



LOG OF AMENDMENTS

ESRS E4

BIODIVERSITY AND
ECOSYSTEMS



JULY 2025



EFrag

Log of Amendments by Standard - ESRS E4 *Biodiversity and ecosystems*

Annex to the Basis for Conclusions – Illustration of the Amendments

Disclaimer: The Log of Amendments by Standard accompanies but is not part of the ESRS Amendments Exposure Drafts. It complements and should be read in conjunction with Chapter 7 of the Basis for Conclusions (BFC), where a summarised description of the main changes to individual Standards can be found. It does not reflect the position of the European Union or the European Commission DG Financial Stability, Financial Services and Capital Markets Union (DG FISMA).

Introduction

1. **This document complements and should be read in conjunction with Chapter 7 of the Basis for Conclusions (BFC) where a summarised description of the main changes to individual Standards can be found.**
2. This document illustrates the Amendments at paragraph level in Amended ESRS E4 *Biodiversity and ecosystems*.
3. The starting point is the text of the 2023 Delegated Act, with each paragraph listed and numbered in Column 1.
4. A markup of amendments is provided in Column 2 including text added or removed. Text added has been underlined in Column 2. Text deleted is marked as strikethrough (~~strikethrough~~) in Column 2. Where text is unchanged this is also included (no change to text) including where there is no change to the DR.
5. The last column includes an explanation of changes made to the DR (or Chapter for ESRS E4) using the following terminology: Amended, Unchanged, Merged, New or Deleted and moved to NMIG (where text has been deleted from mandatory content, but it is presented as illustration in NMIG).
6. The last column also includes additional explanations and rationale for changes useful to gain an understanding of why text or DRs have been amended.

Objective		
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS E4 <i>Biodiversity and ecosystems</i>	Comment/Rationale
1. The objective of this Standard is to specify Disclosure Requirements which will enable users of the sustainability statement to understand:	<p>1. The objective of this Standard is to specify Disclosure Requirements which will enable users of the sustainability statement to understand:</p> <p>[DR]</p> <p>1. When reporting in accordance with the ESRS, the sustainability statement shall cover information in relation to E4 'Biodiversity and Ecosystems', when this topic relates to material impacts, risks and opportunities. The disclosure on the material impacts, risks and opportunities is expected to cover policies, actions and targets (if in place), dependencies when relevant, metrics and the related financial effects.</p>	<p>Amended</p> <p>Merged and streamlined paragraphs 1(a), 1(b), 1(d), 1(e) into one paragraph for conciseness.</p>
(a) how the undertaking affects biodiversity and ecosystems, in terms of material positive and negative, actual and potential impacts, including the extent to which it contributes to the drivers of biodiversity and ecosystem loss and degradation;	(a) how the undertaking affects biodiversity and ecosystems, in terms of material positive and negative, actual and potential impacts, including the extent to which it contributes to the drivers of biodiversity and ecosystem loss and degradation;	<p>Deleted</p> <p>Merged into paragraph 1 for conciseness.</p>
(b) any actions taken, and the result of such actions, to prevent or mitigate material negative actual or potential impacts and to protect and restore biodiversity and ecosystems, and to address risks and opportunities; and	(b) any actions taken, and the result of such actions, to prevent or mitigate material negative actual or potential impacts and to protect and restore biodiversity and ecosystems, and to address risks and opportunities; and	<p>Deleted</p> <p>Merged into paragraph 1 for conciseness.</p>
<p>(c) the plans and capacity of the undertaking to adapt its strategy and business model in line with:</p> <ul style="list-style-type: none"> i. respecting planetary boundaries related to biosphere integrity and land-system change; ii. the vision of the Kunming-Montreal Global Biodiversity Framework and its <i>relevant</i> goals and targets; iii. relevant aspects of the EU Biodiversity Strategy for 2030(77); 	<p>(c) the plans and capacity of the undertaking to adapt its strategy and business model in line with:</p> <p>i. respecting planetary boundaries related to biosphere integrity and land-system change;</p> <p>[DR]</p> <p>8. The objective of this Standard shall also enable users of the sustainability statement to understand the plans and capacity of the undertaking to adapt its strategy and business model in line with:</p> <p>(a) The vision of the Kunming-Montreal Global Biodiversity Framework and its relevant goals and targets;</p>	<p>Amended</p> <p>Former para. 1 (c) ii., iii., iv., v. moved to new para. 8.</p> <p>The list of legislative and policy references was updated to include the main sources forming the basis of ESRS E4.</p>

<p>iv. Directive 2009/147/EC of the European Parliament and of the Council and Council Directive 92/43/EEC (EU Birds and Habitats Directives)(78); and</p> <p>v. Directive 2008/56/EC of the European Parliament and of the Council (Marine Strategy Framework Directive)(79);</p>	<p><u>(b) relevant aspects of the EU Biodiversity Strategy for 2030;</u></p> <p><u>(c) Directive 2009/147/EC of the European Parliament and of the Council and Council Directive 92/43/EEC (EU Birds and Habitats Directives);</u></p> <p><u>(d) Directive 2008/56/EC of the European Parliament and of the Council (Marine Strategy Framework Directive) and the 2023 EU Marine Action Plan;</u></p> <p>and</p> <p><u>(e) Regulation (EU) 2024/1991 of the European Parliament and of the Council (Nature Restoration Regulation);</u></p>	
<p>(d) the nature, type and extent of the undertaking's material risks, dependencies and opportunities related to biodiversity and ecosystems, and how the undertaking manages them; and</p>	<p>(d) the nature, type and extent of the undertaking's material risks, dependencies and opportunities related to biodiversity and ecosystems, and how the undertaking manages them; and</p>	<p>Deleted</p> <p>Merged into paragraph 1 for conciseness.</p>
<p>(e) the financial effects on the undertaking over the short-, medium- and long-term of material risks and opportunities arising from the undertaking's impacts and dependencies on biodiversity and ecosystems.</p>	<p>(e) the financial effects on the undertaking over the short-, medium- and long-term of material risks and opportunities arising from the undertaking's impacts and dependencies on biodiversity and ecosystems.</p>	<p>Deleted</p> <p>Merged into paragraph 1 for conciseness.</p>
	<p>[DR]</p> <p><u>2. The objective of this Standard is to specify 'DRs' in relation to these items of information mentioned in paragraph 1 that are not covered in [Draft] Amended ESRS 2.</u></p>	<p>New</p> <p>Specification introduced across topical standards to highlight interaction with ESRS 2.</p>
	<p>[DR]</p> <p><u>3. When only one of the sub-topics covered by this Standard is material, the undertaking shall report only on that sub-topic.</u></p>	<p>New</p> <p>Specification introduced across topical standards to highlight the approach to disclose information on material topics in accordance with ESRS 1 and 2.</p>
<p>2. This Standard sets out Disclosure Requirements related to the undertaking's relationship to terrestrial, freshwater and marine habitats, ecosystems and populations of related fauna and flora species, including diversity within species, between species and of ecosystems and their interrelation with indigenous peoples and other affected communities</p>	<p>1. This Standard sets out Disclosure Requirements related to the undertaking's relationship to terrestrial, freshwater and marine habitats, ecosystems and populations of related fauna and flora species, including diversity within species, between species and of ecosystems and their interrelation with indigenous peoples and other affected communities</p> <p>[DR]</p> <p><u>4. This Standard sets out DRs related to biodiversity and ecosystems and in particular, with respect to the following sub-topics: drivers of biodiversity and ecosystem change (terrestrial and marine habitat change, invasive species); the state of species; the extent and condition of ecosystems and of terrestrial and marine ecosystem services.</u></p>	<p>Amended</p> <p>Simplified and connection with topics listed in AR 16 strengthened, in alignment with similar amendments made in other standards.</p>

	<p>[DR]</p> <p>5. The undertaking shall apply the provisions of [Draft] Amended ESRS 2, paragraphs 29 - 32, and GDR-P, GDR-A, GDR-T and GDR-M. In particular:</p>	<p>New</p> <p>Specification introduced across topical standards to highlight interaction with ESRS 2. Substitutes former paragraph 7.</p>
	<p>(a) if the undertaking has not adopted policies, actions and targets with reference to a topic related to material impacts, risks and opportunities, it shall disclose this fact; and</p>	<p>New</p> <p>Specification introduced across topical standards to highlight interaction with ESRS 2.</p>
	<p>(b) the undertaking may present the description of its material impacts, risks and opportunities, in accordance with ESRS 2 IRO-2, alongside information about its policies, actions, targets and metrics through which it addresses them, to avoid duplication and support a coherent narrative.</p>	<p>New</p> <p>Specification introduced across topical standards to highlight interaction with ESRS 2.</p>
	<p>[DR]</p> <p>6. In this Standard, each DRs is introduced by a disclosure objective, with the exception of policies, actions and targets, for which the provisions in [Draft] Amended ESRS 2 GDR- P, GDR-A and GDR-T provide the necessary framing for the relevant disclosures.</p>	<p>New</p> <p>Specification introduced across topical standards to highlight interaction with ESRS 2.</p>
<p>3. The terms “biodiversity” and “biological diversity” refer to the variability among living organisms from all sources including, inter alia, terrestrial, freshwater, marine and other aquatic ecosystems and the ecological complexes of which they are part.</p>	<p>[DR]</p> <p>7. The terms “biodiversity” and “biological diversity” refer to the variability among living organisms from all sources including, inter alia, terrestrial, freshwater, marine and other aquatic ecosystems and the ecological complexes of which they are part.</p>	<p>Unchanged</p>
	<p>[DR]</p> <p>9. Location-specific considerations are particularly important in relation to biodiversity and ecosystems. When material impacts, risks or opportunities arise at local level, it is important to consider appropriate disaggregation or aggregation of the reported information, for example, by site, asset, location, affected local ecosystem or other appropriate level in accordance with [Draft] Amended ESRS 1, paragraph 53.</p>	<p>New</p> <p>Disaggregation of reported information, for instance, by site, is addressed under ESRS 1 and 2, and EFRAG considers it relevant to further highlight this in connection with select environmental topics such as biodiversity and ecosystems [analogue paragraphs to be found also under E2 and E3]. At the same, time, EFRAG suggests including this aspect under Objectives rather than as a specific disclosure requirement, which could potentially lead to a high number of</p>

		site-specific disclosures (having the risk of obscuring material information).
Interactions with other ESRS		
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS E4 <i>Biodiversity and ecosystems</i>	Comment/Rationale
4. 'Biodiversity and ecosystems' are closely connected to other environmental matters. The main direct drivers of biodiversity and ecosystems change are climate change, pollution, land-use change, freshwater-use change and sea-use change, direct exploitation of organisms and invasive alien species. These drivers are covered in this standard, except for climate change (covered by ESRS E1) and pollution (covered by ESRS E2).	[DR] 10. 'Biodiversity and ecosystems' are closely connected to other environmental matters. Social and environmental topics closely interact with each other. For instance, The main direct drivers of biodiversity and ecosystems change are climate change, pollution , land-use change, freshwater -use change and sea-use change, direct exploitation of organisms and invasive alien species. These drivers are covered in this Standard, except for climate change and pollution which are addressed by (covered by [Draft] Amended ESRS E1 <i>Climate</i>) and pollution (covered by [Draft] Amended ESRS E2 <i>Pollution</i>). The main points of interaction between E4 and the different ESRS topical standards are the following:	Amended Editorial simplification. Includes reference to "social" topics as former paragraph 6 is merged into new point (e) below.
5. To obtain a comprehensive understanding of material impacts and dependencies on biodiversity and ecosystems, the Disclosure Requirements of other environmental ESRS should be read and interpreted in conjunction with the specific disclosure requirements of this Standard. The relevant disclosure requirements covered in other environmental ESRS are:	5. To obtain a comprehensive understanding of material impacts and dependencies on biodiversity and ecosystems, the Disclosure Requirements of other environmental ESRS should be read and interpreted in conjunction with the specific disclosure requirements of this Standard. The relevant disclosure requirements covered in other environmental ESRS are:	Deleted Simplified in paragraph 10.
(a) ESRS E1 Climate change, which addresses GHG emissions and energy resources (energy consumption);	(a) [Draft] Amended ESRS E1 <i>Climate change</i> , which addresses greenhouse gas ('GHG') emissions and energy resources (energy consumption), while impacts of climate change on biodiversity and ecosystems are addressed in E4;	Amended Further clarified interaction btw E1 and E4.
(b) ESRS E2 Pollution, which addresses pollution to air, water and soil;	(b) [Draft] Amended ESRS E2 <i>Pollution</i> , which addresses the pollution emissions of pollutants to air, water and soil and the use, generation and emission of microplastics, while impacts of pollution on biodiversity and ecosystems are addressed in E4;	Amended Further clarified interaction btw E1 and E2.
(c) ESRS E3 Water which addresses the management of water resources;	(c) [Draft] Amended ESRS E3 <i>Water</i> , which addresses the management use of water resources, while impacts on biodiversity and ecosystems related to the use of water are addressed in E4;	Amended Further clarified interaction btw E1 and E3.
(d) ESRS E5 Resource use and circular economy addresses the transition away from extraction of non-renewable resources and the implementation of practices that prevent waste generation.	(d) [Draft] Amended ESRS E5 <i>Resource use and circular economy</i> , which addresses the type and quantification of resource inflows , waste and the implementation of circular economy principles, while the impacts on biodiversity and ecosystems of these topics is addressed in E4 the transition	Amended Further clarified interaction btw E1 and E5.

	away from extraction of non-renewable resources and the implementation of practices that prevent waste generation.; and	
6. The undertaking's impacts on biodiversity and ecosystems affect people and communities. When reporting on material negative impacts on affected communities from biodiversity and ecosystem change under ESRS E4, the undertaking shall consider the requirements of ESRS S3 Affected communities.	6. The undertaking's impacts on biodiversity and ecosystems affect people and communities. When reporting on material negative impacts on affected communities from biodiversity and ecosystem change under ESRS E4, the undertaking shall consider the requirements of ESRS S3 Affected communities. <u>(e) [Draft] Amended ESRS S3 Affected communities-addresses material negative impacts on affected communities from biodiversity and ecosystems-related impacts attributable to the undertaking.</u>	Amended Former paragraph 6 edited and included as 10 (e) for consistency (all interactions with other ESRS listed under same paragraph).
7. This Standard should be read in conjunction with ESRS 1 <i>General requirements</i> and ESRS 2 <i>General disclosures</i> .	7. This Standard should be read in conjunction with ESRS 1 General requirements and ESRS 2 General disclosures.	Deleted Substituted by new paragraph 5.
Disclosure Requirements – ESRS 2 General Disclosures		
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS E4 <i>Biodiversity and ecosystems</i>	Comment/Rationale
8. The requirements of this section shall be read in conjunction with the disclosures required by ESRS 2 <i>Chapter 2 Governance, Chapter 3 Strategy and Chapter 4 Impact, risk and opportunity management</i> .	8. The requirements of this section shall be read in conjunction with the disclosures required by ESRS 2 Chapter 2 Governance, Chapter 3 Strategy and Chapter 4 Impact, risk and opportunity management.	Deleted Substituted by new paragraph 5.
9. The resulting disclosures shall be presented alongside the disclosures required by ESRS 2, except for ESRS 2 SBM-3, for which the undertaking has an option to present the disclosures alongside the topical disclosures.	9. The resulting disclosures shall be presented alongside the disclosures required by ESRS 2, except for ESRS 2 SBM-3, for which the undertaking has an option to present the disclosures alongside the topical disclosures.	Deleted Redundant, as SBM-3 section under E4 was deleted.
10. In addition to the requirements in ESRS 2, this Standard also includes the topic specific Disclosure Requirement E4-1 <i>Transition plan and consideration of biodiversity and ecosystems in strategy and business model</i> .	10. In addition to the requirements in ESRS 2, this Standard also includes the topic specific Disclosure Requirement E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model.	Deleted Deleted for reduction purposes.
Strategy		

Disclosure Requirement E4-1 – Transition plan and consideration of biodiversity and ecosystems in strategy and business model	Disclosure Requirement E4-1 – Transition plan <u>for</u> biodiversity and ecosystems	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS E4 <i>Biodiversity and ecosystems</i>	
11. The undertaking shall disclose how its biodiversity and ecosystem impacts, dependencies, risks and opportunities originate from and trigger adaptation of its strategy and business model.	11. The undertaking shall disclose how its biodiversity and ecosystem impacts, dependencies, risks and opportunities originate from and trigger adaptation of its strategy and business model.	Deleted Revised E4-1 now focuses exclusively on the disclosure on Transition Plan and does not include DPs on the resilience of the undertaking's strategy (former E4 para. 13), which is addressed under ESRS 2 SBM-3. This increases consistency of this E4-1 DR (resilience is connected to SBM-3) and avoids redundancy (no ESRS 2 SBM-3 DR at topical level).
12. The objective of this Disclosure Requirement is to enable an understanding of the resilience of the undertaking's strategy and business model in relation to biodiversity and ecosystems, and of the compatibility of the undertaking's strategy and business model with regard to relevant local, national and global public policy targets related to biodiversity and ecosystems.	[DR] 12. 11. The objective of this Disclosure Requirement is to enable an understanding of the resilience of the undertaking's strategy and business model in relation to biodiversity and ecosystems, and of the compatibility of the undertaking's strategy and business model with regard to relevant local, national and global public policy targets related to biodiversity and ecosystems. <u>undertaking's response and contribution to the transition implied by the Global Biodiversity Framework, when it has in place a biodiversity and ecosystems transition plan.</u>	Amended Edited to reflect new focus of E4-1 (see comment above) and simplified, highlighting connection to the GBF as the main global framework on biodiversity.
13. The undertaking shall describe the resilience of its strategy and business model in relation to biodiversity and ecosystems. The description shall include:	13. The undertaking shall describe the resilience of its strategy and business model in relation to biodiversity and ecosystems. The description shall include:	Deleted Disclosures related to the resilience of strategy addressed under ESRS 2 SBM-3 and deleted at topical level to avoid redundancy.
(a) an assessment of the resilience of the current business model and strategy to biodiversity and ecosystems-related physical, transition and systemic risks;	(a) an assessment of the resilience of the current business model and strategy to biodiversity and ecosystems-related physical, transition and systemic risks;	Deleted Disclosures related to the resilience of strategy addressed under ESRS 2 SBM-3 and deleted at topical level to avoid redundancy.
(b) the scope of the resilience analysis in relation to the undertaking's own operations and its upstream and downstream value chain and in relation to the risks considered in that analysis;	(b) the scope of the resilience analysis in relation to the undertaking's own operations and its upstream and downstream value chain and in relation to the risks considered in that analysis;	Deleted Disclosures related to the resilience of strategy addressed under ESRS 2 SBM-3 and deleted at topical level to avoid redundancy.
(c) the key assumptions made;	(c) the key assumptions made;	Deleted

		Disclosures related to the resilience of strategy addressed under ESRS 2 SBM-3 and deleted at topical level to avoid redundancy.
(d) the time horizons used;	(d) the time horizons used;	Deleted Disclosures related to the resilience of strategy addressed under ESRS 2 SBM-3 and deleted at topical level to avoid redundancy.
(e) the results of the resilience analysis; and	(e) the results of the resilience analysis; and	Deleted Disclosures related to the resilience of strategy addressed under ESRS 2 SBM-3 and deleted at topical level to avoid redundancy.
(f) the involvement of stakeholders, including, where appropriate, holders of indigenous and local knowledge.	(f) the involvement of stakeholders, including, where appropriate, holders of indigenous and local knowledge.	Deleted Disclosures related to the resilience of strategy addressed under ESRS 2 SBM-3 and deleted at topical level to avoid redundancy.
14. If information specified in this disclosure requirement is disclosed by the undertaking as part of the information required under ESRS 2 SBM-3, the undertaking may refer to the information it has disclosed under ESRS 2 SBM-3.	14. If information specified in this disclosure requirement is disclosed by the undertaking as part of the information required under ESRS 2 SBM-3, the undertaking may refer to the information it has disclosed under ESRS 2 SBM-3.	Deleted Redundant as former para. 13 has been deleted.
15. The undertaking may disclose its transition plan to improve and, ultimately, achieve alignment of its business model and strategy with the vision of the Kunming-Montreal Global Biodiversity Framework and its relevant goals and targets, the EU Biodiversity Strategy for 2030, and with respecting planetary boundaries related to biosphere integrity and land-system change.	[DR] 15. 12. If the undertaking has in place and has made public, the undertaking shall may disclose its a biodiversity transition plan transition plan to improve and, ultimately, achieve alignment of transform its business model and strategy so it is aligned with the <u>global goal of halting and reversing biodiversity loss as stated in vision of the Kunming-Montreal Global Biodiversity Framework, it shall disclose its key features.</u> and its relevant goals and targets, the EU Biodiversity Strategy for 2030, and with respecting planetary boundaries related to biosphere integrity and land-system change.	Amended [AR 1 contains related guidance for para. 12] Adjusted to reflect new focus of E4-1 (see comment above). Changed to mandatory as this disclosure is considered highly decision-useful for users in relation to undertakings operating in certain sectors. Disclosing information on a transition plan (TP) is conditional to have one that is publicly released. This does not add burden as the plan is already public and the information normally available. Implementing TPs, and disclosing on them, is an area that is normalizing and expected to become increasingly important in future years.

		Changes and simplifications made to stronger align with Transition Plan (TP) disclosure in E1-1 and market practice (TNFD).
SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	Disclosure Requirement SBM 3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS E4 Biodiversity and ecosystems	
16. The undertaking shall disclose:	16. The undertaking shall disclose:	Deleted Paragraph 16 amended and moved to E4-5 section on metrics.
(a) list of material sites in its own operations, including sites under its operational control, based on the results of paragraph 17(a). The undertaking shall disclose these locations by: <ul style="list-style-type: none"> i. specifying the activities negatively affecting biodiversity sensitive areas (73); ii. providing a breakdown of sites according to the impacts and dependencies identified, and to the ecological status of the areas (with reference to the specific ecosystem baseline level) where they are located; and iii. specifying the biodiversity-sensitive areas impacted, for users to be able to determine the location and the responsible competent authority with regards to the activities specified in paragraph 16(a) i. 	<p>– (a) list of material sites in its own operations, including sites under its operational control, based on the results of paragraph 17(a). The undertaking shall disclose these locations by:</p> <p>i. specifying the activities negatively affecting biodiversity sensitive areas (73);</p> <p>ii. providing a breakdown of sites according to the impacts and dependencies identified, and to the ecological status of the areas (with reference to the specific ecosystem baseline level) where they are located; and</p> <p>iii. specifying the biodiversity-sensitive areas impacted, for users to be able to determine the location and the responsible competent authority with regards to the activities specified in paragraph 16(a) i.</p> <p>[DR]</p> <p>20. The undertaking shall disclose the following information for material biodiversity and ecosystem change -related impacts, risks or opportunities:</p> <p>(a) the locations in its own operations to which the material impact, risks or opportunities relate;</p> <p>(b) for those locations, if applicable, a list of biodiversity-sensitive area(s) negatively affected (name and type); and</p> <p>(c) for (b) above, the activities negatively affecting those biodiversity-sensitive areas.</p>	<p>Amended</p> <p>[AR 9 contains related guidance for para. 20]</p> <p>[NMIG 13, NMIG 14, NMIG 15, NMIG 16 contains related guidance for para. 20]</p> <p>Former para. 16 amended into para. 20 and moved to section E4-5 on metrics. E4 location-specific disclosure requirements, including in relation to biodiversity-sensitive areas, previously addressed under E4 SBM-3, E4 IRO-1 and E4-5 streamlined and consolidated now under para. 20.</p> <p>Former (a)i addressed under para. 20(c). Data point kept as is, including the focus on activities with negative effects, as it was considered by EFRAG the most decision-useful information and also considering this informs SFDR indicators.</p> <p>Former (a)ii streamlined and addressed under para. 20(a).</p> <p>Former (a)iii simplified and addressed under para 20(b).</p> <p>Para. 20 reflects the relevance within the topic of biodiversity of disaggregating information by location, if material IRO is highly dependent on localization, as well as the relevance of disclosing information on affected biodiversity-sensitive areas. The term ‘location’ instead of ‘site’ is aligned with the disaggregation approach outlined in ESRS 1, allows companies to better aggregate information (e.g. a group of sites) along similar</p>

		material IROs as relevant and is aligned with the term used by relevant frameworks (TNFD, GRI).
(b) whether it has identified material negative impacts with regards to land degradation, desertification or soil sealing; and	<p>[AR]</p> <p>AR 6. <u>When providing description of material impacts, risks and opportunities in accordance with [Draft] Amended ESRS 2 IRO-2 the undertaking shall indicate which material impacts concern (16(b) amended) land degradation, desertification or soil sealing, and (16(c) amended) operations that affect <i>threatened species</i>.</u></p>	<p>Amended</p> <p>Amended and moved to AR 6.</p> <p>AR placed under E4-5 on metrics, as per EFRAG's decision of not including SBM-3 related sections under topical standards anymore.</p> <p>Edited to reflect that AR 7. shows specifications of content that the undertaking will provide in connection with ESRS 2 SBM-3 disclosures, when material, and which do not require a specific disclosure requirement. At the same time, the connection to SFDR datapoints is maintained.</p>
(c) whether it has operations that affect threatened species.	<p>[AR]</p> <p>(see AR 6. above)</p>	<p>Amended</p> <p>Amended and moved into AR 6.</p> <p>AR placed under E4-5 on metrics, as per EFRAG's decision of not including SBM-3 related sections under topical standards anymore.</p> <p>Edited to reflect that AR 7. shows specifications of content that the undertaking will provide in connection with ESRS 2 SBM-3 disclosures, when material, and which do not require a specific disclosure requirement. At the same time, the connection to SFDR datapoints is maintained.</p>
Impact, risk and opportunities		
Disclosure Requirement related to ESRS 2 IRO-1 – Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities	Disclosure Requirement related to ESRS 2 IRO 1 – Description of processes to identify and assess material biodiversity and ecosystem related impacts, risks, dependencies and opportunities	Comment/Rationale

ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS E4 <i>Biodiversity and ecosystems</i>	
17. The undertaking shall describe its process to identify material impacts, risks, dependencies and opportunities. The description of the process shall include whether and how the undertaking:	17. The undertaking shall describe its process to identify material impacts, risks, dependencies and opportunities. The description of the process shall include whether and how the undertaking:	Deleted E4 IRO-1 section deleted for reduction purposes, as already addressed in ESRS 2, and based on EFRAG's decision not to have IRO-1 sections in the topical standards.
(a) identified and assessed actual and potential impacts on biodiversity and ecosystems at own site locations and in the upstream and downstream value chain, including assessment criteria applied;	(a) identified and assessed actual and potential impacts on biodiversity and ecosystems at own site locations and in the upstream and downstream value chain, including assessment criteria applied;	Deleted Deleted for reduction purposes under topical standards. Site-specific provisions in relation to the assessment of environmental IRO, considered highly relevant by EFRAG, are addressed under ESRS 2 IRO 1.
(b) identified and assessed dependencies on biodiversity and ecosystems and their services at own site locations and in the upstream and downstream value chain, including assessment criteria applied, and, if this assessment includes ecosystem services that are disrupted or likely to be;	(b) identified and assessed dependencies on biodiversity and ecosystems and their services at own site locations and in the upstream and downstream value chain, including assessment criteria applied, and, if this assessment includes ecosystem services that are disrupted or likely to be;	Deleted Deleted for reduction purposes under topical standards. Site-specific provisions in relation to the assessment of environmental IRO, considered highly relevant by EFRAG, are addressed under ESRS 2 IRO 1.
(c) identified and assessed transition and physical risks and opportunities related to biodiversity and ecosystems, including assessment criteria applied based on its impacts and dependencies;	(c) identified and assessed transition and physical risks and opportunities related to biodiversity and ecosystems, including assessment criteria applied based on its impacts and dependencies;	Deleted Deleted as part of the deletion of section E4 IRO-1 for reduction purposes. Former para 8(b) to be addressed under ESRS 2.
(d) considered systemic risks;	(d) considered systemic risks;	Deleted Deleted as part of the deletion of section E4 IRO-1 for reduction purposes. Former para 8(b) to be addressed under ESRS 2.
(e) conducted consultations with affected communities on sustainability assessments of shared biological resources and ecosystems and, in particular: i. when a site, a raw material production or sourcing is likely to negatively impact biodiversity and ecosystems, the identification of the specific sites, raw materials production or sourcing with negative or potentially negative impacts on affected communities;	(e) conducted consultations with affected communities on sustainability assessments of shared biological resources and ecosystems and, in particular: i. when a site, a raw material production or sourcing is likely to negatively impact biodiversity and ecosystems, the identification of the specific sites, raw materials production or sourcing with negative or potentially negative impacts on affected communities; ii. when affected communities are likely to be impacted, the undertaking, shall disclose how these communities were involved in the materiality assessment; and iii. with respect to impacts on ecosystem services of relevance to affected communities in its own operations, the undertaking shall indicate how	Deleted Deleted as part of the deletion of section E4 IRO-1 for reduction purposes. Former para. 17(2) to be addressed under ESRS 2.

<p>ii. when affected communities are likely to be impacted, the undertaking, shall disclose how these communities were involved in the materiality assessment; and</p> <p>iii. with respect to impacts on ecosystem services of relevance to affected communities in its own operations, the undertaking shall indicate how negative impacts may be avoided. If these impacts are unavoidable, the undertaking may indicate its plans to minimise them and implement mitigation measures that aim to maintain the value and functionality of priority services.</p>	<p>negative impacts may be avoided. If these impacts are unavoidable, the undertaking may indicate its plans to minimise them and implement mitigation measures that aim to maintain the value and functionality of priority services.</p>	
<p>18. The undertaking may disclose whether and how it has used biodiversity and ecosystems scenario analysis to inform the identification and assessment of material risks and opportunities over short-, medium- and long-term time horizons. If the undertaking has used such scenario analysis, it may disclose the following information:</p>	<p>[AR]</p> <p>18. The undertaking may disclose whether and how it has used biodiversity and ecosystems scenario analysis to inform the identification and assessment of material risks and opportunities over short-, medium- and long-term time horizons. If the undertaking has used such scenario analysis, it may disclose the following information:</p> <p><u>AR 4. Biodiversity and ecosystems scenario analysis can inform the identification, assessment and management of material risks and opportunities over short-, medium- and long-term time horizons. The undertaking can include information on whether scenario analysis has been used when defining its policies, actions and targets.</u></p>	<p>Moved</p> <p>Amended and moved to AR 4. Connected specifications under former para. 18 (a) - (c) moved to NMIG 6.</p> <p>Moved based on EFRAG's approach to reduce to the maximum extent the number of voluntary datapoints. Edited to guide undertakings in considering scenario analysis to inform assessments and disclosures, rather than requiring the disclosure of use of such scenario analysis.</p>
<p>(a) why the considered scenarios were selected;</p>	<p>(a) why the considered scenarios were selected;</p>	<p>Deleted from mandatory content and moved to NMIG</p> <p>Moved to NMIG 6</p> <p>Specifications on how to disclose on the use of scenario analysis moved to voluntary guidance, to reduce the number of datapoints and as they</p>

		would not constitute methodological requirements as listed in an AR.
(b) how the considered scenarios are updated according to evolving conditions and emerging trends; and	(b) how they considered scenarios are updated according to evolving reflect conditions and emerging trends; and	Deleted from mandatory content and moved to NMIG Moved to NMIG 6 Specifications on how to disclose on the use of scenario analysis moved to voluntary guidance, to reduce the number of datapoints and as they would not constitute methodological requirements as listed in an AR.
(c) whether the scenarios are informed by expectations published by authoritative intergovernmental bodies, such as the Convention for Biological Diversity and, where relevant, by scientific consensus, such as that expressed by the Intergovernmental Science-policy Platform on Biodiversity and Ecosystem Services (IPBES).	(b) whether the scenarios are informed by expectations published by authoritative intergovernmental bodies, such as the Convention for Biological Diversity and, where relevant, by scientific consensus, such as that expressed by the Intergovernmental Science-policy Platform on Biodiversity and Ecosystem Services (IPBES).	Deleted from mandatory content and moved to NMIG Moved to NMIG 6 Specifications on how to disclose on the use of scenario analysis moved to voluntary guidance, to reduce the number of datapoints and as they would not constitute methodological requirements as listed in an AR.
19. The undertaking shall specifically disclose:	19. The undertaking shall specifically disclose:-	Deleted
(a) whether or not it has sites located in or near biodiversity-sensitive areas and whether activities related to these sites negatively affect these areas by leading to the deterioration of natural habitats and the habitats of species and to the disturbance of the species for which a protected area has been designated; and	(a) whether or not it has sites located in or near biodiversity sensitive areas and whether activities related to these sites negatively affect these areas by leading to the deterioration of natural habitats and the habitats of species and to the disturbance of the species for which a protected area has been designated; and	Deleted Former para. 19 deleted as part of the deletion of section E4 IRO-1. Site-specific disclosures simplified and consolidated in para. 20 under E4-5 metrics. The information requested in former para. 19 can be derived from the information requested under new para 20.
(b) whether it has been concluded that it is necessary to implement biodiversity mitigation measures, such as those identified in: Directive 2009/147/EC of the European Parliament and of the Council on the conservation of wild birds; Council Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora; an Environmental Impact Assessment (EIA) as defined in Article 1(2), point (g), of Directive 2011/92/EU of the European Parliament and of the Council ⁷ on the assessment of the effects of certain public and private projects on the environment; and for	(b) whether it has been concluded that it is necessary to implement biodiversity mitigation measures, such as those identified in: Directive 2009/147/EC of the European Parliament and of the Council on the conservation of wild birds; Council Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora; an Environmental Impact Assessment (EIA) as defined in Article 1(2), point (g), of Directive 2011/92/EU of the European Parliament and of the Council⁷ on the assessment of the effects of certain public and private projects on the environment; and for	Deleted Deleted to reduce number of datapoints; datapoint not considered highly decision-useful by EFRAG.

in Article 1(2), point (g), of Directive 2011/92/EU of the European Parliament and of the Council ⁷ on the assessment of the effects of certain public and private projects on the environment; and for activities located in third countries, in accordance with equivalent national provisions or international standards, such as the International Finance Corporation (IFC) Performance Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources.	activities located in third countries, in accordance with equivalent national provisions or international standards, such as the International Finance Corporation (IFC) Performance Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources.	
Disclosure Requirement E4-2 – Policies related to biodiversity and ecosystems	Disclosure Requirement E4-2 – Policies related to biodiversity and ecosystems	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS E4 <i>Biodiversity and ecosystems</i>	
20. The undertaking shall describe its adopted policies to manage its material impacts, risks, dependencies, and opportunities related to biodiversity and ecosystems.	20. The undertaking shall describe its adopted policies to manage its material impacts, risks, dependencies, and opportunities related to biodiversity and ecosystems.	Deleted Simplified and consolidated with former para 22 into para. 13.
21. The objective of this Disclosure Requirement is to enable an understanding of the extent to which the undertaking has policies that address the identification, assessment, management and/or remediation of its material biodiversity and ecosystem -related impacts, dependencies, risks and opportunities .	21. The objective of this Disclosure Requirement is to enable an understanding of the extent to which the undertaking has policies that address the identification, assessment, management and/or remediation of its material biodiversity and ecosystem-related impacts, dependencies, risks and opportunities.	Deleted Objective deleted in alignment with EFRAG's approach to not include objectives for PATs under topical standards.
22. The disclosure required by paragraph 20 shall contain the information on the policies the undertaking has in place to manage its material impacts, risks, dependencies and opportunities related to biodiversity and ecosystems in accordance with <i>ESRS 2 MDR-P Policies adopted to manage material sustainability matters</i>).	22. The disclosure required by paragraph 20 shall contain the information on the policies the undertaking has in place to manage its material impacts, risks, dependencies and opportunities related to biodiversity and ecosystems in accordance with ESRS 2 MDR-P Policies adopted to manage material sustainability matters). [DR] <u>13. The undertaking shall disclose its biodiversity and ecosystems policies in accordance with the provisions of [Draft] Amended ESRS 2 GDR-P.</u>	Amended [AR 3, AR 4 contains related guidance for para. 13] [NMIG 3, NMIG 4, NMIG 5 contains related guidance for para. 13] Simplified and consolidated with former para 20 into para 13. Specification introduced across topical standards to highlight interaction with ESRS 2.

23. In addition to the provisions of ESRS 2 MDR-P the undertaking shall describe whether and how its biodiversity and ecosystems -related policies :	[DR] 14. In addition to the provisions of [Draft] Amended ESRS 2 GDR-P the undertaking shall describe the content of whether and how its biodiversity and ecosystems -related policies <u>related to</u> :	Amended [AR 2 contains related guidance for para. 14] Former para. 23 reduced following EFRAG's approach of reducing the content provisions related to PAT under topical standards. Also edited as requirement related to disclose that a specification is not addressed under the undertaking's policies ('Whether') is deemed not useful by EFRAG (and benchmarking of reports done by EFARG shows low disclosure of these instances).
(a) relate to the matters specified in ESRS E4 AR 4;	(a) relate to the matters specified in ESRS E4 AR 4;	Deleted Considered redundant.
(b) relate to its material biodiversity and ecosystems-related impacts;	(b) relate to its material biodiversity and ecosystems-related impacts;	Deleted Considered redundant.
(c) relate to material dependencies and material physical and transition risks and opportunities;	(c) relate to material dependencies and material physical and transition risks and opportunities;	Deleted Considered redundant.
(d) support traceability of products, components and raw materials with material actual or potential impacts on biodiversity and ecosystems along the value chain;	[DR] (a) supporting traceability of products, components and raw materials with material actual or potential impacts on biodiversity and ecosystems along the upstream and downstream value chain ;	Amended [AR 2 contains related guidance for para. 14] Policy content provision is considered relevant to maintain by EFRAG in relation to biodiversity and ecosystems.
(e) address production, sourcing or consumption from ecosystems that are managed to maintain or enhance conditions for biodiversity, as demonstrated by regular monitoring and reporting of biodiversity status and gains or losses; and	(e) address production, sourcing or consumption from ecosystems that are managed to maintain or enhance conditions for biodiversity, as demonstrated by regular monitoring and reporting of biodiversity status and gains or losses; and	Deleted from mandatory content and moved to NMIG Moved to NMIG 3 Considered relevant to maintain by EFRAG as voluntary guidance.
(f) address social consequences of biodiversity and ecosystems-related impacts.	(f) address social consequences of biodiversity and ecosystems-related impacts.	Deleted from mandatory content and moved to NMIG Moved to NMIG 3. Considered relevant to maintain by EFRAG as voluntary guidance.
24. The undertaking shall specifically disclose whether it has adopted:	24. The undertaking shall specifically disclose whether it has adopted:	Deleted

<p>(a) biodiversity and ecosystem protection policy covering operational sites owned, leased, or managed in or near a biodiversity sensitive area;</p>	<p>[DR] 24. The undertaking shall specifically disclose whether it has adopted: (b) (a) biodiversity and ecosystem protection policy covering operational sites owned, leased, or managed sites in its own operations that are in or near a biodiversity sensitive area.</p>	<p>Amended [AR 2 contains related guidance for para. 14] Simplified and placed under para. 14. Suggestion to keep DP by EFRAG in order to outline topical specification in relation to sites. EFRAG, also based on input received during stakeholder information gathering process, kept provision on policies related to sites near biodiversity-sensitive areas due to the relevance of information on how undertaking addresses location-specific IROs. Informs SFDR indicator.</p>
<p>(b) sustainable land / agriculture practices or policies (77);</p>	<p>[AR] <u>AR 3. When describing the content of its policies the undertaking shall specify, where relevant, whether they address (24(b) amended) sustainable land / agricultural practices; (24(c) amended) sustainable oceans / seas practices; and (24(d) amended) deforestation.</u></p>	<p>Moved Moved to AR 3. Former 24, b, c, d edited and streamlined under one AR as considered by EFRAG of limited decision usefulness in its current form ('whether or not'). Redrafted to reflect that this AR does not require disclosure of additional DPs, but that if undertaking identified these topics as material and discloses policies on them, it needs to make these topics recognizable. Informs SFDR indicator.</p>
<p>(c) sustainable oceans / seas practices or policies (78); and</p>	<p>(c) sustainable oceans / seas practices or policies (78); and</p>	<p>Moved Moved to AR 3. See comment above. Informs SFDR indicator.</p>
<p>(d) policies to address deforestation (79).</p>	<p>(d) policies to address deforestation (79).</p>	<p>Moved Moved to AR 3. See comment above. Informs SFDR indicator.</p>
<p>Disclosure Requirement E4-3 – Actions and resources related to biodiversity and ecosystems</p>	<p>Disclosure Requirement E4-3 – Actions and resources related to biodiversity and ecosystems</p>	<p>Comment/Rationale</p>

ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS E4 <i>Biodiversity and ecosystems</i>	
25. The undertaking shall disclose its biodiversity and ecosystems-related actions and the resources allocated to their implementation.	25. The undertaking shall disclose its biodiversity and ecosystems-related actions and the resources allocated to their implementation.	Deleted Simplified and consolidated with former para. 27 into para. 15.
26. The objective of this Disclosure Requirement is to enable an understanding of the key actions taken and planned that significantly contribute to the achievement of biodiversity and ecosystems -related policy objectives and targets .	26. The objective of this Disclosure Requirement is to enable an understanding of the key actions taken and planned that significantly contribute to the achievement of biodiversity and ecosystems-related policy objectives and targets.	Deleted Objective deleted in alignment with EFRAG's approach to not include objectives for PATs under topical standards.
27. The description of key actions and resources shall follow the mandatory content defined in ESRS 2 MDR-A <i>Actions and resources in relation to material sustainability matters</i> .	27. The description of key actions and resources shall follow the mandatory content defined in ESRS 2 MDR-A <i>Actions and resources in relation to material sustainability matters</i> . [DR] 15. The undertaking shall disclose its key biodiversity and ecosystems -related actions and significant resources allocated to their implementation, in accordance with the provisions of [Draft] Amended ESRS 2 GDR-A.	Amended [NMIG 1, NMIG 2, NMIG 7, NMIG 8, NMIG 9 contains related guidance for para. 15] Simplified and consolidated with former para. 25 into para. 13.
28. In addition, the undertaking:	28. In addition, the undertaking:	Deleted
(a) may disclose how it has applied the mitigation hierarchy with regard to its actions (avoidance, minimisation, restoration/rehabilitation, and compensation or offsets);	(a) may disclose how it has applied the mitigation hierarchy with regard to its actions (avoidance, minimisation, restoration/rehabilitation, and compensation or offsets);	Deleted Deleted under topical standards for simplification purposes; mitigation hierarchy to be addressed under ESRS 2 GDR-A para. 37(b).
(b) shall disclose whether it used biodiversity offsets in its action plans. If the actions contain biodiversity offsets, the undertaking shall include the following information: <ul style="list-style-type: none"> i. the aim of the offset and key performance indicators used; ii. the financing effects (direct and indirect costs) of biodiversity offsets in monetary terms; and; iii. a description of offsets including area, type, the quality criteria applied and the standards that the biodiversity offsets comply with; 	[DR] 16. In addition the undertaking shall <u>describe</u> disclose the whether it used biodiversity offsets used in its action plans, if any, - If the actions contain biodiversity offsets, the undertaking shall include the following information; a description of offsets including the aim of offsets, the financing effects in monetary terms, area, type, the quality criteria applied and the standards that the biodiversity offsets comply with.	Amended Consolidates former para. 28(b) i, ii, iii into one paragraph for simplification. Provision kept as considered a relevant topical specification by EFRAG.

(c) shall describe whether and how it has incorporated local and indigenous knowledge and nature- based solutions into biodiversity and ecosystems -related actions.	(c) shall describe whether and how it has incorporated local and indigenous knowledge and nature- based solutions into biodiversity and ecosystems-related actions.	Deleted from mandatory content and moved to NMIG Moved to NMIG 8 Moved for reduction purposes. Moved for reduction purposes. Considered by EFRAG relevant to keep as voluntary guidance. Consolidates elements from former AR 21 in NMIG.
Metrics and Targets		
Disclosure Requirement E4-4 – Targets related to biodiversity and ecosystems	Disclosure Requirement E4-4 – Targets related to biodiversity and ecosystems	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS E4 <i>Biodiversity and ecosystems</i>	
29. The undertaking shall disclose the biodiversity and ecosystem-related targets it has set.	29. The undertaking shall disclose the biodiversity and ecosystem-related targets it has set.	Deleted Simplified and consolidated with former para. 31 into para. 17.
30. The objective of this Disclosure Requirement is to allow an understanding of the targets the undertaking has adopted to support its biodiversity and ecosystems policies and address its material related impacts, dependencies, risks and opportunities .	30. The objective of this Disclosure Requirement is to allow an understanding of the targets the undertaking has adopted to support its biodiversity and ecosystems policies and address its material related impacts, dependencies, risks and opportunities.	Deleted Objective deleted in alignment with EFRAG's approach to not include objectives for PATs under topical standards.
31. The description of the targets shall follow the mandatory content defined in ESRS 2 MDR-T <i>Tracking effectiveness of policies and actions through targets</i> .	[DR] <u>17. The undertaking shall disclose its biodiversity and ecosystems targets, in accordance with the provisions of [Draft] Amended ESRS 2 GDR-T.</u>	Amended [AR 5 contains related guidance for para. 17] [NMIG 10, NMIG 11, NMIG 12 contains related guidance for para. 17] Simplified and consolidated with former para. 29 into para. 17.
32. The disclosure required by paragraph 29 shall include the following information:	32. The disclosure required by paragraph 29 shall include the following information:	Deleted Para. 32 mostly deleted or moved to voluntary guidance, following EFRAG's approach of significantly reducing specifications of PATs at topical level.

<p>(a) whether ecological thresholds and allocations of impacts to the undertaking were applied when setting targets. If so, the undertaking shall specify:</p> <ul style="list-style-type: none"> i. the ecological thresholds identified and the methodology used to identify such thresholds; ii. whether or not the thresholds are entity-specific and if so, how they were determined; and iii. how responsibility for respecting identified ecological thresholds is allocated in the undertaking; 	<p>(a) whether ecological thresholds and allocations of impacts to the undertaking were applied when setting targets. If so, the undertaking shall specify:</p> <ul style="list-style-type: none"> i. the ecological thresholds identified and the methodology used to identify such thresholds; ii. whether or not the thresholds are entity-specific and if so, how they were determined; and iii. how responsibility for respecting identified ecological thresholds is allocated in the undertaking; 	<p>Deleted Deleted for reduction purposes. Ecological thresholds to be addressed under ESRS 2 GDR-T para. 43(g)</p>
<p>(b) whether the targets are informed by, and/or aligned with the Kunming-Montreal Global Biodiversity Framework, relevant aspects of the EU Biodiversity Strategy for 2030 and other biodiversity and ecosystem-related national policies and legislation;</p>	<p>(b) whether the targets are informed by, and/or aligned with the Kunming-Montreal Global Biodiversity Framework, relevant aspects of the EU Biodiversity Strategy for 2030 and other biodiversity and ecosystem-related national policies and legislation;</p>	<p>Deleted from mandatory content and moved to NMIG Moved to NMIG 10 Moved for reduction purposes.</p>
<p>(c) how the targets relate to the biodiversity and ecosystem impacts, dependencies, risks and opportunities identified by the undertaking in relation to its own operations and its upstream and downstream value chain;</p>	<p>(c) how the targets relate to the biodiversity and ecosystem impacts, dependencies, risks and opportunities identified by the undertaking in relation to its own operations and its upstream and downstream value chain;</p>	<p>Deleted from mandatory content and moved to NMIG Deleted for reduction purposes. Target disclosure specifications addressed under GDR-T.</p>
<p>(d) the geographical scope of the targets, if relevant;</p>	<p>(d) the geographical scope of the targets, if relevant;</p>	<p>Deleted Addressed under ESRS 2 GDR-T</p>
<p>(e) whether or not the undertaking used biodiversity offsets in setting its targets; and</p>	<p>18. (e) If the undertaking uses biodiversity offsets in setting its targets, whether or not the DR required by paragraph 17 shall include how the undertaking used them. biodiversity offsets in setting its targets.; and</p>	<p>Amended Provision kept as considered a relevant topical specification by EFRAG.</p>
<p>(f) to which of the layers of the mitigation hierarchy the target can be allocated (i.e., avoidance, minimisation, restoration and rehabilitation, compensation or offsets).</p>	<p>(f) to which of the layers of the mitigation hierarchy the target can be allocated (i.e., avoidance, minimisation, restoration and rehabilitation, compensation or offsets).</p>	<p>Deleted from mandatory content and moved to NMIG Moved to NMIG 12 Deleted under topical standards for simplification purposes; mitigation hierarchy to be addressed under ESRS 2 GDR-A para. 37(b).</p>
<p>Disclosure Requirement E4-5 – Impact metrics related to biodiversity and ecosystems change</p>	<p>Disclosure Requirement E4-5 – Metrics related to biodiversity and ecosystems change</p>	<p>Comment/Rationale</p>

ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS E4 <i>Biodiversity and ecosystems</i>	
33. The undertaking shall report metrics related to its material impacts on biodiversity and ecosystems.	33. The undertaking shall report metrics related to its material impacts on biodiversity and ecosystems.	Deleted Consolidated into para. 21.
34. The objective of this Disclosure Requirement is to enable an understanding of the performance of the undertaking against impacts identified as material in the materiality assessment on biodiversity and ecosystems change.	[DR] 19. The objective of this Disclosure Requirement is to enable an understanding of the performance of the undertaking against biodiversity- and ecosystems change-related material impacts, risks and opportunities identified as material in the materiality assessment on biodiversity and ecosystems change.	Amended Amended to better reflect scope of E4-5.
35. If the undertaking identified sites located in or near biodiversity-sensitive areas that it is negatively affecting (see paragraph 19(a)), the undertaking shall disclose the number and area (in hectares) of sites owned, leased or managed in or near these protected areas or key biodiversity areas.	35. If the undertaking identified sites located in or near biodiversity-sensitive areas that it is negatively affecting (see paragraph 19(a)), the undertaking shall disclose the number and area (in hectares) of sites owned, leased or managed in or near these protected areas or key biodiversity areas.	Deleted Consolidated in new para. 20 Site-specific or site-related DR consolidated under E4-5 (previously under E4 SBM-3, E4 IRO-1 and E4-5) for simplification and clarity. Consolidated under E4-5, which is where undertakings would now be most likely expected to disclose site-specific information. Disclosure of sites is explicitly linked to material IRO (the undertaking to judge those sites that deserve disclosure based on assessment of material IRO). In addition, specifications on BSA are aligned with SFRD and taken from former E4 SBM-3. DP on area of site (former para 35) deleted based on input by members of working group and by stakeholders, as it was considered a non-essential proxy for impacts on land-use (which would not reflect relevant info if the material IRO were related to, for instance, pollution). Also, former para 35 raised methodological questions by stakeholders, deletion simplifies. Disclosure of number of sites is redundant if list is provided anyway through this disclosure and was deleted as an explicit requirement.

<p>36. If the undertaking has identified material impacts with regards to land-use change, or impacts on the extent and condition of ecosystems, it may also disclose their land-use based on a Life Cycle Assessment.</p>	<p>36. If the undertaking has identified material impacts with regards to land-use change, or impacts on the extent and condition of ecosystems, it may also disclose their land-use based on a Life Cycle Assessment.</p>	<p>Deleted</p> <p>Deleted for simplification purposes and align with EFRAG's approach of reducing to the maximum extent the number of voluntary datapoints; also, not deemed decision-useful based on input received by stakeholders.</p>
<p>37. For datapoints specified in paragraphs 38 to 41, the undertaking shall consider its own operations.</p>	<p>37. For datapoints specified in paragraphs 38 to 41, the undertaking shall consider its own operations.</p>	<p>Deleted</p> <p>Redundant, specification that metrics refer to own operations, except of stated otherwise and with the exception of entity-specific metrics, to be included in ESRS 2.</p>
<p>38. If the undertaking has concluded that it directly contributes to the impact drivers of land-use change, freshwater-use change and/or sea-use change, it shall report relevant metrics. The undertaking may disclose metrics that measure:</p>	<p>[DR]</p> <p><u>21. In addition to paragraph 20 and in accordance with [Draft] Amended ESRS 2 GDR-M, the undertaking shall report metrics related to its material impacts on biodiversity and ecosystems.</u></p>	<p>Amended</p> <p>[AR 6, AR 9, AR 10, AR 11 contains related guidance for para. 21] [NMIG 17, NMIG 18, NMIG 19, NMIG 20, NMIG 21 contains related guidance for para. 21]</p> <p>Streamlined former para. 33, 36, 38-41 into one paragraph (para. 21) for simplicity and to align with EFRAG's approach of reducing to the maximum extent the number of voluntary datapoints.</p> <p>Former E4 did mostly not contain standardized metrics, e.g. on state of nature, due to lack of widely established and recognized metrics and this being a field under development. This paragraph specifies that the disclosure of metrics connected to material IRO are required for all material subtopics (former E4-5 contained many optional provisions), while at the same time keeps the flexibility for preparers to identify the material metrics that are material to the undertaking. Simplification addresses input received by stakeholders in information gathering process related to the perceived complexity of quantification and methodologies related to the</p>

		indicators listed in former E4-5. Stakeholder input received expressing challenges or concerns due to the lack of standardized metrics is addressed by referring to relevant frameworks and possible indicators in the AR or NMIG.
(a) the conversion over time (e.g. 1 or 5 years) of land cover (e.g. deforestation or mining);	(a) the conversion over time (e.g. 1 or 5 years) of land cover (e.g. deforestation or mining);	Deleted from mandatory content and moved to NMIG Moved to NMIG 18 Moved for simplification and reduction purposes, see comment related to former para 38.
(b) changes over time (e.g. 1 or 5 years) in the management of the ecosystem (e.g., through the intensification of agricultural management, or the application of better management practices or forestry harvesting);	b) changes over time (e.g. 1 or 5 years) in the management of the ecosystem (e.g., through the intensification of agricultural management, or the application of better management practices or forestry harvesting);	Deleted from mandatory content and moved to NMIG Moved to NMIG 18 Moved for simplification and reduction purposes, see comment related to former para 38.
(c) changes in the spatial configuration of the landscape (e.g. fragmentation of habitats, changes in ecosystem connectivity);	(c) changes in the spatial configuration of the landscape (e.g. fragmentation of habitats, changes in ecosystem connectivity);	Deleted from mandatory content and moved to NMIG Moved to NMIG 20 Moved for simplification and reduction purposes, see comment related to former para 38.
(d) changes in ecosystem structural connectivity (e.g. habitat permeability based on physical features and arrangements of habitat patches); and	(d) changes in ecosystem structural connectivity (e.g. habitat permeability based on physical features and arrangements of habitat patches); and	Deleted from mandatory content and moved to NMIG Moved to NMIG 20 Moved for simplification and reduction purposes, see comment related to former para 38.
(e) the functional connectivity (e.g. how well genes or individuals move through land, freshwater and seascape).	(e) the functional connectivity (e.g. how well genes or individuals move through land, freshwater and seascape).	Deleted from mandatory content and moved to NMIG Moved to NMIG 20 Moved for simplification and reduction purposes, see comment related to former para 38.
39. If the undertaking concluded that it directly contributes to the accidental or voluntary introduction of invasive alien species, the undertaking may disclose the	39. If the undertaking concluded that it directly contributes to the accidental or voluntary introduction of invasive alien species, the undertaking may	Deleted from mandatory content and moved to NMIG Moved to NMIG 18

metrics it uses to manage pathways of introduction and spread of invasive alien species and the risks posed by invasive alien species.	disclose the metrics it uses to manage pathways of introduction and spread of invasive alien species and the risks posed by invasive alien species.	Moved for simplification and reduction purposes and to align with EFRAG's approach of reducing to the maximum extent the number of voluntary datapoints, see comment related to former para. 38.
40. If the undertaking identified material impacts related to the state of species, the undertaking may report metrics it considers relevant. The undertaking may:	40. If the undertaking identified material impacts related to the state of species, the undertaking may report metrics it considers relevant. The undertaking may:	Deleted from mandatory content and moved to NMIG Moved to NMIG 19 Disclosure requirements on metrics consolidated and simplified into para. 21. Moved for simplification and reduction purposes and to align with EFRAG's approach of reducing to the maximum extent the number of voluntary datapoints, see comment related to former para. 38.
(a) refer to relevant disclosure requirements in ESRS E1, ESRS E2, ESRS E3, and ESRS E5;	(a) refer to relevant disclosure requirements in ESRS E1, ESRS E2, ESRS E3, and ESRS E5;	Deleted Redundant if addressed under ESRS 2
(b) consider population size, range within specific ecosystems as well as extinction risk. These aspects provide insight on the health of a single species' population and its relative resilience to human induced and naturally occurring change;	(b) consider population size, range within specific ecosystems as well as extinction risk. These aspects provide insight on the health of a single species' population and its relative resilience to human induced and naturally occurring change;	Deleted from mandatory content and moved to NMIG Moved to NMIG 19 Moved for simplification and reduction purposes, see comment related to former para. 38.
(c) disclose metrics that measure changes in the number of individuals of a species within a specific area;	(c) disclose metrics that measure changes in the number of individuals of a species within a specific area;	Deleted from mandatory content and moved to NMIG Moved to NMIG 19 Moved for simplification and reduction purposes, see comment related to former para. 38.
(d) disclose metrics on species at extinction risk ⁽⁸⁰⁾ that measure: i. the threat status of species and how activities/pressures may affect the threat status; or	(d) disclose metrics on species at extinction risk ⁽⁸⁰⁾ that measure: i. the threat status of species and how activities/pressures may affect the threat status; or ii. changes in the relevant habitat for a threatened species as a proxy for the undertaking's impact on the local population's extinction risk.	Deleted from mandatory content and moved to NMIG Moved to NMIG 19 Moved for simplification and reduction purposes, see comment related to former para. 38.

ii. changes in the relevant habitat for a threatened species as a proxy for the undertaking's impact on the local population's extinction risk.		
41. If the undertaking identified material impacts related to ecosystems, it may disclose:	41. If the undertaking identified material impacts related to ecosystems, it may disclose:	Deleted from mandatory content and moved to NMIG Moved to NMIG 20 Disclosure requirements on metrics consolidated and simplified into para. 21. Moved for simplification and reduction purposes and to align with EFRAG's approach of reducing to the maximum extent the number of voluntary datapoints, see comment related to former para. 38.
(a) with regard to ecosystems extent, metrics that measure area coverage of a particular ecosystem without necessarily considering the quality of the area being assessed, such as habitat cover. For example, forest cover is a measure of the extent of a particular ecosystem type, without factoring in the condition of the ecosystem (e.g., provides the area without describing the species diversity within the forest).	(a) with regard to ecosystems extent, metrics that measure area coverage of a particular ecosystem without necessarily considering the quality of the area being assessed, such as habitat cover. For example, forest cover is a measure of the extent of a particular ecosystem type, without factoring in the condition of the ecosystem (e.g., provides the area without describing the species diversity within the forest).	Deleted from mandatory content and moved to NMIG Moved to NMIG 20 Moved for simplification and reduction purposes, see comment related to former para. 38.
(b) with regard to ecosystems condition: i. metrics that measure the quality of ecosystems relative to a pre-determined reference state; ii. metrics that measure multiple species within an ecosystem rather than the number of individuals within a single species within an ecosystem (for example: scientifically established species richness and abundance indicators that measure the development of (native) species composition within an ecosystem against the reference state at the beginning of the first reporting period as well as the targeted state outlined in the Kunming-Montreal	(b) with regard to ecosystems condition: i. metrics that measure the quality of ecosystems relative to a pre-determined reference state; ii. metrics that measure multiple species within an ecosystem rather than the number of individuals within a single species within an ecosystem (for example: scientifically established species richness and abundance indicators that measure the development of (native) species composition within an ecosystem against the reference state at the beginning of the first reporting period as well as the targeted state outlined in the Kunming-Montreal Global Biodiversity Framework, or an aggregation of species' conservation status if relevant); or iii. metrics that reflect structural components of condition such as habitat connectivity (i.e., how linked habitats are to each other).	Deleted from mandatory content and moved to NMIG Moved to NMIG 20 Moved for simplification and reduction purposes, see comment related to former para. 38.

Global Biodiversity Framework, or an aggregation of species' conservation status if relevant); or iii. metrics that reflect structural components of condition such as habitat connectivity (i.e., how linked habitats are to each other).		
Disclosure Requirement E4-6 – Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities	Disclosure Requirement E4-6 – Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS E4 <i>Biodiversity and ecosystems</i>	
42. The undertaking shall disclose its anticipated financial effects of material biodiversity- and ecosystem-related risks and opportunities.	42. The undertaking shall disclose its anticipated financial effects of material biodiversity- and ecosystem-related risks and opportunities.	Deleted E4-6 deleted at topical level (in alignment with E2 through E5), based also on stakeholder input pointing at, among others, perceived complexity of accurate quantification. Anticipated financial effects to be addressed under ESRS 2 SBM-3 para. 23.
43. The information required by paragraph 42 is in addition to the information on current financial effects on the entity's financial position, financial performance and cash flows for the reporting period required under ESRS 2 SBM-3 para 48 (d).	43. The information required by paragraph 42 is in addition to the information on current financial effects on the entity's financial position, financial performance and cash flows for the reporting period required under ESRS 2 SBM-3 para 48 (d).	Deleted E4-6 deleted at topical level (in alignment with E2 through E5), based also on stakeholder input pointing at, among others, perceived complexity of accurate quantification. Anticipated financial effects to be addressed under ESRS 2 SBM-3 para. 23.
44. The objective of this Disclosure Requirement is to provide an understanding of:	44. The objective of this Disclosure Requirement is to provide an understanding of:	Deleted E4-6 deleted at topical level (in alignment with E2 through E5), based also on stakeholder input pointing at, among others, perceived complexity of accurate quantification. Anticipated financial effects to be addressed under ESRS 2 SBM-3 para. 23.
(a) anticipated financial effects due to material risks arising from biodiversity- and ecosystem-related impacts and dependencies and how these risks have (or could reasonably be expected to have) a material influence on the undertaking's financial position, financial performance and cash flows over the short-, medium- and long-term; and	(a) anticipated financial effects due to material risks arising from biodiversity- and ecosystem-related impacts and dependencies and how these risks have (or could reasonably be expected to have) a material influence on the undertaking's financial position, financial performance and cash flows over the short-, medium- and long-term; and	Deleted E4-6 deleted at topical level (in alignment with E2 through E5), based also on stakeholder input pointing at, among others, perceived complexity of accurate quantification. Anticipated financial effects to be addressed under ESRS 2 SBM-3 para. 23.

(b) anticipated financial effects due to material opportunities related to biodiversity- and ecosystem.	(b) anticipated financial effects due to material opportunities related to biodiversity- and ecosystem.	Deleted E4-6 deleted at topical level (in alignment with E2 through E5), based also on stakeholder input pointing at, among others, perceived complexity of accurate quantification. Anticipated financial effects to be addressed under ESRS 2 SBM-3 para. 23.
45. The disclosure shall include:	45. The disclosure shall include:	Deleted
(a) a quantification of the anticipated financial effects in monetary terms before considering biodiversity and ecosystems -related actions or where not possible without undue cost or effort, qualitative information. For financial effects arising from material opportunities, a quantification is not required if it would result in disclosure that does not meet the qualitative characteristics of information (see ESRS 1 Appendix B <i>Qualitative characteristics of information</i>). The quantification of the anticipated financial effects in monetary terms may be a single amount or a range;	(a) a quantification of the anticipated financial effects in monetary terms before considering biodiversity and ecosystems related actions or where not possible without undue cost or effort, qualitative information. For financial effects arising from material opportunities, a quantification is not required if it would result in disclosure that does not meet the qualitative characteristics of information (see ESRS 1 Appendix B <i>Qualitative characteristics of information</i>). The quantification of the anticipated financial effects in monetary terms may be a single amount or a range;	Deleted E4-6 deleted at topical level (in alignment with E2 through E5), based also on stakeholder input pointing at, among others, perceived complexity of accurate quantification. Anticipated financial effects to be addressed under ESRS 2 SBM-3 para. 23.
(b) a description of the effects considered, the impacts and dependencies to which they relate and the time horizons in which they are likely to materialise; and	(b) a description of the effects considered, the impacts and dependencies to which they relate and the time horizons in which they are likely to materialise; and	Deleted E4-6 deleted at topical level (in alignment with E2 through E5), based also on stakeholder input pointing at, among others, perceived complexity of accurate quantification. Anticipated financial effects to be addressed under ESRS 2 SBM-3 para. 23.
(c) the critical assumptions used to quantify the anticipated financial effects as well as the sources and the level of uncertainty of those assumptions.	(c) the critical assumptions used to quantify the anticipated financial effects as well as the sources and the level of uncertainty of those assumptions.	Deleted E4-6 deleted at topical level (in alignment with E2 through E5), based also on stakeholder input pointing at, among others, perceived complexity of accurate quantification. Anticipated financial effects to be addressed under ESRS 2 SBM-3 para. 23.

Appendix A Application Requirements		
Strategy		
Disclosure Requirement E4-1 – Transition plan and consideration of biodiversity and ecosystems in strategy and business model	Disclosure Requirement E4-1 – Transition plan <u>for</u> biodiversity and ecosystems	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS E4 <i>Biodiversity and ecosystems</i>	
	<p>[AR]</p> <p>AR 1. Transition plans for biodiversity and ecosystems are expected to <u>address similar elements than transition plans for climate change mitigation. This includes information on targets, key actions, financial planning, governance of the plan – but also a clear explanation of how the undertaking’s strategy and business model will evolve to become compatible with relevant global goals, such as halting and reversing global biodiversity loss in line with the GBF.</u></p>	<p>New</p> <p>EFRAG, also based on stakeholder input, considered it to be necessary to provide brief guidance on key features of transition plans in alignment with E1-1.</p>
AR 1. If disclosing a transition plan, the undertaking may:	AR 1. If disclosing a transition plan, the undertaking may:	<p>Deleted from mandatory content and moved to NMIG</p> <p>Moved to NMIG 1</p> <p>Former AR 1. moved to NMIG for reduction purposes but considered relevant by EFRAG to maintain as voluntary guidance based on input by stakeholders expressing need for guidance.</p>
(a) explain how it will adjust its strategy and business model to improve and, ultimately, achieve alignment with relevant local, national and global public policy goals and targets related to biodiversity and ecosystems including the vision of the Kunming-Montreal Global Biodiversity Framework and its relevant goals and targets, the EU Biodiversity Strategy for 2030, and Directive 2009/147/EC Council Directive 92/43/EEC (the EU Birds and Habitats Directives) and, as appropriate,	<p>(a) explain how it will adjust its strategy and business model to improve and, ultimately, achieve alignment with relevant local, national and global public policy goals and targets related to biodiversity and ecosystems including the vision of the Kunming-Montreal Global Biodiversity Framework and its relevant goals and targets, the EU Biodiversity Strategy for 2030, and Directive 2009/147/EC Council Directive 92/43/EEC (the EU Birds and Habitats Directives) and, as appropriate, planetary boundaries related to biosphere integrity and land-system change;</p>	<p>Deleted from mandatory content and moved to NMIG</p> <p>Moved to NMIG 1</p> <p>Simplified</p>

planetary boundaries related to biosphere integrity and land-system change;		
(b) include information about its own operations and also explain how it is responding to material impacts in its upstream and downstream value chain identified in its materiality assessment in accordance with ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities;	b) include information about its own operations and also explain how it is responding to material impacts in its upstream and downstream value chain identified in its materiality assessment in accordance with ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities;	Deleted from mandatory content and moved to NMIG Moved to NMIG 1 Simplified
(c) explain how its strategy interacts with its transition plan;	c) explain how its strategy interacts with its transition plan;	Deleted from mandatory content and moved to NMIG Moved to NMIG 1
(d) explain how it contributes to addressing biodiversity and ecosystem impact drivers and its possible mitigation actions following the mitigation hierarchy and the main path-dependencies and locked-in assets and resources (e.g., plants, raw materials) that are associated with biodiversity and ecosystems change;	d) explain how it contributes to addressing biodiversity and ecosystem impact drivers and its possible mitigation actions following the mitigation hierarchy and the main path-dependencies and locked-in assets and resources (e.g., plants, raw materials) that are associated with biodiversity and ecosystems change;	Deleted from mandatory content and moved to NMIG Moved to NMIG 1
(e) explain and quantify its investments and funding supporting the implementation of its transition plan, with a reference to the key performance indicators of taxonomy-aligned CapEx, and where relevant the CapEx plans, that the undertaking discloses in accordance with Commission Delegated Regulation (EU) 2021/2178;	(e) explain and quantify its investments and funding supporting the implementation of its transition plan, with a reference to the key performance indicators of taxonomy-aligned CapEx, and where relevant the CapEx plans, that the undertaking discloses in accordance with Commission Delegated Regulation (EU) 2021/2178;	Deleted from mandatory content and moved to NMIG Moved to NMIG 1
(f) if it has economic activities that are covered by delegated regulations on biodiversity under the Taxonomy Regulation, explain any objective or plans (CapEx, CapEx plans) that it has for aligning its economic activities (revenues, CapEx) with the criteria established in those delegated regulations;	(f) if it has economic activities that are covered by delegated regulations on biodiversity under the Taxonomy Regulation, explain any objective or plans (CapEx, CapEx plans) that it has for aligning its economic activities (revenues, CapEx) with the criteria established in those delegated regulations;	Deleted Consolidated and edited with former (e) into NMIG
(g) explain how biodiversity offsets are used as part of the transition plan, and if so, where the offsets are planned to be used, the extent of use in relation to the	(g) explain how biodiversity offsets are used as part of the transition plan, and if so, where the offsets are planned to be used, the extent of use in relation to the overall transition plan, and whether the mitigation hierarchy was considered;	Deleted from mandatory content and moved to NMIG Moved to NMIG 1

overall transition plan, and whether the mitigation hierarchy was considered;		
(h) explain how the process of implementing and updating the transition plan is managed;	(h) explain how the process of implementing and updating the transition plan is managed;	Deleted from mandatory content and moved to NMIG Moved to NMIG 1
(i) explain how it measures progress, namely indicate the metrics and methodologies it uses for that purpose;	(i) explain how it measures progress, namely indicate the metrics and methodologies it uses for that purpose;	Deleted from mandatory content and moved to NMIG Moved to NMIG 1
(j) indicate whether the administrative, management and supervisory bodies have approved the transition plan; and	(j) indicate whether the administrative, management and supervisory bodies have approved the transition plan; and	Deleted from mandatory content and moved to NMIG Moved to NMIG 1
(k) indicate current challenges and limitations to draft a plan in relation to areas of significant impact and how the company is addressing those challenges.	(k) indicate current challenges and limitations to draft a plan in relation to areas of significant impact and how the company is addressing those challenges.	Deleted from mandatory content and moved to NMIG Moved to NMIG 1
AR 2. If disclosing a transition plan, the undertaking may, for example, refer to the following targets from the EU Biodiversity Strategy for 2030:	AR 2. If disclosing a transition plan, the undertaking may, for example, refer to the following targets from the EU Biodiversity Strategy for 2030:	Moved To NMIG 2 AR 2. Placed in guidance to reduce DP volume. Stakeholders expressed need for guidance on TP.
(a) The decline of pollinators is reversed.	a) the decline of pollinators is reversed.	Deleted from mandatory content and moved to NMIG Moved to NMIG 2
(b) The risk and use of chemical pesticides is reduced by 50%, and the use of more hazardous pesticides is reduced by 50%.	b) the risk and use of chemical pesticides is reduced by 50%, and the use of more hazardous pesticides is reduced by 50%;	Deleted from mandatory content and moved to NMIG Moved to NMIG 2
(c) At least 25% of agricultural land is under organic farming management, and the uptake of agro-ecological practices is significantly increased.	c) at least 25% of agricultural land is under organic farming management, and the uptake of agro-ecological practices is significantly increased;	Deleted from mandatory content and moved to NMIG Moved to NMIG 2
(d) Three billion additional trees are planted in the EU, in full respect of ecological principles.	d) three billion additional trees are planted in the EU, in full respect of ecological principles;	Deleted from mandatory content and moved to NMIG Moved to NMIG 2
(e) Significant progress in the remediation of contaminated soil sites.	e) significant progress in the remediation of contaminated soil sites;	Deleted from mandatory content and moved to NMIG Moved to NMIG 2

(f) At least 25 000 km of free-flowing rivers are restored.	f) at least 25 000 km of free-flowing rivers are restored;	Deleted from mandatory content and moved to NMIG Moved to NMIG 2
(g) The losses of nutrients from fertilisers are reduced by 50%, resulting in the reduction of the use of fertilisers by at least 20%.	g) the losses of nutrients from fertilisers are reduced by 50%, resulting in the reduction of the use of fertilisers by at least 20%;	Deleted from mandatory content and moved to NMIG Moved to NMIG 2
(h) The negative impacts on sensitive species and habitats, including on the seabed through fishing and extraction activities, are substantially reduced to achieve good environmental status.	h) the negative impacts on sensitive species and habitats, including on the seabed through fishing and extraction activities, are substantially reduced to achieve good environmental status.	Deleted from mandatory content and moved to NMIG Moved to NMIG 2
AR 3. If disclosing a transition plan, the undertaking may also refer to the Sustainable Development Goals, in particular:	AR 3. If disclosing a transition plan, the undertaking may also refer to the Sustainable Development Goals, in particular:	Deleted AR 3. deleted as considered by EFRAG not decision useful.
(a) SDG 2 - End hunger, achieve food security and improved nutrition and promote sustainable agriculture;	(a) SDG 2 – End hunger, achieve food security and improved nutrition and promote sustainable agriculture;	Deleted
(b) SDG 6 - Ensure availability and sustainable management of water and sanitation for all;	(b) SDG 6 – Ensure availability and sustainable management of water and sanitation for all;	Deleted
(c) SDG 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development; and	(c) SDG 14 – Conserve and sustainably use the oceans, seas and marine resources for sustainable development; and	Deleted
(d) SDG 15 - Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.	(d) SDG 15 – Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.	Deleted
AR 4. The materiality assessment under ESRS E4 includes the undertaking's:	AR 4. The materiality assessment under ESRS E4 includes the undertaking's:	Deleted Deleted for reduction purposes and considered by EFRAG redundant at topical level as specifications on the materiality assessment are addressed in ESRS 2.
(a) contribution to direct impact drivers on biodiversity loss:	(a) contribution to direct impact drivers on biodiversity loss: i. climate change;	Deleted

<p>i. climate change;</p> <p>ii. land-use change (e.g., land artificialisation), freshwater-use change and sea-use change;</p> <p>iii. direct exploitation;</p> <p>iv. invasive alien species;</p> <p>v. pollution; and</p> <p>vi. others.</p>	<p>ii. land-use change (e.g., land artificialisation), freshwater use change and sea-use change;</p> <p>iii. direct exploitation;</p> <p>iv. invasive alien species;</p> <p>v. pollution; and</p> <p>vi. others.</p>	
(b) impacts on the state of species (i.e., species population size, species global extinction risk);	(b) impacts on the state of species (i.e., species population size, species global extinction risk);	Deleted
(c) impacts on the extent and condition of ecosystems including through land degradation, desertification and soil sealing); and	(c) impacts on the extent and condition of ecosystems including through land degradation, desertification and soil sealing); and	Deleted
(d) impacts and dependencies on ecosystem services.	(d) impacts and dependencies on ecosystem services.	Deleted
AR 5. When assessing the materiality of impacts, dependencies, risks and opportunities the undertaking shall consider the provisions in ESRS 2 IRO-1 and ESRS 1 Chapter 3 Double materiality as the basis for sustainability disclosures and describe its considerations.	AR 5. When assessing the materiality of impacts, dependencies, risks and opportunities the undertaking shall consider the provisions in ESRS 2 IRO 1 and ESRS 1 Chapter 3 Double materiality as the basis for sustainability disclosures and describe its considerations.	<p>Deleted</p> <p>Deleted for reduction purposes and considered by EFRAG redundant at topical level as specifications on the materiality assessment are addressed in ESRS 2.</p>
AR 6. The undertaking shall assess the materiality of biodiversity and ecosystems in its own operations and its upstream and downstream value chain , and may conduct its materiality assessment in line with the first three phases of the LEAP approach: Locate (paragraph AR 7), Evaluate (paragraph AR 8) and Assess (paragraph AR 9).	AR 6. The undertaking shall assess the materiality of biodiversity and ecosystems in its own operations and its upstream and downstream value chain, and may conduct its materiality assessment in line with the first three phases of the LEAP approach: Locate (paragraph AR 7), Evaluate (paragraph AR 8) and Assess (paragraph AR 9).	<p>Deleted</p> <p>Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR. Reference to LEAP kept now in ESRS 1 para. AR7.</p>
AR 7. Phase 1 relates to the localisation of relevant sites regarding its interface with biodiversity and ecosystems. To identify these relevant sites the undertaking may:	AR 7. Phase 1 relates to the localisation of relevant sites regarding its interface with biodiversity and ecosystems. To identify these relevant sites the undertaking may:	<p>Deleted</p> <p>Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR. Reference to LEAP kept now in ESRS 1 para. AR7.</p>
(a) develop a list of locations of direct assets and operations and related upstream and downstream value chain that are relevant to the undertakings business	(a) develop a list of locations of direct assets and operations and related upstream and downstream value chain that are relevant to the undertakings business activities. Furthermore, the undertaking may	<p>Deleted</p> <p>Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory</p>

activities. Furthermore, the undertaking may provide information about sites for which future operations have been formally announced;	provide information about sites for which future operations have been formally announced;	methodological requirements in AR. Reference to LEAP kept now in ESRS 1 para. AR7.
(b) list the biomes and ecosystems it is interfacing with based on the list of locations identified under paragraph AR 7(a);	(b) list the biomes and ecosystems it is interfacing with based on the list of locations identified under paragraph AR 7(a);	Deleted Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR. Reference to LEAP kept now in ESRS 1 para. AR7.
(c) identify the current integrity and importance of biodiversity and ecosystem at each location taking into consideration the information provided in paragraphs 16 and 17;	(c) identify the current integrity and importance of biodiversity and ecosystem at each location taking into consideration the information provided in paragraphs 16 and 17;	Deleted Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR. Reference to LEAP kept now in ESRS 1 para. AR7.
(d) develop a list of locations where the undertaking is interfacing with locations in or near biodiversity-sensitive areas taking into consideration the information provided in paragraphs 16 and 17; and	(d) develop a list of locations where the undertaking is interfacing with locations in or near biodiversity-sensitive areas taking into consideration the information provided in paragraphs 16 and 17; and	Deleted Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR. Reference to LEAP kept now in ESRS 1 para. AR7.
(e) identify which sectors, business units, value chains or asset classes are interfacing with biodiversity and ecosystems in these material sites. Instead of identifying these interfaces per site, the undertaking may choose to identify them per raw material procured or sold by weight in tons, if such practice offers greater transparency.	(e) identify which sectors, business units, value chains or asset classes are interfacing with biodiversity and ecosystems in these material sites. Instead of identifying these interfaces per site, the undertaking may choose to identify them per raw material procured or sold by weight in tons, if such practice offers greater transparency.	Deleted. Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR. Reference to LEAP kept now in ESRS 1 para. AR7.
AR 8. In Phase 2, to evaluate its actual or potential impacts and dependencies on biodiversity and ecosystems for relevant sites, the undertaking may:	AR 8. In Phase 2, to evaluate its actual or potential impacts and dependencies on biodiversity and ecosystems for relevant sites, the undertaking may:	Deleted Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR. Reference to LEAP kept now in ESRS 1 para. AR7.

(a) identify business processes and activities that interface with biodiversity and ecosystems;	(a) identify business processes and activities that interface with biodiversity and ecosystems;	Deleted Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR. Reference to LEAP kept now in ESRS 1 para. AR7.
(b) identify actual and potential impacts and dependencies;	(b) identify actual and potential impacts and dependencies;	Deleted Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR. Reference to LEAP kept now in ESRS 1 para. AR7.
(c) indicate the size, scale, frequency of occurrence and timeframe of the impacts on biodiversity and ecosystems taking into consideration the disclosures under paragraphs 16 and 17. Furthermore, the undertaking may disclose: i. the percentage of its suppliers' facilities which are located in risk prone areas (with threatened species on the IUCN Red List of Species, the Birds and Habitats Directive or nationally list of threatened species, or in officially recognised Protected Areas, the Natura 2000 network of protected areas and Key Biodiversity Areas); ii. the percentage of its procurement spend from suppliers with facilities which are located in risk prone areas (with threatened species on the IUCN Red List of Species, the Birds and Habitats Directive or nationally list of threatened species, or in officially recognised Protected Areas, the Natura 2000 network of protected areas and Key Biodiversity Areas); and	(c) indicate the size, scale, frequency of occurrence and timeframe of the impacts on biodiversity and ecosystems taking into consideration the disclosures under paragraphs 16 and 17. Furthermore, the undertaking may disclose: i. the percentage of its suppliers' facilities which are located in risk prone areas (with threatened species on the IUCN Red List of Species, the Birds and Habitats Directive or nationally list of threatened species, or in officially recognised Protected Areas, the Natura 2000 network of protected areas and Key Biodiversity Areas); ii. the percentage of its procurement spend from suppliers with facilities which are located in risk prone areas (with threatened species on the IUCN Red List of Species, the Birds and Habitats Directive or nationally list of threatened species, or in officially recognised Protected Areas, the Natura 2000 network of protected areas and Key Biodiversity Areas); and	Deleted Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR. Reference to LEAP kept now in ESRS 1 para. AR7.
(d) indicate the size and scale of the dependencies on biodiversity and ecosystems, including on raw materials, natural resources and ecosystem services. The undertaking may rely on the international classifications such as the Common International Classification of Ecosystem Services (CICES).	(d) indicate the size and scale of the dependencies on biodiversity and ecosystems, including on raw materials, natural resources and ecosystem services. The undertaking may rely on the international classifications such as the Common International Classification of Ecosystem Services (CICES).	Deleted Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR. Reference to LEAP kept now in ESRS 1 para. AR7.

AR 9. In Phase 3, to assesses its material risks and opportunities based on the results of Phases 1 and 2, the undertaking may consider the following categories:	AR 9. In Phase 3, to assesses its material risks and opportunities based on the results of Phases 1 and 2, the undertaking may consider the following categories:	Deleted Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR. Reference to LEAP kept now in ESRS 1 para. AR7.
(a) physical risks: i. acute risks (e.g., natural disasters exacerbated by loss of coastal protection from ecosystems, leading to costs of storm damage to coastal infrastructure, disease or pests affecting the species or variety of crop the undertaking relies on, especially in the case of no or low genetic diversity, species loss and ecosystem degradation); and ii. chronic risks (e.g., loss of crop yield due to decline in pollination services, increasing scarcity or variable production of key natural inputs, ecosystem degradation due to operations leading to, for example, coastal erosion and forest fragmentation, ocean acidification, land loss to desertification and soil degradation and consequent loss of soil fertility, species loss).	(a) physical risks: i. acute risks (e.g., natural disasters exacerbated by loss of coastal protection from ecosystems, leading to costs of storm damage to coastal infrastructure, disease or pests affecting the species or variety of crop the undertaking relies on, especially in the case of no or low genetic diversity, species loss and ecosystem degradation); and ii. chronic risks (e.g., loss of crop yield due to decline in pollination services, increasing scarcity or variable production of key natural inputs, ecosystem degradation due to operations leading to, for example, coastal erosion and forest fragmentation, ocean acidification, land loss to desertification and soil degradation and consequent loss of soil fertility, species loss).	Deleted Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR. Reference to LEAP kept now in ESRS 1 para. AR7.
(b) transition risks, including: i. policy and legal: e.g. introduction of regulation or policy (e.g. changes such as increased land protection); exposure to sanctions and litigation (e.g. spills of polluting effluents that damage human and ecosystem health; or violation of biodiversity-related rights, permits or allocations; or negligence towards or killing of threatened species); enhanced reporting obligations on biodiversity, ecosystems and related services; ii. technology: e.g. substitution of products or services by products or services with a lower impact on biodiversity or dependence on ecosystem services, lack of access to data or access to poor quality data that hamper biodiversity-related assessments, transition to	(b) transition risks, including: i. policy and legal: e.g. introduction of regulation or policy (e.g. changes such as increased land protection); exposure to sanctions and litigation (e.g. spills of polluting effluents that damage human and ecosystem health; or violation of biodiversity-related rights, permits or allocations; or negligence towards or killing of threatened species); enhanced reporting obligations on biodiversity, ecosystems and related services; ii. technology: e.g. substitution of products or services by products or services with a lower impact on biodiversity or dependence on ecosystem services, lack of access to data or access to poor quality data that hamper biodiversity-related assessments, transition to more efficient and cleaner technologies (i.e. with lower impacts on biodiversity), new monitoring technologies (e.g. satellite), requirements to use certain technologies (e.g.	Deleted Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR. Reference to LEAP kept now in ESRS 1 para. AR7.

<p>more efficient and cleaner technologies (i.e. with lower impacts on biodiversity), new monitoring technologies (e.g. satellite), requirements to use certain technologies (e.g. climate resistant crops, mechanical pollinators, water purification, flood protection);</p> <p>iii. market: e.g., shifting supply, demand and financing, volatility or increased costs of raw materials (e.g., biodiversity-intense inputs for which price has risen due to ecosystem degradation);</p> <p>iv. reputation: e.g., changing societal, customer or community perceptions as a result of an organisation's role in loss of biodiversity, violation of nature-related rights through operations, negative media coverage due to impacts on critical species and/or ecosystems, biodiversity-related social conflicts over endangered species, protected areas, resources or pollution.</p>	<p>climate resistant crops, mechanical pollinators, water purification, flood protection);</p> <p>iii. market: e.g., shifting supply, demand and financing, volatility or increased costs of raw materials (e.g., biodiversity intense inputs for which price has risen due to ecosystem degradation);</p> <p>iv. reputation: e.g., changing societal, customer or community perceptions as a result of an organisation's role in loss of biodiversity, violation of nature-related rights through operations, negative media coverage due to impacts on critical species and/or ecosystems, biodiversity related social conflicts over endangered species, protected areas, resources or pollution.</p>	
<p>(c) systemic risks, including:</p> <p>i. ecosystem collapse risks that a critical natural system no longer functions, e.g., tipping points are reached and the collapse of ecosystems resulting in wholesale geographic or sector losses (summing physical risks);</p> <p>ii. aggregated risk linked to fundamental impacts of biodiversity loss to levels of transition and physical risk across one or more sectors in a portfolio (corporate or financial); and</p> <p>iii. contagion risks that financial difficulties of certain corporations or financial institutions linked to failure to account for exposure to biodiversity-related risks spill over to the economic system as a whole.</p>	<p>(c) systemic risks, including:</p> <p>i. ecosystem collapse risks that a critical natural system no longer functions, e.g., tipping points are reached and the collapse of ecosystems resulting in wholesale geographic or sector losses (summing physical risks);</p> <p>ii. aggregated risk linked to fundamental impacts of biodiversity loss to levels of transition and physical risk across one or more sectors in a portfolio (corporate or financial); and</p> <p>iii. contagion risks that financial difficulties of certain corporations or financial institutions linked to failure to account for exposure to biodiversity related risks spill over to the economic system as a whole.</p>	<p>Deleted</p> <p>Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR. Reference to LEAP kept now in ESRS 1 para. AR7.</p>
<p>(d) opportunities, including for example:</p> <p>i. business performance categories: resource efficiency; products and services; markets; capital flow and financing; reputational capital; and</p> <p>ii. sustainability performance categories: ecosystem protection, restoration and regeneration; sustainability use of natural resources.</p>	<p>(d) opportunities, including for example:</p> <p>i. business performance categories: resource efficiency; products and services; markets; capital flow and financing; reputational capital; and</p> <p>ii. sustainability performance categories: ecosystem protection, restoration and regeneration; sustainability use of natural resources.</p>	<p>Deleted</p> <p>Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR. Reference to LEAP kept now in ESRS 1 para. AR7.</p>
<p>AR 10. The undertaking may consider the tables below to facilitate its materiality assessment of material sites identified under paragraph AR 7:</p>	<p>AR 10. The undertaking may consider the tables below to facilitate its materiality assessment of material sites identified under paragraph AR 7:</p> <p>(...)</p>	<p>Deleted from mandatory content and moved to NMIG</p> <p>Moved to NMIG 15, NMIG 16</p>

(...) With regard to AR 7(e), the undertaking may consider using the table below: (...)	With regard to AR 7(e), the undertaking may consider using the table below: (...)	Moved for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR. Considered by EFRAG relevant to keep as voluntary guidance.
Disclosure Requirement E4-2 – Policies related to biodiversity and ecosystems	Disclosure Requirement E4-2 – Policies related to biodiversity and ecosystems	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS E4 <i>Biodiversity and ecosystems</i>	
	[AR] AR 2. Paragraph [14(a)] refers to tangible or physical products and does not apply to financial products.	New Added as considered relevant by EFRAG to specify that traceability refers to physical products.
AR 11. The policies described under this Disclosure Requirement may be integrated in broader environmental or sustainability policies covering different subtopics.	AR 11. The policies described under this Disclosure Requirement may be integrated in broader environmental or sustainability policies covering different subtopics.	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-P.
AR 12. The undertaking may also provide information on how the policy refers to the production, sourcing or consumption of raw materials, and in particular how it:	AR 12. The undertaking may also provide information on how the policy refers to the production, sourcing or consumption of raw materials, and in particular how it:	Deleted from mandatory content and moved to NMIG Moved to NMIG 3 Moved former AR 12 for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. Included in NMIG as considered relevant guidance by EFRAG.
(a) limits procurement from suppliers that cannot demonstrate that they are not contributing to significant damage to protected areas or key biodiversity areas (e.g., through certification);	(a) limits procurement from suppliers that cannot demonstrate that they are not contributing to significant damage to protected areas or key biodiversity areas (e.g., through certification);	Deleted from mandatory content and moved to NMIG Moved to NMIG 3
(b) refers to recognised standards or third-party certifications overseen by regulators; and	(b) refers to recognised standards or third-party certifications overseen by regulators; and	Deleted from mandatory content and moved to NMIG Moved to NMIG 3

(c) addresses raw materials originating from ecosystems that have been managed to maintain or enhance conditions for biodiversity, as demonstrated by regular monitoring and reporting of biodiversity status and gains or losses.	(c) addresses raw materials originating from ecosystems that have been managed to maintain or enhance conditions for biodiversity, as demonstrated by regular monitoring and reporting of biodiversity status and gains or losses.	Deleted from mandatory content and moved to NMIG Moved to NMIG 3
AR 13. The undertaking may disclose connections and alignment with other global goals and agreements such as the SDGs 2, 6, 14 and 15 or any other well established global convention related to biodiversity and ecosystems.	AR 13. The undertaking may disclose connections and alignment with other global goals and agreements such as the SDGs 2, 6, 14 and 15 or any other well established global convention related to biodiversity and ecosystems.	Deleted from mandatory content and moved to NMIG Moved to NMIG 4 Moved for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only.
AR 14. When disclosing policies related to social consequences of biodiversity and ecosystems related dependencies and impacts under 23 (f), the undertaking may notably refer to the Nagoya Protocol and the Convention for Biological Diversity (CBD).	AR 14. When disclosing policies related to social consequences of biodiversity and ecosystems related dependencies and impacts under 23 (f), the undertaking may notably refer to the Nagoya Protocol and the Convention for Biological Diversity (CBD).	Deleted from mandatory content and moved to NMIG Moved to NMIG 5 Moved for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only.
AR 15. When disclosing information about whether and how its policies address the social consequences of biodiversity and ecosystems-related impacts under paragraph 23(f), the undertaking may provide information in relation to:	AR 15. When disclosing information about whether and how its policies address the social consequences of biodiversity and ecosystems-related impacts under paragraph 23(f), the undertaking may provide information in relation to:	Deleted from mandatory content and moved to NMIG Moved to NMIG 3 Moved for reduction purposes and to align with approach that AR contains mandatory methodological requirements only.
(a) the fair and equitable sharing of the benefits arising from the utilisation of genetic resources; and	(a) the fair and equitable sharing of the benefits arising from the utilisation of genetic resources; and	Deleted from mandatory content and moved to NMIG Moved to NMIG 3
(b) the free, prior and informed consent for access to genetic resources.	(b) the free, prior and informed consent for access to genetic resources.	Deleted from mandatory content and moved to NMIG Moved to NMIG 3
AR 16. The undertaking may also explain how its policy enables it to:	AR 16. The undertaking may also explain how its policy enables it to:	Delete Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. Mitigation Hierarchy disclosure requirements to be addressed under ESRS 2 GDR-A para. 37(b).

(a) avoid negative impacts on biodiversity and ecosystems in its own operations and related upstream and downstream value chain ;	(a) avoid negative impacts on biodiversity and ecosystems in its own operations and related upstream and downstream value chain;	Delete Mitigation Hierarchy disclosure requirements to be addressed under ESRS 2 GDR-A para. 37(b).
(b) reduce and minimise its negative impacts on biodiversity and ecosystems in its operations and throughout the upstream and downstream value chain that cannot be avoided;	(b) reduce and minimise its negative impacts on biodiversity and ecosystems in its operations and throughout the upstream and downstream value chain that cannot be avoided;	Delete Mitigation Hierarchy disclosure requirements to be addressed under ESRS 2 GDR-A para. 37(b).
(c) restore and rehabilitate degraded ecosystems or restore cleared ecosystems following exposure to impacts that cannot be completely avoided and/or minimised; and	(c) restore and rehabilitate degraded ecosystems or restore cleared ecosystems following exposure to impacts that cannot be completely avoided and/or minimised; and	Delete Mitigation Hierarchy disclosure requirements to be addressed under ESRS 2 GDR-A para. 37(b).
(d) mitigate its contribution to material biodiversity loss drivers.	(d) mitigate its contribution to material biodiversity loss drivers.	Deleted Mitigation Hierarchy disclosure requirements to be addressed under ESRS 2 GDR-A para. 37(b).
AR 17. When disclosing its policies , if referring to third-party standards of conduct, the undertaking may disclose whether the standard used:	AR 17. When disclosing its policies, if referring to third-party standards of conduct, the undertaking may disclose whether the standard used:	Deleted Deleted AR 17 for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-P.
(a) is objective and achievable based on a scientific approach to identifying issues, and realistic in assessing how these issues can be addressed on the ground under a variety of practical circumstances;	(a) is objective and achievable based on a scientific approach to identifying issues, and realistic in assessing how these issues can be addressed on the ground under a variety of practical circumstances;	Deleted Deleted for reduction purposes.
(b) is developed or maintained through a process of ongoing consultation with stakeholders with balanced input from all relevant stakeholder groups, including producers, traders, processors, financiers, local people and communities, indigenous peoples, and civil society organisations representing consumer, environmental and social interests, with no group holding undue authority or veto power over the content;	(b) is developed or maintained through a process of ongoing consultation with stakeholders with balanced input from all relevant stakeholder groups, including producers, traders, processors, financiers, local people and communities, indigenous peoples, and civil society organisations representing consumer, environmental and social interests, with no group holding undue authority or veto power over the content;	Deleted Deleted for reduction purposes.
(c) encourages a step-wise approach and continuous improvement, both in the standard and its application of better management practices, and requires the	(c) encourages a step-wise approach and continuous improvement, both in the standard and its application of better management practices, and	Deleted Deleted for reduction purposes.

establishment of meaningful targets and specific milestones to indicate progress against principles and criteria over time;	requires the establishment of meaningful targets and specific milestones to indicate progress against principles and criteria over time;	
(d) is verifiable through independent certifying or verifying bodies, which have defined and rigorous assessment procedures that avoid conflicts of interest, and are compliant with ISO guidance on accreditation and verification procedures or Article 5(2) of Regulation (EC) No 765/2008; and	(d) is verifiable through independent certifying or verifying bodies, which have defined and rigorous assessment procedures that avoid conflicts of interest, and are compliant with ISO guidance on accreditation and verification procedures or Article 5(2) of Regulation (EC) No 765/2008; and	Deleted Deleted for reduction purposes. Some elements moved to NMIG 3.
(e) conforms to the ISEAL Code of Good Practice.	(e) conforms to the ISEAL Code of Good Practice.	Deleted Deleted for reduction purposes.
Disclosure Requirement E4-3 – Actions and resources related to biodiversity and ecosystems	Disclosure Requirement E4-3 – Actions and resources related to biodiversity and ecosystems	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS E4 <i>Biodiversity and ecosystems</i>	
AR 18. The undertaking may relate significant monetary amounts of CapEx and OpEx required to implement the actions taken or planned to:	AR 18. The undertaking may relate significant monetary amounts of CapEx and OpEx required to implement the actions taken or planned to:	Deleted from mandatory content and moved to NMIG Moved to NMIG 9 Moved AR 18 for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. EFRAG considered it relevant to consolidate and simplify AR 18 into one paragraph and keep as voluntary guidance.
(a) the relevant line items or notes in the financial statements;	(a) the relevant line items or notes in the financial statements;	Deleted from mandatory content and moved to NMIG Moved to NMIG 9 EFRAG considered it relevant to consolidate and simplify AR 18 into one paragraph and keep as voluntary guidance.
(b) the key performance indicators required under article 8 of Regulation (EU) 2020/852 and under Commission Delegated Regulation (EU) 2021/2178; and	(b) the key performance indicators required under article 8 of Regulation (EU) 2020/852 and under Commission Delegated Regulation (EU) 2021/2178; and	Deleted from mandatory content and moved to NMIG Moved to NMIG 9

		EFRAG considered it relevant to consolidate and simplify AR 18 into one paragraph and keep as voluntary guidance.
(c) if applicable, the CapEx plan required by Commission Delegated Regulation (EU) 2021/2178.	(c) if applicable, the CapEx plan required by Commission Delegated Regulation (EU) 2021/2178.	Deleted from mandatory content and moved to NMIG Moved to NMIG 9 EFRAG considered it relevant to consolidate and simplify AR 18 into one paragraph and keep as voluntary guidance.
AR 19. The undertaking may disclose whether it considers an “avoidance” action plan, which prevents damaging actions before they take place. Avoidance often involves a decision to deviate from the business-as-usual project development path. An example of avoidance is altering the biodiversity and ecosystem footprint of a project to avoid destruction of natural habitat on the site and/or establishing set-asides where priority biodiversity values are present and will be conserved. At a minimum, avoidance should be considered where there are biodiversity and ecosystem-related values that are in one of the following categories: particularly vulnerable and irreplaceable, of particular concern to stakeholders , or where a cautious approach is warranted due to uncertainty about impact assessment or about the efficacy of management measures. The three main types of avoidance are defined below:	AR 19. The undertaking may disclose whether it considers an “avoidance” action plan, which prevents damaging actions before they take place. Avoidance often involves a decision to deviate from the business-as-usual project development path. An example of avoidance is altering the biodiversity and ecosystem footprint of a project to avoid destruction of natural habitat on the site and/or establishing set-asides where priority biodiversity values are present and will be conserved. At a minimum, avoidance should be considered where there are biodiversity and ecosystem-related values that are in one of the following categories: particularly vulnerable and irreplaceable, of particular concern to stakeholders, or where a cautious approach is warranted due to uncertainty about impact assessment or about the efficacy of management measures. The three main types of avoidance are defined below:	Deleted from mandatory content and moved to NMIG Moved to NMIG 7 Moved AR 19 for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. Mitigation hierarchy disclosure requirements to be addressed in ESRS 2 GDR-A para. 37(b).
(a) avoidance through site selection (Locate the entire project away from areas recognised for important biodiversity values);	(a) avoidance through site selection (Locate the entire project away from areas recognised for important biodiversity values);	Deleted from mandatory content and moved to NMIG Moved to NMIG 7

		Moved for reduction purposes. Mitigation hierarchy disclosure requirements to be addressed in ESRS 2 GDR-A para. 37(b).
(b) avoidance through project design (Configure infrastructure to preserve areas at the project site with important biodiversity values); and	(b) avoidance through project design (Configure infrastructure to preserve areas at the project site with important biodiversity values); and	Deleted from mandatory content and moved to NMIG Moved to NMIG 7 Moved for reduction purposes. Mitigation hierarchy disclosure requirements to be addressed in ESRS 2 GDR-A para. 37(b).
(c) avoidance through scheduling (Time project activities to account for patterns of species behaviour (e.g., breeding, migration) or ecosystem functions (e.g., river dynamics)).	(c) avoidance through scheduling (Time project activities to account for patterns of species behaviour (e.g., breeding, migration) or ecosystem functions (e.g., river dynamics)).	Deleted from mandatory content and moved to NMIG Moved to NMIG 7 Moved for reduction purposes. Mitigation hierarchy disclosure requirements to be addressed in ESRS 2 GDR-A para. 37(b).
AR 20. With regard to key actions , the undertaking may disclose:	AR 20. With regard to key actions, the undertaking may disclose:	Deleted Deleted AR 20 for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-A.
(a) a list of key stakeholders involved (e.g., competitors, suppliers, retailers, other business partners, affected communities and authorities, government agencies) and how they are involved, mentioning key stakeholders negatively or positively impacted by actions and how they are impacted, including impacts or benefits created for affected communities, smallholders, indigenous peoples or other persons in vulnerable situations;	(a) a list of key stakeholders involved (e.g., competitors, suppliers, retailers, other business partners, affected communities and authorities, government agencies) and how they are involved, mentioning key stakeholders negatively or positively impacted by actions and how they are impacted, including impacts or benefits created for affected communities, smallholders, indigenous peoples or other persons in vulnerable situations;	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-A.
(b) where applicable, an explanation of the need for appropriate consultations and the need to respect the decisions of affected communities;	(b) where applicable, an explanation of the need for appropriate consultations and the need to respect the decisions of affected communities;	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-A.
(c) a brief assessment of whether the key actions may induce significant negative sustainability impacts ;	(c) a brief assessment of whether the key actions may induce significant negative sustainability impacts;	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory

		methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-A
(d) an explanation of whether the key action is intended to be a one-time initiative or systematic practice;	(d) an explanation of whether the key action is intended to be a one-time initiative or systematic practice;	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-A.
(e) an explanation of whether the key action plan is carried out only by the undertaking, using the undertaking's resources, or whether it is part of a wider initiative to which the undertaking significantly contributes. If the key action plan is part of a wider initiative, the undertaking may provide more information on the project, its sponsors and other participants;	(e) an explanation of whether the key action plan is carried out only by the undertaking, using the undertaking's resources, or whether it is part of a wider initiative to which the undertaking significantly contributes. If the key action plan is part of a wider initiative, the undertaking may provide more information on the project, its sponsors and other participants;	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-A.
(f) a description of how it contributes to systemwide change, notably to alter the drivers of biodiversity and ecosystem change, e.g., through technological, economic, institutional, and social factors and changes in underlying values and behaviours;	(f) a description of how it contributes to systemwide change, notably to alter the drivers of biodiversity and ecosystem change, e.g., through technological, economic, institutional, and social factors and changes in underlying values and behaviours;	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-A.
AR 21. In the context of this Disclosure Requirement, "local and indigenous knowledge" refer to the understandings, skills and philosophies developed by societies with long histories of interaction with their natural surroundings. For rural and indigenous peoples , local knowledge informs decision-making about fundamental aspects of day-to-day life.	AR 21. In the context of this Disclosure Requirement, "local and indigenous knowledge" refer to the understandings, skills and philosophies developed by societies with long histories of interaction with their natural surroundings. For rural and indigenous peoples, local knowledge informs decision-making about fundamental aspects of day-to-day life.	Deleted from mandatory content and moved to NMIG Moved to NMIG 8. Moved to voluntary guidance, as related disclosure requirement former para 28(c) was also moved to NMIG.
Metrics and Targets		
Disclosure Requirement E4-4 – Targets related to biodiversity and ecosystems	Disclosure Requirement E4-4 – Targets related to biodiversity and ecosystems	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS E4 <i>Biodiversity and ecosystems</i>	

AR 22. The undertaking may specify whether the target addresses shortcomings related to the Substantial Contribution criteria for Biodiversity as defined in the delegated acts adopted pursuant to Article 15(2) of Regulation (EU) 2020/852. Where the Do No Significant Harm (DNSH) criteria for Biodiversity as defined in delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 13(2), and Article 14(2) of Regulation (EU) 2020/852 are not met, the undertaking may specify whether the target addresses shortcomings related those DNSH criteria.	AR 22. The undertaking may specify whether the target addresses shortcomings related to the Substantial Contribution criteria for Biodiversity as defined in the delegated acts adopted pursuant to Article 15(2) of Regulation (EU) 2020/852. Where the Do No Significant Harm (DNSH) criteria for Biodiversity as defined in delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 13(2), and Article 14(2) of Regulation (EU) 2020/852 are not met, the undertaking may specify whether the target addresses shortcomings related those DNSH criteria.	Deleted from mandatory content and moved to NMIG Moved to NMIG 11 Moved for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only.
AR 23. When disclosing information required under paragraph 29 for the purpose of setting targets the undertaking shall consider the need for an informed and willing consent of local and indigenous peoples , the need for appropriate consultations and the need to respect the decisions of these communities.	[AR] AR 5. When disclosing information required under [paragraph 17] for the purpose of setting targets the undertaking shall consider the need for an <u>free, prior and</u> informed and willing consent of local and indigenous peoples , the need for appropriate consultations and the need to respect the decisions of these communities.	Amended Kept in AR as provision related to the engagement with indigenous peoples is considered by EFRAG a relevant topical specification.
AR 24. The targets related to material impacts may be presented in a table as illustrated below: (...)	AR 24. The targets related to material impacts may <u>might</u> be presented in a table as illustrated below: (...)	Deleted from mandatory content and moved to NMIG Moved to NMIG 12 Moved for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. Table deemed useful guidance by EFRAG to guide preparers.
AR 25. The targets related to the potentially material sustainability matters listed in paragraph AR 4 of this Standard, may be presented in a table as illustrated below: (...)	AR 25. The targets related to the potentially material sustainability matters listed in paragraph AR 4 of this Standard, may be presented in a table as illustrated below: (...)	Deleted Moved for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only.
AR 26. Measurable targets related to biodiversity and ecosystems may be expressed as:	AR 26. Measurable targets related to biodiversity and ecosystems may be expressed as:	Deleted EFRAG considers it relevant to provide an AR that provides methodological guidance to companies in the type of targets they could disclose on. Former AR26 was considered potentially outdated. EFRAG expects to gather input through the consultation to inform the drafting of an AR that outlines

		methodological provisions for disclosing material targets on biodiversity and ecosystems.
(a) size and location of all habitat areas protected or restored, whether directly or indirectly controlled by the undertaking, and whether the success of the restoration measure was or is approved by independent external professionals;	(a) size and location of all habitat areas protected or restored, whether directly or indirectly controlled by the undertaking, and whether the success of the restoration measure was or is approved by independent external professionals;	Deleted EFRAG considers it relevant to provide an AR that provides methodological guidance to companies in the type of targets they could disclose on. Former AR26 was considered potentially outdated. EFRAG expects to gather input through the consultation to inform the drafting of an AR that outlines methodological provisions for disclosing material targets on biodiversity and ecosystems.
(b) recreated surfaces (environments in which management initiatives are implemented so as to create a habitat on a site where it did not exist initially); or	(b) recreated surfaces (environments in which management initiatives are implemented so as to create a habitat on a site where it did not exist initially); or	Deleted EFRAG considers it relevant to provide an AR that provides methodological guidance to companies in the type of targets they could disclose on. Former AR26 was considered potentially outdated. EFRAG expects to gather input through the consultation to inform the drafting of an AR that outlines methodological provisions for disclosing material targets on biodiversity and ecosystems.
(c) number or percentage of projects / sites whose ecological integrity was improved (e.g., installation of fish passes, wildlife corridors).	(c) number or percentage of projects / sites whose ecological integrity was improved (e.g., installation of fish passes, wildlife corridors).	Deleted EFRAG considers it relevant to provide an AR that provides methodological guidance to companies in the type of targets they could disclose on. Former AR26 was considered potentially outdated. EFRAG expects to gather input through the consultation to inform the drafting of an AR that outlines methodological provisions for disclosing material targets on biodiversity and ecosystems.
Disclosure Requirement E4-5 – Impact metrics related to biodiversity and ecosystems change	Disclosure Requirement E4-5 – Metrics related to biodiversity and ecosystems change	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS E4 <i>Biodiversity and ecosystems</i>	

AR 27. When preparing the information required under this Disclosure Requirement, the undertaking shall consider and may describe:	AR 27. When preparing the information required under this Disclosure Requirement, the undertaking shall consider and may describe:	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These type of specifications are addressed under ESRS 2 GDR-M.
(a) the methodologies and metrics used and an explanation for why these methodologies and metrics are selected, as well as their assumptions, limitations and uncertainties, and any changes in methodologies made over time and why they occurred;	(a) the methodologies and metrics used and an explanation for why these methodologies and metrics are selected, as well as their assumptions, limitations and uncertainties, and any changes in methodologies made over time and why they occurred;	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-M.
(b) the scope of the metrics and methodologies, for example: i. undertaking, site, brand, commodity, corporate business unit, activity; ii. aspects (as set out in paragraph AR 4) covered.	(b) the scope of the metrics and methodologies, for example: i. undertaking, site, brand, commodity, corporate business unit, activity; ii. aspects (as set out in paragraph AR 4) covered.	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-M.
(c) the biodiversity components of the metrics: species specific, ecosystem specific;	(c) the biodiversity components of the metrics: species specific, ecosystem specific;	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-M.
(d) the geographies covered by the methodology and an explanation of why any relevant geographies were omitted;	(d) the geographies covered by the methodology and an explanation of why any relevant geographies were omitted;	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-M.
(e) how the metrics integrate ecological thresholds (e.g., the biosphere integrity and land-system change, planetary boundaries) and allocations;	(e) how the metrics integrate ecological thresholds (e.g., the biosphere integrity and land-system change, planetary boundaries) and allocations;	Deleted Ecological thresholds to be addressed under ESRS 2 GDR-T.
	[AR] <u>AR 7. Information to be disclosed under this paragraph applies for those locations:</u>	New EFRAG considers it relevant to guide preparers in prioritizing the locations to be disaggregated for disclosure to avoid the disclosure of a high number of locations or sites which could lead to the

	<p><u>(a) where the undertaking has identified material impacts, risks and opportunities arising from its direct operations or that are significant drivers of material impacts, risks and opportunities; and/or</u></p> <p><u>(b) the undertaking has prioritised them (e.g. for management attention, resource allocation, and monitoring), due to their relevance for achieving sustainability-related objectives covered by its policies, actions and targets (if any); and/or</u></p> <p><u>(c) the assets and/or activities from own operations in those locations interact negatively with biodiversity sensitive areas.</u></p>	<p>obscuring of material information and overly lengthy sustainability statements. This AR is overall aligned with TNFD's definition of 'priority locations' but includes further specifications to help undertakings in the prioritisation of disclosures.</p> <p>Connected specifications on the disaggregation of information, e.g. by location, are included in the objectives of E2-E4 standards as well as in ESRS 1 and 2.</p>
	<p>[AR]</p> <p><u>AR 8. If the undertaking's site is in a biodiversity sensitive area, it is highly likely that its activities will negatively affect the area. Whether a site, which is outside of a biodiversity sensitive area, is near such an area shall be determined:</u></p> <p><u>(a) by the capacity of activities related to the site to negatively affect species and ecosystems in the biodiversity sensitive area;</u></p> <p><u>(b) based on a buffer zone specific to the type of activity and the species and ecosystems in the area. Buffer zones can be determined following industry best practice and science-based recommendations, such as by IBAT or based on findings of a site-level survey.</u></p>	<p>New</p> <p>AR added to address challenge identified by stakeholders related to defining what is 'near' a biodiversity sensitive area (BSA) and the related request for guidance. A principle based element is outlined (near = if company impacts the BSA) as well as a reference to the buffer zones from IBAT (based on suggestion by stakeholders), which is an increasingly recognized and feasible approach to define 'near'.</p> <p>EFRAG also considered it relevant to highlight that a site located in a BSA can be presumed to affect it.</p> <p>This AR was included under E4-2 where the term 'in or near' a BSA is mentioned.</p> <p>The definition of 'Biodiversity sensitive area' in the Glossary was amended.</p>
	<p>[AR]</p> <p><u>AR 9. Depending on which sub-topic is assessed to be material, the undertaking shall include metrics in relation to:</u></p> <p><u>(a) drivers of biodiversity and ecosystem change (terrestrial and marine habitat change, invasive species);</u></p>	<p>New</p> <p>EFRAG considers it relevant to clearly connect para. 20 (disclosure of metrics) with E4 subtopics.</p> <p>In addition, indicators are mentioned in brackets, based on the four main ones identified by the Nature Positive Initiative (NPI). NPI, together with</p>

	<p><u>(b) the state of species (e.g. related to extinction risk);</u></p> <p><u>(c) the extent and condition of terrestrial and marine ecosystems (e.g. related to site condition and landscape condition);</u></p> <p><u>(d) ecosystem services.</u></p>	relevant stakeholders, is developing state of nature metrics, which are expected to be integrated by other relevant international frameworks and standards working on biodiversity disclosures.
	<p>[AR]</p> <p><u>AR 10.</u></p> <p><u>Where possible measurement at site using state of nature metrics is best suited to determine impact on biodiversity and ecosystems. Measurement at site is especially relevant where those sites are in or near biodiversity sensitive areas. Where measurement at site is not feasible, estimation using measurement of impact drivers or estimates of state of nature can be used.</u></p>	<p>New</p> <p>EFRAG considers it relevant to highlight that metrics on the state of nature, rather than metrics on impact drivers, better reflect impacts of the undertaking and can be obtained at site level.</p>
(f) the frequency of monitoring, key metrics being monitored, and the baseline condition/value and baseline year/period, as well as the reference period;	<p>[AR]</p> <p><u>AR 11. When identifying metrics to disclose the undertaking shall consider:</u></p> <p><u>(a) the frequency of monitoring, and the baseline condition/value and baseline year/period;</u></p> <p><u>(b) whether the metrics enable users to understand how they relate to the material impacts.</u></p>	<p>Amended</p> <p>Former para. 27(f) kept as considered relevant methodological guidance y EFRAG, particularly to highlight baseline condition and baseline year, which is relevant in the context of biodiversity.</p> <p>AR 12(b) added by EFRAG to provide guidance for preparers when choosing material metrics to disclose on.</p>
(g) whether these metrics rely on primary data, secondary data, modelled data or on expert judgement, or a mixture of these;	(g) whether these metrics rely on primary data, secondary data, modelled data or on expert judgement, or a mixture of these;	<p>Deleted</p> <p>Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-M.</p>
(h) an indication of which action is measured and monitored via the metrics and how they relate to the achievement of targets;	(h) an indication of which action is measured and monitored via the metrics and how they relate to the achievement of targets;	<p>Deleted</p> <p>Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-M.</p>

		AR 8 contains provision to consider how understandable the connection btw the metric and the material IRO is.
(i) whether metrics are mandatory (required by legislation) or voluntary. If they are mandatory, the undertaking may indicate the relevant legislation; if voluntary, the undertaking may refer to any voluntary standard or procedure used; and	(i) whether metrics are mandatory (required by legislation) or voluntary. If they are mandatory, the undertaking may indicate the relevant legislation; if voluntary, the undertaking may refer to any voluntary standard or procedure used; and	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-M.
(j) whether the metrics are informed by or correspond to expectations or recommendations of relevant and authoritative national, EU-level or intergovernmental guidelines, policies, legislation or agreements, such as the Convention for Biological Diversity (CBD) or IPBES.	(j) whether the metrics are informed by or correspond to expectations or recommendations of relevant and authoritative national, EU-level or intergovernmental guidelines, policies, legislation or agreements, such as the Convention for Biological Diversity (CBD) or IPBES.	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. Reference to relevant frameworks included in NMIG 10.
AR 28. The undertaking shall disclose metrics that are verifiable and that are technically and scientifically robust considering the appropriate time scales geographies and may disclose how its selected metrics correspond to those criteria. To ensure that the metric is relevant there should be a clear relationship between the indicator and the purpose of the measurement. Uncertainties should be reduced as far as possible. Data or mechanisms used should be supported by well-established organisations and updated over time. Robust modelled data and expert judgment can be used where data gaps exist. The methodology shall be sufficiently detailed to allow for meaningful comparison of impacts and mitigation activities over time. Information gathering processes and definitions must be systematically applied. This enables a meaningful review of the undertaking's performance over time and helps internal and peer comparison.	AR 28. The undertaking shall disclose metrics that are verifiable and that are technically and scientifically robust considering the appropriate time scales geographies, and may disclose how its selected metrics correspond to those criteria. To ensure that the metric is relevant there should be a clear relationship between the indicator and the purpose of the measurement. Uncertainties should be reduced as far as possible. Data or mechanisms used should be supported by well-established organisations and updated over time. Robust modelled data and expert judgment can be used where data gaps exist. The methodology shall be sufficiently detailed to allow for meaningful comparison of impacts and mitigation activities over time. Information gathering processes and definitions must be systematically applied. This enables a meaningful review of the undertaking's performance over time and helps internal and peer comparison.	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-M.
AR 29. If a metric corresponds to a target, the baseline for both shall be aligned. The biodiversity baseline is an	AR 29. If a metric corresponds to a target, the baseline for both shall be aligned. The biodiversity baseline is an essential component of the larger	Deleted

essential component of the larger biodiversity and ecosystems management process. The baseline is necessary to inform impact assessment and management planning, as well as monitoring and adaptive management.	biodiversity and ecosystems management process. The baseline is necessary to inform impact assessment and management planning, as well as monitoring and adaptive management.	Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-M.
AR 30. Methodologies available to collect data and measure the undertakings' impacts on biodiversity and ecosystems may be separated into three categories as follows:	AR 30. Methodologies available to collect data and measure the undertakings' impacts on biodiversity and ecosystems may be separated into three categories as follows:	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-M.
(a) primary data: collected in-situ using on the ground surveys;	(a) primary data: collected in-situ using on the ground surveys;	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-M.
(b) secondary data: including geospatial data layers that are overlaid with geographic location data of business activities. i. At the species level, data layers on the ranges of different species can be used to predict the species that may be present at different locations. This includes operation sites and sourcing locations. Different range layers will have different levels of accuracy depending on certain factors (e.g., whether species ranges have been refined based on availability of habitat). Information on the threat status of the species, and the activities that threaten them, can provide an indication of the likely contribution that business activities may be having on driving population trends and threat status. ii. At the ecosystem level, data layers reflecting change in the extent and condition of	(b) secondary data: including geospatial data layers that are overlaid with geographic location data of business activities. i. At the species level, data layers on the ranges of different species can be used to predict the species that may be present at different locations. This includes operation sites and sourcing locations. Different range layers will have different levels of accuracy depending on certain factors (e.g., whether species ranges have been refined based on availability of habitat). Information on the threat status of the species, and the activities that threaten them, can provide an indication of the likely contribution that business activities may be having on driving population trends and threat status. ii. At the ecosystem level, data layers reflecting change in the extent and condition of habitat fragmentation and connectivity.	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-M.

ecosystems can be applied, including levels of habitat fragmentation and connectivity.		
(c) modelled biodiversity state data: Model-based approaches are commonly used for measuring ecosystem level indicators (e.g., extent, condition, or function). Models quantify how the magnitude of different pressures affects the state of biodiversity. These are referred to as pressure-state relationships and are based on globally collected data. Modelling results are applied locally to estimate how undertaking-level pressures will cause changes in ecosystem condition. An impact driver generally has three main characteristics: magnitude (e.g., amount of contaminant, noise intensity), spatial extent (e.g., area of land contaminated) and temporal extent (duration of persistence of contaminant).	(c) modelled biodiversity state data: Model-based approaches are commonly used for measuring ecosystem level indicators (e.g., extent, condition, or function). Models quantify how the magnitude of different pressures affects the state of biodiversity. These are referred to as pressure-state relationships and are based on globally collected data. Modelling results are applied locally to estimate how undertaking-level pressures will cause changes in ecosystem condition. An impact driver generally has three main characteristics: magnitude (e.g., amount of contaminant, noise intensity), spatial extent (e.g., area of land contaminated) and temporal extent (duration of persistence of contaminant).	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. These types of specifications are addressed under ESRS 2 GDR-M.
AR 31. With regard to life cycle assessment for land-use, the undertaking may refer to the "Land-use related environmental indicators for Life Cycle Assessment" by the Joint Research Center.		Deleted Deleted as former para. 36 was deleted (based on stakeholder input perceiving it as not decision-useful).
AR 32. With regard to the introduction of invasive alien species, the undertaking may disclose the pathways and number of invasive alien species and the extent of surface covered by invasive alien species.	AR 32. With regard to the introduction of invasive alien species, the undertaking may disclose the pathways and number of invasive alien species and the extent of surface covered by invasive alien species.	Deleted from mandatory content and moved to NMIG Moved to NMIG 18 Moved for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only.
AR 33. With regard to metrics on the extent and condition of ecosystems, useful guidance can be found in the work of the United Nations System of Environmental Economic Accounting Ecosystem Accounting (UN SEEA EA).	AR 33. With regard to metrics on the extent and condition of ecosystems, useful guidance can be found in the work of the United Nations System of Environmental Economic Accounting Ecosystem Accounting (UN SEEA EA).	Deleted Deleted for reduction purposes and because it was not deemed by stakeholders to be a useful metric.
AR 34. The undertaking may disclose in units of area (e.g., m2 or ha) on land-use using guidance provided by the Eco- Management and Audit Scheme (EMAS) (82):	AR 34. The undertaking may disclose in units of area (e.g., m2 or ha) on land-use using guidance provided by the Eco- Management and Audit Scheme (EMAS) (82):	Deleted from mandatory content and moved to NMIG Moved to NMIG 21

	(a) total use of land;	Moved for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. EFRAG considers EMAS indicators potentially not decision-useful in relation to material IROs. Reference to EMAS was kept but edited to reflect this.
(a) total use of land;	(a) total use of land;	Deleted EFRAG considers EMAS indicators potentially not decision-useful in relation to material IROs. Reference to EMAS was kept but edited to reflect this.
(b) total sealed area;	(b) total sealed area;	Deleted EFRAG considers EMAS indicators potentially not decision-useful in relation to material IROs. Reference to EMAS was kept but edited to reflect this.
(c) total nature-oriented area on site; and	(c) total nature-oriented area on site; and	Deleted EFRAG considers EMAS indicators potentially not decision-useful in relation to material IROs. Reference to EMAS was kept but edited to reflect this.
(d) total nature-oriented area off site.	(d) total nature-oriented area off site.	Deleted EFRAG considers EMAS indicators potentially not decision-useful in relation to material IROs. Reference to EMAS was kept but edited to reflect this.
AR 35. The undertaking may disclose, for example, land cover change, which is the physical representation of the drivers “habitat modification” and “industrial and domestic activities”, i.e., the man-made or natural change of the physical properties of the earth’s surface at a specific location.	AR 35. The undertaking may disclose, for example, land cover change, which is the physical representation of the drivers “habitat modification” and “industrial and domestic activities”, i.e., the man-made or natural change of the physical properties of the earth’s surface at a specific location.	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. Land conversion addressed under NMIG19.
AR 36. Land cover is a typical variable that can be assessed with earth observation data.	AR 36. Land cover is a typical variable that can be assessed with earth observation data.	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only.

AR 37. When reporting on material impacts related to the ecosystems, the undertaking may, in addition to the extent and condition of ecosystems, also consider the functioning of ecosystems by using:	AR 37. When reporting on material impacts related to the ecosystems, the undertaking may, in addition to the extent and condition of ecosystems, also consider the functioning of ecosystems by using:	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. Addressed under NMIG19.
(a) metric that measures a process or function that the ecosystem completes, or that reflects the ability of the ecosystem to undertake that specific process or function: e.g. net primary productivity, which is a measure of plant productivity based on the rate at which energy is stored by plants and made available to other species in the ecosystem. It is a core process that occurs for ecosystems to function. It is related to many factors, such as species diversity, but does not measure these factors directly; or	(a) metric that measures a process or function that the ecosystem completes, or that reflects the ability of the ecosystem to undertake that specific process or function: e.g. net primary productivity, which is a measure of plant productivity based on the rate at which energy is stored by plants and made available to other species in the ecosystem. It is a core process that occurs for ecosystems to function. It is related to many factors, such as species diversity, but does not measure these factors directly; or	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. Addressed under NMIG19.
(b) metric that measures changes to the population of scientifically identified species under threat.	(b) metric that measures changes to the population of scientifically identified species under threat.	Deleted from mandatory content and moved to NMIG Moved to NMIG 19 Moved for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only. Addressed under NMIG19.
AR 38. At the ecosystem level, data layers reflecting change in the extent and condition of ecosystems may be applied, including levels of habitat fragmentation and connectivity.	AR 38. At the ecosystem level, data layers reflecting change in the extent and condition of ecosystems may be applied, including levels of habitat fragmentation and connectivity.	Deleted Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only.
Disclosure Requirement E4-6 – Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities	Disclosure Requirement E4-6 – Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS E4 <i>Biodiversity and ecosystems</i>	
AR 39. The undertaking may include an assessment of its related products and services at risk over the short-, medium- and long-term, explaining how these are defined, how financial amounts are estimated, and which critical assumptions are made.	AR 39. The undertaking may include an assessment of its related products and services at risk over the short-, medium- and long-term, explaining how these are defined, how financial amounts are estimated, and which critical assumptions are made.	Deleted Deleted following deletion of E4-6 in alignment with approach taken for E2-E5 standards and

		based on stakeholder input. Anticipated Financial Effects to be addressed under ESRS 2 SBM-3.
AR 40. The quantification of the anticipated financial effects in monetary terms under paragraph 45(a) may be a single amount or a range.	AR 40. The quantification of the anticipated financial effects in monetary terms under paragraph 45(a) may be a single amount or a range.	Deleted Deleted following deletion of E4-6 in alignment with approach taken for E2-E5 standards and based on stakeholder input. Anticipated Financial Effects to be addressed under ESRS 2 SBM-3.