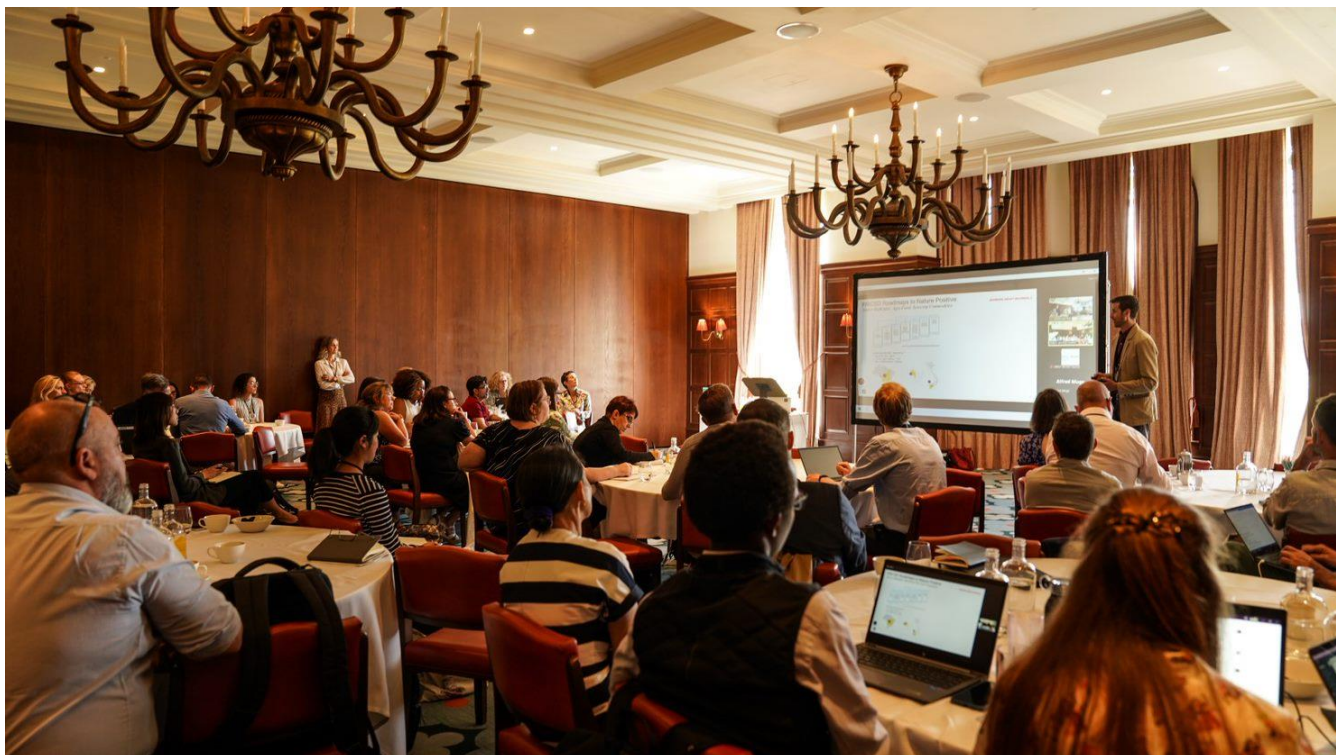


Proteus Annual Meeting 2023

Summary Meeting Report



The Proteus Annual Meeting serves as a vital platform where Proteus Partners, observer companies and the conservation community come together to discuss the latest thinking around business and biodiversity. The two-day in-person event provided space for active dialogue and highlighted a number of actionable steps:

- As global momentum for nature-positive accelerates, businesses are seeking enhanced clarity on what nature-positive actions look like and the role of business action in successful implementation of the Kunming-Montreal Global Biodiversity Framework. Collaboration across organisations to strengthen our understanding of how business can meaningfully contribute to global targets will be a key priority over 2023-2024.
- As more emerging initiatives seek to promote and support business action on nature, alignment within this landscape is needed to ensure that processes are practical for business to implement. To facilitate progress, companies can share data, break down siloes across sectors and institutions, and base their actions and strategies on evidence. Through Proteus, UNEP-WCMC will continue to support partners in navigating the landscape of measurement, accounting, reporting, and disclosure.
- Emerging standards on nature require comprehensive coverage across value chains, but data gaps and the absence of data standards make progress challenging. Taking action across value chains and transformation in the landscape can be supported by regulations, standards and incentives for multistakeholder partnerships. Through Proteus, UNEP-WCMC will continue to explore solutions for value chain assessments and tools to identify priority landscapes to support collective action.

Introduction

With the adoption of the [Kunming-Montreal Global Biodiversity Framework](#) (GBF), the world has adopted the most ambitious ever plan for nature, and committed to take urgent action to halt and reverse biodiversity loss. Convergence towards a nature-positive, net-zero and socially just world is gathering pace.

The 2023 Proteus Annual Meeting continued to provide Partners and observers with a space to share insights and advance discussions on how businesses can take practical action towards nature-positive and progress their biodiversity approaches in light of the adoption of the GBF.

This summary report highlights the key messages and action points from the 2023 Proteus Annual Meeting. Partners can access recordings of the presentations and other materials on the [Proteus Partnership website](#).

The 2023 Proteus Annual Meeting in Numbers:

- 15 hours of content
- 21 speakers, including 8 Partner presentations, 5 external speakers, and 8 experts from UNEP-WCMC
- 79 participants over the 2 days
- 14 Proteus Partner companies represented
- 15 observer organisations and companies represented

Biodiversity measurement and accounting approaches

During this Proteus Data Forum session, Partners shared case studies on portfolio-level risk screening, the assessment of biodiversity footprints of sites to support prioritisation, and piloting of a natural capital accounting approach.

Biodiversity footprint approach

TotalEnergies [presented](#) on a standardised approach to assessing site footprints across their entire portfolio. The methodology uses an approach to determine the biodiversity footprint, followed by an assessment of biodiversity significance of that area. Derived from the [Biodiversity Indicators for Site-based Impacts](#) (BISI) methodology and incorporating global datasets to identify risks to habitats and species, the approach enables aggregation at the corporate level and an understanding of biodiversity risk across the portfolio.

The methodology continues to be refined with the support of a peer-review committee and is tested using the [Global Biodiversity Score](#) as a reference.

Biodiversity screening at the portfolio level

The biodiversity-risk screening kit [introduced](#) by another Norsk Hydro enables a portfolio screening approach to identify potential presence of “priority biodiversity” triggers. Having global risk screening procedures can enable alignment of biodiversity risk management across the operational lifecycle and support identification of priority areas. Discussions also highlighted the importance of grounding these approaches with capacity building, consideration of local stakeholders and communities, and continuous monitoring approaches that link management practices to outcomes.

Natural capital accounting

BHP has piloted a natural capital accounting (NCA) method as a way to better understand ecosystem service values from the lands that they steward. The pilot used a hybrid of different NCA frameworks and insights are being [shared](#) to progress NCA approaches within in the mining sector. The study highlighted significant ecological values in the site and potential areas for the company to deliver “nature-positive” outcomes. BHP is now planning to apply this approach for all their company assets by 2030.

The role of UNEP-WCMC and Proteus

Taking a portfolio-level approach can support the prioritisation of sites and help establish minimum standards for operations. UNEP-WCMC continue to offer global biodiversity data and associated guidance for its use that supports portfolio and site-level risk screening and is also exploring an approach for companies to compare relative biodiversity sensitivity across a global portfolio.

UNEP-WCMC also have a body of work looking at natural capital approaches at the national level and within the private sector. Interested Partners are invited to get in touch.

Opportunities for business action on nature

During this second part of the Proteus Data Forum, three case studies were presented, demonstrating how Proteus Partners are exploring opportunities for business action.

Biodiversity credits

Several Proteus Partners are starting to consider their approach to biodiversity credits, either as buyers or developers. Discussions flagged that biodiversity credits have the potential to provide a new source of finance for conservation that can align with the incentives of the private sector to protect and restore nature.

As understanding of biodiversity credits matures there are a number of challenges to address e.g.: 1) determining additionality when conserving intact nature, 2) ensuring appropriate environmental and social safeguards, 3) navigating the differences between biodiversity credits and biodiversity offsets, 3) lack of agreed standards and principles, 4) and taking lessons learned from the development of carbon credits.

As part of the case study presentations, Teck [discussed](#) how they have been exploring

opportunities for biodiversity credits as part of the World Economic Forum and by engaging through Canada’s Conservation Exchange.

Shifting perspectives on nature

Focal points shared two case studies where they were able to drive business action on nature by shifting the perspectives for its consideration.

In one case, Equinor found that considering the cumulative impact of offshore wind farms on breeding grounds of a bird species revealed more substantial impacts compared to looking at assets individually.

Rio Tinto has established a public dashboard facilitating disclosure of monitoring data and a comprehensive view of water resources and usage data. As a next step, they are looking at expanding this initiative beyond water.

Motivators, barriers, and solutions

Numerous companies are now increasingly looking beyond their project boundaries for opportunities to protect or enhance biodiversity. This is motivated by a variety of factors, such as

1) targets to achieve a net positive impact, 2) the desire to build and maintain social license to operate by incorporating nature-based solutions, 3) the growing recognition of nature-related risks, and 4) opportunities to support national and global biodiversity targets.

However, identifying and seizing opportunities beyond project boundaries can be challenging. Companies must find and engage the right stakeholders, understand land tenure systems, and navigate various legal, regulatory and best practice frameworks, while balancing environmental and development goals.

A key area for Proteus going forward is supporting Partners to understand opportunities for positive action, for example with the upcoming release of a global layer on restoration opportunities and exploring structured ways to use global biodiversity data for opportunity screening in landscapes.

Upcoming webinars and briefs

Partners are also encouraged to read the [Technical Brief on data sharing through the Global Biodiversity Information Facility \(GBIF\)](#) and to get in touch with any questions or if they are interested in data sharing pilots. Proteus is also planning upcoming webinars on the topic of [ecosystem services and nature's contributions to people](#), the updated critical habitat screening layer, the Align recommendations and biodiversity credits. In addition, there are three upcoming technical briefs. These include a technical guide on how business can start using the Ecosystem Integrity Index, a brief investigating the impact of offshore wind on marine migratory species and a brief exploring the potential contributions of business to the achievement of the Kunming-Montreal Global Biodiversity Framework.

Business contribution to global nature goals

The Kunming-Montreal Global Biodiversity Framework

In December 2022, Parties to the Convention on Biological Diversity adopted the landmark Kunming-Montreal Global Biodiversity Framework (GBF) and associated package of decisions, setting out an ambitious plan to transform society's relationship with nature. The framework has four goals for 2050 and 23 action-targets for 2030. The adoption of the GBF will facilitate changes in global and national regulations and shift the market incentives of stakeholders, such as investors, companies, and customers. The framework recognises the importance of businesses in taking action to halt and reverse biodiversity loss.

Businesses can engage with the framework by considering all of its targets holistically, identifying transformation and transition actions that can halt and reverse biodiversity loss, and supporting the development and implementation of [National Biodiversity Strategies and Action Plans](#) (NBSAPs). To structure their approaches in a way that contributes meaningfully to the GBF, businesses should 1) base their actions and decisions on evidence, 2) share data publicly, 3) consider gender equality and the rights of Indigenous Peoples and local communities. A Proteus Technical Brief will be released in 2023 to explore contributions of business to the GBF.

Sector-specific guidance on nature-positive

The [World Business Council for Sustainable Development](#) (WBCSD), the [World Economic Forum](#) (WEF), and [Business for Nature](#) (BfN) have developed [sector-specific guidance](#) for businesses to act on nature, covering 13 sectors within the three socio-economic systems identified in WEF's [Future of Nature and Business Report](#): food and land/ocean use, infrastructure and the built environment, and energy and extraction. The sector-specific actions follow the [ACT-D framework](#) (assess, commit, transform, and disclose) and follow guidance from the Science-based Targets Network's (SBTN's) [Action Framework](#).

Enabling business transitions

Proteus Partners discussed the varying levels of maturity in their nature strategies and approaches. Many felt they were still developing in their understanding of what nature-positive is and how it links to their existing commitments. There was general consensus on the importance of communication with senior leaders and C-suite on nature and in setting measurable and actionable targets. Businesses that categorised themselves as 'advanced' were particularly motivated to become leaders in the space, signalling that the appetite for ambition is growing.

Some companies have started exploring the integration of nature in their net-zero transition plans and identifying ways to balance progress towards both goals. Others are looking to align separate nature and net-zero strategies to identify potential synergies and cross-cutting actions. While nature is becoming integrated into these discussions, convincing top management to prioritise actions for nature is a challenge. Companies agreed that CEO's need to see robust science-based evidence for the business case for nature to understand the implications of having a nature-gap in the company's strategy.

Some partners already have specific quantitative biodiversity targets, while others are still in the early stages of discussing and developing such metrics. The move towards more robust and standardised reporting requirements will support business to establish biodiversity targets and to develop or identify appropriate measurement and monitoring technologies.

Under Goal 1 of the Proteus strategy, UNEP-WCMC aims to support companies to recognise their responsibilities for nature and communicate the business case for its management. As part of this, UNEP-WCMC will continue to support Partners to navigate global policy, reporting frameworks and business initiatives on nature. A series of action guides on nature are also being explored to support the understanding of nature across key business functions.

Consideration of value chains

Emerging standards and requirements on nature require coverage of value chains (upstream and/or downstream). In response, companies from a wide variety of sectors are navigating how to map their supply chains, understand materiality, and identify potential actions. Three case studies were presented to give different

perspectives and approaches within the energy, mining, and agricultural sectors.

TNFD pilots on supply chains

Learnings from pilots of the [Taskforce on Nature-related Financial Disclosures](#) (TNFD) and [Science-based Targets Network](#) (SBTN) have

flagged questions of how to incentivise information flow from suppliers, how to bridge data gaps, and how to define the materiality of suppliers. For example, [Engie](#) have explored upstream activities of 159 sites across 6 countries. The analysis incorporated the perspective of ecosystem integrity, species extinction risk, and nature's contribution to people. Engie identified the need to collect more data and implement a better structure for data collection. Companies discussed the importance of taking an iterative approach, starting with data on significant value chain impacts and dependencies and by setting targets for the parts of their supply chain that they already have information about.

Customer demand is a big factor in driving supply chain action. However, companies have varying degrees of influence or leverage with their suppliers, and this may change with market dynamics. Communication across different business units is key to align information flows from different suppliers. Suggested solutions also included data disclosure requirements in procurement contracts.

Anglo American shared some lessons learned from their TNFD [pilot](#) where they identified potential biodiversity impacts from rubber sourcing in their supply chains. The company is

now exploring mitigation measures, such as deforestation-free and circularity commitments and is actively engaging with existing suppliers to address their impacts.

Driving change in the face of uncertainty

Transformation across the landscape will require incentives for collective action with multistakeholder partnerships playing a very important role.

Transparent disclosures will include information on scope of assessments and response metrics that look at the outcomes of policies and actions. Discussions flagged that many companies are still getting started with supply chain data so approaches will need to mature in the coming years. To tackle uncertainties, some businesses are exploring novel approaches for collecting data. For example, [Nestlé](#) have found that insects and pollinators are useful data sources and indicators of upstream supplier performance for yield, floristic biodiversity, and chemical pollution levels.

Going forward, Proteus is identifying ways to help Partners navigate the inclusion of value chain considerations in their decision-making e.g., leveraging tools from TNFD, SBTN and [supply chain guidance](#) from the Align project.

Minerals and metals in the energy transition

Critical minerals

Enabling the energy transition will require [the rapid growth of economic activities across](#) a number of critical minerals and metals. Many of these reserves overlap with areas of high biodiversity. Recognising the complex map of stakeholder interests and the potential impact that this

transition could have, the UN have established the [Working Group on Transforming the Extractive Industries for Sustainable Development](#) to coordinate extractives-related work across the UN system and beyond. The working group will explore opportunities in extractive industries and government to contribute towards sustainable

minerals and metals extraction, including the development of a UN Framework on Just Transitions for Critical Energy Transition Minerals. Areas of focus include governance, green and circular economy, enhancing producer capacities to overcome asymmetries of power, strengthening trade potential, and protecting people and the planet. Proteus Partners are welcome to engage with the working group as it brings together efforts of the industry, finance, and civil society.

Hydrocarbon guidelines

This year's Proteus Annual Meeting also provided space to discuss the implications of internal guidance recently issued within UNEP on engagement with the hydrocarbons sectors. The guidance recognises the need for accelerated action on the energy transition and for

operationalising the associated policy set by the UN Secretary General. Specifically, the guidance confirms that UNEP-WCMC is no longer able to receive funding for its work from companies whose primary business activities are the exploration and production of fossil fuels, or from their trade associations or foundations.

Recognising the achievements of Proteus over the last 20 years and the important role of Proteus focal points as ambassadors for biodiversity within their organisations, UNEP-WCMC plans to implement the guidance in collaboration with all Partners over a 2023-2025 transition period and will use future Proteus Annual Meetings and quarterly Partner calls to provide updates at the Partnership level.

Proteus Annual Meeting 2024

We would like to thank all Partners, speakers, and observer organisations who participated in the 2023 Proteus Annual Meeting. The engagement and contributions fuelled two days of informative discussion and provided a valuable opportunity to listen to Partner feedback. As we look towards the 2024 Proteus Annual Meeting, we invite all

Partners to contact us and provide their feedback, including what you enjoyed about the 2023 meeting, what you would improve, and what topics or themes you would like to see covered next year. Feedback can either be sent directly to stacey.baggaley@unep-wcmc.org or submitted via Menti: <https://www.menti.com/alx5vrjns2ux>