

# NATURE WORKING GROUP



Responsible Investment  
Association Australasia



## Post Meeting Papers Nature Working Group Meeting #2

Thursday 13 June 2024 | 12pm to 1pm AEST/ 2pm to 3pm NZST

### Contents

Minutes  
Action register  
Attendance  
Slide Deck

Item	Action required
<b>1. Welcome (5 min)</b> <b>Co-Chair – Guy Williams (Pollination)</b> <ul style="list-style-type: none"><li>Opening</li><li>Acknowledgement of Country</li><li>Minutes from last meeting</li></ul> Principles of Participation	Submit any amendments to the Minutes to <a href="#">Noa Godsell (Working Group's Officer)</a>
<b>2. Special Presentation and Q&amp;A (25 min)</b> <b>Topic: NatSTART sharing session</b> Judy Slater (Chair, NSW Net Zero Emissions and Clean Economy Board; Director, Climate Leaders Coalition; President, WWF-Australia; Lead, AI@Scale Think Tank (National AI Centre), and Director, Talent Beyond Boundaries) and Sally Townsend (Head of Sustainability at the Blackmores Group) <ul style="list-style-type: none"><li>The NatSTART Tool is the biproduct of CEO's coming together to discuss ways investors can assist in achieving the Paris Targets whilst acknowledging that Climate cannot be addressed within a vacuum. This tool is designed to aid an investor whilst they are developing their capacity to identify practical and impact driven nature related change from within their organisation.</li><li>Every company has a different starting point and so will have developed different approaches. This tool compares human capital and natural capital to try and develop a new language to facilitate dialogue between different sectors and promote collaboration.</li><li>This Digital Tool references contexts investors may find helpful looking towards to guide them to the on ramps that already exist and help investors identify Biodiversity hotspots and understand how to set their geographic boundaries.</li></ul>	To access the special presentation, please log in to your <a href="#">Member Portal</a> and select; 1. <b>"LEARN"</b> (top bar), 2. <b>"Member Only Resources"</b> (bottom of drop-down menu), 3. <b>"Working Groups"</b> (Yellow Tile), 4. <b>"Human Rights Working Group"</b> (Scroll Down, Blue Box), 5. <b>"2024 Meetings And Special Presentations"</b> (Scroll Down, Underneath Working "Group Details") and then underneath the title: <b>"NatSTART sharing session"</b> , you

<ul style="list-style-type: none"> <li>○ Nature is not a switch and is too complex to jump ahead. Getting started on nature is a process and this tool hopes to aid Investors in their ability to evaluate their current processes as an attempt to rewrite the ways in which businesses interact with nature to create an environment where people and Nature can thrive together.</li> </ul>	<p>will find the recording of the special presentation, the Pre-meeting papers, and the Post meeting papers.</p> <p>If you require any assistance please contact, <a href="#">Noa Godsell (RIAA)</a></p>
<p><b>3. Industry Update (15 min)</b></p> <p><b>Stock Watch Report (5 min)</b></p> <ul style="list-style-type: none"> <li>• Jono Broome (Sustainalytics) <ul style="list-style-type: none"> <li>○ Currently we are seeing the release of new reporting in the National Pollution Innovatory. This reporting has found that despite just over a 5% reduction in outputs between 2022 and 2023, AGL energy saw their mercury deposits for their Bayswater power station almost double as well as almost a third more PM2.5 particles over the same period.</li> <li>○ Origin Energy's Eraring power station near lake Macquarie is demonstrating an even higher level of emissions and whilst Origin Energy had previously announced that this plant was set to be closed by August 2025, media reports suggest it is possible that the Australian government will subsidize the plant to avoid risks of black outs during high demand periods beyond August 2025.</li> <li>○ For more information, please see attached slides.</li> </ul> </li> </ul> <p><b>Aotearoa New Zealand Update (5 min)</b></p> <ul style="list-style-type: none"> <li>• Greg Munford (NZ Super) <ul style="list-style-type: none"> <li>○ In Aotearoa New Zealand we are currently seeing reformations of policy within environmental protection and natural resources led by the Aotearoa Circle. This will have knock on effects for the NZ taxonomy which is in development.</li> <li>○ As part of RIAA's role as the Australian and New Zealand's convener of the Consultation Group for the TNFD, RIAA recently hosted an implementation forum in Aotearoa, New Zealand. The Forum was designed to acknowledge the historical and ecological footprint as well as share with its participants the importance of early engagement.</li> </ul> </li> </ul> <p><b>'Risky Business 2.0: How Banks and Super Funds are progressing on Nature-related risk management two years on' – Australian Conservation Foundation (ACF) (5 min)</b></p> <p>Audrey van Herwaarden (Australian Conservation Foundation) and Madeline Combe (University of Technology Sydney)</p> <ul style="list-style-type: none"> <li>○ The Australian Conservation Foundation recently released a research paper, "<a href="#">Risky business: Australia's banks and super funds not well prepared for nature risks - Australian Conservation Foundation (acf.org.au)</a>" which aims to assess the progress banks and superfunds have made on their management of nature related issues, identify key companies within the nature space, and attempt to guide their engagements on nature. The paper asks banks and superfunds to create a clear nature related risk management plan which includes transparent disclosures and to have a layout of public expectations.</li> </ul>	<p>For more information regarding the Stock Watch Report, please contact, <a href="#">Jono Broome (Sustainalytics)</a></p> <p>For more information regarding the Aotearoa Update, please contact, <a href="#">Greg Munford (NZ Super)</a></p> <p>For more information regarding "Risky Business 2.0", please contact, <a href="#">Audrey van Herwaarden (ACF)</a></p>

<p><b>4. Subgroup Updates (5 min)</b></p> <p><b>Nature Toolkit (5 min)</b></p> <ul style="list-style-type: none"> <li>Claire Molinari (Care Super) <ul style="list-style-type: none"> <li>RIAA's new Nature investor toolkit is designed to assist an investor whilst they are scanning a portfolio, to identify any nature related opportunities present to aid them in informed nature stewardship.</li> <li>Draft 1 is underway with thanks to the toolkit team.</li> </ul> </li> </ul>	<p>For more information regarding the Nature Toolkit Subgroup, please contact, <a href="#">less Rowe (RIAA)</a></p>
<p><b>5. General Updates (5 min)</b></p> <p><b>RIAA's Policy Work (5 min)</b></p> <ul style="list-style-type: none"> <li>Nayanisha Samarakoon (RIAA) <ul style="list-style-type: none"> <li>Submission to consultation on nature positive laws were informed by NWG and NWGERG, and focused on transparency and certainty as well as making submissions consistent with central tenets: noting that delays compromise broader objectives around progressing to a decarbonised economy and limits a whole-of-government approach to sustainability, and the proposed Australian definition of 'nature positive' differs from the global definition, to the detriment of international interoperability and alignment.</li> <li>Sustainable Finance Taxonomy submissions close 30 of June. Draft headline ambitions centre around environmental and nature factors.</li> </ul> </li> </ul>	<p>For more information on RIAA's Policy Work, please contact: <a href="mailto:policy@responsibleinvestment.org">policy@responsibleinvestment.org</a></p>
<p><b>6. Closing remarks - Claire Molinari (Co-Chair)</b></p> <p>Next Meeting: June 13 2024 – <a href="#">register here</a></p>	<p>For noting</p>

## Action Register

Ref.	Action	Delegation	Status
New			
18/24	Next Meeting – <b>Thursday, 12<sup>th</sup> September</b> (12pm to 1:00pm AEST/2pm to 3:00pm NZST) – <a href="#">Register Here</a>	All	Pending
17/24	Submit any amendments to the Minutes to <a href="#">Noa Godsell (RIAA)</a>	All	Pending
16/24	For more information on RIAA's Policy Work, please contact: <a href="mailto:policy@responsibleinvestment.org">policy@responsibleinvestment.org</a>	All	Pending
15/24	If you have any inputs on the Nature Working Group's work plan for 2024, Please contact <a href="#">less Rowe (RIAA)</a>	All	Pending
14/24	For more information regarding the Nature Toolkit Subgroup, please contact, <a href="#">less Rowe (RIAA)</a>	All	Pending
13/24	For more information regarding "Risky Business 2.0", please contact, <a href="#">Audrey van Herwaarden (ACF)</a>	All	Pending
12/24	For more information regarding the Aotearoa Update, please contact, <a href="#">Greg Munford (NZ Super)</a>	All	Pending

11/24	For more information regarding the Stock Watch Report, please contact, <a href="#">Iono Broome (Sustainalytics)</a>	All	Pending
10/24	To access the special presentation, please log in to your <a href="#">Member Portal</a> and select; 1. <b>“LEARN”</b> (top bar), 2. <b>“Member Only Resources”</b> (bottom of drop-down menu), 3. <b>“Working Groups”</b> (Yellow Tile), 4. <b>“Human Rights Working Group”</b> (Scroll Down, Blue Box), 5. <b>“2024 Meetings And Special Presentations”</b> (Scroll Down, Underneath Working “Group Details”) and then underneath the title: <b>“NatSTART sharing session”</b> , you will find the recording of the special presentation, the Pre-meeting papers, and the Post meeting papers.  If you require any assistance please contact, <a href="#">Noa Godsell (RIAA)</a>	All	Ongoing
Previous			
9/24	Next Meeting - Thursday 13 June – Register <a href="#">HERE</a>	All	Closed
8/24	Submit any amendments to the Minutes to <a href="#">Noa Godsell (RIAA)</a>	All	Closed
7/24	Contact <a href="#">Jess Rowe (RIAA)</a> , <a href="#">Claire Molinari (Co-Chair)</a> or <a href="#">Guy Williams (Co-Chair)</a> with any inputs on the working work plan for 2024	All	Ongoing
6/24	For more information on the 2024 Working Groups or the RIAA conference, please contact <a href="#">Noa Godsell (RIAA)</a>	All	Ongoing
5/24	For more information on the Nature Investor toolkit, Please contact <a href="#">Claire Molinari (Co-Chair)</a>	All	Closed
4/24	For more information on the First Sentier Nature and Biodiversity Toolkit, please contact <a href="#">Joanne Lee (First Sentier Investors)</a>	All	Closed
3/24	For more information on the StockWatch report, please contact <a href="#">Iono Broome (Sustainalytics)</a>	All	Closed
2/24	For more information on Nature Market Policy NZ and Biodiversity metrics, please contact <a href="#">Catrina Rowe (Silver Fern Farms)</a>	All	Closed
1/24	For more information on Nature Market Policy NZ and Biodiversity metrics, please contact <a href="#">David van der Zouwe (NZ Department of Conservation)</a>	All	Closed
1/24	For more information on regulatory changes in relation to labour rights and the workplace, please contact <a href="#">Samantha Ramsay (HRC)</a>	All	Completed

## Attendees (63)

	First Name	Last Name	Company
1	Brent	Rechter	ACSI
2	Madeline	Combe	Altiolem Limited
3	Aryanie	Amellina	ANU
4	Janelle	Morrison	Ausbil Investment Management

5	Meri	Vukasin	Ausbil Investment Management
6	Ella	Robinson	Australian Ethical Investment
7	Steven	Lade	Australian National University
8	James	Hewitt	Awc
9	Sally	Townsend	Blackmores Group
10	Philip	Bateman	Bravo Charlie
11	Nirav	Shah	BT Funds Management (NZ) Ltd - the investment arm of Westpac in NZ
12	Claire	Molinari	CareSuper
13	Caroline	Paterson	Colonial First State
14	Kate	Gill-Herdman	Corrs Chambers Westgarth Lawyers
15	Alice	Jones	Devon Funds Management
16	Jessie	Pettigrew	Equip
17	Joanne	Lee	First Sentier Investors
18	Tom	Lambert	Frontier Advisors
19	Kana	Thorpe	Funds SA
20	Elyse	Weatherby	Future Super
21	John	Simon	Gottstein Trust Fund
22	Judy	Slatyer	Individual supporter
23	Julia	Leske	ISS ESG
24	Mirtha	Kastrapeli	ISS ESG
25	Soumya	Munagala	ISS ESG
26	Lauren	Moore	ISS STOXX
27	Christine	Laban	KPMG New Zealand
28	Amelia	Slaytor	Liverpool Partners
29	Jocelyn	Davison	Metrics Credit Partners
30	Shannon	Taylor	Minderoo Foundation
31	Rachel	Tinkler	Mint Asset Management
32	Sam	Shephard	Morrison
33	Amy	Sparks	Morrison Global
34	David	Whittaker	Northcape Capital Pty Ltd
35	Kokila	Kalavagunta	Northcape Capital Pty Ltd
36	Ankur	Gupta, CFA	Northern Trust Asset Management
37	Greg	Munford	NZ Super Fund
38	Bridgette	McDonald	Pamoda Consult
39	Jessica	Scott	Pendal
40	Harry	Agnew	Perpetual
41	Guy	Williams	Pollination
42	Veda	Fitzsimons	Pollination
43	Abi	Curtis	PRI
44	Briony	Doyle Galovic	Responsible Investment Association Australasia
45	Jess	Rowe	Responsible Investment Association Australasia
46	Joshua	Edmunds	Responsible Investment Association Australasia
47	Nayanisha	Samarakoon	Responsible Investment Association Australasia
48	Noa	Godsell	Responsible Investment Association Australasia
49	Stacey	Sellwood	Rest
50	Dianna	Enlund	S&P Global Sustainable1

51	Larissa	Taylor	Savoir Consulting: ESG, Sustainability, Food & Agribusiness
52	Pai	Liu	Schroders Investment Management Australia Limited
53	Miles	Wu	State Super
54	Jono	Broome	Sustainalytics, a Morningstar Company
55	Audrey	Van Herwaarden	The Australian Conservation Foundation
56	Helen	Murray	The Gottstein Trust
57	Gael	Ogilvie	Tread Lightly Advisory
58	Catherine	Bodnar	Trust Mangement Investments Limited
59	Rachel	Alembakis	U Ethical Investors
60	Ines	Ivankovic	UniSuper
61	Sarah	McCarthy	UniSuper
62	Darya	Boukata	University Of Sydney Business School
63	Erin	Kuo	Yarra Capital Management

# RIAA's Nature Working Group

*Meeting #2 | Thursday 13 June*

With special thanks to our Principal Partners



Responsible Investment  
Association Australasia





# Co-Chairs of RIAA's Nature Working Group



**Guy Williams**, Director at Pollination  
Capital Partners Pty Limited



**Claire Molinari**, Head of ESG at CareSuper



# Purpose

The NWG is a forum for members to:

- Exchange information and resources
- Updates on members' activity
- Collaborate on policy and research, implementation and advocacy opportunities on matters relating to Nature relevant to investors, researchers and advisers.

All this is aimed at building members' understanding and capabilities for assessing and respecting human rights, mitigating risks in investment and strengthening the companies in which funds are invested.

# RIAA Working Group *Principles of participation*

- Confidentiality
- No self-promotion
- Declaration of conflicts of interest
- Representation
- Collaboration between members
- Positive change in practice / policy
- Not engage in or discuss competitively sensitive information
- Apolitical

# Special Presentation and Q&A *NatSTART sharing session*



**Judy Slater**, Chair of NSW Net Zero Emissions and Clean Economy Board; Director at Climate Leaders Coalition; President at WWF-Australia; Lead at AI@Scale Think Tank (National AI Centre), and Director at Talent Beyond Boundaries



**Sally Townsend**, Head of sustainability at the Blackmores Group

# Australian Climate Leaders Coalition



Current Members

47

Total Revenue (AUD)

588B

Employees

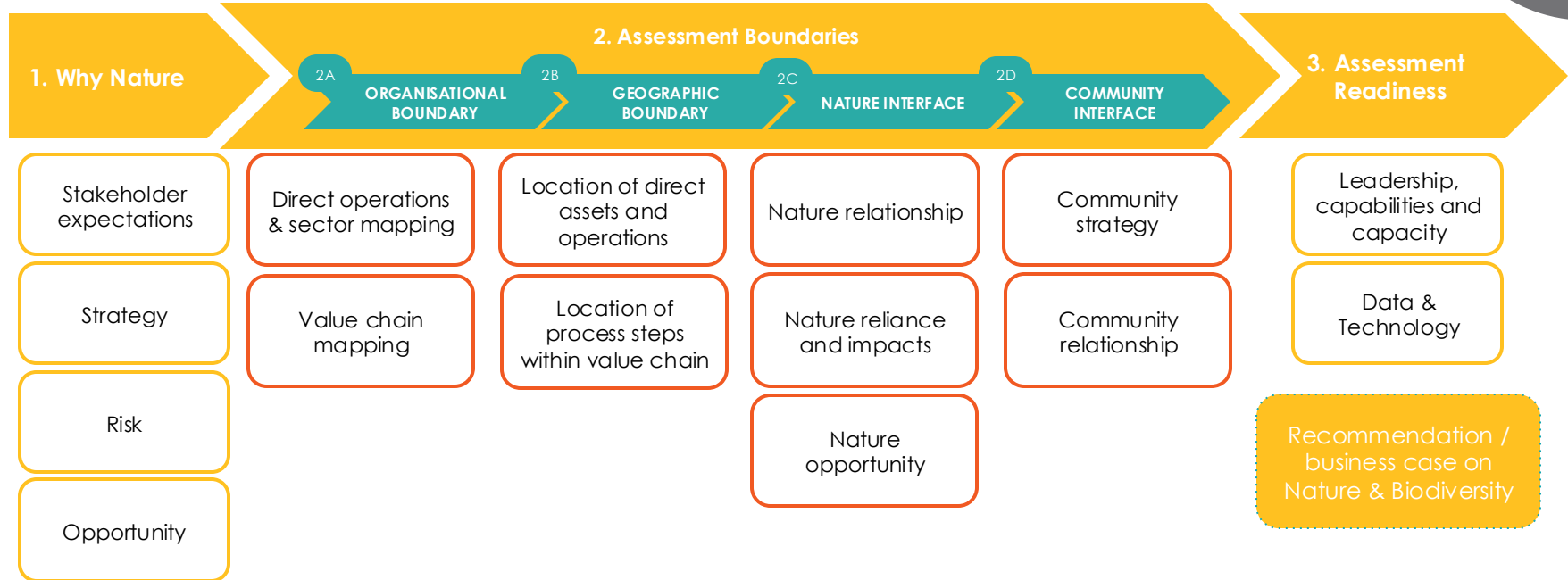
949K

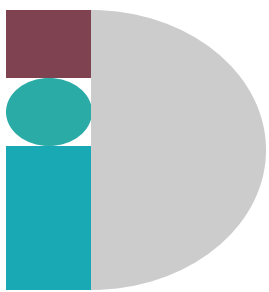
Total Reported Emissions

147.2Mt

# NatSTART - Nature Scoping Tool

NatSTART builds awareness, and sets groundwork for broader nature strategy, transformation & disclosure





# Accessing NatSTART

Scan this QR code to register  
your interest in accessing the  
NatSTART tool



- Where in your value chain do you understand to be your most material Nature-related impacts and dependencies?
- Is Nature embedded in your enterprise risk framework?
- Has a material risk related to Nature/biodiversity been identified within your business and reported to your Board?
- What teams across your business are involved in assessing your impacts and dependencies on nature and your exposure to nature?
- What sources are you using to grow your understanding (data and expertise)?
- How are you thinking about those areas where you have no visibility or capacity to influence?
- What steps are you taking to set targets / disclose TNFD?
- What new systems or resourcing models have you put in place to respond to nature-related assessments and reporting?



# Industry updates

- **Stock Watch Report**

*Jono Broome (Sustainalytics)*

- **Aotearoa New Zealand Update**

*Greg Munford (NZ Super)*

- **‘Risky Business 2.0: How Banks and Super Funds are progressing on Nature-related risk management two years on’ – Australian Conservation Foundation (ACF)**

*Audrey van Herwaarden (Australian Conservation Foundation)*

*Madeline Combe (University of Technology Sydney)*

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RIAA NATURE WORKING GROUP

## Nature Related Controversies Monitoring

June 2024

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Jono Broome – Associate Director, Client Relations

[Jono.broome@morningstar.com](mailto:Jono.broome@morningstar.com)

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# Sustainalytics Controversies Monitoring



## New Reporting in the National Pollution Inventory

### AGL Energy Ltd. Multi-Utilities Australia



#### Category 2 – Emissions, Effluents & Waste – New South Wales

– Media outlets reported that AGL Energy’s Bayswater power station in Australia emitted 48% more mercury particles and 32% more PM2.5 particles to air in 2023 compared to 2022. This is despite output reducing 5.2% over the same period.

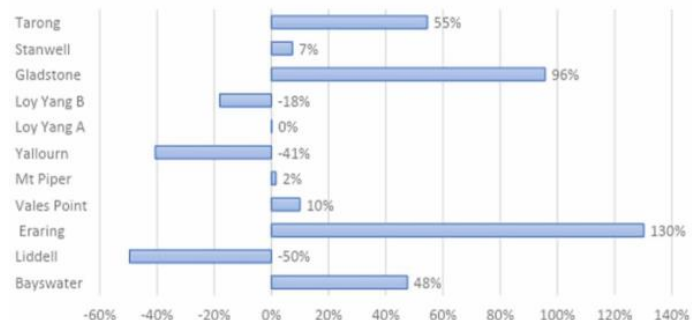
### Origin Energy Ltd. Multi-Utilities Australia



#### Category 2 – Emissions, Effluents & Waste – New South Wales

– Origin Energy’s Eraring power station, near Lake Macquarie NSW, emitted 130% more mercury particles, 88% increase in PM2.5 particles, 16% increase in PM10 particles, and 15% increase in sulfur-dioxide emissions in 2023 vs 2022 despite only a 10.7% increase in output. Origin Energy previously announced the closure of the plant by August 2025, while media outlets reported that the Australian government would subsidize Origin to extend the plant to reduce the risk of blackouts during high-demand periods beyond August 2025.

% change in emissions (kg) of Mercury since 2021-22



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# Industry updates

- **Stock Watch Report**

*Jono Broome (Sustainalytics)*

- **Aotearoa New Zealand Update**

*Greg Munford (NZ Super)*

- **‘Risky Business 2.0: How Banks and Super Funds are progressing on Nature-related risk management two years on’ – Australian Conservation Foundation (ACF)**

*Audrey van Herwaarden (Australian Conservation Foundation)*

*Madeline Combe (University of Technology Sydney)*



# Risky Business: 2024 Progress Report

## 2022 Next Steps

### What Financial Institutions can start doing today

1. Publicly acknowledge that nature is a material risk.
2. Conduct high level sector based DOUBLE materiality assessment.
3. Evaluate nature related impacts, dependencies, risk and opportunities in depth.
4. Identify priority companies to actively engage with.

### Expectations for the next 1-2 years

1. Set time-bound targets and science-based policies to protect and restore nature across all relevant dimensions.
2. Advocate for reforms of nature-related policies.



## 2024 Key Findings

**Momentum is growing.** Banks and super funds have made clear progress, with more institutions having performed nature-related assessments in 2024, compared to 2022.

This momentum is expected to continue, and in the next two years, we expect that 40% of financial institutions surveyed will have set nature-related targets.

**Understanding of nature-related risk is becoming increasingly sophisticated, but management strategies are lacking.** While most super funds have identified nature as a material risk and have incorporated nature into responsible investment policies, few funds have nature-specific policies aimed at managing or mitigating the nature-related risks and opportunities in their portfolios.

**More advocacy is needed from financial institutions.** Perceived pressure from Australian regulators has dropped since 2022. As such, greater advocacy from financial institutions is needed to support regulators to implement mandatory nature-related risk disclosures to ensure Australia doesn't fall behind international jurisdictions.



# Risky Business: 2024 Next Steps

**1. Set science-based targets for nature, covering the most material financed issues.** Super funds should complement these targets by setting public expectations of the companies they invest in.

**2. Transparently disclose nature-related impact and dependency assessments, using a double materiality approach.** This should be expanded on to understand how identified impacts and dependencies give rise to nature-related risks and opportunities.

**3. Have a clear nature-related risk management process in place** that integrates the assessment and identification of nature-related issues into the development of management strategies and monitoring.

## To demonstrate leadership:

Engage with regulators to support mandatory nature-related disclosures and play an active role in advocacy initiatives to facilitate accelerated nature-aligned financial practices.



# Subgroup Updates

- **Nature Toolkit**

*(Claire Molinari, CareSuper)*

# Other Business Updates

- **RIAA's Policy Update**

*(Nayanisha Samarakoon, RIAA)*

# RIAA CONFERENCE AOTEAROA NZ 2024

Mā te mahi, ka ora. Through work, we thrive.



19 September | Auckland

Early bird  
ends  
**30 June**



# Working Group Member Portal

All Working Group meeting minutes and recordings are uploaded to the RIAA Member Portal.

Access the portal by scanning the QR Code to the right and using your Glue Up credentials.



## Upcoming Working Group Meetings

View full list of [RIAA's events here](#).

### **Aotearoa Collaborative Working Group #2**

*Tuesday 25 June | 9am–10.30am AEDT/11am–12.30pm NZST (hybrid event)*

### **First Nations Peoples' Rights Working Group #3**

*Thursday 8 August | 2pm–3.30pm AEST/4pm–5.30pm NZST*

### **Human Rights Working Group #3**

*Thursday 22 August | 12pm–1.30pm AEDT/2pm–3.30pm NZST*

### **Nature Working Group #3**

*Thursday 12 September | 12pm–1pm AEDT/2pm–3pm NZST*

**RESPONSIBLE INVESTMENT  
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Association Australasia