

# Aligning financial portfolios with global biodiversity goals – The ENCORE Biodiversity Module

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# Exploring Natural Capital Opportunities, Risks and Exposure

Select from a Sector or Sub-industry (based on the Global Industry Classification Standard) to explore dependencies and impacts on natural capital.

Sector

Sub-industry

View:  Dependencies  Impacts

- Enter a Sector -



EXPLORE



WCMC





# ENCORE Risk Assessment - Dependencies

Sub-industry

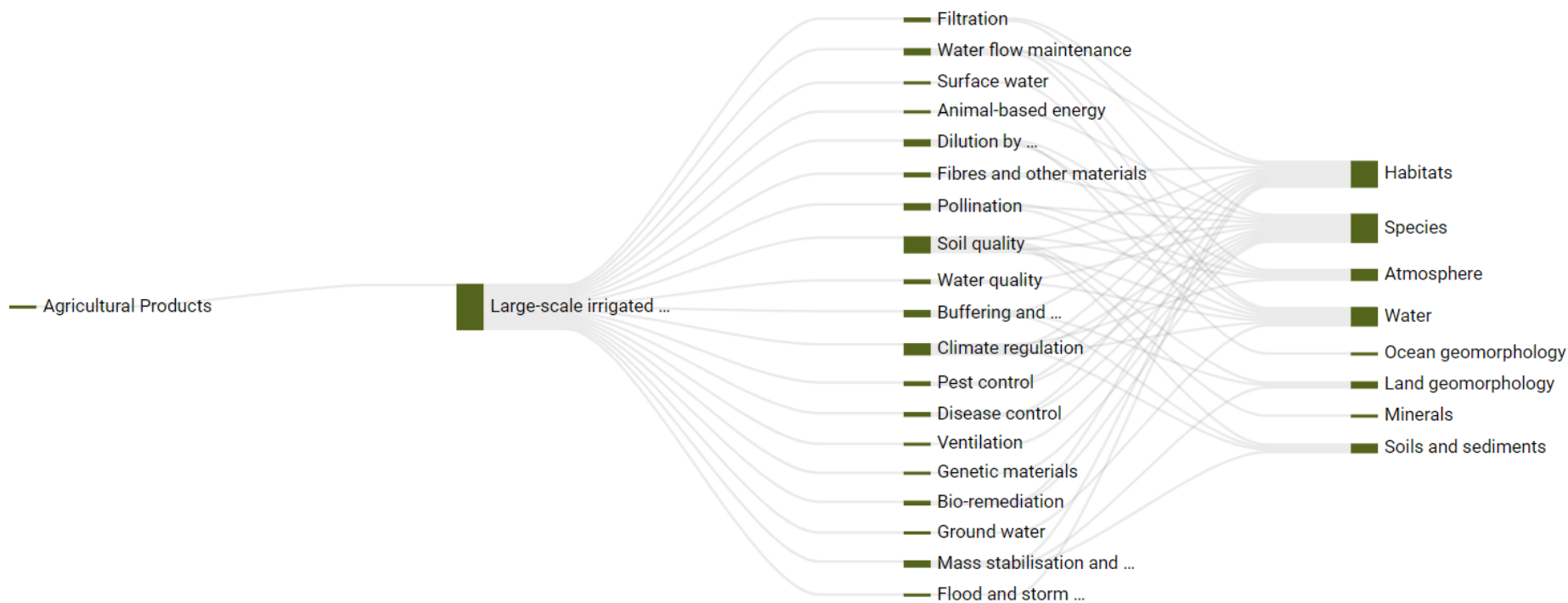
1 ▾

Production processes

1 ▾

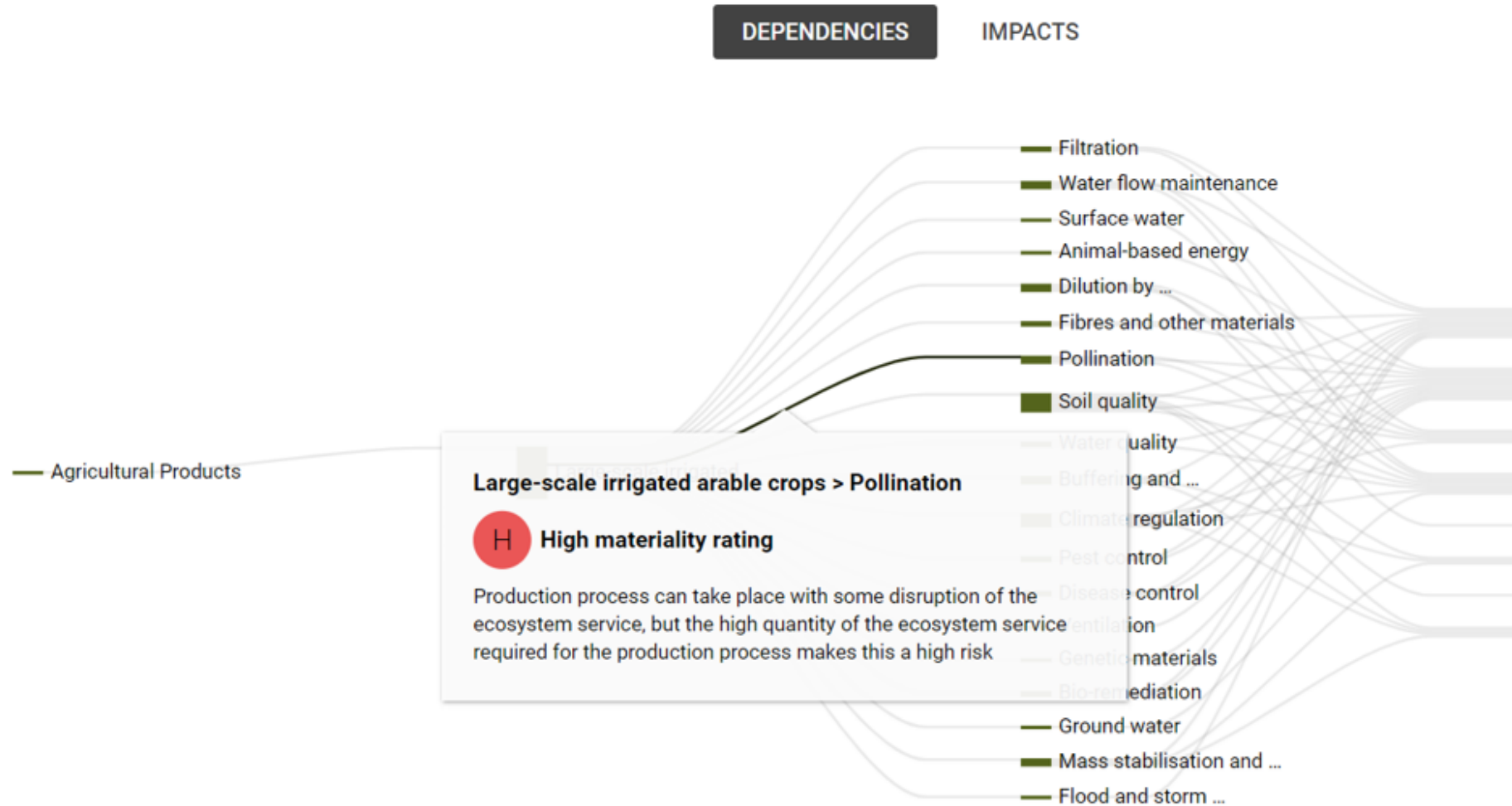
DEPENDENCIES

IMPACTS



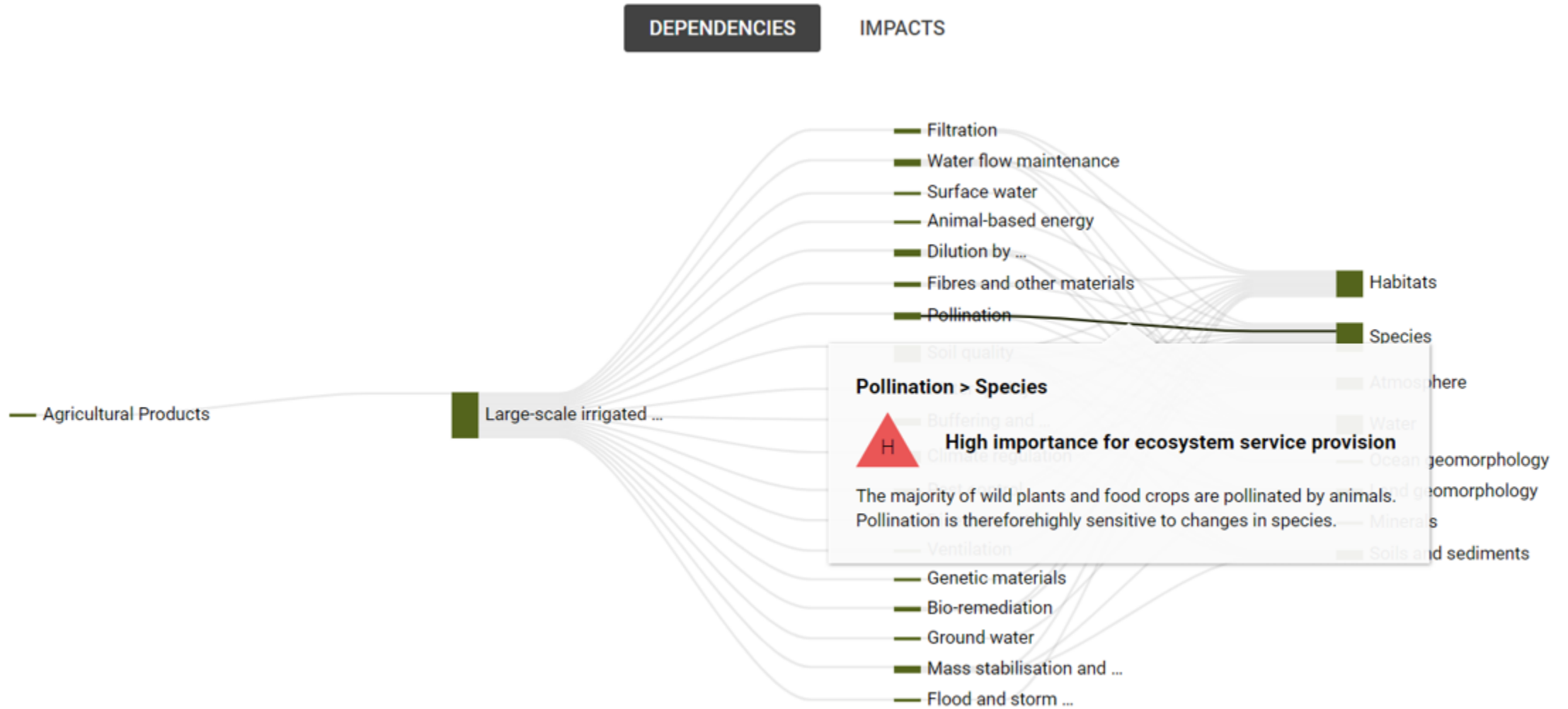


# ENCORE Risk Assessment - Dependencies





# ENCORE Risk Assessment - Dependencies





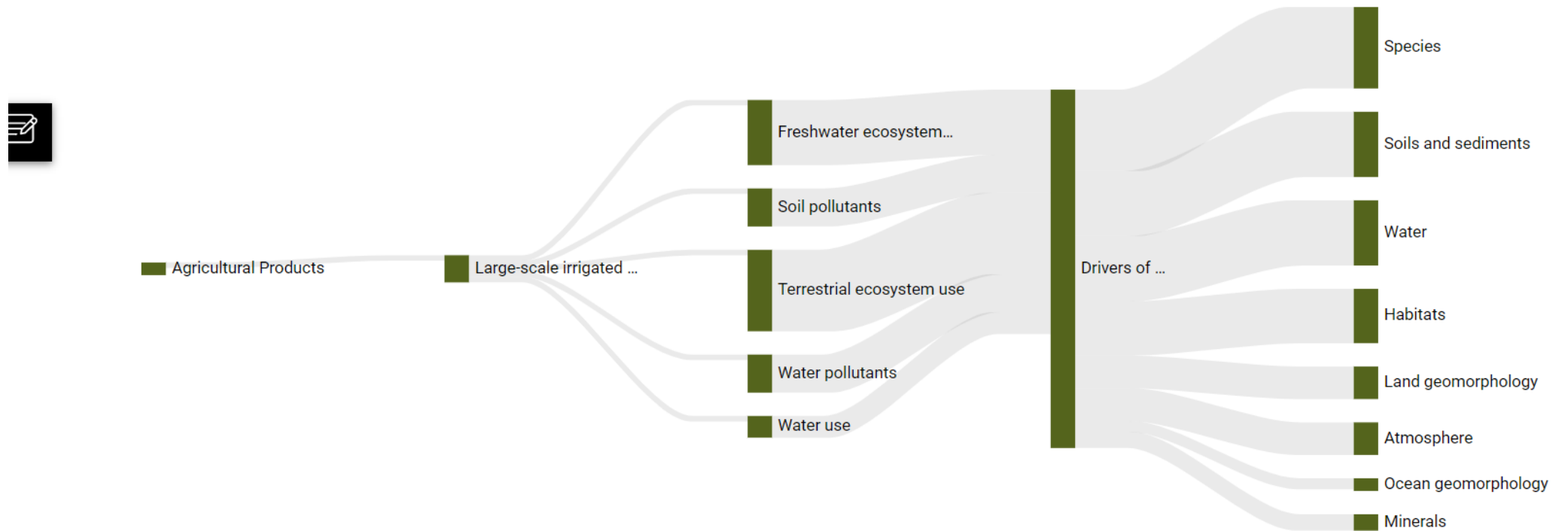
# ENCORE Risk Assessment - Impacts

Sub-industry 1 ▼

Production processes 1 ▼

DEPENDENCIES

IMPACTS

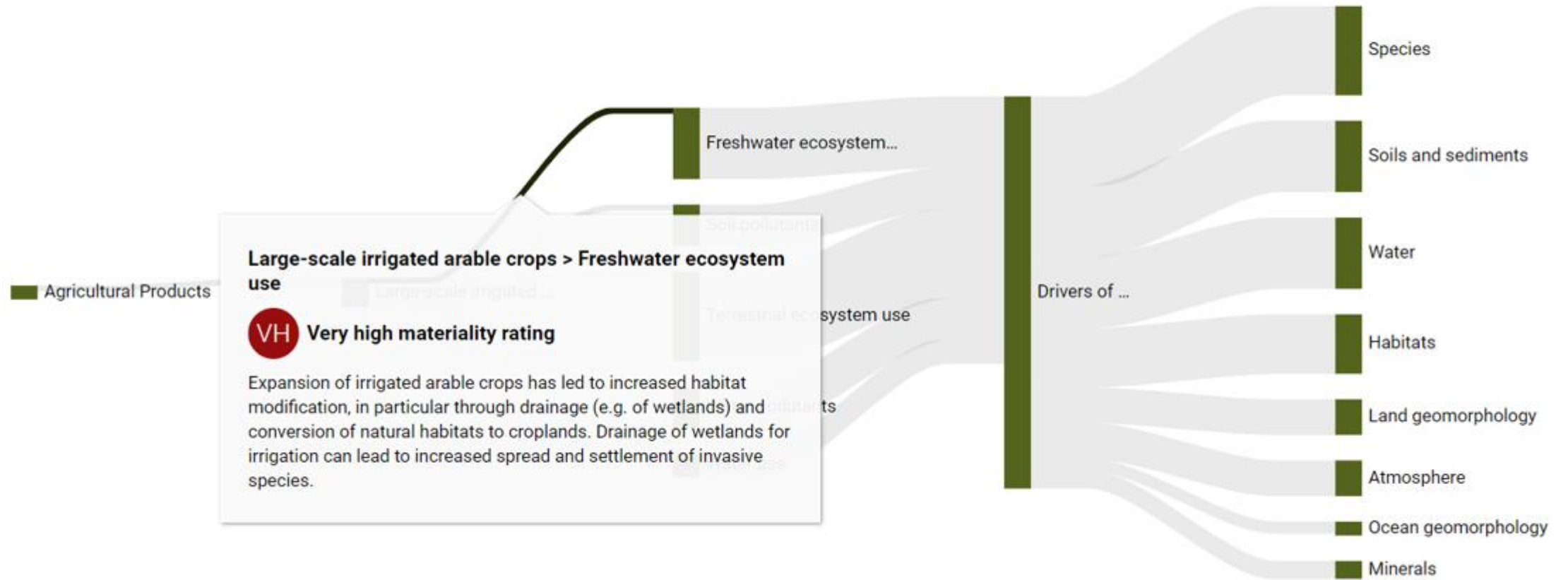




# ENCORE Risk Assessment - Impacts

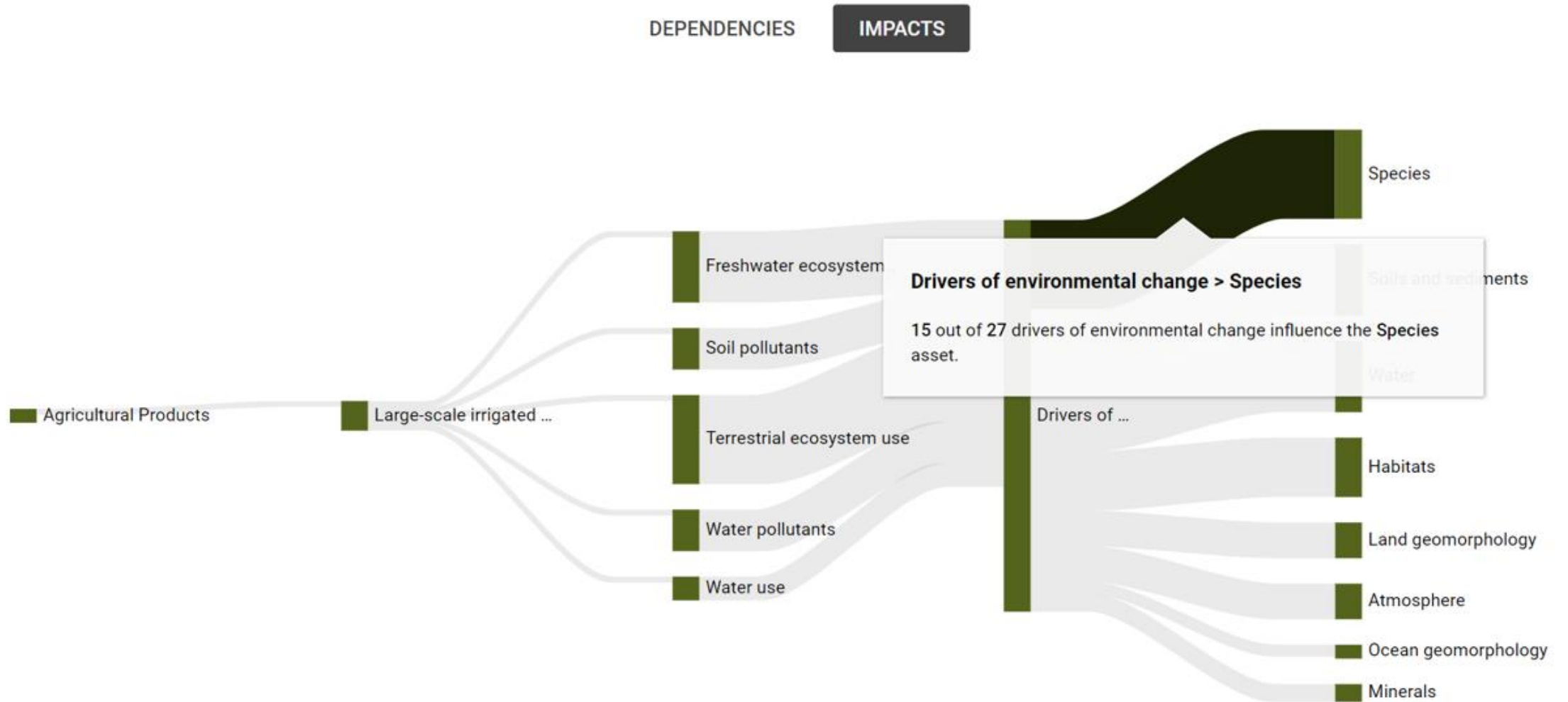
DEPENDENCIES

IMPACTS





# ENCORE Risk Assessment - Impacts







# Nature positive

- Shifting from risk avoidance to generating nature positive impact
- Align with global aims for nature positive action (CBD COP-15, Dec. 2022, Montreal)
- Use the leverage of real economy and financial sector: engagement for implementing nature positive environmental management



**UN BIODIVERSITY  
CONFERENCE**  
COP15-CP/MOP10-NP/MOP4  
Kunming, China, 2020



# ENCORE Biodiversity Module

Analysis on **agriculture** and **mining** investment portfolios identifies:

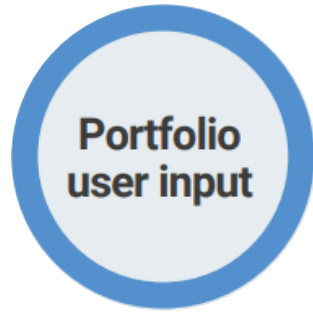
- *Potential to reduce species' extinction risk and ecological integrity risk*
- *Potential pathways for positive impacts*
- *Potential actions for increasing their alignment with global biodiversity goals*





# ENCORE Biodiversity Module

## Example agriculture portfolio



Input data query:

- Country X/Y
- Area or turnover in mio USD

**MANUALLY ENTER DATA**    **UPLOAD PORTFOLIO CSV**

**AGRICULTURE PORTFOLIO** ✕

Enter country location

Belize ▾

Enter cropland area ⤴

Please select if you would like to enter details of turnover

*Please enter cropland area in ha*

5000 ▾

Enter pasture land area ▾

Ukraine ✎ ✕

Albania ✎ ✕



# ENCORE Biodiversity Module

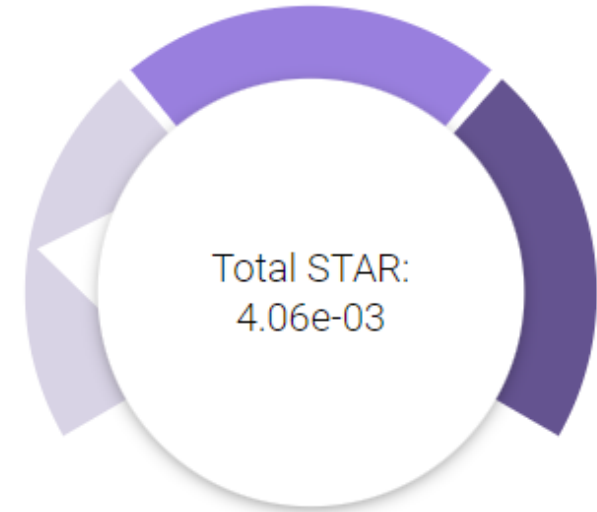
## Example agriculture portfolio



Potential opportunity to reduce global species' extinction risk through the portfolio

Data: Species Threat Abatement and Restoration (STAR)\* metric combining data on species ranges and threat assessments

\*Developed by the IUCN, available through IBAT



Agriculture threats: 1.39e-03 STAR  
Other threats: 2.66e-03 STAR



# ENCORE Biodiversity Module

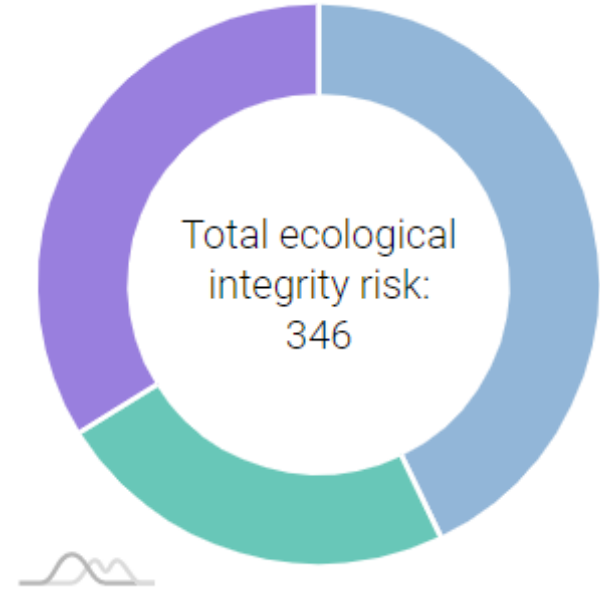
## Example agriculture portfolio



Potential opportunity to reduce ecological integrity risk through the portfolio

- Data: Mean species abundance (MSA)<sup>1</sup> reflecting local biodiversity intactness
- Are my assets located in ecoregions that meet the criteria for achieving biodiversity targets?<sup>2</sup>

<sup>1</sup> [GLOBIO - Global biodiversity model for policy support - homepage](#) | [Global biodiversity model for policy support](#)  
<sup>2</sup> Ecoregions assessed for protected area coverage and trend in ecological integrity (1993-2009); Dinerstein et al. 2017, Beyer et al. 2019



Ecoregion integrity trend and protection status

	(A) On track to meet target: 0%
	(B) Protected and integrity stable or improving: 42.8%
	(C) Stable or improving but insufficiently protected: 23.3%
	(D) Integrity declining but protection increasing: 0%
	(E) Integrity declining and insufficiently protected: 33.8%



# ENCORE Biodiversity Module

## Example agriculture portfolio



Prioritisation of regions of high positive impact potential  
(reducing species extinction and improving ecological integrity)

Country	Pasture land & Cropland Type: All	Ecoregion Type: Representative	Ecological integrity risk (weighted MSAha; highest to lowest)
Albania	Cropland	Illyrian deciduous forests	81
Switzerland	Cropland	Western European broadleaf forests	74

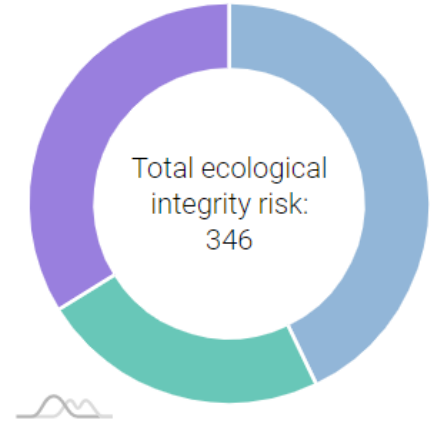


# ENCORE Biodiversity Module

## Example agriculture portfolio



Ecoregion categorisation indicates minimum of management measures required to be considered aligned



<p> (C) Stable or improving but insufficiently protected</p>	<ul style="list-style-type: none"><li>▪ Commitment to avoid operating in protected areas</li><li>▪ Structured treatment of the mitigation hierarchy throughout biodiversity management</li><li>▪ <b>Adoption of No Net Loss targets for biodiversity management</b></li></ul>
<p> (E) Integrity declining and insufficiently protected</p>	<ul style="list-style-type: none"><li>▪ Commitment to avoid operating in protected areas</li><li>▪ Structured treatment of the mitigation hierarchy throughout biodiversity management</li><li>▪ <b>Adoption of Net Gain targets for biodiversity management</b></li></ul>



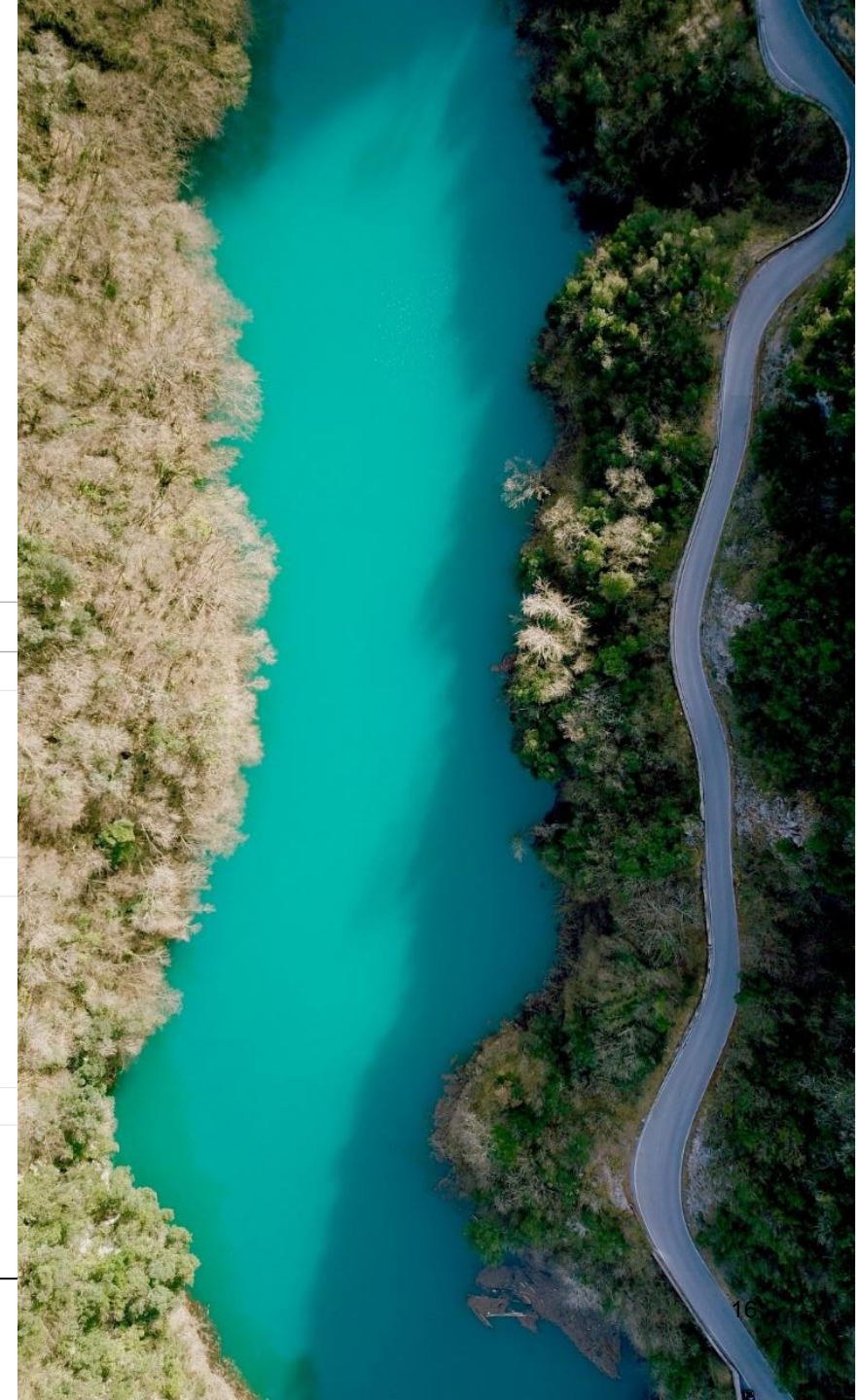
# ENCORE Biodiversity Module

## Example agriculture portfolio



Guidance on engagement strategies – environmental management actions

Engagement depth <b>1</b> ▾	Engagement scope ▾	SBTN Action <b>2</b> ▾	Biodiversity metric ▲	Future scenario
<b>Habitat management</b> Does the company actively manage habitat within and around agriculture land?			<input type="checkbox"/> Species extinction <input type="checkbox"/> Ecological integrity	
<b>Agroecological principles</b> Does the company apply agroecological principles to its operations? <a href="#">More Info &gt;</a>				
<b>Pollution Prevention</b> Does the company have any measures in place to minimise use of agricultural chemicals?				







# Further information

The screenshot shows the ENCORE website interface. At the top, there's a navigation bar with 'Dashboard', 'Portfolios', and 'About'. The main heading is 'Exploring Natural Capital Opportunities, Risks and Exposure'. Below this, there's a search box with 'Sector' and 'Sub-industry' dropdowns, and a 'View' selector for 'Dependencies' and 'Impacts'. A search bar contains '- Enter a Sector -' and an 'EXPLORE' button. Below the search, there are logos for UN, WCMC, FINANCE, and Global Canopy. The lower part of the screenshot shows a 'My Mining Portfolio' dashboard with 'Applied filters: Mining' and 'My current portfolio exposure results'. It features two donut charts: 'Potential to reduce species' extinction risk' (Total STAR: 412.26) and 'Ecological integrity risk' (Total ecological integrity risk: 1,491,018). Text on the left explains that STAR scores reflect the potential contribution of the portfolio toward reducing global extinction risk. Text on the right explains that ecological integrity risk reflects the potential impact of the portfolio on the integrity of selected habitats. A 'DASHBOARD' button is visible at the bottom right of the dashboard area.

Website: [ENCORE \(naturalcapital.finance\)](https://naturalcapital.finance)

User guide: [ENCORE+Guide+to+Biodiversity+Module.pdf](#)

The cover of the ENCORE biodiversity module guide features a close-up photograph of a bumblebee on a purple flower. The ENCORE logo is in the top right corner. The main text reads: 'Aligning financial portfolios with biodiversity goals: How to use the ENCORE biodiversity module'. At the bottom, there are logos for the Natural Capital Finance Alliance (Secretariat: UN Environment Programme, WCMC, Global Canopy) and the funding organization: Schweizerische Eidgenossenschaft / Confédération suisse / Confederaziun Svizra / Confederaziun tudestga (Funded by Swiss Confederation, Federal Office for the Environment FOEN).