



LOG OF AMENDMENTS

ESRS E4

BIODIVERSITY AND
ECOSYSTEMS



DECEMBER 2025

 EFRAG

Log of Amendments by Standard – ESRS E4 *Biodiversity and Ecosystems*

Annex to the Basis for Conclusions accompanying the draft amended ESRS – Illustration of the Amendments

Disclaimer: The Log of Amendments by Standard accompanies but is not part of the draft amended ESRS issued by EFRAG on 3 December 2025. It complements and should be read in conjunction with the Basis for Conclusions (BFC), where a summarised description of the main changes to the 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 the Basis for Conclusions where a summarised description of the main changes to individual Standards can be found.**
2. This document illustrates the amendments at paragraph level in draft amended ESRS E4 *Biodiversity and Ecosystems*.
3. The starting point is the text of the ESRS as enacted in 2023, 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 a summary of changes made to the DR using the following terminology: [AMENDED], [UNCHANGED], [NEW], [MOVED], [AMENDED, MOVED], [DELETED].
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 E4 as enacted in 2023	Amended ESRS E4	Comment/Rationale
1. The objective of this Standard is to specify Disclosure Requirements which will enable users of the sustainability statement to understand:	1. The <u>Sustainability statement</u> shall include information in relation to ESRS E4 <i>Biodiversity and Ecosystems</i> if this topic relates to material impacts, risks and opportunities to cover all the reporting areas listed in paragraph 5 of ESRS 1 <i>General Requirements</i> . If not all the sub-topics prescribed by objective of this Standard are to be reported following the materiality assessment, paragraph 30 of ESRS 1 <i>General Requirements</i> applies, specify Disclosure Requirements which will enable users of the sustainability statement to understand:	[AMENDED] Merged and streamlined paragraphs 1(a), 1(b), 1(d) and 1(e) of ESRS (as enacted in 2023) into this paragraph for conciseness.
(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;	[AMENDED, MOVED] Streamlined into paragraph 1 above, for conciseness.
(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	[AMENDED, MOVED] Streamlined into paragraph 1 above, for conciseness.
	3. In this Standard, each DR is introduced by a disclosure objective except for policies, actions and targets , for which the provisions in ESRS 2 GDR-P, GDR-A and GDR-T provide the necessary framing for the relevant DRs.	[NEW] Specification introduced across topical standards to highlighting the connection with general disclosure requirements in accordance with amended ESRS 2 <i>General Disclosures</i> .
(c) the plans and capacity of the undertaking to adapt its strategy and business model in line with: 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); Directive 2009/147/EC of the European	(c) 4. This Standard takes account of EU regulatory frameworks and other relevant frameworks, including the plans and capacity of the undertaking to adapt its strategy and business model in line with: respecting planetary boundaries related to biosphere integrity and land-system change; the vision of the Kunming-Montreal Global Biodiversity Framework and its <i>relevant</i> goals and targets; relevant aspects of the EU Biodiversity Strategy for 2030(77); EU Birds and Habitats Directives (Directive 2009/147/EC of the	[AMENDED] To create a consistent structure for EU law references across topical standards and updated the list of sources underpinning Amended ESRS E2.

Parliament and of the Council and Council Directive 92/43/EEC (EU Birds and Habitats Directives) (78); and v. Directive 2008/56/EC of the European Parliament and of the Council (Marine Strategy Framework Directive (79);	European Parliament and of the Council and Council Directive 92/43/EEC), (EU Birds and Habitats Directives) (78); and the Marine Strategy Framework Directive (Directive 2008/56/EC of the European Parliament and of the Council) , (Marine Strategy Framework Directive (79); the 2023 EU Marine Action Plan, the EU Water Framework Directive (Directive 2000/60/EC of the European Parliament), and the Nature Restoration Regulation (Regulation (EU) 2024/1991 of the European Parliament and of the Council).	
(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	(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	[AMENDED, MOVED] Streamlined into paragraph 1 above, for conciseness.
(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.	(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.	[AMENDED, MOVED] Same as above.
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	2.5. This Standard sets out Disclosure Requirements DRs related to biodiversity and ecosystems, particularly with respect to the following closely interlinked sub-topics: the undertaking's relationship to drivers of biodiversity and ecosystem change; the state of species; the condition and extent of terrestrial, freshwater and marine ecosystems; habitats, and ecosystem services. 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	[AMENDED] Connection with topics listed in Amended ESRS 1 <i>General Requirements</i> Appendix A has been strengthened, in alignment with similar amendments in other standards. Minor editorial changes to clearly highlight the various Biodiversity and Ecosystems sub-topics.
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.	3.6. 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.	[UNCHANGED]
	<u>7. Context-specific considerations are particularly important in relation to biodiversity and ecosystems. If material impacts, risks or opportunities are related to</u>	[NEW] The principle-based approach related to the consideration of location-specific context when

	<p><u>specific geographies, it is important to consider appropriate aggregation or disaggregation of the reported information, e.g. by site, ecosystem or another level in accordance with ESRS 1 General Requirements, Chapter 3.3.2 Level of Aggregation, Disaggregation.</u></p>	<p>identifying IROs, as well as the disaggregation of reported information by relevant geography, for instance by site, is addressed under ESRS 1 General requirements and ESRS 2 General Disclosures. This paragraph has been introduced to briefly restate the relevance of context-specific considerations in relation to pollution, water and biodiversity and the aggregation or disaggregation of reported information along geographies, as appropriate.</p>
Interactions with other ESRS		
ESRS E4 as enacted in 2023	Amended ESRS E4	Comment/Rationale
<p>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).</p>	<p><u>8. ‘Biodiversity and ecosystems’ are closely connected to other Social and environmental topics interact with each other. matters. The main For instance, 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 <u>E4 Biodiversity and Ecosystems</u> this standard, except for climate change (covered by ESRS E1) and pollution(covered by ESRS E2), which are addressed by <u>ESRS E1 Climate Change</u> and <u>ESRS E2 Pollution</u>. The main points of interaction between ESRS E4 Biodiversity and Ecosystems and the other topical standards are the following.</u></p>	<p>[AMENDED] Editorial simplification. Includes reference to ‘social’ topics as paragraph 6 as enacted in 2023 is merged into amended ESRS E4 point (e) below.</p>
<p>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:</p>	<p>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:</p>	<p>[AMENDED, MOVED] Simplified in amended ESRS E4 paragraph 8.</p>
<p>(a) ESRS E1 Climate change, which addresses in particular GHG emissions and energy resources (energy consumption);</p>	<p>(a) ESRS E1 Climate Change, which addresses in particular <u>climate change mitigation, climate change adaptation and GHG emissions and energy resources (energy consumption);</u> whereas <u>impacts on biodiversity and ecosystems related to the</u></p>	<p>[AMENDED] Editorial changes to improve clarity of interaction between amended ESRS E4 and ESRS E1.</p>

	<u>undertaking's activities addressing climate mitigation and adaptation are addressed in ESRS E4 <i>Biodiversity and Ecosystems</i>.</u>	
(b) ESRS E2 Pollution, which addresses pollution to air, water and soil;	(b) ESRS E2 Pollution, which addresses the <u><i>emission of pollutants</i></u> to air, water and soil ; and the <u>manufacturing, use and release of <i>microplastics</i></u> , whereas impacts of pollution on biodiversity and ecosystems are addressed in ESRS E4 <i>Biodiversity and Ecosystems</i> .	[AMENDED] Editorial changes to improve clarity of interaction between amended ESRS E4 and ESRS E2.
(c) ESRS E3 Water which addresses the management of water resources;	(c) ESRS E3 Water which addresses the <u>use of water</u> , whereas impacts on biodiversity and ecosystems related to the use of management of water resources ; are addressed in ESRS E4 <i>Biodiversity and Ecosystems</i> .	[AMENDED] Editorial changes to improve clarity of interaction between amended ESRS E4 and ESRS 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) ESRS E5 Resource Use and Ue <i>ircular Eeconomy</i> addresses the <u>type and <i>circularity of resource inflows</i></u> , including <u><i>marine resources, waste</i></u> and the <u>implementation of <i>circular economy principles</i></u> , whereas the impacts on biodiversity and ecosystems related to these topics are addressed in ESRS E4 <i>Biodiversity and Ecosystems</i> . transition away from extraction of non-renewable resources and the implementation of practices that prevent waste generation.	[AMENDED] Editorial changes to improve clarity of interaction between amended ESRS E4 and ESRS E5.
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 (e) <u>ESRS S3 Affected communities</u> ; addresses material negative impacts on <u><i>affected communities</i></u> arising from biodiversity and ecosystems-related impacts attributable to the undertaking.	[AMENDED, MOVED] Paragraph 6 as enacted in 2023 edited and included as amended ESRS E4 paragraph 8 (e) for consistency; all interactions of amended ESRS E4 with other ESRS are now 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. 2. This objective of this Standard is to set out <u>Disclosure Requirements (DRs) providing information in relation to the reporting areas referred above that implement and complement the cross-cutting provisions of</u> should be read in conjunction with ESRS 1	[AMENDED] Enhanced the clarity of this standard's objective.

	<i>General Requirements and ESRS 2 General Disclosures.</i>	
Disclosure Requirements – ESRS 2 General Disclosures		
RS E4 as enacted in 2023	Amended ESRS E4	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 amended ESRS E4 paragraph 3.
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 enacted in 2023 SBM-3 section under E4 was Deleted here and across topical standards.
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 – Biodiversity and ecosystems transition plan	Comment/Rationale
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 (enacted in 2023 E4 para. 13), which is addressed in amended ESRS 2 SBM-3. This is consistent with the approach of reducing topical provisions and not addressing SBM-3-related disclosure requirements 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.	12. 9. The objective of this <u>DR</u> Disclosure Requirement is to enable an understanding of the <u>resilience of the</u> undertaking's <u>response and contribution to the transition implied by the Kunming-Montreal Global and business model in relation to B</u>biodiversity Framework (GBF) if it has in place a <i>biodiversity and ecosystems transition plan</i> and has made public its key features. <u>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>	[AMENDED] Edited to reflect the new focus of E4-1 on Transition Plan (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] Same as above.
(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] Same as above.
(c) the key assumptions made;	(c) the key assumptions made;	[DELETED] Same as above.
(d) the time horizons used;	(d) the time horizons used;	[DELETED] Same as above.
(e) the results of the resilience analysis; and	(e) the results of the resilience analysis; and	[DELETED] Same as above.
(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] Same as above.
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	[DELETED] Redundant as para. 13 as enacted in 2023 has been deleted.

	undertaking may refer to the information it has disclosed under ESRS 2 SBM-3.	
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.	15. 10. If the undertaking has in place a plan to improve and, ultimately, achieve alignment of its business model and strategy so that it contributes to the global goal of halting and reversing biodiversity loss, as stated in the GBF, and it has made public the key features of such plan, it shall disclose those features. - 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.	[AMENDED] Edited to reflect the updated focus of amended ESRS E4-1. The disclosure has been changed from voluntary to mandatory status due to its strong decision-usefulness for users, particularly in relation to undertakings operating in certain sectors. Reporting on a Transition Plan is required only when such a plan exists and key features of it have been publicly issued. The latter points recognise the current limited maturity in the implementation and disclosure of biodiversity transition plans. The adoption and transparency of TPs are expected to become increasingly important over time.
SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	<u>Disclosure Requirement E4-2 – Policies related to biodiversity and ecosystems</u>	Comment/Rationale
16. The undertaking shall disclose: (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: 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.	16. The undertaking shall disclose: (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: 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.	[AMENDED, MOVED] Enacted in 2023 para 16 (a) has been streamlined in amended ESRS E4-5 paragraph 18 of E4-5: Data points kept as is, including the focus on activities with negative effects, as it was considered by EFRAG highly decision-useful information and considering this informs SFDR indicators. Former (a)i streamlined and addressed under para 18(c). Former (a)ii streamlined and addressed under para 18(a). Former (a)iii simplified and addressed under para 18(b). Amended ESRS E4 para. 18 emphasises that, in relation to biodiversity, disaggregation by location is necessary when material IROs depend significantly on geographical factors, and it also stresses the relevance of reporting on affected biodiversity-sensitive areas. The amended paragraph introduces more flexibility than in ESRS E4 as enacted in 2023 and allows for aggregation

	<p>18. 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 impacts, risks or opportunities relate;</p> <p>(b) for those locations, a list of biodiversity-sensitive area(s) (name and type) related to the undertaking's material negative impacts, if any; and</p> <p>(c) the undertaking's activities that are related to material negative impacts on the biodiversity-sensitive areas described in (b) above.</p>	<p>of information. The term 'location' (not explicitly defined in the Glossary) is used, rather than the term 'geography' introduced in amended ESRS 1, as the latter one could lead undertakings to aggregate information on negative impacts on biodiversity at an inappropriate, non-decision-useful level (e.g. by country or ecosystem type). At the same time the term 'site' was avoided here to not convey that disclosures by each individual site are necessarily expected.</p>
(b) whether it has identified material negative impacts with regards to land degradation, desertification or soil sealing; and	<p>(b) AR 9 when providing the description of whether it has identified material negative impacts in accordance with regards to ESRS 2 IRO-2, the undertaking shall indicate which material impacts concern land degradation, desertification or soil sealing and operations that affect threatened species or ecosystems.</p>	<p>[AMENDED, MOVED] Enacted in 2023 paragraph 16 (b) and (c) have been simplified into one amended AR 9</p>
(c) whether it has operations that affect threatened species.	<p>(c) whether it has operations that affect threatened species.</p>	<p>[AMENDED, MOVED] Same as above.</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
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:	<p>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:</p>	<p>[DELETED] E4 IRO-1 section deleted for reduction purposes, as already addressed in Amended ESRS 2, and based on EFRAG's decision not to have IRO-1 sections in the topical standards.</p>
(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;	<p>(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;</p>	<p>[DELETED] Same as above.</p>

(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] Same as above.
(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] Same as above.
(d) considered systemic risks;	(d) considered systemic risks;	[DELETED] Same as above.
(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 ii. 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; 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 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.	(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 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.	[DELETED] Same as above.
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:	18. AR 4. The undertaking may disclose whether and how it has used bBiodiversity and ecosystems scenario analysis to <u>can</u> inform the identification, and assessment, and management of material risks and opportunities over short-, medium- and long-term time horizons. If the undertaking can consider the has used	[AMENDED, MOVED] Enacted in 2023 paragraph 18 has been reformulated into amended ESRS AR 4 as methodological guidance.

	of such scenario analysis, it may disclose the following information: when defining its policies, actions and targets.	
(a) why the considered scenarios were selected;	(a) why the considered scenarios were selected;	[DELETED] This datapoint has been deleted.
(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] This datapoint has been deleted.
(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).	(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).	[DELETED] This datapoint has been.
19. The undertaking shall specifically disclose:	19. The undertaking shall specifically disclose:	[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) 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	[AMENDED, MOVED] Location-specific disclosures simplified and consolidated in amended ESRS E4 paragraph 18 under E4-5 metrics.
(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	(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	[DELETED] Deleted to reduce number of datapoints; datapoint not considered highly decision-useful by EFRAG.

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 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.	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 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
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 paragraph 22 as enacted in 2023 (now amended paragraph 11).
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. <u>11.</u> The disclosure required by paragraph 20 shall contain the information on the policies the undertaking shall disclose <u>has in place to manage its material impacts, risks, dependencies and opportunities</u> related to biodiversity and ecosystems-related <u>policies</u> in accordance with <u>the provisions of</u> ESRS 2 <u>GMDR-P Policies adopted to manage material sustainability matters</u>).	[AMENDED] Simplified and consolidated with paragraph 20 of ESRS E4 as enacted in 2023. Specification maintained across topical standards to highlight the interaction with amended ESRS 2, addressing the feedback received from stakeholders.
23. In addition to the provisions of ESRS 2 MDR-P the undertaking shall describe whether and how its biodiversity and ecosystems -related policies :	23. <u>12.</u> In addition to the provisions of ESRS 2 <u>GMDR-P</u>, the undertaking shall describe <u>the content of whether and how</u> its biodiversity and ecosystems-related policies <u>with respect to</u>:	[AMENDED] Enacted in 2023 paragraph 23 has been kept with a new reference to GDR-P as amended paragraph 12
(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;	<u>12. (a) supporting the traceability of products, components and raw materials with that have actual or potential material impacts on biodiversity and ecosystems along the in its value chain; and</u>	[AMENDED] In amended para 12 (a) 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] This datapoint has been deleted.
(f) address social consequences of biodiversity and ecosystems-related impacts.	(f) address social consequences of biodiversity and ecosystems-related impacts.	[DELETED] This datapoint has been deleted.
24. The undertaking shall specifically disclose whether it has adopted:	24. The undertaking shall specifically disclose whether it has adopted:	[DELETED]
(a) biodiversity and ecosystem protection policy covering operational sites owned, leased, or managed in or near a biodiversity sensitive area ;	(a) <u>(b) biodiversity and ecosystem protection policy</u> covering operational sites in its own operations owned, leased, or managed in or near a biodiversity sensitive area.	[AMENDED, MOVED] Simplified and placed under amended ESRS E4 paragraph 12(b). Decision to keep DP to outline topical specifications 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 the undertaking addresses location-specific IROs. Amended to clarify reporting is only necessary for sites in own operations. Informs SFDR indicator.
(b) sustainable land / agriculture practices or policies (77);	<u>AR 3. When describing the content of its policies, the undertaking shall specify, where applicable, whether they address sustainable land or agricultural practices; sustainable oceans or seas practices; or deforestation. or policies</u>	[AMENDED, MOVED] Moved to amended ESRS E4 AR 3. Paragraphs 24, (b), (c), (d) as enacted in 2023 have been 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.
(c) sustainable oceans / seas practices or policies ⁽⁷⁸⁾ ; and	(c) sustainable oceans / seas practices or policies ⁽⁷⁸⁾; and	[AMENDED, MOVED] Moved to AR 3. See comment above.
(d) policies to address deforestation ⁽⁷⁹⁾ .	(d) policies to address deforestation ⁽⁷⁹⁾.	[AMENDED, MOVED] Same as above.
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
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 paragraph 27 as enacted in 2023 (now amended paragraph 13)
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. 13. The undertaking shall disclose its description of key biodiversity- and ecosystems-related actions and resources <u>allocated to their implementation in accordance with the provisions of ESRS 2 GDR-A.</u> shall follow the mandatory content defined in ESRS 2 MDR-A <i>Actions and resources in relation to material sustainability matters</i>.	[AMENDED] Simplified and consolidated with paragraph 25 of ESRS E4 as enacted in 2023. Specification maintained across topical standards to highlight the interactions with amended ESRS 2, addressing the feedback received from stakeholders.
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 amended ESRS 2 GDR-A AR 38.

(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:	(b) shall disclose whether it used 14. In addition to the provisions of ESRS 2 GDR-A, the undertaking shall describe any biodiversity offsets in used as part of its actions plans. If the actions contain biodiversity offsets, the undertaking shall include the following information, including	[AMENDED] Amended ESRS E4 para 14 consolidates enacted in 2023 para. 28(b) i, ii, iii into one paragraph for simplification. Provision kept as considered a relevant topical specification by EFRAG. A definition of biodiversity offsets was added to the Glossary.
i. the aim of the offset and key performance indicators used;	i. the aim of the offsets, and key performance indicators used;	
ii. the financing effects (direct and indirect costs) of biodiversity offsets in monetary terms; and;	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;	iii. a description of offsets including, the area, type, the and quality criteria applied, and the standards that with which the biodiversity offsets comply with;	
(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] This datapoint has been deleted.
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
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 paragraph 31 as enacted in 2023 (now amended paragraph 15).
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> .	31. 15. The undertaking shall disclose its biodiversity and ecosystems description of the targets in accordance with the provisions of shall follow the mandatory content defined in ESRS 2 MDR-T GDR-T <i>Tracking effectiveness of policies and actions through targets</i>.	[AMENDED] Simplified and consolidated with paragraph 29 of ESRS E4 as enacted in 2023. specification maintained across topical standards to highlight the interaction with amended ESRS 2, addressing the feedback received from stakeholders.
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]

		Deleted following EFRAG's approach of significantly reducing specifications of PATs at topical level.
(a) whether ecological thresholds and allocations of impacts to the undertaking were applied when setting targets. If so, the undertaking shall specify: 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;	(a) whether ecological thresholds and allocations of impacts to the undertaking were applied when setting targets. If so, the undertaking shall specify: 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;	[DELETED] Deleted for reduction purposes. Ecological thresholds to be addressed under ESRS 2 GDR-T AR 48 for para. 51(g).
(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;	(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;	[DELETED] This datapoint has been deleted.
(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;	(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;	[DELETED] This datapoint has been deleted.
(d) the geographical scope of the targets, if relevant;	(d) the geographical scope of the targets, if relevant;	[DELETED] Addressed under ESRS 2 GDR-T.
(e) whether or not the undertaking used biodiversity offsets in setting its targets; and	16. (e) If the undertaking uses biodiversity offsets in setting its targets, whether or not it shall disclose how these offsets were used. the undertaking used biodiversity offsets in setting its targets; and	[AMENDED, MOVED] Provision kept as considered a relevant topical specification by EFRAG.
(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).	(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).	[DELETED] This datapoint has been deleted.
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

33. The undertaking shall report metrics related to its material impacts on biodiversity and ecosystems.	33. 19. In addition to paragraph 18, and in accordance with ESRS 2 GDR-M, t The undertaking shall report metrics related to its material impacts on biodiversity and ecosystems .	[AMENDED] Streamlined ESRS E4 para. 33, 36, 38-41 as enacted in 2023 into one amended ESRS E4 para. 19 for simplicity and to align with EFRAG's approach of deleting all voluntary datapoints. Amended ESRS E4 para. 19 now requires disclosure of metrics linked to material impacts across all material subtopics while preserving flexibility for undertakings to select relevant metrics. This responds to the perceived lack of maturity or disclosure practice of standardized biodiversity metrics.
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.	34. 17. The objective of this DR Disclosure Requirement is to enable an understanding of the performance of the undertaking against impacts identified as material impacts, risks and opportunities . in the materiality assessment on biodiversity and ecosystems change.	[AMENDED] Amended to better reflect the scope of E4-5 in amended ESRS E4 paragraph 17.
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.	[AMENDED, MOVED] Consolidated in amended ESRS E4 para. 18 Location-specific DRs previously in E4 SBM-3, E4 IRO-1 and E4-5 are consolidated under amended ESRS E4-5 for clarity. The datapoint on site area (para. 35 as enacted in 2023) was deleted for reduction purposes as considered a proxy for land-use impacts of limited decision-usefulness (also not relevant to assess other impacts related to, for instance, pollution) The requirement to disclose the number of sites was also removed, and companies can provide the information requested in amended E4-5 paragraph 18 also in connection with group of sites, as relevant.
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.	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.	[AMENDED, MOVED] Streamlined ESRS E4 para. 33, 36, 38-41 as enacted in 2023 into amended ESRS E4 para. 19 for simplicity and to align with EFRAG's approach of deleting voluntary datapoints.

37. For datapoints specified in paragraphs 38 to 41, the undertaking shall consider its own operations.	37. For datapoints specified in paragraphs 38 to 41, the undertaking shall consider its own operations.	[DELETED] Redundant, specification that metrics refer to own operations, except of stated otherwise and except for entity-specific metrics, to be included in ESRS 2.
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:	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:	[AMENDED, MOVED] Streamlined ESRS E4 para. 33, 36, 38-41 as enacted in 2023 into one amended ESRS E4 para. 19 for simplicity. Amended ESRS paragraph AR 10 highlights the connection of metrics with E4 sub-topics, including drivers of change.
(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);	[AMENDED, MOVED] Streamlined ESRS E4 para. 33, 36, 38-41 as enacted in 2023 into amended ESRS E4 para. 19 for simplicity and to align with EFRAG's approach of deleting voluntary datapoints.
(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);	[AMENDED, MOVED] Same as above.
(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);	[AMENDED, MOVED] Same as above.
(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	[AMENDED, MOVED] Same as above.
(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).	[AMENDED, MOVED] Same as above.
39. If the undertaking concluded that it directly contributes to the accidental or voluntary introduction of invasive alien species, the undertaking may disclose the metrics it uses to manage pathways of introduction and	39. If the undertaking concluded that it directly contributes to the accidental or voluntary introduction of invasive alien species, the undertaking may disclose the metrics it uses to manage pathways of introduction	[AMENDED, MOVED] Streamlined ESRS E4 para. 33, 36, 38-41 as enacted in 2023 into amended ESRS E4 para. 19 for simplicity and

spread of invasive alien species and the risks posed by invasive alien species.	and spread of invasive alien species and the risks posed by invasive alien species.	to align with EFRAG's approach of deleting voluntary datapoints.
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:	[AMENDED, MOVED] Streamlined ESRS E4 para. 33, 36, 38-41 as enacted in 2023 into amended ESRS E4 para. 19 for simplicity and to align with EFRAG's approach of deleting voluntary datapoints.
(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;	[AMENDED, MOVED] Same as above.
(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;	[AMENDED, MOVED] Same as above.
(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;	[AMENDED, MOVED] Same as above.
(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.	(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.	[AMENDED, MOVED] Same as above.
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:	[AMENDED, MOVED] Streamlined ESRS E4 para. 33, 36, 38-41 as enacted in 2023 into amended ESRS E4 para. 19 for simplicity and to align with EFRAG's approach of deleting voluntary datapoints.
(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.,	(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	[AMENDED, MOVED] Same as above.

provides the area without describing the species diversity within the forest).	the ecosystem (e.g., provides the area without describing the species diversity within the forest).	
(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).	(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 metrics that reflect structural components of condition such as habitat connectivity (i.e., how linked habitats are to each other).	[AMENDED, MOVED] Same as above.
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
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] ESRS E4-6 as enacted in 2023 deleted at topical level, (in alignment with amended ESRS E2–E5) based also on stakeholder input pointing at, among others, perceived complexity of accurate quantification. Anticipated financial effects are now addressed under amended ESRS 2 <i>General Disclosures</i> SBM-3.

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] ESRS E4-6 as enacted in 2023 deleted at topical level, in alignment with amended ESRS E2–E5 based also on stakeholder input pointing at, among others, perceived complexity of accurate quantification. Anticipated financial effects are now addressed under amended ESRS 2 <i>General Disclosures</i> SBM-3 paragraph 27.
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] ESRS E4-6 as enacted in 2023 deleted at topical level, in alignment with amended ESRS E2–E5 based also on stakeholder input pointing at, among others, perceived complexity of accurate quantification. Anticipated financial effects are now addressed under amended ESRS 2 <i>General Disclosures</i> SBM-3 paragraph 27.
(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] Same as above.
(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] Same as above.
45. The disclosure shall include:	45. The disclosure shall include:	[DELETED] ESRS E4-6 as enacted in 2023 deleted at topical level, in alignment with amended ESRS E2–E5 based also on stakeholder input pointing at, among others, perceived complexity of accurate quantification. Anticipated financial effects are now addressed under amended ESRS 2 <i>General Disclosures</i> SBM-3 paragraph 27.

(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] Same as above.
(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] Same as above.
(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] Same as above.
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
AR 1. If disclosing a transition plan, the undertaking may:	AR 1. Biodiversity can also be part of an undertaking's broader <u>if disclosing a transition plan that, for instance, addresses climate change. Biodiversity and ecosystems transition plans, or plans that integrate biodiversity, contain information on targets, key actions, financial planning and governance. They are also expected to include a clear explanation of how the undertaking's strategy and business model will evolve to contribute to the global goal of halting and reversing</u>	[AMENDED] Amended ESRS E4 AR1 focuses on providing simplified guidance on key features of biodiversity and ecosystems transition plans in alignment with E1-1 and consistent with TNFD's Guidance on Nature in Transition Plans of November 2025, highlighting also that biodiversity does not necessarily need to be addressed in a stand-alone transition plan.

	<u>global biodiversity loss set out in the GBF and can include the identification and management of synergies and trade-offs with other transition plan objectives, including any response and contribution to the transition implied by the Paris Agreement. the undertaking may:</u>	
(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 ;	(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;	[DELETED] This datapoint has been deleted.
(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] This datapoint has been deleted.
(c) explain how its strategy interacts with its transition plan;	(c) explain how its strategy interacts with its transition plan;	[AMENDED, MOVED] This datapoint has been integrated under amended AR1
(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] This datapoint has been deleted.

(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] This datapoint has been deleted.
(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]
(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;	(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	[DELETED] This datapoint has been deleted.
(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] This datapoint has been deleted.
(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] This datapoint has been deleted.
(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] This datapoint has been deleted.
(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] This datapoint has been deleted.

	AR 2. 'Has made public' means that the undertaking has made its biodiversity and ecosystems transition plan available, before or at the time of the release of its sustainability statement, through accessible public channels such as its website or reports	[NEW] Clarification was requested by stakeholders on what 'has made public' means
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:	[DELETED] This datapoint has been deleted.
(a) The decline of pollinators is reversed.	a) the decline of pollinators is reversed.	[DELETED] This datapoint has been deleted.
(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] This datapoint has been deleted.
(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] This datapoint has been deleted.
(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] This datapoint has been deleted.
(e) Significant progress in the remediation of contaminated soil sites.	e) significant progress in the remediation of contaminated soil sites;	[DELETED] This datapoint has been deleted.
(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] This datapoint has been deleted.
(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] This datapoint has been deleted.
(h) The negative impacts on sensitive species and habitats, including on the seabed through fishing and extraction activities, are sustainably 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 sustainably reduced to achieve good environmental status.	[DELETED] This datapoint has been deleted.

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 . deleted as EFRAG considers it 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] Same as above.
(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] Same as above..
(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] Same as above.
(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] Same as above.
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] Same as above.
i. climate change; ii. land-use change (e.g., land artificialisation), freshwater-use change and sea-use change; iii. direct exploitation; iv. invasive alien species; v. pollution; and vi. others.	i. climate change; ii. land-use change (e.g., land artificialisation), freshwater-use change and sea-use change; iii. direct exploitation; iv. invasive alien species; v. pollution; and vi. others.	[DELETED] Same as above.
(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] Same as above.
(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] Same as above.
(d) impacts and dependencies on ecosystem services.	(d) impacts and dependencies on ecosystem services.	[DELETED] Same as above.

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.	[DELETED] Deleted for reduction purposes and considered by EFRAG redundant at topical level as specifications on the materiality assessment are addressed in ESRS 2.
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).	[DELETED] Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR. Reference to LEAP deleted from environmental standards and kept simplified in amended ESRS 1 paragraph AR 15.
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:	[DELETED] Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR. Reference to LEAP deleted from environmental standards and kept simplified in amended ESRS 1 paragraph AR 15.
(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 provide information about sites for which future operations have been formally announced;	(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 provide information about sites for which future operations have been formally announced;	[DELETED] Same as above.
(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] Same as above.
(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] Same as above.

(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] Same as above.
(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] Same as above.
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 deleted from environmental standards and kept simplified in amended ESRS 1 paragraph AR 15.
(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] Same as above.
(b) identify actual and potential impacts and dependencies;	(b) identify actual and potential impacts and dependencies;	[DELETED] Same as above.

<p>(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:</p> <p>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 national list of threatened species, or in officially recognised Protected Areas, the Natura 2000 network of protected areas and Key Biodiversity Areas);</p> <p>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</p>	<p>(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:</p> <p>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 national list of threatened species, or in officially recognised Protected Areas, the Natura 2000 network of protected areas and Key Biodiversity Areas);</p> <p>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</p>	<p>[DELETED] Same as above.</p>
<p>(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).</p>	<p>(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).</p>	<p>[DELETED] Same as above.</p>
<p>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:</p>	<p>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:</p>	<p>[DELETED] Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR. Reference to LEAP deleted from environmental standards and kept simplified in amended ESRS 1 paragraph AR 15.</p>

<p>(a) physical risks:</p> <p>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</p> <p>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).</p>	<p>(a) physical risks:</p> <p>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</p> <p>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).</p>	<p>[DELETED] Same as above.</p>
<p>(b) transition risks, including:</p> <p>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;</p> <p>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. 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</p>	<p>(b) transition risks, including:</p> <p>iii. 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;</p> <p>iv. 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. climate resistant crops, mechanical pollinators, water purification, flood protection);</p>	<p>[DELETED] Same as above.</p>

(e.g., biodiversity-intense inputs for which price has risen due to ecosystem degradation); iv. reputation: e.g., changing societal, customer or community perception 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.	v. 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); reputation: e.g., changing societal, customer or community perception 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.	
(c) systemic risks, including: 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); 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 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.	(c) systemic risks, including: iv. 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); v. 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 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.	[DELETED] Same as above.
(d) opportunities, including for example: i. business performance categories: resource efficiency; products and services; markets; capital flow and financing; reputational capital; and ii. sustainability performance categories: ecosystem protection, restoration and regeneration; sustainability use of natural resources.	(d) opportunities, including for example: iii. business performance categories: resource efficiency; products and services; markets; capital flow and financing; reputational capital; and sustainability performance categories: ecosystem protection, restoration and regeneration; sustainability use of natural resources.	[DELETED] Same as above.
AR 10. The undertaking may consider the tables below to facilitate its materiality assessment of material sites identified under paragraph AR 7:	AR 10. The undertaking may consider the tables below to facilitate its materiality assessment of material sites identified under paragraph AR 7:	[DELETED] This datapoint has been deleted.

[...] 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:	[DELETED] This datapoint has been deleted.
Disclosure Requirement E4-2 – Policies related to biodiversity and ecosystems	Disclosure Requirement E4-2 – Policies related to biodiversity and ecosystems	Comment/Rationale
	<u>AR 5. If the undertaking's site is in or near a biodiversity-sensitive area, its activities can be related to material negative impacts on the biodiversity-sensitive area. Whether an undertaking's site outside a biodiversity-sensitive area is near such an area shall be determined by defining the site's area of influence. The area of influence can be determined by applying buffer distances specific to the undertaking's type of activity following regulatory requirements, science-based recommendations and industry best practice.</u>	[NEW] This AR was introduced as EFRAG considered it essential to incorporate disclosures concerning the undertaking's impacts on sites not encompassed within its direct operations.
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] This datapoint has been deleted.
(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] This datapoint has been deleted.
(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] This datapoint has been deleted.
(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] This datapoint has been deleted.

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] This datapoint has been deleted.
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] This datapoint has been deleted.
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] This datapoint has been deleted.
(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] This datapoint has been deleted.
(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] This datapoint has been deleted.
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:	[DELETED] 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 AR38 for para. 45.
(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;	[DELETED] Same as above.
(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;	[DELETED] Same as above.

(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	[DELETED] Same as above.
(d) mitigate its contribution to material biodiversity loss drivers.	(d) mitigate its contribution to material biodiversity loss drivers.	[DELETED] Same as above.
AR 17. When disclosing its policies , if referring to thirdparty 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 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] Same as above.
(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] Same as above.
(c) encourages a step-wise approach and continuous improvement, both in the standard and its application of better management practices, and requires the establishment of meaningful targets and specific milestones to indicate progress against principles and criteria over time;	(c) encourages a step-wise approach and continuous improvement, both in the standard and its application of better management practices, and requires the establishment of meaningful targets and specific milestones to indicate progress against principles and criteria over time;	[DELETED] Same as above.
(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] This datapoint has been deleted.

(e) conforms to the ISEAL Code of Good Practice.	(e) conforms to the ISEAL Code of Good Practice.	[DELETED] Deleted for reduction purposes and to align with EFRAG's approach that AR shall contain mandatory methodological requirements only.
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
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] Deleted for reduction purposes
(a) the relevant line items or notes in the financial statements;	(a) the relevant line items or notes in the financial statements;	[DELETED] Deleted for reduction purposes
(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] Deleted for reduction purposes
(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] Deleted for reduction purposes
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] This datapoint has been deleted.

(a) avoidance through site selection (Locate the entire project away from areas recognised for important biodiversity values);	avoidance through site selection (Locate the entire project away from areas recognised for important biodiversity values);	[DELETED] This datapoint has been deleted.
(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] This datapoint has been deleted.
(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] This datapoint has been deleted.
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] Same as above.
(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] Same as above.
(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] Same as above.

(d) an explanation of whether the key action is intended to be a onetime initiative or systematic practice;	(d) an explanation of whether the key action is intended to be a onetime initiative or systematic practice;	[DELETED] Same as above.
(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] Same as above.
(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] Same as above.
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 <i>indigenous peoples</i> , 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 <i>indigenous peoples</i>, local knowledge informs decision-making about fundamental aspects of day-to-day life.	[DELETED] This datapoint has been deleted.
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

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] This datapoint has been deleted.
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 consultants and the need to respect the decisions of these communities.	AR 23. When <u>AR 6. Actions</u> to be disclosed, information required under paragraph <u>13</u> for the purpose of setting targets the undertaking shall consider the <u>need for an informed and willing right to free, prior and informed consent of local and indigenous peoples</u> (see also ESRS S3-2), the need for appropriate consultants and the need to respect the decisions of these communities.	[AMENDED] Revised to reference the right to free, prior and informed consent (FPIC) of Indigenous peoples more clearly and separated from 'local communities', as FPIC applies specifically to Indigenous peoples. The term 'local communities' is not used in the ESRS and information concerning the engagement with affected stakeholders, including affected communities, is addressed in amended ESRS 2 IRO-1 and SBM-2 and ESRS S1-S4. Also, AR now placed under amended ESRS E4-3 (actions) as FPIC considered more relevant in connection to actions than targets.
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] This datapoint has been deleted.
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] Deleted, as it adds limited value by directing attention to general targets while not addressing site-specific targets or impacts.
AR 26. Measurable targets related to biodiversity and ecosystems may be expressed as:	AR 26. Measurable targets related to <u>AR 7 Bbiodiversity</u> related targets: and ecosystems may be expressed as:	[AMENDED] ESRS E4 paragraph AR 26 as enacted in 2023 completely reviewed as considered outdated by stakeholders. Amended AR builds on the input received

		through the public consultation (particularly the dedicated survey Question 30).
	<u>(a) typically address ‘pressures’ on nature and aim at reducing the drivers of biodiversity and ecosystem change (e.g. avoiding land-use change due to the conversion of forest land) as well as address the ‘state of nature’ and aim to improve the species and ecosystem extent and condition (e.g. increasing the population size of species at extinction risk or restoring a landscape condition compared to a baseline level);</u>	[NEW] Amended AR highlights two key areas (pressures and state of nature) that biodiversity targets typically address.
(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] In line with the decision by EFRAG to provide more flexible guidance and target setting options.
	<u>(b) are most effective if they are science-based and aligned with ecological thresholds and contribute to the targets of the GBF;</u>	[NEW] Amended AR highlights the relevance of science-based approaches and the connection to GBF, as per input received by stakeholders, to enhance meaningful target-setting and reporting.
(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] In line with the decision by EFRAG to provide more flexible guidance and target setting options.
	<u>(c) can be set at different levels (see ESRS 2 General Disclosures, paragraph 51(c)), e.g. at site, landscape, company or upstream value chain level, depending on the goal of the target and the capacity of the undertaking to influence its achievement;</u>	[NEW] Added to highlight the relevance of the organisational or geographical scope when setting biodiversity targets, depending on where impacts and leverage occur and in alignment with amended ESRS 2 paragraph 51(c).
(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] In line with the decision by EFRAG to provide more flexible guidance and target setting options.
	(d) are typically implemented in accordance with the mitigation hierarchy: avoidance, minimisation, restoration and compensation.	[NEW] Added to anchor biodiversity target-setting more clearly in the mitigation hierarchy, in response to stakeholder feedback for further guidance on target-

		setting and the relevance of the mitigation hierarchy framework in relation to the topic of biodiversity.
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
	<p>AR 8 To inform the prioritisation for disclosure and the level of aggregation or disaggregation, the undertaking shall consider locations where its own operations are related to material negative impacts on biodiversity-sensitive areas.</p> <p>The undertaking is not necessarily expected to disclose this information for each of its individual sites and can aggregate information to relevant groups of sites related to its material impacts, risks and opportunities, for example based on the same biodiversity-sensitive area or cluster of areas in a region affected by multiple sites, in accordance with ESRS 1 <i>General Requirements</i>, Section 3.3.2.</p>	<p>[NEW]</p> <p>AR clarifies the relevance of biodiversity-sensitive areas when considering locations to disclose information on, while providing flexibility in line with EFRAG's simplification approach.</p> <p>It clarifies that undertakings are not expected to disclose information for every individual site, perceived by some preparers as adding unnecessary burden or risking obscuring material information, and may instead aggregate disclosures, as appropriate (e.g. by groups of sites).</p>
	<p>AR 10 Depending on which sub-topic is assessed material, the undertaking shall include metrics in relation to:</p> <p>(a) drivers of biodiversity and ecosystem change;</p> <p>(b) the state of species (e.g. related to extinction risk);</p> <p>(c) the condition and extent of terrestrial, freshwater, and marine ecosystems (e.g. related to site condition and landscape condition); and</p> <p>(d) ecosystem services.</p>	<p>[NEW]</p> <p>An AR was added to highlight the connection of biodiversity metrics with the E4 subtopics</p>
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 types 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] Same as above.

(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] Same as above.
(c) the biodiversity components of the metrics: species specific, ecosystem specific;	(c) the biodiversity components of the metrics: species specific, ecosystem specific;	[DELETED] Same as above.
(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] Same as above.
(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 48 for para. 51(g).
f) the frequency of monitoring, key metrics being monitored, and the baseline condition/value and baseline year/period, as well as the reference period;	f) AR 12 When identifying metrics to disclose, the undertaking shall consider: a. the frequency of monitoring, key metrics being monitored, and the baseline condition/value and baseline year/period and, as well as the reference period; b. whether the metrics enable users to understand how they relate to the material impacts.	[AMENDED] AR. 27(f) as enacted in 2023 edited and kept as considered relevant methodological guidance by EFRAG in the context of biodiversity. AR. 28 as enacted in 2023 amended to provide guidance for preparers when choosing material metrics to disclose on.
(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;	[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.

(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;	[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. Amended AR 8 contains provision to consider how understandable the connection between 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.
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	[AMENDED, MOVED] Simplified and streamlined in amended ESRS E4 paragraph AR 12 (b).

	performance over time and helps internal and peer comparison.	
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 biodiversity and ecosystems management process. The baseline is necessary to inform impact assessment and management planning, as well as monitoring and adaptive management.	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 biodiversity and ecosystems management process. The baseline is necessary to inform impact assessment and management planning, as well as monitoring and adaptive management.	[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 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. <u>AR 11 Primary data on the state of nature metrics collected at location-level or through remote sensing is the best means to help determine Methodologies available to collect data and measure the undertakings' impacts on biodiversity and ecosystems.</u> may be separated into three categories as follows: <u>Using primary data on the state of nature is especially relevant where the undertaking's sites are in or near biodiversity-sensitive areas. The undertaking can also estimate its impacts by using data on impact drivers or secondary data on the state of nature.</u>	[AMENDED] AR 30 as enacted in 2023 has been consolidated and streamlined into amended AR 11.

(a) primary data: collected in-situ using on the ground surveys;	(a) primary data: collected in-situ using on the ground surveys;	[AMENDED, MOVED] Simplified in amended AR 11.
<p>(b) secondary data: including geospatial data layers that are overlaid with geographic location data of business activities.</p> <p>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.</p> <p>ii. At the ecosystem level, data layers reflecting change in the extent and condition of ecosystems can be applied, including levels of habitat fragmentation and connectivity.</p>	<p>(b) secondary data: including geospatial data layers that are overlaid with geographic location data of business activities.</p> <p>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.</p> <p>i. At the ecosystem level, data layers reflecting change in the extent and condition of ecosystems can be applied, including levels of habitat fragmentation and connectivity.</p>	[AMENDED, MOVED] Simplified in amended AR 11.
(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).	<p>(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:</p> <p>magnitude (e.g., amount of contaminant, noise intensity), spatial extent (e.g., area of land contaminated) and temporal extent (duration of persistence of contaminant).</p>	[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.	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 para. 36 as enacted in 2023 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 <i>invasive alien species</i> 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 <i>invasive alien species</i> and the extent of surface covered by invasive alien species.	[DELETED] This datapoint has been deleted.
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):	AR 34. The undertaking may disclose in units of area (e.g., m2 or ha) on landuse using guidance provided by the Eco- Management and Audit Scheme (EMAS):	[DELETED] EFRAG considers EMAS indicators potentially not decision-useful in relation to material IROs. This datapoint has been deleted.
(a) total use of land;	(a) total use of land;	[DELETED] This datapoint has been deleted.
(b) total sealed area;	(b) total sealed area;	[DELETED] EFRAG considers EMAS indicators potentially not decision-useful in relation to material IROs.
(c) total nature-oriented area on site; and	(c) total nature-oriented area on site; and	[DELETED] Same as above.
(d) total nature-oriented area off site.	(d) total nature-oriented area off site.	[DELETED] Same as above.
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] This datapoint has been deleted.

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] This datapoint has been deleted.
(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] This datapoint has been deleted.
(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] This datapoint has been deleted.
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
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 as enacted in 2023 in alignment with approach taken for amended ESRS E2-E5 standards and based on stakeholder input. Anticipated Financial Effects to be addressed under amended ESRS 2 <i>General Disclosures</i> 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] Same as above.
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