The Calouste Gulbenkian Foundation is a Portuguese private institution of public utility, which was created in 1956 in accordance with the last will and testament of Calouste Sarkis Gulbenkian. It actively pursues its statutory aims in the fields of the arts, charity, education and science in Portugal and abroad, including through its UK Branch and Paris Delegation. The Foundation promotes a wide range of direct activities and grants supporting projects and programs.

THE NATURAL CAPITAL PROTOCOL CHALLENGE

CTT

APPLIED THE NATURAL CAPITAL PROTOCOL TO STUDY SUSTAINABLE ALTERNATIVES FOR ITS PRODUCT PORTFOLIO

GULBENKIAN FOUNDAION
What was the Natural Capital Protocol used for?

The Natural Capital Protocol was mainly used to identify which attributes of CTT’s products’ design can be improved in order to reduce negative societal impacts (e.g., through an increase in the use of recycled paper and exclusive use of eco-friendly inks and labelling) and to improve communications’ effectiveness.

What were the outcomes of the assessment?

Through this natural capital assessment, CTT was able to identify all main dependences and impacts between their supply chain activities and natural capital and to match materiality issues with business and societal risks and opportunities. After identifying all impacts of using paper and inks in their activities, the analysis focused mainly on the material issues that had at least a medium impact on society’s such as land use and monoculture species related to their paper dependence and the effluents related to the use of inks.

What were the main benefits identified by CTT?

The application of the Natural Capital Protocol resulted in three main benefits for the company:

- **Operational**: Cost reduction by investing in green products or services.
- **Financial**: Gain or maintain investor interest and confidence; improve access to finance; reduce financing costs; new “green funds” may be available in some cases.
- **Reputational and Marketing**: Emerging environmental markets and products may offer new revenue streams (e.g., carbon offsets); growing demand for credible certified products (e.g., eco-labelled paper or paper based services); product differentiation to increase pricing power; improved ability to attract and retain employees.

Why a natural capital assessment?

The Natural Capital Protocol provided the guidance and framework for CTT to analyse more sustainable alternatives to its product portfolio and to evaluate the possible extension of the eco-friendly features to other products. Also, it allowed CTT to perform inter-company comparisons in order to identify improved production techniques and the benefits of achieving sustainability goals, switching to certified suppliers or using other materials or inks, and to advance the eco-labelling.

**NOTES**

1 All low impacts on society were excluded from this analysis.