



Nature & Biodiversity in Corporate and Financial Reporting

19 May 2023

Speakers



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CDP Europe

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Agenda

- ▼ Introduction to CDP
- ▼ Nature and Biodiversity
- ▼ Plenary discussion / Q&A

Let us know!



Introduction to CDP



ABOUT CDP



CDP is a global environmental non-profit working to secure a thriving economy that works for people and planet in the long term.



CDP runs the global disclosure system that enables companies, cities, states and regions to measure and manage their environmental impacts.

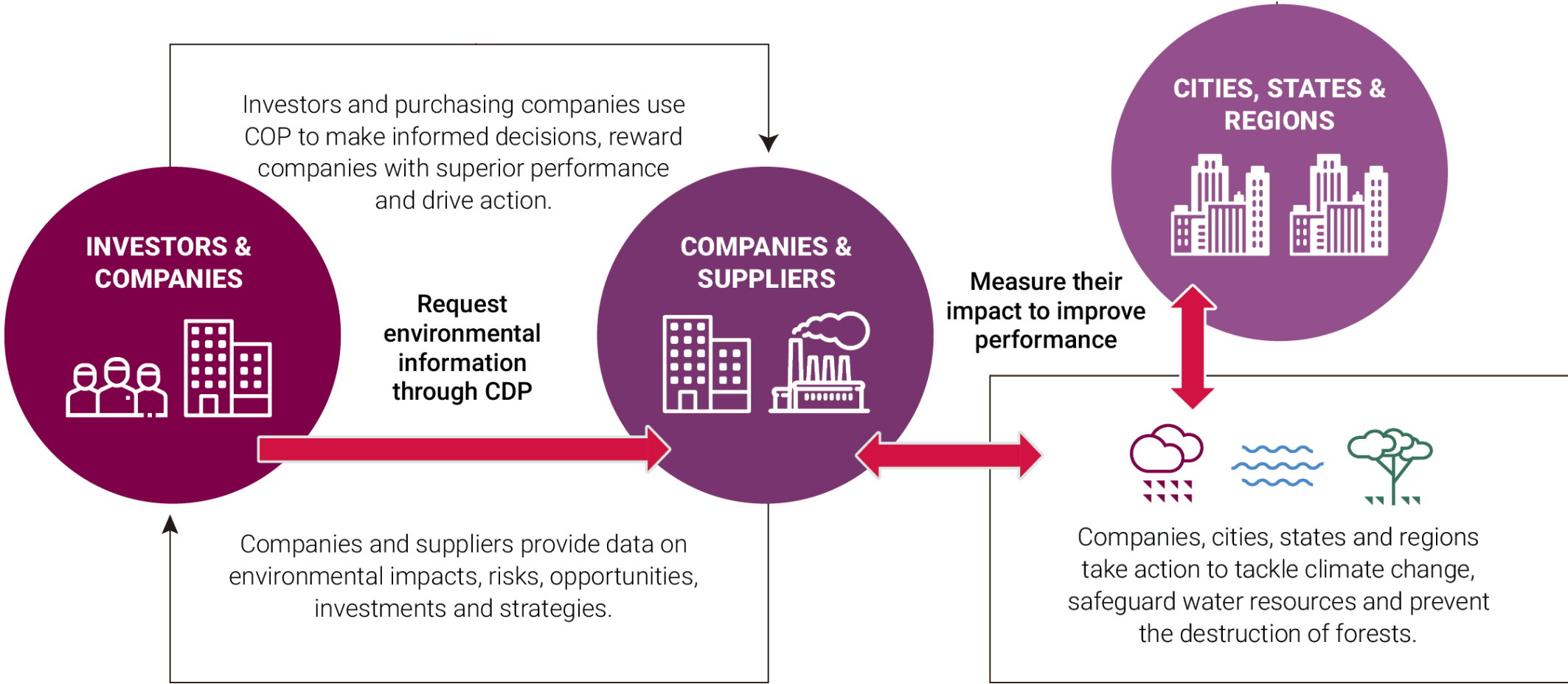


With the world's most comprehensive collection of self-reported data, the global economy looks to CDP as the gold standard of environmental reporting.



Its network of investors, purchasers and policymakers around the globe, use our data and insights to make better-informed decisions.

HOW WE WORK



CDP HAS MAINSTREAMED ENVIRONMENTAL TRANSPARENCY



58%

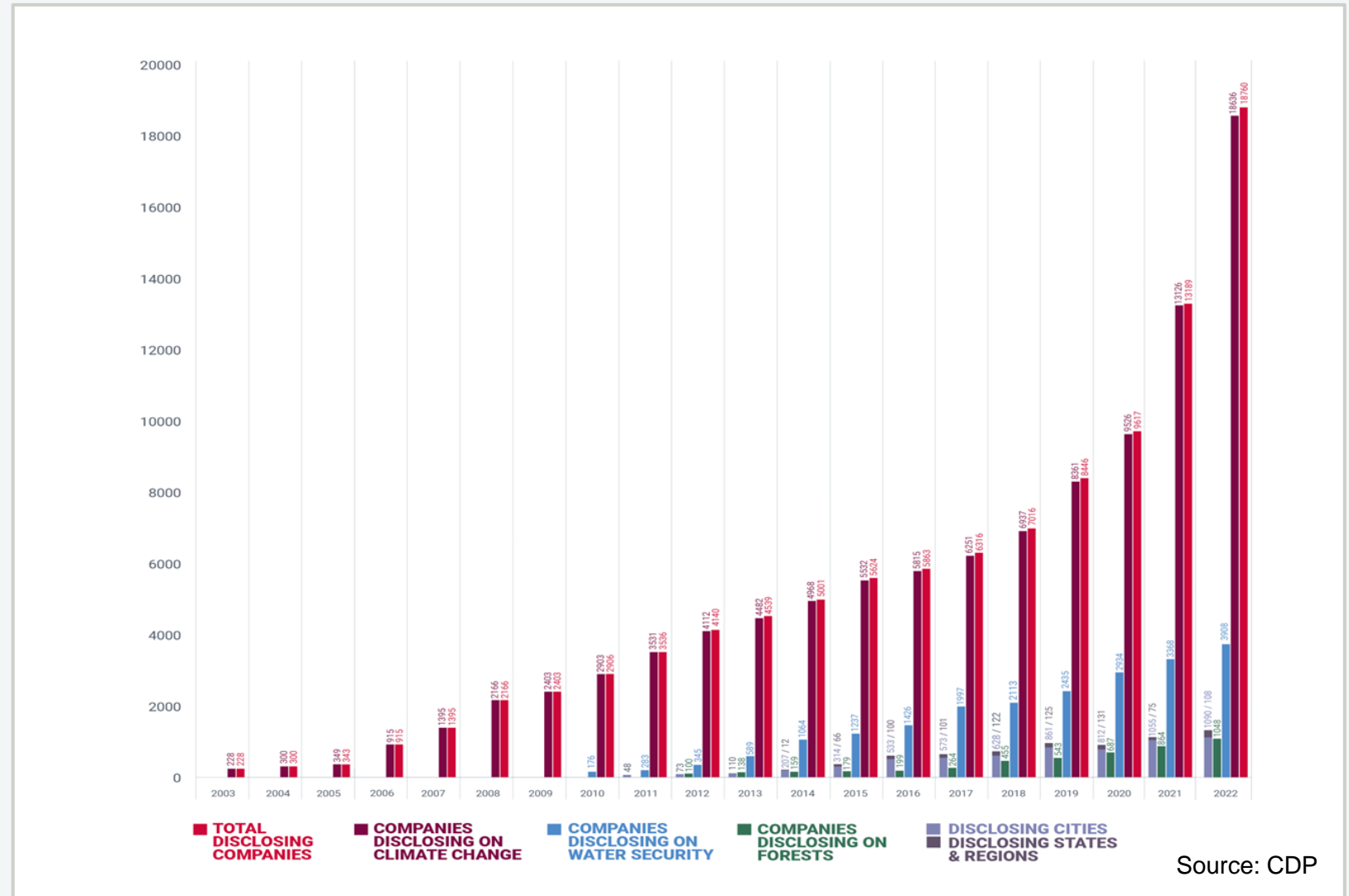
of Global companies by market capitalization use CDP.

72%

of European companies by market capitalization use CDP

18,000+

Companies reporting to investors and customers through CDP in 2022



Source: CDP

CDP CORPORATE QUESTIONNAIRES



Climate change

- C1 Governance
- C2 Risks and opportunities
- C3 Business strategy
- C4 Targets and performance
- C5 Emissions methodology
- C6 Emissions data
- C7 Emissions breakdown
- C8 Energy
- C9 Additional metrics
- C10 Verification
- C11 Carbon Pricing
- C12 Engagement
- C15 Biodiversity



Water Security

- W1 Current state
- W2 Business impacts
- W3 Procedures
- W4 Risks and opportunities
- W5 Facility-level accounting
- W6 Governance
- W7 Business strategy
- W8 Targets
- W9 Verification
- W10 Plastics



Forests

- F1 Current state
- F2 Procedures
- F3 Risks and opportunities
- F4 Governance
- F5 Business strategy
- F6 Implementation
- F7 Verification
- F8 Barriers and challenges

More information: [Technical note on the TCFD](#)

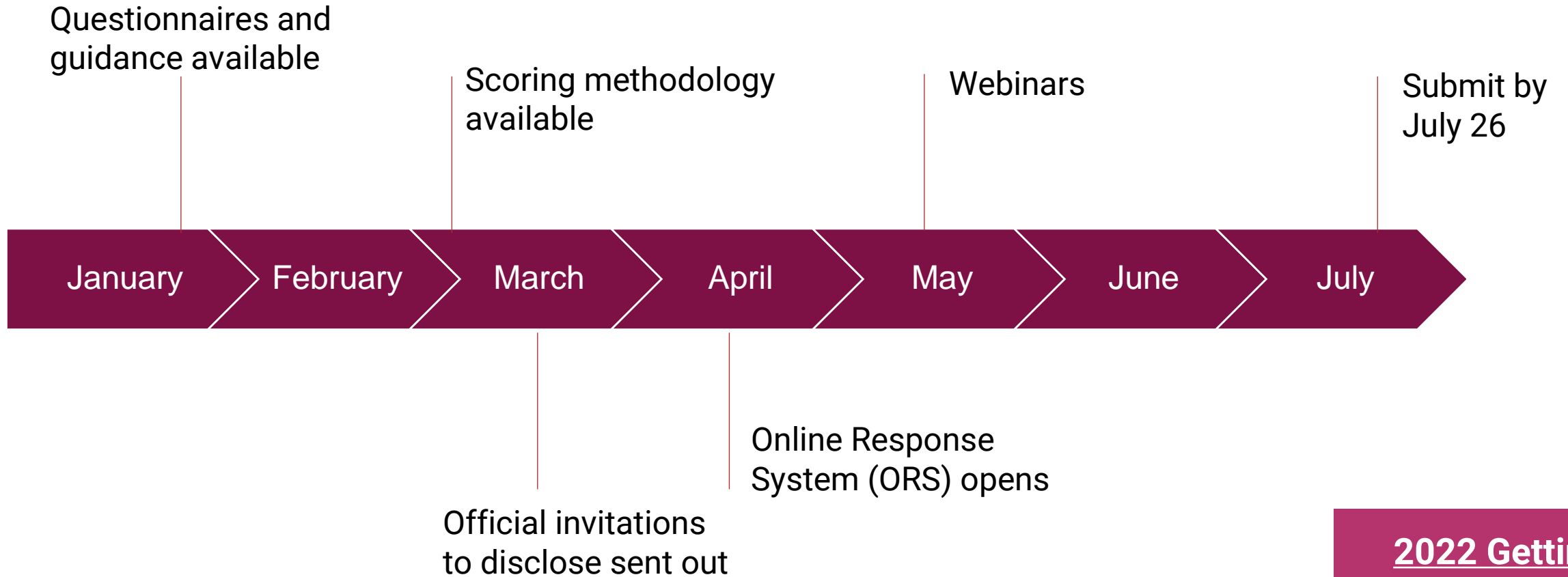
CDP

IN THE ESG ECOSYSTEM

[VIEW INSIGHT NOTE ON CDP DATA US BY CAPITAL MARKETS HERE HERE](#)



2023 DISCLOSURE TIMELINE



2022 Getting started with your disclosure webinar

KEY RESOURCES



▼ [Disclosure platform guide](#)

▼ [Guidance for companies](#) →

▼ 2023 Questionnaires

▼ Reporting Guidance 2023

▼ Questionnaire Changes 2022-2023

▼ Scoring Introduction

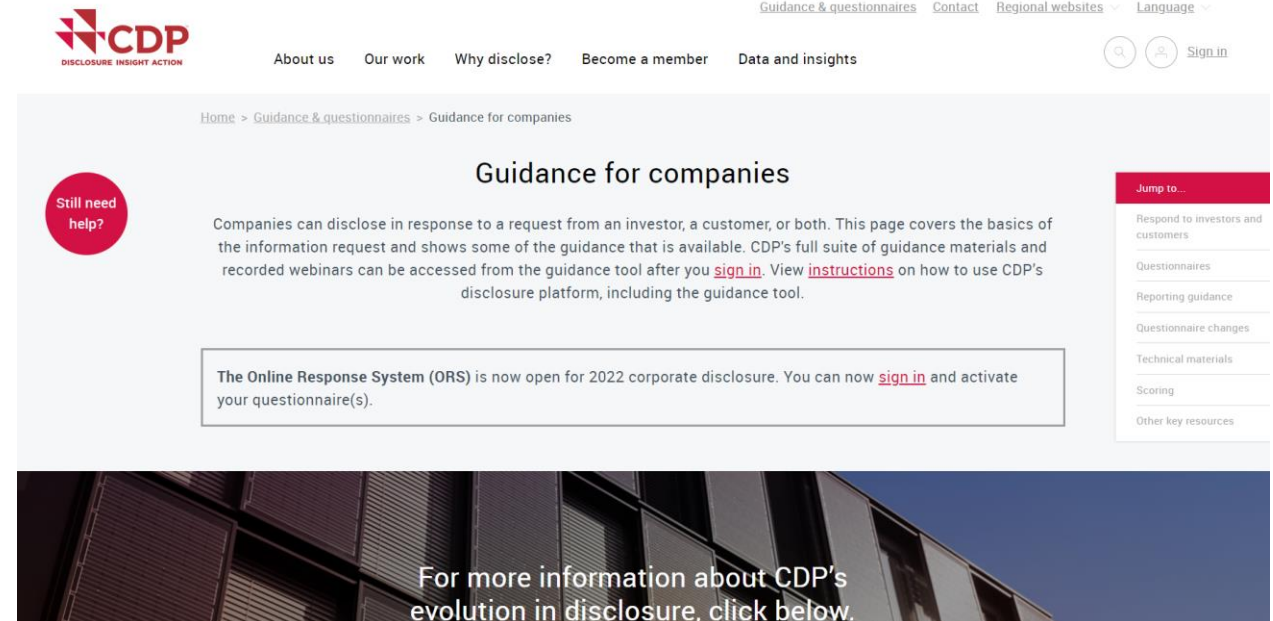
▼ Scoring Methodology 2023

▼ Scoring Methodology Changes 2022-2023

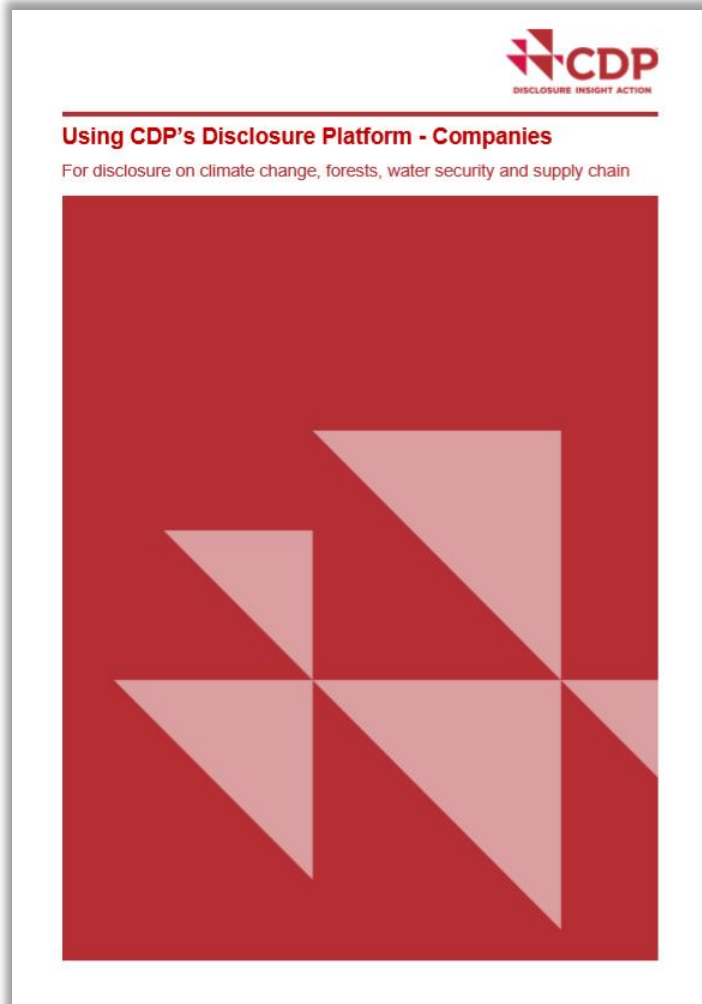
▼ Scoring Categories and Weighting 2023

▼ [FAQ on CDP website](#)

▼ [Recordings & upcoming disclosure webinars](#)



CDP DISCLOSURE PLATFORM GUIDE

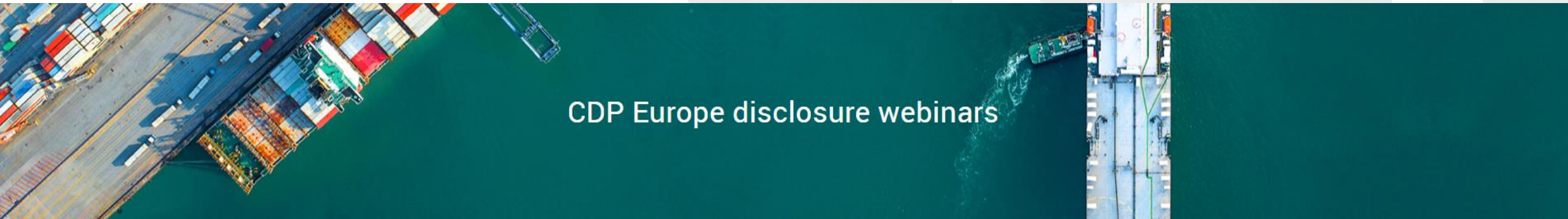


- ▼ Change your password
- ▼ Manage user roles (incl. how to become the Main User)
- ▼ Using the Guidance tool
- ▼ How to activate/access the questionnaire
- ▼ Share your response
- ▼ Export questionnaire to Excel/Word
- ▼ Submitting your response
- ▼ View your submitted response
- ▼ Copy Forward information from previous year

DISCLOSURE WEBINARS



- ▼ **Getting started with your CDP disclosure** - Wednesday 10 May | 10:00 CET
- ▼ **Benefits of CDP Disclosure** - Tuesday 16 May | 11:00 CET
- ▼ **Introduction to CDP Water Security Disclosure** - Wednesday 17 May | 15:00 CET
- ▼ **Nature & Biodiversity in Corporate and Financial Reporting** - Friday 19 May | 11:00 CET
- ▼ **Navigating EU Sustainability Reporting** - Wednesday 24 May | 11:00 CET



Register now: [Europe Corporate Disclosure Webinars 2023 - CDP](#)

CONTACT PERSONS

▼ Questions about your account or the disclosure process?

▼ Your account manager will be happy to assist you.

▼ Questions about forests, biodiversity, and nature?

▼ You can drop Dorian a line at dorian.fougeres@cdp.net





Nature and Biodiversity in Corporate and Financial Reporting

Contents

Part 1. Orientation

- ▼ What is nature?
- ▼ Why care about nature?
- ▼ What's the problem?
- ▼ Conceptual foundations
- ▼ What is the role of finance?
- ▼ Frameworks and tools

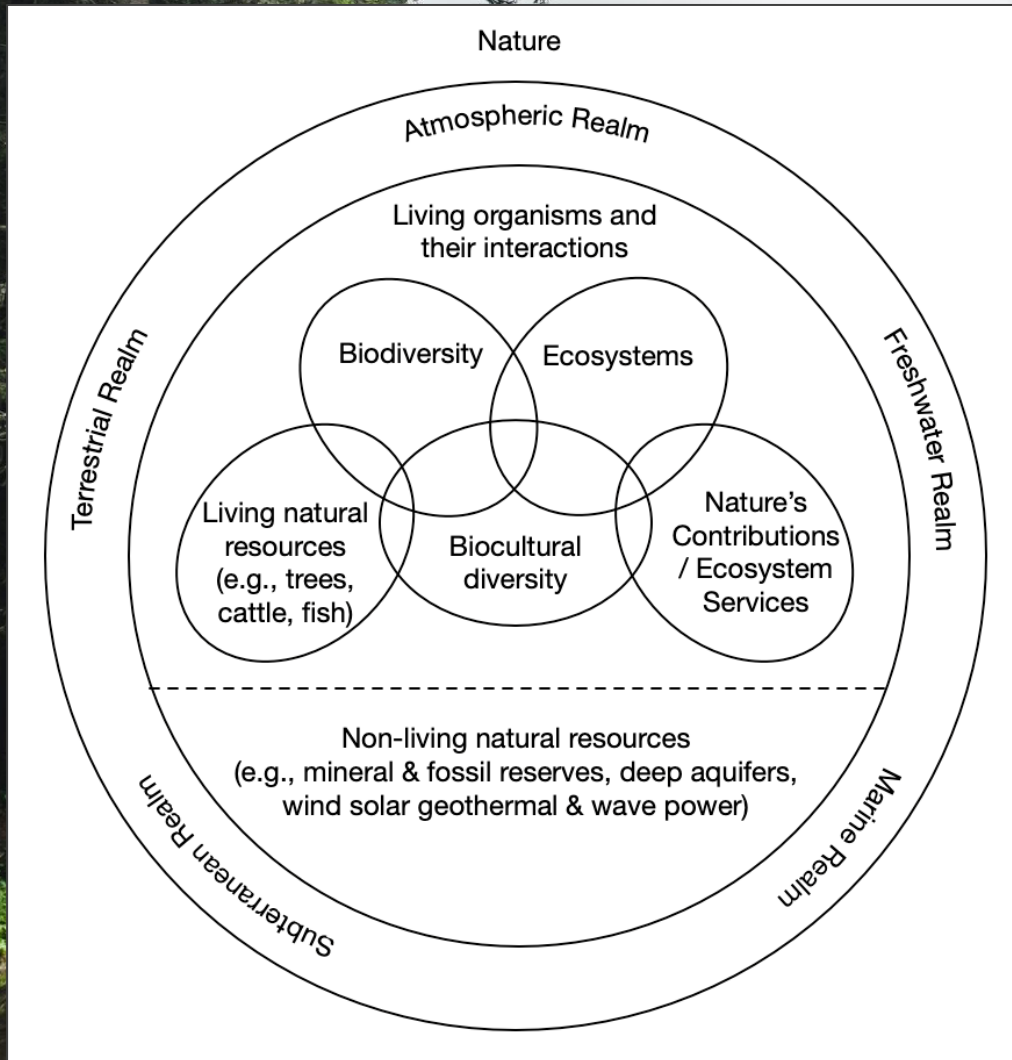
Part 2. Finance

- ▼ What is the role of finance?

Part 3. Frameworks and tools

- ▼ Taskforce on Nature-related Financial Disclosures
- ▼ Science-Based Targets for Nature

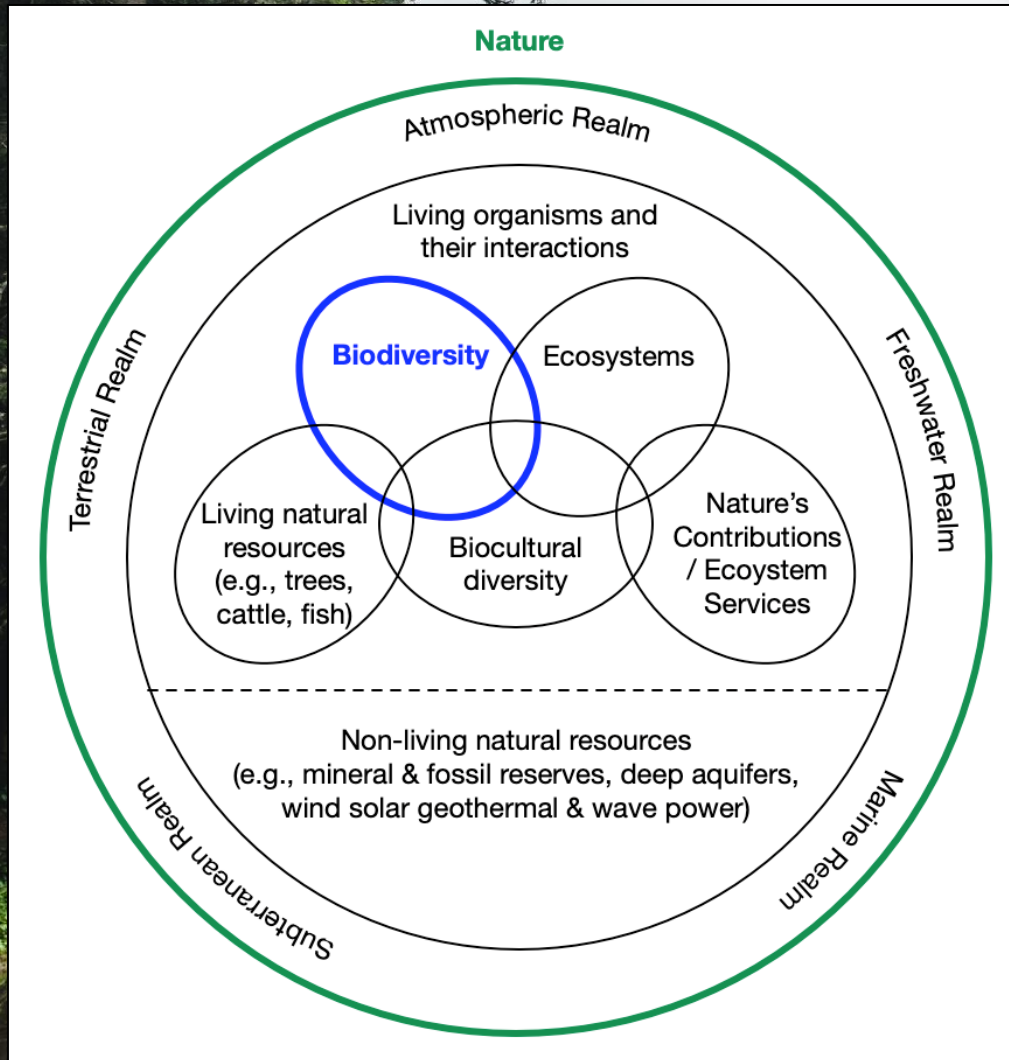
What is nature?



Nature includes

- Ecosystems
- Biodiversity
- People
- Living natural resources
- Ecosystem services
- Mineral & fossil reserves
- Renewable energies

What is nature?



- Nature includes – but is not limited to – biodiversity
- They are related but not identical

What is nature?

Ecosystem services

Regulating & maintenance services

Pollination	Soil and sediment retention	Water flow regulation	Solid waste remediation
Water purification	Flood mitigation	Air filtration	Soil quality regulation
Nursery population and habitat maintenance	Local (micro and meso) climate regulation	Biological control	Global climate regulation
Rainfall pattern regulation	Storm mitigation	Noise attenuation	Other regulating and maintenance services

Provisioning services

Water supply

Genetic material

Biomass provisioning

Other provisioning services

Cultural services

Recreation related services

Visual amenity services

Education, scientific & research services

Other cultural services

Spiritual, artistic and symbolic services

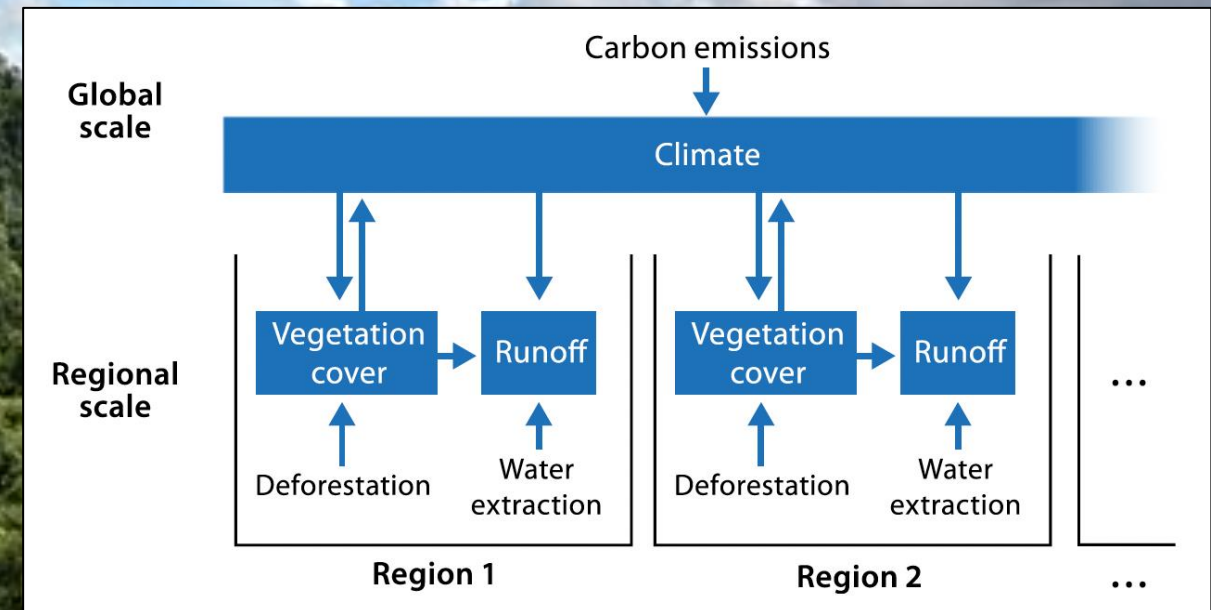
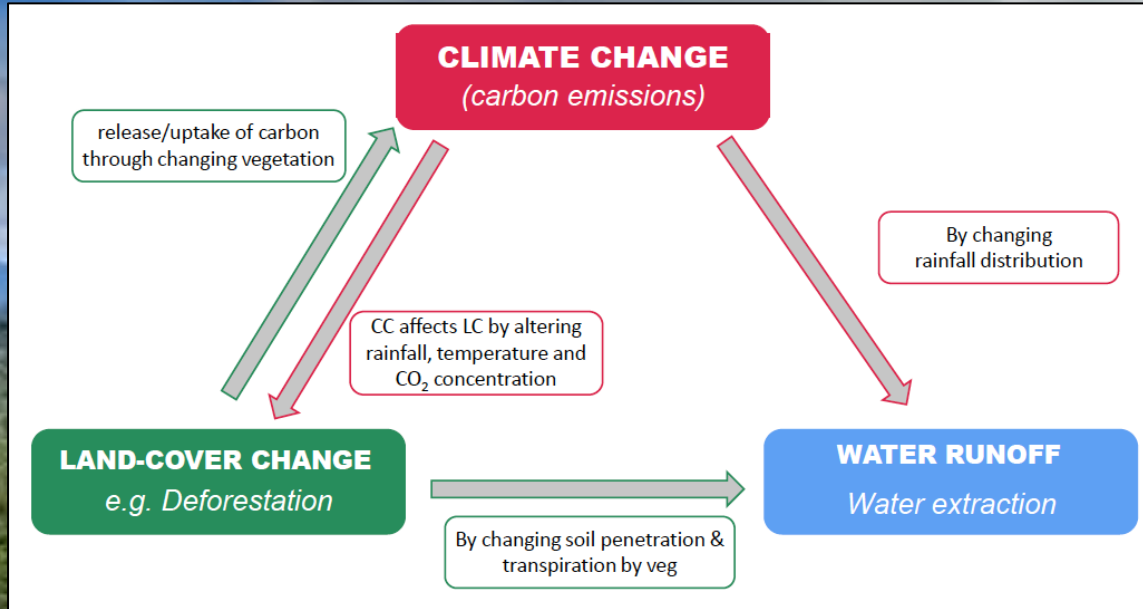
Why care about nature?

Assets and ecosystem services

- Food and feed
- Energy
- Medicines and genetic resources
- Materials
- Sustains air, fresh water, soils
- Regulates climate
- Pollination and pest control
- Mitigates natural hazards
- Sequesters carbon
- Inspiration, learning, psychology, identity
- Quality of life and cultural integrity

Why care about nature?

Earth system interactions



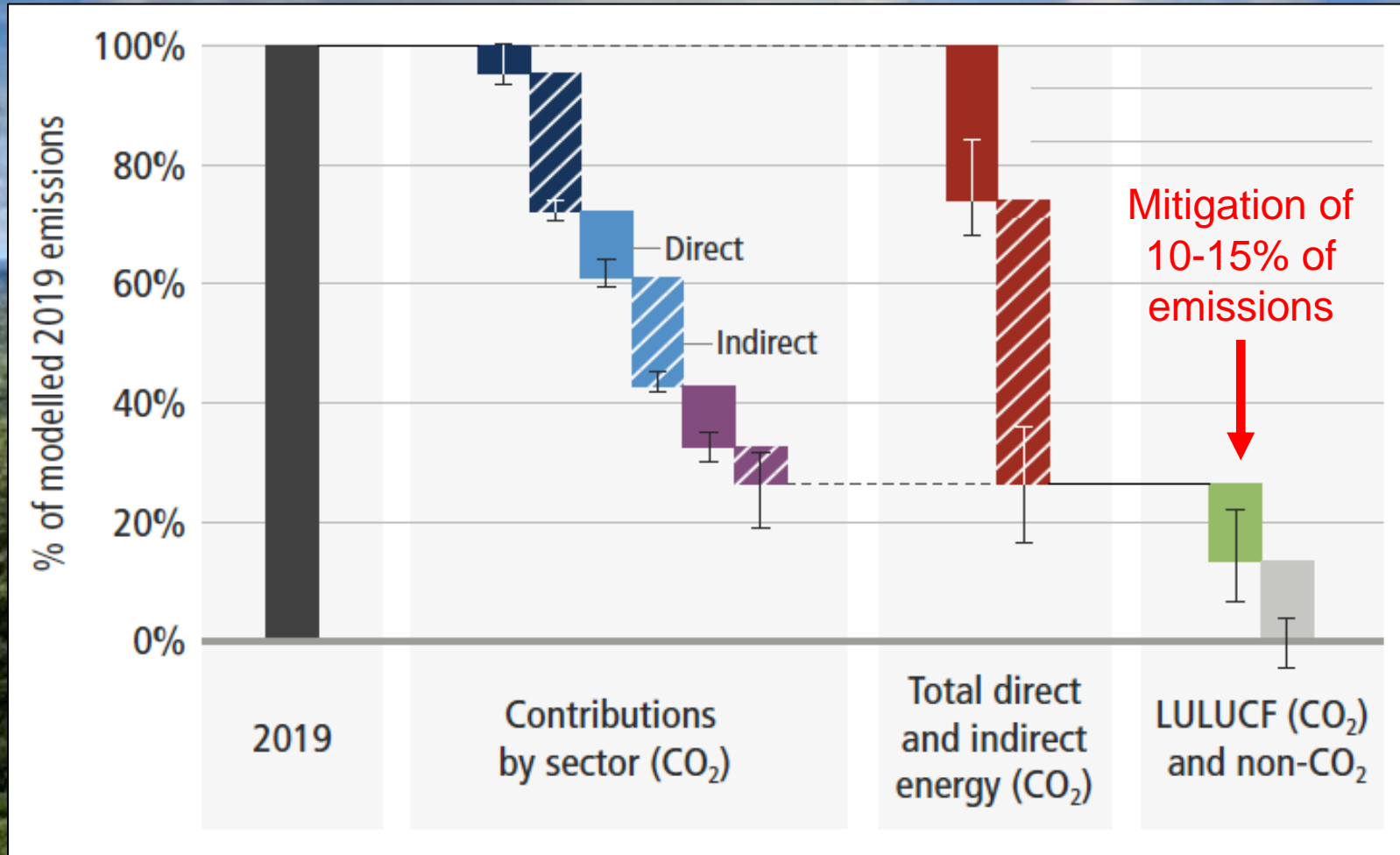
Why care about nature?

Forests

- Shape temperature and precipitation
- Contain half the global carbon stock
- Mitigate 15% of GHG emissions

Why care about nature?

Forests



There is no Net-Zero without Nature

Why care about nature?

Water security

- Half the world is water insecure
- Freshwater biodiversity dropped 84% since 1970s

Forests provide

- 75% of world's freshwater
- 90% of world's cities are directly dependent

Why care about nature?

Biodiversity



Basis of resilience and adaptation

Credit: Great hornbill, Angad Achappa Photography

Why care about nature?

Nature underwrites half of global GDP

- | | |
|-----------------|------------------------|
| 1. Agriculture | 9. Food & beverage |
| 2. Aquaculture | 10. Fuels |
| 3. Chemicals | 11. Grazing & ranching |
| 4. Clothing | 12. Paper & packaging |
| 5. Construction | 13. Pharmaceuticals |
| 6. Cosmetics | 14. Textiles |
| 7. Fisheries | 15. Tobacco |
| 8. Forestry | |

What's the problem?



What's the problem?

The loss of biodiversity and services

- 75% of land majorly altered
- 85% of wetlands gone
- 66% of oceans majorly impacted
- 1.000.000 species face extinction



What's the problem?

The loss of biodiversity and services

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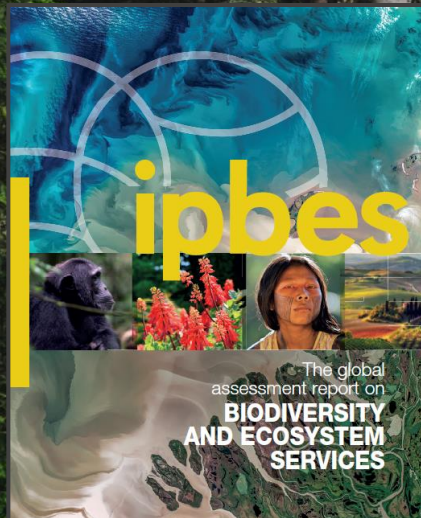


Drivers of Loss

1. Land and sea-use change
2. Overexploitation
3. Pollution
4. Invasive species
5. Climate change

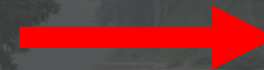
What's the problem?

CDP and nature



Drivers of Loss

1. Land and sea-use change
2. Overexploitation
3. Pollution
4. Invasive species
5. Climate change



Strong correspondence with CDP's Forests, Water Security, and Climate Questionnaires

What's the problem?

Consistency across frameworks

IPBES Drivers of Biod. Loss	Climate change		Habitat conversion	Exploitation of wild populations	Species introductions	Pollution of soil, water, and air		
TNFD Nature Impact Drivers	Climate change		Land/water/sea-use change	Resource exploitation	Invasive species & other	Pollution		
SBTN Nature Pressures	Climate change		Land/water/sea-use change	Resource exploitation	Invasive species & other	Pollution		
EU Disclosure Regime (EUDR) Objectives	CC mitigation	CC adaptation	Biodiversity			Pollution prevention	Sustainable water use	Circular Economy
EUDR Principal Adverse Impacts	GHG emissions & energy use		Activities near biodiversity sensitive areas			Emission of air pollutants	Water consumption & stress	Non-recycled waste
EUDR Env'l Sust'y Reporting Stds	E1 Climate change		E4 Biodiversity & ecosystems			E2 Pollution	E3 Water & marine resources	E5 Resource use & circular economy
CDP Questionnaires	Climate change		Forests Climate change			Water including Plastics (and Oceans forthcoming)		

What's the problem?

Climate change and biodiversity



Executives' top 3 risks

1. Climate change
2. Extreme weather
3. Biodiversity loss

What's the problem?

Global Biodiversity Framework targets

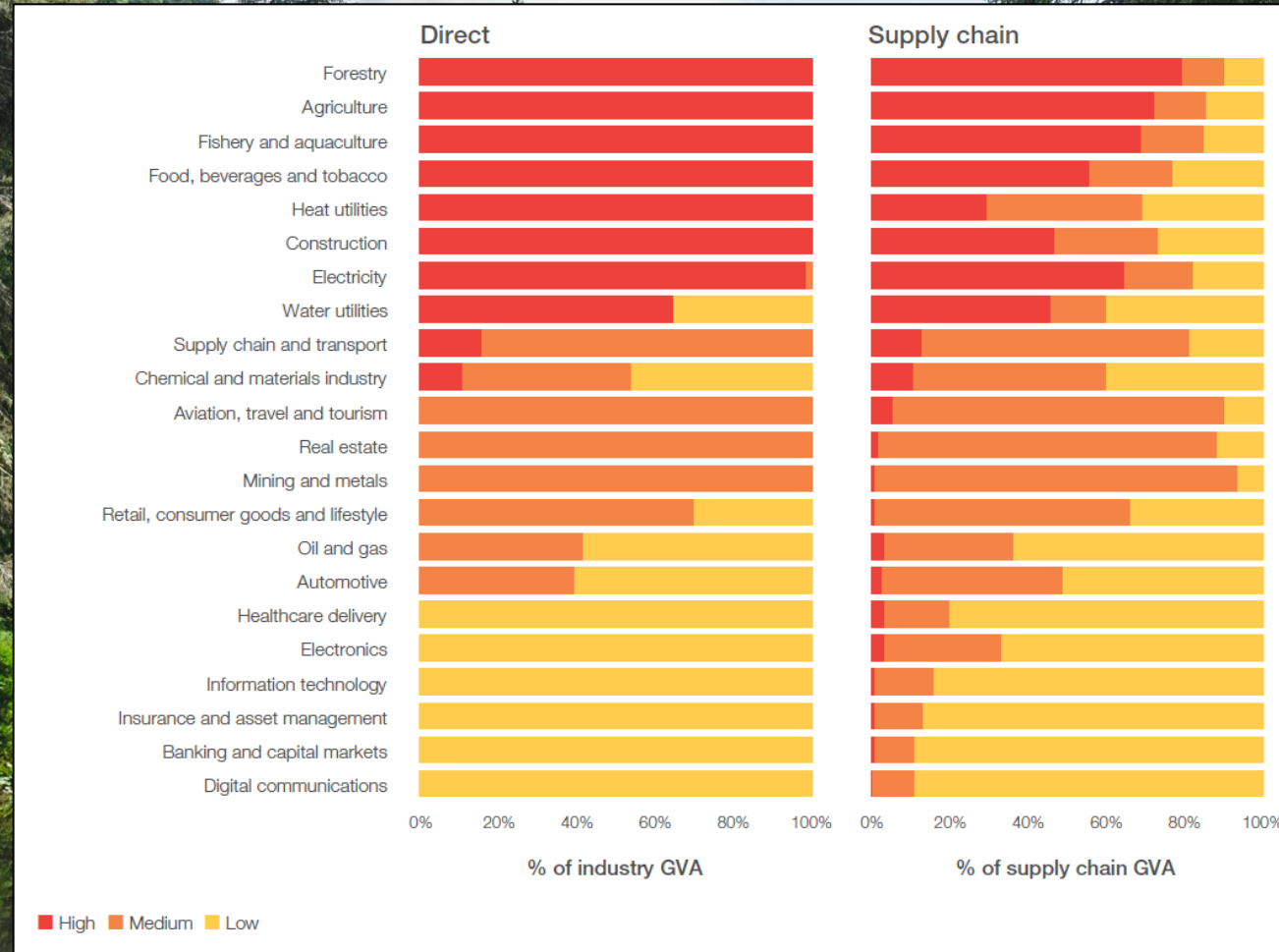


Goal D: Aligning financial flows with the Framework, including closing the financing gap of \$700B per year

- Reduce pollution & plastics (Target 7)
- Make forestry & agriculture sustainable (T. 10)
- Increase consumer awareness (T. 16)
- Align private finance (T. 14 and 19)
- Eliminate harmful subsidies (T. 18)
- Ensure large companies & financial institutions disclose dependencies, impacts, and risks (T.15)

What's the problem?

Industries most dependent upon nature



Percentage of direct and supply chain gross value added with high, medium, and low nature dependency, by industry

What's the problem?

Industries most impacting nature

	Direct impacts dark orange = very high materiality light orange = high materiality					Direct dependencies dark green = very high materiality light green = high materiality			
	Land/sea use change	Resource exploitation ²	Climate change	Pollution	Invasive species/ other	Direct physical input	Enabling production	Mitigating direct impacts	Protecting from disruption
Agriculture, forestry & fisheries	Dark Orange	Dark Orange	Light Orange	Light Orange	Light Orange	Dark Green	Dark Green	Blue	Dark Green
Energy	Dark Orange	Dark Orange	Light Orange	Light Orange	Light Orange	Dark Green	Dark Green	Blue	Dark Green
Mining	Dark Orange	Dark Orange	Light Orange	Light Orange	Light Orange	Light Green	Light Green	Blue	Light Green
Transportation	Light Orange	Light Orange	Light Orange	Light Orange	Light Orange	Light Green	Blue	Blue	Dark Green
Food and beverages	Blue	Light Orange	Light Orange	Light Orange	Blue	Dark Green	Blue	Blue	Blue
Apparel	Light Orange	Dark Orange	Light Orange	Light Orange	Blue	Dark Green	Blue	Blue	Blue
Utilities	Light Orange	Light Orange	Light Orange	Blue	Blue	Dark Green	Dark Green	Blue	Dark Green
Chemicals	Light Orange	Dark Orange	Light Orange	Light Orange	Blue	Light Green	Blue	Blue	Blue
Manufacturing	Blue	Light Orange	Light Orange	Light Orange	Blue	Dark Green	Blue	Blue	Blue
Construction	Dark Orange	Light Orange	Light Orange	Light Orange	Blue	Dark Green	Blue	Blue	Light Green

What's the problem?

Industries most impacting biodiversity

	GICS Industry - L3	Number of companies per industry	Sum of average normalised impact per industry	% of average normalised impact per industry
1	Food Products	20	421	18%
2	Oil, Gas & Consumable Fuels	24	307	13%
3	Chemicals	20	187	8%
4	Consumer Staples Distribution & Retail	17	176	7%
5	Metals & Mining	13	110	5%
6	Pharmaceuticals	12	95	4%
7	Health Care Providers & Services	5	86	4%
8	Automobiles	7	69	3%
9	Electric Utilities	12	68	3%
10	Trading Companies & Distributors	5	68	3%
	Other	115	798	34%

Industry ranking based on percentage of average normalized impact scores for top 250 companies

Conceptual foundations



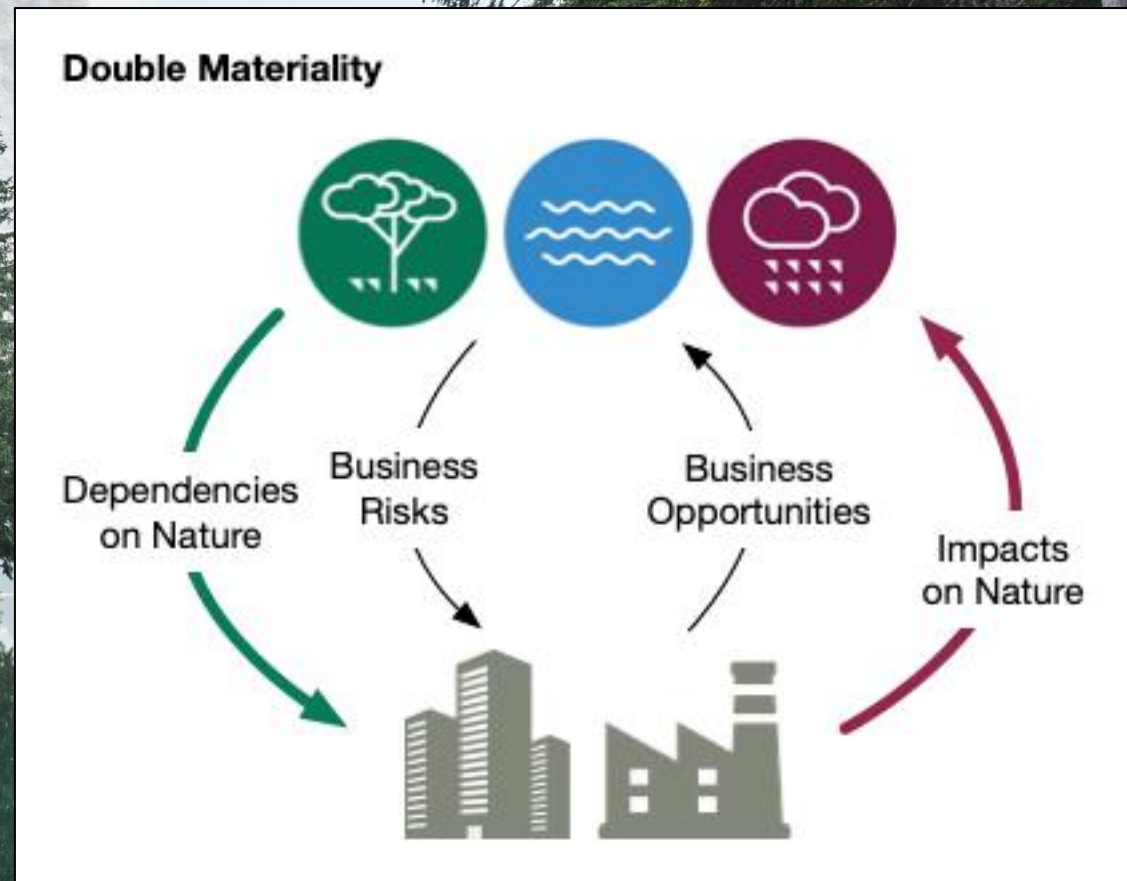
Conceptual foundations

Double materiality



Conceptual foundations

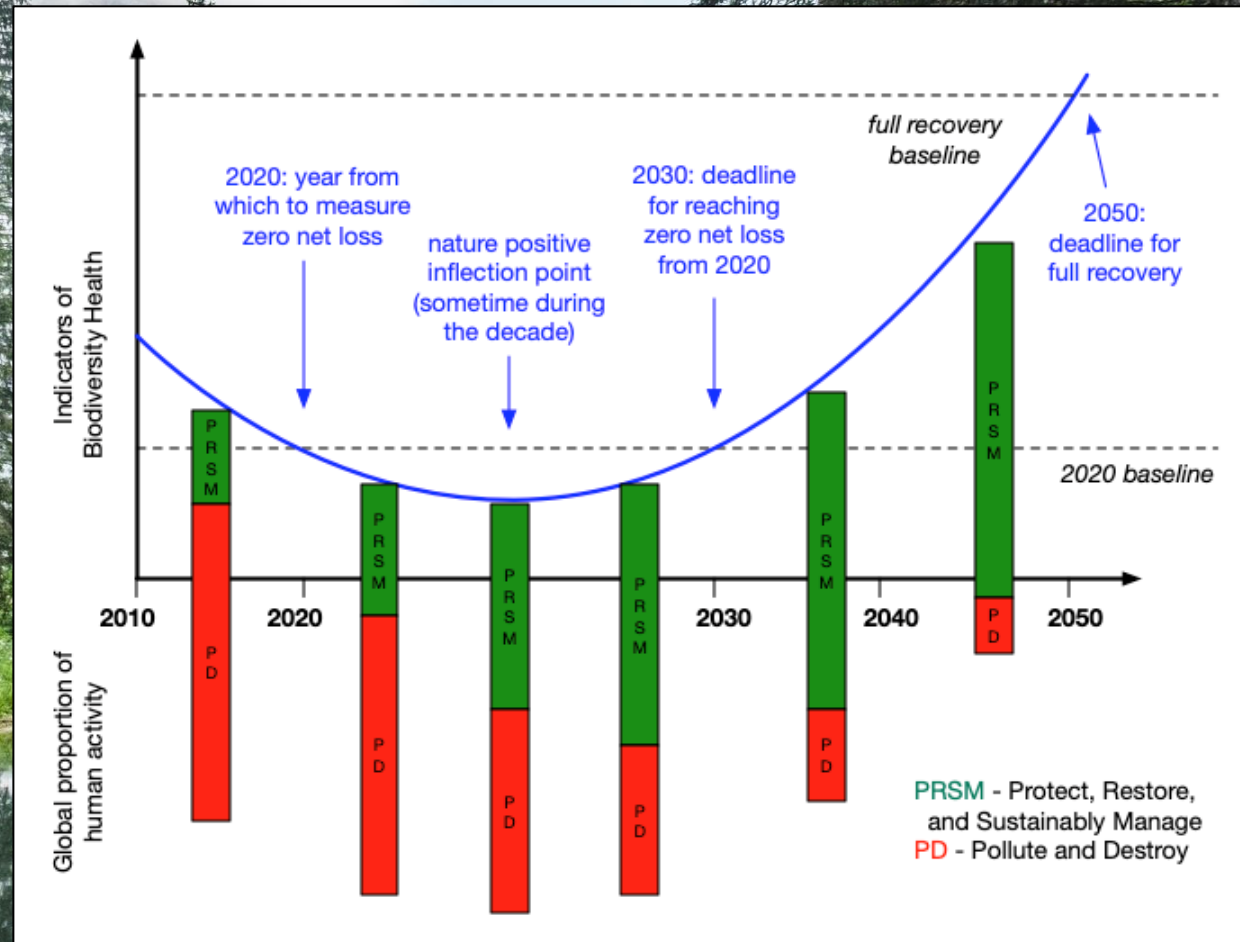
Double materiality



Conceptual foundations

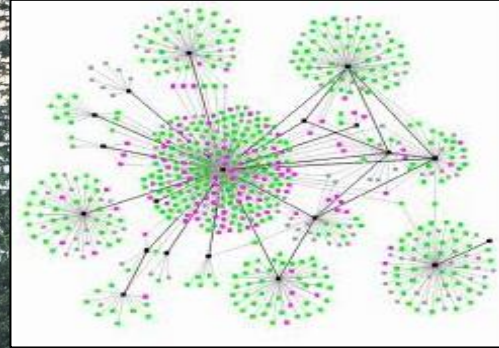
Halting and reversing biodiversity loss

Nature Positive –
*sustainably manage,
protect, and restore
more than we pollute
and destroy*

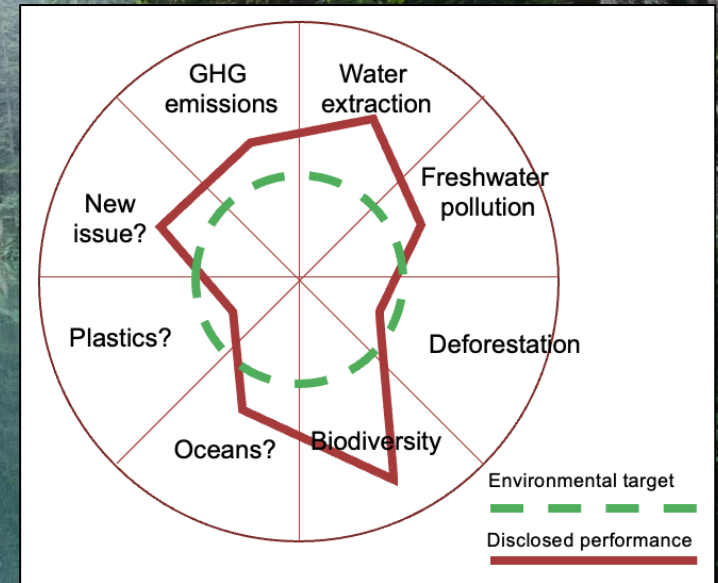


Conceptual foundations

CDP: from silos to systems



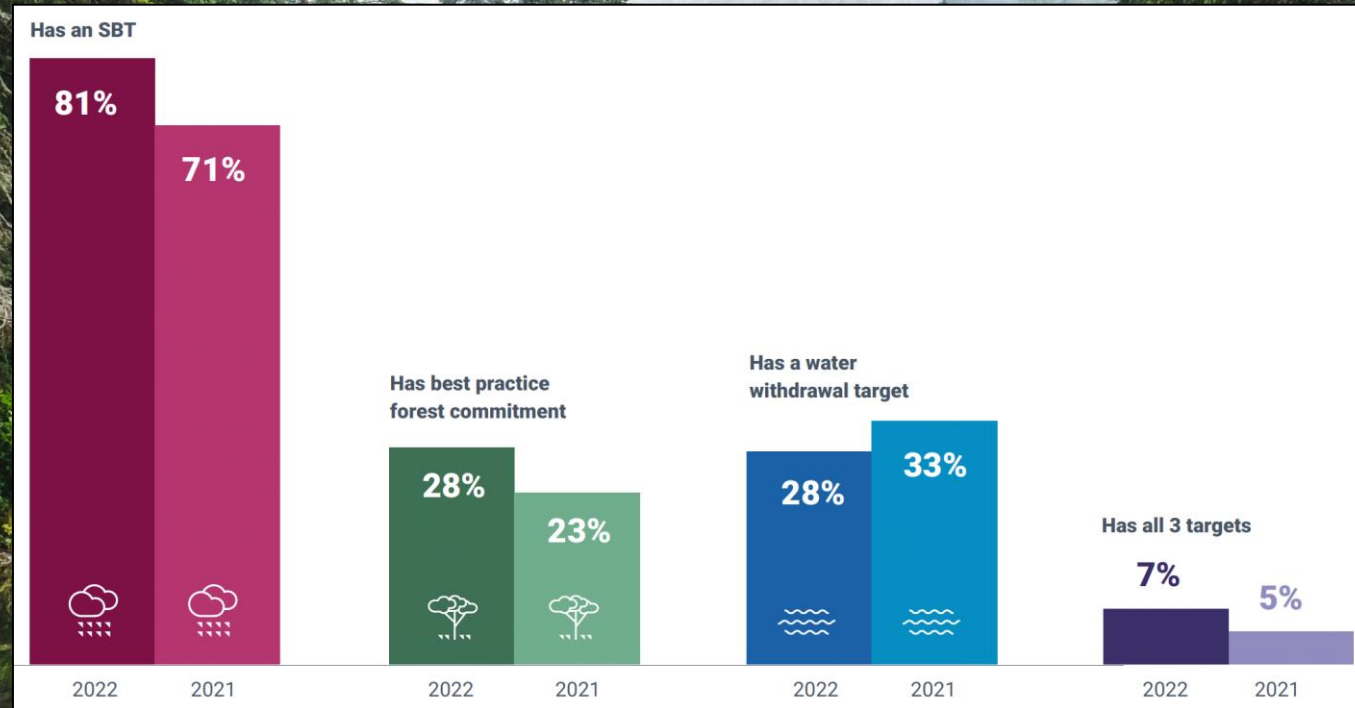
- Scope
- Rigor
- Practicality
- Sector
- Region



Conceptual foundations

Disclosure on nature

Nature remains a weakness
in corporate and financial disclosure



Conceptual foundations

Additional challenges

- Assessment frameworks for double materiality
- Data availability
- Attributing causality

What is the role of finance?



What is the role of finance?

Recognition of impacts



FOREST
500



Global Canopy



2023: A watershed year for action on deforestation

Annual Report 2023

A PROJECT OF  Global Canopy

- 150 major financial institutions invested €5.7 trillion in high risk supply chains
- 92 lacked any deforestation policy

What is the role of finance?

Recognition of impacts



BANKROLLING DESTRUCTION

New Global Witness analysis shows three of the world's biggest central banks¹ have purchased millions of dollars in bonds from agribusinesses linked to deforestation and land-grabbing.

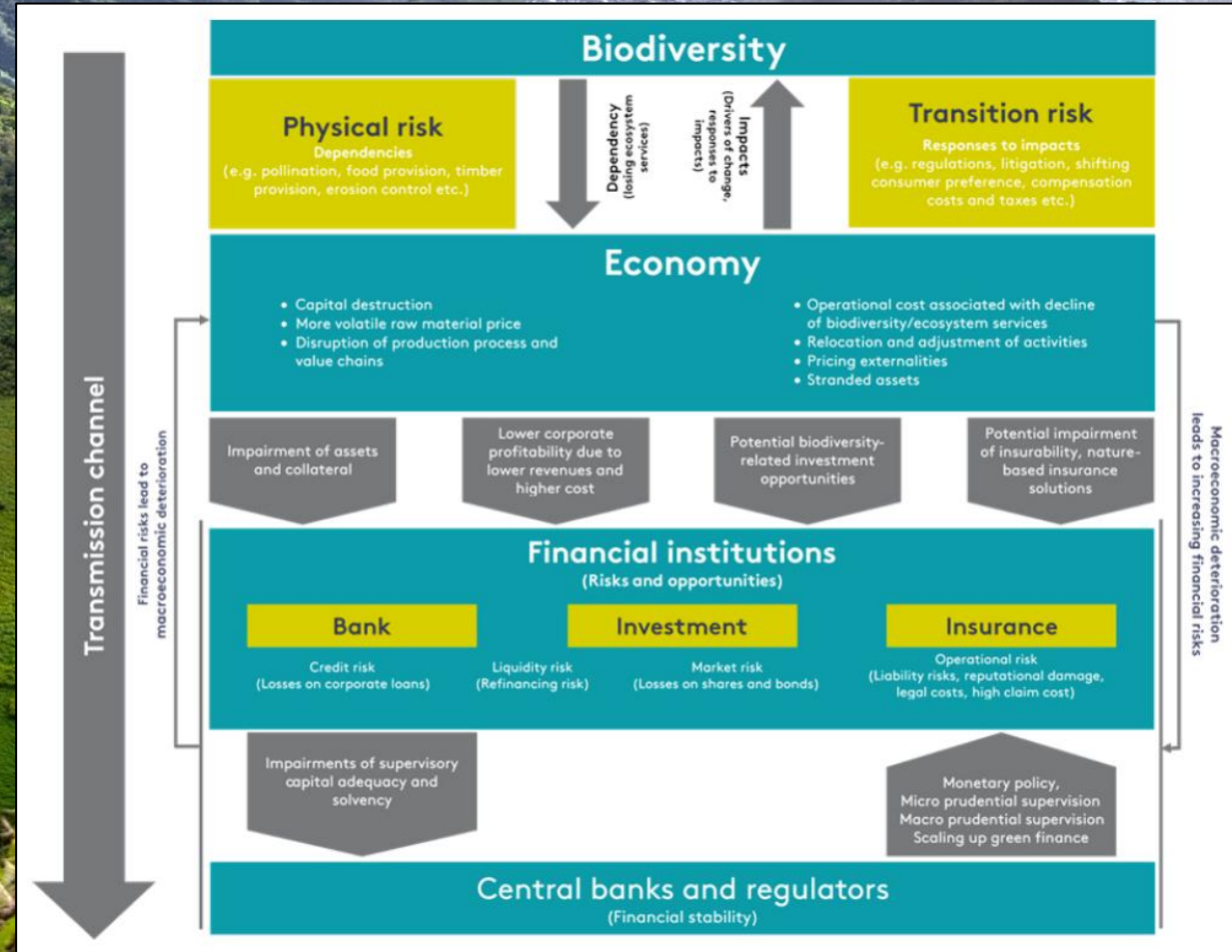
European Central Bank • U.S Federal Reserve • Bank of England

What is the role of finance?

Recognition of impacts



Nature risks impact financial institutions and macroeconomic stability



What is the role of finance?

Deforestation commitments

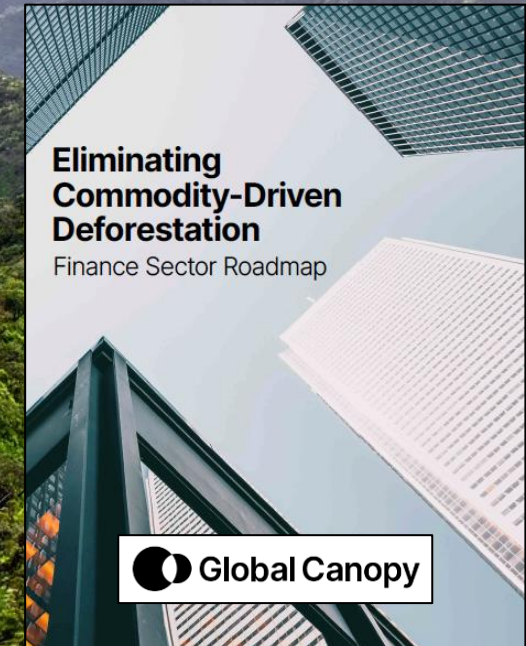
TACKLING DEFORESTATION + SCALING NATURE- BASED SOLUTIONS



Finance Sector Deforestation Action

- 35 FIs and €6.7 trillion in assets
- By 2025 eliminate deforestation to reach net zero

- €140 trillion in assets
- Guidance for FI transition plans



What is the role of finance?

Nature commitments



**Finance for
Biodiversity**
Pledge



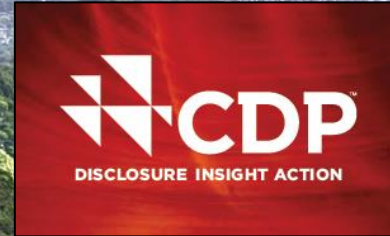
Nature Action 100

- 126 FIs and €19 trillion in assets
- Amplify global leader ambition

**Driving greater corporate ambition
and action on tackling nature loss
and biodiversity decline**

What is the role of finance?

Nature commitments



EU Commissioner Mairead McGuinness
Financial Services, Financial Stability and Capital Markets Union
European Commission
Rue de la Loi / Wetstraat 200, 1049 Brussels, Belgium

cc:
Executive Vice-Presidents Valdis Dombrovskis, Frans Timmermans; EU Commissioner Didier Reynders
John Berrigan Director General DG FISMA; Sven Gentner, Head of Unit DG FISMA
European Supervisory Authorities (ESMA, EBA, EIOPA)
Members of the European Parliament
Directorates-General ENV, CLIMA, GROW, DEVCO

Financial institutions, business actors and networks in support of adopting ambitious EU Sustainability Reporting Standards (ESRS)



What is the role of finance?

Limited progress

Only 6% of 557 FIs had a policy covering all major risk commodities

“Action by finance sector far too slow”



Raising the bar: A baseline review of finance sector action on deforestation

PUBLICATION / 3 NOV 2022

CORPORATE PERFORMANCE CORPORATE COMMITMENTS FINANCIAL MARKETS HUMAN RIGHTS



2023: A watershed year for action on deforestation

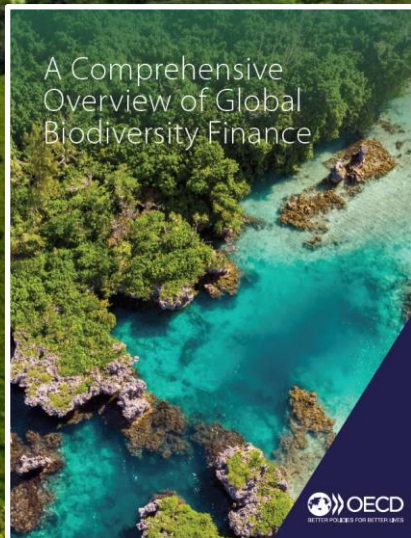
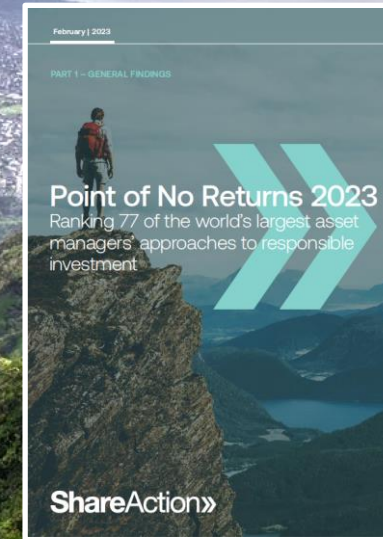
Annual Report 2023

A PROJECT OF  Global Canopy

What is the role of finance?

Limited progress

- Investment shortfall of US\$ 598 billion / year
- Private investments only around 17%
- Harmful subsidies of US\$ 500 billion / year



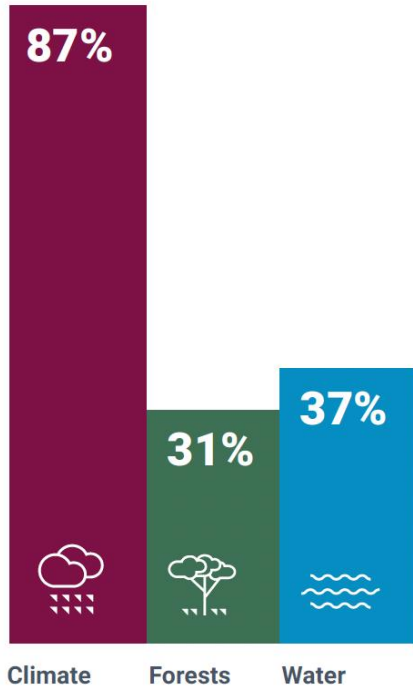
Of 77 of largest asset managers

- 35% get D or E grade
- Worst performers manage over half the total assets
- Biodiversity comes in last

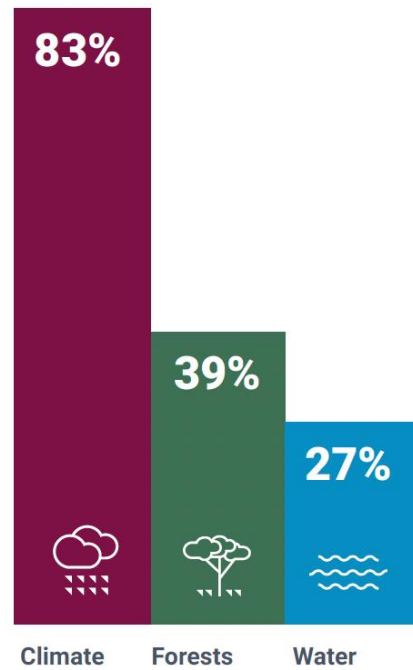
What is the role of finance?

Limited progress in Europe

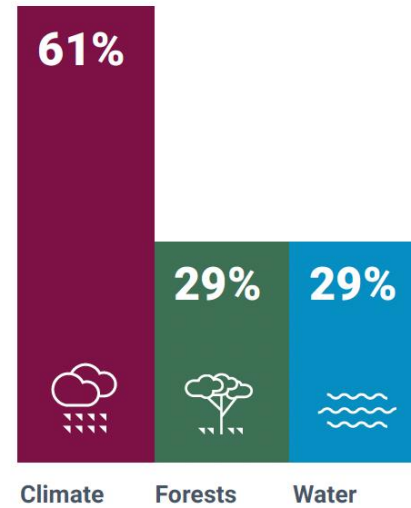
% of FIs that offer products that mitigate their clients environmental impact, by topic



% of FIs that integrated environmental aspects into their policy framework¹, by topic



% of FIs that integrated environmental aspects into their covenants, by topic



European FIs pay much less attention to forests and water than to climate

Frameworks and tools



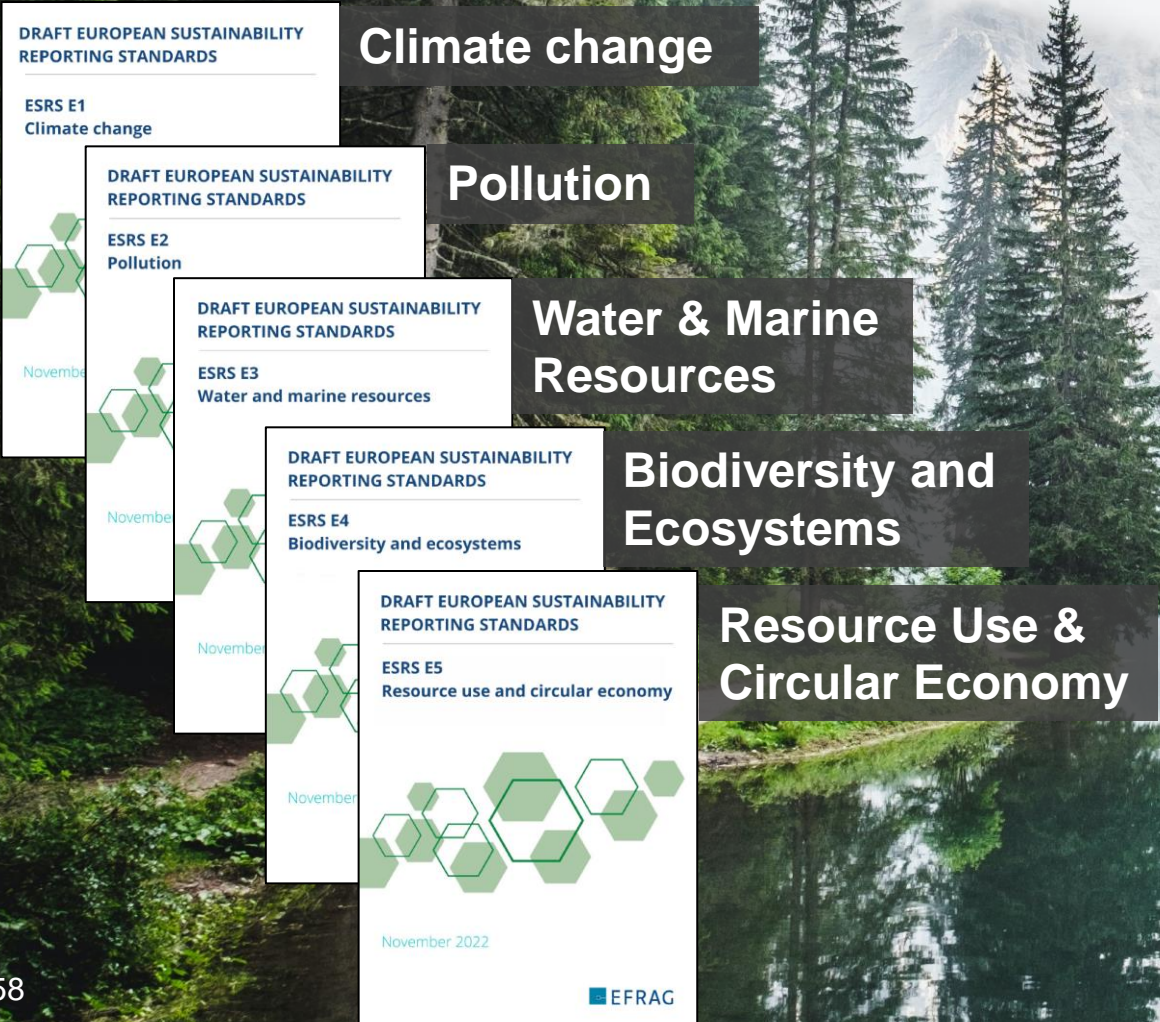
Frameworks and tools

Parallel efforts of GRI and ISSB



Frameworks and tools

European Sustainability Reporting Standards



Climate change

Pollution

Water & Marine Resources

Biodiversity and Ecosystems

Resource Use & Circular Economy

Disclosure Elements

- Assessment process
- Policies and actions
- Targets
- Potential financial effects
- Topic-specific requirements

Frameworks and tools

ESRS Coupled Transition Plans



1.5 Degrees



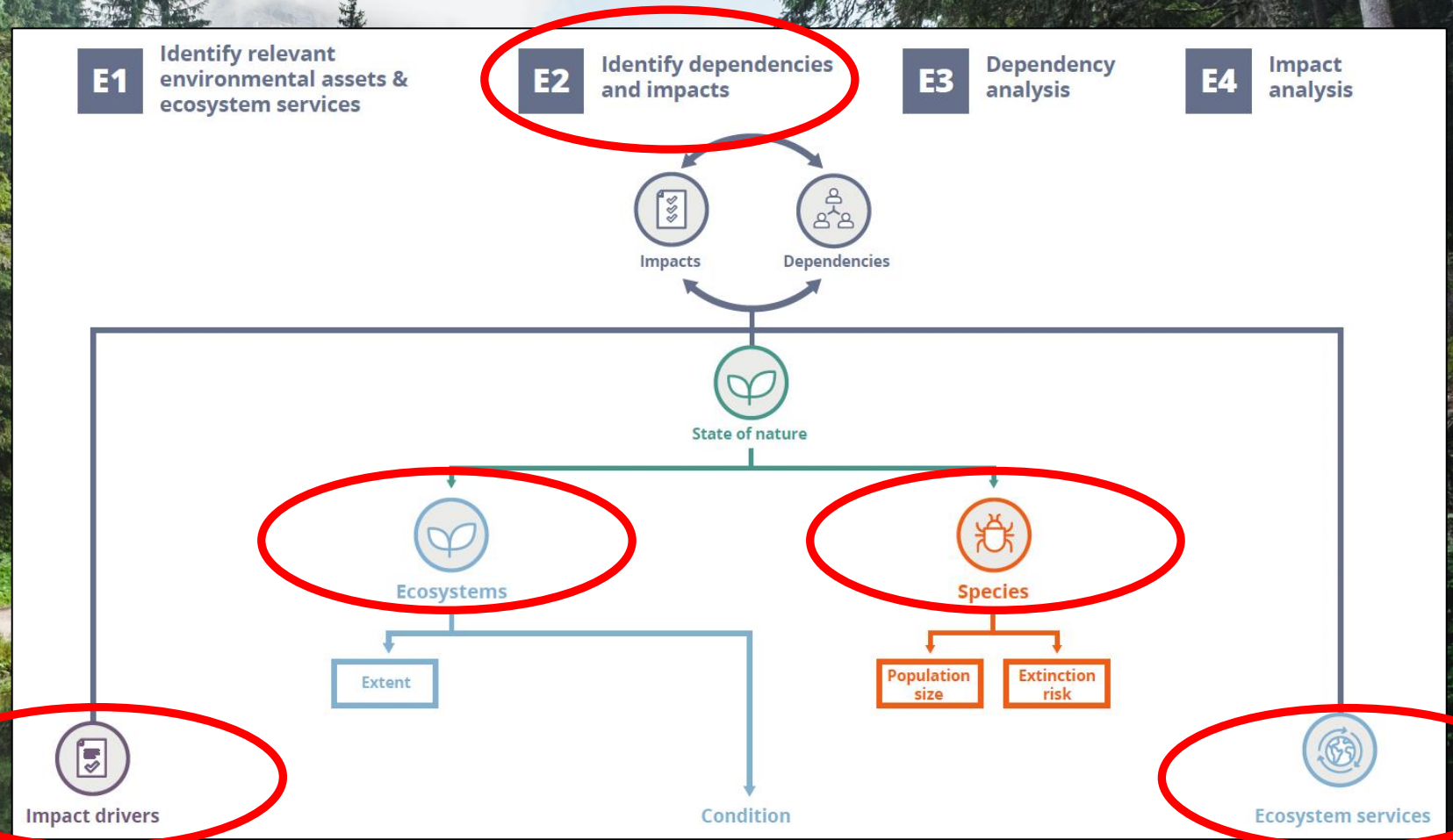
Nature-Positive

Frameworks and tools

Taskforce on Nature-related Financial Disclosures



Risk management and reporting

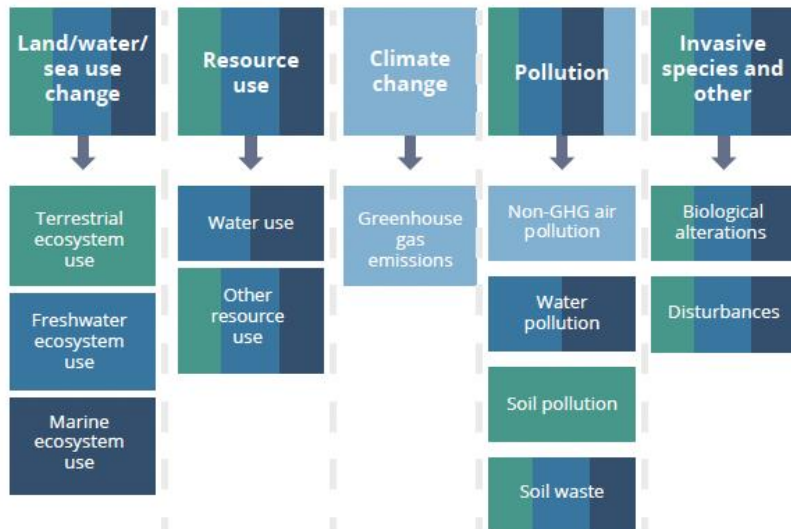


Frameworks and tools

TNFD Assessment Metrics



Impact drivers



Condition

Physical state characteristics: physical descriptors of the abiotic components of the ecosystem (e.g., soil structure, water availability); Chemical state characteristics: chemical composition of abiotic ecosystem elements (e.g. water quality, soil nutrient levels, air pollutant concentrations);

Compositional state characteristics: the composition/diversity of ecological communities at a given time/location (e.g. species abundance, species richness). Best practice ecosystem metrics should consider changes in the composition of species, regardless of their rarity or threat status or value, compared to an intact reference state;

Structural state characteristics: aggregate properties (e.g., mass, density) of the whole ecosystem or its main biotic components (e.g., total biomass, canopy coverage);

Functional state characteristics: summarise the biological, chemical and physical interactions between ecosystem compartments (e.g. primary productivity, disturbance frequency); and

Landscape and seascape characteristics: describe the spatial scales of ecosystems (e.g. landscape diversity, connectivity, fragmentation).



Ecosystem services

Provisioning services

Water supply	Genetic material	Biomass provisioning	Other provisioning services
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Regulating & maintenance services

Pollination	Soil and sediment retention	Water flow regulation	Solid waste remediation
Water purification	Flood mitigation	Air filtration	Soil quality regulation
Nursery population and habitat maintenance	Local (micro and meso) climate regulation	Biological control	Global climate regulation
Rainfall pattern regulation	Storm mitigation	Noise attenuation	Other regulating and maintenance services

Cultural services

Recreation related services	Visual amenity services	Education, scientific & research services	Other cultural services	Spiritual, artistic and symbolic services
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Frameworks and tools

TNFD “LEAP” Process



Frameworks and tools

TNFD Recommended Disclosures



Governance	Strategy	Risk & Impact Management	Metrics & Targets
<p>Disclose the organisation's governance around nature-related dependencies, impacts, risks and opportunities.</p>	<p>Disclose the actual and potential impacts of nature-related dependencies, impacts, risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.</p>	<p>Disclose how the organisation identifies, assesses and manages nature-related dependencies, impacts, risks and opportunities.</p>	<p>Disclose the metrics and targets used to assess and manage relevant nature-related dependencies, impacts, risks and opportunities where such information is material.</p>
<p>Recommended Disclosures</p> <p>A. Describe the board's oversight of nature-related dependencies, impacts, risks and opportunities.</p> <p>B. Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities.</p>	<p>Recommended Disclosures</p> <p>A. Describe the nature-related dependencies, impacts, risks and opportunities the organisation has identified over the short, medium, and long term.</p> <p>B. Describe the effect nature-related risks and opportunities have had and may have on the organisation's businesses, strategy, and financial planning.</p> <p>C. Describe the resilience of the organisation's strategy to nature-related risks and opportunities, taking into consideration different scenarios.</p> <p>D. Disclose the locations where there are assets and/or activities in the organisation's direct operations, and upstream and/or downstream and/or financed where relevant, that are in priority areas.</p>	<p>Recommended Disclosures</p> <p>A. (i) Describe the organisation's processes for identifying and assessing nature-related dependencies, impacts, risks and opportunities in its direct operations.</p> <p>A. (ii) Describe the organisation's approach to identifying nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s) and financed activities and assets.</p> <p>B. Describe the organisation's processes for managing nature-related dependencies, impacts, risks and opportunities and actions taken in light of these processes.</p> <p>C. Describe how processes for identifying, assessing and managing nature-related risks are integrated into the organisation's overall risk management.</p>	<p>Recommended Disclosures</p> <p>A. Disclose the metrics used by the organisation to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process.</p> <p>B. Disclose the metrics used by the organisation to assess and manage dependencies and impacts on nature.</p> <p>C. Describe the targets and goals used by the organisation to manage nature-related dependencies, impacts, risks and opportunities and its performance against these.</p>

Note this image shows only a partial list.

Frameworks and tools

TNFD Disclosure Core Global Metrics



Core global metrics: Impacts and dependencies	
Climate change	Scope 1, 2 and 3 GHG emissions – refer to TCFD
Land/freshwater/ ocean-use change	Extent of land/freshwater/ocean use change, by type of ecosystem ¹¹ and business activity
	Extent of land/freshwater/ocean use change, by type of ecosystem ¹² and business activity, for prioritised ecosystems
Pollution/pollution removal	Total pollutants released to soil split by type
	Volume of water discharged and concentrations of key pollutants in the wastewater discharged by type
	Total amount of hazardous waste generated by type
	Total non-GHG air pollutants by type
Resource use/ replenishment	Total water withdrawal and consumption from areas of water stress
	Quantity of high-risk natural commodities sourced from land/ocean/freshwater split into types
	Quantity and share of natural commodities sourced from priority ecosystems split into types

Core global metrics: Risks and opportunities	
Nature-related risks	Proportion and total annual revenue exposed to 1) physical risks and 2) transition risks
	Proportion and value of assets exposed to nature-related 1) physical risks and 2) transition risks
	Proportion and value of assets/total annual revenue exposed to risks by risk rating
	Proportion and total annual revenue/value of assets with substantial dependence on ecosystem services or with a high impact on nature
Nature-related opportunities	Value of capital allocated to nature-related opportunities, by type of opportunity, with reference to a jurisdictional green taxonomy

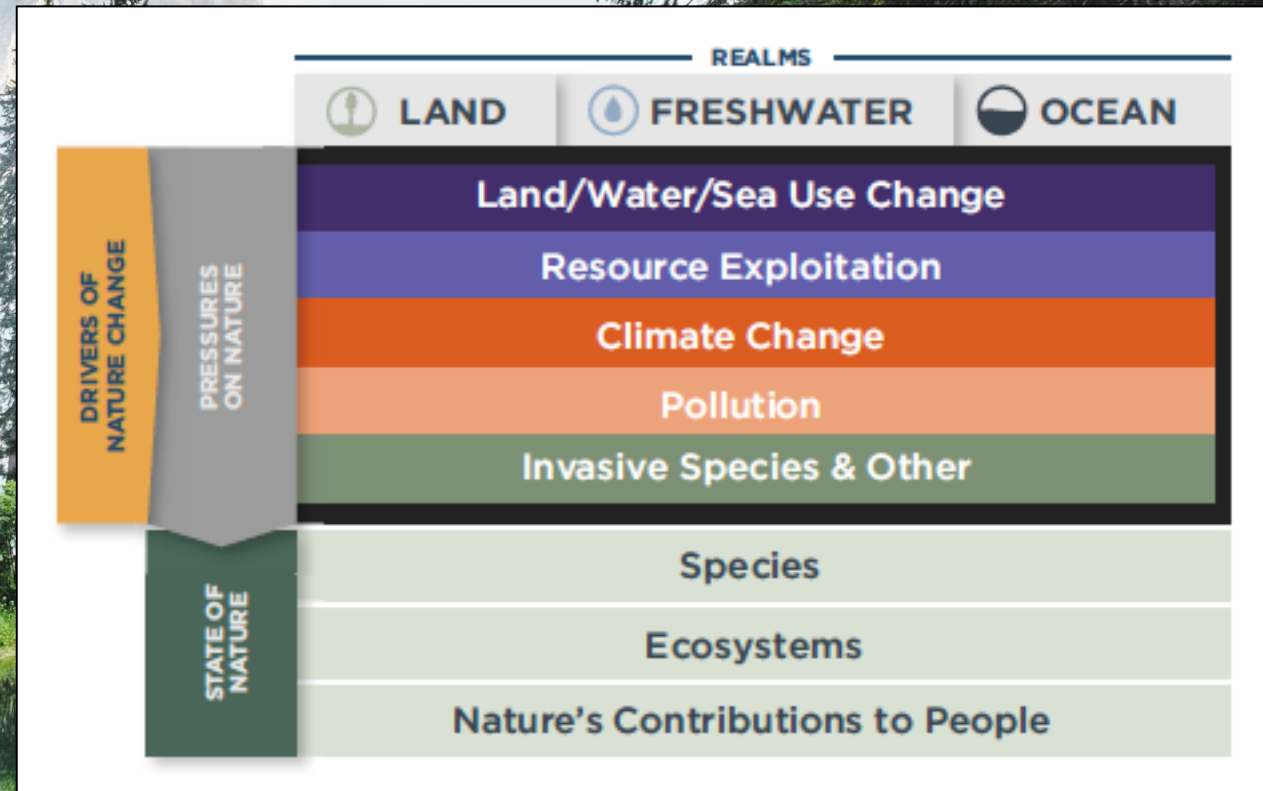
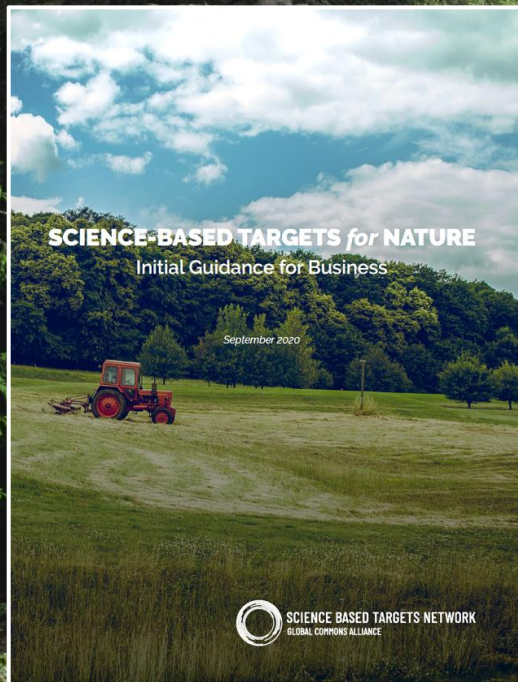
Frameworks and tools

Science-Based Targets for Nature



Frameworks and tools

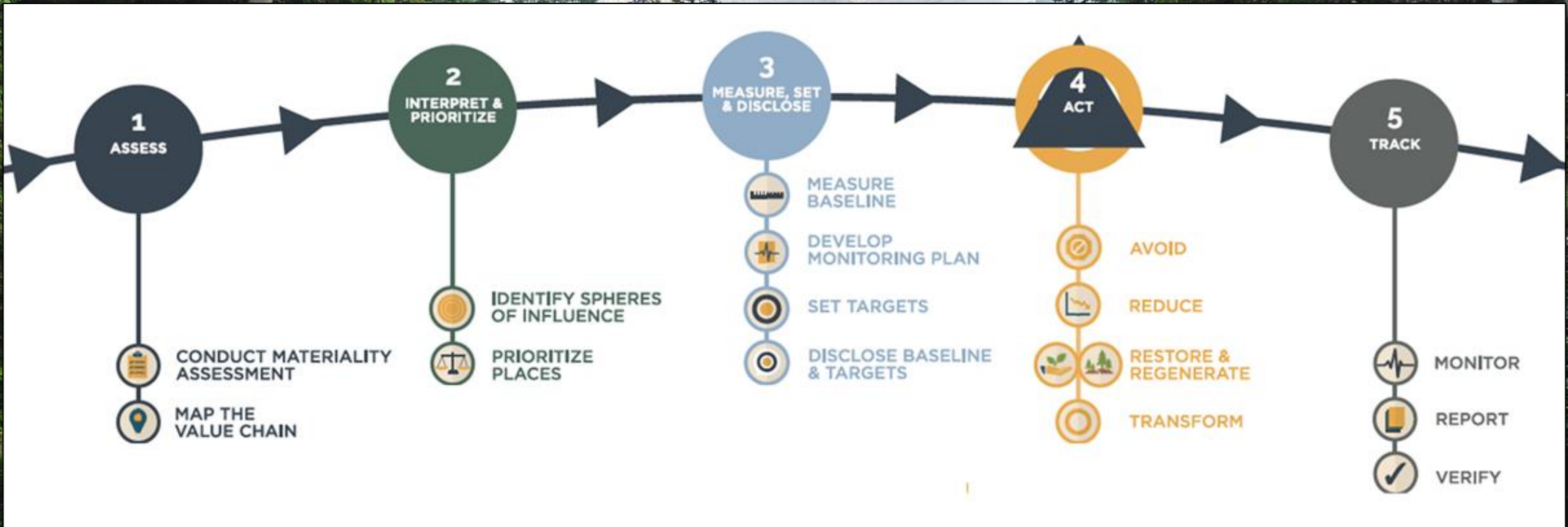
Science-Based Targets for Nature framework



Frameworks and tools

SBTN, TNFD LEAP, and CDP Compatibility

Five steps



Frameworks and tools

Science-Based Targets for Nature



Forthcoming on 24 May 2023

- Final guidance Steps 1 and 2, sector-screening tool, list of high-impact commodities
- Final methods for Freshwater targets
- Beta methods for Land targets
- Beta Stakeholder Engagement Guidance

2024

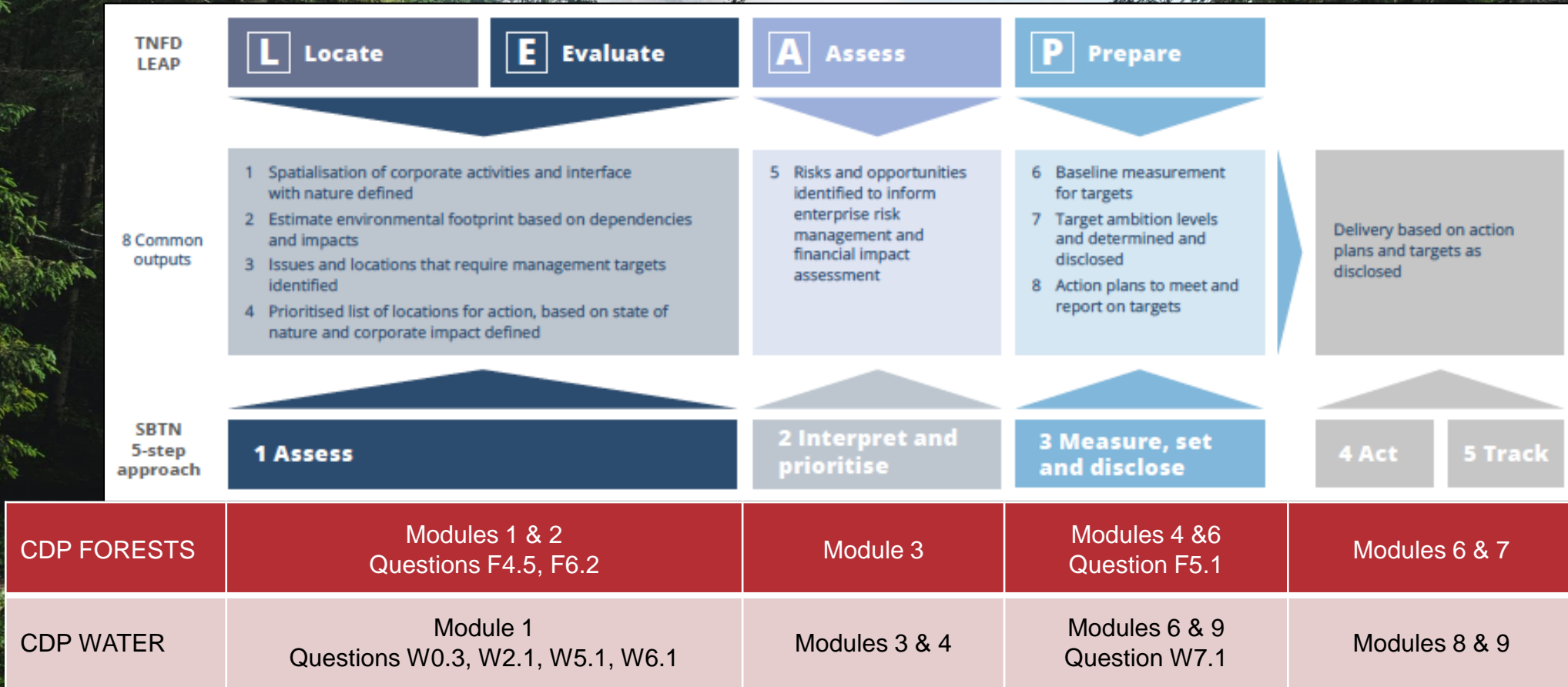
Companies expected to set Freshwater and Land targets

2025 at the latest

Oceans methods final and Biodiversity fully integrated

Frameworks and tools

SBTN, TNFD LEAP, and CDP Compatibility



Frameworks and tools

Tools for Biodiversity



You can already begin to Locate and Evaluate

BIODIVERSITY OUTLOOK:
CLUB B4B
Global Biodiversity Score: Establishing an ecosystem of stakeholders to measure the biodiversity performance of human activities
2021 update

Exploring Natural Capital Opportunities, Risks and Exposure

Select from a Sector or Sub-industry (based on the Global Industry Classification Standard) to explore dependencies and impacts on natural capital.

Sector Sub-industry

View:
 Dependencies
 Impacts

- Enter a Sector -

EXPLORE

Biodiversity Impact Data
Actionable biodiversity insights

IBAT
Integrated Biodiversity Assessment Tool
The world's most authoritative biodiversity data for your world-shaping decisions

Red List Protected Planet KBA

Biodiversity Footprint for Financial Institutions
Exploring Biodiversity Assessment

Iceberg Data Lab
Enabling Sustainable Goals

Corporate Biodiversity Footprint: Methodological guide

Version: April 2022

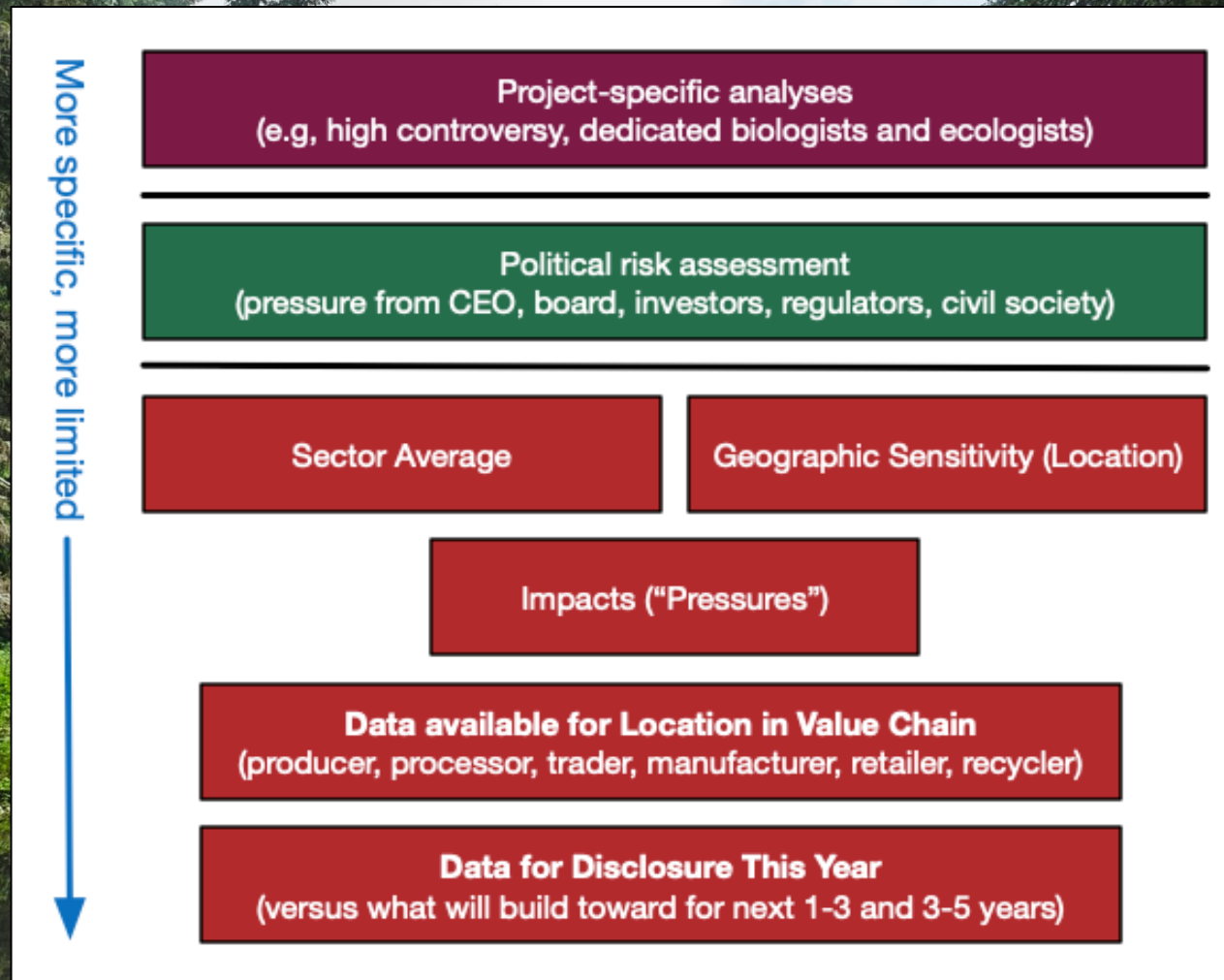
UN environment programme
Nature Risk Profile
A methodology for profiling nature related dependencies and impacts

S&P Global

TACKLING BIODIVERSITY RISKS
A BIODIVERSITY RISK ASSESSMENT GUIDE FOR COMPANIES AND FINANCIAL INSTITUTIONS

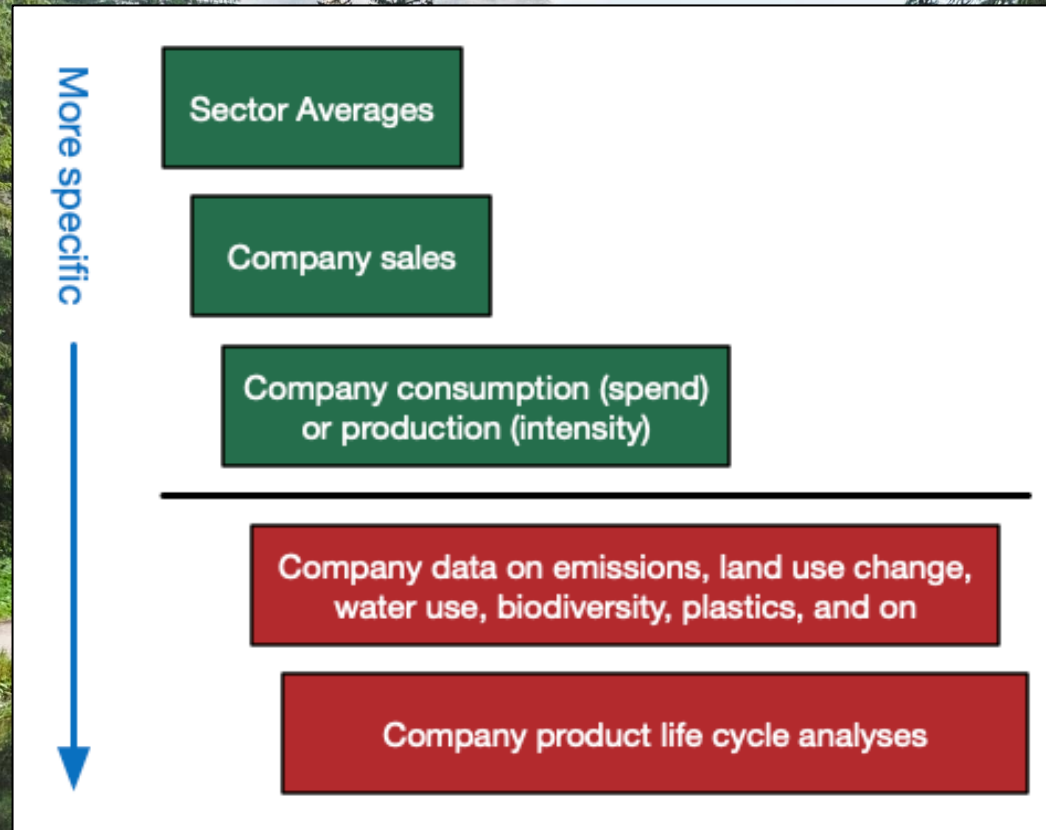
Frameworks and tools

The importance of prioritization



Frameworks and tools

The pragmatism of data availability

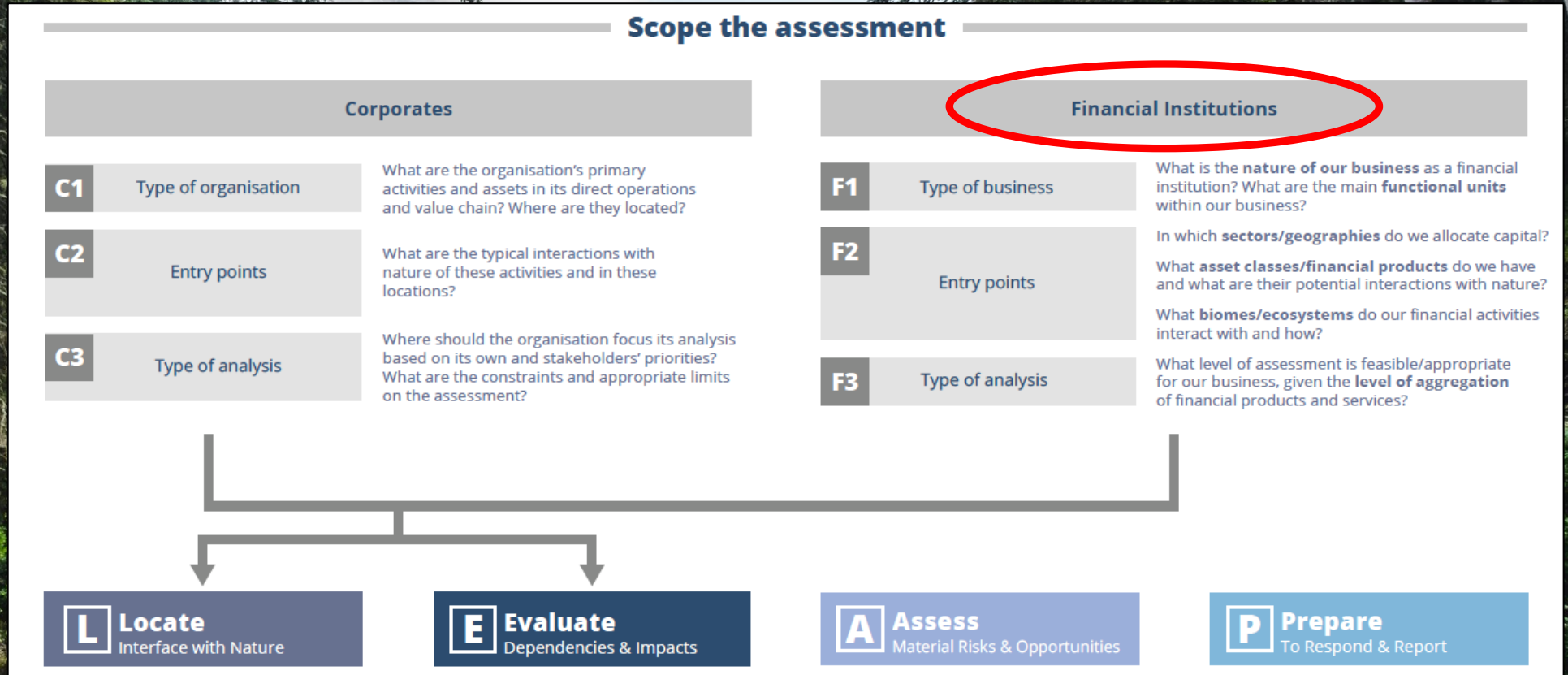


Frameworks and tools

Financial institution resources on nature



TNFD provides special scoping pathway for FIs



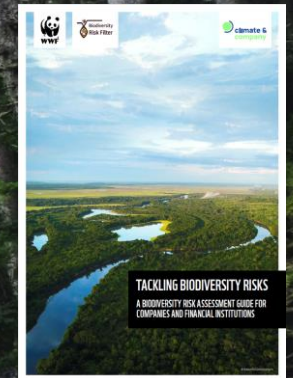
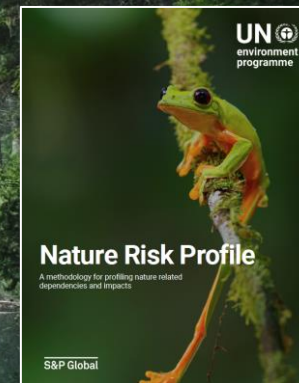
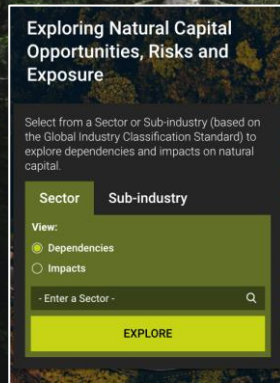
Frameworks and tools

Financial institution resources on biodiversity



You can already scrutinize

- Investments
- Project finance
- Lending
- Financial services



Frameworks and tools

Early adopters



- One-third of investment sectors have high or very high biodiversity impacts
- Numerous sectors depend highly on five ecosystem services

Figure 5 | Robeco's investment exposure to sectors that impact key drivers of biodiversity loss

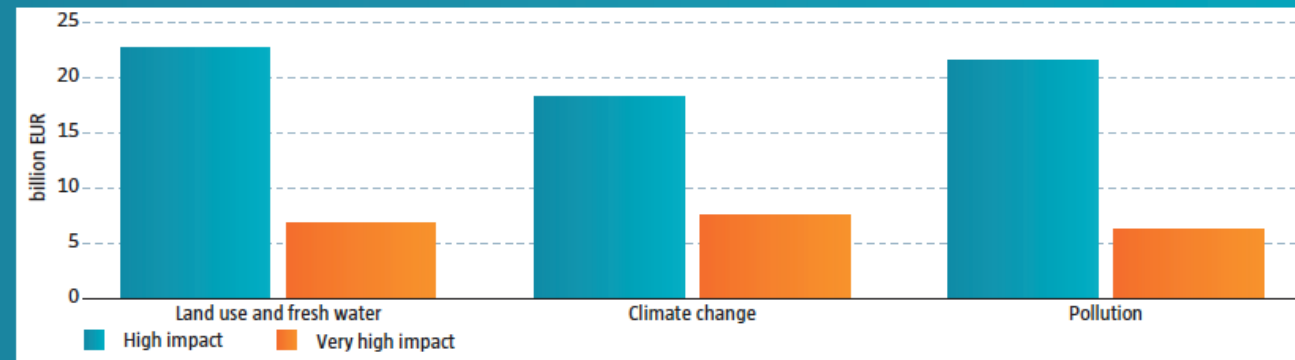
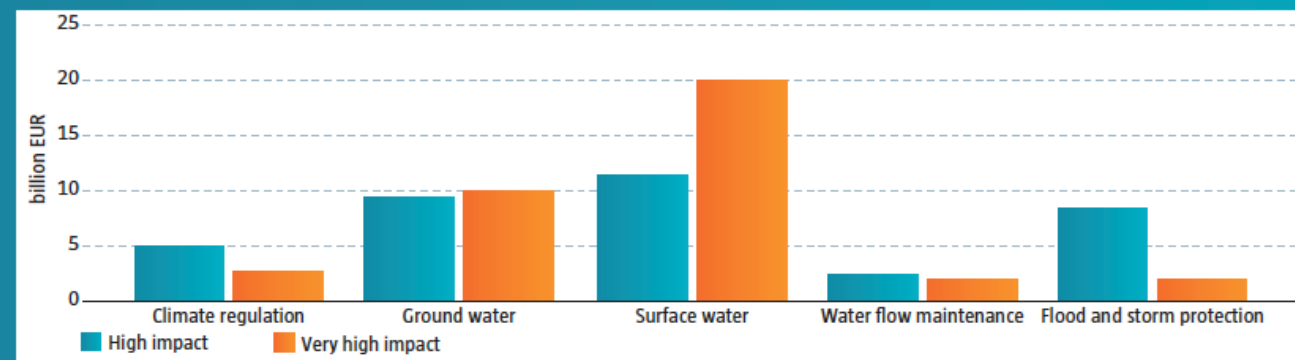


Figure 6 | Robeco's investment exposure to sectors that depend on ecosystem services



Source figure 5 & 6: Robeco, ENCORE

Frameworks and tools

Early adopters



Benefits include

- Enhanced productivity
- Certification premiums
- Climate mitigation
- Biodiversity protection
- Gender equality
- Smallholder inclusion



Frameworks and tools

Early adopters



Euronext® ESG Biodiversity Screened World Index

Objective

The Euronext® ESG Biodiversity Screened World index family is designed to reflect the price level trends in the trading of shares that have the ability to identify and reduce the negative biodiversity impact of their activities. The Euronext® ESG Biodiversity Screened World index includes most common ESG investment approaches adopted by institutional and private investors such as norm-based exclusion filters applied in accordance with the UN Global Compact Principles or involvement in coal, oil and gas, controversial weapons and tobacco. The index serves as an underlying for structured products, funds and exchange traded funds.

Euronext® Euro Large Cap Biodiversity Leaders 30 Index

Objective

The Euronext® Euro Large Cap Biodiversity Leaders 30 index selects top ranked companies based on biodiversity scores provided by Carbon4 Finance out of the top 60 Free Float Market Capitalization of Euronext® Eurozone 300 Index after exclusion of companies based on ESG Risk score, UNGC Non-compliant, involvement in Tobacco, Thermal Coal, Oil & Gas, Palm Oil and Controversial Weapon as defined by Sustainalytics. Euronext® Euro Large Cap Biodiversity Leaders 30 index is a Free Float Market Capitalization weighted index. The index serves as an underlying for structured products, funds and exchange traded funds.

Frameworks and tools

Data use by financial institutions



- Portfolio screening
- Investment fund creation
- Lending evaluation
- Stress testing
- Index construction
- Internal & external ratings
- Performance indicators
- Modelling

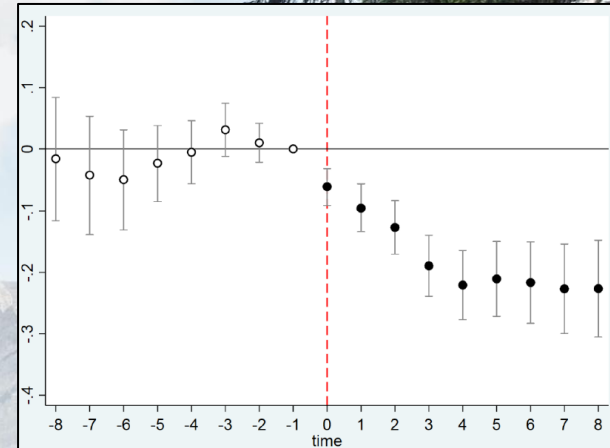


Frameworks and tools

Value of disclosure

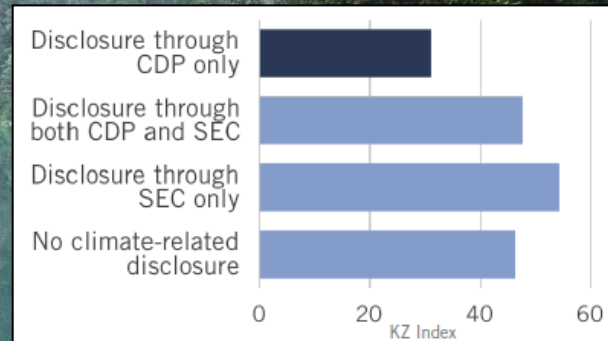


- Investors are more likely to engage – and divest from – top emitters
- Firms that disclose lower their emissions
- CDP disclosure improves access to capital



emissions before & after disclosure

Source: Cohen et al 2022. Why do Institutional Investors Request Climate Related Disclosures?

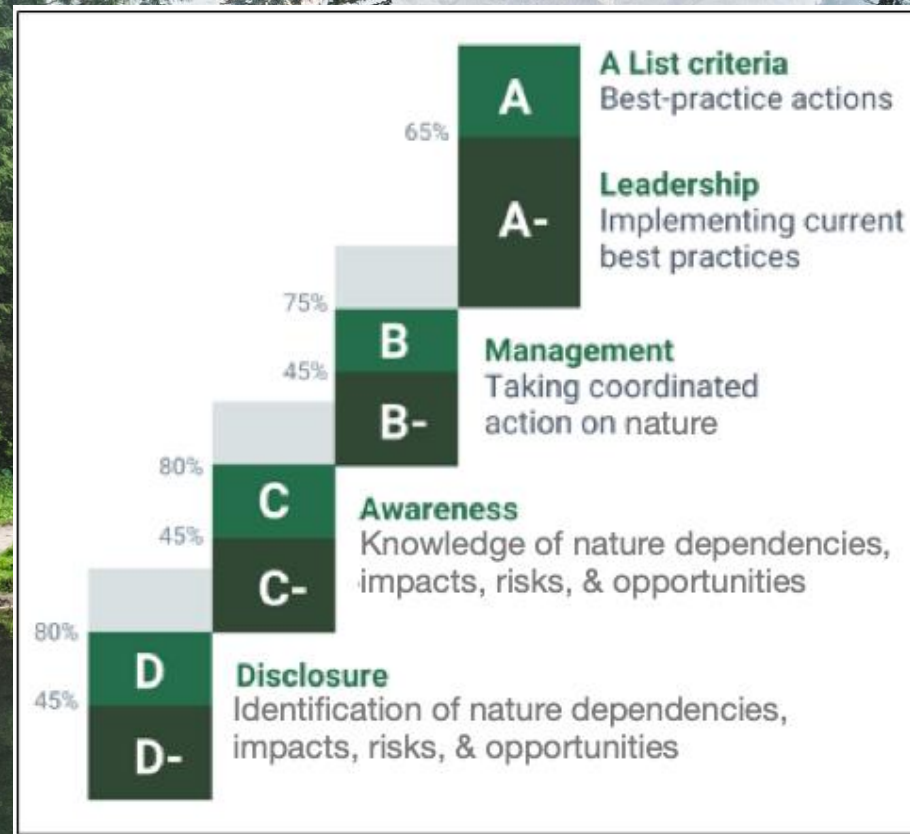


capital access: score closer to 0 is better

Source: Millani 2019. The Role of CDP Disclosure to Improve Access to Capital.

Frameworks and tools

Don't despair! But *do* start acting now.
Your company can begin its Nature journey today.



An aerial photograph of a vast, dense forest of evergreen trees, likely spruce or fir, covering a hillside. The trees are packed closely together, creating a textured, green canopy. The lighting is soft, suggesting an overcast day or early morning/late afternoon. In the center of the image, the text "Let us know!" is written in a large, bold, white sans-serif font, standing out prominently against the green background.

Let us know!

An aerial photograph of a vast, dense evergreen forest. The trees are packed closely together, creating a textured, green canopy. The lighting is even, highlighting the natural colors of the foliage.

Plenary discussion

Q&A Session