



2023 Nature Benchmark

Scoring Guidelines

Overview	4
Indicators and elements	4
Table 1 – Distribution of indicator weights on the overall benchmark score	5
Figure 1 – Distribution of weights of the measurement areas on the overall benchmark score	6
Assessment & Review Process	7
Cross-Benchmark Indicators	7
Table 2 – Cross-benchmark indicator mapping	7
A: Governance and Strategy	8
A1. Sustainability strategy	9
A2. Accountability for sustainability strategy	11
A3. Stakeholder engagement	13
A4. Lobbying and advocacy	14
A5. Business model transition	15
B: Ecosystems and biodiversity	16
B1. Assessment of impacts on nature	17
B2. Assessment of nature dependencies	19
B3. Key areas important for biodiversity	20
B4. Key species	22
B5. Ecosystem conversion	23
B6. Ecosystem restoration	25
B7. Resource exploitation and circularity performance	27
B8. Soil health	29



B9. Water withdrawal	31
B10. Water quality	32
B11. Hazardous substances and waste	33
B12. Plastic use and waste	34
B13. Air pollutants	35
B14. Scope 1 and 2 greenhouse gas emissions	36
B15. Scope 3 greenhouse gas emissions	37
B16. Invasive alien species	39
C: Social inclusion and community impact	40
C1. Right to a safe, clean, healthy and sustainable environment	41
C2. Indigenous Peoples' rights	42
C3. Land rights	43
C4. Water and sanitation	44
C5-C22: Core social indicators	45
Respect Human Rights	45
Provide and promote decent work	56
Act ethically	64
Appendix	69
Table 1 – Key sustainability topics for batch 2 industries	69
Table 2 - List of high-risk commodities, high-risk areas, and accepted certification schemes (as equivalent to zero conversion)	70
Glossary	71



Overview

The World Benchmarking Alliance (WBA) Nature Benchmark consists of 25 transformation-specific indicators and 18 core social indicators divided into three measurement areas: governance and strategy, ecosystems and biodiversity and social inclusion and community impact. This document, designed to be read alongside the more comprehensive methodology report, describes how the indicators are scored to result in an overall benchmark score.

Indicators and elements

The Nature Benchmark's indicators each consist of multiple elements. The weight of each element can be calculated by dividing the indicator weight (Table 1) by the number of elements in the indicator. All the indicators are aligned with existing benchmarks, accountability mechanisms and organisations critical for our work. An overview can be found in Annex 1 of the methodology report. Each element is described in detail in the following report, with a summary of what is eligible, as well as commonly found cases of non-eligibility.

WBA benchmarks integrate a common set of eighteen Core Social Indicators (CSI) into all system transformation methodologies to assess whether companies demonstrate a sufficient commitment to responsible conduct. They represent expectations which all companies should be meeting as the minimum, but are not 'leading practice' or proxies for good performance. In the Nature benchmark, they fall under the social inclusion and community impact measurement area, and correspond to indicators C5 to C22.

As illustrated in Table 1 and Figure 1, the transformation-specific indicators (A1 to C4) account for 80% of the overall benchmark score, and the core social indicators (C5 to C22) for the remaining 20%. The transformation-specific indicators (A1 to C4) each weigh 3.4% of the total score (with the exception of A5¹ which is not weighted), and the core social indicators (C5 to C22) each weigh 1% of the total score, with the exception of C8 and C9 which weigh 2%. When looking at the aggregated scores of the measurement areas—governance and strategy, ecosystems and biodiversity, social inclusion and community impact (C1-C4), and core social indicators (C5-C22)—they weigh 13.6%, 51%, 13.6% and 20%, respectively.

¹ Indicator A05 looks at topics which are still being developed (e.g. nature-positive) and for which there is still not sufficient guidance for companies. As such, company performance on this indicator is tracked within the assessment, but not reflected in the total score until the topics mature and more guidance becomes available.



Table 1 – Distribution of indicator weights on the overall benchmark score

Measurement Area (MA)	Indicators	Number (N)	Weight (W)	N*W	MA Weight
A – Governance and Strategy	A1-A4	4	3.4%	13.6%	13.6%
	A5	1	0.0%	0.0%	
B – Ecosystems and Biodiversity	B1-B16 (<i>except B6</i>)	15	3.4%	51.0%	52.7%
	B6	1	1.7%	1.7%	
C – Social Inclusion and Community Impact	C1-C4	4	3.4%	13.6%	33.6%
	C5-C22 (<i>except C8 & C9</i>)	16	1.0%	16.0%	
	C8 & C9	2	2.0%	4.0%	



Figure 1 – Distribution of weights of the measurement areas on the overall benchmark score

(A) Governance and Strategy

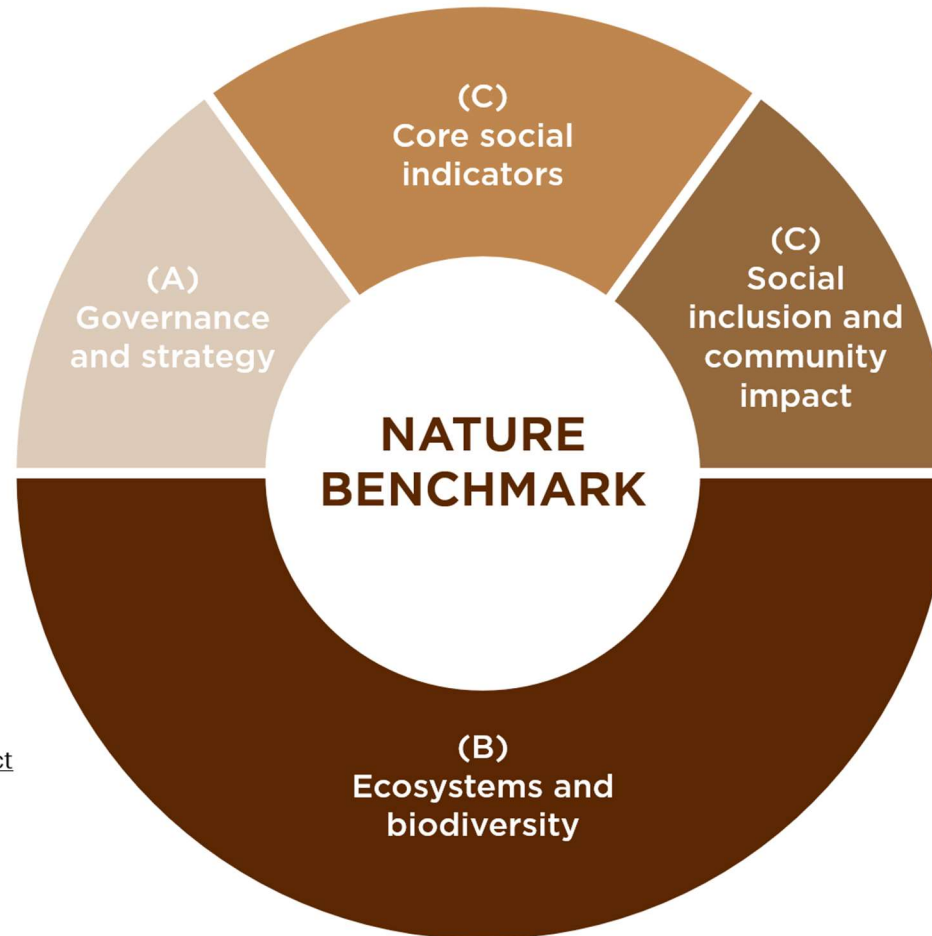
- A1. Sustainability strategy
- A2. Accountability for sustainability strategy
- A3. Stakeholder engagement
- A4. Lobbying and advocacy
- A5. Circular and nature-positive transition

(B) Ecosystems and biodiversity

- B1. Assessment of nature impacts
- B2. Assessment of nature dependencies
- B3. Key areas important for biodiversity
- B4. Key species
- B5. Ecosystem conversion
- B6. Ecosystem restoration
- B7. Resource exploitation and circularity performance
- B8. Soil health
- B9. Water withdrawal
- B10. Water quality
- B11. Hazardous substances and waste
- B12. Plastic use and waste
- B13. Air pollutants
- B14. Scope 1 and 2 GHG emissions
- B15. Scope 3 GHG emissions
- B16. Invasive alien species

(C) Social inclusion and community impact

- C1. Right to a safe, clean, healthy and sustainable environment
- C2. Indigenous Peoples' rights
- C3. Land rights
- C4. Water and sanitation
- +18 core social indicators (C5–C22) shared by all benchmarks



Assessment & Review Process

WBA analysed all publicly available group-level disclosure in English on the applicable group website, which was predominantly annual reports and sustainability reports. Draft assessments were then sent to each company inviting them to provide feedback. This feedback could include additional publicly available group disclosure published during the assessment period. These were then reviewed and finalised. Final assessments were then shared with each company before being published online.

Cross-Benchmark Indicators

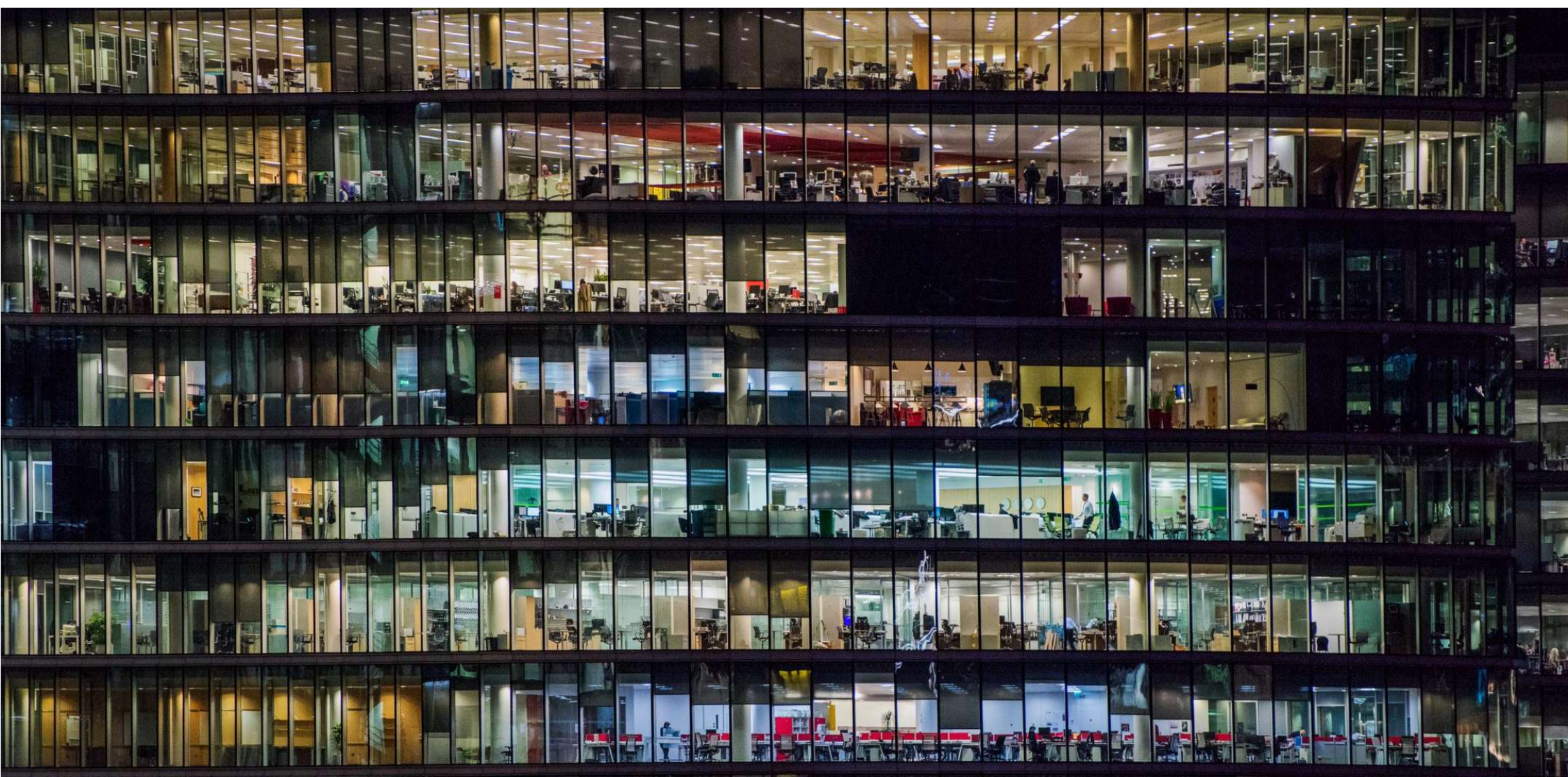
WBA conducted the Food and Agriculture Benchmark (FAB) and the Seafood Stewardship Index (SSI) alongside the Nature Benchmark in 2023. As the methodologies cover similar themes, several indicators are shared across the three benchmarks (Table 2).

Table 2 – Cross-benchmark indicator mapping

Measurement Area	Indicator	NAT	FAB	SSI
Governance and Strategy	Sustainability strategy	NAT.A01	FAB.A01	SSI.A01
Governance and Strategy	Accountability for sustainable strategy	NAT.A02	FAB.A02	SSI.A02
Governance and Strategy	Stakeholder engagement	NAT.A03	FAB.A03	SSI.A03
Governance and Strategy	Lobbying and advocacy	NAT.A04	FAB.A04	SSI.A04
Ecosystems and biodiversity	Ecosystem conversion (partial overlap)	NAT.B05	FAB.B03	SSI.B07
Ecosystems and biodiversity	Plastic use and packaging waste (partial overlap)	NAT.B12	FAB.B10	
Ecosystems and biodiversity	Soil health and agrobiodiversity	NAT.B08	FAB.B06	
Ecosystems and biodiversity	Water withdrawal	NAT.B09	FAB.B08	
Ecosystems and biodiversity	Scope 1 and 2 greenhouse gas emissions	NAT.B14	FAB.B01	
Ecosystems and biodiversity	Scope 3 greenhouse gas emissions	NAT.B15	FAB.B02	
Social Inclusion and Community Impact	Indigenous people' rights	NAT.C02		SSI.D25
Social Inclusion and Community Impact	Land rights	NAT.C03	FAB.D24	
Core Social Indicators (CSI)	18 Core Social Indicators (CSI)	NAT.D05- NAT.D22	FAB.D01- FAB.D18	SSI.D01- SSI.D18



A: Governance and Strategy



A1. Sustainability strategy

Measurement area	A: Governance and strategy												
Indicator	<u>A1. Sustainability strategy</u> The company has sustainability objectives and targets embedded in its strategy and business model.												
Element a	The company discloses its process for identifying and prioritising its most relevant sustainability topics and impacts, as well as the outcome of this process, in relation to its sustainability strategy.												
	The company needs to have a regular exercise at least every 2-3 years. For 2022 benchmarking, any assessment conducted or updated before 2018 does not count. The company needs to disclose a process which meets double materiality. The assessment must have involved external stakeholders, for example, through surveys or interviews. The company must report its environmental and social impact, instead of only taking a risk approach/assessment. It must also provide a list of the most relevant sustainability topics based on the process. Keywords: Materiality matrix, assessment, creation of value map												
Element b	The company has a sustainability strategy which (i) is based on an assessment of its impact on the state of nature, (ii) covers its contribution to the pressures on nature and (iii) considers the links between nature and people and their livelihoods.												
	The company needs to meet three criteria to score on this element: it must score in either the B1 or B2 indicators, in at least one of the indicators from B5 to B16, and in at least one of the indicators from C1 to C4.												
Element c	The company has group wide targets on key sustainability topics for the most material parts of its value chain.												
	The company must have time-bound and measurable targets for at least five of the following key sustainability topics. These topics have been selected as most material for the majority of FAB companies based on the STBN Sectorial Materiality Tool as well as expert research and review: <table border="0"> <tr> <td>biodiversity</td> <td>water</td> </tr> <tr> <td>nutrition</td> <td>ecosystem conversion</td> </tr> <tr> <td>social inclusion</td> <td>soil health</td> </tr> <tr> <td>climate</td> <td></td> </tr> </table> <p>The key sustainability topics must cover the most material parts of the company's value chain, including their own operations, as well as upstream or downstream operations. Intensity targets and year-to-year targets do not count. Targets must be group-wide, rather than site or country specific. Health and safety targets, donation targets, and charity targets do not count.</p> <p>For Paper and Forest Companies, companies must have six out of the following topics:</p> <table border="0"> <tr> <td>ecosystem conversion</td> <td>non-GHG air pollutants</td> </tr> <tr> <td>Biodiversity</td> <td>climate</td> </tr> </table>	biodiversity	water	nutrition	ecosystem conversion	social inclusion	soil health	climate		ecosystem conversion	non-GHG air pollutants	Biodiversity	climate
biodiversity	water												
nutrition	ecosystem conversion												
social inclusion	soil health												
climate													
ecosystem conversion	non-GHG air pollutants												
Biodiversity	climate												



	<p>social inclusion</p> <p>solid waste</p> <p>soil health</p>	<p>water quality</p> <p>water use</p>
Element d	The company reports consistently against its targets.	
	<p>The company must report on all of the targets it has set. At least one of the targets must meet all of the three following conditions: it must be time-bound, it must reference a baseline year unless it is a target to 0%, 100% or absolute numbers, and the company must disclose performance on the target on the reporting year. The reporting must be quantitative.</p>	



A2. Accountability for sustainability strategy

Measurement area	A: Governance and strategy
Indicator	<u>A2. Accountability for sustainability strategy</u> The company has a governance system that includes highest level responsibility and accountability for its sustainable development objectives and targets. Senior executive members have incentives to reward the effective delivery of relevant company strategies and initiatives.
Element a	The company discloses having persons, teams or committees within the company who are responsible for the implementation of its sustainability strategy. The company needs to have a sustainability strategy that covers both nature and social aspects. Covering only one of the two aspects is not sufficient. In cases where the company does not have an explicit sustainability strategy, as long as it is acting on both environmental and social issues this is sufficient. The company must also disclose who is responsible for the implementation of this strategy. Keywords: CSR Director, ESG Director, CSR Department, ESG Department, Sustainability Department, Sustainability Director, Sustainability Committee
Element b	The company provides evidence of assigning decision-making and oversight responsibility for its sustainability strategy to the highest governance body. As a prerequisite to meet this element, the company must have met element a. It must then also attribute responsibility to the highest governance body. For example, it might describe that the Board reviews the sustainability strategy, or that a specific member of the Board is also the Chair of the Sustainability Committee. Keywords: oversight, responsible
Element c	The company provides evidence of linking performance criteria in senior executives' remuneration policies to targets and objectives which cover nature (including biodiversity) and social issues. The company must state that it links senior executives' remuneration to specific targets and objectives that cover both nature and social issues. Covering only one of the two aspects is not sufficient. The targets on which the remuneration depends must be explicitly stated. Topics related to nature include those covered by indicators B1 to B16. Social issues can include targets associated with diversity and inclusion, but do not include governance related topics such as corruption, or employee health and safety. The target should extend beyond the sales or revenues of a product, even if it is from a socially or environmentally focused product. Keywords: LTIP (Long Term Incentive Plan), SHE, vesting



Element d	The company provides evidence that its highest governance body has expertise with respect to the company's most material pressures on nature.
	<p>The expertise of the highest governance body must cover both nature and social aspects. The expertise must explicitly mention one of the following: academic or professional training, former experiences in specialized organizations, or proven technical knowledge. The conditions for this element can also be met in instances where companies describe that the highest governance body has direct access to expertise, such as a specialised committee composed of external experts for which a board member is the chairperson. In these cases, it must be specified what the scope of the committee is and how often it meets.</p> <p>Keywords: Competency matrix, board expertise, board biography</p>



A3. Stakeholder engagement

Measurement area	A: Governance and strategy
Indicator	A3. Stakeholder engagement The company engages with stakeholders on sustainable development issues and incorporates the outcomes of these activities in its strategy and operations.
Element a	The company discloses an overview of the issues raised during its stakeholder engagement activities. The company discloses the issues raised by stakeholders and specifies what stakeholder group they correspond to. The list of issues should go beyond the materiality assessment.
Element b	The company discloses its process for identifying relevant stakeholders across its value chain. The company defines who they consider their stakeholder groups to be or how the company determined with which stakeholders to engage. A simple statement such as “based on their strategic importance to the company” or “based on its impact on our business” is sufficient.
Element c	The company discloses its process for engaging with stakeholder groups, including frequency and channels, beyond its materiality assessment or similar equivalent. The company must disclose what channels it used to engage with the different stakeholder groups. It is insufficient for the company to specify a list of channels if they do not indicate how these correspond to each stakeholder group. The company must also state with what frequency it engages with stakeholders.
Element d	The company discloses the outcomes of its stakeholder engagement activities and their integration into its sustainability strategy. The company explains how it has responded to key issues raised by its stakeholders. The company must disclose specific and concrete outcomes based on the year’s engagement. A general description of guidelines or a recap of the materiality assessment is insufficient.
Element e	The company’s stakeholder engagement covers nature (including biodiversity) and social issues. Stakeholder engagement needs to cover both nature and social issues. The issues related to nature must go beyond GHG emissions and touch on aspects related to ecosystems or biodiversity. Social issues must go beyond safety, and include aspects such as diversity, inclusion, or women’s representation.



A4. Lobbying and advocacy

Measurement area	A: Governance and strategy
Indicator	A4. Lobbying and advocacy The company advocates for nature-positive policies and regulations and discloses any misalignment with its lobbying activities as well as the measures it takes to address misalignment.
Element a	The company discloses a list of trade associations of which it is a member for all geographies.
	The company needs to disclose at least 5 trade/industry associations of which it is a member. Partnerships and other organisations other than trade or industry associations do not count.
Element b	The company discloses a clear and detailed framework for assessing alignment of its trade associations with nature-positive policies.
	The company must state a concrete framework that it uses to assess alignment with nature-positive policies. For issues related to climate a valid framework could be the Paris Agreement. For issues related to biodiversity, valid frameworks include policies and regulations that address any of the drivers of biodiversity loss, or those intended to protect specific species such as the Endangered species Act in the US or the Birds and Habitats Directives in the EU.
Element c	The company provides evidence of annually applying the framework across all trade associations.
	The company explains how the assessment has been applied to each industry association it is a member of.
Element d	The company reports any misalignment between the lobbying activities of its trade associations and nature-positive policies.
	The company must provide details on the misalignment it has identified. General remarks about misalignment without explaining what it is and why it exists are not sufficient.
Element e	The company discloses an action plan to address misalignment which includes clear escalation steps.
	"We may" is not accepted.
Element f	The company discloses clear deadlines for each of its escalation steps and consistently reports on their application.
	The action plan should include escalation steps and clear deadlines. The company should disclose examples of action to address misalignment.
Element g	The company discloses an annual review of all the advocacy activities it has undertaken.
	Company should disclose all advocacy activities on specific items of regulation and legislation which are material to the company's operations, business sector, and/or the region(s) in which it operates.



A5. Business model transition

Measurement area	A: Governance and strategy
Indicator	A5. Business model transition The company's business model embeds circularity and follows a pathway that aligns with nature's full recovery by 2050.
Element a	The company assesses the risks and opportunities related to the transition to a circular economy and determines the impacts of staying in a linear economy. The company needs to show that it looks at both the risks and opportunities of transitioning to a circular economy. A strong emphasis is given to how the company analyses its dependence on the linear economy as well as on it reflects on the impact that staying in a linear economy would have on the business model. Keywords: Linear, linear risk, Circular risk assessment, circular scenario analysis
Element b	The company provides evidence of integrating circularity in its strategy at the group level. Evidence that a company is integrating circularity in its strategy includes a description of circular targets or commitments or mentions in policy documents or CEO messages about "circularity" or "resource-recycling/recycling-oriented society" (more often used by Japanese companies). There must be evidence of C-suite level responsibility for the circularity strategy, and thus isolated mentions on the company website, for example, are not sufficient. A mention in the sustainability report is typically enough. Keywords: Circular, Circularity
Element c	The company discloses a strategy that would lead its business model to become nature positive, which includes a timeframe in line with milestones for halting biodiversity loss (no net loss) and reversing the trend (biodiversity net gain). The company must disclose a specific timeline and action plan to become nature positive. Simply stating a long-term goal without interim milestones or KPIs is not sufficient. Keywords: 'No Net Loss' (NNL), 'Net gain' (NG), "Net Positive Impact" (NPI), net positive, mitigation, mitigation hierarchy, AR3T, mitigate, avoid, reduce, conservation hierarchy
Element d	The company applies a mitigation hierarchy approach to its biodiversity targets. The company must show a decision-making framework involving a sequence of steps starting with the avoidance of impacts, followed by the minimization of inevitable impacts, on-site restoration and finally, where feasible and necessary, biodiversity offsets. Evidence must be provided of both clear targets and that the mitigation hierarchy is applied systematically. Keywords: 'No Net Loss' (NNL), 'Net gain' (NG), "Net Positive Impact" (NPI), biodiversity strategy, biodiversity plan, SBTN, CBD, Aichi Targets, science-based, net positive, nature positive, Global Biodiversity Framework

Note: Indicator A05 looks at topics which are still being developed (e.g. nature-positive) and for which there is still not sufficient guidance for companies. As such, company performance on this indicator is tracked within the assessment, but not reflected in the total score until the topics mature and more guidance becomes available.



B: Ecosystems and biodiversity



B1. Assessment of impacts on nature

Measurement area	B: Ecosystems and biodiversity
Indicator	B1. Assessment of impacts on nature The company conducts a biodiversity assessment to understand its biodiversity impacts in its operations and the most material elements of its value chain.
Element a	The company assesses its impacts on nature, including biodiversity, within its own operations. The company discloses an identification process to determine the impacts its own operations have on nature. This process must encompass a 'holistic' assessment, which extends beyond mere location-based or product-based analysis to include the entirety of the company's business model. Such an assessment should cover all types of impact – actual, potential, direct, indirect – and must span all the company's (own) operations. In the case that it does not cover all operations, this can be met if it covers roughly a third of operations and the company discloses have a timebound commitment to cover all operations. It's essential that the assessment includes a clear disclosure of both the results and the methodology used. Full transparency in these areas is non-negotiable; the element cannot be considered met if either the methodology or results are not completely and transparently disclosed. This element can be partially met in certain circumstances. If the assessment is solely location-based, this element can be partially met provided the assessment covers 100% of the company's operations.
Element b	The company assesses its impacts on nature, including biodiversity, in the upstream activities of its value chain. The company needs to disclose the same process as above, but for its upstream operations. This includes disclosing the results of the process, along with the methodology used. The assessment needs to cover all of its upstream operations. In the case it doesn't cover all upstream value chain, this can be met if it covers roughly a third of upstream value chain and the company discloses have a timebound commitment to cover all operations.
Element c	The company assesses its impacts on nature, including biodiversity, in the downstream activities of its value chain. The company needs to disclose the same process as above, but to its downstream activities. This includes disclosing the results of such process, along with the methodology followed. The assessment needs to cover all of its downstream operations. In the case it doesn't cover all, this can be met if it covers roughly a third of downstream value chain and the company discloses have a timebound commitment to cover all operations.
Element d	The company assesses whether its impacts on nature, including biodiversity, contribute to a cumulative effect, with other stakeholders, on the locations within its own operations. The company identifies whether it contributes to cumulative impacts in its own operations. Results and methodology should be included in the disclosure.
Element e	The company quantifies its impacts on nature, including biodiversity.



	<p>The company discloses methods and tools used to quantify its impacts, along with the results. Only own operations are required for this element. Compared to element B1.EA, this requirement is relatively easier to meet. It emphasizes transparency in the company's impact quantification processes but does not demand the broader scope of assessment required in B1.EA.</p>
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B2. Assessment of nature dependencies

Measurement area	B: Ecosystems and biodiversity
Indicator	B2. Assessment of dependencies on nature’s contributions to people The company assesses its dependencies on nature, including biodiversity and nature’s contributions to people (NCP), both within its own operations and the upstream and downstream elements of its value chain
Element a	The company assesses its dependencies on nature within its own operations. The company discloses an identification process to determine its dependencies on nature. It's essential that the assessment includes a clear disclosure of both the results and the methodology used. Full transparency in these areas is non-negotiable; the element cannot be considered met if either the methodology or results are not completely and transparently disclosed. The assessment should cover all the company's (own) operations. In the case it doesn't cover all operations, this can be met if it covers roughly a third of operations and the company discloses have a timebound commitment to cover all operations.
Element b	The company assesses its dependencies on nature of its upstream business relationships. The company needs to disclose the same process as above, but to its upstream operations. This includes disclosing the results of such process, along with the methodology followed. The assessment needs to cover all of its upstream operations. In the case it doesn't cover all upstream value chain, this can be met if it covers roughly a third of upstream value chain and the company discloses have a timebound commitment to cover all operations.
Element c	The company assesses dependencies on nature of its downstream business relationships. The company needs to disclose the same process as above, but to its downstream activities. This includes disclosing the results of such process, along with the methodology followed. The assessment needs to cover all of its downstream operations. In the case it doesn't cover all, this can be met if it covers roughly a third of downstream value chain and the company discloses have a timebound commitment to cover all operations.
Element d	The company quantifies its dependencies on nature in its own operations. The company discloses methods and tools used to quantify its dependencies, along with the results. Only own operations required for this element. Compared to element B2.EA, this requirement is relatively easier to meet. It emphasizes transparency in the company's dependency quantification processes but does not demand the broader scope of assessment required in B2.EA.



B3. Key areas important for biodiversity

Measurement area	B: Ecosystems and biodiversity
Indicator	<u>B3. Key areas important for biodiversity</u> The company discloses the locations where it operates as well as those locations' position and impact on areas important for biodiversity.
Element a	The company discloses all the locations (owned and controlled) where they conduct activities.
	Companies are required to disclose detailed geographical information of their locations to be met. This disclosure must go beyond mere province-level details and should provide more granular information. A map without sufficient detail is not enough. All types of locations are to be included, such as offices, production sites, and distribution centres.
Element b	The company discloses the locations that are in or adjacent to areas important to biodiversity within its own operations.
	The company is expected to disclose both the name of the location and the name of the area important to biodiversity where its operations are situated. Areas important for biodiversity refers to areas of land, sea or fresh water which have been identified as important for biodiversity, such as: <ul style="list-style-type: none"> • protected areas on national, regional and international lists • areas of high biodiversity value and High Conservation Value Areas • Key Biodiversity Areas • biodiversity hotspots • IUCN Protected Area Management Categories • IUCN Green List • UNESCO Heritage (natural criteria) • Ramsar Convention <p>In cases where the company discloses that they have no operations in or near protected areas, it is mandatory for them to justify this claim, detailing the methodology or tools employed to confirm this.</p>
Element c	The company discloses the locations of its upstream business relationships, including suppliers, that are in or adjacent to areas important to biodiversity.
	The company is expected to disclose both the name of the location and the name of the area important to biodiversity where its upstream business relationships are situated. Areas important for biodiversity refers to areas of land, sea or fresh water which have been identified as important for biodiversity, such as: <ul style="list-style-type: none"> • protected areas on national, regional and international lists • areas of high biodiversity value and High Conservation Value Areas • Key Biodiversity Areas • biodiversity hotspots



	<ul style="list-style-type: none"> • IUCN Protected Area Management Categories • IUCN Green List • UNESCO Heritage (natural criteria) • Ramsar Convention
Element d	The company has a management plan for locations within its own operations adjacent to areas important to biodiversity, and discloses the percentage of land, freshwater and sea use in such locations.
	<p>The company's management plan must rely on science-based metrics that integrate biodiversity. Management plans can be included in documents such as Environmental Policy, Sustainable Development Policy, or location-related documents. The management plan should specify the percentage of land or sea/freshwater covered by the management plan (or specify if other metric is used, for example, the percentage of operations), which metrics are used to track progress or application of management plan and whether timebound targets are established.</p> <p>If the company discloses and justifies, in element B, that they have no operations near protected areas, this element becomes non-applicable.</p>



B4. Key species

Measurement area	B: Ecosystems and biodiversity
Indicator	<u>B4. Key species</u> The company discloses the species found within its own operations' locations as well as those within its business relationships' locations. The company also discloses the status of these species, in accordance with national and international conservation lists.
Element a	The company discloses species existing in or adjacent to its own locations. The company discloses all species present in or adjacent (or in close proximity) to its own locations, regardless of whether these species are listed in any type of conservation list (national or international). The company must disclose a comprehensive species inventory that encompasses not only plants, mammals, and birds but also reptiles, amphibians, fish, insects, and other pertinent species groups.
Element b	The company discloses species existing in or adjacent to the locations of its business relationships, including suppliers. The company needs to disclose the same species as above, but for its business relationships. The company discloses all species present in or adjacent (or in close proximity) to its business relationships locations, regardless of whether these species are listed in any type of conservation list (national or international).
Element c	The company discloses the status of species found in and adjacent to its own locations according to national and international conservation lists. The company discloses the status of all species, as described in element a, regardless of status (for example, disclosing species of Low Concern status).
Element d	The company discloses the status of species found in and adjacent to its upstream business relationships, including suppliers, according to national and international conservation lists. The company discloses the status of all species, as described in element b, regardless of status (for example, disclosing species of Low Concern status).
Element e	The company has a strategy towards the conservation of species impacted by its own operations and value chain, aiming for a net-positive impact on threatened species in particular. The company has a strategy, policy document, or operations document regarding the conservation of species impacted by its activities (both own operations and value chain). At this stage, companies can meet this element with only own operations, or only value chain. The conservation strategy must be inclusive of all species impacted by the company's activities. Merely focusing on a few endangered species is not sufficient to meet the requirement.



B5. Ecosystem conversion

Measurement area	B: Ecosystems and biodiversity
Indicator	<u>B5. Ecosystem conversion</u> The company demonstrates that it is minimising its footprint from its business activities across all relevant ecosystems and/or looking to achieve conversion-free supply chains across relevant high-risk commodities.
Avoid	
Element a	The company commits to achieving zero conversion throughout its supply chains for all its relevant high-risk commodities or all material realms (i.e., land, freshwater and marine).
	The commitment must apply to all the company's high-risk commodities or material realms. When the company does not list all of its relevant high-risk commodities and/or material realms, a commitment is accepted if it applies to all company activities or to the company in the broader sense. Commitments to zero net deforestation are not accepted.
Element b	The company provides qualitative evidence of achieving zero conversion throughout its supply chain.
	Demonstrating actual actions for at least one high-risk commodity, material realm, or supply chain is enough to score. Demonstrations of actual actions can be mentioning and/or describing initiatives or programs, engaging and collaborating with suppliers (in the context of ecosystem conversion issues), or disclosing commodities sourced according to DCF-aligned certification programs and standards. Certification schemes must explicitly guarantee 100% zero deforestation/conversion. Those that allow deforestation under certain circumstances (e.g. FSC Controlled Wood) are not accepted for this indicator.
Element c	The company has time-bound targets to achieve zero conversion for all relevant high-risk commodities or across all material realms (i.e., land, freshwater, and marine).
	The company must have targets for each high-risk commodity and/or material realms. They should also disclose some information about how they plan to achieve these targets (e.g. clear actions, resources, KPIs).
Element d	The company discloses the proportion of high-risk commodities which are conversion free (if applicable).
	The company must disclose specific percentages of its relevant high-risk commodities.
Element e	The company discloses the sourcing regions of its high-risk commodities and its traceability system (if applicable).
	The company must disclose the sourcing regions for all its high-risk commodities. Specific geographical boundaries are not required. If the company discloses this but not its traceability system, it will still score for this element.
Element f	The company provides evidence of having achieved 100% zero conversion supply chains for all its relevant high-risk commodities (if applicable).
	The company must demonstrate that it sources all of its high-risk commodities without any kind of conversion. Certification schemes will be assessed to verify they have achieved zero conversion. Certification schemes must explicitly guarantee 100% zero



	deforestation/conversion. Those that allow deforestation under certain circumstances (e.g. FSC Controlled Wood) are not accepted for this indicator.
<p>Minimise Additional elements for companies without a zero-conversion commitment due to their business model incompatibility (for example, extractives, oil and gas, or metals and mining, construction companies). If companies have scored any elements between a – f, then these elements are non-applicable.</p>	
Element g	The company commits to minimising ecosystem conversion for all material realms throughout its value chain.
	The commitment should specifically mention minimise/reduce-type terms and ecosystem conversion, land degradation, deforestation, and similar terms. Commitments do not have to specifically mention the whole supply chain. Broad terms such as “minimise environmental impact” are not accepted. Timebound targets for minimising conversion are also accepted as part of this indicator.
Element h	The company provides qualitative evidence of minimising ecosystem conversion for all material realms throughout its value chain.
	Examples of qualitative evidence could include a policy by the company, minimizing conversion-programs on sites, projects by the company in public disclosure on minimizing ecosystem conversion where it operates, or disclosure of commodities sourced under relevant certification schemes.
Element i	The company has a system to monitor, review and improve its performance of minimising ecosystem conversion for all material realms throughout its value chain.
	The company must provide details about the system, including how it monitors, reviews, and improves its performance. This should include KPIs and regular reports on progress and identified areas for improvement. Mentioning a system without detail is not enough to score.
Element j	The company has quantitative targets to minimise ecosystem conversion for all material realms throughout its value chain.
	Targets should be timebound and include a quantitative component (e.g. % reduction by a certain year). Targets should be set per company site and should include regular reporting of progress. Targets related to offsetting are not valid.



B6. Ecosystem restoration

Measurement area	B: Ecosystems and biodiversity
Indicator	<u>B6. Ecosystem restoration</u> The company demonstrates restoration activities in its value chain across all relevant ecosystems.
Element a	The company has a commitment regarding the restoration of ecosystems.
	The company has a commitment to restore ecosystems across the most relevant parts of its value chain. The commitment can be in the form of a public policy or a statement by the company, and it should explicitly mention the company's production or sourcing practices. Ideally, restoration and regeneration actions should align with existing commitments. For example, Bonn Challenge commitments exist in many countries and aim to have 350 million hectares of degraded land under restoration by 2030 (non-exhaustive, other challenges / commitments out there also).
Element b	The company discloses details and outcomes of ecosystem restoration projects in areas affected by its own operations or upstream business relationships.
	Outcomes include measurable and quantifiable improvements of the restoration project directly related to the company's actions. Actions that a company might take to regenerate and restore might include the following, depending on whether they are looking at land, freshwater, oceans or biodiversity: <ul style="list-style-type: none"> • Ecological restoration. • Rehabilitation of degraded lands. • Replenishment of freshwater systems. • Management of production areas. • Allowance for ecological permeability. • Compensatory conservation/target-based ecological compensation. An example could be restoration of degraded land back to a productive state or even further back to its natural state, prehuman impact.
Element c	The company has a target for its ecosystem restoration activities.
	Targets should be timebound and should explicitly mention the company's sourcing and production practices. Examples of targets could include: <ul style="list-style-type: none"> • Land use change, specifically deforestation and conversion, using the Accountability Framework Initiative • Resource exploitation, for example specifically water quantity and quality, using contextual targets for water • Bonn Challenge commitments exist in many countries and aim to have 350 million hectares of degraded land under restoration by 2030. • Ecosystem integrity, specifically on working lands using regenerative agricultural practices in line with the European Commission.
Element d	The company meets element b) and discloses ecosystem restoration efforts beyond areas affected by its own operations or upstream business relationships (e.g., compensation or offset mechanisms).



	<p>This looks at ecosystem restoration efforts beyond the company's value chain. To meet this element, companies must be undertaking restoration efforts beyond areas directly impacted by the company's operations, to demonstrate a proactive approach to environmental stewardship and a commitment to supporting global biodiversity. Companies may refer to and align with the IUCN policy regarding offsets. To be considered compliant with Element D, a company must have met element B. If the company did not meet element B, this element is automatically unmet.</p>
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B7. Resource exploitation and circularity performance

Measurement area	B: Ecosystems and biodiversity
Indicator	<u>B7. Resource exploitation and circularity performance</u> The company demonstrates it is working towards decoupling economic prosperity from resource consumption and environmental degradation.
Element a	The company provides qualitative evidence of working towards a circular economy at distinct phases of its products' lifecycle. Examples covering at least two of the following are required: <ul style="list-style-type: none"> • Avoid: Inputs, Recycled inputs/Material sourcing/other. (if b met, this is met) • Reduce: Design/Manufacturing/More efficient • Re-Use & Repair. With this, actions must not be one-off programmes; they must be at multiple locations and all year-round. Pilots do not count. • Recycling/Waste: GRI 306, breakdown of waste and destination Examples of not met: <ul style="list-style-type: none"> • Lifecycle assessments and certifications alone are insufficient. • The use of renewable energy • Mentions of partnerships/alliances/associations without specific data on role and projects done by the company • Initiatives that require specific actions from consumers and/or only at employee level (such as volunteer programs). Keywords: Circular, Input, Reuse, Recycling
Element b	The company discloses its inputs, including its material footprint, according to an international standard. The reporting includes materials used by weight or volume and recycled input materials. The company reports on materials used by weight or volume, recycled inputs (reused if there is), basic disclosure on material footprint elements (especially fuel and biomass). Quantitative breakdown of inputs is needed. Can be partially met. GRI 301 -Inputs: <ul style="list-style-type: none"> • Materials used by weight or volume • Distinction renewable, non-renewable • Recycled inputs Keywords: Inputs, raw materials, resource use, fuel, biomass, inputs
Element c	The company discloses which organisms it directly exploits for commercial uses, including wild animal and plant species. The company should specify species (for example, saying "mammals", "rodents", "reptiles" is not enough).



Element d	The company discloses a management plan related to the direct exploitation of resources, to avoid overexploitation and the use of threatened species. This management plan must include science-based metrics, such as maximum sustainable yield.
	This should include targets and metrics.
Element e	The company reports quantitatively on its group-wide circularity performance (e.g. circular material productivity).
	Partially met could include Environment Profit & Losses with clear circular link (methodology used needs to be clear and accessible), turnover of products based on renewable resources and/or sustainable materials (if not at group-level but clear methodology). Can be partially met. Keywords: CTI revenue, circular material productivity
Element f	The company meets element e. and demonstrates it is decoupling financial performance and linear resource consumption.
	Need to express quantification of financial results on the organisation: revenues coming from linear or circular inflows compared to all revenues. Need to meet element e. as without strong numbers, it would mean nothing and to show progress (moving away from linear economy). Keywords: CTI revenue, circular material productivity



B8. Soil health

Measurement area	B: Ecosystems and biodiversity
Indicator	<u>B8. Soil health</u> The company adopts practices that reduce soil degradation and improve soil health across the most material parts of its value chain.
Element a	The company provides qualitative evidence on improving soil health and/or increase agrobiodiversity in its production and/or sourcing practices.
	Improving soil health includes reducing soil pollution, erosion, fertility, salinization or waterlogging. Reporting can include regenerative practices on soil health parameters, such as soil organic carbon, soil pH, species diversity. Organic agriculture is not accepted as part of this indicator. Increasing agrobiodiversity includes adopting techniques such as crop rotation, mixed farming systems diversity, intercropping, crop livestock farming systems to increase the diversity and variety of plants, animals, and microorganisms.
Element b	The company provides quantitative evidence on improving soil health and/or agrobiodiversity in its production and/or sourcing practices.
	The company provides specific, measurable, and verifiable quantitative evidence on improvements to soil health and/or agrobiodiversity parameters, such as those mentioned in element a (e.g. soil pH, organic carbon). These improvements should be linked to specific actions or interventions being undertaken by the company to improve soil health and/or agrobiodiversity and should cover a significant proportion of the company's production and/or sourcing practices.
Element c	The company has a target to improve soil health in its production and/or sourcing practices, and reports progress against it.
	Companies should have a clearly defined target to increase soil health in its production and/or sourcing practices, that is integrated into its overall sustainability strategy or business operations. The target should ideally be timebound, with a clear deadline for achievement and with regular progress reports.
Element d	The company has a target to increase soil agrobiodiversity in its production and/or sourcing practices, and reports progress against it.
	Companies should have a clearly defined target to increase soil agrobiodiversity in its production and/or sourcing practices, that is integrated into its overall sustainability strategy or business operations. The target should ideally be timebound, with a clear deadline for achievement and with regular progress reports.
Element e	The company discloses quantifiable data on its impact on soil health and/or agrobiodiversity in its production and/or sourcing practices.



	<p>The company should provide specific and measurable quantifiable data related to soil health and/or agrobiodiversity. This could include metrics about soil pH, organic carbon, or species diversity. The quantifiable data should cover a significant proportion of the company's production and/or sourcing practices and should be disclosed in a transparent and accessible manner.</p>
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B9. Water withdrawal

Measurement area	B: Ecosystems and biodiversity
Indicator	B9. Water withdrawal The company reduces water withdrawal across the most material parts of its value chain.
Element a	The company provides quantitative evidence of reductions in water withdrawal across its own operations.
	The company must show year-on-year reduction. Aggregated reduction, for example from a baseline year, does not count. For this iteration of the benchmark, we accept water consumption for this element. Reductions based on incomplete calculation does not count, nor does intensity-based figures.
Element b	The company has a time-bound target to reduce water withdrawal across its own operations and reports progress against the target.
	Targets must be time-bound with a baseline year. The company's targets must show absolute reduction for water use. Targets tied to intensity, production, or profit does not count. Targeting specific areas (such as water stressed areas) do not count. Targets aimed at maintaining withdrawal levels does not count. For this iteration of the benchmark, we accept water consumption for this element.
Element c	The company provides evidence of dependency on water-stressed areas across its own operations.
	The company must mention a water stress assessment, usually the WRI Aqueduct Tool or the WWF Water Risk Filter, but other assessments are accepted. Disclosure based on estimates do not count. If a company reports zero dependency on water-stressed areas, they score for this and element (d) if there is evidence of assessment.
Element d	The company discloses the proportion of withdrawals from water-stressed areas across its own operations.
	The best practice is site-specific breakdowns, but for this iteration, an aggregated proportion is enough to score.
Element e	The company provides evidence of engaging with upstream business partners to reduce water withdrawal.
	The company must demonstrate efforts such as a policy or programme. General language like engagement or dialogue does not count.
Element f	The company provides evidence of dependency on water-stressed areas in its value chain and has a target to engage with upstream business partners on the management of water-stressed areas, and reports progress against it.
	Companies need to have all elements to score.



B10. Water quality

Measurement area	B: Ecosystems and biodiversity
Indicator	<u>B10. Water quality</u> The company reduces water quality pressures across the most material parts of its value chain.
Element a	The company provides qualitative evidence of reducing water quality pressures.
	Examples of qualitative evidence include policies, programmes, using new technology, or improving processes. The company must show actions beyond legal compliance.
Element b	The company discloses a process for managing and monitoring discharge water quality.
	The company must describe what the process involves and/or refer to external certifications they follow (such as ISO). Disclosure of having a process alone is not enough to score.
Element c	The company reports regularly on water quality parameters such as BOD and COD, TSS, mass of nutrients such as nitrogen and phosphorous, mass of inorganic pollutants such as heavy metals and chemical compounds.
	For this iteration, reporting on just one element is sufficient, but best practice should be comprehensive.
Element d	The company has targets to reduce water quality pressures, and reports progress against them.
	The company must have both parts to score. Targets tied to intensity, production, or profit does not count.



B11. Hazardous substances and waste

Measurement area	B: Ecosystems and biodiversity
Indicator	B11. Hazardous substances and waste The company reduces the production of hazardous substances and/or hazardous waste across the most material parts of its value chain.
Element a	The company provides qualitative evidence of reducing the production of hazardous substances.
	Examples for this element could include policies aimed at reducing hazardous substances, or evidence of having achieved reduction of hazardous substances. The company must show efforts beyond legal compliance. Partnerships, such as those with the ZDHC, does not count by itself. However, if the company shows efforts to use the partnership towards further action, such as supply chain engagement, policies, or programmes, then it could score for this indicator. For the 2023 benchmark, elements (a), (b), and (c) were marked as “Not Applicable” to companies that are only in the Food Retailers or Food Services segments. See the FAB methodology for how companies are classified.
Element b	The company has targets towards phasing out the production of hazardous substances or increasing the production of safer alternatives, and reports progress against it.
	Partnerships do not count by itself, but companies using partnerships to inform their methodology could score for this element.
Element c	The company has a commitment to not developing or marketing new chemicals or products with (substance of very high concern) SVHC properties.
	The company must show efforts beyond legal compliance.
Element d	The company provides qualitative evidence of reducing the production of hazardous waste.
	Examples of this could include processes or policies.
Element e	The company has set targets towards reducing total amounts of hazardous waste, and reports progress against it.
	The company must report against the progress and include a baseline year.
Element f	The company reports on (i) the proportion of hazardous waste treated to reduce pollution compared to total waste, (ii) hazardous waste diverted from disposal, and (iii) directed to disposal.
	The company must report information on the total amount of waste generated (including non-hazardous and if diverted, disposal or not by type), the proportion of this that was diverted from disposal (for example, through reusing, recycling and/or recovering) and the proportion of waste disposed by type (such as incineration or landfilling).



B12. Plastic use and waste

Measurement area	B: Ecosystems and biodiversity
Indicator	B12. Plastic use and waste The company reduces plastic use and waste across the most material parts of its value chain.
Element a	The company provides qualitative evidence of reducing plastic use and waste in its own operations.
	The focus is on the most relevant part of the company's material chain. For producers, it should relate to their own products. Examples include commitments, policies, or activities. Compostable plastics can be accepted, but recyclable, biodegradable, and bioplastics do not count. Recycling, volunteering, or partnership activities do not count.
Element b	The company provides quantitative evidence of reducing plastic use and waste in its own operations.
	The focus is on the most relevant part of its value chain for each company. Metrics tied to intensity of plastic use are accepted.
Element c	The company has targets regarding reduction of virgin polymer production or overall plastic use and waste or increase in the proportion of reusable or refillable packaging, and reports against the target.
	The focus is on the most relevant part of its value chain for each company. The targets must be set at the group level. The targets should aim for absolute reduction. Targets tied to intensity are not accepted.
Element d	The company reports on metrics of reused or recycled products.
	The focus is on the most relevant part of its value chain for each company. This indicator only includes plastic. Metrics include any of the following: proportion of reused or recycled products, proportion of virgin polymer use, or proportion of single-use plastics. The company should report on the more material topic, either production or packaging. For example, a fashion company disclosing metrics on plastic packaging is not met.
Element e	The company reports on the amount of plastic waste generated, and proportions directed from or to disposal.
	The focus is on the most relevant part of its value chain for each company.
Element f	The company provides evidence of actions to reduce plastic and waste in its upstream activities.
	For example, working with suppliers to reduce plastic and waste.
Element g	The company provides evidence of actions to reduce plastic and waste in its downstream activities.
	For example, reducing plastic waste at consumer-level.



B13. Air pollutants

Measurement area	B: Ecosystems and biodiversity
Indicator	B13. Air pollutants The company reduces the production of air pollutants across the most material parts of its value chain.
Element a	The company provides qualitative evidence of reducing air pollutants across the most material parts of its value chain.
	Qualitative evidence includes descriptive evidence of measures taken to reduce non-GHG emissions across the most material parts of the company's value chain. Quantitative reductions in non-GHG emissions are also accepted, and the company is expected to demonstrate reductions across all air pollutants
Element b	The company discloses its management and monitoring processes to measure and reduce its air pollutants.
	Companies should publicly disclose an Air Quality Management Systems/Index. This includes detailed information about measures (such as techniques, processes, tools) the company has in place to measure, manage, and reduce air pollutants.
Element c	The company reports regularly on air quality parameters of air emissions identified in relevant regulations as harmful air pollutants by international bodies for its industry.
	Reporting data on non-GHG emissions. The company should state that these have been identified as the most material to the company through a materiality process due to its industry and geographical locations. Air pollutants that companies should be reporting on include nitrous oxides (NOx), sulphur oxides (SOx), persistent organic pollutants (POP), volatile organic compounds (VOC), hazardous air pollutants (HAP), particular matter (PM) and other standard categories of air pollutants. We accept data from the most recent reporting year even in cases where data from previous year was missing, provided that the company has reported group-wide quantitative data.
Element d	The company has time-bound targets to reduce air pollutants across the most material parts of its value chain.
	Company has time-bound targets to reduce non-GHG emissions.
Element e	The company reports regularly against these targets.
	Company must meet element D for this to be met. Company has a target to reduce non-GHG emissions (element D) and reports its progress, which includes demonstrating a reduction against the previous year.



B14. Scope 1 and 2 greenhouse gas emissions

Measurement area	B: Ecosystems and biodiversity
Indicator	B14. Scope 1 and 2 greenhouse gas emissions The company reduces its scope 1 and 2 greenhouse gas (GHG) emissions in line with a 1.5-degree trajectory.
Element a	The company discloses quantitative reductions in its scope 1 and 2 emissions.
	The company is required to demonstrate that its combined scope 1 and 2 emissions total has decreased compared to the previous year. Note that this comparison is only required against the emissions disclosed in the previous year's report.
Element b	The company has time-bound targets to reduce its scope 1 and 2 emissions
	Company has a time-bound target to reduce its scope 1 and 2 emissions. The target should clearly outline both the baseline year and the target year. Net-zero targets are accepted only when it is clearly specified that this target includes the company's scope 1 and 2 emissions. Emission intensity targets are accepted only if the company discloses that the reduction in emission intensity will lead to absolute emission reductions or if they align with an approved sector pathway or method, such as the Science Based Targets initiative (SBTi). However, if the company's emission reduction target only covers a portion of its subsidiaries, locations, or segments, it will meet element a but not b. Furthermore, in terms of the method for calculating emissions, our preference leans towards the location-based approach. While the market-based method accounts for emissions a company is responsible for through its purchasing decisions, the location-based method reflects the emissions the company is physically releasing into the atmosphere. Therefore, if a company discloses both location-based and market-based emission data, the location-based data should be considered primary.
Element c	The company reports progress against these targets.
	Company must meet elements A and B to meet this element. Company has a target to reduce its scope 1 and 2 emissions (element b) and reports its progress, which includes demonstrating a reduction against the previous year (element a).
Element d	The company's scope 1 and 2 emissions targets are aligned with the 1.5-degree trajectory.
	Company has scope 1 and 2 emission reduction targets aligned with 1.5°C trajectory, approved by the Science Based Targets initiative. To demonstrate this alignment, companies can follow these guidelines: <ul style="list-style-type: none"> - Companies should have science-based targets for scope 1 and 2 emissions that specifically align with a 1.5°C trajectory. It's crucial to differentiate these from targets aligned with a 2°C trajectory, as per the Paris Agreement. - Companies must be listed on the SBTi website here, confirming their commitment and alignment with the required emission reduction targets. <p>If a company has set net-zero targets, these can be considered aligned with the 1.5°C trajectory, provided there is an interim target that is explicitly 1.5-degree aligned.</p>



B15. Scope 3 greenhouse gas emissions

Measurement area	B: Ecosystems and biodiversity
Indicator	<u>B15. Scope 3 greenhouse gas emissions</u> The company reduces its scope 3 greenhouse gas (GHG) emissions in line with a 1.5-degree trajectory.
Element a	The company discloses segments of its scope 3 emissions
	The company reports quantitative data for segments of the company's scope 3 emissions. Segments refers to cases where companies do not provide full disclosure of their emissions – usually this is labelled as a limited disclosure and may be restricted by location or only contain a few of the emissions categories and not the entire list that comprises of scope 3 emissions. To meet this requirement, the company can disclose either its full scope 3 emissions or some parts of them.
Element b	The company discloses quantitative reductions in its scope 3 emissions.
	The company's scope 3 emissions show a reduction against the previous year. This does not necessitate an absolute reduction in all scope 3 emissions categories. Instead, the company fulfils this requirement if it discloses a reduction against the previous year in the specific scope 3 categories mentioned in element a. When reporting scope 3 segments separately, the company must demonstrate a reduction in the total scope 3 emissions of the disclosed segments. Note that this comparison is only required against the emissions disclosed in the previous year's report.
Element c	The company has a time-bound target to reduce scope 3 emissions.
	Company has a time-bound target to reduce its scope 3 emissions. Net-zero targets are accepted only if it is clearly specified that this includes the company's scope 3 emissions. Emission intensity targets are accepted only if the company discloses that the reduction in emission intensity this will lead to absolute emission reductions. However, if the company's emission reduction target only covers a portion of its subsidiaries, locations, or segments, it will meet element b but not c.
Element d	The company reports progress against its scope 3 emissions target.
	Company must meet elements b and c to meet this element. The company has a target to reduce its scope 3 emissions (element c) and reports its progress, which includes demonstrating a reduction against the previous year (element b). The company must ensure clear reporting on all aspects of its scope 3 emissions.
Element e	The company's scope 3 target is aligned with the 1.5-degree trajectory.
	Company has a scope 3 emission reduction target aligned with 1.5°C trajectory, approved by the Science Based Targets initiative. To demonstrate this alignment, companies can follow these guidelines: <ul style="list-style-type: none"> - Companies should have science-based targets for scope 3 emissions that specifically align with a 1.5°C trajectory. It's crucial to differentiate these from targets aligned with a 2°C trajectory, as per the Paris Agreement.



	<ul style="list-style-type: none">- Companies must be listed on the SBTi website here, confirming their commitment and alignment with the required emission reduction targets. If a company has set net-zero targets, these can be considered aligned with the 1.5°C trajectory, provided there is an interim target that is explicitly 1.5-degree aligned.
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B16. Invasive alien species

Measurement area	B: Ecosystems and biodiversity
Indicator	B16. Invasive alien species The company discloses how it manages the risks posed by invasive alien species (IAS) in its own operations and the most material parts of its value chain.
Element a	The company identifies the activities that could lead to the introduction of IAS in its own operations. The company discloses it has conducted a systematic analysis (for example, a risk assessment) to identify the company's activities that might lead to the introduction of invasive species. The outcomes of the assessment (e.g. a list of high-risk activities) should also be disclosed.
Element b	The company identifies the activities that could lead to the introduction of IAS in its value chain. The company discloses it has conducted a systematic analysis (for example, a risk assessment) to identify the activities throughout its value chain that could lead to the introduction of invasives species and discloses the outcomes of the assessment.
Element c	The company discloses any introduction of IAS resulting from its own operations or its value chain. The company discloses any introduction of invasive species due to activities across its own operations or value chain. Mentioning invasive species that were introduced previously or by others in area where they operate is not enough to score in this element. The company should also give details of its monitoring and remediation efforts.
Element d	The company discloses its processes to prevent the introduction of IAS or to manage IAS that have been introduced as a result of its own operations. The company has a process to either prevent introduction of invasive species (for example, pathway management) or to manage already introduced IAS (reproduction control, monitoring), or both in either element of the operations (own operations or value chain, or both).



C: Social inclusion and community impact



C1. Right to a safe, clean, healthy and sustainable environment

Measurement area	C: Social inclusion and community impact
Indicator	C1. Right to a safe, clean, healthy and sustainable environment The company respects the right to a safe, clean, healthy and sustainable environment of local communities and communities who are directly impacted by their activities.
Element a	The company has a commitment to respect the right to a safe, clean, healthy and sustainable environment of local communities. The indicator requires a reference to communities or other users in their surroundings, such as neighbours, neighbouring communities, local communities, affected communities. The commitment may reference aspects clean air, non-toxic environment, safe and clean environment as well. Health and Safety protocols are not accepted, as they generally target employees and not local communities. The indicator only accepts commitments in policy documents and not sustainability reports. However, a case-by-case review was done for this iteration.
Element b	The company demonstrates that its human rights risks and impacts identification process includes a focus on the health of local communities. The company identifies human health as a salient risk. A reference to local communities and/or other users in the surroundings is needed. In the current iteration, the indicator does not prescribe which salient issues are relevant, as this can vary by company. Keywords: healthy environment, clean air, non-toxic environment, human health risks, local communities, affected local communities
Element c	The company provides evidence of tracking its actual or potential negative impacts on the health of local communities. This should include both scale (the outcome of the impact; frequency) and scope (the number of individuals who are or could be affected; frequency; geographies). 'Tracking impacts' here is not to be confused with 'tracking responses', which is not eligible. The indicator accepts "assessing" or "assessment" of impact in the health of local communities.
Element d	The company provides evidence of how it prevents, mitigates or remediates its actual and potential negative impacts on the health of local communities. The company needs to show concrete actions taken to address actual/potential impacts. It can be an example of the specific conclusions reached or a global system to take action to prevent, mitigate or remediate its salient rights issue. The company would automatically achieve a score for C9 (CSI 5) for meeting this element, but it could meet C9 (CSI 5) without providing any specific information regarding the health of local communities.
Element e	The company has a commitment to zero tolerance for acts of violence, threats, intimidation or judicial harassment committed against land and environmental rights defenders. If the companies' commitment refers to 'human rights defenders' but makes no reference to land/environment, it can still be considered met. The company should reference all types of attacks identified (acts of violence, threats, intimidation or judicial harassment), however, this has been checked on a case-by-case basis depending on the wording used. Keywords: land and environmental rights defenders, human rights defenders, land defenders, environmental defenders.



C2. Indigenous Peoples' rights

Measurement area	C: Social inclusion and community impact
Indicator	C2. Indigenous peoples' rights The company respects indigenous peoples' rights and obtains affected Indigenous Peoples' free, prior and informed consent regarding whether and how to carry out projects.
Element a	The company has a commitment to respect Indigenous Peoples' rights or references the relevant part(s) of ILO Convention No. 169 on Indigenous and Tribal Peoples or the UN Declaration on the Rights of Indigenous Peoples. The company must explicitly state that it is committed, or it respects the Indigenous People's rights, or the UNRIP or the ILO 169. Expressing concern about these groups or observing and recognising the importance of rights is not enough to be considered a commitment.
Element b	The company discloses its processes to identify and recognise the rights of Indigenous Peoples when activities in its own operations may impact their rights AND describes how it obtains Indigenous Peoples' free, prior and informed consent regarding whether and how to carry out projects. Engagement must include carrying out assessment with Indigenous communities, not simply sharing the results with them. The company also needs evidence of a process whereby the company identifies with whom they should engage. The company must disclose their commitments in their own policies. The indicator does not accept ICMM membership because the ICMM has no monitoring mechanism to track whether members are upholding these commitments, and the ICMM does not have to report back.
Element c	The company requires its business relationships to identify and recognise affected Indigenous Peoples and to obtain their free, prior and informed consent regarding whether and how to carry out projects. Forest protection policies (FPP) will also be accepted if it includes clear language on requirements in regard to identifying and recognising Indigenous People and to obtain FPIC. Keyword: Forest Protection Policy, Canopy, CanopyStyle, Pack4Good Initiative
Element d	The company describes how it works with its business relationships to improve their practices in respecting the rights of Indigenous Peoples. The company should indicate how it is building the capacity of the supplier to improve their practices in respecting the rights of Indigenous Peoples. This can be, for example, through training, tools, resources, or awareness programmes.



C3. Land rights

Measurement area	C: Social inclusion and community impact
Indicator	<u>C3. Land rights</u> The company respects the rights of legitimate tenure holders when acquiring, leasing or using land, paying particular attention to vulnerable tenure rights holders.
Element a	The company has a commitment to respect ownership and use of land and natural resources and related legitimate tenure rights, as set out in the relevant part(s) of the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security (VGGT), or the IFC Performance Standards. Where companies do not explicitly mention the VGGT, examples can include: <ul style="list-style-type: none"> • Conducting due diligence around land rights during new business ventures. • Stating that the company actively ensures that it does not infringe upon the existing legitimate land and forest tenure rights of communities present in the area during negotiations. • Conducting FPIC This is not the same as a commitment to Indigenous land rights. Rather, this indicator is relevant for every population or community, including urban communities. It is not sufficient to follow local applicable laws around land rights, as many countries have insufficient systems in place to secure land tenure rights. "Looking to" or "aspiring" to adhere to the VGGT is not sufficient.
Element b	The company, when acquiring, leasing land or making other arrangements to use or restrict the use or access to land or natural resources, discloses its processes to (i) identify legitimate tenure rights holders, including through engagement with affected communities in the process, paying particular attention to vulnerable or marginalised tenure rights holders, and (ii) negotiate with them to provide adequate compensation. The company must describe how it identifies legitimate tenure rights holders. This can be through engagement with relevant local stakeholders or through processes regulated by international standards. It has to provide a negotiation process/FPIC process/engagement protocol to guarantee adequate compensation. This indicator looks for evidence of current and recent cases. If the company has not engaged in any land transactions in the past two years, it should describe its approach to identifying and negotiating legitimate tenure rights holders in general.
Element c	The company requires its business relationships to have a process to identify legitimate tenure rights holders when acquiring, leasing or making other arrangements to use land, paying particular attention to vulnerable or marginalised tenure rights holders, and to negotiate with them to provide adequate compensation. This information must be codified in a policy document, such as supplier code of conduct or similar.
Element d	The company works with its business relationships to improve their practices on land use and acquisition. The company should indicate how it is building the capacity of the supplier to improve their practices on land use and acquisition. This could involve training, tools, resources developed for suppliers, and awareness programmes.



C4. Water and sanitation

Measurement area	C: Social inclusion and community impact
Indicator	<u>C4. Water and sanitation</u> The company respects the right to water and does not negatively affect access to safe water.
Element a	The company has a commitment to respect the right to water.
	The commitment must be in a public policy document. The commitment must refer to local communities or neighbouring communities. The CEO Water Mandate is accepted, but the company must have a reference to it on their website or reporting. Keywords: Safe water/access to water/right to water/water quality/water provision
Element b	The company discloses its processes to implement preventive and corrective action plans for identified specific risks to the right to water and sanitation in its own operations.
	Communities or other users should be a central part of what is being addressed with corrective action plan.
Element c	The company requires access to water and sanitation, including refraining from negatively affecting access to safe water, to be included in contractual arrangements with its business relationships.
	This information must be codified in a policy document, such as supplier code of conduct or similar.
Element d	The company works with its business relationships to improve their practices on access to water and sanitation.
	The company should indicate how it is working with its business relationships, for example, working with suppliers to build their capacity and improve their practices on access to water and sanitation. This could include training, tools and resources developed for suppliers, or awareness programmes. Access to water or local communities must be explicitly referenced, not just water usage or environmental targets in general.



C5-C22: Core social indicators

Respect Human Rights

C5. Commitment to respect human rights

Pillar	Respect Human Rights
Indicator	C5. Commitment to respect human rights The company publicly commits to respecting all internationally recognised human rights across its activities.
Element a	The company has a publicly available policy statement committing it to respect human rights, which is approved by the highest governance body.
	<p>The company discloses a policy statement on respecting human rights. For example, it can:</p> <ul style="list-style-type: none"> • Commit to respect human rights, • Commit to respect the rights in the Universal Declaration of Human Rights, • Commit to respect the rights in the International Bill of Human Rights, • Commit to respect all internationally recognised human rights. <p>The commitment and the policy should cover all company’s activities and should be standard across all locations regardless of law. The commitment has strong wording. Examples of strong wording are:</p> <ul style="list-style-type: none"> • Commits to respect XX convention • We adhere to the XX convention • We uphold the XX right/convention, etc. • We are committed to respecting the rights under the XX convention • We recognise our obligation to respect XX • We abide by XX • Comply with • Aligned with <p>A commitment to the ten principles of the UNGC and a modern slavery statement are not considered sufficient as well as weak wording such as:</p> <ul style="list-style-type: none"> • We follow the principles of the XX convention • We support the right to XX • Consistent with XX • In line with • Informed by • Striving to ensure rights are upheld • Recognises the principles of XX (acknowledgement of an obligation is not a commitment) • Guided by



	<ul style="list-style-type: none">• Based on• Comply with
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C6. Commitment to respect the human rights of workers

Pillar	Respect Human Rights
Indicator	<p><u>C6. Commitment to respect the human rights of workers</u> The company publicly commits to respecting the principles concerning fundamental rights at work in the eight ILO core conventions, as set out in the ILO Declaration on Fundamental Principles and Rights at Work. It also has a publicly available policy statement committing it to respect the human rights of workers in its business relationships.</p>
Element a	<p>The company has a publicly available policy statement committing it to respecting the human rights that the ILO has declared to be fundamental rights at work, which is approved by the highest governance body.</p>
	<p>The company discloses a formal policy commitment covering its operations –either as public document or webpage- which references:</p> <ul style="list-style-type: none"> • the ILO and the fundamental rights at work collectively, also known as the ILO core labour standards or the ILO conventions on the fundamental rights at work <p>OR</p> <ul style="list-style-type: none"> • the individual fundamental rights at work named freedom of association and the effective recognition of the right to collective bargaining; elimination of all forms of forced or compulsory labour; abolition of child labour; and elimination of discrimination in respect of employment and occupation. <p>A commitment to collective bargaining ‘as permitted by the law’ or in line ‘with local or national laws’ is not considered sufficient for this element as a company should respect the rights to freedom of association and collective bargaining everywhere regardless of local laws.</p> <p>The commitment has strong wording. Examples of strong wording are:</p> <ul style="list-style-type: none"> • Commits to respect XX convention • We adhere to the XX convention • We uphold the XX right/convention, etc. • We are committed to respecting the rights under the XX convention • We recognise our obligation to respect XX • We abide by XX • Comply with • Aligned with <p>A commitment to the ten principles of the UNGC and a modern slavery statement are not considered sufficient as well as weak wording such as:</p> <ul style="list-style-type: none"> • We follow the principles of the XX convention • We support the right to XX • Consistent with XX



	<ul style="list-style-type: none"> • In line with • Informed by • Striving to ensure rights are upheld • Recognises the principles of XX (acknowledgement of an obligation is not a commitment) • Guided by • Based on • Comply with
Element b	The company has a publicly available statement of policy that expects its business relationships to commit to respecting the human rights that the ILO has declared to be fundamental rights at work.
	<p>The company discloses a formal policy commitment covering its suppliers –either as public document or webpage- which references:</p> <ul style="list-style-type: none"> • the ILO and the fundamental rights at work collectively, also known as the ILO core labour standards or the ILO conventions on the fundamental rights at work. <p>OR</p> <ul style="list-style-type: none"> • the individual fundamental rights at work named freedom of association and the effective recognition of the right to collective bargaining; elimination of all forms of forced or compulsory labour; abolition of child labour; and elimination of discrimination in respect of employment and occupation. <p>A commitment to collective bargaining ‘as permitted by the law’ or in line ‘with local or national laws’ is not considered sufficient for this element as a company should respect the rights to freedom of association and collective bargaining everywhere regardless of local laws.</p> <p>The commitment has strong wording. Examples of strong wording are:</p> <ul style="list-style-type: none"> • Commits to respect XX convention • We adhere to the XX convention • We uphold the XX right/convention, etc. • We are committed to respecting the rights under the XX convention • We recognise our obligation to respect XX • We abide by XX • Comply with • Aligned with <p>A commitment to the ten principles of the UNGC and a modern slavery statement are not considered sufficient as well as weak wording such as:</p> <ul style="list-style-type: none"> • We follow the principles of the XX convention • We support the right to XX • Consistent with XX



	<ul style="list-style-type: none">• In line with• Informed by• Striving to ensure rights are upheld• Recognises the principles of XX (acknowledgement of an obligation is not a commitment)• Guided by• Based on• Comply with
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C7. Identifying human rights risks and impacts

Pillar	Respect Human Rights
Indicator	<p><u>C7. Identifying human rights risks and impacts</u> The company proactively identifies its human rights risks and impacts.</p>
Element a	<p>The company describes the process(es) to identify its human rights risks and impacts in specific locations or activities covering its own operations.</p>
	<p>The company discloses the first step of a human rights due diligence process for its operations, namely the identification of all its human rights risks and impacts. It should provide evidence of a clear identification process which can include but is not limited to at least two of the following:</p> <ul style="list-style-type: none"> • Desk-based research and human rights risk analysis • Using specialist research platforms or databases to identify/assess human rights risks • Engagement with rightsholders to identify human rights risks • Risk analysis of human rights risks across locations, sectors, commodities etc. • Partnership with a human rights expert to conduct risk analysis • Human Rights Impact Assessment (HRIA) • Engagement with internal company functions and/or suppliers to understand human rights risks. <p>The process covers the company's whole operations and involves identifying risks to people, not risks to business (e.g. reputation or financial). Furthermore, it should not only reference a specific human right risk (e.g. modern slavery or discrimination).</p>
Element b	<p>The company describes the process(es) to identify its human rights risks and impacts in specific locations or activities through relevant business relationships.</p>
	<p>The company discloses the first step of a human rights due diligence process for its supply chains, namely the identification of its human rights risks and impacts in its supply chain. It should provide evidence of a clear identification process which can include but is not limited to at least two of the following:</p> <ul style="list-style-type: none"> • Desk-based research and human rights risk analysis • Using specialist research platforms or databases to identify/assess human rights risks • Engagement with rightsholders to identify human rights risks • Risk analysis of human rights risks across locations, sectors, commodities etc. • Partnership with a human rights expert to conduct risk analysis • Human Rights Impact Assessment (HRIA) • Engagement with internal company functions and/or suppliers to understand human rights risks. <p>The process covers the company's whole operations and involves identifying risks to people, not risks to business (e.g. reputation or financial). Furthermore, it should not only reference a specific human right risk (e.g. modern slavery or discrimination).</p>



C8. Assessing human rights risks and impacts

Pillar	Respect Human Rights
Indicator	<p><u>C8. Assessing human rights risks and impacts</u> Having identified its human rights risks and impacts, the company assesses them and then prioritises its salient human rights risks and impacts.</p>
Element a	<p>The company describes its process(es) for assessing its human rights risks and discloses what it considers to be its salient human rights issues. This description includes how relevant factors are taken into account, such as geographical, economic, social and other factors.</p>
	<p>The company discloses an assessment of human rights risks which is the second step of the human rights due diligence process and follows the identification of human rights risks. The assessment should determine and disclose its salient human rights risks meaning the ones with most severe negative impacts on people in the company's activities.</p> <p>The company discloses the process for assessing its human rights risks and impacts by describing how it has determined which of its human rights risks are most salient, including the social, economic, geographical or other factors considered in the assessment.</p> <p>A materiality assessment alone is not sufficient as this is different to a saliency assessment.</p>
Element b	<p>The company publicly discloses the results of its assessments, which may be aggregated across its operations and locations.</p>
	<p>The company discloses an actual report or statement which outlines the results of its salient human rights assessment.</p>



C9. Integrating and acting on human rights risks and impacts

Pillar	Respect Human Rights
Indicator	<p><u>C9. Integrating and acting on human rights risks and impacts</u> The company integrates the findings of its assessments of human rights risks and impacts into relevant internal functions and processes by taking appropriate actions to prevent, mitigate or remediate its salient human rights issues.</p>
Element a	<p>The company describes its global system to take action to prevent, mitigate or remediate its salient human rights issues, AND this includes a description of how its global system applies to its supply chain.</p>
	<p>The company discloses the third step of the human rights due diligence process which follows the identification and assessment of human rights risks. It refers to a global system across the whole company, not just in particular locations. There is a distinction between corrective action plan (often created a part of audits) which are created to address a specific negative impact that has occurred, and developing a global system for taking action more broadly to prevent and mitigate negative impacts across business activities. This means that having only a corrective action plan alone is not sufficient to meet element.</p>
Note	<p>To score the maximum point of 1, the 'global system' must cover its operations and supply chain; it can score 'partially met' (0.5) if it covers its operations or its supply chain, not both.</p> <p>In order to meet this element, the company must first meet indicator D4a.</p>
Element b	<p>The company provides an example of the specific conclusions reached and actions taken or to be taken on at least one of its salient human rights issues as a result of assessment processes in at least one of its activities/operations in the last three years.</p>
	<p>The company describes an example of the specific actions taken or to be taken on at least one of its salient human rights risks and the action is taken as a result of assessment processes in at least one of its activities/operations in the last three years.</p>
Note	<p>The company can meet D5b even if it does not meet D4, but it must be clear that the example is a salient human rights risk (i.e. the company has some sort of disclosure on its salient risks but not necessarily enough to meet D4).</p>



C10. Engaging with affected and potentially affected stakeholders

Pillar	Respect Human Rights
Indicator	<p><u>C10. Engaging with affected and potentially affected stakeholders</u> As part of identifying and assessing its human rights risks and impacts, the company identifies and engages with stakeholders whose human rights have been or may be affected by its activities.</p>
Element a	<p>The company discloses the categories of stakeholders whose human rights have been or may be affected by its activities.</p>
	<p>The company engaged with stakeholders as part of the identification and assessment of its human rights risks and impacts. Therefore, it must be clear that the stakeholders affected are those identified as part of the due diligence process and not of a materiality assessment.</p>
Element b	<p>The company provides at least two examples of its engagement with stakeholders whose human rights have been or may be affected by its activities (or their legitimate representatives or multi-stakeholder initiatives) in the last two years.</p>
	<p>Engaging with potentially and actually affected stakeholders means engaging in a dialogue with the stakeholders who might be, or are, impacted by the company's activities and/or with its legitimate representatives and/or with multi-stakeholder initiatives. Depending on the nature of the company's operations, stakeholders can include (but are not limited to) workers, their families, local communities and any other person or group of people whose life and environment may be impacted.</p>



C11. Grievance mechanisms for workers

Pillar	Respect Human Rights
Indicator	<p><u>C11. Grievance mechanisms for workers</u> The company has one or more channels/mechanisms (its own, third party or shared) through which workers can raise complaints or concerns, including in relation to human rights issues.</p>
Element a	<p>The company indicates that it has one or more channel(s)/mechanism(s), or participates in a shared mechanism, accessible to all workers who may be adversely impacted by the company (or individuals or organisations acting on their behalf or who are otherwise in a position to be aware of adverse impacts), to raise complaints or concerns.</p>
	<p>The company discloses one or more formal channel(s)/mechanism(s) that can be used also to raise human rights complaints or concerns related to the company and which is accessible to all workers. Moreover, the channel must ensure both anonymous and non-anonymous reporting.</p> <p>Grievances can be made via a webpage, phonenumber, online portal, or by mail or email, or a combination.</p> <p>The complainant can report on all aspects of human rights, not only specific rights (e.g. discrimination).</p>
Note	<p>The company can score partially met if one or more of the following parts are met: -</p> <ul style="list-style-type: none"> • The company discloses data about the practical operation of the channel(s)/mechanism(s), including the number of grievances about human rights issues filed, addressed or resolved • The company indicates that the channel(s)/ mechanism(s) is available in all appropriate languages • The workers in its supply chain have access to either: The company's own channel(s)/ mechanism(s) to raise complaints or concerns about human rights issues at the company's suppliers or the company expects its suppliers to establish a channel/mechanism for their workers to raise such complaints or concerns • The company expects its suppliers to convey the same expectation on access to grievance channel(s) / mechanism(s) to their own suppliers.



C12. Grievance mechanisms for external individuals and communities

Pillar	Respect Human Rights
Indicator	<p><u>C12. Grievance mechanisms for external individuals and communities</u> The company has one or more channels/mechanisms (its own, third party or shared) through which individuals and communities who may be adversely impacted by the company can raise complaints or concerns, including in relation to human rights issues.</p>
Element a	<p>The company indicates that it has one or more channel(s)/mechanism(s), or participates in a shared mechanism, accessible to all external individuals and communities who may be adversely impacted by the company (or individuals or organisations acting on their behalf or who are otherwise in a position to be aware of adverse impacts), to raise complaints or concerns.</p>
	<p>The company discloses one or more formal channel(s)/mechanism(s) that can be used also to raise human rights complaints or concerns related to the company and which is accessible to all external stakeholders. Moreover, the channel must ensure both anonymous and non-anonymous reporting.</p> <p>Grievances can be made via a webpage, phonenumber, online portal, or by mail or email, or a combination.</p> <p>The complainant can report on all aspects of human rights, not only specific rights (e.g. discrimination).</p> <p>It is sufficient for the company to state that its grievance channel/mechanism(s) are open to 'anyone' or the public. It must be clear it is open to all stakeholders, not only specific groups e.g. suppliers.</p> <p>The mechanism is to be available in all appropriate languages: e.g. if the channel is only available in one language, the company should indicate the reason behind that choice.</p>
Note	<p>The company can still score partially met (0.5) if one or more of the following parts are met:</p> <ul style="list-style-type: none"> • The company also describes how it ensures the channel(s)/ mechanism(s) is accessible to all potentially affected external stakeholders at all its own operations, including in local languages • The company describes how it ensures external individuals and communities have access to either: the Company's own channel(s)/ mechanism(s) to raise complaints or concerns about human rights issues at the Company's suppliers • The company expects its suppliers to establish a channel/ mechanism for them to raise such complaints or concerns, and to convey the same expectation on access to grievance channel(s) / mechanism(s) to their suppliers.



Provide and promote decent work

C13. Health and safety fundamentals

Pillar	Provide and promote decent work
Indicator	<p><u>C13. Health and safety fundamentals</u> The company publicly commits to respecting the health and safety of workers and discloses relevant data. It also places health and safety expectations on and monitors the performance of its business relationships.</p>
Element a	<p>The company has a publicly available policy statement committing it to respect the health and safety of workers.</p>
	<p>The company's policy statement includes a commitment to providing a healthy and safe workplace, respecting the health and safety of its workers or equivalent language. A commitment to comply with health and safety laws is not by itself sufficient to meet the element.</p> <p>The commitment must cover occupational health and safety in a broad sense, not a specific aspect of health and safety e.g. security, discrimination or use of hazardous materials.</p> <p>If the commitment language is weak, it is accepted if it is supported by evidence of the company's process(es) or system(s) for ensuring a healthy and safe work environment. Examples of accepted weak language is:</p> <ul style="list-style-type: none"> • We strive to ensure • We work to ensure • We promote • We encourage
Element b	<p>The company discloses quantitative information on health and safety for its workers.</p>
	<p>The company discloses health and safety information in line with GRI 403-9:</p> <ul style="list-style-type: none"> • The number and rate of fatalities as a result of work-related injuries • The number and rate of high-consequence work-related injuries (excluding fatalities) • The number and rate of recordable work-related injuries • The main types of work-related injuries • The number of hours worked
Element c	<p>The company has a publicly available statement of policy that expects its business relationships to commit to respecting the health and safety of their workers.</p>
	<p>The company discloses a policy statement which expects its suppliers to commit to providing a healthy and safe workplace, respecting the health and safety of their workers, or the equivalent. The commitment should be in a policy document (e.g. policy/code of conduct) and the language must be strong e.g.:</p> <ul style="list-style-type: none"> • Suppliers should commit to respect • We expect suppliers to respect



	<ul style="list-style-type: none"> • Suppliers shall adhere to • Suppliers are expected to abide/comply with <p>Weak commitment language is not accepted e.g.:</p> <ul style="list-style-type: none"> • Suppliers are encouraged to • Suppliers are directed to <p>A commitment to comply with health and safety laws is not by itself sufficient to meet the element. The commitment must cover occupational health and safety in a broad sense, not a specific aspect of health and safety e.g. security, discrimination or use of hazardous materials.</p>
Element d	The company discloses how it monitors the health and safety performance of its business relationships.
	<p>The company discloses how it monitors its suppliers' performance on health and safety. For instance, it can state in its supplier code of conduct (or another equivalent policy document that includes health and safety expectations) that it audits its suppliers on it.</p> <p>Only 'reserving the right' to conduct an audit or view supplier documents (or similar) is not sufficient.</p>



C14. Living wage fundamentals

Pillar	Provide and promote decent work
Indicator	<p>C14. Living wage fundamentals The company is committed to paying its workers a living wage and supports the payment of a living wage by its business relationships.</p>
Element a	<p>The company discloses a time-bound target for paying all workers a living wage or that it has achieved paying all workers a living wage.</p>
	<p>The company discloses that it pays a living wage to its employees or, where the company does not use the term 'living wage', it must disclose that the wage provides:</p> <ul style="list-style-type: none"> • A decent standard of living or basic needs for employees and • The employees' family and/or dependents and • It includes some discretionary income. <p>OR</p> <ul style="list-style-type: none"> • The company discloses a target for paying a living wage across its operations which includes the year in which a company intends to achieve the goal. <p>A commitment to pay wages in line with national legal standards or industry benchmark standards alone is not sufficient.</p>
Element b	<p>The company describes how it determines a living wage for the regions where it operates.</p>
	<p>The company should at least disclose how it has determined the living wage in those locations where it already pays living wage or is planning on paying a living wage. It is sufficient to disclose the planned methodology too.</p> <p>The company describes:</p> <ul style="list-style-type: none"> • how it works with relevant trade unions (or equivalent worker bodies where the right to freedom of association and collective bargaining is restricted under law) to determine a living wage <p>OR</p> <ul style="list-style-type: none"> • the methodology it uses to determine a living wage (e.g. the Anker Methodology for Estimating a Living Wage, the Massachusetts Institute of Technology Living Wage Calculator). <p>The BSR methodology is accepted but the ETI Base Code is not accepted.</p>
Element c	<p>The company describes how it works to support the payment of a living wage by its business relationships.</p>
	<p>The company either:</p> <ul style="list-style-type: none"> • Requires its business relationships to pay their workers a living wage i.e. it is a contractual requirement. <p>OR</p> <ul style="list-style-type: none"> • Expects its business relationships to pay their workers a living wage AND provides a description of how it works with its business relationships.



	'Working with' goes beyond having a written expectation of a living wage in workers' codes or policy documents and can include interacting with suppliers through training, sharing expertise and collaborative working, as well as other activities.
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C15. Working hours fundamentals

Pillar	Provide and promote decent work
Indicator	<u>C15. Working hours fundamentals</u> The company does not require workers to work more than the regular and overtime hours and places equivalent expectations on its business relationships.
Element a	The company publicly states that workers shall not be required to work more than 48 hours in a regular work week or 60 hours including overtime. The company either: <ul style="list-style-type: none"> Discloses that workers shall not be required to work more than 48 hours in a regular work week OR <ul style="list-style-type: none"> Discloses that workers shall not be required to work more than 48 hours in a regular work week and 60 hours including overtime. <p>If the company commits to national legislation on working hours, it is only accepted where the national legislation requires workers to work no more than 48 hours in a regular work week in all locations of operation.</p>
Element b	The company publicly states that all overtime work must be consensual and be paid at a premium rate. The company states that all overtime work must be consensual and that all overtime work is paid at a premium rate (or equivalent language).
Element c	The company has a public expectation that its business relationships shall not require workers to work more than 48 hours in a regular work week or 60 hours including overtime. The company either: <ul style="list-style-type: none"> States that it expects its suppliers to require that their workers shall not be required to work more than 48 hours in a regular work week. OR <ul style="list-style-type: none"> States that it expects its suppliers to require that their workers shall not be required to work more than 48 hours in a regular work week and 60 hours including overtime. <p>An expectation that suppliers commit to national or local laws on working hours is not sufficient.</p>



C16. Bargaining fundamentals

Pillar	Provide and promote decent work
Indicator	<p><u>C16. Bargaining fundamentals</u> The company discloses information about collective and bargaining agreements covering its workforce and its approach to supporting the practices of its business relationships in relation to freedom of association and collective bargaining.</p>
Element a	<p>The company discloses the proportion of its total direct operations workforce covered by collective bargaining agreements.</p>
	<p>It is not sufficient for the company to disclose the proportion of its total direct operations workforce that are part of a union or another workers' group as this element refers specifically to collective bargaining agreements - written agreements regarding working conditions and terms of employment concluded between one or more employers or employers' organizations, on the one hand, and one or more representative workers' organizations or duly elected and authorised representatives of the workers (according to national laws and regulations), on the other.</p> <p>The company could also disclose it is not a party to any collective bargaining agreements.</p>
Element b	<p>The company describes how it works to support the practices of its business relationships in relation to freedom of association and collective bargaining.</p>
	<p>The company discloses how it supports suppliers to facilitate freedom of association and collective bargaining by, for example:</p> <ul style="list-style-type: none"> • Providing training to suppliers • Conducting joint projects to support suppliers • Supporting unionisation, workers' groups or worker empowerment • Doing more than observing or monitoring its business relationships in relation to freedom of association and collective bargaining.



C17. Workforce diversity disclosure fundamentals

Pillar	Provide and promote decent work
Indicator	<u>C17. Workforce diversity disclosure fundamentals</u> The company discloses the percentage of employees for each employee category by at least four indicators of diversity.
Element a	The company discloses the proportion of its total direct operations workforce for each employee category by age group.
	<p>The employee category breakdown can be by level (such as senior management, middle management) and/or function (such as technical, administrative, production).</p> <p>In accordance with GRI 405, the suggested age groups for reporting on this disclosure are: under 30 years old, 30-50 years old and over 50 years old.</p> <p>It is sufficient for the company to disclose:</p> <ul style="list-style-type: none"> • Total workforce disclosure breakdown • Two employee categories <p>The company should include total workforce if it does not include categories that cover the entire total workforce. Reporting on the 90% of total workforce is sufficient.</p>
Element b	The company discloses the proportion of its total direct operations workforce for each employee category by gender.
	<p>The employee category breakdown can be by level (such as senior management, middle management) and/or function (such as technical, administrative, production).</p> <p>It is sufficient for the company to disclose:</p> <ul style="list-style-type: none"> • Total workforce disclosure breakdown • Two employee categories <p>The company should include total workforce if it does not include categories that cover the entire total workforce. Reporting on the 90% of total workforce is sufficient.</p>
Element c	The company discloses the proportion of its total direct operations workforce for each employee category by race or ethnicity.
	<p>The employee category breakdown can be by level (such as senior management, middle management) and/or function (such as technical, administrative, production).</p> <p>It is sufficient for the company to disclose:</p> <ul style="list-style-type: none"> • Total workforce disclosure breakdown • Two employee categories <p>The company should include total workforce if it does not include categories that cover the entire total workforce. Reporting on the 90% of total workforce is sufficient.</p> <p>It is sufficient to report on one country or region of operation only (not at the group level), if the breakdown by race/ethnicity and employee category covers only one country e.g. US, Latin America, South Africa.</p>



Note	If the company explains it is unable to meet element (c) because of legal restrictions on the collection of ethnic or racial data in certain jurisdictions, it can still fully meet this indicator by satisfying elements (a) (b) and (d).
Element d	The company discloses the proportion of its total direct operations workforce for each employee category by one or more additional indicators of diversity (e.g. disability, sexual identity and marital and family status, etc.).
	<p>The employee category breakdown can be by level (such as senior management, middle management) and/or function (such as technical, administrative, production).</p> <p>It is sufficient for the company to disclose:</p> <ul style="list-style-type: none"> • Total workforce disclosure breakdown • Two employee categories <p>The company should include total workforce if it does not include categories that cover the entire total workforce. Reporting on the 90% of total workforce is sufficient.</p>



C18. Gender equality and women's empowerment fundamentals

Pillar	Provide and promote decent work
Indicator	<p><u>C18. Gender equality and women's empowerment fundamentals</u> Indicator: The company publicly commits to gender equality and women's empowerment and discloses quantitative information on gender equality and women's empowerment.</p>
Element a	<p>The company has a public commitment to gender equality and women's empowerment.</p>
	<p>The company can provide evidence from any type of public document or webpage belonging to the company. The company either:</p> <ul style="list-style-type: none"> • Is a signatory to the UN Women's Empowerment Principles in all locations of operation • Commits to gender equality and women's empowerment in a broad sense not only in a specific setting, location, or function • Discloses at least one programme/initiative/target on gender equality and at least one programme/initiative/target on women's empowerment. <p>Being a signatory to other external initiatives or programs as well as disclosure related to external gender equality or women's empowerment rankings or scores is not sufficient for this element.</p>
Element b	<p>The company discloses one or more time-bound targets on gender equality and women's empowerment.</p>
	<p>The company discloses one or more targets on gender equality or women's empowerment e.g.:</p> <ul style="list-style-type: none"> • Representation (e.g. gender equality in leadership) • Closing the gender pay gap • Improving women's health and well-being • Preventing violence and harassment. <p>The target(s) is time-bound, forward-looking or was achieved in the reporting year of the assessment, and can be at the subsidiary level.</p>
Element c	<p>The company has at least 30% women on the highest governance body.</p>
	<p>The company can provide evidence from any type of public document or webpage belonging to the company. The company discloses that it has at least 30% women on its highest governing body. Diagrams and pictures that display the proportion of women are accepted.</p>
Element d	<p>The company discloses the ratio of the basic salary and remuneration of women to men in its total direct operations workforce for each employee category, by significant locations of operation.</p>
	<p>The company discloses the ratio of the basic salary or remuneration of women to men in its total direct operations workforce for each employee category, by locations of operation. The company can refer to 'employees' or 'workers' instead of 'total direct operations workforce'. 'Employee category' refers to seniority or function. 'Function' can be defined in the company's own terms e.g. technician, production, administrative.</p>



	'Seniority' can be defined in the company's own terms e.g. junior, senior management, middle management. 'Locations of operation' must include all countries of operation.
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Act ethically

C19. Personal data protection fundamentals

Pillar	Act ethically
Indicator	C19. Personal data protection fundamentals Indicator: The company publicly commits to protecting personal data and has a global approach to data privacy.
Element a	The company has a public commitment to protecting personal data.
	The company discloses a commitment to respecting the right to data privacy, or a commitment to protecting personal data or information. A commitment to protect personal data should relate to all stakeholders whose personal data is being processed by the company which include at a minimum employees and customers. The commitment must be part of a policy document and needs to be global so applicable to all of the group/company activities.
Element b	The company has a global publicly available privacy statement in relation to the collection, sharing and access to personal data.
	The commitment must be part of a policy document and needs to be global so applicable to all of the group/company activities. A policy is not global if it has different location-specific privacy laws cited which are not consistently applied to the highest standard across all locations. Furthermore, it should apply at minimum to employees and customers. The company at least: <ul style="list-style-type: none"> • Discloses the types of user information it collects • Discloses the types of third parties that user information is shared with, and • Allows a user to retrieve a copy of user information collected by the company.



C20. Responsible tax fundamentals

Pillar	Act ethically
Indicator	<p>C20. Responsible tax fundamentals</p> <p>Indicator: The company has a public global tax approach and discloses its corporate income tax payments on a country-by-country basis.</p>
Element a	<p>The company has a publicly available global tax strategy, which is approved by the highest governance body.</p> <p>The company discloses a global tax strategy which can include details on, among other things:</p> <ul style="list-style-type: none"> • Tax oversight/governance • Tax risk management • Financial/tax auditing processes • Approach to dealing with tax authorities <p>The policy applies to the whole company at the global level, not to a specific subsidiary, region or jurisdiction</p>
Element b	<p>A governance body or executive-level position is tasked with accountability for compliance with the company's global tax strategy.</p> <p>The company discloses that a governance body or executive-level position is tasked with accountability for compliance with the company's global tax strategy.</p>
Element c	<p>The company clearly discloses the amount of corporate income tax paid for each tax jurisdiction where the company is a resident for tax purposes.</p> <p>The company should report 100% taxes paid in each jurisdiction they are resident for taxes purposes and if the disclosure contains an 'other' category, the company should disclose the tax jurisdictions and taxes paid per jurisdiction, even if the tax paid is zero. Disclosure of taxes per region instead of per tax jurisdictions (countries) is not accepted. Tax jurisdictions are identified according to where the entities included in the organization's audited consolidated financial statements or in the financial information filed on public record, are resident for tax purposes.</p>



C21. Anti-bribery and anti-corruption fundamentals

Pillar	Act ethically
Indicator	C21. Anti-bribery and anti-corruption fundamentals The company publicly prohibits bribery and corruption and takes steps to identify and address bribery and corruption risks and incidents.
Element a	The company has a publicly available policy statement prohibiting bribery and corruption.
	The company discloses a policy commitment on prohibiting bribery or corruption, or it states that it has 'zero tolerance for bribery and corruption'. The policy applies to the whole company at the global level, not to a specific subsidiary, region or jurisdiction. If the company only discloses that it complies with national legislation on anti-bribery and anti-corruption, this is not sufficient because it is not clear then if all locations of operation have such legislation and the same standard applies globally. However, if companies include reference to compliance with legislation alongside a statement prohibiting bribery or corruption, then is sufficient.
Element b	The company describes the process(es) to identify its bribery and corruption risks and impacts in specific locations or activities covering its own operations.
	The company describes the process(es) to identify its bribery and/or corruption risks and impacts in specific locations or activities covering its own operations. A 'process to identify risks' must include an explanation and details of how the company identifies risks of bribery and/or corruption.
Element c	The company includes anti-bribery and anti-corruption clauses in its contracts with business relationships.
	The company either: <ul style="list-style-type: none"> • Discloses a contract it has with its suppliers which includes anti-bribery and anti-corruption clause(s) • Discloses in any kind of public document belonging to the company that its suppliers must sign and/or agree to a contract that includes anti-corruption and anti-bribery clause(s) • Discloses that it prohibits bribery and/or corruption in a policy document that outlines its requirements of its supplier (e.g. supplier code of conduct), and that the relationship with the supplier will be subject to review or terminated if the supplier is in breach of the same policy document.
Element d	The company indicates that it has a confidential and anonymous channel/mechanism accessible to all stakeholders to raise bribery and corruption concerns and complaints without fear of reprisals.
	The company provides evidence of a grievance mechanism(s) in which stakeholders can report bribery and/or corruption concerns against the company via a webpage, phonenumber, online portal, or by mail or email, or a combination. The complainant can report on all aspects of bribery and/or corruption with the option to make reports anonymously. Anyone internal and external to the company can access and make reports through the grievance mechanism and reports can be made against the company itself. The channel must enforce a "non-retaliation" principle whereby individuals can report without fear of reprisals.



C22. Responsible lobbying and political engagement fundamentals

Pillar	Act ethically
Indicator	<u>C22. Responsible lobbying and political engagement fundamentals</u> The company has an approach to lobbying and political engagement and has related controls in place.
Element a	The company has a publicly available policy statement(s) (or policy(ies) setting out its lobbying and political engagement approach.
	<p>The company discloses a policy on lobbying and political engagement which applies to the whole company in all locations of operation, not to a specific subsidiary, region or jurisdiction.</p> <p>The company describes its political engagement and lobbying approach by including at least two of the following:</p> <ul style="list-style-type: none"> • The types or ways the company engages politically • The topics/issues covered in the company's political engagement • The basis or intention of the company's political engagement • The internal authorisation process or policies that must be followed to engage politically • Whether personal political engagement is prohibited/restricted • The types of stakeholders who the company engages with politically • Internal management or oversight of political engagement • Legal and reporting compliance around political engagement • Political contributions and exceptions to it • Political affiliation or neutrality.
Element b	The company has a publicly available policy statement that specifies that it does not make political contributions.
	<p>The company discloses a policy statement that it does not make political contributions which applies to the whole company in all locations of operation, not to a specific subsidiary, region or jurisdiction. Moreover, it must be clear that it prohibits all political contributions, not just specific types of political contributions e.g. unlawful/improper payments.</p> <p>It is not sufficient if the company only has a statement that its workers may not make political contributions.</p> <p>Where a company allows political contributions, it must only allow them by exception and clearly state the criteria for making them:</p> <ul style="list-style-type: none"> • It is not an exception if the company allows political contributions where the law allows or where there is approval from internal department e.g. Public Affairs or senior management • An exception must be an exceptional circumstance e.g. a one off scenario • An exception must include expressions of corporate responsibility and/or support of the genuine democratic process.
Element c	The company discloses its expenditures on lobbying activities.
	<p>The company either:</p> <ul style="list-style-type: none"> • Discloses its expenditures on lobbying activities covering all locations of operation



	<ul style="list-style-type: none"> • Discloses its expenditure on lobbying activities in some locations of operation where it lobbies and explains that it only lobbies in these specific locations • Discloses that it does not engage in any lobbying activities.
Element d	The company requires third-party lobbyists to comply with its lobbying and political engagement policy (or policies).
	<p>The company either:</p> <ul style="list-style-type: none"> • Discloses that it requires third-party lobbyists to comply with its lobbying and political engagement policy (or policies) • Disclose that it does not use third party lobbyists. • Discloses that it does not engage in any lobbying activities. <p>'Third party lobbyists' refers to any third party which may lobby on the company's behalf.</p>



Appendix

Table 1 – Key sustainability topics for batch 2 industries

Construction & Engineering	Construction Materials & Supplies	Containers & Packaging	Apparel & Footwear
Terrestrial ecosystem use	Terrestrial ecosystem use	Terrestrial ecosystem use	Terrestrial ecosystem use
Water use	Water use	Water use	Water use
GHG emissions	GHG emissions	GHG emissions	GHG emissions
Non-GHG air pollutants	Solid waste	Non-GHG air pollutants	Non-GHG air pollutants
Soil pollutants	Biological alterations/interferences	Soil pollutants	Soil pollutants
Disturbances	Disturbances	Solid waste	Solid waste
Freshwater ecosystem use	Freshwater ecosystem use	Biological alterations/interferences	Biological alterations/interferences
Marine ecosystem use	Marine ecosystem use	Water pollutants	Disturbances
			Water pollutants



Table 2 - List of high-risk commodities, high-risk areas, and accepted certification schemes (as equivalent to zero conversion)

Commodity	High-risk areas	Accepted certification schemes
Palm oil	<ul style="list-style-type: none"> • Southeast Asia 	<ul style="list-style-type: none"> • RSPO – except the two categories: RSPO credit system ('Book and Claim') and 'Mass Balance'. Only accept 'Identity Preserved' and 'Segregated'. • International Sustainability and Carbon Certification (ISCC). • Sustainable Agriculture Network (SAN) standard. • Roundtable on Sustainable Biomaterials (RSB).
Cocoa	<ul style="list-style-type: none"> • West Africa 	<ul style="list-style-type: none"> • UTZ-Rainforest Alliance • FairTrade
Coffee	<ul style="list-style-type: none"> • Central and South America • East Africa • Southeast Asia 	<ul style="list-style-type: none"> • UTZ-Rainforest Alliance • FairTrade • 4C
Soy	<ul style="list-style-type: none"> • South America 	<ul style="list-style-type: none"> • RTRS Production • ProTerra certification • International Sustainability and Carbon Certification (ISCC) • Roundtable on Sustainable Biomaterials (RSB)
Timber	<ul style="list-style-type: none"> • South America • Southeast Asia • Central Africa 	<ul style="list-style-type: none"> • FSC Forest Management certification • PEFC Sustainable Forest Management certification • SFI Forest Management standard certification • Preferred by Nature – SmartLogging • Roundtable on Sustainable Biomaterials (RSB) • Sustainable Biomass Program
Cattle products	<ul style="list-style-type: none"> • South America 	<ul style="list-style-type: none"> • RA SAN Standard for Sustainable Cattle Production Systems • Roundtable on Sustainable Biomaterials (RSB) • International Sustainability and Carbon Certification (ISCC) • GRSB + GTPS (Beef) – these are not certifications per se but companies may mention that they are participating.
Rubber	<ul style="list-style-type: none"> • Southeast Asia • Central and West Africa 	<ul style="list-style-type: none"> • FSC Forest Management certification • PEFC Sustainable Forest Management certification



Glossary

Abundance	The size of a population of a particular life form. (IPBES, 2019)
Area of high biodiversity value	Area not subject to legal protection but recognised for important biodiversity features by a number of governmental and non-governmental organisations. Areas of high biodiversity value include habitats that are a priority for conservation, which are often defined in National Biodiversity Strategies and Action Plans prepared under the United Nations' 1992 Convention on Biological Diversity. (IPBES, 2019)
Biodiversity hotspot	A generic term for an area high in such biodiversity attributes as species richness or endemism. It may also be used in assessments as a precise term applied to geographic areas defined according to two criteria (Myers et al., 2000): (i) containing at least 1,500 species of the world's 300,000 vascular plant species as endemics and (ii) being under threat, in having lost 70% of its primary vegetation. (IPBES, 2019)
Biodiversity loss	Usually observed as one or all of: (i) reduced area occupied by populations, species and community types, (ii) loss of populations and the genetic diversity they contribute to the whole species and (iii) reduced abundance (of populations and species) or condition (of communities and ecosystems). The likelihood of any biodiversity component persisting (the persistence probability) in the long-term declines with lower abundance and genetic diversity and reduced habitat area. (IPBES, 2019)
Biodiversity strategy	A biodiversity strategy can contain a combination of elements related to the prevention, management and remediation of damage to natural habitats resulting from an organisation's activities. An example of this is the integration of biodiversity considerations into analytical tools, such as environmental site impact assessments. (IPBES, 2019)
Commitment	A commitment is approved at the highest levels of the business, or by a formalised group of persons charged with ultimate authority in an organisation, e.g. the board. A commitment can span entire documents or a few paragraphs on the organisation's website. Examples of accepted wording are (this is not an exhaustive list – other examples can be found): We commit to/are committed to XX, We fully support XX, Commits to respect XX convention, We follow the principles of the XX convention, The company is committed to implementing the UNGPs, We adhere to the XX convention, We uphold the XX right/convention etc., We support the right to XX, We are committed to respecting the rights under the XX convention, We fully endorse and support the principles enshrined in the XX convention, We recognise our obligation to respect XX, We abide by XX (WBA definitions).



Critical habitat	Critical habitats are areas with high biodiversity value, including (i) habitat of significant importance to critically endangered and/or endangered species; (ii) habitat of significant importance to endemic and/or restricted-range species; (iii) habitat supporting globally significant concentrations of migratory species and/or congregator species; (iv) highly threatened and/or unique ecosystems; and/or (v) areas associated with key evolutionary processes. Critically endangered and/or endangered species are those listed on the International Union for the Conservation of Nature's (IUCN) Red List of Threatened Species. The determination of critical habitat is based on other listings such as lists of nationally/regionally as critically endangered or endangered species, on a case-by-case basis. (IPBES, 2019)
Cumulative impact	The total impact arising from the project (under the control of the developer); other activities (that may be under the control of others, including other developers, local communities, government) and other background pressures and trends which may be unregulated. The project's impact is therefore one part of the total cumulative impact on the environment. The analysis of a project's incremental impacts combined with the effects of other projects can often give a more accurate understanding of the likely results of the project's presence than just considering its impacts in isolation. (IPBES, 2019)
Drivers of change	This refers to all those external factors that affect nature and, as a consequence, also affect the supply of nature's contributions to people. The IPBES conceptual framework includes drivers of change as two of its main elements: indirect drivers, which are all anthropogenic, and direct drivers, both natural and anthropogenic. See Chapter 1 and Chapter 2 (Drivers) for a detailed typology of drivers. (IPBES, 2019)
Ecosystem	A dynamic complex of plant, animal and microorganism communities and their non-living environment interacting as a functional unit. From CBD, 2012. (IPBES, 2019)
Ecosystem integrity	The ability of an ecosystem to support and maintain ecological processes and a diverse community of organisms. It is measured as the degree to which a diverse community of native organisms is maintained. It is used as a proxy for ecological resilience, intended as the capacity of an ecosystem to adapt in the face of stressors, while maintaining the functions of interest. From Ocean Health Index. (IPBES, 2019)
Ecosystem services	The benefits people obtain from ecosystems. These include provisioning services such as food, water, timber and fibre; regulating services that affect climate, floods, disease, wastes and water quality; cultural services 16 – BBOP – Glossary (updated ed.) that provide recreational, aesthetic and spiritual benefits; and supporting services such as soil formation, photosynthesis and nutrient cycling. (IPBES, 2019)



Free, prior and informed consent (FPIC)	Free implies that Indigenous Peoples and local communities are not pressured, intimidated, manipulated or unduly influenced and that their consent is given without coercion; prior implies seeking consent or approval sufficiently in advance of any authorisation to access traditional knowledge, respecting the customary decision-making processes in accordance with national legislation and time requirements of Indigenous Peoples and local communities; informed implies that information is provided that covers relevant aspects such as: the intended purpose of the access; its duration and scope; a preliminary assessment of the likely economic, social, cultural and environmental impacts, including potential risks; personnel likely to be involved in the execution of the access; procedures the access may entail and benefit-sharing arrangements; consent or approval is the agreement of the Indigenous Peoples and local communities who are holders of traditional knowledge or the competent authorities of those indigenous peoples and local communities, as appropriate, to grant access to their traditional knowledge to a potential user and includes the right not to grant consent or approval (derived from CBD). (IPBES, 2019)
Global commons	Those parts of the planet that fall outside national jurisdictions and to which all nations have access. International law identifies four global commons, namely the high seas, the atmosphere, Antarctica and outer space. (IUCN, UNEP and WWF, 1980)
Habitat	The place or type of site where an organism or population naturally occurs. Also used to mean the environmental attributes required by a particular species or its ecological niche. (IPBES, 2019)
Habitat connectivity	The degree to which the landscape or waterscape facilitates the movement of organisms (animals, plant reproductive structures, pollen, pollinators, spores etc.) and other environmentally important resources (e.g. nutrients and moisture) between similar habitats. Connectivity is hampered by fragmentation (q.v.). (IPBES, 2019)
Habitat degradation	A general term describing the set of processes by which habitat quality is reduced. Habitat degradation may occur through natural processes (e.g. drought, heat, cold) and through human activities (forestry, agriculture, urbanisation). It is sometimes used as a synonym for habitat deterioration or nature deterioration. (BBOP, 2012)
Highest governance body	Formalised group of individuals responsible for the strategic guidance of an organisation, the effective monitoring of management and the accountability of management to the broader organisation and its stakeholders with the highest authority in the organisation. In some jurisdictions, governance systems consist of two tiers, where supervision and management are separated or where local law provides for a supervisory board drawn from non-executives to oversee an executive management board. In such cases, both tiers are included under the definition of highest governance body. (GRI, 2021)
Human rights due diligence	An ongoing risk management process that a reasonable and prudent company needs to follow in order to identify, prevent, mitigate and account for how it addresses its adverse human rights impacts. As set out in the UN Guiding Principles 17-21, this includes four key steps: assessing actual and potential human rights impacts; integrating and acting on the findings; tracking responses; and communicating about how impacts are addressed.



Indigenous peoples

Given the diversity of indigenous peoples, an official definition of 'indigenous' has not been adopted by any UN-system body. Instead, the system has developed a modern understanding of this term based on a number of factors: self-identification as indigenous peoples at the individual level and accepted by the community as their member; historical continuity with pre-colonial and/or pre-settler societies; strong link to territories and surrounding natural resources; distinct social, economic or political systems; distinct language, culture and beliefs; from non-dominant groups of society; resolve to maintain and reproduce their ancestral environments and systems as distinctive peoples and communities. (UN, 2007)

Invasive alien species (IAS)

Invasive alien species are plants, animals, pathogens and other organisms that are non-native to an ecosystem, and which may cause economic or environmental harm or adversely affect human health. In particular, they impact adversely upon biodiversity, including decline or elimination of native species – through competition, predation or transmission of pathogens – and the disruption of local ecosystems and ecosystem functions. (CBD, n.d.)

Key Biodiversity Areas

Sites, including both protected and unprotected sites, mapped at a national scale by local partners using a globally standardised framework drawn from IUCN's Best Practice Protected Areas guidelines series. Sites are considered globally important if they are known to hold one or more globally threatened species, endemic species, globally significant concentrations or populations, significant examples of biological communities or any combination of these features. These sites, known as Key Biodiversity Areas, build upon the work of other initiatives – such as BirdLife International's Important Bird Areas, PlantLife International's Important Plant Areas, IUCN's Important Sites for Freshwater Biodiversity and sites identified by the Alliance for Zero Extinction – to map important sites for a wide range of critical biodiversity in marine, freshwater and terrestrial biomes. These datasets are drawn from the World Biodiversity Database (WBDB), managed by BirdLife International and Conservation International, which is informed by the IUCN Red List of Threatened Species. (BBOP, 2012)

Land and environmental rights defenders

Land and environmental rights are interlinked and are often inseparable. As a result, the two broad categories of defenders advocating for the environment and for land rights are often characterised as 'land and environmental rights defenders'. While land/environment explicitly links to the Nature benchmark, human rights defenders is the overarching category within which many types of defenders sit.



Legitimate tenure rights holders

Existing tenure rights holders, whether recorded/ formal/recognised or not, which can include those of customary and informal tenure, groups under customary tenure systems, those holding subsidiary tenure rights, such as gathering rights (FAO CFS VGGT).

Local communities

Individuals or groups of individuals living or working in areas that are affected or that could be affected by an organisation's activities. The local community can range from those living adjacent to the organisation's operations to those living at a distance and includes those that have a long association with the lands and waters that they have traditionally lived on or used. Many communities may be considered local and may also be described as traditional communities. Some local communities may include peoples of indigenous descent. They are culturally diverse and occur on all inhabited continents. (CBD, 2006)

Mitigation hierarchy

The mitigation hierarchy is defined as: a. Avoidance: measures taken to avoid creating impacts from the outset, such as careful spatial or temporal placement of elements of infrastructure, in order to completely avoid impacts on certain components of biodiversity. b. Minimisation: measures taken to reduce the duration, intensity and/or extent of impacts (including direct, indirect and cumulative impacts, as appropriate) that cannot be completely avoided, as far as is practically feasible. BBOP – Glossary (updated ed.) – 29. c. Rehabilitation/restoration: measures taken to rehabilitate degraded ecosystems or restore cleared ecosystems following exposure to impacts that cannot be completely avoided and/or minimised. d. Offset: measures taken to compensate for any residual significant, adverse impacts that cannot be avoided, minimised and/or rehabilitated or restored, in order to achieve no net loss or a net gain of biodiversity. Offsets can take the form of positive management interventions such as restoration of degraded habitat, arrested degradation or averted risk, protecting areas where there is imminent or projected loss of biodiversity. (BBOP, 2012)



Nature's contributions to people (NCP)

All the contributions, both positive and negative, of living nature (for example, all organisms, ecosystems and their associated ecological and evolutionary processes) to people's quality of life. Beneficial contributions may include food provision, water purification, flood control and artistic inspiration, whereas detrimental contributions include e.g. disease transmission and predation that damages people or their assets. NCP may be perceived as benefits or detriments depending on the cultural, temporal or spatial context (Díaz et al., 2018) (KBA Partnership, 2018)

Nature-positive

In this methodology, nature-positive is in line with the vision of the Post-2020 Global Biodiversity Framework, which is 'a world of living in harmony with nature where by 2050, biodiversity is valued, conserved, restored and wisely used, maintaining ecosystem services, sustaining a healthy planet and delivering benefits essential for all people'. (CBD, 2020 p.4). It also reflects WBCSD's Global Goal for Nature, which considers zero net loss of nature from 2020, net positive by 2030 (from a 2020 baseline) and full recovery of nature by 2050. (WBCSD et al, 2021)

No net loss/net gain

A target for a development project in which the impacts on biodiversity caused by the project are balanced or outweighed by measures taken to avoid and minimise the project's impacts, to undertake on-site restoration and finally to offset the residual impacts, so that no loss remains. Where the gain exceeds the loss, the term 'net gain' may be used instead of no net loss. No net loss (or net gain) of biodiversity is a policy goal in several countries and is also the goal of voluntary biodiversity offsets. (BBOP, 2012)

Policy

Policies are the guidelines developed by an organisation to govern its actions on specific topics. Policies are usually called policies and should thus be 'formal' and signed off by the board and found in the policy and governance sections of corporate website. (WBA definition)

Protected area

A protected area is a clearly defined geographical space, recognised, dedicated and managed, through legal or other effective means, to achieve the long-term conservation of nature with associated values to people. There are multiple categories of protected areas, including and excluding people from within their boundaries. (GRI, 2021)

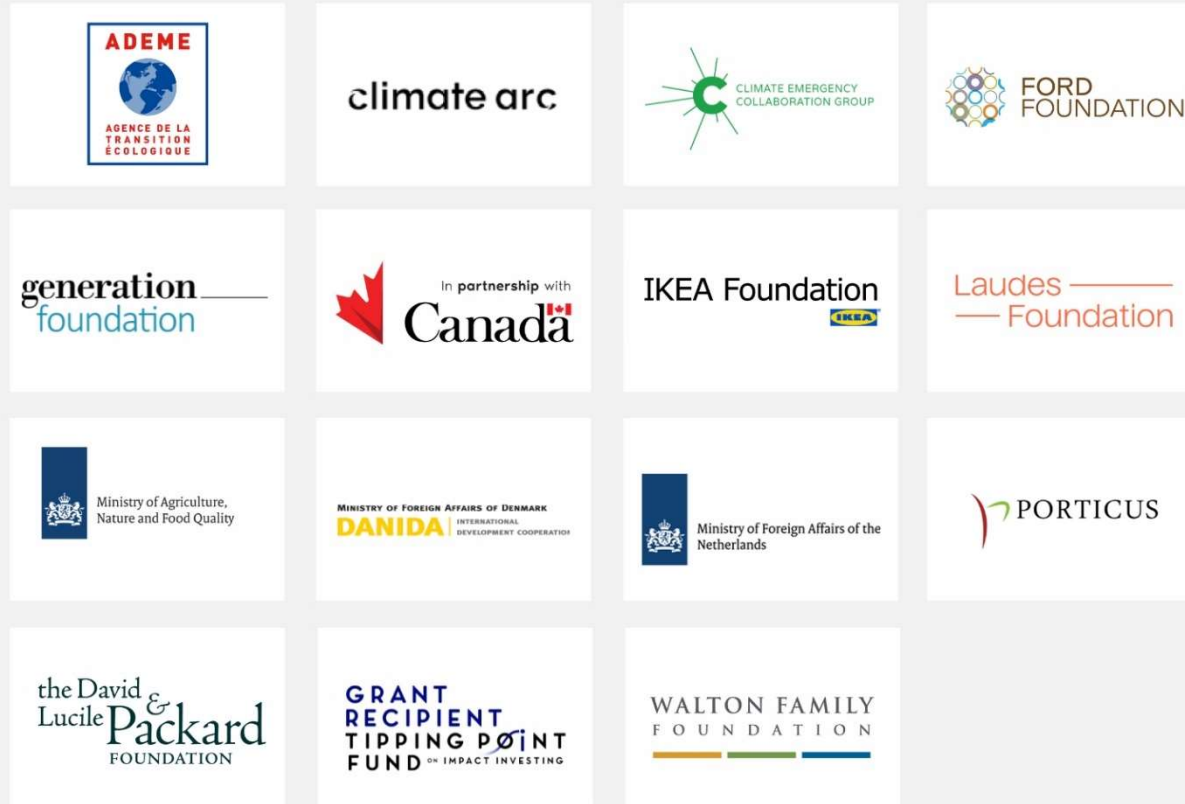
Qualitative evidence

In most cases, companies showing quantitative reduction for indicators asking for qualitative evidence can also receive scoring.



Quantitative evidence	Quantitative reductions most show year-on-year reduction. Reporting on aggregated reduction, for example against a baseline year, does not count.
Stakeholder	Individual or group that has an interest that is affected or could be affected by an organisation's activities. Examples are business partners, civil society organisations, consumers, customers, employees and other workers, governments, local communities, non-governmental organisations, shareholders and other investors, suppliers, trade unions and vulnerable groups. (GRI, 2021)
Statement	The term statement is used to describe a range of forms a company may use to set out publicly its responsibilities, commitments and expectations. This may be a separate policy or commitment within other formal policies, or provisions within other documents that govern the company's approach such as a company code, business principles etc. (WBA definition)
Supplier	Entity upstream from an organisation (i.e. in the organisation's supply chain), which provides a product or service that is used in the development of the organisation's own products or services. A supplier can have a direct business relationship with the organisation (often referred to as a first-tier supplier) or an indirect business relationship. (GRI, 2021)
Targets	Targets must include a baseline year, and time-bound goals. Usually, the company is expected to report against the target. In most cases, targets must show absolute reduction, rather than tied with intensity.
Value chain	The range of activities carried out by an organisation, and by entities upstream and downstream from the organisation, to bring the organisation's products or services from their conception to their end use. Entities upstream from the organisation (e.g. suppliers) provide products or services that are used in the development of the organisation's own products or services. Entities downstream from the organisation (e.g. distributors, customers) receive products or services from the organisation. The value chain includes the supply chain. (GRI, 2021)
Vulnerable groups	Group of individuals with a specific condition or characteristic (e.g., economic, physical, political, social) that could experience negative impacts as a result of an organisation's activities more severely than the general population. For example: children and youth; elderly persons; ex-combatants; HIV/AIDS-affected households; human rights defenders; indigenous peoples; internally displaced persons; migrant workers and their families; national or ethnic, religious and linguistic minorities; persons who might be discriminated against based on their sexual orientation, gender identity, gender expression or sex characteristics (e.g. lesbian, gay, bisexual, transgender, intersex); persons with disabilities; refugees or returning refugees; women. (GRI, 2021)





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