

Webinar

Unpacking the First Nature-Related Sustainability Disclosures

Insights, Analysis, and a Practical Case Study

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With you today



Susanne Stormer
Partner
Sustainability Services Leader

T: +45 23334 6283
E: susanne.stormer@pwc.com



Annette Schütt Fiig
Director
Sustainability Advisory &
Assurance Services

T: +45 3945 9065
E: annette.schuett.fiig@pwc.com



Isabel Scheckenbach, PhD
Senior Manager
Nature and biodiversity Lead
Sustainability Advisory & Assurance
Services

T: +45 2196 4060
E: isabel.ute.scheckenbach@pwc.com



Cath Tayleur
Novo Nordisk
Associate Director Nature &
Biodiversity



Agenda

1. Setting the scene

- Why nature and biodiversity matter to business

2. Alignment with Nature

- How CSRD integrates global frameworks for biodiversity and ecosystems

3. Insights gleaned from the first Danish CSRD-compliant reports

4. Business case from Novo Nordisk

- Driving change towards a Nature Positive Business

5. Question and answers



Setting the scene: Why nature and biodiversity matter to business

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Nature refers to the collective ecosystems, biodiversity, and natural resources that make up our planet's environment.



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Nature is the natural world around us; the air we breathe, the water we drink, and the resources that enable our companies to thrive.

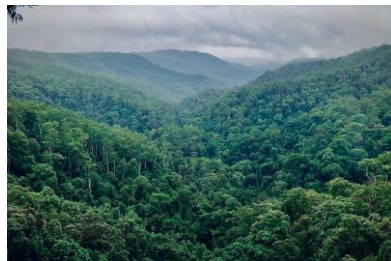
For business it represents **land, water and resource use, waste, and pollution** - and it is intrinsically linked to the delivery of climate and societal goals.

Nature provides society and businesses with essential services and natural capital, but is being lost at unprecedented rates



Global wildlife populations declined by an average of **73%** in the past 50 years.

Source: Living Planet Report (LPR) from WWF International 2024



PwC's analysis shows that **\$58 trillion** more than half of the world's GDP - is moderately or highly dependent on nature as of 2023.

Source: PwC, Nature Risk Rising 2023



There is no net-zero without nature!

Nature-based solutions could provide **37%** of the mitigation needed for net zero.

Source: IPCC AR6



\$10 trillion

Estimated business opportunity value that could be generated while supporting 395 million jobs globally by 2030

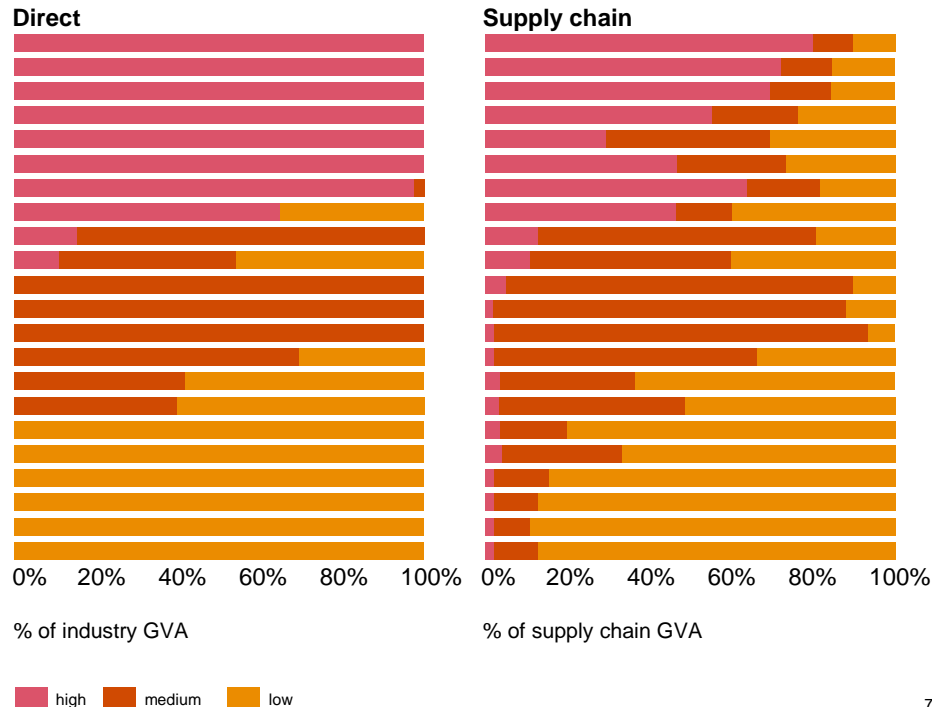
Source: IPBES

Half of global GDP is dependent on nature and ecosystem services, highlighting the importance of nature for businesses

Percentage of direct and supply chain Gross Value Added (GVA) with high, medium and low nature dependency, by industry

- **\$44 trillion of economic value** generation is moderately or highly **dependent** on nature and its services
- **Industries** which are **highly dependent** on nature generate **15% of global GDP**, moderately dependent industries generate 37%
- **3 largest sectors** highly dependent on nature generate close to **\$8 trillion of GVA**
- Less directly dependent sectors nevertheless have hidden **dependencies** via their **supply chain**.

Forestry
Agriculture
Fishery and aquaculture
Food, beverages and tobacco
Host utilities
Construction
Electricity
Water utilities
Supply chain and transport
Chemical and materials industries
Aviation, travel and tourism
Real estate
Mining and metals
Retail, consumer goods and lifestyle
Oil and gas
Automotive
Healthcare delivery
Electronics
Information technology
Insurance and asset management
Banking and capital markets
Digital communications



Sources: WEF & PwC 2023; Results are global



Biodiversity and ecosystems are essential to healthy businesses

The World Economic Forum's annual Global Risks Report identifies **climate change and biodiversity loss as five of the top ten risks facing humanity**. Its impact is only expected to increase over the next decade.

Source: [WEF \(2025\)](#)

10 year risk horizon

Extreme weather events

Biodiversity loss and ecosystem collapse

Critical changes to Earth systems

Natural resource shortages

Misinformation and disinformation

Adverse outcomes of AI technologies

Inequality

Societal polarization

Cyber espionage and warfare

Pollution

Risk categories Environmental Societal Technological

Alignment with Nature: How CSRD integrates global frameworks for biodiversity and ecosystems

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Three frameworks sharpening the future of global biodiversity

These frameworks aim: to halt and reverse biodiversity loss, ensure the sustainable use of natural resources, and keep human development within safe ecological limits – for the health of the planet and future generations

Provides the scientific foundation for understanding the limits of Earth's natural systems

Science-based framework

Planetary Boundaries: Define ecological limits for the earth.
Focus: biodiversity, climate, pollution etc.



Sets global biodiversity ambitions



International

Kunming-Montreal Global Biodiversity Framework: Policy to halt biodiversity loss by 2030



Convention on Biological Diversity

EU's own biodiversity roadmap



European Union

EU Biodiversity Strategy for 2030

EU's plan to meet biodiversity goals.
Focus: restoration, protection, legislation



Preserving and restoring ecosystems and biodiversity

While many frameworks influence CSRD / ESRS E4 some are more central than others in sharpening how companies are expected to report on nature.

The EU Nature regulatory landscape signals the importance and integration of nature into business

EU Nature Restoration Law



Landmark deal to **restore at least 20% of land and sea areas** by **2030**, as well as all ecosystems in need of restoration by 2050.


European Deforestation Regulation




Requires that companies **implement** practices and **measures** to **ensure** their **products don't contribute to deforestation**.

Corporate Sustainability Reporting Directive

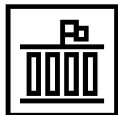


 If your company manages land or has land-use impacts, this law creates direct reporting obligations under ESRS E4 and ESRS E1.

 Affects value chain due diligence and traceability disclosures under ESRS E4, especially in high-risk sectors (e.g. agricultures, food, forestry etc.)



TNFD's four pillars for managing and disclosing material nature-related issues provides a helpful structure

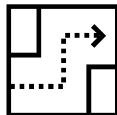


Governance

Disclose the organisation's governance of nature-related dependencies, impacts, risks and opportunities.

Additional recommendation:

Human rights policies and management activities with respect to IPLCs, affected and other stakeholders.



Strategy

Disclose the effects of nature-related dependencies, impacts, risks and opportunities on the organisation's business model, strategy and financial planning where such information is material.

Additional recommendation:

Priority locations in the organisation's direct operations and, where possible, across the value chain.



Risk and impact management

Describe the processes used by the organisation to identify, assess, prioritise and monitor nature-related dependencies, impacts, risks and opportunities.

Additional recommendation:

Identifying, assessing and prioritising impacts, dependencies, risks and opportunities **upstream and downstream**.



Metrics and targets

Disclose the metrics and targets used to assess and manage material nature-related dependencies, impacts, risks and opportunities.

Additional recommendation:

Metrics to assess and manage **impacts and dependencies** (i.e. not just risks and opportunities).

The TNFD's LEAP approach: A practical framework for managing biodiversity and nature-related issues

ESRS E4,
AR 6- 9

The undertaking **may consider** conducting its **materiality assessment** in line with the **first three phases of the LEAP approach by TNFD**



Framing Nature in CSRD: How global and EU frameworks have informed ESRS E4

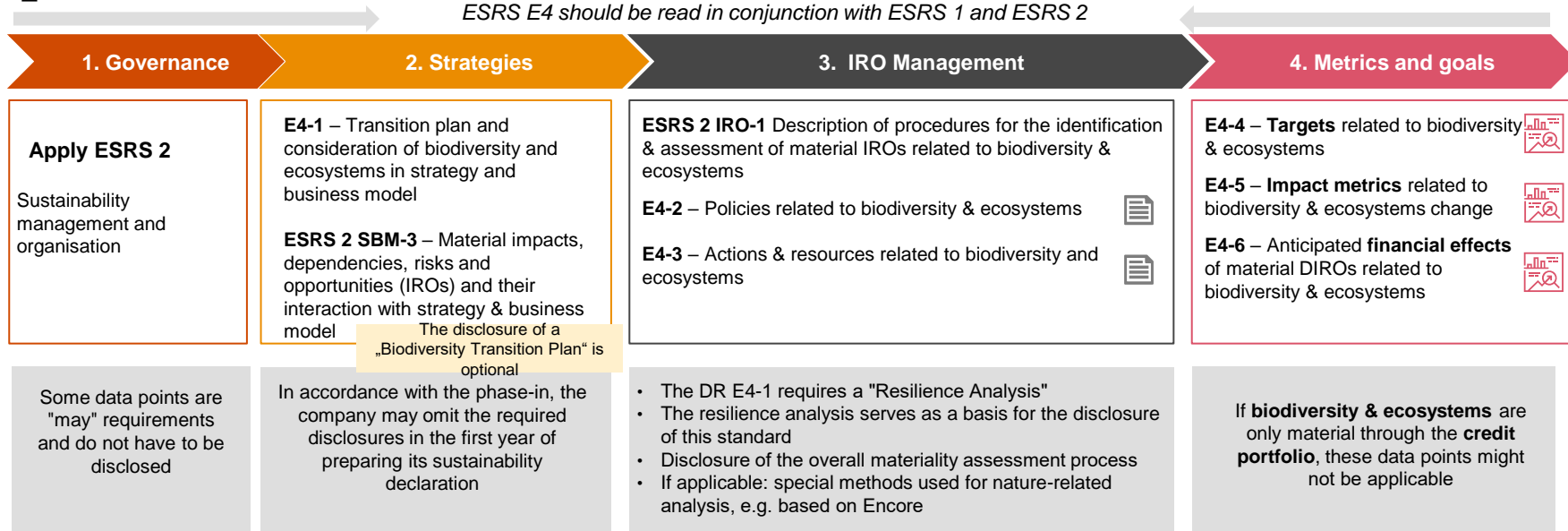
Framework/regulation	Type	Influence on CSRD/ESRS E4
TNFD (Taskforce on Nature-related Financial Disclosures)	Global	Informing Impact materiality assessments and LEAP approach
Kunming-Montreal Global Biodiversity Framework (GBF)	Global	Shapes targets and ambition levels , especially regarding restoration and nature-positive outcomes
Planetary Boundaries Framework	Scientific	Informs the systemic risks from crossing nature thresholds
EU Biodiversity Strategy for 2030	EU policy	Forms a strategic backdrop ; CSRD aligns reporting on contributions to EU biodiversity targets
EU Nature Restoration law	EU regulation	Triggers disclosures on restoration obligations and land-use change impacts
EU Deforestation Regulation (EUDR)	EU regulation	Drives value chain due diligence and sourcing-related disclosures for forest risk commodities

Insights gleaned from the first Danish CSRD-compliant reports

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The ESRS E4 - Biodiversity and ecosystems is based on four pillars

ESRS E4 should be read in conjunction with ESRS 1 and ESRS 2



Topics within the E4 standard

- Direct impact drivers of biodiversity loss
- Impacts on the state of species
- Impacts on the extent and condition of ecosystems
- Impacts and dependencies on ecosystem services

What are the risks of poor compliance?



Penalties in the form of fines and penalties



Reputational damage



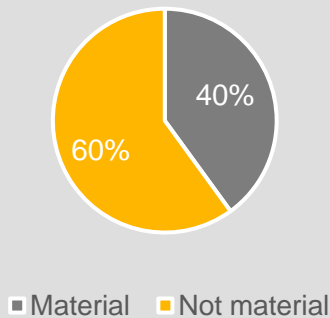
Other financial risks

Danish companies are aware of their impacts on and dependency from biodiversity and ecosystem services

Materiality of biodiversity and ecosystems

40% of the companies under review have identified material impacts, risks and opportunities related to biodiversity and ecosystems. This is close to PwC's study, that has established that more than 50% of the global GDP is dependent on biodiversity and ecosystem services.

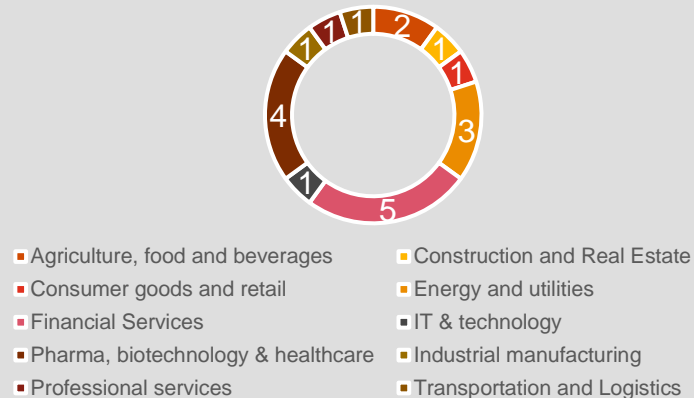
Percentage of companies with ESRS E4 material



Distribution across industries

The sectors financial services, pharma, biotechnology and healthcare and energy and utilities lead in having biodiversity and ecosystems as material sustainability matters, which is in line with studies on the most affected industries.

Number of companies with E4 as material

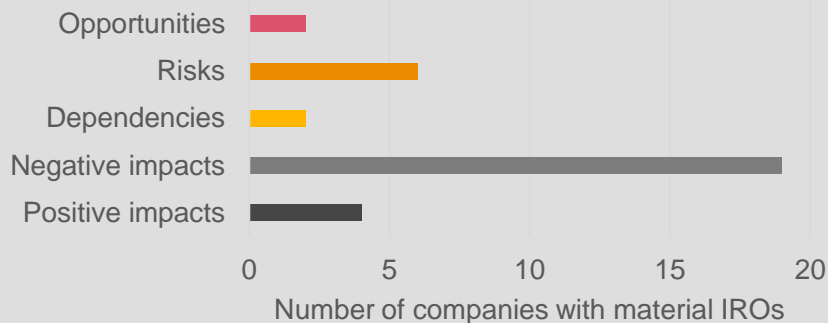


Negative impacts and risks drive the materiality of biodiversity and ecosystems, in particular in industries with large impacts and dependencies

Impact and financial materiality

Most companies identified E4 as material due to its negative impacts on biodiversity and ecosystems. Dependencies are driving materiality in the pharma, biotechnology & healthcare sector. Companies in the financial services, energy and utility, agriculture, food and beverage, and the construction and real estate industry are aware of financial risks arising from biodiversity and ecosystems.

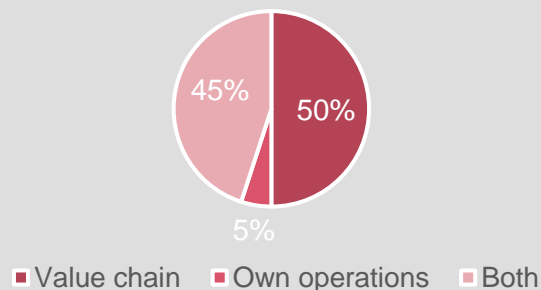
Material IROs



Value chain location

Of the companies that identified biodiversity and ecosystems as material sustainability matters, 45% determined impacts, risks and opportunities in their own operations as well as in the value chain. In addition, 50% of the companies have identified material IROs in their value chain, highlighting the importance of value chain transparency for the resilience of companies.

Distribution of material IROs across the value chain



Example E4-2: Description of biodiversity and ecosystems policies

Observations from Danish reports

- All companies under review reported on E4-2.
- A closer look at the reports shows that 75% of these have a **policy in place** to **manage** their biodiversity impacts, risks and opportunities.
- However, only a **few** companies have a policy that **solely addresses biodiversity and ecosystems**.
- Many biodiversity commitments are **interlinked** with other environmental policies such as **climate or circularity** policies to leverage **synergies**.

Example from Pension Danmark

- Biodiversity **goals** and initiatives are **embedded** in all **real estate investments**.
- Use of an **investment screening tool** to ensure consideration of biodiversity in land-use **decisions**.
- Nature-based solutions** and regular **monitoring** ensure biodiversity goals are met and improved.
- Avoidance** of project **developments** in areas with high biodiversity value, such as forests, and **prioritization** of preservation activities.
- Establishment of **measurable success criteria** for biodiversity strategy implementation.



Recommendations for future reporting:

- Develop a standalone, comprehensive biodiversity Policy, that **clearly defines** the **scope, commitments**, and strategic approach to biodiversity across **own operations** but also **supply chains**.
- While many policies focus on raw material sourcing, companies should also **consider setting policies on: Deforestation-free** supply chains; Regenerative agriculture & **land-use change**; **Marine** and freshwater ecosystem protection; urban biodiversity and **nature-based solutions**
- Define responsibilities** for implementing biodiversity policies and assign **accountability** at the **board** or executive level to ensure biodiversity remains a **strategic priority**.



Example E4-4: Description of biodiversity related targets

Observations from Danish reports

- 40% of companies have **defined** biodiversity targets
- A significant **focus** is on reducing the biodiversity impact of **supply chains**.
- Some companies reference **partial alignment** with Global and EU **Frameworks**, but the majority is still in the **planning phase**.
- Most companies remain at a **general and qualitative commitment level**, indicating future detailed assessments or planning phases.
- There is an increasing **trend** toward **engaging** high-impact **suppliers** in biodiversity-related efforts.

Example from Royal Unibrew

- Target setting informed by **international frameworks** (Kunming-Montreal framework, EU Biodiversity Strategy, and Denmark's green tripartite agreement)
- Time-bound targets** covering all entities, focusing on **avoidance, minimization, and restoration**
- Zero-deforestation** by 2025 through SBTi-approved **FLAG** targets
- 50% sustainably sourced barley, sugar, and hops by 2030 (aligned with SAI and Global GAP)
- Science-based** targets for nature (SBTN) in development

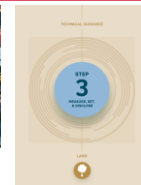


Recommendations for future reporting:

- Ensure all targets are **time-bound, measurable and outcome oriented**.
- Integrate targets with recognized **international frameworks** and state how these frameworks inform your company's biodiversity goals.
- Consider how you can transparently and efficiently **monitor your progress** and **report** on it.
- Engage** with suppliers, industry experts, NGOs, and policymakers to leverage **collaborative action**.



Nature strategy handbook



SBTN
Guidance and
target
validation
process

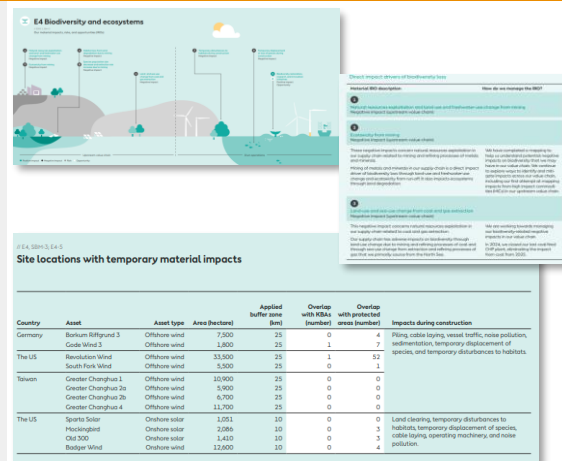
Example E4-5: Description of biodiversity related metrics

Observations from Danish reports

- Only 30% of companies reporting on biodiversity have **applied metrics**.
- Some companies identified **sites located near biodiversity sensitive areas** but have concluded that none of them have a material negative impact on the areas.

Example from Ørsted

- Data sourced from the Integrated Biodiversity Assessment Tool (IBAT) was used to assess **proximity to protected or key biodiversity areas**.
- Buffer zones** were applied: 25 km for offshore wind farms, and 10 km for onshore wind and solar farms.
- 12 assets under construction in 2024 **identified as material sites** with temporary biodiversity impacts.
- Temporary negative impacts on protected areas, including **habitat disturbance and potential species displacement** or loss.
- Sites, their size, buffer zones, and number of protected areas were listed in a **table**.

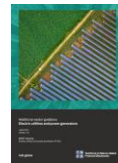


Recommendations for future reporting:

- Focus** on metrics that refer to your **biggest impacts** on biodiversity and ecosystems.
- Identify **data sources** and define **methods for measurement** to enable transparent progress monitoring.
- Leverage international frameworks and initiatives to align on **global biodiversity metrics**.



**TNFD
Core
disclosure
metrics**



**TNFD
Sector
Guidance
metrics**

Business Case from Novo Nordisk

Driving change towards a Nature Positive Business

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Novo Nordisk **nature** roadmap towards
2033

Driving change towards a **Nature Positive** business



We depend on nature to serve our patients

Key Novo Nordisk
Dependencies

LAND

WATER

BIODIVERSITY

Upstream supply
chain

Own
operations



Key Novo Nordisk
Impacts

95% of our impact on nature is in our upstream value chain, 5% at production sites

Degraded farms and
forests in our value chain

Water scarcity and
pollution at our sites and
in our value chain

Loss of biodiversity in our
value chain and at
expansion sites

Two overarching ambitions guide the Nature Roadmap

Ambitions guiding our Nature roadmap

Halt the loss of nature by 2033

Definition

Avoiding and reducing damage to nature within our value chain

Examples of actions

- Source paper that does not contribute to deforestation
- Optimise water use at sites

Nature positive by 2045

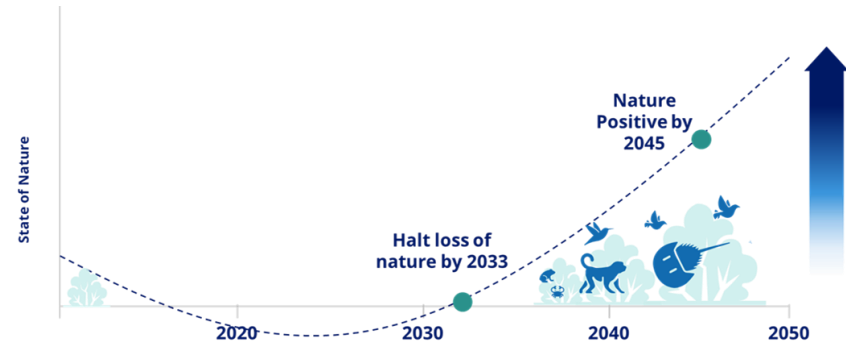
Definition

Restoring nature within and beyond our value chain

Examples of actions

- Initiate projects to restore farmland, forests, and water sources
- Collaborate with partners to replace glucose

Nature positive drives the recovery of nature



Our roadmap to halt the loss of nature by 2033 and become nature positive by 2045

5 workstreams drive our ambition



Our ambitions for nature



Avoid degradation of land in our supply chain by ensuring deforestation free paper and cardboard and strive for all glucose sourced from regenerative agriculture



Reduce our relative impact on water at our priority sites by ensuring savings plans and targets by 2028



Restore biodiversity at our priority sites, ensuring positive impacts by 2033. Avoid impact on endangered species



Initiate restoration projects near our priority sites by 2033. Develop a global restoration plan linked to our value chain by 2026 to achieve nature positive by 2045



Optimise and replace glucose in API production to bring our glucose land footprint close to zero by 2045

Q&A

Our recommendations to companies on how to approach a Nature Positive strategy and reporting



Don't let reporting drive your nature strategy! While reporting requirements make disclosure a priority, assessing your company's relationship with nature brings broader business benefits.



Be clear on what you're assessing. Are you evaluating your company's impacts and dependencies on nature? The risks and opportunities for business and society?



Apply a risk-based approach to your nature-related assessment and reporting. The Taskforce on Nature-related Financial Disclosures "LEAP" approach provides a practical way to prepare.



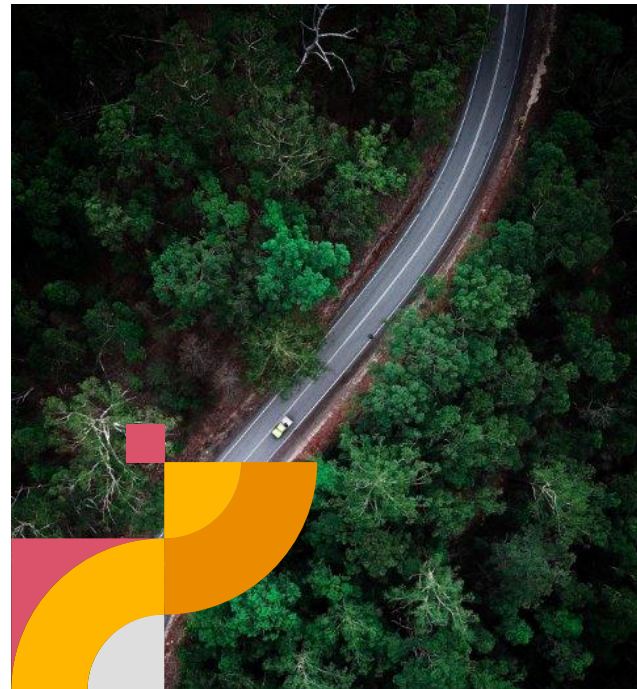
Measuring nature-related data is different from understanding its value. Valuation doesn't need to be in monetary terms; qualitative insights can be enough for decision-making.



Prioritization is essential! Take an iterative approach, conducting multiple assessments over time and improving data where it matters most.



Use the right tools at the right stage of maturity. Different tools support different levels of assessment. Leverage your company data and synergies with climate assessments.



Register for the upcoming webinars
at pwc.dk/sustainability-2025



Sustainability Reporting Beyond CSRD - What and How

- Friday 25 April 2025 at 09:00-10:00 AM

Mastering the New PPWR—Unlocking Opportunities in Sustainable Packaging

- Thursday 15 May 2025 at 09:00-10:00 AM

Transition Plan for Climate Change Mitigation - How to Go About it?

- Tuesday 17 June 2025 at 09:00-10:00 AM



Thank you for your attendance



Susanne Stormer
Partner
Sustainability Services Leader

T: +45 3945 3139
E: susanne.stormer@pwc.com



Annette Schütt Fiig
Director
Sustainability Advisory &
Assurance Services

T: +45 3945 9065
E: annette.schuet.fiig@pwc.com



Isabel Scheckenbach, PhD
Senior Manager
Nature and biodiversity Lead
Sustainability Advisory & Assurance
Services

T: +45 2196 4060
E: isabel.ute.scheckenbach@pwc.com

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