



Quantifying Nature Capital – Best Practices

CEP 2026

Luis F Filardi Carneiro
Head of Sustainability ANZ

26.05.2026



Who is BSI

Frameworks

Standardisation

Your journey with BSI

Case Studies

Flex(ible) example

Carbon vs Nature Capital

New Markets

Q&A



The power to deliver – Who is BSI?



Founded in
1901,
No shareholders

84,000
clients

250+
Auditors in Australia
and New Zealand

6,518
colleagues

Clients in
193 countries

4,500 +
Large and SME
Clients in ANZ

Net Zero
Committed

60,000
standards
developed

2,200 +
ISO14064-1
Verifications last 12
months



“

“Why are we taking such a bold step towards net zero? Because we can. And we must.”

Susan Taylor Martin, CEO BSI

Your journey with BSI

From new markets amplification to certainty, credibility and reliability.

Cultivating new skills, adopting innovative tools, and fostering cross-functional collaboration and efficiency among stakeholders

BSI has a range of services to **impartially**, **credibly** and **reliably** support organisations improving their impact in society

Market enabler

Develop and deploy regulatory frameworks and guidelines that become global practices

60,000 standards developed:
Carbon neutrality, circular economy, GHG emissions, net Zero Pathway, Environment

Training

Gain the knowledge and skills to thrive in sustainability digital trust, quality, environment, business continuity, decarbonisation, GHG emissions – reductions

Compliance Readiness

Framework designed towards compliance and climate strategy on decarbonisation, business resilience and mitigate risk

Assurance & Certification

Credibility and confidence, mitigate risk, and impartially access new markets through audits, assessments, and certification





Carbon vs Nature

Natural Capital

“The stock of natural resources (e.g. water, soil, air, biodiversity) that generate flows of benefits to people.”

- Nature as an Asset
- Produces ecosystem services

Examples:

- Biodiversity - Forest, reservoirs, habitats
- Wetland – flood protection, water filtration
- Soil – agricultural productivity

Nature Markets (application layer)

“Markets based on the sale and purchase of ecosystem services” (World Economic Forum)”

- Financial mechanisms to monetise nature outcomes
- Channel private capital into conservation

Examples:

- Biodiversity credits
- Biodiversity Net Gain (UK)
- Water quality trading

Key differences

Carbon Markets

- **1tCO₂** Unit
- **High** Fungibility
- **Mature** Standardisation
- **High** Liquidity
- Exchange **platforms**
- **Controlled** complexity
- **Consolidated** and improving integrity



Nature Markets

- **No** single Unit
- **Low** Fungibility
- **Emerging** Standardisation
- **Low** Liquidity
- Trading **bilateral – compliance**
- **High** complexity
- **Emerging** Integrity

8



Frameworks



Frameworks for Quantifying Natural Capital

What we're seeing is an ecosystem, with scattered interoperability

Standards are critical as turn fragmented and emerging markets into consistent, verifiable, and ultimately investable assets



Policy & Regulatory Frameworks

UN CBD – Kunming-Montreal Global Biodiversity Framework (GBF - COP15)
EU Biodiversity & CSRD & EU DR



Regional / Applied Market Mechanisms

Australia Nature Repair Market
Biodiversity Offset Schemes,
Ekos
QLD LRF



Global Measurement & Accounting Frameworks

Natural Capital Protocol (Capitals Coalition),
SEEA – System of Environmental-Economic Accounting (UN)
BBOP - Business and Biodiversity Offsets Programme



Standards & Operational Frameworks

BSI Flex 700 Series
ISO 17620:2025 — Biodiversity Net Gain
Net zero guidelines - IWA 42 (Wider impact section)



Market Integrity & Credit Frameworks

IAPB – Biodiversity Credit Principles,
CCB Standards (Climate, Community & Biodiversity)
REDD+



Disclosure & Risk Frameworks

TNFD – Taskforce on Nature-related Financial Disclosures
ISSB / IFRS S2 (Nature linkages emerging)
NZ CS

General Case Studies

Shell

*Biodiversity assessed at project planning stage
Use of impact assessment
Development of biodiversity action plans
Aim for net positive impact in critical habitats
"Applies biodiversity mitigation and offset processes consistent with approaches now codified in ISO 17620, supported by corporate biodiversity governance aligned with ISO 17298."*

TfNSW, Lendlease, Stockland

*NSW Biodiversity Offsets Scheme (BOS) + Biodiversity Assessment Method (BAM)

Purchase and retire biodiversity credits to offset impacts

>17,000 credits (TfNSW programme example)

Standardised ecosystem & species credits derived from field-based metrics*

Sanctuary Mountain Maungatautari

*Ekos Sustainable development standard

Corporate funding supports verified ecosystem restoration and protection via issued biodiversity units

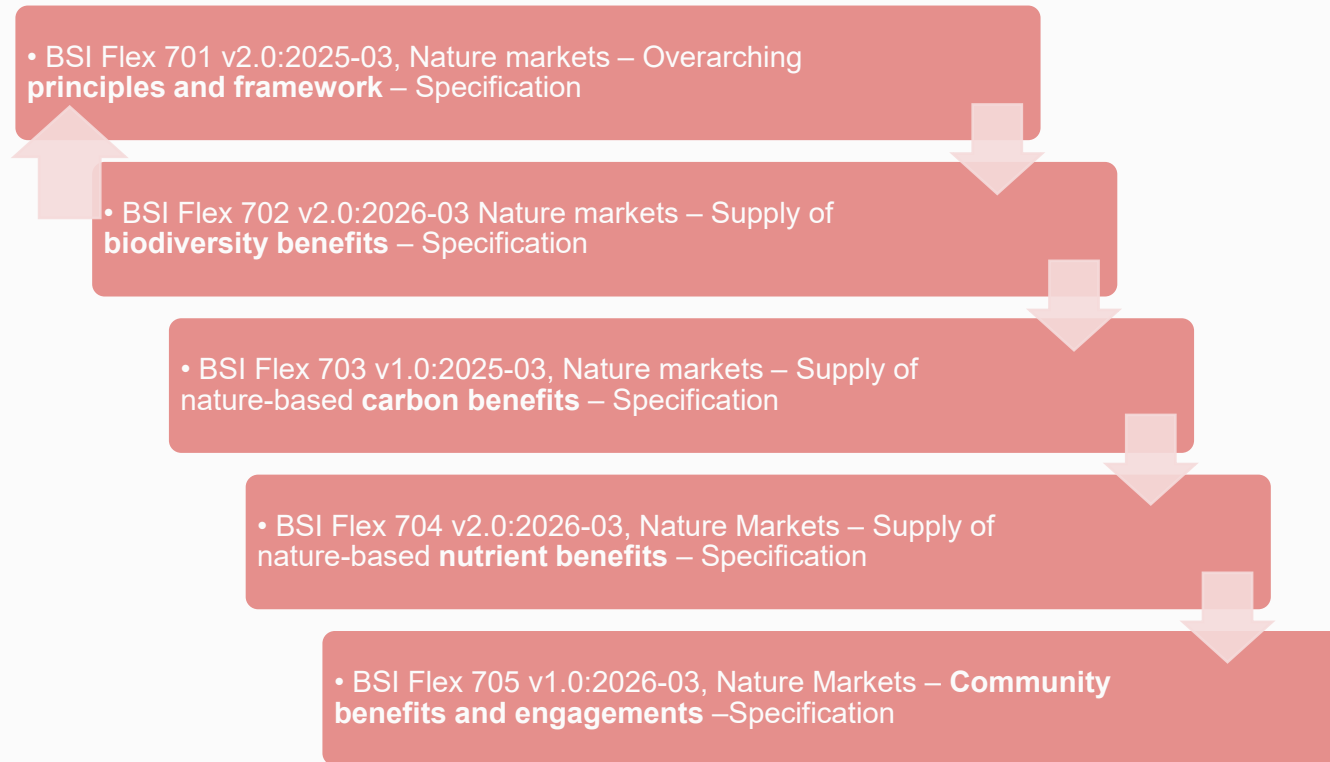
~3,363 ha protected ecosystem

Credits represent costed conservation outcomes per unit area*

New markets



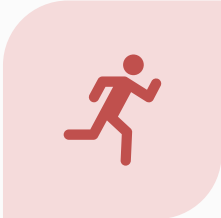
BSI Flex 700 series



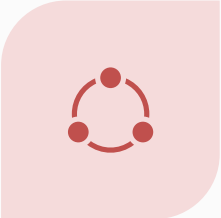
- Sponsored by UK's Defra – Department of Environment, Food and Rural Affairs
- New markets amplification with high integrity, consistency, certainty, credibility and reliability - measurably.



BSI Flex 702



FAST-TRACK,
CONSENSUS-BASED
STANDARD



AGILE AND MARKET-
FACING



GLOBALLY ALIGNED
AND INTEROPERABLE



DESIGNED FOR
EMERGING
BIODIVERSITY MARKETS

Nature markets –
Supply of biodiversity benefits –
Specification

March 2026 Version 2

BSI Flex 702 v2.0:2026-03

Department
for Environment,
Food & Rural Affairs

BSI Flex 702 - Principles

Multiple benefits from nature : Buyers, sellers and market initiatives recognize that nature is multifaceted, combining diverse elements and producing a range of benefits, including the ability to adapt to and mitigate climate change, which different market stakeholders value in different ways.

Transparency

- Material data made available to stakeholders, unless commercially confidential or protected by law

Quantification of credits

- The measurement of units that define credits is robust and is made transparent between market participants and market stakeholders.

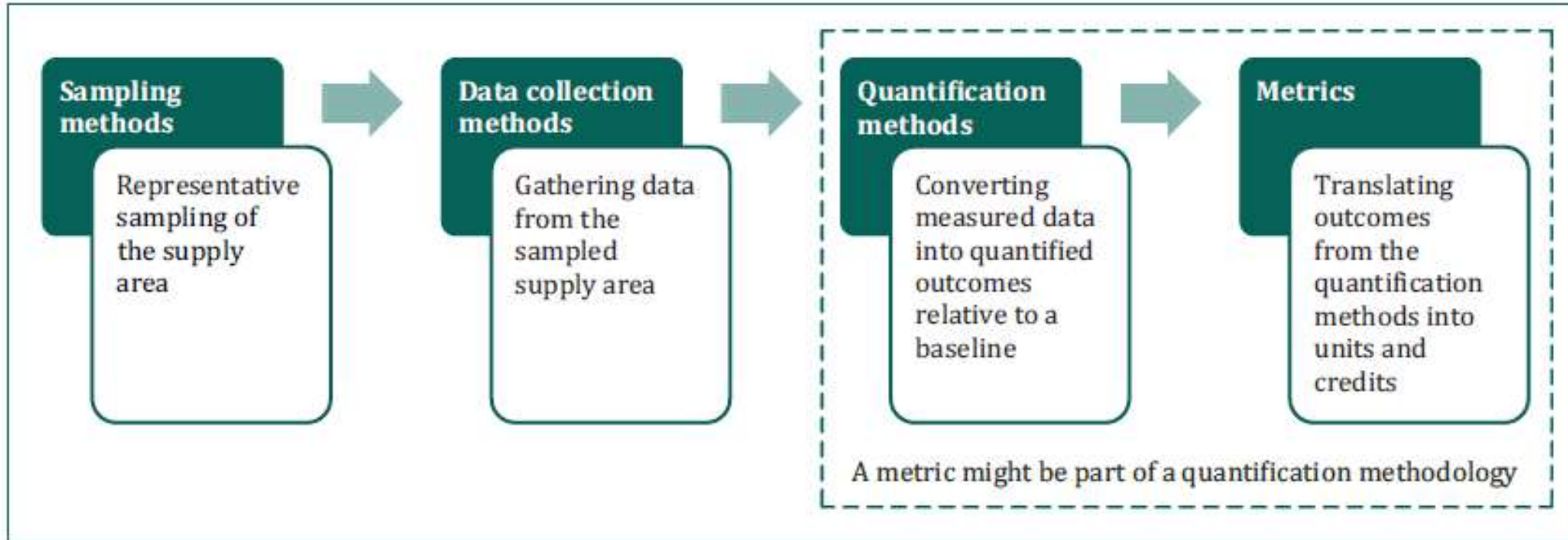
Governance

- Market stakeholders have confidence in market participants' governance and other procedures, and structures
- Absence of Conflict of Interests – third party verified

Openness to innovation

- Market participants' rules and requirements facilitate the adoption of new technologies or practices.

BSI Flex 702 - Quantification



“A change in the value of biodiversity is determined against a suite of indicator values calculated from the baseline scenario. Indicator values can be derived from the ecology of the site and include biotic, species level and physical attributes such as soil type that provide resources that support a diversity of species. Indicators can come from published scientific sources and be fully referenced. Spatial statistics and mapping can be used where practicable. ”

BSI Flex 702 – Acceptable Quantification (Illustration)

Vegetation Integrity Score* example - illustration:

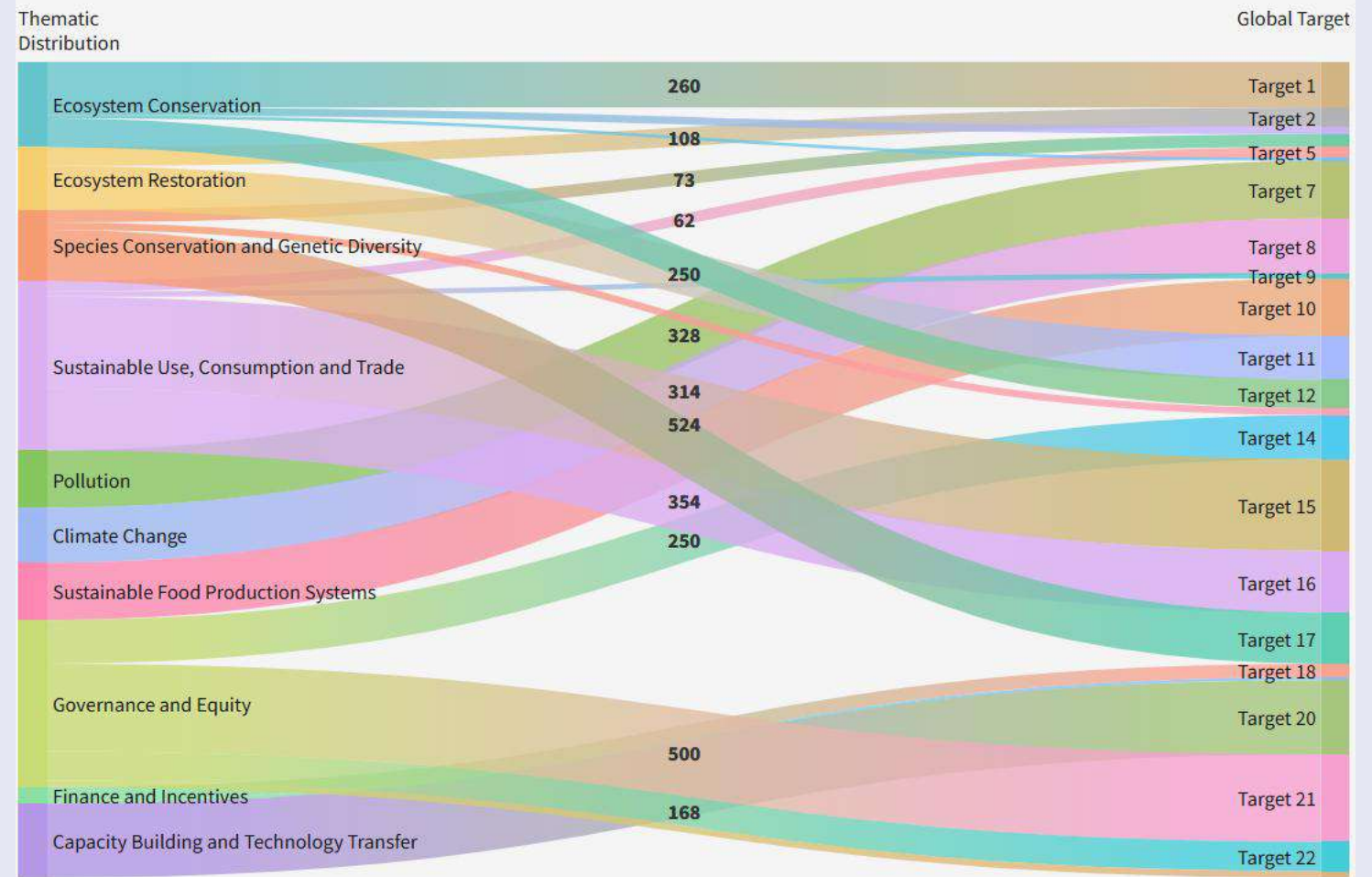
- **Baseline VIS score:** 0.4 (based on species composition, structure, function, and landscape context)
- **Measured data (after intervention):** Restoration (replanting native vegetation, weed control, reinstating natural water flows, etc) improves the index score to 0.7
- **Quantified outcome vs baseline:** +0.3 increase in habitat condition (+75% improvement), representing a measurable uplift in ecosystem value, which is converted into biodiversity credits (e.g., 30 ecosystem credits)

* NSW Biodiversity Assessment Method



- **ISO 17298 Biodiversity in strategy and operations** practical framework to understand how activities depend on and impact nature, integrate biodiversity into core strategies and operations, and **develop credible biodiversity action plans**.
- By aligning with global frameworks such as the GBF Global Biodiversity Framework, ISO 17298 supports **risk reduction, resilience and nature-positive decision-making** across sectors.

Number of relevant ISO standards: Thematic distribution of the global GBF targets





“

Consensus *

general agreement, characterized by the absence of sustained opposition to substantial issues by any important part of the concerned interests and by a process that involves seeking to take into account the views of all parties concerned and to reconcile any conflicting arguments

NOTE Consensus need not imply unanimity.



Thank you

luis.filardi@bsigroup.com

