

CEO/C-Suite and company speaking points on the adoption at COP15 of mandatory assessment and disclosure requirements on nature

Updated October 2022

Important: The data in this document is **under embargo** until 00:01 GMT Wednesday 26 October. Please do NOT share any content before this date as this will impact the media coverage we are trying to secure.

Purpose of this document

- To provide high-level speaking points for CEOs/C-Suite and indeed all company representatives on why business and finance are calling for negotiators at the UN Biodiversity COP15 to commit to mandatory assessment & disclosure on nature by 2030.
- Speaking points can be used during key moments such as UNFCCC COP27, in particular during any meetings or events with ministers or senior government representatives.
- Priority countries include the following but do not limit your outreach to them: Australia, Brazil, Canada, Colombia, the EU, India, Indonesia, Japan, Nigeria, Mexico, South Africa, the UK.
- This is to support the [#MakeItMandatory](#) campaign from Business for Nature and The Capitals Coalition. We will share the full list of signatories along with a global digital, media and advocacy campaign on **26 October 2022**.

The issue

- Our businesses. Our economies. All of our livelihoods depend on nature.
- Two out of three of the world's most critical risks to our economies are related to the loss of nature over the next decade ([WEF](#)).
- But nature is declining globally at rates unprecedented in human history. One million species are now at risk of extinction and ecosystem destruction continues to accelerate year-on-year.
- To halt and reverse biodiversity loss by 2030, we **urgently need to accelerate action** to reduce negative impacts and increase positive impacts on nature.
- However, currently **governments don't have the information necessary to enforce changes and track progress**, and businesses and financial institutions **don't have the political certainty** they need to invest and change their business models.
- **Voluntary action will not be enough** to achieve the transformative change needed to deliver an equitable, nature-positive and net-zero future.

[New CDP analysis](#) (available on 26 October) finds overall business disclosure on nature is severely lagging far behind climate and voluntary action is not enough

- While the number of companies disclosing on climate, forests and water security all increased between 2021 and 2022, the widening gap between climate and nature disclosures reveals corporate disclosure on nature to be severely lagging.

- More than 18,600 companies around the world disclosed climate change data through CDP in 2022 - a 42% increase on 2021.
- In contrast, just over 1,000 companies disclosed data on forests, a 20.5% increase on last year and almost 4,000 disclosed on water security in 2022.

Call to Action

- As the nature crisis worsens, **more than 330 companies and financial institutions** with revenues of \$1.5 trillion and from nearly 60 countries are **calling on Heads of State to make it mandatory** for large companies to assess and disclose their impacts and dependencies on biodiversity by 2030
- This is a strong and bold message from companies around the world urging governments to step up.
- **COP15 is a once-in-a-decade opportunity to reboot our relationship with nature.** We must make sure this 'Paris agreement' for nature is as impactful as possible so we can reimagine and bring alive the possibilities of living in a world with more nature, a stable climate and greater social equity.
- Businesses and financial institutions recognize they have a **critical role to play** in implementing global action to halt and reverse nature loss. They stand ready to assess and disclose their impacts on nature.
- For example at <insert <company name> <we already disclose across a number of nature metrics for example...>
- At COP15, <insert company name> is asking governments to adopt in Target 15 mandatory requirements for all large companies to assess and disclose their impacts and dependencies on biodiversity by 2030.
- We need policymakers to send their negotiators to COP15 with a clear mandate to support this bold commitment and make it mandatory for businesses and financial institutions to assess and disclose their impacts and dependencies on biodiversity by 2030
- We must make sure this 'Paris agreement' for nature is as impactful as possible so we can reimagine and bring alive the possibilities of living in a world with more nature, a stable climate and greater social equity.
- We depend on disclosure, so #MakeltMandatory

Why is disclosure needed?

- We can **only manage what we measure.**
- It is a fundamental risk to businesses and financial institutions not to be aware of their impacts and dependencies on nature. Without this information **we are flying blind** into extinction.
- This is economically short-sighted and will **destroy the value of our businesses** and economies in the long-term.
- Assessing and disclosing impacts and dependencies on nature is an **essential first step for businesses and finance** to understand the ecosystem services that underpin their activities, unlocking the pathway to long term economic prosperity, planetary health and human wellbeing.
- Disclosure can ensure businesses have:

- **increased market access** as exporters will face higher expectations for environmental disclosure from customers and authorities in markets;
- **better access to capital** as investors are increasingly committing to contribute to the growth of nature positive assets;
- **superior performance**, increased accountability and improved business governance as making biodiversity a material and financial issue will help embedding biodiversity in core business governance.
- However, this will only have a global impact **if it is mandatory**.

Why should assessment and disclosure be made mandatory?

- Adopting mandatory assessment and disclosure requirements are needed to accelerate action and improve international competitiveness. The report from Business for Nature, Capitals Coalition and CDP shows how it **drives corporate action** and **brings financial benefits**.
- Mandatory assessment and disclosure will benefit companies as it will:
 - **Level the global playing field** and **ensure fair competition** by allowing comparison of companies within sectors and rewarding strong performers.
 - **Deliver large-scale action** and **collaboration** by ensuring the private sector moves forward together and collaborates in finding and implementing solutions.
 - **Accelerate standardization** by improving data accuracy, facilitating access to data, creating uniform standards.
- Mandatory assessment and disclosure will benefit society as it will:
 - **Accelerate action** and **create a business case to invest in nature** as business requires long-term clarity and certainty.
 - **Engage investors** by creating greater awareness of nature-based financial risks and push them to increase pressure on clients.
 - **Empower consumers** to take informed decisions and based on comparable facts.
 - **Ensure the rights of Indigenous People and Local Communities** by empowering them to require payment for the ecosystem services they protect and compensation for any negative impacts.

How can it be made mandatory?

- We already have **robust and science-based frameworks** that are ready to support a successful transition to mandatory disclosure.
 - Use Science Based Targets for Nature corporate guidance
 - Conduct a natural capital assessment using the Natural Capital Protocol Toolkit
 - Evaluate and disclose nature-related risks through TNFD
 - Use existing reporting standards, such as the [Global Reporting Initiative \(GRI\)](#), [SASB](#) and [CDSB](#) (consolidated into the ISSB), [IFC Sustainability Framework](#), the [EU Corporate Sustainability Reporting](#)
 - Disclose environmental data through CDP's disclosure platform, which is aligned with high-quality frameworks and standards including the CEO Water Mandate, TCFD recommendations, Accountability Framework, GRI and more.

- **Climate-related disclosure is already becoming a global norm**, with 78 countries and 2,600 businesses supporting the TCFD and nearly 19,000 companies disclosing climate data through CDP.
- **UK, Canada and New Zealand have already introducing new legislation** requiring firms to report climate impacts. G7 finance ministers agreed in June 2021 to make TCFD mandatory and the US Securities and Exchange Commission proposed rules to require public companies to disclose extensive climate-related information.
- In 2016, **France was one of the first countries in the world to pass legislation** to require some financial institutions to report each year on their exposure to the risks posed by climate change and what they planned to do about it. Five years on, there is evidence of this ground-breaking law's impact. Banque de France reported that **holdings of fossil fuel stocks plummeted by 40% among French institutional investors** compared to those which weren't subject to the new rules. This is proof **that mandatory disclosure works and can have immediate results.**
- **We now need the same to happen for nature.**