

1 **Measuring biodiversity impact, change and restoration opportunity for business**

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12
13
14 **Abstract**

15 Most pressures that cause biodiversity loss are driven by economic activity. There is significant
16 interest from the private sector in understanding impacts and dependencies of business activity
17 on biodiversity. However, measuring the impacts of direct and indirect business activities on
18 biodiversity, including species, at multiple scales remains a considerable challenge. There are
19 no currently widely applicable measures that can map species-specific responses to pressures
20 at a high spatial resolution across a broad range of scales. Here, we describe the Species
21 Occurrence Index, a tractable and scalable measure for quantifying business impacts on nature,
22 based on species distribution models. Using case studies, we demonstrate the use of the metric
23 in understanding the direct impacts of a business and sector's operations and how it can be
24 used to guide nature positive protection and restoration actions. As private sector interest in
25 biodiversity measures grows, so will demand for metrics that can scale between large, global
26 scales (e.g. whole of investment portfolio, entire sectors) and local, context specific scales,
27 while maintaining ecological realism. Our Species Occurrence Index allows businesses and
28 sectors to estimate their total impact while also providing opportunities to deliver positive
29 outcomes for biodiversity by ensuring businesses accurately account for and respond to their
30 impacts on nature.

31
32 **Key Words**

33 Biodiversity footprint, species distribution model, business, biodiversity metric, impacts, species,
34 nature related financial disclosure, ESG reporting, nature accounting

35 **Introduction**

36 Biodiversity is crucial for human health, society and the global economy (Hooper et al., 2012;
37 World Economic Forum, 2020), but it is rapidly declining (Johnson et al., 2017). In 2022, the
38 Kunming-Montreal Global Biodiversity Framework set out goals, targets and potential indicators
39 for tracking biodiversity impacts and recovery (CBD, 2022). Following the establishment of the
40 Global Biodiversity Framework and subsequent Nature Positive movement (Milner-Gulland,
41 2022), there is a strong desire for metrics that appropriately capture the 'State of Nature' and,
42 crucially, how nature is responding to a broad range of pressures (Harrer et al., 2024). This is
43 especially true for the private sector, which is increasingly required to understand their impacts
44 on nature. Despite this desire, measuring the impacts of direct and indirect business activities
45 on biodiversity, including species, at multiple scales remains a considerable challenge and
46 many of the existing tools deriving from other applications such as policy or lifecycle analysis
47 remain unfit for purpose (Smith et al., 2024).

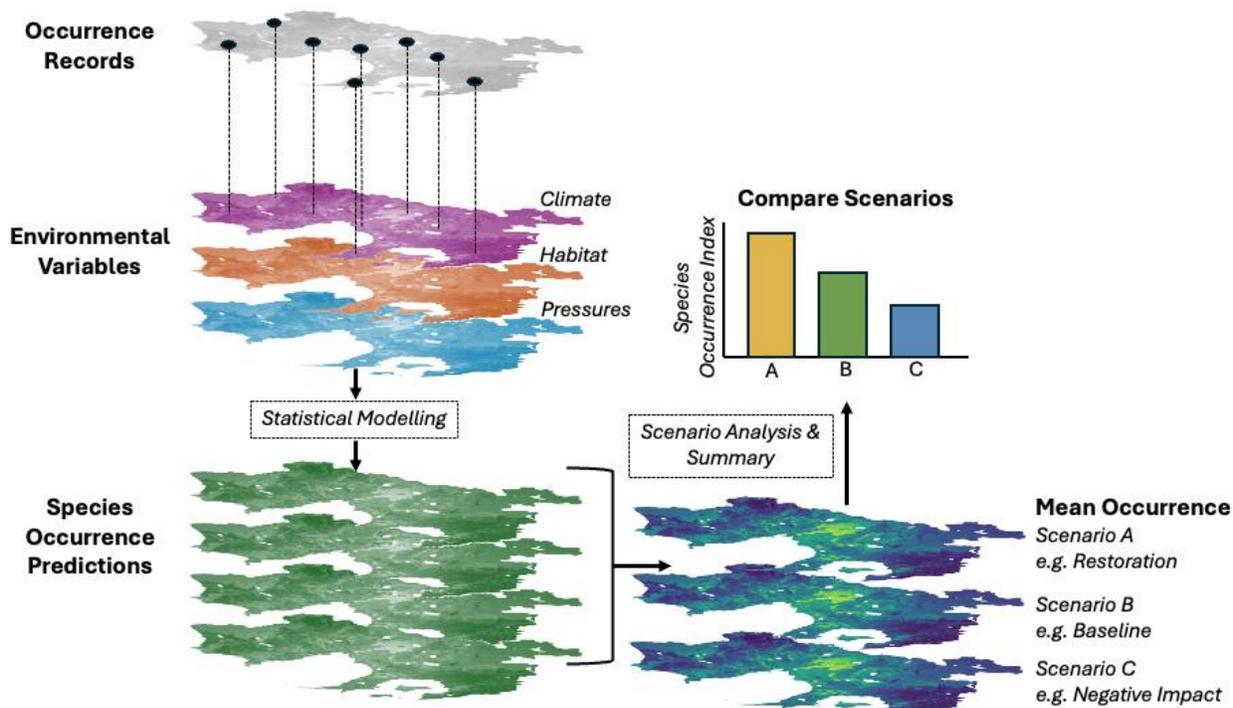
48
49 There is currently a proliferation of measures being developed to describe the impacts of
50 pressures on biodiversity. Globally-applicable, top-down measures such as changes in mean
51 species abundance (MSA) and the potentially disappeared fraction of species (PDF) are widely
52 used (Hawkins et al., 2024; Kuipers et al., 2025). However, these measures do not provide
53 insight at a high spatial resolution and do not explicitly model individual species responses to
54 pressures, leaving a gap in impact analyses that is crucial to fill if businesses are to satisfy
55 regulatory and reputational imperatives to demonstrably conserve local species and
56 ecosystems. There are existing metrics that are based on individual species' extinction risk,
57 such the IUCN Red List Index and Living Planet Index (Butchart et al., 2025; Visconti et al.,
58 2016). However, these are not sufficiently sensitive to changes over short time-scales or fine
59 spatial scales, and are limited to species listed under the IUCN Red List. Newer metrics, such
60 as the LIFE metric (Eyres et al., 2025), STAR (Mair et al., 2021), and estimates of species
61 habitat provision (Giljohann et al., 2025) address this by producing spatially explicit estimates of
62 pressure impacts on species through threat status or changes in habitat condition (Mokany et
63 al., 2025). However, these approaches do not consider variability in the responses of individual
64 species to specific individual pressures that might be brought by particular business activities.
65 Spatially varying impacts of business activities caused by diverse biodiversity responses to
66 pressures, cannot currently be captured. Taken together, there are no currently available
67 measures that can map species-specific responses to pressures at a high spatial resolution
68 across a broad range of scales (Burgess et al., 2024).

69
70 The risk of a species' extinction is regularly proposed as an important indicator of the state of
71 nature (Mace et al., 2008; Stevenson et al., 2024). Extinction risk can be estimated through the
72 development of models of population dynamics derived from abundance or count data.
73 However, the collection and analysis of this type of data is challenging and resource intensive at
74 the scale required to understand the likelihood of species extinctions across a broad range of
75 taxa and spatial scales. Models of population dynamics also suffer from scaling challenges
76 when trying to estimate model parameters, including spatial correlation in environmental
77 stochasticity (Moilanen, 2000). Global biodiversity policy and private sector-driven frameworks
78 are demanding high resolution measures that can provide robust estimates of individual species

79 responses to pressures and aggregate these insights across species, space and time (Hawkins
 80 et al., 2024). The availability of suitable habitat is a dominant driver of increased extinction risk,
 81 globally (Crooks et al., 2017). Estimates of habitat availability derived from species distribution
 82 models of the likelihood of occurrence of a species in a location, relative to the distribution of
 83 pressures (Figure 1) can address this gap (Guillera-Arroita et al., 2015). By providing
 84 statistically robust estimates of species-specific habitat availability, and therefore occurrence,
 85 species distribution models can offer important insights into the state of nature but without the
 86 need for intensive, site-scale population counts.

87
 88 Metrics derived from species distribution models for a wide range of taxa offer a potentially
 89 tractable and feasible approach for quantifying the footprint of a broad range of activities on
 90 biodiversity that can also be readily updated with new data from globally available databases.
 91 Here, we propose an occurrence-based species footprint metric (the Species Occurrence Index)
 92 that can be applied across a broad range of species at global and local-scales and evaluation
 93 contexts (e.g. reporting and disclosure of biodiversity impacts, status and trends) while also
 94 providing a tractable approximation of species extinction risk. We demonstrate the utility of this
 95 metric with two case studies—analysing the biodiversity footprint of a sector at a large spatial
 96 scale, and an individual entity at a local spatial-scale.

97



98
 99 **Figure 1:** The *Species Occurrence Index* modelling and mapping framework is based on combining
 100 records of species' occurrences and environmental variables (e.g. climate, habitat, pressures) in a
 101 statistical modelling framework to estimate the relationship between species occurrences and the
 102 environment and therefore the prediction of species occurrences across space. These models can then
 103 be used to make predictions of species occurrences under alternative scenarios (e.g. changes in a
 104 pressure) and summarised across locations and species to allow comparison between scenarios, such as
 105 positive or negative changes from a baseline.

106

107 **The Species Occurrence Index**

108 Quantifying the biodiversity footprint of a pressure begins with building species distribution
109 models of a representative set of species that suit the modelling objective (Figure 1). There are
110 a wide variety of approaches for building species distribution models, including presence-only,
111 presence-absence and abundance data (Austin, 2002).

112 These models are typically fit with covariates that include potential drivers of species
113 distributions (e.g. climate, soil, habitat features) (Elith & Leathwick, 2009), but may include other
114 variables reflecting natural or human induced disturbance or direct impacts on species such as
115 persecution, hunting, or pollution. To understand, quantify and represent the impact of
116 pressures in species distribution models, spatial representation of potential pressures (e.g. land-
117 use change, pollution, water extraction) must also be included as covariates (Tulloch et al.,
118 2015). For example, land-use class or intensity are increasingly incorporated into species
119 distribution models as they provide a direct representation of potential habitat availability for
120 some species (Kapitza et al., 2021; Visconti et al., 2016). In doing so, species-specific
121 responses to variation in the intensity of individual pressures can be quantified.

122 Once species distribution models have been parameterised, changes in relative likelihood of
123 species' occurrences in responses to changes in the distribution and intensity of pressures can
124 be calculated (Figure 1). This might include forecasting changes in species occurrences under
125 future climate or land-use scenarios (Newbold et al., 2016), or quantifying local-scale changes
126 in species occurrences due to individual company activities (Hawkins et al., 2024).

127 While it is often valuable to describe and predict the likely outcome of pressures on individual
128 species of local, legal, or cultural importance or priority, understanding and communicating the
129 net outcomes of changes in pressures for hundreds or thousands of species individually is
130 generally not useful due to our limited ability to report and digest large amounts of complex
131 data. This is especially the case in the context of reporting at global and national scales where
132 thousands or millions of individual species predictions may be relevant. Therefore, metrics that
133 summarise impacts or changes in species distributions across many species simultaneously
134 may be particularly useful for many applications including impact assessment or reporting on
135 changes in biodiversity over time. Quantifying the difference in species' occurrence (which we
136 define as the mean change in the probability or likelihood of occurrence across species due to
137 changes in the distribution or intensity of a pressure) is a potentially useful approach to
138 communicating overall changes in biodiversity using multiple predictions of individual species
139 outcomes as the input. Previous studies have demonstrated the potential of this approach
140 (Kapitza et al., 2021). Here we define a metric that formalises the process of quantifying
141 changes in biodiversity across many species in response to spatially mapped changes in
142 environmental or anthropogenic pressures.

143 For a given scenario, the mean probability of occurrence of J species under K pressures across
144 n pixels, \bar{p} , can be written as:

145
$$SOI = \bar{p} = \frac{1}{n \cdot J \cdot K} \sum_{i=1}^n \sum_{j=1}^J \sum_{k=1}^K p_{ijk} \quad (1)$$

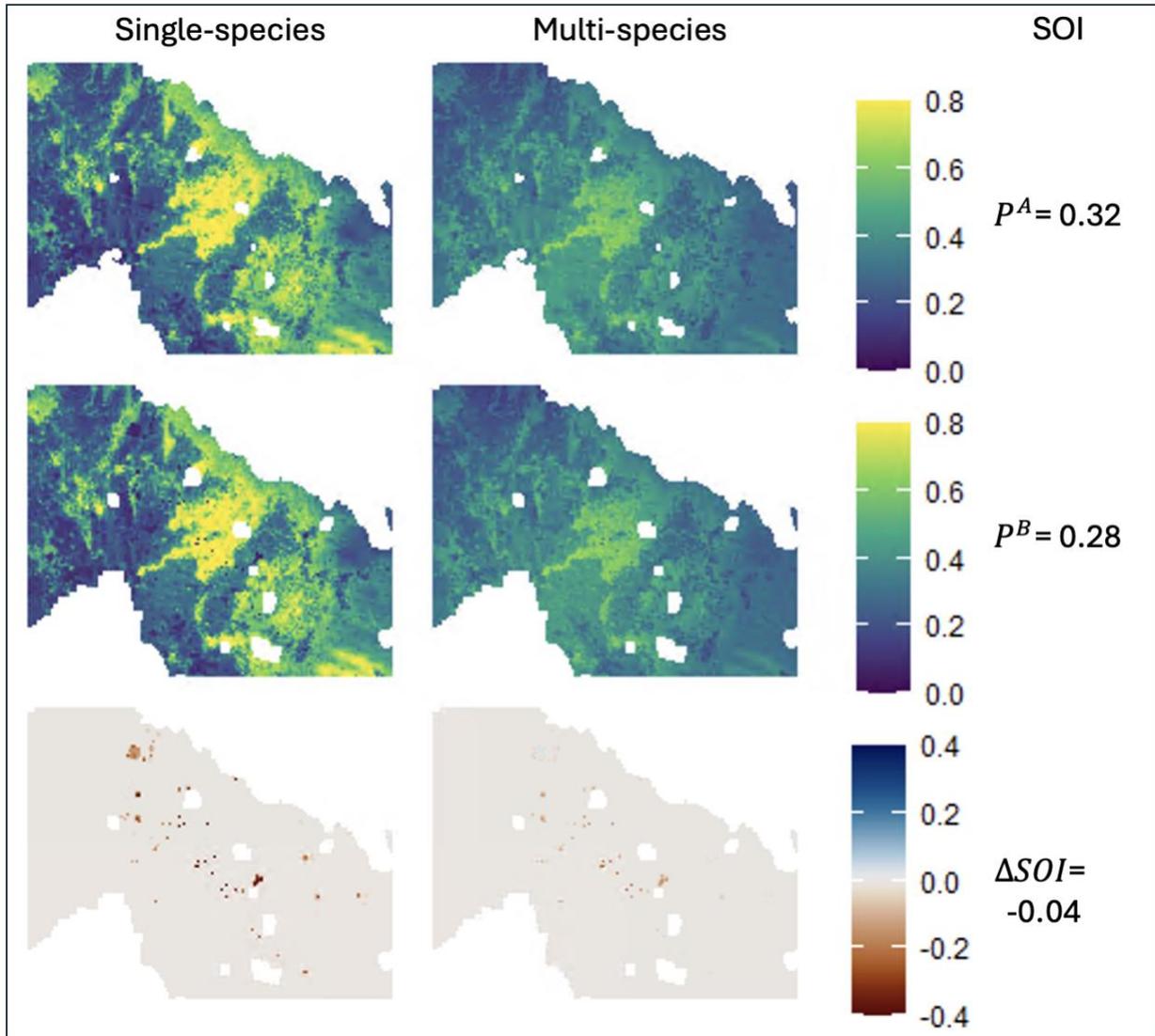
146
 147 Where $p_{i,j}$ represents the probability of occurrence at pixel i for species j under pressure k , n
 148 represents the total number of pixels, J represents the total number of species, K the total
 149 number of pressures (Equation 1).

150
 151 The mean probability of occurrence of species in a given footprint can then be calculated for two
 152 or more alternative scenarios, such as pre-impact (\bar{p}^A) and post-impact (\bar{p}^B), representing an
 153 impact by a change in the k th pressure for the j th species, such as those driven by company
 154 activities (Equation 2). The difference between these scenarios is the change in species
 155 occurrence index (ΔSOI) attributable to this impact. Figure 2 illustrates this with a worked
 156 example.

157
 158
$$\Delta SOI = \bar{p}^B - \bar{p}^A \quad (2)$$

159
 160 The change in species occurrence index in a pixel or location can therefore be interpreted as
 161 the fraction of species lost (or gained) in that pixel as a result of changing pressures or
 162 conditions. This interpretation is conceptually analogous to the broadly used potentially
 163 disappeared fraction of species used in life cycle analyses (Huijbregts et al., 2017).

164 Species distribution models generally aim to model species occurrence or occupancy. However,
 165 at their most basic (presence-only models) model predictions can only be interpreted as the
 166 relative likelihood of suitable habitat, rather than occurrence or occupancy (Guillera-Arroita et
 167 al., 2015). As the aim of our metric is to be widely applicable, we refer to it as the species
 168 *occurrence* index but acknowledge that a broad range of data can be used to model species
 169 distributions, which has implications for their interpretation. We feel this is appropriate given that
 170 the objective of the index is to capture changes in occurrence of a species in response to
 171 pressures.



172
 173 **Figure 2:** A demonstration of how the Species Occurrence Index can be calculated for individual species
 174 (left column) and then by aggregating changes in occurrences across individual species to understand
 175 changes across a suite of species (right column). In this example, the top row is the relative likelihood of
 176 occurrence before an impact (P^A), the middle row is after an impact (P^B), and the bottom row is the
 177 change in species occurrence index attributable to the impact calculated using Equation 2 as the
 178 difference between P^A and P^B . Each can be shown either spatially or summarised as an overall number
 179 averaged across all pixels in the area of interest (e.g. a business footprint). SOI numbers on the right
 180 relate to the multi-species maps, not the single-species maps.

181
 182 **Quantifying the benefits of positive action**

183
 184 In some instances, it may be of value to quantify the *potential* for species to exist in a given
 185 location or across large areas. Such measures would allow for the quantification of the value of
 186 restoration or other activities that may remove pressures that currently prevent species from
 187 occurring in a particular place that might otherwise be climatically, edaphically, and ecologically
 188 suitable. Such pressures could include over-exploitation or the existence of invasive predators

189 or herbivores that render potentially usable habitat unoccupied by a single or many species.
190 Similarly, an area may be potentially suitable for a species or suite of species but for the
191 absence of a particular resource or habitat attribute. For example, by restoring a previously
192 removed attribute, such as a food plant or a canopy or hollow-bearing tree, an area may
193 become suitable for a suite of species that had previously been excluded.

194
195 Using this interpretation opens up the possibility of our index for supporting future scenario
196 planning. For example, a biodiversity restoration potential map could be constructed in a way
197 similar to our species occurrence footprint map, but with a shift of focus from the expected
198 current distribution of species under current environmental or management conditions, to an
199 anticipated future distribution of species under a given set of assumptions about future
200 management or restoration:

201
202 For example, the mean probability of occurrence of species in a given footprint can then be
203 calculated for a restoration or conservation action scenario by quantifying the potential species
204 occurrence before (P^A) and after the action (P^C). In this instance, the potential impact of the
205 action could be defined as a change in the j th pressure (e.g. a reduction of cleared land caused
206 by restoration) for the i th species (Equation 3). The difference between these scenarios is the
207 change in species occurrence index (ΔSOI) attributable to this action, which would likely be a
208 positive number.

$$\Delta SPI = P^C - P^A \quad (3)$$

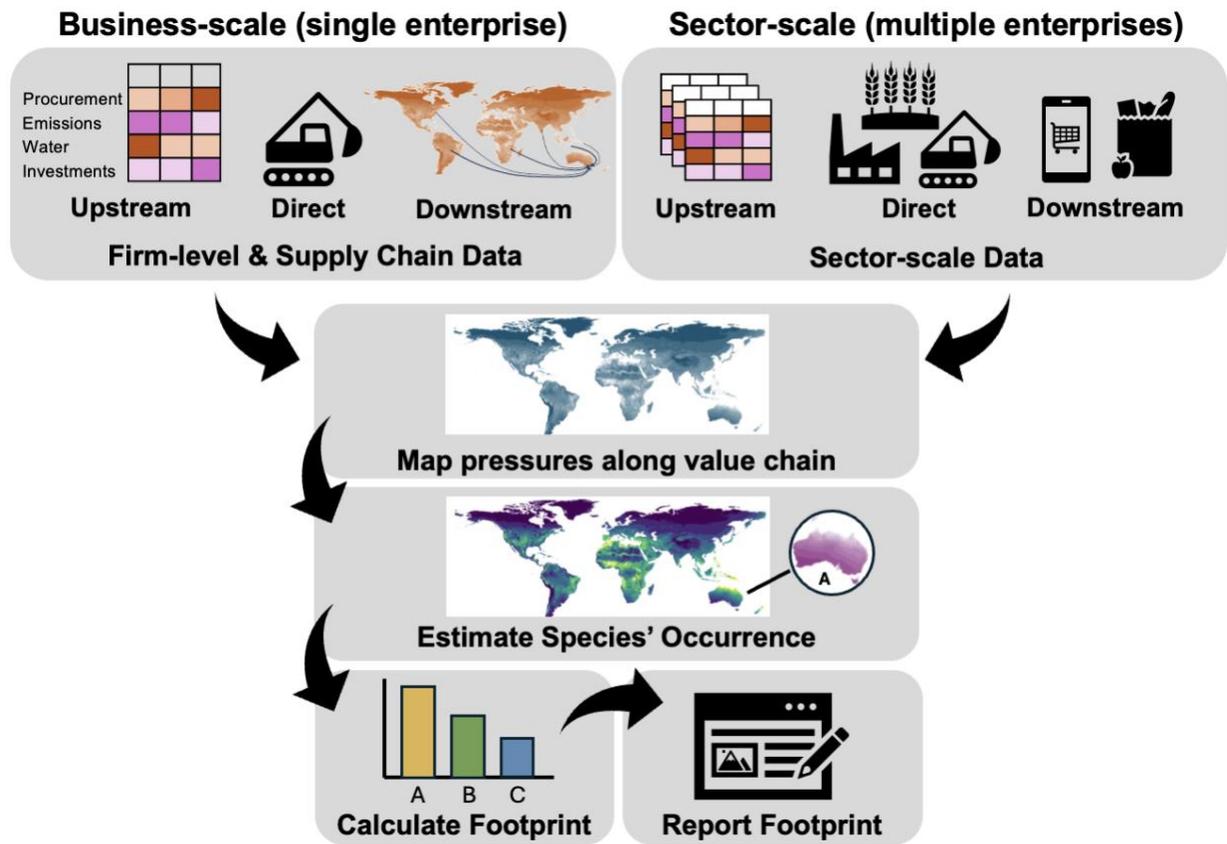
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210
211 **Case study 1: Understanding and reducing the footprint of an individual business**

212 An important application of biodiversity footprinting approaches is an assessment of the footprint
213 of individual businesses, based on where and how their activity and their supply chains intersect
214 with nature (Figure 3). Based on a biodiversity footprint analysis, businesses can (i) identify
215 business activities that are causing large or unacceptable impacts on biodiversity, (ii) prioritise
216 which business activities to avoid or adapt to reduce or mitigate damage, and (iii) report or
217 disclose those damages, mitigation actions, residual impacts, and restoration benefits (Forico,
218 2023). Robust and accurate biodiversity footprint assessments, informed by ecological
219 knowledge and evidence are therefore essential for informing these analyses, actions and
220 reporting as errors may lead to misinformed responses, wasted resources or accusations of
221 greenwashing.

222
223 To illustrate the utility of the species occurrence index for understanding the biodiversity
224 footprint and biodiversity impact mitigation opportunities for an individual company, we used the
225 land area under management by Yarra Valley Water, a water utility company in south-eastern
226 Australia. Yarra Valley Water has direct land management responsibilities for large tracts of
227 land, on which a range of activities occur, including water treatment, infrastructure development
228 and restoration activities. Therefore, for the purposes of this case study, the land under
229 management by Yarra Valley Water can be used to estimate the companies direct impacts on
230 nature (as distinct from their upstream or downstream supply chain impacts).

231

232 Yarra Valley Water is interested in assessing the biodiversity footprint of land management
 233 across their holdings and opportunities for positive outcomes for nature from restoration that
 234 may offset some of their impacts (Naylor et al., 2025). To demonstrate the use of our metric for
 235 these purposes, we predicted the expected change in the species occurrence index for two
 236 scenarios for Yarra Valley Water: A) spatial variation in the impacts of clearing remnant native
 237 vegetation across Yarra Valley Water’s land holdings, and B) restoring a selection of cleared
 238 land to forest to compensate their supply chain impacts.
 239



240
 241 **Figure 3:** Quantifying the biodiversity footprint using the species occurrence index for an individual
 242 enterprise or business activity (left) and sector-scale activity (right).
 243

244 *Current footprint assessment*

245 To estimate Yarra Valley Water’s direct impacts on nature, we calculated the Species
 246 Occurrence Index by fitting species distribution models for 47 mammals, 250 birds and 37
 247 reptiles across the region in which Yarra Valley operates its business (Figure 4). Species
 248 distribution models were fitted using an open source species distribution modelling workflow
 249 (Bal et al., 2026), applied to the Greater Melbourne region, Australia where Yarra Valley Water
 250 operates. See Supporting Information 1 for a description of the species distribution modelling
 251 methods used in this case study.
 252

253 Because our species distribution models include land-use types as covariates (represented as
 254 fractions of the pixel that is estimated to be that land-use type), we were able to simulate these

255 restoration and clearing scenarios by directly modifying the rasters used to predict species
256 distributions across the region. To simulate the effects of clearing we set each pixel's 'Urban'
257 fraction to 1. We use this approach to represent the extreme of potential changes in land uses
258 driven by land management decisions made within the company footprint.

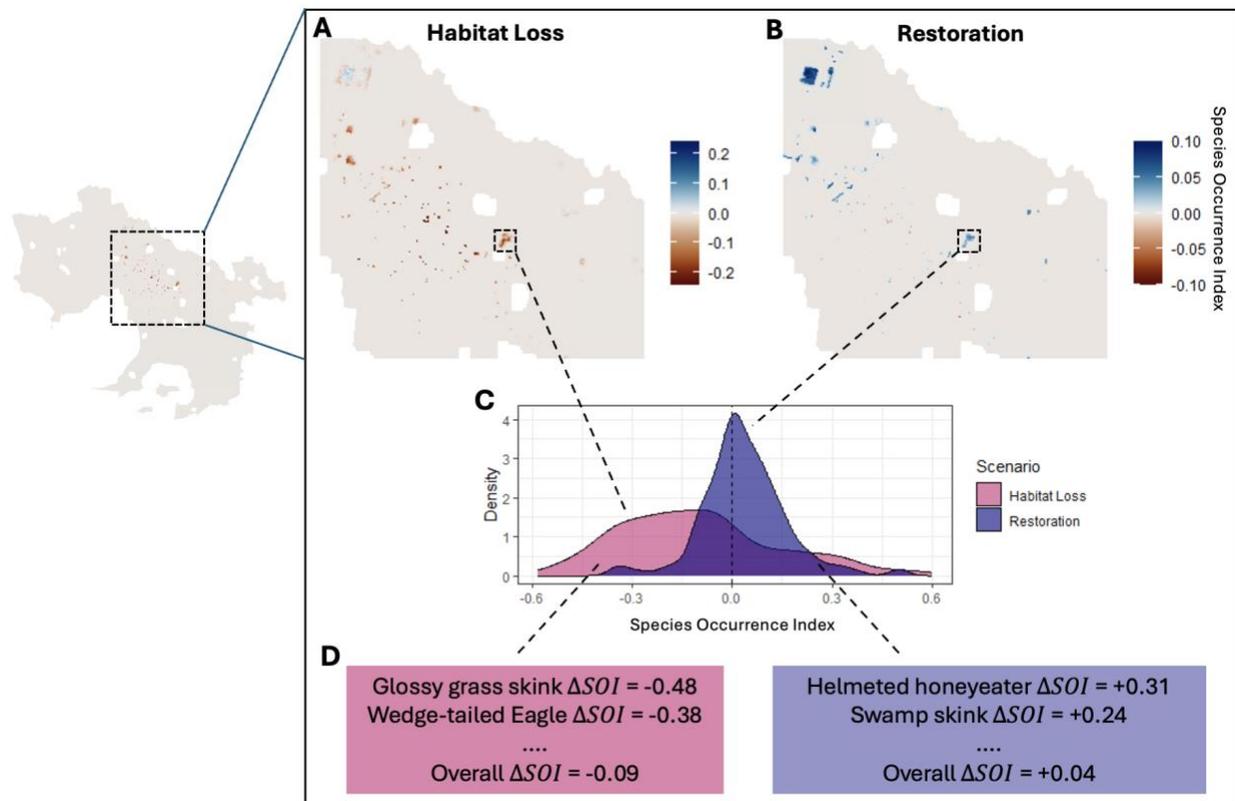
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260 Within Yarra Valley Water's land holdings, there is spatial variation in the effects of clearing and
261 restoration due to spatial variation in the distribution of species (Figure 4a, b). Mapping that
262 variation allows identification of the specific locations where positive and negative changes in
263 the species occurrence index are greatest. Identification of locations where changes are
264 greatest is essential for planning where companies might first focus on avoiding or minimising
265 impacts (e.g. avoiding clearing) or undertaking positive actions for biodiversity (e.g.
266 implementing restoration activities) that are most cost-effective or that improve outcomes for
267 species that are of highest importance to the business or stakeholders.

268

269 Our analysis shows that, on average, the Species Occurrence Index decreases in the habitat
270 loss scenario (Figure 4a,c). There are also clearly divergent responses across species (Figure
271 4c), and those responses vary spatially. Because the analysis builds from individual species
272 models that quantify the impact on each species of impacts or restoration actions it is possible
273 to drill down to the change in footprint of individual species (Figure 4d). This level of granularity
274 in responses is only possible when the analysis starts with individual species outcomes and
275 then builds up the footprint index of overall (across species) impacts rather than estimating
276 those impacts using a top-down model such as in the case of 'potentially disappeared fraction'
277 (PDF:(Huijbregts et al., 2017)) or 'mean species abundance' (MSA: (Schipper et al., 2020)).

278



279
 280 **Figure 4:** Spatial estimates of the change in species occurrence index across all species for a) habitat
 281 loss and b) restoration scenarios. The density plots c) show the distribution of changes and average
 282 change in species occurrence index in the inset parcel of land for each scenario. In d) change in example
 283 individual species occurrence index estimates and overall mean change in species occurrence index
 284 estimates for the inset land parcel are shown for the habitat loss scenario (left) and restoration scenario
 285 (right). Mapped colours in a) and b) represent the change in Species Occurrence Index, which is defined
 286 as the change in probability of occurrence in each pixel for either a single species, or a set of species.
 287

288 *Compensating supply chain impacts*

289 To demonstrate the ability of the Species Occurrence Index to quantify the area of restoration
 290 required to offset using a locally relevant metric, we developed an approach to translate
 291 between a commonly used measure of ecosystem impacts of supply chain activity and our
 292 Species Occurrence Index.
 293

294 First, to quantify the change in Species Occurrence Index attributable to the effects of
 295 restoration, we modified the land use covariates used to predict each species' distribution in our
 296 study area. Specifically, we set each pixel's 'Primary Forest' value to 1- the fraction of pixel that
 297 is urban. This materialised as an overall increase in the amount of Primary Forest land use type
 298 in most pixels within the Yarra Valley Water land holdings. We then predicted the distribution of
 299 each species to this modified covariate stack and then quantified the difference in predicted
 300 relative likelihood of occurrence for each species between the baseline predictions and the
 301 restoration predictions and summarised these predictions as the change in Species Occurrence
 302 Index (Figure 4b,c). The average benefit of restoration across all species modelled in our case
 303 study was a 0.04 mean increase in occurrence (Figure 4d).

304
305 Yarra Valley Water have previously estimated the impacts of their direct and supply chain
306 activities using life cycle assessment, with their upstream supply chain impacts on nature
307 estimated to be equivalent to 0.74 species.yr (Naylor et al., 2025; Wright et al., 2025), as
308 estimated using ReCIPe (Huijbregts et al., 2017). This metric is interpreted as the potentially
309 disappeared fraction (PDF) of species globally due to Yarra Valley Water's upstream supply
310 chain annually.

311
312 To quantify the area of restoration required to offset Yarra Valley Water's supply chain impacts
313 on nature, we developed an approach to translate between the estimated PDF and our
314 estimated change in SOI attributable to restoration (see methods in Supplementary Information
315 2). Using this approach we estimate that an area of roughly 125 Ha per year of restoration is
316 required to offset Yarra Valley Water's supply chain impacts on nature. Importantly, this worked
317 example does not consider the need to target restoration in places that benefit the species
318 impacted by Yarra Valley Water's supply chain activities, which could be distributed globally.
319 Our spatially explicit maps of the change in SOI attributable to restoration can then be used to
320 prioritise where restoration of Yarra Valley Water's land holdings will deliver the greatest benefit
321 in terms of SOI, such as prioritising pixels with larger expected increases in SOI (Figure 4b).

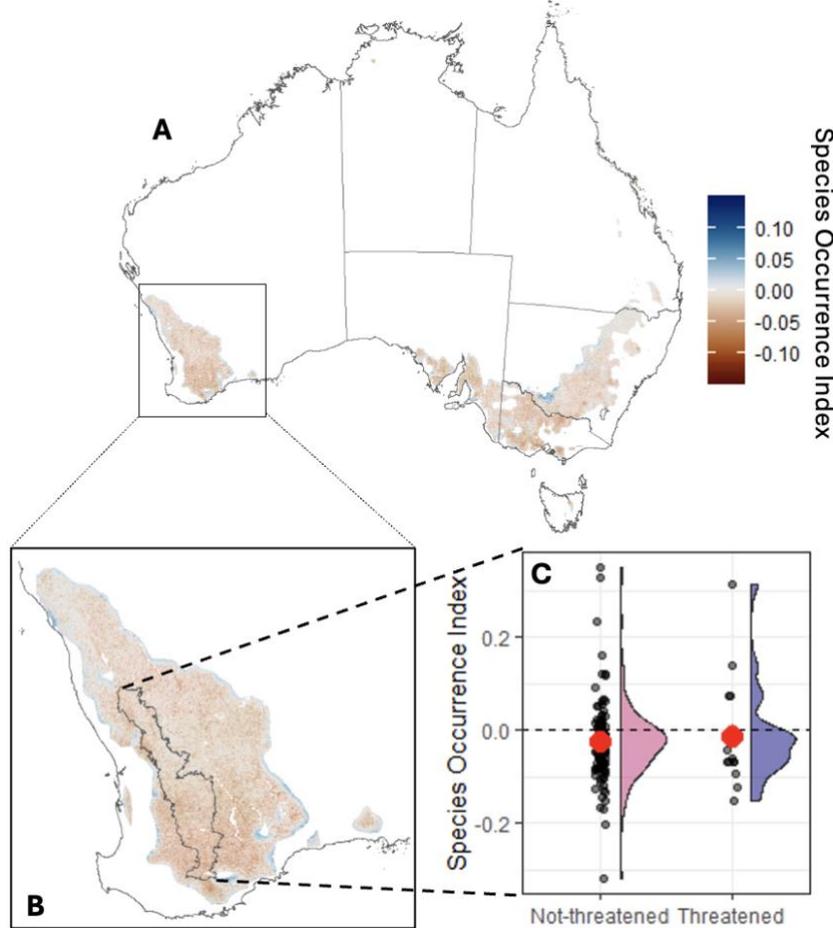
322 323 **Case study 2: Scaling up to understand the biodiversity footprint of a sector**

324 Understanding the biodiversity footprint of specific sectors can help to pinpoint locations where
325 a specific sector has the greatest impact, or facilitate comparison between sectors. This
326 knowledge helps to guide businesses in identifying parts of their supply chains with the greatest
327 biodiversity footprint, so that businesses can either move to different suppliers or engage
328 suppliers in moving toward more biodiversity-friendly practices. In this case study, we
329 demonstrate the application of the Species Occurrence Index for quantifying the overall
330 biodiversity impact of a sector, while also providing guidance on specific locations that a sector
331 might have relatively higher or lower footprint.

332
333 In this case study, we predict the species occurrence footprint of increasing the intensity of the
334 agricultural cropping sector by increasing the fractional land use cover of cropping by 20
335 percentage points (i.e. 20% becomes 40%) in all pixels where cropping currently occurs in
336 Australia. We then calculate the biodiversity footprint of this change by calculating the Species
337 Occurrence Index as the difference between the current distribution of cropping fractional land-
338 use cover and a scenario where the fractional land use of cropping is increased by 20
339 percentage points.

340
341 This example highlights that the Species Occurrence Index can be calculated at multiple spatial
342 scales allowing whole-of-sector and location-specific analyses (Figure 5a,b). Then, the Species
343 Occurrence Index can be disaggregated in multiple ways, including focusing specifically on
344 threatened species or specific individual species (Figure 5c). This application highlights how the
345 Species Occurrence Index could be used to understand the footprint of entire sectors, or identify
346 specific regions or locations where the footprint of a sector is higher or lower. Sector-scale

347 analyses have a range of applications, including potentially informing procurement decisions or
348 certification of supply chains, where impacts on biodiversity are essential pieces of information.



349 **Figure 5:** Spatial estimates of the change in Species Occurrence Index due to an increase in cropping
350 fractional lands-use across all species for a) all of Australia, b) south-west western Australia (inset black
351 lines are the Avon Wheatbelt bioregion) and c) raincloud plots of Species Occurrence Index for
352 threatened (EPBC listed) and non-threatened species for the Avon Wheatbelt bioregion. In c) black
353 points represent individual species changes and density plots represent the overall distribution of
354 individual species changes. Mapped colours in a) and b) represent the change in species occurrence
355 index (red indicating decrease, blue indicating increase), which is defined as the mean change in
356 probability of occurrence in each pixel for either a single species, or a set of species.
357

358 **Applications**

359 In the context of nature-related disclosures and responses, the Species Occurrence Index
360 provides a broad range of insights. At high spatial resolution, our approach allows for insights at
361 the scale of individual land parcels and individual species. This allows businesses to identify
362 and disclose risks related to impacts at this scale, such as impacts on individual threatened or
363 culturally significant species or comparisons of impacts between land-parcels. Such insights are
364 essential for identifying and disclosing regulatory, reputational and therefore financial risks
365 associated with individual species, locations or activities. At the opposite end of the spatial
366 scale, the Species Occurrence Index allows aggregation across many species and over many
367

368 locations, from a small local business or the local operations of a larger business right through
369 to the aggregate footprint of a globally distributed enterprise or holding that might involve
370 multiple individual businesses across large areas that impact thousands of species. Additional
371 considerations can also be included in the calculation of our index, such as non-equal weighting
372 of species (e.g. by threatened status) or pixels (e.g. protected areas) when calculating the SOI,
373 depending on the priorities and interests of users.

374

375 Whole-of-business footprint estimates can then be tracked over time to allow businesses to
376 determine whether they are having a net positive or net negative impact on biodiversity. These
377 estimates would also allow businesses to pinpoint within their activities where impacts could be
378 avoided or mitigated. For example, if a company estimates its impact from its supply chain
379 activities to be an ΔSOI of -0.4, this value can then be treated as the conservation outcomes
380 required to be achieved in order to offset their impacts and claim becoming nature positive
381 (notwithstanding the need for targeting conservation actions at the same species that were
382 impacted, ensuring like for like).

383

384 **Future directions**

385 Model-based estimates of biodiversity responses to economy-related pressures are in demand
386 globally (Hawkins et al., 2024). Each of the currently available methods have areas for
387 improvement (Damiani et al., 2023), including the Species Occurrence Index. While readily
388 applicable, there are several avenues for future development that will improve the utility of our
389 species footprint metric. These areas for improvement run across all aspects of our modelling
390 workflow, including comprehensive company data, improved modelling of the environmental
391 pressures generated by economic activities and robust models of species responses to these
392 pressures.

393

394 Robust consideration of biodiversity in business risk disclosure and decision-making requires
395 local-scale information (Nedopil, 2023), only possible with metrics built from bottom-up.
396 Essential for building bottom-up estimates of the impacts of business activity include robust,
397 spatially-explicit data of company activities. The emerging field of spatial finance (Caldecott et
398 al., 2022) which focuses on developing spatial datasets of economic activity holds considerable
399 promise here. This allows company activity to be associated with location-specific
400 environmental pressures (e.g. land-use change, pollution, water extraction). In addition to
401 spatial data on economic activities, businesses must also start monitoring the positive and
402 negative effects of their direct activities on species, which can then be used directly to update
403 their species occurrence index. The outcome of this is current, context-specific information of
404 biodiversity impacts, a standard that will likely be demanded by regulators and shareholders.

405

406 Further, our case study featured a company with a clear understanding of the location of its
407 direct interface with biodiversity. However, further work is required by companies to understand
408 the location of indirect impacts derived through their supply chains. Without this information, the
409 species footprint of companies is likely to be underestimated, especially for companies with
410 relatively less direct exposure to biodiversity. A large proportion of the impacts of economic
411 activity on biodiversity occurs in business supply chains, rather than direct activities (Irwin &

412 Geschke, 2023; Moran & Kanemoto, 2017). Our demonstration of the Species Occurrence
413 Index focuses on the direct impacts of businesses, rather than upstream or downstream supply
414 chain impacts. Quantifying the upstream and downstream impacts of supply chains on
415 biodiversity is an essential step in quantifying an organisation or sector's true biodiversity
416 footprint (Crenna et al., 2020). Therefore, efforts to map the supply chains within and between
417 sectors such as TRASE (<https://trase.earth/>) are essential for fully measuring an individual
418 business' impact on biodiversity. In the interim, quantifying the species occurrence index of
419 specific types of activities (e.g. cropping agriculture, Case Study 2) gives businesses and
420 sectors the opportunity to measure the impact of specific pressures if there is evidence of those
421 pressures in their supply chains.

422
423 Our approach relies on spatially explicit representations of pressures that affect species, as
424 these are key ingredients in the species distribution models. Many pressures can be
425 represented through maps of land-use change, but other important pressures that may be
426 driven by company activity (e.g. pollution, invasive species) will require a more nuanced
427 understanding of their distribution and intensity. Considerable efforts have been made in the
428 conservation literature to understand spatial variation in a broad range of pressures on
429 biodiversity (Tulloch et al., 2015; Venegas-Li et al., 2025). By contrast, currently available tools
430 for business footprinting allow for only a limited consideration of pressures (e.g. land-use
431 change) that apply generic estimates of impact across broad biodiversity indices (Balogh et al.,
432 2025). By basing our species occurrence index on species distribution models, there is inherent
433 flexibility to incorporate any pressure that can be spatially mapped, as well as important drivers
434 of variation in biodiversity more broadly (e.g. climate, soils, vegetation). To be able to
435 incorporate a broad range of pressures is an important advance on existing metrics and
436 improved spatial models of biodiversity pressures will further facilitate this.

437 438 **Conclusion**

439 To be fit-for-purpose, biodiversity footprinting measures for businesses need to be built from the
440 bottom-up and provide high spatial resolution, species-specific and ecologically sound estimates
441 of impact and change. Such measures are transparent, data driven and can be readily updated
442 with new data and information. Our Species Occurrence Index is one such measure, allowing
443 businesses to estimate their total impact while also providing opportunities to pinpoint locations
444 and species where risks and opportunities might differ. As interest in biodiversity measures from
445 the private sector grows, so will demand for metrics that can scale between large, global (e.g.
446 whole of investment portfolio, entire sectors) scales and local, context specific scales while
447 maintaining ecological realism. Robust biodiversity metrics that can achieve this will ultimately
448 deliver positive outcomes for biodiversity by ensuring businesses accurately account for and
449 respond to their impacts on nature.

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608 **Supplementary Information**

609

610 **1. Methods to develop species distribution models used in case studies**

611 To demonstrate the application of our species occurrence footprint metric using case studies,
612 we used a presence-background species distribution modelling framework developed by Bal et
613 al. (2026)

614

615 In Case Study 1, we apply this modelling framework to a subset of mammal, bird and reptile
616 species from the original study with ≥ 20 records each after data cleaning within the broader
617 region surrounding Melbourne, Victoria, Australia. This totalled 47 mammals, 250 birds and 37
618 reptiles across the region. Records were obtained in March 2025, using the galah R package
619 v2.0.2 (Westgate et al., 2024). We trained our models and predicted each species distribution
620 within the Greater Melbourne area (see Figure 2).

621

622 We included environmental variables representing climate, land use, soil and vegetation across
623 the study region as covariates in our distribution models. Refer to Bal et al. (2026) for methods
624 on how covariates were processed. Covariates were resampled to 250m resolution and
625 reprojected to GDA2020/Australian Albers (EPSG9473) and checked for multi-collinearity. Our
626 model fitting process included the development of taxa-specific bias layers which accounted for
627 sampling intensity, distance from roads, protected areas and water bodies. For each species,
628 we generated 10,000 weighted-random background points using the ppmData package
629 (Woolley & Foster, 2023) and the method developed by Bal et al. (2026).

630

631 Species distribution models were fit using a Poisson point-process-based approach, using the
632 glmnet package (Friedman et al., 2023) and the method developed by Bal et al. (2026). Models
633 were fit as infinitely-weighted logistic regression models with a logit link function and used lasso
634 regularisation to penalize complex model structures to reduce the risk of overfitting to the data.

635

636 For the baseline scenario, we predicted each species' likely distribution to the 'current' set of
637 conditions, including current land-use classes and climates across the study region. For the
638 clearing scenario we directly modified the covariate rasters used to predict species distributions
639 across the region. To simulate the effects of clearing within Yarra Valley Water's land holdings,
640 we set each pixel's 'Urban' fraction to 1 in all pixels of land owned and managed by Yarra Valley
641 Water. We then predicted each species' distribution to this new set of covariates to understand
642 how species' likelihood of occurrence changed due to the simulated effects of clearing. The
643 difference in each species' relative likelihood of occurrence between the baseline and clearing
644 scenarios is therefore the predicted impact of clearing in each pixel.

645

646 To simulate the effects of restoration, we again modified the land use covariates used to predict
647 each species' distribution in our study area. Specifically, we set each pixel's 'Primary Forest'
648 value to 1 - the fraction of a pixel that is urban. This materialised as an overall increase in the
649 amount of Primary Forest land use type in most pixels within the Yarra Valley Water land
650 holdings. We then predicted each species' distribution to this new set of covariates to
651 understand how species' likelihood of occurrence changed due to the simulated effects of

652 restoring habitat. The difference in each species' relative likelihood of occurrence between the
653 baseline and restoration scenarios is therefore the predicted impact of restoration in each pixel.

654
655 In Case Study 2, instead of fitting new models, we use the existing models developed by Bal et
656 al. (2026) for each scenario. The baseline relative likelihood of occurrence for each species in
657 this case study was again each species' distribution under current land use and climate
658 conditions, as predicted by Bal et al. (2026). Then, to predict the relative likelihood of each
659 species occurrence under a scenario of increasing intensity of the agricultural cropping sector,
660 we increased the fractional land use cover of cropping by 20 percentage points (i.e. 20%
661 becomes 40%) in all pixels where cropping currently occurs in Australia. We then proportionally
662 reduced all other land use fractions and vegetation cover estimates (e.g. tree density) to make
663 room for the increase in cropping. We then predicted each species' distribution under the
664 increased cropping scenario. The difference in each species' relative likelihood of occurrence in
665 each pixel between the baseline scenario and the cropping scenario can therefore be
666 interpreted as the per pixel predicted impact of increasing cropping intensity.

667
668 Species included in our case study analyses were those whose models had an AUC value of \geq
669 0.7 to ensure model predictions were relatively reliable. Then, to ensure our index was
670 calculated only on species that relied on the region relevant to each case study, we only
671 included species that had a maximum relative likelihood of occurrence of ≥ 0.8 within the study
672 regions.

673

674 **2. Conversion of Potentially Disappeared Fraction of Species to SOI**

675 To demonstrate the ability of the species occurrence index to be used to quantify the area of
676 restoration required to offset using a locally relevant metric, we developed an approach to
677 translate between a commonly used measure of ecosystem impacts of supply chain activity and
678 our species occurrence metric.

679

680 Yarra Valley Water have previously estimated the impacts of their direct and supply chain
681 activities using life cycle assessment. Specifically, their upstream supply chain impacts on
682 nature are estimated to be equivalent to 0.74 species.yr (Wright et al., 2025), as estimated
683 using ReCIPe (Huijbregts et al., 2017). This metric is interpreted as the potentially disappeared
684 fraction (PDF) of species globally due to Yarra Valley Water's upstream supply chain annually.

685

686 Using our framework and new metrics, we can translate between PDF and the species
687 occurrence index to estimate the area of restoration that may be required to offset Yarra Valley
688 Water's supply chain impacts on biodiversity.

689

690 ReCIPe metrics assume that there is an average species density across the globe of 1.48×10^{-8}
691 species per m^2 or 0.148 species/Ha (Huijbregts et al., 2017). Our species occurrence index
692 estimates a mean increase in occurrence probability from restoration of 0.04, which can be
693 interpreted as 0.04 per species. Therefore, the biodiversity benefits in terms of species.yr as
694 estimated by our SOI can be estimated to be:

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$$\begin{aligned} \textit{Benefit} &= \textit{SOI} \times \textit{species.ha} \\ &= 0.04 \times 0.148 \\ &= 0.00592 \textit{ species.ha.year} \end{aligned}$$

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We can then take both the estimates of impact from Yarra Valley Water’s supply chain and our estimated biodiversity benefits represented as species.yr to estimate the annual area of restoration required to offset their supply chain impacts. This can be calculated as follows:

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$$\begin{aligned} \textit{Annual Restoration Area} &= \frac{\textit{species.yr}}{\textit{species.ha.yr}} \\ &= \frac{0.74}{0.00592} \\ &= 125 \textit{ ha per year} \end{aligned}$$

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Therefore, in this worked example, the estimated annual area of restoration required to offset Yarra Valley Water’s supply chain impacts is 125 hectares. Importantly, however, this example has some important assumptions that mean it should only be treated as an illustrative example of converting between area, PDF and SOI, rather than a prescriptive recommendation. ReCIPE’s characterisation factors have a range of assumptions about the taxa being quantified, depending on the midpoint pressure (Huijbregts et al., 2017). For example, some characterisation factors only consider plants, others consider vertebrate species too (Huijbregts et al., 2017). By contrast, our case study species distribution models include only mammals, birds and reptiles and so our worked example here assumes that the mean benefit of restoration can be extrapolated beyond the taxa modelled. Restoration benefits can also take time to accumulate (Vesk et al., 2008), whereas our worked example here assumes benefits are realised annually.