

## Examples of Ecosystem Service-related Business Risks and Opportunities



#### About this presentation

This PowerPoint presentation profiles examples of business risks and opportunities arising from a company's dependence and/or impact on ecosystem services.

The speaker notes for each slide (click "view", "notes page") provide information about each example.

This presentation is designed for use by company managers, analysts, and consultants to demonstrate the business case for considering trends in ecosystem services when developing business strategy.

These case examples were implemented before the Corporate Ecosystem Service Review was created.

For more information and supporting tools, visit www.wri.org/ecosystems/esr



#### Case examples in this presentation

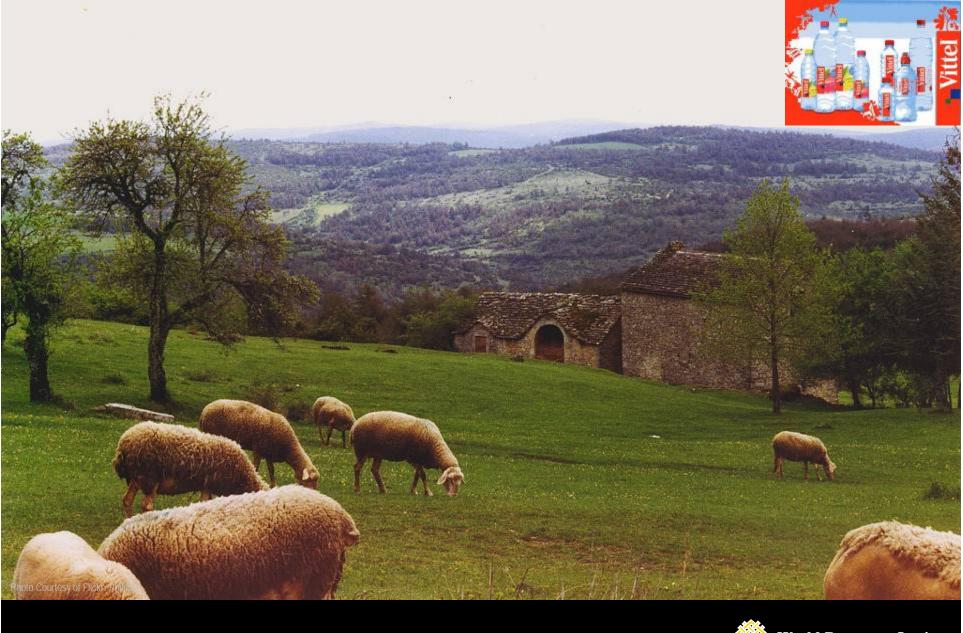
Туре	Risk	Opportunity
Operational	<ul> <li>Vittel</li> <li>Energia Global</li> <li>Anheuser-Busch</li> <li>Aboitiz (Binga hydroelectric facility)</li> <li>Santa Fe Railroad</li> <li>Amoco</li> <li>Hubinger</li> </ul>	<ul> <li>Mitsubishi Semiconductor America</li> <li>DuPont</li> </ul>
Regulatory and legal	<ul> <li>Chinese logging industry</li> <li>European Union fishing industry</li> <li>Barama Company Ltd.</li> <li>Mexican companies using freshwater</li> <li>Coca-Cola</li> <li>Associated British Ports</li> <li>ChevronTexaco</li> </ul>	<ul> <li>International Paper</li> <li>Alfa Laval</li> <li>Tourism industry (Australia)</li> </ul>



### Case examples in this presentation (continued)

Туре	Risk	Opportunity
Reputational	<ul> <li>Home Depot</li> <li>B&amp;Q</li> <li>MacMillan Bloedel</li> <li>Alcan</li> </ul>	• Fetzer Vineyards
Market and product	<ul> <li>Seafood suppliers to Wal-Mart</li> <li>Travis Perkins</li> </ul>	<ul> <li>AgraQuest</li> <li>Halma</li> <li>Wood products industry</li> <li>Fishing industry</li> <li>AES Corporation</li> <li>ChevronTexaco</li> <li>Inland Empire Paper Company</li> <li>Potlatch</li> <li>Allegheny Power</li> </ul>
Financing	<ul><li>Citigroup</li><li>ABN AMRO</li><li>JPMorgan Chase</li></ul>	Goldman Sachs     World Resources Institute

### Operational risk: Reduced quality of inputs





### Operational risk: Reduced productivity





#### Operational risk: Increased scarcity or cost of inputs

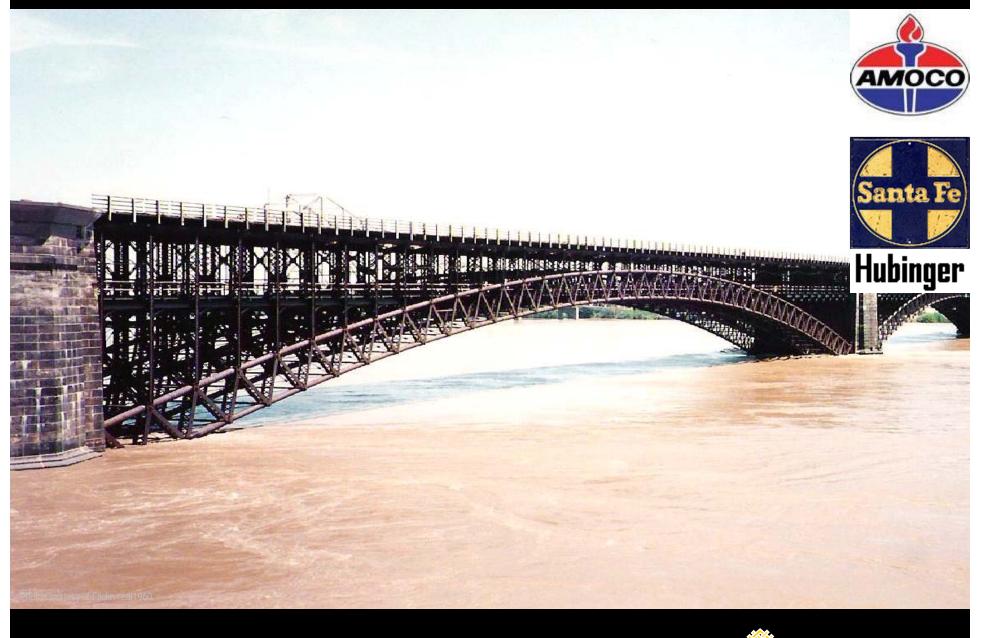


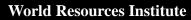


#### **Operational risk: Reduced output**



### **Operational risk: Disruption to business**





#### **Operational opportunity: Increased efficiency**



#### Operational opportunity: Low-impact industrial processes





## Regulatory risk: Extraction moratoria



## Regulatory risk: Lower quotas





### Regulatory risk: Fines



# Regulatory risk: User fees





#### Regulatory risk: Permit or license suspension





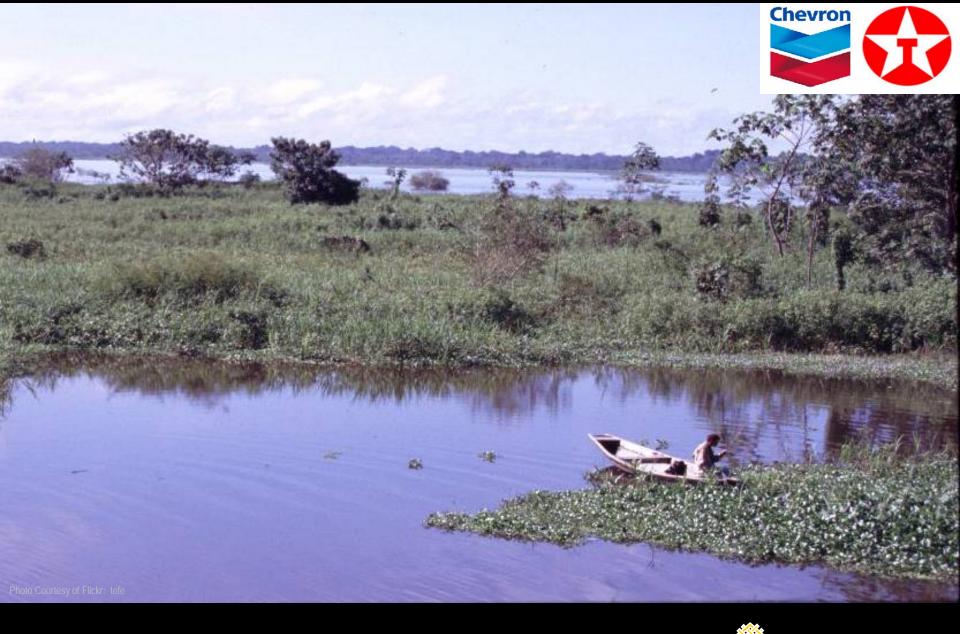
### Regulatory risk: Permit denial







### Regulatory risk: Lawsuits



World Resources Institute

#### Regulatory opportunity: License to expand operation





#### Regulatory opportunity: New products to meet new regulations



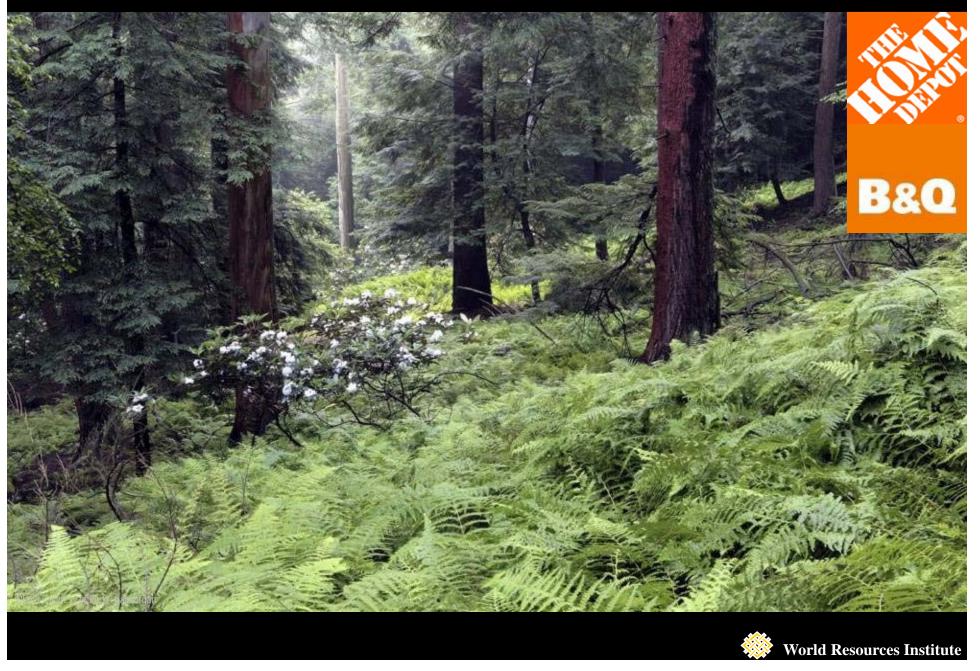


#### Regulatory opportunity: Opportunity to shape government policy





#### Reputational risk: Damage to brand or image



## Reputational risk: Damage to brand or image



MacMillan Bloedel Building Materials





#### Reputational risk: Challenge to social "license to operate"





# Reputational opportunity: Differentiated brand



## Market risk: Changes in customer preferences



World Resources Institute

#### Market risk: Changes in customer preferences



World Resources Institute

### Market opportunity: New products



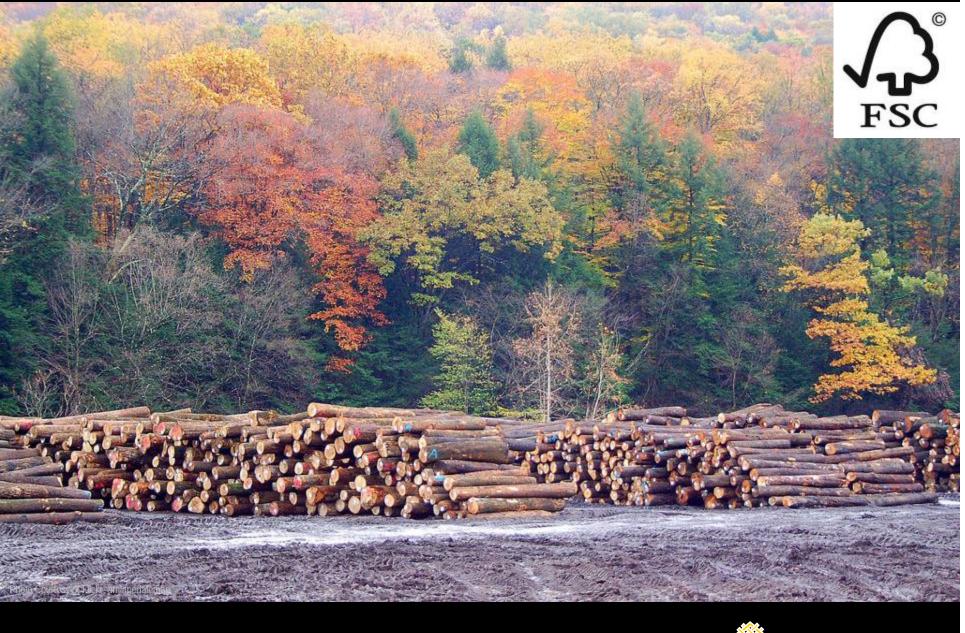


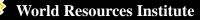
#### Market opportunity: New products





#### Market opportunity: Markets for certified products



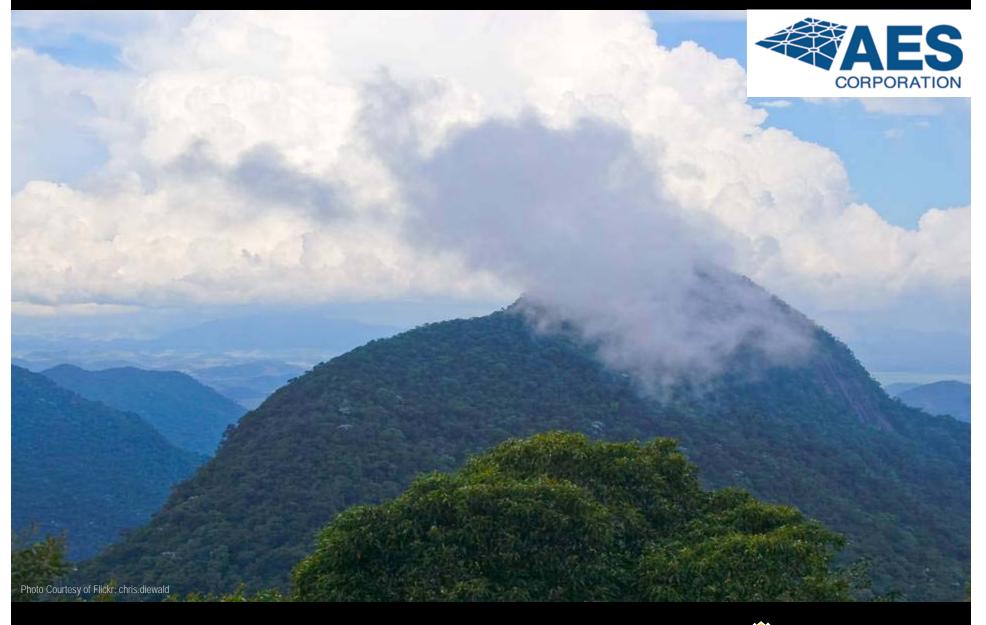


#### Market opportunity: Markets for certified products





#### Market opportunity: Markets for ecosystem services





#### Market opportunity: Markets for ecosystem services



World Resources Institute

## Market opportunity: New revenue from company-owned ecosystem





#### Market opportunity: New revenue from company-owned ecosystem



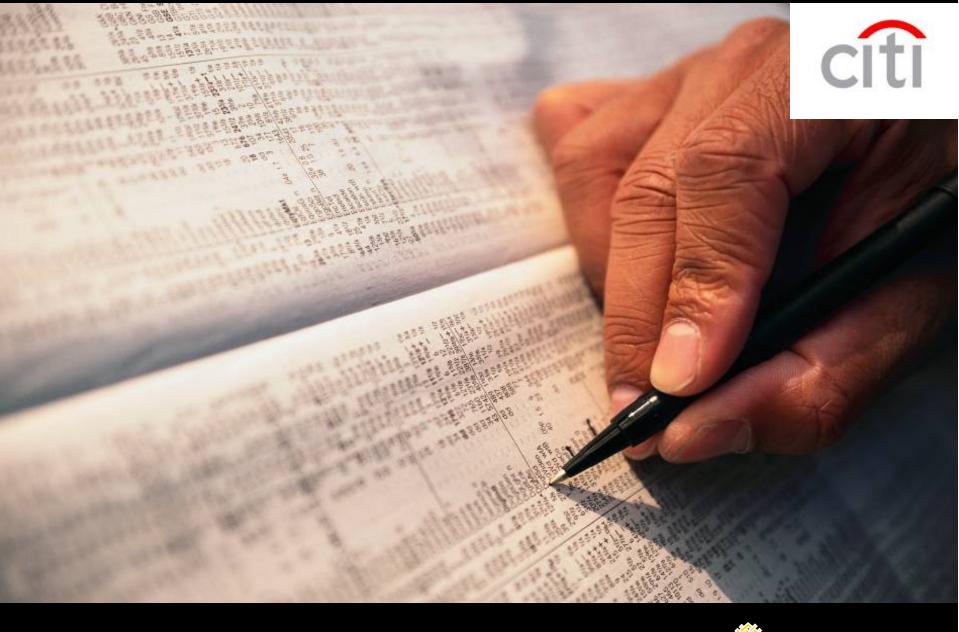


## Market opportunity: New revenue from company-owned ecosystem





# Financing risk: More rigorous lending requirements





#### Financing risk: More rigorous lending requirements





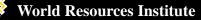
#### Financing risk: More rigorous lending requirements



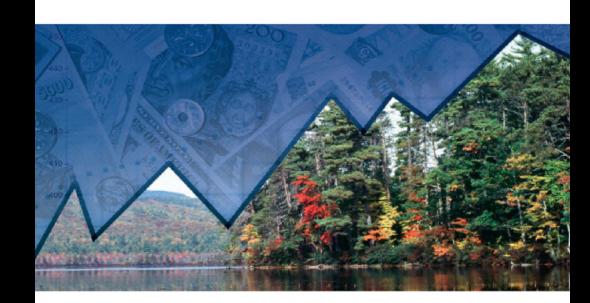


#### Financing opportunity: Markets for ecosystem services





#### THE CORPORATE ECOSYSTEM SERVICES REVIEW



#### **Guidelines for Identifying Business Risks** and Opportunities Arising from Ecosystem Change

Version 1.0



World Business Council for Sustainable Development



WORLD RESOURCES INSTITUTE

#### www.wri.org/ecosystems/esr

World Resources Institute