and impacts on biodiversity, from local to global, and progressively reduce negative impacts, by at least half and increase positive impacts, reducing biodiversity-related risks to businesses and moving towards the full sustainability of extraction and production practices, sourcing and supply chains, and use and disposal	All public and private, large to small	Business action - reporting on biodiversity impacts and dependencies	2030	https://www.cbd.int/conferences/post2020/wg2020-03/documents (CBD/WG2020/3/3/ADD1)
First draft of the post-2020 global biodiversity framework	Target 15. All businesses (public and private, large, medium and small) assess and report on their dependencies and impacts on biodiversity, from local to global, and progressively reduce negative impacts, by at least half and increase positive impacts, reducing biodiversity-related risks to businesses and moving towards the full sustainability of extraction and production practices, sourcing and supply chains, and use and disposal	50%	Business action - decreasing negative impacts	2030	https://www.cbd.int/conferences/post2020/wg2020-03/documents (CBD/WG2020/3/3/ADD1)

Official name of text	Target or goal	Ref. target for disclosures	Indicator (ESRS-PTF synthesis if required)	Time horizon	Source
First draft of the post-2020 global biodiversity framework	Target 15. All businesses (public and private, large, medium and small) assess and report on their dependencies and impacts on biodiversity, from local to global, and progressively reduce negative impacts, by at least half and increase positive impacts, reducing biodiversity-related risks to businesses and moving towards the full sustainability of extraction and production practices, sourcing and supply chains, and use and disposal	Increase	Business action - increasing positive impacts	2030	https://www.cbd.int/conferences/post2020/wg2020-03/documents (CBD/WG2020/3/3/ADD1)
First draft of the post-2020 global biodiversity framework	Target 15. All businesses (public and private, large, medium and small) assess and report on their dependencies and impacts on biodiversity, from local to global, and progressively reduce negative impacts, by at least half and increase positive impacts, reducing biodiversity-related risks to businesses and moving towards the full sustainability of extraction and production practices, sourcing and supply chains, and use and disposal	Reduce	Business action - reducing biodiversity-related business risk	2030	https://www.cbd.int/conferences/post2020/wg2020-03/documents (CBD/WG2020/3/3/ADD1)
First draft of the post-2020 global biodiversity framework	Target 15. All businesses (public and private, large, medium and small) assess and report on their dependencies and impacts on biodiversity, from local to global, and progressively reduce negative impacts, by at least half and increase positive impacts, reducing biodiversity-related risks to businesses and moving towards the full sustainability of extraction and production practices, sourcing and supply chains, and use and disposal	Full	Business action - sustainability of extraction, production, sourcing, supply chains, use, disposal	2030	https://www.cbd.int/conferences/post2020/wg2020-03/documents (CBD/WG2020/3/3/ADD1)

Official name of text	Target or goal	Ref. target for disclosures	Indicator (ESRS-PTF synthesis if required)	Time horizon	Source
First draft of the post-2020 global biodiversity framework	Target 15. All businesses (public and private, large, medium and small) assess and report on their dependencies and impacts on biodiversity, from local to global, and progressively reduce negative impacts, by at least half and increase positive impacts, reducing biodiversity-related risks to businesses and moving towards the full sustainability of extraction and production practices, sourcing and supply chains, and use and disposal	All	Businesses (public and private, large, medium and small) assess and report on their dependencies and impacts on biodiversity, from local to global, and progressively reduce negative impacts, by at least half and increase positive impacts, reducing biodiversity-related risks to businesses and moving towards the full sustainability of extraction and production practices, sourcing and supply chains, and use and disposal	2030	https://www.cbd.int/doc/c/437d/a239/12a22f2eaf5e6d103ed9adad/wg2020-03-inf-02-en.pdf
First draft of the post-2020 global biodiversity framework	Target 18. Redirect, repurpose, reform or eliminate incentives harmful for biodiversity, in a just and equitable way, reducing them by at least US$ 500 billion per year, including all of the most harmful subsidies, and ensure that incentives, including public and private economic and regulatory incentives, are either positive or neutral for biodiversity	At least USD 500 billion per year	Incentives for biodiversity - reduce harmful incentives	2030	https://www.cbd.int/conferences/post2020/wg2020-03/documents (CBD/WG2020/3/3/ADD1)
First draft of the post-2020 global biodiversity framework	Target 18. Redirect, repurpose, reform or eliminate incentives harmful for biodiversity, in a just and equitable way, reducing them by at least US$ 500 billion per year, including all of the most harmful	Not defined	Incentives for biodiversity - increase positive or neutral incentives	2030	

Official name of text	Target or goal	Ref. target for disclosures	Indicator (ESRS-PTF synthesis if required)	Time horizon	Source
	subsidies, and ensure that incentives, including public and private economic and regulatory incentives, are either positive or neutral for biodiversity				
First draft of the post-2020 global biodiversity framework	Target 20. Ensure that relevant knowledge, including the traditional knowledge, innovations and practices of indigenous peoples and local communities with their free, prior, and informed consent, guides decision-making for the effective management of biodiversity, enabling monitoring, and by promoting awareness, education and research	Not defined	Ensure that relevant knowledge, including the traditional knowledge, innovations and practices of indigenous peoples and local communities with their free, prior, and informed consent, guides decision-making for the effective management of biodiversity, enabling monitoring, and by promoting awareness, education and research	2030	https://www.cbd.int/conferences/post2020/wg2020-03/documents (CBD/WG2020/3/3/ADD1)
First draft of the post-2020 global biodiversity framework	Target 21. Ensure equitable and effective participation in decision-making related to biodiversity by indigenous peoples and local communities, and respect their rights over lands, territories and resources, as well as by women and girls, and youth	Not defined	Ensure equitable and effective participation in decision-making related to biodiversity by indigenous peoples and local communities, and respect their rights over lands, territories and resources, as well as by women and girls, and youth.	2030	https://www.cbd.int/conferences/post2020/wg2020-03/documents (CBD/WG2020/3/3/ADD1)

Official name of text	Target or goal	Ref. target for disclosures	Indicator (ESRS-PTF synthesis if required)	Time horizon	Source
Transforming our world: the 2030 Agenda for Sustainable Development	Target 2.1: By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round	100%	Achieve food security (Food Insecurity Experience Scale)	2030	https://sdgs.un.org/goals/goal2
Transforming our world: the 2030 Agenda for Sustainable Development	Target 2.1: By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round	End	Hunger	2030	https://sdgs.un.org/goals/goal2
Transforming our world: the 2030 Agenda for Sustainable Development	Target 12.2: By 2030, achieve the sustainable management and efficient use of natural resources	Achieve	Sustainable management of resources	2030	https://sdgs.un.org/goals/goal12
Transforming our world: the 2030 Agenda for Sustainable Development	Target 12.2: By 2030, achieve the sustainable management and efficient use of natural resources	Achieve	Domestic material consumption, domestic material consumption per capita, and domestic material consumption per GDP	2030	https://sdgs.un.org/goals/goal12
Transforming our world: the 2030 Agenda for Sustainable Development	Target 15.1: By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements	% of total land area	Total area of forested land	2020 / asap	https://sdgs.un.org/goals/goal15
Transforming our world: the 2030 Agenda for Sustainable Development	Target 15.1: By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and	% by ecosystem type	Proportion of important sites covered by protected areas	2020 / asap	https://sdgs.un.org/goals/goal15

Official name of text	Target or goal	Ref. target for disclosures	Indicator (ESRS-PTF synthesis if required)	Time horizon	Source
	drylands, in line with obligations under international agreements				
Transforming our world: the 2030 Agenda for Sustainable Development	Target 15.3: By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world	% of land that is degrades over total land area	Land restoration, reforestation and afforestation	2030	https://sdgs.un.org/goals/goal15
Transforming our world: the 2030 Agenda for Sustainable Development	Target 15.4: By 2030, ensure the conservation of mountain ecosystems, including their biodiversity, in order to enhance their capacity to provide benefits that are essential for sustainable development	% of coverage by protected areas	Mountain protection (Mountain Green Cover Index)	2030	https://sdgs.un.org/goals/goal15
Transforming our world: the 2030 Agenda for Sustainable Development	Target 15.4: By 2030, ensure the conservation of mountain ecosystems, including their biodiversity, in order to enhance their capacity to provide benefits that are essential for sustainable development	% of coverage	Mountain protection (Mountain Green Cover Index)	2030	https://sdgs.un.org/goals/goal15
Transforming our world: the 2030 Agenda for Sustainable Development	Target 15.5: Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species	Halt	Biodiversity loss and extinction (based on Red List)	2020 / asap	https://sdgs.un.org/goals/goal15
Transforming our world: the 2030 Agenda for Sustainable Development	Target 15.7: Take urgent action to end poaching and trafficking of protected species of flora and fauna and address both demand and supply of illegal wildlife products	Increased	Capacity of local communities to follow alternative livelihoods other than poaching	2020 / asap	https://sdgs.un.org/goals/goal15
Transforming our world: the 2030 Agenda for Sustainable Development	Target 15.7: Take urgent action to end poaching and trafficking of protected species of flora and fauna and address both demand and supply of illegal wildlife products	% of traded wildlife that was poached or illicitely trafficked	Proportion of wildlife traded that is poached or illicitly trafficked	2020 / asap	https://sdgs.un.org/goals/goal15

Official name of text	Target or goal	Ref. target for disclosures	Indicator (ESRS-PTF synthesis if required)	Time horizon	Source
Transforming our world: the 2030 Agenda for Sustainable Development	Target 15.8: By 2020, introduce measures to prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species			2020 / asap	https://sdgs.un.org/goals/goal15
Aichi targets	Target 3. By 2020, at the latest, incentives, including subsidies, harmful to biodiversity are eliminated, phased out or reformed in order to minimize or avoid negative impacts, and positive incentives for the conservation and sustainable use of biodiversity are developed and applied, consistent and in harmony with the Convention and other relevant international obligations, taking into account national socio-economic conditions	0	Incentives, including subsidies, harmful to biodiversity	2020 / asap	https://www.cbd.int/sp/targets/
Aichi targets	Target 7. By 2020 areas under agriculture, aquaculture and forestry are managed sustainably, ensuring conservation of biodiversity	All	Areas under agriculture, aquaculture and forestry are managed sustainably, ensuring conservation of biodiversity	2020 / asap	https://www.cbd.int/sp/targets/
Aichi targets	Target 9. By 2020, invasive alien species and pathways are identified and prioritized, priority species are controlled or eradicated, and measures are in place to manage pathways to prevent their introduction and establishment	Controlled or eradicated	Invasive alien species	2020 / asap	https://www.cbd.int/sp/targets/
Aichi targets	Target 12. By 2020 the extinction of known threatened species has been prevented and their conservation status, particularly of those most in decline, has been improved and sustained	Improved	Conservation status of threatened species	2020 / asap	https://www.cbd.int/sp/targets/

Official name of text	Target or goal	Ref. target for disclosures	Indicator (ESRS-PTF synthesis if required)	Time horizon	Source
Aichi targets	Target 18. By 2020, the traditional knowledge, innovations and practices of indigenous and local communities relevant for the conservation and sustainable use of biodiversity, and their customary use of biological resources, are respected, subject to national legislation and relevant international obligations, and fully integrated and reflected in the implementation of the Convention with the full and effective participation of indigenous and local communities, at all relevant levels			2020 / asap	https://www.cbd.int/sp/targets/
Convention on Wetlands of International Importance especially as Waterfowl Habitat (Ramsar Convention)	Target 4: Invasive alien species and pathways of introduction and expansion are identified and prioritized, priority invasive alien species are controlled or eradicated, and management responses are prepared and implemented to prevent their introduction and establishment			2024	4th_strategic_plan_2016_2024_e.pdf (ramsar.org)

Appendix B: EU goals and targets (as of November 2021)

Official name of text	Target or goal	Reference target for disclosure	Indicator (ESRS-PTF synthesis)	Time horizon	Source
A Farm to Fork Strategy for a fair, healthy and environmentally-friendly food system (COM(2020) 381 final)	Ensuring food security, nutrition and public health – making sure that everyone has access to sufficient, nutritious, sustainable food that upholds high standards of safety and quality, plant health, and animal health and welfare, while meeting dietary needs and food preferences	Everyone has access	Food security, nutrition and public health	tbc	https://eur-lex.europa.eu/resource.html?uri=cellar:ea0f9f73-9ab2-11ea-9d2d-01aa75ed71a1.0001.02/DOC_1&format=PDF
Amsterdam Declaration Partnership	Promote sustainability in agriculture by eliminating deforestation in relation to agricultural commodities, and by working in partnership with consumer and producer countries and with all actors along the supply chains to this end	Hectares brought under restoration	Promote sustainability in agriculture	2025	Home - Amsterdam Declarations Partnership (ad-partnership.org)
Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora	Contribute towards ensuring biodiversity through the conservation of natural habitats and of wild fauna and flora in the European territory of the Member States	Contribute	Ensuring biodiversity through the conservation of natural habitats and of wild fauna and flora	ongoing	https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:31992L0043&from=EN

Official name of text	Target or goal	Reference target for disclosure	Indicator (ESRS-PTF synthesis)	Time horizon	Source
Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora	Measures taken pursuant to this Directive shall be designed to maintain or restore, at favourable conservation status, natural habitats and species of wild fauna and flora of Community interest	Maintained or restored to favourable status	Natural habitats and species of wild fauna and flora of Community interest	ongoing	https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:31992L0043&from=EN
Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora	A coherent European ecological network of special areas of conservation shall be set up under the title Natura 2000. This network, composed of sites hosting the natural habitat types listed in Annex I and habitats of the species listed in Annex II, shall enable the natural habitat types and the species' habitats concerned to be maintained or, where appropriate, restored at a favourable conservation status in their natural range	Maintained or restored at a favourable conservation status	Coherent European ecological network of special areas of conservation under the title Natura 2000	ongoing	https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:31992L0043&from=EN
Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora	Where they consider it necessary, Member States shall endeavour to improve the ecological coherence of Natura 2000 by maintaining, and where appropriate developing, features of the landscape which are of major importance for wild fauna and flora, as referred to in Article 10			ongoing	https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:31992L0043&from=EN
Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora	Member States shall endeavour, where they consider it necessary, in their land-use planning and development policies and, in particular, with a view to improving the ecological coherence af the Natura 2000 network, to encourage the			ongoing	https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=C

Official name of text	Target or goal	Reference target for disclosure	Indicator (ESRS-PTF synthesis)	Time horizon	Source
	management of features of the landscape which are of major importance for wild fauna and flora				ELEX:31992L0043&from=EN
EU Biodiversity strategy - COM/2020/380 final	No deterioration in conservation trends and status of all protected habitats and species by 2030. In addition, Member States will have to ensure that at least 30% of species and habitats not currently in favourable status are in that category or show a strong positive trend	30% habitats and species reach favourable conservation status	Degraded or carbon-rich ecosystems are restored, habitats and species show no deterioration	2030	https://eur-lex.europa.eu/resource.html?uri=cellar:a3c806a6-9ab3-11ea-9d2d-01aa75ed71a1.0001.02/DOC_1&format=PDF
EU Biodiversity strategy - COM/2020/380 final	Strictly protect at least a third of the EU's protected areas, including all remaining EU primary and old-growth forests	100%	Strict protection of EU primary and old-growth forests	2030	https://eur-lex.europa.eu/resource.html?uri=cellar:a3c806a6-9ab3-11ea-9d2d-01aa75ed71a1.0001.02/DOC_1&format=PDF

Official name of text	Target or goal	Reference target for disclosure	Indicator (ESRS-PTF synthesis)	Time horizon	Source
EU Biodiversity strategy - COM/2020/380 final	Decline in pollinators is reversed	0% decline	Decline in pollinators is reversed	2030	https://eur-lex.europa.eu/resource.html?uri=cellar:a3c806a6-9ab3-11ea-9d2d-01aa75ed71a1.0001.02/DOC_1&format=PDF
EU Biodiversity strategy - COM/2020/380 final	At least 30% of the land and 30% of the sea are protected in the EU; This is a minimum of an extra 4% for land and 19% for sea areas as compared to today, and ecological corridors, as part of a true Trans-European Nature Network, are integrated	At least 30%	Protected, connected areas	2030	https://eur-lex.europa.eu/resource.html?uri=cellar:a3c806a6-9ab3-11ea-9d2d-01aa75ed71a1.0001.02/DOC_1&format=PDF
EU Biodiversity strategy - COM/2020/380 final	Bring back at least 10% of agricultural area under high-diversity landscape features. These include, inter alia, buffer strips, rotational or non-rotational fallow land, hedges, non-productive trees, terrace walls, and ponds. These help enhance carbon sequestration, prevent soil erosion and depletion, filter air and water, and support climate adaptation	At least 10%	Agricultural land is under high diversity landscape features	2030	https://eur-lex.europa.eu/resource.html?uri=cellar:a3c806a6-9ab3-11ea-9d2d-01aa75ed71a1.0001.02/DOC_1&format=PDF

Official name of text	Target or goal	Reference target for disclosure	Indicator (ESRS-PTF synthesis)	Time horizon	Source
EU Biodiversity strategy - COM/2020/380 final	At least 25% of the EU's agricultural land must be organically farmed by 2030	At least 25%	Agricultural land under organic farming management	2030	https://eur-lex.europa.eu/resource.html?uri=cellar:a3c806a6-9ab3-11ea-9d2d-01aa75ed71a1.0001.02/DOC_1&format=PDF
EU Biodiversity strategy - COM/2020/380 final	Protect soil fertility, reduce soil erosion and increase soil organic matter	Significant increase	Uptake of agro-ecological practices is significantly increased	2030	https://eur-lex.europa.eu/resource.html?uri=cellar:a3c806a6-9ab3-11ea-9d2d-01aa75ed71a1.0001.02/DOC_1&format=PDF
EU Biodiversity strategy - COM/2020/380 final	Stop the loss of green urban ecosystems. The promotion of healthy ecosystems, green infrastructure and nature-based solutions should be systematically integrated into urban planning, including in public spaces, infrastructure, and the design of buildings and their surroundings	0	Chemical pesticides used in EU urban green areas	2030	https://eur-lex.europa.eu/resource.html?uri=cellar:a3c806a6-9ab3-11ea-9d2d-01aa75ed71a1.0001.02/DOC_1&format=PDF

Official name of text	Target or goal	Reference target for disclosure	Indicator (ESRS-PTF synthesis)	Time horizon	Source
EU Biodiversity strategy - COM/2020/380 final	Planting at least 3 billion additional trees in the EU by 2030, in full respect of ecological principles	3 billion	Number of new trees planted in EU	2030	https://eur-lex.europa.eu/resource.html?uri=cellar:a3c806a6-9ab3-11ea-9d2d-01aa75ed71a1.0001.02/DOC_1&format=PDF
EU Biodiversity strategy - COM/2020/380 final	Minimise, and where possible eliminate, the introduction and establishment of alien species in the EU environment. The aim will be to manage established invasive alien species and decrease the number of Red List species they threaten by 50%	Reduce by 50%	Reducing number of Red list species threatened by invasive alien species	2030	https://eur-lex.europa.eu/resource.html?uri=cellar:a3c806a6-9ab3-11ea-9d2d-01aa75ed71a1.0001.02/DOC_1&format=PDF
EU Biodiversity strategy - COM/2020/380 final	Achieve more sustainable agriculture and forestry	Achieve more	Sustainable agriculture and forestry	2020 / asap	https://www.eea.europa.eu/soer/2020

Official name of text	Target or goal	Reference target for disclosure	Indicator (ESRS-PTF synthesis)	Time horizon	Source
EU Biodiversity strategy - COM/2020/380 final	Effectively manage all protected areas, defining clear conservation objectives and measures, and monitoring them appropriately.	Clear conservation objectives and measures defined	Effective management and monitoring	2030	https://eur-lex.europa.eu/resource.html?uri=cellar:a3c806a6-9ab3-11ea-9d2d-01aa75ed71a1.0001.02/DOC_1&format=PDF
EU Pollinators Initiative (COM(2018) 395 final	Tackling the causes of pollinator decline	Conserve, improve, reduce	Conservation of endangered pollinator species and habitats Improvement of pollinator habitats on and around farmland Improvement of pollinator habitats in urban areas and the wider landscape Reduction of the impacts if pesticide use on pollinators Reduction of the impacts of invasive alien species on pollinators	ongoing	https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52018DC0395&from=EN
EU Pollinators Initiative (COM(2018) 395 final	Improve knowledge of pollinator decline, its causes and consequences; tackle the causes of pollinator decline; raise awareness, engage society at large and promote collaboration	Improve	Knowledge of pollinator decline	2020 / asap	https://www.eea.europa.eu/soer/2020

Official name of text	Target or goal	Reference target for disclosure	Indicator (ESRS-PTF synthesis)	Time horizon	Source
EU Soil strategy	Increase soil organic matter and restore carbon-rich ecosystems	Increase (soil) and restore (ecosystems)	Soil organic matter and carbon-rich ecosystems	2030	Healthy soils – new EU soil strategy (europa.eu)
EU Soil strategy	Achieve land degradation neutrality by 2030	Reduce negative impacts	Negative impacts on sensitive species and habitats, incuding seabed is reduced	2030	Healthy soils – new EU soil strategy (europa.eu)
Green infrastructure — Enhancing Europe's natural capital (GI strategy)	Integrate green infrastructure (GI) into key policy areas, improving the knowledge base and encouraging innovation in relation to GI, improving access to finance including supporting EU-level GI projects.			2020 / asap	https://www.eea.europa.eu/soer/2020
Proposal for a regulation on deforestation-free products (COM(2021) 706 final)	Curb deforestation and forest degradation provoked by EU consumption and production. Minimize consumption of products coming from supply chains associated with deforestation or forest degradation – and increase EU demand for and trade in legal and 'deforestation free' commodities and products.	Curb	Deforestation and forest degradation provoked by EU consumption and production	2030	Proposal for a regulation on deforestation-free products (europa.eu)
Proposal for a regulation on deforestation-free products (COM(2021) 706 final)	Curb deforestation and forest degradation provoked by EU consumption and production. Minimize consumption of products coming from supply chains associated with deforestation or forest degradation – and increase EU demand for and trade in legal and 'deforestation free' commodities and products.	Minimize	Consumption of products coming from supply chains associated with deforestation or forest degradation	2030	Proposal for a regulation on deforestation-free products (europa.eu)
Proposal for a regulation on deforestation-free products (COM(2021) 706	Curb deforestation and forest degradation provoked by EU consumption and production. Minimize consumption of products coming from supply chains	Increase	EU demand for and trade in legal and 'deforestation	2030	Proposal for a regulation on deforestation-

Official name of text	Target or goal	Reference target for disclosure	Indicator (ESRS-PTF synthesis)	Time horizon	Source
final)	associated with deforestation or forest degradation – and increase EU demand for and trade in legal and 'deforestation free' commodities and products.		free' commodities and products		free products (europa.eu)
Regulation on invasive alien species; EU biodiversity strategy to 2020, Targets 4, 5 and 6; 7th EAP	Combat invasive alien species	Combat	Invasive alien species	2020 / asap	https://www.eea.europa.eu/soer/2020

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