



NATURAL CAPITAL LEADERS PLATFORM

Second Nature: Embedding the Platform's shared innovation into business

Second Nature, a University of Cambridge Natural Capital Leaders Platform event, launched a suite of innovative web-based tools to help global businesses better manage the goods and services from nature upon which they rely at The Royal Society in London on 26 November 2013.

The relationship between business activity, growth and loss of natural capital is increasingly well understood. Progressive companies are becoming aware of their responsibilities towards the environment, not only because of the likely risks to their business from resource scarcity but also to their licence to operate in a world where reputation is increasingly a function of sustainability performance. This stimulates a need for business to deepen their understanding of their impacts and dependencies on natural capital, and to begin to measure and manage these, in order ensure long-term

business resilience in an increasingly pressurised system. Getting started can be somewhat bewildering, which is why CPSL, with members of the Natural Capital Leaders Platform, developed three online tools to enable business to take positive steps towards managing their natural capital assets.

The event brought together Platform members, academics, thought leaders and the wider business community to discuss how measuring and managing natural capital can become second nature in companies.

Speakers	
Alan Knight Senior Associate Cambridge Programme for Sustainability Leadership	Alexandre Le Vernoy Water & Food Security Analyst SABMiller
Chris Brett Global Head Corporate Responsibility & Sustainability Olam International	Davis Cook Environmental Advisor Anglo American



Figure 1: Katherine Thoday introduced 'Linking landscapes and livelihoods'

Martin Roberts, Director of the Cambridge Natural Capital Leaders Platform explained *"that an increasing number of companies want to move beyond rhetoric to practical action in addressing a company's impacts and dependencies on natural capital. The challenge that the Platform will help business tackle is how to thoughtfully manage natural capital like other forms of assets in such a way that it becomes second nature in business practice."*

"We're moving towards a very interesting world where nature is part of the supply chain; which means it has to be understood, valued and managed, and it has to be improved and grown. All these things you would ask of your suppliers. This is a world where we have to ensure environmental growth, not just economic growth – in fact we need environmental growth to create economic resilience."

Keynote speaker Dr Alan Knight OBE

The event focussed on the Platform's three collaborative themes:

How to measure and manage key externalities in your supply chain

'E.Valu.A.Te' (Externality Valuation Assessment Tool) was launched at the event, which was developed to deepen business understanding of how to undertake externality assessments. It consists of a suite of resources, including an interactive, online Tool and a Practical Guide.

Alex Le Vernoy, Water & Food Security Analyst, SABMiller showcased their practical outputs developed as part of E.Valu.A.Te. With CPSL and leading academics, SABMiller undertook a valuation of the environmental externalities related to its procurement of malting barley in Rajasthan, India. Alex emphasised the need to *"find a critical mass of companies to agree on a baseline methodology on natural capital valuation"*. In developing E.Valu.A.Te, businesses with the Natural Capital Leaders Platform have made first steps towards creating this critical mass.

"CPSL has developed a framework against which financial decision involving natural capital can be taken"

Michael Jack, Food and Agriculture Advisor, HSBC

These resources can be accessed at www.cpsl.cam.ac.uk/natcap

E.Valu.A.Te: Tool provides interactive, step-by-step guidance to help corporates complete a site-specific evaluation of environmental externalities; it includes a worked example highlighting the decisions made at each step by SABMiller in their detailed case study.

E.Valu.A.Te: the Practical Guide provides supporting information for the Tool and deeper dives into evaluation assessments with examples from case studies.

Building context specific natural capital metrics into your business

This collaborative focused on creating a practical, web based tool to help companies think through their decisions on metrics and, in particular, to highlight the value of context based metrics in their decision making processes.

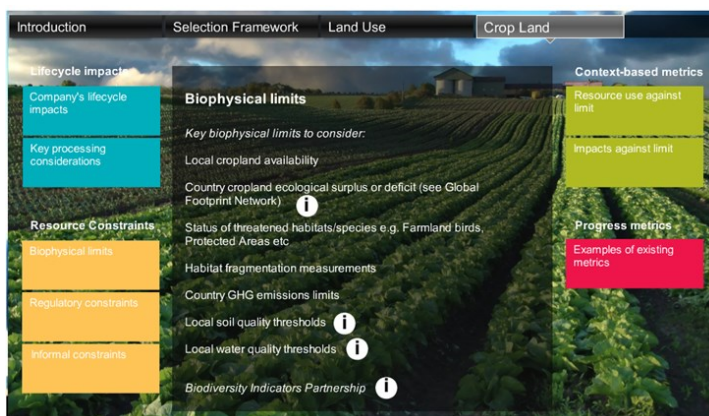


Figure 2: Example from the online Metrics Selection Framework tool

Davis Cook, Environmental Advisor, Anglo American said *"[The collaborative process was] an excellent opportunity to share experiences from different firms and industries, leading to innovation and a fresh point of view"*.

Linking landscapes and livelihoods to improve business relationships with smallholders

This collaboratory created a practical assessment framework to make a cost-effective case for interventions relating to smallholder farmers, particularly those reliant on marginal land.

Chris Brett, Global Head CRS, Olam International said *“the framework is a great example of a tool that we can use internally with our businesses with the message that this is becoming part of our own standards.”*



Figure 3 Martin Roberts presenting the next steps for the Natural Capital Leaders Platform

“The tools we are launching today are the culmination of 18 months of collaboration between companies, business experts and academics. They are designed to advance businesses’ understanding of the growing pressures on global natural resources and enable companies to respond to resource challenges with approaches that mutually benefit the environment, business and other stakeholders.”

Martin Roberts, Director, Natural Capital Leaders Platform

In the next phase Platform members will collaborate with academics and other companies to develop and test new metrics to measure their impacts in the most relevant natural capital category. To investigate and test these new approaches to natural capital management CPSL will develop a series of practical action research case studies, tracking a business problem from its definition, through option analysis, testing and evaluation of outcomes co-produced with top academics. CPSL's web based tools will make an important contribution in the studies to understanding and communicating complexity in different parts of a company's business.

Watch the webinar recording of Second Nature here:

<http://collab8.adobeconnect.com/p8tnih9ji26/>

More information

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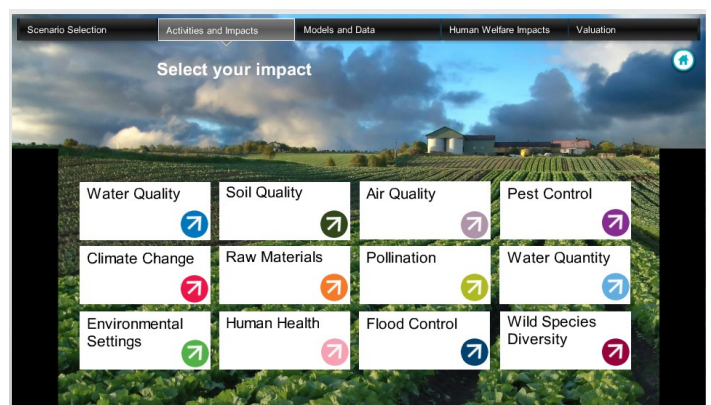


Figure 4 Example of the E.Valu.A.Te. tool