

**SKILLS FRAMEWORK FOR FINANCIAL SERVICES
TECHNICAL SKILLS AND COMPETENCIES (TSC) REFERENCE DOCUMENT**

TSC Category	Sustainable Finance					
TSC	Natural Capital Management					
TSC Description	Develop market research on natural capital and lead organisation’s strategies and policies in response to natural capital policy and market developments, to support decision making and organisational dealings					
TSC Proficiency Description	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
			Understand and explain key issues relating to natural capital financing and risk management relevant to the organisation	Develop market research on natural capital, analyse and apply natural capital developments to support decision making and organisational dealings	Shape the organisation’s strategies and policies in response to natural capital polices and market developments, to support decision making and organisational dealings	
Knowledge			<ul style="list-style-type: none"> Natural capital concepts and relevance of biodiversity and ecosystem services to economy, financial sector and society Natural capital standards and principles behind natural capital accounting and valuation and linkages to Sustainable Development Goals Natural capital linkages and impact to the financial sector Key developments in natural capital and nexus to financial markets 	<ul style="list-style-type: none"> International frameworks, governance mechanisms and policy developments relating to natural capital, and resulting implications for businesses and financial markets Key sources of exposure to biodiversity-related risk and industries most affected Key indicators and metrics to determine linkages between natural capital and financial risk, and other types of sustainability risk Key indicators and metrics to determine linkages between natural capital and economic production and value Key indicators and metrics for natural capital accounting framework and disclosure methodologies Relevant sustainable finance principles and 	<ul style="list-style-type: none"> International trends and commitments towards ‘nature positive’ approaches Natural capital dependencies, impacts, risks and opportunities in the context of a broader organisation wide sustainability strategy spanning across operation and business. Localised knowledge (i.e. taking into account regional or national context) of natural capital developments across sectors and natural capital themes, including ‘markets for nature’ and biodiversity credits Methodologies to establish relationship between natural capital and financial risk, and other types of sustainability risk Methodologies to determine relationship between natural capital 	

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				<p>standards for natural capital financing</p> <ul style="list-style-type: none"> • Differences between type of natural capital risks associated with different commodities and industries • Emerging approaches to natural capital conservation, and mitigation hierarchy, including biodiversity credits 	<p>and economic production and value</p> <ul style="list-style-type: none"> • Methodologies to support natural capital accounting, and disclosures methods • Techniques and tools to support natural capital financing 	
<p>Abilities</p>			<ul style="list-style-type: none"> • Identify key financial risks and economic linkages to natural capital • Identify opportunities for financial institutions and organisations to support the conservation and regeneration of natural capital 	<ul style="list-style-type: none"> • Research and analyse the relationship between natural capital protection/loss and economic value • Research and analyse natural capital impact on financial sector • Research and analyse exposure to natural capital risk at level of organisation and portfolio • Support the structuring of natural capital financing projects/products • Identify where and how companies can enhance their natural policies/practices to reduce risks and actively engage 	<ul style="list-style-type: none"> • Lead the formulation of organisation's natural capital strategies, including target setting, across operations and business • Identify and assess differences in natural capital characteristics by geography and by sectors • Analyse impact on natural capital issues to organisation, financial sector risks and to the economy • Develop organisation's approach towards natural capital reporting and accounting • Support incorporation of natural capital issues in sustainability reporting and accounting for the organisation, aligned with international best practices • Structure natural capital financing projects and other product innovations • Provide advice to customers on exposure to natural capital risks and relevant mitigation 	

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					and management strategies	
Range of Application	Natural capital standards may include, but not limited to: <ul style="list-style-type: none"> • Natural Capital Protocol • Taskforce for Nature-related Financial Disclosures • Climate Disclosure Standards Board • EU natural capital accounting within the Regulation on European Environmental Economic Accounts 					