



LITTLE BLUE RESEARCH

**SERVICE INFORMATION**

**RISK ANALYSIS & IMPACT**



# Business resilience: Risk analysis & impact

Helping business navigate the sustainability landscape and manage the risks and opportunities they may face.



## Summary

**The landscape of sustainability-related initiatives and frameworks is rapidly evolving. It has never been more crucial for businesses to understand and manage risks and opportunities both to and from nature and society.**

Key nature related considerations can include<sup>1</sup>:

- ecological inputs into production, such as, fertile soil, wild pollinators, genetic material, water and minerals
- reliance on nature to help remove pollution, through discharges to air or water
- Reliance on nature to protect physical business assets from natural hazards such as landslides, floods, avalanches or fires.

Key social/human capital considerations include:

- labour issues, e.g. condition and pay disputes
- workforce human rights, such as

freedom of association, or

- workforce safety and education.

Depending on project scope, risks and opportunities can be classified and prioritised as:

- Those that **disrupt or enhance company performance** and/or operations
- Those that **contribute to positive or negative impacts** on either nature or people and
- Those that either **support or hinder the achievement of business objectives**, which may include contributions to broader national or global socio-economic targets such as reducing carbon emissions or achieving sustainable development goals.

By prioritising which risk and opportunities to address, we equip businesses with a series of concrete actions to mitigate risks and capitalise on opportunities.



## Why is this important

### For companies

- The UK's Competition and Markets Authority (CMA) now has enhanced enforcement powers under the Digital Markets, Competition and Consumers (DMCC) Act, allowing it to impose severe penalties, up to 10% of global turnover, on businesses that breach consumer law, including those guilty of greenwashing<sup>2</sup>. Our own research shows that action is driven by preparing for policy and legislative change and avoiding reputational damage see Figure 1.
- In other sectors, sustainability is driving market change. For example, the second-hand market for clothing in the fashion sector has grown by 82% globally from 2021 to 2025<sup>3</sup>, and the global market size of the sustainable packaging sector is predicted to increase by 46% by 2030<sup>4</sup>.

### For investors

- As of March 2025, 88% of expert investors worldwide reported being very or somewhat interested in sustainable investing<sup>5</sup>. In addition, ESG ratings influence investment decisions, with over 80% of institutional investors identifying ESG ratings as the top factor affecting their investment choices globally in 2024<sup>6</sup>.

### For consumers

- In the United States, 37% of consumers identified poverty and inequality as the leading issue they wanted brands to represent as of November 2024<sup>7</sup>.
- A survey conducted in France in 2023 revealed that 84% of respondents believed that large companies could, or probably could, effectively preserve biodiversity. This sentiment was similar to the levels of confidence expressed for NGOs and the state<sup>8</sup>.

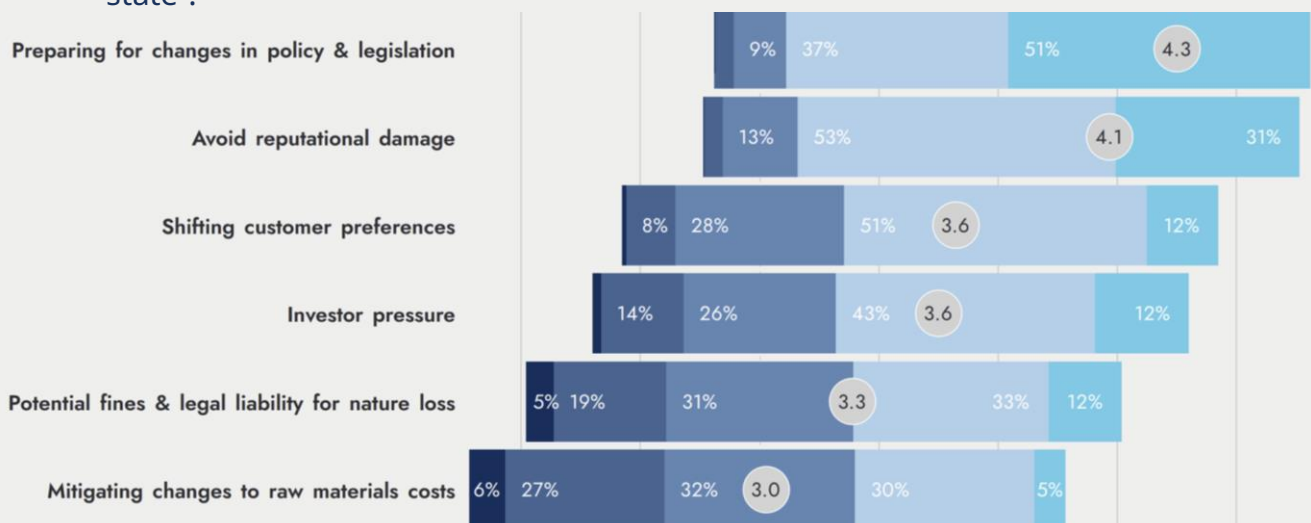


Figure 1: the main drivers for action on nature<sup>9</sup>





## How we support companies

We support business by:

- Undertaking internal reviews of different business operations, e.g., procurement, enterprise risk management, research and development, etc. to identify relevant sustainability risks or opportunities.
- Evaluating and prioritising impacts, dependencies, risks, and opportunities to identify mitigation actions, such as location-based assessments, biodiversity action plans, policy updates, or integrating sustainability into design processes.
- Quantifying impacts and dependencies and where relevant monetising risks or opportunities.

## What can this help achieve?

- A comprehensive understanding of sustainability-related risks and opportunities associated with impacts and dependencies.
- The provision of impact measurement frameworks, including natural capital accounts, to value sustainability initiatives and performance over time with options to scale approaches across different business units and operations.
- A valuation of impacts/dependencies both positive and negative to prioritise actions.
- The provision of a method to undertake scenario analysis to evaluate future risks.



## Testimonials

The following testimonials represent a selection of the feedback received from our clients while providing support relating to business resilience: risk analysis and impact



*Little Blue Research did what many consultants could not - work for 18 months to quantify something that has never been measured before, during a time of significant disruption. Their flexibility and rigour helped ensure that we had confidence in the findings."*



**informa**

**Ben Wielgus, Head of Sustainability, Informa  
Co-Founder Sustainable Events Big Initiative  
Group (SEBIG)**



*The Little Blue Research team has been helpful in providing us with the insights on Natural Capital Accounting methodologies as well as natural capital impact valuations specific to our industry. The team, led by Stephanie, was knowledgeable in helping us produce first of its kind Natural Capital Accounts - Balance Sheet and P&L statements."*



**Ria Bakshi -Lead Finance for Sustainability  
(F4S) Olam Food Ingredients.**



*Little Blue Research worked collaboratively to understand our needs from the outset being adaptable and keeping us informed through regular project management updates. They delivered high quality outputs and provided us with a series of tangible next steps to help us take forward our work on natural capital. We found the team to be knowledgeable and able to get to grips with our business quickly, bringing a number of important insights by taking an innovative approach."*



**Richard Marsh, Reporting and Insight Director,  
BT Group**



## Things to consider

- The aims of the analysis, e.g., to meet CSRD requirements, support formal scenario analyses, or prioritise sustainability goals and targets.
- The scope of the analysis, i.e., is quantification desired, are monetary values needed.
- Inclusion/buy-in of stakeholders (risk, procurement, operations etc.).
- The audience for the outputs (internal, external, specialist, non-specialists).

## What information will this need?

### High priority:

- Details on the business activities undertaken by the company, this may need to be location specific depending on the granularity of the project.
- Internal reports/environmental and social data, e.g., employees, wage rates, staff turnover, training hours, water use, waste produced, discharges to (air or water), biodiversity information.
- Spend or volume of items purchased and supply chain categorization by economic sector or purchase type.
- Enterprise risk management framework and scoring for sustainability risks.

### If available:

- Details of any current sustainability-based targets or strategy.
- Information on the strategic importance of supplies (i.e., importance to operations).

## Delivery information

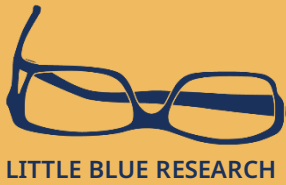
### Timeframe and cost subject to:

- Level of available documentation/information/data.
- Number of material business activities/units selected for further assessment or identified during materiality/prioritisation screening.
- Potential number of stakeholders involved.
- The level of granular analysis required.
- The time available for the work.
- Potential number of impacts and/or dependencies identified.
- Complexity and inclusion of the value chain.



## References

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10. Photo by [Karim MANJRA](#) on [Unsplash](#)



## Getting started

Little Blue Research can help business navigate the nature landscape, realise the risks and opportunities they may face, and consider their nature readiness.

**Not sure where to start? Get in touch.**



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