

# **Natural Capital & Infrastructure Community of Practice**

# 25th September 2025

#### **Summary Notes and Actions**

## **Introductions and Group Purpose**

- Participants introduced themselves, representing MOD, industry, academia, and sustainability roles. The group's focus is on sharing knowledge and best practices in natural capital, infrastructure, and sustainability, with the aim to identify challenges and form working groups for deliverables as output.
- Will Masters (Amentum) has been appointed Industry Co-Chair replacing Jenny Allen.

# Updates on Sustainability Reporting and Regulatory Landscape

 David Starley (Babacock) provided updates on UK and international sustainability reporting standards (UKSRS S1/S2, IFRS S1/S2), the integration of nature-related disclosures (TNFD), and the likelihood of future mandatory nature and climate transition plans for corporates, especially in Defence. He highlighted the evolving regulatory environment and the need for clarity on how these apply to MOD and defence contracts.

#### **Navy Circular Economy Projects**

- George (Lee Reeves) presented two Royal Navy circular economy initiatives:
  - Upcycling decommissioned life rafts into products sold by charities, which faced significant policy and approval hurdles due to novelty and lack of clear MOD policy, but ultimately succeeded and generated social value.
  - A large-scale project to repair, reuse, or recycle repairable stockpiles in Portsmouth, reducing waste, saving costs, and improving supply chain resilience. The project also supports skills development for Navy engineers and is being considered for wider rollout.

### **Academic Case Study: Recovered Graphite**

Amy Neild from Newcastle University shared research on using recovered graphite
from EV battery recycling in printable solar cells. The study demonstrated that even
less-purified, recovered graphite can outperform commercial samples, supporting
circular economy and energy security goals. The project is moving toward
commercialization and further collaboration with MOD and industry is ongoing.

#### **Social Value and Defence Procurement**

• The group discussed confusion around the application of social value requirements in defence procurement, especially with the transition from PPN 06/20 to PPN 001/002 and the exemptions for MOD contracts. There is a need for clarity from MOD Commercial, and an action was agreed to invite a MOD Commercial representative to a future meeting.

# **Next Steps and Group Direction**

• The group will survey members on future focus areas and continue efforts to engage the Defence Infrastructure Organisation (DIO) before planning a larger conference. There is an intention to refresh the group's terms of reference and ensure continued value for both MOD and industry participants.

# **Shared Resources and Links (chat)**

- Relevant links were shared in the chat, including:
  - o <u>IFRS and TNFD collaboration</u>
  - o Earth Species Project
  - o <u>UK Sustainability Reporting Standards</u>
  - o <u>Upcycled life rafts charity shop</u>
  - o Critical Raw Materials for Defence: Snack Series