# NATURE RISK IS A DATA QUALITY PROBLEM

Key findings from The Biodiversity Footprint Company research on biodiversity measurement & disclosure

Three peer-reviewed working papers published by The Biodiversity Footprint Company in 2026 reveal a consistent picture: biodiversity data is proliferating, but its quality — and that of corporate disclosures built upon it — falls far short of what financial decision-making requires.

## Finding 1 Biodiversity Disclosures Are Critically Behind Climate Disclosures

**4.1%**
Average biodiversity disclosure score — 120 companies across CAC 40, FTSE 100 & S&P 500

**17×**
Climate disclosures exceed biodiversity disclosures in rigour and completeness

**0.8%**
Average S&P 500 score — effectively zero

Companies disclose roughly two-thirds of assessed climate information, yet less than one-twentieth of the equivalent biodiversity information. Companies are setting ecosystem targets without the measurement baselines needed to track or verify progress — creating unverifiable commitments and growing greenwashing exposure as assurance requirements tighten under CSRD, TNFD and global standards. Blindspot: No company across all 120 assessed provided performance or position statements for material species.

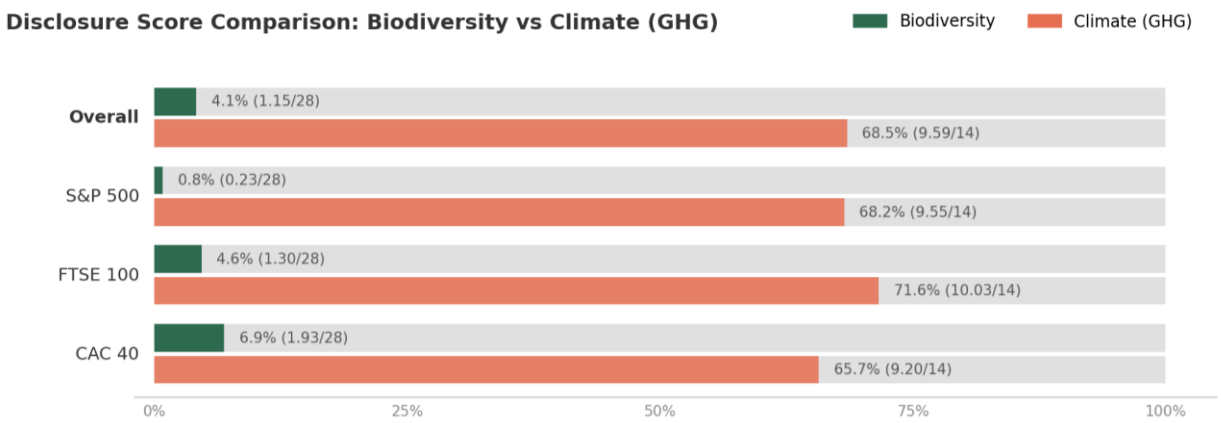


Figure 1: Disclosure Score Comparison — Biodiversity vs. Climate (GHG) by Exchange. Source: Mind the Gap (Houdet, Teren & Davids, 2026)

Houdet, Teren & Davids (2026). Mind the Gap: Comparing Biodiversity and Climate Disclosures Across the CAC 40, FTSE 100, and S&P 500. DOI: 10.5281/zenodo.20848857

## Finding 2 Data Quality — Not Availability — Is the Bottleneck

Different measurement approaches — field surveys, manual classification of high-resolution imagery, automated remote sensing — produce substantially divergent state scores for the same landscape. The challenges are methodological: terminological confusion between ecosystem types and land-use categories, unclear reference states, inadequate ecological equivalency, and the near-complete absence of confidence reporting. Without a structured pathway from raw data to actionable information, biodiversity claims cannot be meaningfully verified.

Houdet, Teren & van der Mescht (2026). Measuring Ecosystem State for Biodiversity Footprints: Understanding Data Quality for Decision-Making. v1.1. DOI: 10.5281/zenodo.20070826

## Finding 3 Current Global Tools Fall Short of Decision-Grade Quality

| 3.4/18 | 17/20 | 0 |
|---|---|---|
| Mean score of 20 global biodiversity tools against decision-quality criteria | Tools scoring zero for responsiveness to on-the-ground mitigation measures | Tools meeting site-level spatial resolution for No Net Loss accounting |

A systematic assessment of 27 global tools — all major indices and corporate footprint tools used in finance — found a mean score of just 3.4 out of 18. No tool has the spatial granularity for site-level biodiversity accounting. The tools most widely relied upon in financial contexts — GBS, CBF, BII, MSA — score 0 to 3. Corporate users receive point estimates with no uncertainty ranges. 17 of 20 tools score zero for responsiveness to mitigation measures, which implies that a company investing in restoration efforts may show no measurable improvement under any currently available global tool. This should be a big flag for any company wanting to claim nature positive outcomes.

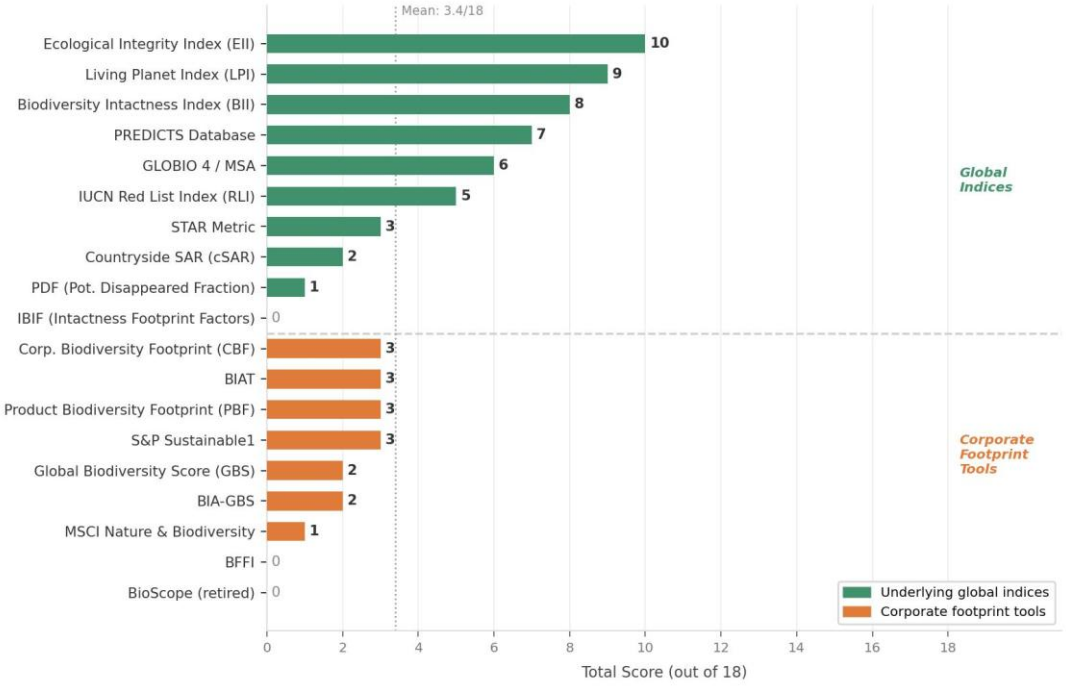


Figure 2: Total decision-quality scores for 20 global biodiversity tools (out of 18). Source: Comparative Assessment of Global Indices (Teren et al., 2026)

Teren et al. (2026, forthcoming). Comparative Assessment of Global Indices for Ecosystem State Measurement. TBFC Working Paper Series.

**Most biodiversity metrics were not designed for financial decision-making.**

As nature-related disclosures, targets and investment products accelerate, financial institutions face a growing problem: different biodiversity tools can produce materially different conclusions for the same asset or portfolio. Inconsistent ecosystem condition concepts, reference states and aggregation methods create hidden model risk, weak comparability and potential greenwashing exposure.

These findings create concrete governance risks for financial institutions. Reliance on widely-adopted biodiversity tools may produce results that cannot detect the effects of management actions, lack confidence ranges, and fail ecological equivalency standards — yet these outputs support investment decisions, assess portfolio company commitments, and underpin regulatory disclosures under CSRD, TNFD and evolving global standards.

# WHAT THIS MEANS — AND WHAT WE CAN DO

The Biodiversity Footprint Company helps financial institutions build scientifically defensible, decision-grade nature information. Our work focuses on the integrity of biodiversity measurement itself — from ecosystem condition and biodiversity accounting to No Net Loss methodologies, monitoring systems and development of proprietary tools. We support financial institutions in evaluating biodiversity metrics, strengthening nature-related governance, and integrating robust ecological intelligence into capital allocation, disclosure and transition planning.

## Our Differentiators

### 01 Leaders in Ecosystem Condition Science

- We are actively contributing to the emerging science of ecosystem condition measurement through published methodological research and applied corporate implementation.
- We are lead authors in the IPBES Business and Biodiversity Assessment and EC project CircHive.

### 02 Expertise in Developing Corporate Methodologies

We have developed methodologies and technical guidance for multinationals in Mining, Energy & Agriculture aligned to:

- TNFD, ICMM, GRI,
- Global Biodiversity Framework targets,
- and corporate No Net Loss / Nature Positive commitments.

### 03 Expertise in Biodiversity Accounting

- Joël Houdet is lead author of the **Biological Diversity Protocol** — the principal international standard for corporate biodiversity footprint accounting.
- Our team publishes original research on biodiversity accounting, ecosystem state and disclosure quality.
- We combine scientific research with practical implementation.

### 04 Independent Scientific Assurance

We are not a biodiversity data vendor selling a proprietary black-box score.

Our role is to provide:

- independent scientific evaluation,
- methodology review & uncertainty analysis,
- metric interoperability assessments,
- and governance recommendations.

## Our Services

### 01 Nature Measurement Assurance

Independent evaluation of biodiversity metrics, tools and nature methodologies against decision-quality criteria — for due diligence, internal use or 3rd party provider review.

### 02 Methodology Governance

Selection criteria, review processes and challenge frameworks for biodiversity data used in investment, lending and disclosure decisions — supporting control and risk functions.

### 03 Biodiversity Accounting & Target Integrity

Accounting-grade measurement systems and No Net Loss architecture grounded in the Biological Diversity Protocol, including credibility assessments of nature commitments.

### 04 Disclosure Review & Greenwashing Risk

Technical review of TNFD and ESRS E4 disclosures, target credibility and greenwashing exposure — benchmarked against our analysis of 120 major listed company disclosures.

### 05 Strategic Advisory & Briefings

Integration of biodiversity intelligence into investment frameworks, stewardship and risk management. Bespoke briefings on the measurement landscape and its decision implications.

### 06 ML Tool Development & Assessment

We have developed bespoke machine learning tools for ecosystem condition measurement at scale, and can assess the technical rigour of similar AI/ML approaches used by companies or data providers.

Contact us for a confidential 45-minute briefing on our findings in the context of the biodiversity data your institution currently relies on.

Contact **Gabriella Teren, PhD** | gabi.teren@biodiversity-footprint.com