Disclosure and Reporting Standards/Frameworks

Session on enhancing disclosure standards for improved traceability of chemical use across value chains

GFC OEWG Multi-Stakeholder Day

26th Jun 2025, 10:00 a.m. – 11:15 a.m

Agenda

#	Agenda Item	Speakers
1.	**Welcome and introduction** (5 min)	Peggy Lefort, UNEP FI
2.	**Pollution in nature-related disclosure standards** (10 min) Presentation of UNEP FI report Accountability for Nature	Benjamin Warr, UNEP FI
3.	**Panel discussion: Disclosure standards as a key enabler to mobilise finance and opportunities to enhance pollution related disclosure** (35 min) <u>Panelists:</u> • TNFD, Alan Gomez • GRI, Thamar Zijlstra • EFRAG, Olena Liakh • CPA, Angela Pinilla • LCW, Larisa Ruoff	Facilitated by Peggy Lefort, UNEP FI
4.	**Open discussion with the audience** (20 min) Defining possible way forward to achieve GFC targets through enhanced disclosure standards	Facilitated by Tayo Adedeji, World Bank
5.	**Conclusion** (5 min)	Tayo Adedeji, World Bank

Speakers

Peggy Lefort, **UNEP FI**
Facilitator

Tayo Adedeji, **World Bank**
Presenter

Benjamin Warr, **UNEP FI**
Presenter

Alan Gomez
Taskforce on Nature-related Financial Disclosures (TNFD)
Panelist

Angela Pinilla
Clean Production Action (CPA)
Panelist

Larisa Ruoff
Loring, Wolcott & Coolidge Trust (LCW)
Panelist

Olena Liakh
European Financial Reporting Advisory Group (EFRAG)
Panelist

Thamar Zijlstra
Global Reporting Initiative (GRI)
Panelist

Pollution in nature-related disclosure standards

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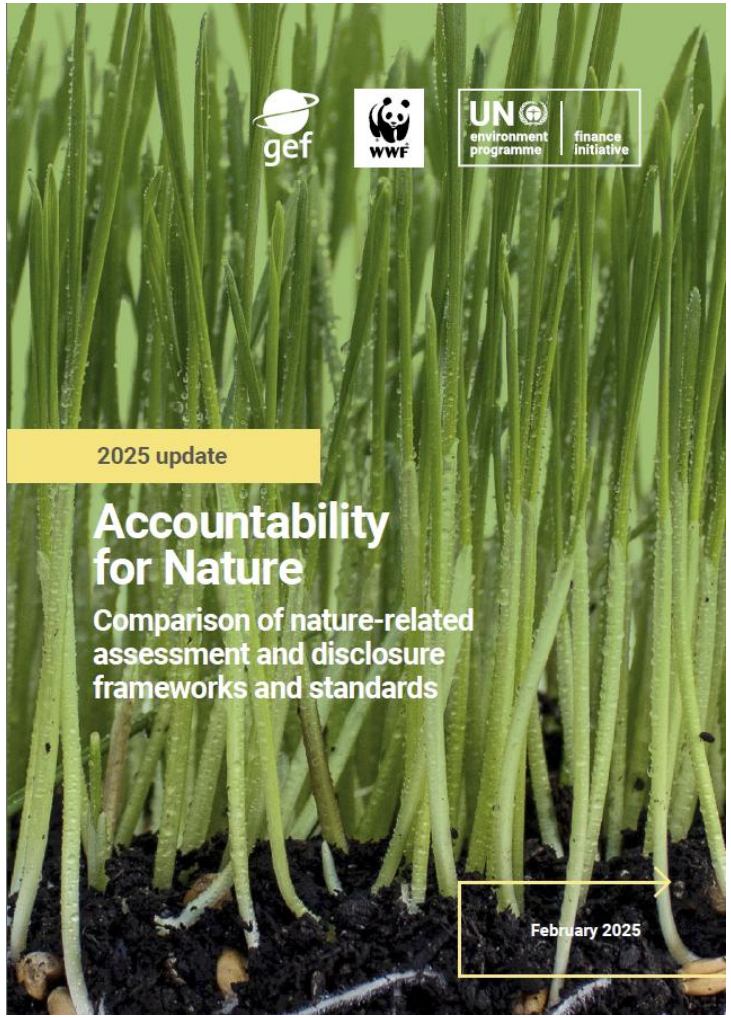
Introduction to the publication



Scope & objective

- An overview of **the key trends** in methods proposed by the seven leading standards, frameworks and systems for assessment and disclosure - referred to as “nature-related assessment and disclosure approaches”
- Co-authored by the United Nations Environment Programme World Conservation Monitoring Centre (**UNEP-WCMC**) and the United Nations Environment Programme Finance Initiative (**UNEP FI**)
- Update of 2024 findings based on iterations up to August 2024
- An additional finding for disclosures on **pollution**, including an addendum

Audience & Intended use

- For financial institutions and businesses preparing to implement the approaches that are reviewed here in their organizations.
- Support further development of frameworks and standards by enabling developers to take stock of the evolving assessment and disclosure landscape.

Accountability for nature: Comparison of nature-related assessment and disclosure frameworks and standards

12 Key findings

Definition of materiality: differs across the approaches reviewed	**Coverage of realms:** more consideration of the land and freshwater, and less ocean realm	**Coverage of sectors:** vary in the level of tailoring to the sector context – often additional guidance for high-impact sectors	**Coverage of value chains:** variation in the expected level of detail of upstream and downstream disclosures
Location information requirements: all reflect the importance of location information, some recommend spatial data	**Nature-related impacts:** central to all approaches – some include the state of nature, flow of ecosystem services and stock of ecosystem assets	**Nature-related dependencies:** covered by most, the state of nature/external drivers are increasingly considered part of dependency	**Nature-related risks & opportunities:** similar definitions, differences in what is considered financially material
Disclosure metrics: all encourage disclosure metrics and performance against the metrics, the difference in prescriptiveness	**NEW: Disclosure on pollution:** all cover pollution, some provide pollution-specific disclosure recommendations	**Targets:** Most approaches require or recommend companies to set targets, including some include DIRO at location	**Engagement with right-holders and relevant stakeholders:** Detailed guidance on stakeholder engagement is emerging.

Recent developments in pollution disclosures

"… a growing realization that climate, nature and social issues are inherently interconnected. Future regulatory measures are likely to reflect this."

- **All 7 major disclosure frameworks cover pollution**, encouraging companies to move beyond narrative reporting.
- **Specificity varies across frameworks** in terms of guidance and metrics

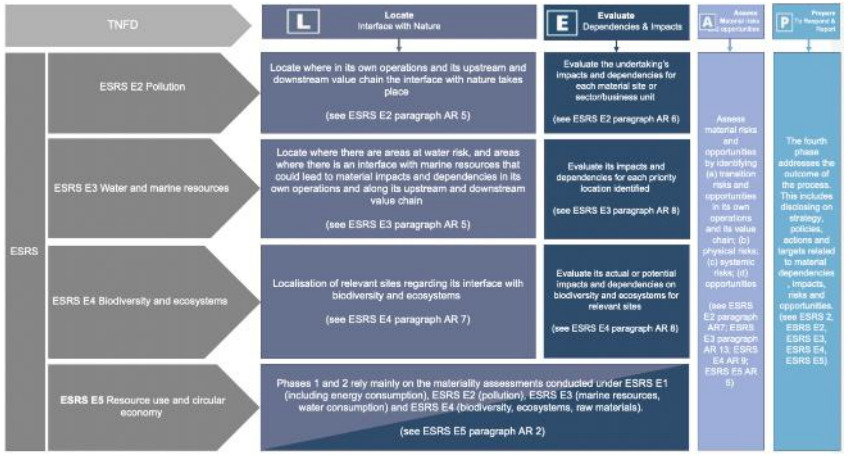
CDP	Dedicated modules in environmental performance disclosures
ESRS	Dedicated standard ESRS E2: Pollution; along with other topical standards
GRI	Pollution included in multiple topic standards (e.g., GR3: Material topics)
IFRS	All sustainability issues including pollution if such information is material
Natural Capital protocol	Includes pollution as part of natural capital impacts and dependencies
SBTN	Pollution addressed in freshwater & land methods; tied to target-setting
TNFD	Pollution integrated as a driver of change throughout the framework

Recent developments towards more alignment

Towards more alignment between frameworks and standard setters

- **ISSB** board formally approved the intent to conduct research on Biodiversity (Ecosystem and Ecosystem Services)
- **CDP** questionnaires revised to include **TNFD**
- **GRI** Biodiversity Standard revised, also including **TNFD**
  - Published mapping between **GRI-TNFD**
- **ESRS** Standards referring to the **TNFD's LEAP approach**
- Updated **EFRAG-TNFD** mapping published
- Formal collaboration announced to build TNFD recommendations into the ISSB by **IFRS & TNFD** (Apr. 2025)
- Completed mapping between **ISSB-GRI** (Jun. 2025)
- Upcoming mapping between **ISSB-CDP**

- **Also: IPBES** Business and Biodiversity Assessment expected to be completed in 2025



Interoperability mapping between ESRS-TNFD

The report offers insights into common requirements across the approaches, which could help organizations identify synergies across multiple approaches and prioritize areas for strengthening organizational systems, processes and internal capacity.

Panel Discussion
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Panelists

Alan Gomez
Market Engagement Lead (Latin America & the Caribbean)
TNFD

Angela Pinilla
Senior Program Manager,
Chemical Footprint Project
Clean Production Action (CPA)

Larisa Ruoff
Shareholder Advocacy and SRI Research,
The Sustainability Group
Loring, Wolcott & Coolidge Trust, LLC

Olena Liakh
Technical Manager
EFRAG

Thamar Zijlstra
Senior Standards Manager
GRI

Open Discussion

Possible Objectives of a Workstream on Disclosure

Thematic workstreams – here "disclosure" – will …

- ✓Cut across sector and value chain implementation programs
- ✓Offer contributions and solutions to address identified issues

Possible objectives

- ✓Making disclosures meaningful
  - Improved traceability of chemicals use, risks and impacts across value chains.
  - Catalyzing integration of pollution and human health into financial decision-making.

- ✓Making disclosures accessible

  Promoting various improvements for pollution disclosure systems:
  - Clarity
  - Comparability
  - Interoperability

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Potential Activities of a Workstream on Disclosure

- Landscape analysis of the chemical and waste dimension of existing sustainability disclosure and reporting standards/ approaches

- Opportunities to harmonize the chemical dimension of sustainability reporting

- Aligning existing reporting standards/approaches with the GFC

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Conclusion

Thank you!