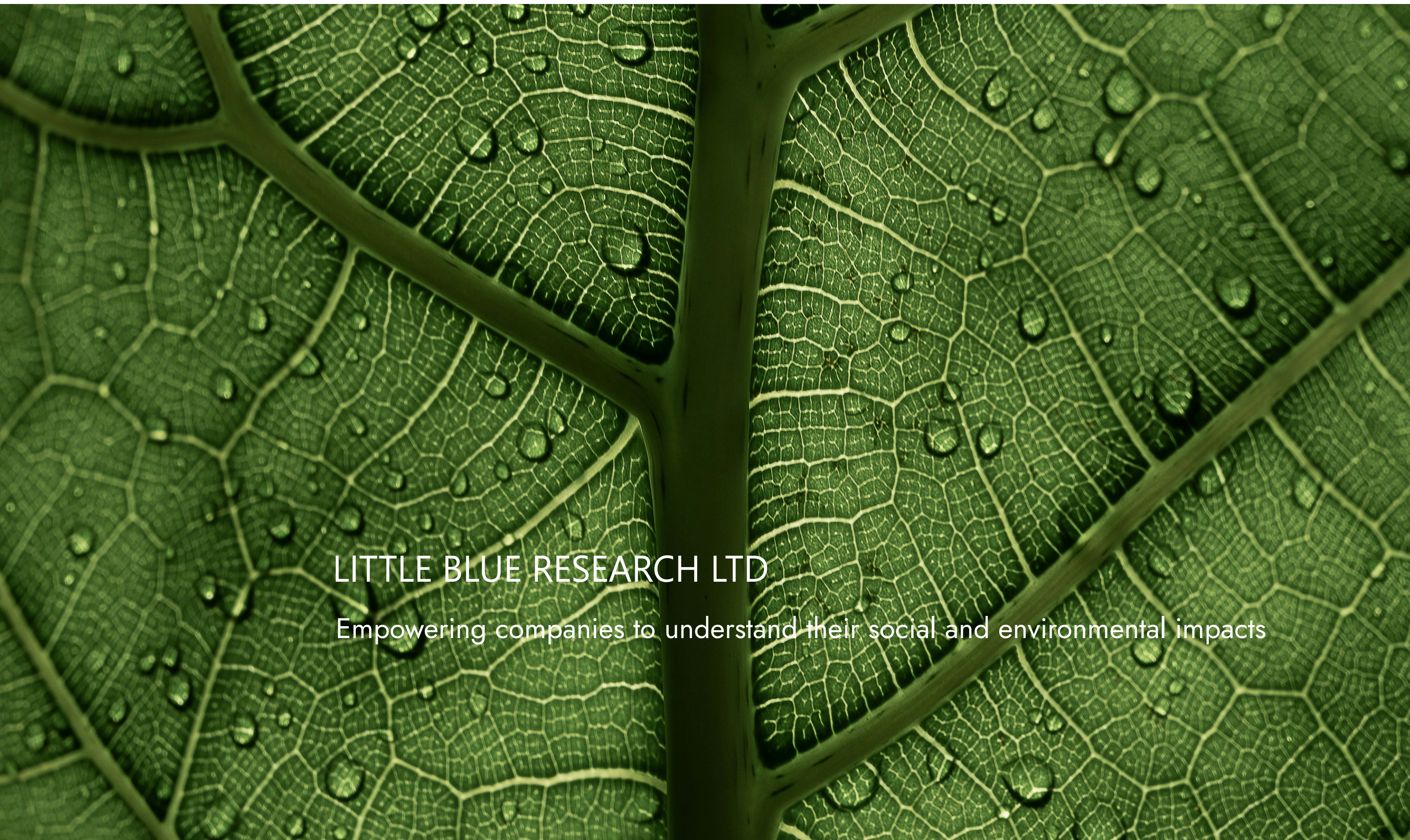
WHITE PAPER

Integrating nature into business decision-making

Overcoming the challenges



LITTLE BLUE RESEARCH LTD

Empowering companies to understand their social and environmental impacts

Contents

Forward

Integrating nature into business decision–making has many challenges, in this report we explore the different ways sustainability professionals can overcome these

To help those charged with integrating nature into business decision-making Little Blue Research ran a survey for sustainability professionals to better understand the challenges of this integration and how they can be overcome.

The purpose of the survey was to collect and share approaches to help those grappling with changing legislation and updates to existing and new frameworks relating to biodiversity and nature.

One of the key findings was that respondents use tried and tested methods most often when overcoming the challenges. These included: engaging with specialists, taking courses and helping to upskill their team.

Organisations and consultants that have supported clients to integrate nature in their businesses were more likely to join a collaboration or membership group to help them overcome challenges. Consultants that had supported clients to integrate nature into their business were more likely to try new tools for data analysis. Given the explosion of nature tech, it is interesting that the use of new tools for data collection or analysis did not feature in the top three, this may suggest that respondents are currently cautious about investing in new tools.

I am proud to present the results of Little Blue Research first market survey and hope that you find the results useful and informative as you begin to consider how to integrate nature into business decision-making now and in the future.

DR. S. HIME FIEMA

76%
ENGAGING WITH EXPERTS

76%
TAKING COURSES

76%
UPSKILLING THEIR TEAM

About Little Blue Research

Little Blue Research is an independent consultancy that specialises in the provision of technical support for environmental economics and social impact valuation

Our services

Integrating nature

Helping companies navigate the landscape of nature initiatives and prepare for upcoming requirements.

Strategy & Risk

Working with companies to identify sustainability risks, opportunities & to articulate the business case for sustainability.

Impacts & Dependencies

Identifying, measuring & valuing impacts & dependencies of programmes, interventions & investments on nature and people.

Research & Training

Developing research, thought leadership and training on natural & social capital, and the landscape of nature-based initiatives.

Peer review

Reviewing natural capital accounts, materiality analyses and socio-economic models. Providing a sounding board and testing assumptions.

For more information please visit littleblueresearch.com

About this report

This report has been developed to investigate the challenges associated with the integration of nature into business processes and how those working in the area have overcome these

To do this we have conducted a survey of sustainability practitioners to gain insights into the different approaches currently being used.

The report focuses on four key themes

- The main drivers of business action
- The key challenges associated with integrating nature into business decision-making
- How challenges are overcome
- The resources sustainability professionals use to overcome challenges

Data sources

- A survey of sustainability professionals undertaken in summer 2024
- Relevant references to market-based literature

See the Introduction & method section for a full description of the data, methodologies used for the survey. Non-numeric superscripts are used to reference any limitations and assumptions a full list of which is provided in pages 72-73.

Executive summary

This section sets out a summary of the key findings of the report

There are unintended consequences from the introduction of legislation with companies falling back on compliance as the main driver for action on nature

The main drivers for action on nature identified by respondents were adapting or preparing for changes in policy and legislation (88% agreement) and avoiding reputational damage (84% agreement). This is unsurprising given the pace of legislative change seen in both the UK and Europe. Eighty-six percent of respondents were based in the UK or Europe.

The top three challenges identified by respondents vary between consultants and business. However, in all cases supply chain analysis and designing targets for nature were consistently identified as challenging

Organisations that have already started to integrate nature into their business identify supply chain analysis as a challenge more often than those that are planning to do so.

88%
PREPARING FOR POLICY & LEGISLATION CHANGES

84%
AVOIDING REPUTATIONAL DAMAGE

86%
BASED IN THE UK AND EUROPE

To overcome the challenges associated with integrating nature into business decision-making respondents cited the use of tried and tested methods most often including engaging with experts, taking courses or helping to upskill their team

Fifty-one percent of organisations and 57% of consultants that have supported clients to integrate nature in their businesses were more likely to join a collaboration or membership group to help them overcome challenges.

Consultants that had supported clients to integrate nature into their business in the last two years were more likely to try new tools for data analysis.

Given the explosion of nature tech, it is interesting that the use of new tools for data collection or analysis didn't feature in the top three. This suggests that respondents are currently cautious about investing in new tools and possibly be less familiar with them.

Respondents identified between 2-3 membership groups' resources used when addressing challenges. Respondents cited the Taskforce on Nature-related Financial Disclosures' most often for resources used to overcome challenges at 46%

Survey respondents from organisations are most likely to align with the recommendations from the Taskforce on Nature-related Financial Disclosures (TNFD) when starting to integrate nature into business decision-making.

Consultants that have supported clients integrating nature into business decision-making identify slightly different collaborations and initiatives as sources for resources than those that have not.

TASKFORCE ON NATURE-RELATED FINANCIAL DISCLOSURES

In total, 70% of respondents' organisations are members of at least one membership group or collaboration

Respondents were on average members of between 2-3 groups. However, 30% were not members of any membership groups or collaborations.

The Taskforce on Nature-related Financial Disclosures forum & community of practice were identified most often followed by the UN Global Compaq and Science Based Targets Network.

Most respondents 68% will keep up to date with Conference of the Parties to the Convention on Biological Diversity (COP16) by reading daily updates or summaries of the event

While COP16 has undoubtedly increased its profile with business following COP15 where approximately 1,000[A] businesses attended. However, representation is still significantly behind COP28 to the United Nations Framework Convention on Climate Change[B], this year's meeting will show if business presence continues to grow.

Respondents planning to follow COP16 identified standardised nature indicators/metrics as an output they'd like to see most from the conference.

NOTE: links to COP attendance data.

A. Reuters (accessed August 2024). https://www.reuters.com/business/sustainable-business/how-business-helped-drive-historic-agreement-nature-cop15-2022-12-21/
B. UNFCC (accessed August 2024). https://unfccc.int/process-and-meetings/parties-non-party-stakeholders/non-party-stakeholders/overview/admitted-ngos#Constituencies-in-the-UNFCCC

Introduction & method

Introduction

Setting the scene

Approximately half of the global economy is moderately or highly dependent on nature (USD$44 trillion annually) with the other half still dependent on nature but to a lesser extent[1]. This dependence is the result of a reliance on natural resources as inputs into production or as services that help to protect infrastructure, mitigate pollution or provide climate regulation, etc.

Biodiversity loss has been identified as a consistent long-term risk by the Global Risk Report from WEF[2], with more data highlighting the risk associated with this loss becoming available, e.g., the GFI estimated that the UK economy would suffer a loss of approximately 12% of GDP from the deterioration of the UK's natural environment[3]. The backdrop to this shows that despite an increasing awareness of the issues biodiversity continues to decline with the living planet index showing a decrease in global wildlife populations of 69% on average since 1970[4].

As a result, businesses are facing calls to integrate nature into their decision-making alongside a changing policy and legislative landscape and natural resource constraints.

69% DECREASE
IN GLOBAL WILDLIFE POPULATIONS

"to take urgent action to halt and reverse biodiversity loss to put nature on a path to recovery for the benefit of people and planet"[5]

The 16th meeting of the Conference of the Parties to the Convention on Biological Diversity (COP16) is around the corner with the theme of 'Peace with Nature'. Here, progress against 23 targets for 2030 will be assessed with the expectation that businesses will need to act to help meet these endeavours.

To help support the sustainability practitioners charged with integrating nature into business decision-making Little Blue Research ran a survey for sustainability professionals to better understand the challenges of this integration.

The purpose of the survey was to collect and share approaches for overcoming the challenges associated with integrating nature into business decision-making to help those grappling with changing legislation, updates to existing and new frameworks, and support the restoration of nature.

The survey was conducted between 13th June – 22nd July 2024. There were 177 respondents across 25 countries and six key sectors.

Any limitations or assumptions are set out in pages 72-73 of this report.

Key findings

Policy changes and reputational risks drive nature action, but opportunities remain untapped

The main key drivers for action on nature are adapting or preparing for changes in policy and legislation and avoiding reputational damage. This is unsurprising given recent changes in legislation seen in both the UK and Europe it suggests that respondents are yet to harness the opportunities associated with shifting customer preferences and operational efficiencies.

Supply chain analysis and nature targets are key challenges when integrating nature into business decision-making

The key challenges to integrating nature into decision-making identified most by respondents were supply chain analysis, designing nature targets and deciding which impacts and dependencies are important.

Traditional methods are preferred over new tools for addressing integration challenges

Organisations are currently using tried and tested methods to overcome challenges with respondents typically identifying new tools for data collection and analysis less than engaging with experts or taking courses.

Most rely on the resources of 2-3 membership organisations when integrating nature

Respondents identified between 2-3 membership organisations' resources when seeking to overcome the challenges associated with integrating nature into business.

Method and sample

There were 177 respondents across six key sectors with most respondents from the UK (69%)

Qualification

To take part in the survey respondents were asked whether they worked in sustainability.

- There were four disqualifications, i.e., respondents that did not work as sustainability professionals. This led to a sample of 177 overall, however the sample size varied for each question.

Location

- Most respondents were based in the UK (69%), the rest being based in Europe (17%) or elsewhere (14%).

Terminology

For this survey, the term sustainability includes

- ESG
- Impact
- Health, Safety and Environment
- Environment
- Nature
- Biodiversity

UK
69%

EUROPE
17%

ELSEWHERE
14%

Organisation size

Respondents were from a mixture of organisations with SMEs (28%) represented most followed by global companies (25%) and micro businesses (23%).

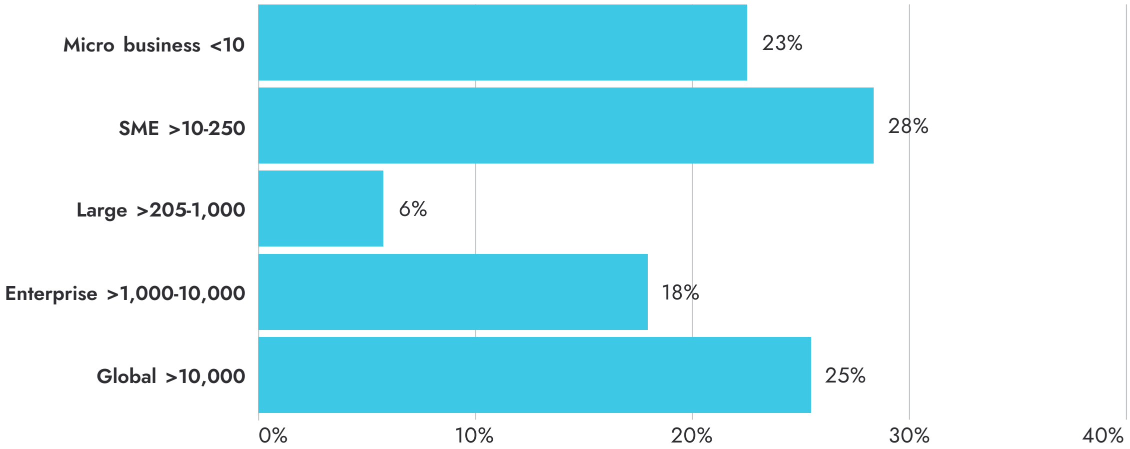


Figure 1: respondent organisation size by number of employees.

Fifty-seven percent of respondents provide consulting[x] services

In this report, for simplicity, we refer to respondents that provide consulting services as 'consultants' and those who do not as 'organisations'.

NOTE: All companies are part of 'organisations', all consultancies are part of 'consultants'. NGOs, membership groups, charities; governments, public administration and finance & insurance companies are split across groups see limitations for more details.

Sectors

36% Companies

38% Consultancies

7% NGOs, membership groups, charities, etc.

4% Governments, public administration

4% Other

10% Finance & Insurance

The majority of those completing the survey were classified as senior roles (28%) or leaders (27%), with 57% who undertook consulting as part of their role

Roles and responsibilities

Job titles were classified into five categories

- Senior – all job titles including 'Head of', 'CEO', 'Founder', 'President', 'Managing Director', 'Partner'
- Leader – all job titles including 'Director', 'Associate Director', 'Lead ...',
- Manager – all job titles including 'Senior Manager', 'Manager', 'Principle
- Specialist – job titles relating to specific subject matter expertise
- Entry level – job titles including 'Analyst', 'Senior Analyst', or 'Consultant'

See Figure 2 for a summary of all job titles.

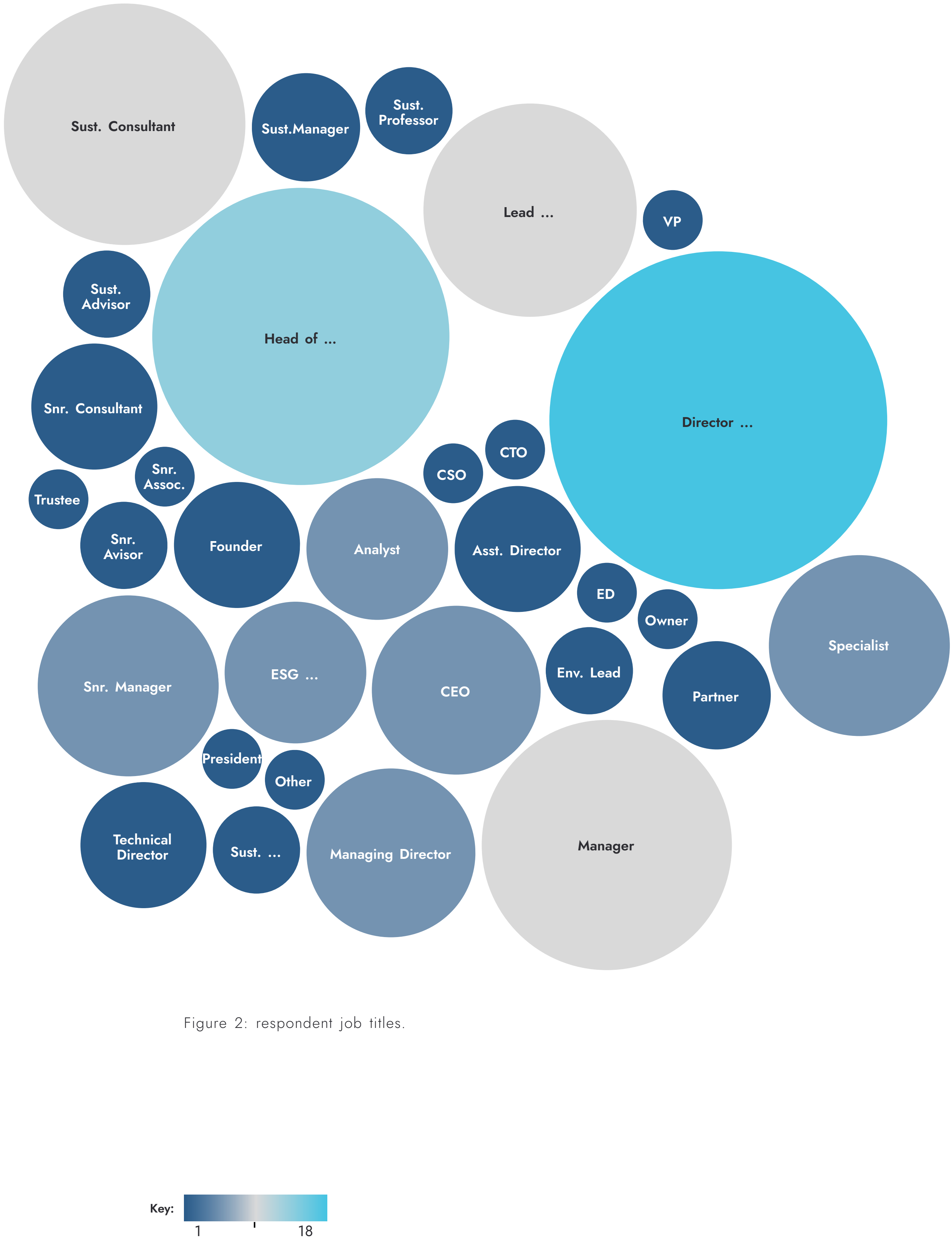


Figure 2: respondent job titles.

Membership groups and collaborations

In total, 70% of respondents' companies are members of at least one membership group or collaboration, the TNFD forum & community of practice were identified most

We asked respondents which membership organisations and collaborations their company belonged to

Respondents selected membership of the TNFD platform most (30%) followed by UN Global Compact (26%) and the Science Base Target Network Corporate Engagement Program (SBTN CEP) (23%). However, 30% of respondents were not members of any collaborative groups.

Excluding those respondents that were not members of any collaborations, respondents were on average members of between 2-3 groups.

Twenty-seven additional organisations were identified by respondents, with multiple respondents noting that they belong to BCorp or the Ecosystems Knowledge Network.

TASKFORCE ON NATURE-RELATED FINANCIAL DISCLOSURES

30%

UN Global Impact

26%

SBTN CEP

23%

Question: The company that I work for is a member of (tick all that apply)

n = 155

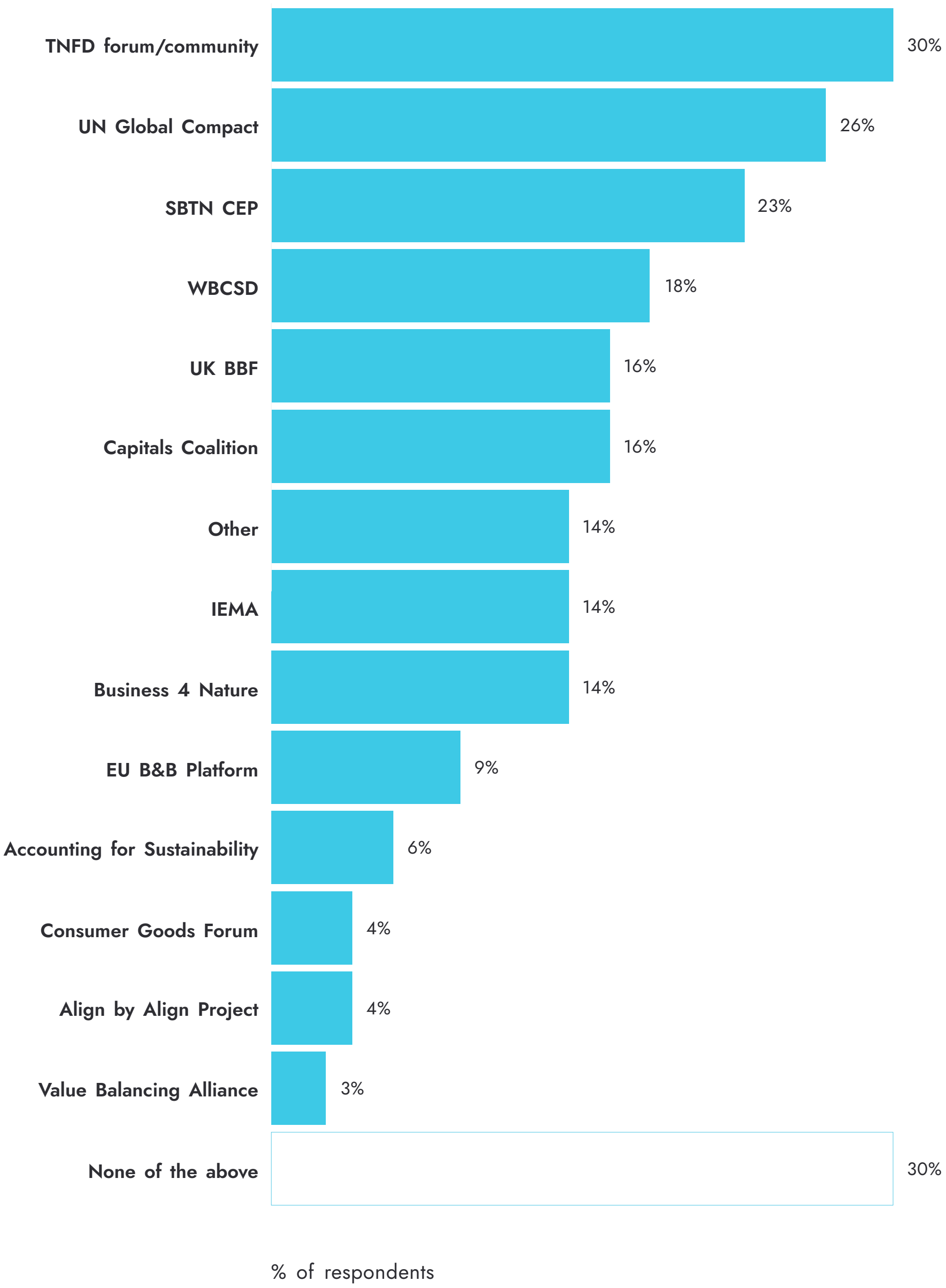


Figure 3: membership groups or collaborations respondent organisations belong to.

The current status of nature integration

Most respondents from organisations had started to integrate nature into their business, however, nature integration in finance institutions was further behind

Organisations

Relatively few respondents, in this sample, worked in an organisation that was not planning to integrate nature into decision-making in the next two years.

Over 25% of respondents are planning on integrating nature into business processes within the next two years.

Only 10% of respondents do not intend to integrate nature into business processes over the next two years. The main reasons given for not integrating nature include a lack of executive buy-in and nature not being considered material to the company.

Fifty-nine percent of respondents to this question were employed by companies with more than 1000 employees.

Question: The company I work for...
Please select which of the following statements applies to the company you work for.

n = 73[*,i]

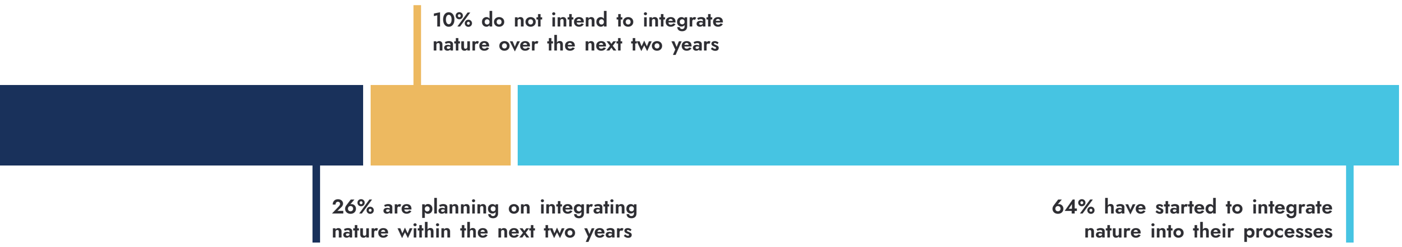


Figure 4a: status of nature integration for organisations.

Finance

Relatively few respondents worked in the financial sector. Of those that responded to questions on the status of nature integration, 60% were planning to scale their data collection on nature from investee companies.

For those that had already piloted and started to integrate nature into their business information about companies nature data was obtained mostly through direct engagement, reviewing sustainability reports or reviewing the outputs from disclosures such as CDP, TNFD, etc.

Question: Has/is your financial institution...
Please tick one.

*n = 19***

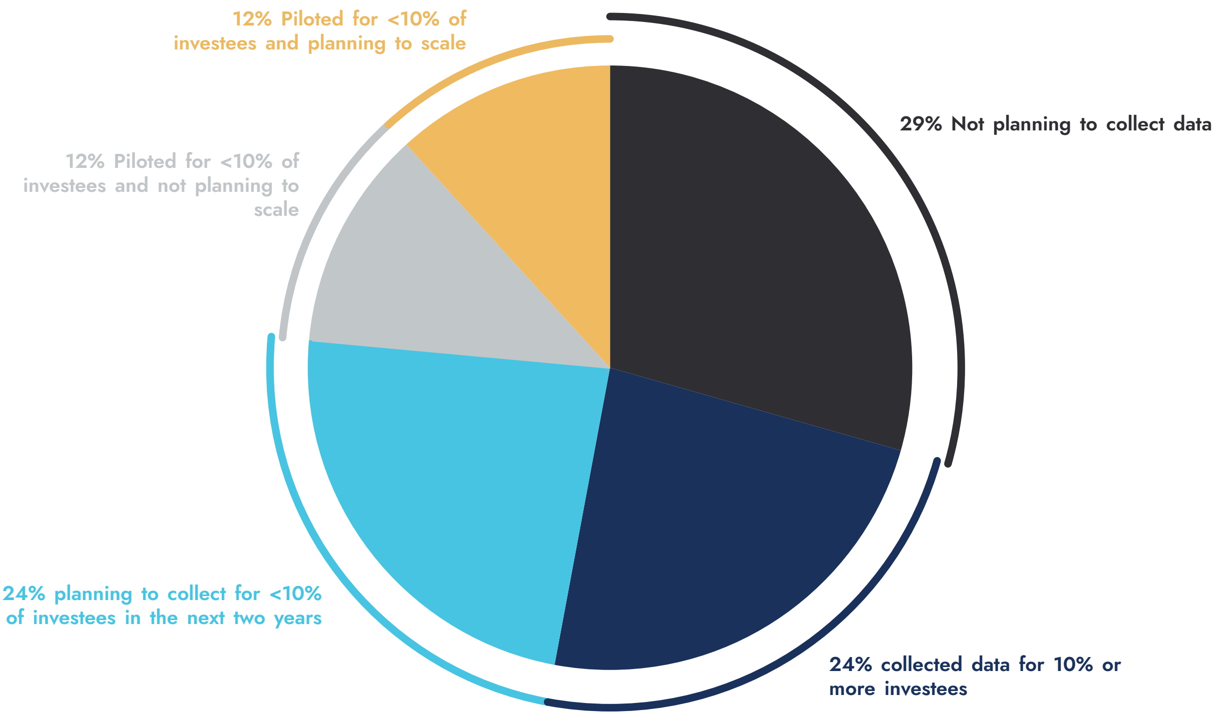


Figure 4b: status of nature integration for financial organisations.

Alignment with frameworks

Organisations were most likely to align with the TNFD when starting to integrate nature into business decision-making

We asked respondents which frameworks they were planning to align with

Of those the respondents that were looking either planning or already integrating nature into decision-making, 70% were planning to align with 2-3 frameworks on average. Of the frameworks considered the recommendations from the TNFD were selected most (72%).

Seven other frameworks were identified by respondents, including BS 8632, the British Standard for Natural Capital Accounting, UK Defra Biodiversity Metrics, the UN System of Environmental-Economic Accounting (SEEA), Project Transparent, Nature Positive Business Pledge, EcoVadis and the European Sustainability Reporting Standards (ESRS).

Question: If you are planning to or already starting to integrate nature into your business decision-making, which frameworks are you likely to align with? Tick all that apply.

n = 64,ii*

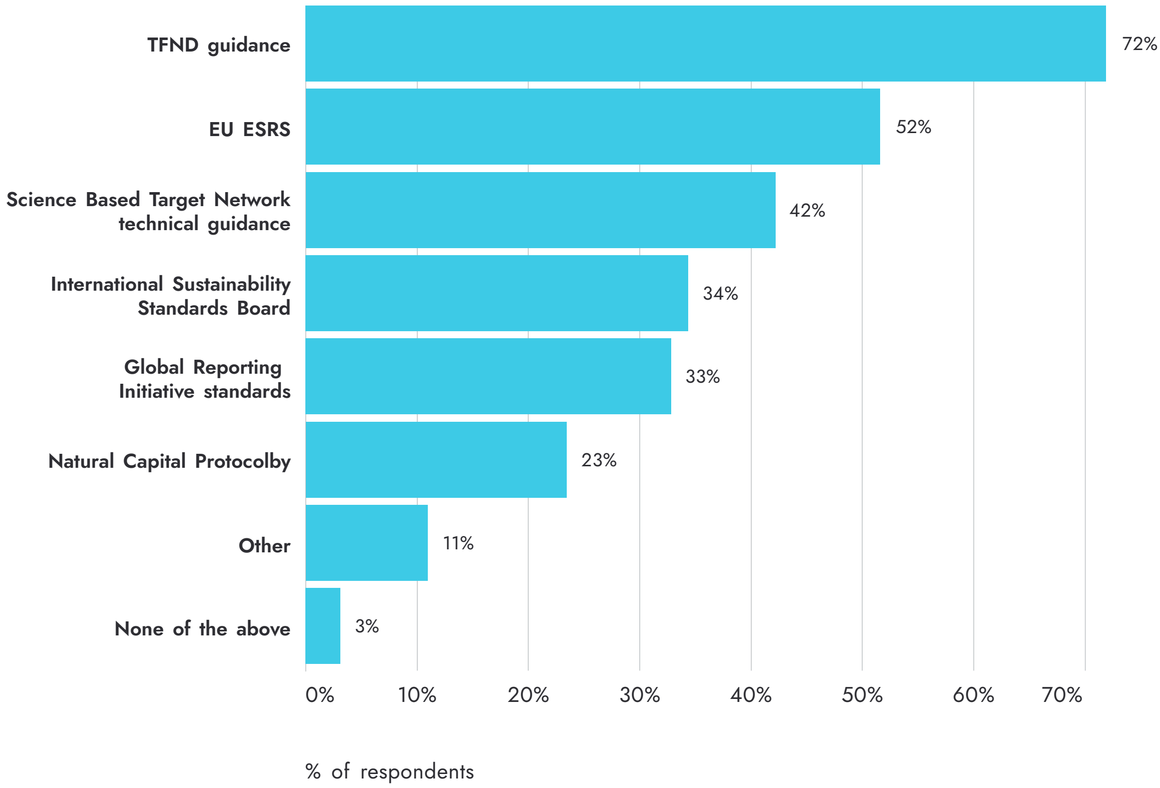
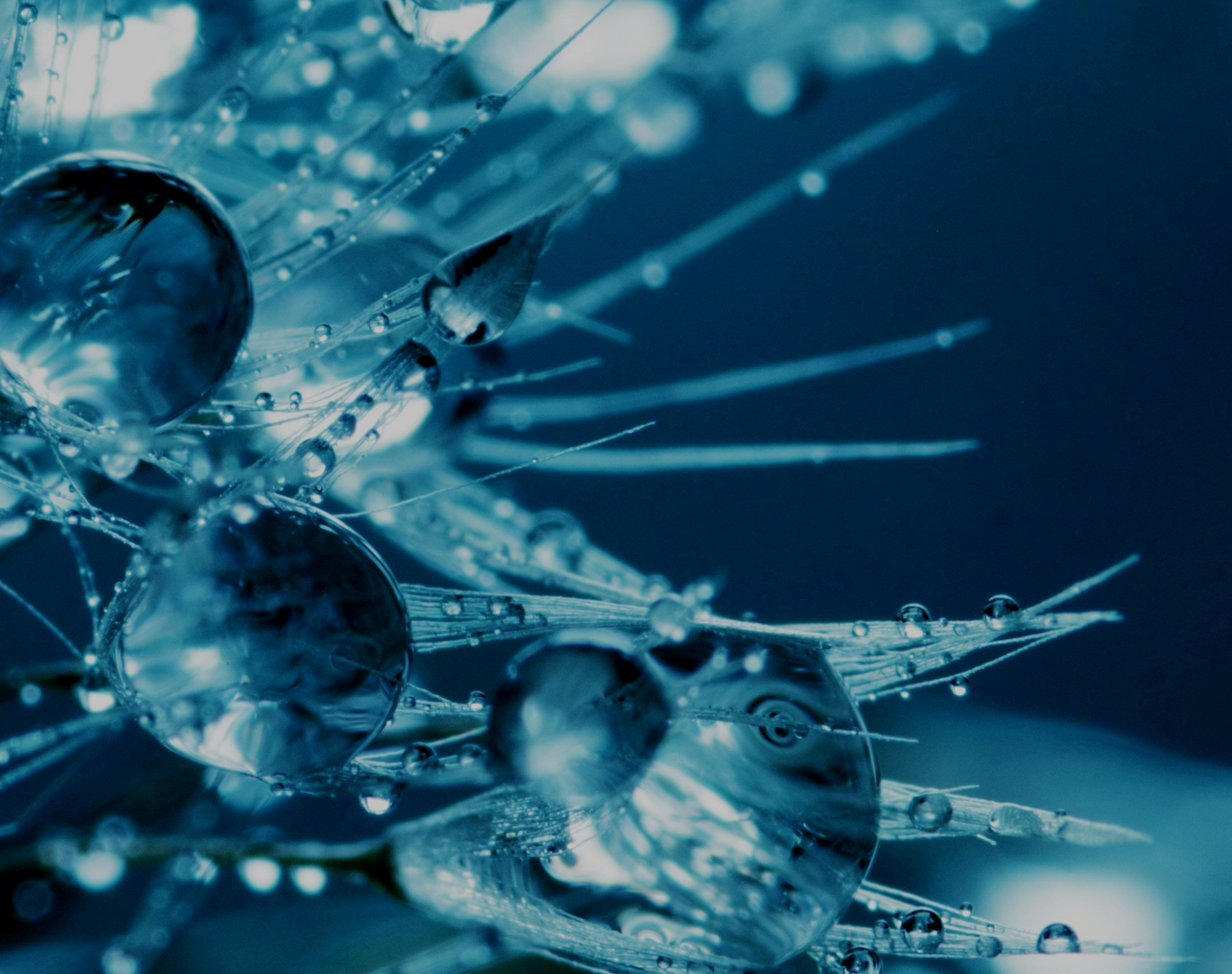


Figure 5: alignment with disclosure frameworks standards.

Drivers for action

The main drivers for action on nature identified by respondents were adapting or preparing for changes in policy and legislation (88% agreement) and avoiding reputational damage (84% agreement). This is unsurprising given the pace of legislative change seen in both the UK and Europe.



The main drivers for action on nature

The main drivers for action are adapting or preparing for changes in policy and legislation and avoiding reputational damage

We asked respondents what were the main drivers for action on nature

For this section an average score was calculated for each driver based on the respondent's level of agreement, where 1 equals strongly disagree and 5 equals strongly agree.

Adapting to or preparing for changes in policy was identified as the main driver for action with an average score of 4.3/5. This is unsurprising given the pace of legislative change seen in both the UK and Europe where most respondents are based. Up to 50,000 companies are expected to be required to report against the Corporate Sustainability Reporting Directive (CSRD)[6] and EU and UK deforestation laws coming into force [December 2024]. In addition to the launch of the TNFD globally in late 2023 and enforcement of Biodiversity Net Gain legislation in the UK from April 2024.

Reputational damage is also a concern and potentially linked to more stringent scrutiny of sustainability and nature claims guidance and tighter legislation such as the Competition and Markets Authority Green Claims Guidance in the UK[7], the Green Claims Directive for the EU[8] and Federal Trade Commission Green Guides in the US[9].

PREPARING FOR POLICY & LEGISLATIVE CHANGES

4.3/5

Question: What are the main drivers for action on nature? Please select the statements that apply to the organisation you work for or clients you support.

n = 160[i]

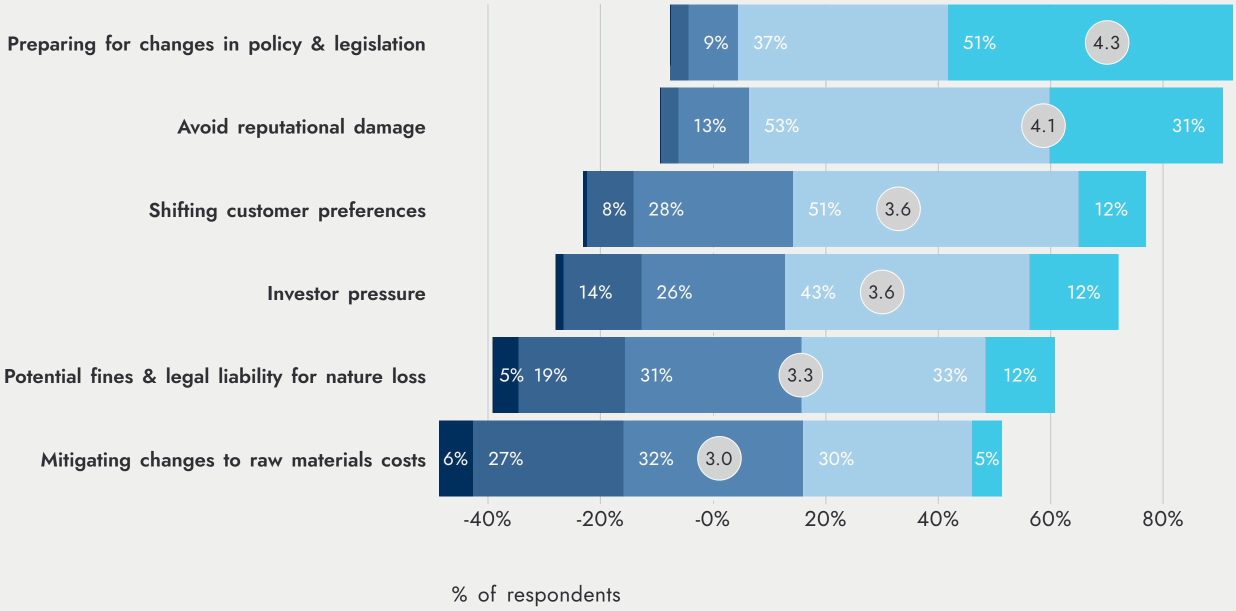
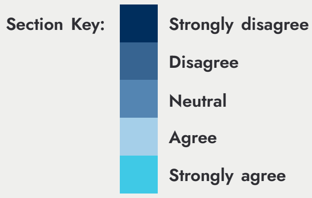


Figure 6: the main drivers for action on nature.



NOTE: Throughout this section the full titles of options included in questions were...

1. Adapting to or preparing for changes in policy and legislation
2. Avoid damage to the organisation's reputation
3. Shifting customer preferences
4. Investor pressure
5. Potential fines and legal liability for nature-related risks and/or nature loss
6. Mitigating the changing costs of raw materials

Drivers for action: Organisations

The main drivers for action are identical to the overall sample

Splitting the sample into those that offer consulting services and those that don't showed that adapting to or preparing for changes in policy was still identified as the main driver for action with an average score of 4.2/5. However, shifting customer preferences and investor pressure are marked slightly lower than for the consulting sample.

Question: What are the main drivers for action on nature? Please select the statements that apply to the organisation you work for or clients you support.

*n = 65**

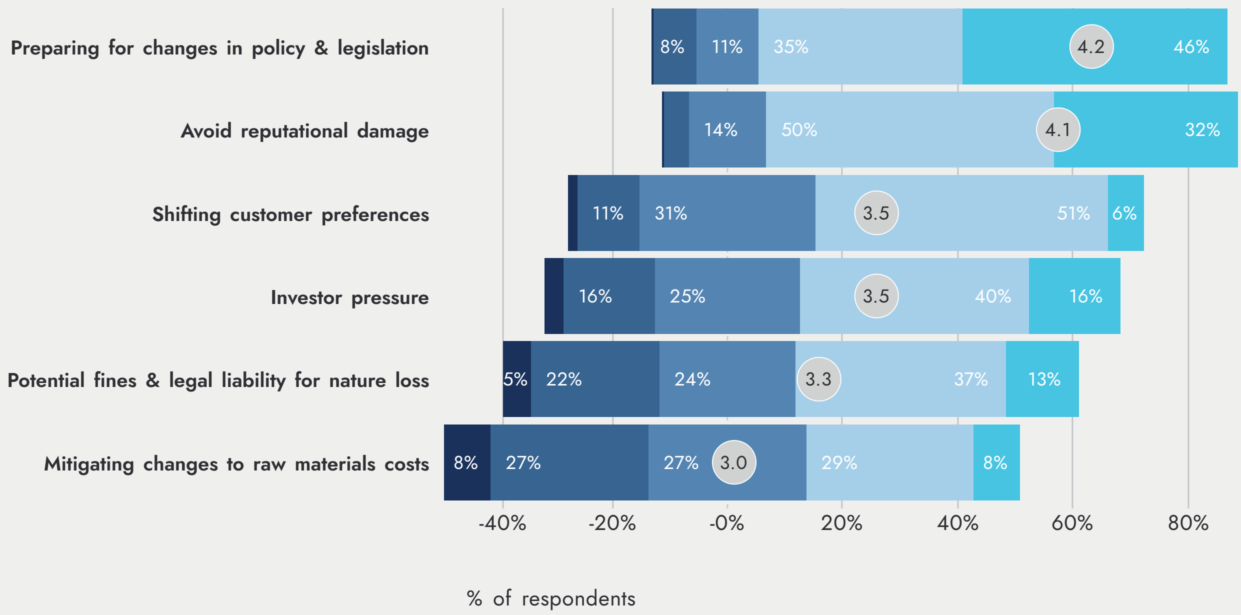


Figure 7: the main drivers for action on nature for organisations.

Drivers for action: Consulting

The main drivers for action for consultants are identical to the overall sample

Adapting to or preparing for changes in policy was identified as the main driver for action by consultants with an average score of 4.5/5. This driver is stronger for those who provide consulting services than business, finance and public entities.

Reputational damage is a concern, but the overall ranking does not change when compared between consulting and the business, finance and public entities sample.

Higher overall rankings are seen for shifting customer preferences and investor pressure when compared to the business, finance and public entity sample.

Question: What are the main drivers for action on nature? Please select the statements that apply to the clients you support.

n = 95

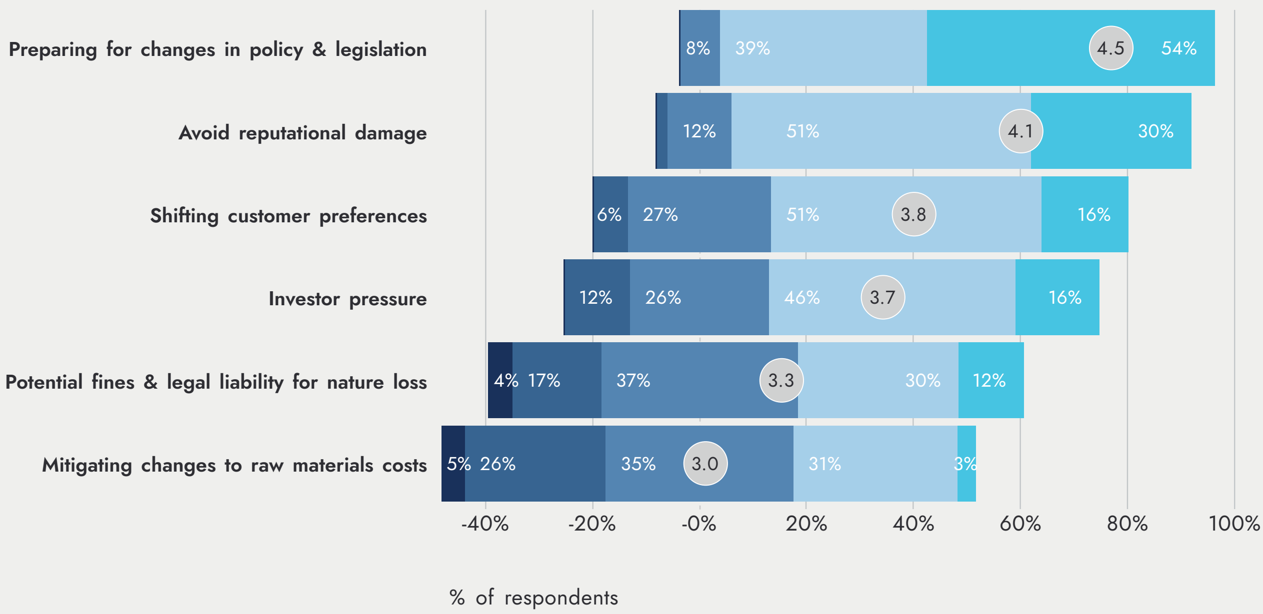


Figure 8: the main drivers for action on nature for consultants.

Challenges

The top three challenges identified by respondents vary between consultants and organisations. However, in all cases supply chain analysis and designing targets for nature were consistently identified as the top two.

The challenges of integrating nature into decision-making

The top three challenges identified by respondents were supply chain analysis, designing targets for nature and materiality assessment

We asked respondents to identify the top three challenges of integrating nature into business decision-making

Half of respondents identified supply chain analysis as a top three challenge either for their organisation or when supporting clients, with designing targets for nature and deciding which impacts or dependencies are most important (materiality analysis) following.

More than 40% of respondents selected supply chain analysis and designing targets for nature as challenges. Notably scoping and planning, and getting to grips with terminology were selected least, i.e., by <15% of respondents.

Respondents identified 40 additional challenges, including lack of internal buy-in, and lack of executive buy-in, more specifically, which were identified most often.

NOTE. Full titles of options for this section.

1. Deciding which impacts and dependencies are important (materiality analysis)
2. Setting ambitions on nature and developing a nature strategy
3. Identifying impacts or dependencies on nature
4. Location-based mapping or analysis
5. Getting to grips with terminology

Question: Please identify the top three most challenging activities (for your organisation or when supporting clients) when planning or starting to integrate nature into decision-making?

n = 157[1]

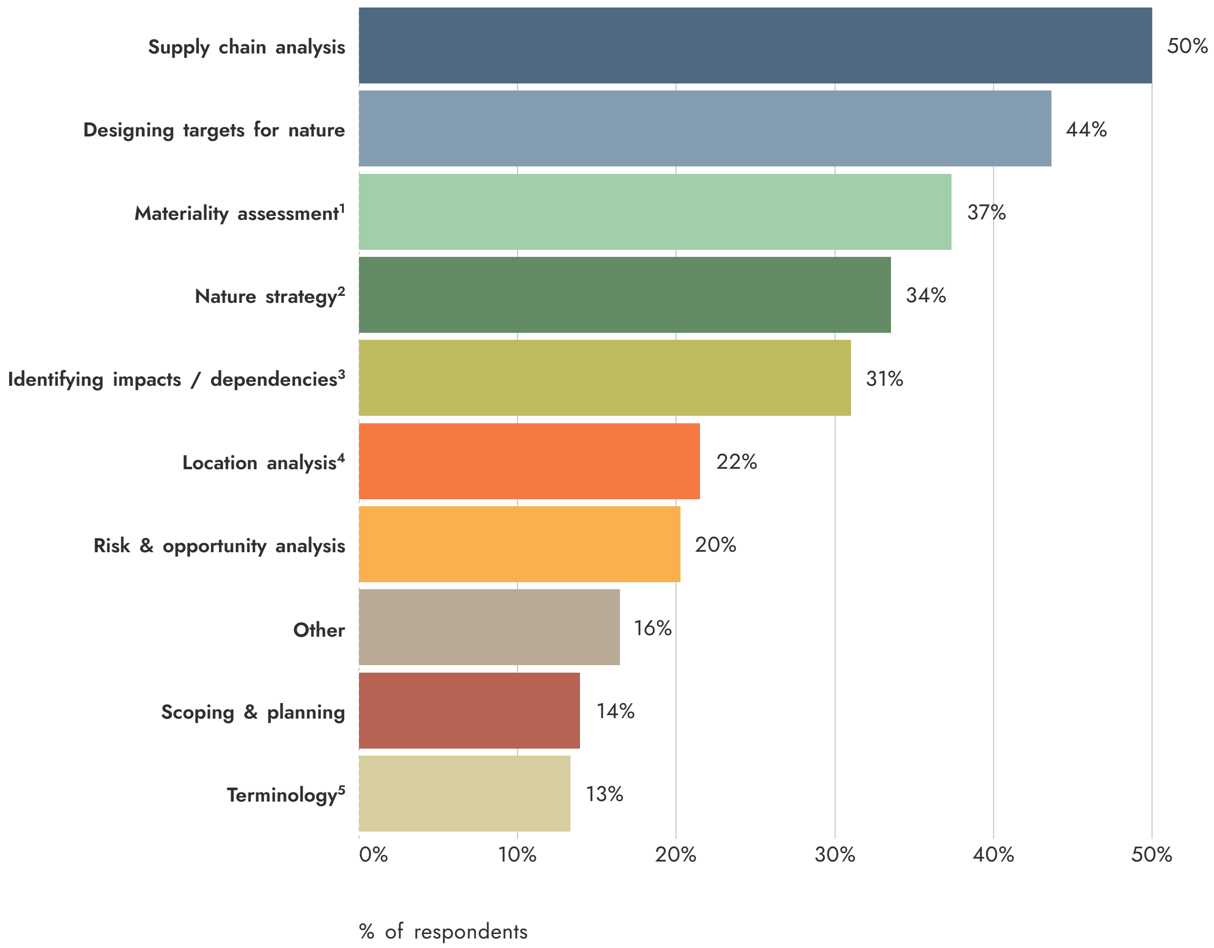


Figure 9: the top three challenges to integrating nature into business decision-making.

Challenges for organisations

Organisations identified the same top three challenges as for all respondents, however location-based mapping or analysis was identified much less frequently

Over half of respondents from organisations identified supply chain analysis (53%) as one of the most challenging activities. Organisations also identified risk and opportunity analysis more often (28%).

Eight other challenges were identified by respondents, none of which was identified by more than once. These were: cultural buy-in, data mining and analytics, lack of internal expertise, managing trade-offs, prioritising activities, securing resources, stakeholder support and understanding cost implications.

Question: Please identify the top three most challenging activities when planning or starting to integrate nature into decision-making?

n = 64,ii*

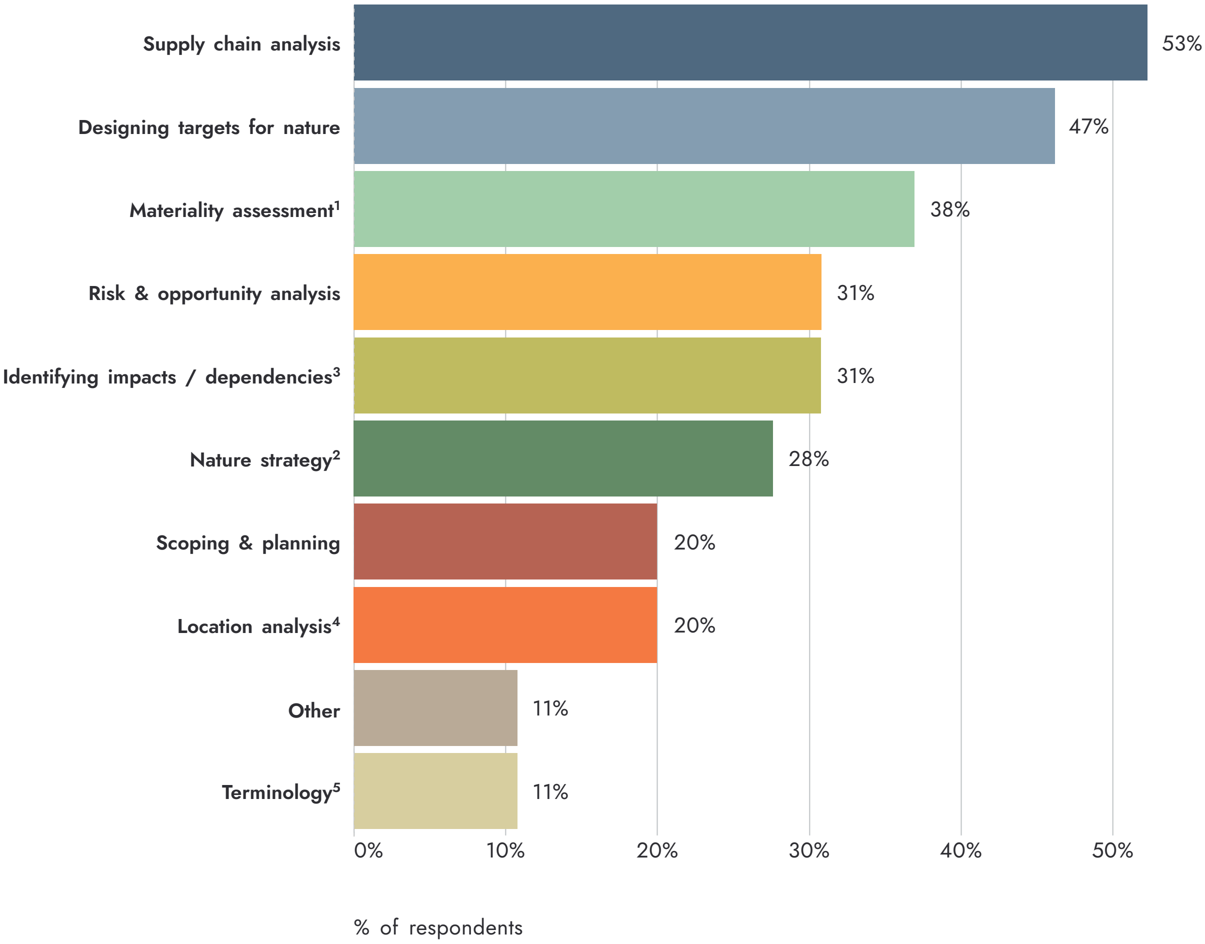


Figure 10: the top three challenges to integrating nature into decision-making for organisations.

Level of integration influences the challenges identified

Organisations that have already started to integrate nature into their business identify supply chain analysis as a challenge more often

Respondents from organisations that have started to integrate nature into businesses were more likely to identify supply chain analysis and designing targets as challenges.

Respondents from organisations that are planning to integrate nature into businesses were more likely to identify identifying impacts or dependencies and scoping & planning activities as challenges.

Question: Please identify the top three most challenging activities when planning or starting to integrate nature into decision-making?

n = 66,ii (47 started; 19 planning)*

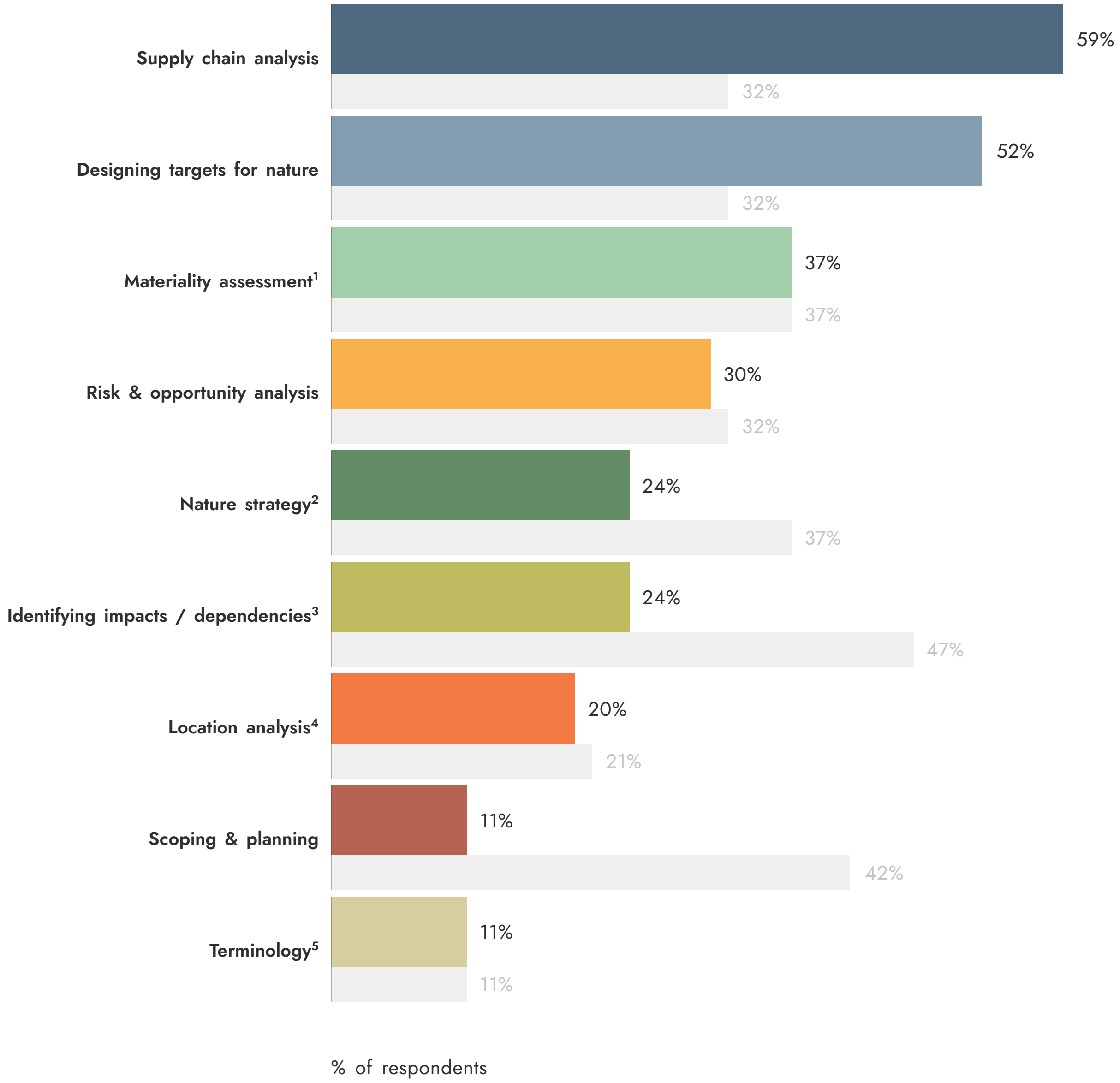


Figure 11: the top three challenges to integrating nature into decision-making based on integration status for organisations.

Key:

Started to integrate nature

Planning to integrate nature

Consultant support for integrating nature into business

Almost half of consultants identified supply chain analysis as the greatest challenge

Consultants identified supply chain analysis, designing targets for nature, setting ambitions on nature/developing a nature strategy and deciding which impacts or dependencies are most important to the company as the most challenging activities when supporting clients.

Twenty-two other challenges were identified by consultants. Of these, lack of executive and internal buy-in were identified most often.

Consulting demographics

- Over 75% of consultants stated that they have supported clients to integrate nature into their businesses in the last two years
- In this survey respondents that provided consulting services most commonly worked for micro-organisations (38%) or Small to Medium Enterprises (30%).

Question: Please identify the top three most challenging activities when supporting a client planning or starting to integrate nature into decision-making?

n = 93

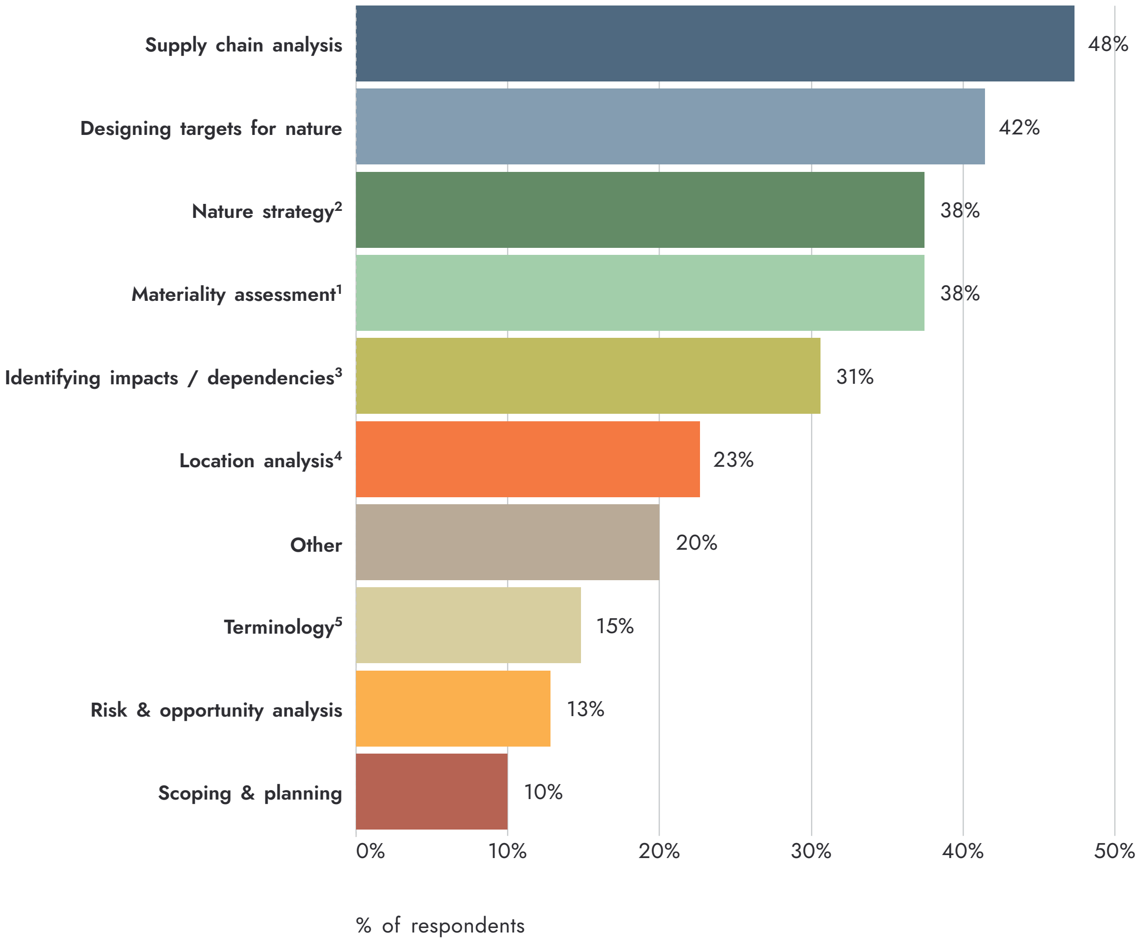
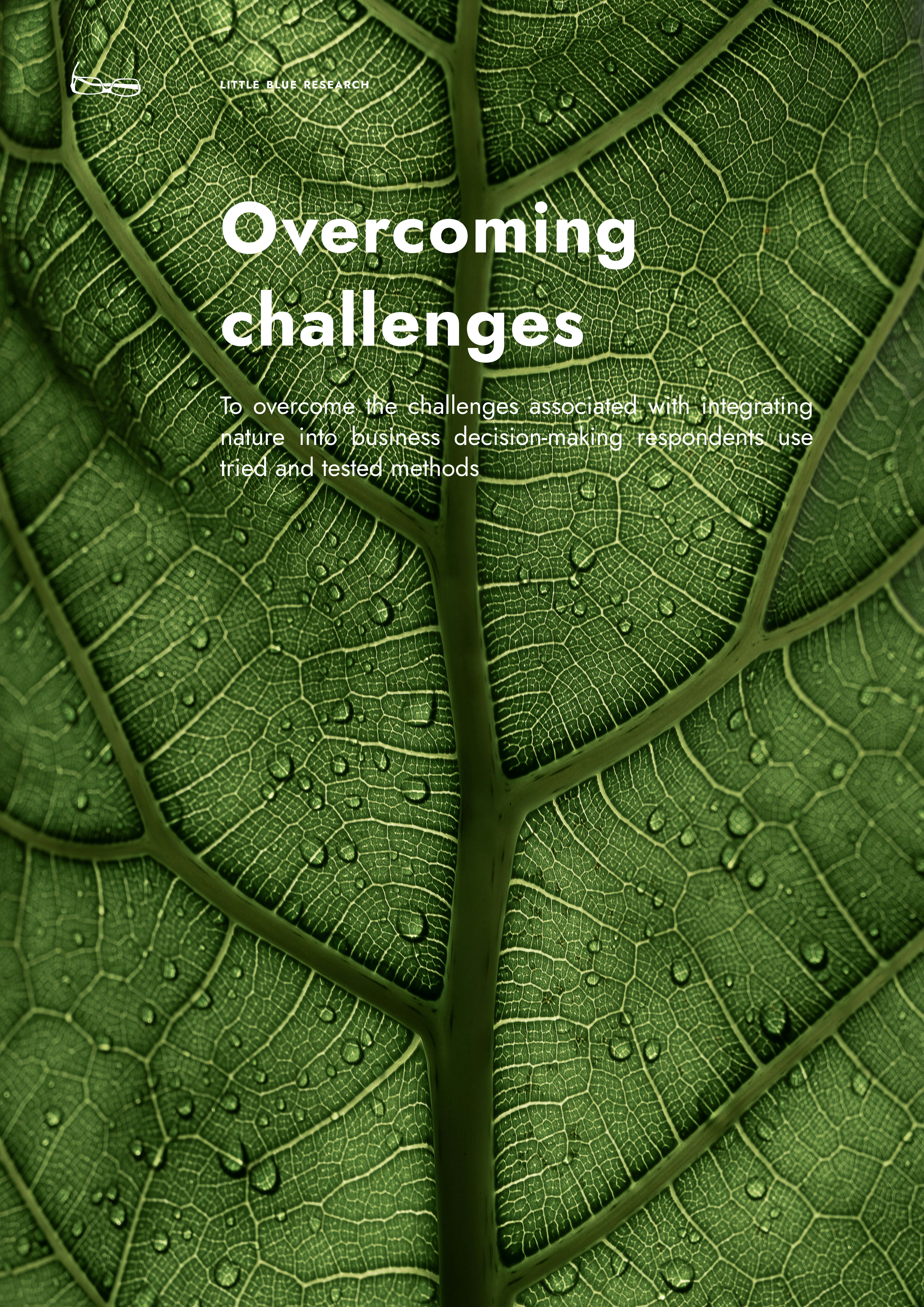


Figure 12: the top three challenges to integrating nature into decision-making for consultants.



Overcoming challenges

To overcome the challenges associated with integrating nature into business decision-making respondents use tried and tested methods

Overcoming challenges

Engaging with external specialists was the most common way that respondents overcame challenges associated with integrating nature

We asked respondents how they overcame the challenges of integrating nature into decision-making

Engaging with external specialists, taking courses, attending events or workshops, and helping to upskill teams or peers were the three most common ways that respondents overcame challenges.

Respondents identified around four different ways of overcoming challenges on average.

Nine other activities were identified by respondents including running internal events/webinars and attending specific conferences or expositions, which were identified by multiple respondents.

NOTE: Full titles of options for this section.

1. Engaged with external specialists
2. Taken courses, attended events or workshops
3. Helped to upskill my team or peers
4. Joined a collaboration or membership group
5. Tried and tested new tools to aid data analysis
6. Tried and tested new tools to aid data collection
7. Other (please specify)

Question: How have you overcome challenging activities when starting to integrate nature into decision-making? Please select which of the following statements apply.

n = 161[1]

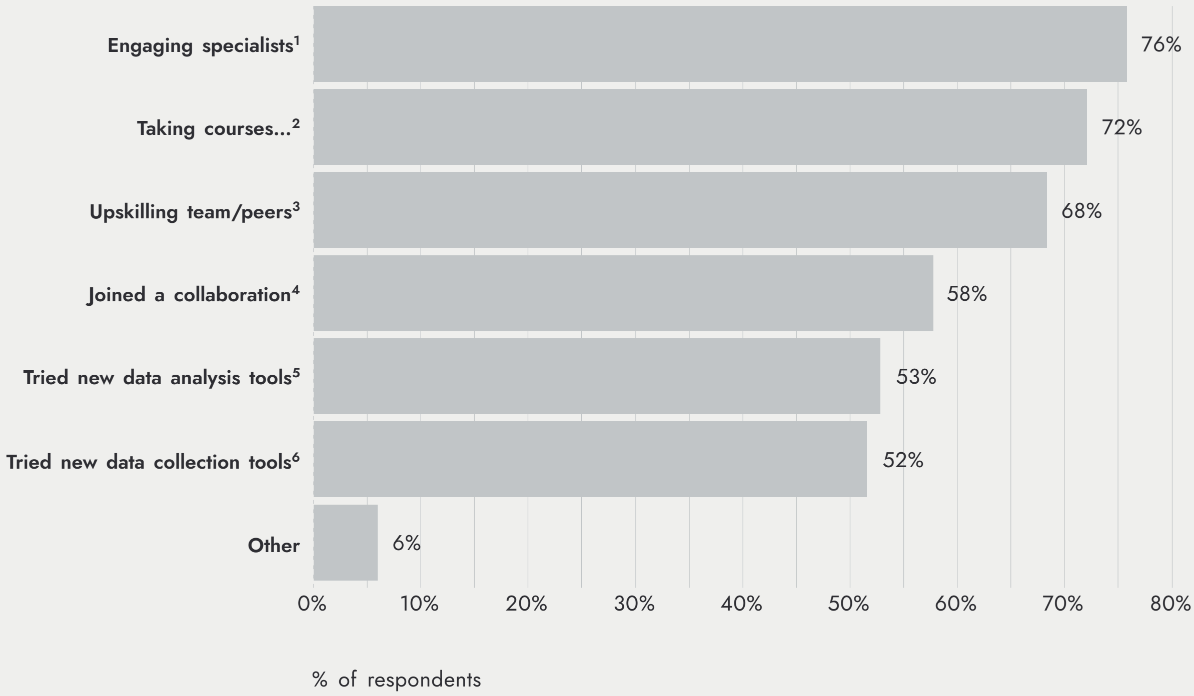


Figure 13: the top ways of overcoming the challenges associated with integrating nature into business decision-making.

The top ways respondents used to overcome challenges were engaging with experts and taking courses

Respondents identified engaging with external experts most often to overcome the challenges associated with integrating nature into business decision-making. Linking these responses shows that respondents identifying "Setting ambitions on nature and developing a nature strategy" and "Scoping & planning" identified taking courses, attending events or workshops as a way of overcoming challenges. (see Figure 14).

Top challenges

- Supply chain
- Designing targets for nature
- Materiality analysis
- Nature strategy
- Id. Impact / dependency
- Location analysis
- Scoping & planning
- Terminolgy

How respondents overcome challenges

- Engaging with specialists[1]
- Taking courses...[2]

NOTE: Full titles for challenges shown in previous section.

n = 155[iii]

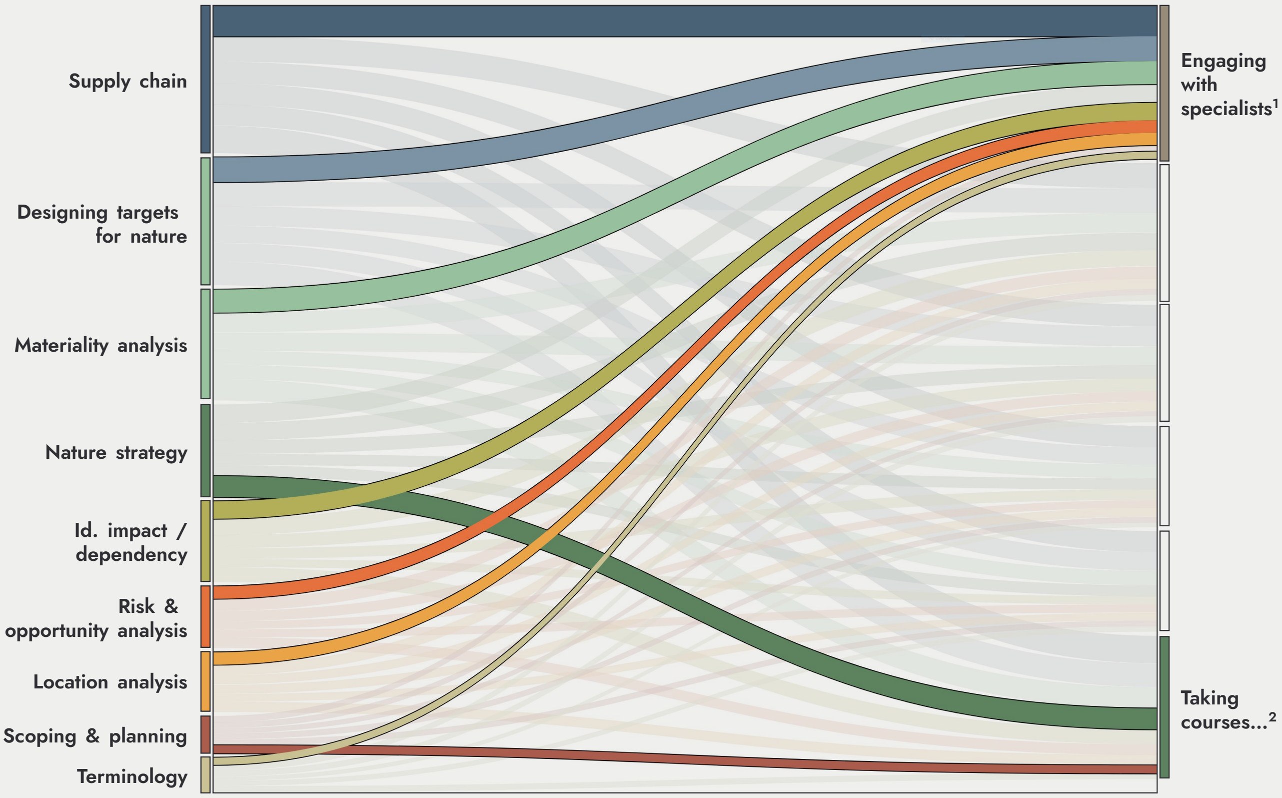


Figure 14: linking challenges to potential ways of overcoming them. The thickness of the lines between the two show the number of respondents that selected a challenge and the actions they went on to identify to overcome challenges in general. The highlighted lines show the actions selected most across each challenge. Full titles for challenges shown in previous section.

How organisations overcome challenges

Over 80% of organisations overcame challenges of integrating nature through engaging with external specialists

Over 70% of respondents from organisations engaged with external specialists, took courses or attended events, or joined a collaboration or membership group to overcome the challenges of integrating nature into business processes.

Organisations were more likely to join a collaboration or membership group than consultants to help them overcome challenges.

Aligning with existing processes and conducting biodiversity footprint assessments were also identified by organisations as ways to overcome challenges.

Question: How have you overcome challenging activities when starting to integrate nature into decision-making? Please select which of the following statements apply.

*n = 66**

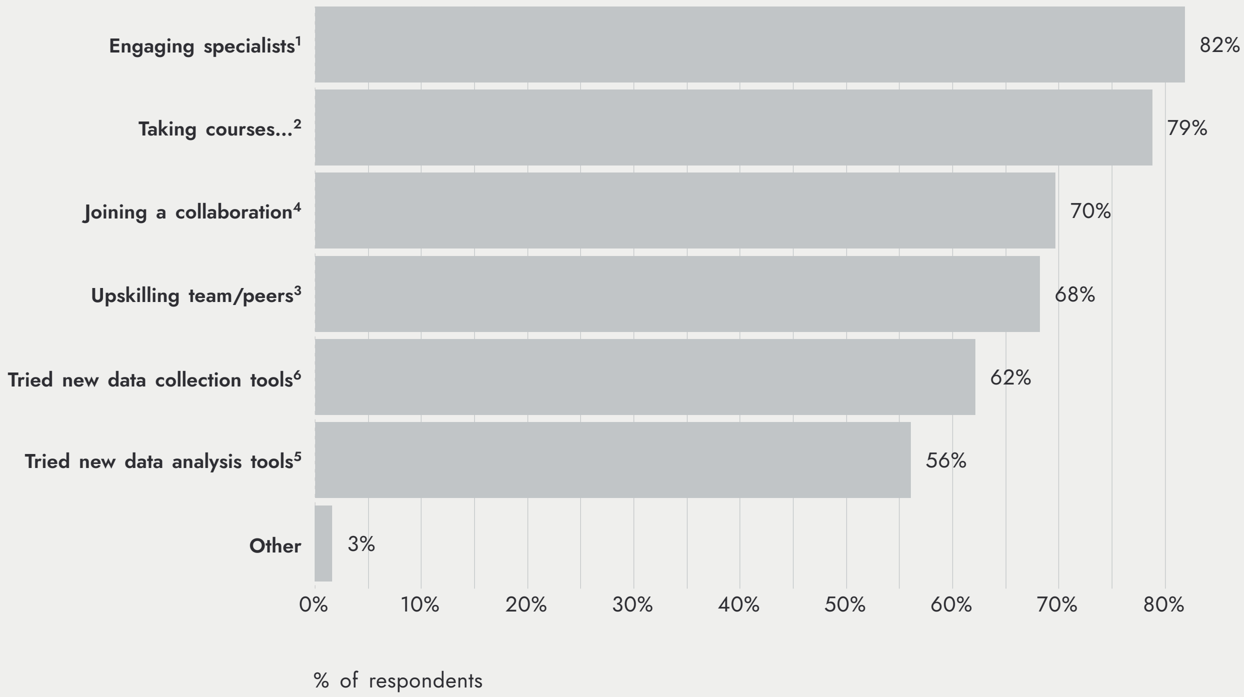


Figure 15: the top ways for organisations to overcome the challenges associated with integrating nature into business decision-making.

Consultants working in nature integration overcome challenges differently to those that do not

Consultants supporting clients on nature in the last two years were more likely to identify ways of overcoming challenges than those that have not

Respondents that had supported clients to integrate nature into their businesses were most likely to identify engaging with external specialists and helping to upskill their team/peers.

Consultants that hadn’t supported clients to integrate nature into their businesses in the last two years were most likely to identify engaging with external specialists and taking courses/attending events as ways to overcome challenges.

Seven other activities to overcome challenges were identified by consultants, including attending conferences and exhibitions and running internal events and webinars, which were identified by multiple consultants.

Question: How have you overcome challenging activities when supporting clients to plan or integrate nature into decision-making? Please select which of the following statements apply.

n = 95 (supported 72; not supported 24*)*

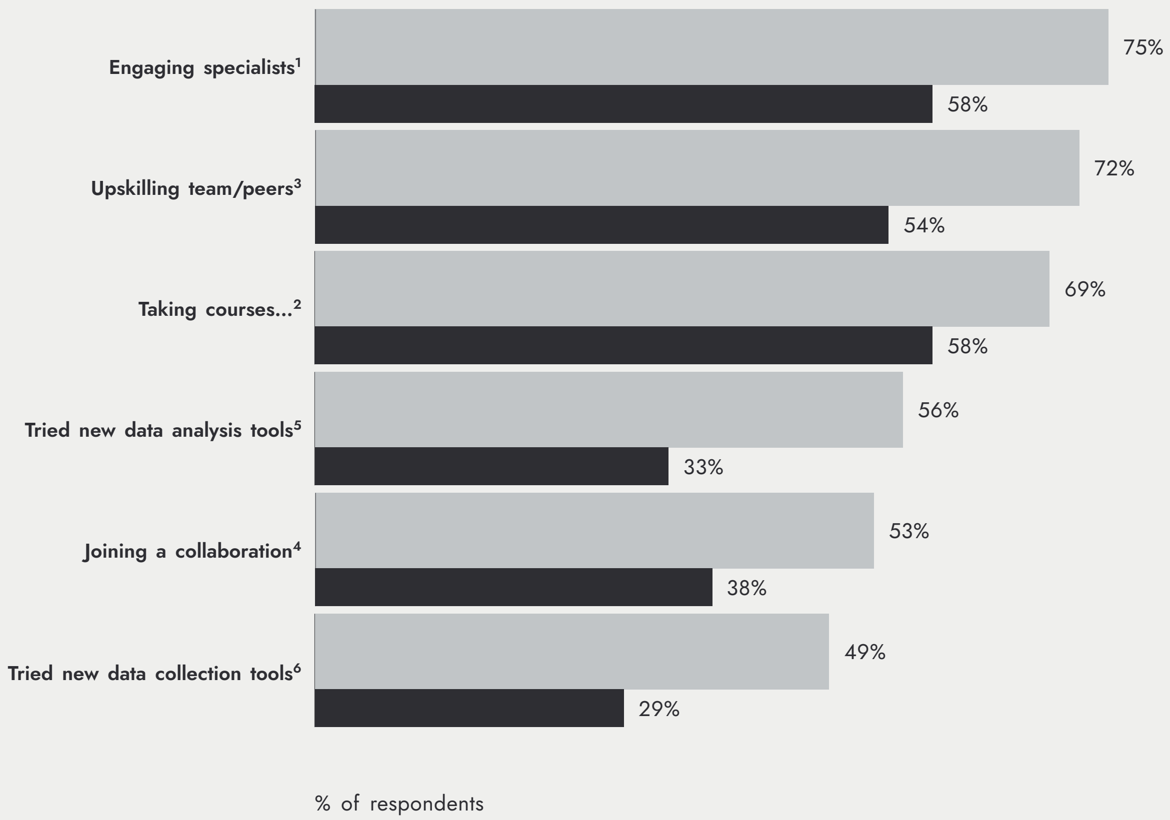
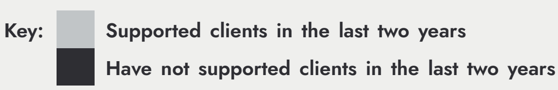


Figure 16: the top ways for consultants to overcome the challenges associated with integrating nature into business decision-making.



Resources

The Taskforce on Nature-related Financial Disclosures resources were identified most resources used to overcome the challenges associated with integrating nature into business decision-making

Using resources to overcome challenges

Respondents identified between 2-3 organisations' resources used when addressing how to overcome challenges with the TNFD cited most at 46% of respondents

We asked respondents which membership organisations resources they use to overcome nature integration challenges

TNFD was identified as the main source for resources used by respondents, with nearly half of respondents stating that they used these resources to overcome nature integration challenges.

On average respondents use between 2-3 different membership organisations' resources to help overcome challenges.

Other responses included a mix of different frameworks and initiative groups such as the Ecosystems Knowledge Network, the UK Sustainable Investment and Finance Association, the WWF network and various sector initiatives. Seventeen percent of respondents identified other resourcesthat were not included in the question.

NOTE: Full titles of abbreviated options for this section.

1. WBCSD - World Business Council for Sustainable Development
2. SBTN CEP - Science Based Targets Network Corporate Engagement Program
3. IEMA - Institute of Environmental Management and Assessment
4. UKBBF - UK Business and Biodiversity Forum
5. EU B&B Platform - EU Business and Biodiversity Platform

Question: Which membership organisations' resources, e.g., reports, training, peer groups, webinars, etc. do you use to help overcome challenges? (Please tick all that apply).

n = 151

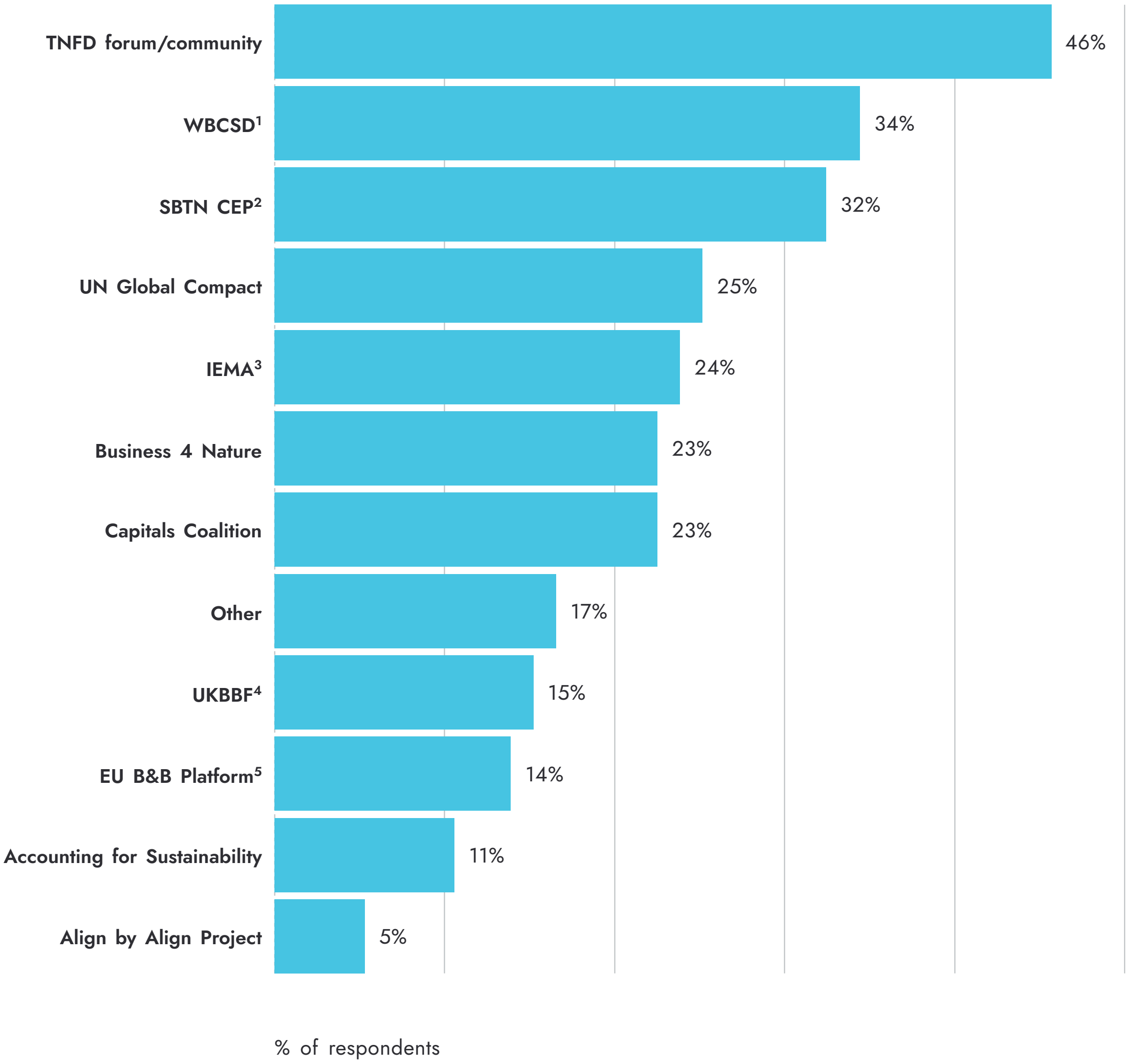


Figure 17: the top resources respondents identified to overcome the challenges of nature integration.

Where organisations go to look for resources

Organisations identified between 2-3 membership organisations' resources used when addressing nature integration challenges with the TNFD's resources cited most

Organisations identified the TNFD's resources as the ones they used most followed by the World Business Council for Sustainable Development (WBCSD) and the UN Global Compact.

Only 5% of respondents from organisations identified other resources across a mix of membership groups and initiatives including local wildlife trusts in the UK.

Question: Which membership organisations' resources, e.g., reports, training, peer groups, webinars, etc. do you use to help overcome challenges? (Please tick all that apply).

*n = 73**

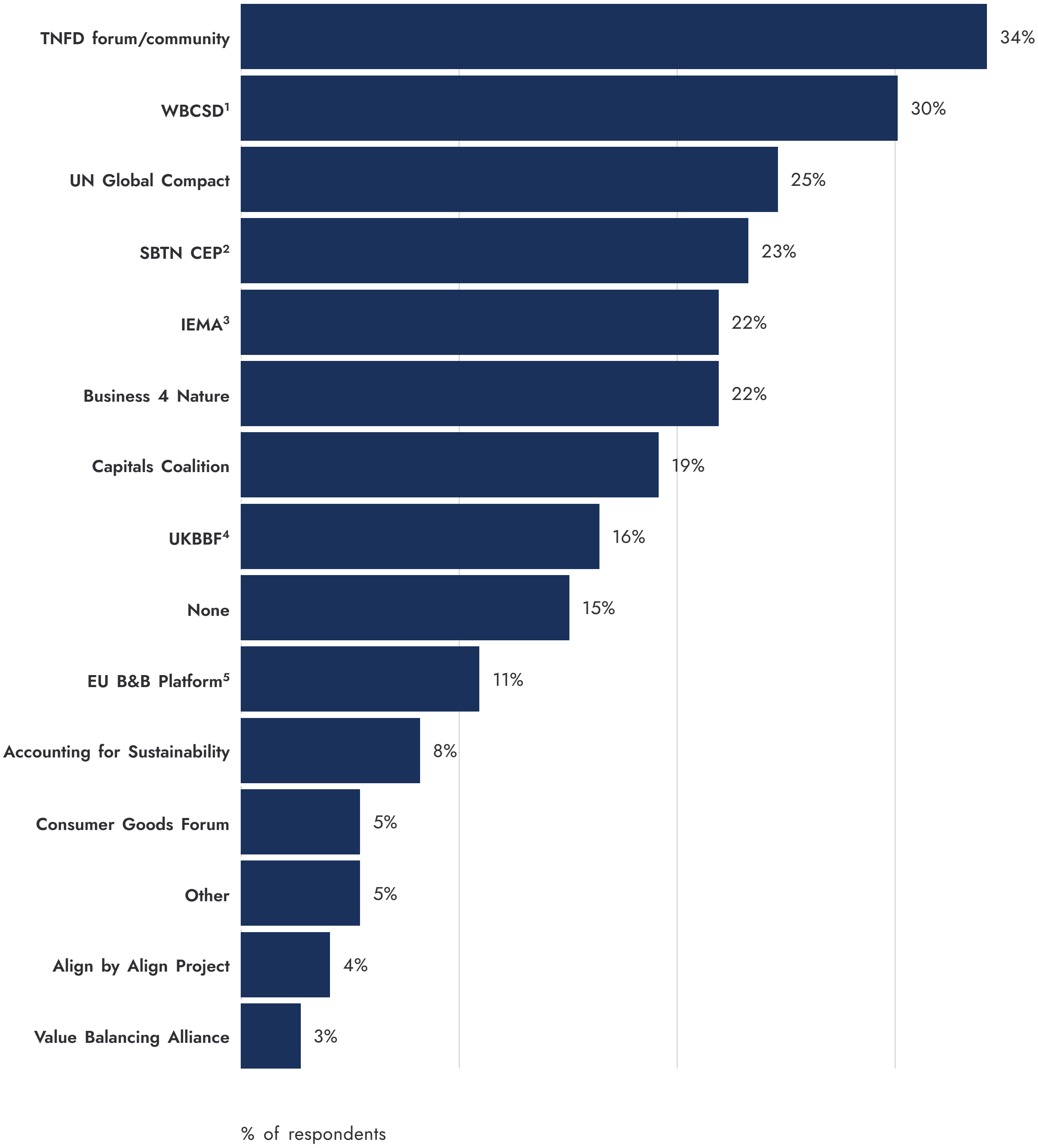


Figure 18: the top resources respondents from organisations identified to overcome the challenges of nature integration.

Where consultants go to look for resources

As for the overall sample the TNFD was cited as the membership group whose resources were used most

Consultants identified the TNFD's resources as the ones they used most. However, this was followed by the Science Based Target Network and then the World Business Council for Sustainable Development (WBCSD).

17% of consultants identified other places that they look for resources.

Each consultant also identified slightly more resources than those from organisations, i.e., 2.6 versus 2.3 on average.

Question: Which membership organisations' resources, e.g., reports, training, peer groups, webinars, etc. do you use to help overcome challenges? (Please tick all that apply)

n = 95

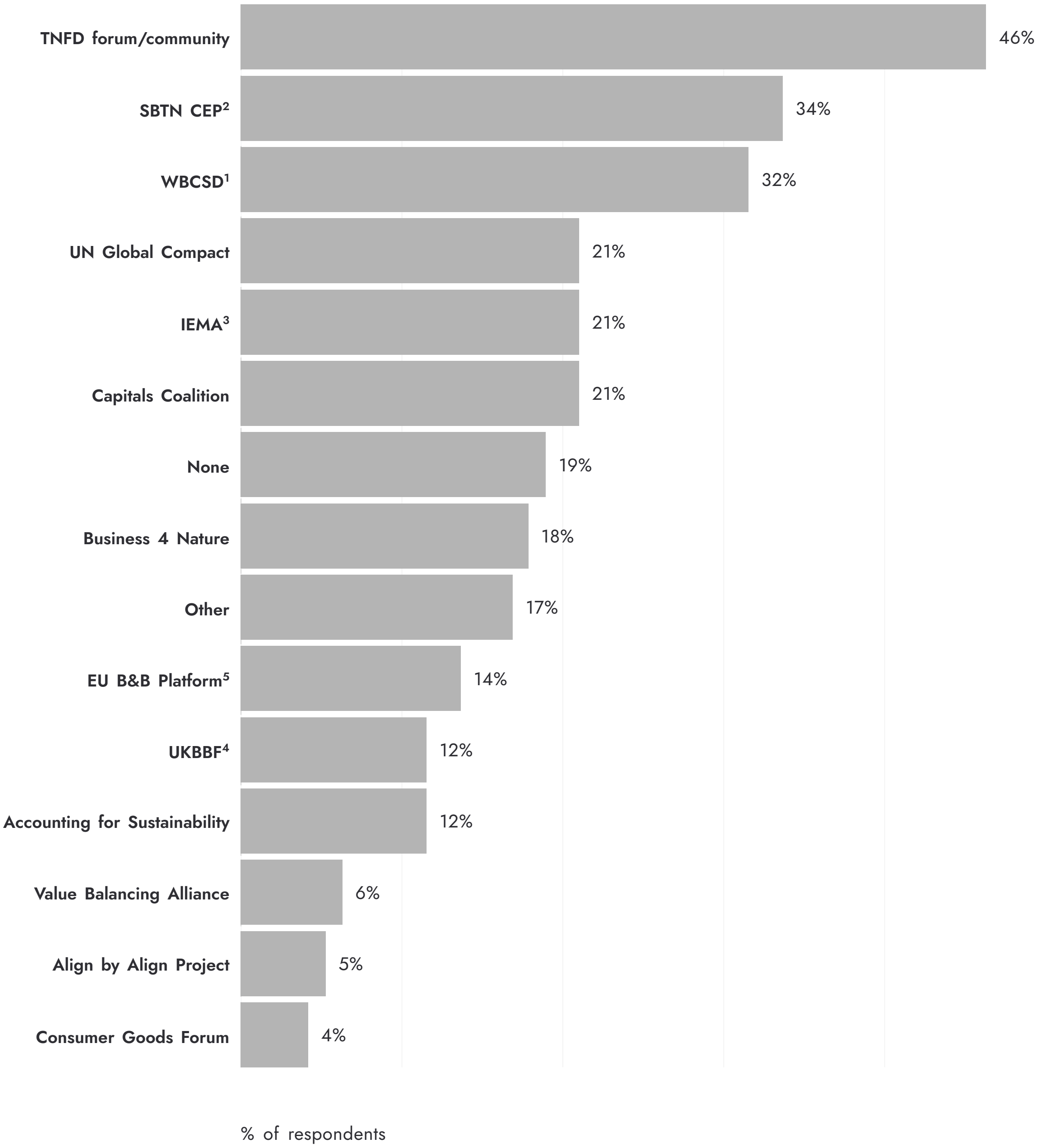


Figure 19: the top resources consultants identified to overcome the challenges of integrating nature.

Resources identified by consultants that supported clients to integrate nature into their business processes

TNFD resources were identified as the most common resource used by consultants that have supported clients integrating nature into business prcesses in the last two years

Overall half of consultants that have supported clients to integrate nature into their organisation in the last two years have used resources from the TNFD followed by resources from the SBTN and WBCSD.

Consultants that have not supported clients to integrate nature in the last two years identified TNFD and UN Global Compact or none of those listed in the question.

Consultants identified a broad range of other organisations including universities, sector groups, peers, publications, networks, commercial organisations, whose resources are used to overcome challenges.

Question: Which membership organisations' resources, e.g., reports, training, peer groups, webinars, etc. do you use to help overcome challenges? (Please tick all that apply).

n = 95 (supported 72; not supported 24*)*

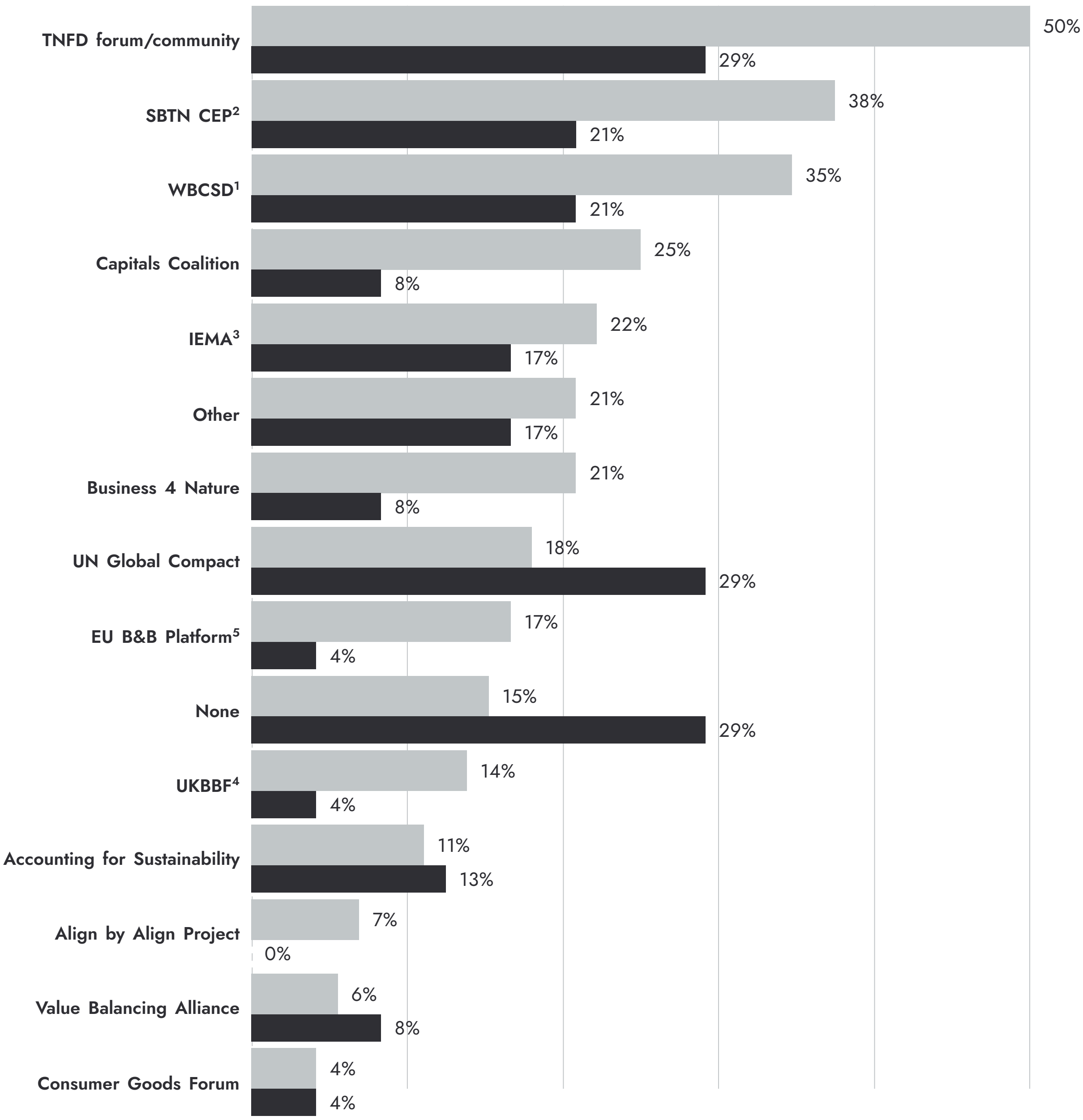
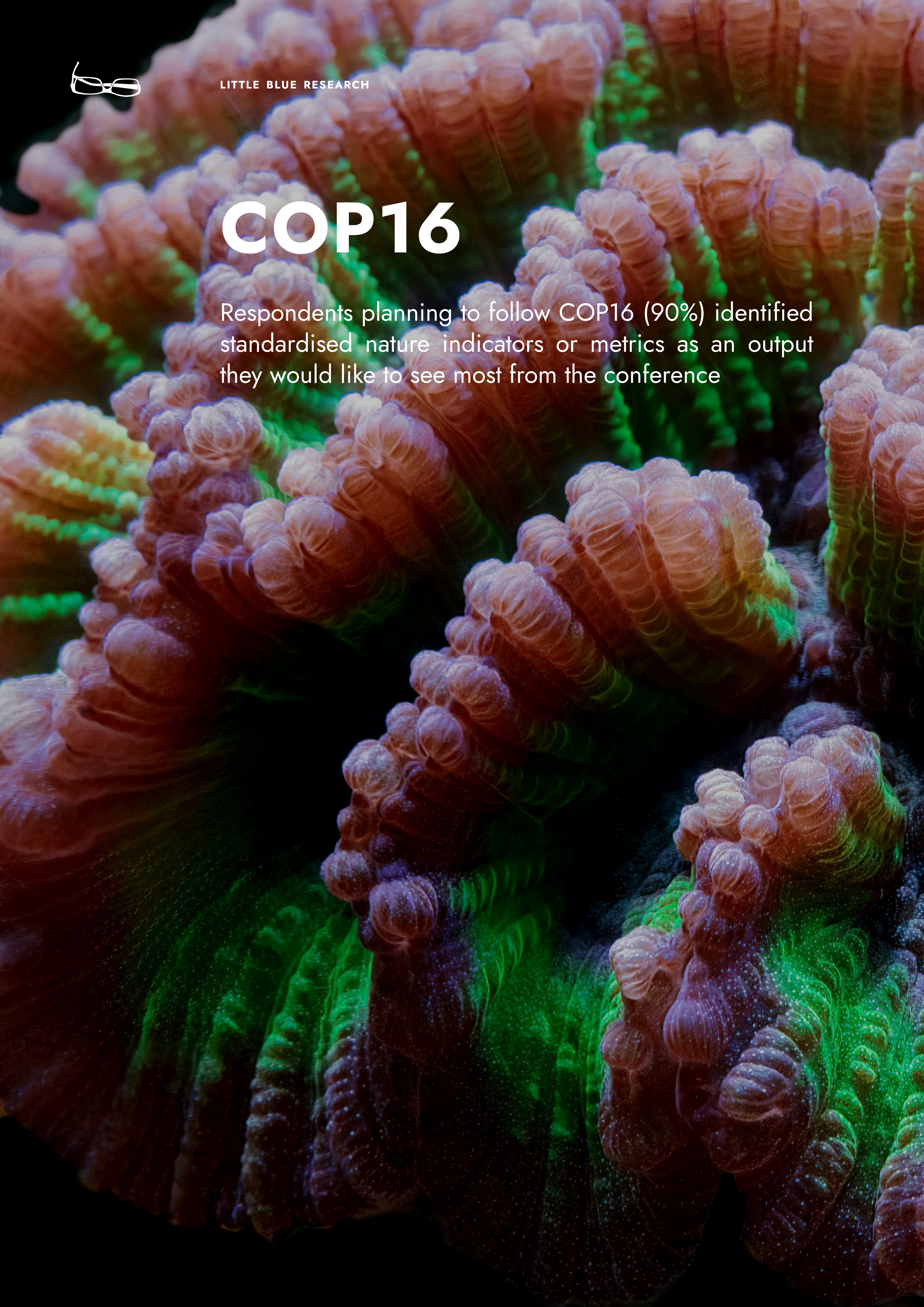


Figure 20: the top resources consultants that had supported clients on nature integration projects compared with those that had not.



COP16

Respondents planning to follow COP16 (90%) identified standardised nature indicators or metrics as an output they would like to see most from the conference

Looking forward to COP16

Most respondents will keep up to date with COP16 by reading daily updates or summaries of the event (68%)

This is the first COP to look at how countries have started to implement targets into national policies and overall progress. At COP15 approximately 1,000 corporate representatives attended.

We asked respondents how they were planning to follow the conference

Respondents to our survey were most likely to keep up to date by reading daily updates or summaries of the conference with only 10% not following the conference at all.

The level of business representation at COP16 is currently unclear and whether the momentum built during 2022 will be sustained. However, most respondents will follow the conference (90%) in some way this autumn and for now registrations look to be at least as popular as 2022.

In 2022, 196 countries ratified 23 targets to

"to take urgent action to halt and reverse biodiversity loss to put nature on a path to recovery for the benefit of people and planet"[5].

Question: The Conference of the Parties to the Convention on Biological Diversity (COP16) is planned for later this year. How are you planning to follow the conference?

n = 154

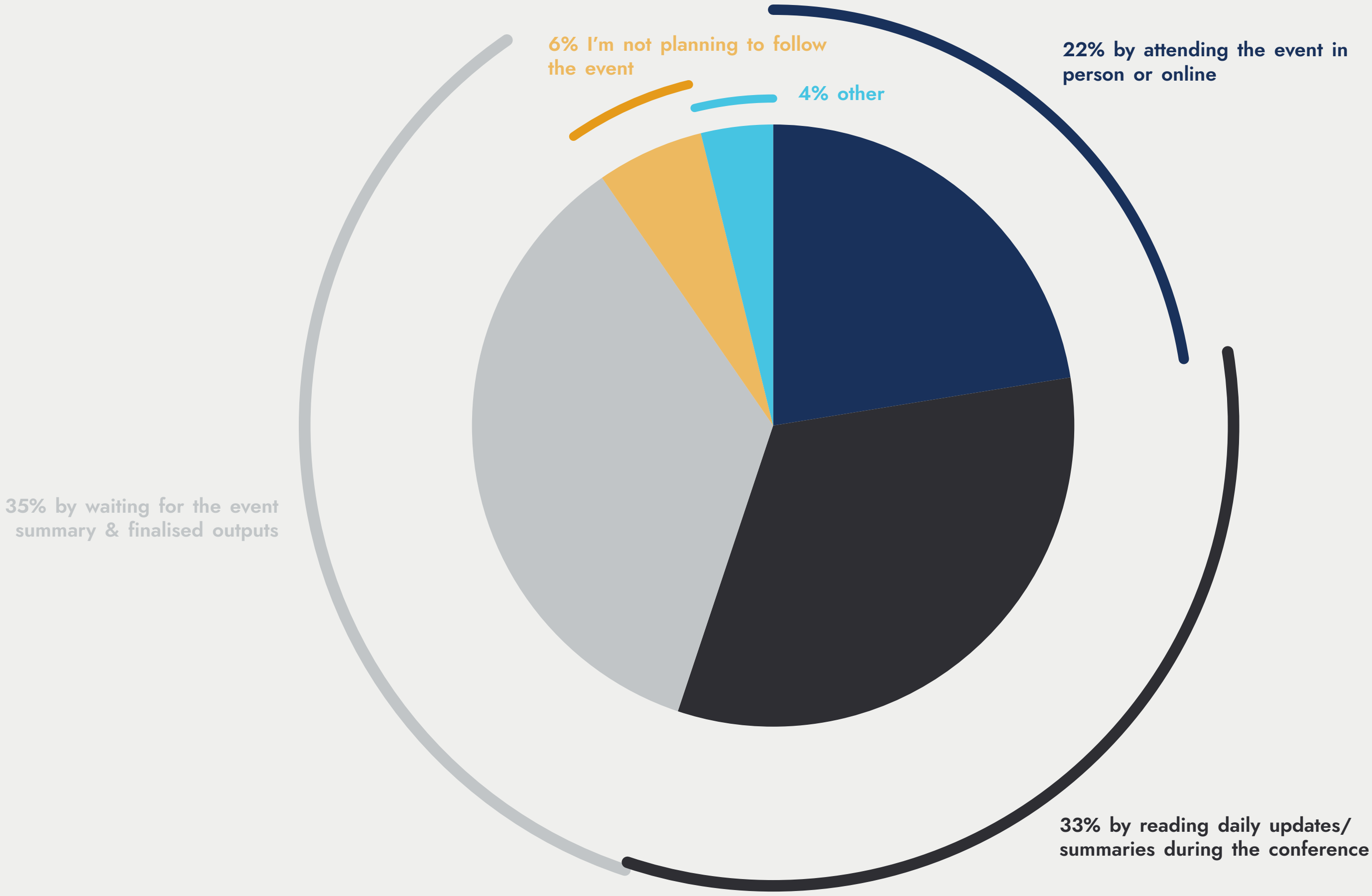


Figure 21: how respondents are planning to engage with COP16.

Respondents planning to follow COP16 identified standardised nature indicators/metrics as the output they'd like to see most from the conference

We asked those planning to follow COP16 the outcomes they would like to see from the conference

Three objectives for COP16 include[29]:

- The monitoring framework and relevant indicators
- The mobilisation of finance for implementation of The Biodiversity Plan and
- "Finalizing the multilateral mechanism on fair and equitable Access and Benefit Sharing (ABS) from the use of digital sequence information on genetic resources."

On average each respondent identified three outputs they would like to see from COP16. The top three of which are:

1. Standardised nature indicators/metrics
2. Mandatory corporate disclosure requirements
3. Corporate/business targets
3. Corporate/business incentives/support

Both the request for standardised metrics and incentives and support for corporates/business align well with the goals of the conference.

NOTE: Full titles of abbreviated options for Figure 22.

1. Standardised nature indicators/metrics
2. Mandatory corporate disclosure requirements
3. Corporate/business targets
4. Corporate/business incentives/support
5. Nature/biodiversity pricing mechanisms (including credits)
6. More targets/action on plastics and waste
7. Product design and manufacture standards
8. No outcomes, but I'd like to see how countries are progressing on targets
9. No specific topic/outcome of interest
10. COP16 doesn't affect my business

Question: The theme for COP16 is Peace with Nature. Are there are specific topics or outcomes you would like to see from it?

n = 145[!!]

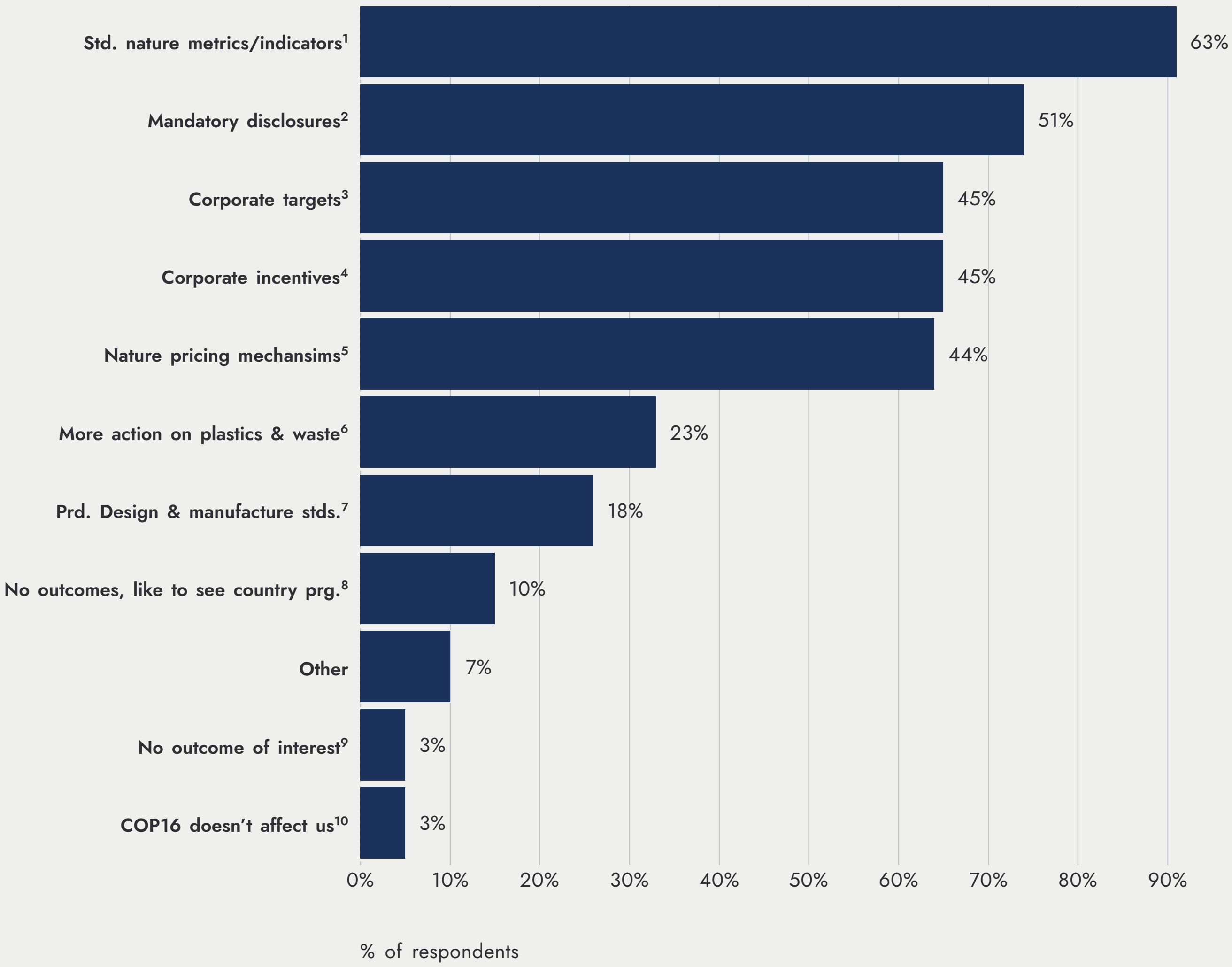


Figure 22: the outcomes respondents would like to see from COP16.

Concluding thoughts

Concluding thoughts

The findings of this survey show that there are clear trends for action and that many sustainability professionals struggle with the same challenges

Those businesses surveyed that are already integrating nature into business decision-making align with 2-3 disclosure frameworks

Respondents identified the recommendations from the Taskforce on Nature-related Financial Disclosures, Corporate Sustainability Reporting Directive and Science-based targets for nature as the top three.

This suggests that to meet business needs underlying approaches to nature integration which allow for the tailoring of outputs are needed.

Respondents tend to be members of several collaborative groups or none at all.

70% of respondents are members of between 2-3 collaborations or membership groups on average.

Thirty percent are not members of any collaborations. In many cases the resources showcased by many collaborations are available online, however, membership of the groups provide mechanisms for keeping up to date with market developments, access to experts and in some cases free training.

Tried and tested methods of overcoming the challenges of integrating nature in business decision-making are used most.

Tried and tested methods include engaging external experts, taking courses and attending events, and upskilling teams.

This suggests that newer approaches, access to data and new tools aren't being used as effectively as they can be and that the case for new tools and methods still needs to be made.

The look ahead

Updates and changes are expected in the market for late 2024 and 2025

For the UK and EU increasing legislation and scrutiny is expected, putting pressure on in house sustainability teams with fewer resources.

The need for organisations to be transparent about their approach to integrating nature will also increase to allow for the proper evaluation of risk and its potential impact on business value. In addition, organisations will need to understand how to work with nature to help address climate and nature-related risks and to identify future opportunities.

As evaluations of the first nature-related disclosures begin and global policy shifts toward the protection and restoration of nature in support of the Biodiversity Plan sustainability professionals are likely to see more changes to frameworks, increased demands and more professionalism in the industry.

Donations and acknowledgements

We surpassed our target of 100 respondents and have donated £500 split between the following five charities.

28% BUTTERFLY CONSERVATION (UK)

25% WOODLAND TRUST (UK)

8% WORLD RESOURCES INSTITUTE (GLOBAL)

18% OCEAN CONSERVATION TRUST (GLOBAL)

21% MARINE CONSERVATION SOCIETY (UK)

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Available at: littleblueresearch.com

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Acronyms

BNG	Biodiversity Net Gain
CDP	Carbon Disclosure Project
CBD	Convention on Biological Diversity
COP	Conference of the Parties
CSRD	Corporate Sustainability Reporting Directive
EU B&B Forum	EU Business and Biodiversity Platform
EFRAG	European Financial Reporting Advisory Group
EKN	Ecosystem Knowledge Network
ESRS	European Sustainability Reporting Standards
WEF	World Economic Forum
GFI	Green Finance Institute
TNFD	Taskforce for Nature-related Financial Disclosures
SBTN CEP	Science Based Targets Network Corporate Engagement Program
ESG	Environment, Social and Governance
B4N	Business for Nature
WBCSD	The World Business Council for Sustainable Development
IEMA	Institute of Environmental Management and Assessment
UKBBF	UK Business and Biodiversity Forum
UKSIF	UK Sustainable Investment and Finance Association

UN SEEA	United Nations System of Environmental-Economic Accounting
UKGBC	UK Green Buildings Council
WBCSD	World Council for Sustainable Development
WWF	World Wildlife Fund

Glossary

Membership groups and collaborations

Accounting for Sustainability
"A4S aims to inspire action by finance leaders to drive a fundamental shift towards resilient business models and a sustainable economy."[10]

Align by Align project
"The Align project 'Aligning Accounting Approaches for Nature' assists the European Commission's efforts to support businesses, financial institutions and other stakeholders in developing standardized natural capital accounting practices by establishing a standardized approach to biodiversity measurement and valuation."[11]

BCorp
"is a designation that a business is meeting high standards of verified performance, accountability, and transparency on factors from employee benefits and charitable giving to supply chain practices and input materials", the designation is achieved by going through a certification process.[12]

Business for Nature
"Business for Nature is a global coalition of 100+ influential partner organizations as well as forward-thinking companies. Together, we drive credible business action and policy ambition to achieve a nature-positive economy for all by 2030."[13]

Capital Coalition
"The Capitals Coalition is a global collaboration redefining value to transform decision making." They "sit at the heart of an extensive global network that has

united to advance the capitals approach to decision-making."[14]

Ecosystem Knowledge Network
"a network of over 3,500 people and organisations that lead the way in advancing the stewardship of land, water and nature throughout England, Scotland, Wales and Northern Ireland."[15]

IEMA
"Is the professional body for everyone working in environment and sustainability." They are "committed to supporting, encouraging and improving the confidence and performance of all these professionals, helping them to enhance their profile and recognition."[16]

Science Based Targets Network
"a civil-society and science-led initiative founded in 2019 by a group of global NGOs who have come together to help collectively define what is necessary for companies and cities to do "enough" to stay within Earth's limits and meet society's needs."[17]

Taskforce for Nature Related Financial Disclosures
A taskforce that has developed "a set of disclosure recommendations and guidance that encourage and enable business and finance to assess, report and act on their nature-related dependencies, impacts, risks and opportunities."[18]

UK Business and Biodiversity Forum
"The UKBBF is a business-to-business hub that supports companies in understanding the value of biodiversity and integrating nature into their value chains and decision-making."[19]

UN Global Compact
"Largest corporate sustainability initiative" driving change across social, environmental, governance, supply chain, finance and SDG integration.[20]

UK Sustainable Investment and Finance Association
UKSIF brings "together the UK's sustainable finance and investment community" and supports their "members to expand, enhance and promote this key sector."[21]

World Business Council for Sustainable Development
"a global community that shifts the systems they work within towards a better future. Our members push the boundaries of what businesses can achieve by taking action to limit the climate crisis, restore nature and tackle inequality. Our mission is for all people to thrive in a sustainable way for our planet by 2050."[22]

Definitions and standards

Biodiversity
"The variability among living organisms from all sources, including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems."[23]

BS 8632
The British Standard on Natural Capital Accounting for Organizations.[24]

Corporate Sustainability Reporting Directive
outlines the obligations for companies to use the ESRS to fulfil their legal sustainability reporting requirements.[25]

The European Sustainability Reporting Standards
(ESRS) are a set of common standards for sustainability information that is mandatory for companies that report on sustainability related information through the Accounting Directive.[25]

Biodiversity Net Gain
Is "an approach to development that makes sure that habitats for wildlife are left in a measurably better state than they were before the development."[26]

Dependency
"Dependencies are aspects of environmental assets and ecosystem services that a person or an organization relies on to function. A company's business model, for example, may be dependent on the ecosystem services of water flow, water quality regulation and the regulation of hazards like fires and floods; provision of suitable habitat for pollinators, who in turn provide a service directly to economies; and carbon sequestration."[23]

Natural Capital
"The stock of renewable and non-renewable natural resources (e.g., plants, animals, air, water, soils, minerals) that combine to yield a flow of benefits to people."[23]

Natural Capital Account
A statement relating to natural capital, natural capital benefits, and the impacts of an organization or its value chain on nature.[27]

Natural capital impact
"The negative or positive effect of business activity on natural capital."[28]

Nature
"The natural world, with an emphasis on the diversity of living organisms (including people) and their interactions among themselves and with their environment."[23]

Limitations and assumptions

This section sets out any limitations associated with different figures and survey responses in the report

[x] The survey was developed to allow for respondents to follow two primary paths through the questionnaire, one for consultants and one for non-consultants. While topics and the underlying questions were the same for each pathway the wording of questions was adapted to ensure that consultants answered based on their experience of supporting clients rather that on the actions taken by their own organisations.

A summary of the respondents offering consulting services in different sectors:

- 41% of NGOs, membership groups, charities;
- 28% of governments, public administration and
- 33% of finance & insurance companies.

* The responses to this question had a limited sample size of <75 respondents and interpretation of results should consider the findings to be directional only.

** No further analysis was conducted on the finance sample given the limited number of responses from financial services-based organisations.

[i] Respondents shown in Figure 4a include seven organisations that are classified as NGOs or Government, the rest are businesses.

[ii] This question was only given to respondents that did not provide consulting services.

[iii] Figure 14 provides a link between the answers respondents gave for the top three challenges and the general actions that they identified to address the challenges associated with integrating nature into business decision-making. However, the questions were not linked within the survey.

! Results are shown for a combination of questions, while the overarching topic and question are the same wording was adapted in each question to account for consultants and non-consultants. The wording for consultant questions referred specifically the respondents experience of helping to support clients rather than their experience of their own organisation's actions. For non-consultants questions focused on the respondent's experience within their own organisation.

‼ For Figure 22 only respondents engaging with COP16 were asked this question, i.e. those that answered the question "The Conference of the Parties to the Convention on Biological Diversity (COP16) is planned for later this year. How are you planning to follow the conference?" with any of the following responses: 'By attending the event in person or online', 'By reading daily updates/summaries during the conference', 'By waiting for the event summary and finalised outputs', or 'other (please specify)'.

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