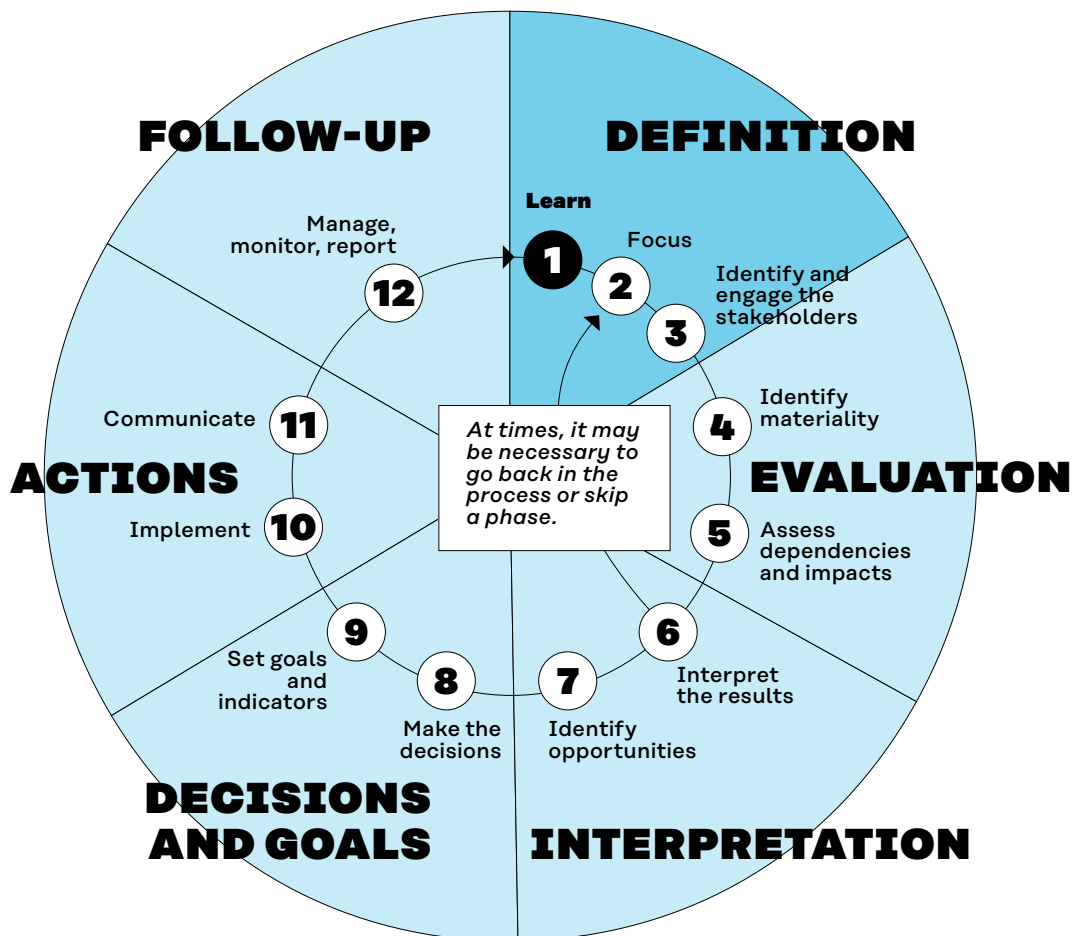


# 12 NATURE STEPS FOR COMPANIES – STRENGTHEN YOUR BUSINESS WITH NATURE ACTION

Framework for businesses



# 12 nature steps for companies – strengthen your business with nature action

The framework '12 nature steps for companies' supports businesses' biodiversity work. This document presents the framework and guidance for using it. The framework is based on a literature review, interviews and workshops with Finnish companies in autumn 2021. The findings of the project are presented in a background report more comprehensively in Finnish.

## Principles and structures of the framework

The framework aims to support businesses of all sizes, sectors and starting levels in identifying and mitigating nature dependencies and impacts, managing risks and identifying of new opportunities. To ensure its applicability, the framework's approach is intended to be compatible with other corporate social responsibility systems, tools and frameworks. Previous materiality analyses or other studies on the subject should be used alongside the framework.

The framework addresses issues at a general level that is applicable to all businesses, and does not therefore address particular sector-specific issues. The aim is to help businesses see the links between biodiversity and their operations, set targets and decide on their own starting points: the framework does not recommend specific targets or actions for all. The framework has been developed as an organisational tool, but you can start by piloting its use in a single value chain, product category, department or project – and use the lessons learned to look at the whole company.

The framework has six stages and 12 steps that take the user through the process of taking account of biodiversity. A simplified version of the process includes steps 1, 4, 6, 8,

10 and 12 – so just completing these tasks will get you started. To get a full picture, it is worth reading through all the tasks first. The clock-like format of the framework suggests that this is not a one-off process, but can be deepened and broadened each time. The key idea is the principle of continuous improvement. The process may sometimes require going back and refining the analysis in the light of new information or skip phases that seem challenging and returning to them later.

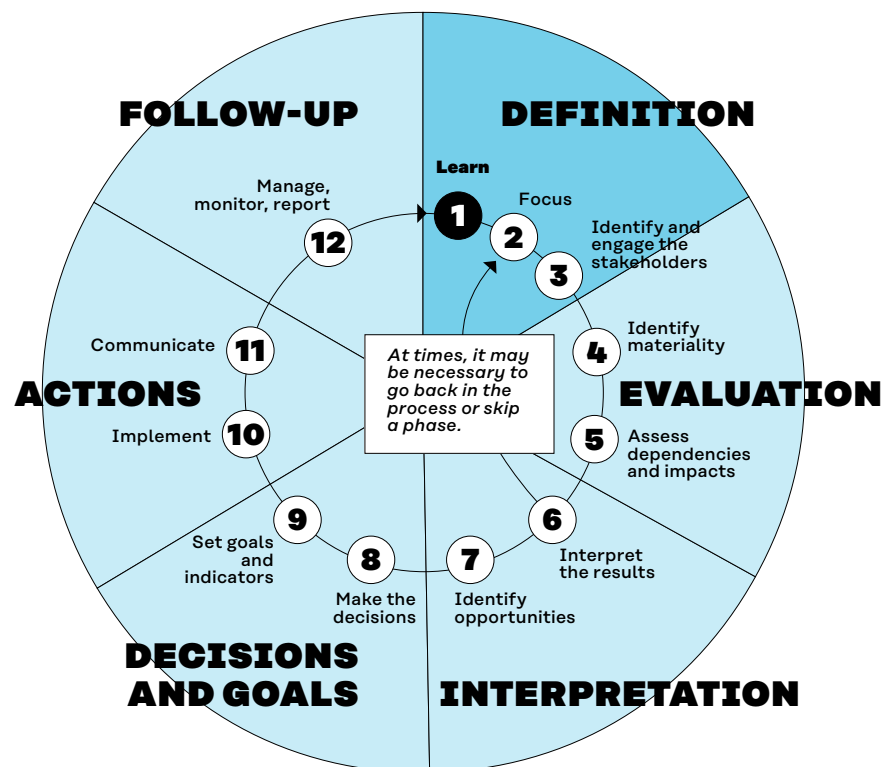
Communications play an important role in the operations of businesses, and also offers opportunities and challenges in relation to biodiversity. In external communications in particular, it is important to check the assumptions of the claims and calculations made and to communicate them openly. Open communication can also strengthen the co-operation between the different parties in the value chains to take biodiversity into account. Therefore, communications should take place at different stage of the framework process, not only in the dedicated task 11.

The framework does not recommend specific individual indicators. Subsequent projects in Finland or in different sectors may aim to develop a common and comparable approach to measuring and monitoring biodiversity.

Taking biodiversity into consideration is inherently complex. The framework encourages a gradual deepening of knowledge, and eventually going through all stages and tasks, applying them to the entire value chain of the business. Data collection and analysis of

data and possible calculation may require training and external support. Support can be sought from your industry association, specialist consultants or educational institutions in the form of research projects or theses.

**Figure 6. 12 nature steps for companies – strengthen your business with nature action.**



**Quick guide :  
12 nature steps for companies – strengthen your business  
with nature action**

- **Read about the topic** in general and build up an overview (see step 1 "Learn")
- **Choose the topics** that will benefit your business and customers the most
- **Apply this framework** as best suits you (even if you use the framework selectively, it is worth reading it in full)
- **The simplified version of the process** includes steps 1, 4, 6, 8, 10 and 12 – so just completing these tasks will get you started.
- **Do not make a separate system** but incorporate the activities into other management, goal setting and performance monitoring
- **Have the courage to review** your business with an open mind – you may get new ideas
- **Communicate the results** to your customers and other stakeholders
- **The best day to start is today** – you can always add to the results later

# DEFINITION

1

## Learn

### WHAT?

#### **TASK DESCRIPTION**

Learn about the topic, concepts and importance of biodiversity in general and in business.

### WHY?

#### **RELEVANCE TO BUSINESS**

Knowing the key concepts and significance of biodiversity loss can help you justify to internal and external stakeholders why biodiversity should be on your company's agenda. The reasons may include risk management or the identification of new business opportunities.

### HOW?

#### **FIND OUT THE ANSWERS TO THESE QUESTIONS**

##### **What are the key concepts and what do they mean?**

- Biodiversity
- Ecosystem services
- Nature capital

##### **Why has this become important?**

- How has the state of nature deteriorated?
- What mechanisms underlie biodiversity loss?
- What threats can the development generally cause to society?

##### **What is your first impression of how this topic relates to your own business?**

## RESOURCES

### **Support resources:**

Chapters 2 and 3 of the background report (in Finnish) explain the concepts, phenomena and business relevance of biodiversity

### **Read more:**

- The Economics of Biodiversity: The Dasgupta Review ([Dasgupta 2021](#))
- Summary for policymakers of the global assessment report on biodiversity and ecosystem services ([IPBES 2019b](#))

## 2

### Focus

#### WHAT?

##### **TASK DESCRIPTION**

Decide on the goal, extent and purpose of use of the review in a way that is relevant to the business.

#### WHY?

##### **RELEVANCE TO BUSINESS**

Defining the company's level of ambition in relation to business goals is essential to ensure that biodiversity is considered in a business-relevant way and creates added value.

The target level can be revisited as the work progresses, for example to identify opportunities for being a pioneer.

#### HOW?

##### **FIND OUT THE ANSWERS TO THESE QUESTIONS**

##### **What is your company's ambition concerning the topic?**

- Has biodiversity already been presented as a risk or opportunity?
- How has the issue been present to customers or competitors?
- How do you want to position yourself – pioneer, A-team or follower?

##### **How should the work be demarcated?**

- What competence and resources are there?
- Will the review look at all business or only part of it?
- What parts of the value chain will be reviewed – the company's in-house operations or also the start and end points of the value chain?
- What information or data is available or possible to collect?
- What is the baseline level or year to which progress will be compared?

### RESOURCES

#### **Support resources:**

Chapters 4 and 5 of the background report (in Finnish) explain the importance of reviewing the value chain in terms of dependencies and impacts

#### **Read more:**

- Guidelines supporting the focus are offered by, inter alia:
  - [Natural Capital Protocol Biodiversity Guidance](#)
  - [Biological diversity protocol](#)
- Guidelines for baselining can be found, for instance, from the [Science-based Targets for Nature](#)

## 3

### Identify and commit the stakeholders

#### WHAT?

##### **TASK DESCRIPTION**

- A. Identify the internal stakeholders and build internal awareness and commitment to the work.
- B. Identify the essential external stakeholders and partners needed to implement the biodiversity work and sharing knowledge.
- C. Identify the stakeholders to whom you want to communicate about the work.

#### WHY?

##### **RELEVANCE TO BUSINESS**

- A. The primary step is to embed the thinking internally within the business and develop an understanding of and commitment to biodiversity to ensure business continuity.
- B. The value chain is important. So it is important to identify the essential partners needed for carrying out the work already at an early phase.
- C. Communications: information can be used to influence, monitor regulation and build the employer image and brand, for example.

#### HOW?

##### **FIND OUT THE ANSWERS TO THESE QUESTIONS**

- A. Who are the most essential internal stakeholders? How do you engage the necessary stakeholders within the organisation? How will consideration of nature be implemented within the organisation?
- B. What external partners, especially in the value chain, are needed, for example, to collect information for assessing the impact on nature or to implement measures that strengthen nature? What could you learn or teach others? How can you build thought leadership and gain a competitive advantage?
- C. What are the most essential external stakeholders for your business in terms of communications? Have you carried out a materiality analysis to identify information needs, for example? When you subsequently identify risks and opportunities, will they result in a need to influence regulation or procurement, for example? What kind of communications skills are needed?

## RESOURCES

##### **Support resources:**

- Examples of voluntary, international frameworks and initiatives are presented in Appendix 1 of the background report (in Finnish).

##### **Read more:**

- [Capitals Coalition](#) maintains a collection of projects and outputs that tackle common challenges and share best practices.

## 4

### Identify materiality

#### WHAT?

##### **TASK DESCRIPTION**

- A. Identify the key biodiversity dependencies and impacts related to the company's industry.
- B. Assess the materiality of the identified dependencies and impacts through its own value chain, taking the stakeholders' views into account.

#### WHY?

##### **RELEVANCE TO BUSINESS**

- A. Identifying the key dependencies and impacts of the industry helps to understand the prerequisites for business and business risks emerging from biodiversity loss – as well as their impacts on competition and co-operation opportunities.
- B. Views of the company's stakeholders into the industry's themes help to focus the further analysis.

#### HOW?

##### **FIND OUT THE ANSWERS TO THESE QUESTIONS**

- A. What are the nature-related dependencies in general that are important for the industry (according to the focusing carried out in step 2)?
  - Does the sector use raw materials from nature (renewable or non-renewable)?
  - To what extent is business in the sector directly dependent on nature's regulating services?
  - Is the sector's business based on the use of cultural ecosystem services?

What are the indirect dependencies are present in the industry's value chains?

What impacts do the industry's value chains in general have on different ecosystem services?

  - For example, what emissions are associated with the industry's business and what is their impact on nature?
  - Are the impacts direct or indirect?
- B. What of the themes relating to nature and ecosystem services identified above are particularly important to the company's customers or other stakeholders?

## RESOURCES

### **Read more:**

**A model for examining relevance can be found in the following resources, for example:**

- [Natural Capital Protocol Biodiversity Guidance](#)
- [Science-based targets for Nature](#)

**Sector-specific compilations of materialities in the value chain:**

- [SASB Materiality map](#)
- [Natural Capital Protocol Biodiversity Guidance](#)
- [Biological diversity protocol](#)

5

A

## Assess dependencies

### WHAT?

#### **TASK DESCRIPTION**

Identify the dependencies of the business on biodiversity (ecosystem services) and dependence-related risks.

### WHY?

#### **RELEVANCE TO BUSINESS**

All economic activity is directly or indirectly linked to nature. With biodiversity loss, the probability of risks and associated disruptions to business from nature dependencies will increase, for example in the form of the availability of materials and price fluctuations. Identifying the dependencies makes it easier to prepare for the risks.

### HOW?

#### **FIND OUT THE ANSWERS TO THESE QUESTIONS**

- A. What are the most essential dependencies on ecosystem services for your business?
- What is the value chain of your business (in accordance with the focus of step 2) with its different locations and/or supply chains?
  - How do the company's operations depend on nature and its services in the different locations and/or business functions (directly or indirectly)? What areas of biodiversity are important and why?
  - What is the magnitude of the above-mentioned dependencies? What unit can be used for describing the magnitude of the dependence?
- B. What are the business risks to your company's operations from loss of biodiversity either directly or through the value chain?
- What will be the future availability of the necessary natural materials or other ecosystem services at existing or new locations?
  - How will biodiversity loss affect the quality and price of materials?

## RESOURCES

### **Support resources:**

Examples of the ecosystem services on which companies in each industry depend can be found in Chapter 4 of the background report (in Finnish).

The case example of the Tynelä farm and regenerative farming methods illustrates how to identify dependencies and mitigate risks in practice (Appendix 2 of the background report, in Finnish).

### **Read more:**

#### **Tools for identifying and assessing dependencies:**

- [ENCORE](#) – significance of the dependence of select industries
- [InVest](#) – calculation software for monetising the risks



5

B

## Assess the impacts

### WHAT?

#### **TASK DESCRIPTION**

Identify the negative and positive impacts of the company on biodiversity.

### WHY?

#### **RELEVANCE TO BUSINESS**

In order to manage risks and seize opportunities associated with nature impacts, the impacts must first be identified. Looking at the impacts throughout the value chain helps to find the most significant points of impact on nature impacts and to target action on the most relevant factors.

### HOW?

#### **FIND OUT THE ANSWERS TO THESE QUESTIONS**

How and to what extent does the company's business, according to the limitations done in task 2, directly or indirectly impact biodiversity and its ability to provide ecosystem services?

- Use of land or water areas in operations and impacts
- Use of natural resources: production and use of renewable, fossil or recycled raw materials, water use
- Pollution: emissions into air, water or soil, waste, consequences of possible accidents
- Climate change: Greenhouse gases from operations
- Invasive species and other impacts: do the operations involve invasive species or risk of invasive species?

## RESOURCES

#### **Support resources:**

- For an introduction to companies' nature impacts and examples of assessment tools see Chapter 5 of the background report (in Finnish)
- The case example of Neste Oy briefly describes the development of impact assessment in practice (Appendix 2 of the background report, in Finnish)

#### **Read more:**

#### **Information from existing environmental documentation and processes can also be used in assessing the impacts**

- Own operations: Environmental permit reviews, ISO14001 system (ISO established a working group to develop standardisation on biodiversity in 2020)
- Value chain: product life cycle assessment, environmental product declarations (EPD)

## 6

### Interpret the results of the assessment

#### WHAT?

##### TASK DESCRIPTION

Identify the negative and positive dependencies of the company and impacts on biodiversity. (Steps 5A and 5B)

#### WHY?

##### RELEVANCE TO BUSINESS

- A. Understanding the magnitude and formation of the nature dependencies and impacts of an activity is a prerequisite for the effective targeting of interventions instead of individual and isolated measures.
- B. Assessing the significance of the results helps to identify the most effective and financially viable targets in terms of biodiversity. The information helps to set the goals and prioritise measures.

#### HOW?

##### FIND OUT THE ANSWERS TO THESE QUESTIONS

How large are the company's impacts or dependencies and what are they made up of? Where is there the most work to be done and the most to be gained?

- Relative contribution to net impact: the contribution of a specific site, business unit, product or service of the company's overall impact?
- Business risks: what products and services are compromised due to the above? How can the availability, price and quality of raw materials change? What can be substituted?
- Criticality of natural site? What are the characteristics of the site of impact and its criticality in terms of biodiversity loss? Are there risks associated with the situation, such as ban on operations or availability of environmental permits for expansion?
- Local criticality of the company's impact: what is the importance of the business in terms of biodiversity in a specific ecosystem, for example?
- Stakeholder expectations: what is the significance to stakeholders, both locally and more extensively? Risks relating to customer expectations?
- Value chain: what are the resources of the value chain for assessing and mitigating the impacts and dependencies, such as in procurement?
- Operating environment: other contributing factors, such as the preparedness of the operating environment or financial risks?

## RESOURCES

### Read more:

Models and tools to support the interpretation of results and prioritisation of measures:

- [Science-Based Targets for Nature](#)
- [Natural Capital Protocol Biodiversity Guidance](#)
- [Biological diversity protocol](#)

## 7

## Identify opportunities

### WHAT?

#### **TASK DESCRIPTION**

Identify opportunities for increasing the company's value or create new business from more sustainable solutions for nature.

### WHY?

#### **RELEVANCE TO BUSINESS**

The opportunities may relate to, for example:

- Mitigating own risks
- Increasing own strengths as a competitive advantage
- New customer needs or segments
- New innovations
- Stronger branding
- Visibility to stakeholders and new opportunities for dialogue.

### HOW?

#### **FIND OUT THE ANSWERS TO THESE QUESTIONS**

What are the critical risks associated with biodiversity and your business?

- Are the supply risks in the value chain, such as in procurement?
- Can the value chain cause harm to biodiversity?
- How can the risks be mitigated?
- What benefits can be obtained by mitigating one's own negative impacts?
- How are these benefits linked to own products, services or solutions?
- What expectations or needs can arise from elsewhere?
- What topics would motivate the personnel and strengthen the employer image?
- Do the customers have needs for more sustainable solutions? What information would they want?
- Are the parties to the value chain interested in joint development?
- How can the company seek thought leadership and value for its brand?
- Who are the most important partners?
- What subjects are of interest?
- Are there emerging needs in the business environment for nature-enhancing solutions that the company could develop products or services around?

## RESOURCES

#### **Support resources:**

- See Chapter 6 of the background report (in Finnish) of the background report for a guide to identifying opportunities.
- Of the case examples, Kääpä Biotech & Kääpä Forest has made business out of providing forest biodiversity services (Appendix 2 of the background report, in Finnish)

#### **Read more:**

- Identifying opportunities and stimulus: The Corporate Ecosystem Services Review (World Resources Institute 2012).

## 8

## Make the decisions

### WHAT?

#### **TASK DESCRIPTION**

Make decisions on strategic directions, commitments and actions based on the review.

### WHY?

#### **RELEVANCE TO BUSINESS**

Through a planned and concrete approach, strategic policies and commitments - and actions - can be made that have an impact on both biodiversity and the business of the company. These policies and commitments will tell stakeholders about the level of ambition of the company.

### HOW?

#### **FIND OUT THE ANSWERS TO THESE QUESTIONS**

What approaches or overarching goals will the company set for its biodiversity work? Will it, for example, join any commitments?

- What is the impact of the company's strategic policy on the goals of its biodiversity work? Or what is the impact of the goals on the company's strategic approach?
- What alternative measures could address the goals? What are the impacts of the measures on business, investments and biodiversity?
- For example, what kinds of changes are needed due to new business opportunities or risks?
- For example, what investments are needed to implement the policy (such as ecological compensation)? What is the intended timespan of reaching the goals?

## RESOURCES

#### **Support resources:**

- Further information on legislative and financial developments in the context of the operating environment is summarised in Chapter 6 of the background report and presented more fully in Appendix 1 (in Finnish).

## 9

# Set goals and indicators

## WHAT?

### TASK DESCRIPTION

Set more detailed goals and indicators for biodiversity.

## WHY?

### RELEVANCE TO BUSINESS

Making policies more concrete and proving the change requires more detailed goals and indicators. Concrete goals and indicators will also show stakeholders the company's commitment to its policies. In addition, indicators allow progress to be demonstrated in a transparent way and results to be communicated to stakeholders (such as customers and investors).

## HOW?

### FIND OUT THE ANSWERS TO THESE QUESTIONS

- What goals for reducing dependencies and risks will be set? How can the change be measured? What is the measurable baseline and target level?
- What goals for reducing impacts will be set? How can the change be measured?
- What goals are set for new business opportunities? How can they be measured?

## RESOURCES

### Support resources:

- Examples of tools for assessing impacts in your operations and in the value chain are presented in Chapter 5 of the background report (in Finnish).
- The case studies in Appendix 2 of the background report (in Finnish) present UPM, whose funding conditions are linked to achieving biodiversity and climate goals.

### Read more:

- [The Science-Based Targets for Nature framework](#) offers guidelines for defining goals.
- EU's Business@Biodiversity platform "[Assessment of biodiversity measurement approaches](#)" reports

# ACTIONS

10

## Implement

### WHAT?

#### **TASK DESCRIPTION**

To integrate decisions into the company's operations, management and scoreboards.

### WHY?

#### **RELEVANCE TO BUSINESS**

A concrete implementation plan and the development of management in line with the company's policies will effectively orient the company's operations towards reaching the goals. Value chain actions and measurement results that demonstrate a reduction in negative impacts and dependencies or the achievement of positive impacts can be a significant saleable added value.

### HOW?

#### **FIND OUT THE ANSWERS TO THESE QUESTIONS**

- What concrete measures would achieve the goals? Which function in the company implements the measures (for instance product and service development, sales and marketing, RDI projects, including joint development in the value chain and with customers)?
- Where and how can dependencies or impacts be avoided, or completely eliminated?
- Where and how can the remaining dependencies or impacts be reduced?
- How can the state of nature be improved where there are dependencies or impacts? For example, if restoration measures are decided on, what will their impact be and what is the schedule?
- What other ways can be used to influence change in day-to-day operations, such as procurement, including guidelines and training?

## RESOURCES

#### **Support resources:**

- Examples of measures and practical ideas can be found in Chapter 6 of the background report (in Finnish).
- The case examples describe concrete measures that companies have already taken (Appendix 2 to the report, in Finnish).

# ACTIONS

11

## Communicate

### WHAT?

#### **TASK DESCRIPTION**

Communicate the goals, measures and achievements to stakeholders.

### WHY?

#### **RELEVANCE TO BUSINESS**

By communicating about its goals, measures and achievements to its stakeholders, a company can obtain reputational and financing-related benefits, among others.

### HOW?

#### **FIND OUT THE ANSWERS TO THESE QUESTIONS**

When, about what, where and to whom to communicate?

- What are the most essential stakeholders with regard to the different goals and measures? Customers, personnel, shareholders, media, someone else?
- How will the stakeholders be engaged in the different phases?
- What kind of communication could strengthen co-operation between the parties to the value chain and stakeholders?
- Do you communicate only when there are ready results or already at earlier stages?

## RESOURCES

#### **Support resources:**

- Of the case examples, the description of the honey producer Hikiä includes a view into incorporating biodiversity into brand communications (Appendix 2 to the background report, in Finnish).

#### **Read more:**

- Science-Based Targets for Nature framework and Biological diversity protocol offer perspectives into communications.

## 12

## Manage, monitor and report

### WHAT?

#### **TASK DESCRIPTION**

The principles of continuous improvement are used for managing, monitoring and reporting on the implementation of the measures and achievements and reviewing the limitation and decisions made, and new reviews and decisions are made, if necessary.

### WHY?

#### **RELEVANCE TO BUSINESS**

Through determined management and action, a company can achieve results in terms of reduced risk, increased shareholder value, improved staff motivation, development of brand value and potential new business.

Change management is the priority, while follow-up and monitoring are tools to achieve it.

### HOW?

#### **FIND OUT THE ANSWERS TO THESE QUESTIONS**

What results have the measures produced?

- Are we on track to reach the goals or are additional measures needed?
- Have the goals perhaps been reached ahead of schedule?
- How are the policies and goals reflected in the company's management?
- Are the performance indicators pointing in the right direction in terms of biodiversity goals?
- What value has been added to the company?

What requirements pertaining to biodiversity is the company subject to now, and how will the situation possibly change in the future?

- Are past limitations, decisions and target levels still relevant?
- Has the business environment developed to such an extent that business opportunities previously thought to be unrealistic should be reconsidered?

## RESOURCES

#### **Support resources:**

- For information on the expected changes in the policy environment (donor and legislative perspectives and ongoing voluntary initiatives), see Chapter 6 and Annex 1 of the background report (in Finnish)
- Information about an organisation's management systems (especially ISO) is available on the website of the Finnish Standards Association SFS
- Various reporting frameworks for highlighting results: UN Sustainable Development Goals and Global Compact, GRI



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