

Participant workbook

Business Training on natural capital

*Location | Date*

This workbook was developed by on behalf of the We Value Nature Campaign.

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# How to use this workbook

This workbook is intended to complement the training you will be receiving today. It includes copies of the key definitions and diagrams included in the slides, as well as some additional ones you may find useful. There is also space for you to write personal reflections and key learnings for each section, as well as pages at the back for your own notes. You can refer back to these in the future as you progress on your natural capital journey.

# 1. Introduction to natural capital

## 1.1 What is natural capital

#### Natural Capital Protocol definition

**Natural Capital** is the stock of **renewable and non-renewable natural resources** that combine to yield a **flow of “services”** to people.In turn, these flows provide **value** to business and society.

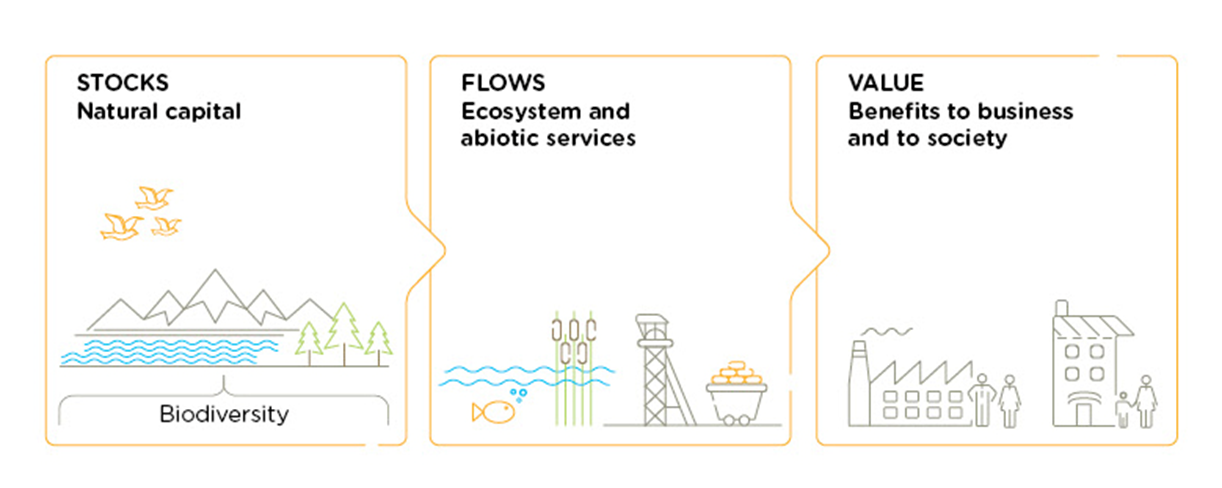
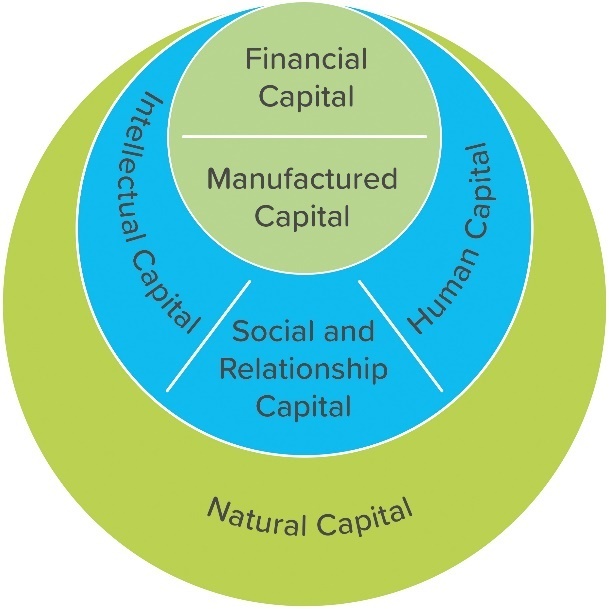


Figure 2: [IIRC Capitals Background Paper 2013](https://integratedreporting.org/wp-content/uploads/2013/03/IR-Background-Paper-Capitals.pdf), p.3



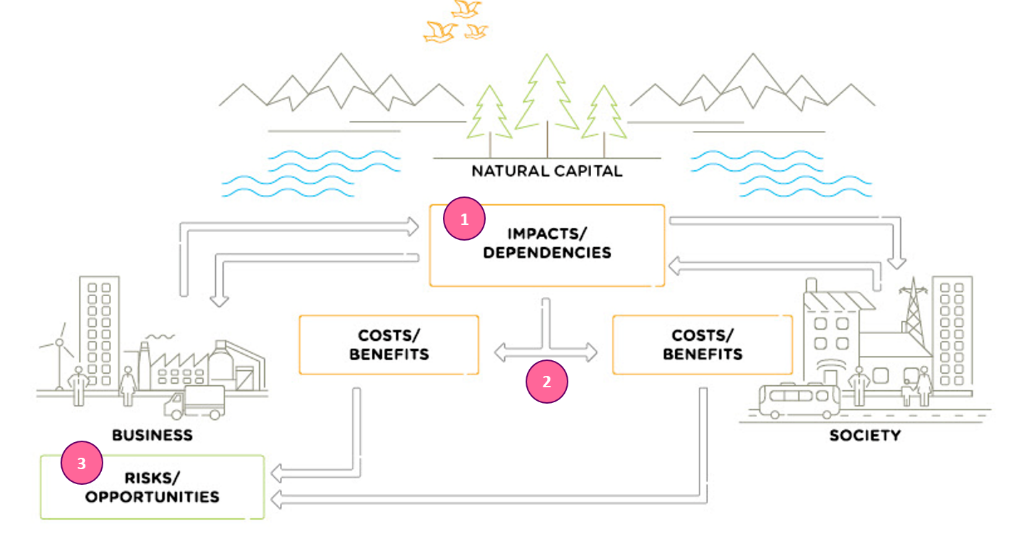
Natural Capital underpins all the other kinds of capital we also talk about. Without natural capital, human, social, and financial capital would not exist. Yet we also need to use other kinds of capital in order to realise some of the value of natural capital, for example extracting minerals.

Figure 1: Natural Capital Protocol, p. 12

# 2. Why is natural capital important?

## 2.1 Dependencies and impacts

**My key learning(s)**



1. All businesses **impact** and **depend** upon natural capital.
2. This relationship delivers **costs and benefits** back to themselves and to society.
3. These in turn lead to **risks and opportunities** to the business

Figure 3: Natural Capital Protocol, p. 15

**2.2 Why should business assess its impacts & dependencies on nature?**

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

A screenshot of a cell phone

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**My key learning(s)**

* 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**

# 3. How can you apply natural capital?

## 3.1 Natural Capital Protocol

The **Natural Capital Protocol** is a **standardized framework** for **business** to **identify, measure and value** its direct and indirect **impacts and dependencies** on **natural capital.**

It has been developed by the Natural Capital Coalition as a generally accepted framework built on existing approaches.

 You can use the NatCap Checker to self-assess the credibility and rigor of your assessments.



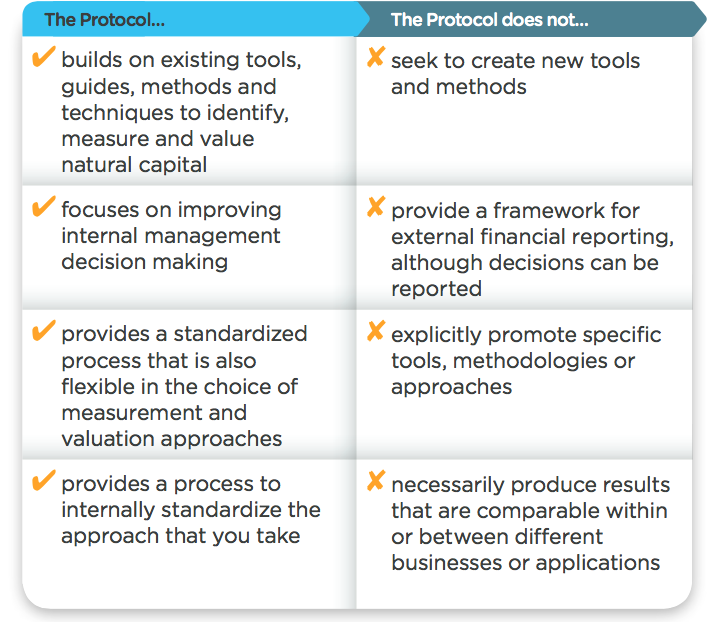


Figure 8: [Natural Capital Coalition](https://naturalcapitalcoalition.org/natural-capital-protocol/)

## 3.2 Integrating natural capital into business decision-making

Assess risks and opportunities

Compare options

Assess impacts on stakeholders

Estimate total value and/or net impact

Communicate internally or externally

**Potential Business Applications**

You will find a series of case studies on the [Natural Capital Coalition’s website](https://naturalcapitalcoalition.org/category/case-studies/) and the [World Business Council’s website](https://www.wbcsd.org/Programs/Redefining-Value/Business-Decision-Making/Measurement-Valuation/Business-Examples).

A close up of a piece of paper

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**My key learning(s)**

Figure 9: [Natural Capital Coalition](https://naturalcapitalcoalition.org/natural-capital-protocol/)

## 3.3 Natural Capital Toolkit

[Natural Capital Toolkit](https://shift.tools/contributors/551)You can find the Natural Capital Toolkit at <https://shift.tools/nct>

### Notes: exploring tools and resources

# 4. Wrap-up

### 4.1 Reflection: next steps

* One concrete next step / activity you could take to move your company forward in its natural capital journey?

* One key learning from today

## 4.2 Key takeaways

1. **Business impacts and depends on nature** – the NCP provides the framework to identify and assess impacts and dependencies,
2. Understanding, measuring and valuing natural capital (i.e. taking into account) will help business **make better decisions**,
3. **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,
4. **Companies can start to conduct an assessment themselves** by getting the project going, scoping the assessment and integrating natural capital considerations into internal processes,
5. For natural capital to become strategically important, **buy-in must extend beyond the sustainability team.**

# 5. Useful resources and further reading

#### General reading

* [Biodiversity & Business Risk: A Global Risks Network Briefing](https://www.pwc.co.uk/assets/pdf/wef-biodiversity-and-business-risk.pdf) (WEF & PwC)
* [Business for Nature](https://www.businessfornature.org/) – a global coalition calling for action to reverse nature loss
* [Is natural capital a material issue?](https://www.accaglobal.com/content/dam/acca/global/PDF-technical/environmental-publications/natural-capital.pdf) (ACCA, Flora & Fauna International, KPMG)
* [IPBES report](https://www.ipbes.net/global-assessment-report-biodiversity-ecosystem-services) ([summary](https://www.ipbes.net/news/ipbes-global-assessment-summary-policymakers-pdf)) - a 2019 report highlighting the extent of human impact on biodiversity, ecosystems and the natural world
* [Natural Capital Committee terminology](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/824604/ncc-terminology.pdf)
* [WBCSD Business Examples](https://www.wbcsd.org/Programs/Redefining-Value/Business-Decision-Making/Measurement-Valuation/Business-Examples)

**Blogs**

* [Natural capital assessments: how far are you willing to stick your neck out and why](https://www.wbcsd.org/Programs/Redefining-Value/Business-Decision-Making/Measurement-Valuation/News/Natural-capital-assessments-How-far-are-you-willing-to-stick-your-neck-out-and-why) (WBCSD)
* [What does it take to carry out a natural capital assessment?](https://www.wbcsd.org/Programs/Redefining-Value/News/What-does-it-take-to-carry-out-a-natural-capital-assessment) (WBCSD)
* [Why We Must Move From Measuring Only Impacts to Also Measuring Dependencies on the Natural World](https://naturalcapitalcoalition.org/why-we-must-move-from-measuring-only-impacts-to-also-measuring-dependencies-on-the-natural-world/) (Natural Capital Coalition)

#### Reporting

* [Capitals Background Paper](https://integratedreporting.org/wp-content/uploads/2013/03/IR-Background-Paper-Capitals.pdf) (International Integrated Reporting Council)
* [Framework for reporting environmental information and natural capital](http://www.cdsb.net/sites/cdsbnet/files/cdsb_framework_for_reporting_environmental_information_natural_capital.pdf) (Climate Disclosure Standards Board)
* [Environmental Profit & Loss Statement (Kering)](https://www.kering.com/en/sustainability/environmental-profit-loss/) - this is just one example of an EP&L, but Kering provides a comprehensive explanation of how and why they did it.
* [GHG Protocol](http://ghgprotocol.org/)
* [Global Reporting Initiative](https://www.globalreporting.org/standards)

#### Assessing & measuring

#### Guidance:

* [Natural Capital Protocol](https://naturalcapitalcoalition.org/natural-capital-protocol/#targetText=The%20Natural%20Capital%20Protocol%20is,and%20dependencies%20on%20natural%20capital.&targetText=A%20natural%20capital%20approach%20broadens,information%20available%20to%20decision%20makers.)
* Natural Capital Protocol [Sector Guides & Supplements](https://naturalcapitalcoalition.org/sector-guides/) (for [apparel](https://naturalcapitalcoalition.org/apparel/), [food & beverage](https://naturalcapitalcoalition.org/food-and-beverage/), and [forest products](https://naturalcapitalcoalition.org/natural-capital-protocol/forest-products/))
* [E.VALU.A.TE: The practical guide](https://www.cisl.cam.ac.uk/resources/publication-pdfs/evaluate-practical-guide-nov-2013-new.pdf) (The Cambridge Natural Capital Leaders Platform)
* [Valuing Corporate Environmental Impacts](https://www.pwc.co.uk/services/sustainability-climate-change/total-impact/natural-capital-exploring-the-risks.html) (PwC Methodology)
* [Demystifying Valuation](https://valuing-nature.net/sites/default/files/images/VNN-Demystifying%20Economic%20Valuation-Paper.pdf) (Valuing Nature)

#### Tools:

* [ENCORE](https://encore.naturalcapital.finance/en/) (Exploring Natural Capital Opportunities, Risks and Exposure)
* [Integrated Biodiversity Assessment Tool](https://www.ibat-alliance.org/)
* [Natural Capital Toolkit](https://shift.tools/contributors/551)
* [NatCap Checker](https://naturalcapitalcoalition.org/natural-capital-protocol/natcap-checker/) - A self-assessment tool to help evaluate how credible and fit for purpose your assessments are, therefore giving stakeholders a level of confidence they can place in the process, results and decisions taken based on the assessment.

## Multimedia resources

There are many informative videos about natural capital out there. A few that we particularly recommend are:

[Pitch4Nature](https://www.youtube.com/watch?v=IyL272Q1N0s)

[Natural Capital Protocol training videos](https://naturalcapitalcoalition.org/protocol-training/)

[ThinkNature Nature Based Solutions game](https://game.think-nature.eu/map)

[WBCSD Natural Capital a short film series](https://www.youtube.com/watch?v=UXZhlJyuw8A)

**Contact**

Keep in touch! You can contact Katia at [bonga@wbcsd.org](mailto:bonga@wbcsd.org) for specific questions or further information on We Value Nature trainings.

For queries about the We Value Nature campaign, email [info@wevaluenature.eu](mailto:info@wevaluenature.eu)

or sign-up to our mailing list on [wevaluenature.eu](https://wevaluenature.eu/#page2) to stay up to date.

# Notes

Use this page for your own notes throughout the training

