

How can reporting shape a nature- positive future?

EY Global Nature Action Barometer

September 2025



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Foreword

For me, nature is a deeply personal topic. I've studied it, worked for it and cared about it throughout my life. Now, in my current role, I spend my time working with companies across the world trying to find solutions to the huge nature-related challenges we face. I believe passionately in the importance of protecting our natural environment so that our society can flourish into the future.

Nature is critical to the success of every business. In fact, research shows that the majority of the world's largest companies have a significant dependency on nature across their operations.¹ Even if they don't rely on nature directly through the resources they use to develop products and services, companies still rely on it indirectly to sustain the health and wellbeing of their workforce through access to clean water, food, medicine and secure living conditions.

As well as having dependencies on nature, companies also have substantial impacts to biodiversity loss, which are driven by greenhouse gas emissions, land use change, pollution, environmental damage caused by resource extraction, and invasive species.

Companies are beginning to understand the extent of their impacts and dependencies on nature. Yet most do not have a detailed plan for mitigating their nature-related risks or seizing nature-related opportunities. What's more, despite nature having clear financial implications, the majority of companies are not directly including it on their balance sheets.

Five nature-related risks, including biodiversity loss and natural resource shortages, rank among the top 10 risks facing the world over the next 10 years, according to the World Economic Forum.²

Nature reporting can support wider market understanding of companies' nature-related risks and opportunities, enabling more effective decision-making by stakeholders. Furthermore, the reporting has gained impetus in recent years following the launch of voluntary disclosure standards such as the Taskforce on Nature-related Financial Disclosures (TNFD) and the adoption of regulations for mandatory reporting such as the Corporate Sustainability Reporting Directive (CSRD) and several other country-level regulations. Reporting on nature is gaining significance for companies as they take essential actions to manage risks, seize opportunities, build resilience and help combat global nature loss. For this reason, EY teams have produced the first Global Nature Action Barometer that builds on previous EY Nature Barometers produced at a country level. The research analyzes disclosures of over 400 companies around the world.

The Barometer aims not only to track the progress of corporate nature reporting over time but also to inspire practical action toward a nature-positive future. Overall, 93% of the companies analyzed are currently discussing nature in some capacity in their public disclosures. Nevertheless, alignment with the recommendations of the TNFD remains low, indicating that companies may not have developed robust reporting in line with established frameworks.

If the world is to succeed in addressing the nature crisis, which is itself intrinsically linked to the climate crisis, companies must act – and quickly. Meaningful nature disclosures can help to drive accountability, accelerate learning, and encourage those within the organization and beyond to move forward with purpose.

I hope the analysis and recommendations in this Barometer will inspire your own company to accelerate action on nature.



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¹ "How the world's largest companies depend on nature and biodiversity," S&P Global website, www.spglobal.com, accessed 13 June 2025.

² *Global Risks Report 2025*, World Economic Forum, 2025.

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Executive summary and about this research

This first edition of the EY Global Nature Action Barometer provides a global snapshot of corporate nature reporting, assessing alignment with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD). As the emerging global consensus on nature-related reporting, the TNFD sets the benchmark for decision-useful disclosures. When the reporting is not aligned with this framework, it suggests that critical information on nature-related impacts, dependencies, risks and opportunities may be missing — limiting the ability of stakeholders to act effectively.

The Barometer reveals how organizations globally are recognizing nature as an important topic, tracking nature-related metrics and targets, managing risks, strengthening resilience, and capitalizing on opportunities by embedding nature into core business strategies and decision-making. It also explores the actions companies are taking to contribute to nature-positive outcomes.

About this research

The first edition of the EY Global Nature Action Barometer analyzes nature-related disclosures of 435 companies across key regions: the Americas; Europe, the Middle East, India and Africa (EMEIA); and Asia-Pacific.

Companies analyzed represent ten sectors aligned to the Sustainable Industry Classification System (SICS)[®]: consumer goods; extractives and minerals processing; financials; food and beverage; health care; infrastructure; resource transformation (heavy manufacturing companies, e.g., automotive, chemical, oil and gas, paper and pulp, steel); services (primarily representing hospitality businesses); technology and communications; and transportation.

Companies were selected based on regional and sectoral diversity, as well as maturity in sustainability reporting. Most companies included scored a B- or higher for 2024 CDP disclosures, indicating that they are at least beginning to take action to address environmental issues if not demonstrating leading practices in management of the issue. The analysis considers annual reports, sustainability disclosures including websites, and CDP reports. EY teams scored the companies using internally developed scoring criteria aligned with the TNFD's four disclosure pillars: governance; strategy; risk and impact management; and metrics and targets.

The 435 companies featured in this research include many of the world's 100 largest businesses. Between them, they have a combined market capitalization of more than US\$50 trillion.

The assessment considered two factors:

1. Coverage

Coverage reflects that a company provided at least some level of information toward each of the 14 TNFD recommendations, regardless of the quality of the information provided.

Company disclosures were assigned a score (zero to five) based on the coverage of TNFD recommendations addressed within their public disclosures. A score of 100% indicates that the company disclosed some level of information with respect to each of the recommendations, regardless of the extent to which the information provided aligns with the TNFD recommendations.

2. Alignment

Alignment evaluates the quality of a company's disclosures in relation to the TNFD recommendations, considering the level of detail and how well the disclosures align with the recommendations. Company disclosures were assigned a score (zero to five) based on the coverage of TNFD recommendations addressed within their public disclosures. A score of five indicates that the company disclosed some level of information with respect to each of the recommendations, regardless of the extent to which the information provided aligns with the TNFD recommendations.

For more information on how companies were scored on alignment, see Appendix 2.

Key findings

The 2025 EY Nature Action Barometer analysis of more than 400 companies found that:

Although 93% of companies reference nature in their public disclosures, only 26% align with the TNFD recommendations

This may indicate that companies have not yet developed robust reporting in line with established frameworks.

Just 13% of companies analyzed have either a standalone TNFD report or a TNFD index integrated within their annual or sustainability reports

While many others disclose nature-related information, they do not explicitly publish TNFD-aligned reports or indexes.

The Americas scores slightly lower than other regions for both coverage and alignment. 91% of companies report against the TNFD to some degree (coverage), but the depth and quality of that reporting is limited (only 22% are in full alignment)

In contrast, EMEIA scores 94% for coverage and 29% for alignment, while Asia-Pacific scores 94% for coverage and 25% for alignment.

Companies in the consumer goods sector (33%) and the extractives and mineral processing sector (32%) show the highest levels of alignment with TNFD recommendations

This may potentially reflect the high materiality of nature impacts, dependencies, risks and opportunities associated with these sectors.

The food and beverage sector scores highly for both TNFD coverage (98%) and alignment (28%). Food and beverages are dependent on agriculture and water, while stakeholder pressure could be influencing progress on nature-related information disclosure in this sector.

The services sector is the least aligned with the TNFD framework, having an alignment score of 19%

It also has the lowest coverage score of 82%. The companies analyzed in this sector predominantly operate in hospitality, which is not heavily focused on nature at present, despite having a vested interest in it. Reporting from the services sector is the most limited in terms of depth and quality (alignment). After less than two years, more than 85% of companies are reporting against the TNFD in some way, which is a strong indication that the momentum on nature is building at an accelerated rate.



EMEIA has a coverage score of 84% for the risk and impact management pillar of TNFD and a 32% alignment score – higher than other regions

Many companies in the EMEIA region reference their double materiality assessments as required under the EU's CSRD when discussing nature-related impacts, risks and opportunities, which shows regulation may be a driver of higher-quality reporting.

Less than 3% of companies included in the analysis stated goals with a nature-positive ambition

However, companies assessed are beginning to include strategies such as water-positive operations and increased use of regenerative land practices, indicating there is more action needed to drive nature-positive outcomes.

Governance is the pillar with the highest average score (87% for coverage and 31% for alignment)

This likely reflects governance being a first step toward implementing a strategy for action on nature.

On strategy, companies score 72% for coverage and 23% for alignment

The low alignment score does not necessarily mean that a company lacks a strategy; rather, that it has not disclosed it.

The risk and impact management pillar scores 76% for coverage and 27% for alignment

The low alignment score may reflect companies not fully integrating nature-related risks into their broader enterprise risk management and impact assessment frameworks.

Companies score lowest for alignment (22%) on the metrics and targets pillar

This likely reflects their potential challenges with data accessibility, measurement approaches and the extent to which nature is financially material to their business.



A global nature crisis

Nature loss is now a material risk to global economic stability. With over half of GDP dependent on nature, the degradation of ecosystems threatens supply chains, asset values and long-term resilience. At the same time, nature is a strategic ally in climate mitigation and adaptation. Businesses must act — not only to halt nature loss but also to restore and regenerate the natural systems they rely on. Integrating nature into strategy and decision-making is no longer optional; it's a business imperative.

Today, the world faces an urgent nature crisis. One million species of plants and animals are threatened with extinction, 75% of the Earth's land surface has been significantly altered by human actions, including 85% of wetland areas, and 66% of ocean area is impacted by human activities, including from fisheries and pollution.³ Furthermore, the size of monitored wildlife populations globally declined by 73%, on average, between 1970 and 2020.⁴ Climate change is also impacting heavily on nature, with extreme weather events such as heatwaves and flooding disrupting natural ecosystems.

This nature crisis has severe implications for individuals, organizations and our economy. Half of the world's GDP is moderately or highly dependent on nature and its services, according to the World Economic Forum (WEF). Industries that are highly exposed to nature tend to "rely on either the direct extraction of resources from forests or oceans or the provision of ecosystem services such as healthy soils, clean water, pollination and a stable climate." These industries could face significant disruption if nature can no longer provide the services they need.⁵

While nature is impacted by global warming, it also plays a vital role in the fight against it. Forests absorb approximately 2.6 billion tonnes of carbon dioxide annually, helping to reduce the amount of greenhouse gases in the air.⁶ Additionally, natural barriers such as coral reefs, mangroves and wetlands provide critical protection against storm surges and flooding. If nature loss is not addressed, the world will likely continue to struggle to mitigate the threat of climate change.

Growing recognition of the global nature crisis is driving unprecedented international action. At the UN Biodiversity Conference (COP15) in Montreal in December 2022, over 180 countries adopted the Kunming-Montreal Global Biodiversity Framework (GBF) – a landmark agreement featuring four global goals and 23 action targets aimed at halting and reversing biodiversity loss by 2030. This framework set ambitious commitments, including protecting 30% of the planet's land and oceans, restoring degraded ecosystems and mobilizing substantial financial resources for conservation.

Building on this momentum, COP16, held in 2024 in Cali, Colombia, focused on implementation and inclusivity. It launched a new process for identifying ecologically or biologically significant marine areas (EBSAs), reinforcing the integration of science and traditional knowledge into conservation planning and business strategy. COP16 also established a new permanent subsidiary body to ensure the full participation of Indigenous Peoples and local communities in biodiversity governance, and introduced the Cali Fund, a mechanism to support fair and equitable benefit sharing from the use of genetic resources. Integrating nature into decision-making is no longer optional; it is a strategic imperative. Businesses have a critical role to play in addressing nature loss. By identifying and managing their impacts and dependencies on nature, companies can contribute to halting and reversing nature loss. Those that act decisively will be better positioned to maintain their social license to operate and respond to growing regulatory and market pressures.

Companies that understand and act on their nature impacts can shape the future economy.

³ "Facts about the nature crisis," UNEP website, www.unep.org, accessed 11 June 2025.

⁴ *Living Planet Report 2024*, World Wildlife Fund, 2024.

⁵ *The New Nature Economy Report*, World Economic Forum, 2020.

⁶ "Biodiversity," World Health Organization website, www.who.int, accessed 11 June 2025.

Reporting is a catalyst for change that can transform corporate strategy on nature.

The process of developing disclosures requires companies to better understand and assess how nature interconnects with their business models and identify impacts, dependencies, risks and opportunities. Reporting can also be a catalyst to develop strategy, actions, metrics and targets to improve performance and drive progress. Critically, reporting provides transparency to enable stakeholders to understand companies' performance on nature and hold them to account.

This Barometer specifically tracks the current state of companies' reporting against the recommendations of the TNFD. It aims to illuminate the evolving landscape of nature-related disclosures and the key actions being taken by companies to protect and restore nature.

What is the TNFD?

The TNFD is a market-led, science-based and government-supported global initiative, building off the momentum achieved by the Task Force on Climate-related Financial Disclosures (TCFD). In September 2023, it launched a set of 14 disclosure recommendations and guidance for organizations to assess, report and act on their nature-related impacts, dependencies, risks and opportunities. The 14 disclosure recommendations are aligned with four disclosure pillars: governance, strategy, risk and impact management, and metrics and targets.

The TNFD is a voluntary framework, meaning that companies are not obliged to use it but are encouraged to report nature relevant information following its guidance. Nevertheless, there is some overlap between the TNFD recommendations and the EU's CSRD, which is mandatory for large organizations with operations in the EU.

As of October 2024, over 500 organizations globally – across 54 jurisdictions and 62 sectors – had committed to nature-related reporting in alignment with TNFD. These adopters include asset managers overseeing US\$17.7 trillion in assets under management and publicly listed companies with a total market capitalization of US\$6.5 trillion. In total, 50% of adopters are based in Asia-Pacific, 34% are based in Europe, 7% are based in Latin America and the Caribbean, 5% are based in North America, and 3% are based in Africa and the Middle East.⁷



Rapidly rising sea temperatures and ocean acidification due to climate change threaten the delicate coral ecosystems of the Great Barrier Reef in Australia, leading to widespread bleaching and potential collapse.

⁷ "TNFD Adopters," TNFD website, www.tnfd.global, accessed 11 June 2025.



2 Global state of nature reporting

Although most companies are disclosing some information about nature, few are producing detailed or TNFD-aligned reports. While regulatory pressures and reputational concerns have driven high coverage scores, actual alignment with leading practices remains low due to limited adoption, data challenges and uncertainty around nature-related strategies. TNFD-aligned reporting can provide the information that stakeholders need to properly understand how companies are managing their nature risks. Low alignment indicates an extensive amount of nature-related risk may be unknown or unmanaged.

Despite growing awareness about global nature loss and its potential impact on business operations, companies are not yet producing detailed nature disclosures. Analysis of the nature-related disclosures produced by almost 500 companies that feature in this research indicates that a large number of companies have still not identified nature as a material topic and do not have a well-established nature-related strategy with clearly defined impacts, risks and opportunities. Many companies also lack clearly defined nature-related targets and metrics – only 22% of companies surveyed for the report are in alignment with the TNFD metrics and targets pillar.

As the leading disclosure framework for nature, the TNFD recommendations are intended to support companies by publishing market-useful information about their nature impacts, dependencies, risks and opportunities. Yet despite the framework being considered leading practice, just 55 of the 435 companies analyzed (13%) either have a standalone TNFD report or a TNFD index integrated into their annual report or sustainability report. Of the 55 companies, a majority (33) are from EMEIA, representing five sectors; consumer goods, extractives, food and beverages, health care and infrastructure. Of the remaining companies, 19 are from Asia-Pacific, and only three companies are from the Americas.

Many other companies report on nature at some level, but do not publish a TNFD report or index. These findings highlight that while nature-related information is being reported by companies, it is not necessarily the most material or market-useful information. As a result, it is not particularly informative for stakeholders, including investors who want to rely on it to make capital allocation decisions.

Of the companies analyzed, 93% publish nature-related information relevant to one or more of the TNFD's 14 disclosure recommendations. This level of coverage is significantly higher than the findings of the 2024 EY Americas Nature Risk Barometer, which identified that 75% of companies within the scope of that assessment were preparing at least partial nature-related disclosures.

The evolving regulatory environment helps to explain the high coverage score in this Barometer, with the EU's CSRD driving large companies that operate in the EU to disclose their material impacts, risks and opportunities relating to nature. Other jurisdictions around the world, such as Australia and Canada, are also moving toward mandatory nature disclosures by adopting the TNFD framework into proposed mandatory sustainability reporting. Additionally, the high coverage score shows that companies appreciate the reputational importance of nature and acknowledge stakeholders' demand for nature-related information.

93%

of the companies analyzed publish nature-related information relevant to one or more of the TNFD's 14 disclosure recommendations.

Alignment with the four pillars

This section provides a breakdown of the research findings against the TNFD's four disclosure pillars. The four pillars are:

1. Governance

The organization's governance around nature-related impacts, dependencies, risks and opportunities

2. Strategy

The actual and potential implications of nature-related impacts, dependencies, risks and opportunities on the organization's businesses, strategy and financial planning, where such information is material

3. Risk and impact management

How the organization identifies, assesses and manages nature-related impacts, dependencies, risks and opportunities

4. Metrics and targets

The metrics and targets used to assess and manage relevant nature-related impacts, dependencies, risks and opportunities where such information is material

Climate change, air pollution and land use change are disrupting the Monarch butterflies' migratory patterns and habitat, leading to a decline in their population and risking their extinction.



While the coverage score is high, alignment with the TNFD recommendations is low (26%), highlighting limited adoption since the framework was formally launched two years ago. Low alignment is likely the result of several factors, including nature reporting being in a nascent phase compared with more established reporting on climate change, for example, with organizations needing to build their capability to prepare comprehensive disclosures. Access to data and the capacity to appropriately leverage existing scientific data can create a further challenge. It can be difficult for companies to source the appropriate nature information to report under TNFD. Low alignment may also point to internal capacity and knowledge constraints, with companies uncertain of how to establish and act on nature-related objectives.

Overall, the disconnect between coverage and alignment suggests that while companies are disclosing on nature, the information they are disclosing about the role of nature across their value chains is not necessarily comprehensive. Instead, they are primarily trying to derive reputational benefits from nature reporting by sharing good news stories.

It is vital that this disconnect is overcome, and the gap between coverage and alignment is bridged. Otherwise, as the volume of nature-related reporting increases, it will become harder for users of nature disclosures to know whether information is material. By aligning with the TNFD recommendations, companies may be more effective at providing market-useful information in a format that stakeholders can understand and make decisions on. They will also be better prepared for a global regulatory environment where nature reporting is increasingly mandated – an environment that will almost inevitably emerge over the next few years.

Governance

For both coverage and alignment, governance is the pillar with the highest average score (87% for coverage and 31% for alignment). The alignment to TNFD governance recommendation breaks down further by country, with 24% of companies in EMEA, 21% of companies in Asia-Pacific and 16% of companies in the Americas, having disclosed that their board has detailed oversight of nature. In the disclosures analyzed, the companies note that they have set clear roles and responsibilities to manage nature-based risks and also have process in place to update the board about nature-related issues in designated frequency.

Companies may be more likely to disclose on governance by virtue of it being a first step toward implementing a strategy for action on nature. Examples include setting up dedicated steering committees and other processes for monitoring progress on nature, such as appointing an executive to report directly to the board. Governance structures that are already in place for climate and other sustainability topics may also be adapted to include nature.

The EY Climate Action Barometer 2024 found that companies also performed strongly on governance when reporting against the TCFD's recommendations on climate reporting. In that research, the average coverage score is 96% and the average quality score is 56%.

Strategy

For the strategy pillar, companies score 72% for coverage and 23% for alignment. The low alignment score does not necessarily mean that a company lacks a strategy; rather, that it has not disclosed it. Without the transparency of a disclosure, it is hard to know how a company is managing potentially material nature-related risks and opportunities. Companies in EMEA lead in nature-based consultation and engagement activities with Indigenous Peoples and Communities for nature-related impacts, dependencies, risks and opportunities, followed by Asia-Pacific, then Americas. Notably, the overall percentage of companies undertaking these actions remains low: 16% in EMEA, 9% in the Americas and 6% in Asia-Pacific, provided qualitative descriptions of the impact of nature-related risks and opportunities on the organization's business, value chain, strategy and financial planning. They also have disclosed information on the organization's nature-related commitments. Considering the findings, the limited disclosure around strategy could indicate that a majority of companies are still at the early stage of understanding their risks and opportunities around nature and what these mean for their overall business strategy. Some companies may be struggling to integrate nature considerations into their decision-making and demonstrate the case for long-term value for both the business and nature. When setting strategy on nature, companies may find scenario analysis useful for informing their goals and targets.

As the *EY Climate Action Barometer 2024* highlights, strategy is also an area where companies lack detailed information when it comes to climate reporting. Across the four pillars, strategy recorded the lowest scores for both disclosure coverage (92%) and quality (52%). As well as facing practical challenges with embedding nature and climate considerations into their business strategies, companies may be concerned about inadvertently disclosing commercially sensitive information to their competitors.

Company case study

Astellas Pharma Inc.: evaluating biodiversity deterioration

Japanese pharmaceutical company Astellas identifies three primary factors contributing to biodiversity deterioration as it relates to their business: pollution, resource consumption and climate change. To evaluate its impact, Astellas developed a biodiversity index. This index considers the environmental burden found in the assessment for the current fiscal year compared with the base year to obtain the "biodiversity burden index." The index considers Astellas' consolidated revenue against the biodiversity burden index figures, which helps to assess improvements in biodiversity impact and inform business strategy.

When setting strategy on nature, companies may find scenario analysis useful for informing their goals and targets.



Risk and impact management

Risk and impact management is the pillar with the second-highest scores for coverage and alignment (76% and 27% respectively). The low alignment score may reflect that companies are still not fully integrating nature-related risks into their broader enterprise risk management (ERM) and impact assessment frameworks. Alternatively, if they are doing so, they may not be disclosing it for concern of potential legal consequences of publicizing their risks.

Thirty-six companies in EMEA, nine in Asia-Pacific and five companies in the Americas have identified priority locations with which the organization's assets and operations interface with nature. These companies have disclosed a clear methodology for identifying the priority locations associated with nature impacts and dependencies, mostly by undertaking assessments using risk-based tools, but the same companies may not have nature-based scenarios developed for future risk identification.

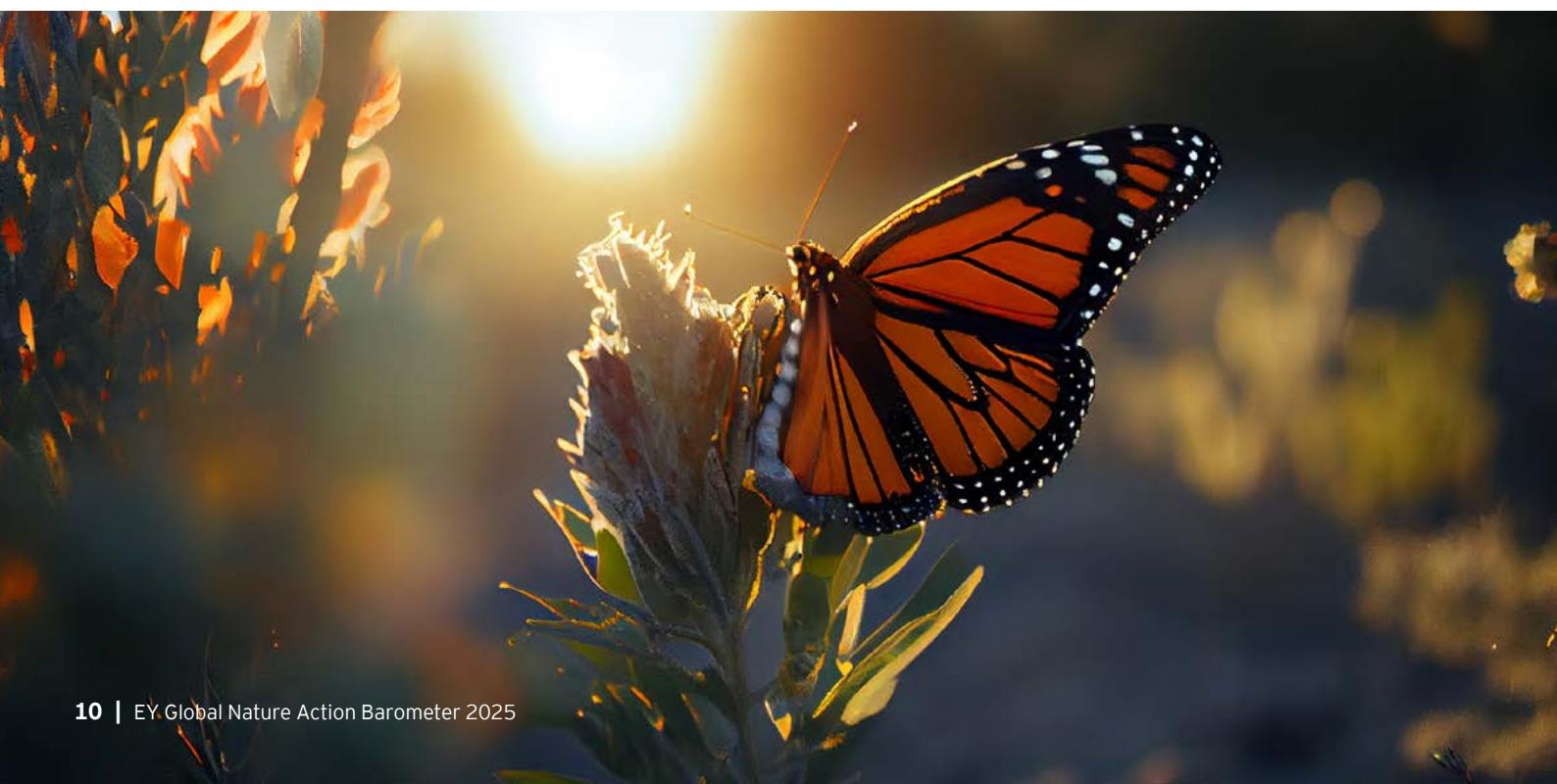
Twenty-one companies in EMEA, nine companies in Asia-Pacific and seven companies in the Americas have clearly disclosed that they include nature risks in the overall ERM, and management of nature risks along with overall business risks, but may not have identified and classified risks across the short, medium and long term.

Companies may have an innate understanding of their nature-related risks and impacts – for example, if they rely heavily on water or discharge into waterways. However, there is a gap in providing the information publicly in the format needed to meet the requirements of a TNFD-aligned disclosure. A further challenge for many companies at present is that they “don’t know what they don’t know” when it comes to nature and may face information asymmetries with regard to supply chain, as well as technical knowledge or skills gaps internally.

To manage nature-related risks and impacts, companies also need a deeper understanding of their supply chain across the different geographies in which they operate. This includes identifying dependencies on specific raw materials and impacts associated with their extraction and processing. Data and technology can better enable companies to identify specific suppliers and locations that pose the greatest nature-related risks or have the greatest impact on nature.

In the EY Climate Action Barometer 2024, the risk management pillar scored 52% for disclosure quality – sharing the lowest score with strategy. This suggests that just as companies are finding it hard to identify and discuss their nature-related risks, they are also challenged by disclosing the physical and transition risks associated with climate change and the transition to a more sustainable economy.

To manage nature-related risks and impacts, companies need a deeper understanding of their supply chain across the different geographies in which they operate.



Metrics and targets

Companies score lowest for alignment (22%) on the metrics and targets pillar. Whereas TNFD provides a structure of core and additional metrics, some companies find it challenging to identify suitable metrics for their business. A specific challenge is identifying metrics for measuring the extent to which nature is financially material to their business. In the case of an agricultural business, for example, the use of land, water and pesticides might all be material considerations.

Real-time and quantifiable developed targets have been set by eight companies in the Americas, six companies in Asia-Pacific and 19 in EMEA. These companies are also tracking their progress against the goals or target.

Nature-related metrics that are reported by companies in the 2025 global analysis are mostly related to water use, discharge and withdrawal, afforestation, deforestation and high biodiversity value areas, which may include international and national protected areas, important bird areas and key biodiversity zones.

Companies are setting targets on key areas such as management plans for identified priority locations, reduction of freshwater use, improvement of the land quality and habitats for species conservation, achieving zero liquid discharge (ZLD) by enhancing wastewater treatment processes, achieving no net loss of biodiversity by 2030 at all operating sites and zero sourcing and processing of raw materials from endangered species. This includes both direct operations and supply chain-related targets. Sometimes, companies may believe that it is too early for them to define aggregated quantitative targets or else not appropriate for their business model. As a result, they may opt for site-specific targets instead.

While there are many ways to measure the quality of ecosystems, no single metric has yet been widely adopted. There are metrics with a variety of uses, and some are expensive to implement. So, companies must try to select the metrics that best apply to their business from an abundance of options. They also need to hire people with the right capabilities – such as ecologists and scientists – to support with measurement and reporting.

Furthermore, companies can find it hard to define quantitative targets for nature and decide whether these should be applied at global or local level – a challenge made harder by the absence of commonly used scenarios to explore potential future nature outcomes. A lack of access to high-quality, reliable environmental data on topics such as ecosystem quality is not helping companies to improve their measurement capacity either. They need this data to be able to benchmark their own performance against it. Recognizing the challenge, the TNFD has proposed the creation of a Nature Data Public Facility (NDPF), with the aim of providing open access to decision-useful, nature-related data. The EY organization has been engaged by the TNFD to support this initiative by refining a set of principles to define high-quality and fit-for-purpose nature data that could be connected to the NDPF in the future.

A comparison between the *Climate Action Barometer* and this *Nature Action Barometer* is useful for assessing companies' progress with TFND-aligned nature reporting compared with their climate reporting. The *EY Climate Action Barometer 2024* found that companies performed strongly on governance when reporting against the TCFD's recommendations on climate reporting. In that research, the average coverage score is 96% and the average quality score is 56%.

22%

Average score on alignment with the TNFD metrics and targets pillar

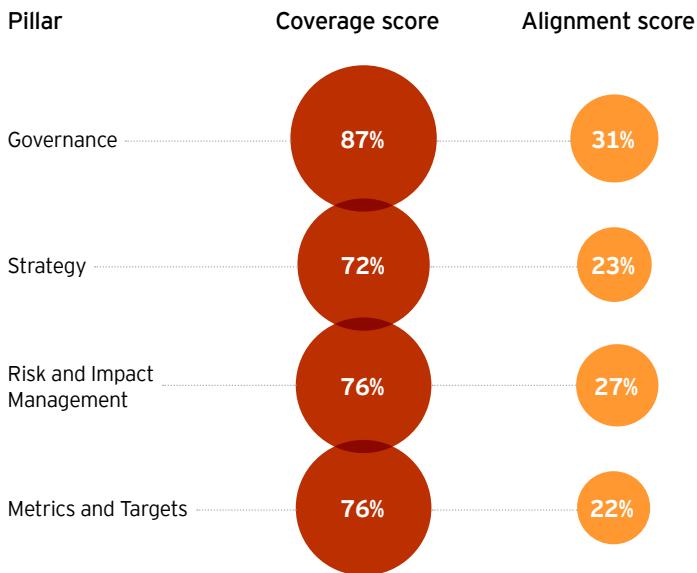
Latest developments in nature-related metrics and targets

Currently, consensus and adoption of nature-related metrics and targets are a work in progress, with TNFD recommendations being core to new developments and new guidance emerging at sector level. For example, the EY organization is working with the World Business Council for Sustainable Development (WBCSD) on the Nature Action Portals, a tool to support implementation of the Roadmaps to Nature Positive, which provides specific guidance for individual sectors, including agri-food, energy, forest products and pharmaceuticals.⁸

As part of this project, the WBCSD is driving a large-scale initiative to help sustainability practitioners "identify the most relevant nature-related metrics to measure progress, set targets and disclose in alignment with major voluntary and regulatory frameworks." The outcomes of the initiative will be accessible via a Nature Action Portal due to launch in November 2025.⁹

Separately, the Nature Positive Initiative (see page 29) is building consensus around a set of universal "State of Nature" metrics that are intended to convey an accurate picture of change in the state of living nature, although these metrics cannot be used to measure water, waste or air quality. In 2024, the Science Based Targets Network (SBTN) released guidance on setting science-based targets for nature, with the aim of helping companies to set nature-based targets and better understand their impacts and dependencies on nature.

TNFD coverage and alignment, by pillar



⁸ "Roadmaps to Nature Positive," WBCSD website, www.wbcsd.org, accessed 2 July 2025.

⁹ "Harmonizing nature-related metrics for business," WBCSD website, www.wbcsd.org, accessed 2 July 2025.





3

Regional and sector trends

Across the three regional segments, a number of differences in coverage and alignment were found. Driven by stakeholder expectation, policy and overall sustainability reporting maturity, EMEIA leads in nature-related disclosure, followed by Asia-Pacific and the Americas.

Regional trends

EMEIA

From a regional perspective, the combination of TNFD coverage and alignment is highest in EMEIA. Average coverage for companies in the region is 94%, while average alignment is 29%. These results reflect the requirement for large companies operating in the EU to comply with the CSRD. Companies in the first wave of implementation have already begun reporting under the CSRD, while those in the second and third waves are due to begin reporting from 2028 and 2029.

Companies that fall within the scope of the CSRD must report on nature if they identify a material impact on people or the environment across their value chain, or if they identify nature-related risks and opportunities that are financially material to their business. CSRD has a specific reporting standard for reporting on nature called ESRS E4: Biodiversity and ecosystems, which is helping to drive higher alignment with TNFD. There is a high level of correspondence between TNFD and the European Sustainability Reporting Standards (ESRS). All 14 disclosures recommended under TNFD are currently reflected in the ESRS; however, this is subject to change pending the outcomes of the ESRS revisions that are part of the Omnibus simplification package.¹⁰

Company case study

Nestlé Waters: achieving a positive water impact

The Regeneration Pledge is a cornerstone strategy for Nestlé Waters, the bottled water division of Switzerland-based food company Nestlé. The pledge commits the business to achieving a positive water impact by 2025. This means that each site must return at least as much water to the local watershed as it withdraws annually. Projects under this pledge are designed to help nature retain more water than the business uses, and outcomes are measured using the World Resources Institute's Volumetric Water Benefit Accounting (VWBA) methodology. An independent panel of experts, including nongovernment organizations and academic institutions, reviews all projects under the pledge to ensure they address both current and future water challenges. By 2024, Nestlé Waters had already delivered 8.2 million cubic meters per year in volumetric water benefits, exceeding its target of eight million cubic meters.

¹⁰ Understanding the EU Omnibus proposal: key insights and resources, the EY organization, 2025.

While coverage of the TNFD recommendations is high among EMEA companies, the EY CSDR Barometer 2025 offers some insights into why alignment is much lower. Its analysis of 200 sustainability reports published by first-time reporters under the CSDR finds that the reports appear to fulfill compliance requirements rather than communicating meaningfully about the company's sustainability strategy, actions and desired impact.¹¹ So the challenge for companies in EMEA will be to move beyond compliance and communicate more meaningfully on nature in future.

EMEA has a high coverage score of 84% for the risk and impact management pillar. It also has an alignment score of 32%, which is significantly higher than the risk and impact management alignment scores of the Americas (21%) and Asia-Pacific (26%). Many companies in the EMEA region reference their CSDR double materiality assessments when discussing nature-related impacts, risks and opportunities. This demonstrates that there may be a connection between the CSDR requirement for a double materiality assessment and companies that provide nature-related disclosures.

Alongside the CSDR, the EU Deforestation Regulation may also be contributing to an accelerated uptake of nature reporting in European markets. It requires companies to prove that the products they place on the EU market, or export from it, are not associated with recent deforestation or forest degradation.

84% Average score for the coverage on the TNFD risk and impact management pillar



The Americas

Out of all the regions analyzed, the Americas records the lowest scores for both coverage (91%) and alignment (22%). These scores likely reflect that there are relatively few strong nature-regulated regulations compared with regions such as EMEA, as well as stakeholders focusing less on nature issues compared with stakeholders in other regions. Furthermore, regulations with a global reach – such as the CSDR – are yet to be implemented in the region.

In the absence of mandatory rules, many companies across the Americas are choosing to report on nature on a voluntary basis. Nevertheless, the number of companies that have committed to make TNFD-aligned disclosures is low. For example, just 22 US companies and 10 Canadian companies have voluntarily committed to publishing TNFD-aligned disclosures for their 2025 financial years.¹² This is despite both the US and Canadian economies having high impacts and dependencies on nature through sectors such as agriculture, forestry, mining and tourism.

Latin America, a region highly dependent upon rich natural resources and biodiversity, is battling a severe nature crisis. The region has suffered significant losses to its biodiversity and ecosystems. In fact, the World Wildlife Fund identified Latin America as the world's worst-hit region for wildlife loss, with the monitored populations of more than a thousand wildlife species plummeting by 95% in just 50 years.¹³

Cattle ranching is driving deforestation in the Amazon rainforest, particularly in Brazil. The results are land degradation, a significant loss of species and their habitats, and disturbance to Indigenous Peoples. Nevertheless, only 16 Brazilian companies have committed to making TNFD-aligned disclosures by the 2025 financial year. Despite the low number, the Brazilian government is taking action by implementing new regulations and hosting the UN Climate Change Conference in Belém, which will focus on the role of nature in addressing climate change.

Despite the significant nature-related challenges they face, the Americas as a whole does not transparently disclose nature risk and impact management – recording a coverage score of 67% and an alignment score of 21% for this pillar. Companies in the region are also less transparent when it comes to how they are embedding nature into their business strategies, with the average coverage score for strategy being 65% and the average alignment score being 19%. To address the acute nature crisis in the Americas, companies must urgently accelerate action in this area.

¹¹ EY CSDR Barometer 2025, the EY organization, 2025.

¹² "TNFD Adopters," TNFD website, www.tnfd.global, accessed 4 July 2025.

¹³ "Latin America is world's worst-hit region for wildlife loss, report says," Dialogue Earth website, www.dialogue.earth, accessed 4 July 2025.

Asia-Pacific

There are high levels of reporting against the TNFD in Asia-Pacific (94% of companies assessed). However, while the majority of companies assessed are reporting to some degree, the depth and quality of that reporting is limited in comparison with EMEIA.

In 2024, the TNFD revealed that the Asia-Pacific region – led by Japan, Taiwan and Australia – accounted for 42% of the inaugural list of early adopters of its framework, only slightly behind Europe (43%).¹⁴

At an individual market level, Japan leads the world on TNFD adoption, with 169 companies having committed to make disclosures under the framework.¹⁵ Japan's enthusiasm for TNFD is reflective of a national culture that emphasizes the importance of living in harmony with nature. The Japanese Business Initiative for Biodiversity, established in 2008, is a group of over 50 companies that aspire to achieve the goal of balancing business operations with biodiversity conservation. Another significant initiative is the Finance Alliance for Nature Positive Solutions, launched in 2023, which aims to support companies' transition into nature-positive businesses.

More than 30 companies in Taiwan have committed to making TNFD disclosures.¹⁶ Furthermore, the nonprofit Taiwan Business Sustainability Council (BCSD) has launched

the Nature Positive - Taiwan Report, which aims to help companies identify and take effective conservation actions. Australia has introduced mandatory climate-related financial disclosures for large businesses and financial institutions, and mandatory nature reporting seems likely to follow given the country's high dependency on nature. Around half of Australia's GDP (49%) has a moderate to very high direct dependence on nature.¹⁷

In this Barometer, Asia-Pacific leads the other regions when it comes to coverage of metrics and targets (81%). On alignment with the pillar, however, it scores 23% – below EMEIA at 25%. These results indicate that while companies in the region may be utilizing nature-related metrics and targets, they are not necessarily disclosing them in alignment with the TNFD recommendations.

Asia-Pacific is an area of immense natural wealth, with half the world's rainforests and mangroves, and a broad range of terrestrial ecosystems. It is also home to 70% of the planet's Indigenous communities.¹⁸ Asia-Pacific is highly dependent on nature to create products that are consumed both within the region and other parts of the world. Going forward, it is critical that effective reporting is used to drive corporate action on nature within the region since research suggests that almost two-thirds of GDP in Asia-Pacific is at risk from nature loss.¹⁹

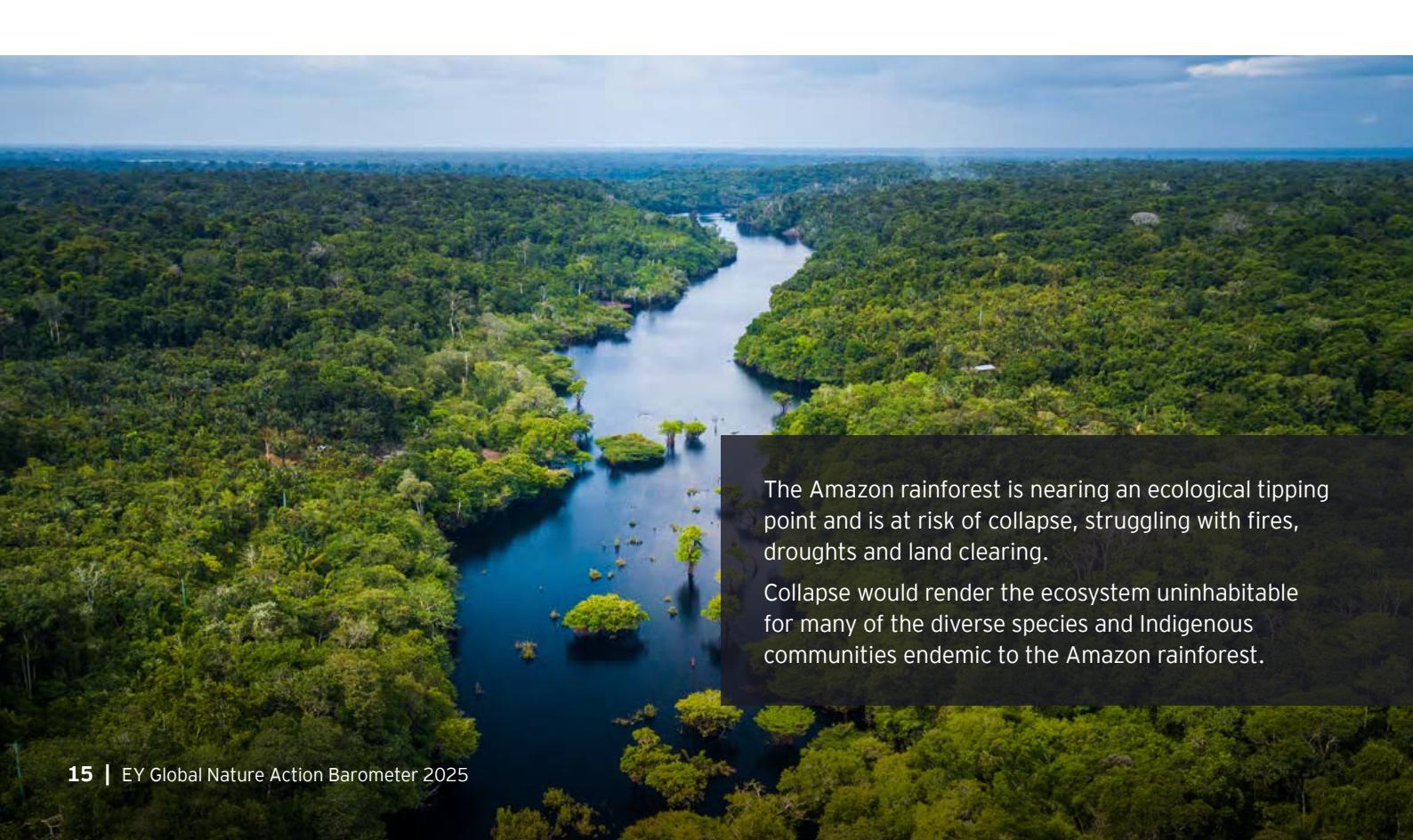
¹⁴ "Over 130 Asian companies to start nature-related risk reporting by FY2025," Eco-Business website, www.ecobusiness.com, accessed 4 July 2025.

^{15,16} "TNFD Adopters," TNFD website, www.tnfd.global, accessed 4 July 2025.

¹⁷ "Report Explained: The nature-based economy: How Australia's prosperity depends on nature," Australian Conservation Foundation website, www.acf.org.au, accessed 4 July 2025.

¹⁸ "Asia-Pacific," Conservation International website, www.conservation.org, accessed 4 July 2025.

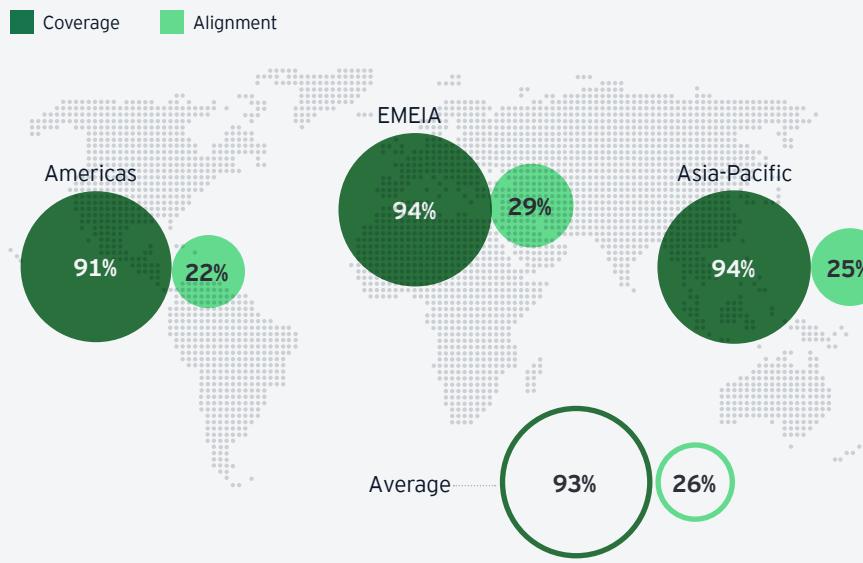
¹⁹ "Big read: How financial institutions in Asia are ramping up on nature," Responsible Investor website, www.responsible-investor.com, accessed 4 July 2025.



The Amazon rainforest is nearing an ecological tipping point and is at risk of collapse, struggling with fires, droughts and land clearing.

Collapse would render the ecosystem uninhabitable for many of the diverse species and Indigenous communities endemic to the Amazon rainforest.

TNFD coverage and alignment, by region



Sector trends

The three sectors that are most aligned with the TNFD recommendations are consumer goods (33%), extractives and mineral processing (32%) and food and beverage (28%). There are good reasons why these three sectors lead on alignment.

Natural resources are essential for consumer goods such as clothing, cosmetics and furniture. Furthermore, companies in this sector are likely to come under pressure from customers and stakeholders over their nature performance.

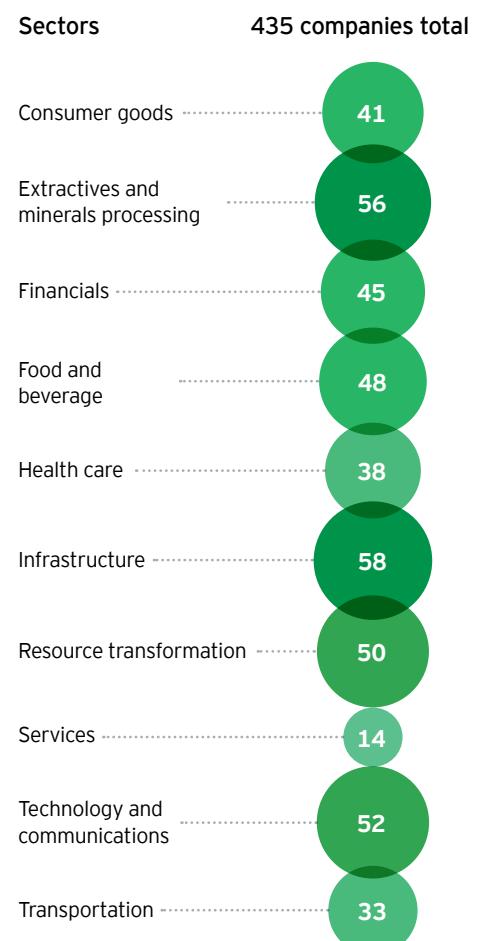
Extractive industries such as mining impact nature through air and water pollution, habitat destruction and soil degradation. As a result, the extractives and mineral processing sector is heavily regulated from an environmental perspective, with many jurisdictions demanding environmental impact assessments for mining projects.

Food and beverages are dependent on agriculture and water, while the relative shallowness of supply chains makes it easier for companies in the sector to understand their nature-related risks. Stakeholder pressure is also likely to influence progress on nature disclosure in this sector, which is also impacted by significant regulations including the EU Deforestation Regulation.

Despite its reliance on nature, the health care sector has one of the lower average alignment scores (23%). Its lowest scores are for the strategy pillar and the metrics and targets pillar (both 21%). The sourcing and disposal of products across the pharmaceutical value chain is a complex endeavor, involving multiple parties, which likely explains the sector's low scores. There are positive initiatives, however, occurring in the health care sector; the WBCSD is coordinating a working group of pharmaceutical companies to prioritize nature-related metrics for the sector.²⁰

Another sector with low alignment is transport (20%). Although transportation systems have impacts on nature, companies in the sector may be struggling to quantify and measure those impacts. The sector may also be prioritizing the reporting of greenhouse gas emissions above other aspects of its environmental footprint, including nature and habitat destruction.

Breakdown of companies analyzed, by sector



²⁰ <https://www.wbcsd.org/news/wbcsd-and-pharmaceutical-companies-release-first-sector-roadmap-towards-nature-positive-action/>

Alignment is also low in the finance sector, which is a concern given the pivotal role that banks and asset managers can play in addressing nature loss. In particular, they can help to shift capital toward sustainable practices and away from harmful activities. The financial sector has an alignment score of 23%, which may reflect the complexity of business models in the sector – financial institutions cannot report effectively on their nature-related risks and opportunities if they do not receive sufficient information from their customers.

The lack of good nature data in the financial sector is potentially a red flag for systemic risk. Banks and other financial services institutions are exposed to nature-related risks through their lending and investment portfolios, but if they are not disclosing these risks, the capital markets are exposed to a huge amount of unknown – and, therefore, unmanaged – risk in relation to nature. That said, many financial institutions do have a good understanding of nature-related risk. Initiatives such as the Nature Action 100 have organized investors to call on leading companies to provide

greater transparency on plans to protect nature and report in alignment with the TNFD.

As well as posing risks to financial institutions, nature also presents these organizations with considerable opportunities. Banks and other financial service institutions can fund the transition to a nature-positive economy by financing fast-growing and innovative startups that might become the business giants of the future.

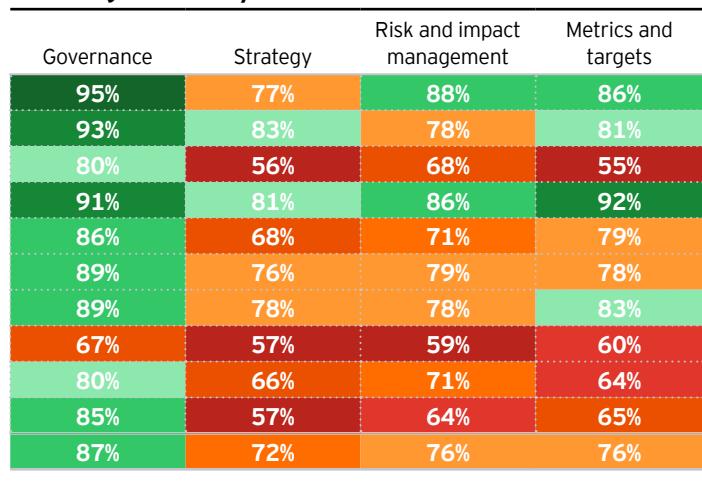
Companies and their boards have a role to play in challenging financial institutions over their exposure to nature-related risk and their strategy for capitalizing on nature-related opportunities. The TNFD has published a guide for board directors on how they can ask better questions on nature.²¹

Services is the sector least aligned with TNFD (19%). The companies analyzed in this sector predominantly operate in hospitality, which is not heavily focused on nature at present, despite having a vested interest in maintaining the pristine areas and habitats that drive tourism.

Mean total TNFD coverage and alignment scores

Sector	Average TNFD coverage	Average alignment with TNFD
Consumer goods	97%	33%
Extractives and mineral processing	96%	32%
Financials	87%	23%
Food and beverage	98%	28%
Health care	91%	23%
Infrastructure	95%	27%
Resource transformation	96%	26%
Services	82%	19%
Technology and communications	89%	21%
Transportation	89%	20%
Overall average	93%	26%

Coverage scores by sector



Key: Better Worse

Average alignment scores by sector

Sector	Governance	Strategy	Risk and impact management	Metrics and targets
Consumer goods	41%	30%	33%	30%
Extractives and mineral processing	39%	30%	32%	27%
Financials	31%	19%	25%	17%
Food and beverage	31%	25%	29%	29%
Health care	28%	21%	24%	21%
Infrastructure	31%	26%	29%	23%
Resource transformation	31%	24%	27%	23%
Services	26%	17%	17%	16%
Technology and communications	25%	19%	25%	14%
Transportation	25%	16%	22%	18%
Overall average	31%	23%	27%	22%

Key: Better Worse

²¹ Asking Better Questions on Nature – For board directors, TNFD, 2025.



Resilience dividend

To build resilience, companies should identify and manage nature-related risks using and proactive strategies. Linking these risks to financial and operational performance, and learning from leaders in sustainability, helps businesses adapt and thrive amid global challenges.

Businesses are operating in a complex geopolitical, economic and social landscape that presents many challenges. Among these challenges are market volatility, supply chain disruption due to physical conflict and trade wars, an ever-evolving regulatory environment, major technological advances and constantly changing consumer expectations. At the same time, global warming is increasing the severity and frequency of extreme weather events, and nature loss is accelerating rapidly, with far-reaching implications for companies' value chains and business models.²²

An important way that companies can boost their resilience amid all these challenges is by improving their understanding of their nature-related risks and opportunities. Every major geopolitical, economic, environmental and social challenge that we face today intersects with nature in some way – whether that's high food prices driving up inflation, deforestation contributing to climate change or AI-driven expansion of data centers consuming large volumes of water for cooling. Companies that understand how they depend on, and impact nature, will therefore be better placed to navigate short-term crises and flourish in the longer term.

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Companies can build their resilience through understanding nature risks in the following ways:

1. Identify, assess and quantify both the physical and transition risks associated with nature. Physical nature risks that might impact companies' business models include ecosystem collapse, resource scarcity and extreme weather events exacerbated by nature loss. The risks associated with transition to a nature-positive economy include policy changes, changing market trends and reputational damage associated with nature degradation.

To identify and manage these risks, companies can use the TNFD's four-stage LEAP assessment framework. LEAP stands for Locate, Evaluate, Assess, and Prepare. This assessment helps companies consider where and how they interface with nature (Locate), what their nature dependencies and impacts are (Evaluate), which material risks and opportunities arise as a result of its impacts and dependencies (Assess), and how companies should respond and report by setting targets, allocating resources to projects and making disclosures (Prepare).

2. Evaluate supply chain vulnerability. Global supply chains are critically exposed to nature-related risks, including those such as largescale crop failure, water shortages and deforestation. For that reason, proactive companies are building resilience through diversification, sustainable sourcing, industry-wide collaborations and proactive engagement with suppliers to mitigate disruption and rising commodity costs.

3. Connect nature risk to financial performance. By connecting nature risk with financial performance, companies will be able to better recognize the value that nature provides, as well as the potential financial risks arising from nature-related impacts and dependencies. Companies should consider access to capital, regulatory costs such as noncompliance, insurance costs, credit ratings and overall impact on enterprise value.

²² McSweeney, Robert and Tandon, Ayesha, "Mapped: How climate change affects extreme weather around the world," Carbon Brief, 18 November 2024, accessed via carbonbrief.org, ©CarbonBrief.

4. Make the link between nature and operational resilience.

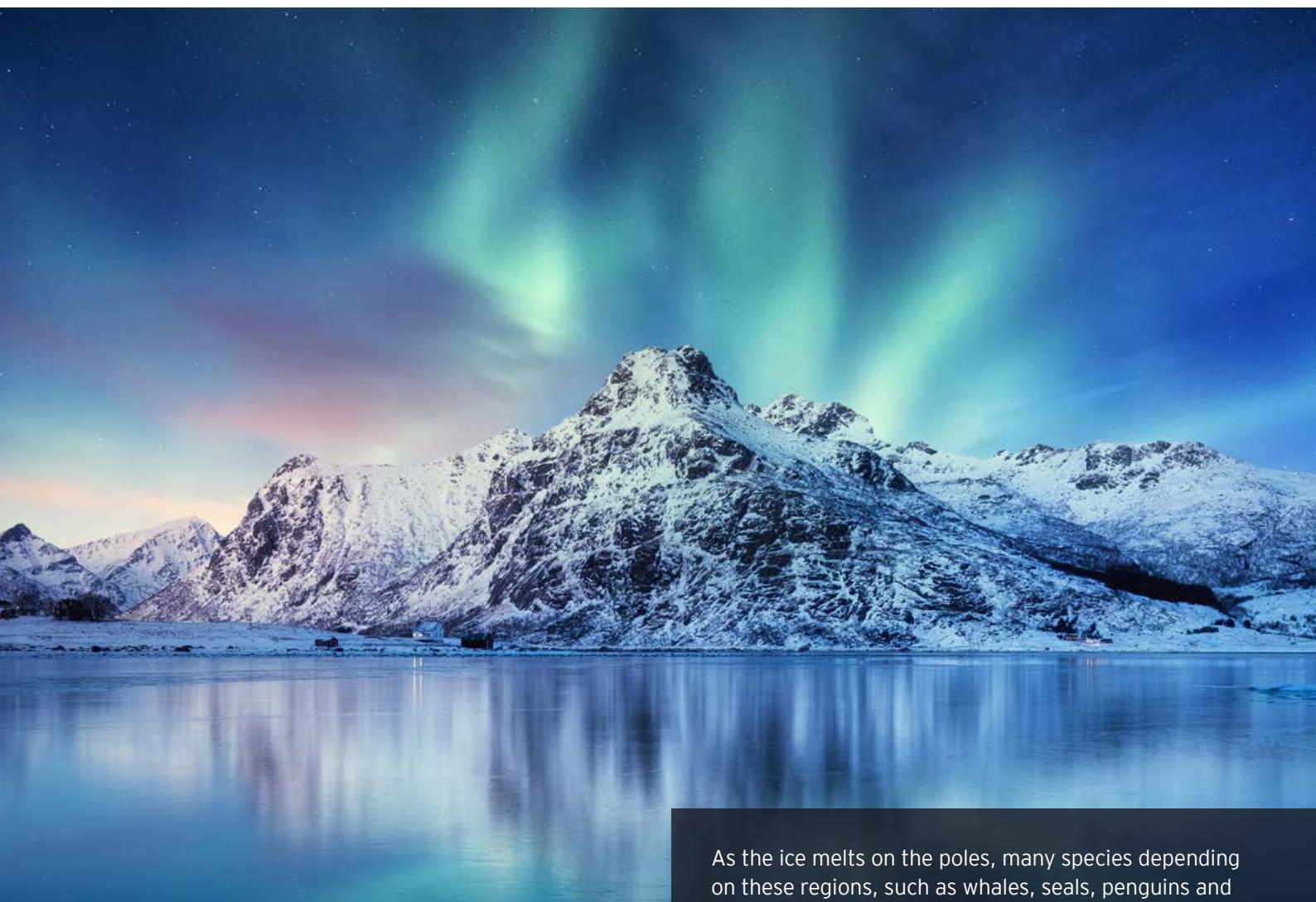
Companies can improve their operational continuity and efficiency if they proactively understand and mitigate nature-related risks such as loss of pollination services, soil degradation and water scarcity. While nature-based scenario analysis for forests, water and ecosystem services is not yet widely deployed, it's gaining traction as a tool for companies to better understand how nature could impact their business models in future and boost their resilience against nature-related risks.

Already, some companies have robust conservation practices to manage nature dependencies and ecosystem services on their operating sites. These include PepsiCo, The Walt Disney Company and Cargill in the Americas and City Developments Limited (CDL), Yuanta Financial Holdings and Mitsui in Asia-Pacific. In EMEA, companies such as Kering, LVMH and Repsol have a sound understanding of nature risk, as well as nature risk resilience strategies in place.

5. Learn from leaders in the nature space.

Companies can engage in stakeholder consultation and learn from Indigenous Peoples who have been the leaders and stewards of nature. Additionally, companies can learn from the example of peer organizations that are effectively integrating nature risk into their ERM frameworks. They can also find out how these companies are deriving tangible benefits from their understanding of nature risks in terms of reduced disruptions and enhanced preparedness.

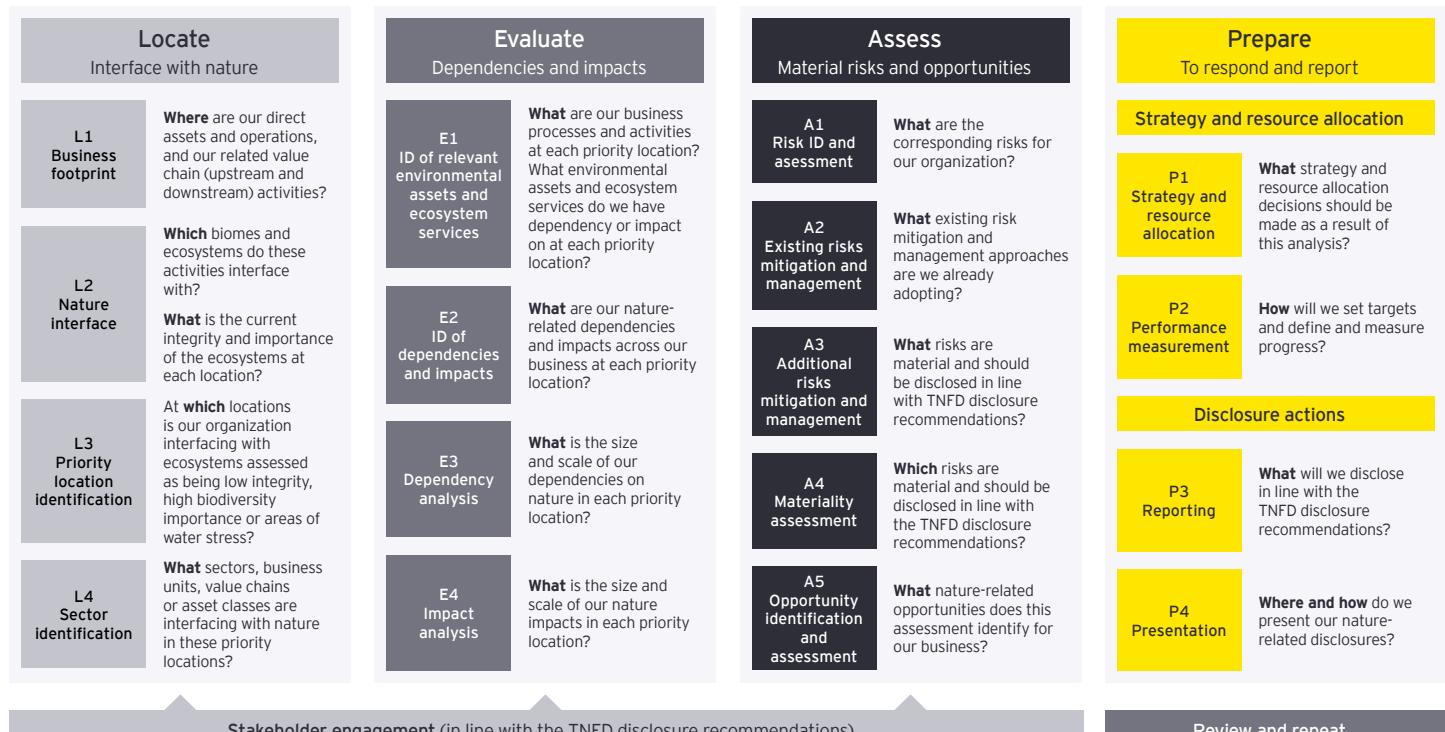
To build resilience, companies will need to completely rethink how they operate and reinvent their relationship with nature, says Alexandra Banks, EY Global Nature Lead. "We need move away from our historical exploitative relationship with nature, toward a more symbiotic relationship, where we learn from nature and let nature teach us about its own regeneration. We also need to learn from Indigenous Peoples and Indigenous knowledge."



As the ice melts on the poles, many species depending on these regions, such as whales, seals, penguins and polar bears, will be pushed toward extinction.

The LEAP approach

Scoping the assessment



5

The opportunity horizon

Companies can turn nature-related challenges into business opportunities by moving beyond risk management to embrace strategies that restore and protect nature.

Nature does not just present risks to companies. It also presents potential opportunities to transform their business models, create new value and gain a competitive edge in the marketplace. Companies that succeed in shifting their narrative around nature from being purely risk-focused or compliance-driven to seizing the significant business opportunities associated with protecting and restoring nature are well placed to shape the future with confidence.

Recently, there has been a political backlash against net-zero policies in certain markets, leading some governments to scale back sustainability policies and targets. Nevertheless, Alexis Gazzo, EY France Climate Change and Sustainability Services Leader, believes that, as a sustainability topic, nature is not as polarizing as climate – which is good news for companies looking to capitalize on nature-related opportunities.

He says, “Nature appeals to people of all mindsets. It’s about preservation of landscape and ecosystems rather than people being told that they can’t take a car or a plane. While there will be challenges with embedding nature into strategy in the current context, those challenges will not necessarily be as great as the challenges associated with climate.”

Nature does not just present risks to companies. It also presents potential opportunities to transform their business models, create new value and gain a competitive edge in the marketplace.

So, which new opportunities can nature unlock for companies?

1. Innovation and business model transformation.

Companies can unlock new value by developing innovative products, services and business models that contribute to nature-positive outcomes. They can do this in various ways such as through regenerative agriculture, circular economy solutions such as deposit and return systems for recycling cans and bottles, and nature-based solutions such as green roofs, wetland and reef restoration.

Research by the EY Global New Economy Unit, Beyond sustainability as usual, highlights examples of businesses that take a nature-positive approach. A good example is outdoor clothing company Patagonia, which encourages customers to bring their clothing back for repair rather than throw them out. Cleaning product provider Ecover partners with retailers to offer a cost-effective refill service for customers rather than encouraging them to purchase a new product.

2. New markets and capital. A proactive stance on nature can attract sustainability-focused investors, opening up new markets of capital. This is particularly the case in sectors such as agriculture, energy, mining and property. Demand for nature-positive investments is growing as investors look to manage their risks, protect their reputation and navigate the evolving regulatory landscape in relation to sustainability.

3. Cost savings and efficiency. Nature-positive practices – such as resource efficiency, sustainable land management and waste reduction – generate substantial cost savings. Companies can use the savings made to fund innovation and business model transformation.

4. **Regenerative practices.** Regenerative practices such as rebuilding soil health, enhancing biodiversity and improving water cycles can boost the long-term resilience and sustainability of companies. These practices enable companies to reduce costs over the long term, make better use of resources and access ecosystems on an ongoing basis.
5. **Talent attraction and retention.** Nearly three-quarters (71%) of employees and employment seekers want to work for environmentally sustainable employers, according to a global survey by the IBM Institute for Business Value.²³ A strong environmental commitment helps companies to attract and retain top talent of all ages who are increasingly motivated to work for purpose-driven organizations.
6. **Brand reputation.** Having strong nature credentials can help a company to enhance its brand reputation among sustainability-conscious consumers. In 2024, analysis by market research firm Kantar found that brands with a high sustainability contribution to value had, on average, seen 20% greater growth over four years than those with a low sustainability contribution to value.
7. **Partnerships and collaborations.** Partnerships in nature-related opportunities involve collaborating with various stakeholders, such as local communities and Indigenous groups, academic institutions, environmental organizations, government agencies and industry peers. These partnerships foster innovation, resource sharing, enhanced credibility, regulatory alignment and community support. By capitalizing on their collective strengths, companies can achieve greater environmental impact and drive sustainable growth.

²³ "IBM Survey: 71% job seekers want to work for environmentally sustainable companies after pandemic," The CSR Journal website, www.thecsrjournal.in, accessed 12 June 2025.

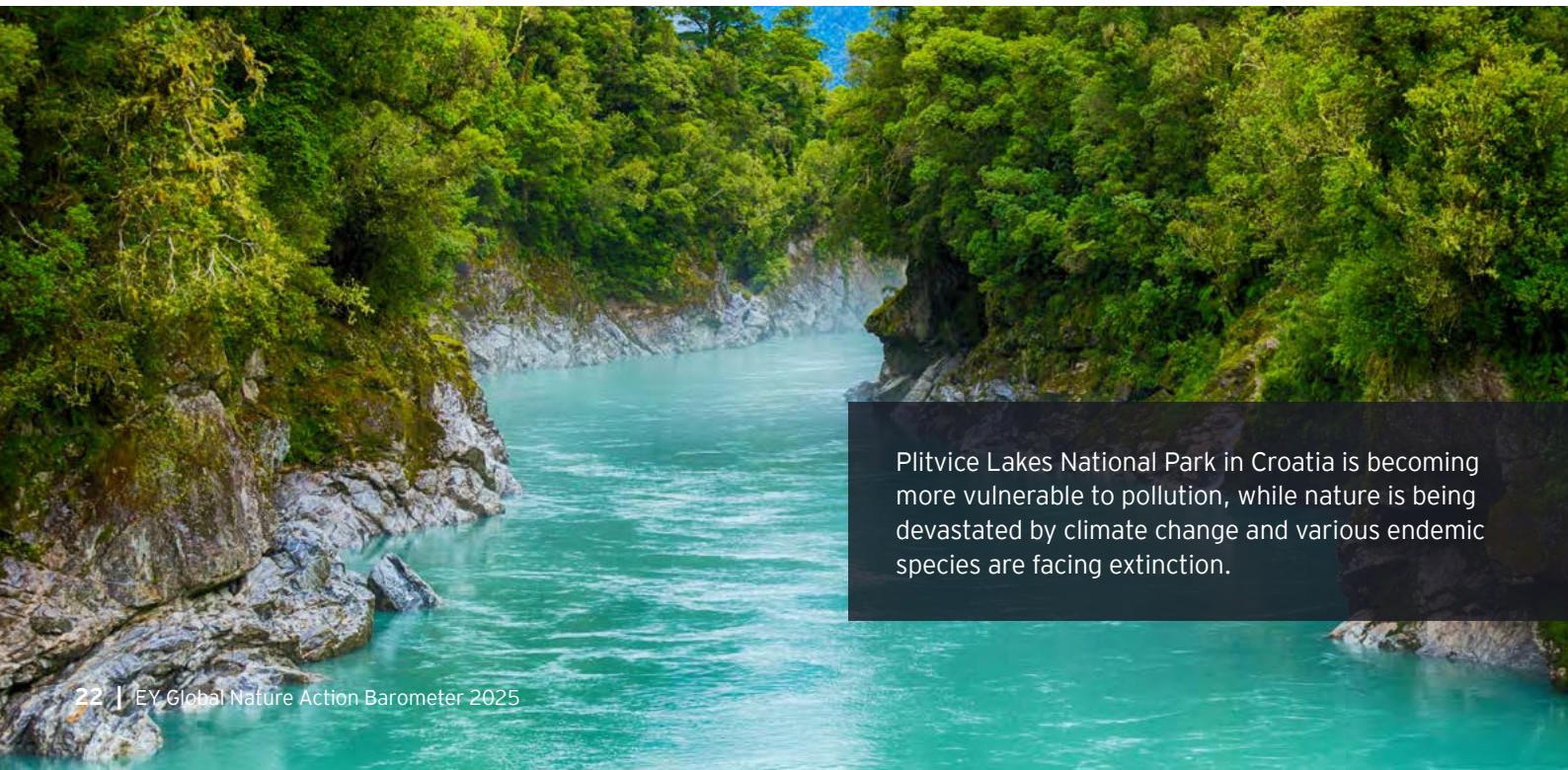
8. **Climate benefits for the company and society.** Nature-positive actions enhance climate resilience by protecting against physical climate risks, such as flooding, reducing adaptation costs and lowering greenhouse gas emissions related to forest, land and agriculture (FLAG). For example, a forest restoration initiative directly contributes to climate mitigation by sequestering significant amounts of atmospheric carbon dioxide. In addition, these initiatives support socioeconomic development and human rights by creating sustainable livelihoods, empowering local communities and safeguarding Indigenous land rights.

The Home Depot: commitment to sustainable forestry

Home improvement retailer Home Depot, based in the US, strengthened its commitment to sustainable forestry by updating its wood purchasing policy and supplier protocols. The company has established a robust assessment process to routinely evaluate and monitor risks associated with sourcing wood and wood products, aiming to mitigate nature impacts.

Recognizing the environmental value of forests as carbon sinks and biodiversity hotspots, Home Depot acknowledges threats such as climate change, deforestation, disease, drought, forest fires, insect infestations and invasive species.

To further its commitment, Home Depot set a target to require any wood or wood products sourced from certain at-risk regions to be certified as sustainable or plantation-grown by the end of the 2026 fiscal year.



Plitvice Lakes National Park in Croatia is becoming more vulnerable to pollution, while nature is being devastated by climate change and various endemic species are facing extinction.

Corporate action on nature from around the world

Analysis of the nature disclosures considered for this Barometer highlights some inspiring examples of good practice. Here are some encouraging corporate actions from around the world:

Americas

Dow: a responsible approach to land, water use and wood sourcing

US chemical company Dow set a Valuing Nature Goal that is part of its 2025 Sustainability Goals – a goal that has already delivered US\$1 billion in net present value through projects that are good for business and better for ecosystems. Through the achievement of this goal, it has successfully demonstrated the business case for nature.

In 2024, Dow launched a new water and nature conservation strategy. By 2030, Dow committed to implement a robust land strategy, with its top 20 water-dependent sites having water stewardship plans, and 10 of those sites being water-resilient. By 2035, all Dow sites will have water stewardship plans and, by 2050, Dow aim to partner to conserve 50,000 acres of habitat and that its top 20 water-dependent sites would be water-resilient.

For forests, Dow developed a risk matrix that is re-evaluated every year. The main risks assessed are supply disruption, noncompliance with regulatory standards, and social and environmental impacts. Since the matrix was created in 2014, key improvements have included increased certification by the Forest Stewardship Council, the initiation of a supplier diversity program and the implementation of a robust audit program.

Asia-Pacific

CDL: launched a regenerative tropical MicroForest

The biodiversity policy of Singapore's City Developments Limited (CDL) was introduced in 2020 and updated in 2023. It aligns with global frameworks such as the TNFD and the Global Biodiversity Framework's Target 15. As part of its "cooling by greening" strategy, CDL integrates nature-based solutions and biophilic design – such as green roofs and walls and active green spaces – into its developments. A key initiative includes Singapore's first research-based regenerative tropical MicroForest at City Square Mall, aimed at enhancing urban cooling and biodiversity. While no projects are located in protected areas, CDL remains committed to biodiversity assessments, renewable energy integration and nature-positive urban planning under its Future Value 2030 goals.

Woolworths: aiming to be nature-regenerative by 2050

Australian retailer Woolworths Group pledges to be nature-regenerative by 2050, aligning with global frameworks such as TNFD and Nature Action 100. Specific action areas include biodiversity protection, water stewardship, circular packaging, food waste reduction and supplier engagement. It advances sustainable and regenerative agriculture by empowering its growers and farmers to enhance their practices.

EMEA

Adidas: building its brand by managing biodiversity impact throughout the value chain

German fashion brand Adidas has a transition plan that aims to manage the impact of its operations on nature and ecosystems throughout the value chain. It is focused on assessing and reducing its environmental impact and restoring nature. The company uses holistic frameworks, including the Science Based Targets Network's science-based targets for nature and the Accountability Framework.

Recognizing deforestation as a major driver of nature loss, Adidas prioritizes the establishment of deforestation-free supply chains. It acknowledges that preserving and restoring nature requires systemic change and collaboration with various stakeholders, including suppliers and industry peers. As a signatory of The Fashion Pact, and a member of multiple industry working groups, Adidas is committed to setting specific targets and action plans to mitigate its nature impact and promote innovation as a crucial enabler of systemic change.

Altri: protecting and enhancing natural spaces

The nature strategy of Portuguese industrial conglomerate Altri aligns with the Act4nature initiative and other global biodiversity objectives, including the United Nations Sustainable Development Goals.²⁴ To implement its strategy, the company created the Altri Diversity program, targeting stakeholders with defined objectives, actions and targets for 2018-30. This program reflects Altri's commitment to protecting and enhancing natural spaces, promoting biological services and product diversification. As part of the program, it has created biodiversity stations to monitor invertebrates, particularly butterflies and dragonflies. It is also increasing the conservation area under its management.

²⁴ Act4nature is an international initiative launched in 2018 to mobilize businesses to recognize and act on nature.



Stakeholder ecosystem

Transitioning to a nature-positive economy relies on the collective effort of investors, regulators, technology providers and multi-stakeholder collaborations, each playing a vital role in funding, regulation, technology and knowledge sharing.

The transition to a nature-positive economy will only be possible with the support of an ecosystem of stakeholders who provide the necessary funding, regulatory frameworks, technology, data, and technical knowledge and expertise. What's more, multi-stakeholder collaborations, including public-private partnerships, are critical to accelerate progress on nature-related issues – for example, by agreeing common metrics and frameworks and developing new technologies to support the measurement of nature impacts and actions.

Funding natural capital assets is not only a way for them to achieve financial returns but also an opportunity to mitigate and minimize risk across their portfolios.

Investors and financial institutions

Investors and financial institutions can provide the critical funding that enables companies to transition to new business models that protect nature. As of 2025, the funding gap for meeting the goals of the Global Biodiversity Framework (GBF) is estimated at US\$700 billion per year.²⁵ Funding natural capital assets is not only a way for them to achieve financial returns but also an opportunity to mitigate and minimize risk across their portfolios.

Investors are increasingly lobbying for companies to take more action on nature. As an example, Nature Action 100, a global investor-led engagement initiative, supports investors to engage with companies on reversing nature loss. It aims to encourage greater corporate ambition with the aim of mitigating financial risk and protecting the long-term economic interests of investors' clients and beneficiaries.

S&P Dow Jones has launched two biodiversity indices that measure the performance of a subset of equities from the S&P 500 and the S&P Global LargeMidCap indices. These biodiversity indices are designed to help investors measure, analyze and better understand their investments' impact on the natural world.²⁶

Banks are coming under greater pressure to help drive the transition to a nature-positive future by making capital available to governments and companies. The United Nations Environment Programme has highlighted that private finance flows have a direct negative impact on nature in the region of US\$5 trillion per year – about 140 times larger than private investments into nature-based solutions.²⁷ Accordingly, nonprofits, such as the World Wildlife Fund (WWF), are calling on the banking sector to contribute to the shift toward a nature-positive world. In its report, Banking on Nature-Positive, the WWF says: "The good news is that banking sector awareness about the economic and financial risks of nature loss is growing substantially."²⁸

²⁵ "Governments adopt first global strategy to finance biodiversity: implications for financial institutions," United Nations Environment, <https://www.unepfi.org/themes/ecosystems/governments-adopt-first-global-strategy-to-finance-biodiversity-implications-for-financial-institutions/>

²⁶ "S&P Dow Jones launch biodiversity indices," ESG Investing, www.esginvesting.co.uk, accessed 13 June 2025.

²⁷ "Close to \$7 trillion invested globally each year in activities harmful to nature and climate," ESG.Guide, www.esg.guide, accessed 13 June 2025.

²⁸ *Banking on Nature-Positive*, World Wildlife Fund, 2024.

Regulators and standard-setters

Regulators and standard-setters are responsible for building the regulatory environment that will enable the transition to a nature-positive economy. They can do this by developing regulations and introducing incentives that protect nature, and requiring and enabling companies to report on their nature impacts and dependencies.

Globally, regulation on nature-related reporting is not as advanced as regulation on climate-related reporting. This is not surprising given the TCFD's recommendations for climate-related reporting were published back in 2017, six years ahead of the TNFD's recommendations for nature reporting. Nevertheless, the TCFD's recommendations have been rapidly adopted, with climate reporting rules starting to become mandatory in many markets and integrated into broader sustainability frameworks. For example, the TCFD recommendations are interoperable with the CSRD and were incorporated into the International Sustainability Standards Board's (ISSB's) sustainability disclosure framework.

In the same way that the TCFD recommendations have been commonly adopted by regulators, we are likely to see the rise of nature-related regulatory reporting requirements over the coming years. There is some level of interoperability between TNFD and other key nature-related frameworks and standards, including the CSRD's European Sustainability Reporting Standards (ESRS), the Global Reporting Initiative (GRI), CDP and the SBTN. This interoperability should help to facilitate the broader adoption of the TNFD disclosure recommendations going forward.

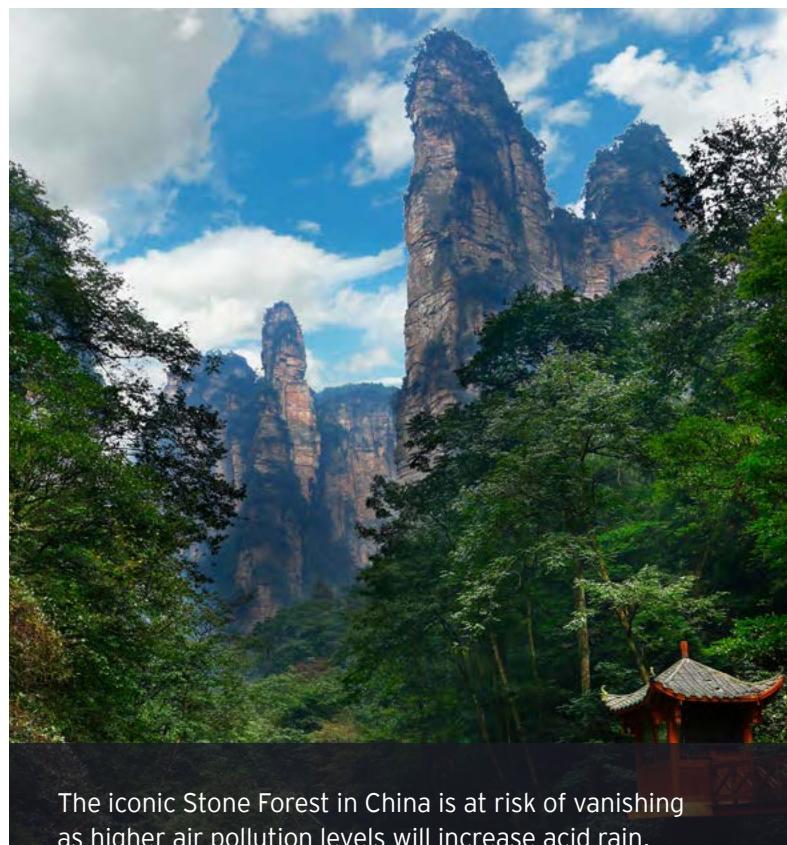
In April 2025, the IFRS Foundation and the TNFD signed a memorandum of understanding to build upon the TNFD recommendations in the ISSB's ongoing work, to enable nature-related financial disclosures for use by capital markets.²⁹ The Mexican Sustainability Reporting Standards require in-scope companies to disclose sustainability information as part of their annual reports, including reporting on nature-related matters.

The ISSB is currently conducting a research project to understand the nature and extent of investors' need for more useful information about risks and opportunities relating to biodiversity, ecosystems and ecosystem services (BEES) that could potentially affect a company's prospects. Its initial findings reveal that investors are very interested in BEES-related risks and opportunities, and are at an early stage of using BEES information in investment decisions.³⁰

Technology and data providers

Data and technology are vital enablers of a nature-positive future. As well as providing solutions for companies to better monitor and mitigate their impacts on nature, data and technology can support them to provide greater transparency around their nature impacts and how they are addressing those impacts. Lucy Godshall, EY US Climate Change and Sustainability Services Nature Solution Leader, says that the TNFD recognized the challenge by proposing to create a Nature Data Public Facility (NDPF): "Its aim is to provide open access to decision-useful, nature-related data. EY has been engaged by the TNFD to support this initiative by refining a set of principles to define high-quality and fit-for-purpose nature data that could be connected to the NPDF in the future."

Remote sensors, on-site sensors, artificial intelligence (AI) and machine learning are all useful for collecting and analyzing data relating to nature and detecting the patterns in data. Satellite data collected by remote-sensing technology is vital for monitoring, assessing and managing environmental changes across the world, including biodiversity loss and deforestation. As well as highlighting detrimental changes such as deforestation rates and a decline in vegetation health, satellite data can be used to assess the success of conservation projects, such as mangrove restoration initiatives, by monitoring the regrowth of vegetation.



The iconic Stone Forest in China is at risk of vanishing as higher air pollution levels will increase acid rain, accelerating the deterioration of the formations.

²⁹ "IFRS Foundation and TNFD formalise collaboration to provide capital markets with high-quality nature-related information," TNFD, www.tnfd.global, accessed 13 June 2025.

³⁰ *Sustainability Standards Advisory Forum, May 2025, Agenda Paper 4*, IFRS Foundation, 2025.

Environmental DNA (eDNA) on-site sensors enable analysis of DNA found in the environment, including air, soil and water. They are a noninvasive way for companies to study nature change in their environments, track invasive species and monitor overall ecosystem health. A reliable and powerful technique, eDNA technology enhances the quality, accuracy and scope of nature-related data, assessments and reporting.

Technology can be used for nature dependency assessments, enabling companies to assess their exposure to risks such as vulnerable water supplies and habitat loss. It can help companies to calculate their ecological footprint – whether related to biodiversity loss, deforestation or water use – and prioritize areas for action. This saves companies time and makes it easier for them to meet their reporting requirements while providing them with deep insights into where they can improve.

Other tools that can enable companies' nature strategies are AI-driven scenario modeling tools that can project different future ecological scenarios based on the actions taken by companies, strategic planning tools and benchmarking platforms. The Science Based Targets Network provides tools and guidance for companies looking to set targets for freshwater and land use. Blockchain can be used to track and manage sustainability practices throughout supply chains, while circular economy technologies, such as water treatment tools, can support the recovery and reuse of natural resources.

When it comes to disclosure, companies can use tools that simplify the monitoring and reporting of their progress against nature goals. These include automated environmental reporting, tools that align corporate disclosures with global frameworks including TNFD, and tools for sharing information with investors and other stakeholders.³¹

³¹ Integrating nature tech: A guide for businesses, Nature4Climate, 2024.

³² The Definition of Nature Positive, Nature Positive Initiative.

Multi-stakeholder collaboration

No country, organization or individual is capable of single-handedly bringing about the transition to a nature-positive world. That's why multi-stakeholder collaboration is key.

The most obvious example of a multi-stakeholder collaboration helping to drive the transition to a nature-positive economy is the Conference of the Parties (COP) to the Convention on Biological Diversity. It meets every two years to review progress on biodiversity conservation and decide new measures. The COP brings together representatives from governments, companies, nonprofits and local communities, along with scientists, academics and Indigenous Peoples.

The Nature Positive Initiative (NPI) is also an important collaboration. It connects a broad range of stakeholders across the public, private and non-profit sectors to pursue nature positive – the goal of halting and reversing biodiversity loss with continued recovery of nature. This work is rooted in the mission of the Global Biodiversity Framework. Learn more: naturepositive.org.³²

Other collaborations that are enabling transition include Capitals Coalition (aims to transform decision-making by integrating the value of natural, human, social and produced capitals into global systems), Business for Nature (works to unite business voice to reverse nature loss by 2030), Nature4Climate (a coalition of organizations across the environmental sector), the Nature Tech Collective (a global community of nature tech stakeholders) and Climate Collective (a community of entrepreneurs, investors, nonprofits and scientists who are using digital technology to drive climate and nature action at scale).

There are many more examples of multi-stakeholder collaboration, both global and local. These convene collective expertise with the aim of addressing complex nature-related challenges.





A call to action

Companies should urgently integrate nature into their core strategies by understanding their environmental impacts, setting clear goals, improving transparency and collaborating with partners to drive meaningful progress.

Nature is critically important to individual wellbeing, corporate performance and the overall health of the global economy. The UN Secretary-General António Guterres said: "Nature is our life-support system. It is the source and sustainer of the air we breathe, the food we eat, the energy we use, the jobs and economic activity we count on, the species that enrich human life, and the landscapes and waterscapes we call home." Unless we take urgent action today to combat the nature crisis – which is intrinsically linked to the climate crisis – we risk an unlivable future.

Research by the EY Global New Economy Unit, titled *A New Economy*, highlights five guiding principles that can help to accelerate the transition to a more sustainable economy.³³ These are:

1. **Sufficiency:** enough for a good life, within planetary boundaries
2. **Circularity:** aligning production and consumption with nature
3. **Systems thinking:** joining the dots to catalyze systems change
4. **Value redefined:** putting human and planetary flourishing at the heart of value creation
5. **Equity and justice:** achieving shared and lasting prosperity for all

Bearing these principles in mind, which practical steps can companies take to better integrate nature into their strategy and drive action through improved reporting?

1. **Develop a robust understanding of the company's impacts and dependencies on nature, across its entire value chain.** This analysis will need to be undertaken at a local level, at least for some sites, and it may be necessary to work with external stakeholders, including suppliers and local communities. The TNFD's LEAP assessment framework is a good starting point for understanding how the company intersects with nature and the implications of that intersection.
2. **Deeply embed nature into the company's strategy.** This strategy should include targets and consider which nature-related risks need to be managed and which opportunities can be seized. Look to identify the low-hanging fruit where progress may be made comparatively quickly, such as an action plan to address water stress or reduce pollution at a particular site.
3. **Build capability and capacity.** Bring in a diverse set of people with the skills and knowledge to understand the company's impacts and dependencies on nature, as well as its nature-related risks and opportunities. These may include external consultants. The company will also need people who can convincingly tell its nature story to stakeholders – people who may not necessarily be technical experts.
4. **Incorporate nature risk in the corporate strategy for measuring and managing climate risk.** Nature and climate risk are closely intertwined, so companies will make faster progress on nature risk if they consider it in the context of climate.
5. **Improve the quality of disclosures, providing decision-useful information to meet stakeholder requirements.** When companies are transparent about the strategies and metrics they are using to monitor progress, they are more likely to act. Evidence suggests that increased disclosure is often correlated with increased action and performance, probably because companies are allowing themselves to be held accountable by stakeholders. For example, companies that have historically responded to CDP are often those driving the most progress around their greenhouse gas emission reduction targets.³⁴

³³ EY. (2023). How can adopting regenerative principles unlock a sustainable future? Retrieved from https://www.ey.com/en_gl/insights/climate-change-sustainability-services/regenerative-principles-sustainable-future

³⁴ "Companies and investors support climate disclosure," Climate Champions, 4 September 2024.

6. **Review the nature disclosures of the companies and financial institutions that your company interacts with.** What is their current disclosure not telling you and what should you be asking for? Asking for better information from other businesses will help to drive up overall standards of disclosures across your industry and beyond.
7. **Collaborate with partners to address nature-related challenges at global, regional and local levels.** Important partners may include technology providers, nonprofits and other companies with sites in similar locations and landscapes.
8. **Invest in new technological tools that can accelerate a nature-positive transition.** These could include tools for assessing impacts and dependencies, monitoring ecosystems, transforming business models and meeting reporting requirements.
9. **Monitor the regulatory landscape around nature and nature reporting.** Nature is likely to be a fast-moving regulatory environment over the coming years, so companies will need to track new regulatory developments and understand the implications for their businesses.
10. **Don't let perfect be the enemy of good.** Companies shouldn't let a preoccupation with producing perfect TNFD-aligned disclosures stop them from producing any disclosures at all.

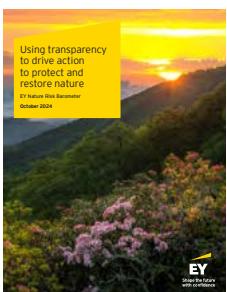
Ultimately, nature underpins the global economy. Even if a business is not itself heavily dependent on nature to execute its business model, the chances are that its customers and suppliers are. Given the escalating nature crisis, companies must act now to provide greater transparency around their nature strategies and show they are leading the way in driving transformative change.



Serengeti National Park, Tanzania, is becoming more susceptible to longer and more intense droughts caused by climate change, followed by periods of flooding after excessive rain. These fluctuating rainfall patterns have created a water scarcity in the region, which poses an existential threat for the Serengeti's animals.

Appendices

Appendix 1: Further reading



EY Nature Risk Barometer 2024

Building on the baseline analysis of the inaugural *EY Nature Risk Barometer* conducted in summer of 2023, the 2024 edition extends its scope to more than 350 companies across the US, Canada and Latin America in preparation for COP16 to be held in Colombia in October 2025. The Barometer provides insights into the evolving state of nature-related disclosures, benchmarked against the final TNFD recommendations finalized in September 2023.



EY Global Climate Action Barometer 2024

The sixth edition of the *EY Global Climate Action Barometer 2024* clearly shows that the state of climate-related disclosures is nowhere near where it needs to be to effectively address the accelerating climate crisis. Companies across the world need to urgently improve the quality of their climate disclosures. In particular, they must increase their adoption of transition plans, better connect the results of their scenario analysis with their financial information, and set scientifically validated targets for the short, medium and long term.



EY CSRD Barometer 2025

This *CSRD Barometer* seeks to identify commonalities and outliers, entity-specific disclosures, fact patterns related to the double materiality assessment (DMA) and sectorial trends in CSRD-compliant reports released for the fiscal year 2024 based on a sample size of 200 companies. It provides the results of analysis of sustainability statements prepared in accordance with the ESRS and the evaluation of potential business implications.



Overview of the alignment of large French companies with the recommendations of the TNFD

Discover the study on the alignment of the publications of large French companies with the recommendations of the first TNFD framework.



Appendix 2: Scoring methodology

For alignment, companies were scored using the following scoring system:

0 - No evidence of disclosure alignment

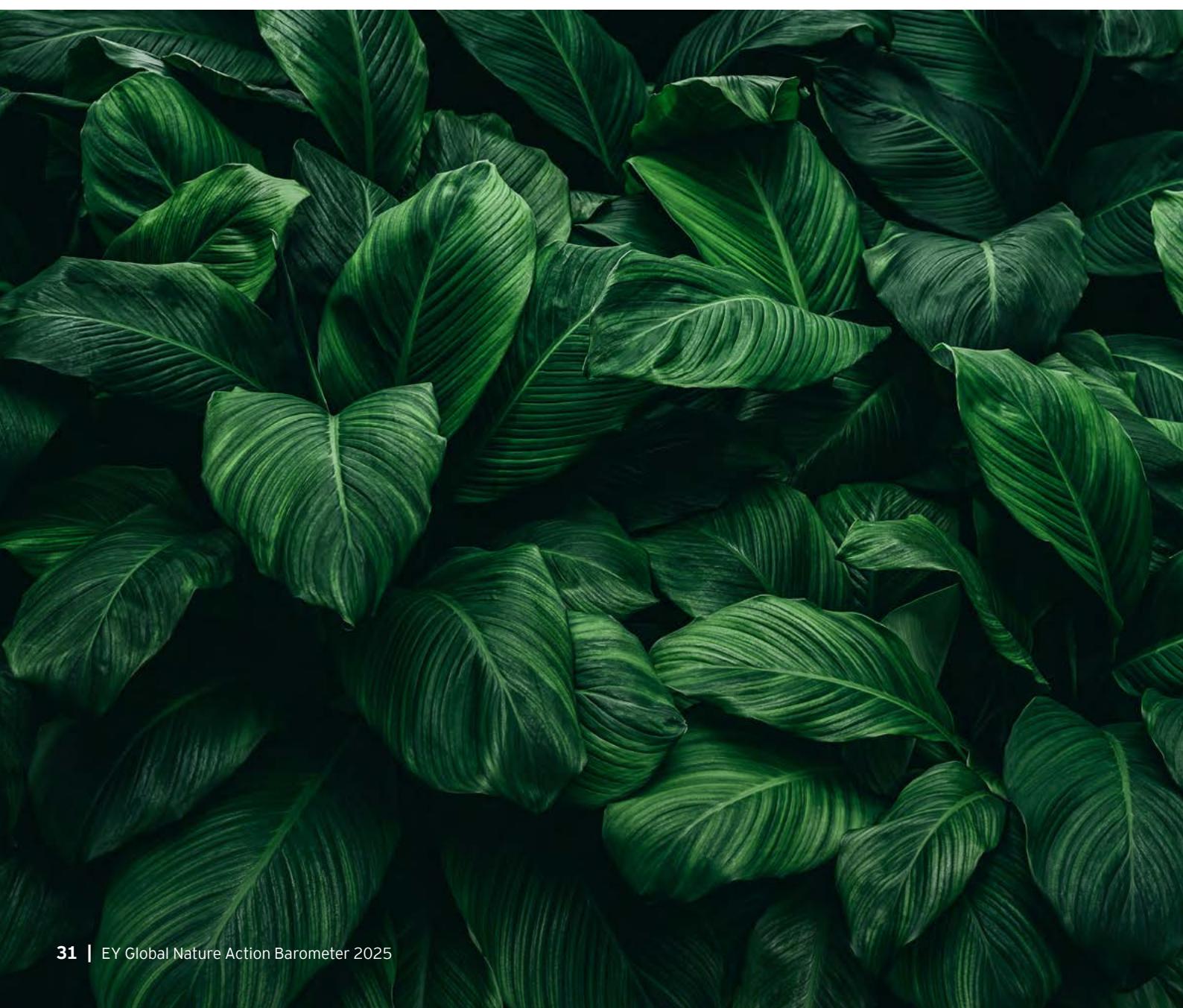
1 - Underdeveloped, limited discussion of the recommendation components (or only partially discussed)

2 - Basic, general discussion or disclosure of the recommendation components

3 - Developing detailed discussion or disclosure of the recommendation components

4 - Well-developed, well-articulated, detailed disclosure of the recommendation components

5 - Market-leading, addressed all components



Appendix 3: Glossary

Biodiversity: The variability among living organisms from all sources, including, *inter alia*, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems.*

Biodiversity value areas: Designated regions identified for their significant biodiversity, ecosystem services and sociocultural values.

CSRD: An EU-led directive by the European Commission that replaces the EU's Non-Financial Reporting Directive (NFRD). It establishes enhanced ESG reporting requirements for companies. While originating from the EU, the CSRD has a global reach, impacting not only EU-based companies but also companies outside the EU.¹

Dependencies: Aspects of environmental assets and ecosystem services that a person or an organization relies on to function. A company's business model, for example, may be dependent on the ecosystem services of water flow, water quality regulation and the regulation of hazards such as fires and floods; provision of suitable habitat for pollinators, who in turn provide a service directly to economies; and carbon sequestration.²

Double materiality: Double materiality has two dimensions: impact materiality and financial materiality. European Commission (2023) Annex 1 to the Commission Delegated Regulation, supplementing Directive 2013/34/EU as amended by Directive 2022/2464 (CSRD), as regards sustainability reporting standards (ESRS 1).

Ecosystem assets: A form of environmental assets that relate to diverse ecosystems. These are contiguous spaces of a specific ecosystem type characterized by a distinct set of biotic and abiotic components and their interactions.*

Ecosystem services: Ecosystem services provide benefits to business through various categories defined by the TNFD.*

Provisioning services: Benefits obtained by extracting or harvesting resources from ecosystems, such as timber and fuel wood from a forest, or freshwater from a river.

Regulating and maintenance services: Benefits derived from ecosystems' ability to regulate biological processes and influence climate, hydrological and biochemical cycles. These services help maintain environmental conditions that are beneficial to individuals and society. For example, the provision of freshwater relies on forests' capacity to absorb carbon and regulate climate change.

Cultural services: Experiential and intangible services associated with the qualities of ecosystems. The existence and functioning of ecosystems contribute to various cultural benefits. Examples include the recreational value of a forest or a coral reef for tourism.

Environmental assets: The naturally occurring living and nonliving components of the earth, together constituting the biophysical environment, may provide benefits to humanity.*

Global Biodiversity Framework (GBF): The Kunming-Montreal GBF is an international agreement signed by 196 nations to address biodiversity loss by 2030. It aims to protect 30% of land and sea areas. The GBF has important implications for the financial sector, highlighting the role of finance in both perpetuating biodiversity loss and finding solutions.

High-risk natural commodities: High-risk natural commodities refer to commodities or products where production has significant negative impacts on nature. Organizations should refer to the SBTN High Impact Commodity List in the first instance, supplemented by TNFD sector-specific guidance for details on the types of high-risk natural commodities for each sector, where relevant.³

Impacts: Changes in the state of nature (quality or quantity), which may result in changes to the capacity of nature to provide social and economic functions. Impacts can be positive or negative. They can be the result of another party's actions and can be direct, indirect or cumulative. A single impact driver may be associated with multiple impacts.⁴

Indicator: A quantitative or qualitative factor or variable that provides a simple and reliable means to measure performance. An indicator can be measured through one or multiple metrics.

Indigenous Peoples: According to ILO Convention 169, Indigenous Peoples are descendants of a population "which inhabited a country or geographical region during its conquest or colonization or the establishment of present state boundaries and retain some or all of their own social, economic, cultural and political institutions."⁵

* As defined by the TNFD.

¹ Corporate sustainability reporting - European Commission (europa.eu)

² SBTN Steps 1-3 Glossary_2022 .docx (sciencebasedtargetsnetwork.org)

³ SBTN-High-Impact-Commodity-List-v1.xlsx (live.com)

⁴ SBTN Steps 1-3 Glossary_2022 .docx (sciencebasedtargetsnetwork.org)

⁵ UNDRIPManualForNHRIs.pdf (ohchr.org)

International Sustainability Standards Board (ISSB):

A global body established in November 2021 during the UN Climate Change Conference (COP26) in Glasgow. The ISSB's primary goal is to develop and promote global standards for sustainability disclosures, ensuring that companies provide high-quality and comparable information on sustainability-related risks and opportunities that meet the needs of investors and financial markets.

International Union for Conservation of Nature (IUCN):

The global authority on the conservation status of species. Through its species survival commission, it maintains the IUCN Red List of Threatened Species, which categorizes species based on their conservation status.

Natural capital: The stock of renewable and non-renewable natural resources (e.g., plants, animals, air, water, soils, minerals) combined to yield a flow of benefits to people.*

Natural commodities: Natural assets (raw materials) occurring in nature that can be used for economic production or consumption.⁶

Nature: The natural world, with an emphasis on the diversity of living organisms (including people) and their interactions among themselves and with their environment.*

Nature loss: The loss or decline of the state of nature. This includes, but is not limited to, the reduction of any aspect of biological diversity, such as diversity at the genetic, species and ecosystem levels in a particular area through death (including extinction), destruction or manual removal.⁷

Nature-related disclosures: Nature-related disclosures refer to the reporting of information by companies and organizations about their impacts on nature, biodiversity and ecosystem services. These disclosures provide transparency and enable stakeholders to assess environmental performance and sustainability. They cover aspects such as resource use, conservation efforts, habitat management and integration of nature considerations into business strategies. Standardized frameworks such as the TNFD guide these disclosures, promoting accountability and conservation of the natural environment.

Opportunities: Potential positive outcomes for the organization that arise from its impacts and dependencies on nature. Opportunities can include new revenue streams (e.g., from sustainable products), cost reductions (e.g., from resource efficiency) and enhanced reputation and market positioning.*

Pollutants: Substances and heat in air, water and land whose nature, location or quantity produce harmful and undesirable environmental effects.^{8*}

Risks: Potential negative impacts on the organization that arise from its dependencies and impacts on nature. Risks can be physical or operational (e.g., supply chain disruptions due to climate change), regulatory (e.g., fines for environmental noncompliance), or reputational or market (e.g., loss of customers due to perceived environmental harm).*

Science-Based Targets Network (SBTN): A collaboration of global nonprofits and organizations working together to help companies and cities set science-based targets for Earth's systems. It aims to guide them in addressing their impacts and dependencies on nature across their value chains.

SBTN mitigation hierarchy: The SBTN mitigation hierarchy functions as a framework that directs companies in their endeavors to decrease greenhouse gas emissions and address environmental impacts. It offers a structured approach for companies to prioritize their actions, ensuring they align with scientific targets and adhere to the best practices of environmental sustainability.

Task Force on Nature-related Financial Disclosures (TNFD):

An initiative that provides a standardized approach for companies and financial institutions to assess and disclose risks, opportunities and impacts related to nature. By integrating nature-related considerations into financial decision-making, the TNFD aims to enhance transparency and enable informed choices.

⁶ "OECD Glossary of Statistical Terms," OECD https://www.oecd.org/en/publications/oecd-glossary-of-statistical-terms_9789264055087-en.html

⁷ "Global Assessment Report on Biodiversity and Ecosystem Services," IPBES, <https://www.ipbes.net/global-assessment>

⁸ SeriesF_67E.pdf (un.org)

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