

MAY 2016

Annexes to The Benefit Multiplier of Investing in Nature

Solving Business Problems and Realizing Multiple Returns
from Working with Ecological Systems



Contents

Additional Case Examples	2
Resources	11
Research Methodology	14

Annex 1: Additional Case Examples



Bimbo Bakeries invested in an engineered “natural infrastructure” solution to [storm water management](#) that involves both rain gardens and a riparian forested buffer. In addition to effectively managing storm water, this project aims to “recharge the water table, provide habitat for wildlife and protect a pristine waterway.” The system is expected to mitigate 75,359 cubic feet of storm water annually. Assuming the system is successful at this site, Bimbo will explore implementing similar solutions at sites across its operations.



CEMEX considers its commitment to biodiversity an important component of its “overall approach to addressing climate change and vice versa.” Established in 2000, CEMEX’s [El Carmen Initiative](#) helps protect and conserve approximately 200,000 hectares of ecologically significant land along the border of the United States and Mexico.

Owned by CEMEX and other private landowners, El Carmen is home to more than 500 species of plants, 289 species of birds, 78 species of mammals, and 79 kinds of reptiles and amphibians. In El Carmen, CEMEX has eight hectares of land in conservation for every hectare of land dedicated to operations. The initiative uses scientific research and proven habitat- and wildlife-management practices to restore and protect the landscape, native grasslands, and wildlife species. El Carmen staff also provide guidance to interested adjacent landowners on habitat and wildlife restoration as well as information about the environmental services that it provides, such CO₂ sequestration and watershed recharge.



Diageo supports water stewardship and intends to improve watershed structure and function. For [example](#), in Kenya, Diageo partnered with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), to jointly convene The Nairobi Water Roundtable (NWRT), which included representatives from BASF (Kenya), British American Tobacco (Kenya), Coca-Cola Nairobi Bottlers, Chandaria Industries, GIZ, the International Union for Conservation of Nature (IUCN), the Kenya Association of Manufacturers, KBL, Tetra Pak (Kenya), The Nature Conservancy, and the Water Resources Management Authority. As a result of this gathering, members of the group are “now collectively pursuing projects to protect local watersheds, working together to influence government, and sharing best practices to conserve water. Projects include water reuse and recycling, local river restoration, aquifer recharge, rainwater harvesting, and catchment management.”

Future investment in brewing capacity in the city will inevitably rely on a sustainable supply of water. We realized we couldn't do it on our own and that to make a real difference in the broader watershed, businesses would have to work together with new partners, many of whom hadn't worked together before.

- [Michael Alexander](#), Head of Environment, Diageo



evian's [Apieme Partnership](#) works with local farmers and authorities to “protect the resource from the impacts of agriculture and human activities.” In 1998, evian became the first private company to partner with the Ramsar Convention. In 2009, an evian site was classified as a Ramsar wetland zone. “As water protection lies at the very core of its field of expertise, evian decided to cooperate with other players worldwide, working for the conservation of water resources and wetland ecosystems.”

evian also participates in Danone's Fund for Nature. A first project that involves evian launched in 2009, working with Oceanium, a local NGO working on the mangroves ecosystem, to replant mangrove forests in Senegal.



FEMSA Foundation [supports The Nature Conservancy's](#) Latin American Water Funds Partnership to protect freshwater supplies in Latin America. Projects that FEMSA's contributions have financed include:

- Valle del Cauca, Colombia: The Cauca Valley Water Fund protects Andean forests and grasslands, and helps preserve freshwater resources for more than 900,000 residents in five towns.
- East Cauca Valley: The Fund supports the conservation of moist tropical forests and mountain grasslands surrounding 11 river basins that provide drinking water to 900,000 people in Palmira, El Cerrito, Pradera, Florida, Tulua, Buga, and Miranda. These Western-Colombian cities are in the buffer zones of Las Hermosas National Park and several regional protected areas that provide essential habitat for many endangered species.
- Bogotá, Colombia: Launched in April 2008, the Bogotá Water Fund finances conservation of tropical Andean forests. These forests line watersheds that supply drinking water to 8 million people in Bogotá. Meanwhile, the city's water-treatment facility could save up to US\$4 million every year because trees will be doing a large portion of their filtering work, and habitat will be protected for endangered spectacled bears and Andean condors.
- São Paulo, Brazil: Half of São Paulo's population—roughly 9 million people—drink water from the Cantareira Water System in Brazil's Atlantic Forest. The Cantareira is one of the world's largest water systems, but deforestation from farming, ranching, and logging upstream has caused water quality and quantity to drop in recent years. To help solve this problem, the Partnership supports the Water Producer Program in Piracicaba-Capivari-Jundiaí Watershed, through which municipalities in this watershed direct funds collected from water users to pay farmers and ranchers who protect or restore riparian forests on their lands. Landowners are earning about US\$40 per acre per year for the water their forests are producing and filtering.

Other watersheds FEMSA Foundation has supported include Monterrey and Chiapas in Mexico and Medellín in Colombia.



FREEPORT McMoRAN COPPER & GOLD

As of December 2014, 13 **Freeport-McMoRan** sites were certified by the Wildlife Habitat Council's (WHC) [Wildlife at Work program](#), which "recognizes activities that create, conserve, and restore wildlife habitat on corporate lands." The WHC Corporate Lands for Learning program certified six sites, recognizing activities to promote environmental education and outreach initiatives in local communities. The Cerro Verde site, in Peru, received an award for its efforts to monitor and protect the Peruvian long-snouted bat (*Platalina genovensium*), an IUCN-listed species. Bat Conservation International has continued regular monitoring of the Mexican free-tailed bat population at Morenci since the bats' maternity roost was protected in 2010. Results indicate that the population has increased from 1.12 million to 1.35 million individuals over the course of a year of monitoring.



General Mills is investing in ecological restoration as part of its "[water stewardship strategy](#)," which seeks "to improve the health of watersheds accessed by our business worldwide." For example, General Mills' investments in conservation efforts in local communities include a three-year partnership with The Nature Conservancy to help protect the Root River in southeastern Minnesota. In this case, the corporate foundation and the Green Giant brand donated \$300,000 "to work with farmers (including growers of Green Giant vegetables) to encourage best management practices to improve the health of the Root River ... [specifically] to help 31 landowners reduce or develop plans to reduce soil erosion on their farms." This work led to 12 conservation practices installed, with 19 more planned, and current sediment reductions already equaling [486 tons per year](#). Other joint collaborative [TNC-General Mills work](#) includes projects in the [Upper Snake River Basin](#).



Holcim has [partnered with IUCN](#) to address water management. Activities include developing the business case for water-risk management incorporating both watershed management and operational measures. For example, in [Gujarat India](#), Ambuja Cement Limited (ACL), a Holcim Group company, operates the Ambujanagar plant in a region where excessive withdrawal and intensive land use have reduced the groundwater and increased water salinity. The plant developed its rehabilitation plan to take into account broader biodiversity conservation goals and societal needs. The approach resulted in restoring degraded areas near the Gir forest as well as in the closed quarries, and developing a mangrove forest. This work was undertaken with local stakeholders and communities, forest departments, NGOs, and authorities, and an additional benefit of the project has been the strengthened relationships with these stakeholders.



Destinations in Latin America and the Caribbean make up one-third of **JetBlue's** route network, and the company recognizes that "ecosystem health and natural appearance of these destinations have a direct impact on our business." JetBlue partners with the Surfrider Foundation, a non-profit organization dedicated to the protection of the world's oceans, waves, and beaches, to support their coastal preservation work and special place protection programs, designed to preserve beach environments.



Kering invests in forest restoration through engagement with [REDD+](#) (Reducing Emissions from Deforestation and forest Degradation), which enables companies to sequester carbon through investing in on-the-ground forest restoration. When designed well, REDD+ projects can address local community concerns and interests as well as offer new benefits. These positive project benefits come from maintaining forests and addressing the reality of declining local income from extractive forest use. In recognition of the advantages of REDD+ projects, Kering has acquired a 5 percent stake in project-development company Wildlife Works Carbon, and this support—as well as other initiatives associated with the REDD+ project in Kenya’s Kasigau Corridor—have opened up a new set of economic opportunities for the local community.



activities.

Lafarge works with the Wildlife Habitat Council (WHC) on [conservation projects](#) on corporate-owned land. The Lafarge programs certified under WHC’s Corporate Lands for Learning program include planting trees and shrubs to enhance habitats, establishing gardens that attract pollinators, and other



(or is expected to be) permanently protected through the sale of working-forest conservation easements and other conservation instruments. Lyme’s investments typically fill holes in important conservation landscapes, and their protection helps deliver vital ecosystem services, including carbon storage, flood control, maintenance of air quality, drinking water supply protection, recycling of nutrients, soil generation, habitat protection, recreation, and ecotourism.” Lyme uses the IRIS (Impact Reporting and Investment Standards) metrics developed by the Global Impact Investing Network to track the conservation and economic impact of its investments.

The **Lyme Timber Company**, a timberland investment management organization, protects forests through [conservation easements](#). According to the company: “out of the 965,000 acres in Lyme’s current and historical portfolio, 95 percent has been



Marriott states that “investing in strategic conservation initiatives—including the Juma REDD+ project in the Brazilian Amazon Rainforest, a freshwater project in China’s Sichuan province, and a mangrove restoration project in Thailand—creates greater economic development locally while ensuring a healthier planet for all, both of which are key to Marriott’s long-term business success.” In 2012, the company committed to invest US\$500,000 to sustain the preservation of the [Juma Reserve](#) in Brazil. This commitment builds on a US\$2 million initial investment made in 2008 under an agreement with the Amazonas Sustainable Foundation and the Government of Amazonas to preserve the Juma Reserve’s 1.4 million acres of rainforest.



National Australia Bank recognizes the “importance of natural capital in the health and well-being of the economy.” The company is a signatory of the Natural Capital Declaration and has committed to integrating “natural value” into investment decision making. The bank supports several [conservation initiatives](#) that “help employees better understand the value of our natural assets and the important role they playing underpinning our economy and societal well-being.”



National Grid maintains programs to protect [wildlife and wetlands](#). The company [states](#), “Ecosystems provide all of us with essential services: They regulate the climate and absorb

CO₂, purify air and water, pollinate plants, provide food and other resources. On a subtler level, access to green space and the variety of life it supports enriches our health and well-being. Understanding, managing, and preserving the integrity and value of this natural capital is essential for all of us, for now and into a sustainable future.” The company is a participating member of the Corporate Wetlands Restoration Partnership (CWRP), a group aiming to preserve, restore, enhance and protect aquatic habitats throughout the United States. Overall, their approach was [described](#) as: “With an extensive property portfolio (required to carry our network of energy transmission assets), we have a unique opportunity to make a positive contribution to the preservation and enhancement of the natural environment and its ecosystems.”



Patagonia has a long history of considering, and acting as an advocate for, ecological restoration. Founder Yvon Chouinard [asserts](#) that lessons emerged early on, in the 1970s, adjacent to their offices.

“A group of us went to a city council meeting to help protect a local surf break. We knew vaguely that

the Ventura River had once been a major steelhead salmon habitat. Then, during the 1940s, two dams were built, and water diverted. Except for winter rains, the only water left at the river mouth flowed from the sewage plant. At that city council meeting, several experts testified that the river was dead and that channeling the mouth would have no effect on remaining bird- and wildlife, or on our surf break. Things looked grim until Mark Capelli, a 25-year-old biology student, gave a slide show of photos he had taken along the river—of the birds that lived in the willows, of the muskrats and water snakes, of eels that spawned in the estuary. He even showed a slide of a steelhead smolt: yes, fifty or so steelhead still came to spawn in our ‘dead’ river. The development plan was defeated. We gave Mark office space and a mailbox, and small contributions to help him fight the River’s battle....”

Following this work, Patagonia began to make more donations, primarily to “smaller groups working to save or restore habitat.” In 1986, the company committed to donate 10 percent of profits each year to environmental groups, which was later revised to 1 percent of sales, or 10 percent of profits, whichever was greater. As of [2014](#), the company has donated a total of US\$61 million in cash and in-kind services.

The company also uses its communications skills to support advocacy campaigns. The first was undertaken in 1988, “on behalf of an alternative master plan to deurbanize the Yosemite Valley.” Each year since, the company has undertaken a major education campaign on an environmental issue, including “dam removal where silting, marginally useful dams compromise

fish life” as well as “wildlands projects that seek to preserve ecosystems whole and create corridors for wildlife to roam,” among other campaigns.

Not surprisingly, a number of investments in conservation and restoration have occurred in the geographical namesake of the company, as explained in a [2014](#) report:

“For 10 years, Patagonia-the-company has been working with Conservación Patagónica, founded by our former CEO Kris Tompkins and her husband, Doug Tompkins, to create a new national park in Patagonia-the-place. Located in southern Chile, the former sheep *estancia* now has nearly 100 miles of hiking trails, three campgrounds, a restaurant, lodge, and visitor’s center. Patagonia Park will officially open Oct. 15, 2014. Our company has supported this effort since its inception, assisting with funds to purchase the land, sending employees to take down fences and, more recently, providing additional money to complete trails and campgrounds. We are proud to be part of this new model for conservation—using private and corporate philanthropy to create a large-scale park that eventually will be transferred to the national park system in Chile.”



PepsiCo has a corporate [goal](#) to “help protect and conserve global water supplies, especially in water-stressed areas, and partner to provide access to safe water.” In working toward this goal, [PepsiCo has partnered with The Nature Conservancy](#) on “Positive Water Impact” pilot projects that are “focused on understanding the watershed conditions and restoration opportunities” in specific geographies. TNC research identified sub-watersheds for restoration, as well as benefits and costs associated with these

activities, based on assessments that water risks appear to be moderate or high and their specific facilities and associated watersheds appear to have the right enabling conditions for rapid learning. The pilot sites [included](#): Phoenix, Arizona, United States; Boxford, Suffolk, United Kingdom; Zhanjiang, Guangdong Province, China; Sangareddy, Andhra Pradesh, India; and Mexico City—where PepsiCo and the Conservancy are designing watershed conservation activities that can improve water availability and/or quality. Overall, the company [states](#): ““By encouraging better solutions for watershed management in areas where we operate, PepsiCo helps ensure sustainable water supplies and the availability of better-quality water to local communities.”



The sportswear company **Puma** has jumped in with both feet to investing in forest restoration through forest carbon and [REDD+](#) projects. Following on its inaugural [Environmental Profit and Loss](#) Account and first biodegradable and recyclable Sportlifestyle collection—[InCycle](#)—the [Puma Creative Factory in Rukinga, Kenya](#), shows how thinking about financial, natural and human capital can be integrated to drive innovative business models that leverage creativity from around the world.

Specifically, the Puma Creative Factory is part of a bigger initiative focused on driving investment into restoring and maintaining forests through a REDD+ project. This project, designed and managed by [Wildlife Works](#), offers not only a way to offset carbon emissions, but also an opportunity to invest in local jobs. In addition, by investing in this REDD+ project and others like it, corporate decision makers have the opportunity to understand one approach to how natural capital can be measured, documented and monitored over time. Support for the [REDD+ project along with the Puma-sponsored factory](#) is a source of jobs for the community.



Among other projects around the world, [SABMiller](#) is working “to safeguard the watershed and improve habitats in the barley-growing Silver Creek Valley in Idaho.” The company developed a watershed conservation plan, which included projects such as:

- Fencing and planting along streams to prevent damage and contamination by livestock and agriculture
- Coordinating monitoring programs with landowners
- Working with farmers to help them improve their water efficiency through retrofitting irrigation pivots, which led to a 20 percent reduction in overall usage



Sony has invested in several [conservation projects](#) globally. Investments include the “Sony Forest” (comprised of trees originally growing on its factory grounds), as well as the “Water for Life” program, which sponsors a number of community programs including installing floating

wetlands in a local reservoir for water filtration and biodiversity.



In August 2010, **Sumitomo Mitsui Trust Bank** began selling the world’s first [Biodiversity-responsible Investment Fund](#), which invests in Japanese companies actively working to protect biodiversity. In addition, the bank has designated the Ecosystem Conservation Society-Japan as one of the donation recipients. The society purchases trust land to safeguard the habitats of rare species at risk of being destroyed by development.



Swiss Re [asserts](#) that it “understands the relationship between climate and natural-disaster risk and the societal impact of both.” The company further [explains](#) that “given Swiss Re’s role as an ultimate risk-taker, we

are uniquely exposed to the impacts of climate change. We identified climate change as an emerging risk some 20 years ago, and the concern has since evolved into an important component of the company’s long-term risk management strategy.”

One component of Swiss Re’s work on mitigating climate change risk has focused on “green infrastructure,” which a [report](#)—produced in partnership with a number of companies including Swiss Re—defined as “planned and managed natural and semi-natural systems, which can provide more categories of benefits, when compared to traditional *gray* infrastructure.” In the words of [Lea Mueller](#), Swiss Re Climate Change Specialist: “Early investment in climate resilience is more cost-effective than post-disaster relief. Barbados can cost-effectively avoid more than a third of expected losses through initiatives such as beach nourishment and reef and mangrove revivals. Protecting mangroves and coral reefs can considerably reduce damage from strong winds and storm surge.”



Syngenta is committed to helping farmers conserve biodiversity and rescue degraded farmland as a part of [The Good Growth Plan](#). Specifically, [Syngenta](#) stated that “clearing more wilderness to plant crops threatens biodiversity and is not sustainable. We must protect all remaining

natural habitats for the health of our planet. We need to help farms to become more productive, and farmers to protect and improve the biodiversity around their fields.” Through the “[Operation Pollinator](#),” initiative the company works with farmers across 16 European countries and the United States to promote flowering field margins that provide critical habitat for pollinator populations. The company also focuses heavily on soil conservation initiatives, including the [Prince Edward Island Stream Restoration Project](#) (in partnership with the Kensington North Watersheds Association and the Bedeque Bay Environmental Management Association), which helps farmers plant trees and shrubs along streams.



TD Bank [is](#) investing “to protect North American forests large and small,” through collaborations with more than 1,000 environmental and community groups each year, protecting critical forest habitats, enhancing neighborhood parks and supporting educational programs. The company [states](#) that it has helped to protect more than 30,000 acres

of forest in North America.

For example, TD has teamed up with The Nature Conservancy to help protect critical forest in the states where the company operates. By the end of 2014, the partnership had helped protect six properties covering a total of nearly 6,500 acres of forest habitat.

One [joint TNC-TD Bank project is in South Carolina](#), in the Winyah Bay and Pee Dee River Basin. The 80-acre Freeman tract along the scenic Black River is an important addition to TNC's nearly 1,700-acre Black River Preserve in South Carolina. Conservation and restoration plans are underway.



UBS [prohibits investment](#) in companies with the potential to severely damage the environment, stating: “UBS will not knowingly provide financial or advisory services to corporate clients whose primary business activity, or where the proposed

transaction, is associated with severe environmental or social damage to or through use of endangered species of wild flora and fauna, high-conservation-value forests, uncontrolled and/or illegal use of fire for land clearance, illegal logging (including the purchase of illegally harvested timber), wetlands, and UNESCO World Heritage Sites.” In addition, as a part of its local community investment program, the company in 2011 entered into a three-year partnership with the [Swiss Foundation for Landscape Conservation](#) to support the preservation, care, and improvement of landscape that is worthy of protection in Switzerland.



As a part of its [Sustainable Living Plan](#), **Unilever** is “tackling climate change by eliminating deforestation.” The company decided to play a leading role to drive deforestation out of supply chains in an effort to decrease the GHG footprints of products across the value chain.

Its [tree protection program](#) is part of this commitment and will “help fund the protection of 1 million trees in Brazil and Indonesia—two forest areas at high risk of deforestation.” This initiative supports a long-term program by WWF and their partners, BirdLife International and The Wildlife Conservation Society, to lay the foundations for protecting forests around the world. Unilever’s key goals are to “reduce deforestation and forest degradation, restore forest areas, promote sustainable forest management, and increase tree stocks in agricultural landscapes.” [Unilever](#) states that: “The protection of trees is important alongside the planting of new ones. When a tree is cut down you are not just losing that tree, but causing an impact to every system that tree supports individually and collectively as a forest. Tree planting is part of the solution, but without protecting, managing and helping restore the vast areas of existing degraded forest we will constantly be fighting a losing battle.



In 2014, Fondation **Veolia** supported an array of [conservation projects](#), including a Navajo conservation initiative run by [the Cuenca Los Ojos Foundation](#) (active in conserving and rehabilitating the biodiversity of the United States/Mexico borderlands) and a [partnership](#) in Vietnam to manage pollution in Haiphong Bay and conserve the ecosystem of Halong Bay.



In 1995, the **Walt Disney Company** founded [the Disney Conservation Fund](#) in an effort to “protect the planet and help kids develop lifelong conservation values.” Grants awarded through the fund “provide financial support for: the study of wildlife, the protection of habitats, the development of community conservation and education programs in critical ecosystems, and experiences that connect kids to nature through exploration and discovery.” Since its founding, the fund has awarded US\$27 million to projects in 114 countries. In addition, [Disneynature](#), through the Disney Conservation Fund, has “planted 3 million trees in Brazil’s Atlantic Forest, established 40,000 acres of marine protected area in The Bahamas, protected 65,000 acres of savanna in Kenya, protected nearly 130,000 acres of wild chimpanzee habitat, educated 60,000 school children about chimpanzee conservation, and cared for chimpanzees.” Emergency funds are also set aside annually to respond to wild places and wildlife in crisis, such as communities and animals affected by natural disasters and oil spills. The list of past fund awardees can be found [here](#).

Annex 2: Resources

- Adams, L., Schulte, S., Rivarola, M., McDonald, C., and J. Ruhl. (2010). *Alternative Futures: Economic and Water Resource Analysis of Traditional vs. Low-Impact Redevelopment*. Abstract presented at the 2010 International Low-Impact Development Conference. San Francisco, CA.
- Amundsen, O. (2011). *Strategic Conservation Planning*. Washington, DC: Land Trust Alliance.
- Aronson, J., Milton, S. J., & Blignaut, J. N. (Eds.). (2007). *Restoring Natural Capital: Science, Business, and Practice*. Washington, DC: Island Press.
- Asen, A., Savenije, H., & Schmidt, F., eds. (2012, December). *Good Business: Making Private Investments Work for Tropical Forests*. Wageningen: Tropenbos International.
- Bennun, L., Ekstrom, J., & Bull, J. (2014). *Integrating the value of natural capital into private and public investment: the role of information*. Cambridge: The Biodiversity Consultancy.
- Braden, J., Ghalayini, D., Grant, J., Kloss, C., MacMullan, Ed, Morse, S., Montalto, F., Nees, D., Nowak, D., Peck, S., Shikh, S., Yu, C., and S. Wise. 2010. *Integrating Valuation Methods to Recognize Green Infrastructure's Multiple Benefits*. Abstract presented at the 2010 International Low Impact Development Conference. San Francisco, CA.
- Corporate Eco Forum and The Nature Conservancy. (2012). *The New Business Imperative: Valuing Natural Capital*. Retrieved from Corporate Eco Forum: <http://www.corporateecoforum.com/valuingnaturalcapital/offline/download.pdf>.
- Costanza, R., Groot, R. d., Sutton, P., Ploeg, S. v., Anderson, S. J., Kubiszewski, I., Farber, S., and Turner, R. K. (2014). Changes in the global value of ecosystem services. *Global Environmental Change*, 26, 152-158.
- Curtin, C. G. (2014). Resilience design: toward a synthesis of cognition, learning, and collaboration for adaptive problem solving in conservation and natural resource stewardship. *Ecology and Society*, 19(2). Retrieved from <http://www.ecologyandsociety.org/vol19/iss2/art15/>.
- Curtin, C. G., & Parker, J. P. (2014). Foundations of Resilience Thinking. *Conservation Biology*, 912-923.
- Ferwerda, W. (2012). *Nature Resilience, Organising Ecological Restoration by Partners in Business for Next Generations*. Rotterdam School of Management, Erasmus University i.a.w. IUCN Commission on Ecosystem Management.
- Ginn, W. J. (2005). *Investing in Nature: Case Studies of Land Conservation in Collaboration with Business*. Washington, DC: Island Press.
- Goldstein, J. H., Daily, G. C., Friday, J. B., Matson, P. A., Naylor, R. L., & Vitousek, P. (2006). Business strategies for conservation on private lands: Koa forestry as a case study. *Proceedings of the National Academy of Sciences of the United States of America*, 103(26), 10140-10145.

- Groot, R. d., Blignaut, J., Ploeg, S. v., Aronson, J., Elmgvist, T., & Farley, J. (2013). Benefits of investing in ecosystem restoration. *Conservation Biology*, 27(6), 1286-1293.
- Hanson, C., & Maginnis, S. (2013, December 12). *What Does it Take for Successful Forest Landscape Restoration*. Retrieved from World Resources Institute: <http://www.wri.org/blog/2013/12/what-does-it-take-successful-forest-landscape-restoration>.
- Hanson, C., Lugt, C. v., & Ozment, S. (2011). *Nature in Performance: Initial Recommendations for Integrating Ecosystem Services into Business Performance Systems*. World Resources Institute.
- Herbert, C., Olaleye, P., & Office, N. C. (2013, November). *Enhancing the Partnership: Chesapeake Large Landscape Conservation Partnership Report*. Retrieved from National Park Service: http://www.nps.gov/chba/learn/news/upload/LLC-Partnership-Analysis_11012013-1.pdf.
- Houdet, J., Trommetter, M., & Weber, J. (2012). Understanding changes in business strategies regarding biodiversity and ecosystem services. *Ecological Economics*, 73(15), 37-46. Retrieved from <http://www.sciencedirect.com/science/article/pii/S0921800911004393>.
- International Finance Corporation. (2012, January 1). *Performance Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources*. Retrieved from International Finance Corporation: http://www.ifc.org/wps/wcm/connect/bff0a28049a790d6b835faa8c6a8312a/PS6_English_2012.pdf?MOD=AJPERES.
- Keller, S. J. (2014, November 15). *Landscape-scale conservation gains ground*. Retrieved from High Country News: <http://www.hcn.org/articles/landscape-scale-conservation-gains-ground>.
- Levitt, J. N. (Ed.). (2014). *Conservation Catalysts: The Academy as Nature's Agent*. Lincoln Institute of Land Policy.
- Levitt, J. N., & Chester, C. C. (2011). *Report on the 2011 Lincoln Institute Conservation Leadership Dialogue on the Future of Large Landscape Conservation in America*. Cambridge: Lincoln Institute of Land Policy.
- McKinney, M. J., & Johnson, S. (2009). *Working Across Boundaries: People, Nature, and Regions*. Cambridge: Lincoln Institute of Land Policy.
- McKinney, M., & Johnson, S. (2013). *Large landscape Conservation in the Rocky Mountain West: An Inventory and Status Report*. Center for Natural Resources & Environmental Policy.
- McKinney, M., Scarlett, L., & Kemmis, D. (2010). *Large Landscape Conservation: A Strategic Framework for Policy and Action*. Cambridge: Lincoln Institute of Land Policy.
- Montgomery, C. (Ed.). (2011). *Regional Planning for a Sustainable America: How Creative Programs are Promoting Prosperity and Saving the Environment*. Rutgers University Press.
- NatureVest and EKO Asset Management Partners. (2014). *Investing in Conservation: A landscape assessment of an emerging market*. Retrieved July 17, 2015, from

http://www.jpmorganchase.com/corporate/Corporate-Responsibility/document/InvestingInConservation_Report_r2.pdf.

- Rainy, H. J., Pollard, E. H., Dutson, G., Ekstrom, J. M., Livingstone, S. R., Temple, H. J., & Pilgrom, J. D. (2015). A review of corporate goals of No Net Loss and Net Positive Impact on biodiversity. *Oryx*, 49(2), 232-238. Retrieved from <http://journals.cambridge.org/action/displayAbstract?fromPage=online&aid=9625776&fileId=S0030605313001476>.
- Regional Plan Association and America 2050. (2012). *Landscapes: Improving Conservation Practices in the Northeast Megaregion*.
- Scarlette, L. (2011). *America's Working Lands: Farm Bill Programs and Landscape-scale Conservation*. Lincoln Institute of Land Policy.
- Social Impact Investment Taskforce. (2014, September). *Measuring Impact*. Retrieved from Global Impact Investing Network: http://www.thegiin.org/binary-data/IMWG_Whitepaper.pdf.
- Sonen Capital. (2015, July 13). *Sonen Impact Framework: Investing in Water*. Retrieved from Sonen Capital: <http://www.sonencapital.com/wp2015/wp-content/uploads/2015/05/2015IIFWater.pdf>.
- Tjossem, S., Masse, A. F., Miller, S., Barragan, M., Bendandi, B., Berliner, D., . . . Stevens, M. (2011, July 13). *Promoting Private Investment in Wetland Ecosystem Services*. Retrieved from Columbia University: http://mpaenvironment.ei.columbia.edu/files/2014/06/EDF_Workshop_Final_Report_Large1.pdf.
- USDA Forest Service and NAASF. (2014, July 8). *Landscape Scale Conservation in the Northeast and Midwest*. Retrieved from USDA Forest Service: <http://www.na.fs.fed.us/ra/LSCNortheastMidwest.pdf>.
- Waage, S. (2015). "Are you looking at the right trends for resilience and growth?" *The Economist*. <http://www.economistinsights.com/opinion/are-you-looking-right-trends-business-resilience-and-growth>
- Waage, S. (2014). "Business need to invest in green infrastructure." *GreenBiz*. <http://www.greenbiz.com/article/how-investment-green-infrastructure-can-benefit-businesses>.
- Waage, S. (2014). "How companies can integrate ecosystem services into due diligence." *GreenBiz*. <http://www.greenbiz.com/blog/2014/09/16/how-companies-integrate-ecosystem-services-due-diligence>.
- World Business Council for Sustainable Development (WBCSD). (2011, April). *Guide to Corporate Ecosystem Valuation*. Retrieved from WBCSD: <http://www.wbcsd.org/pages/edocument/edocumentdetails.aspx?id=104&nosearchcontentkey=true>.

Annex 3: Research Methodology

This paper was based on a review of literature on corporate investment in ecological restoration, both on privately held lands (within corporate “fence lines”) as well as across landscapes and multiple land ownerships.

It also draws on insights from 32 semi-structured interviews conducted in 2015 with thought- and practice-leaders across private, public, and non-profit sectors—people working on ecological restoration, green infrastructure, and investments in watershed structure and function. The purpose of the interviews was to learn about thought- and practice-leaders’ experiences and views on what is working—and what is not effective—in putting together a robust business case, including ROI and SROI, for investing strategically in large-scale ecological restoration across landscapes and seascapes. Specifically, we were interested in what business cases and ROI/SROIs have been compelling to private-sector decision makers, such as from investors and/or companies or other players.

The questions asked during the semi-structured interviews included:

Background

1. Please tell me about your background as well as your work on (ecological) restoration, particularly as it relates to large landscapes (or seascapes).
2. How did you get involved with this work?
3. Why did you engage? What did you find compelling in this work?
4. What if any obstacles have you encountered, internally and externally related to this work? How were you able to overcome obstacles, resistance, etc.?
5. What drives this work in your company? What would you identify as the benefits of this work for the company?

Understanding the Overall Frame for Making a Case for Private-Sector Strategic Investment in Large-Scale Restoration

1. Share with me how companies like yours historically have viewed investment in large-scale restoration. Have there been major shifts (positive or negative) as to the internal perspective of this type of work in your company? And how is it perceived now?
2. In your opinion, how does the company address overall its dependence and impacts on ecosystems as it relates to restoration?
3. Where on the company’s priority list is strategic investing in large-scale ecological restoration? (Is it related to sustainability, CSR, or other?)
4. How are commitments/investments in large-scale restoration considered in the overall strategic decision making of your corporation? When and where are these considerations made?
 - a. Is a business-case scenario established for consideration, and if so, what are some of the criteria that make up the case?
 - b. When (or is) ecological restoration considered/factored related to your corporation’s business/social performance considerations?
5. If strategic investing in large-scale ecological restoration is not on the company radar, in your opinion should it be? And what would be needed/what information provided to effect change at the C-suite level to get restoration on the company radar?

Metrics & ROI/SROI

1. How is the strategic investment in large-scale ecological restoration integrated into your business performance accounting systems?
 - a. How do you describe, and quantify/account for, the return on investment of this? restoration work? How are you measuring environmental, social, and economic impacts?
 - b. How do you explain/communicate it as it relates to outcomes and ROI/SROI to prospective investors, the company's board, employees, consumer/client stakeholders?
2. Can you break down in further detail how you address the ROI/SROI question?
 - a. How do you measure ROI? What metrics/parameters do you use?
 - b. What is your analytical approach to reflect multiple metrics working in parallel?
 - i. If there is one, can you please provide the "shell" or an example?
 - c. Are there other examples that you would point to as strong for laying out ROI/SROI on large-scale restoration? If so, what are they? (Please provide company names or URLs if possible.)
3. Does the ROI/SROI calculus shift—and become more or less compelling—in certain contexts (e.g., arid, hurricane or flood prone, impoverished areas, etc.)?
 - a. If so, what are these elements?
 - b. Have you assembled these elements into a due diligence / screening framework to assess whether you are likely to get best ROI on restoration?

Just off the top of your head, in a "Lightning Round," what is your perception of the importance of the following factors in building the corporation's business case for investing in large-scale ecological restoration (on a scale of 1-10)?

- GHG offsets
- Leveraging emerging "natural capital" markets (such as water trading, wetland banking, threatened species banking)
- Avoidable supply chain and operational disruption
- Enhancement of ecosystems providing the service
- Risk management issues/opportunities
- Business to business peer group alignment
- Taking a leading stance on critical emerging issues
- Trust and loyalty: Meeting or responding to demands of consumers
- Enhance Corporate Social Responsibility
- Ethics, good future stewardship
- Brand, reputation, and good will
- Increased innovation potential
- Staying ahead of eminent government regulatory changes/policies
- Health and Safety Employees and Contractors
- Attracting and retaining top talent
- Attracting investors and lenders
- Security

In terms of minimizing risks associated with large-scale restoration, how important would the following be (on a scale of 1-10)?

- Public/private partnerships in place
- Responsible governance of restored land (permanent conservation easement in perpetuity)
- Alignment of corporation's objectives, as a funder
- Alignment with International agreements/mandates
- ESG, Environment, Social and Governance performance
- TEEB Economies of Ecosystems & Biodiversity
- GRI G4 Guidelines, Sustainable ratings on Global Reporting Initiative
- ISO 26000
- ISO 14000
- CDP, Carbon Disclosure Project
- Best science and practices partners in place for program design and implementation
- Ability to have private funds access government funding as match
- Verifiable measurement of environmental, social, and economic impacts

4. In your opinion, how valuable would access to a full report on the SROI value along with GHG, etc., be for your restoration initiatives?

5. Do you think that the rationale, business case, and ROI/SROI for restoration will change in the future?

Closing

Is there anything else that I am not asking, but would be useful for me to know in assessing how to best lay out the ROI and SROI for private sector investment / engagement in large-scale restoration?

About BSR

BSR is a global nonprofit organization that works with its network of more than 250 member companies to build a just and sustainable world. From its offices in Asia, Europe, and North America, BSR develops sustainable business strategies and solutions through consulting, research, and cross-sector collaboration. Visit www.bsr.org for more information about BSR's more than 20 years of leadership in sustainability.

About Restore the Earth Foundation (REF)

REF restores forest and wetland ecosystems on a landscape-scale so that their work has the greatest impact, securing cleaner air, cleaner water, and environmental resiliency. REF's collaborative network of partners includes government agencies, corporations, NGOs, universities, community-based organizations and individuals who work together to benefit the environment and communities. The approach to impact assessment verifiably measures environmental, social, and economic value of ecosystem restoration in monetized terms.