

# NATURE WORKING GROUP



Responsible Investment  
Association Australasia



## Meeting #1 2024 Post Meeting Papers

Via Zoom – Friday 15 March 2024, 12:00pm to 1:00pm AEST / 2.00pm to 3:00pm NZST

### Contents

Meeting minutes

Action Register

Attendees

Attachments

- 1) Meeting Slide Deck
- 2) Special Presentation Slides
- 3) StockWatch Report
- 4) First Sentier Update

### Minutes

Item	Action required
<b>1. Welcome</b> <b>Co-Chair Claire Molinari (CareSuper)</b> <ul style="list-style-type: none"><li>○ Acknowledgement of Country</li><li>○ Minutes from last meeting</li><li>○ Principles of Participation and Purpose</li></ul>	Submit any amendments to the Minutes to <a href="#">Noa Godsell (Working Group's Officer)</a>
<b>2. Special presentation and Q&amp;A - Nature Market Policy NZ and Biodiversity metrics</b> <b>David van der Zouwe – Director of Strategic Partnerships and Investment at The Department of Conservation (DOC)</b> <ul style="list-style-type: none"><li>• In New Zealand (NZ) we are seeing an emergence of nature markets within the public sector, mimicking the nature markets starting to emerge internationally, both by private groups and some Governments. These markets are focused on funding nature conservation by introducing biodiversity credits to preserve NZ heritage, manage threats to nature, monitor &amp; report on relevant conservation related issues, restore freshwater ways and biodiversity as well as research and develop more efficient ways of caring for nature. The NZ DOC is also creating strategic partnerships to amplify the significance of their impact.</li><li>• Biodiversity credits are a form of 'green financing' that refers to tradeable units in a market that recognise, in standardised ways, either projects and/or activities that provide positive outcomes for biodiversity used to encourage and facilitate private investment in protecting the environment. There have been several recent events in the international space encouraging the uptake of nature markets such</li></ul>	For More information, please contact <a href="#">David van der Zouwe (NZ Department of Conservation)</a>

<p>as recommendations from the <a href="#">Taskforce on Nature-related Financial Disclosures (TNFD)</a> or the forming of international groups such as the '<a href="#">Biodiversity Credit Alliance</a>'.</p> <ul style="list-style-type: none"> <li>• DOC's Strategic Partnerships group focussed on developing and managing the most impactful partnerships to secure direct financial contribution to programs of work, create highly effective and enduring collaboration at a landscape scale, simplifying complexity of at-place management, maintain effective coordination and collaboration between adjacent landowners.</li> <li>• There has been some interest by the new Government in exploring biodiversity credits. The National Party '<a href="#">Blueprint for a Better Environment</a>' outlined they will support wetland rehabilitation by 'investigating biodiversity credits to reward the creation of new wetlands'. The role (if any) for the Government is not yet decided, but suggestions include operation of the market and registry, verification of claims, independent monitoring, funding injections, etc.</li> </ul> <p><b>Catrina Rowe - Sustainability Manager at Silver Fern Farms</b></p> <ul style="list-style-type: none"> <li>• Sustainable farming is a huge part of NZ's journey towards a sustainable environment. Investing in companies committed to a net zero target, is a great way to support this transition. A great way to get an understanding of a product is to look for certifications like Toitū's range of carbon and environmental impact certifications.</li> <li>• 'Net Carbon Zero by Nature' is a phrase used to refer to the offset of total emissions generated by each kilogram of product sold to net zero, by actively growing permanent vegetation (Known as removals) on the group of farms that supply the product. To achieve and maintain a 'Net Carbon Zero by Nature' certification, these emissions and removals need to be independently measured and verified, from production to the consumer and a broader commitment needs to be made when reducing emissions and be demonstrated over time.</li> <li>• We are currently seeing the emergence of nature impact labelling and carbon labelling, which are labels on a product's packaging that is designed to inform the consumer of the product's nature related impacts. This is a great way for products to improve their transparency, brand alliance and increases the likelihood of a consumers actively making a more nature positive decisions.</li> </ul>	<p>For more information, please contact <a href="#">Catrina Rowe (Silver Fern Farms)</a></p>
<p><b>3. Industry and Working Group updates</b></p> <p><b>StockWatch Report - Jono Broome (Sustainalytics)</b></p> <ul style="list-style-type: none"> <li>• The StockWatch report provides an update on recent nature related controversies focusing this meeting on the Simandou Project in Guinea and the concerns for the communities and habitats that will be affected by this Iron Ore mining project.</li> <li>• For more information, read the full StockWatch Report attached below.</li> </ul> <p><b>First Sentier Nature and Biodiversity Toolkit - Joanne Lee (First Sentier Investors)</b></p> <ul style="list-style-type: none"> <li>• In May 2023, First Sentier internally launched a toolkit focusing on Freshwater and forests and then later in September that year released the toolkit under the name '<a href="#">Investors Can Assess Nature Now</a>' (ICANN guide).</li> <li>• Some of the toolkit's key learnings were: Data and tools already exist, more location-based data is becoming available, Making the steps clear helps implementation, let's not make perfect the enemy of good and confirming that investors can drive positive change.</li> </ul>	<p>For more information, please contact <a href="#">Jono Broome (Sustainalytics)</a></p> <p>For more information, please contact <a href="#">Joanne Lee (First Sentier Investors)</a></p>

<b>4. SubGroup and Updates</b> <b>Nature Investor Toolkit - Claire Molinari (CareSuper)</b> <ul style="list-style-type: none"> <li>We have had an initial meeting between the co-chairs to ensure we can move forward with this toolkit this year. The co-chairs are undertaking some writing and will reach out to engage the larger toolkit group when ready to go ahead with this.</li> </ul>	For more information, Please contact <a href="#">Claire Molinari (Co-Chair)</a>
<b>6. Closing remarks - Claire Molinari (Co-Chair)</b> Next Meeting: June 13 2024 – <a href="#">register here</a>	For noting

## Action Register

Ref	Action	Delegation	Status
New			
9/24	Next Meeting - Thursday 13 June – Register <a href="#">HERE</a>	All	Pending
8/24	Submit any amendments to the Minutes to <a href="#">Noa Godsell (RIAA)</a>	All	Pending
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	Pending
6/24	For more information on the 2024 Working Groups or the RIAA conference, please contact <a href="#">Noa Godsell (RIAA)</a>	All	Pending
5/24	For more information on the Nature Investor toolkit, Please contact <a href="#">Claire Molinari (Co-Chair)</a>	All	Pending
4/24	For more information on the First Sentier Nature and Biodiversity Toolkit, please contact <a href="#">Joanne Lee (First Sentier Investors)</a>	All	Pending
3/24	For more information on the StockWatch report, please contact <a href="#">Jono Broome (Sustainalytics)</a>	All	Pending
2/24	For more information on Nature Market Policy NZ and Biodiversity metrics, please contact <a href="#">Catrina Rowe (Silver Fern Farms)</a>	All	Pending
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	Pending

## Attendees (56)

	First Name	Last Name	Company
1	Adrian	Ward	Accounting for Nature Ltd
2	Venn	Purnell	Active Super
3	Emmanuel	Gbe	AMP Limited
4	Michaela	Young	Anthesis
5	Nancy	Wang	ANZ
6	Andy	Mahony	ANZ NZ Investments
7	Romy	Faulkner	ASCI
8	Ella	Robinson	Australian Ethical Investment Ltd
9	Michael	Cornish	Australian Land Conservation Alliance
10	Steven	Lade	Australian National University
11	Rae	Addison	AustralianSuper
12	Nirav	Shah	BT Funds Management (NZ) Ltd - the investment arm of Westpac in NZ
13	Aiman	Muhayuddin	CareSuper
14	Claire	Molinari	CareSuper
15	Amber	Sun	Cbus
16	Phoebe	Baker	CEFC
17	Alice	Bielawska	CGI Glass Lewis
18	Gabriel	Le	Challenger Limited
19	Beth	Te Wiata Vale	Chartered Accountants Australia and New Zealand
20	Kate	Gill-Herdman	Corrs Chambers Westgarth
21	David	Van Der Zouwe	Department of Conservation   Te Papa Atawhai
22	Callum	Morris	Duxton Capital (Australia) Pty Ltd
23	Alex	Mason	Duxton Capital Australia
24	Mayleah	House	Ethical Partners Funds Management
25	Joanne	Lee	First Sentier Investors
26	Tarren	Summers	Franklintempleton
27	Marie	Cardaci	Frontier Advisors Pty Ltd
28	Craig	Blundell	Greville Analytics
29	Saksham	Malhotra	HESTA
30	Rena	Pulido	IFM Investors

31	Julia	Leske	ISS ESG
32	Bonnie	Mappin	KPMG Australia
33	Christine	Laban	KPMG New Zealand
34	Tim	King	Melior Investment Management
35	Rachel	Tinkler	Mint Asset Management
36	Sam	Shephard	Morrison
37	Rayne	Van den Berg	NatCap+
38	Lili	Pechey	National Australia Bank Limited
39	Rosemary	Bissett	NATIONAL AUSTRALIA BANK LIMITED (NAB)
40	Carly	Hammond	New Forests Asset Management Pty Limited
41	Greg	Munford	NZ Superfund
42	Bridgette	McDonald	Pamoda Consult
43	Michael	van Niekerk	Peakview Strategy
44	Harry	Agnew	Perpetual
45	Vanya	Sturm	Platypus Asset Management Pty Ltd
46	Guy	Williams	Pollination
47	Olivia	Back	Pollination Capital Partners Pty Limited
48	Sebastian	Thomas	QIC
49	Briony	Doyle Galovic	RIAA
50	Jess	Rowe	RIAA
51	Estelle	Parker	RIAA
52	Noa	Godsell	RIAA
53	Catrina	Rowe	Silver Fern Farms
54	Jono	Broome	Sustainalytics, a Morningstar Company
55	Suzanne	Ridding	Suzanne Ridding trading as Sustainable Business Consultants
56	Abi	Curtis	UNPRI

# RIAA's Nature Working Group

Meeting #1 - Friday 15 March

With thanks to Principal Partners:



Responsible Investment  
Association Australasia



# Co-Chairs of RIAA's Nature Working Group



**Claire Molinari**

Head of ESG at CareSuper



**Guy Williams**

Director at Pollination Capital Partners Pty Limited

# Principles of Participation

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

# Special Presentation and Q&A: Nature Market Policy NZ and Biodiversity Credit Markets: NZ Perspective



**David van der Zouwe**

Strategic Partnerships and Investment at The Department of Conservation



**Catrina Rowe**

Sustainability Manager - Silver Fern Farms

# Industry Updates

- **StockWatch Report**

(Jono Broome, Sustainalytics)

- **First Sentier Nature and Biodiversity Toolkit**

(Joanne Lee, First Sentier Investors)

# Industry Updates

- **StockWatch Report**

(Jono Broome, Sustainalytics)



**SUSTAINALYTICS**

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RIAA NATURE WORKING GROUP

## **Nature Related Controversies Monitoring**

**March 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

1 Low 2 Moderate 3 Significant 4 High 5 Severe



## South32 Ltd. – Diversified Metals Mining – Australia

**Category 2** – South32 subsidiary Illawarra Coal Holdings agreed to pay a record AUD 2.9 million penalty after draining drinking water without a license for its Dendrobium coal mine in NSW. This consisted of 5,000 cubic metres of drinking water per day between 2018 and 2023 contributing to water stress in the local ecosystem. In direct feedback to Sustainalytics in November 2023, agreed to implement various environmental protection works at the mine worth ~AUS 2.9 million, including funding for a water-related community project developed with NRAR and other stakeholders. The company has also formally applied for a water withdrawal license.



## BHP Group Ltd. – Diversified Metals Mining – Australia

- Update on Mariana dam disaster (Brazil) and legal proceedings

A Brazilian federal judge ruled that Vale SA, BHP, and their joint venture Samarco must pay BRL 47.6 billion (USD 9.67 billion) for damages caused by the 2015 Mariana dam collapse. The judge stated that the money would be put into a state fund and used for projects and initiatives for the area affected by the dam collapse. New claims in January 2024 have alleged that the company was aware of dam defects before the incident occurred



## Rio Tinto Ltd. – Diversified Metals Mining – Australia

**Category 2** – Work is set to commence in 2024 on the world's largest mining project, the Simandou Iron Ore Project in Guinea amid habitat concerns. The USD 20bn project by JV Simfer is near the Mount Nimba Strict Nature Reserve, a UNESCO World Heritage Site, and according to a report by BankTrack risks destruction of critical habitats for endangered species, deforestation, environmental pollution and displacement of local communities. Simandou's species include 136 of the critically endangered western chimpanzee.

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# Industry Updates

- **First Sentier Nature and Biodiversity Toolkit**

(Joanne Lee, First Sentier Investors)

# Subgroup Update

- **Nature Investor Toolkit**

(Claire Molinari, CareSuper)

# RIAA CONFERENCE AUSTRALIA 2024

Navigating the race through ESG growth and tightening regulations

1 & 2 May | ICC Sydney

Register  
Now

riaa  
Responsible Investment  
Association Australasia



# Other Updates

- TNFD Event 30<sup>th</sup> April supported by RIAA and UNPRI
  - Workshop on LEAP
    - Tony Goldner, Guy Williams, Caroline Leeshaa, Alex Banks and a series of case studies
  - RIAA Nature Working Group Members to save the date
  - Invitations coming soon
  - **30th April at 9am** (Day before the RIAA Conference)
- TNFD [Sector Guidance and discussion papers](#) open for market consultation and feedback
  - The additional guidance publications will build upon the TNFD recommendations to help organisations get started on integrating nature into decision making, supporting flows away from nature-negative outcomes and toward nature-positive outcomes.
  - **Deadline 29<sup>th</sup> March 2024**

# Working Group Member Portal

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

Access the portal using your Glue Up credentials here:



## Working Group Meetings for 2024

**Aotearoa Collaborative Working Group** – Thursday 21 March 9am – 10.30am AEDT/11am – 12.30pm NZDT (hybrid event, in-person at Mercer Auckland office & online)

**First Nations Peoples' Rights Working Group #2**, Thursday 16 May - 12pm – 1.30pm AEST / 2pm – 3.30pm NZST

**Human Rights Working Group #2**, Thurs 30 May - 12pm – 1.30pm AEST / 2pm – 3.30pm NZST

**Nature Working Group**, Thursday 13 June - 12pm – 1.30pm AEST / 2pm – 3.30pm NZST

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



Responsible Investment  
Association Australasia

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Association Australasia

# Nature Markets in New Zealand



Department of  
Conservation  
*Te Papa Atawhai*

March 2024

# Department of Conservation



- NZ heritage
- Managing threats to nature
- Monitoring & reporting
- Freshwater restoration
- Restoring biodiversity
- Research & development

## Strategic Partnerships

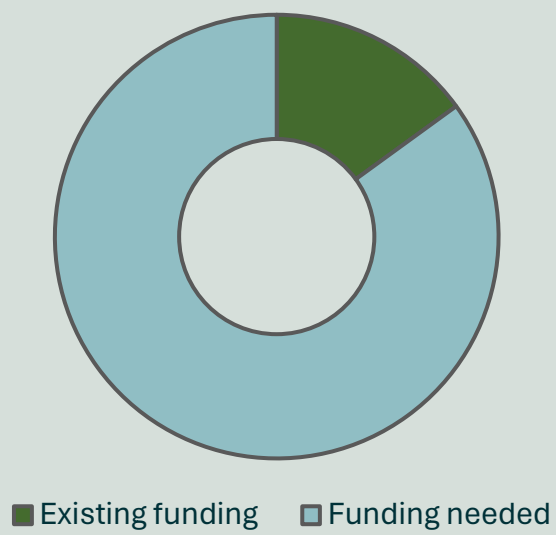
- Amplifying biodiversity outcomes
- Increasing resources to support the work
- Driving biodiversity systems change



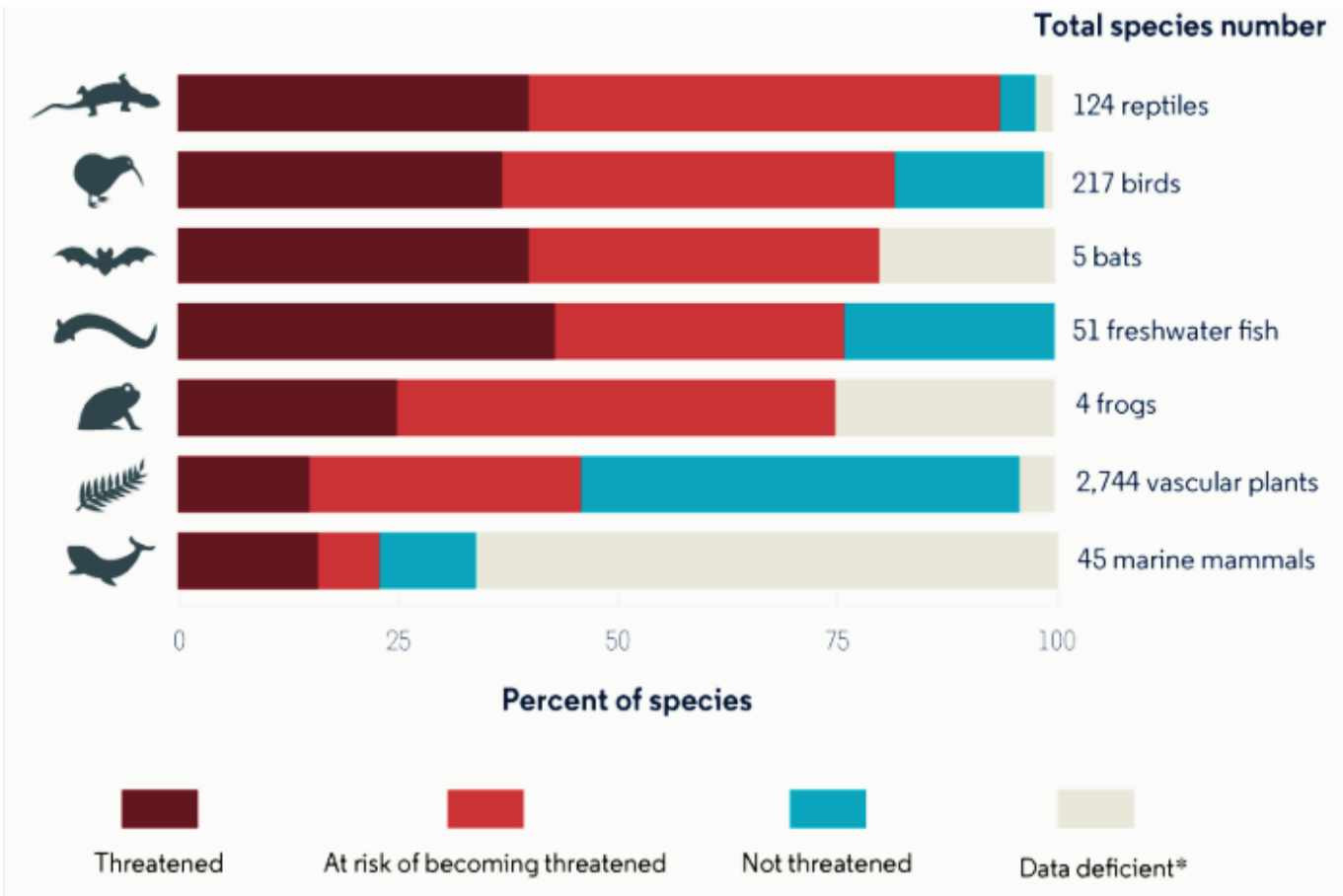
© shellie evans

# Biodiversity in New Zealand

Current funding for biodiversity



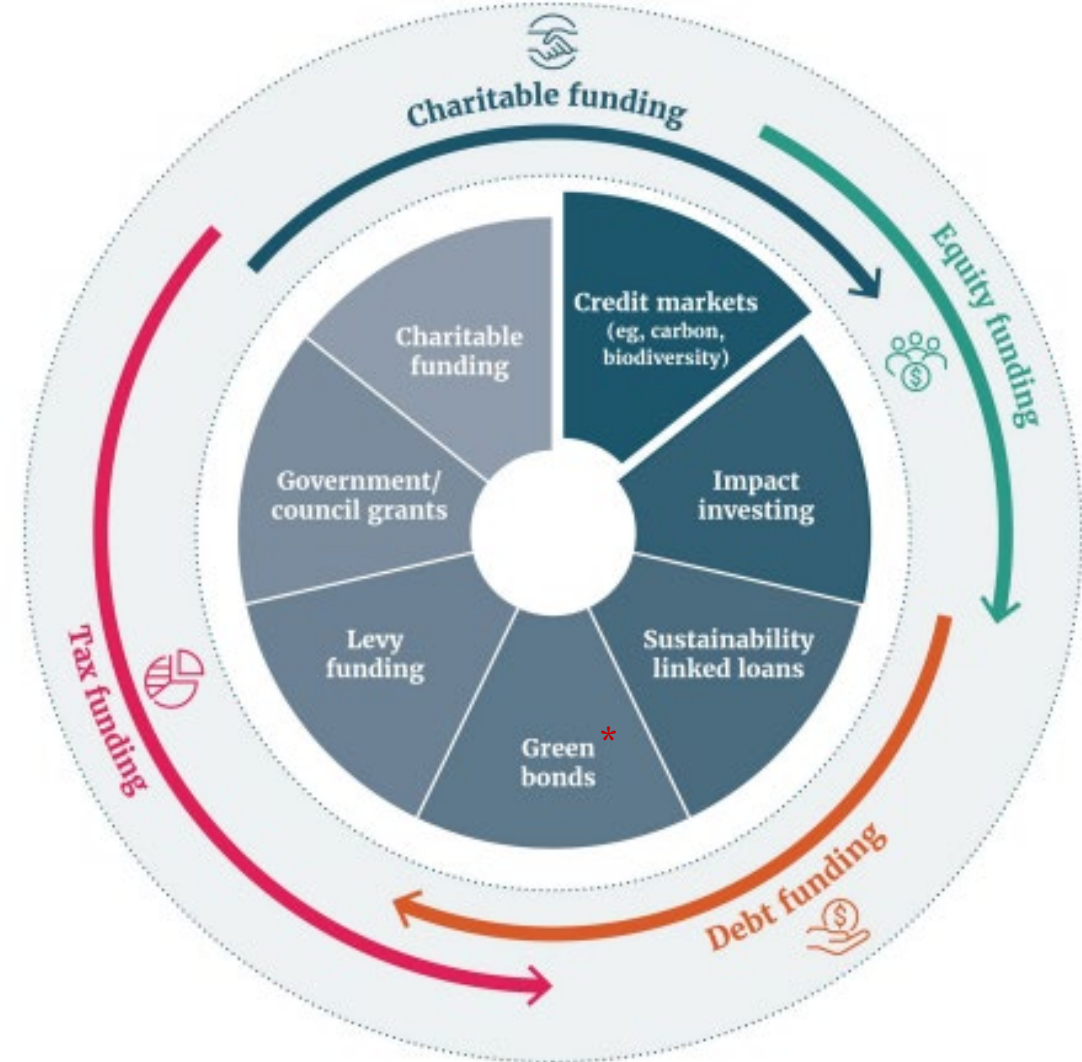
Conservation status of native species by species group



## Biodiversity credits as a tool

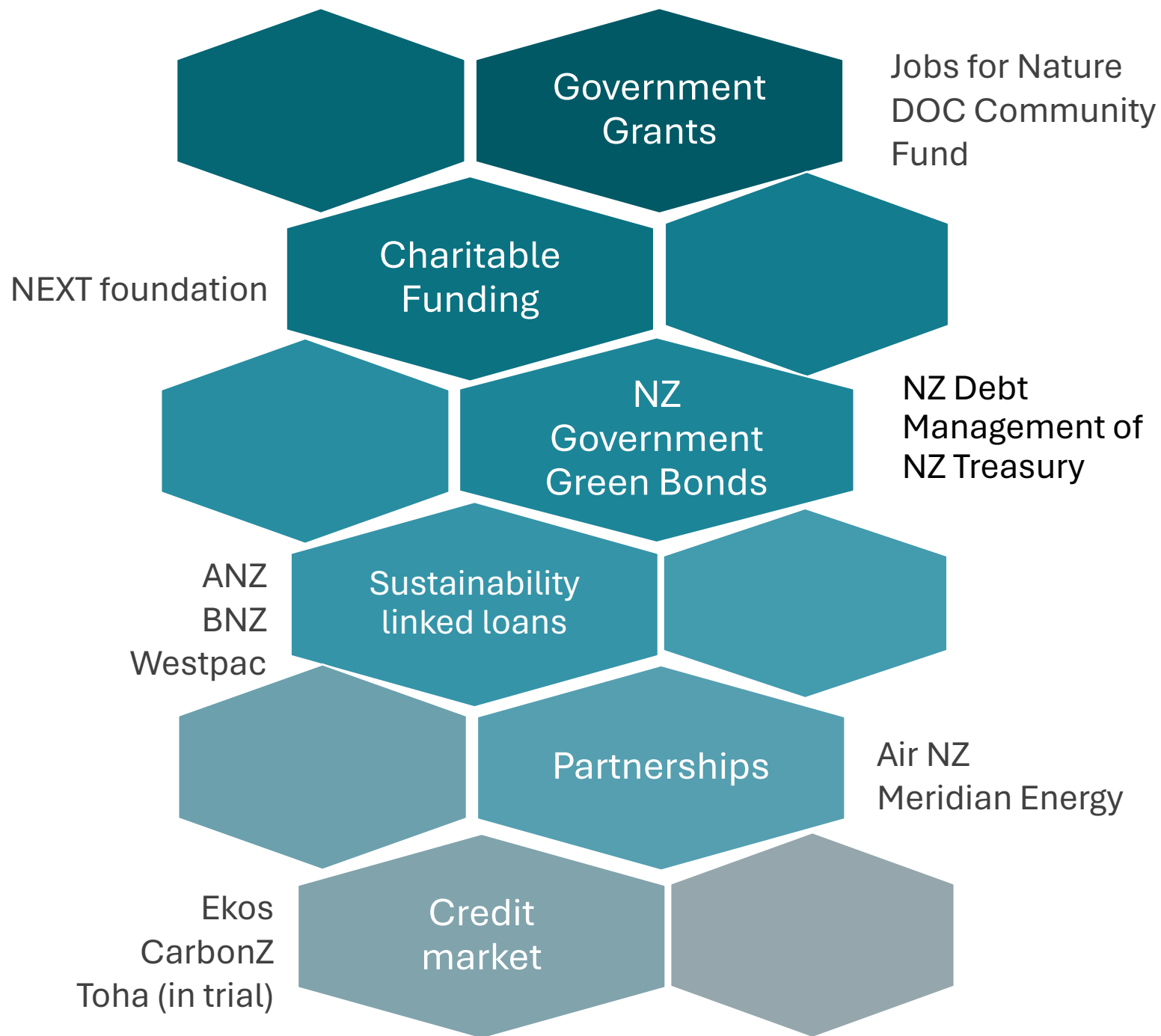


## Examples of green financing mechanisms



**\* Please note:** David is a member of the steering group that oversees New Zealand Sovereign Green Bonds issued by the NZ Debt Management Office of the Treasury of New Zealand.

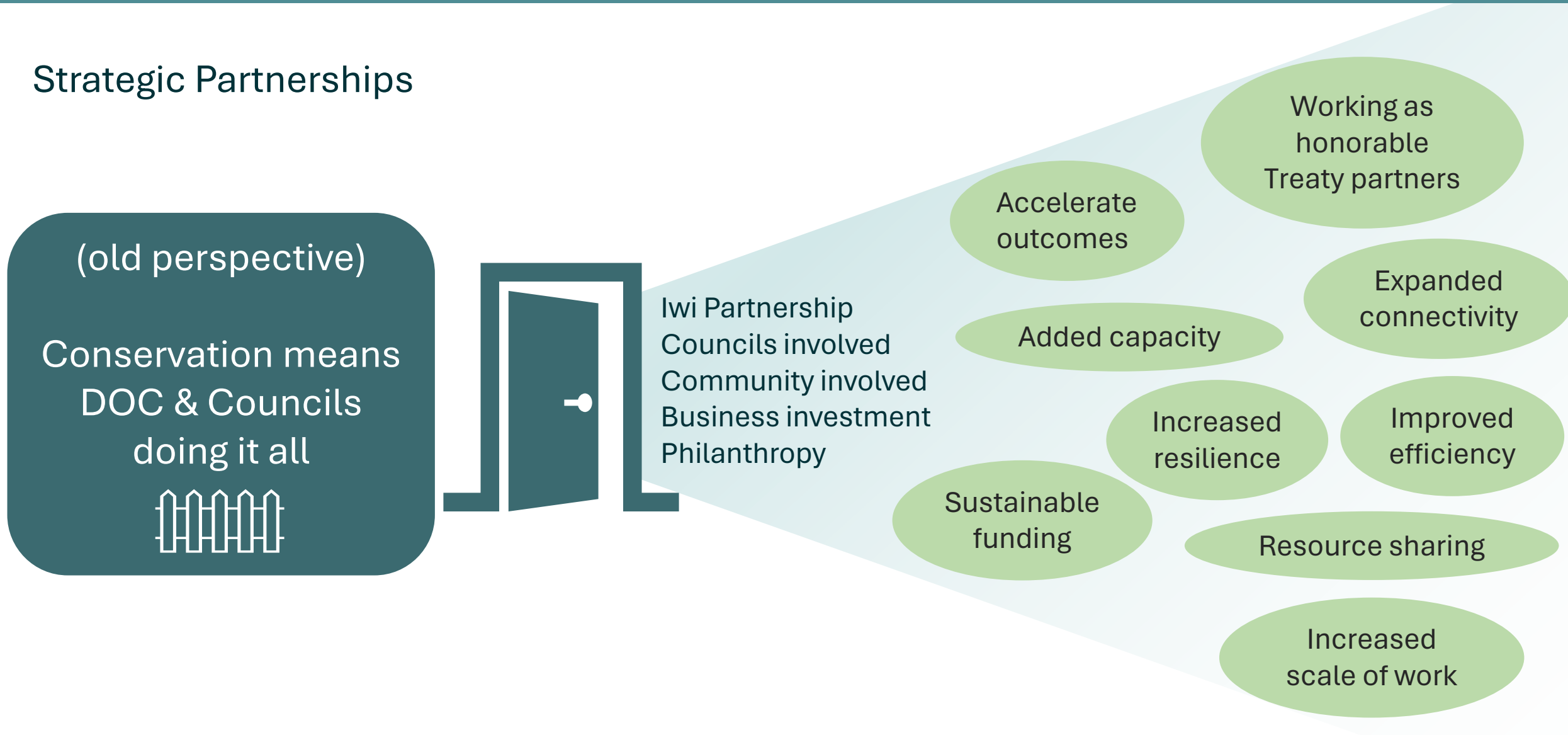
# Nature markets emerging in NZ



# DOC's challenge

How to support biodiversity with limited resources & lack of public awareness on the biodiversity crisis?

## Strategic Partnerships



# Strategic Partnerships Framework

Why are we here?

We're reversing the biodiversity decline in New Zealand so that Papatūānuku Thrives.

We accelerate the journey toward the vision of Te Mana o Te Taiao  
“Te Mauri Hikahika o Te Taiao” by harnessing the right collective effort & resource,  
directing it toward our priority conservation work in partnership.

Partnership Principles  
(must haves)

*Accelerating outcomes*     *Partnering for purpose*

*Honourable Treaty Partner*

*Values alignment with partners*     *Optimal use of resources*

Our focus

Partnership development process

## Strategic Objectives

*(1) Enable and support Land-Seascape Collaborations to deliver biodiversity outcomes, at scale*

*(2) Increase the resources committed from external partners, to support DOC's priority work programs.*

*(3) Enable significant ramp up in priority biodiversity effort on private land.*

*(4) Support cross-system collaboration to activate and drive biodiversity systems change*

Strong foundations within DOC

# Future Developments

& Next steps



Continued development of biodiversity credits

- Government interest in providing support
- Private sector interest in creating offerings

Philanthropic support for conservation is growing quickly

Business investment in nature holds increasing interest



Thank you

**OUR PURPOSE**

Creating goodness  
from the farms  
the world needs

**OUR VALUES**

Always caring

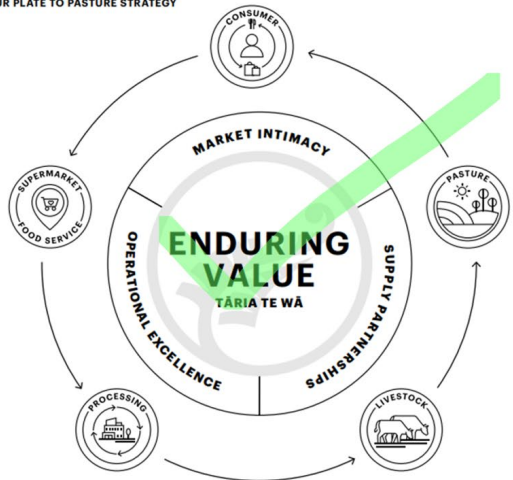
Unstoppable together

Improving tomorrow

**OUR SUSTAINABILITY ACTION PLAN**

Good by  
Nature.

**OUR PLATE TO PASTURE STRATEGY**



**OUR GOALS**

- 1 Committed to always being market-led
- 2 Becoming a trusted nature positive producer
- 3 Delivering connected ecosystems
- 4 Enriching our peoples' lives and their wellbeing
- 5 Performing to invest in our future



Sustainability action plan

Silver Fern Farms  
Good by Nature



## Sustainability action plan

- |  |   |
|--|---|
| <p><b>1 – Climate Innovation</b></p> <p><i>Creating a climate positive future</i></p> <ul style="list-style-type: none"> <li>Reducing emissions across the value chain</li> <li>Creating low carbon opportunities</li> <li>Building business resiliency</li> </ul>                                     | <p><b>5 – People &amp; Wellbeing</b></p> <p><i>Enriching people's lives through work</i></p> <ul style="list-style-type: none"> <li>Safety, health &amp; mental well being</li> <li>Diversity &amp; inclusion</li> <li>Social Equity</li> </ul> |
| <p><b>2 – Enhancing Nature</b></p> <p><i>When nature thrives, we thrive</i></p> <ul style="list-style-type: none"> <li>Sustainable future for farmers</li> <li>Developing Regenerative Agriculture</li> <li>Treading lightly within operations</li> </ul>  | <p><b>6 – Disruptive Innovation</b></p> <p><i>Creating options for value &amp; growth</i></p> <ul style="list-style-type: none"> <li>Innovation &amp; insights</li> <li>Sustainable value creation</li> </ul>                                   |
| <p><b>3 – Circular Future</b></p> <p><i>Creating value – the path to zero waste</i></p> <ul style="list-style-type: none"> <li>Reducing waste</li> <li>Creating value</li> <li>Circular design thinking</li> </ul>   | <p><b>7 – Community &amp; Belonging</b></p> <p><i>Together we are stronger</i></p> <ul style="list-style-type: none"> <li>Growing Silver Fern Farms community</li> <li>Supporting the regional community</li> </ul>                             |
| <p><b>4 – Trust &amp; Connection</b></p> <p><i>Most trusted partner</i></p> <ul style="list-style-type: none"> <li>Building responsible supply chains</li> <li>Highest standard livestock supply</li> <li>World leading transparency &amp; traceability</li> <li>Trusted thought leadership</li> </ul> | <p><b>8 – Te Ao Māori</b></p> <p><i>Respecting our unique Aotearoa/NZ identity</i></p> <ul style="list-style-type: none"> <li>Inclusiveness</li> <li>Partnerships</li> <li>Cultural Progression</li> <li>Wai/Whenua</li> </ul>                  |



# Good by nature

Creating goodness from the farms  
the world needs...

# Creating Goodness

Silver Fern Farms is a powerful global food brand and innovative leader in nourishment-led sustainability solutions that respond to market demand for nature positive stuff.

We are pioneering approaches to:



reduce emissions across the value chain



account and report for full scope emissions including from livestock



grow & develop incentives and premiums that support positive change on-farm



connect to independent and high integrity assurance and accreditation partners that verify our claims



build scalable and affordable tech solutions to measure nature assets and track growth/health



bridge the gap between farmers and customers through a data-rich nature footprinting/index tool



ensure trust at every step through innovative customer and consumer data visualisation and impact labelling solutions



create customer/consumer connection through compelling propositions, and opportunities to join a movement for change

100% made of  
Aotearoa New Zealand.

A natural advantage on the journey  
to nature positive.  
can trust

# From the Farms the World Needs

New Zealand sheep & beef farms are special, our farmers are careful stewards of the land and are admired worldwide for their low-input and innovative approach to pastoral agriculture:

- Sheep and beef farms cover 8.8 million hectares or 1/3 of New Zealand's land mass
- Approximately 93% of commercial sheep and beef farms are owner-operated, and many are held by iwi/Māori and inter-generational farming families
- The carbon footprint of New Zealand sheep and beef (LCA analysis) is amongst the lowest in the world
- Sheep and beef production equals 70% of total agricultural land in New Zealand, but only makes up 17% of total irrigation use
- A quarter of New Zealand's native vegetation is found on sheep and beef farms, covering 2.8 million hectares.

These farms produce delicious beef, lamb and venison and have a shared history of innovation. Our mighty network of 16,000 supplier farms represents one of the strongest and most unique food production systems in the world.

# Join the movement

- By partnering with Silver Fern Farms you are connecting to a world-leading innovation system for nature-led food production
- Delicious grass-fed products that meet the highest standards of animal welfare and come from fully assured farms
- Net Carbon Zero by Nature manages product emissions footprint via vegetation on the farms the animals were raised
- World-leading vegetation and biodiversity mapping and AI-based reading platform
- Silver Fern Farms' Nature Positive Index means Nature is assessed, baselined and accounted for on all supply farms
- We're delivering incentives to our farms to accelerate and scale nature-based solution on their farms
- Unique planetary-fact labelling system allows customers and consumers to easily connect with and trust the stewardship of our farmers
- Our partnership with nature investment platform MAHI means customers and consumers can join a movement to grow nature, and support nature-rich food production

Eat safe in the  
knowledge  
you're helping  
not harming  
this planet





SILVER  
FERN  
FARMS

100% MADE OF NEW ZEALAND



At Silver Fern Farms, we are reimagining our approach to emissions. Recognising that we can have a wider impact and play a bigger part in positive change. That means doing things the right way, not the easy way.

Net Carbon Zero by Nature, fully certified by Toitū, is New Zealand's first certified grass-fed, end-to-end Net Carbon Zero red meat, where the equivalent of 100% of end-to-end emissions have been absorbed by trees growing within the farms where the animals we're raised. We are using whole-of farm thinking to utilise all woody vegetation on farms to provide positive benefit. Silver Fern Farms are supporting and incentivising our farmers to protect, restore and add to the amount of native bush and tree plantings – gullies, riparian areas, fence lines, summer shade and shelter belts, so that our farm environments are better able to capture carbon, and become more biodiverse.

#### **What is 'Net Carbon Zero by Nature'?**

'Net Carbon Zero by Nature' means that the total emissions generated by each kilogram of product sold, need to be balanced to net zero, by actively growing permanent vegetation (removals) occurring on the group of farms that supply the product. To achieve and maintain our Net Carbon Zero by Nature certification, these emissions and removals need to be independently measured and verified, from plate to pasture and we need to commit to reducing these emissions over time.



# CARBON LABELLING



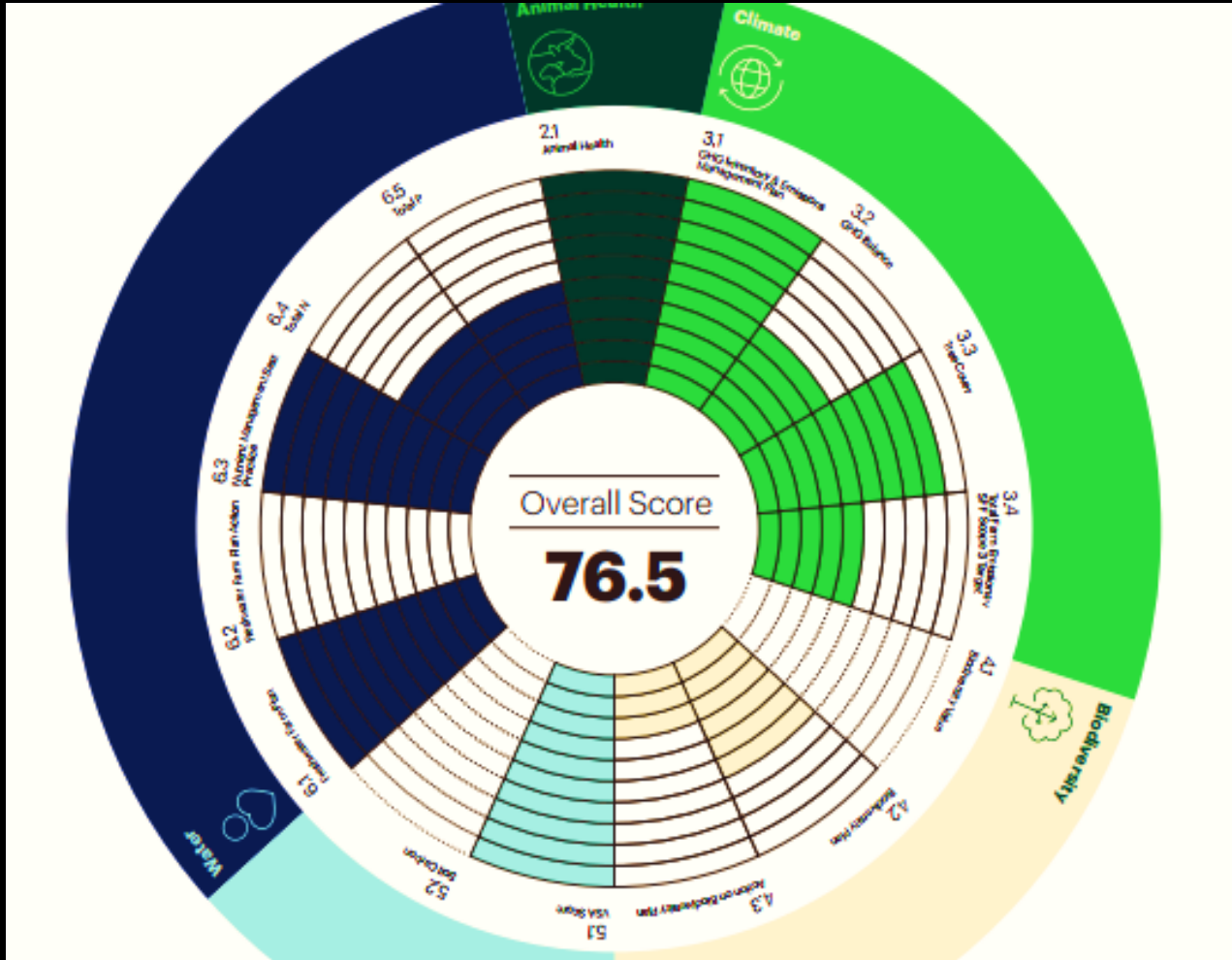
## Carbon footprint for this pack

Carbon lifecycle by stage	kgCO <sub>2</sub> e per 300g	% of total emissions
On farm	8.63	96.8%
Processing and packaging	0.10	1.1%
Distribution	0.05	0.5%
In store	0.08	1.0%
Storing and cooking	0.06	0.6%
Disposal of packaging	<0.00	<0.0%
<b>Total kgCO<sub>2</sub>e / 300g of beef</b>	<b>8.92</b>	

Product footprint based on 2022 data (29.73kgCO<sub>2</sub>e/kg beef) audited by Toitū Envirocare, with rounding applied.

Introduce radical transparency onto the shelf, our assured carbon labelling solution meets global best practice, and accounts for all emissions from when the animal is born to when cooking takes place and packaging is disposed of at home.

Accurate and independent carbon-labelling is a transparent tool which will help to build trust with consumers and reinforce the benefits of nature-rich food production.



Silver Fern Farm's Nature Positive index builds a bridge between careful farmers and conscious consumers. The Index tracks and aggregates farm performance data across animal welfare, biodiversity, climate, water and soil to demonstrate constant improvement and nature positive outcomes.

By taking a basket of indicators approach we can provide robust evidence of nature-based practice and performance at farm, supply and system level.

The microcredentials created via the index can be bespoke depending on customer needs and can be adapted for a range of sales, compliance, reporting and disclosure purposes.

We are working with a range of tech partners, scientists and experts to support, scale and certify the index approach.

# NATURE POSITIVE INDEX

# NATURE IMPACT LABELLING



STATUS



IN DEVELOPMENT

MARCH

Meshing current  
NP index data  
with planetary  
accounting  
framework

APRIL

Consumer/  
Customer  
Testing

MAY

Refinement

JUNE

MVP



Impact labelling is the next frontier for meeting conscious consumer demand for food that is good from them and good for the planet. International research shows that impact labels, alongside nutrition labels, can be very effective in driving sustainable purchasing.

We are working on an innovative Planetary Facts-based labelling system that would visualise the impact of our/a production system across 9 areas and potentially facilitate benchmarking between products and production systems.

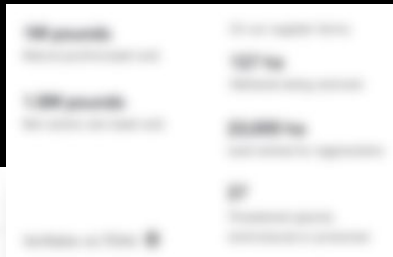
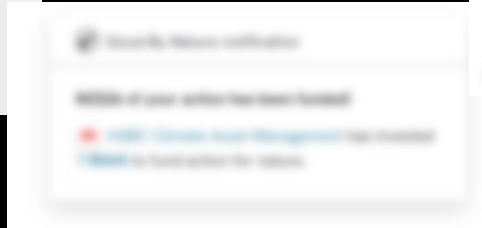
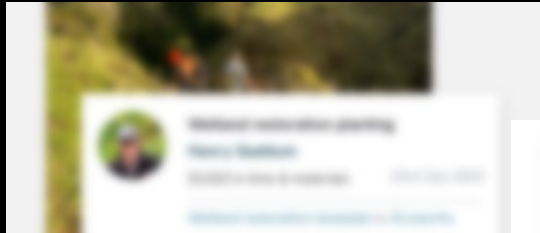
The labelling system could be delivered on pack, or also provide impact information via QR code/App.





# GOOD BY NATURE

## IMPACT INVESTING ON-FARM



### STATUS



IN DEVELOPMENT

#### MARCH

FINALISING SFF  
USE CASES FOR  
MAHI PLATFORM

#### MARCH

ESTABLISH GOOD  
FOR NATURE  
FUND

#### APRIL

ON-BOARDING  
INVESTMENT  
READY PROJECTS  
FROM SFF  
NETWORK

#### MAY

TEST  
INVESTMENT  
PROPOSITION  
WITH NATURE  
INVESTORS

#### JUNE MVP



Silver Fern Farms is working with Toha – a cooperative network dedicated to getting scaled capital to the frontline of climate action and work in service to nature.

Together we are prototyping products that connect to the world's most discerning consumers and drive capital to the best Silver Fern Farmers to grow nature. Investment on our farms would be via our Good for Nature biodiversity fund.

By partnering with Silver Fern Farms, and potentially investing in Good for Nature. An investor could bundle action claims from the collective of farms supplying the range and use this within climate & nature disclosures and impact reporting. Customers purchasing products can also review claims and connect/invest in impact on farm.

Ngā Mihi

## Monitoring Nature Related Controversies

### March 2024

## Rio Tinto

Category 2 – Land Use and Biodiversity

Guinea

[Work begins on Simandou project amid chimp habitat concerns](#)

[Reuters - 30 Jan 2024](#)

Media outlets reported that Rio Tinto would invest USD 6.2 billion investment in the development of the Simandou Iron Ore Project, in Guinea, amid conservationists' concerns over the impacts on communities living near the mines and critically endangered western chimpanzees. According to media sources, the project would start production in 2025, while conservationists warn that at least 136 chimpanzees living on the Guinean side of the Nimba range, which includes a portion of Mount Nimba Strict Nature Reserve, a UNESCO World Heritage Site would be affected. Simandou was home to more than 700 more of the great apes, and in 2021 the consortium that was developing Simandou faced criticism after it blasted a railway tunnel underneath their habitat. The Simandou project is developed by Simfer joint venture, in which Rio Tinto holds a near 50% stake.

[Companies to start the development of the Simandou project](#)

[DredgeWire - 10 Jan 2024](#)

Media outlets reported that Rio Tinto would commence the development of the Simandou Iron Ore Project, in Guinea, in 2024. According to media sources, Rio Tinto's partners received final approval from Beijing to develop the Simandou project, which would be the world's biggest mining project. Rio Tinto would reportedly build an iron ore mine, known as the Simfer project, in partnership with a consortium led by Aluminum Corporation of China and a second mine would be built by Baowu. Rio Tinto holds a 53% stake in the Simfer project.

[NGO highlights the impact of Simandou project in Guinea](#)

[BankTrack - 14 Nov 2023](#)

A project profile published by BankTrack alleged that Rio Tinto's Simandou Iron Ore Project, in Guinea, risked the displacement of local communities, lost livelihoods, the destruction of critical habitats for endangered species, deforestation, and environmental pollution. According to the NGO, the construction of the railway and mine sites would likely force hundreds of people to leave their lands and homes. In addition, the railway that was constructed for the Simandou project crossed a territory inhabited by at least 450 communities, some already impacted by the railway infrastructure. Blocks 3 and 4 of the Simandou project are owned by joint venture Simfer, in which Rio Tinto holds a 53% stake.

## South32 Ltd

Category 2 – Water Use

NSW, Australia

### Company provides feedback since last Stockwatch on Dendrobium mine water use Company Feedback 2023 - 13 Nov 2023

According to feedback provided by South32 in November 2023, a probe launched by the New South Wales Natural Resources Access Regulator (NRAR) revealed an alleged water breach at the Dendrobium mine. Consequently, the company entered into an enforceable undertaking and agreed to implement various environmental protection works and activities at the mine worth approximately AUS 2.9 million (USD 1.8 million). According to South32, the activities would involve providing funding for a water-related community project developed collaboratively with NRAR and other stakeholders. The company also stated that in March 2023, a new surface water licensing regime came into effect allowing water allocations to certain coal mines, including the Dendrobium mine, and the company applied for water licenses under the new regime.

### Company fined for diverting drinking water to mine without licence [Mining Tech](#) - 12 Jul 2023, also see [report](#) from ABC (11 Jul 2023)

Media outlets reported that South32 subsidiary Illawarra Coal Holdings agreed to pay a record AUD 2.9 million (USD 1.9 million) penalty after it admitted to draining drinking water without a licence for its Dendrobium coal mine, in Australia. According to media sources, an investigation launched by the Natural Resources Access Regulator (NRAR) revealed that the company drained five megaliters of water from the catchment area each day between 2018 and 2023 without a permit. Grant Barnes, NRAR's chief regulatory officer, said the penalty was an alternative to court action, and South32 would be monitored closely. South32 also agreed to pay AUD 70,000 (USD 47,946) to cover the costs of the investigation, as well as legal and monitoring charges, and to invest in new technologies to improve surface water management and report the monitoring results annually.

## BHP Group Ltd

### Update on the Mariana/Germano mine lawsuit

In addition to the group action lawsuit brought against BHP in England, the compensation claim from Brazil's federal government has progressed. These cases are related to the 2015 Fundão tailings dam disaster in Minas Gerais, Brazil.

### Brazilian court imposes USD 9.6 billion compensation payment [Reuters](#) - 26 Jan 2024

A Brazilian federal judge ruled that Vale SA, BHP, and their joint venture Samarco must pay BRL 47.6 billion (USD 9.67 billion) for damages caused by the 2015 Mariana dam collapse. According to media sources, it was not clear how much of the total stipulated in the sentence each company owed. The judge stated that the money would be put into a state fund and used for projects and initiatives for the area affected by the dam collapse. The companies issued separate statements alleging that they were not informed by the judiciary about the decision, and Samarco declined to comment.

### Brazil court ratifies new claims in Germano mine dam lawsuit [Law360](#) - 12 Jan 2024

Media outlets reported that a Brazilian High Court judge granted permission for lawyers to add new claims to a GBP 36 billion (USD 46 billion) lawsuit filed by Brazilian federal prosecutors over the

November 2015 Germano mine dam failure. According to media sources, the new claims alleged that the company was aware of dam defects before the incident occurred. No additional details were provided.



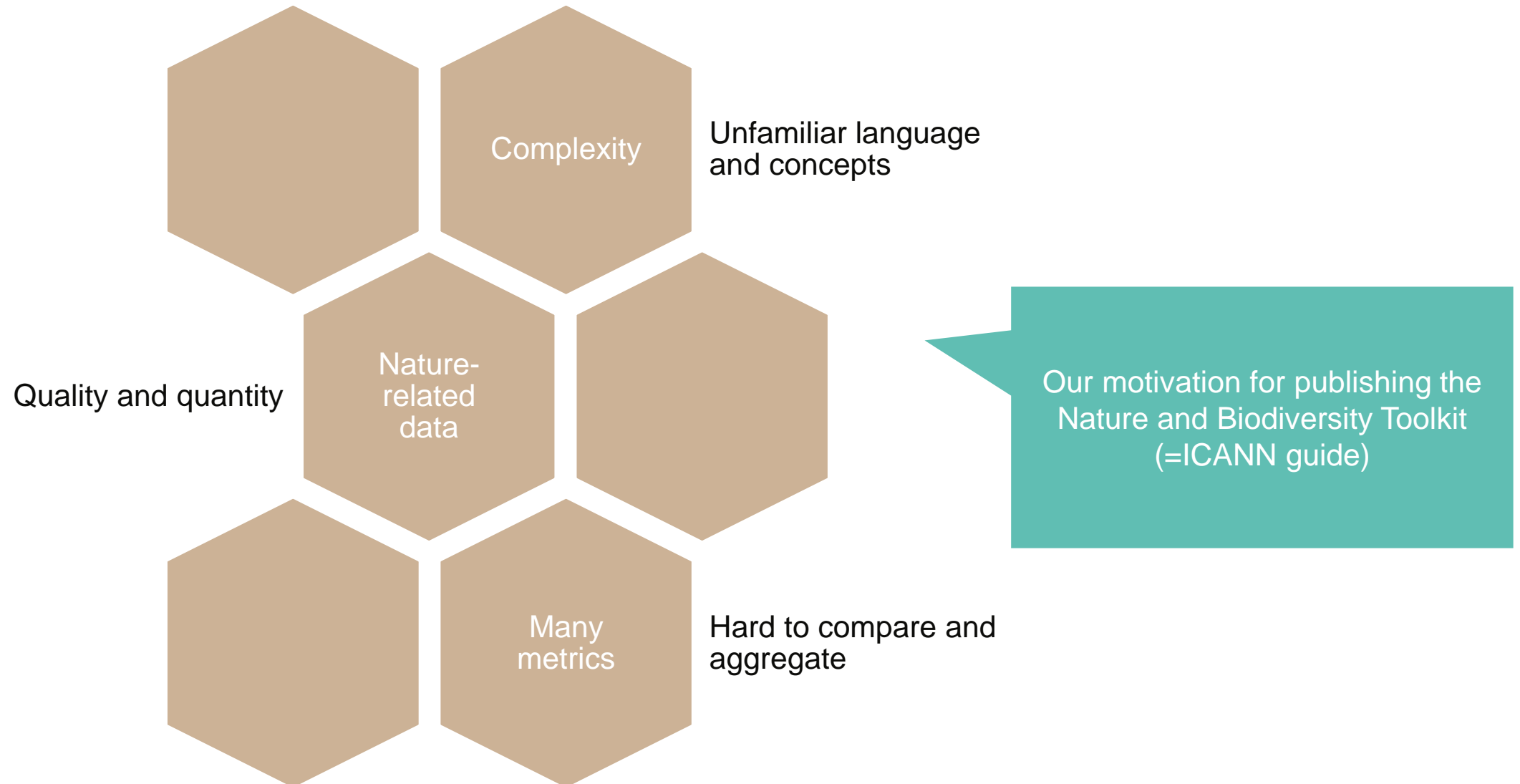
# Investors Can Assess Nature Now

Joanne Lee,  
Responsible Investment Specialist

March 2024



# Investors face challenges to start working on nature and biodiversity



- Biodiversity as RI focus area in 2020
- Nature and biodiversity working group set up in 2022 focusing on freshwater and forests
- Internal launch of the Toolkit in May 2023
- External publication “Investors Can Assess Nature Now\*” (ICANN guide) launched in September 2023
- Implementation phase leading to targeted engagement

- Focusing on freshwater and agriculture-driven deforestation
  - Targets listed equities and corporate bond issuers
  - Proposes a due diligence framework for investors



\*<https://www.firstsentierinvestors.com.au/au/en/institutional/insights/latest-insights/start-assessing-our-global-economys-greatest-asset-now-nature.html>

# Process for Assessment and Engagement

**Sector-level  
assessment of  
exposure, dependency  
and impacts**



Sector Materiality Tool  
Heatmap exercise  
suggested in the TNFD  
recommendation

**Company  
prioritisation and  
assessments**



Based on available  
data mapping  
Assessment guidance  
and principles  
Company examples

**Company  
engagement on  
material issues**



Engagement  
objectives  
Engagement  
framework  
Sample questions to  
choose from

**Record-keeping and  
reporting**

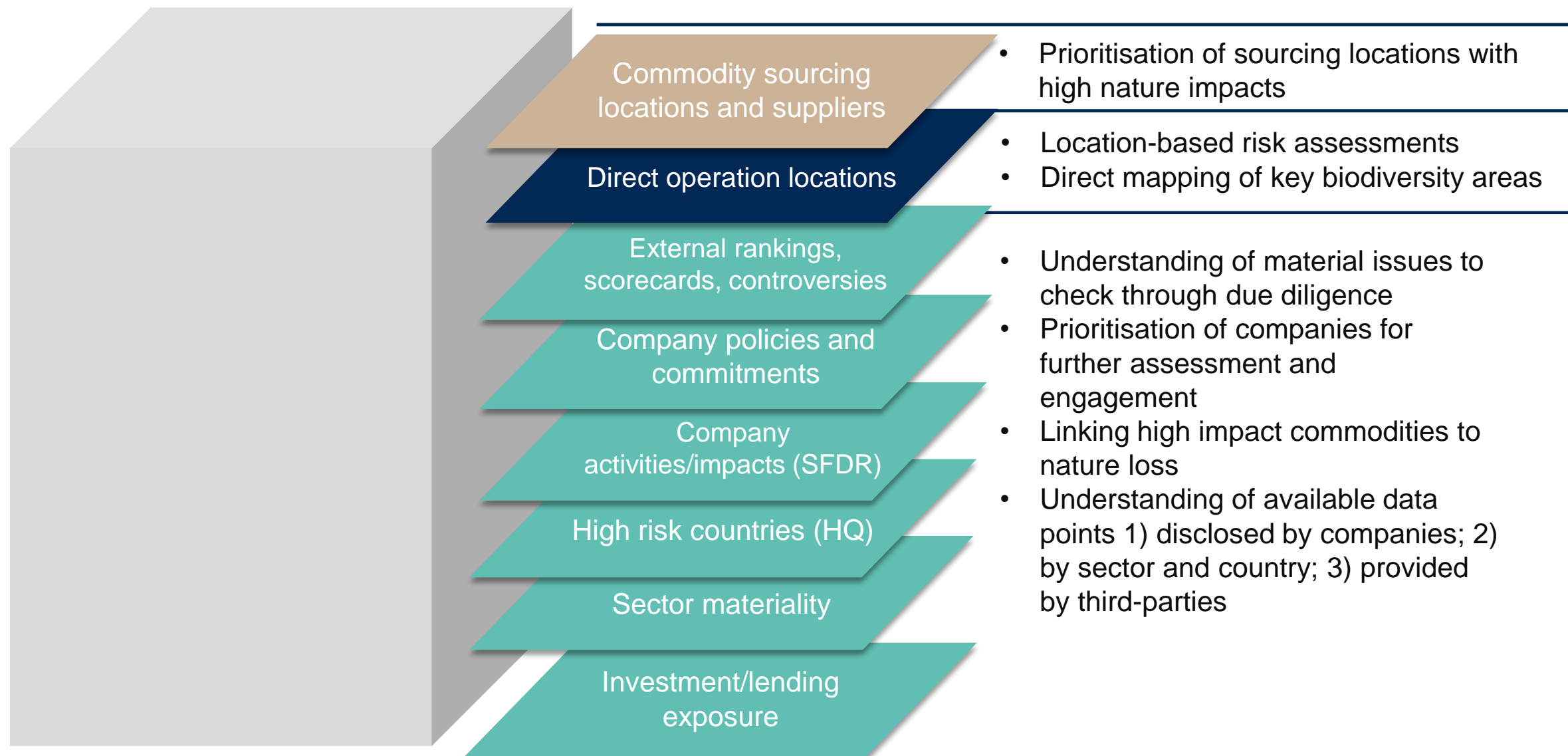


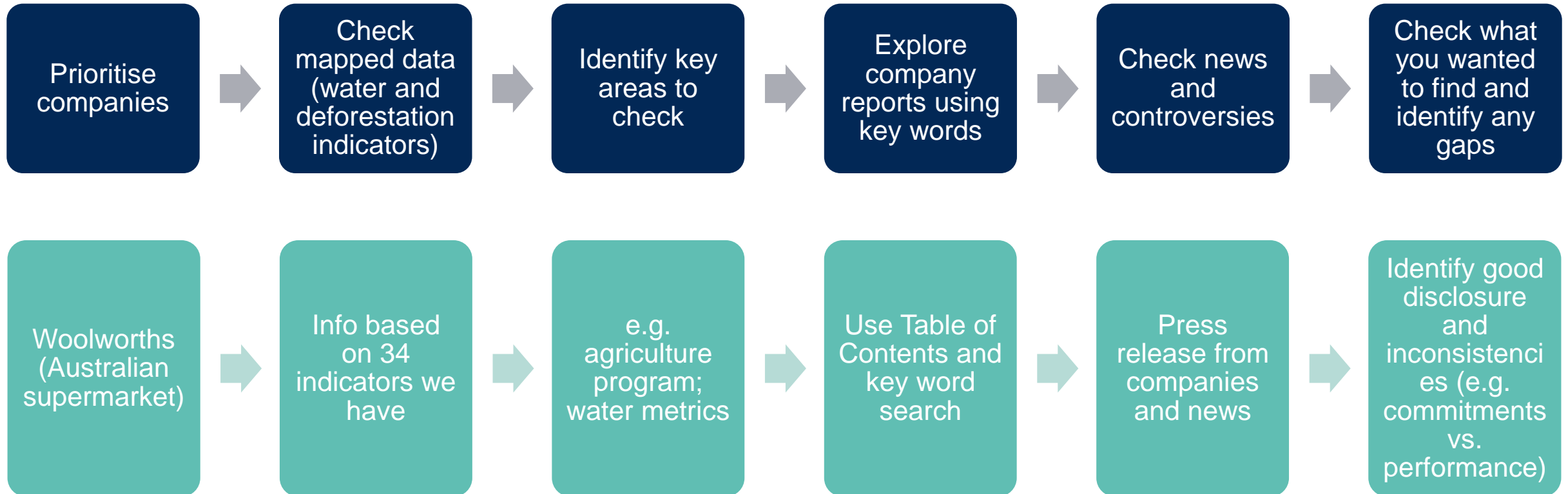
Guidance on  
engagement reporting  
outcomes

**Progress monitoring  
and escalation**



Escalation process  
(following standard  
procedures)  
Other resources as  
reference







Data and tools already exist



More location-based data is becoming available



Making the steps clear helps implementation



Let's not make perfect be the enemy of the good



Investors can drive positive change

# Investors Can Assess Nature Now

(ICANN)

A guide to assessing  
water and deforestation  
issues in investment portfolios

 **First Sentier**  
Investors

**Thank you**  
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