

ATT: REVIEW COMMITTEE - TNFD Beta Release 0.4

RE: RENOVATO Solution Group - TNFD Comments / Questions:

Firstly, we would like to thank and recognise the teams that have put the existing TNFD framework together. This is difficult work though turbulent times, and your efforts are much appreciated.

Following on from the recent GRI updates on due diligence, monitoring and reporting requirements from ISO, TCFD, EFRAG, ISSB etc. RENOVATO Solution Group have reviewed the TNFD 0.4 Beta release and have consolidated the following comments:

1. "Core" and "Global" seems to be similar to the early roll out of GRI, with the "Core" and "Comprehensive", which they have subsequently removed (see below). Will TNFD make a similar change down the road for stakeholders to plan/budget for? OR should TNFD "leapfrog" this stage learning from others? OR is this in the plan for TNFD rollout to tighten up requirements at a later adoption/implementation phase.

"GRI FAQ's Dec 2022 • A revised approach to reporting in accordance with the GRI Standards, there is now only one way, replacing the previous Core and Comprehensive options. An organization can still report with reference to the GRI Standards."

2. Why has Scope 2 equivalent been omitted. Under TCFD this would be the GHG emissions from suppliers/contractors and distribution/value chain. There are similar impacts on biodiversity / nature. Why not merely align to well established terminology (Scope 1, 2, 3) for biodiversity/nature impacts, which will ease later adoption with "non-technical" people – investment, banking, politicians etc:
 - Scope 1 – Direct biodiversity impacts e.g. greenfield development, monocrop agri etc.
 - Scope 2 – Contractors, suppliers, value/distribution chains. Traceability and due diligence are extremely important for this.
 - Scope 3 – End uses of products services and materials.
3. One of the largest drivers of biodiversity loss "habitat loss", I did not see this captured in the in the metrics? Are "pollination" and "seed dispersal" included in the metrics?
4. "Forestry" was added in the recent update, but what about "Fisheries" as a critical sector dependant on nature.
5. Should "systematic / strategic / enterprise" risks be added to the tools for measuring risk and opportunities with KEY RISK INDICATORS identifying biodiversity tipping points.
6. Have remote sensing biodiversity measurement tools e.g. satellite/GIS "nature metrics" or "bioacoustics" been added to the metrics? This is a pretty good universal measurement of biodiversity and enables regional comparability, measurement and benchmarking. GIS and remote sensing options for this with a bit of effort... even using Google earth pro, NDVI etc. over time.... Only coordinates on a supplier is all that is needed. Can send a "shape file" from

GIS... forestry / agriculture / mining / O&G / Maritime / are all already using this. Prioritization of supply chain due diligence is essential, especially locating those that are operating in high value biodiversity areas.

7. Biodiversity scenario planning – positive spin on conservation / restoration
 - For scenario planning for TNFD, similar to a TCFD 1.5 °C, 2.0 °C, 3.0 °C, 4.0 °C
 - But make to a positive spin on biodiversity, in line with IPBES target of 30% biodiversity,
 - Biodiversity restoration scenarios 15%, 20%, 25%, 30% (IPBES), 35%, 40%...
Highlighting the economic/market/commodity stability generated from biodiversity restoration, as well as co-benefits such as peace and stability.
 - How would funding be made available to purely restore biodiversity, not only pursue profits?
8. Will there be a list of registered consultants to conduct the measurement, auditing, due diligence, assurance, reporting? This forms the backbone of the implementation phase for TNFD.
9. Emphasis needs to be placed on establishing a credible baseline before investing resources and CAPEX.
10. Nature / Biodiversity & Sustainability / ESG are often used synonymously, but actually differ slightly. Here is the nuance:
 - Nature is a general term for ecosystems that occur within a biome, and how the biotic and abiotic interact. Biodiversity is measured by species richness, diversity, and can be measured at a genetic/microbial level too.
 - True sustainability includes the economic perspective, but is share equally with nature and society, **adding total externalities before declaring a record profit.**
11. *How could the new draft scoping guidance for corporates be improved?*
Are there alternatives, such as TEEB, ISO, GRI - 304, that could use to fill this function?

We value the opportunity to comment and contribute.

Kind regards



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