Speaking notes:

Module 1 training
Food & Beverage sector
Introducing natural capital

We Value Nature

Module 1 training
Food & Beverage sector
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Full day training session
DATE

Developed by:
Nature Squared
We Value Nature

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Image source: https://pixabay.com/nl/photos/asia-vietnam-rijstveld-rijst-4252014/
We Value Nature is a campaign supporting businesses and the natural capital community to make valuing nature the new normal for business across Europe, by:

1. Sharing research, resources & best practices;
2. Identifying barriers & opportunities for adopting a natural capital approach;
3. Providing practical support to help business improve their risk management, communication & stakeholder engagement;
4. Reinforcing & boosting the work of the Natural Capital Coalition.

Before kicking-off the training, introduce that this training is being given as part of the We Value Nature Campaign and explain what it is, its purpose, objectives and partners involved:

The We Value Nature Campaign is a €2 million EU-funded campaign supporting businesses and the natural capital community across Europe with the aim of making valuing nature the new normal for business. As we will have a chance to explore during today’s training, by valuing nature, businesses can make smarter decisions that benefit themselves, society and the planet as a whole.

The campaign is coordinated by the Institute of Chartered Accountants in England and Wales (ICAEW), World Business Council for Sustainable Development (WBCSD), The International Union for Conservation of Nature (IUCN) and Oppla. And it is supporting the Natural Capital Coalition, which has recently merged with the Social & Human Capital Coalition to become now the ‘Capitals Coalition’.

The campaign will aim to increase the uptake of the natural capital approach (including: natural capital assessment, natural capital accounting, nature-based solutions and green infrastructure) by identifying barriers and opportunities, providing practical support to business through activities (such as webinars, helpdesk calls, etc.) and training such as this one, as well as by inspiring businesses to adopt the NCP.

Take this opportunity to also thank the different stakeholders that supported the training (if relevant).
Module 1 training development – Acknowledging contributors

We Value Nature’s Food & Beverage module 1 training is based on the Natural Capital Protocol and WBCSD’s BET training material.

Module 1 training content and material was developed in collaboration with Nature^Squared & Little Blue Research Ltd.
We Value Nature training is open

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A few “house rules” – virtual training

- Please rename (under Participants) to have your full name and organization.
- Put yourself on mute when not taking part in discussions.
- But please do feel free to use your camera even when not speaking.
- Use “speaker mode” to help focus your attention.
- Resist the urge to multi-task and be prepared to engage!

Point 1: Explain that for now are all muted but will unmute when open floor for Qs & discussion – will be flexible with time
Point 2: Encourage to participate – the more discussions, the more beneficial the VO
Point 3: Make sure to explain that will be able to write down their Qs directly in the google document
NOT FORGET to mention that we will then share with them the live document, as well as recording
A few “house rules” – in person training

- Taking part in discussions but respect people’s views and session timings.
- Chatham house rules will apply.
- We will be using some quizzes during the session.
- Please ask any questions during the presentations and exercises.
- Contribute and share your experiences — we can all learn from one another!
Learning objectives of module 1

At the end of the training, you will be able to:

❖ Demonstrate an **understanding of natural capital** and its **linkages with business** decision-making and risk management;

❖ Identify natural capital **impacts & dependencies** as well as **risks & opportunities** and relate these to our respective business context;

❖ Understand a few **key approaches and tools** to integrating natural capital into business decision-making.

The objectives for today are …
# Agenda – full training

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<td>How can natural capital be applied – Brief overview of approaches &amp; business applications</td>
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Mention that they should all have a ‘Participant workbook’ and explain that its purpose is to use it throughout the training. We have included in there some of the slides from the training but also additional information. There is space for them to regularly take notes as well as write down their key learnings through each chapter. The aim is that at the end of the training they have a useful resource to look back to when wanting to get started on the natural capital journey.
Introductions
Who is your support team for today?

- Name
  [insert logo of organization]

- Name
  [insert logo of organization]

- Name
  [insert logo of organization]
Introductions – who are you?

- Please tell us more about you by sharing your:
  - Role
  - Any specific expectation(s) for today?
Introductions – who are you?

• Please tell us more about you by sharing your:
• Role in the supply chain
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Introductions

• Ice breaker

• Please introduce yourselves by sharing your name, company, role and why you are interested in scoping a natural capital assessment
How much do you know about natural capital?

- Strongly disagree
- Disagree
- Somewhat disagree
- Somewhat agree
- Agree
- Strongly agree

Optional – to gauge level in room

WBCSD
## Agenda – full training

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| 20         | Wrap-up – Key take-aways, wrapping-up |
Introduction to natural capital
What is the Natural Capital Protocol & how does it work?

The Natural Capital Protocol is an internationally standardized decision-making framework that enables organizations to identify, measure and value their direct and indirect impacts and dependencies on natural capital.

- Harmonizing approaches with the goal to mainstream natural capital into decision-making processes as to support better informed decisions and to deliver benefits to employees, society, the broader economy, and the natural world.
- 4 stages and 9 steps
- Build upon 4 key principles
  - Relevance
  - Rigor
  - Replicability
  - Consistency

The Natural Capital Coalition is a collaborative space to harmonize approaches to natural capital.
The network represents over 300 organizations across all parts of society and around the world.
Purpose: To mainstream the inclusion of natural capital in decision making, harmonizing approaches and getting them to scale, quickly.

The Protocol aims to support better decisions by taking into account how business interacts with natural capital in decision making. Until now, natural capital has for the most part and still is, being excluded from decisions. So it is to be understood as a Framework that was really designed to help generate trusted, credible and actionable information that business managers need to inform decisions by identifying, measuring and valuing impacts and dependencies on natural capital.

The Protocol builds upon many approaches already used within business. It acts as an overarching globally accepted framework to build and expand this information into robust natural capital assessments.

STRUCTURE of the Protocol:
4 overarching stages of frame (why), scope (what), measure and value (how) and apply (so what) and 9 logical steps. It should be easy to follow and should be suitable for any business across any sector or geography.
The stages and steps are iterative so expect that you may need to revisit a previous step.

4 principles:
Relevance: Ensure that you consider the most relevant issues throughout your natural capital assessment including the impacts and/or dependencies that are most material for the
business and its stakeholders (adapted from CDSB 2015 and WRI and WBCSD 2004).

**Rigor:** Use technically robust (from a scientific and economic perspective) information, data, and methods that are also fit for purpose.

**Replicability:** Ensure that all assumptions, data, caveats, and methods used are transparent, traceable, fully documented, and repeatable. This allows for eventual verification or audit, as required (adapted from GRI 2013).

**Consistency:** Ensure the data and methods used for an assessment are compatible with each other and with the scope of analysis, which depends on the overall objective and expected application (adapted from WRI and WBCSD 2004 and IIRC 2013).
Important to note that the NCP as an overarching framework, won't give you actual results and need to therefore use the Nat Cap toolkit to get tools.

Highlight that the aim of the training will focus on the first stage (frame) and step two (defining the objective) of the scoping stage.
Applying the Natural Capital Protocol to the F&B sector

Recently, some key documents have been launched to provide tailored support on natural capital integration for the Food and Beverage sector. These include:

- Natural Capital Protocol: Food and Beverage sector guide
- TEEBAgrifood: Operational Guidelines for Business including practical user templates

Building on the Natural Capital Protocol, TEEBAgrifood has drafted Operational Guidelines for Business which provide further guidance for business by considering the interdependencies between nature and people in the food value chain.
Concrete steps to undertaking a 1st natural capital assessment

Presenter to explain the steps to undertaking a 1st natural capital assessment using the Slidegram on the slide. Presenter to explain that the first stage is the Frame stage, the step is ‘Get Started’ and the central question is: Why should you conduct a natural capital assessment?
After showing the video, open the floor to anyone that wishes to share something. Potential questions that can be asked to participants:
- Has anyone of you seen this video before? Show of hands. Direct them to where they can find the video: https://www.youtube.com/watch?v=UXZhlJyuw8A. The video was produced by WBCSD with the help of many of its members and with the aim to raise awareness among businesses on the importance to apply natural capital thinking into business.
- What did you think of the video?
- What feelings or perceptions were perhaps triggered when viewing the video?
Hypothetical example

Let’s start by imagining that you work for an agribusiness, producing crops such as oranges

1. What could be your **impacts** on nature (+ or -)?
2. What could be your **dependencies** on nature (i.e. what natural resources you depend on to run your business)?

Give participants 5' to reflect on both questions at their respective table and then offer each table to very briefly mention what ideas came out. Depending on how you have framed your training, you may wish to allow more time for this.

Reflect on responses:
- Reference of resources
- Scope of impacts – some examples referenced at product level others at supply chain level – direct operations or through supply chain
- Some may be directly related to the business. Others more indirect: water use through the process and noise/disturbances in extracting and manufacturing process, small particles
- Manufacturing process, customer phase – thinking about full suit
- How may depend on nature: if car manufacturing downstream from a forest for example, it depends on it to protect from flooding which if didn’t have that forest, factory could be at risk of being swamped

Potential answers:
Impacts: water use, soil degradation through overuse, (but also health: preventing too much rainwater runoff etc.), absorbing carbon, biodiversity (loss because of monoculture, or helping through providing habitats), use of fertilizer

Dependencies: water, fertile soil, appropriate temperature and climate.

Elements to be considered:
What stages of value chain are we considering, where is the farm located, is it organic or mass production?
Natural Capital Definition

**Natural capital** is the stock of **renewable and non-renewable natural resources**, (e.g. plants, animals, air, water, soils, minerals) that combine to yield a **flow of “services”** to people. In turn, these flows provide **value** to business and society.

**Biodiversity**: the variety of plant and animal life in the world or in a particular habitat, a high level of which is usually considered to be important and desirable.

We have started thinking about natural resources an agricultural producer relies and impacts on but what do we mean when we talk about natural capital? Well in fact, everything you have discussed through the previous example is natural capital is some form or another. Whether it is the assets/resources it represents (such as water and soil you have identified as needed for the farm) or the services it brings.

From climate adaptation to ecosystem services, the environmental jargon is everywhere. What is important, is not to remember all the terminology used, but rather that these are all connected to the value of nature and that people have different entry points and priorities and will use one or another terminology based on that. But fundamentally, we are all speaking about the same things, just in different ways.

This is the definition according to the Natural Capital Protocol. Refer to p. 12 of Natural Capital Protocol.

The **stocks** refer to the natural resources available to us (**biodiversity, plants, animals, water, soils and minerals**) while the **flows** refer to the different benefits people receive from ecosystems such as:

- **Pollination**
- **Water regulation & purification**
- **Pest control**
- **Climate regulation**
- **Erosion regulation**
- **Nutrient retention**
- **Ecotourism**
Abiotic services are benefits to people that do not depend on ecological processes but arise from fundamental geological processes e.g. – supply of minerals, metals and oil and gas, as well as geothermal heat, wind, tides, etc.

In the Protocol biodiversity (part of stocks) is considered to be critical to the health and also the stability of natural capital in so much that it provides resilience to shocks like:
- Floods
- Droughts
As well as supports fundamental processes such as:
- carbon and water cycles
- soil formation

Examples of values are fresh water and agriculture (food).

**Bee example:**
Bees pollinate 87 of the leading food crops worldwide. Insect pollination can increase crop yield by a quarter. (FAO, 2018)

Ecosystem services – key distinction between:
Supporting services: fundamental ecological processes that support the delivery of our ecosystem services
Regulating services: indirect benefits from nature generated through regulation of ecosystem processes e.g. – mitigation of climate change through carbon sequestration, water filtration by wetlands, erosion control and protection from storms.
Ecosystem Services

**Ecosystem services** are the **benefits to people from ecosystems** (e.g. climate regulation, water purification, soil biodiversity, pollination, recreation, mental health). These services can be categorized into:

- **Provisioning**
- **Regulating**
- **Cultural**
- **Supporting**

---

**Presenter to explain ecosystem services using the notes below and referring to p. 12 /111 of the Natural Capital Protocol:**

- Ecosystems services are the benefits to people from ecosystems, where an ecosystem is defined as the interaction between complex plants, animals and microorganisms and their non-living environment
- Examples of ecosystem services include pollination, water regulation & purification, soil biodiversity, pest control, climate regulation, erosion regulation, nutrient retention
- Ecosystem services can be classified into provisioning, regulating, cultural and supporting services
  - Provisioning: material outputs from nature (e.g. fresh water, food)
  - Regulating: indirect benefits from nature generated through regulation of ecosystem processes (e.g. Erosion prevention and maintenance of soil fertility, pollination, biological control)
  - Cultural: non-material benefits from nature (e.g. recreational, ecotourism, spiritual, aesthetic)
  - Supporting: fundamental ecosystem processes that support the delivery of other ecosystem services (e.g. nutrient cycling)

There are many classification schemes for ecosystem services including the CICES and the FEGS-CS which measure ecosystem outputs that are directly consumed or used by beneficiaries
This slide describes the four categories of ecosystem services and provides examples for each of the categories. The green line highlights the ecosystem services that are particularly relevant for the F&B sector.

- Ecosystem services are the benefits to people from ecosystems, where an ecosystem is defined as the interaction between complex plants, animals and microorganisms and their non-living environment.
- Examples of ecosystem services include pollination, water regulation & purification, soil biodiversity, pest control, climate regulation, erosion regulation, nutrient retention.
- Ecosystem services can be classified into provisioning, regulating, cultural and supporting services.
  - Provisioning: material outputs from nature (e.g. fresh water, food) – the F&B sector is highly dependent on water and food to produce their final products.
  - Regulating: indirect benefits from nature generated through regulation of ecosystem processes (e.g. Erosion prevention and maintenance of soil fertility, pollination, biological control) – processes such as pollination and prevention of erosion improve soil fertility and can positively impact crop quality and yield.
  - Cultural: non-material benefits from nature (e.g. recreational, ecotourism, educational, spiritual, ethical) – while the benefits of cultural ecosystem services may not always be directly visible, they are part of the larger system around food & beverage production. While these benefits are strongly interlinked, we have provided a green line for the services that are most discussed in the F&B sector.
  - Supporting: fundamental ecosystem processes that support the delivery of other ecosystem services (e.g. nutrient cycling, water cycling) – without these...
services, the F&B sector would not benefit from the other services provided by the ecosystem such as pollination and fresh water.

- There are many classification schemes for ecosystem services including the CICES and the FEGS-CS which measure ecosystem outputs that are directly consumed or used by beneficiaries.
Presenter to explain that natural capital should not be approached in isolation and that it is closely interlinked with other capitals (incl. social and human capital).

The International Integrated Reporting Council’s (IIRC) categorization of six capitals.

Sustainable development is composed of different “spheres” including the natural environment, society and economy. The Stockholm Resilience Institute (2016) represents nature – and natural capital – as the basis of the other development goals. Without a strong natural base, we will not be able to contribute to a resilient economy and just society.


The Natural Capital and Social & Human Capitals Coalition recognized the important linkages between social, human and natural capital, and united their efforts under the Capitals Coalition (2020). The Capitals Coalition works towards transforming the way decisions are made by including the value provided by nature, people & society.
Linkages between natural capital, biodiversity and NbS

Refer to p. 12 of your workbook
UNDERSTANDING NATURAL CAPITAL
A lot is happening on sustainability and that can be overwhelming. Luckily, a lot of synergy exists between various concepts and efforts can often be aligned to contribute to several goals. In this infographic we aim to illustrate how natural capital is linked to many sustainability concepts that your company may already be working on.

Even if natural capital is a relative new concept to you or your organizations, you will find it is closely linked to other things you are already familiar with. Natural capital can be seen as an additional lens which allows you to uncover important issues for your organizations sustainability journey and connect the dots between various ongoing sustainability efforts. This infographic explains for each concept, goal, methodology, scheme or framework what it is and how it is linked to natural capital.
Linkages with other key concepts: examples

**Planetary Boundaries**

Planetary boundaries are a concept developed by Rockström of the Stockholm Resilience Centre, stating that earth has natural boundaries within we must operate. Crossing these boundaries may be catastrophic because this may cause abrupt environmental change within continental-scale to planetary-scale systems. The largest overshoot of these boundaries is currently occurring on the nutrient cycle, biodiversity and climate change. Natural capital assessments provide insight into how your company is performing against these ecological ceilings. If you are already reporting against indicators for the planetary boundaries, you already have performed at least a partial natural capital assessment.

**Sustainable Development Goals**

The Wedding Cake Model orders the Sustainable Development Goals (SDGs) across three layers: the biosphere, the sociosphere and the economic sphere. This model indicates the conditionality and hierarchy between the goals. The bottom layer (biosphere), consisting of Clear Water (6), Climate Action (13), Life Below Water (14) and Life on Land (15), forms a foundation for the layers above. If your company is already committed to the SDGs, securing goals 6, 13, 14 and 15 is essential to achieve the other goals. By working on natural capital, you are contributing to these goals and the SDGs as a whole.

**Integrated Reporting / SASB**

Integrated Reporting is a reporting standard that considers several (financial, manufactured, human, intellectual, natural and social) capitals, and aims to provide an integrated overview of how companies create value. The SASB reporting standard connects businesses and investors on the financial impacts of sustainability. These frameworks will be merged into the new Value Reporting Foundation in the foreseeable future.

These are three examples of concepts. All key concepts can be found via this link (will be added later).

Planetary Boundaries: Planetary boundaries are a concept developed by Rockström of the Stockholm Resilience Centre, stating that earth has natural boundaries within we must operate. Crossing these boundaries may be catastrophic because this may cause abrupt environmental change within continental-scale to planetary-scale systems. The largest overshoot of these boundaries is currently occurring on the nutrient cycle, biodiversity and climate change. Natural capital assessments provide insight into how your company is performing against these ecological ceilings. If you are already reporting against indicators for the planetary boundaries, you already have performed at least a partial natural capital assessment.

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future. Within this framework, Natural Capital is one of the key capitals to report on. Performing a natural capital assessment is a way to implement this framework on the element of natural capital.
Additional guidance and tools

- Natural Capital Protocol – a standardized framework to help businesses identify, measure, and value their impacts and dependencies on natural capital.

- Food & Beverage Sector Guide – a supplement to the NCP specifically developed for the F&B sector.

- TEEBAgriFood operational guidelines for business which helps the food & beverage industry better understand their specific impact & dependencies not just on natural capital, but also social & human capital.

- BRI #632 Natural capital accounting for organisations

- IUCN’s Global Standard for Nature-based Solutions which provides clear parameters for defining Nature-based Solutions and a common framework to help benchmark progress

- The CBD post-2020 Global Biodiversity Framework

- IUCN’s biodiversity guidelines for planning and monitoring corporate biodiversity performance (incl. key biodiversity indicators).

- Science Based Targets – targets to reduce GHG that are in line with science to meet the goals of the Paris Agreement (2020), with other targets underway through the Science Based Targets Network.

- Unified reporting standards - CDP, CDSB, GRI, SASB, and IIRC have co-published a framework for comprehensive reporting (2020)

- Integrated capitals – standardized natural capital accounting principles for businesses from the NCP and SHCP (2020).

- Water guidance CDSB – framework for water-related disclosures supported by the EU LIFE program (to launch in 2021).

- TNFD – banks, companies & governments have set up a Task Force on Nature-related Financial Disclosures (to launch 2021), in addition to the existing Task Force on Climate-related Financial Disclosures.

- BSI 8632 Natural capital accounting for organisations

- IUCN’s Global Standard for Nature-based Solutions which provides clear parameters for defining Nature-based Solutions and a common framework to help benchmark progress

- The CBD post-2020 Global Biodiversity Framework

Refer to p. 47-49 of your workbook.
Collaboration and alignment on natural capital in the F&B sector

- There are various (Food & Beverage) network organizations working to advance natural capital, or sustainability more in general.
- Each network has its own focus and makes a unique contribution to positive impact on natural capital.
- Download the Network Analysis (covering 13 networks) through We Value Nature’s digital media library.

**Presenter to explain why businesses should engage with consumers on the topic of natural capital.**
- Consumers are the actors in the supply chain who eventually buy the F&B products.

Finding a market for sustainably produced products is important for your business. It is therefore key to engage consumers on the topic of natural capital.
Business depends on & impacts natural capital

1. All businesses impact and depend upon natural capital.
   Example impacts: harmful substances used in packaging (waste, greenhouse gas emissions, discharges to soil and water, water extraction)
   Example dependencies: health of workers (energy, climate regulation, pollination, materials, erosion and soil regulation, water)

2. This relationship delivers costs and benefits back to themselves and to society.
   Example costs: consumers get ill
   Examples benefits: increased productivity due to a program of health checks

3. These in turn lead to risks and opportunities to the business
   Example risks: operational, reputational and financial risk (Increased raw material or resource costs, New regulations or license fees, Changing customer values)
   Example opportunities: operational opportunity (Reduce the costs of resource inputs (e.g. through efficiency gains or switching suppliers), Reduce environmental fees and charges, Growing demand for credibly certified products)

What the examples show (rice example below) is that natural, social and economic issues are fundamentally interconnected and cannot be separated from one another. It also illustrates how natural capital underpins all the other capitals and without it we would not have social and human or financial capital.

Example: rice
1. All businesses impact and depend upon natural capital
   Example impacts: water pollutants
   Example dependencies: water to flood the rice fields
2. This relationship delivers **costs and benefits** back to themselves and to society.
   Example costs: poor water quality can affect the quality of the rice produced / poor water quality can impact the health of downstream water users
   Example benefits: higher quality rice/less absence of employees due to an improved wastewater treatment system

3. These in turn lead to **risks and opportunities** to the business
   Example risks: This may pose operational risks if social conflict over polluted water adds to security costs
   Example opportunities: This may also pose societal opportunities if businesses use managed water catchments to improve water quality for local communities
Presenter to provide detail on natural capital dependencies using the notes below and referring to p. 34 of the Natural Capital Protocol:

The protocol defines natural capital dependency as: A business reliance on or use of natural capital. This can occur in your direct operations or somewhere else in your value chain.

Presenter to link natural capital dependencies with the risks and opportunities material covered in M1, using the notes below. Presenter to elaborate on the business impact Slidagram, using some examples:

• Again, thinking back to some of the content in M1, we can see how natural capital dependencies can pose different risks and opportunities for businesses. This is useful in establishing the value of natural capital dependencies in relation to other inputs and services that you rely on.

• **Energy e.g. energy as a critical production input in a factory**
  • A reliance on energy may pose financial risks due to volatilities in the energy market which could impose higher costs on the business
  • This could also open up financial opportunities if “green funds” become available for more renewable energy sources

• **Pollination e.g. regulating service critical in agriculture**
  • This may pose an operational risk for agricultural sectors if pollination services start to vary

• **Materials e.g. reliance on food crops**
• This may pose a societal risk if local communities start to experience reduced access to woodland or related ecosystem services as a result of business activities
• This may pose a societal opportunity if local communities start to benefit from agriculture

• **Erosion and soil regulation e.g. essential for beverage companies**
  • This may pose legal and regulatory risk if businesses are faced with fines, penalties, compensation or legal cost from regulation efforts

• **Water e.g. reliance on water to produce beer**
  • This may pose reputational and marketing risk if loyalty of key suppliers of business services in the water industry falls

• **Storm and flood protection e.g. local flood barriers**
  • Reliance on flood barriers could pose increasing risk as climate change makes flooding more likely in certain regions
  • Investing in natural flood measures could provide wider benefits to local communities and thus benefit the business through reputation

• **Recreation e.g. for tourist attraction**
  • If businesses rely on recreation such as tourist attractions to raise employee morale, they may be at risk of attracting and attaining their employees due to the volatility of the tourism industry – this could lead to higher recruitment and retention costs

• **Climate regulation e.g. natural filtration of water**
  • This may provide an operational opportunity if businesses invest in green infrastructure like water filtration services, thus reducing overall costs
Dependency pathway

- Business activities can be **dependent on specific features** of natural capital
- A dependency pathway can **identify how changes** in specific features of natural capital can **affect these activities**
- Knowing how changes affect business activities helps you identify the **cost of doing business**

**Presenter to explain dependency pathways, using the notes on the slide.**
Presenter to then walk through the sugarcane example using the notes below and referring to p. 24 of the F&B sector guide:

- Business activities at a sugarcane plantation have a dependency on water to irrigate the crops.
- Changes in natural capital cause the availability of water to decline due to:
  - Sugarcane farming itself, for example over-abstraction of water
  - Natural changes such as drought
  - Human-induced changes including other local farms and businesses abstracting water for their own purposes

The company may be paying more for the water now, but at some point it may no longer have access to water in the area, no matter how much it costs - and this puts the company at risk, not just the cost of doing business.

Changes in natural capital affect business dependency (by paying more for water to out-compete other users), so water availability is important.
Presenter to provide detail on natural capital impacts using the notes below and referring to p. 16 of the Natural Capital Protocol:

The Protocol defines a natural capital impact as: The negative or positive effect of business activity on natural capital. They can arise directly from business operations or indirectly from the use of products and services. As a result of your impact on natural capital you can generate impacts on your business as well as impacts on society.

Presenter to link natural capital impacts with the risks and opportunities material covered in M1, using the notes below. Presenter to elaborate on the business impact Slidegram, using some examples:

- Thinking back to some of the content in M1, we can see how natural capital impacts can pose different risks and opportunities for businesses.

- **GHG emissions e.g. transportation, primary production**
  - This may pose societal risks for businesses due to the health risks arising from the effect of air pollution on respiratory disease
  - On the other hand, this could pose a reputational and marketing opportunity due to new revenue streams offered in areas like carbon offsetting

- **Land management e.g. forest management**
  - This may pose an operational risk by increasing natural hazard costs through degradation of natural ecosystems
• This may also pose an operational opportunity if businesses invest in sustainable and green land management, reducing costs by protecting against natural hazards and contributing to tackling the loss of biodiversity

• **Waste e.g. post-consumer waste**
  - This may pose legal and regulatory risks if new laws or license fees are established, charging more for waste disposal
  - This may also pose an operational opportunity for businesses if they minimise or add value to waste and recapture valuable materials otherwise discarded

• **Discharges to soil e.g. fertilizers & pesticides**
  - This may pose a financial risk if the business’ sales fall due to negative publicity about the business’ impacts on natural capital

• **Groundwater discharge e.g. wastewater**
  - This may pose operational risks if social conflict over polluted water adds to security costs
  - This may also pose societal opportunities if businesses use managed water catchments to improve water quality for local communities

• **Water extraction and management e.g. factory equipment cleaning**
  - This may pose a financial opportunity if businesses alter the way in which they go about water extraction, thus attaining "green funds" or investor interest in sustainability

• **Disturbances e.g. heavy machinery operation**
  - This may pose societal issues again as wider society is impacted negatively from heightened noise and light

**Links to risk – read one example from module 1**

**Reputation risk –** increased public & consumer awareness of environmental and social damages + consumers are increasingly demanding assurance that the products they buy are produced in a way that protect our environment (link to pollution)

**Legal risk –** California looks set to regulate groundwater for the first time


**Financial risk –** Underlying all of these risks & opportunities are financial ones! As we have seen, these risks imply important financial costs. Oatly, the plant-based brand, is facing consumer backlash following a recent investment round led by Blackstone – a name muddied by alleged ties with deforestation in the Amazon.


**Campaigners defeat Coca-Cola plant in South InSlide** because it would worsen the already existing water shortages in the area and bring more pollution into the area.

Links to opportunity
Operational opportunity – Adnams, a beer producing company in the UK, implemented rainwater harvesting and grey water recycling systems. The company uses around three pints of water for every pint of beer produced: that's almost half the industry average.

Reputation opportunity – Heineken’s goal is to be fully circular by 2030, with breweries that are completely climate neutral.
Impact drivers are:

- **Measurable quantities** of a natural resource used as an **input** to production
  (e.g. fresh water)

Or:

- **Measurable non-product output** of a business activity
  (e.g. water discharges)

Presenter to list some example impact drivers for the pork processor below:

**Pork processor**

**Inputs:** fresh water, land use

**Outputs:** waste, manure, water and soil discharges, air pollution
Impact pathway

- Business activities can **impact specific features** of natural capital

- An impact pathway can **identify how changes** in specific features of natural capital can **impact these activities**

- Knowing how changes affect business activities helps you identify the **cost of doing business**

Presenters to walk through the slide, explaining the general steps of an impact pathway.
Presenter to walk through the slide, explaining the general steps of an impact pathway, using the notes below and referring to p. 23 of the F&B sector guide:

- Business activities produce an impact driver (e.g. water pollution)
- Impact drivers lead to changes in natural capital (e.g. polluted river)
- Changes in natural capital result in impacts (e.g. health problems, decreasing fish stocks)
Presenter to read the question out on the slide.
Once poll is complete, presenter should explain that there are different answers:

- Impacts and dependencies are inter-related. Your assessment may cover your impacts, dependencies or both. This, in part, depends on business application and your objective. A complete assessment considers both impacts and dependencies to gain a full understanding of your company’s risk and opportunity related to natural capital.

- Soil regulation – fundamental ecological process related to maintaining soil health (e.g. nutrient cycling, soil formation)
  - Businesses can be dependent on soil regulation. For example in the agricultural industry, businesses may be dependent on nutrient cycling in the soil to grow crops.
  - At the same time, heavy use of soil by a business can degrade the quality of the soil. For example, if an agricultural company uses chemical fertilisers or pesticides on the soil which harm soil quality

- Water extraction
  - Businesses can be dependent on water resources as critical production inputs in their business
  - At the same time, water use by a company will often mean less water or lower quality water available for other stakeholders
  - This shows how dependencies on natural capital can result in natural capital impacts – they are interrelated
Add question & answers to a live poll in zoom as per instructions
In person session – https://www.mentimeter.com/
Add questions and answers to the presentation as per instructions
How to use Mentimeter

1. Go to www.menti.com
2. Enter this code: XXXXXX
3. Submit your answer
Group exercise – Impacts & Dependencies

Imagine you are having to assess the impacts and dependencies of a Spanish rice brand owner (production in Thailand)

The company sells the rice mainly in North-West Europe

As a group, determine the level of impact and dependency of each given issue

HIGH / MEDIUM / LOW

Presenter to flag that this is an advanced level of identifying impacts and dependencies. Presenter to explain the case study using the notes on the slide and referring to some of the added context below:

- A leading rice brand owner in Spain, sells the rice mainly in North-West Europe.
- The rice production process uses water and fertilizer and involves drying, storage and milling.
- The company is involved in rice packaging, distribution, and retail
This slide describes the four categories of ecosystem services and provides examples for each of the categories. The green line highlights the ecosystem services that are particularly relevant for the F&B sector.

- Ecosystem services are the benefits to people from ecosystems, where an ecosystem is defined as the interaction between complex plants, animals and microorganisms and their non-living environment.
- Examples of ecosystem services include pollination, water regulation & purification, soil biodiversity, pest control, climate regulation, erosion regulation, nutrient retention.
- Ecosystem services can be classified into provisioning, regulating, cultural and supporting services:
  - Provisioning: material outputs from nature (e.g. fresh water, food) – the F&B sector is highly dependent on water and food to produce their final products.
  - Regulating: indirect benefits from nature generated through regulation of ecosystem processes (e.g. Erosion prevention and maintenance of soil fertility, pollination, biological control) – processes such as pollination and prevention of erosion improve soil fertility and can positively impact crop quality and yield.
  - Cultural: non-material benefits from nature (e.g. recreational, ecotourism, educational, spiritual, ethical) – while the benefits of cultural ecosystem services may not always be directly visible, they are part of the larger system around food & beverage production. While these benefits are strongly interlinked, we have provided a dotted line for the services that are most discussed in the F&B sector.
  - Supporting: fundamental ecosystem processes that support the delivery of other ecosystem services (e.g. nutrient cycling, water cycling) – without these...
services, the F&B sector would not benefit from the other services provided by the ecosystem such as pollination and fresh water.

- There are many classification schemes for ecosystem services including the CICES and the FEGS-CS which measure ecosystem outputs that are directly consumed or used by beneficiaries.
**Group exercise – Impacts & Dependencies**

<table>
<thead>
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<th>Impact</th>
<th>Dependency</th>
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<td>High</td>
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</tr>
<tr>
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<td>High</td>
<td>Medium</td>
</tr>
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<td></td>
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<tr>
<td></td>
<td>Ecotourism</td>
<td>High</td>
<td>High</td>
</tr>
</tbody>
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Water
- Impact: High
- Dependency: High

Land use
- Impact: High
- Dependency: High

Climate
- Impact: High
- Dependency: Medium

Air quality
- Impact: Medium
- Dependency: Low

Soil quality
- Impact: High
- Dependency: High

Biodiversity
- Impact: High
- Dependency: High

Write down your answers directly in the live Google doc shared with you.
Ecotourism
- Impact: Medium
- Dependency: High
Group exercise – Impacts & Dependencies (beverage example)

Imagine you are having to assess the impacts and dependencies of a beer brewing company in Brazil.

The company is a leading beer producer and distributor, operating in several countries, including Brazil.

As a group, determine the level of impact and dependency of each given issue:

HIGH / MEDIUM / LOW

Presenter to flag that this is an advanced level of identifying impacts and dependencies. Presenter to explain the case study using the notes on the slide and referring to some of the added context below:

- A leading beer brewing company in Brazil, operates in several countries in South-America, including Brazil.
- The beer brewing process uses water, fertilizers and energy and involves malting, processing and fermentation.
- The company is involved in both processing and packaging, distribution and retail.

Hop: https://unsplash.com/photos/0376fflb89c
Landscape: https://www.pexels.com/nl-nl/foto/akkerland-akkers-atletiek-boerderij-206893/
### Group exercise – Impacts & Dependencies (beverage example)

#### Beer producer: Key impacts & dependencies identified in the value chain

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Write down your answers directly in the live Google doc shared with you.

**Water**
- Impact: High
- Dependency: High

**Land use**
- Impact: High
- Dependency: High

**Climate**
- Impact: High
- Dependency: Medium

**Air quality**
- Impact: Medium
- Dependency: Low

**Soil quality**
- Impact: High
- Dependency: High

**Biodiversity**
- Impact: High
- Dependency: High
Ecotourism
- Impact: Low
- Dependency: Medium
Group discussions in breakout rooms

- We will now split into **breakout rooms**
  - Approx. 3 groups of 4 persons
- You will have **15 minutes** to complete the table of **impacts & dependencies**
- Have a designated person in your group to share their screen with the table and write down the answers
- You will be notified when you have **5 minutes** left
- We will then share **feedback in plenary**

Write down your answers directly in the live Google doc shared with you.
This is an example of how you can conduct a qualitative assessment of your natural capital impacts and dependencies and how this can already translate into concrete. This slide only displays the impacts, but the same exercise was undertaken for dependencies too. To complete the work, they discussed relative importance with different stakeholders and simply provided relative orders of magnitude, based on resources but also on influence on the issue. From this, they were able to identify most material elements of their practices and then prioritise which actions to take.

One of the surprising insights for this company, a seafood producer, producing soups and burgers, was that they had a blind spot on the sourcing of vegetables, although they used a higher share of vegetables than actual seafood in many of their products.

This exercise can be repeated in consultation with your own employees and stakeholders. You don’t necessarily need to measure and value your impacts. This type of assessment can already be very informative without taking up a lot of time, expertise or budget. Again, it depends on what the objective is.
## Agenda – full training

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Why is natural capital important?
The scale of the challenge ahead...

By Graeme MacKay

By Kal, The Economist
Why should business care about natural capital?

Financial performance is irrelevant on a dead planet

“Sure, the planet got destroyed. But for a beautiful moment in time we created a lot of value for shareholders.”

Business as usual is no longer possible.

Our ‘take-make-dispose’ way of consuming is no longer possible.

By destroying our natural world and its resources, we are destroying the critical foundations of our own survival.

We are going to see how business is part of the problem but also part of the solution.
Why should business care about natural capital?

“Biodiversity and nature's contributions to people are our common heritage and humanity's most important life-supporting 'safety net'. But our safety net is stretched almost to breaking point.”

Prof. Sandra Díaz (Argentina), IPBES Global Assessment

Stats all from IPBES meSlide release re global assessment; https://www.ipbes.net/news/MeSlide-Release-Global-Assessment
Some you might be familiar with this graphic, this is the WEF Global Risk Report. This puts the world’s risk every year into a global context, look how much it has changed since 2010. Aside from the obvious addition of Infectious disease from COVID-19 which has changed the world’s priorities drastically. But the Environment risk are still very significant in terms of likelihood and impact. This shows the real crisis that we are in and that we need to act now.
Real life examples:

- California fires: Last summer, California faced the deadliest and most destructive wildfire season ever recorded. The same year, a heat wave baked the entire Northern Hemisphere, killing dozens from Quebec to Japan.
- California fires take a deep toll on wine country: https://www.nytimes.com/2020/10/05/dining/drinks/california-fires-wine-napa.html
- Pitch for nature: ‘negative impacts on nature cost the economy world-wide around $4.7 trillion a year.’ https://pitchfornature.org/
- Climate change will wipe $2.5tn off: according to estimates from economic modelling, climate change could cut the value of the world’ financial assets by $2.5tn. The research also showed the financial sense in taking action to keep climate change under the 2C danger limit agreed by the world’s nations. In this scenario, the value of financial assets would fall by $315bn less, even when the costs of cutting emissions are included. https://www.thequarSliden.com/environment/2016/apr/04/climate-change-will-blow-a-25tn-hole-in-global-financial-assets-study-warns
- Soil erosion: A new study estimates $8 billion in global economic losses caused by soil erosion reducing crop yields and increasing water usage. On average, 24% of arable land globally is undergoing severe erosion, with a severely detrimental effect on global food production
- Australia’s sheep farmers in crisis due to severe drought that has caused the sheep population to plummet, leaving some farmers doubtful if the industry can survive at all.
GrainCorp shares fall: after group warned it was likely to post a loss due to battling severe drought in Australia. GrainCorp’s stocks fell 10% on the news, leveling out at a 7% fall later in the day. It expected disruption to grain production due to drought.

Hurricane Dorian costs retailers 1.5 billion dollars: Foot traffic at apparel stores is expected to fall 25%, while visits to outlet centers will decline 32%. Restaurant traffic is expected to decrease 14%, threatening the typical labor day boost retailers in the region normally see at this time of year. The storm also affected ports on the Carolinas coast when many retailers are expecting to get their shipments for Christmas season around this time, disrupting supply chains.

Biodiversity loss is a business issue: speaking at the Forbes Global Sustainability Forum, executive secretary of UNCBD said so because destruction is driven by business, whilst the consequences will also have significant impacts on business.

Bad air: researchers at the national university of Singapore studied pollution levels and worker output at two textile factories in China and found that having to work in poor air conditions leads to a decrease in productivity over time.

Freeport-McMoRan: mining company agrees to pay USD 100 million to Louisiana communities in response to the damage it has caused to the coast through drilling for oil. Freeport is one of 98 companies that have been sued in 46 lawsuits over the disappearing Louisiana coastline. The agreement is likely to light the way for future litigation and settlements with industry big players such as Shell, Exxon, Chevron etc…

ADDITIONAL BACKGROUND:
Climate-related disasters have cost the world $650 billion over the last three years, and NA is shouldering most of the burden, according to a report from Morgan Stanley. 14 weather and climate disasters cost the nation $91 billion in 2018, Earth’s fourth hottest year on record. A warmer planet could mean a big hit to G.D.P. in the coming decades.

IPCC report:
- Consequences of 1°C of global warming through extreme weather, rising sea levels and diminishing Arctic sea ice
- If the global temp. heats up by 1.5°C, Central and Eastern North America (Toronto, Ottawa and Montreal) will see highest levels of warming of extreme hot days.
- Grasslands and wetlands that spread across Alberta, Saskatchewan and Manitoba down into the U.S. are breeding grounds for 50-80 percent of waterfowl in NA. Loss of biodiversity if the planet heats up by 2°C.
- Heavy taxes or prices on carbon dioxide emissions — as high as $27,000 per ton by 2100 — would be required. Almost politically impossible move in the U.S., world’s largest economy and second-largest greenhouse gas emitter behind China.
- By 2050, use of coal as an electricity source would’ve to drop from nearly 40 percent today to 1-7 percent. Renewable energy such as wind and solar, which make up about 20 percent of the electricity mix today, would have to increase

References:
The Protocol highlights key types / categories of risks and opportunities – refer to p. 18 of the Protocol.

In years gone by, sustainability issues have sometimes taken business by surprise and companies have paid the cost. Companies are increasingly being impacted by the changing risk landscape discussed earlier (WEF report slide).

Operational risk – Crop failure and bankruptcy threaten farmers as drought grips Europe
Image source: https://pixabay.com/nl/photos/korenveld-ma%C3%AFs-veld-akkerbouw-4240209/

Reputational risk – increased public & consumer awareness of environmental and social damages + consumers are increasingly demanding assurance that the products they buy are produced in way that protect our environment and respect human rights – link with SOCIETAL risks – health impacts on local communities, social license to operate
Image source: https://unsplash.com/photos/ycW4YxhrWHM

Image source: https://unsplash.com/photos/OXGhu60NwxU

Financial risk – Underlying all of these risks & opportunities are financial ones! As we have seen, these risks imply important financial costs. Price of Thai Rice Skyrocket due to Drought in Thailand, Buyers Lean to InSlide
Biodiversity loss risk: Biodiversity loss comes at the nexus of many other business risks. E.g. through decreasing food security (which itself has economic ramifications) or increasing the likelihood of coastal flooding. Biodiversity loss can be felt through physical risks (increased cost of resources, disruption of operations due to natural disasters unmitigated by appropriate ecosystems), associated regulatory and legal risk, market risk from changing consumer preference as consumers become more aware & discerning RE biodiversity, and supply chain risks.

Examples:

→ For example, a 28% reduction in mangrove cover between 1980 and 2000 in South East Asia to make way for commercial shrimp farming has contributed to a loss of natural protection against tsunamis and cyclones. This was tragically demonstrated during the 2004 South Asian Tsunami, when coastal areas still covered by mangroves were relatively less affected, with mangroves acting as a natural defense. In addition to their vital role in coastal protection, these coastal features are critical for many marine food chains, comprising vital nursery areas and habitats for commercially valuable fish and shellfish species. As we look to the future, with the prevalence of denser populations in coastal areas, the human and economic costs of damage to coastal ecosystems are set to grow.

→ For example, in Guangdong province in China, deforestation and land conversion have led to encroaching desertification. Exacerbated by severe drought, this not only threatens further biodiversity loss but also agricultural productivity and community health.

→ Measures to control deforestation and conversion to soy and palm oil production may significantly increase the prices of these commodities which form key inputs for many producers of food and household goods.

https://www.pwc.co.uk/assets/pdf/wef-biodiversity-and-business-risk.pdf

But good news is that, where there is risk, there is opportunity to:

• Secure natural resources
• Save costs
• Manage future risks
• Engage stakeholders

Operational opportunity – General Mills ups the ante on its regenerative agriculture push
Image source: https://pixabay.com/nl/photos/tarweveld-lente-zomer-frankrijk-3241114/

Reputational opportunity – Nespresso: every cup of coffee will be carbon neutral by 2022

Legal opportunity – Starbucks introduces straw free lids:
Image source: https://pixabay.com/nl/photos/milieuvriendelijke-stro-netjes-3562628/
Financial opportunity – But when these risks are taken into account, we have seen how it can also lead to reduced financial costs, or improved access to finance. Companies like those you can see here have managed to secure substantial billion-dollar loan facilities where the interest rate of repayments is linked to ESG performance. That is to say if the company has strong environmental and social performance they pay back less on the loan.
What are the risks & opportunities for your business?

Individually reflect in what ways do you think your own company impacts and depends on nature

Write down 3 risks & 3 opportunities you think your company could be facing in the next 10 years

Give participants 5' to reflect individually on both questions (again, depending on the time you have, you may want to spend more time on this).

For Q. 1: of your workbook, will have a prepared blank list - one for them to list risks and one for them to list opportunities. Give also list of examples from NCP they can use – reference to p. 18.
How to use Mentimeter

1. Go to www.menti.com
2. Enter this code: XXXXXX
3. Submit your answer
Mentimeter questions

What top 3 risks have you identified for your business?

What top 3 opportunities have you identified for your business?
What top 2 risks have you identified for your business?
What top 2 opportunities have you identified for your business?
Why assess your impacts & dependencies? The business case

Many natural capital risks and opportunities are becoming increasingly visible, and business needs a way to understand and manage these.

- Understand relationships with nature in a structured way
- Challenge your business model
- Mitigate risks
- Increased competitive advantage
- Create opportunities
- Inform decisions that are really important to your business
- Access to finance
- Recruitment & retention of staff

There are evidently a lot of pertinent risks around nature and the environment facing businesses today. Where does natural capital come into this - how can it help you manage these risks?

**To assess natural capital is to assess your company’s impacts and dependencies on nature.**

It provides information that will help you to understand your relationship with nature. By focusing on impacts and dependencies, natural capital provides structure to this understanding.

Once you have a better understanding of your relationship with nature, you can use this to challenge your business model, mitigate risks and create opportunities. Natural capital can also be a valuable tool for broadening the conversation to include all parts of your business, including the finance team.
Where would you place natural capital in relation to your company?

Briefly reflect upon the results as they come up
Highlight commonalities that appear
Agenda – full training

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TO ADAPT
You are part of the senior management team of “Perfect Chips”, a savory snacks producing company, based in Germany.

1. Identify your key **environmental risks**
2. Implement appropriate **risk responses**

Image source: https://pixabay.com/nl/photos/aardappelen-knollen-akkerbouw-3690562/
## Scenario

**Context:** Issues of increasing temperatures and changing water availabilities have increasingly been in the spotlight; one of your competitors has even been impacted by extreme drought on one of its potato fields in Germany.

**Objective:** Your CEO has asked you to re-assess the company’s environmental risks and put into place appropriate risk mitigation measures.

Perfect Chips’s overall objective: be a recognized, responsible and sustainable brand in the industry, while creating long-term values for our shareholders and stakeholders.

Image source: https://pixabay.com/nl/photos/aardappel-veld-arroostook-county-4357002/
Spin the wheel to land on a risk event. Participants should follow the fuller instructions on the relevant card which will be on their table. Do this until either all 8 risk events have been selected, or until 5 or 6 have been selected (if playing a shorter version of the game). Make sure participants are tracking their share price on the supplied graph.
Debrief discussion

• What did your team do well? What were some of the challenges?
• What did you learn from this activity about natural capital risk and how it can be managed more effectively?
• How does your company manage its environmental risks?
• What are your key take-aways from the activity?

Debrief discussion in plenary for 15’.
Game time!

“Azucar” company

You are part of the senior management team of “Azucar”, an industrial sugar mill and sugarcane plantation company, based in South America.

1. Identify your key environmental risks
2. Implement appropriate risk responses

Image source: https://unsplash.com/photos/aCTMWTlqiEQ

Second option for the game
Scenario

Context: Issues of climate change and deforestation have increasingly been in the spotlight; one of your competitors has even been impacted by severe soil erosion on one of its sugar cane plantations in Brazil.

Objective: Your CEO has asked you to re-assess the company's environmental risks and put into place appropriate risk mitigation measures.

Azucar’s overall objective: be a recognized, responsible and sustainable brand in the industry, while creating long-term values for our shareholders and stakeholders.

Spin the wheel to land on a risk event. Participants should follow the fuller instructions on the relevant card which will be on their table. Do this until either all 8 risk events have been selected, or until 5 or 6 have been selected (if playing a shorter version of the game). Make sure participants are tracking their share price on the supplied graph.
Debrief discussion

• What did your team do well? What were some of the challenges?
• What did you learn from this activity about natural capital risk and how it can be managed more effectively?
• How does your company manage its environmental risks?
• What are your key take-aways from the activity?

Debrief discussion in plenary for 15’.

Write down your answers on p. 31 of your workbook.
Where are we in our learning objectives?

So far, we have:

- Demonstrated an **understanding of natural capital and its linkages with business** decision-making and risk management,
- Identified natural capital **impacts & dependencies** as well as **risks & opportunities** and related these to your respective business context,
- Familiarized ourselves with a few **key approaches and tools** to integrating natural capital into business decision-making.

Briefly summarize what participants have learnt so far, and highlight what’s next.
### Agenda – full training

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How can business apply natural capital

An overview of approaches

Re-connect to game and how through this, they have already thought of some tools and methods they could implement and perhaps even realized that some of these, they are already applying in their own company.

Before kick off this next session, give space for 1 person from each table to share some of the key barriers, challenges & solutions that came out from game.
Identification of barriers and bottlenecks

New findings from We Value Nature Survey:

1. Perception that it is complex &/or technical
2. Lack of understanding of the potential benefits
3. Lack of regulatory frameworks
4. Institutional Inertia
5. Lack of standards (metrics, reporting etc.)
6. Lack of data and inputs
7. Focus on single issues

(In order of importance to stakeholders, 1 is highest)
### Typical barriers

- Lack of data and inputs
- Lack of case studies and practical applications
- Institutional inertia
- Perception that it is complex &/or technical
- Lack of understanding of the potential benefits
- Focus on single issues
- Lack of regulatory frameworks
- Lack of standards (metrics, reporting etc.)

### WVN actions

- Case studies on public/private policy
- Input into NBS standard
- "Testimonial" case studies
- More detailed, specific training
- Introductory training
- Simplified, curated communications

---

This slide shows the Uptake Framework and gives an indication (with blue dots) where most companies are currently positioned in the framework. These are the levels 0, 1 and 2. Some general barriers and actions for levels 1, 2 and 3 are provided in the table. In the subsequent slides, the actions and barriers specific to the F&B sector are examined.
Presenter to explain that companies are experimenting and learning. On the We Value Nature MeSlide library, you can find inspiring examples of (F&B) companies who have undertaken a natural capital assessment, including practical information and tips and key lessons learned.

**Eosta**: a NL based, international distributor of organic fruits and vegetables. Eosta valued the true cost of various fruits and vegetables through developing an integrated profit and loss account of these products based on true cost accounting. It was the first Small and Medium sized enterprise (SME) in the food & agribusiness to do so. To inform better and more sustainable decision-making, EOSTA decided to develop a practical tool for True Cost Accounting in the Financial, Food and Farming Sectors (TCA-TFFF) that includes environmental and social values for a range of products. By monetizing their impacts, EOSTA moved up along their natural capital journey towards full integration of natural capital into business decision making.

**Metro**: a leading international specialist in food wholesale. METRO AG compared the hidden costs and benefits of METRO’s Food Service Distribution (FSD) business model with those of its traditional wholesale stores by monetizing their impacts on the society and the environment. In 2015, METRO started rolling out their Food Service Distribution model next to their traditional model of direct buying (Cash & Carry). To understand whether this was a positive development, METRO initiated an assessment to assess how these different business models impact the society and the environment. With the support of Denkstatt, METRO conducted sustainability accounting and found that the new FSD model was inherently more sustainable, offering additional benefits for customers, the society and the environment, valued at € 60 per € 1000 of sales.
The Coca-Cola Company: The Coca-Cola Company (TCCC) quantified ecosystem services related to freshwater sources to better capture and communicate impacts of water community projects beyond replenishment. Having invested a lot in water replenishment projects, TCCC was driven to understand the variety of benefits that these projects provide to people and society beyond water volumes only. A natural capital assessment was initiated to monetize the ecosystem services in order to identify opportunities and maximize impact. Together with their partners, they developed and piloted a methodology in seven of their European projects. While monetizing impacts was not always easy, the results were clear: water restoration projects can enhance a range of other ecosystem services. If done right, these benefits outweigh the original project investment in a limited period of time. The assessment helped TCCC progress on their natural journey.

Jeronimo Martins: a Portugal-based international group operating in the Food Distribution and Specialized Retail sectors. Jerónimo Martins applied the Natural Capital Protocol to measure and value the comparative life cycle societal impacts of PVC use and alternative plastic materials in packaging components. The environmental performance of PVC in packaging was highlighted as a key issue which triggered Jerónimo Martins to further research its effects and their options for sustainable packaging. Jerónimo Martins carried out an in-house natural capital assessment. While challenged by the lack of data, the assessment helped build in-depth knowledge on the societal impacts of the use of PVC, and prepared the company for comprehensive future assessments. In 2019, a roadmap on eliminating PVC from Private Brand packaging was defined.
In this overview, you can find the case studies plotted to the corresponding uptake level and supply chain step. The company positioning has been done in close collaboration with the respective companies – we have asked them to position themselves.
Specific barriers experienced by the F&B sector

- The **business case** for nature-inclusive agriculture has *not been extensively proven*, limiting large-scale investments in this area.
- There are **vested interests in continuing conventional farming**, slowing down the transition to sustainable agriculture.
- While the **largest impact takes place at farm level**, it remains challenging to **engage farmers** on driving sustainable changes. Farmers may lack the capacity or resources to adopt new farming practices, and many F&B companies **do not have direct links with the farmers** that produce the ingredients for their end products.

This figure highlights some specific barriers for the Food & Beverage sector
Specific barriers experienced by the F&B sector

- Scale is an important factor; as a small & medium sized F&B company, it can be challenging to source sustainable ingredients through segregated streams.
- Putting a price on sustainability remains challenging in the quote driven markets in which F&B companies operate.
- While consumers are increasingly paying attention to sustainability, there is still a way to go in marketing and valorizing sustainability.
- Natural capital is managed at landscape/seascape level, often requiring shared financial incentives to deliver change on the ground. This goes beyond problem analysis and assessments, but also requires multi-stakeholder collaboration.

This figure highlights some specific barriers for the Food & Beverage sector.
Assessments: Measure & Value

To measure ≠ to value

- To measure: determine the amounts, extent and condition in physical terms
  - e.g. m³, tons, number of injuries, number of jobs
- To value: estimate the relative importance, worth, or usefulness of natural / social / human capital to people (or to a business), in a particular context.

There are different ways of valuing – could be qualitative, quantitative and monetary

Important to note that monetary values without any context (i.e. accompanying quantification) are less meaningful!

The method you chose depends on which natural capital impact drivers or dependencies you wish to assess, the chosen value perspective (e.g. business, societal, or both), the ultimate objective of your assessment, and the time and resources available.

Monetary valuation: some find it difficult to accept or interpret monetary valuation of certain benefits (e.g. spiritual values). In such situations, special efforts may be required to explain the advantages and also to acknowledge the limitations of monetary valuation.

Advocates of natural capital are sometimes accused of ‘putting a price on nature’ or ‘pricing the priceless’, but in fact our core assertion is that prices have failed to reflect the true value of the natural world, and that the economic systems that we are using are broken.

We use the common definitions of price and value: Where price is ‘the quantity of one thing that is exchanged or demanded in barter or sale for another/the amount of money given or set as consideration for the sale of a specified thing’ and value as ‘The regard that something is held to deserve; the importance, worth, or usefulness of something i.e. “your support is of great value”. If something is not for sale, we do not describe it as having a ‘price’, but we may nevertheless recognise the value that it holds, and make decisions on this basis.
A natural capital assessment provides information. Whilst this can be valuable in its own right, this means there are also numerous ways to use this information for further purposes. The NCP focuses on using natural capital for decision-making, measurement and valuation, but it can also be used for disclosure and communication, or to help formulate strategy. The best way for your company to use natural capital information is highly individual – think back to the challenges and risks you identified earlier in the training and consider how exactly how more information could help you meet these challenges.
Distribution of assessments across sectors

<table>
<thead>
<tr>
<th>Sector</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Multi-sector</td>
<td>17%</td>
</tr>
<tr>
<td>Forest products</td>
<td>14%</td>
</tr>
<tr>
<td>Food and beverage</td>
<td>13%</td>
</tr>
<tr>
<td>Energy and utilities</td>
<td>9%</td>
</tr>
<tr>
<td>Chemicals</td>
<td>8%</td>
</tr>
<tr>
<td>Other</td>
<td>20%</td>
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</tbody>
</table>

Total of 173 case studies

Data from the Natural Capital Coalition Case Study Database

Presenter to give an overview of the pie chart presented on the slide. Presenter to explain that natural capital assessments have been undertaking in a variety of sectors, including forest products, food & beverage, energy and utilities, and chemicals. Next to Forest products, the Food & Beverage sector is the largest sector in terms of assessments.
Data from the Natural Capital Coalition Case Study Database

Presenter to give an overview of the pie charts presented on the slide. Presenter to explain that the majority of assessments carried out include only natural capital, and that very few assessments measure social and human capital without also measuring natural capital. Presenter to explain that the majority of companies carrying out assessments are businesses, with governments carrying out ¼ of all assessments and finance carrying out the fewest.
Business applications in numbers  F&B sector

1. Assess risks and opportunities, 47%
2. Estimate total value and/or net impact, 32%
3. Assess impacts on stakeholders, 10%
4. Unspecified, 11%

Data from the Natural Capital Coalition Case Study Database

Presenter to give an overview of the pie chart presented on the slide. Presenter to explain that the main purpose for carrying out assessments are to estimate total value/or net impact of/on natural, or social and human, capital. The next greatest application is to assess risks and opportunities for the companies carrying out the assessment, and the third biggest reason is to assess company impacts on stakeholders.
Business example – THE Coca-Cola COMPANY

<table>
<thead>
<tr>
<th>What was assessed:</th>
<th>quantified the value of freshwater restoration projects for communities and other local users, beyond just replenished ($m^3$) water volumes.</th>
</tr>
</thead>
<tbody>
<tr>
<td>How this was used:</td>
<td>To better capture and communicate the impacts of Coca-Cola’s water community projects beyond replenishment, maximizing positive impact. Thereby, strengthening their leadership position on water.</td>
</tr>
<tr>
<td>Going forward:</td>
<td>Coca-Cola plans to include the results from the assessment in new investment decisions on their water programs. The natural capital assessment will be used as an important decision-making and communication tool.</td>
</tr>
</tbody>
</table>

Assess risks and opportunities


Highlight that this is a business example which focuses on the application of “assessing risks and opportunities”.

The Coca-Cola Company is the world’s largest beverage company.

They conducted an assessment of its water use, looking at the costs and value of water to both the company and to the community and other uses of the water, therefore looking at both the impacts and dependencies and considering not just the impact on the company but on society too. This information was then used to better capture and communicate the impacts of Coca-Cola’s water community projects beyond replenishment, maximizing positive impact. Thereby, strengthening their leadership position on water. Going forward, Coca-Cola plans to use the natural capital assessment as a decision-making and communication tool.
What was assessed: a comparison of the life cycle societal impacts of PVC use vs alternative plastic materials in their packaging components.

How this was used: Jerónimo Martins gained in-depth knowledge on the environmental and social risks related to the use of PVC which triggered internal discussions on the impacts of different plastics used.

Going forward: Jerónimo Martins continues to focus on packaging and plastics which are some of the most important issues in terms of committed time. Jerónimo Martins has set the goal to eliminate PVC from all private brands packaging by 2022.


Jerónimo Martins is an international Group based in Portugal that operates in the Food Distribution and Specialized Retail sectors.

Jerónimo Martins undertook a study assessing the main risks and opportunities arising from their use of ecosystem services and compare the lifecycle societal impacts of PVC vs alternative plastic materials. They found that the impacts with higher social cost were those related to emission of air pollutants harmful to human health, and not greenhouse gas emissions or toxic releases from PVC production.

Going forward: the assessment will be used to provide in-depth knowledge on the environmental and social risks related to the use of PVC. Possible next steps include conducting further analysis on packaging and plastics, and integrating the results in the decision-making process. Jerónimo Martins has set the goal to eliminate PVC from all private brands packaging by 2022.
Companies are Experimenting & Sharing

ATTENTION should talk through at least one of these with some information as to the use of the data and what it has helped the company to achieve!

Can ask after explaining this slide, what are participants’ corporate culture when it comes to this? What would their senior management team prefer?

Tru Fizz & YES Bank: YES BANK carried out the natural capital assessment for Trufizz. The overall nature and extent of business, and societal costs and benefits gives rise to significant concerns as according to the assessment done for the company, 98% of the potential revenue is at risk because of the water quantity risk. One of the key objectives of this assessment was to report and disclose the results with Trufizz’s stakeholders and increase engagement with them. This will be done both with external as well as internal stakeholders.

Arla: Arla Foods conducted an E P&L and found that the following impact categories were most significant: Global Warming (CO2, CH4, N2O), Respiratory inorganics (air emissions: particles, ammonia, NOx, SO2), Nature occupation (biodiversity). The results are calculated based on comprehensive data collection and life cycle assessments. The E P&L can help focusing on the most important impacts. Furthermore, the account can be used as a baseline to which different improvement options are evaluated.

Nespresso: Conducted a Life Cycle Assessment (LCA). Within LCA, Nespresso has chosen the carbon indicator to guide integrated and consistent actions on climate change. Nespresso today commits that every cup of Nespresso coffee, both for at-home and for professional customers, will be carbon neutral by 2022.

Metro & Denkstatt: Sustainability accounting using the Natural Capital and Social Capital Protocol. In Bulgaria, Denkstatt had assessed the benefits for the economy and the
environment resulting from the Food Service Delivery (FSD) business model and the program “Nurtured with care in Bulgaria”. As part of the traditional delivery model of METRO AG, the customer buys from Cash & Carry stores. In the FSD model, professional customers make orders and METRO delivers from its central warehouse. One of the conclusions is that the chain has a positive impact on the environment, directing producers to more environmentally friendly agricultural practices.

Coca Cola & Denkstatt: The Coca-Cola Company has set an ambitious global water stewardship target, which includes protecting water resources, reducing water use, treating all process water and returning it to the environment in a clean state, and replenishing product-related water use by 2020, with the goal of water-neutral. Together with Denkstatt, an ecosystem services valuation (ESV) tool was developed and applied to 8 water replenishment projects. Most projects lead to high ecosystem change but generate a lower return on investment for the environment (lower right quadrant).
We can see from this slide, the wealth of intellectual content, tools and approaches that already exist in the natural capital field.

This certainly highlights the need for standardization, and a process into which all of these existing resources can input. As we have seen, the Natural Capital Protocol does NOT aim to recreate or invent any new methodologies – instead leverages what we already have.

This also shows that while there are many tools, methodologies and resources out there, this can add to the confusion hence the importance to have a good understanding of what it is you are trying to achieve, what kind of information you are trying to collect or decision you are trying to inform in order to chose the most appropriate tool / resource.
Creating an inducive company environment for integrating natural capital

- Integrating natural capital into business decision-making is a collaborative process.
- Each person in a company has its own role to play in driving sustainability. Sometimes, i.e. in the case of SMEs, one person can embody different roles.
- To empower your colleagues and managers and collaborate effectively, you need to be aware of the challenges and needs for each role.
- Please visit WeValueNature’s digital media library to find all action cards describing useful actions for a various roles & ways to engage others in the company on natural capital.

Companies need to secure internal buy-in to get the green light for starting a natural capital assessment and to ensure that the results will be used in future decision-making processes. Point out that under WeValueNature’s meSlide library, participants can find persona actions cards for key roles within a company (e.g. CEO, CFO, sustainability manager, procurement manager, marketing manager, farmer), describing useful actions that he/she can take, the challenges and needs, and guidance for effectively engaging on the topic of natural capital.
Creating an inducive company environment for integrating natural capital

**Sustainability Manager**

**Actions**
- Collaborate & identify allies
- Identify entry points
- Mitigate & manage your impacts and dependencies
- Set targets
- Monitor & report
- Integrate & take action

**Needs**
- Cross-collaboration & support
- Financial support
- More clarity on how and where to get started

**Barriers**
- Getting internal buy-in and support
- Translating complex environmental issues into a language that is understood by others
- Retrieving needed resources and datasets

**How to engage?**
- Be open to making changes
• Be curious and ask questions
• Discuss how natural capital relates to the current sustainability strategy
• Point out the most material natural capital impacts and dependencies

CEO Actions
• Understand your company’s link to sustainability
• Strategize and allocate resource
• Governance
• Set ambitious goals and targets
• Develop and implement scalable solutions
• Be vocal and challenge peers
• Lead

Needs
• Clear and concise messaging
• Good understanding of the urgency and business case
• Information translated into actionable options

Barriers
• Understanding the complexities of sustainability
• Limited time
• Balancing responsibility for nature with responsibilities towards shareholders

How to engage?
• Paint the overall picture of why NC is important to the company
• Show how NC related to the current strategy
• Indicate what other companies are already doing
• Ask for commitment, even when starting small

All cards can be retrieved through: LINK FORTHCOMING
Useful tools & resources

There are lots of useful tools out there. SHIFT.tools is a searchable repository of tools, including the Natural Capital Toolkit.

Briefly explain SHIFT platform, that it is a searchable repository of tools. It is an interactive database for businesses to find the right tools(s) to assess their relationship with nature or “natural capital”. The SHIFT platform includes the Natural Capital Toolkit. Can give further background on the reason why this toolkit was transferred onto the SHIFT platform – to encourage standardization & harmonization of tools.

The TEEBagrifood Operational Guidelines for Business brings together the TEEBagrifood Evaluation Framework and the Capitals Protocol. The guidelines:

• Provide context on why capitals are relevant to any business in the food system and how businesses benefit from them.
• Develop the business case for integrated capitals assessments in the food sector.
• Identify material impacts and dependencies on different capitals relevant to businesses across the value chain of the food sector.
• Use practical examples to demonstrate sector-specific business applications.

The slide shows that there are many tools out there, many of which are freely accessible and readily available for companies to use and start assessing their natural capital impacts and dependencies.
An example of how the platform works, providing a fictional scenario.

Conclusion is that:
There are no perfect answers!

The choice of tool will depend on various factors:

- What is the objective / what are you trying to achieve? / What decision are you trying to inform? – Is it to inform business strategy? Business management? Or operating decision?
- What is the scope? Are you looking at product, corporate level?
- What perspective are you looking at? Business? Societal? Both?
- How much resources do you have available to conduct the assessment?
- How much information / data do you already have?
- Will you need external help?
- Etc.
Group exercise: exploring tools and resources

In pairs:
1. Go to The Natural Capital Toolkit on the SHIFT platform: [https://shift.tools/nct](https://shift.tools/nct)

2. Imagine that you work for a fishing company. Your senior management team has asked you to explore ways to conduct a company-wide assessment on its use of water.

3. Using the toolkit, determine which tool(s) could help you conduct such an assessment.

Now, we thought what better way to have participants familiarize themselves with these tools by doing an exercise that will have them explore some of them.

For this exercise, participants will need their laptops. They will be connection onto SHIFT, which is an extensive repository of tools and resources on how to undertake a natural capital assessment and valuation. Because it’s so huge, we’ve picked the natural capital toolkit to help narrow your search a bit. The natural capital toolkit was developed by the natural capital coalition and WBCSD.

This is a nice exercise to have them realize that there are many tools available and that the one they will choose will depend on many aspects.
Debrief discussion

- What tool(s) have you chosen?
- What are the advantages and disadvantages of the chosen tool?
- What kind of information did you look for when navigating on the Natural Capital Toolkit?
- What factors did you consider to help make the choice of the tool?
- In what way(s) could the Natural Capital Toolkit and SHIFT be helpful to you?
- What did you learn from this activity?

Conclusion of this exercise is that:
- There are no perfect answers!
- The choice of tool will depend on various factors:
  - What is the objective / what are you trying to achieve? / What decision are you trying to inform? – Is it to inform business strategy? Business management? Or operating decision?
  - What is the scope? Are you looking at product, corporate level?
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3 speakers from 3 different companies will be invited to the training to share their experience in integrating natural capital into their business decision-making processes.

Speakers will be encouraged to share:
- Their experience
- The solutions put in place
- Challenges/barriers faced, how these were overcome and what would they do differently looking back
- Collaboration with stakeholders involved in the process – who was key in supporting the solution, making it happen and perhaps also discussion around communications, how do you have to communicate differently e.g. if trying to convince risk management vs

During presentation of case studies, participants will be encouraged to take note of:
- Challenges & barriers
- Solutions, activities
- Key stakeholders / enablers in the process

Encourage case studies speakers to also discuss how they would have done things differently.
Case study presentation from XYZ

Pay attention to the following elements while listening to the presentation:

- Barriers, challenges and how overcame these
- Objective of assessment & process undertaken (incl. tools, methodologies adopted)
- Decision-making, collaboration, next steps

Refer to p. 38-43 of your workbook
**Practical considerations** when starting a natural capital assessment

- **What is your objective?** How will assessments help your company and who is asking for this information, e.g. customers, investors?
- **Define the project scope and application**
- **Skills and data:** what have you got and what do you need to get?
- **What is your budget?** And how much time do you have available?
- Make sure there is **sufficient support** for the project and involve the right partners

→ The bottom line is that although carrying out a natural capital assessment is technical, it’s also achievable. Not every assessment has to be a huge undertaking, so companies should start off with a scope that makes most sense to their situation. The Protocol will help you do this.

Most companies believe that the real value of using consultants is in the valuation itself, meaning the number-crunching analysis. This is because - unfortunately! - the Protocol isn’t a calculator and it won't tell you which monetary values to use in any given situation. However, companies can start to conduct many other aspects of an assessment themselves by doing things like getting the project going, scoping the assessment and integrating natural capital considerations into internal processes.

It's usually much more efficient to build on existing data that's readily available in-house, and the Protocol provides guidance on gathering and using that data too. For example, many companies have data on their own GHG emissions, water, waste, and some also have results of product Life Cycle Assessments - this existing information can provide a really good starting point for a natural capital assessment. How applicable it is will depend on the objectives and scope of the assessment though, so it's important to find the balance between getting perfect data (e.g. from monitoring in the field) and using proxies that are not as accurate but can be more practical and still lead to better decisions.

**How much will it cost?** It depends on what you're trying to do. It will depend on the scope of the assessment, what you're asking for and what data is already available.

**Skills and data: what have you got and what do you need to get?** Companies can start to conduct many other aspects of an assessment themselves by doing things like getting the project going, scoping the assessment and integrating natural capital considerations into internal processes.

**How can we secure the resources?** In many cases, natural capital assessments can be a bottom-up effort. Trying to drive natural capital assessments from sustainability, environment or health and safety departments is sometimes difficult, but nevertheless, the Protocol provides guidance on integrating the assessment into the business itself. One way to facilitate engagement internally can be to show that "many companies are already doing natural capital assessments; they're just using different terminology and steps."
The bottom line is that although carrying out a natural capital assessment is technical, it's also achievable. Not every assessment has to be a huge undertaking, so companies should start off with a scope that makes most sense to their situation. The Protocol will help you do this.

Also to keep in mind:

- **How will assessments help your company and who is asking for this information, e.g. customers, investors?**
  - Decision-making
  - External reporting
  - Stakeholder engagement

- **What kind of information would help?**
  - How good does the information have to be, e.g. financial grade?
  - Comparable?
  - Monetary (and what does it mean?)

- **How much of a leader does your company want to be in this space?**
  - Share to help converge on what is practical, e.g. case studies, learnings
  - Explicitly connect your approach with generally-accepted frameworks like Natural Capital and Social & Human Capital Protocols.
  - Influence WBCSD’s RV Board, raise awareness around monetary valuation
### Agenda – full training

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<tr>
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<td>• Group exercise</td>
</tr>
<tr>
<td>30</td>
<td>Why is natural capital important – natural capital risks &amp; opportunities</td>
</tr>
<tr>
<td>15</td>
<td>Coffee break</td>
</tr>
<tr>
<td>30</td>
<td>Risk game</td>
</tr>
<tr>
<td>45</td>
<td>How can natural capital be applied – Brief overview of approaches &amp; business applications</td>
</tr>
<tr>
<td>60</td>
<td>Lunch break</td>
</tr>
<tr>
<td>60</td>
<td>Case study presentations</td>
</tr>
<tr>
<td>20</td>
<td>First step of a natural capital assessment – Setting an objective</td>
</tr>
<tr>
<td>20</td>
<td>Wrap-up – Key take-aways, wrapping up</td>
</tr>
</tbody>
</table>
1st step to assessing natural capital

Defining an objective
Presenter to explain the steps to undertaking a 1st natural capital assessment using the Slidegram on the slide. Presenter to explain that defining the objective can be quite difficult.
Actions to take when setting an objective

• Identify the target audience
• Identify stakeholders and the appropriate level of engagement
• Articulate the objective of your assessment

Refer to p. 44 of your workbook & p. 26-29 of the Natural Capital Protocol
Where are we in our learning objectives?

So far, we have:

✔ Demonstrated an understanding of natural capital and its linkages with business decision-making and risk management,

✔ Identified natural capital impacts & dependencies as well as risks & opportunities and related these to our respective business context,

✔ Familiarized ourselves with a few key approaches and tools to integrating natural capital into business decision-making.

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Wrap-up & next steps
Ask again here the 1st Menti Q. on how much do they know about natural capital to see if answers progress at the end of the training.

*How much do you know about natural capital?*

- I understand the concept of natural capital
- I understand my business' environmental-related risks & opportunities
- I know examples of action(s) I can take to (further) integrate natural capital into decision-making
### Key take-aways / Closing word

1. Business impacts and depends on nature
2. Applying a natural capital approach helps make better & more informed decisions
3. There are many existing tools & resources
4. Assessments are like snowflakes – no two are alike
5. Companies can start to conduct an assessment themselves
6. Buy-in must extend beyond the sustainability team

---

- **Business impacts and depends on nature** – the NCP provides the framework to identify and assess impacts and dependencies,
- Understanding, measuring and valuing natural capital (i.e. taking into account) will help business **make better decisions**, 
- **There are many existing tools & resources** to measure and value impacts and dependencies. The one you chose depends on the information you are aiming to get or the decision you are trying to inform,
- **Companies can start to conduct an assessment themselves** by getting the project going, scoping the assessment and integrating natural capital considerations into internal processes,
- For natural capital to become strategically important, **buy-in must extend beyond the sustainability team.**

**ADDITIONAL BACKGROUND INFORMATION**

**How much will an assessment cost?**

Some of the Protocol pilot testers - like our members Nestlé and Roche - estimated they spent about USD $50,000 on consulting services for their assessments over a six-month period. Some companies spend less, others spend more. Dow, Kering and Natura have invested significantly more over a longer term, for in-depth assessments that contribute to their multi-year strategic ambitions.

The Protocol can help companies navigate these kinds of situations by making sure the services required align with the assessment's objective.

**Skills & data needed:**

It's usually much more efficient to build on existing data that's readily available in-house, and the Protocol provides guidance on gathering and using that data too.
For example, many companies have data on their own GHG emissions, water, waste, and some also have results of product Life Cycle Assessments - this existing information can provide a really good starting point for a natural capital assessment. How applicable it is will depend on the objectives and scope of the assessment though, so it’s important to find the balance between getting perfect data (e.g. from monitoring in the field) and using proxies that are not as accurate but can be more practical and still lead to better decisions.

**Internal buy-in:**
In many cases, natural capital assessments can be a bottom-up effort. Trying to drive natural capital assessments from sustainability, environment or health and safety departments is sometimes difficult, but nevertheless, the Protocol provides guidance on integrating the assessment into the business itself. One way to facilitate engagement internally can be to show that “many companies are already doing natural capital assessments; they’re just using different terminology and steps. To support this engagement, it is important to look beyond those benefits that can be valued through the natural capital assessment itself, and acknowledge how a natural capital approach can motivate organizational change in support of broader business goals.” This means that there will be more leadership from the top to better measure, value and then integrate natural capital into business.

**The bottom line is** that although carrying out a natural capital assessment is technical, it’s also achievable. Not every assessment has to be a huge undertaking, so companies should start off with a scope that makes most sense to their situation. The Protocol will help you do this. Finally, we must make sure the information obtained from the assessment is included in core business decision-making. This will ensure you have the best possible impact on your business, and on the environment.
Through Mentimeter, we will ask you to share:

2 key learnings that were most useful to you today,

1 concrete next step / activity you could take to move your company forward in the natural capital journey?
**How to use Mentimeter**

1. Go to [www.menti.com](http://www.menti.com)
2. Enter this code: XXXXXX
3. Submit your answer
### What are your 2 key learnings from the training?

<table>
<thead>
<tr>
<th>Concept novelty</th>
<th>How we can engage effectively virtually and how simple it is to start an NC assessment</th>
<th>Understand why natural capital is important to my business and how my business impacts on nature</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - Natural Capital is the basis of every company. 2 - The importance to incorporate and to evaluate.</td>
<td>Natural capital assessment is a process</td>
<td>Complexity of natural capital</td>
</tr>
<tr>
<td>Add more SME examples to risk and opportunity slide</td>
<td>The importance of measuring natural capital assessment is a process</td>
<td>Business activity connected with Nature</td>
</tr>
<tr>
<td>How important is to understand the relationship between my business and nature</td>
<td>The importance of measuring to take informed decisions</td>
<td>Business activity connected with Nature</td>
</tr>
<tr>
<td>Measure the risk/impacts of my business with natural</td>
<td>Alternatives to plastic packaging?</td>
<td>Assess how my company can have a direct and indirect impact on natural capital</td>
</tr>
</tbody>
</table>
### Share 1 concrete next action you will take after this training

<table>
<thead>
<tr>
<th>Action</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in green suppliers</td>
<td>Do the assessment of natural capital</td>
</tr>
<tr>
<td>Share with team at ICAEW.</td>
<td>Choose the commitments made by these lovely people :)</td>
</tr>
<tr>
<td>Assess how my company can have a direct and indirect impact on natural capital</td>
<td>think about which impacts/dependencies are most important first</td>
</tr>
<tr>
<td>review the company business plan</td>
<td>assessment</td>
</tr>
<tr>
<td>As it rains a lot in the Azores, we will try to improve and increase our rain water collection system.</td>
<td>update risk/opp slide with SME examples</td>
</tr>
<tr>
<td></td>
<td>Replicate what I’ve learned today to help local entitles to become more sustainable</td>
</tr>
<tr>
<td></td>
<td>assessment</td>
</tr>
<tr>
<td></td>
<td>update risk/opp slide with SME examples</td>
</tr>
<tr>
<td></td>
<td>Have an Azorean tea!</td>
</tr>
<tr>
<td></td>
<td>boost positive impacts in society</td>
</tr>
</tbody>
</table>
Module 1 focused on understanding natural capital and the relationships with business decision-making & risk management.

Module 2 will focus on acquiring the resources & understanding needed to scope a first natural capital assessment. An introduction to valuation techniques is also included in this training.
The Natural Capital Coalition has recently launched a set of training videos that will guide you in an interactive way through a light natural capital assessment to explore just how much can be achieved with limited resources. Interested to learn more? Check out these videos here.
Next steps that YOU can take

- Download & familiarize yourself with the [Natural Capital Protocol - Food and Beverage sector guide](#)

- Share training learnings & material with colleagues and your manager over coffee

- Use & present the training slides to your team & manager – You want to **find some allies!**

- Participate in WVN’s [module 2 training](#) to learn how to scope your 1st assessment – 22 June – [Register here](#)
We are here to help!

- Deep-dive webinars
- In-person training
- Helpdesk calls
- Virtual office hour: Q&A
- Online training
- Train-the-trainer

Keep in touch & sign-up: wevaluenature.eu
Exchange with peers: We Value Nature - Natural Capital uptake support group

Provide your feedback: Survey

We want to learn too – how have we helped?

WHAT ELSE would you need? What support would you need?
Sign-up for in-person day training, t-t-t
If want support, need to fill out survey (Google form survey)
Refining training further, keen to know how have used this training and catch-up via call (if don’t want to, let us know)
Disclaimer

WVN F&B module 1 is a capacity building program released in the name of the WVN network. It is the result of a collaborative effort by WBCSD, Nature²Squared, Little Blue Research, Ltd., with input from an Advisory Board composed of experts on natural capital, businesses, NGOs, academic institutions, and others.

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