



Integrating Nature into business strategy

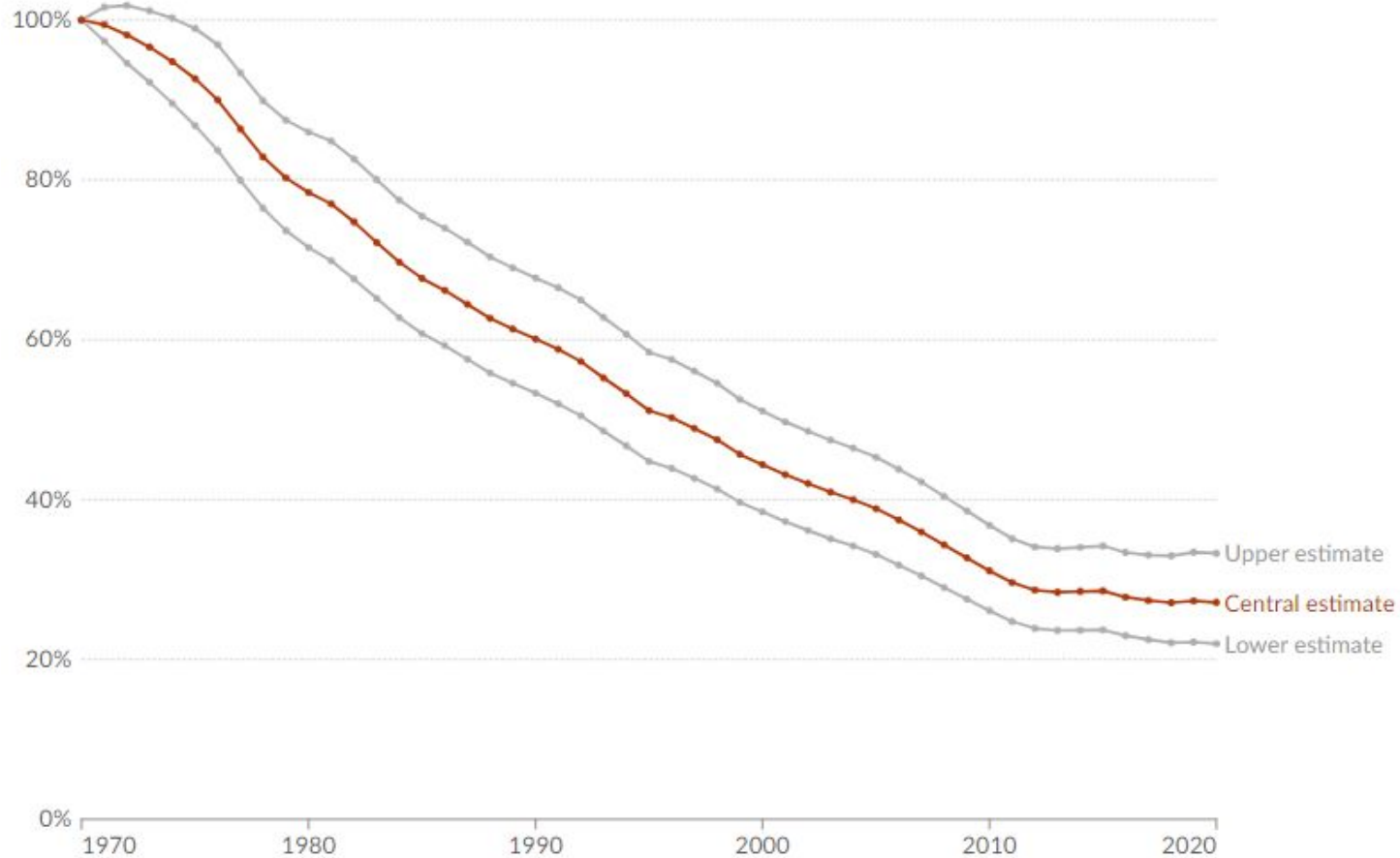
Will Evison

Jan 2025



Globally, nature is in crisis

Trend in 35,000 monitored wildlife populations around the world



Source: WWF Living Planet Report

PwC

73%

Decline in monitored
wildlife populations since
1970

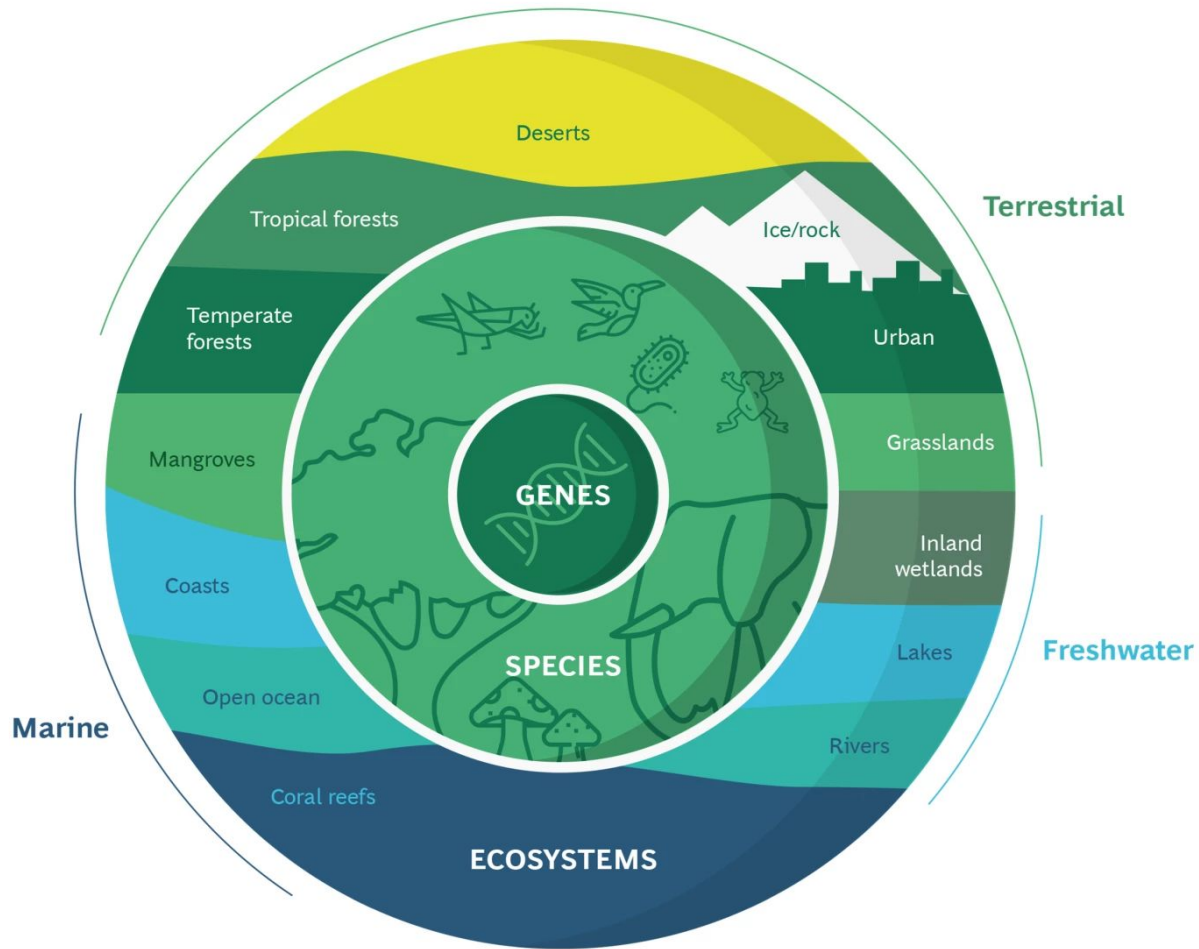
85%

Of wetlands lost globally

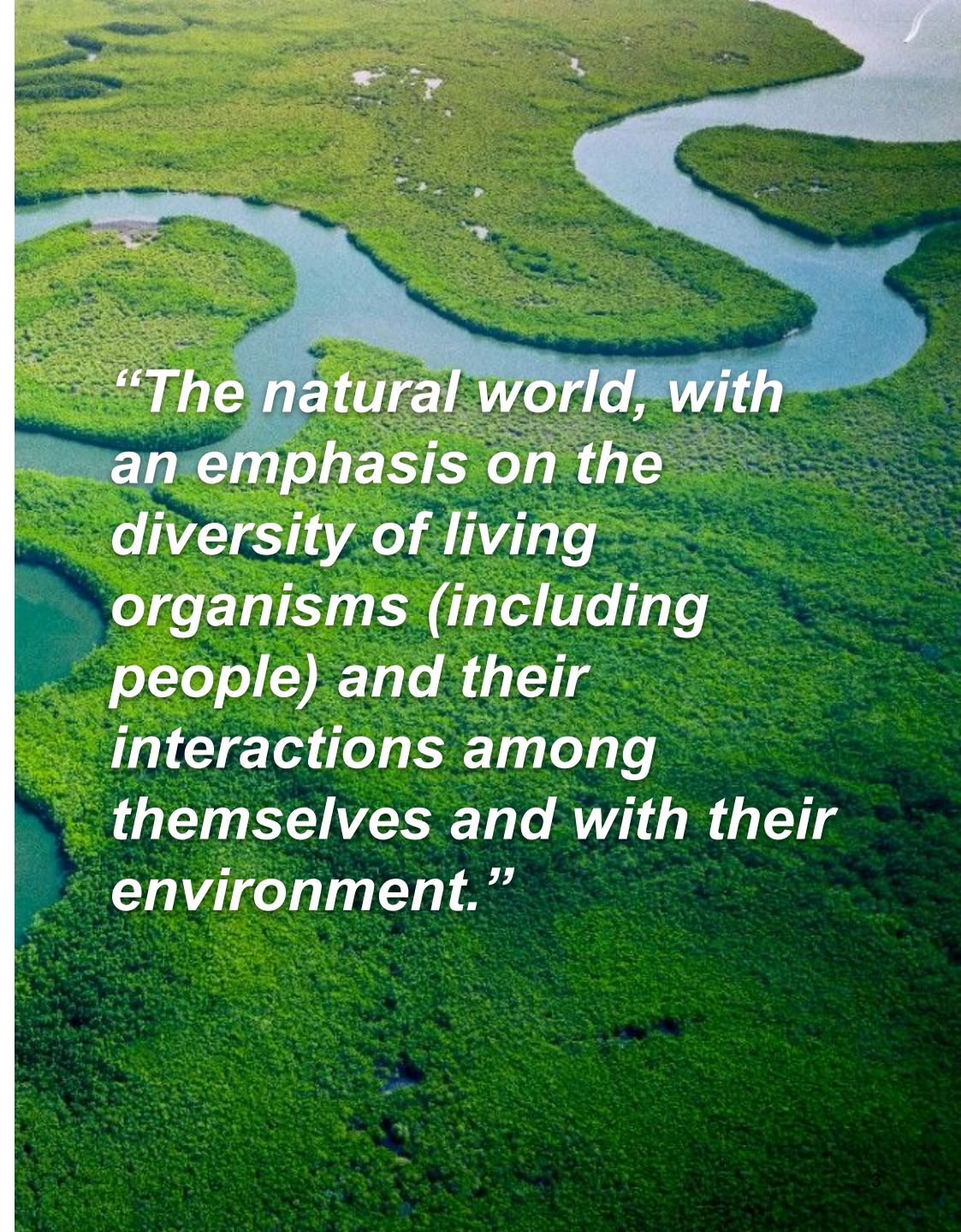
1 million

Plant and animal species
threatened with extinction

But what is Nature?

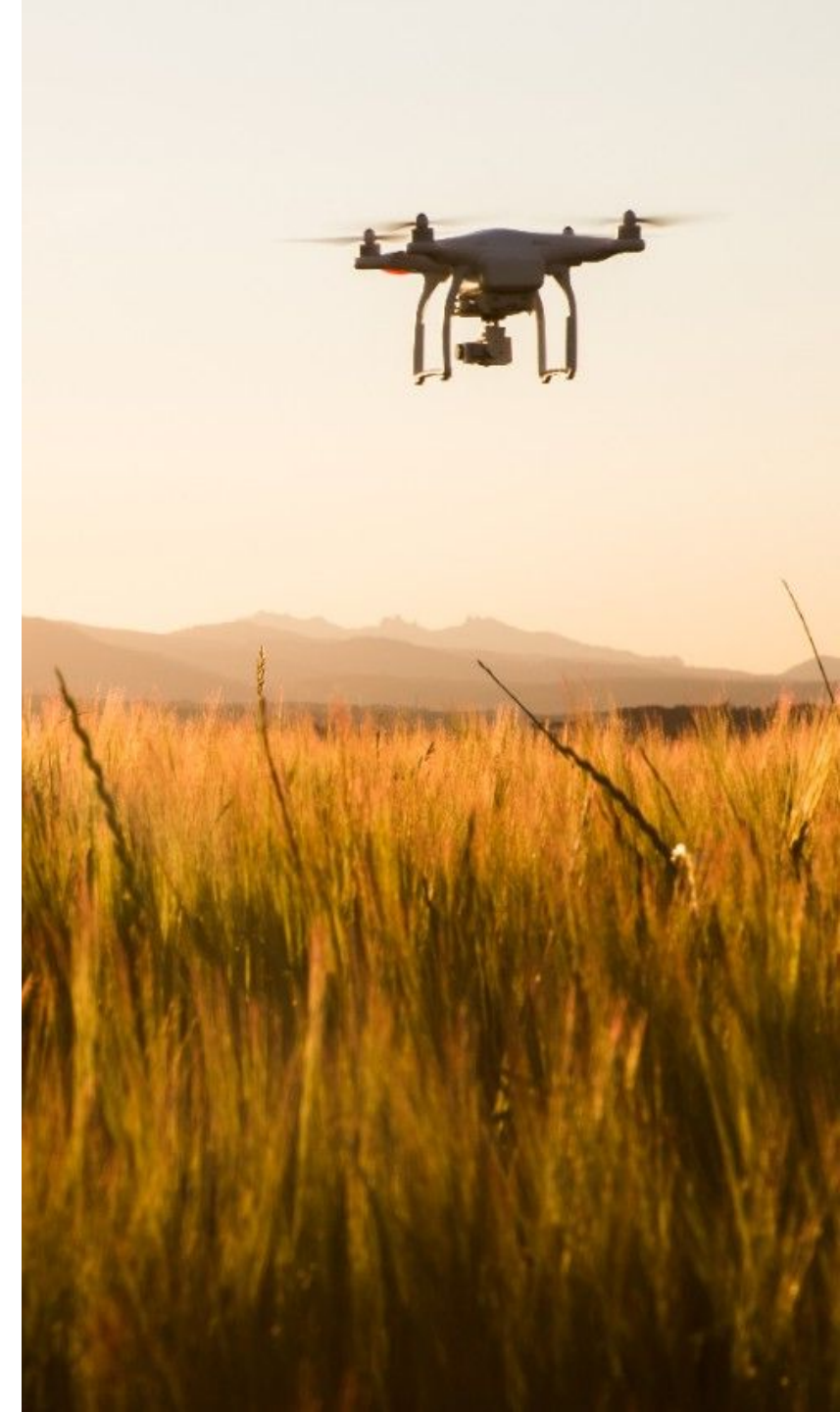
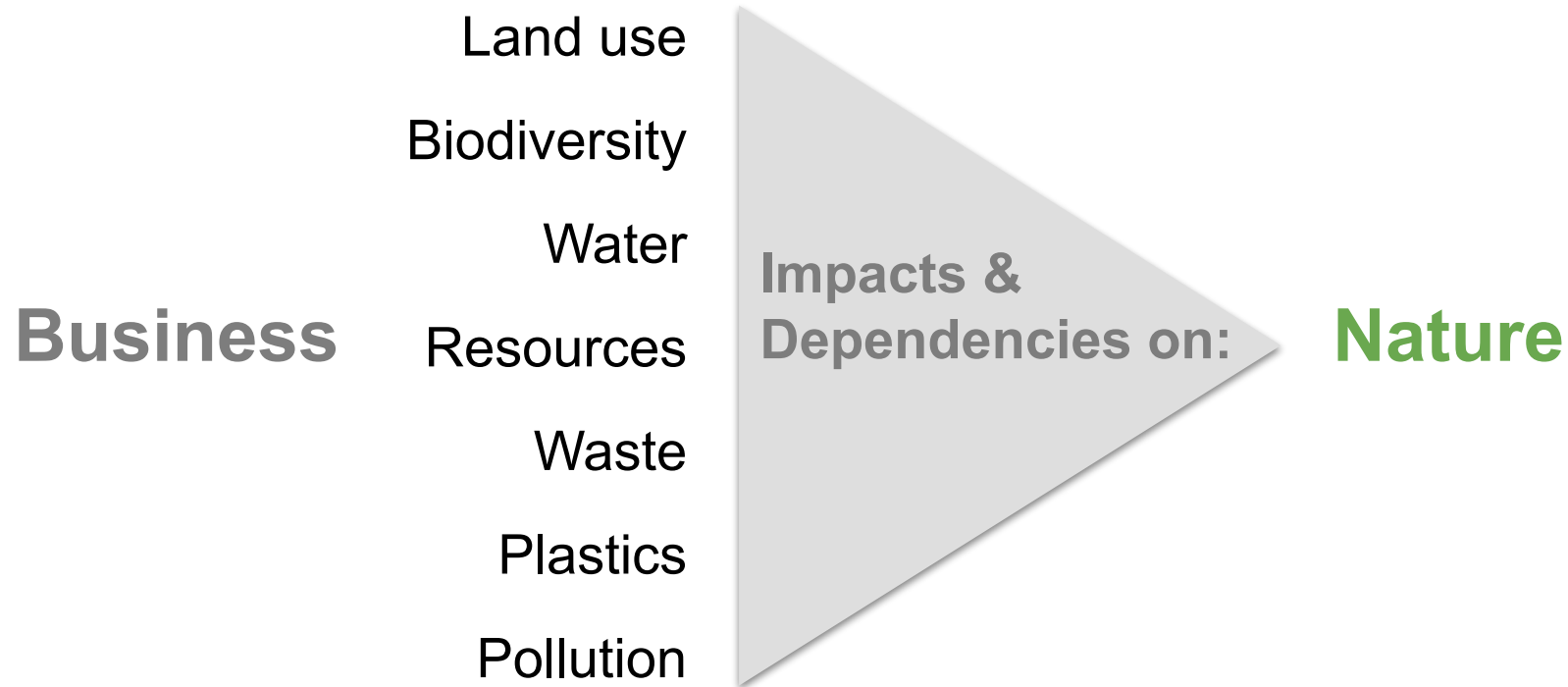


Source: IPBES 2019 (diagram), TNFD 2023 (definition)

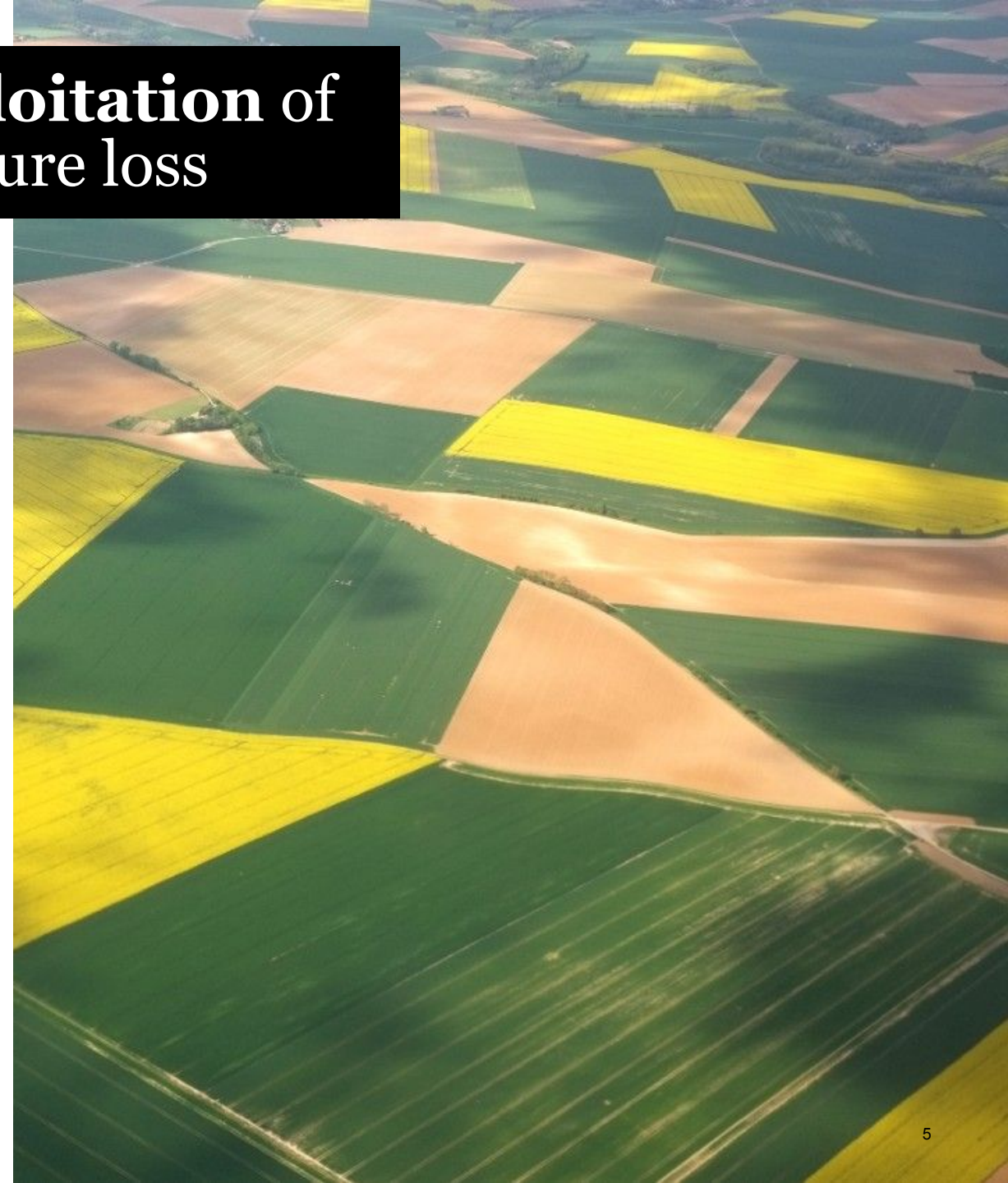
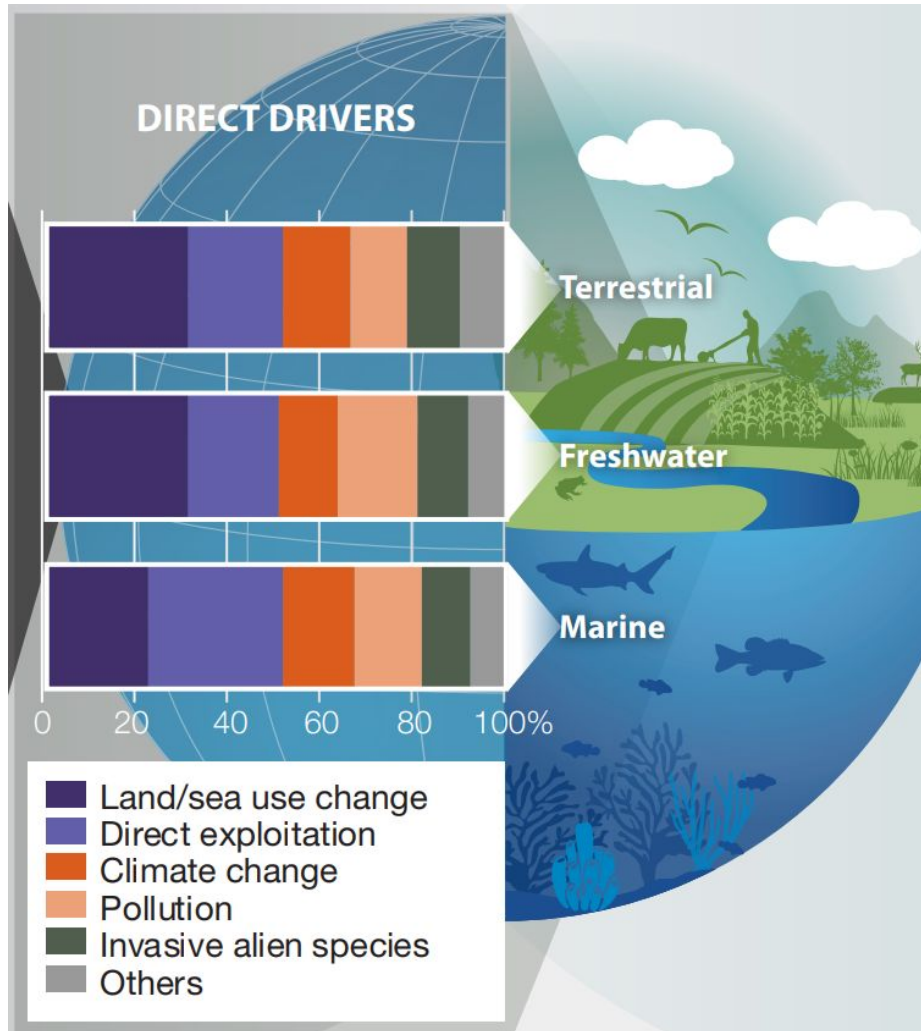


“The natural world, with an emphasis on the diversity of living organisms (including people) and their interactions among themselves and with their environment.”

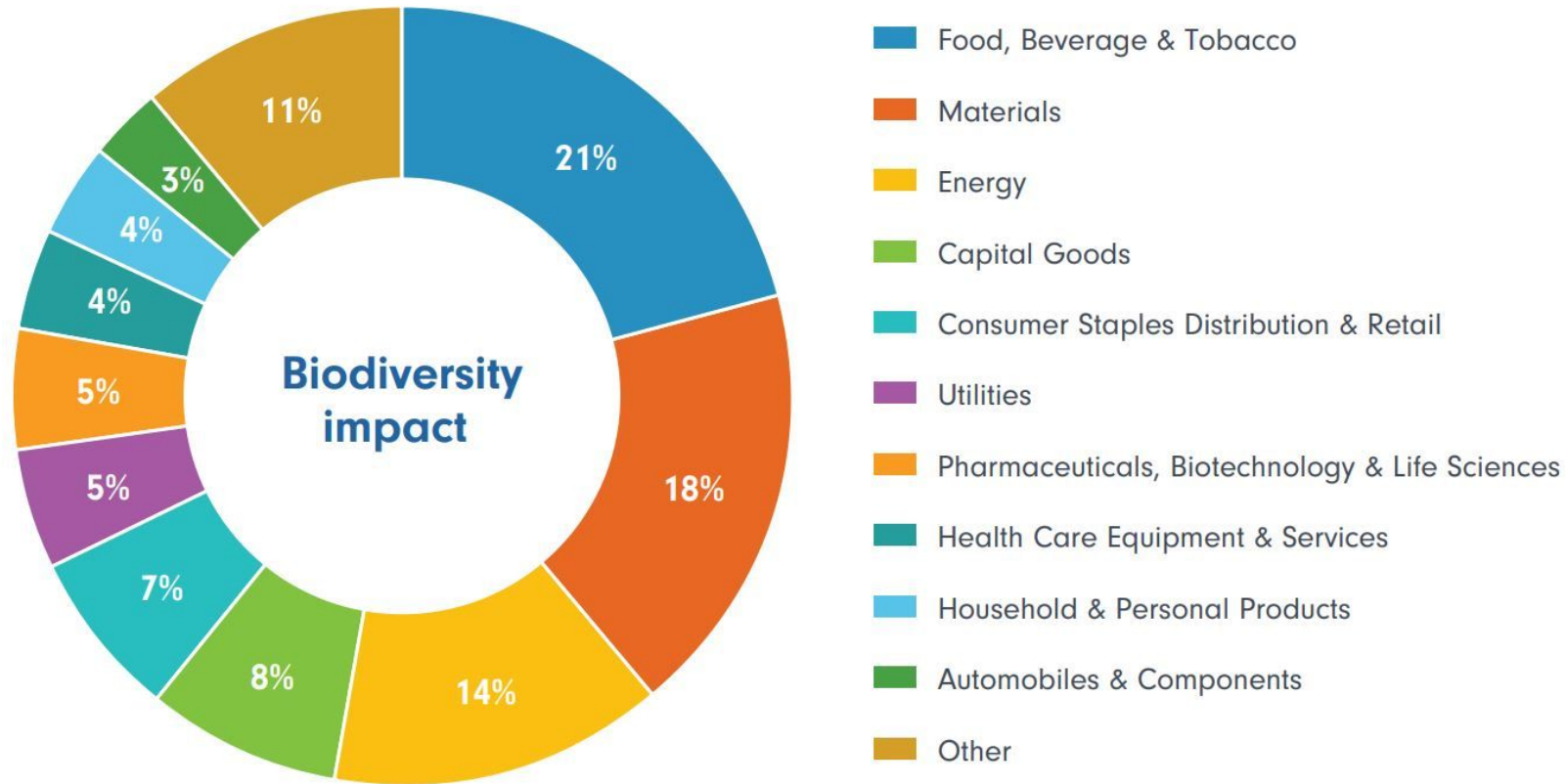
For businesses, “nature” relates to all environmental topics beyond carbon



Land use change and direct exploitation of species are the biggest drivers of nature loss



A few sectors account for over half of the negative impacts on Nature



Source: Finance for Biodiversity, 2023

PwC



Critically, all sectors depend on nature.

Over half of global GDP is highly or moderately dependent on nature

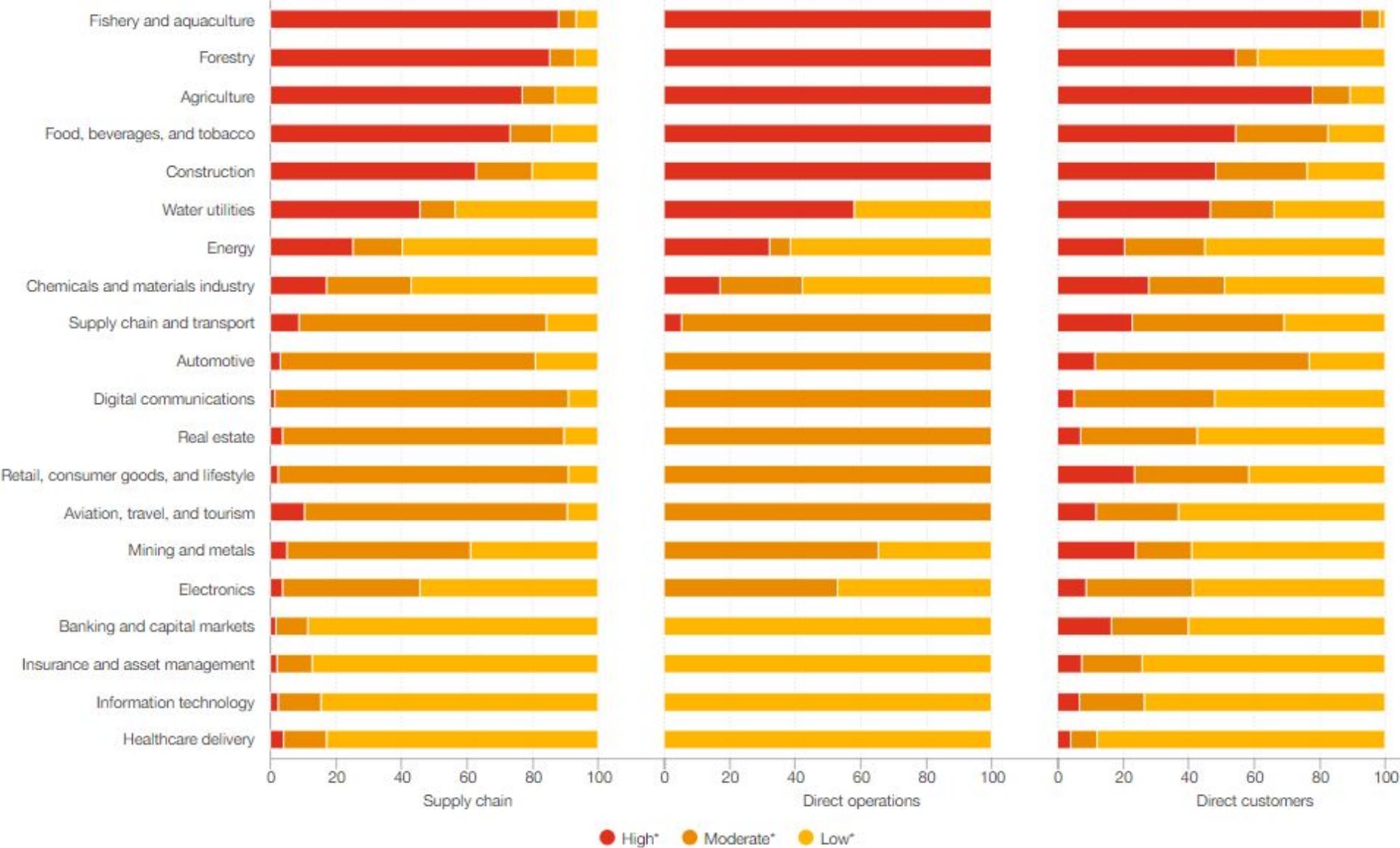


Figure: Sectoral dependencies on Nature

Source: Managing Nature Risk, PwC, 2023

Nature loss creates both physical
and transition risks for businesses

Physical risks

result from the degradation or
overexploitation of nature

Transition risks

result from regulations designed to
support a nature positive transition



PHYSICAL RISK: Overexploitation and changing climate threaten supplies of QS-21 a vital vaccine adjuvant from Peruvian soap bark tree

€10bn+

Projected global vaccine sales dependent on QS-21 by 2028

+400%

Potential price increase of QS-21

Solutions proposed:

- I. Partial artificial synthesis
- II. Sustainable forestry operations
- III. Direct land acquisitions

BREAKING: US invokes Defense Production Act to preserve QS-21 supplies for its own companies

TRANSITION RISK: EU Deforestation Regulation requires any business selling any forest risk commodity within the EU to certify that it is deforestation free

Cocoa

Wood

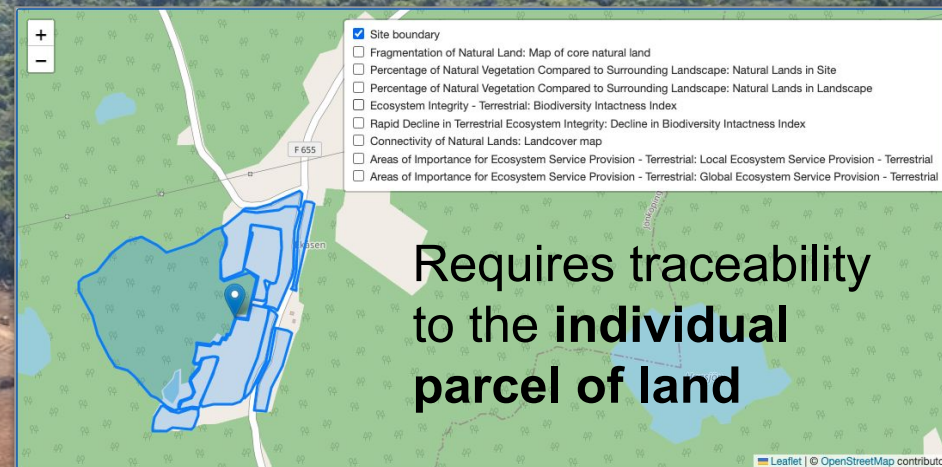
Palm oil

Soy

Cattle

Rubber

Coffee

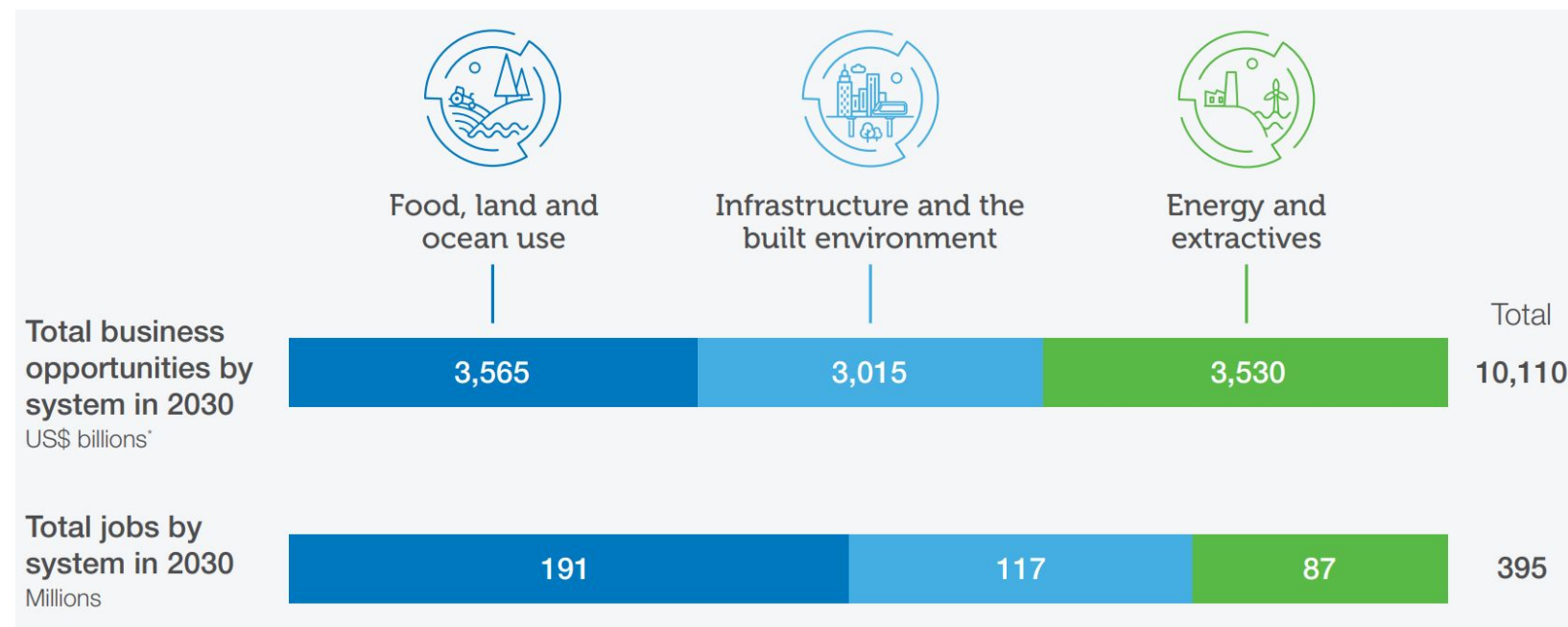


Sanctions include:

- **Seizure** of products/revenues
- **Suspension** of import/export license
- **Fines** up to 4% of annual turnover

A Nature-positive transition also brings huge OPPORTUNITIES

Transitions in just three socio-economic systems could deliver **\$10 trillion of annual business opportunities** and **395 million jobs** by 2030.



Available at: <https://www.weforum.org/publications/new-nature-economy-report-ii-the-future-of-nature-and-business/>

Generate revenue

New markets and products
Enhanced reputation

Reduce costs

Resource efficiency
Lower cost of capital

Mitigate risks

Non-compliance
Unmet stakeholder expectations
Lack of resilience

As a result,
businesses
need a
**Nature
strategy.**

Nature Strategy Handbook

A practical guide
for businesses

Version 1
November 2023

**It's Now
for Nature**

Assess, Commit, Transform and Disclose (ACT-D) are the key elements of a credible nature strategy

Assess	Conduct an initial materiality assessment to prioritize efforts	Measure and evaluate impacts and dependencies on nature	Assess risks and opportunities	Consider climate and people within your nature assessment		
Commit	Define your goals and ambition			Set Targets		
Transform	Avoid & Reduce	Restore & Regenerate	Shift Business Strategy and Models	Collaborate with your value chain	Advocate for ambitious policies and initiatives	Embed nature within corporate governance
Disclose	Seek out independent validation and verification to enhance credibility of actions			Align reporting with major reporting standards		

Nature in business and policy - latest developments

Business - significant momentum

- ✓ **Taskforce on Nature-related Financial Disclosures (TNFD)** - adopters pass 500
- ✓ **Science Based Targets for Nature (SBTN)** validates first corporate science-based water and land targets
- ✓ **Business for Nature**
 - Global “It’s now for nature” campaign publishes first 26 corporate nature strategies
 - Launches multiple corporate “nature strategy accelerator” programmes
- ✓ **Nature Positive Initiative** - publishes first universal “state of nature” metrics for consultation

Policy - incremental progress (since 2022)

- ✓ **Convention on Biological Diversity (CBD) COP15** in Montreal, Canada in 2022 agreed the ambitious **Global Biodiversity Framework**
 - Global “Nature positive” goal
 - 30x30 targets
 - Subsidy reform, pesticides, plastics and funding targets
 - Requirement for businesses to manage and report on dependencies, impacts and risks
- ✓ **CBD COP16** in Cali, Colombia made progress on key issues:
 - Formalised role for Indigenous Peoples and Local Communities (IPLCs) in the CBD
 - Established the basis for the “Cali” fund for the equitable sharing of the benefits of Digital Sequence Information (DSI)
 - Action plan on biodiversity for health
- ✗ Didn’t reach agreement on the monitoring framework or addressing the finance gap



Thank you.