

INTEGRATING BIODIVERSITY INTO BUSINESS

RECOMMENDATIONS AND TOOL
MAPPING



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LIST OF FIGURES

Figure 1 – Relationship of nature and biodiversity to the Taskforce on Nature-related Financial Disclosure (TNFD) and to Target 15 of the Global Biodiversity Framework (a). The figure shows the difference between the elements considered in the TNFD (impact, dependencies, risks and opportunities) and the elements listed for measurement in Target 15 (impact, dependencies and risks).	20
Figure 2 – Map highlighting the countries selected for analysis of the National Biodiversity Strategies and Action Plans (EPANBs) and identification of the instruments for implementing Target 15.	21
Figure 3 – Overview of the reporting landscape and how the initiatives relate to the Brazilian industry’s compliance with GBF Target 15. The <i>Regulations</i> category shows two Brazilian bodies that can be involved in reporting on Target 15: BACEN and CVM, as well as two bodies from other jurisdictions (Europe’s EFRAG and the SEC, equivalent to the CVM in the United States).....	39
Figure 4 – Overview of biodiversity in the ESG reports of companies listed on B3. In the 2023 example, 28% of the 92 companies evaluated published sustainability reports. Of these, 89% mention biodiversity, 53% define biodiversity as a material topic and 34% declare targets related to biodiversity.....	43
Figure 5 – Reporting of dependencies, impacts, risks and opportunities in relation to biodiversity in the ESG reports of companies listed on B3.....	44
Figure 6 – <i>Frameworks</i> used to report impacts on biodiversity in the Sustainability Reports (and similar) of 92 companies listed on B3 and with an A and A- grade in the CDP. A company can use more than one methodology, <i>framework</i> or standard for reporting. GRI: <i>Global Reporting Initiative</i> ; SASB: <i>Sustainability Accounting Standards Board</i> ; TNFD: Taskforce for Nature-related Financial Disclosure; SBTN: <i>Science-based Targets Network</i> ; GCCA: <i>Global Cement and Concrete Association</i>	45
Figure 7 – Information provided in the sustainability/ESG reports on the impact on biodiversity and the list of endangered species does not corroborate the use of GRI Standards 304-2 and 304-4.....	45
Figure 8 – Tools and methodologies used to report impacts, dependencies and risks to biodiversity in the Sustainability Reports (and the like) of 92 companies listed on B3 and with an A and A- grade in the CDP. A company can use more than one methodology, <i>framework</i> or standard for reporting. EP&L: <i>Environmental Profit & Loss</i> ; LEAP: <i>Locate, Evaluate, Assess, Prepare</i> (TNFD); STAR: <i>Species Threat Abatement and Restoration metric</i> (IUCN); MSA: <i>Mean Species Abundance</i> (GLOBIO).	46

LIST OF TABLES

Table 1 – Summary of the approaches used for each objective of this study	20
Table 2 – Country actions and initiatives found in the evaluated National Biodiversity Strategies and Action Plans (EPANBs)	26
Table 3 – Summary of Brazilian regulations related to Target 15.....	28
Table 1 – Description of the main approaches (frameworks, methodologies and tools) used to align with Target 15.	30

SUMMARY

PRESENTATION	9
EXECUTIVE SUMMARY	11
1 INTRODUCTION	15
1.1 Objectives	17
2 METHODOLOGY	19
2.1 Definitions	19
2.2 Approaches	20
2.2.1 Analysis of the EPANBs (approach a)	21
2.2.2 Keyword searches (approach c)	21
2.2.3 Survey of ESG reports (approach d)	22
2.2.4 Review of frameworks and tools used worldwide (approach e)	23
3 MAPPING RESULTS	25
3.1 Mapping regulations in CDB signatory countries	25
3.2 National legislation and existing instruments that can be used by the business and financial sectors to disclosure risks, dependencies and impacts on biodiversity.	27
3.3 Identification of the methodologies used for the responsible management of biodiversity in business operations, including the monitoring of risks, dependencies and impacts	30
3.3.1 International context	30
3.3.1.1 Reports of impacts and dependencies in the international context	40
3.3.1.2 Reports on risks and opportunities in the international context	41
3.3.2 National context	43
3.3.2.1 Report on impacts, dependencies, risks and opportunities in the national context	44
3.3.2.2 Tools for reporting impacts in the national context	46
3.3.3 Reporting trends and materiality	46
3.3.4 Discussion	47
3.3.4.1 Biodiversity data	48
4 RECOMMENDING THE BEST STRATEGIES FOR IMPLEMENTING TARGET 15 IN BRAZIL, CONSIDERING EXISTING METHODOLOGIES AND EXPERIENCES	53
GLOSSARY	57

PRESENTATION

We have witnessed the emergence of a global movement urging businesses, across various economic sectors, to operate in alignment with environmental and social sustainability values, which society increasingly deems essential. The responsible use of natural resources and the transparent communication of business practices have become imperative, having a significant impact on the relationships between companies and potential investors, as well as on a variety of financial market transactions.

Strategies linked to the concept of ESG (Environmental, Social, and Governance), which involve accountability in environmental, social, and organizational management, have gained vital prominence for the survival, value generation, and growth of companies. Integrating these practices into the routine operations of factories, outlets, and offices offers a distinct advantage in highly competitive markets and significantly contributes to the common good.

Amidst these transformative times, the signatories of the Convention on Biological Diversity, in 2022, agreed upon a suite of objectives that emphasize the critical importance of biodiversity for our planet. Notably, Goal 15 specifically calls for proactive corporate engagement, motivating businesses to amplify their positive environmental contributions and, thereby, diminish the potential for adverse outcomes.

Various tools exist that provide a lucid apprehension of the impacts, risks, dependencies, and opportunities related to environmental management. These resources enable companies to enhance the efficacy of their resource management programs, effectively communicating their commitment with transparency and coherence.

As the leading voice of Brazil's industrial sector, the National Confederation of Industry (CNI) presents this study, aiming to provide insights that assist businesses in incorporating the rightful demands of biodiversity into their operations. The report also offers recommendations for adherence to regulatory standards and adjusting to emerging trends in both the national and international contexts.

Enjoy the read.

Antonio Ricardo Alvarez Alban
President of CNI



EXECUTIVE SUMMARY

Biodiversity loss is one of the biggest global threats, affecting the environment, economies and human well-being. This phenomenon, accentuated in recent decades, results in a decrease in the diversity of species and habitats, directly impacting ecosystem services that are fundamental to life and the economy.

The Kunming-Montreal Global Biodiversity Framework (GBF) was approved during the 15th Conference of the Parties as the Biodiversity Plan. This instrument defines 4 goals and 23 targets to address the challenges related to biodiversity loss by 2030, with a vision of living in harmony with nature by 2050.

Target 15 is addressed to the private sector and brings elements and indicators for the integration of biodiversity into business. The overall objective of this goal is to encourage and enable companies, and in particular large ones, as well as transnational corporations and financial institutions, to reduce their negative impacts and increase positive impacts, in line with the mission of the global framework.

Achieving this goal requires the engagement of the business and financial sectors to monitor, access, and report on risks, dependencies, and impacts on biodiversity. Adhering to these guidelines is crucial for a sustainable and resilient economy, as well as attracting new investment and markets.

In this context, the National Confederation of Industry (CNI) prepared this study whose objective, in addition to carrying out a comprehensive benchmarking on practices for monitoring risks, dependencies and impacts of businesses in relation to biodiversity, evaluated, compared and identified the best existing tools for the national implementation of target 15.

National context and biodiversity reporting

In Brazil, biodiversity is one of the richest in the world, which makes it urgent to implement regulations that promote its conservation. Adherence to the GBF goals should occur through the National Biodiversity Strategies and Action Plans (NBSAPs) highlighting the need for Brazilian companies to adapt to these new trends and requirements.

This study sought to identify and understand the forms of reporting of national companies. However, as the ESG (and related) reports of the 92 B3 companies that had an A and A- grade in the CDP for 2023 were released during the development of this project, we present the results for both 2022 (82 reports) and 2023 (25 reports). The survey showed that 87.80% and

88.46% cite biodiversity in their reports (2022 and 2023, respectively), with 35.58% and 53.84% of companies considering biodiversity a material topic in 2022 and 2023, respectively. Finally, 19.51% and 34.61% declared goals related to biodiversity (2022 and 2023, respectively).

Tools and methodologies

There are different frameworks, methodologies or tools for reporting sustainability in general, including information on greenhouse gas emissions, biodiversity or nature. While some of these are aimed at structuring and guiding reporting, others facilitate the management (assessment and understanding) of biodiversity in the business.

Biodiversity and nature vary according to each region, so different methodologies and metrics can be applied in a complementary way for their analysis and reporting. The study sought to identify which of these approaches can be used by the business sector to meet the indicators proposed by target 15.

One of the frameworks aligned with the goal is the *Taskforce for Nature-related Financial Disclosures* (TNFD). The initiative structures and guides how to report on nature's impacts, risks, and dependencies in 14 public disclosures.

Another widely used framework is the Global Reporting Initiative (GRI), which structures sustainability reports according to numbered topics. The 2024 version update brings elements related to the disclosure of biodiversity impacts and dependencies. In Europe, the European Sustainability Reporting Standards (ESRS) predominate, a regulation that establishes mandatory guidelines for companies on the continent.

Regardless of the framework to be used, we will see in this study that biodiversity management is crucial for risk prevention and the identification of business opportunities.

The following document seeks to facilitate this exchange of ideas, sharing information with a focus on future advances towards achieving biodiversity targets, in line with sustainable development. It is recommended that Brazilian companies adopt robust biodiversity monitoring and reporting practices, contributing to long-term conservation and sustainability.

Roberto Muniz

Director of Institutional Relations at CNI



1 INTRODUCTION

Biological diversity guarantees the resilience of ecosystems and is fundamental for adapting to environmental and climate change. The loss of biodiversity is one of humanity's greatest environmental challenges and refers to the decline in the variety and abundance of life on Earth, both in terms of species and ecosystems. This decline has been accentuated over the last two centuries due to different factors, including the loss of natural habitats, overexploitation of natural resources, climate change, and water and soil contamination.

Considering the central role of biodiversity for the dynamics of the environment and society as a whole, the Global Risk Report¹, an annual publication by the World Economic Forum, identified the loss of biodiversity and the collapse of ecosystems in 3rd place among the greatest risks to the economy, the environment, society, geopolitics and technology on a global scale over the next decade.

In this context, trends towards the inclusion of biodiversity as a material topic² and relevant to companies, especially large and medium-sized organizations, have been gaining momentum. Especially since the adoption of the Kunming-Montreal *Global Biodiversity Framework* (GBF)³, also known as *The Biodiversity Plan for Life on Earth*, at the 15th Conference of the Parties to the Convention on Biological Diversity (CDB).

The Global Framework is a comprehensive strategy aimed at halting and reversing the loss of biodiversity, as well as promoting its conservation. To this end, four objectives have been set for 2050 and 23 global targets to be implemented by 2030. For companies, Target 15 has become of particular interest, since it establishes guidelines for the sector to progressively reduce its negative impacts on biodiversity, increase its positive impacts, reduce its risks related to biodiversity and promote actions that guarantee sustainable production standards.

1 WORLD ECONOMIC FORUM. The Global Risks Report 2024. 19th Edition, Insight Report. 10 Jan. 2024. Available at: <https://www.weforum.org/publications/global-risks-report-2023/digest/>. Accessed on: April 16, 2024

2 In the context of financial disclosures related to sustainability, topics are defined as material based on two distinct approaches: a) financial materiality, in which topics on which the omission, distortion or concealment of information could influence the decisions of the primary users of the reports (e.g. investors) are considered "material" and become so (Adapted from IFRS-S1, p. 8); and b) impact materiality. Thus, the topic is material to the organization if it generates significant impacts on the economy, the environment and people, including impacts on their human rights (Adapted from *GRI 3: Material Topics 2021*). Dual materiality arises from the union of the two approaches.

3 CONVENTION ON BIOLOGICAL DIVERSITY. Decision adopted by the conference of the parties to the convention on biological diversity (CBD/COP/DEC/15/4). 19 Dec. 2022. Available at: <https://www.cbd.int/doc/decisions/cop-15/cop-15-dec-04-en.pdf>. Accessed on: April 16, 2024

Target 15 stipulates that companies:

- a) Monitor, assess and transparently disclose their risks, dependencies and impacts on biodiversity, including requirements for all large and transnational companies and financial institutions throughout their operations, supply and value chains and portfolios;
- b) Provide the necessary information to consumers to promote sustainable consumption patterns;
- c) report compliance with access and benefit-sharing regulations and measures, as applicable

The importance of the topic in the context of the industry is mainly due to five reasons^{4,5,6}:

- Stakeholder relations and reputational risk
- Access to sustainable capital
- Regulatory and technological transition risks
- Pressure on the value chain
- Dependencies in the supply chain

Normative and technological transition risks are related to the need for companies to report impacts, dependencies and risks to biodiversity in accordance with country and economic bloc guidelines. This issue has become relevant due to the signaling of countries to make this reporting in relation to nature mandatory (for example, France and the United Kingdom⁷).

But how does this translate into financial risk for companies? For example, the *World Bank Group* study⁸ estimated the exposure of Brazilian banks to physical risks (ecosystem services) and transition risks (activity in sensitive areas and controversies). Based on the ENCORE tool (*Exploring Natural Capital Opportunities, Risks and Exposure*)⁹, the study showed that almost 50% of the credits provided (portfolio) were for businesses with high and very high dependence on one or more ecosystem services, that 15% of the portfolio potentially operates in protected areas and that 7% of the portfolio was destined for companies known to be involved in environmental controversies. The data shows that **biodiversity management in business is essential for preventing risks and identifying opportunities.**

4 UNEP-WCMC - UN Environment Programme World Conservation Monitoring Centre 2020. Biodiversity Measures for Business: Corporate biodiversity measurement and disclosure within the current and future global policy context. Cambridge, UK, 60 pp. Available at: https://www2.unep-wcmc.org/system/comfy/cms/files/files/000/001/845/original/aligning_measures_corporate_reporting_disclosure_dec2020.pdf

5 CDSB - Climate Disclosure Standards Board. 2021. Application guidance for biodiversity-related disclosures. November 2021. Available at: cdsb.net/biodiversity

6 BUSINESS FOR NATURE - BFN. Recommendations for governments on the implementation of Target 15(a) of the Global Biodiversity Framework. Published on June 21, 2023. Available at: <https://www.businessfornature.org/news/target15-recommendations>. Accessed on August 2, 2024.

7 ERM Sustainability Institute. 2024 Annual Trends Report: The Next Steps for Sustainable Business. January 2024. Available at: <https://www.erm.com/events/erm-apac-webinar-2024-annual-trends-report-the-next-steps-for-sustainable-business/>. Accessed on February 23, 2024.

8 CALICE, Pietro; DIAZ KALAN, Federico; MIGUEL, Faruk. Nature-related financial risks in Brazil. World Bank, 2021. Available at: <https://documents1.worldbank.org/curated/en/105041629893776228/pdf/Nature-Related-Financial-Risks-in-Brazil.pdf>. Accessed on August 2, 2024.

9 Natural Capital Finance Alliance (Global Canopy, UNEP FI, and UNEP-WCMC). 2024. ENCORE: Exploring Natural Capital Opportunities, Risks and Exposure. Available at: <https://www.encorenature.org/en>. Accessed on: August 2, 2024.

In Brazil, these considerations become even more important for different reasons. Firstly, the country has some of the greatest biodiversity in the world and has been the target of laws such as Law No. 9.985/2000 (National System of Nature Conservation Units) and Law No. 13.123/2015 (Access and Benefit Sharing), aimed at conserving and regulating this natural resource. Secondly, due to the nationalization of the GBF targets in Brazil and the updating of the National Biodiversity Strategy and Action Plan (EPANB), which translates Target 15 to direct companies at the national level to report impacts, dependencies and risks to biodiversity.

It is therefore essential to establish guidelines and means to help Brazilian industry report its dependencies, impacts and risks to biodiversity. This study presents a mapping of the means of implementing Target 15 of the Global Biodiversity Framework in Brazil, as well as recommendations, in view of the importance of involving Brazilian industries in this issue.

1.1 OBJECTIVES

- Mapping CDB signatory country regulations related to sustainability reports, which do or do not include biodiversity in the analysis.
- Identify national legislation and the respective existing instruments that can be used by the business and financial sectors in the *disclosure of* risks, dependencies and impacts on biodiversity.
- Identify tools for managing biodiversity in business operations, including monitoring risks, dependencies and impacts.
- To recommend better strategies for the Brazilian industry in implementing target 15, taking into account existing methodologies and experiences.



SDG



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2 METHODOLOGY

2.1 DEFINITIONS

In this work, the following definitions have been used:

Biodiversity: The variability among living organisms including, among others, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part. It includes diversity within species, between species and of ecosystems.¹⁰

Natural capital: The set of renewable and non-renewable natural resources (e.g. plants, animals, air, water, soils, minerals) that combine to produce a flow of benefits for people.¹¹

Nature: The natural world, with emphasis on the diversity of living organisms (including people) and their interactions with each other and their environment.¹²

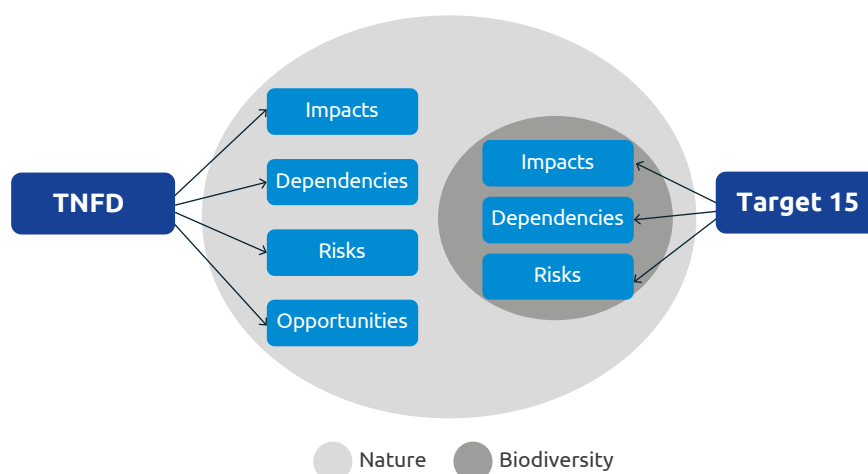
In this way, **nature encompasses biodiversity as well as natural capital (Figure 1)**. Although the *Taskforce for Nature-related Financial Disclosures (TNFD)* is the main tool listed for achieving Target 15, considering its broad approach and reporting guidelines, it is important to note that the TNFD refers to nature, while **Target 15 only addresses biodiversity**.

10 CONVENTION ON BIOLOGICAL DIVERSITY. Article 2. Use of Terms. Feb. 11, 2006. Available at: <https://www.cbd.int/convention/articles/default.shtml?a=cbd-02>. Accessed on 10 Apr. 2024.

11 CAPITALS COALITION. 2016. Natural Capital Protocol, translated from the glossary of the TNFD (Taskforce for Nature-related Financial Disclosures). Available at: https://capitalscoalition.org/capitals-approach/natural-capital-protocol/?wp_filter_tabs=guide_supplement. Accessed on 10 Apr. 2024.

12 Adapted from DÍAZ et al. 2015 The IPBES Conceptual Framework - Connecting Nature, translated from the glossary of the TNFD - Taskforce for Nature-related Financial Disclosures). Available at: <https://tnfd.global/publication/glossary/>. Accessed on: August 2, 2024.

FIGURE 1 – Relationship of nature and biodiversity to the Taskforce on Nature-related Financial Disclosure (TNFD) and to Target 15 of the Global Biodiversity Framework (a). The figure shows the difference between the elements considered in the TNFD (impact, dependencies, risks and opportunities) and the elements listed for measurement in Target 15 (impact, dependencies and risks).



Another term that often appears in connection with Goal 15 and the Global Framework is “*nature positive*”. Although the definitions of this concept are compatible with the goal of halting and reversing biodiversity loss, the term was not applied in the text of the Global Framework¹³. Therefore, “*nature positive*” was not used in this document.

2.2 APPROACHES

Depending on the specific objective, different mapping approaches were developed. Table 1 summarizes the approaches used for each objective.

TABLE 1 – Summary of the approaches used for each objective of this study.

Specific objective	Approaches used
A. Mapping of regulations in signatory countries to the Convention on Biological Diversity	a) Analysis of the National Biodiversity Strategies and Action Plans (EPANBs) b) Questionnaires on CDB country focal points
B. Survey of existing instruments in national legislation	c) Keyword searches
C. Identifying methodologies for biodiversity management	d) ESG reports e) Review of methodology frameworks used worldwide
D. Recommendations for the implementation of target 15 in Brazil	f) Summaries of the results found

13 POLLINATION. 2023. Nature positive strategy or practical guidance for corporates, Available at: . Accessed on February 23, 2024.<https://pollinationgroup.com/global-perspectives/nature-positive-strategy-practical-guidance-for-corporates/>. Accessed on February 23, 2024.

2.2.1 ANALYSIS OF THE EPANBS (APPROACH A)

Qualitative analysis of the National Biodiversity Strategies and Action Plans (EPANBs) of the countries (**Figure 2**) that made them available on the CDB website after the publication of the GBF.

FIGURE 2 – Map highlighting the countries selected for analysis of the National Biodiversity Strategies and Action Plans (EPANBs) and identification of the instruments for implementing Target 15.



2.2.2 KEYWORD SEARCHES (APPROACH C)

Relevant keywords for each topic were searched for on legislation portals and related websites. The results were assessed for their relevance in terms of impacts, dependencies and risks related to biodiversity.

2.2.3 SURVEY OF ESG REPORTS (APPROACH D)

Collection of data relating to the declaration of impacts, risks and dependencies relating to biodiversity directly from ESG reports¹⁴ or similar, published and made available on the websites of companies listed on B3 (Bolsa, Brasil, Balcão)¹⁵, as well as Brazilian companies that received an A or A- grade in the latest assessment by the *Carbon Disclosure Project* (CDP)¹⁶.

Reports made public until May 7, 2024 were taken into account. Although Target 15 does not deal with opportunities, various methodologies and *frameworks* do. Therefore, opportunities in relation to biodiversity were also considered.

In assessing the sustainability/ESG reports, it was considered whether the impacts, dependencies, risks and opportunities for biodiversity:

- They were explicitly reported in the sustainability/ESG reports or on the companies' websites (as long as they were cited or directed from the reports);
- In the case of impacts, they were reported as positive or negative. Companies that report only positive impacts and/or explicitly state that they do not generate negative impacts were disregarded. Likewise, companies that state that they "monitor impacts" without specifying which ones were disregarded. All of these cases are considered deviations, as indicated in GRI *Biodiversity* 2016 304-2.
- Dependencies, risks and opportunities were considered when explicitly reported in relation to biodiversity. Cases in which only the number of areas subject to risks is stated (without specifying them) were also disregarded.

In addition, companies that declare biodiversity targets in line with science were mapped. For this purpose, only targets and objectives related to biodiversity and listed in the reports with a time and quantitative horizon were considered (e.g. 80% by the year 2025; 1.1% increase per year), as recommended^{17, 18, 19}. Cases that were disregarded include commitments to trace the chain of some product, without referring to biodiversity. Tracking related to inputs from deforestation-free areas was considered. We also looked at whether companies declare biodiversity as a material topic.

14 It stands for *Environmental, Social and Governance* and refers to standards and good practices that aim to define whether a company is properly managed and environmentally and socially conscious.

15 Access on 08/02/2024 to https://www.b3.com.br/pt_br/market-data-e-indices/indices/indices-amplos/indice-ibovespa-ibovespa-composicao-da-carteira.htm

16 Access to <https://www.cdp.net/en/companies/companies-scores> on 20/02/2024. Only A and A- companies in the Climate Change questionnaire.

17 CDSB - Climate Disclosure Standards Board. 2021. Application guidance for biodiversity-related disclosures. November 2021. Available at: cdsb.net/biodiversity

18 TNFD - Taskforce for Nature-related Financial Disclosures. 2023. Recommendations of the Taskforce on Nature-related Financial Disclosures. Version v1.0, September 2023. Available at: <https://tnfd.global/publication/recommendations-of-the-taskforce-on-nature-related-financial-disclosures/>

19 SBTN - Science Based Targets for Nature Initial Guidance for Business. Available at: <https://sciencebasedtargetsnetwork.org/wp-content/uploads/2020/09/SBTN-initial-guidance-for-business.pdf>

2.2.4 REVIEW OF FRAMEWORKS AND TOOLS USED WORLDWIDE (APPROACH E)

The *frameworks*, methodologies and tools used by companies in the current global context were selected and evaluated in terms of (i) importance for the Brazilian industry, (ii) alignment with Target 15 and other *frameworks* and (iii) identification and quantification of dependencies, impacts and risks in relation to biodiversity.

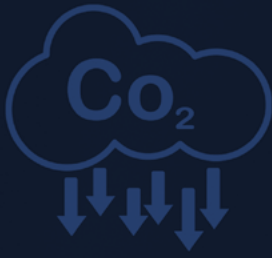
While components (i) and (ii) were assessed based on a review of the documents provided by the methodologies, the criteria used in (iii) were:

Identification: when the *frameworks*, methodologies and tools help to identify and/or exemplify probable dependencies, impacts, risks and opportunities for the business, by sector or not, both by their own methodology and by third-party methodology (as long as it is not a mere reproduction of another initiative). *Frameworks* that have documentation signaling that they will provide means for identification in the future (e.g., *Science Based Targets Network* - SBTN and *Global Reporting Initiative* - GRI) were considered.

Quantification: when *frameworks*, methodologies and tools provide methods for quantifying and/or valuing dependencies, impacts, risks and opportunities for the business, using their own methodology or a third-party methodology (as long as it demonstrates the step-by-step process). **Quantification can refer to a metric** (e.g. impact) **or monetary valuation** (usually representing risk or opportunity). *Frameworks* that have documentation signaling that they will provide means for quantification in the future (e.g., *Science Based Targets Network* - SBTN) were considered.

In addition, an analysis was carried out of the extent to which the content of each *framework* and methodology was documented. This involved assessing the *online* availability of documents with guidelines and examples in a comparative context (i.e. the assessment was relative rather than absolute) following the classification explained below:

- Low – *Frameworks* and methodologies that require or call for assessments of dependencies, impacts, risks and opportunities, without specifying methods or examples.
- Medium and Medium-High – Intermediate categories to differentiate *frameworks* and methodologies of similar scope that presented more complete and robust documentation.
- High – *Frameworks* and methodologies with easily accessible and sufficiently available documentation (methods, examples and others).



3 MAPPING RESULTS

3.1 MAPPING REGULATIONS IN CDB SIGNATORY COUNTRIES

National Biodiversity Strategies and Action Plans (NBSAPs, known in Portuguese EPANBs) are an instrument for managing and monitoring national actions for the conservation and sustainable use of biodiversity. They are instruments that countries use to comply with the provisions of the Convention on Biological Diversity (CDB in Portuguese), in particular the need to develop strategies, action plans and programs and to integrate the conservation and sustainable use of biodiversity into their national policies.

Considering that the EPANBs include both the national articulations and their results regarding the implementation of the CDB, structured by the Global Biodiversity Framework – which includes Target 15 – we believe that the EPANBs can offer relevant elements for understanding the current state of implementation of Target 15 policies in the countries.

For this reason, a qualitative analysis was made of the EPANBs made available on the CDB's official website²⁰ after the publication of the Global Biodiversity Framework 2030, in order to identify the possible regulations and policies of the countries in this regard. The countries that published EPANBs after the launch date of the Global Biodiversity Framework are: Ireland, China, France, the European Union, Luxembourg, Hungary, Japan, Spain, Uganda and Austria.

Below are the actions and initiatives of the above countries found in the EPANBs evaluated. They have been classified as:

1. Guides and guidelines
2. Standards and regulations aimed at company transparency
3. Incentives and recognition of good business practices

The first category, "Guides and guidelines", refers to government actions to guide the disclosure of risks, impacts and dependencies related to biodiversity. The category "standards and regulations aimed at corporate transparency" refers to the commitment to establishing obligations for companies to disclose their risks, impacts and dependencies. Finally, the category "incentives and recognition of good business practices" relates to financing and support measures for companies that disclose risks, impacts and dependencies related to biodiversity.

²⁰ NATIONAL BIODIVERSITY STRATEGIES AND ACTION PLANS – NBSAPS. Whats new? 2024. Available at: <https://www.cbd.int/nbsap>. Access on: 23 fev. 2024.

TABLE 2 – Country actions and initiatives found in the evaluated National Biodiversity Strategies and Action Plans (EPANBs)

COUNTRY	ACTIONS AND INITIATIVES	CLASSIFICATION
Ireland	Ireland has established <i>Business for Biodiversity Ireland</i> , a national initiative created to guide Irish companies to encourage the assessment of their impacts and dependencies on nature. The platform's proposal is to support companies in developing policies for a "nature positive" future by financing actions for restoration. There are targets for the number of companies involved in this initiative, as well as the percentage that will assess biodiversity impacts and dependencies.	Guides and guidelines; Incentives and recognition
China*	The country has set itself the goal of encouraging companies and social organizations to voluntarily formulate action plans for the protection of biodiversity, by raising awareness. In addition, a mechanism will be set up to oversee these plans and programs.	Guides and guidelines
China*	Among the country's priority actions on biodiversity is the inclusion of biodiversity data in the disclosure of environmental information by companies, as well as in sustainability reports.	Standards and regulations
China*	The country has set itself the goal of creating a mechanism for the protection and sustainable use of biodiversity by companies, which will include monitoring, evaluation and disclosure of risks, dependence and impacts of companies in key industries on biodiversity.	Guides and guidelines
China*	The country will also select companies from key sectors to identify, assess and regularly disclose their risks, dependencies and impacts on biodiversity. China also intends to establish a reporting process for biodiversity disclosure by companies.	Guides and guidelines
France	The country has set itself the goal of supporting companies in implementing and complying with their disclosure obligations regarding biodiversity impacts and dependence, especially smaller companies, which are not subject to these obligations.	Guides and guidelines; Incentives and recognition
France	The country has set itself the target of creating a platform for data published directly by companies and financial institutions on their risks, impacts and dependencies in relation to biodiversity through harmonized reporting rules.	Guides and guidelines; Incentives and recognition
France	France will establish regulations on companies' environmental reports with the aim of achieving greater transparency, including with regard to biodiversity. The country also intends to standardize the information requirements between the different rules.	Standards and regulations
Spain	The country will encourage dialogue with the private sector through existing tools, fostering good business practices, particularly in sustainable corporate governance, due diligence for value chains and financial and non-financial reporting.	Incentives and recognition
Spain	The country will develop a regulatory framework to facilitate sustainable investments, in order to boost the recognition of best business practices in relation to biodiversity.	Incentives and recognition
Japan	The country has pledged to encourage companies to quantitatively assess their dependence on and impact on biodiversity, set scientifically-based targets and disseminate information. It also pledged to support the dissemination, evaluation and setting of quantitative targets based on the trends of international initiatives such as the TNFD.	Incentives and recognition

COUNTRY	ACTIONS AND INITIATIVES	CLASSIFICATION
Japan	The country has pledged to form partnerships with existing initiatives to create and disseminate guidelines to encourage companies to incorporate biodiversity considerations into their management, set targets and disseminate information.	Guides and guidelines; Incentives and recognition
European Union	The economic bloc has committed itself to reviewing companies' reporting obligations, with a view to improving the quality and scope of non-financial disclosures, including environmental aspects such as biodiversity.	Standards and regulations

In the EPANBs of Luxembourg, Uganda and Austria, no initiatives were found that included actions relating to risks, dependencies and impacts on biodiversity.

3.2 NATIONAL LEGISLATION AND EXISTING INSTRUMENTS THAT CAN BE USED BY THE BUSINESS AND FINANCIAL SECTORS TO DISCLOSE RISKS, DEPENDENCIES AND IMPACTS ON BIODIVERSITY.

Brazil has a long history of laws and resolutions aimed at regulating the use and conservation of natural resources, as well as protecting nature and biodiversity. However, there is no specific legislation aimed at establishing mechanisms for different sectors to disclose their risks, dependencies and impacts on biodiversity. On the other hand, there are resolutions and instruments from specific bodies and authorities that aim to establish guidelines on this subject.

In recent years, the National Monetary Council (CMN) and the Central Bank of Brazil (BCB) have established instruments published through resolutions aimed at boosting and directing risk assessment practices, dependencies and impacts on nature and, by extension, on biodiversity, aimed at different business segments. Over time, these resolutions have undergone different revisions and have been supplemented by other provisions, as shown in Table 3.

Although most of them are aimed at the financial sector, Resolutions 4557 of 2017 and 4945 of 2021, both from the National Monetary Council, are important and relevant to Biodiversity in the industry:

CMN Resolution 4557/2017: Deals with the operations risk management structure, the capital management structure and, as amended by Resolution 4745/2019, the information disclosure policy. Among the highlights of this resolution are the definitions of different risks to companies' operations, including natural risks exemplified by environmental and climate risks, included in Section 8 of this resolution through Resolution 4943/2021. In this case, biodiversity is cited as an integral part of environmental risk and must be considered by companies in their operations.

CMN Resolution 4945/2021: Institutes the Social, Environmental and Climate Responsibility Policy (PRSA), which represents a strategic approach adopted by companies and organizations to integrate sustainable and socially responsible practices into their operations. In the context of biodiversity, this resolution determines the need for companies to take initiatives to improve the responsible management of land and water resources, as well as the preservation of natural habitats for the subsequent conservation of biodiversity.

Table 3 summarizes the Brazilian regulations related to element “a” of Target 15.

TABLE 3 – Summary of Brazilian regulations related to Target 15

Autarchy	Resolution	Date	Category	Subject	Target audience	Standard that amended or supplemented	Amended or supplemented standard
BCB	151/2021	10/06/2021	Risk Management and PRSAC	Provides for the remittance of information on social, environmental and climate risks referred to in Resolution No. 4,557, of February 23, 2017, and CMN Resolution No. 4,945, of September 15, 2021.	Financial institutions and other institutions authorized to operate by the Central Bank of Brazil that fall under Segment 1 (S1), Segment 2 (S2), Segment 3 (S3) or Segment 4 (S4)	4557/2017, 4945/2021	353/2023
BCB	139/2021	09/15/2021		Provides for the disclosure of the Risk Report		-	306/2023
BCB	306/2023	03/23/2023				139/2021	-
BCB	353/2023	11/23/2023				151/2021	-
BCB	265/2022	11/25/2022		Provides for the risk management structure, the capital management structure and the disclosure policy of prudential conglomerates classified as Type 3 within Segment 2 (S2), Segment 3 (S3) or Segment 4 (S4).	Prudential conglomerate classified as Type 3 within Segment 2 (S2), Segment 3 (S3) or Segment 4 (S4)	-	-

Autarchy	Resolution	Date	Category	Subject	Target audience	Standard that amended or supplemented	Amended or supplemented standard
BCB	331/2023	06/27/2023		Provides for the Social, Environmental and Climate Responsibility Policy (PRSAC) to be established by prudential conglomerates classified as Type 3 and the actions aimed at its effectiveness.	The leading institution of a prudential conglomerate classified as Type 3 and included in Segment 2 (S2), Segment 3 (S3), Segment 4 (S4) or Segment 5 (S5)	-	-
CMN	4557/2017	02/23/2017	Risk Management	Provides for the risk management framework and the capital management framework	Financial institutions and other institutions authorized to operate by the Central Bank of Brazil that fall under Segment 1 (S1), Segment 2 (S2), Segment 3 (S3) or Segment 4 (S4)	-	4745/2019, 4943/2021, 4926/2021
CMN	4945/2021	09/15/2021	PRSAC	Provides for the Social, Environmental and Climate Responsibility Policy (PRSAC) and the actions aimed at its effectiveness.	Financial institutions and other institutions authorized to operate by the Central Bank of Brazil that fall under Segment 1 (S1), Segment 2 (S2), Segment 3 (S3) or Segment 4 (S4)	-	-
CMN	4943/2021	09/15/2021				4.557/2017	-
CMN	4745/2019	08/29/2019		Provides for the risk management structure, the capital management structure and the information disclosure policy.	Financial institutions and other institutions authorized to operate by the Central Bank of Brazil that fall under Segment 1 (S1), Segment 2 (S2), Segment 3 (S3) or Segment 4 (S4)	4.557/2017	-
CMN	4926/2021	06/24/2021				4557/2017	-

3.3 IDENTIFICATION OF THE METHODOLOGIES USED FOR THE RESPONSIBLE MANAGEMENT OF BIODIVERSITY IN BUSINESS OPERATIONS, INCLUDING THE MONITORING OF RISKS, DEPENDENCIES AND IMPACTS

3.3.1 INTERNATIONAL CONTEXT

The *frameworks*, methodologies and tools useful for identifying and quantifying impacts, dependencies, risks and opportunities related to biodiversity have been listed and mapped according to their usefulness and purpose (**Table 1**). Together, they establish a structured reporting landscape for Target 15 (**Figure 3**).

This list is not exhaustive, as the reporting landscape is rapidly and constantly changing. For example, in the context of biodiversity, standards such as ISO/TC 331²¹, ISO 20400²² and some certifications, which are beyond the scope of this report, may also be relevant in the future.

TABLE 1 – Description of the main approaches (frameworks, methodologies and tools) used to align with Target 15.

Taskforce on Nature-related Financial Disclosures (TNFD)	
<p>Function Report</p> <p>Level of available documentation High</p> <p>Access Open</p> <p>Translation into Portuguese Scheduled for 2024</p>	<p>Purpose Helps companies report to investors on their material risks related to nature (including biodiversity). Establishes parameters for assessing impacts, dependencies, risks and opportunities in relation to nature using the LEAP methodology (Locate; Estimate; Assess; Prepare).</p> <p>Relation to Target 15 It identifies and prioritizes impacts, dependencies, risks and opportunities in relation to nature by applying the LEAP methodology (Locate; Estimate; Evaluate; Prepare). The report is based on 14 disclosures divided into four pillars: (i) Governance; (ii) Strategy; (iii) Risk and Impact Management; and (iv) Metrics and Targets. Both its general and sector-specific guidelines and its methodology exemplify possible impacts, dependencies, risks and opportunities, and can be related directly or indirectly to biodiversity. It is therefore the most appropriate framework for achieving Target 15.</p> <p>Usefulness for Brazilian industry and alignment with other tools The TNFD can be a guide for measuring the objectives of the Global Biodiversity Framework (GBF) at a national level. In addition, it is focused on risks and opportunities, and its adoption provides the opportunity to structure business strategy in relation to nature. It is one of the frameworks most closely aligned with other initiatives, allowing for great interoperability.</p> <p>When to use Industries that want to report on their relationship with nature in general, including biodiversity.</p>
<p>Impacts Identification ✓ Quantification ✓</p> <p>Risks Identification ✓ Quantification ✓</p>	<p>Dependencies Identification ✓ Quantification ✓</p> <p>Opportunities Identification ✓ Quantification ✓</p>

21 ISO Standards. Technical Committees: ISO/TC 331 Biodiversity. Available at: <https://www.iso.org/committee/8030847.html>. Accessed on: August 02, 2024.

22 BUREAU VERITAS; CDP. 2019. The road to sustainable procurement with ISO 20400: What, why and How. Available at: <https://kh.aquaenergyexpo.com/wp-content/uploads/2023/01/The-Road-to-Sustainable-Procurement-with-ISO-20400-What-Why-and-How.pdf>. Accessed on: 23 fev. 2024.

Global Reporting Initiative (GRI)	
<p>Function Report</p> <p>Level of available documentation High</p> <p>Access Open</p> <p>Translation into Portuguese Available</p>	<p>Purpose Used to structure the reporting of various sustainability and financial components. Helps companies report their impacts related to sustainability material topics, of which biodiversity can be a part.</p> <p>Relation to Target 15 The GRI standards are a reporting standard that structures various economic, social and environmental aspects into numbered topics for publication in reports by companies. In 2016, the first biodiversity reporting standard was launched (GRI 304: Biodiversity 2016), which was recently updated (GRI 101: Biodiversity 2024). Biodiversity reporting only covers impacts and dependencies. GRI 304 did not help to identify them, only to report them, but the current GRI 101: Biodiversity 2024 gives guidance on how to identify them, mostly through other tools and frameworks.</p> <p>Usefulness for Brazilian industry and alignment with other tools The GRI is a reporting standard that structures a large part of the Brazilian industry's sustainability reports. Its adoption facilitates the reading and transmission of key information to investors and stakeholders, including on biodiversity. In 2024, GRI announced the alignment of GRI 101: Biodiversity 2024 with the TNFD, the release of a document that provides an overview of how the framework aligns with the TNFD, as well as the intention to align as much as possible with the ISSB.</p> <p>When to use Industries, organizations and financial institutions that would like to report on broad sustainability topics are encouraged to use it.</p>
<p>Impacts Identification ✓ Quantification ✗</p> <p>Risks Identification ✗ Quantification ✗</p>	<p>Dependencies Identification ✓ Quantification ✗</p> <p>Opportunities Identification ✗ Quantification ✗</p>

Carbon Disclosure Project (CDP)	
<p>Function Report</p> <p>Level of available documentation Medium-High</p> <p>Access Paid</p> <p>Translation into Portuguese Questionnaires made available</p>	<p>Purpose It helps companies report to investors on their material risks related to environmental aspects, including biodiversity.</p> <p>Relation to Target 15 The CDP is an annual questionnaire that creates a standard for reporting on various environmental aspects. The questionnaire is used to evaluate companies, cities, states and public entities, and issues a score/concept that is publicly available. In the questionnaire, the biodiversity section includes topics for reporting on: 1) Processes used to identify, assess and manage biodiversity impacts and dependencies; 2) Biodiversity priority sites; 3) Compliance and fines; 4) Committee overview; 5) Management responsibilities; 6) Communication and reporting; 7) Biodiversity performance (commitments, important biodiversity areas, action plans, impacts and targets). Despite being aligned with Target 15, the CDP does not help to identify or quantify impacts, dependencies, risks and opportunities in relation to biodiversity.</p> <p>Usefulness for Brazilian industry and alignment with other tools The CDP can be a guide for assessing bottlenecks for improvement in climate, forestry and biodiversity management, as well as water security. The CDP score is important for Brazilian publicly traded industries, as it is a criterion for inclusion in the B3 ISE (Corporate Sustainability Index) portfolio. CDP intends to align itself more and more with TNFD, just as it intends to align itself with other frameworks such as ISSB and CSRD. For the mining sector, the questionnaire addresses additional aspects related to biodiversity.</p> <p>When to use Industries and organizations can use it to situate themselves in relation to competitors on different topics. As it is annual, the CDP can facilitate the advancement of the sustainability agenda.</p>
<p>Impacts Identification ✗ Quantification ✗</p> <p>Risks Identification ✗ Quantification ✗</p>	<p>Dependencies Identification ✗ Quantification ✗</p> <p>Opportunities Identification ✗ Quantification ✗</p>

ESRS Standards (CSRD)	
<p>Function Report</p> <p>Level of available documentation Medium-High</p> <p>Access Open (regulatory)</p> <p>Translation into Portuguese Available (Portuguese from Portugal)</p>	<p>Purpose Mandatory sustainability regulation for the European Union. As it is aligned with various voluntary frameworks, it can facilitate the adoption of these frameworks on a voluntary basis.</p> <p>Relation to Target 15 The ESRS is the set of standards and indicators for reporting non-financial information related to sustainability to be used by all companies subject to the European Union's Corporate Sustainability Reporting Directive (CSRD). Divided into 12 topics, the ESRS is made up of four categories, one of which is the environmental category, which includes aspects of biodiversity and ecosystems, in ESRS-E4. It provides for the reporting of impacts, dependencies, risks and opportunities related to biodiversity through 19 disclosures, 15 of which are mandatory and 4 optional. However, it does not list ways of identifying dependencies, impacts and risks related to biodiversity.</p> <p>Usefulness for Brazilian industry and alignment with other tools It is expected to come into force from 2025 (fiscal year 2024) for companies that were already subject to similar commitments in Europe, and will extend to small and medium-sized companies, as well as companies in third countries (including Brazil), until 2029. Thus, this reporting standard has led to changes in the due diligence process of European multinationals with a parent company in Brazil, as well as in the contracting of suppliers in Brazil. It also provides for auditing of supplier information by third parties as well as fines. Alignment between TNFD and CSRD is high and there is a cooperation agreement between them.</p> <p>When to use It is recommended to use when required.</p>
<p>Impacts Identification ✗ Quantification ✗</p> <p>Risks Identification ✗ Quantification ✓</p>	<p>Dependencies Identification ✗ Quantification ✗</p> <p>Opportunities Identification ✗ Quantification ✗</p>
Science Based Targets Network (SBTN)	
<p>Function Report</p> <p>Level of available documentation High</p> <p>Access Open</p> <p>Translation into Portuguese Available guide</p>	<p>Purpose Provides guidance on how to set nature-related targets. Helps companies report to investors on their objectives and targets in relation to nature (including biodiversity).</p> <p>Relation to Target 15 SBTN is a framework for setting nature-related targets and objectives, just like SBTi for climate, aligned with science, the aim of which is to help businesses become "Nature positive". It is divided into five steps: (1) Assess, (2) Interpret & Prioritize, (3) Measure, Establish & Disseminate, (4) Act and (5) Monitor. The initiative covers the following domains of nature: Freshwater, Terrestrial, Ocean, Climate (according to SBTi) and Biodiversity. The target-setting process will be verified by a third party. The SBTN is aligned with Target 15, and helps to identify and quantify impacts, dependencies, risks and opportunities in relation to biodiversity, although its methodology has not been completely finalized.</p> <p>Usefulness for Brazilian industry and alignment with other tools It is one of the few frameworks that provide guidance on how to define nature-related (and scientifically compliant) metrics and targets in a business context. Information on metrics and targets is required by some frameworks and initiatives (e.g. TNFD and CDP). TNFD recommends the adoption of SBTN to respond to two statements (Strategy B and Metrics and Targets C) and to assist one of the LEAP steps (step P2) and at least eight common outputs produced must adhere to TNFD or SBTN.</p> <p>When to use When defining nature-related targets. It is recommended that SBTN be used at a later stage in conjunction with another reporting framework, especially TNFD, as it is still under development.</p>
<p>Impacts Identification ✓ Quantification ✓</p> <p>Risks Identification ✓ Quantification ✓</p>	<p>Dependencies Identification ✓ Quantification ✓</p> <p>Opportunities Identification ✓ Quantification ✓</p>

International Sustainability Standards Board (ISSB)	
<p>Function Report</p> <p>Level of available documentation Medium</p> <p>Access Open</p> <p>Translation into Portuguese Responsibility of the Brazilian Sustainability Pronouncements Committee</p>	<p>Purpose It guides organizations in disclosing information about sustainability-related risks and opportunities that could reasonably affect the entity's prospects (in aspects such as cash flow, access to financing and cost of capital).</p> <p>Relation to Target 15 The ISSB is the board of the International Financial Reporting Standards (IFRS) Foundation that develops global disclosure standards related to sustainability. In 2023, the ISSB issued its first two standards: IFRS-S1, with general disclosure requirements, and IFRS-S2, with a focus on climate. As a result of the trend towards alignment between methodologies, both standards already include the recommendations of the Taskforce for Climate-related Financial Disclosures (TCFD). IFRS-S2 mentions biodiversity when it deals with impacts and risks, but does not list them or help sectors to estimate them. The IFRS is due to publish a standard dedicated to biodiversity, ecosystems and ecosystem services, but not yet aligned with Target 15.</p> <p>Usefulness for Brazilian industry and alignment with other tools According to CVM Resolution 193, Brazilian publicly traded companies will have to follow ISSB standards from 2026. In the global context, jurisdictions that account for 55% of the world's GDP have already signaled their adoption. Recently, the Council announced that it will use the TNFD as a reference for future developments. However, it is expected that the ISSB's approach will be different, since the TNFD applies dual materiality and the ISSB only financial materiality. The ISSB is also in the process of aligning itself with the GRI.</p> <p>When to use The ISSB's mission is to standardize and make verifiable information related to sustainability. This framework can be seen as more general and comprehensive for organizations that intend to report their financial information related to sustainability. For now, its adoption is not recommended with a view to Target 15 only.</p>
<p>Impacts Identification ✗ Quantification ✗</p> <p>Risks Identification ✗ Quantification ✗</p>	<p>Dependencies Identification ✗ Quantification ✗</p> <p>Opportunities Identification ✗ Quantification ✗</p>

Sustainability Accounting Standards Board (SASB)	
<p>Function Report</p> <p>Level of available documentation Medium</p> <p>Access Open</p> <p>Translation into Portuguese Unavailable</p>	<p>Purpose Currently part of the IFRS Foundation, SASB helps companies from 77 sectors to report to investors on their risks and opportunities in 5 dimensions: environment, human capital, social capital, business model and innovation, and leadership and governance.</p> <p>Relation to Target 15 The SASB standards identify the most relevant sustainability-related risks and opportunities for investor decision-making in 77 sectors. Specifically, 20 of the 77 sectors have guidelines that relate to biodiversity, but do not indicate how to quantify them. The metric codes are mainly related to: 1) Operations management policies and practices, 2) Risk and opportunity assessment and management processes; and 3) Quantitative metrics. In this sense, the SASB supports the fulfillment of Target 15, helping to identify impacts, dependencies, risks and opportunities in relation to biodiversity for some sectors, but not in a systematic way or in their quantification.</p> <p>Usefulness for Brazilian industry and alignment with other tools SASB is important in the context of applying ISSB standards. Several of its biodiversity metrics have been reused and readapted by TNFD and other frameworks.</p> <p>When to use When it is part of one of the 77 sectors and is not reporting on sustainability using other frameworks, since it is a simpler framework. However, as it is being reworked in conjunction with the ISSB, and its biodiversity content is limited, it is not indicated as the first choice for reporting in relation to Target 15.</p>
<p>Impacts Identification ✓ Quantification ✗</p> <p>Risks Identification ✓ Quantification ✗</p>	<p>Dependencies Identification ✓ Quantification ✗</p> <p>Opportunities Identification ✓ Quantification ✗</p>

Climate Disclosure Standards Board (CDSB)	
<p>Function Report</p> <p>Level of available documentation High</p> <p>Access Open</p> <p>Translation into Portuguese Unavailable</p>	<p>Purpose Currently part of the IFRS Foundation (but discontinued), it helps companies report their sustainability agenda (social and environmental, including biodiversity) to investors.</p> <p>Relation to Target 15 It is a framework for reporting on sustainability, including social, environmental and climate issues. One of its documents, the “Biodiversity Application Guidance”, is a supplementary document to help companies report information on impacts, dependencies, risks and opportunities in relation to biodiversity in six steps (REQ-01 to REQ-06). It does not provide its own methodology for identifying and quantifying dependencies, impacts and risks to biodiversity, merely citing other methodologies that do so, but it does provide examples of what to report and guidance (Tables 1, 2 and 3). In January 2022, the CDSB was integrated into the IFRS Foundation.</p> <p>Usefulness for Brazilian industry and alignment with other tools Although it is being reworked in conjunction with the ISSB, this may be one of the most comprehensive and important frameworks for biodiversity, along with the TNFD. The CDSB provides a mapping of which steps in its biodiversity guide relate to steps in other biodiversity-related international reporting frameworks.</p> <p>When to use Although it is useful for understanding biodiversity as a material topic and how to report on impacts, dependencies, risks and opportunities, how to prioritize biodiversity aspects, and others, it is being integrated into the ISSB. It is therefore suitable for industries that intend to adopt this standard.</p>
<p>Impacts Identification ✓ Quantification ✗</p> <p>Risks Identification ✓ Quantification ✗</p>	<p>Dependencies Identification ✓ Quantification ✗</p> <p>Opportunities Identification ✓ Quantification ✗</p>
Natural Capital Protocol (NCC)	
<p>Function Management</p> <p>Level of available documentation Medium-High</p> <p>Access Open</p> <p>Translation into Portuguese Unavailable</p>	<p>Purpose It helps to identify, measure and value the impacts and dependencies of natural capital, which can include biodiversity.</p> <p>Relation to Target 15 The protocol helps to identify, measure and value natural capital, of which biodiversity can be a part (usually as a basis for the provision of ecosystem services and resources). It is aimed at management and internal decision-making. It is not a formal way of reporting and does not require public reporting or disclosure. Instead, the protocol is focused on improving internal business decision-making mechanisms in relation to natural capital, with public reporting at the discretion of stakeholders. Divided into nine stages, from “Prepare to start”, through “Determine impacts and/or dependencies” and ending with “Take action”, it is very much focused on valuation, but discusses and guides businesses on impacts, dependencies, risks and opportunities related to biodiversity. It also helps to identify and quantify (value) impacts, dependencies, risks and opportunities in relation to biodiversity, although it is not fully aligned with Target 15 as it does not require reporting.</p> <p>Usefulness for Brazilian industry and alignment with other tools The NCC provides guidance for sectors and is a management framework aligned with the TNFD. The ‘Estimate’ phase of the TNFD was developed based on the ‘Measure and Value’ phase of the Natural Capital Protocol, and there is even a publication that guides how to relate them. Companies that are early adopters of the TNFD use the Natural Capital Protocol in parallel, as part of the Capitals Coalition, which assesses Natural, Social and Human capital.</p> <p>When to use When the organization is interested in estimating its impact on natural capital for internal management.</p>
<p>Impacts Identification ✓ Quantification ✓</p> <p>Risks Identification ✓ Quantification ✓</p>	<p>Dependencies Identification ✓ Quantification ✓</p> <p>Opportunities Identification ✓ Quantification ✓</p>

Life KEY	
<p>Function Management</p> <p>Level of available documentation Medium</p> <p>Access Paid</p> <p>Translation into Portuguese Available</p>	<p>Purpose It integrates environmental information, including information on biodiversity.</p> <p>Relation to Target 15 The methodology is available in software format and has five categories for companies to calculate their negative (DMB) and positive (DPB) impact on nature: 1) CO₂ emissions; 2) Land use; 3) Energy use; 4) Waste and 5) Water. Within the Land Use category, for example, using the Mean Species Abundance (MSA) indicator - an indicator of ecosystem integrity - the company can calculate its negative impact on biodiversity. This impact is standardized by sector on a scale of 0 to 1000, where 0 represents the lowest and 1000 represents the highest impact reported by companies in the same sector. In this sense, it can be useful for quantifying biodiversity impacts and dependencies. Through an offset mechanism between data in nature and positive actions for biodiversity, with the subsequent generation of "biodiversity" credits, companies are ranked by their credit score, which is made public on the Life Institute website.</p> <p>Usefulness for Brazilian industry and alignment with other tools A biodiversity management methodology that has the advantage of being Brazilian. Life KEY is closely aligned with TNFD, and can assist in all stages of LEAP. The comparison of companies is carried out in a similar way to the Global Biodiversity Score (GBS), developed by CDC Biodiversité, but the benchmark is not publicly available.</p> <p>When to use Useful for organizations that are starting to structure their environmental metrics and performance, and that intend to adopt some of the frameworks mentioned for reporting.</p>
<p>Impacts Identification ✓ Quantification ✓</p> <p>Risks Identification ✗ Quantification ✗</p>	<p>Dependencies Identification ✓ Quantification ✓</p> <p>Opportunities Identification ✗ Quantification ✗</p>

CDC Global Biodiversity Score (GBS)	
<p>Function Management</p> <p>Level of available documentation High</p> <p>Access Open</p> <p>Translation into Portuguese Unavailable</p>	<p>Purpose Quantifies impacts, dependencies and risks to biodiversity.</p> <p>Relation to Target 15 The Global Biodiversity Score (GBS) is a footprinting methodology developed by CDC Biodiversité in 2020 to assess the "biodiversity footprint" (footprinting), allowing companies and financial institutions to measure their impacts and dependencies on biodiversity throughout the value chain. The score provides an overview divided into four biodiversity footprint figures: by environment (aquatic and terrestrial) and by accounting categories (dynamic and static). It is based on the MSA metric, just like the Life methodology, and on area (km²), generating a metric called MSA.km². These four values are aggregated into a global index called the Biodiversity Aggregated Score, reported in parts per billion and compared with industry and global benchmarks publicly available. The methodology uses input-output data (specifically from EXIOBASE), is considered LCA-dependent and provides an MSA.km²/thousand euros metric. The tool helps meet Target 15 by identifying and measuring possible biodiversity impacts and dependencies.</p> <p>Usefulness for Brazilian industry and alignment with other tools As an open management methodology that measures the biodiversity footprint, the CDC GBS is a simple solution for the Brazilian industry. Although there are limitations in the open version, it is possible to relate it to other frameworks, such as TNFD, CSRD and SBTN. GBS supports 9 of the 14 declarations and all LEAP phases, with the exception of A2. The comparison of companies is carried out in a similar way to Life KEY.</p> <p>When to use Useful to start structuring your metrics and environmental performance (including biodiversity) and to start adopting a reporting framework.</p>
<p>Impacts Identification ✓ Quantification ✓</p> <p>Risks Identification ✗ Quantification ✗</p>	<p>Dependencies Identification ✓ Quantification ✓</p> <p>Opportunities Identification ✗ Quantification ✗</p>

Biodiversity Impact Assessment Framework (BIAF)	
<p>Function Management</p> <p>Level of available documentation High</p> <p>Access Open (but it depends on IBAT, which is paid)</p> <p>Translation into Portuguese Unavailable</p>	<p>Purpose Identifies and quantifies impacts and opportunities in relation to biodiversity.</p> <p>Relation to Target 15 The “biodiversity footprinting” methodology uses three aspects of biodiversity and ecosystems (extent, condition and significance) for prior assessments of biodiversity projects by companies, comparing them with the result of a reference/baseline scenario. It thus generates a “Nature positive” score. The three aspects are calculated on the basis of other tools, such as the WWF Risk Filter and the Integrated Biodiversity Assessment Tool (IBAT). In this sense, it can be used to assess biodiversity-related impacts and opportunities of projects to be implemented, in accordance with Target 15.</p> <p>Usefulness for Brazilian industry and alignment with other tools It is a methodology focused on biodiversity management and strategy. As it depends on other tools that are not necessarily open, it can incur costs. In this sense, its use is more secondary and complementary to the adoption of frameworks.</p> <p>When to use When the organization is interested in estimating impacts and evaluating the opportunities generated by the biodiversity project to be implemented.</p>
<p>Impacts Identification ✓ Quantification ✓</p> <p>Risks Identification ✗ Quantification ✗</p>	<p>Dependencies Identification ✗ Quantification ✗</p> <p>Opportunities Identification ✗ Quantification ✓</p>
Life Cycle Analysis (LCA)	
<p>Function Management</p> <p>Level of available documentation High</p> <p>Access Depends on the database</p> <p>Translation into Portuguese Unavailable</p>	<p>Purpose It assesses the impacts of a product/service from the extraction of raw materials to its final destination. Because it is comprehensive, it also considers biodiversity and ecosystem services.</p> <p>Relation to Target 15 This methodology makes it possible to understand the impacts of a product/service throughout its life cycle, from the extraction of raw materials to its final destination, either through disposal (cradle to grave) or the return of resources to the production process (cradle to cradle). There have been recent discussions about how to deepen and give more focus to biodiversity in LCA, with some very promising examples. For biodiversity, it can be applied as MSA (Mean Species Abundance) or Potentially Disappeared Fraction (PDF) affected/lost by occupied area, product, used resource, among others. In this way, the LCA methodology can be used to identify and quantify impacts, risks and opportunities in relation to biodiversity, in line with Target 15.</p> <p>Usefulness for Brazilian industry and alignment with other tools It is suitable for companies that are more mature in their understanding of their impacts and value chain, since it is not a trivial analysis and depends on previous analyses that do not necessarily cover their business or production chain. The TNFD and the Natural Capital Protocol cite LCA as an appropriate methodology on different topics. In addition, the CDC GBS and other methodologies (e.g. Biodiversity Impact Metric (BIM), Product Biodiversity Footprint (PBF) and Impact World+) use LCA to provide their impact analysis.</p> <p>When to use When the organization wants to quantify impacts and assess risks and opportunities related to a product or activity (examples: hydroelectric plants, plastics, chemicals, land use, etc.).</p>
<p>Impacts Identification ✓ Quantification ✓</p> <p>Risks Identification ✓ Quantification ✓</p>	<p>Dependencies Identification ✗ Quantification ✗</p> <p>Opportunities Identification ✓ Quantification ✓</p>

ENCORE	
<p>Function Management</p> <p>Level of available documentation Medium</p> <p>Access Open</p> <p>Translation into Portuguese Unavailable</p>	<p>Purpose It helps to identify impacts, dependencies and risks to nature.</p> <p>Relation to Target 15 It is a tool made up of two modules (dependencies and impacts of natural capital and biodiversity), based on the classification of economic sectors drawn up by the SASB. In the first module, it maps the main impacts and dependencies related to nature, some of which are directly and indirectly related to biodiversity. In the second module, it provides the potential to reduce the risk of species extinction (IUCN STAR metric) and demonstrates the risk of ecological integrity (MSA metric) of the areas in the production portfolio, also providing appropriate management actions that can be seen as opportunities. It thus helps to meet Target 15.</p> <p>Usefulness for Brazilian industry and alignment with other tools ENCORE is widely recommended for a preliminary scan of business impacts and dependencies on nature (including biodiversity) in different methodologies. For the Brazilian industry, the tool is recommended for this very purpose. It should be noted that the SBTN's materiality assessment tool (STBN Materiality matrix) was drawn up on the basis of ENCORE.</p> <p>When to use Although developed for risk assessment by financial institutions, it can be useful for understanding businesses in a qualitative way, their impacts and dependencies in relation to biodiversity, especially along their value chain.</p>
<p>Impacts Identification ✓ Quantification ✗</p> <p>Risks Identification ✓ Quantification ✗</p>	<p>Dependencies Identification ✓ Quantification ✗</p> <p>Opportunities Identification ✓ Quantification ✗</p>

WWF Risk Suite	
<p>Function Management</p> <p>Level of available documentation High</p> <p>Access Open</p> <p>Translation into Portuguese Unavailable</p>	<p>Purpose It helps to identify and quantify risks related to biodiversity.</p> <p>Relation to Target 15 The tool aggregates various geo-referenced data sources to provide, through the location of the business, areas of greatest risk related to nature, including biodiversity (WWF Biodiversity Risk Filter). For biodiversity, risk information ranges from priority areas for conservation to pollination, pollution, invasive species and ecosystem condition, as well as media, political and preparedness scrutiny. In this sense, the tool helps meet Target 15 by identifying and measuring possible risks to biodiversity.</p> <p>Usefulness for Brazilian industry and alignment with other tools It's an open, standardized tool with a biodiversity risk assessment. It is a simple solution for the Brazilian industry. However, many of the different risks assessed have low resolution, so their application should be preliminary. Both the WWF Biodiversity Risk Filter and the WWF Water Risk Filter are cited as useful tools for assessing biodiversity-related risks by the TNFD, usually in the guide to LEAP and the sector guide. It also has a document showing how the tool can be used in relation to the SBTN and TNFD.</p> <p>When to use When an organization wants to have a first quantitative assessment of the risks related to biodiversity in a comparative way between its business areas.</p>
<p>Impacts Identification ✗ Quantification ✗</p> <p>Risks Identification ✓ Quantification ✓</p>	<p>Dependencies Identification ✗ Quantification ✗</p> <p>Opportunities Identification ✗ Quantification ✗</p>

Integrated Biodiversity Assessment Tool (IBAT)	
<p>Function Management</p> <p>Level of available documentation High</p> <p>Access Paid</p> <p>Translation into Portuguese Unavailable</p>	<p>Purpose It provides information on endangered species, protected areas and key areas for biodiversity conservation in various business locations.</p> <p>Relation to Target 15 It provides simple or complete automated reports, depending on the package to be contracted. A complete report provides information on: the number of threatened species (IUCN Red List), protected areas and key areas for biodiversity conservation within a 10 km radius. In addition, it provides Species Threat Abatement and Restoration (STAR) values, divided into STARt and STARr for each area. High STARt values indicate that a given area is important because it contains a large number of threatened species, while high STARr values indicate that a given area has high potential for restoration, since before modification it had high STARt. Therefore, the tool can provide a first quantification of risks and opportunities in relation to biodiversity, in line with Target 15. It can also be used to identify impacts and quantify impacts in the case of high land use ventures.</p> <p>Usefulness for Brazilian industry and alignment with other tools It is a tool that generates automated reports and does not require high levels of in-house expertise, but registration is done in foreign currency. TNFD suggests IBAT/STAR as a preliminary assessment tool, in conjunction, for example, with ENCORE and WWF Biodiveristy Risk. BIAF also applies IBAT/STAR to measure “positive nature” scores.</p> <p>When to use Used to carry out a preliminary assessment of the risks and opportunities related to biodiversity, especially endangered species and areas for restoration. STAR values can be used to guide, for example, biodiversity offsetting actions and target setting.</p>
<p>Impacts Identification ✓ Quantification ✓</p> <p>Risks Identification ✗ Quantification ✓</p>	<p>Dependencies Identification ✗ Quantification ✗</p> <p>Opportunities Identification ✗ Quantification ✓</p>

Considering Table 1, Figure 3 presents an overview of the reporting landscape and how these initiatives relate to each other. There is a cascading effect, in which international and national targets influence reporting *frameworks* and standards, as well as regulations, resulting in the application of methodologies and tools by the industry, which assess risks, impacts, dependencies and/or opportunities in relation to biodiversity.

FIGURE 3 – Overview of the reporting landscape and how the initiatives relate to the Brazilian industry’s compliance with GBF Target 15. The *Regulations* category shows two Brazilian bodies that can be involved in reporting on Target 15: BACEN and CVM, as well as two bodies from other jurisdictions (Europe’s EFRAG and the SEC, equivalent to the CVM in the United States).



In general, no *framework*, tool or methodology will be a “silver bullet” for Target 15. For example, while some approaches take into account impacts, dependencies, risks and opportunities, many of them are not suitable for all ecosystems or depend on modeled geospatial data that allows little application at the local level and between areas of the same company.

It should be noted that many methodologies were developed for the financial sector, such as GID from the *Global Impact Institute*²³, BFFI²⁴ and CBF²⁵, and may not be appropriate for the industry context in relation to Target 15. In addition, there are detailed analyses of biodiversity

²³ GID - GLOBAL IMPACT DATABASE. Available at: <https://www.impactinstitute.com/global-impact-data/>. Accessed on: August 2, 2024.

²⁴ Biodiversity Footprinting for Financials - BFFI. 2024. Available at: <https://www.biodiversity-metrics.org/bffi.html#:~:text=The%20BFFI%20method%20is%20designed,and%20applications%20of%20the%20BFFI>. Accessed on August 02, 2024.

²⁵ Although its application is focused on assessing the impact of financial institutions’ portfolios, a case study with a mining and agriculture company can be found at the following link, and has the potential to inform commitments to Target 15: https://knowledge4policy.ec.europa.eu/sites/default/files/EU%20B%40B%20Platform%20Update%20Report%203_FINAL_1March2021.pdf

impact measurement tools, which present the application of metrics to business and the data required for their effective use²⁶. It is therefore suggested that sources for comparing methodologies²⁷ and tools listed in the *TNFD Tools Catalogue* be explored²⁸. Other publications that can be used as a reference are: CDC *Biodiversité* (creators of the GBS), BioInt²⁹; and TNC/WWF (creators of the *Biodiversity Impact Assessment Framework - BIAF*³⁰).

3.3.1.1 Reports of impacts and dependencies in the international context

In relation to Table I, the most widely used tool internationally for identifying business impacts on nature (and biodiversity) in the context of Target 15 is ENCORE³¹ (*Exploring Natural Capital Opportunities, Risks and Exposure*), which has been used in practically all the TNFD pilots published by *Global Canopy*³² and *the World Business Council for Sustainable Development (WBCSD)*³³. The platform makes it possible to identify impacts and dependencies in relation to nature, but also specifically on biodiversity.

Basically, ENCORE suggests the main (most material) impacts according to the sector or sub-sector in which the organization operates, which are separated by environmental assets (including species and habitats) and ecosystem services. However, only a qualitative *score* (low to very high) is described for each impact and dependency, leaving it up to the organization to bring the relationship provided by the tool to the reality of the business in a quantitative way.

Therefore, ENCORE has been called a “*screening tool*”, suitable only for a preliminary analysis. A potential limitation of this tool is that the sectors and sub-sectors are defined by the *Sustainability Accounting Standards Board (SASB)*, which can lead to incompatibility and overlapping of classifications when applying the tool in the Brazilian context.

26 Nature Intelligence Newsletter. 2024. #05 - Charting path: navigating the biodiversity tool wilderness - part 1 - The compasses. Available at: <https://www.linkedin.com/pulse/charting-path-navigating-biodiversity-tool-wilderness-joshua-berger-s3tqe/?trackingId=BLoby15e%2FeTnxHwFpRHbKg%3D%3D>. Accessed on: August 02, 2024.

27 We recommend the following sources:

1. UNEP-WCWC. Accountability for Nature. Comparison of Nature-Related Assessment and Disclosure Frameworks and Standards. Report, January 2024.
2. EU Business & Biodiversity Platform. Biodiversity Disclosure Initiatives. Thematic Report. April 2024.
3. EU Business & Biodiversity Platform. Assessment of Biodiversity Measurement Approaches for Businesses and Financial Institutions. Update Report, December 2022.
4. Business for Nature. Recommendations for governments on the implementation of Target 15(a) of the Global Biodiversity Framework. Report. June 2023.

28 Zhu et al. 2024. Glaring gaps in tools to estimate businesses' biodiversity impacts hinder alignment with the Kunming-Montreal global biodiversity framework. *Journal of Cleaner Production* Volume, v. 451, p. 142079. Available at: <https://www.sciencedirect.com/science/article/abs/pii/S0959652624015270>

29 The Biodiversity Footprint Intelligence Company - BioInt. 2024. Available at: <https://www.linkedin.com/company/bioint/posts/?feedView=all>

30 Biodiversity Impact Assessment Framework - BIAF. Articulating and Assessing Biodiversity Impact. Available at: <https://www.thebiodiversity-consultancy.com/knowledge-and-resources/articulating-and-assessing-biodiversity-impact-169/>. Accessed on: August 02, 2024.

31 Natural Capital Finance Alliance (Global Canopy, UNEP FI, and UNEP-WCMC. 2024. ENCORE: Exploring Natural Capital Opportunities, Risks and Exposure. Available at: <https://www.encorenature.org/en>. Accessed on: August 2, 2024.

32 A set of documents showing TNFD pilots with various companies is available at the following link: <https://globalcanopy.org/insights/news/assessing-nature-related-risks-and-opportunities-case-studies-from-global-canopys-2023-tnfd-piloting-programme/>

33 World Business Council for Sustainable Development - WBCSD. Available at: <https://www.wbcds.org/Imperatives/Nature-Action/WBCSD-s-TNFD-pilot>. Accessed on: August 2, 2024.

In March 2024, the *Impact Management Platform*³⁴ released a systematic map (in spreadsheet form) that lists and relates each resource (tool, standard or *framework*) for assessing sustainability-related impacts according to the following actions: Strategy; Governance; Identification; Measurement, evaluation and value; Targets and plans; Implementation; Communication; Verification, guarantees and certification; and *Benchmarking*. The map shows how *frameworks*, tools and standards such as TNFD, GRI, SBTN, ISO, IFRS, SBTi, among others, can be useful for the actions described. Some of these resources may be important in the context of biodiversity.

3.3.1.2 Reports on risks and opportunities in the international context

³⁵In addition to the tools and methodologies mentioned in Table 1, other information and some additional tools and methodologies can be mentioned.

The **TNFD risk and opportunity registers**³⁶ is a TNFD tool specifically developed for phase A of LEAP, in which risks and opportunities are assessed. This is done by indicating useful information for each risk and opportunity, connecting the information with the prioritization mechanisms used in the *framework*. The table is provided in blank, but gives examples that are complemented by the guidance documents for sectors (mentioned above), which present the most frequent and likely risks for each sector.

The information indicated in this tool includes: origin of the risk (changes in the state of nature and species, change in ecosystem services, impact on society), exposure metrics (*e.g.* which generate risk), magnitude metrics (reduction in revenue, number of exposed places), level of risk (low, medium, high), responsible manager and connection with other risks and opportunities. As a TNFD tool, it is highly aligned with Target 15, and is useful for recording an organization's risks and opportunities over time, especially if no other instrument is in place to do so.

Global Forest Watch and **Resource Watch** are *online* tools that provide georeferenced information on biodiversity, including priority areas for conservation, biodiversity integrity, maps of land use, climate, carbon and more. These tools allow for a scan of possible risks to biodiversity both in direct operations and in the value chain. In this sense, they can be used to preliminarily assess risks related to biodiversity, in line with Target 15.

34 IMPACT MANAGEMENT PLATFORM. 2024. System Map. Available at: <https://impactmanagementplatform.org/system-map/>. Accessed on: August 2, 2024.

35 <https://riskfilter.org/>

36 TNFD - Taskforce for Nature-related Financial Disclosures. 2023. TNFD nature-related risk and opportunity registers. Version 1.0. December 2023. Available at: <https://tnfd.global/toolkit-worksheet/tnfd-nature-related-risk-and-opportunity-registers/>

In addition, because they show spatial information, they can also provide an initial reading on the impacts and opportunities relating to biodiversity, based on land use, priority areas for conservation, and others. The tools are simple to use and open, and are useful for gaining a first insight into industry's interface with nature and biodiversity. They have been widely used in TNFD pilots, especially for more qualitative assessments of deforestation in the value chain. In this way, it is useful for companies carrying out a first assessment of biodiversity-related risks in their areas or in the areas of their suppliers.

Environmental Profit & Loss (EP&L) is a valuation methodology that structures the monetary flow in relation to the services used by the company, including ecosystem services. Based on *Life Cycle Analysis* (LCA) and natural capital valuation, this methodology converts the values resulting from LCA (tons of CO₂, volume of water, etc.) into monetary values, and is considered a “beyond LCA” method³⁷. In this sense, it is a methodology that allows for the quantification of dependencies, risks and opportunities related to biodiversity, in line with Target 15, but it does so in monetary terms, despite the fact that other methods for valuing ecosystem services are more commonly applied.

Some criticism of EP&L is that it is limited to assessing only the effects of land use, and that other impacts on biodiversity (use of biological resources, use of water, invasive species) are ignored. Although this limitation does not prevent an assessment by EP&L (and other LCA-based methodologies), these unconsidered impacts are an integral part of TNFD and other *frameworks*. Therefore, carrying out an EP&L is not an initial step towards adopting other frameworks. As it is a valuation methodology, it is indicated for the company's strategic and management objectives, and not for mere compliance with Target 15.

Finally, the *Climate Disclosure Standards Board* (CDSB)³⁸ offers guidelines and guides for identifying risks related to biodiversity and is one of the most complete documents for biodiversity among the *frameworks* discussed here. Among the listed resources are: a) *UNEP-WCMC's report Biodiversity measures for business*³⁹; b) *ICFTU Handbook for Nature-related Financial Risks*⁴⁰; c) *WBCSD/Meridian/WRI Guidelines for Identifying Business Risks and Opportunities*⁴¹; d) *The Climate-Nature Nexus: Implications for the Financial Sector*⁴² and

37 Damiani et al. 2024 Critical review of methods and models for biodiversity impact assessment and their applicability in the LCA context. *Environmental Impact Assessment Review* 101 (2023) 107134. DOI: <https://doi.org/10.1016/j.eiar.2023.107134>

38 CDSB - Climate Disclosure Standards Board. 2021. Application guidance for biodiversity-related disclosures. November 2021. Available at: cdsb.net/biodiversity

39 UNESP-WCMC; BOTICÁRIO GROUP FOUNDATION. 2020. Biodiversity Measures for Business: Corporate biodiversity measurement and disclosure within the current and future global policy context. Cambridge, UK, 60 pp. https://www2.unep-wcmc.org/system/comfy/cms/files/files/000/001/845/original/aligning_measures_corporate_reporting_disclosure_dec2020.pdf. Accessed on: August 2, 2024.

40 Cambridge Institute for Sustainability Leadership - CISL. 2021. Handbook for Nature-related Financial Risks: Key concepts and a framework for identification. Available at: <https://www.cisl.cam.ac.uk/resources/sustainable-finance-publications/handbook-nature-related-financial-risks>. Accessed on: August 2, 2024.

41 WBCSD; MERIDIAN INSTITUTE; WRI. Guidelines for Identifying Business Risks and Opportunities Arising from Ecosystem Change Version 2.0. Available at: <https://docs.wbcsd.org/2012/01/ESR-GuidelinesForIdentifyingBusinessRisks.pdf>. Accessed on: August 2, 2024.

42 <https://www.naturefinance.net/resources-tools/the-climate-nature-nexus-1/>. Accessed on: August 02, 2024.

e) IFC's Guidance Note 6⁴³. Most of these resources are documents that guide, in some way, the identification of risks and opportunities related to nature, climate and biodiversity, and can also be useful as additional resources.

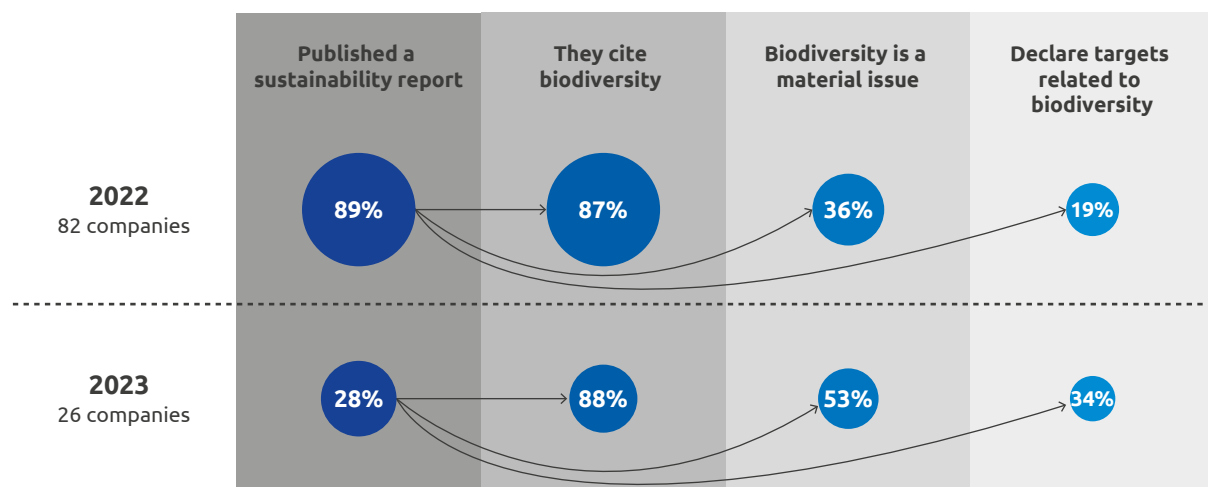
3.3.2 NATIONAL CONTEXT

As the ESG (and related) reports of the 92 B3 companies with an A and A- CDP score for 2023 were released during the course of this study, the results are presented for both 2022 (82 reports) and 2023 (25 reports). Three companies only had reports for 2021, while four companies had no reports published or they were unavailable.

The survey showed that **87.80% and 88.46% mention biodiversity** in their reports (2022 and 2023, respectively), while **35.58% and 53.84% of companies consider biodiversity to be a material topic** in 2022 and 2023, respectively (**Figure 4**). Finally, **19.51% and 34.61% declared targets related to biodiversity** (2022 and 2023, respectively).

These differences may have occurred for two reasons: 1) an increase in the tendency to report on biodiversity as a material topic compared to the GBF, established in 2022, and 2) since the reports published up to the beginning of May 2024 were evaluated, the sample may be biased, as companies more engaged in sustainability (and more likely to report on biodiversity) tend to report shortly after the end of the previous fiscal year, increasing the proportions observed.

FIGURE 4 – Overview of biodiversity in the ESG reports of companies listed on B3. In the 2023 example, 28% of the 92 companies evaluated published sustainability reports. Of these, 89% mention biodiversity, 53% define biodiversity as a material topic and 34% declare targets related to biodiversity.



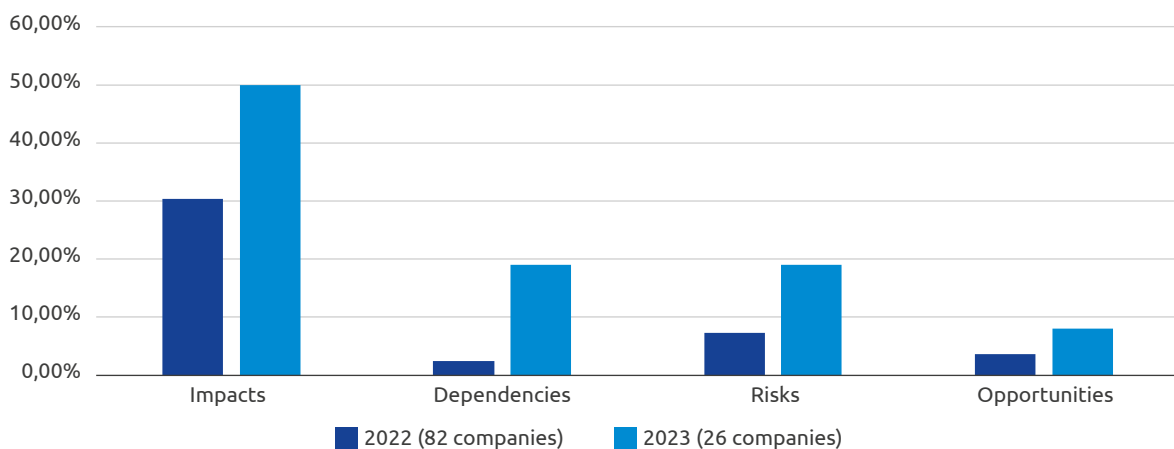
43 INTERNATIONAL FINANCE CORPORATION – IFC. Biodiversity conservation and sustainable management of living natural resources. 2012. Available at: <https://www.ifc.org/en/insights-reports/2012/ifc-performance-standard-6>. Accessed on : 02 ago. 2024

3.3.2.1 Report on impacts, dependencies, risks and opportunities in the national context

The reporting of impact was greater than the reporting of dependencies, risks and opportunities (**Figure 5**). At times, it was possible to see that many reports could call some programs or facts related to sustainability actions risks and opportunities related to biodiversity, but did not report them as such. This is probably due to a paradigm shift and/or concept, since the concepts of “risks” and “opportunities” mostly come from Climate Management, especially the *Task Force on Climate Related Financial Disclosures* (TCFD), launched in 2015 (on which the TNFD was based).

Interestingly, although the CDP questionnaire has already included questions on biodiversity impacts (very much in line with the GRI) since 2022, the companies did not report the CDP as a tool used in biodiversity reporting. This is possibly because the CDP lists its topics, but does not require them to be indexed in the sustainability report.

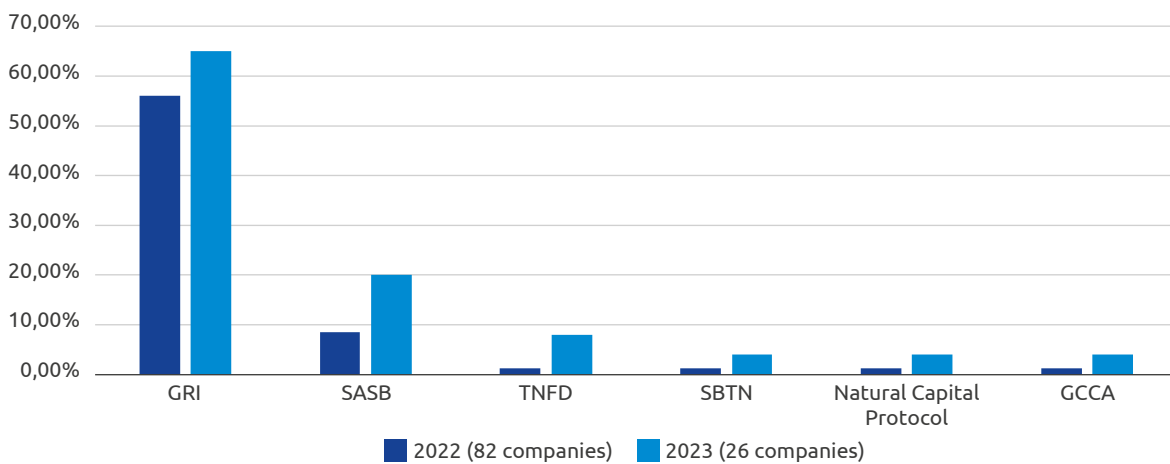
FIGURE 5 – Reporting of dependencies, impacts, risks and opportunities in relation to biodiversity in the ESG reports of companies listed on B3.



The analysis of ESG reports revealed that the GRI 304 reporting standard was widely used in ESG reports (**56.1%** or 48 out of 61 companies in 2022 and **65.38%** or 17 out of 26 companies, for 2022 and 2023, respectively; **Figure 6**). Almost half of the companies (**41.94%**) that reported using GRI 304-2 to identify ‘Significant impacts of activities, products and services on biodiversity’ did not list impacts or did not do so appropriately (see definition in the methodology) in 2022. This amount fell to 23.07% in 2023 (**Figure 6**), demonstrating the companies’ greater maturity in terms of reporting impacts.

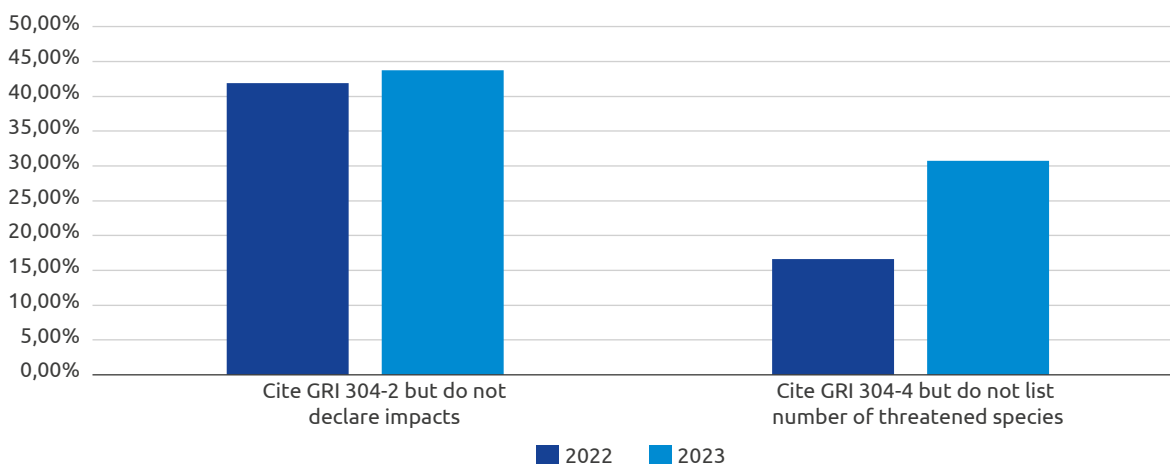
Although the 2022 analysis suggests that ESG and sustainability teams are not prepared to respond to biodiversity reporting *frameworks* and standards in an adequate manner, the small sample from 2023 suggests that this trend has been decreasing, at least in relation to biodiversity. The same is true for **dependencies**, which were reported by two companies (2.44%) in 2022 and by five companies (19.23%) in 2023.

FIGURE 6 – Frameworks used to report impacts on biodiversity in the Sustainability Reports (and similar) of 92 companies listed on B3 and with an A and A- grade in the CDP. A company can use more than one methodology, *framework* or standard for reporting. GRI: *Global Reporting Initiative*; SASB: *Sustainability Accounting Standards Board*; TNFD: *Taskforce for Nature-related Financial Disclosure*; SBTN: *Science-based Targets Network*; GCCA: *Global Cement and Concrete Association*.



Among the companies that used the GRI to structure their sustainability/ESG report, despite citing GRI 304-2 (main impacts on biodiversity) and 304-4 (list of threatened species), some of them tend not to provide this information (**Figure 7**).

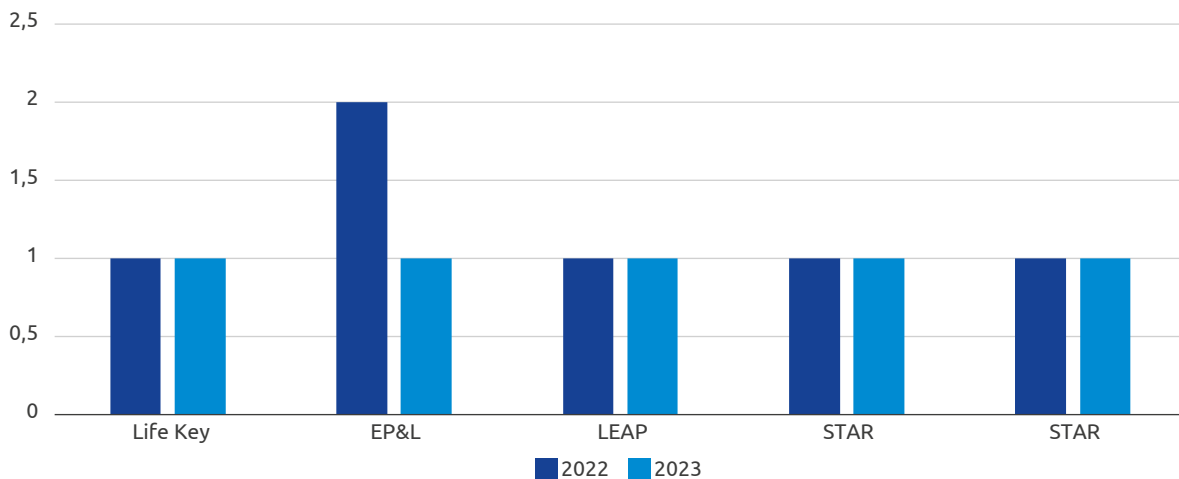
FIGURE 7 – Information provided in the sustainability/ESG reports on the impact on biodiversity and the list of endangered species does not corroborate the use of GRI Standards 304-2 and 304-4.



3.3.2.2 Tools for reporting impacts in the national context

The number of methodologies and tools used by the companies surveyed was quite small. In general, companies tended only to report the information, without referring to specific tools or methodologies. This probably reflects reality, since most of these tools and methodologies have been developed in recent years, while companies have been collecting and reporting biodiversity data, either for *compliance* or legal requirements, for much longer.

FIGURE 8 – Tools and methodologies used to report impacts, dependencies and risks to biodiversity in the Sustainability Reports (and the like) of 92 companies listed on B3 and with an A and A-grade in the CDP. A company can use more than one methodology, *framework* or standard for reporting. EP&L: *Environmental Profit & Loss*; LEAP: *Locate, Evaluate, Assess, Prepare* (TNFD); STAR: *Species Threat Abatement and Restoration metric* (IUCN); MSA: *Mean Species Abundance* (GLOBIO).



3.3.3 REPORTING TRENDS AND MATERIALITY

A recent study by the *Transition Plan Taskforce* (TPT)⁴⁴ evaluated, based on semi-automated assessment (by artificial intelligence), the climate and resilience-related declarations of the companies participating in the *Nature Action 100*⁴⁵. Among the main findings was that while the majority of companies assess their impacts (95%) and carry out risk assessments (75%) related to climate, only 3% or less declare or assess their risks related to nature.

Furthermore, these companies reported around 56% of the climate-related indicators assessed in the study, but only 35% related to nature. These results are in line with the results presented in this mapping of Brazilian companies' ESG reports, validating the methodology applied and

44 MARTÍN R.S. *et al.* (2024). Harnessing AI to assess corporate adaptation plans on alignment with climate adaptation and resilience goals. Available at: SSRN <https://ssrn.com/abstract=4878341> or <http://dx.doi.org/10.2139/ssrn.4878341>. Accessed on 12/07/2024.

45 NATURE ACTION 100. **Companies**. 2024. <https://www.natureaction100.org/companies/>. Accessed on: August 2, 2024.

confirming the same trend of much more climate-focused reporting on both the global and national stage.

Another recent analysis⁴⁶ compares the different materiality approaches in relation to biodiversity, showing that IFRS materiality approaches tend to be financial materiality, while GRI, TNFD and ESRS use impact materiality or dual materiality⁴⁷. Impact materiality and dual materiality go beyond the financial impacts on the organization, being more dynamic and comprehensive in relation to the impacts on society from environmental damage, but potentially creating problems of extent – that is, to what extent adverse and overlapping impacts should be related to the organization.

According to the study's authors, the two approaches are likely to coexist in the reporting landscape in the coming years. For this reason, the importance of audits and third-party verification in biodiversity declarations and reporting is highlighted. Unlike sustainability reporting, which is mostly dominated by consulting firms, biodiversity reporting is dominated by non-governmental organizations (ONGs), usually funded by the European Union.

3.3.4 DISCUSSION

With regard to tools, it is recognized that the sustainability reporting landscape has been actively changing. This can be seen in the frequent announcements of increased interoperability between *frameworks* and standards. For example, the GRI recently announced⁴⁸ its intention to align with TNFD, following the trend in climate reporting (IFRS⁴⁹, EFRS/ISSB⁵⁰ and IFRS⁵¹). It is expected that the biodiversity reporting landscape will continue to change, and that new tools may emerge in response to different demands in the future. However, Elliot et al. (2024)⁵² suggest that no single reporting *framework* or standard would be able to cover all the possible relevant statements given the heterogeneity of business contexts and the complex nature of biodiversity.

46 Elliot V., Jonäll K., Paananen M., Bebbington J., Michelon G. 2024. Biodiversity reporting: standardization, materiality, and assurance. *Current Opinion in Environmental Sustainability*, 68, p. 101435. Available at: <https://doi.org/10.1016/j.cosust.2024.101435>

47 **Dual materiality** considers two dimensions of impact: financial and material. While financial materiality is limited to the impacts of the topic (e.g. nature, biodiversity) on the financial aspect of the organization, impact materiality refers to the organization's most significant impacts on the economy, the environment and people, including impacts on their human rights. The TNFD allows for both a single (financial) and dual materiality approach, the first aligned with the ISSB and the second aligned with the GRI.

48 GRI. 2024. Transparency standard to inform global response to biodiversity crisis. Published date: January 25, 2024. Available at: <https://www.globalreporting.org/news/news-center/transparency-standard-to-inform-global-response-to-biodiversity-crisis/>. Accessed on: August 02, 2024.

49 IFRS. **New resource on emissions reporting using GRI and ISSB Standards**. 18 jan. 2024. Available at: <https://www.ifrs.org/news-and-events/news/2024/01/new-resource-on-emissions-reporting-using-gri-and-issb-standards/>. Accessed on: 02 ago. 2024.

50 IFRS. **IFRS Foundation and EFRAG publish interoperability guidance**. 02 maio 2024. Available at: https://www.ifrs.org/news-and-events/news/2024/05/ifrs-foundation-and-efrag-publish-interoperability-guidance/?mkt_tok=NDkxLVZORY03OTAAAAGS96Sg95UAeZoCT6OclF_lq0d1o-gtopZBl5aCsdXAOzn3ojMcWh63TIH-IcvVx1nKS0-g05Rmhz5Q4o3d2tmOxSIHt7oKhTlmrCeNwTLUA. Accessed on em: 02 ago. 2024. EFRAG. **IFRS Foundation and EFRAG publish interoperability guidance**. 02 maio 2024. Available at: <https://www.efrag.org/en/news-and-calendar/news/ifrs-foundation-and-efrag-publish-interoperability-guidance>. Acesso em: 02 ago. 2024.

51 IFRS Sustainability. ISSB Meeting Staff paper. Agenda reference: 3C & 4D. Available at: <https://www.ifrs.org/content/dam/ifrs/meetings/2022/october/issb/ap3c4d-interoperability-key-matters.pdf>. Accessed on: August 2, 2024.

52 Elliot V., Jonäll K., Paananen M., Bebbington J., Michelon G. 2024. Biodiversity reporting: standardization, materiality, and assurance. *Current Opinion in Environmental Sustainability*, 68, p. 101435.

Recent analysis has shown that the achievement of the CDB’s global targets (Aichi Targets in the past decade and GBF in the current decade) has been insufficient⁵³. Specifically, it is observed that the implementation and monitoring of some targets (e.g. Aichi Target 20: “Resource mobilization”) have been limited by the *trade off* between national priorities and international conservation interests, highlighting that countries engaging with other sectors and stakeholders is crucial for the implementation and monitoring of targets.

Of the 17 tools and methodologies for managing and assessing the impact of business on biodiversity developed to date, including some explored in this study, most tend to address at least one element related to the risks, impacts and dependencies associated with biodiversity⁵⁴. However, it can be seen that these practices do not fully cover Target 15, given that issues of sustainable consumption and access and benefit sharing, elements “c” and “d” of the target, respectively, are not fully covered.

Furthermore, it was found that although some of the tools may individually fulfill a specific objective of Target 15, a holistic assessment reveals that all the objectives of this Target are met jointly by just three methodologies: ABDI, Bioscope and Life Key. Similarly, in the study conducted by Zhu and collaborators, only six of the 17 tools evaluated considered aquatic ecosystems (marine, coastal and freshwater), leading to the conclusion that the assessment of biodiversity carried out by these tools is quite restricted and does not reflect all the elements addressed by the Global Framework.

These methodological gaps underline the significant challenge faced by companies in meeting the expectations of the Framework and, in particular, fulfilling Target 15.

3.3.4.1 Biodiversity data

One of the main challenges associated with the methodologies and tools **available** centers on **access to and availability of the tools and data needed to use them**. In response to questions posed by members of G20 governments in Montreal at COP15 around the **scarcity of standardized data** and the fact that nature is characterized locally (unlike climate, which is global), the TNFD⁵⁵ published a report in August 2023 containing the results of a study with public data to facilitate and accelerate reporting and target setting by organizations, in alignment with Target 15.

53 Maney et al. 2024 National commitments to Aichi Targets and their implications for monitoring the Kunming-Montreal Global Biodiversity Framework. *npj Biodiversity*, v. 3(6). Available at: <https://www.nature.com/articles/s44185-024-00039-5>

54 Zhu et al. 2024. Glaring gaps in tools to estimate businesses’ biodiversity impacts hinder alignment with the Kunming-Montreal global biodiversity framework. *Journal of Cleaner Production* Volume, v. 451, p. 142079. Available at: <https://www.sciencedirect.com/science/article/abs/pii/S0959652624015270>.

55 TNFD - TaskForce for Nature-related Financial Disclosures. 2023. Findings of a high-level scoping study exploring the case for a global nature-related public data facility. August 2023. Available at: <https://tnfd.global/tnfd-publishes-scoping-study-data-facility/>

This initiative compared database archetypes (public and collaborative catalogs, a centralized database and a facilitated public access database), referred to as the “*Nature-related Data Catalyst*”, a platform that brings together various data sources, tools and solutions related to TNFD reporting. Other initiatives have also gathered data, for example the SBTN *Toolbox*⁵⁶.

The study concluded, based on assessments made in March 2022, that most of the tools available at the time were sufficient for corporations and financial institutions to start identifying, assessing and declaring nature-related issues using the TNFD *framework*. However, this does not make the data consistent or easy to access, especially in regional and local contexts. Thus, for the TNFD⁵⁷, this data should form a **collection**, and be **credible, consistent** and **connected** between different sources. Failure to meet these criteria (highlighted in bold) makes it difficult to evaluate and take effective action, resulting in problems such as:

- Difficulty in developing EPANBs;
- Significant transition costs for organizations to comply with the regulations and requirements resulting from the Global Framework, such as reporting their dependencies, impacts and risks to biodiversity;
- Difficulty for financial institutions to prioritize their credit lines to avoid financing activities that negatively impact nature or prioritize positive results in relation to nature in an adequate time window.

Another problem listed by TNFD⁵⁸ in relation to data access refers to the fact that large organizations and even large research institutes do not share their nature data openly, thus restricting the availability of this information to organizations that cannot afford the cost of access.

An intervention and collective effort to remedy this problem should: (i) Develop a clear *framework* regarding what data needs to be collected, how it will be collected, as well as its maintenance and availability; (ii) Provide incentives to facilitate data collection and maintenance; (iii) Develop focal points for data access, considering the global scope of stakeholders.

Overall, the information gathered reinforces the points made by the Convention on Biological Diversity in 2017⁵⁹ on reporting trends. Specifically:

56 Science Based Targets Network - SBTN. STEP 1 TOOLBOX v1.1 2024. Available at: <https://sciencebasedtargetsnetwork.org/wp-content/uploads/2023/05/SBTN-Step-1-Toolbox-v1-2023.xlsx>. Accessed on: August 02, 2024.

57 TNFD - Taskforce for Nature-related Financial Disclosures. 2023. Findings of a high-level scoping study exploring the case for a global nature-related public data facility. August 2023. Available at: <https://tnfd.global/tnfd-publishes-scoping-study-data-facility/>

58 TNFD - Taskforce for Nature-related Financial Disclosures. 2023. Findings of a high-level scoping study exploring the case for a global nature-related public data facility. August 2023. Available at: <https://tnfd.global/tnfd-publishes-scoping-study-data-facility/>

59 CBD. 2017. Guidance for reporting by Businesses on their actions related to biodiversity. CBD/SBI/2/4/Add.2 20 May 2017. Available at: <https://www.cbd.int/doc/c/ff6d/906c/ebbec273f27f8e9416bba00b/sbi-02-04-add2-en.pdf>. Accessed on: August 2, 2024.

1) Biodiversity in reporting:

- a) Biodiversity is not consistently cited or reported, largely due to the complexity associated with the term. In fact, obtaining quality data from clients has been one of the main challenges since the first evaluations of financial institutions⁶⁰. Added to this is a lack of understanding of the potential relationships between biodiversity, risks and business opportunities;
- b) Less than half of the companies surveyed recognize biodiversity as material (36%) in 2022; a topic recognized as being of lesser importance than others. In addition, many of the reports refer to “natural ecosystems” and other terms related to ecosystems, showing a lack of understanding that biodiversity supports the functioning of ecosystems and their services and that nature encompasses all of these topics.
- c) Impacts and dependencies on biodiversity vary greatly between companies and sectors. Although many companies address land and water use issues, thus referring to important *drivers of biodiversity loss*⁶¹, they do not establish a conceptual connection with biodiversity.

2) Regarding the alignment between *frameworks* and tools:

- a) Despite the lack of alignment identified by the CBD (2017⁶²), we currently have a more positive situation, in which the majority of reporting *frameworks* and standards are aligned or intend to align⁶³;
- b) However, ‘reporting fatigue’ (a term coined to refer to the huge number of *frameworks* applicable to companies in the ESG field) remains quite strong, especially with the recent updates to the various *frameworks*⁶⁴;
- c) The stock exchange continues to be very important in encouraging the dissemination of biodiversity results⁶⁵.

60 BUSINESS FOR NATURE - BFN. Recommendations for governments on the implementation of Target 15(a) of the Global Biodiversity Framework. Published on June 21, 2023. Available at: <https://www.businessfornature.org/news/target15-recommendations>. Accessed on August 2, 2024.

61 TNFD - Taskforce for Nature-related Financial Disclosures. 2023. Recommendations of the Taskforce on Nature-related Financial Disclosures. Version v1.0, September 2023. Available at: <https://tnfd.global/publication/recommendations-of-the-taskforce-on-nature-related-financial-disclosures/>

62 CBD. 2017. Guidance for reporting by Businesses on their actions related to biodiversity. CBD/SBI/2/4/Add.2 20 May 2017. Available at: <https://www.cbd.int/doc/c/ff6d/906c/ebc273f27f8e9416bba00b/sbi-02-04-add2-en.pdf>. Accessed on: August 02, 2024.

63 EU BUSINESS & BIODIVERSITY PLATFORM - EUB&B. 2024. Thematic Report on Biodiversity Disclosure Initiatives. Available at: https://green-business.ec.europa.eu/news/publication-thematic-report-biodiversity-disclosure-initiatives-2024-05-08_en. Accessed on: August 2, 2024.

64 EU BUSINESS & BIODIVERSITY PLATFORM - EUB&B. 2024. Thematic Report on Biodiversity Disclosure Initiatives. Available at: https://green-business.ec.europa.eu/news/publication-thematic-report-biodiversity-disclosure-initiatives-2024-05-08_en. Accessed on: August 2, 2024.

65 BUSINESS FOR NATURE - BFN. Recommendations for governments on the implementation of Target 15(a) of the Global Biodiversity Framework. Published on June 21, 2023. Available at: <https://www.businessfornature.org/news/target15-recommendations>. Accessed on August 2, 2024.



4 RECOMMENDING THE BEST STRATEGIES FOR IMPLEMENTING TARGET 15 IN BRAZIL, CONSIDERING EXISTING METHODOLOGIES AND EXPERIENCES

In view of the mapping of tools, methodologies and frameworks, as well as the analysis of companies that already implement some action related to biodiversity, three recommendations for Brazilian industry in relation to target 15 are presented below. Although they focus on *frameworks*, it is important to remember that different methodologies can be applied appropriately, thus guaranteeing the management of biodiversity in the context of the business.

1) Keep up to date with reporting tools and concepts

The shift in the reporting landscape to encompass nature risk means not only a conceptual advance beyond climate, but also a paradigm shift – and associated vocabulary (Figure 1). As highlighted throughout this report, nature includes biodiversity, and the main reason for interspersing the two concepts probably comes from the vocabulary used in the Global Framework (focusing on “biodiversity”) and the TNFD (focusing on “nature”)⁶⁶.

It is therefore important that companies are prepared to adapt to the conceptual framework and the paradigm shift. In this sense, we recommend that companies adopt the most general *frameworks* and methodologies – those with a focus on nature, not just biodiversity. However, we stress that using the term biodiversity is important – since it can receive little attention in large-scale studies⁶⁷.

Impacts on biodiversity (and nature) are much more frequently reported in relation to dependencies, risks and opportunities, reflecting the European reality⁶⁸. This is because the concept of impact on nature is widespread. For example, the term “impact” began to be used in environmental impact studies, and remains so.

Risks and opportunities, on the other hand, come from a financial *background* intertwined with the advancement of the climate agenda over the last decade. This is validated by the fact that many of the ESG reports analyzed in this study mention the terms *risk* and *opportunity* in their reports, but only in relation to climate issues. *Dependencies*, on the

66 BUSINESS FOR NATURE – BFN. Recommendations for governments on the implementation of Target 15(a) of the Global Biodiversity Framework. 21 jun. 2023. Available at: <https://www.businessfornature.org/news/target15-recommendations>. Accessed on: 02 ago. 2024.

67 VON ZEDLITZ, G. Mind the gap?! the current state of biodiversity reporting. SAFE White Paper, n. 95, ago. 2023. Available at: https://safe-frankfurt.de/fileadmin/user_upload/editor_common/Policy_Center/SAFE_White_Paper_95.pdf. Accessed on: 02 ago. 2024.

68 VON ZEDLITZ, G. Mind the gap?! the current state of biodiversity reporting. SAFE White Paper, n. 95, ago. 2023. Available at: https://safe-frankfurt.de/fileadmin/user_upload/editor_common/Policy_Center/SAFE_White_Paper_95.pdf. Accessed on: 02 ago. 2024.

other hand, are rarely mentioned explicitly, despite having increased in frequency in 2023, demonstrating that the business sector has yet to mature in relation to these concepts and their associated vocabulary.

2) Start with GRI and then expand to TNFD or other frameworks

The wide diversity of reporting *frameworks* and methodologies can make it difficult for investors to decide⁶⁹. Considering that the GRI is frequently used by companies in Brazil and provides a basic framework for sustainability reporting (ESG issues in general, in addition to biodiversity), it is in the interest of the Brazilian industry that more general approaches such as the GRI are adopted first.

If general approaches are already used in sustainability reporting, it is recommended to expand the scope to GRI *Biodiversity* 101. Most recent reporting initiatives have sought to ensure interoperability with the GRI. In this sense, the GRI would be the first “big step” to pave the way for effective biodiversity reporting.

However, the GRI does not provide the means to identify and assess risks and opportunities, so it is necessary to look for other *frameworks*, methodologies and tools. It is only after the initial structuring and management of biodiversity that the TNFD or other *frameworks* become appropriate for application.

3) Stay tuned for IFRS standards

Despite adopting the view of financial materiality rather than dual materiality, thus limiting greater attention to biodiversity issues, the standards drawn up by the *International Sustainability Standards Board* (ISSB) will become mandatory for publicly traded companies in Brazil⁷⁰ from 2027 (2026 reporting). Implementation in the country will take place through the accounting pronouncements of the Brazilian Sustainability Pronouncements Committee (CBPS). Following the same path as the ESRS (CSRD/EFRAG), in Europe, which is very interoperable,⁷¹ they comply with almost all the metrics and disclosures of the TNFD, it can be noted that a similar mapping will be carried out between TNFD and IFRS, reducing “reporting fatigue”.

69 ELLIOT, V. et al. Biodiversity reporting: standardization, materiality, and assurance. *Current Opinion in Environmental Sustainability*, v. 68, p. 101435, 2024. Available at: <https://doi.org/10.1016/j.cosust.2024.101435>. Accessed on: 02 ago. 2024.

70 EY. CVM publica resolução contemplando normas do ISSB que integram relatórios de sustentabilidade e financeiro. 24 out. 2023. Available at: https://www.ey.com/pt_br/agencia-ey/noticias/cvm-publica-resolucao-contemplando-normas-issb. Accessed on: 02 ago. 2024.

71 EFRAG; TNFD. TNFD-ESRS Correspondence mapping. 2024. Available at: <https://tnfd.global/wp-content/uploads/2024/06/Correspondence-mapping-ESRS-and-TNFD.pdf>. Accessed on: 02 ago. 2024.

Therefore, in terms of priorities and thinking ahead to 2030, it would be advantageous for the Brazilian industry to adapt to IFRS standards before aligning with TNFD. If, however, there is space and resources for action before dealing with the IFRS requirement in 2027, the adoption of TNFD is recommended.

Finally, if the TNFD follows the same path as the TCFD, which had its work completed with the launch of the ISSB standards, since the TCFD recommendations have been fully incorporated into these standards, it is good practice to also prepare to report in accordance with the TNFD before the 2030 horizon.



GLOSSARY

BIAF: acronym for Biodiversity Impact Assessment Framework, a tool developed by The Nature Conservancy and WWF.

Biodiversity: The variability among living organisms including, but not limited to, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part. It includes diversity within species, between species and of ecosystems. (Definition by CDB 1992 Article 2).

CDC GBS Score: The Global Biodiversity Score (GBS) is a tool for assessing biodiversity impacts and dependencies developed by CDC Biodiversité.

CDB: Portuguese acronym for Convention on Biological Diversity. This is an international biodiversity treaty to which 195 countries, including Brazil, are party. The treaty was adopted at the United Nations Conference on Environment and Development (Rio-92 or Eco-92) in 1992. As the CDB is the main international forum on biodiversity, the commitments made by the parties must be internalized nationally through policies, programs and projects. The last of these was the GBF.

CDP: Formerly the Carbon Disclosure Project, it is an international reporting standard based on an annual questionnaire. It helps companies report to investors on their material risks related to environmental aspects.

CDSB: Refers to the Climate Disclosure Standards Board, now part of the IFRS.

Statements: sustainability-related information made public by companies, industries and financial institutions.

ENCORE: acronym for Exploring Natural Capital Opportunities, Risks and Exposure. It is a tool that allows a qualitative screening of the impacts and dependencies of productive sectors on nature.

EPANB: Portuguese acronym for National Biodiversity Strategies and Action Plans. These are plans implemented nationally by the countries that are signatories to the CDB to achieve the agreed targets.

EP&L: acronym for Environmental Profit & Loss, a methodology that integrates cash flows in relation to the use of natural resources. It is based on life cycle analysis (LCA) methodologies.

ESG: acronym for Environment, Social and Governance. It refers to all aspects of Environment, Social and Governance (ASG in Portuguese) in the context of business. The most common way in which companies disclose this information is through sustainability reports, ESG reports and similar, or through their own website.

ESRS: European Sustainability Reporting Standards. This is the standard for reporting sustainability-related information, which is mandatory in Europe.

GBF: Post-2020 Global Biodiversity Framework, better known as the “Kunming-Montreal Global Biodiversity Framework”. At the 15th Conference of the Parties (COP) to the CDB, held in 2022, countries adopted the Kunming-Montreal Global Biodiversity Framework, also known as the Biodiversity Plan. The Plan defines 4 objectives and 23 targets to tackle the challenges related to biodiversity loss by 2030, with a vision of living in harmony with nature by 2050.

GRI: Formerly an acronym for Global Reporting Initiative, it is the international reporting standard that helps structure the reporting of various sustainability and financial components.

IFRS: International Financial Reporting Standards. It is a non-profit foundation that determines sustainability reporting standards. These standards are developed by the International Sustainability Standards Board (ISSB).

ISSB: International Sustainability Standards Board (ISSB). Develops the IFRS reporting standards.

LCA: acronym for Life Cycle Analysis. It encompasses a set of methods and tools based on analyzing the impacts of products and services from production to final disposal (cradle to grave) or recycling (cradle to cradle).

LEAP: methodology recommended and developed by the TNFD for preparing statements. LEAP is an acronym in Portuguese that stands for L (Locate), E (Estimate), A (Evaluate) and P (Prepare for reporting). This analysis has not been carried out in this report

Nature: the natural world, with emphasis on the diversity of living organisms (including people) and their interactions with each other and their environment (Adapted from Díaz et al. 2015 The IPBES Conceptual Framework - Connecting Nature, translated from the TNFD glossary).

SBTN: Science-based Targets Network. It is a framework that helps to define science-based nature-related targets for organizations.

SASB: Sustainability Accounting Standards Board. International reporting framework that helps companies from 77 sectors to report their social and environmental risks and opportunities to investors.

TCFD: Taskforce for Climate-related Financial Disclosure. It is a framework for assessing climate-related risks and opportunities. It was recently incorporated into the International Financial Reporting Standards (IFRS) Foundation. Its conceptual structure was the basis for the TNFD.

TNFD: Taskforce for Nature-related Financial Disclosure. International framework for nature-related reporting. Helps companies report to investors on their material risks related to nature (including biodiversity). It establishes parameters for assessing impacts, dependencies, risks and opportunities in relation to nature (including biodiversity components).

WWF: World Wide Fund for Nature is a non-governmental organization involved in the development of some of the methodologies and tools mentioned in this mapping.

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