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GUIDANCE FOR REPORTING BY BUSINESSES ON THEIR ACTIONS RELATED TO BIODIVERSITY

*Note by the Executive Secretary***

INTRODUCTION

1. In decision [XIII/3](#) on strategic actions to enhance the implementation of the Strategic Plan for Biodiversity 2011-2020 and the achievement of the Aichi Biodiversity Targets, including with respect to mainstreaming and the integration of biodiversity within and across sectors, the Conference of the Parties requested further work by the Executive Secretary on a typology of actions for reporting on business-related actions with a view to providing draft guidance for consideration by the Subsidiary Body on Implementation at its second meeting (para. 108).

2. The present document is issued in response to this request. It builds on the earlier work undertaken on a typology of actions pursuant to decision [XII/10](#), para. 3(b), which was issued for the first meeting of the Subsidiary Body (see [SBI/1/INF/12](#)). The Conference of the Parties at its thirteenth meeting invited Parties to encourage the use of this typology of actions and invited businesses to use the typology of actions for reporting on biodiversity-related actions including in their supply chains (decision XIII/3, paras. 94-95).

3. In decision XIII/3, the Conference of the Parties also requested the Executive Secretary to seek views through the Global Business and Biodiversity Partnership as well as relevant partners on how the provision of data and information on biodiversity-related issues could be harmonized with a view to increasing the consistency of data and information across and within various business sectors (para. 106). Given that the work on the typology is also aimed towards enhancing consistency and comparability of data and information, and with a view to avoiding duplication of work, this request was taken into consideration during the work on the typology.¹

4. Section I of the present note provides information on the overall approach in undertaking the work requested, and the individual steps taken. Section II presents a revised typology of actions and other relevant results of the research undertaken to develop the revised typology, as well as the draft guidance for applying the typology. Section III presents possible conclusions for consideration by the Subsidiary Body as a basis for the development of recommendations for consideration by the Conference of the Parties at its fourteenth meeting.

*[CBD/SBI/2/1](#).

** Mention of firm names and commercial products does not imply the endorsement of the Secretariat of the Convention on Biological Diversity.

¹ A first draft of the present document was shared with the informal advisory group on mainstreaming, established pursuant to recommendation [XXI/4](#) of the Subsidiary Body on Scientific, Technical and Technological Advice, and with the members of the Global Partnership on Business and Biodiversity. Comments received are gratefully acknowledged.

I. RESEARCH APPROACH AND PROCESS

5. The earlier work on the typology, prepared for the first meeting of the Subsidiary Body on Implementation, conceptualized a typology as a categorization or classification of actions on reporting. Accordingly, it identified categories of actions relevant to biodiversity that businesses might report on, and grouped those into main “themes”. It further identified basic elements to consider under each theme,² with a view to supporting businesses in gathering the information necessary to accurately and concisely report on their impacts on, and activities related to, biodiversity.

6. This initial typology was developed on the basis of a review of existing reporting mechanisms as well as national requirements on reporting. With a view to testing and revising the initial typology of actions, and to gauge the scope and types of biodiversity-related reporting undertaken by businesses, a sample of sustainability reports from 100 companies from a range of sectors and regions was examined, primarily by using the database of the Global Reporting Initiative (GRI).³ The sample comprised the following: (a) some of the top companies by revenue in nine sectors; (b) large companies representing sectors identified to be of particular importance to biodiversity mainstreaming, such as energy and mining, infrastructure, and manufacturing and processing; (c) members of the Global Partnership for Business and Biodiversity; and (d) select businesses with a high likelihood of reporting on biodiversity.

7. As a critical first step, the reports were analysed to determine whether biodiversity, or related concepts, were deemed material issues by the companies and whether and how they were rated on their materiality table or similar framework.⁴ To this effect, in addition to the term “biological diversity” or “biodiversity”, various other relevant terms were searched within the reports, such as “ecosystems”, “ecosystems services”, “natural capital”, “natural resources” and “raw materials.” The results of this analysis can be found in the information note on this agenda item.

8. Noting the existence of reporting fatigue, whereby companies are required to report according to various legal requirements as well as voluntary initiatives based on different impacts, all with different indicators, it was considered that a more simplified typology might be more useful for Parties and businesses.

9. In addition to the analysis of individual business reports, important existing measurement tools and reporting guidelines that are commonly used by businesses were reviewed, with a view to determining what elements a revised typology for biodiversity-related reporting might include. A brief description of the tools and guidelines that were considered at this stage of the research is provided below:

(a) The *Carbon Disclosure Project (CDP)* focusses on the disclosure of information on greenhouse gas emissions, along with water and forestry. Backed by over 800 institutional investors, CDP gathers information through annual questionnaires sent on behalf of these institutional investors. In 2017, over 5,600 companies responded. Though geared mainly towards the financial community, it is an important measurement tool;⁵

² For instance, under the theme “corporate commitment to biodiversity”, the two basic elements to consider are “strategy and targets” and “management approach.”

³ The GRI Sustainability Disclosure Database provides access to all types of sustainability reports, whether GRI-based or otherwise, and relevant information related to the reporting organizations: <http://database.globalreporting.org/>.

For information including latest trends in reporting and an overview of policies and regulations:

www.carrotsandsticks.net/regulations/ and <https://www.globalreporting.org/resourcelibrary/Carrots%20and%20Sticks-2016.pdf>

⁴ Materiality refers to any topic, whether internal or external, that is deemed relevant enough that it should be reported on. The process of identifying topics as “material” in a company is commonly known as materiality analysis. It requires a comprehensive framework that identifies and prioritizes issues, risks and opportunities. Materiality is assessed not only by the individual business, but often by external stakeholders as well who might have an interest in or be impacted by the business.

⁵ See <https://www.cdp.net/>

(b) The *Climate Disclosure Standards Board (CDSB)* is an organization of businesses and environmental organizations committed to advancing and aligning corporate reporting to equate natural capital with financial capital. It provides a framework for reporting environmental information;⁶

(c) The *Global Reporting Initiative (GRI)* is an international independent standard-setting organization that helps businesses, Governments and other organizations to understand and communicate their impacts on issues such as climate change, human rights and corruption. GRI produces standards (formerly guidelines) used by thousands of corporate and public-sector reporters in over 100 countries. More than 46,000 reports have been registered in the GRI Sustainability Database and almost 60 countries and regions reference GRI in their policies. GRI was acknowledged as the official reporting standard of the United Nations Global Compact, making it the default reporting framework for its 9,000 associated companies. Of the largest 250 corporations in the world, 93 per cent report on their sustainability performance, and 75 per cent of these use GRI guidelines to do so.⁷ The GRI standards include four “disclosures” on biodiversity and the management approach to biodiversity using GRI 103: Management approach⁸ as well as other indicators that are relevant to biodiversity;

(d) The *International Integrated Reporting Council (IIRC)* has created an Integrated Reporting Framework, which includes biodiversity and ecosystem health. As a general framework to integrate thinking and decision-making, it does not include specific indicators or metrics;⁹

(e) The *Sustainability Accounting Standards Board (SASB)* provides sustainability accounting standards for companies based in the United States, for disclosure of material sustainability information in filings with the Securities and Exchange Commission. SASB standards identify sustainability topics and related accounting metrics at the industry level that are likely to constitute material information to companies in that industry. SASB is developing provisional standards for more than 80 industries in 10 sectors.¹⁰

10. In addition to the global reporting tools enumerated above, there are a number of initiatives aimed specifically at biodiversity. Five members of the Global Partnership for Business and Biodiversity have established pledging mechanisms of biodiversity-related commitments by their members, often referred to as declarations, and require reporting of their business members against these declarations. The German and Indian partnerships currently require all signatories to their respective pledges to submit a report every two years, and the Spanish partnership every three years. The Business and Biodiversity Pledge under the Convention, launched at the Global Business and Biodiversity Forum in 2016, now has over 130 signatories. It has nine elements, including a requirement to provide updates on how the pledge has been implemented. A mechanism for obtaining such reports will be made available on the Convention’s website. The accompanying information document provides additional information about the approach.

11. While not a reporting tool, it is worth noting the recent work of the Natural Capital Coalition in developing the Natural Capital Protocol, which is a framework designed to help generate credible and actionable information for business managers, by providing a standardized approach to identify, measure, and value business impacts and dependencies on natural capital and ecosystem services, to inform and improve internal management decision-making. The protocol provides broad flexibility regarding the choice of measurement and valuation approaches, in accordance with the circumstances and conditions of the individual business. As a result, it does not necessarily produce comparable results across different businesses or applications. It does not currently provide specific guidance on ecosystems and biodiversity. However, there are several projects under way which are aimed, inter alia, at further strengthening the role of biodiversity in the natural capital concept, with a “biodiversity supplement” to the Natural Capital

⁶ See <https://www.cdsb.net/>

⁷ https://home.kpmg.com/content/dam/kpmg/campaigns/csr/pdf/CSR_Reporting_2017.pdf

⁸ See <https://www.globalreporting.org/>

⁹ See <https://integratedreporting.org>

¹⁰ See <https://www.sasb.org/>

Protocol as one possible concrete output of this work. A working group has currently been established with a view to undertaking work on the role of biodiversity in the natural capital concept.¹¹

II. RESEARCH RESULTS

12. Based on the approach described above, a revised and more simplified draft typology was prepared. In addition, to facilitate its application, guidance in the form of good practice examples practices was elaborated. At the same time, the research also led to a number of insights which, taken together, point to the need to focus future work in this area on a number of strategic priorities related to factors that are pre-conditions for effective reporting, bearing in mind that disclosure and reporting is the last step of the process for identifying businesses impacts and dependencies on biodiversity.

A. Biodiversity in reporting

13. Biodiversity is not often explicitly addressed, and reported on, in sustainability reports, and even when it is, there appeared to be a lack of coherence and consistency across reports. One explanation may be that this is due to the complexity associated with the term and associated misconceptions about the relevance of biodiversity for a company. There appears to be a lack of overall understanding of the potential links between biodiversity and business risks and opportunities.

14. In particular, in assessing biodiversity as a material issue, while 40 out of 100 companies refer to biodiversity as a material issue, only 15 rate it as a “high” material issue. Compared with other issues, it is ranked as of relatively low relevance to companies and external stakeholders. For example, one company, an overall leader in integrating sustainability into its entire business strategy and operations, does not refer to biodiversity as a material issue but has a statement on why biodiversity matters along with several related policies and commitments; moreover, it ranks deforestation, agricultural sourcing and water as top material issues. Similarly, some companies do not refer to biodiversity but do refer to “natural ecosystems” or just “ecosystems”. There is apparently a frequent lack of understanding that biodiversity underpins ecosystem functioning and the provision of ecosystem services. The resulting inconsistency of terms used prevents effective data comparison across companies and the derivation of associated policy recommendations.

15. An additional challenge is that biodiversity impacts and dependencies vary among companies and sectors, making comparisons difficult. Biodiversity as a concept is difficult to clearly measure compared with, for example, greenhouse gas emissions. The research shows that many companies measure and report on land use and water use, thus referring to important drivers of biodiversity loss; yet, they do not make the potentially important link with biodiversity.

B. Reporting trends

1. Alignment of reporting frameworks

16. Existing reporting mechanisms, such as those referenced in the section above, are generally not aligned and, as a result, the reports cannot be easily compared. Not all refer to biodiversity and they target different audiences: for instance, SASB is for companies based in the United States, and the data collected by CDP is for investors. This lack of harmonization is prevalent throughout all sustainability reporting, and not just related to biodiversity.

17. Associated with this, reporting fatigue is seemingly a major challenge. Given the various frameworks and associated reporting channels, there is a lack of clarity on what and with whom to report and a need to harmonize and develop shared standard metrics. For instance, the Natural Capital Toolkit¹² and the Reporting Exchange of the World Business Council for Sustainable Development¹³ list over 40 available measurement tools related to biodiversity and ecosystems alone. More schemes are being introduced: according to a recent joint report from KPMG, GRI, the United Nations Environment

¹¹ <https://naturalcapitalcoalition.org/projects/biodiversity/>

¹² <https://www.naturalcapitaltoolkit.org/>

¹³ <http://www.wbcsd.org/Projects/Reporting/The-Reporting-Exchange>

Programme and the Centre for Corporate Governance in Africa,¹⁴ there were almost 400 reporting instruments worldwide in 64 countries in 2016, up from 180 instruments in 44 countries in 2013. While many new reporting requirements result from government regulation, the guidance typically associated with such regulation may also help address the need for harmonization, such as the recent directive of the European Union on non-financial reporting.

18. Stock exchanges are also playing an increasingly important role in biodiversity disclosure. Eleven exchanges incorporate biodiversity-related information in their environmental, social and governance (ESG) reporting rules. A further 23 stock exchanges have committed to introducing new ESG reporting guidance, but it is not yet known which will include requirements associated with biodiversity.

19. The Corporate Reporting Dialogue was recently created in response to market calls for greater coherence and consistency among reporting standards, frameworks and schemes. This might help provide more clarity for business going forward.¹⁵

2. Reference to the Sustainable Development Goals in reporting

20. Another important trend is the increasing reference made in companies' sustainability reports to the 2030 Agenda for Sustainable Development¹⁶ and the Sustainable Development Goals. Many companies are now using the Sustainable Development Goals as a strategic planning tool, and investors are looking at a commitment to the Goals as a risk criterion. According to a KPMG survey, many companies already connect their corporate responsibility activities to the Sustainable Development Goals, for example, 43 per cent of the 250 largest companies by revenue already do this.¹⁷ This trend has emerged quickly and suggests that the Sustainable Development Goals will grow in importance and relevance to corporate responsibility more generally. However, similar to materiality as discussed above, companies are most likely reporting on those Goals that are directly relevant to their business operations, and a recent report of PricewaterhouseCoopers found Goal 14 (Life below sea) and Goal 15 (Life on land) to be among the lowest reported Goals in the Netherlands.¹⁸ Addison et al (in review) found that 49 of the top 100 of the Global Fortune 500 (the Fortune 100) mention biodiversity in their sustainability reports. In 2016, 24 of these companies started to frame their biodiversity commitments in relation to the Sustainable Development Goals, as opposed to only six companies that acknowledged the Convention on Biological Diversity (the Convention and/or the Aichi Biodiversity Targets).

21. In this context, the Global Reporting Initiative and the United Nations Global Compact have recently developed a report entitled *Business Reporting on the SDGs – an Analysis of the Goals and Targets*, which sets out possible relevant actions businesses can take to help achieve the targets.¹⁹ As part of this project, in July 2018, a practical guide will be launched that will present a principled approach for reporting on the Sustainable Development Goals based on the GRI Standards and the Ten Principles of the United Nations Global Compact. The International Integrated Reporting Council has also published a report on the Sustainable Development Goals and integrated reporting.²⁰

3. Work on biodiversity indicators

22. Work is currently being undertaken by a number of groups and private companies addressing different applications of biodiversity indicators for businesses. The applications are different depending on the scale of assessment and the target audience. One such organization working on this is the Cambridge

¹⁴ "Carrot and Sticks: Global trends in sustainability reporting regulation and policy" <https://www.globalreporting.org/resourcelibrary/Carrots%20and%20Sticks-2016.pdf>

¹⁵ The Corporate Reporting Dialogue is an initiative designed to respond to market calls for greater coherence, consistency and comparability between corporate reporting frameworks, standards and related requirements.

¹⁶ General Assembly resolution [70/1](#), annex.

¹⁷ https://home.kpmg.com/content/dam/kpmg/campaigns/csr/pdf/CSR_Reporting_2017.pdf

¹⁸ <https://www.pwc.nl/nl/assets/documents/the-sustainable-development-goals.pdf>

¹⁹ https://www.globalreporting.org/resourcelibrary/GRI_UNGC_Business-Reporting-on-SDGs_Analysis-of-Goals-and-Targets.pdf

²⁰ <http://integratedreporting.org/resource/sdgs-integrated-thinking-and-the-integrated-report/>

Institute for Sustainability Leadership and partners who are developing a biodiversity metric. As the overall uptake of measures and approaches is growing, the concept is to have one metric that is simple and context-based, can support decision-making and demonstrate a positive impact. The metric proposed is based on the impact of a company upon the quality and quantity of biodiversity, soil and water. This work is currently being piloted with businesses. Although not yet tested, it could potentially feed into existing reporting frameworks, in particular into the framework of GRI, and could provide the basis for stronger materiality assessments related to biodiversity.²¹

23. Other work is being undertaken for instance by I-CARE, on a metric that quantifies a product's impact on biodiversity across its life cycle, by CDC-Biodiversité, on developing a biodiversity footprint methodology called the Global Biodiversity Score (GBS),²² by the LIFE Institute in Brazil²³ and many more. In 2016, IPIECA produced *Biodiversity and Ecosystem Services Fundamentals: Guidance Document for the Oil and Gas Industry*.²⁴ Also, the Dutch ASN Bank has been developing a quantitative metric to assess and value the biodiversity impact and dependencies of its investments. The European Union's Business and Biodiversity Platform is currently developing an overview and a critical assessment of the various ongoing activities to develop biodiversity metrics for business and financials including those mentioned here.²⁵ Other industry- and sector-specific work exists as well.

24. Related work is also undertaken in the ecosystem accounting context, and it could be beneficial to link the above-mentioned initiatives to experiences made and recent work undertaken in this context. The last revision of the System of Environmental-Economic Accounting (SEEA) and the issuance of the SEEA volume on experimental ecosystem accounting (SEEA-EEA)²⁶ spurred conceptual progress in the past few years at both the global and country levels on how to best capture the role of biodiversity in an ecosystem accounting context.²⁷ Momentum is growing to better align pertinent methodologies developed at the SEEA level with business-level accounting frameworks. A recently initiated three-year project to support ecosystem accounting in Brazil, China, India, Mexico and South Africa, implemented by the United Nations Statistics Division and UNEP (including its World Conservation Monitoring Centre), with financial support from the European Union and the Convention Secretariat as an affiliated partner,²⁸ will also include a global work stream on aligning SEEA ecosystem accounting with business-level accounting frameworks.

C. Results of consultations

25. An initial draft of the proposed approach was presented to, and discussed at, the seventh meeting of the Global Partnership for Business and Biodiversity, which was hosted by the French member of the Global Partnership and held in Paris on 23 and 24 November 2017,²⁹ and at an informal meeting in January 2018 with representatives of the Global Partnership, the Global Reporting Initiative, Reporting 3.0, the Netherlands Accountants Association (NBA), the Natural Capital Coalition (NCC) and the International Integrated Reporting Council. A draft of the present document was also circulated to the partner organizations of the Global Partnership and other relevant partners.

²¹ <https://www.cisl.cam.ac.uk/publications/working-papers-folder/healthy-ecosystem-metric-framework>

²² <http://www.mission-economie-biodiversite.com/wp-content/uploads/2017/11/N11-TRAVAUX-DU-CLUB-B4B-INDICATEUR-GBS-UK-BD.pdf>

²³ <http://institutolife.org/en/>

²⁴ <http://www.ipieca.org/resources/good-practice/biodiversity-and-ecosystem-services-fundamentals/>

²⁵ http://ec.europa.eu/environment/biodiversity/business/workstreams/natural-capital-accounting/index_en.htm

²⁶ <https://unstats.un.org/unsd/envaccounting/seea.asp>

²⁷ See CBD Technical Series No. 77 for an early output as well as the more recent technical recommendation available under https://unstats.un.org/unsd/envaccounting/eea_project/default.asp. See also the World Bank-led WAVES initiative; <https://www.wavespartnership.org>

²⁸ See https://unstats.un.org/unsd/envaccounting/eu_project/default.asp

²⁹ <https://www.cbd.int/business/meetings-events/2017/default.shtml>

26. A draft revised typology and the conclusions of the research presented above were discussed with biodiversity and business partnerships as well as other relevant partners. While the proposed revised typology was perceived by partners as a useful step towards achieving greater comparability among reporting methodologies and, eventually, increased coherence and consistency of biodiversity-related business reporting, it was also noted that, in order to advance further, more focus needs to be given to several strategic priorities, namely to: (a) improving the conceptual understanding among businesses; (b) setting of specific goals/objectives for business; (c) measurement methodologies and metrics; (d) strengthening global and sectoral partnerships with relevant organizations and initiatives. These points are further elaborated below:

(a) *Improve understanding.* Partners confirmed that biodiversity is currently not perceived by most businesses as directly impacting them. There is a need to improve the understanding of how biodiversity underpins the provision of ecosystem services and benefits that are critical for business operations and business models, and to get this understanding to the forefront of business discussions;

(b) *Need for clear objectives and targets to inform robust indicator development.* As identified in the guidance from the Biodiversity Indicators Partnership, businesses could benefit from having clear expectations outlined in terms of specific objectives and targets, which then inform more consistent and robust use of biodiversity indicators. The Convention could also use the development of the post-2020 biodiversity strategy as a means to identify such targets and metrics for both the public and private sectors;³⁰

(c) *Measurement methodologies or metrics.* Related to the previous point, a need was identified to provide increased focus on further developing agreed methodologies or metrics for measuring impacts on, and dependencies from, biodiversity, in particular with regard to the critical role of biodiversity as underpinning ecosystem functioning and the provision of ecosystem services and benefits that are critical for business operations and business models. In the light of earlier decisions of the Conference of the Parties, such as decision XIII/3, paragraph 87, these methodologies or metrics need to take into account the various conceptualizations of biodiversity values, as spelled out in decision X/3, paragraph 9(b)(ii);³¹

(d) *Strengthening partnerships.* In this context, partners saw value in sharing experience on what is working for businesses, for instance experiences gained in applying the Natural Capital Protocol and other relevant tools, and to encourage and or support collaborative partners in their necessary further work on methodologies or metrics, including on the interface between SEEA accounting and business accounting. At the global level, this could include partners such as UNEP and its World Conservation Monitoring Centre, the United Nations Global Compact, the United Nations Statistics Division, the Natural Capital Coalition and its biodiversity working group, the referenced work of the Cambridge Institute for Sustainability Leadership, the Global Reporting Initiative, and other partners. Moreover, sector business associations, in particular of those sectors associated with higher impacts and dependencies, could be important partners in developing relevant sector-specific indicators and metrics. This work could be informed by the considerable wealth of experience under the Convention in developing relevant indicators, such as the work of the Biodiversity Indicators Partnership (BIP), referenced above.

D. Revised typology of actions

27. As indicated above, based on the research and consultations, the typology of actions was simplified. Categories were narrowed down to three main themes: (a) commitment; (b) engagement; and (c) measurement. For each of the themes of the typology, a number of common topics were identified to facilitate the identification of the good practices for reporting under each theme. This revised typology is provided in annex I.

28. In order to provide further practical and concrete guidance to companies on how to apply the revised methodology, additional information was compiled from individual companies with a view to

³⁰ https://www.bipindicators.net/system/resources/files/000/002/191/original/Framework_Brochure_UK_0311_LOWRES_%281%29.pdf?1481634262

³¹ Namely, the intrinsic value as well as the ecological, genetic, social, economic, scientific, educational, cultural, recreational and aesthetic values of biological diversity and its components.

identifying good practice examples that match the themes and associated topics of the typology and could thus act as guidance for emulation. For example, under the theme of “commitment,” a good practice example is a biodiversity policy outlining the company’s commitments. Under “engagement,” there could be a reference to support for conservation projects for biodiversity affected by the company’s actions. Under “measurement”, there could be a reference, for instance, to the use of the Integrated Biodiversity Assessment Tool (IBAT).³² This compilation of good practice cases from companies is provided in annex II.

29. Finally, as noted above, disclosure and reporting is the last step for businesses in identifying impacts and dependencies on biodiversity. As explained in paragraph 26 above, achieving enhanced coherence and consistency in business reporting requires achieving enhanced coherence and consistency in applying measurement methodologies and metrics for biodiversity impacts and dependencies by businesses. In the light of these considerations, the typology of actions for reporting on biodiversity and the associated guidance could be viewed as an intermediate step to increase comparability in business reporting on biodiversity in the short term, to provide guidance on what reporting on biodiversity impacts and dependencies could look like, and to thus encourage businesses and other stakeholders to strengthen biodiversity-related business reporting. Application of the typology would need to be complemented by action on the strategic priorities identified above.

III. CONCLUSIONS

30. In the light of the above, the Subsidiary Body on Implementation may wish to consider the conclusions below as a possible basis for developing its recommendation, including a draft decision, for consideration by the Conference of the Parties at its fourteenth meeting. Pertinent language has been included in the draft recommendation provided in document CBD/SBI/2/4.

A. Guidance on biodiversity-related reporting by businesses

31. The Subsidiary Body may wish to recommend taking note of the revised typology of biodiversity-related business actions, provided in annex I to the present note, as a useful interim tool to encourage and increase reporting on biodiversity, and to increase the comparability among business reporting on biodiversity, and as a step towards enhancing coherence and consistency of biodiversity-related business reporting. To this end, businesses, Parties and other Governments, and relevant organizations and initiatives could be invited to make use of the revised typology of actions.

32. The Subsidiary Body may also wish to recommend taking note of the good practice examples provided in annex II to the present note, as indicative guidance for businesses, Parties and other Governments, and other stakeholders, on the main topics which could be addressed in biodiversity-related business reporting. Businesses, Parties and other Governments as well as relevant organizations and initiatives could be invited to make use of the good practice examples in reporting on their pertinent activities.

33. The Subsidiary Body may further wish to note the important role of the reporting standards of the Global Reporting Initiative, as described in paragraph 9(c) above, and may therefore wish to recommend encouraging businesses to use existing reporting guidelines, such as the GRI standard on biodiversity, GRI 304: Biodiversity 2016,³³ as appropriate.

B. Strategic actions to advance biodiversity-related achievements by businesses

34. The Subsidiary Body may wish to note that disclosure and reporting is the last step in the process of identifying businesses impacts and dependencies on biodiversity. In order to enhance coherence and consistency of biodiversity-related business reporting, there is a need for strategic actions to improve the understanding among businesses on the role of biodiversity, and to develop and improve measurement

³² This is a tool governed by UNEP-WCMC, Conservation International, IUCN and BirdLife International that enables the mapping of the position of protected areas, key biodiversity areas and the presence of species at risk of extinction. See <https://www.unep-wcmc.org/resources-and-data/ibat>

³³ See GRI 304: Biodiversity 2016 (Topic Specific Standards 300 series (Environmental Topics)), available at: <https://www.globalreporting.org/standards/gri-standards-download-center/gri-304-biodiversity/>

methodologies and metrics for biodiversity impacts and dependencies, with a view to providing trusted, credible, and actionable information to business managers for improved decision-making. Consequently, the Subsidiary Body may wish to suggest strengthening global and sectoral partnerships as well as information sharing and collaboration among relevant organizations and initiatives.

35. In particular, the Subsidiary Body may wish to recommend acknowledging the existing pertinent work of relevant partner organizations and initiatives, such as the United Nations Environment Programme, the United Nations Global Compact, the United Nations Statistics Division, the International Union for Conservation of Nature (IUCN), the International Integrated Reporting Council, the Cambridge Institute for Sustainability Leadership, the Natural Capital Coalition and its biodiversity working group, and the Global Reporting Initiative, as well as other partners, including sectoral business associations. They could be invited to further intensify their work and to enhance mutual information sharing and collaboration, in particular with regard to:

(a) Sharing experiences and good practices on, and developing guidance tools for, enhancing the conceptual understanding of businesses of their dependencies on biodiversity, the underpinning of ecosystem functioning and the provision of ecosystem services and benefits that are critical for business operations and business models, taking into account the various conceptualizations of biodiversity values, with a view to informing materiality assessments and enhancing the identification of biodiversity as a high-materiality issue;

(b) Enhancing information sharing and collaboration in further developing methodologies or metrics, such as the work undertaken on creating one biodiversity metric, undertaken by the Cambridge Institute for Sustainability Leadership and partners, for measuring impacts on, and dependencies from, biodiversity as underpinning ecosystem functioning and the provision of ecosystem services and benefits that are critical for business operations and business models, and for human well-being more generally;

(c) Building on the above and noting the above-mentioned report on business reporting and the Sustainable Development Goals,¹⁹ considering the development of specific guidance on how to strengthen the ecosystem and biodiversity components of business reporting against the 2030 Agenda for Sustainable Development and its Sustainable Development Goals;

(d) Considering the development or strengthening of relevant sector-specific indicators and metrics, in particular for those sectors associated with high biodiversity impacts and dependencies;

(e) Contributing to efforts to enhance the linkages between the work undertaken on ecosystem accounting under the framework of the United Nations System of Environmental-Economic Accounting (SEEA) and business-level accounting frameworks for ecosystems and biodiversity;

(f) Considering the incorporation of agreed outputs of this work as complementary elements into relevant reporting guidelines and associated guidance, such as the GRI Standards, taking into account existing work under the Biodiversity Indicators Partnership.

36. The Subsidiary Body may wish to recommend inviting Parties and other Governments in a position to do so to provide financial support to the work described in paragraph 35 above and requesting the Executive Secretary to support and facilitate this work, subject to the availability of resources.

37. The Subsidiary Body may also wish to recommend inviting Parties, other Governments, and relevant organizations and initiatives to strengthen, building on the work described above, the ecosystem and biodiversity components in existing guidance for business reporting of non-financial information.

38. The Subsidiary Body may further wish to recommend inviting the above-mentioned partners organizations and initiatives to submit information to the Executive Secretary on pertinent progress made, lessons learned and obstacles encountered as well as possible ways and means to overcome obstacles identified, including as possible actions in the form of targets and metrics for the private sector for potential inclusion in the post-2020 global biodiversity framework. The Subsidiary Body may also wish to recommend strengthening direct business engagement in achieving the three objectives of the Convention in the coming decade. The Executive Secretary could be requested to compile and analyse the information submitted and to prepare, in consultation with the Global Partnership on Business and Biodiversity, a progress report for consideration of the Subsidiary Body on implementation at its third meeting.

Annex I

REVISED TYPOLOGY OF ACTIONS FOR REPORTING ON BIODIVERSITY

<i>Theme</i>	<i>Main topics (see good practice examples in annex II)</i>	<i>Aichi Targets</i>	<i>GRI Indicators</i>
Commitment	<ul style="list-style-type: none"> Biodiversity appear a material issue Existence of a biodiversity policy statement Management approach to biodiversity reported on Reports include a CEO letter which specifically refers to biodiversity 	Strategic Goal “A” ³⁴ and Strategic Goal “E”	GRI 103 Management Disclosure
Engagement	<ul style="list-style-type: none"> Action taken to address biodiversity impacts, risks and opportunities Specific examples of engaging with stakeholders e.g. suppliers Partnerships with NGOs and other organizations on biodiversity related projects Funding specific biodiversity related projects 	Strategic Goal “A” ³⁵ , Strategic Goal “B” ³⁵ , Strategic Goal “C” ³⁶ , Strategic Goal “D” ³⁷ and Strategic Goal “E” ³⁸	304-3 ³⁹
Measuring	<ul style="list-style-type: none"> Identifying risks and opportunities Using tools and other means to measure both positive and negative impacts Reporting on biodiversity specific indicators such as GRI All operations with significant impact taken into account in measurements 	Strategic Goal “A”, Strategic Goal “B”, Strategic Goal “C”, Strategic Goal “D” and Strategic Goal “E”	304-1 ⁴⁰ 304-2 ⁴¹ 304-3 ⁴² 304-4 ⁴³

³⁴ Aichi Strategic Goal A: Address the underlying causes of biodiversity loss by mainstreaming biodiversity across government and society.

³⁵ Aichi Strategic Goal B: Reduce the direct pressures on biodiversity and promote sustainable use.

³⁶ Aichi Strategic Goal C: To improve the status of biodiversity by safeguarding ecosystems, species and genetic diversity.

³⁷ Aichi Strategic Goal D: Enhance the benefits to all from biodiversity and ecosystem services.

³⁸ Aichi Strategic Goal E: Enhance implementation through participatory planning, knowledge management and capacity-building.

³⁹ GRI 304-3 Habitats protected or restored.

⁴⁰ GRI 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.

⁴¹ GRI 304-2 Significant impacts of activities, products, and services on biodiversity.

⁴² GRI 304-3 Habitats protected or restored.

⁴³ GRI 304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations.

*Annex II***GOOD PRACTICE EXAMPLES FOR THE REVISED TYPOLOGY OF ACTIONS FOR REPORTING ON BIODIVERSITY**

The good practice examples below are compiled with a view to providing indicative guidance on how to use the revised typology of actions. No claim for comprehensiveness is made; in particular, absence of a particular example from the list below does not imply that it could not also be considered good practice

<i>Company</i>	<i>Examples</i>
Theme: Commitment	
Examples on main topics: Policies, statements, standards, biodiversity mentioned in CEO letter, materiality, certifications	
Fujifilm	<ul style="list-style-type: none"> • Biodiversity as material issue • Philosophy: “Environmental consciousness and environmental protection are at the core of our corporate activities” • 2009: introduced Fujifilm Group Basic Concepts and Action Guidelines for Biodiversity Conservation • 2012: reviewed biodiversity approach under 4 key elements of factories, products, social contribution and communication • 2015: participated in Nagoya Protocol on ABS for Genetic Resources • FY2016: Biodiversity preservation as priority issue
ASAHI – Food and Beverages	<ul style="list-style-type: none"> • Biodiversity is a high material issue • Establishment of Key Performance Indicators (KPI) for biodiversity in 2017 • Declaration on Biodiversity in report
Ambuja Cements – Construction Materials	<ul style="list-style-type: none"> • Commitment to GRI and SDGs • Letter from the CEO: “when speaking of sustainability, it becomes imperative for industry to address the climate change and biodiversity impact” • Biodiversity identified as a material issue • Has its own 2030 targets • Voluntarily reported on biodiversity performance in 2016 towards IBBI Declaration Commitments
Kering – Textiles and Apparel	<ul style="list-style-type: none"> • Preservation of biodiversity: key component of Kering’s environmental policy • Contributed to the creation of the Natural Capital Protocol • Commitment to avoid the conversion of sensitive ecosystems into grazing land or agricultural land
Kingfisher – Retailers	<ul style="list-style-type: none"> • Sustainable forestry 2020 target commitment: work with partners to measure the impact of certification on forests, biodiversity and forest communities and assess the effect of their responsible wood and paper sourcing • In 2014, helped found the Value Impact Analysis (VIA) initiative to develop a methodology for quantifying the impacts of Forest Stewardship Council (FSC) certification • Biodiversity 2020 target: Enhance biodiversity on new build projects, major refurbishments and existing stores • Biodiversity audits were carried out for some new-build projects and major refurbishments during 2016/17

<p>Hydro Quebec - Energy Utilities</p>	<ul style="list-style-type: none"> • Ranked 4th (out of 34) for commitment to protection and restoration for protected areas natural habitats and wildlife • To improve its governance of biodiversity, Hydro-Québec adopted a new corporate strategy and action plan, and committed to public reporting on biodiversity • Published their second Biodiversity Performance Report
<p>Theme: Engagement</p> <p>Examples on main topics: action taken; stakeholder engagement, funding projects, partnerships with NGOs and others</p>	
<p>Unilever – Food and Beverages</p>	<ul style="list-style-type: none"> • Member of the Consumer Goods Forum (CGF) • Led Foundation of Tropical Forest Alliance 2020 and inspired farmers to start their own biodiversity action plans • Engages with stakeholders through platforms such as the World Economic Forum, United Nations Global Compact, the World Business Council for Sustainable Development and the Consumer Goods Forum
<p>BHP – Mining</p>	<ul style="list-style-type: none"> • Partnership with Fauna and Flora International (FFI) • A\$1.4 million partnership between the Queensland Museum Network and BHP Billiton to communicate the importance and value of biodiversity • Launched Five Rivers Conservation Project with the Tasmanian Land Conservancy and Conservation International, pledging A\$13.4 million for conservation and ongoing management of 11,000 hectares of land in Tasmania, Australia
<p>BP – Energy</p>	<ul style="list-style-type: none"> • Partners with the Nature Conservancy and FFI • Works with NGOs and communities to manage wildlife issues around their sites • Member of IPIECA • Committed to support the Great Australian Bight research programme examining the biological and socioeconomic importance of the Bight
<p>Sime Darby Plantation – industrial equipment, motors, property, logistics</p>	<ul style="list-style-type: none"> • Signatory of the Sustainable Palm Oil Manifesto (SPOM) • Partnership with other SPOM signatories • Biodiversity Conservation Efforts: “Plant-A-Tree” programme launched in 2008 • The Carey island Wildlife Sanctuary: has been set aside as a biodiversity conservation area • Engaged with customers through surveys and meetings on biodiversity • Participating in working group on biodiversity and High Conservation Value Working Group
<p>Bechtel – Infrastructure</p>	<ul style="list-style-type: none"> • Bechtel and Conservation International are collaborating on a coastal protection project in the Philippines • Bechtel and Engineers Without Borders are working with leaders of the Mikomago community, in Uganda, to provide safe, clean water to more than 1,700 people • Bechtel delivered three liquefied natural gas (LNG) plants on Curtis Island. The development is part of the largest capital investment in the history of Australia. Biodiversity protection was a key sustainability objective during construction, with a variety of native wild fowl, marine mammals, and reptiles depending on the natural ecosystem

Olam – Agriculture	<ul style="list-style-type: none"> • Beyond their direct operations, Olam works with smallholders under the Olam Livelihood Charter to recognize the benefits of maintaining the ecosystem, including the benefits of biodiversity • Develops all of their plantations to internationally recognized standards, complying with the IFC Performance Standards as a minimum, and going beyond with the Olam Plantations, Concessions and Farms (PCF) code • Invests in local education and healthcare facilities and income diversification training in beekeeping and other crops, Olam works closely with NGO partners to support thriving rural communities
<p>Theme: Measurement Examples on main topics: Measuring impacts, assessing risks, implementing tools, reporting on indicators</p>	
Arcelor Mittal Brazil – Metal Products	<ul style="list-style-type: none"> • Development of Biodiversity Plans Management • Assessment of biodiversity performance by external audits • Reports using GRI EN11-14
Lafarge Holcim – Construction materials	<ul style="list-style-type: none"> • Biodiversity Indicators Reporting System (BIRS) designed by independent experts in collaboration with the International Union for the Conservation of Nature (IUCN) • BIRS methodology enables Lafarge Holcim to aggregate the biodiversity scores across sites
ENI – Energy	<ul style="list-style-type: none"> • Use of the UNEP-WCMC’s IBAT Alliance tool to map the position of protected areas and the presence of species at risk of extinction • Integrated Impact Assessment: biodiversity, Social & Health impact Assessment (ESHIA) in all new projects
Fingrid Oyi – Energy	<ul style="list-style-type: none"> • Reports on GRI G4-EN11 • Reported line transmission kilometres in protected and Natura areas • Following the A Natura assessment, a considerable bird population database was compiled for this project in compliance with the Nature Conservation Act
Mondi – forest and paper products	<ul style="list-style-type: none"> • Ecosystem Management Plans (EMPs), and harvesting plans provide protection for rivers, wetlands and other HCV areas • In 2015, started to investigate the biodiversity on and around their production facility sites using the Integrated Biodiversity Assessment Tool (IBAT) to identify those locations in or in the vicinity of a protected biodiversity area • Reports on G4-EN11 and EN 12
Merck - Pharmaceuticals	<ul style="list-style-type: none"> • In 2016, Merck began conducted an assessment of their facilities in both Darmstadt and Gernsheim to evaluate their nature conservation efforts. The results will help them develop an action plan for improving the surrounding ecosystem for plants and animals. 30% of the premises (0.4 square kilometres) have already been greened.