BOARD POCKET GUIDE:
NATURE AND CLIMATE ACTION

A Resource Navigator for Companies and Financial Institutions

Created by the Global Commons Alliance's Accountability Accelerator, Climate Governance Initiative, and AccountAbility

START

ACCOUNTABILITY ACCELERATOR | GLOBAL COMMONS ALLIANCE

AccountAbility
Setting the Standard for Sustainability

Climate Governance Initiative

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UNDERSTANDING YOUR ORGANISATION'S IMPACTS AND DEPENDENCIES ON NATURE AND CLIMATE

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FOREWORD

Julie Baddeley, Chair of the Governing Board, Climate Governance Initiative

The role of corporate boards in addressing nature and climate challenges is more critical than ever. Having served on the boards of major organisations in the public and private sectors for more than 20 years, I have seen how board members can drive action by embedding nature and climate considerations into the core of business strategy. Our global economy depends on healthy ecosystems - over 55% of global GDP is linked to services provided by nature - and without thriving ecosystems, businesses risk severe financial and operational disruptions.

This Resource Navigator provides guidance for board members on how to lead their organisations in addressing the interlinked crises of biodiversity loss and climate change. As Boards we need to oversee the integration of science-based targets and transparent disclosure practices into corporate governance. It's not just about complying with emerging regulations, but about leading our companies to redefine corporate responsibility for the future. By focusing on both physical and transition risks and opportunities, boards can ensure that their companies are resilient, adaptive, and prepared for long-term success.

The role of boards is to foster accountability at every level - setting the tone from the top. As board members, we are in a unique position to ensure that our organisations do more than the minimum. By adopting the frameworks and tools outlined in this Resource Navigator, you will not only ensure compliance, but actively drive the transformation towards a net-zero, nature-positive future.

Natasha M. Matic, Ph.D., Executive Director, Accountability Accelerator

As we confront the polycrises of nature degradation, climate change, and social impact, the role of corporate accountability has never been more critical. The global financial system and corporate supply chains are often disconnected from the local ecosystems they impact, driving unchecked nature loss. As the Executive Director of the Accountability Accelerator, I see an urgent need for businesses and financial institutions to take bold and immediate action to halt this destructive cycle.

The Accountability Accelerator exists to support the creation of a global ecosystem that compels businesses to act and drives a shift from voluntary to mandatory accountability measures. It's no longer sufficient for corporations to manage their climate impacts in isolation; nature and justice must be fully integrated into their climate strategies. The Resource Navigator is designed as a key tool to help organisations and their leaders navigate the complex landscape of nature-related risks, standards, and opportunities, empowering them to adopt science-based targets and embed nature-positive actions into their operations.

Our aim is to enable businesses to align with frameworks like the Kunming-Montreal Global Biodiversity Framework, ensuring their operations contribute to nature restoration and climate resilience. Financial institutions must also play a critical role, as re-aligning financial flows towards nature-based solutions is essential to solving the climate crisis.

By investing in nature, businesses can unlock up to $10 trillion in new business value and create millions of jobs globally by 2030. This Board Pocket Guide to Nature and Climate Action, offers board members the tools and insights to lead this transformation, ensuring businesses and financial institutions not only meet their climate goals but become champions for nature-positive economic growth.

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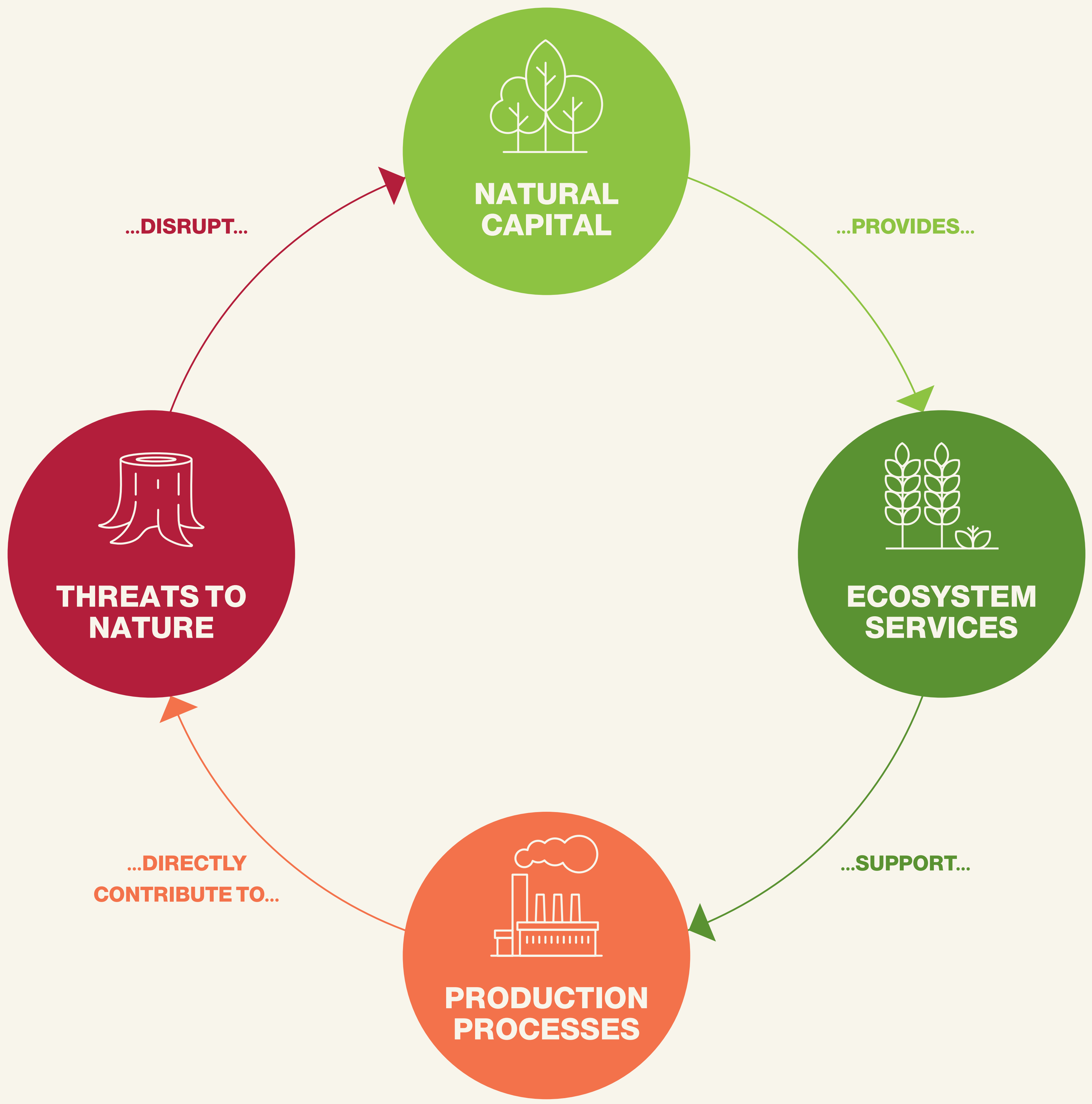
KEY CONSIDERATIONS FOR BOARDS

ELEMENT	DATA SOURCE
DRIVERS OF ENVIRONMENTAL CHANGE	**ENCORE** - 27 "drivers of environmental change" on the database; drawn from but not exact match with IUCN threats to biodiversity
...DISRUPT...	**ENCORE** - maps impact of drivers of environmental change on ecosystem services through an "impact" score (high, medium, low, NA)
ECOSYSTEM SERVICES	**ENCORE** - 21 ecosystem services i.e. links between nature and business that enable or facilitate production processes
...SUPPORT...	**ENCORE** - measures dependencies of production processes ecosystem services through a "materiality" score (very high, high, medium, low, very low, NA)
PRODUCTION PROCESSES	**ENCORE** - 85 production processes in the economy; level at which dependency on ecosystem services is assessed
...DEPLOYED BY...	**AphaBeta** - Production processes relevant to each WEF sector assigned manually, taking guidance from ENCORE's breakdown of production processes by sub-industry
SECTORS	**WEF** - 19 sectors or industry groups (aggregated from 25) that represent broad divisions of the economy and comprise a range of production processes

...ACTIVITIES DIRECTLY CONTRIBUTING TO...



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THE ROLE OF THE BOARD TO DRIVE CORPORATE ACTION AND ACCOUNTABILITY ON NATURE AND CLIMATE

Environmental accountability is now a non-negotiable element of corporate governance. Corporate boards must use their authority to integrate nature and climate action at the heart of corporate values, strategies and operations. Strong leadership is essential in setting ambitious environmental goals, ensuring compliance with prevailing international expectations. This includes regulatory standards, best practice guidelines, proactive risk management, effectively allocating resources, engaging stakeholders and fostering transparency. When corporate-related harms occur, leaders must ensure they are properly addressed. These are the actions required from businesses to support the world in making substantial and meaningful progress towards halting and reversing nature loss by 2030 and achieving net zero by 2050.

To support organisations to meet these targets, climate, environmental and human rights regulations and corporate best practice actions and frameworks are evolving to standardise and enhance the quality and comparability of reporting. Incorporating these frameworks into corporate governance practices necessitates that boards not only comply with evolving standards but also lead by example in taking voluntary actions beyond just compliance. This involves setting science-based targets, developing transition strategies, investing in sustainable practices and engaging in initiatives that contribute to the achievement of global frameworks and societal demands, and ultimately enhance an organisation's resilience and endurance.

Environmental accountability is now a non-negotiable element of corporate governance. Corporate boards must use their authority to integrate nature and climate action at the heart of corporate values, strategies and operations.

How to ensure your organisation is nature and climate ready

Reporting and transparency: Oversee the reporting process, including disclosures for climate and nature. Ensure greater transparency and accountability in the reporting process by guiding the organisation towards using recognised standards, frameworks and tools.

Strategic direction & oversight: Integrate nature-positive goals that prioritise the protection and restoration of natural systems into core business alongside climate, ensuring nature is central to decision-making by placing it firmly on the agenda.

Risk Management: Identify, manage, and monitor short-, medium-, and long-term nature- and climate-related risks associated with topics deemed material to your organisation using a clear framework, considering both dimensions of double materiality. Assess both financial impacts on the organisation (financial materiality) and broader impacts on people and the environment (impact materiality), linking risks to financial, regulatory, and reputational implications.

Opportunities in nature-positive and net-zero: Guide the organisation to identify meaningful opportunities for the business such as aligning with evolving consumer expectations, enhancing brand reputation, reducing operational risk, exploring new technologies and forms of innovation, and attracting new sources of investment.

Compliance and regulatory foresight: Ensure compliance with current regulations and policies and position the organisation to be prepared for future changes. Anticipate and adapt to the evolving landscape as voluntary actions and commitments become mandatory.

Resource allocation: Make meaningful investments in sustainable practices, research and development, and initiatives to support nature-positive and net-zero actions.

Corporate norms: Guide the organisation to foster an authentic and direct connection between corporate purpose and nature and climate action to send a clear message that climate and nature action is a top priority in the organisation.

Social license to operate: Engage with impacted communities to ensure they understand the company's actions on nature and climate. Identify opportunities to advocate for and contribute to collective efforts to drive progress.

Section 02

THE RESOURCE NAVIGATOR

Sub-sections

THE RESOURCE NAVIGATOR

This supplement to the Nature and Climate Action Resource Navigator for Companies and Financial Institutions, provides an essential guide for board directors on nature and climate governance.

This pocket guide provides a summary of the business guidance, management frameworks and tools, and disclosure instruments described in the navigator that support and drive meaningful nature and climate action in your organisation. It explains the potential financial, reputational, and organisational risks of a failure to act, and steps you can take to steer your company towards resilience and long-term value creation.

The navigator aggregates high-impact resources that meet thresholds of credibility and industry usefulness. These resources align with prevailing international laws and standards for business, defined as:

- Measurement methodologies and frameworks for impact, dependency, risk, and opportunity assessment that have all undergone significant public consultation and inform disclosure standard setting, such as the Science Based Targets Network (SBTN), the Science Based Targets initiative (SBTi), and the Taskforce on Nature-related Financial Disclosures (TNFD);
- Resources most frequently in use by companies and financial institutions, where similar resource application would likely place a company in good standing with industry peers; and/or
- Resources that were produced by leading organisations for nature and climate, such as Business for Nature, the World Economic Forum (WEF), and the UN Environment Programme Finance Initiative (UNEP FI), or by industry associations with specific knowledge of leading practices for nature and climate management, such as Finance for Biodiversity and Partnership for Biodiversity Accounting Financials (PBAF).

The resources in the navigator focus primarily on nature, inclusive of its land, freshwater, atmospheric, and ocean realms as well as its biodiversity. However, as the Intergovernmental Panel on Climate Change (IPCC) notes significant established science-backed linkages between climate change, justice and nature loss, this navigator also includes key decarbonisation-focused management resources for companies and financial institutions, and transition planning resources that support companies to assess interconnected nature- and climate-related opportunities, impacts, risks and dependencies across their operations, portfolios, and supply chains.

This pocket guide was prepared by the Global Commons Alliance's Accountability Accelerator, the Climate Governance Initiative, and AccountAbility. The Climate Champions Team were consulted during the development of this guide.

This pocket guide only includes summaries of key disclosure standards and high impact resources with strategic significance to the board role. For practitioner-focused resources, we encourage you to direct your sustainability teams to the full Resource Navigator to support them in advancing nature and climate action using a journey that presents management resources aggregated as sequential stages matching the SBTN and SBTi steps.

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Before you begin to explore the resources, where is your organisation on its nature positive journey?

Nature action can often start with recalibrating or broadening existing organisational actions and processes for climate action. Building on and organisations' climate journey is a crucial step towards becoming nature-positive.

Questions for Boards to prepare for nature action:

Board members should be asking the executive teams the following questions:

a. **How is the organisation integrating nature-related considerations into the business model and strategy?**

How are the decisions around investments, operations, and product development being influenced by nature-related risks and opportunities.

b. **What are the organisation's short-term and long-term nature-related goals?**

How do these goals align with global initiatives such as the Global Biodiversity Framework and the UN SDGs.

c. **How is the organisation measuring its impact and dependencies on nature?**

Companies must understand the specific metrics and methodologies used to gauge the company's impact on natural ecosystems. Ensure they are using the right tools and frameworks by directing them to the navigator.

d. **What policies and practices are the organisation implementing to minimise negative impacts on nature?**

Including supply chain management, resource utilisation, waste management.

e. **How is the organisation engaging and collaborating with external stakeholders on nature-related issues?**

Including NGOs, local communities, regulators, governments, investors and industry partners. How is the company contributing to or leading collective efforts?

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MAPPING GLOBAL FRAMEWORKS, STANDARDS, METHODOLOGIES AND DECISION-MAKING TOOLS

FOR NATURE

The graphic below provides some stratification of well-known nature-focused resources, frameworks, methodologies, standards, and global goals, and an orientation on how this landscape fits together.

GLOBAL GOALS AND FRAMEWORKS

- Convention on Biological Diversity — Kunming-Montreal Global Biodiversity Framework
- Sustainable Development Goals
- UNFCCC — Paris Agreement

ACCOUNTS

DISCLOSURE STANDARDS

MANDATORY

- European Commission — *(ESRS; SFDR; CSRD; CSDDD)*

VOLUNTARY*

- IFRS Foundation — *(IFRS S1; IFRS S2)*
- SASB Standards — Now part of IFRS Foundation
- GRI — *(GRI 101: Biodiversity 2024; GRI 303: Water and Effluents; GRI 304: Biodiversity; GRI 411: Rights of Indigenous Peoples 2016; GRI 413: Local Communities 2016)*

INFORMS

FRAMEWORK METHODOLOGIES

- TNFD — Taskforce on Nature-related Financial Disclosures
- Nature Positive for Climate Action
- Science Based Targets Network — Global Commons Alliance
- Act-D (Business for Nature; Science Based Targets Network; Capitals Coalition; World Business Council for Sustainable Development; TNFD; WWF; World Economic Forum)

Note: Some frameworks may also include disclosure recommendations

SUPPORTS

CREATORS OF DECISION-MAKING BENCHMARKS, RESOURCES, AND TOOLS (NOT EXHAUSTIVE)

BENCHMARKS

- CDP — Disclosure Insight Action
- World Benchmarking Alliance
- ShareAction

INITIATIVES, PROJECTS, AND RESOURCES

- PBAF — Partnership for Biodiversity Accounting Financials
- Finance for Biodiversity Foundation
- Capitals Coalition
- UN environment programme finance initiative
- Nature Action 100

TOOLS

- ENCORE
- IBAT
- Field to Market — Fieldprint Platform

** Note: in some jurisdictions, voluntary frameworks may be mandatory*

FOR CLIMATE

The graphic below provides some stratification of well-known climate-focused resources, frameworks, methodologies, standards, and global goals, and an orientation on how this landscape fits together.

GLOBAL GOALS AND FRAMEWORKS

UNFCCC
Paris Agreement

SUSTAINABLE DEVELOPMENT GOALS

Convention on Biological Diversity
Kunming-Montreal Global Biodiversity Framework

ACCOUNTS

DISCLOSURE STANDARDS

MANDATORY

U.S. Securities and Exchange Commission

European Commission
(ESRS; SFDR; CSRD; CSDDD)

VOLUNTARY*

IFRS Foundation
(IFRS S1; IFRS S2)

SASB STANDARDS
Now part of IFRS Foundation

GRI
(GRI 201: Economic Performance; GRI 302: Energy; GRI 305: Emissions)

ISO

INFORMS

FRAMEWORK METHODOLOGIES

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES
(IFRS Foundation will assume monitoring responsibility from TCFD in

Greenhouse Gas Protocol assumed

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

RACE TO ZERO

Note: Some frameworks may also include disclosure recommendations

SUPPORTS

CREATORS OF DECISION-MAKING BENCHMARKS, RESOURCES, AND TOOLS (NOT EXHAUSTIVE)

BENCHMARKS

CDP DISCLOSURE INSIGHT ACTION

World Benchmarking Alliance

ShareAction

A proud participant of: Climate Action 100+

INITIATIVES, PROJECTS, AND RESOURCES

EXPONENTIAL ROADMAP INITIATIVE

Accountability Framework initiative

UN environment programme finance initiative

SME Climate Hub

TOOLS

Environmental Defense Fund

NET ZERO ACTION ACCELERATOR

Field to Market FIELDPRINT PLATFORM

PACT

** Note: in some jurisdictions, voluntary frameworks may be mandatory*

SUMMARY OF KEY DISCLOSURE STANDARDS

Sub-sections

SUMMARY OF KEY DISCLOSURE STANDARDS

The following standards promote consistent, transparent disclosures, enabling businesses to demonstrate accountability and align with international efforts to address climate change and biodiversity loss through the Convention on Biological Diversity (CBD), the Sustainable Development Goals (SDGs) and the United Nations Framework Convention on Climate Change (UNFCCC). Additionally, internationally recognised normative frameworks such as the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises require companies to address both human rights and environmental impacts. This includes managing risks related to climate and nature, which are becoming critical issues for corporate governance.

By aligning business reporting with these international efforts and normative frameworks, boards can ensure that their companies are contributing to global sustainability objectives while remaining compliant with emerging regulations. As stewards of corporate governance and strategy, boards can ensure the integration of sustainability risks and opportunities into financial and risk management, while supporting long-term value creation and resilience.

The standard summaries included here present:

Voluntary

Voluntary reporting via a disclosure instrument is not mandated by any regulator process or policy-making body.

Mandatory

Mandatory reporting via a disclosure instrument required by a regulatory entity for organisations meeting certain criteria, with non-compliance being followed by specified penalties.

International Sustainability Standards Board (ISSB)

Voluntary

Internal Stakeholders: Chief Financial Officers (CFOs)/finance teams, Chief Sustainability Officers (CSOs)/sustainability teams, investor relations and, governance risk management

External Stakeholders: Investors and capital markets, regulators, auditors

The ISSB 's primary goal is to enable businesses to report consistent, comparable, and decision-useful sustainability information to investors and capital markets. The ISSB emphasizes the connection between financial performance and both climate-related and nature-related risks, showing that nature loss and biodiversity degradation, similar to climate risks, can significantly impact business operations, supply chains, and long-term value creation.

The Global Reporting Initiative (GRI)

Voluntary

Internal Stakeholders: CSOs/Sustainability teams, Chief Operations Officers (COOs)/operations and supply chain managers, communications and PR

External Stakeholders: NGOs and civil society, customers and consumers, local communities, governments and policy makers

The GRI Standards emphasise the interconnectedness of climate and nature, encouraging businesses to disclose their impacts on biodiversity, water resources, and ecosystems alongside their climate-related risks. GRI 101: Biodiversity 2024 aligns the Standard with the goals and targets of the Kunming-Montreal Global Biodiversity Framework and helps guide decision making and business practices to prevent biodiversity loss and manage value chain impacts.

ISO (International Organisation for Standardisation) Net Zero Guidelines

Voluntary

Internal Stakeholders: Quality and compliance teams, COOs/operations and production teams, CSOs/sustainability teams

External Stakeholders: Certifying bodies, suppliers and business partners, regulators, customers

The Net Zero Guidelines were established to tackle the fragmented net zero governance landscape. Launched at COP27, the guidelines provide a common reference and global basis for understanding and planning for a net zero future for state, regional, city and organisational level actors. In June 2024, ISO announced the intention to develop it's first international standard on net zero, expected to launch at COP30 in November 2025.

CSRD (Corporate Sustainability Reporting Directive)

Mandatory

Internal Stakeholders: CFOs/finance teams, CSOs/sustainability teams, governance and risk management, legal and compliance teams.

External Stakeholders: Investors, regulators, auditors and assurance providers, NGOs and civil society

The CSRD is an EU directive that strengthens and expands sustainability reporting requirements for companies. It mandates that large companies and listed SMEs disclose more detailed information about their sustainability impacts, risks and opportunities. CSRD aims to ensure that investors and other stakeholders have access to reliable and comparable sustainability data.

ESRS (European Sustainability Reporting Standards)

Mandatory

Internal Stakeholders: CSOs/Sustainability teams, CFOs/finance and risk management, COOs/operations and supply chain teams

External Stakeholders: Investors and financial institutions, regulators, assurance providers, NGOs and civil society

The ESRS are the specific reporting standards under the CSRD. These standards provide detailed guidance on how companies should report their sustainability impacts, including climate-related and nature-related disclosures, ensuring alignment with broader EU climate and biodiversity goals.

CSDDD (Corporate Sustainability Due Diligence Directive

Mandatory

Internal Stakeholders: Legal and compliance teams, CSOs/sustainability and human rights teams, COOs/procurement and supply chain teams

External Stakeholders: Suppliers and business partners, regulators, NGOs and civil society

The CSDDD requires companies to identify and address adverse impacts on human rights and the environment within their value chains. It focuses on due diligence processes that ensure businesses respect human rights and environmental sustainability across their operations and supply chains.

Section 04

HIGH IMPACT RESOURCES, FRAMEWORKS, AND METHODOLOGIES FOR BOARD DIRECTORS

Sub-sections

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Climate Governance Initiative

HIGH IMPACT RESOURCES, FRAMEWORKS, AND METHODOLOGIES FOR BOARD DIRECTORS

It is critical for boards to understand that these resources inform disclosure standards and contributions to global goals and frameworks by offering concrete methodologies for companies to quantify and manage their impacts on climate, nature and society.

When used together, combined with the practitioner resources, these are a complete toolkit for businesses to not only report on their sustainability impacts but also to strategically manage and mitigate risks, set science-based targets, and drive long-term value creation. An integrated approach ensures that businesses remain agile, transparent, and accountable, while also being capable of delivering positive environmental and social outcomes alongside financial performance.

The framework summaries included here present:

Holistic approaches to continuous action: managing for nature and climate outcomes can go beyond target setting. Organisations should take steps to act integrate climate and nature action into their business.

Ways to adopt a dynamic, leadership-oriented position as change agents: organisations should consider how they can take ambitious and comprehensive action for nature and climate to mitigate and reverse adverse impacts

Advocacy paradigm shifts for the benefit of nature and climate systems: organisation can join industry coalitions that coordinate efforts to advance nature and climate action, and look for opportunities to contribute to policy and advocacy discussions.

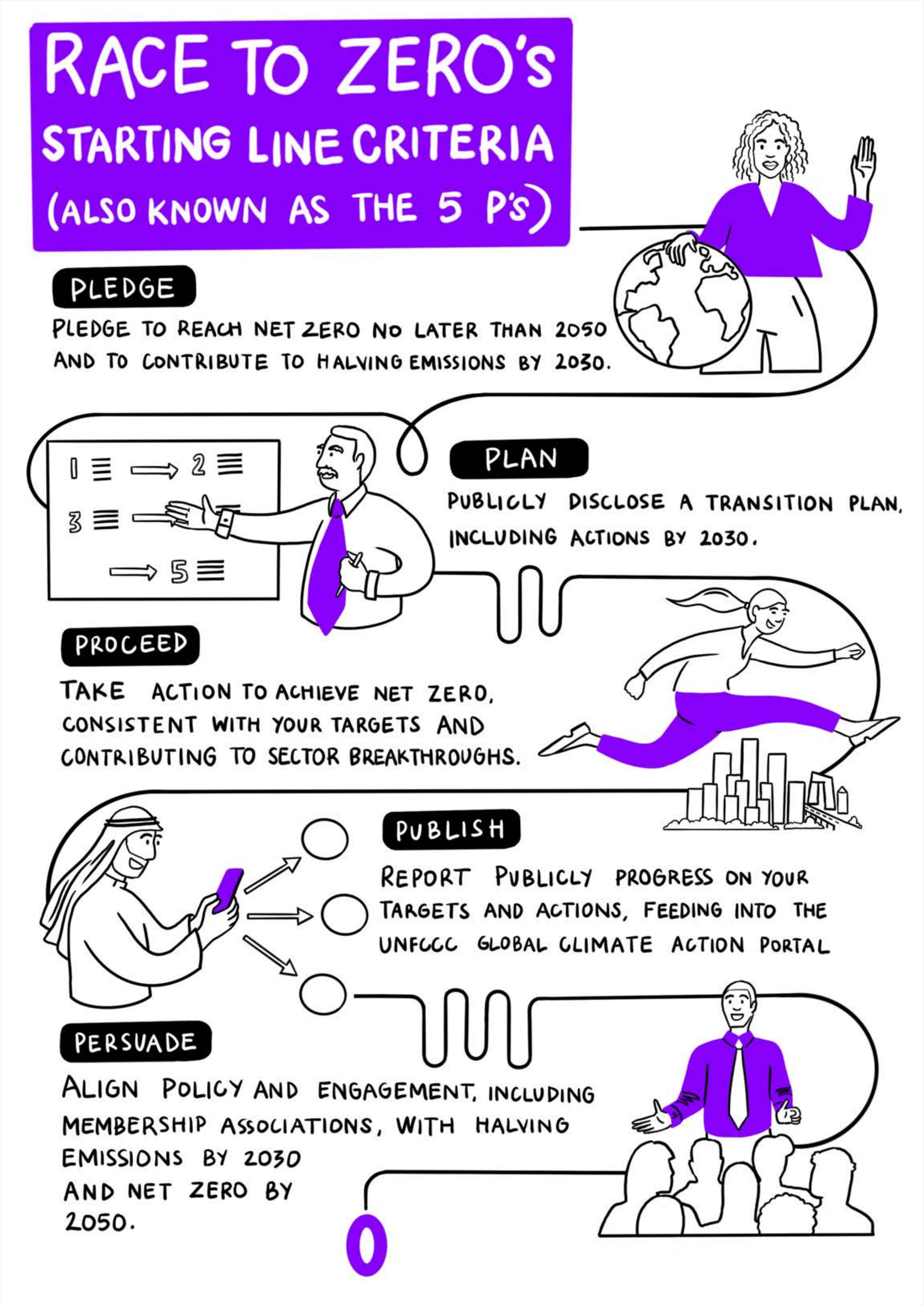
CAMPAIGNS

Race to Zero Campaign

Race to Zero is a global campaign launched in 2020 to encourage non-state actors to take rigorous and immediate action to halve global emissions by 2030. Over 14,000 members have joined since its launch.

To ensure integrity and accelerate meaningful progress, members must:

- meet the Race to Zero criteria, known as the 5 P's - Pledge, Plan, Proceed, Publish, and Persuade;
- meet the "Starting line" criteria (see diagram below). These criteria apply to members who join Race to Zero through its Partners' initiatives. The Partners are responsible for managing their respective members' operationalisation and fulfilment of these criteria; and
- consider adopting "Leadership practices", - progressive pathways that guide organizations towards a net zero economy. Many of these practices will become starting line criteria over time (i.e., minimum requirements), and partners and their members are encouraged to adopt as many leadership practices as possible.



Nature Positive for Climate Action Call to Action

Nature Positive for Climate Action call to action links and elevates existing voluntary climate commitments, to nature positive action. Private sector action on climate and nature can enable a positive feedback loop in which bold government policies and private sector leadership push us further in protecting nature.

Building on the Race to Zero and Race to Resilience campaigns, the call to action asks financial institutions and businesses in particular to:

- put nature in climate transition plans in line with the nature leadership practices of Race to Zero;
- increase investments in nature-based solutions; set science-based targets for climate (SBTi FLAG) and nature (SBTN);
- adopt TNFD;
- address deforestation risk and adopt a deforestation policy;
- follow leadership of join Finance Sector Deforestation Action initiative; and/or
- ensure policy engagement aligns with climate and nature goals.

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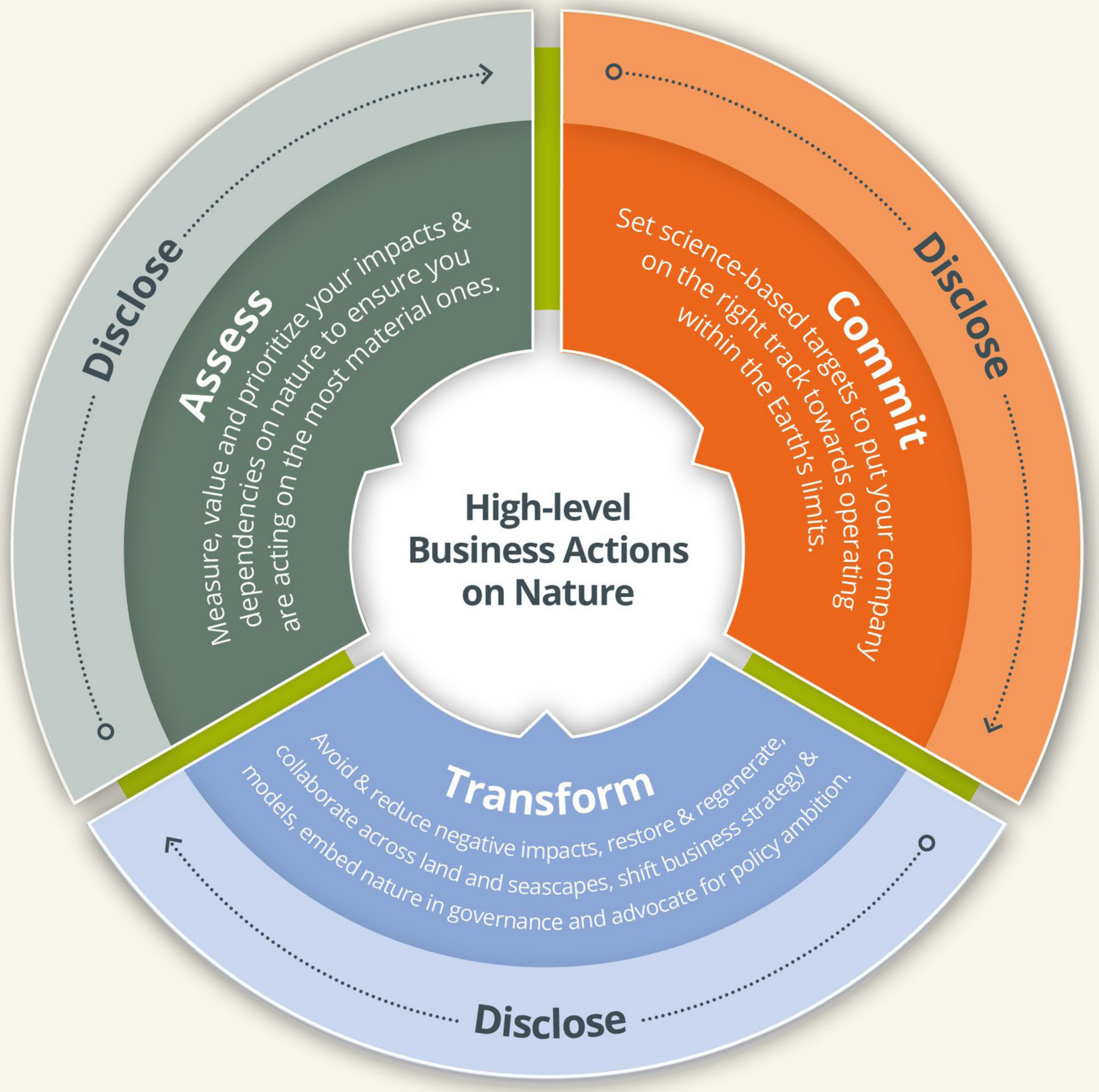
FRAMEWORKS

ACT-D High-Level Business Actions on Nature Framework

Created by the Capitals Coalition, Business for Nature, World Business Council for Sustainable Development (WBCSD), Taskforce for Nature-related Financial Disclosures (TNFD), Science Based Targets Network (SBTN), World Economic Forum (WEF), and World Wildlife Fund (WWF), ACT-D ("Assess, Commit, Transform, and Disclose") is a holistic framework that provides high-level steps for businesses to take for action on nature.

The four high-level steps are:

1. **Assess:** Measure, value, and prioritise the impacts and dependencies that the business has on nature and identify the most pressing items to address.
2. **Commit:** Create science-based targets for the business.
3. **Transform:** Avoid and reduce impacts of the business, regenerate and restore impacts that cannot be avoided, update business strategies and models accordingly to support these efforts, and advocate for policy ambition.
4. **Disclose**: Monitor how the business is performing against these efforts and disclose this information publicly (throughout)



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The Nature Strategy Handbook

The Nature Strategy Handbook, developed by Business for Nature, follows the four high-level business actions outlined in ACT-D: Assess, Commit, Transform and Disclose. The purpose of the Nature Strategy Handbook is to support all businesses - whether corporates or financial institutions - to develop a nature strategy that will enable them to make a meaningful contribution towards a nature-positive world. This Handbook forms the basis of 'It's Now for Nature', a global campaign to rally all businesses to act on nature and contribute towards the mission of the Kunming-Montreal Global Biodiversity Framework.

The High-Level Expert Group (HLEG) on the Net Zero Emissions Commitments of Non-State Entities

Established in 2022 by the United Nations Secretary General, the High-Level Expert Group (HLEG) on the Net Zero Emissions Commitments of Non-State Entities works to support net zero emissions pledges by non-State entities, such as investors, cities, businesses, etc. The expert group launched the Integrity Matters: Net Zero commitments by Businesses, Financial Institutions, Cities and Regions report at the COP27, UN Climate Conference.

The report provides a roadmap to define and achieve net zero targets that is based on existing standard setting frameworks for net zero pledges. It includes five guiding principles and 10 recommendations for non-state entities to prevent "greenwashing" and ensure meaningful net zero commitments and organisational transparency and accountability.

Transition Plan Taskforce Board Guide (Chapter Zero) And TPT Nature Paper

The Transition Plan Taskforce (TPT) was launched in April 2022 to develop the gold standard for private sector climate transition plans. The Taskforce included high-level representatives from companies, financial institutions, regulators, policymakers, and civil society. The Taskforce developed the Transition Plan Taskforce (TPT) Disclosure Framework, which sets out good practice for robust and credible transition plan disclosures. To further harmonise the disclosure landscape, the IFRS Foundation will assume responsibility for the disclosure-specific materials developed by the Transition Plan Taskforce.

Chapter Zero, The Directors Climate Forum, and UK Chapter of the Climate Governance Initiative, has developed the The Chapter Zero Transition Planning Toolkit. This toolkit is designed to give non-executive directors (NEDs) an understanding of transition planning and to equip NEDs to guide the development and delivery of credible transition plans. The toolkit is aligned with the Transition Plan Taskforce Disclosure Framework and Implementation Guidance.

The TPT Nature Working Group has additionally published advice to the TPT on integrating nature into the TPT Disclosure Framework, through The Future for Nature in Transition Planning paper.

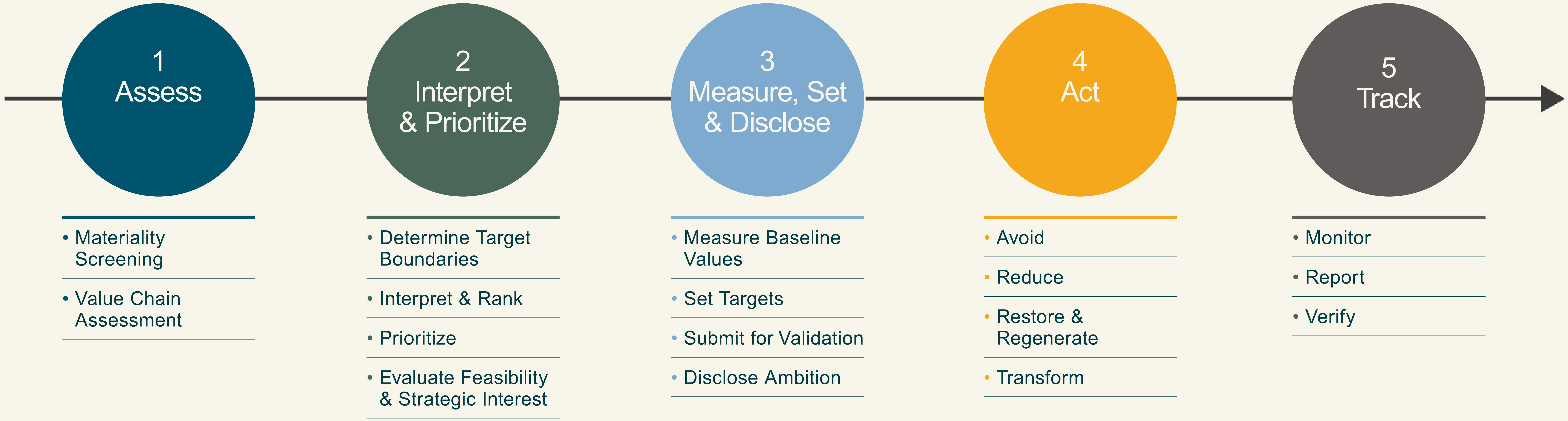
TARGET SETTING

Science Based Targets Network's 5-Step Science-Based Target-Setting Framework for Nature

The Science Based Targets Network (SBTN) released technical guidance, and a corporate manual that covers the first three steps of their five-step science-based target-setting framework for nature; Assess, Prioritise, Set targets, Act, and Track. This guidance builds on the SBTN's 2020 Initial Guidance for Business.

In response to corporate demand to make the target-setting process as accessible and actionable as possible, the SBTN has also released Stakeholder Engagement Guidance (v0.1) and Cross Step Guidance. It is expected that the SBTN will continue to update existing versions of the corporate manual, technical guidance and complementary resources listed above, in addition to releasing complete technical guidance for all realms inclusive of the five steps in the science-based target-setting framework for nature – including Step 4 (Act) and Step 5 (Track). Finally, while the SBTN does plan to create guidance for financial sector actors, they do not currently outline a timeline for this effort.

Validation is a critical part of the process of setting science-based targets for nature – safeguarding the integrity of the targets, ensuring an independent and rigorous evaluation process that delivers comparable results across companies. The Accountability Accelerator, also part of the Global Commons Alliance, will host the validation of science-based targets for nature.



Science Based Targets initiative

The Science Based Targets initiative (SBTi) drives ambitious corporate climate action by enabling organisations in the private sector to set science-based greenhouse gas emissions reduction targets. Science-based targets (SBTs) qualify as "science based" when they align with the latest climate science and provide target-setting organisations with a specific pathway on the greenhouse gas (GHG) emissions reductions needed to align with the Paris Agreement's objectives.

The SBTi validates SBTs that are in line with these goals, and against its science-based criteria. As of July 2022, the SBTi only accepts target submissions that are aligned with limiting global warming to 1.5°C. As a Race to Zero Campaign partner, all companies setting net zero targets under the SBTi are integrated as members of the campaign under the leadership of the UN Climate Change High-Level Champions.

Commit

Submit a letter establishing your intent to set a science-based target

Develop

Work on an emissions reduction target in line with the SBTi's criteria

Submit

Present your target to the SBTi for official validation

Communicate

Announce your target and inform your stakeholders

Disclose

Report company-wide emissions and progress against targets on an annual basis

ASSESSMENT AND DISCLOSURE

Taskforce on Nature-Related Financial Disclosures' Recommendations and Guidance

In September 2023, the Taskforce on Nature-Related Financial Disclosure (TNFD) released a risk management and disclosure framework to enable organisations to report and act on evolving nature-related risks. The TNFD framework is a set of disclosure recommendations and additional guidance and is consistent with the approach of the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, the International Sustainability Standards Board's (ISSB) International Financial Reporting Standards (IFRS), and the Global Reporting Initiative's (GRI) global sustainability standards.

TNFD in a Box provides an overview for market participants about why corporates and financial institutions need to consider nature as a strategic risk management issue and how they can identify, assess, manage and disclose their nature-related dependencies, impacts, risks and opportunities by adopting the TNFD. Module 0 provides a board level overview.

Taking TNFD to Your Board - Chapter Zero, offers boards a compelling business case to act on nature now by aligning to the TNFD. It leverages the latest data and a wealth of case studies that show how mapping your nature risks and dependencies can not only help boards strengthen governance and get ahead on compliance, but also build a competitive nature-positive strategy. A global version will be available soon.

Natural Capital Protocol

The Capitals Coalition has developed end-to-end guidance that provides organisations with tools to identify, measure, and value their direct and indirect impacts and dependencies on natural capital. Implementation of the Natural Capital Protocol (the Protocol) facilitates decision-making for organisations in any business sector through four stages:

1. The Frame stage helps organisations explore why a natural capital assessment would be relevant,
2. The Scope stage defines what the most relevant natural capital impacts and dependencies are through a materiality process,
3. The Measure and Value stage guides organisations on how to measure and value natural capital; and
4. The Apply stage helps organisations to interpret the results and identify what actions are needed to integrate the true value of natural capital into existing decision-making and relevant workflow processes.

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Section 05

CONSIDERATIONS FOR COMMITTEES

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CONSIDERATIONS FOR COMMITTEES

Effective exchange of information between board committees is critical, especially as new regulations and leading practice will require integrated reporting of both financial and non-financial sustainability-related information. This emphasises the importance of embedding sustainability-related risks and opportunities into financial disclosures, ensuring that stakeholders receive a holistic view of the organisation's performance. Committees responsible for areas like finance, audit, and sustainability must collaborate closely to align their reporting practices and ensure consistency across different domains. This integrated approach will help organisations meet regulatory expectations while enabling better decision-making and risk management. A well-coordinated flow of information among committees will also enhance transparency and accountability.

Sustainability Committees	Audit & Risk Committees	Remuneration Committees
Review progress against goals and targets	Financial reporting to ensure risks and sustainability are accurately reflected in reports	Integrate climate and nature criteria into selection process
Ensure transparent reporting	Compliance with regulation and standards	Align compensation with nature and climate performance
Ensure use of key frameworks e.g. GRI, TCFD, TNFD, SBTN	Scenario and resilience planning	Added three new disclosures and reflects goals of Global Biodiversity Framework

JUMP TO SECTION

Section 06

APPENDIX

Sub-sections

ACCOUNTABILITY ACCELERATOR | GLOBAL COMMONS ALLIANCE

AccountAbility
Setting the Standard for Sustainability

Climate Governance Initiative

UNDERSTANDING KEY DISCLOSURE INSTRUMENTS

A "disclosure instrument" in this navigator is defined as a resource that facilitates company communication of its position, targets, and management actions towards nature and climate. This could take the form of frameworks and methodologies for measurement and disclosure, such as the TNFD, an annual disclosure system, such as CDP, or a standard for non-financial disclosure, such as GRI.

Disclosure Instrument Type, Related Terms	Definition	Examples *(not exhaustive)*
Framework	A structure designed to support the contextualization of information through a set of guiding principles, a framework can often precede more defined standards. A framework allows for flexibility in defining the direction, but less so the method itself, and does not constitute a mandatory reporting obligation for the user on its own.	RACE TO ZERO; SCIENCE BASED TARGETS NETWORK; TNFD
Standard	A standard contains specific and detailed criteria or metrics of what should be reported on each topic and represents an agreed-upon level of information disclosure as well as parameters guiding the quality of disclosed content. In general, corporate reporting standards have a public interest focus, credible independence, due process, and have undergone a public consultation.	GRI
Benchmarks, Ratings, Rankings	Benchmarks, ratings, and rankings reflect a scoring of measured information shared by a company or entity across specified categories and enable comparisons between entities. The information disclosed through reporting standards may serve as a useful data input for benchmarks, ratings, and rankings.	World Benchmarking Alliance; ShareAction»
Voluntary	Voluntary reporting via a disclosure instrument is not mandated by any regulatory process or policy-making body.	ISO
Mandatory	Mandatory reporting via a disclosure instrument is required by a regulatory entity for organizations meeting certain criteria, with non-compliance being followed by specified penalties.	European Commission *(ESRS; SFDR)*
Interoperability	Interoperability involves working towards the goal of collaboration and complementarity of information between two or more frameworks and/or standards. Interoperable disclosure instruments allow for global comparability and consistency of shared information across companies and jurisdictions. In turn, this reduces duplicative reporting requirements and supports the creation of a comprehensive reporting system. For example, the ISSB's partnership with the Global Reporting Initiative enables the ISSB to build its IFRS disclosure requirements to be interoperable with GRI standards, helping to reduce the reporting burden for companies using both sets of standards for reporting.	*For example:* GRI *with* IFRS Foundation
Assurance	Assurance is the process of establishing the integrity and credibility of disclosed information through an external, third-party review process. This is a common requirement for the disclosure of company financial performance information, but is being increasingly discussed for non-financial, sustainability-related information disclosures, and may be required in the future (especially in Europe, where it is already being phased into certain regulations).	*Limited assurance required under the EU Corporate Sustainability Reporting Directive* European Commission

THANK YOU

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