

23 November 2020

Dear Sir/Madam,

The success of organizations around the world is dependent on the value they receive from the capitals.

Flourishing communities, strong and resilient social institutions, thriving natural ecosystems and a stable climate underpin the success of businesses, government policy, global financial markets and the wellbeing of communities and individuals.

While many organizations understand this, most do not possess the tools or framework necessary to understand the nuances of their relationships with the capitals and how, by investing in their health, they are able to deliver multiple benefits for themselves and the rest of the system they depend upon.

A capitals approach enables organizations to identify, measure and value their impacts and dependencies on natural, social, human and produced capital stocks, allowing them to develop systemic understandings of the value they receive from nature, people, society and the economy to inform their decision making.

By moving beyond a focus on impacts on the capitals to also highlighting how we are dependent on them, the approach contextualizes organizational relationships with nature, people and society, and illustrates a clear business case for the protection of and investment in their health and resilience. This not only has the benefit of more resilient, less exposed and more efficient businesses, but also delivers cost free co-benefits to stakeholders across their value chains.

The Capitals Coalition is a global collaboration that hosts over 370 leading organizations and engages with many thousands more. Together we accelerate momentum, leverage success, connect powerful and engaged communities, and identify the areas, projects and partnerships where we can collectively deliver benefits for nature, people and the economy. Collaboration is central to our work and we know that it is only by fostering close partnerships within our global network that we will achieve a unique overview of the landscape and identify the opportunities for our community to come together and deliver transformative change.

Coalition organizations share a common belief that we can do more together than we can alone, and an understanding that it is only by bringing the many different parts of the system together as part of a purpose-led conversation that we can we affect real change.

We are encouraged to see that this approach is now beginning to gain traction in Eastern Europe with the publication of the first integrated profit and loss account in Bulgaria, and that this work has been undertaken by denkstatt Bulgaria, a part of the Coalition's global community. As always, we invite organizations who are interested in this work to join the Coalition and the global conversation.

Yours faithfully,

A handwritten signature in black ink, appearing to read "M. Gough".

Mark Gough

CEO