NATURE WORKING GROUP

riaa Responsible Investment Association Australasia

Post-Meeting Papers

Nature Working Group Meeting #2 2026

Wednesday, June 17, 12pm to 1pm AEST / 2pm to 3pm NZST

Contents

Minutes

Item	Action required
1. Welcome (3 min) **Claire Molinari (Co-Chair | CareSuper)** • Opening • Acknowledgement of Country • Minutes from last meeting • Principles of Participation • Discussions in working groups may include competitors or potential competitors. In line with competition law, members must not share or discuss competitively sensitive, non-public information such as pricing, sensitive financial data, strategic plans, tender or negotiation details, and voting intentions related to takeovers	Submit any amendments to the Minutes to Tori Huggins (Programs & Policy Officer, RIAA)

2. Industry Update (10 min)
StockWatch Report
Hanne Gravås (Manager, ESG Client Advisory | Sustainalytics)
• 3M Co.
    o Emissions, Effluents and Waste - Category 5
    o Australian Financial Review – 28 May 2026
    o The Australian Government is suing 3M for A$2+ billion over PFAS contamination at 28 defence sites, alleging the company misrepresented environmental risk.
    o 3M denies liability and states it ceased Australian sales of the products about two decades ago and will defend the case in court.
• BHP Group Ltd.
	For more information regarding the Stock Watch Report, please contact Hanne Gravås | Sustainalytics

◦ Emissions, Effluents and Waste - Category 4 ◦ Law360 UK – 24 March 2026 ◦ A London appeals court ruled that BHP may not face criminal contempt proceedings over allegations that it filed a Brazilian case aimed at blocking English litigation related to the Fundão dam collapse. ◦ The court rejected efforts to pursue criminal contempt proceedings against BHP over the Brazilian filing. • South32 Ltd. ◦ Emissions, Effluents & Waste – Category 2 ◦ The Arizona Daily Star – 09 Jan 2026 ◦ South32 faces scrutiny after its Hermosa mine in the Patagonia Mountains discharged water containing antimony slightly above permitted levels into Harshaw Creek ◦ The company is taking corrective actions, including upgrading its water treatment system. However, residents and conservationists remain concerned about long-term impacts on water sources and are calling for better monitoring, transparency, and reporting. **RIAA's Policy and Advocacy Work (5 min)** Tori Huggins (Programs and Policy Officer | RIAA) • **Nature Repair Market consultation (DCCEEW)** ◦ Ongoing consultation on the Protect and Conserve method, with submissions due 30 June. ◦ The scope has been refined following legislative amendments allowing projects to be used as environmental offsets. ◦ Members were encouraged to consider providing feedback. ◦ Link: Nature Repair Market consultation • **DCCEEW engagement and updates** ◦ RIAA continues regular engagement with the Department, including on nature-related data. ◦ Members were invited to provide feedback on recent tools and datasets. ◦ Webinar recording available: Government tools for nature-related sensitive location assessments ◦ Relevant resources: Nature positive case studies ◦ Noted this is a timely opportunity to provide input, particularly alongside development of Environment Information Australia. • **Environmental law reform updates** ◦ Australia's National Environmental Protection Agency will commence on 1 July. ◦ John Bradley PSM has been appointed as inaugural CEO.	For more information on RIAA's Policy Work, please contact: policy@responsibleinvestment.org
3. Subgroup Updates (10 min) **Subgroups Update - Case Study Compendium** Madeline Combe | Altiorem An update was provided on the development of the Nature Working Group Case Study Compendium. A total of 26 case studies have been identified to date: • 14 focused on new investment opportunities. • 9 focused on assessing nature-related risks and opportunities within portfolios. • 5 focused on making the case for nature. • Only 2 case studies focused on engagement and policy advocacy.	RIAA to circulate a Microsoft Form for case study submissions.

The review highlighted several strengths in the current case study collection, including:

- Growing use of nature-related risk assessment and integration frameworks.
- Examples of active ownership and engagement activities.
- Evidence supporting the financial materiality of nature-related risks.
- Emerging investment structures and financing approaches that support nature outcomes.

Several gaps were also identified:

- Limited examples demonstrating institutional-scale deployment.
- Few case studies showing realised financial returns or track records.
- Reliance on blended finance and concessional capital in many examples.
- A lack of engagement, stewardship and policy advocacy case studies.

Actions

- Members are invited to identify and submit additional case studies, particularly those covering:
  - Engagement and stewardship activities.
  - Policy advocacy initiatives.
  - Institutional-scale investment examples.
  - Examples with demonstrated financial outcomes or track records.
- RIAA will circulate a Microsoft Form for case study submissions.
- Members may also:
  - Share links to existing case studies.
  - Introduce potential contributors.

Subgroups Update – Deforestation

Jessica Rowe (Head of Working Groups | RIAA)

An update was provided on the proposed NWG-supported deforestation project, following survey results that identified deforestation as a high-priority topic for members, particularly asset owners and asset managers. The work is intended to support practical investor understanding of a fragmented policy, regulatory and market landscape.

Context

- Deforestation is already being explored through several NWG and RIAA activities, including the upcoming External Reference Group session with ACF, the RIAA Conference deforestation panel, and related case study and policy work.
- A recurring challenge is the lack of alignment across definitions, legal and policy frameworks, investor expectations, disclosure approaches, jurisdictions and sector-specific interpretations.
- The proposed project would map key definitions, standards, frameworks, regulatory approaches and stakeholder positions across major jurisdictions, and identify areas of alignment and divergence.
- The work would also consider climate–nature intersections and provide a high-level market and policy landscape scan to support investor engagement.
- RIAA is exploring whether AI-supported analysis tools can help accelerate parts of the mapping and synthesis process.

To join work related to deforestation please contact Jess Rowe | RIAA.

Engagement opportunities

- Interested NWG members were invited to join a short scoping discussion to refine the proposed approach, priority areas and AI analysis prompts.
- A later review session will be held to test and refine outputs before they are shared with the broader NWG and potentially more publicly.

• Members who wish to contribute technical input, policy expertise, investor perspectives or strategic feedback should contact Jess Rowe. • Members are also invited to identify priority jurisdictions, sectors or frameworks for the project.	
4. Special Presentation and Q&A (32 min) - **Topic: Deforestation: Investor Approaches to Risk, Commitments and Implementation** • Siobhan and Mara presented on deforestation as a financial and systemic risk for investors, with a focus on Australian exposure, definitions, investor commitments and practical implementation. • The presentation explored the role of investors in engaging with banks, food retailers and policymakers, and highlighted emerging collaboration opportunities through stewardship, policy advocacy and shareholder resolutions. **Presentation highlights:** **Deforestation as a systemic financial risk** • Australia was positioned as a major forest nation that holds a significant share of global forest cover, while also being identified as a global deforestation hotspot. • The presentation framed nature loss and deforestation as systemic financial risks, with potential implications for supply chains, agricultural productivity, lending portfolios, stranded assets and transition risk as regulatory expectations strengthen. • Forests were discussed as central to both physical and transition risks, given their role in carbon sequestration, water catchment stability, soil retention and biodiversity that underpins food production. **Definitions and commitments** • The presentation emphasised that investors need clarity on definitions before acting on deforestation, particularly when distinguishing between deforestation, net deforestation and zero deforestation. • The presentation compared Australian Government definitions with the Accountability Framework Initiative, noting that different thresholds can materially affect what is captured as deforestation. • A key message was that investors should be clear about the scope, definitions and timeframes underpinning any no-deforestation or zero-deforestation commitments, particularly where portfolios span multiple jurisdictions. **Investor implementation and the mitigation hierarchy** • The IUCN mitigation hierarchy was presented as a useful framework for investor action, moving from avoidance, minimisation and restoration through to offsets, with offsets treated as a measure of last resort. • For investors, this could include engaging portfolio companies on no-deforestation supply chains, reducing land clearing in agricultural systems, supporting productivity improvements and regenerative agriculture, and using credible nature markets where appropriate. • Additional conservation actions were also highlighted, including policy advocacy, standard-setting and engagement with government on legislative design. **Australian context and investor leverage points** • The presentation provided further context on Australia's deforestation challenge, including tree cover loss, biodiversity loss, pasture clearing and concerns about illegal clearing. • Regulatory definitions and policy settings were noted as important factors shaping whether land clearing is recognised and addressed, with concerns that some approaches may define deforestation too narrowly. • Three key investor leverage points were identified: bank lending practices, food retailer procurement and lobbying, and policy engagement.	To access the recording, go on the RIAA website and select: 1. "**Portal**" (top bar, right-hand side), 2. "**Member login**" (sign into the member portal), 3. "**Membership**" (Select 'Nature' 4. Scroll down to 'Past meeting papers and presentations' If you require any assistance please contact, Tori Huggins (Programs & Policy Officer, RIAA)

• Specific collaboration opportunities included the PRI banks and deforestation engagement, investor engagement with food retailers through Climate Action 100+ and Nature Action 100, and support for deforestation-related shareholder resolutions. **Discussion and Q&A** • The discussion explored what a zero-deforestation commitment involves in practice, including the need for clear definitions, transition timeframes, monitoring and reporting processes, and policy advocacy as part of implementation. • Participants discussed the relevance of environmental law reform, including the role of strengthened standards, enforcement and net-gain expectations in shifting behaviour across the system. • The Q&A considered the role of investors in supporting system-level change, particularly through engagement with banks and companies on lending practices, transition plans, policy advocacy and exposure to nature-related risks. • The urgency of nature-related tipping points was noted, alongside the broader economic risks associated with ecosystem decline, including impacts on regional economies and connected ecosystems such as the Great Barrier Reef. • Some participants raised that while mandatory disclosure may not yet be the immediate policy ask, investors can support progress by recognising and encouraging companies that voluntarily disclose and by helping align market expectations. • The EU deforestation regime was discussed as an example of a market access driver, even where implementation timelines have shifted. Participants noted that investors and companies should continue to consider these risks. • The discussion closed with a focus on practical next steps for investors, including joining relevant stewardship initiatives, considering nature and climate together in policy processes such as the Safeguard Mechanism review, and ensuring nature is included in company transition plan engagement.	
5. Closing (5 min) **Next Meeting:** Thursday, September 10, 2026 (9.00 – 10.00am AEST / 11:00am – 12:00pm NZST): register here	Register here for next meeting on **Thursday, September 10, 2026** (9.00 – 10.00am AEST / 11:00am – 12:00pm NZST)

Action Register

Last updated: Thursday, 25 June

Ref.	Action	Delegation	Status
	New		
8/26	Thursday, September 10, 2026 (9.00 – 10.00am AEST / 11:00am – 12:00pm NZST): register here	All	Ongoing
7/26	Members interesting in RIAA's work related to deforestation are invited to contact Jess Rowe.	All	Ongoing
6/26	RIAA has circulated the following form for case study submissions. Members are invited to give input: RIAA NWG Case Study Submission Form	All	Ongoing
5/26	Submit any amendments to the minutes to Tori Huggins (Programs & Policy Officer).	All	Open

Previous			
4/26	Thursday, June 17, 2026 (12pm to 1pm AEST / 2pm to 3pm NZST) – Register here	All	Ongoing
3/26	RIAA Policy to circulate DCCEEW nature data sets questions. Questions included in papers.	RIAA Policy	Complete
2/26	Further develop information sharing between RIAA Working Groups to ensure alignment across workplans, particularly in areas of overlap (e.g. Nature and First Nations priorities).	Manager of Working Groups and Co-Chairs	Ongoing
1/26	Submit any amendments to the minutes to Tori Huggins (Programs & Policy Officer).	All	Closed

Attendees (41)

	First Name	Last Name	Company
1	Madeline	Combe	Altiorem
2	Bonnie	Graham	Australian Ethical
3	Satoko	Asai	Aware Super
4	Jackson	Rowland	Canbury
5	Claire	Molinari	CareSuper
6	Louise	Bradshaw	CareSuper
7	Carmela	Blanco	Challenger
8	Karen	McWilliams	Chartered Accountants Australia and New Zealand
9	Phillip	Vernon	Director (various)
10	Tarren	Summers	Franklin Templeton
11	Tom	Lambert	Frontier Advisors
12	Elyse	Weatherby	Future Super
13	Gottstein	Trust	Gottstein Trust
14	Abi	Curtis	Individual supporter
15	Jane	Wu	Individual supporter
16	Julia	Leske	ISS STOXX
17	Tamara	Shadbolt	Magellan
18	Michelle	Leung	Mercer
19	Jason	Henton	Mercer New Zealand
20	Sophie	Auckram	Mindful Money
21	Keith	Rovers	MinterEllison
22	Ummul	Ruthbah	Monash Centre for Financial Studies, Monash Business School
23	Hanne	Gravas	Morningstar
24	Shanti	Stratton	MSCI
25	Rosemary	Bissett	National Australia Bank Limited
26	Joseph	Altobelli	Nature Positive Ltd
27	Emily	Simso	New Forests
28	David	Whittaker	Northcape Capital
29	Ankur	Gupta, CFA	Northern Trust Asset Management
30	Bridgette	McDonald	Pamoda Consult
31	Siobhan	Toohill	Pure and Applied
32	Jess	Rowe	Responsible Investment Association Australasia

33	Zoe	Deacon	Responsible Investment Association Australasia
34	Tori	Huggins	Responsible Investment Association Australasia
35	Briony	Doyle Galovic	Responsible Investment Association Australasia
36	Shalini	Samuel GAICD	Responsible Investment Association Australasia
37	Dianna	Enlund	S&P Global Commodity Insights – Sustainable1
38	Larissa	Taylor	Individual supporter
39	Robyn	Leeson	STR Consulting
40	Mara	Bún	Various
41	Erin	Kuo-Sutherland	Yarra Capital Management