

ACT-D CASE STUDIES:

Demonstrating Business Action for Nature

January, 2023



Demonstrating Business Action for Nature

At the 2022 World Economic Forum, the Capitals Coalition, WBCSD, SBTN, Business for Nature, TNFD and WWF launched a set of high-level business actions (**Assess, Commit, Transform, Disclose** or 'ACT-D') in response to the 'alphabet soup' of initiatives and frameworks for nature, sometimes causing confusion for those wanting to understand and implement them.

Eight months later, we wanted to understand if and how businesses integrate the ACT-D approaches into their decisions and commercial approaches. We found many examples of companies that have started to think about sustainability using a capitals framing in line with the ACT-D business actions.

We have selected **10 examples** of some **leading businesses**, from different sectors and geographies, to illustrate specific elements of ACT-D in a way that has altered their business model. These examples highlight the interconnectedness between business, finance and government action and how actions by each group can drive ambition towards nature-positive.

Each case study included here highlights one of the ACT-D actions in more detail, and is meant to show how businesses can take action rather than evaluate all the actions each business is taking.



Table of Contents:

00	Introduction	p. 4
01	ABN AMRO	p. 10
02	BNP Paribas	p. 19
03	Eosta	p. 29
04	GSK	p. 39
05	Holcim Group	p. 48
06	Jayanti Group	p. 57
07	Mondi Group	p. 66
08	Natura	p. 75
09	OFI	p. 83
10	Sekem	p. 94

Action for Nature is Material to your business

- More than half of the world's GDP - \$44 trillion - is moderately or highly dependent on nature
- In 2022, over 18,600 companies disclosed climate change data. In comparison, only around 4,000 companies disclosed on water security and just over 1,000 disclosed on forests.
- This exposes businesses to the unquantified risks associated with nature loss, but it also means that they are failing to benefit from the investment opportunities that come with addressing these risks.
- The best time to integrate bold nature positive action into your business was 30 years ago. The second best time is now. Here's how it could work for you...

Action for Nature is Material to your business

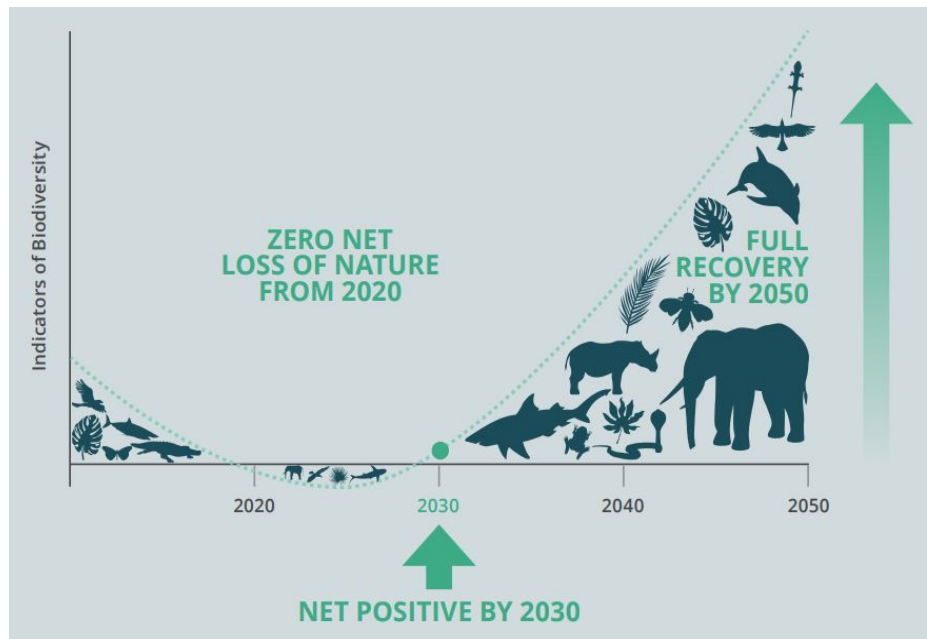


Fig. 1

Global goal for nature: Nature Positive by 2030, [Business for Nature report 'How business and finance can contribute to nature positive future now'](#)

Nature Positive is a “**global goal to halt and reverse nature loss by 2030 with a view of full recovery by 2050**” where thriving ecosystems and nature-based solutions continue to support future generations and play a critical role in tackling climate change risks.

To get to a nature positive world, businesses and other actors **must take action** to reduce pressures contributing to negative impacts on nature (i.e. pollution, ecosystem conversion, resource exploitation).

Individual companies and financial institutions **must adopt strategies across all their spheres of influence** to contribute to the shared goal of a nature positive planet by 2030.

Action for Nature key actions for businesses and finance

Business and finance will need to **make a significant contribution to a nature positive future**. Achieving this in practice is not straight forward, highly unlikely and needs to be measured against strict spatially explicit criteria. Building on existing action frameworks and guidance, the high-level actions on nature (Assess, Commit, Transform, Disclose) aim to provide an overview of the logic for key actions companies can take to help reverse nature loss.

Businesses should, therefore, aim to **be as comprehensive as possible in the actions they take to assess, commit, transform and disclose their impacts and dependencies on nature**, and in doing so highlight their contributions towards a nature positive future rather than claiming to be nature positive themselves.

Financial institutions **should also transform operations by engaging with their clients and re-orientating investments** to support the urgent need to halt and reverse nature loss by 2030.

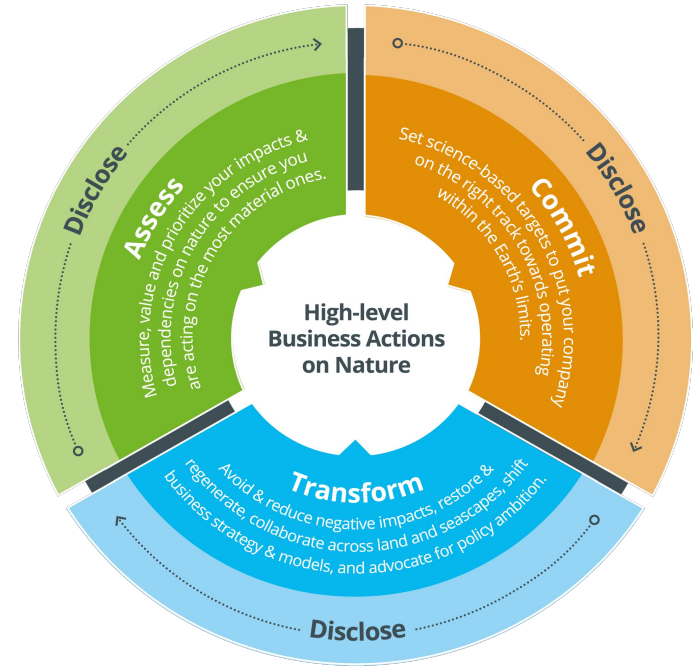


Fig. 2

High-level Business Actions on Nature (ACT-D framework), [Business for Nature 'High-level Business Action on Nature'](#)

Action for Nature must be taken across the system

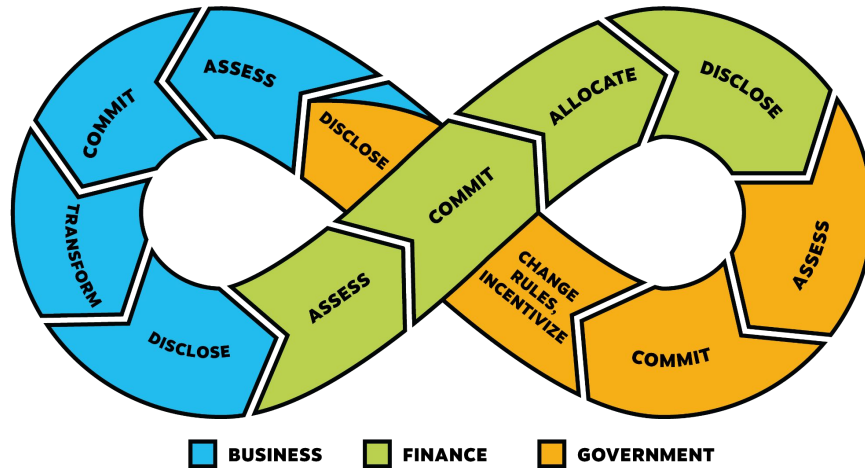


Fig. 3

Infinity loop, [Capitals Coalition report "Beyond ESG: Streamlining financial decision-making with a shared understanding of value"](#)

The infinity loop illustrates **the whole system which must take action for nature** to meet the global nature positive commitment by 2030, namely, businesses (the blue chevrons), finance (the green chevrons) and governments (the orange chevrons). Each element within the loop depends on an **unbroken flow of information that circulates throughout the system**.

We use the infinity loop as the **overarching framework** for the selected cases to illustrate actions for nature they have taken to date. In each case the assessment first looks at the **'core' infinity loop category** (i.e. blue chevrons for businesses and green chevrons for FIs), followed by a summary of their actions **linked to the remaining actors in the system** (i.e. finance and government or business and government, respectively).

Disclaimer

Please note that the information presented in the slide deck is illustrative and not comprehensive. The cases were prepared based on the information provided by individual companies during focused stakeholder interviews and evidence available in the public domain.

We are aware that businesses and financial institutions presented in the slides might have taken additional actions within the infinity loop (and ACT-D framework) which are not covered in these materials. While we have endeavoured to provide accurate and reliable information, the authors of the slides (i.e. eftec and Metabolic) are not responsible for completeness or accuracy of any such information.

We have made our best attempt to showcase high quality examples of business actions for nature. In each case, we highlight specific actions of focus, using the magnifying glass symbol (see the image on the right).



The selection of focus areas did not involve any value judgement against specific criteria. Identifying actions of focus has allowed us to dive deeper into specific issues in each case study, and provide a set of case studies that cover a variety of sectors, actions and geographies.

Case studies distribution



CASE STUDY 01:

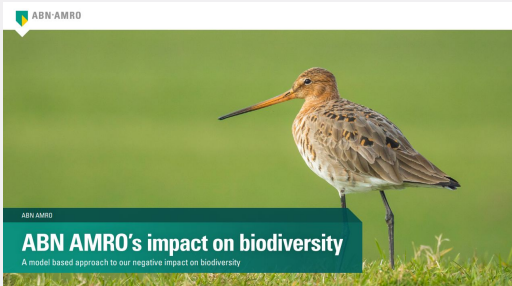
ABN AMRO

ASSESSING NEGATIVE
IMPACT ON BIODIVERSITY
THROUGH A MODEL
BASED APPROACH



ABN·AMRO





Multinational bank

DESCRIPTION: Biodiversity Impact Report

PERIOD: May 2022

ORGANIZATION: ABN AMRO Bank N.V.

SECTOR: Financial services

GEOGRAPHY: Netherlands HQ / Global with Northwest Europe focus

SIZE: Large multinational

Project Overview:

- ABN AMRO published its first biodiversity impact report in May 2022 to **assess the bank's negative impact on biodiversity and raise awareness** of this issue
- ABN AMRO's negative impact on biodiversity is **quantified and expressed as a monetary figure** (€95 million in 2021) based on four drivers of biodiversity loss: the climate crisis, land use, air pollution and water pollution
- In 2020 and 2021, most of ABN AMRO's negative impact on biodiversity was driven by **land use and climate change**
- The value chain, rather than direct operations, makes up a **significant share** of ABN AMRO's overall negative biodiversity impact

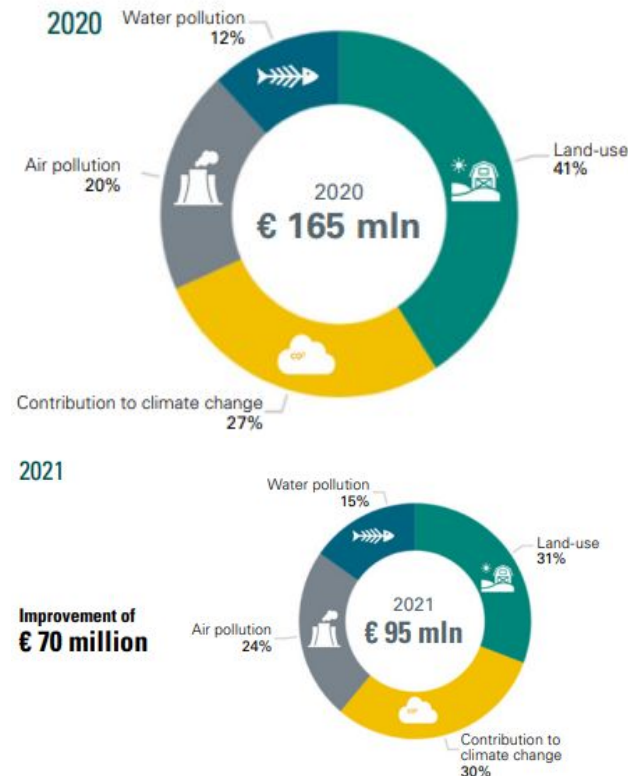


Fig. 4

ABN AMRO's main impacts on biodiversity loss in 2020 and 2021

Background

ABN AMRO Bank N.V. (ABN AMRO) is a **major Dutch bank** based in Amsterdam offering a range of financial services to retail, private and corporate banking clients. ABN AMRO manages €197.3 billion in assets as of Q1 2019. Since 2019, ABN AMRO has a strategic focus on Northwest Europe.

The [biodiversity impact report](#) released in May 2022 is ABN AMRO's **first step** towards meeting the needs of stakeholders who called for **greater quantitative measurement of the bank's biodiversity impact**. In addition to estimating the bank's biodiversity impact, the study also considers cross-sector differences in terms of the size of the impact, types of drivers and their respective places in the value chain.



Fig. 5

Top five sectors contributing to negative biodiversity impact per value chain step

Key Messages

- The biodiversity impact report is a wake-up call for both ABN AMRO and its stakeholders and clearly shows that **biodiversity is set to be the next crucial challenge** for the financial sector
- ABN AMRO and clients need to understand impacts and dependencies to align with **forthcoming regulations and standards**
- Biodiversity loss poses a financial risk, so **alignment with EU, TNFD and other regulators and standard setters** is paramount

Factors for Success

- Using **consistent, standardized methods** for biodiversity impact assessments is key
- Gathering **good quality client data** is necessary for biodiversity impacts to be assessed accurately
- Acknowledging the **need for greater regulation for biodiversity disclosures** which can help obtain good quality client data

Outcomes

- Florius (the mortgage subsidiary of ABN AMRO) [planted a forest](#) in February 2020 to restore degraded land and develop a biodiversity platform
- Determined to have an estimated €95 million in negative biodiversity impact in 2021, an **improvement of €70 million** from the previous year largely due to a wind-down of international corporate banking activities beyond Northwest Europe

ACT-D framework



ASSESS

Held stakeholder dialogues on biodiversity in 2017 and 2020 in which stakeholders expressed a need for quantitative substantiation of ABN AMRO's biodiversity impact

First published in 2018, [previous annual ESG Impact Reports](#), included certain aspects of ABN AMRO's biodiversity impact

Engaged in detailed assessment of the bank and value chain's biodiversity impact, culminating in the biodiversity impact report



COMMIT

Committed to the [Finance for Biodiversity Pledge](#) since September 2020

Working with suppliers to establish more sustainable procurement procedures and implementing supply chain sustainability criteria through the [Global Sustainable Enterprise System \(GSES\)](#)

Does not lend to companies involved in deforestation for land clearance or oil and gas exploration in the Arctic, or to palm oil companies that are not members of the Roundtable for Sustainable Palm Oil

ACT-D framework



ALLOCATE

[ABN AMRO Groenbank](#) (Green Bank), a wholly-owned subsidiary of ABN AMRO, makes use of the Dutch Government's Green Projects Scheme to finance the green transition through a Green Savings Deposit and by offering an interest discount on green loans



DISCLOSE

Published "ABN AMRO's impact on biodiversity" in May 2022, which disclosed details of the bank's negative impact on biodiversity

Business



TRANSFORM

Joined [Equity Ownership Services \(EOS\) at Federated Hermes engagement platform](#) on the UN Global Compact Principles, including Principles 7-9 (precautionary approaches to environmental challenges, initiatives to promote environmental responsibility and development and fusion of environmentally friendly technologies)



ASSESS

Engages with other companies through EOS at Federated Hermes to address their potential violations of the UN Global Compact principles and inspire them to act in a positive way, paving the way for industry-wide transformation

Government



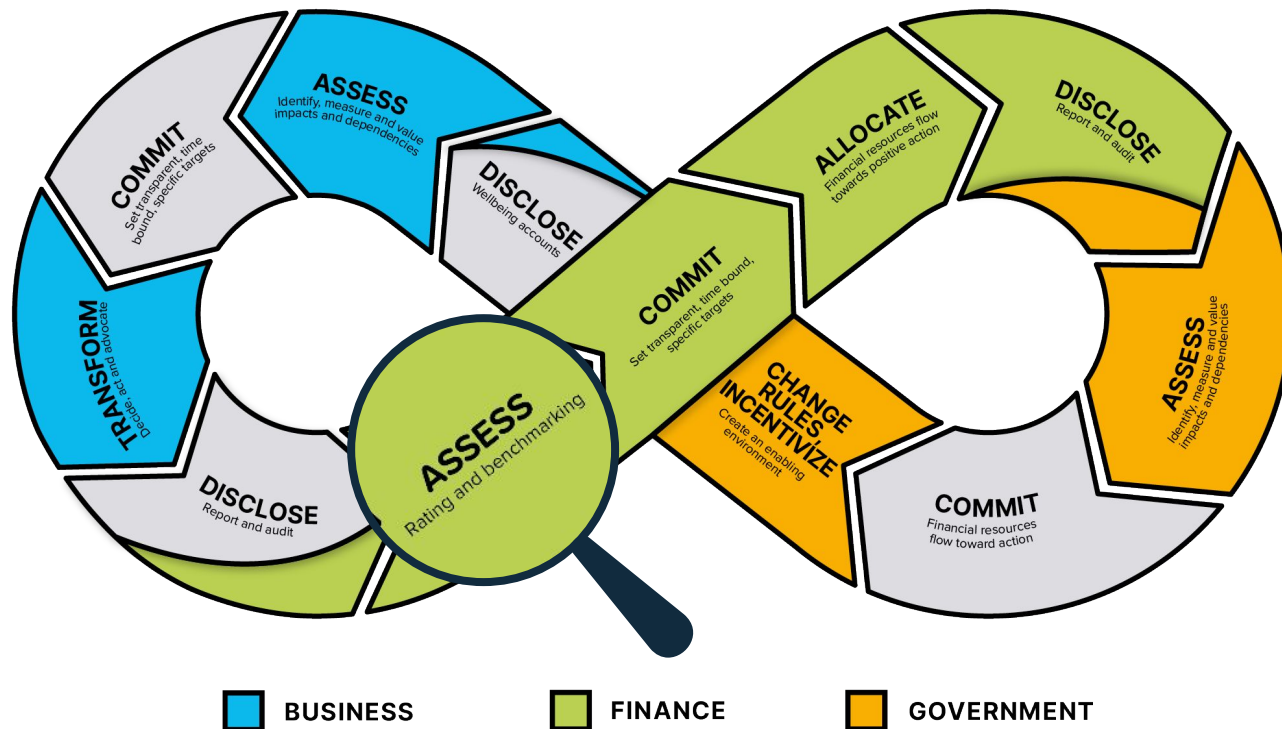
ASSESS

ABN AMRO engages in biodiversity impact reporting in response to stakeholder needs and in anticipation of expected EU regulations that will require financial institutions to disclose biodiversity impacts



INCENTIVIZE

Participates in the [Netherlands Enterprise Agency's Green Projects Scheme](#) through which ABN AMRO Green Bank offers its Green Savings Deposit to finance sustainable projects



Please contact **Andre Jakobs**, Program Manager at ABN Amro, for more information: andre.jakobs@nl.abnamro.com



It's all about client data and knowledge. At the moment, a lot of clients don't collect data or the data is unavailable. (...) the new EU legislation can help us with that. (...) we can reuse this [new] mandatory data to calculate the impact indicators. And then we can really make an extra step [in biodiversity impact assessments].

However, even once the data becomes available, companies need to know how to use it. This knowledge [building] needs to be done at a sectoral level to capture the different needs of and differences between sectors and their biodiversity impacts.

Andre Jakobs, Senior Advisor on Strategy and Sustainability

CASE STUDY 02:

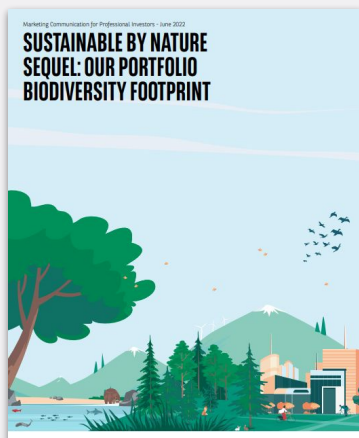
BNP Paribas Asset Management

MEASURING
BIODIVERSITY FOOTPRINT
FOR LONG-TERM
SUSTAINABLE RETURNS



BNP PARIBAS
ASSET MANAGEMENT





A Global Asset Management Firm

DESCRIPTION: Portfolio Biodiversity Footprint Report

PERIOD: July 2022

ORGANIZATION: BNP Paribas Asset Management

SECTOR: Investment management

GEOGRAPHY: France HQ / Global

SIZE: Large multinational

Project Overview:

- BNPP Asset Management's (BNPP AM) Portfolio Biodiversity Footprint was released in July 2022, complementing prior work examining water and deforestation footprints through the [Biodiversity Roadmap](#) from May 2021
- Biodiversity footprinting is a tool that helps to combine modeled and reported data of companies that BNPP AM has invested in (including their supply chains) and to quantify their estimated biodiversity impact
- The financed absolute biodiversity footprint (including assets under BNPP AM ownership) is estimated to be around -8,000 km² MSA (mean species abundance) equivalent to a fully degraded area roughly five times the size of London each year

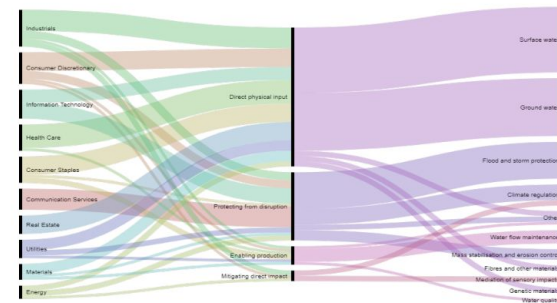


Fig. 6

BNPP AM's dependencies on ecosystem services per euro invested

Background

BNP Paribas Asset Management (BNPP AM) is the investment arm of the Paris-based BNP Paribas Group, the second largest globally. As of the end of 2021, BNPP AM's assets managed were worth €537 billion. The BNP Paribas Group has **pledged €4 billion in financing for the protection of terrestrial and marine biodiversity**.

The [Portfolio Biodiversity Footprint report](#), which focused on equities and fixed-income asset classes, is based on Iceberg Data Lab and I Care & Consult's Corporate Biodiversity Footprint, which use **environmental input-output modelling and life cycle assessment data** to quantify environmental pressures in the supply chain. These pressures are then quantified and linked to biodiversity loss (measured in km2 MSA*) using the GLOBIO3 model.

The assessment found that while biodiversity impacts are predominantly situated within value chains, issuers rarely provide information and traceability that investors require to be able to assess them. The firm's goal behind biodiversity footprinting is to **make better investment decisions and reduce its negative impacts on biodiversity**.

*Mean species abundance is one of the reference metrics used by the Convention on Biological Diversity (CBD) and the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES). It measures the average relative abundance of native species in a delimited space compared to their original abundance in undisturbed ecosystems.

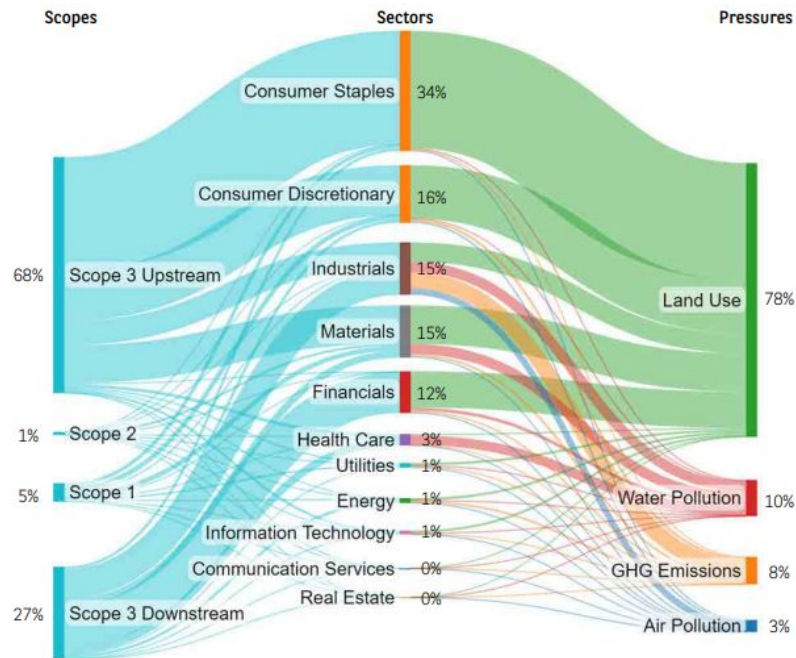


Fig. 7

Relative contribution of each value chain scope, sector and pressure to BNPP AM's weighted biodiversity intensity

Challenges

Across BNP Paribas Group investment or financing activities, there are always likely to be some that attract controversy for their environmental performance. An example is BNP Paribas and ADM Capital's green bond, sold to investors to finance Michelin's rubber plantation in Sumatra. The project has been criticized for misrepresenting deforestation impacts (see [the Mighty Earth's report](#)).

Its developers refute this, stating it was conducted within the existing Indonesian laws and under appropriate permits (see [RLU response](#) and [TLFF green bond review](#)). These contradictory views stem from different characterization of the pre-project condition of the site, (e.g. the extent to which it was affected by illegal logging) illustrating the difficulties of verifying the nature-related outcomes of investments.



Key Messages

- Biodiversity footprinting gives investment portfolio impact data, but relies on models for now
- Needs more raw data from companies & tools to integrate biodiversity footprint into investment decisions
- Environmental pressures mostly stem from **land use change, followed by water pollution, climate change and air pollution**
- Markets need a **consistent framework** for understanding and reporting the full risks posed by biodiversity loss
- Without specific targets it is very difficult to make commitments but not a valid reason to remain passive
- It's all about education: employees need to feel active in reducing biodiversity loss

Factors for Success

- Senior Management engages with grassroots initiatives set up by BNP employees that start assessing their impacts on nature
- Engaging with organizations such as the Capitals Coalition and TNFD **reinforced public commitments and accelerated nature-related actions**
- Biodiversity Roadmap shows dependencies and impacts on nature, exposure of global assets under management to water and deforestation risks
- Encourages investees to disclose quantitative data on biodiversity pressures and data providers to align biodiversity measurements with global standards

Outcomes

- Financed absolute biodiversity footprint (including assets under BNPP AM ownership) is estimated at -8,000 km² MSA (mean species abundance) **equivalent to a fully degraded area roughly 5x the size of London each year**
- BNPP AM portfolios mostly depend on water, flood/storm protection and climate regulation ecosystem services



ACT-D framework



ASSESS

Participated in the CDC Biodiversité B4B+ Club pilot for Global Biodiversity Score corporate biodiversity assessment tool

Investigated dependencies & impacts on nature and ecosystem services in 2020 using ENCORE

Portfolios mostly depend on water, flood/storm protection and climate regulation ecosystem services

Nature-related impacts of BNPP AM's portfolio which were assessed in detail in the 2021 Portfolio Biodiversity Footprint report



COMMIT

Committed:

- €3 billion for terrestrial biodiversity; €1 billion for promoting the ecological transition of marine vessels until 2025
- €250 million for start-ups mobilized for ecological transition; €55 million for protection & restoration of natural capital
- net zero portfolio emissions by 2050 or sooner

Will assess all corporate customers on criteria linked to biodiversity by 2025

Made public commitments through Act4Nature initiative framework & Net Zero Asset Managers Initiative (NZAM)



ACT-D framework



ALLOCATE

BNP Paribas Group and BNPP AM exclude financing for projects in areas classified as rich in biodiversity, particularly in sensitive sectors (e.g. agriculture, palm oil, mining, and unconventional oil & gas) sites classified IUCN I-IV, wetlands listed in the RAMSAR Convention, UNESCO World Heritage Sites etc

At a local level, BNPP AM supports customers producing or buying beef or soy from Amazonia and Cerrado regions in Brazil only if they are targeting zero deforestation by 2025

Involved in the [Global Fund for Coral Reefs](#) together with Althelia Funds (blended finance instrument)



DISCLOSE

Biodiversity Roadmap 2021 launched to respond to biodiversity crisis and provide details on exposure to water and deforestation risks. Integrates biodiversity into its operations & in their corporate engagement.

Published the first biodiversity footprint of its investments in BNPP AM Biodiversity Report 2022 (together with Iceberg Data Lab and I Care & Consult)



Business



COMMIT

Committed to integrate biodiversity into global strategy and activities under the [Act4Nature](#) framework

Supports the recommendations of the [TNFD](#)

Endorses the [Cerrado Manifesto](#) (intended to stop deforestation in Brazil)



TRANSFORM

Provides biodiversity training to small farmers through the [Microfinance for Ecosystem Based Adaptation \(MEBA\)](#) project

Government



ASSESS

Partners with CDP on [developing biodiversity reporting metrics](#)

Consulted [UN Environment Programme – World Conservation Monitoring Centre framework](#) for developing biodiversity strategy

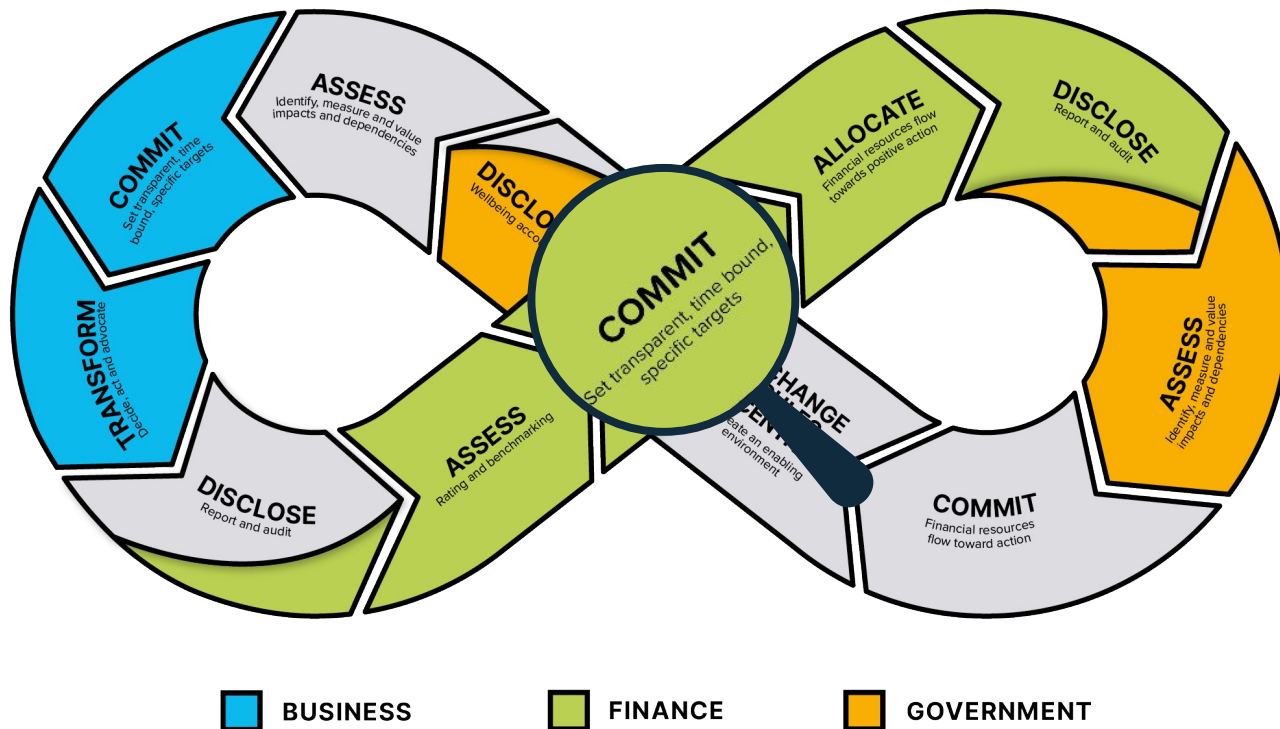
Assesses portfolio impacts on [RAMSAR](#) and [UNESCO World Heritage Sites](#)

Studied [alignment with SDGs](#) using SDG Fundamentals dataset developed with Matter



DISCLOSE

Meets regulatory requirements of the [Article 29 of the French Law on Energy and Climate](#) on biodiversity measurement



Please contact **Robert-Alexandre POUJADE**, BNP Paribas AM's ESG Analyst & Biodiversity Lead, for more information:
robert-alexandre.poujade@bnpparibas.com



“The approach to biodiversity needs to be localized and the same applies [to businesses]: we need a localized, focused approach to each asset class, each fund taking into account its local context. Otherwise, it can become counter productive if you ask every fund manager to reduce their biodiversity impact by the same amount or apply the same rule without context.

It has to be more sophisticated than carbon, for which you minimize emissions and everybody is happy.

Robert-Alexandre POUJADE, ESG Analyst, Biodiversity Lead

CASE STUDY 03:

Eosta

ACCOUNTING FOR THE
TRUE COST OF FRUIT
AND VEGETABLES





Cosmetics industry in South America

DESCRIPTION: True Cost of Fruit and Vegetables (Pilot)

PERIOD: Began 1990, TCA Pilot 2017, repeated every other year, or on demand.

ORGANIZATION: Eosta

SECTOR: Food & Ag

GEOGRAPHY: Netherlands

SIZE: International SME

Project Overview:

- In 2017 Eosta (with support from Ernst & Young) became the **first SME to develop and disclose an integrated profit and loss statement using True Cost Accounting (TCA)**.
- Eosta's work was instrumental in shifting TCA **from an academic theory to a practical business reality** that is viable and valuable for SMEs as well as for large enterprises.
- Assessments of 9 fruits and vegetables demonstrated that the true cost conventional, non-organic produce is more expensive than organic produce.



Fig. 8 Eosta marketing campaign: True Cost of Food

Background

Eosta is a Netherlands-based distributor of organic fresh fruits and vegetables. In 2017, Eosta undertook a **true cost accounting** pilot of their produce to understand the holistic value their business provides to nature and to society.

While value creation drives investors to invest and informs decision making by business leaders, **most value creation/destruction is hidden** in performance tracking. This is because companies' externalities, positive and negative, remain **unquantified**.

In the spirit of 'what gets measured, gets managed', Eosta took the initiative to start measuring its (true) value creation by means of a true cost accounting pilot. The pilot showed the impact of the company in terms of value that usually remains hidden with most companies. Eosta is **the first SME in the food & agribusiness to present true cost accounting results for social and natural capital**



Fig. 9

The Sustainability Flower: Nine separate ecological and social Dimensions of Soil&More's Quick Assessment Tool.

Key Messages

- Organic produce is significantly **better for human health** due to lack of pesticide use
- Most non-organic products harm soil while organic products support it
- **Becoming a Nature positive company requires integration of natural capital into all business decisions.**
- Start with a qualitative understanding first to learn how to implement in a way that works for your supply chain; then move to monetization

Factors for Success

- CEO-led effort, trusted by board to experiment.
- **Relationships with outside experts** pushed the boundaries of what is possible
- Focused on **easily measured indicators** e.g. GHG emissions, water quality and soil erosion
- **Focus on the opportunities rather than the barriers.** This way of thinking and acting opens a world of new opportunities

Outcomes

- **Differentiation** - built strong relationships with retailers based on shared values
- Became **international thought leader**

Jan 2020 - Present:

- 97,602,400 kg Saved Soil
- 11,710,833 kg CO2 Reduced
- 1,901,600,600 L Water Saved

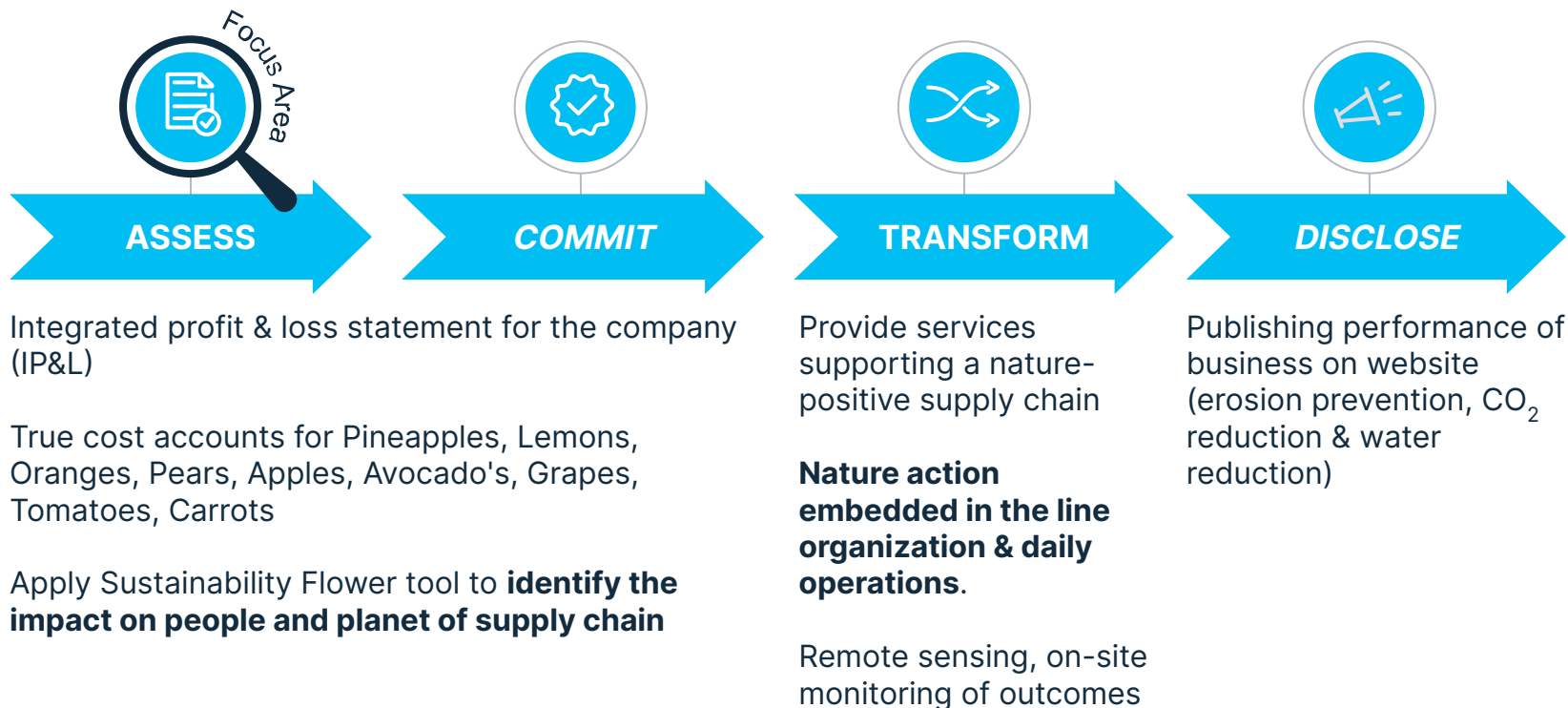
Total^{1,2}

- €2.3 million saved in health impact
- €1.8 million saved in soil impact
- €0.5 million saved in climate impact
- €0.7 million saved in water impact

1 Calculations based on data bases/ models used by the Food and Agriculture Organization of the United Nations

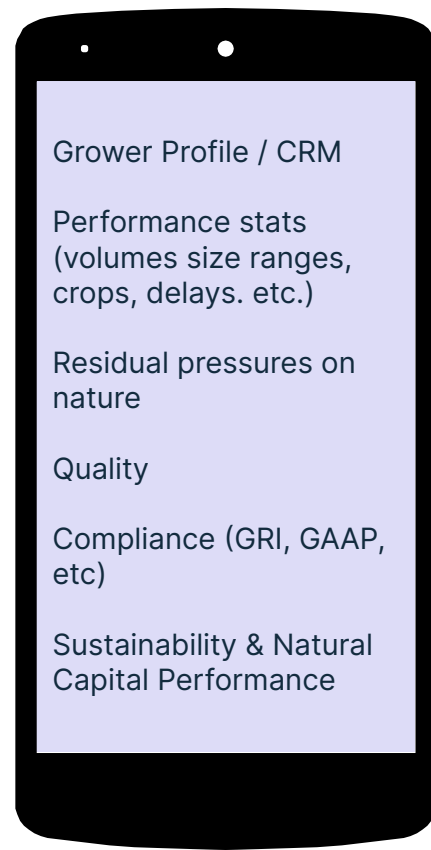
2 Calculations have been carried out by Soil & More Impacts, based on FAO impact models. SMI is a Germany-based consultancy specializing in sustainable agriculture, ecological footprinting and True Cost Accounting.

ACT-D framework

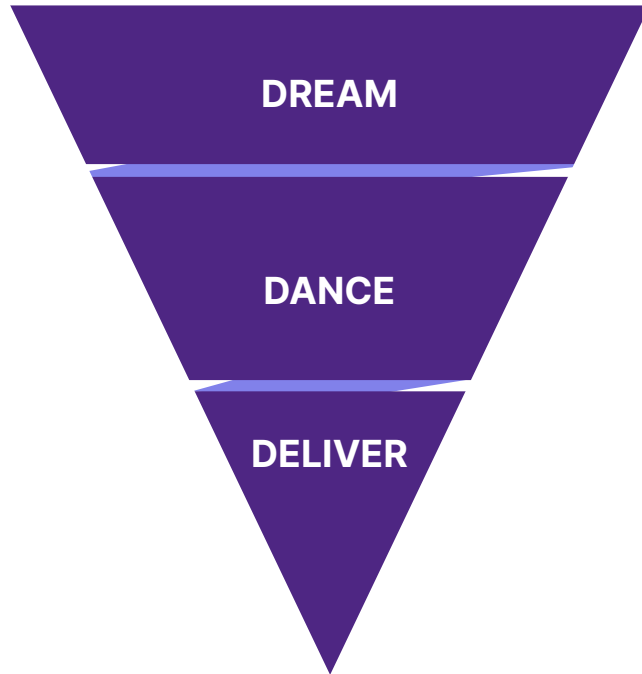


Assess & Transform - Internal App

- Natural capital decision making is facilitated throughout the business by an internal traceability app.
- **Nature action is completely embedded in the line organization:**
 - Procurement managers,
 - Compliance managers,
 - Quality managers,
 - Agronomists
 - Account managers
 - Growers
- Performance across the Sustainability Flower used to steer supply chain engagement and investments



re is not representative of actual app interfa



DREAM Requires friendships with movers and shakers who get together around **a shared vision**

DANCE Need a coalition of people vulnerable enough to say we have no idea how to do it, but let's build that bridge while crossing. **The guts, vision, passion and entrepreneurship to dance with uncertainty.**

DELIVER Deliver the first prototypes of a new normal within your circle of influence and you will find that that influence expands.

Finance



ASSESS

Financial institutions and investors are generating pressure on business that strengthen the business case for natural capital assessments.

E.g. S&P Global's - Climate Stress Tests

Government



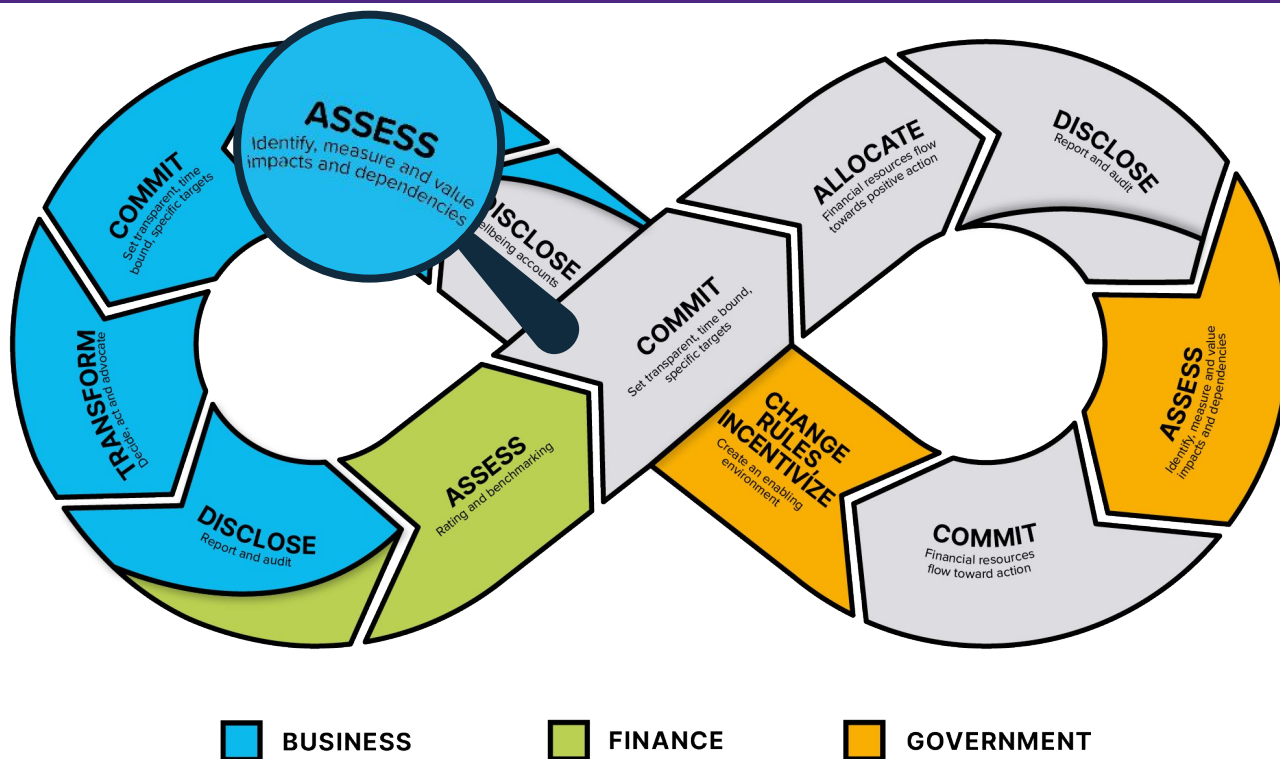
ASSESS

Public research and data sets are crucial to the application of true cost accounting. Eosta relied on: FAO's Food Waste Footprint, WHO's DALY Calculations, the EFSA Database, and the OECD's Better Life Index



INCENTIVIZE

Ambitious legislation such as the Green Deal, Farm to Fork strategy, and CSRD are expanding the coalition of the willing and normalizing the integration of natural capital into business – helping to level the playing field



Please contact Volkert Engelsman, Eosta's Founder & Board member, for more information: volkert@eosta.com



“In yesterday’s economy we got away with a penny wise pound foolish profit definition, tomorrow’s normal is about calculating properly and including people & planet in our profit definition”

Volkert Engelsman, Founder & CEO

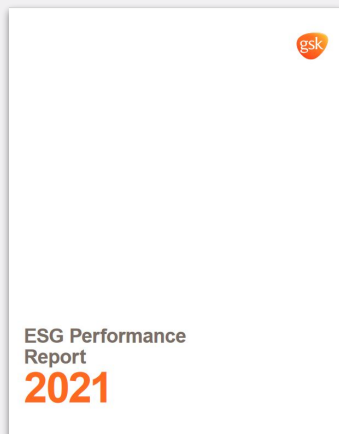
CASE STUDY 04:

GSK

INTEGRATING
ENVIRONMENTAL
SUSTAINABILITY

GSK





ESG Performance Report 2021

DESCRIPTION: At the Whole Company Level

PERIOD: 2021

ORGANIZATION: GSK

SECTOR: Vaccines and Medical Treatment

GEOGRAPHY: Global Headquarters in UK, regional headquarters in Singapore

SIZE: Large multinational

Project Overview:

Scientific evidence is increasingly demonstrating how climate change and nature loss are impacting the world and human health. That's why in 2020, **GSK set ambitious goals on their contribution to a net zero, nature positive, healthier planet.**

To achieve their nature goal, GSK has set clear and measurable targets on water, biodiversity, waste and materials. They are making **important progress on early 'no regret' actions** – initiatives which allow them to drive change.

At the same time, they continue to deepen their understanding of their **full value chain nature impacts and dependencies** and align with evolving best practice.



Fig. 10 GSK Scientist inspecting liquid in vial at vaccines R&D site in Reinser.

Background

GSK is a **global biopharma company** with a purpose to **unite science, technology and talent to get ahead of disease** together. They aim to positively impact the health of 2.5 billion people over the next 10 years.

GSK prioritises innovation in vaccines and specialty medicines, maximising the increasing opportunities to prevent and treat disease. At the heart of this is their R&D focus on the science of the immune system, human genetics and advanced technologies, and their world-leading capabilities in vaccines and medicines development. They focus on four therapeutic areas: infectious diseases, HIV, oncology, and immunology.



Fig. 11

GSK R&D Scientist with safety visor working in a biology laboratory at Stevenage site.

Key Messages

- Large Multinational putting much effort into becoming more sustainable - with **twin goals on climate and nature**.
- **Ambitious targets for 2030** and transparent communication of these and current impacts.

Factors for Success

- **Testing methods & tools for setting Science Based Targets for Nature** through SBTN's Corporate Engagement Program
- Partnering with UNEP-WCMC to **test methodology & map impact on nature across the value chain**
- Senior management buy-in & remuneration linked to those goals
- Nature Positive is **built into a cross company sustainability steering group** that includes Procurement, Manufacturing and R&D among other critical divisions.
- GSK is a member of TNFD

Outcomes

- **Reduced overall water use in operations** by 16% compared to 2020 and by 21% in sites in high water stress regions.
- Committed to **restore over 2500 hectares of mangroves in Indonesia**, through community-led projects
- Commenced **biodiversity uplift projects** at their three largest R&D facilities in the UK and the US.
- **Sustainable sourcing plans in place** for priority 12 critical agricultural, forestry and marine-derived materials.

ACT-D framework



ASSESS

GSK has undertaken a full value chain materiality assessment to deepen their understanding of their nature impacts and dependencies, in line with the latest available guidance from SBTN and TNFD.

Annual assessments of progress towards net nature positive by 2030 goal



COMMIT

Net positive impact on nature by 2030 across entire value chain

- Reduce overall water use in operations by 20% by 2030.
- **Be water neutral** in own operations and at key suppliers in water-stressed regions by 2030.
- Zero impact Active Pharmaceutical Ingredient (API) levels for all sites & key suppliers by 2030
- Zero operational waste, including eliminating single use plastics by 2030
- 25% environmental impact reduction for products & packaging by 2030
- 10% waste reduction from supply chain by 2030
- **Positive impact on biodiversity at all owned sites by 2030.**
- 100% agricultural, forestry and marine-derived materials sustainably sourced and deforestation free by 2030
- **Invest in nature-based solutions** equivalent to 20% of 2020 GHG footprint.

ACT-D framework



TRANSFORM

GSK is beginning the journey to transform their business into a nature-positive organization.

All key functions have sustainability lead responsible for driving action across climate and nature

Working to integrate climate and nature into business decision making

Linked progress on the delivery of climate and nature goals to the reward of Executive Directors and other senior leaders



DISCLOSE

GSK tracks performance extensively and reports publicly and transparently on it through several reports.

GSK discloses performance against their climate and nature goals annually in the ESG performance report and the Annual Report.

They also published a mini-report on nature in December 2022, in line with COP15, sharing progress to date.

Finance



ASSESS

Taskforce for Nature-related Financial Disclosures (TNFD) is helping GSK pilot disclosures towards their nature positive by 2030 goal.

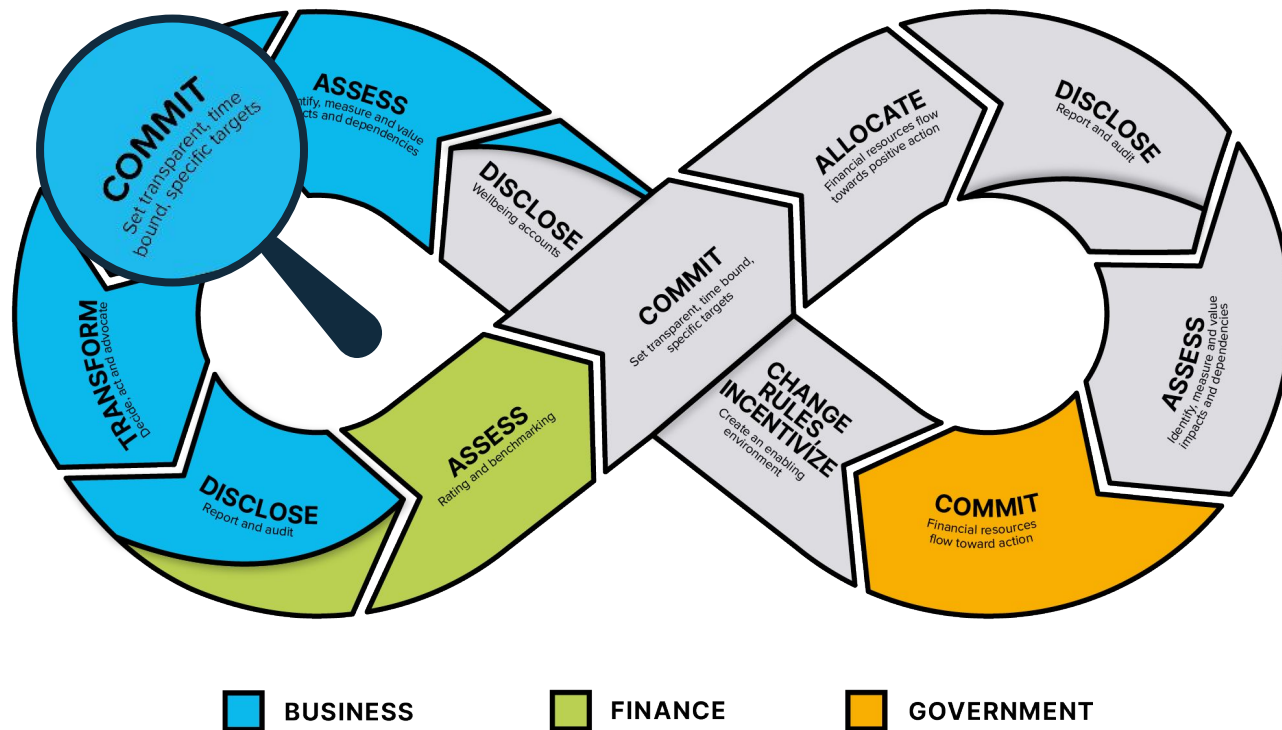
GSK is a member of TNFD

Government



COMMIT

Recent commitments at COP15 to a new global agreement for nature increases pressure on and momentum within businesses to measure, disclose and reduce their impacts on nature



Please contact **Hannah Green**, Communications and Government Affairs Lead, Sustainability, GSK for more information:
hannah.x.green@gsk.com



Action to protect and conserve nature can't wait. That's why we are openly sharing our progress, challenges and learnings to date, as we hope to encourage others to get started, even while the full data sets and standards are not yet available.

Claire Lund, VP Sustainability, GSK

CASE STUDY 05:

Holcim Group

IMPLEMENTING A
NATURE-POSITIVE
STRATEGY WITH
MEASURABLE WATER AND
BIODIVERSITY TARGETS



Media Release

Zug | 3 September, 2021



Holcim launches nature-positive strategy with measurable 2030 biodiversity and water targets

- First in construction sector to commit to measurable positive impact on biodiversity with transformative rehabilitation plans
- Industry-leading commitment to replenish freshwater in water-risk areas by 2030 and targets to lower water intensity across all product lines
- Driving nature-based approach in products and solutions to bring nature into cities

Holcim announces its strategy to become nature positive by restoring and preserving biodiversity and water while bringing more nature into cities. Holcim's positive impact on biodiversity is based on transformational rehabilitation plans and measured by a science-based methodology developed in partnership with the International Union for Conservation of Nature (IUCN). Preserving water across its business, Holcim targets to replenish freshwater in water-risk areas while lowering water intensity across all its product lines. Holcim will also accelerate the deployment of solutions such as Hydromedia and green roof systems for more livable urban environments. Holcim's nature-positive strategy places it among the 1% of the 500 largest global companies with science-driven biodiversity targets and the first in its sector with a freshwater replenishment commitment.

Magali Anderson, Chief Sustainability and Innovation Officer, Holcim: "With nature at the heart of everything we do, I am pleased that we are taking significant steps to improve our biodiversity and water stewardship in a measurable and science-driven way. Building on our longstanding commitment, our nature-based solutions play a vital role in reducing the impact of climate change and increasing our business resilience. Becoming nature positive plays a critical role in our vision to build progress for people and the planet."

Eve Zolney, Executive Director, Business for Nature: "We congratulate Holcim for its ambitious biodiversity and water goals as part of its nature-positive journey. Implementing Holcim's nature strategy can drive sustainable change both within the building materials sector and industry as a whole. We need all businesses to rapidly step up their actions and commitments to protect and restore the ecosystems on which we all rely to create healthy and resilient societies."

On its journey to become nature positive, Holcim commits to:

- Delivering a measurable positive impact on biodiversity by 2030 based on the Biodiversity Indicator Reporting System (BIRS) developed in partnership with IUCN, with:
 - Global BIRS baseline completed and managed first by 2024
 - All quarters with rehabilitation plans by 2022

Member of the top 100 companies of the Future Global 2000.

Leader in Sustainable Construction

DESCRIPTION: Nature strategy with measurable biodiversity and water targets

PERIOD: Since September 2021

ORGANIZATION: Holcim Group

SECTOR: Construction materials

GEOGRAPHY: Switzerland HQ / Global

SIZE: Large multinational

Project Overview:

- Leads construction sector and industry in terms of commitments to measuring biodiversity impact through **“progressive transformative rehabilitation” and freshwater replenishment** in water-risk areas
- Nature-based approach places Holcim Group (Holcim) among the **top 1% of the 500 largest global companies with science-based biodiversity targets**. In 2022 Holcim was recognized for climate and water leadership with CDP double “A” scores.
- Water stewardship actions cover Holcim’s **own operations** as well as **beyond site boundaries**
- **Sustainability is a core value** that guides Holcim towards a circular economy approach and shapes its future outlook



Fig. 12

Holcim's progressive transformative rehabilitation in action: its Bamburi Limestone quarry in Kenya before (top picture) and after (bottom picture) rehabilitation

Background

Holcim Group (Holcim) is a Swiss **multinational building material solutions company** with a vision to become the global leader in innovative and sustainable building solutions. The Group employs over 70,000 people around the world and has four main business segments: cement, ready-mix concrete, aggregates and solutions & products. Holcim reported a revenue of CHF 26.8 billion in 2021 and is ranked by Forbes as the 280th largest public company in the world in 2020.

In September 2021, Holcim launched its **nature strategy which is guided by science-driven biodiversity targets**. In June 2022, it released the Holcim Nature Policy which sets out how employees should interact with business partners, suppliers, communities and other stakeholders. The policy forms part of Holcim's core values and its main purpose is to **establish the company's objective to protect and restore water and biodiversity**.

As part of the Group's overall sustainability strategy, Holcim upholds **four sustainability pillars: climate and energy, circular economy, nature and people**. It is the first in the global building materials and solutions sector to have its 2030 and 2050 net zero targets validated by the Science Based Targets Initiative (SBTi).

Holcim strives to protect biodiversity and water resources throughout its operations and **is committed to a nature-positive future**. Holcim was featured in two recent UN publications in which it was recognized as "one of the frontrunners in the business community when it comes to measuring biodiversity." In May 2020, Holcim was rated number 1 out of 101 construction material companies in terms of ESG by Sustainalytics.

Key Messages

- **Strong leadership understanding the importance of nature** to Holcim's operations dependent on scarce freshwater resources allowed the company to be at the forefront of sustainable action taken by its industry (among other benefits)
- Holcim's nature strategy can drive change within the building materials sector and the construction industry as a whole
- Holcim's nature and biodiversity-related actions **do not necessarily lead to higher costs** and have **positive reputational impacts** across communities, local authorities and investors

Factors for Success

- Company's **sustainability leadership is close to the CEO** and facilitates endorsement for nature initiatives and strategies
- **KPIs for senior leadership** tied to water, circular economy and climate performance
- **Best-in-class financial KPIs** and a disciplined investment strategy centered around sustainability
- Strong **understanding of the company's impacts on water and biodiversity** over several years, allowing alignment with recent COP-15 targets
- Membership in **TNFD, TCFD, SBTN Corporate Engagement Program** and other emerging frameworks in conjunction with a bold internal sustainability strategy

Outcomes

- **UN-highlighted pilot case studies for nature rehabilitation**
 - planted 360 plant species to populate their quarry in Spain
 - developed business and natural capital accounting studies for quarry sites in Spain to account for uniqueness and ecological importance of each habitat
- **Double "A" ratings from CDP for climate and water security management** in 2022 making it the first company in its sector to achieve this (improvement over "A" climate and "A-" water in 2021)

ACT-D framework



ASSESS

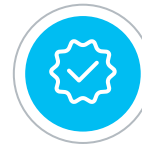
Possesses a strong understanding of nature-related impacts of its own operations (such as quantity and intensity of extraction), and suppliers, which allows for reporting on impacts in line with COP-15 outcomes on mandatory assessment and disclosure

Involved in developing science-based targets through the [SBTN Corporate Engagement Program](#)

Will determine biodiversity baseline level by implementing the [Biodiversity Indicator and Reporting System](#) in all active and inactive quarries by 2024

Uses the Integrated Biodiversity Assessment Tool to help prioritize actions in high biodiversity areas and the WRI Aqueduct tool to prioritize water risk areas

Outlined its ESG priorities in the report [“Strategy 2025 – Accelerating Green Growth”](#)



COMMIT

Supports the recommendations of the [TNFD](#)

Committed to:

- Freshwater replenishment (first in the sector) in water-risk areas by 2030
- Having measurable positive impact on biodiversity by 2030 using science-based methodology developed in partnership with IUCN
- Reducing water stress and building water resilience through [CEO Water Mandate](#) signatory and [Water Resilience Coalition](#) signatory
- Not opening new sites or explorations within protected areas declared under World Heritage, International Union for the Conservation of Nature I and III

ACT-D framework



TRANSFORM

Implementing nature-based solutions in quarries through targeted biodiversity actions, science-based indicators and helping to reverse nature loss

Driving circular construction to reduce, reuse and recycle materials

Will develop a biodiversity environmental training module for their extractive raw material suppliers



DISCLOSE

Discloses [Integrated Profit & Loss Statement](#) annually since 2014

Publishes [Sustainability Performance Report and Materiality Review](#) annually since 2015

Discloses water and climate-related performance data to [CDP](#) (received Double “A” rating—first in the sector)

Published first [Climate Report](#) in 2022

Discloses detailed nature impact data to the [World Benchmarking Alliance](#), resulting in the highest score among 47 “construction materials and supplies” industry firms in the 2022 Nature Benchmark

Finance



ASSESS

Has actively supported [TNFD](#) and [TCFD](#) since 2017 and has conducted a [physical climate risk scenario analysis](#) with CelsiusPro (published in the Holcim Climate Report 2022) that is aligned with TCFD recommendations



ALLOCATE

Implemented a [Sustainability-Linked Financing Framework](#) to link funding with Holcim's sustainability objectives

Government



ASSESS

Assessed economic activities within the cement manufacturing, asphalt and roofing segments against the EU Taxonomy for sustainable activities

Participates in the [Global Cement and Concrete Association](#) trade group and its new nature "stream" which engages with public bodies

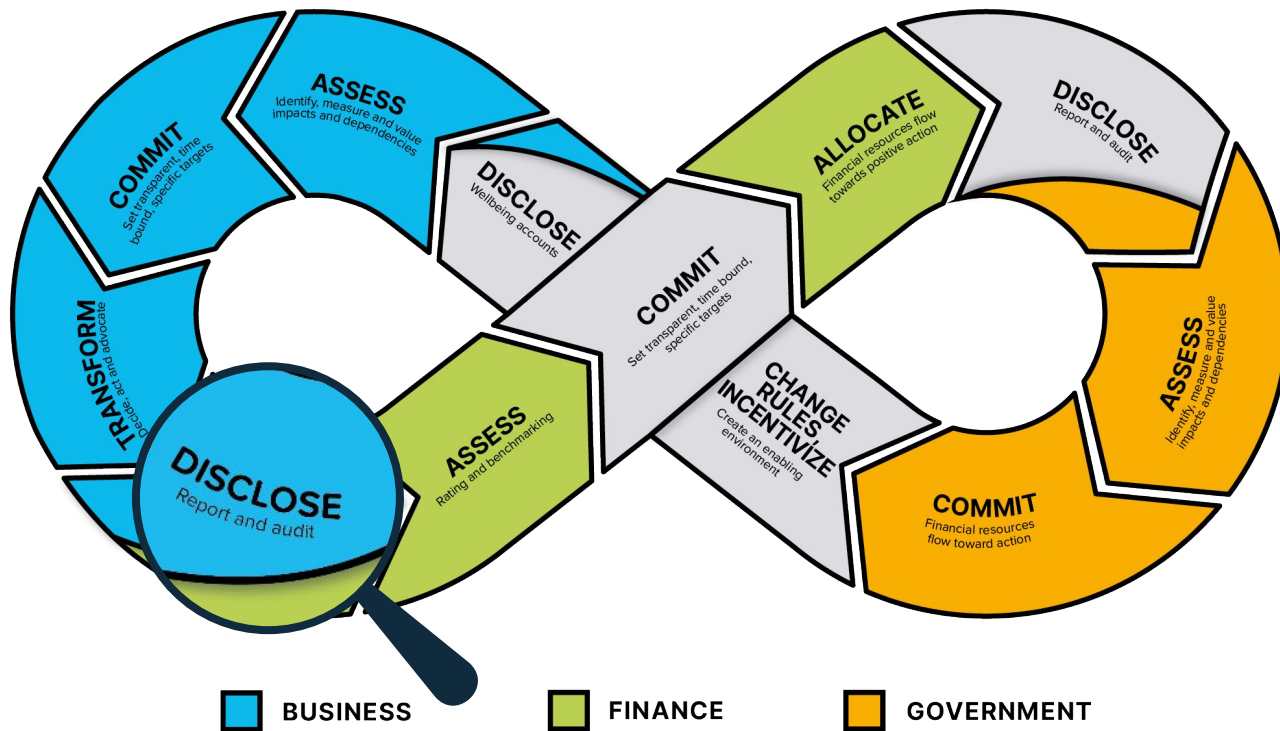


COMMIT

Committed to water and biodiversity targets aligned with UN [SDGs](#) and [CBD](#)

Joined in the [Call to Action](#) from Business for Nature, calling governments to adopt ambitious nature policies

Signed Business for Nature's [#MakeItMandatory](#) campaign to call for mandatory requirements to assess and disclose impacts and dependencies on nature



Please contact **Renata Pollini**, Holcim's Head of Nature, for more information: renata.pollini@holcim.com



Holcim took a bold approach [to nature]. It is important for businesses to be bold because we don't have time to wait. Businesses should act now instead of waiting for TNFD or SBTNs to force them to take action.

Strong leadership and engagement with business initiatives for nature such as TNFD and SBTN are key for business sustainability. The endorsement of Senior Management together with a dedicated Chief Sustainability and Innovation Officer were one of Holcim's main success factors. Being part of nature initiatives not only allows Holcim to support and inform future developments around nature-related disclosure, but also adapt its strategy accordingly.

Renata Pollini, Head of Nature

CASE STUDY 06:

Jayanti Group

SOURCING DIRECTLY
FROM FARMERS





Jayanti
Sustainability
Report 2021-2022

Farm-to-Fork Quality Management

DESCRIPTION: Direct Farmer's Sourcing Programme

PERIOD: Began 2010 and ongoing

ORGANIZATION: Jayanti Group

SECTOR: Food industry

GEOGRAPHY: HQ India with secondary bases in Turkey and Vietnam

SIZE: Small/medium-sized enterprise

Project Overview:

- Jayanti Group (Jayanti) has developed partnerships with farmers' co-ops through the Direct Farmer's Sourcing Programme (DFSP), enabling it to **assess and promote sustainable supply chains**
- DFSP emphasizes **building long-term relationships with farmers and training them on good agricultural practices** aligned with the **Rainforest Alliance (RA)**, **Sustainable Agricultural Initiative (SAI)** and **Sustainable Spice Initiative (SSI)**.
- Jayanti engages in a **holistic approach to production** that protects consumers, producers and the environment
- Outperformed internal target of 20% of total products sustainably sourced by 2022 (reached ~30%)

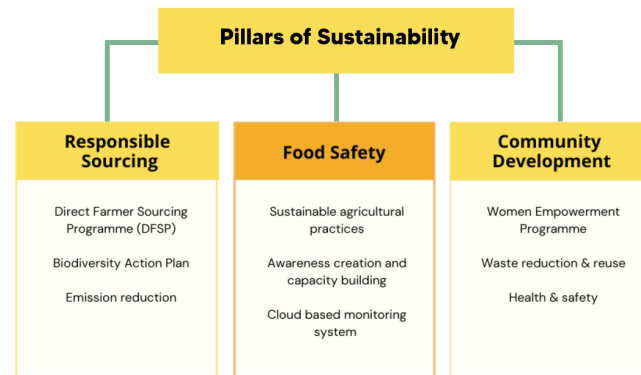


Fig. 13 Jayanti's three guiding pillars inform its sustainability approach



Fig. 14 Jayanti farming assessment visit

Background

Jayanti Group (Jayanti) is **a herbs and spice, tea and natural caffeine specialist producer and processor** based in Bangalore, India with plantations in India, Vietnam and Turkey. The company started operations in the 1940s as a family-run business and is now a professionally managed agro-commodities and food business group with operations concentrated in Asia and Europe. Jayanti empowers 2,500+ farmers in sustainable agricultural operations covering 15,000+ acres of land.

Jayanti is committed to ensuring that food safety, sustainability and traceability are embedded into its **“farm-to-fork” quality management and procurement policies**. It is the first company in India to grow Rainforest Alliance Certified chillies and cumin.

The objective of the Direct Farmer's Sourcing Programme (DFSP) is to build relationships and partnerships with farmer cooperatives to streamline the supply chain. Through the DFSP, Jayanti is not only able to source directly from farmers, but also **boost the local economy and increase efficiency of its operations**.

As part of its overall sustainability approach, Jayanti aims to continuously **improve its sustainability metrics year-on-year** across seven priority areas: nature, energy, water, waste, women empowerment, health & safety and partnerships. Taking inspiration from UN SDG 2030 agenda.

Key Messages

- Sustainable supply chain is the way forward for the food industry
- Carefully monitoring progress towards nature-related outcomes (through digital monitoring tool) with sustained interventions is essential to building sustainable value chains and meeting targets
- Safeguarding biodiversity and nature conservation is essential to ensuring food safety and wide availability

Factors for Success

- Adopts a **holistic approach** to herbs and spice production that protects consumers, producers and the environment
- Engages with farmers and **monitors live, real-time data** relating to biodiversity, water, soil health and greenhouse gas emissions
- Established an internal sustainability team in 2010 with an aim to identify critical aspects relating to responsible sourcing, stable supply chains and direct interaction with farmers

Outcomes

- Initiated a tree planting project to improve soil health by encouraging indigenous farming practices and introducing native species
- Through DFSP, Jayanti observed **improvements in soil fertility and local cropping conditions** in chili, black pepper and cumin plantations
- Awareness creation and supporting farmers to adopt to native varieties led to efficient resource management and cost-effectiveness

ACT-D framework



ASSESS

Member of Union for Ethical BioTrade (UEBT) and Indian Business Biodiversity Initiative (IBBI), each of which promotes sustainable management of nature and biodiversity starting with understanding impacts and dependencies

Assessed Jayanti's biodiversity impact for peppers and cumin in the Biodiversity Action Plan and identified three areas requiring further improvement: crop biodiversity, conservation of groundwater and invasive species eradication



COMMIT

Embeds UN SDGs 2030 (seven SDGs focusing on nature and climate – 1, 5, 6, 12, 13, 15 and 17) into company's sustainability performance

Committed to reaching 25% sustainable sourcing in at least top 3 products categories by 2025 and 50% by 2030 as a Sustainable Spices Initiative member

Declare at least 20% of total produce as sustainably sourced by 2022 (internal target) - target to be redefined in January 2023 as it was outperformed ~30% in 2022

ACT-D framework



TRANSFORM

Manages training programmes which encourage farmers to adopt alternate solutions to simplify water management through natural pond and drip irrigation systems

Utilizes agri-ecosystem data from agricultural cloud platform to monitor and subsequently change farm-level operations to enhance productivity and traceability

Distributes seed for cumin and coriander with a research institute and university partners to reduce crop irrigation cycle, obtain earlier yields and avoid adverse severe weather impacts



DISCLOSE

Provides annual disclosures to the Sustainable Spice Initiative (SSI), Union for Ethical BioTrade (UEBT) and India Business & Biodiversity Initiative (IBBI). Initiated sustainable reporting since 2020.

Working to improve robustness of sustainability-related data and analysis, streamlining crop-wise traceability and developing framework for more efficient reporting.

Has begun to explore the TNFD and intends to align with its recommendations

Government



ASSESS

Relies on the impact categories outlined in selected [SDGs 2030](#) to assess its nature-related impacts and dependencies as well as set benchmarks for company performance



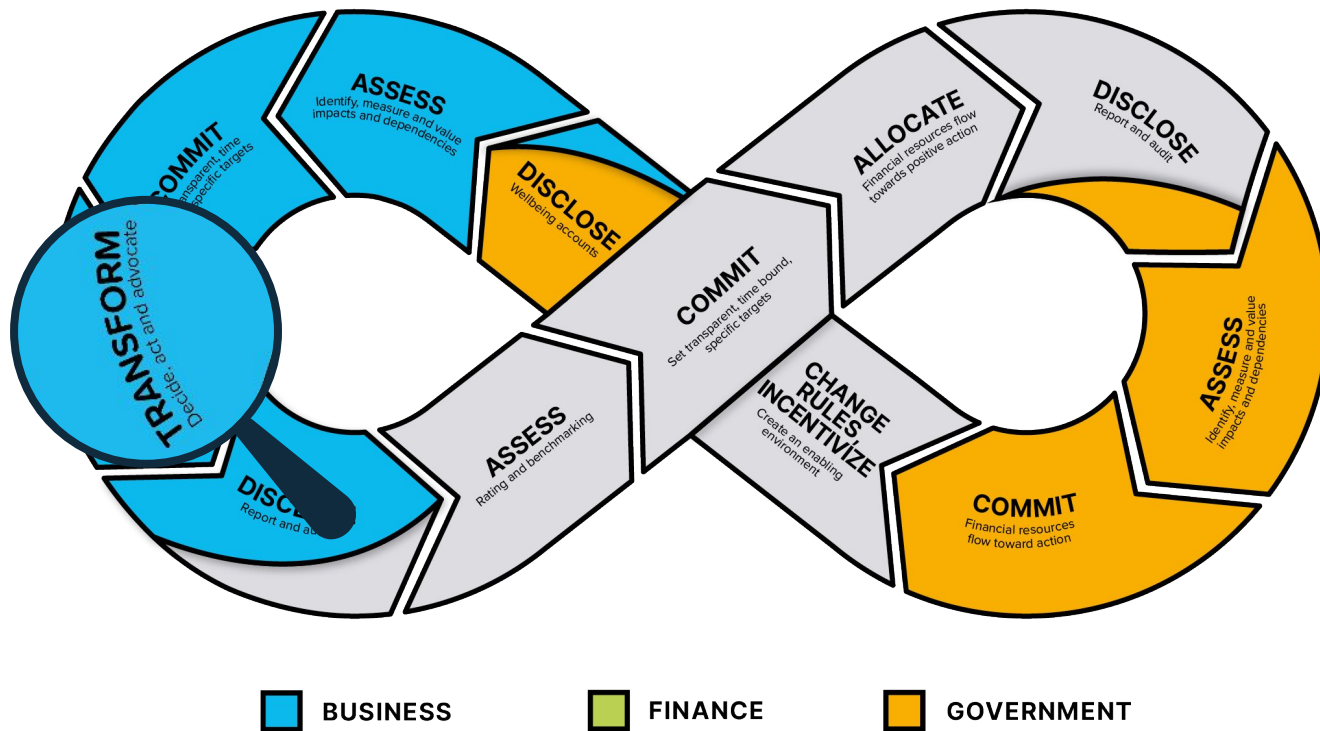
COMMIT

Adopted SDG 2030 agenda by focusing on relevant areas (nature, energy, water, waste, water empowerment, health & safety and partnerships) and committing to SDGs 1, 5, 6, 12, 13, 15 and 17



DISCLOSE

Aims to disclose the impact of its operations at the sourcing location, processing unit and corporate office levels using the SDG and ESG framework



Please contact Syamala Gowri, Manager-Sustainable Development at Jayanti: syamala.gowri@jayanti.com



Jayanti's vision is to make its spices and other agricultural commodities safe and widely accessible. Biodiversity and nature conservation are the foundations to achieving this, and hence, they are parts of our core business strategy.

Syamala Gowri, Manager, Sustainable Development

CASE STUDY 07:

Mondi Group

GOING
FROM STRATEGY
TO ACTION





Mondi Sustainable Development Report 2021

DESCRIPTION: MAP2030 - Mondi Action Plan

PERIOD: Since 1997, MAP (2021 - 2030)

ORGANIZATION: Mondi Group

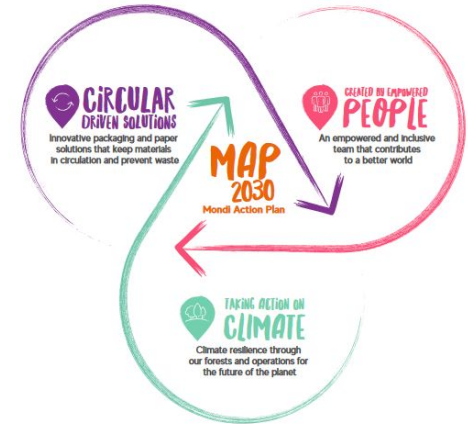
SECTOR: Packaging and Paper Products

GEOGRAPHY: Headquartered in the United Kingdom; 100 production sites across 30 countries; in South Africa owns and manages 254,000 hectares of plantation forestry landholdings

SIZE: Multinational

Overview:

- Nature is integrated directly into Mondi Group's overall action plan, [MAP2030](#), interlinked with the Climate Action
- Originally from South Africa, the group's focus on water stewardship has not only kept it a step ahead of regulations, but has garnered a Panda award from WWF in 2004, and resulted in several partnerships that further differentiate Mondi within their industry.
- Through the MAP2030 sustainability framework Mondi is undertaking both water and biodiversity impact assessments at all of their pulp and paper mills and forestry operations



Built on Responsible Business Practices
Business Ethics & Governance | Human Rights | Communities | Procurement | Environmental Impact

Fig. 15

MAP 2030: Mondi's Action Plan

Background

Mondi is a global provider of packaging and paper products, employing around 21,000 people at approximately 100 production sites across 30 countries, with key operations located in Europe, North America and Africa. The business is integrated across the value chain – from managing forests and producing pulp, paper and films, to developing and manufacturing effective industrial and consumer packaging solutions. Mondi aims contribute to a better world by making innovative packaging and paper solutions that are sustainable by design.



Fig. 16

Mondi's current Business Strategy incorporates sustainability at its core

Key Messages

- Better to invest early in stewardship of supply chain resources rather than wait to be told what to do
- Important to go beyond the fence and to act across landscapes and value chains, as nature does not recognise man-made boundaries
- Aiming to integrate key environmental parameters into product development and manufacturing (GHG emissions, water use, waste to landfill)

Factors for Success

- The business has made sustainability core to its business strategy with a culture of continuous improvement, ambition and experimentation
- Proactively engaging with NGOs and academia on nature stewardship issues has kept Mondi one step ahead of both regulation and competitors
- External frameworks like the Global Biodiversity Framework, the SBTN and TNFD catalyzed top-level support for nature action

Outcomes

- 100% of forestry landholdings are FSC and PEFC certified; 100% of external wood fibre sourced from responsible sources
- Achieved a 46% reduction of specific CO2e emissions to 2021 against initial 2004 baseline
- From 2005 to 2021 reduced total waste to landfill by almost 68%
- 94% of the water we use for contact water or cooling is released back to the aquatic environment after treatment

Note: Performance outcomes are based on Mondi's Sustainable Development report 2021; the 2022 report will be published 20 March 2023 at www.mondigroup.com/sustainability

ACT-D framework

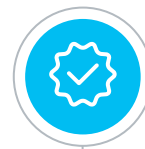


ASSESS

Mondi Group has been measuring double materiality (impact of nature on their business and the impact of their business on nature) every 3 years since 2015.

Evaluated risks of deforestation and land conversion, as well as other nature-related controversial activities, in all wood fibre sourcing areas (via WRI's Global Forest Watch, FSC's National Risk Assessments)

Completed high-level risks review in relation to climate (via WBCSD's Climate Scenario Tool), water (via WWF's Water Risk Filter) and biodiversity (via Integrated Biodiversity Assessment Tool)



COMMIT

100% responsibly sourced fibre with 75% FSC™- or PEFC-certified fibre procured by 2025 & remainder meeting the FSC™ Controlled Wood standard

Conduct **water stewardship assessments & biodiversity assessments at all mills and forest operations**, introducing action plans where necessary by 2025

Reduce GHG emissions in line with science-based **Net-Zero targets** (Scopes 1, 2 & 3 aligned to a 1.5°C scenario) with milestones by 2030 and 2050

ACT-D framework



TRANSFORM

Mondi Group is expanding their nature stewardship beyond property lines to catalyse ecosystem partnership across entire landscapes and product value chains, to promote best practice sharing

Through partnerships with WWF South Africa and Endangered Wildlife Trust, Mondi is contributing to the development, refinement, and application of global nature stewardship standards

Mondi also collaborates with scientific institutions to enable science-based context-specific approaches to nature conservation and management (e.g. Stellenbosch University, IUFRO)



DISCLOSE

Mondi openly and publicly reports its performance against all MAP2030 commitments on their website, in annual reports and through publicly available consolidated performance data.

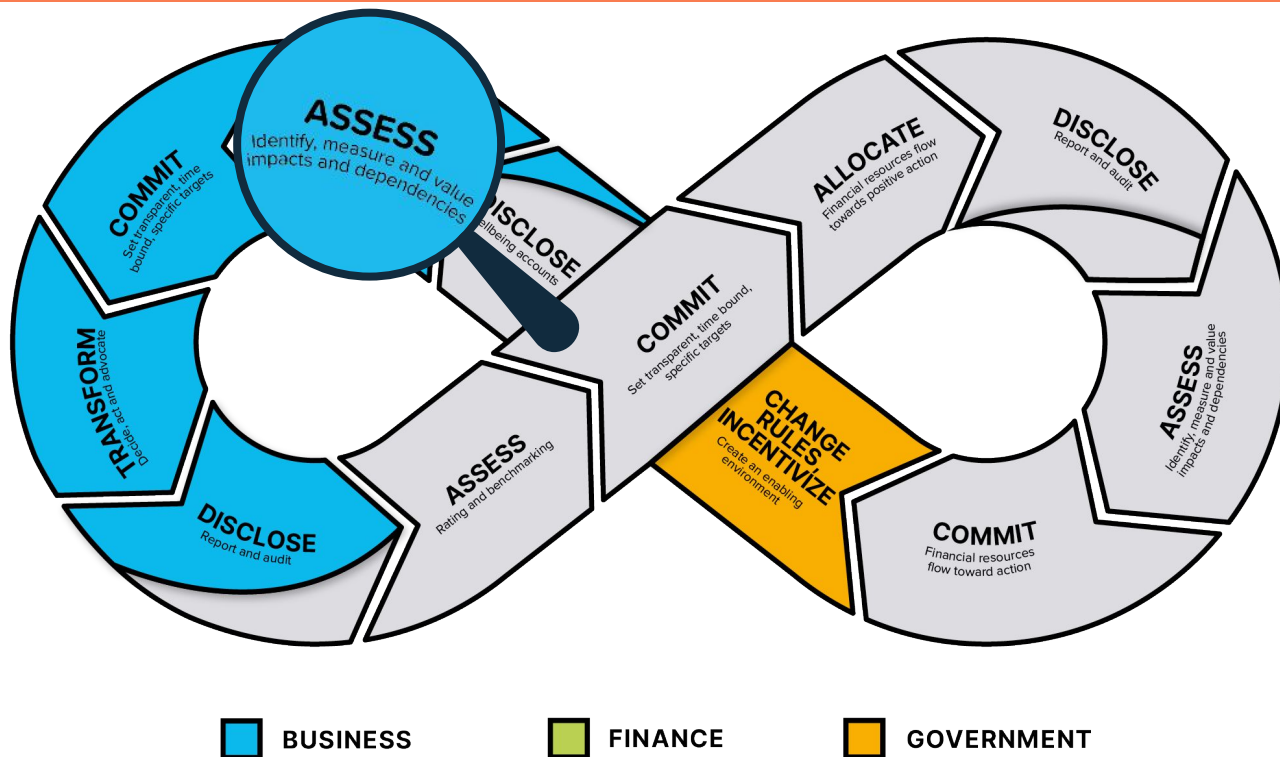
Top scores in sustainability rankings (EcoVadis, CDP) acknowledge Mondi's clear ambitions and best-practice approach to sustainability and transparent reporting

Government



INCENTIVIZE

- Reporting requirements related to climate change and deforestation risks provided spur to not only get ahead of regulation, but to help shape it.
- 1998 National Water Act in South Africa - focused on allocation of water use licenses for plantation forestry was initial spur to Mondi to invest early in stewardship (water) resources.
- Regulatory developments related to elimination of Single Use Plastics will incentive the use of renewable, forest-based materials



Please contact **Denis Popov**, Mondi's Group Natural Resources Manager, for more information:
denis.popov@mondigroup.com



While clear guidelines on how to measure and manage biodiversity and ecosystem services is still needed, we are committed to take tangible actions to reverse nature loss happening today, going beyond our own operational boundaries to catalyze change across wider operating landscapes and value chains.

-

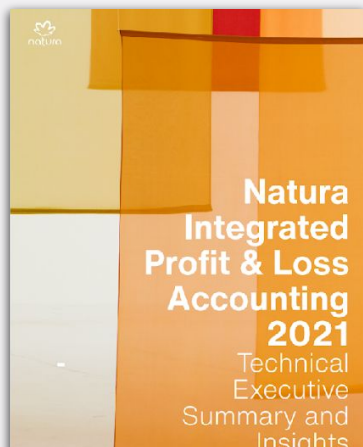
Gladys Naylor, Group Head of Sustainable Development, Mondi Group

CASE STUDY 08:

Natura

BUILDING BUSINESS
RESILIENCE THROUGH
SUSTAINABILITY





Cosmetics industry in South America

DESCRIPTION: An Integrated Profit & Loss Account 2021

PERIOD: Since, 2016, 2021 Report published May 2022

ORGANIZATION: Natura

SECTOR: Cosmetics

GEOGRAPHY: Brazil HQ / Global

SIZE: Large multinational

Project Overview:

- Natura measures its dependence and impacts on people & natural resources
- [IP&L methodology](#) mostly relies on the Natural Capital Protocol as well as the Social & Human Capital Protocol
- Activities cover the **entire Natura value chain**, from supply chain and extractive communities in the Amazon region, direct operations in manufacturing and offices, sales activities of Natura consultants, to product use
- The IP&L **improved Natura's decision-making and nature-related outcomes** through implementation of Assess & Disclose ACT-D actions

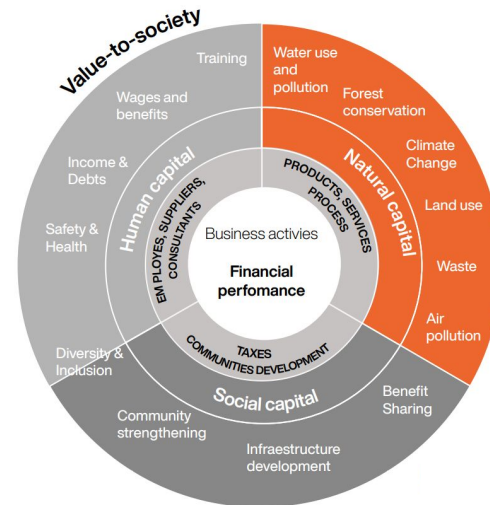


Fig. 17 Integrated model of Natura's activities

Background

Natura is one of four cosmetics brands (along with Aesop, The Body Shop and Avon) owned by the Brazilian multinational cosmetics company Natura & Co, the world's fourth largest pure-play beauty company. Natura maintains a strong presence in Latin America, Malaysia, the United States and Europe. The company engages in direct sales through beauty consultants, physical stores and e-commerce channels.

An early adopter of comprehensive value accounting, Natura in 2016 became the **first company in Latin America to conduct an in-depth environmental profit and loss (EP&L) exercise**. Natura's integrated profit and loss (IP&L) statement, which extended the scope of the EP&L by incorporating social and human capital, started in 2020 and has been made publicly available since 2022. The company recognizes that its IP&L model is a work in progress and is **working to accelerate its transition toward a regenerative and sustainable economic model**.

Key Messages

- Customers are **increasingly interested** in producers' nature and climate impacts
- **Need to raise awareness among its employees and stakeholders** before adapting performance and management processes to incorporate IP&L results
- Natura's sustainable actions have allowed them to **attract more talent and improve employee retention**

Factors for Success

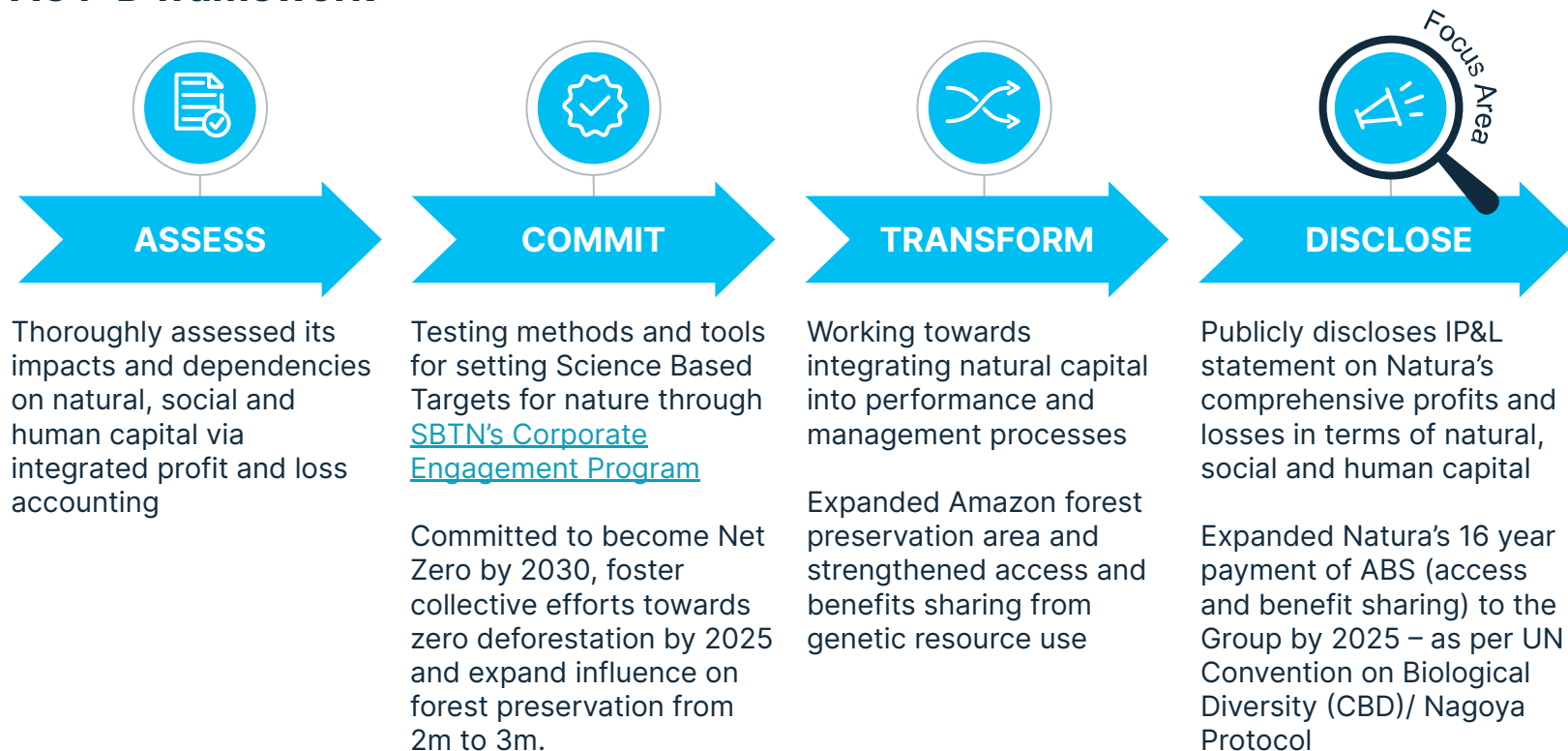
- Environmental P&L laid groundwork for IP&L
- **Strong collaboration within company and alignment with stakeholders** enabled identification of materiality of Natura activities that led to the development of IP&L
- **Competitive advantage** due to investors' interest in ESG metrics, consumer perceptions and pressure from governments and NGOs
- Member of TNFD

Outcomes

In 2021:

- net positive societal value of R\$18 billion
- net negative natural capital value of -R\$0.4 billion
- increased the Amazon preservation area to 2m ha
- Reached target of sourcing from 40 traditional communities

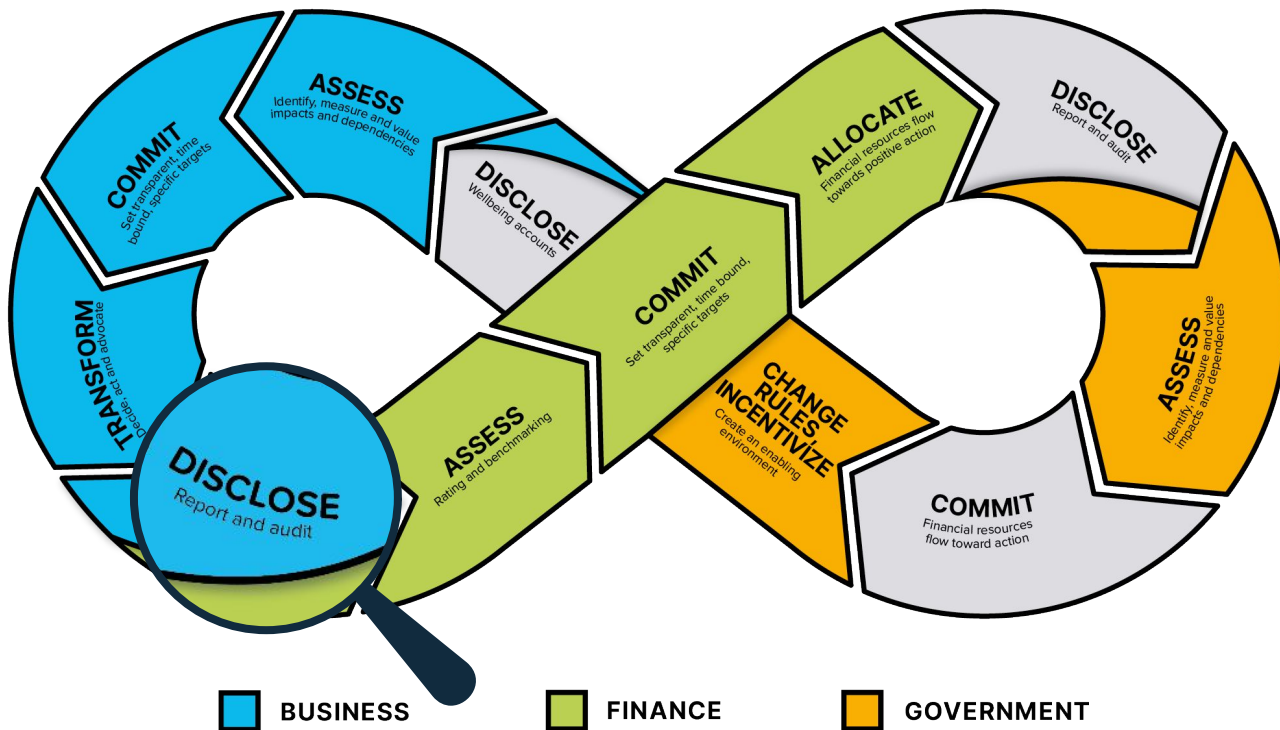
ACT-D framework



Finance

Government





For more information, please contact: impact.valuation@natura.net



Sustainability is not a project. It is part of our business purpose.

With IP&L, Natura invites society to understand the value of companies as agents of transformation.

Our wish is that, in the future, other companies will be able to use this tool for better decision-making, materializing the concepts of stakeholder capitalism and the creation of shared value: through the generation of better solutions for the companies, people and the planet.

Denise Hills, Sustainability Director, Natura &Co Latin America

CASE STUDY 09:

OFI

USING INTEGRATED
PROFIT & LOSS (P&L) FOR
NATURAL, SOCIAL AND
HUMAN CAPITAL





A global supplier of food ingredients and solutions

DESCRIPTION: Annual Report & Sustainability strategies.

PERIOD: 2020-2021

ORGANIZATION: ofi

SECTOR: Agricultural Commodities and Food & Beverage

GEOGRAPHY: Global

SIZE: Large multinational

Project Overview:

- **ofi's** sustainability strategy encompasses 10 Priority Areas across Human, Social, and Natural Capital, which are based on a combination of stakeholder commitments and mapped to the UN Sustainable Development Goals. The company embeds these 10 Priority Areas in each of their supply chain specific strategies for Coffee, Cocoa, Hazelnut, Almonds, and Cashews.
- Multi Capital Valuation & Accounting case studies reported annually in Olam Group Annual Report.
- **ofi's** Finance for Sustainability (F4S) team, whose Integrated Impact Statement (IIS) provides the missing numerical link between actions on the ground and impacts on nature, using well-established Natural Capital valuation methodologies.
- **ofi** provides customers access to a sustainability management system, AtSource, that provides insights into specific suppliers (adherence to Agri Supplier Code, environmental footprint, etc) creating new possibilities for financing and partnerships to enhance Natural Capital.

Background

olam food ingredients (“**ofi**”) is a new operating group born out of [Olam](#). **ofi** offers sustainable, natural, value-added food products and ingredients so that consumers can enjoy the healthy and indulgent products they love. It consists of industry-leading businesses of cocoa, coffee, dairy, nuts, and spices. **ofi** has built a unique global value chain presence including its own farming operations, farm-gate origination, and manufacturing facilities. **ofi** partners with customers, leveraging its complementary and differentiated portfolio of ‘on-trend’ food products, to co-create solutions that anticipate and meet changing consumer preferences as demand increases for healthier food that’s traceable and sustainable.

Through **ofi**’s purpose to **‘Be the change for good food and a healthy future’** ofi aims to address the many challenges involved in meeting the needs of a growing global population, while achieving positive impact for farming communities, our planet and all its stakeholders.

Olam Group is a leading food and agri-business supplying food, ingredients, feed and fibre to 20,900 customers worldwide. We are present in over 60 countries and our operations include farming, processing and distribution operations, as well as a sourcing network of an estimated 5.0 million farmers.

Headquartered and listed in Singapore, Olam Group currently ranks among the top 30 largest primary listed companies in terms of market capitalisation on SGX-ST.

Key Messages

- Our efforts on ground towards nature conservation and management is an opportunity for long term value creation for all stakeholders
- It's not just about the outcomes, it's about the process – embedding nature in day to day operations and thinking
- Creating strong network with farmers, but also collaborating with customers and other important stakeholders

Factors for Success

- Leadership's vision for long term value creation
- Strong investment in bottom up data collection through AtSource platform
- Customer demand for greater traceability (integrated capitals)
- Integration of Natural Capital into business unit operations and reporting

Outcomes

2020-2021 include

- 1.75M Trees distributed to cocoa farmers (+138%)
- 0.22 CO2 emissions /M ton of product output from cocoa processing (-11%)
- 2,011,497 non coffee trees planted
- Saved 134,000 m3 of water in coffee supply chain (+22%)
- Improved soil health across 7,945 ha in coffee supply chain
- Bee-friendly crops grown in nearly 50% of almond orchards.

ACT-D framework



ASSESS

Annual assessment of Natural Capital cost progress for Cocoa ingredient platform in ingredient-specific strategy reports ([Cocoa Compass](#)).

Environmental targets run throughout Cocoa, Almonds, Hazelnut and Coffee sustainability strategies with commitment to publish annual impact reports.

Provide customer access to sustainability management system, AtSource.

ofi's Finance for Sustainability (F4S) team is the centre of excellence for Natural Capital impact and dependencies' valuation methodologies.

ACT-D framework



COMMIT

Reduce the Natural Capital Costs by 30% by 2030 ([Cocoa Compass](#)).

Remediate 75% wet/saline areas in almond orchards ([Almond Trail](#))

Achieve Bee Friendly certification for all almond orchards ([Almond Trail](#))

Protect & expand permanent pollinator habitats to 40% of almond fallow areas ([Almond Trail](#))

Reduce on farm untreated coffee wastewater by 50% by 2025 ([Coffee LENS](#))

Plant 5 million non-coffee trees ([Coffee LENS](#))

Improve soil health over 20,000 hectares in coffee supply chain ([Coffee LENS](#))

Save 1 million m3 of water annually in coffee cultivation & processing ([Coffee LENS](#))

End ecosystem losses, regenerate forests in all high-risk cashew sourcing areas ([Cashew Trail](#))

ACT-D framework



TRANSFORM

Living Landscapes Policy embeds value of natural and social capital in business operations.

Finance for Sustainability team set up to put same level of rigor as applied to financial data to sustainability impact data.

AtSource – our sustainability management system is created to increase bottom-up data collection

Initiated Social Return on Investment (SROI) project.



DISCLOSE

Our investor, strategy, and sustainability progress reports are publicly available with the first integrated report launched for Olam Group in 2018.

Natural capital case studies are disclosed demonstrating how valuation methodologies are applied to various environmental impacts.

Assess & Transform - AtSource

Digital platform created in 2018 which gives customers a comprehensive suite of data and metrics to report on the social and environmental impacts across the entire value chain

Offers 350+ metrics across 32 origins, 36 products and 400,000+ farmers

Over 6,300 supply chains and approximately one million hectares mapped under AtSource (cumulative total; increase of 23% and 17% respectively)

AtSource enables Olam and **ofi** to provide customers with Scope 3 emissions, which leads to preferred supplier status.

AtSource enables **ofi's** customers to track their water, as well as carbon footprint.

Includes a digital footprint calculator that is used in group level Climate Action Playbook to:

- Identify hotspots of GHG emissions from primary data at farmer group level,
- Identify actions to reduce those emissions
- Estimate the potential overall reductions in a given farming system
- Model the outcomes of different interventions



**Figure is not representative of actual app interface*

Finance



ALLOCATE

Investors and customers' growing interest in sustainability performance

Sustainability is key enable for business strategy and customer value proposition

Ability to access diversified funding sources e.g. **ofi** secures inaugural US\$1,975 million sustainability-linked loan and long term strategic partnerships e.g. development finance institutions and government agencies



DISCLOSE

Understands stakeholder needs for robust ESG reporting given the growing interest in ESG by investors & customers

Growing momentum for alignment with frameworks and standards such as TCFD & GRI

Government



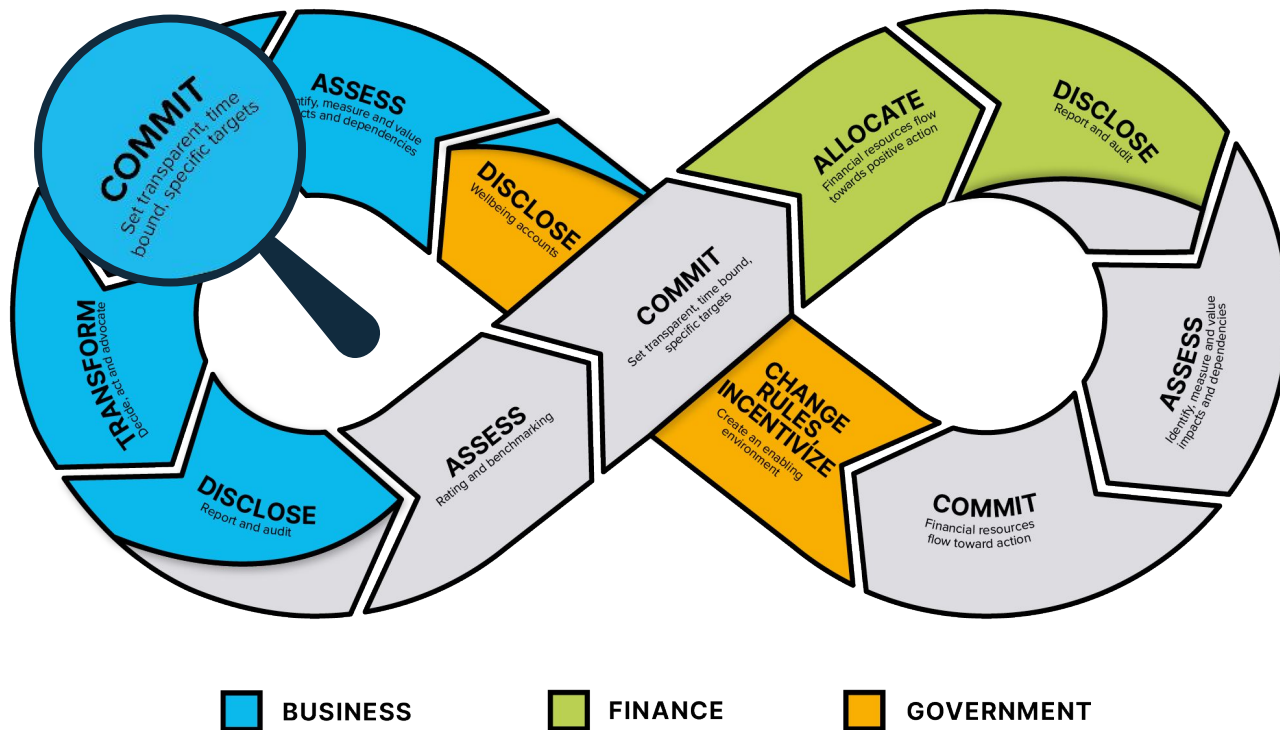
INCENTIVIZE

Upcoming regulations make business case easy



DISCLOSE

GRI
TCFD
SASB
CDP
10 principles of the UN Global Compact



Please contact, for more information:



We are trying to understand in monetary terms, what is the impact for our supply chain on natural capital – positive or negative – and what are the services that natural capital is providing us?

If we can monetize them, we can see their value as well as the cost of inaction.

Ria Bakshi, Head of Sustainability Accounting, Reporting & Impact, **ofi**

CASE STUDY 10:

SEKEM

INTRODUCING A
SUSTAINABILITY
VISION FOR 2057





SEKEM
Report 2021



Sustainability Report 2021

DESCRIPTION: Holistic Sustainable Development

PERIOD: 1977-2021

ORGANIZATION: SEKEM

SECTOR: Organic and Biodynamic Foodstuff, Textiles and Phyto-Pharmaceuticals

GEOGRAPHY: Head Office in El Salam City, Cairo, Egypt

SIZE: International SME

Project Overview:

- From a small intentional community, SEKEM has built a community of organizations focused on holistic sustainable development
- Nature (ecological life) is one of four core pillars of SEKEM's work. It is fundamentally inseparable from the societal, cultural, and economic elements of the organization.
- SEKEM's efforts to convert desert in to regenerative, biodynamic agricultural landscapes has led them to adopt and disseminate models for optimizing water use, maximizing biodiversity, and shifting to renewable energy.

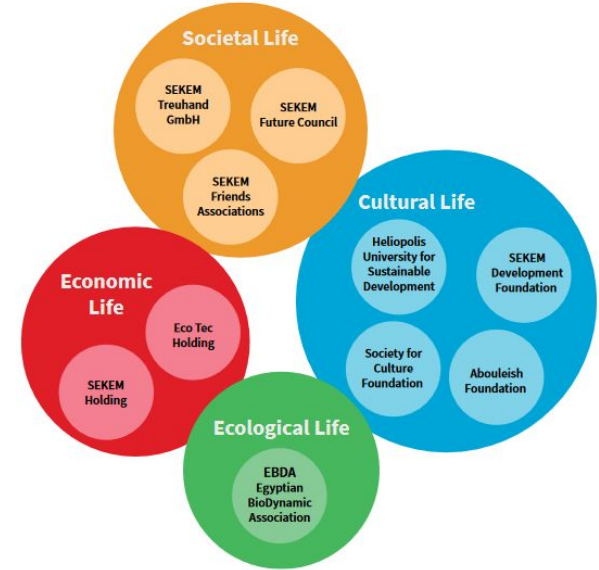


Fig. 18

SEKEM's integrated sustainability Vision.

Background

Founded in 1977 as an intentional community in the desert with the vision of sustainable development and giving back to the community. It aims to develop the individual, society and environment through a holistic approach which integrates ecology, economy, societal and cultural life. Over the years, SEKEM became the umbrella of a multifaceted agro-industrial group of companies and NGOs.

SEKEM produces, processes, and markets Organic and Biodynamic foodstuff, textiles, and phyto-pharmaceuticals. SEKEM also co-finances the social and cultural activities of the SEKEM Development Foundation (SDF), a NGO that runs a variety of projects and programs in the field of social development, health care, education and ecology.

In 2009, Heliopolis University for Sustainable Development was established under the umbrella of SEKEM to introduce the concepts and principles of sustainable development to students and to improve well-being by decreasing threats to the Earth's systems through industrialization and consumption.

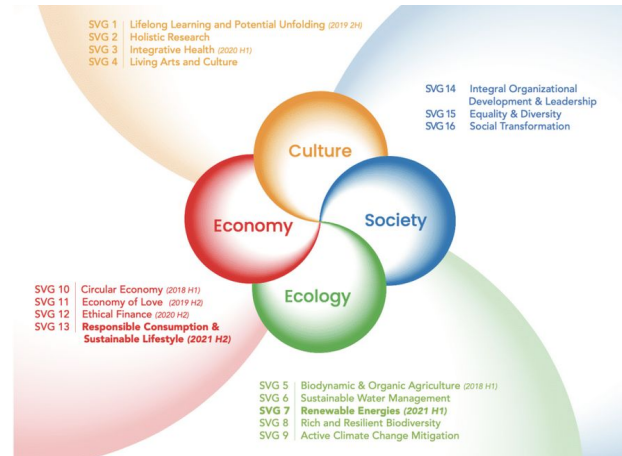


Fig. 19

SEKEM's integrated sustainability Vision goals

Key Messages

- **Actively driving systems change means rethinking not just production practices, but also business models**
- Shift to nature positive business is coming one way or another – by adaptation or crisis
- You **learn most by doing** not by waiting for risk-free scenarios
- Success often breeds complacency – continuous improvement is (relatively) easy in a crisis because it is demanded, but difficult in success

Factors for Success

- **Culture of reinventing self everyday** in the morning
- **Value add business units enabled them to absorb costs** of biodynamic raw materials, compete with conventional products
- Speaking the language of their customers/audience scales impact across Egypt
- **Continuous investments in human development drive employee motivation, health, retention and productivity**

Outcomes

- From 1977 - 2017: 2100 hectares converted to biodynamic/organic production
- Around 600,000 trees planted since foundation
- 551,155,655 tons (0.5 Mt) CO₂ sequestered
- Exceeds industry productivity average in every business unit
- Herbal tea brand has 77% market share in Egypt over major multinational brands

ACT-D Framework



ASSESS

SEKEM assess performance across 64 ecological indicators published in annual report

Aligns their KPIs with SDGs as well as own Vision 2057



COMMIT

SEKEM aims to generate *and disseminate* models for optimizing water (re)use, optimizing biodiversity, reaching zero waste and carbon sequestration by 2027 and by 2057 plant 2,400,000 trees, sequester 2.0 Mt tons of CO₂e with trees and soil, generate €19 mln of accumulated net present value from CO₂ sequestration

ACT-D Framework

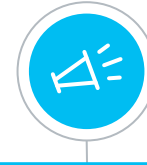


TRANSFORM

SEKEM goes beyond restoring and regenerating landscapes, to creating new business models and ways of living based on solidarity and celebration of diversity

SEKEM's ecosystem of synergistic entities enables holistic value creation across multiple dimensions

In 2019, SEKEM transitioned to a mission-driven governance model recently imitated prominently by Patagonia



DISCLOSE

SEKEM reports transparently and publicly about their performance in their annual reports.

SEKEM holds a variety of certifications including Demeter and fairtrade, as well as ISO standards 9001, 14001, 45001, 17025, 13485, 22000

Finance



ASSESS

SEKEM works with banks from the Global Alliance for Banking on Values (GABV) - a network of independent banks using finance to deliver sustainable economic, social and environmental development.

Specifically, GABV banks have designed patient finance structures for SEKEM's development



ALLOCATE

The German GLS Gemeinschaftsbank AG, the Dutch Triodos Ventures BV and Oikocredit Ecumenical Development Cooperative are shareholders of SEKEM Holding and work closely with SEKEM's finance department to evaluate, shape, and approve future investments in support of SEKEM's mission

Government



ASSESS

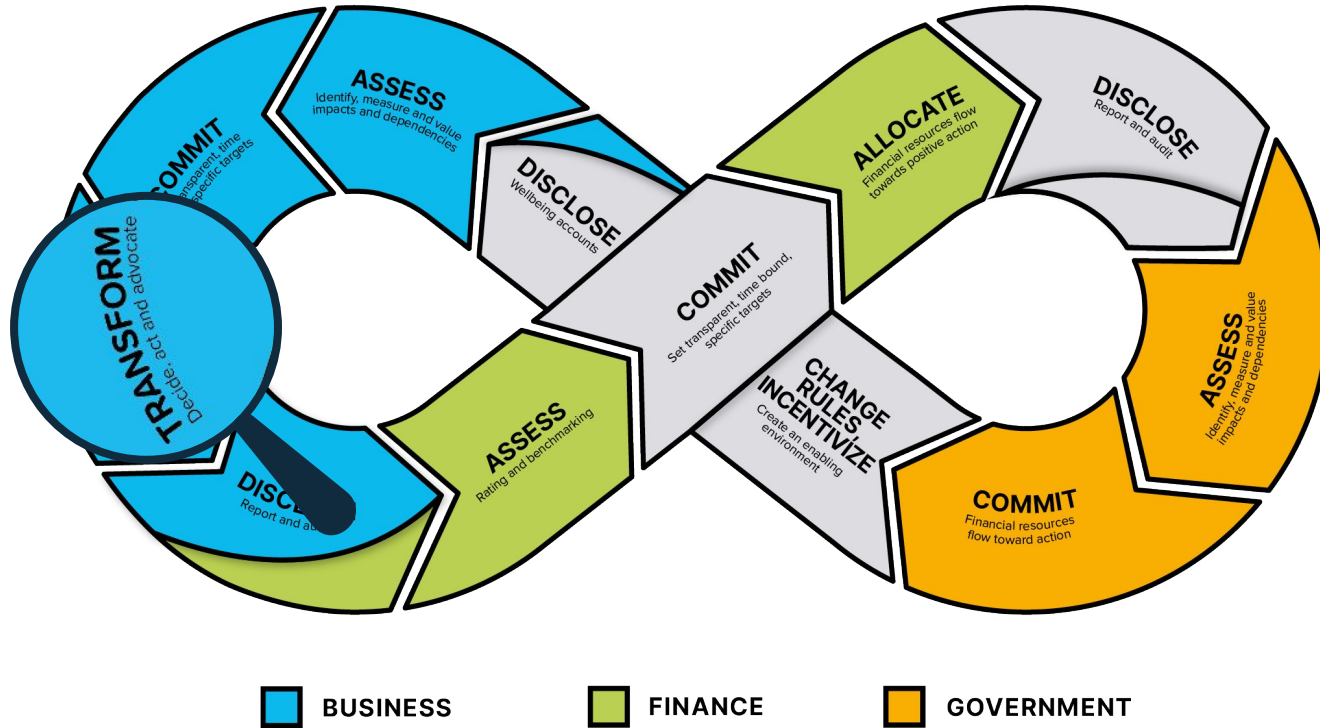
SEKEM is following various certifications and standards such as Fairtrade, USDA Organic, Demeter, BioSwiss, etc exports regulation

SEKEM's CEO is also President of the Biodynamic Federation in Demeter International



COMMIT

Convention on Biological Diversity, Nagoya protocol reinforce SEKEM's mission



Please contact **Helmy Abouleish**, SEKEM Group's CEO, for more information: helmy.abouleish@sekem.com





































































































































Why should businesses consider sustainable development across these four dimensions (Ecological, Economic, Societal, and Cultural Life)? Our example proves that by really studying the ecological impact, the integrated impacts, you can use these impacts for system change in culture.

...

Nobody can think anything through to the end. You can just have an intention. And then you move. You learn where you go. And then you fail and then you learn mostly from your failure and then you start again

Helmy Abouleish, Chair of the Board and Managing Director, SEKEM

Case studies distribution

	BUSINESS				FINANCE				GOVERNMENT			
	A	C	T	D	A	C	A	D	A	C	I	D
 ABN-AMRO												
 BNP PARIBAS ASSET MANAGEMENT												
 eosta												
 GSK												
 HOLCIM												
 Jayanti												
 mondi												
 natura												
 ofi open financial institutions												
 SEKEM 40 Years of Sustainable Development												

Insights & Lessons Across Case Studies





The case studies presented here represent the leaders thus far of business action for nature

No single company is fully aligned with a nature positive future...yet

It is time for Business to step up and take ambitious action to protect and restore nature.

Your customers, your shareholders, your partners, your employees demand it.

Your children need it.

Relevant Links

ABN

[ABN Amro Homepage](#)

BNP

[BNP Paribas Homepage](#)

Eosta

[True Cost Accounting Summary](#)
[Eosta Website](#)
[True Cost Accounting Handbook](#)
[How Numbers were Calculated](#)
[True Cost Accounting Full Report](#)

GSK

[GSK Materiality Assessment 2018](#)
[ESG Performance Report 2021](#)
[ESG Resources](#)
[Environmental Sustainability](#)
[GSK Action Plan](#)
[GSK Annual Report 2021](#)

Holcim

[Holcim Homepage](#)

Jayanti

[Jayanti Homepage](#)

Mondi

[Sustainability Website Section](#)

Natura

[Natura Homepage](#)

OFI

[OFI Homepage](#)
[OFI Supply Chain Specific Strategies](#)
[Cashew Trail](#)
[Almond Trail](#)
[Hazelnut Trail](#)
[Cocoa Compass](#)
[Coffee LENS](#)
[OLAM Living Landscape Policy](#)
[OLAM Strategy Report 2021](#)

SEKEM

[SEKEM Report 2021](#)
[SEKEM Sustainability Flower](#)
[About SEKEM](#)
[SEKEM WAHAT](#)
[SEKEM Update 14 – Protecting Biodiversity and Preserving the Climate in El Wahat](#)

