NATURE IS NOW
A GUIDE FOR BUSINESSES TO ACT ON NATURE

Providing actionable recommendations for companies on integrating nature into their strategic frameworks, using experiences from Dutch companies across a variety of sectors

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List of authors

Christine Wortmann

WWF-NL

cwortmann@wwf.nl

Marcella Bos

WWF-NL

mbos@wwf.nl

Ivan Kukhnin

Deloitte Netherlands

Ikukhnin@deloitte.nl

Nikolay Prokhorov

Deloitte Netherlands

nprokhorov@deloitte.nl

Yuri Ramruthan

Deloitte Netherlands

yramruthan@deloitte.nl

Mariia Malatkurova

Deloitte Netherlands

mmalatkurova@deloitte.nl

Ben Du Plessis

Deloitte Netherlands

bduplessis@deloitte.nl

Stijn Wijdekop

Deloitte Netherlands

swijdekop@deloitte.nl

Bjorn Hubers

Deloitte Netherlands

bhubers@deloitte.nl

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FOREWORD: NATURE IS NOW

Globally, nature presents a vast and untapped investment opportunity. Shifting towards a nature-positive economy has the potential to unlock $10 trillion in annual business opportunities and generate 395 million jobs by 2030. Yet, we are depleting natural capital and degrading ecosystems faster than nature can recover.

Combined with the growing threat of catastrophic climate breakdown, the loss of biodiversity endangers both our prosperity and survival. Nature is vanishing at an alarming rate: every minute, forested areas the size of 30 football fields disappear. Over the past 50 years, wildlife populations have declined by 69%. To sustain a livable Earth, we urgently need more nature, and fast. Achieving this is possible, but only if we choose to work together across sectors and share knowledge.

As human activities increasingly impact the environment, the urgency for businesses to integrate nature into their operations, reporting, and strategies has never been greater. Our ecosystems are under threat, and the corporate sector plays a pivotal role in safeguarding the planet's natural resources. The private sector holds enormous influence to drive positive change, making it imperative for companies to place nature at the core of their business models—not just as a moral responsibility, but as a strategic necessity for long-term success.

In previous research we explored how financial institutions can manage and disclose nature-related risks, resulting in the report "Nature is Next." The findings demonstrated progress, but also highlighted gaps in comprehensive risk assessments. These gaps have become even more pressing with the evolving regulatory landscape, shaped by the introduction of laws such as the Corporate Sustainability Reporting Directive [1] (CSRD) and the Corporate Sustainability Due Diligence Directive [2] (CSDDD). These regulations demand more rigorous and transparent disclosures and management of sustainability-related issues.

This report, a collaboration between WWF-NL and Deloitte Netherlands, serves as both a call to action and a practical guide for businesses starting or have started their nature journey. It offers valuable insights, real-world examples of the challenges companies face, and actionable steps to embed nature into their operations, reporting, and strategic planning. By aligning business practices with nature, companies can not only mitigate and reduce their environmental impact and dependencies, but also unlock new opportunities for growth and innovation.

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1   Corporate Sustainability Reporting Directive - European Commission (europa.eu)
2   CSDDD_en (europa.eu)

We stand at a crossroad. The future of our planet and the well-being of generations to come depend on the decisions we make today. We must protect ecosystems from degradation, using their 'interest' rather than consuming the 'capital' itself. We acknowledge that this transition is not without significant challenges, from redefining business models to navigating complex data and various frameworks. However, the cost of doing nothing far exceeds these difficulties. Change is already happening all around us, and we know it is possible. We are confident that this guide will inspire and empower companies to take meaningful steps toward a more sustainable future. One where nature and business success go hand in hand, fostering economic prosperity and societal well-being.

Let this report serve as your guide and catalyst for change. The path forward is challenging, but the rewards—for our planet, for future generations, and for the long-term success of your business—are immense. Nature is not just our responsibility; it is our greatest opportunity. The time to act is now!

Bart Geenen

Chief Conservation Officer

WWF-NL

Ivan Kukhnin

Partner

Deloitte Netherlands

EXECUTIVE SUMMARY

Nature encompasses all living entities and their interaction with other living or non-living physical entities and processes.[3] The urgent call to protect and restore these natural assets is driven by the detrimental impact humans have on biodiversity and nature, either directly or through our economic system. Companies are pivotal in adopting nature-positive solutions, integrating these into their business frameworks to build resilient infrastructures and economies. This guide aims to provide actionable recommendations for companies on integrating nature into their strategic frameworks.

The WBA Nature Benchmark, an analysis of 816 leading global companies, reveals critical gaps in their management of their impact on nature. Only 5% of companies worldwide have assessed their impacts on nature, 13% engage in ecosystem conservation, and a mere 6% set deforestation goals. Dutch companies account for a fraction of this, with only 21 out of 816 companies analyzed being based in The Netherlands. Similar trend has been observed about the adoption of the Taskforce on Nature-related Financial Disclosures (TNFD) framework, where only 6 Dutch companies volunteered to implement the framework by 2024. These findings highlight the urgent need for stronger corporate nature commitments.[4]

To develop this guide, we interviewed 11 companies from seven different sectors in the Netherlands, and analyzed public data, to grasp the best practices for incorporating nature into their operational and strategic frameworks. We supplemented this with expert input from across the WWF network. Our research provides findings related to understanding, evaluating, and managing nature in business. We obtained the following findings:

1. **Motivators:**

   The guide reveals that companies are motivated to analyze the interplay between business operations and the natural environment due to a combination of regulatory mandates and public demand for transparency. However, the primary drivers extend beyond compliance. Companies seek to enhance their reputation and brand image, meet investor and stakeholder expectations, achieve operational efficiency and cost savings, gain market competitiveness, and manage risks related to regulatory changes, resource scarcity, and climate change. This indicates that strategic, reputational, and economic benefits are significant motivators for nature analysis.

2. **Understanding the value of nature:**

   Businesses face substantial economic repercussions from nature loss. The guide identifies issues and challenges such as a lack of common understanding of nature, knowledge gaps, and initial hesitation. Solutions include educational programs, collaboration with expert organizations, and adopting established frameworks like those developed by the TNFD and the Science Based Targets Network (SBTN).

3   Global Assessment Report on Biodiversity and Ecosystem Services | IPBES secretariat
4   Nature Benchmark | World Benchmarking Alliance

3. **Governance and policy:**

   Effective governance and policies are crucial for integrating nature-related considerations into business operations. The guide highlights issues such as securing leadership commitment, resource allocation, and policy integration. Solutions involve top-down and bottom-up approaches, structured frameworks, and stakeholder engagement.

4. **Tools and methodologies:**

   Robust tools and methodologies are essential for assessing and managing nature-related impacts, dependencies, risks, and opportunities. Companies face challenges like data availability, tool selection, and integration with existing systems. Solutions include using established tools, simplifying data collection, and forming partnerships.

5. **Target setting and reporting:**

   Setting science-based targets and transparent reporting are critical for tracking progress and demonstrating commitment to nature conservation. Challenges include developing measurable targets, navigating reporting standards, and ensuring transparency. Solutions involve adopting SBTN guidelines, aligning with the TNFD and CSRD frameworks, and seeking independent assurance.
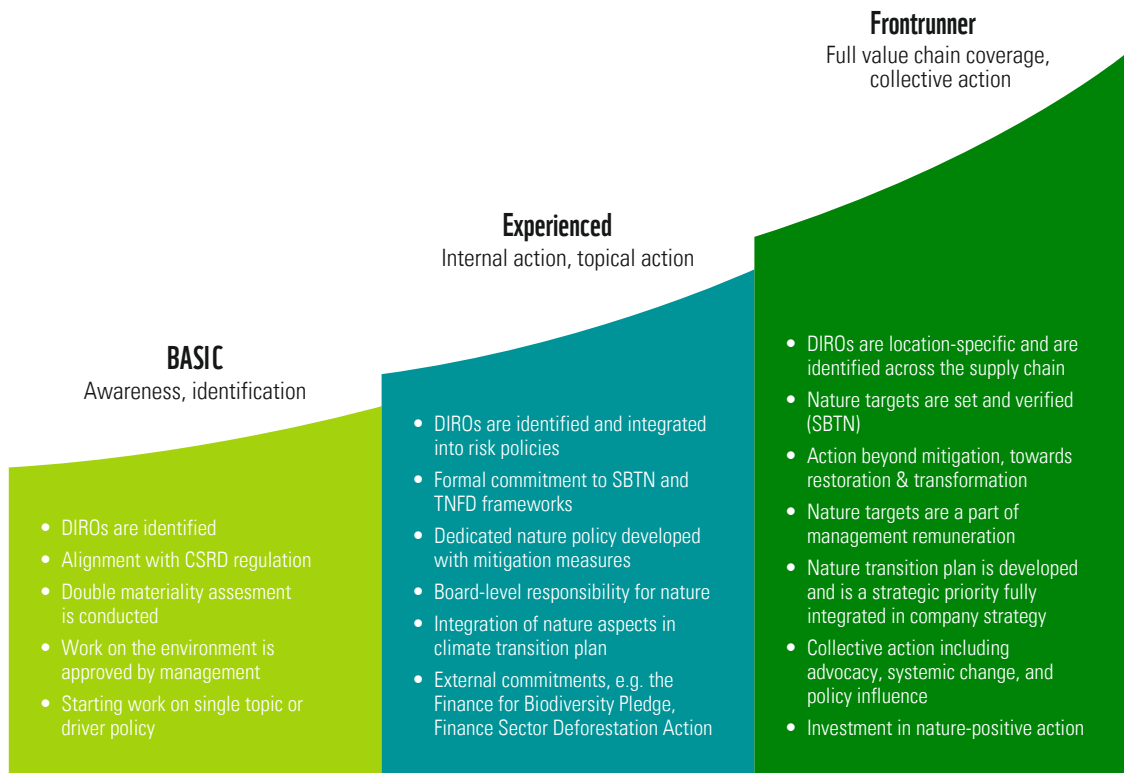
6. **Nature transition plans:**

   Nature transition plans outline how companies will integrate nature-related goals into their business operations. Challenges include creating detailed implementation plans, integrating with climate goals, and securing stakeholder buy-in. Solutions include adopting a phased approach, engaging in cross-sector collaborations, and continuous improvement. The guide underscores the interconnectedness between business operations and nature, stressing the urgent need for Dutch industries to integrate nature-related considerations into their core strategies.

Building on these findings, in the next chapters we propose targeted solutions for each challenge identified within the findings. We further solidify these solutions with the following general recommendations, for businesses looking to integrate nature into their operations, reporting, and strategy. Based on our findings, our key recommendations for companies include:

Findings	Recommendations
Understanding (the value of) nature *Identifying and assessing impacts, dependencies, risks, and opportunities for your business*	• Conduct a Nature Impact and Dependency Assessment: Evaluate and assess direct operations and supply chains to understand how the business affects and depends on nature, using existing tools and technologies. • Be specific and local in assessments: Assess local ecosystems and engage community stakeholders to understand and support nearby natural features.
Governance and policy *Integrating nature into strategy, financial planning, and reporting*	• Establish strong leadership and governance structures to oversee nature efforts. • Enhance organizational integration and transparency: Integrate nature-related considerations into various aspects of business operations – from procurement and financial planning to human resources and corporate governance – to ensure a holistic approach to sustainability.
Tools and methodologies *Collecting data and information necessary for effective integration*	• Accept that data collection is challenging work, given the fact that data sets are incomplete, and use adaptive management to refine strategies as new information emerges. • Prioritize efforts in high-risk impact areas: Focus on areas with significant risks to your business, like water-dependent supply chains. • Use frameworks like those developed by the SBTN and TNFD for structure, best practice, and guidance. • Review existing ESG work and data to identify areas relevant to nature, such as waste management, water usage, and pollution-related actions/KPIs. Evaluate how these areas impact natural resources and prioritize actions that can yield measurable environmental benefits.
Target setting and reporting *Setting ambitious and meaningful targets*	• Communicate plans and progress clearly and transparently: Report the performance and progress of nature-positive strategies to stakeholders in a clear and transparent manner, aligning with major reporting standards to enhance credibility and trust. • Set science-based targets for nature: Develop measurable and time-bound metrics and targets to guide actions and monitor progress towards nature conservation and restoration goals, ensuring alignment with global frameworks and best practices. • Focus on priority locations: Prioritize efforts in areas where the company has the most significant impact on nature to maximize positive outcomes. • Take a phased approach to implement feasible actions: Implement initiatives that offer immediate benefits for nature and serve as a foundation for long-term nature-positive strategies.
Nature transition plans *Translating analysis and targets into a comprehensive nature transition plan*	• Adopt and integrate the Mitigation Hierarchy in your nature transition plan: Apply a systematic approach to avoid, reduce, and restore nature impacts in operations and broader supply chains. • Look beyond risks towards opportunities: Identify nature-based solutions that can reduce costs and create new business opportunities. • Engage with knowledge partners and in cross-sector collaborations, and advocate policies that support the transition to a nature-positive economy.

The general recommendations are to adopt a holistic strategy that incorporates nature into all aspects of your operations, engage with stakeholders, implement training programs to build knowledge at all levels, ensure leadership commitment, track progress with clear metrics, and foster external partnerships and innovation. These steps will create a sustainable organization in harmony with nature.

Our survey identified current practices for nature valuation, divided into three broad categories, as shown in the figure below: Basic, Experienced, and Frontrunner. Companies may choose their approach based on their desire to lead in nature disclosure or prioritize compliance with legislation like the CSRD, which requires identifying impacts and risks and disclosing this information.

Frontrunner
Full value chain coverage,
collective action

Experienced
Internal action, topical action

BASIC
Awareness, identification

- DIROs are identified
- Alignment with CSRD regulation
- Double materiality assesment is conducted
- Work on the environment is approved by management
- Starting work on single topic or driver policy

- DIROs are identified and integrated into risk policies
- Formal commitment to SBTN and TNFD frameworks
- Dedicated nature policy developed with mitigation measures
- Board-level responsibility for nature
- Integration of nature aspects in climate transition plan
- External commitments, e.g. the Finance for Biodiversity Pledge, Finance Sector Deforestation Action

- DIROs are location-specific and are identified across the supply chain
- Nature targets are set and verified (SBTN)
- Action beyond mitigation, towards restoration & transformation
- Nature targets are a part of management remuneration
- Nature transition plan is developed and is a strategic priority fully integrated in company strategy
- Collective action including advocacy, systemic change, and policy influence
- Investment in nature-positive action

INTRODUCTION

Nature encompasses all living entities and their interaction with other living or non-living physical entities and processes.[5] It yields a flow of benefits essential for human well-being and economic activities. Nature is not merely a backdrop for economic activities, but a fundamental asset that underpins economic growth.

The global population of 7.6 billion represents only 0.01% of all living organisms, yet humans are responsible for 83% of the loss of wild mammals and 50% of all plants.[6] Common drivers of nature loss – such as changes in land and sea use, climate change, resource exploitation, pollution, and the introduction of invasive species – exacerbate climatic shifts.[7] The urgency to protect and restore natural capital has never been greater. Protecting and restoring these natural assets can enhance their capacity to sequester carbon, directly contributing to climate mitigation efforts and promoting a resilient recovery in a post-COVID-19 world.

Companies play a crucial role in this urgent call to action. They must adopt nature solutions and start integrating these into business and economic frameworks to create resilient business models and economies adaptive to climate impacts and beneficial for the environment. This approach not only combats climate change, but also ensures sustainable economic development, leveraging the co-benefits of biodiversity conservation and enhanced ecosystem services.

Specific priority sectors and industries, such as agriculture, pharmaceuticals, and tourism, are deeply intertwined with the health of ecosystems. Agriculture relies on healthy soil and water systems for crop production. The pharmaceutical industry depends on biodiversity for discovering and developing new medicines.[8] The tourism sector benefits from well-preserved natural landscapes and diverse wildlife to attract visitors.[9] The mid- and long-term sustainability of these industries depends on practices that support ecosystem resilience. The mutual dependence between the earth and its ecosystems emphasizes that the resilience of natural systems is crucial not only for environmental health but also for the viability and success of various industries.[10] Neglecting this interconnectedness can disrupt essential economic services, leading to increased operational costs, supply chain vulnerabilities, and regulatory risks for businesses.

Research shows that 55% of global GDP, approximately USD 58 trillion, is significantly reliant on natural systems.[11] Ecosystem services, valued at USD 125 trillion per year, underscore the immense value of nature. Human activities, however, are causing substantial damage to these systems through land and sea use changes, overexploitation of resources, climate change impacts, pollution, and invasive species. This degradation threatens the ecosystems we depend on, highlighting the urgent need for sustainable management practices.

5   Global Assessment Report on Biodiversity and Ecosystem Services | IPBES secretariat

6   World Economic Forum (weforum.org)

7   EU policies addressing direct drivers of biodiversity loss | Knowledge for policy (europa.eu)

8   Biodiversity, drug discovery, and the future of global health: Introducing the biodiversity to biomedicine consortium, a call to action - PMC (nih.gov)

9   Growing Wildlife-Based Tourism Sustainably: A New Report and Q&A (worldbank.org)

10 Coupled human and natural systems: The evolution and applications of an integrated framework | Ambio (springer.com)

11 Managing nature risks: From understanding to action| PWC (pwc.com)

The 2024 Nature Benchmark results serve as a reminder that while several companies are making notable strides towards adopting sustainable practices within their production processes, the vast majority lack a comprehensive understanding of their impact and dependence on nature. Persistent gaps in crucial sectors such as water usage, ecosystem conservation, and recognition of local communities continue to pose risks to both the planet and its inhabitants. The benchmark indicates that among 816 leading global companies only 5% have assessed their nature impacts, with less than 1% having assessed dependencies, even though many operate in sectors heavily dependent on natural resources.[12] A growing number of organizations – 29% – are either reporting reductions in water use or disclosing water usage from regions experiencing water stress, indicating an enhanced awareness of their role in global water availability.[9] However, addressing water scarcity involves more than just reducing usage; it also encompasses ensuring the quality of water for essential human needs such as drinking and bathing. Presently, only 15% of companies report metrics on discharged pollutants, and a mere 4% have set targets to reduce these pollutants.[9]

Recognizing the benchmark challenges, companies are also aligning with the SBTN framework to advance key initiatives promoting biodiversity and sustainable land use. A key SBTN target is that by 2030 companies aim to protect and restore natural habitats within their operational areas and supply chains, while implementing conservation programs to safeguard endangered species affected by their activities. Furthermore, they strive to achieve zero net land degradation across company-owned lands and critical supply chain areas by 2035, ensuring that raw materials are sourced sustainably to avoid deforestation and habitat destruction. Through these efforts, companies align with the SBTN to make a significant positive impact on the environment and contribute to global goals for nature conservation.[13]

Having a robust environmental and social strategy, underpinned by strong accountability structures, is crucial for credible corporate sustainability. Although 66% of companies assign sustainability oversight to their boards, only 2% have board members with demonstrable expertise in areas such as biodiversity or climate.[14] Companies with strong corporate governance tend to perform significantly better on other sustainability issues. Therefore, to make a real impact companies should prioritize developing a comprehensive sustainability strategy that includes nature, supported by concrete high-level responsibility and accountability for its implementation. Furthermore, the Dutch representation among these companies is unfortunately negligible, with only 21 companies out of 816 analyzed by this ranking operating in the Netherlands.[14] The situation is similar for companies that will adopt the TNFD framework in 2024 or earlier, where the Netherlands is represented by only 6 companies out of 320.[12]

Similarly, The Nature Scorecard by Planet Tracker evaluates the participation of more than 470 corporations in various nature-related frameworks and initiatives.[15] It assesses corporate engagement across three voluntary measures (TNFD early adopter, SBTN submission, or appointment of a nature executive) and three mandatory frameworks and initiatives (Nature Action 100, PRI Spring, and Forest 500 score).[13]

12 Nature Benchmark | World Benchmarking Alliance
13 Land targets – Science Based Targets Network
14 Research shows major companies around the world are failing to assess and measure their impact on nature | World Benchmarking Alliance
15 Nature Scorecard Dashboard (Update v2.0) - Planet Tracker (planet-tracker.org)

This urgent call to bridge the economic systems with ecosystems, global developments, and agreements, such as the Kunming-Montreal Global Biodiversity Framework and the Paris Agreement, highlights the critical need for systemic integration of nature-positive solutions.[16,17] These frameworks call for ambitious targets to halt and reverse nature loss by 2030 and align business activities with global nature commitments.[18] Additionally, recent discussions, including those at the COP 28, have highlighted the importance of integrating biodiversity in national climate strategies, as recognized in the Paris Agreement.

This guide aims to address the dual crises of nature loss and climate change by providing actionable recommendations for companies on how to integrate nature into their operational and strategic frameworks. To achieve this, WWF-NL and Deloitte Netherlands conducted comprehensive research into current practices of integrating nature-related risks in various Dutch industries. The study synthesizes our findings and offers strategic recommendations, focusing on enhancing companies' capability to assess nature impacts, dependencies, risks, and opportunities.

To identify and examine best practices, we used two approaches: an analysis of best practices according to open sources and experts in the WWF network, and direct interviews with companies from seven different sectors in the Netherlands. Additionally, we considered the Nature Benchmark outcomes from the World Benchmarking Alliance and Carbon Disclosure Project (CDP) responses.

Our guide aims to develop and provide concrete, actionable recommendations to enable businesses to effectively integrate nature conservation and sustainability practices into their operational and strategic frameworks. This will be done by addressing the following key areas:

1. Identifying and assessing nature impacts, dependencies, risks, and opportunities relevant to their business.

2. Integrating nature into the organization's governance, strategy, financial planning, and reporting.

3. Collecting data and information necessary for effective integration.

4. Setting ambitious and meaningful targets.

5. Translating these findings into a nature transition plan.

16 The Paris Agreement | UNFCCC
17 The Kunming–Montreal Global Biodiversity Framework and the Paris Agreement need a joint work programme for climate, nature and people - Boran - Journal of Applied Ecology - Wiley Online Library
18 COP28 Joint Statement on Climate, Nature and People

KEY DEFINITIONS AND CONCEPTS

Drivers of nature loss
The five primary drivers of nature loss, according to the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES), are:

- Land and sea use change.

- Direct exploitation of organisms and resources.

- Climate change.

- Pollution.

- Invasive species.

Nature impacts
Positive or negative contributions of a company or other actor towards the state of nature, including pollution of air, water, or soil; fragmentation or disruption of ecosystems and habitats for non-human species; and alteration of ecosystem processes (SBTN Glossary).

Dependencies
Aspects of nature's contributions to people that a person or organization relies on to function, including water flow and quality regulation; regulation of hazards like fires and floods; pollination; carbon sequestration (SBTN Glossary).

Risks
Potential threats (effects of uncertainty) posed to an organization that arise from its and wider society's dependencies and impacts on nature. Risks can be physical risks, transition risks or systemic risks. (TNFD).

Opportunities
Nature-related opportunities are activities that create positive outcomes for organizations and nature through positive impacts or mitigation of negative impacts on nature (TNFD).

The entirety of nature-related Dependencies, Impacts, Risks and Opportunities is abbreviated in this guide as DIRO.

Transition plan
A nature transition plan is a strategy for companies to reduce their environmental impact and promote sustainability. Transition plans should set out clear and actionable steps towards achieving science-based nature targets, and aligning these with climate targets to ensure that mutual trade-offs are well considered.

SBTN
Science-Based Targets Network is a civil-society and science-led initiative that develops science-based targets for nature, both for companies and cities, so they can comprehensively address their environmental impacts across biodiversity, land, freshwater and ocean, in addition to climate through the Science Based Targets initiative.

TNFD
The Taskforce on Nature-related Financial Disclosures has developed a set of disclosure recommendations and guidance that encourage and enable business and finance to assess, report and act on their nature-related dependencies, impacts, risks, and opportunities.

For more definitions, check the SBTN Glossary and the TNFD Glossary.

1

1. MOTIVATORS FOR BUSINESSES TO START ACTING ON NATURE

Various factors motivate companies to analyze and manage the interplay between business operations and the natural environment. On the one hand, regulatory requirements necessitate the disclosure of environmental impacts, and there is a growing public demand for corporate transparency. However, the primary drivers for most respondents in our survey extend beyond mere compliance with these regulations. Many companies we spoke to in developing this guide are proactively assessing the potential risks associated with environmental factors that could influence future business viability. This suggests that our surveyed companies are more aware of and proactive regarding nature compliance and related risks compared to the broader average outline in the 2023 Nature Benchmark. Particularly, industries that rely heavily on natural resources, such as food production, have been at the forefront of recognizing and addressing nature-related risks well ahead of specific legislative actions.

It is crucial to acknowledge that almost all businesses, to varying degrees, depend on and cause impact on natural ecosystems, and alterations in these systems may pose various risks. The study participants also highlighted the importance of evaluating and mitigating their environmental footprint, driven largely by the heightened environmental awareness among stakeholders and company employees. This proactive approach not only addresses immediate compliance needs, but also aligns with broader corporate responsibility goals and enhances long-term sustainability.

Figure 1: *Motivators for Assesing Nature*

The survey found that companies with improved knowledge in analyzing nature aspects are mainly driven to start nature reporting by a mix of regulatory and operational factors. Regulatory factors often go beyond just reporting, while operational factors include understanding how natural disasters may disrupt business processes. Interestingly, other motivators also played a significant role in decision-making, with their percentages being very close. Notably, stakeholder concerns emerged as a key factor, highlighting the growing importance of stakeholder expectations in driving nature-related reporting. This nuanced observation underscores the broad range of reasons for companies to engage in nature reporting.

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2. UNDERSTANDING (THE VALUE OF) NATURE

As nature faces unprecedented rates of loss, studies warn of severe economic repercussions, projecting a potential global economic cost of USD 2.7 trillion annually by 2030.[19] They call for immediate, large-scale, and coordinated action from government and private sector alike to mitigate the dual crises of climate change and biodiversity loss. However, our findings indicate that some companies still struggle with their basic understanding of nature, making it challenging to start incorporating nature-related values and principles into their business strategies.

Overall summary of research and interviews

Issues and challenges

- **Lack of common understanding:** Many companies struggle with a unified definition of nature and its relevance to their operations.

- **Knowledge gaps**: There is often limited awareness of the various components of nature and their specific impacts on businesses.

- **Initial hesitation:** Companies find it challenging to know where to start with their nature assessments.

Solutions

- **Education programs:** Organizing internal educational sessions to build a common understanding.

- **Collaboration with knowledge partners:** Partnering with knowledge partners, like knowledge institutes or environmental NGOs to gain insights and data.

- **Framework adoption:** Using established frameworks like those developed by the TNFD and SBTN for structured guidance.

Lack of common understanding within the organization

Before companies can start identifying their relationship with nature, it is important to clarify within the company what is meant by the term nature. Based on the interviews conducted, it was noticed that there is a lack of clarity within organizations about the definition of nature. This lack of a common understanding causes issues for the persons responsible for nature to get support from management or the organization, and it may result in companies neglecting to act on specific parts of nature where they have an important impact. For example, some of the respondents predominantly defined nature as biodiversity or only assessed parts of nature like deforestation and water. By applying such an incomplete definition of nature, companies could neglect other relevant aspects of nature, such as soil.

Good practice: Supermarket chain

At a supermarket chain, nature was identified as an important topic by the sustainability team. However, within the organization there was little knowledge about nature and its importance to the company, resulting in limited action. To close this knowledge gap, lectures on different aspects of nature (e.g., water, soil, biodiversity) were organized to educate the people within the organization and create a common understanding of the term nature within the organization.

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19   Protecting Nature Could Avert Global Economy Losses of $2.7 Trillion Per Year (worldbank.org)

As a lack of common understanding of the term nature within an organization may delay appropriate action, it is important for companies to start educating themselves and therefore their people on the term nature and its relevance. In this respect, we recommend interpreting nature in line with organizations such as the SBTN, TNFD, IPBES and the Network for Greening the Financial System (NGFS):

Nature assessment includes the assessment of air, water, or noise pollution, soil contamination, sustainable use of resources, or impacts on biodiversity.[20] Based on the input provided by the respondents, there is already information available within the company on some of these topics. For example, a company may already be working on a nature assessment by providing information on pollution to regulators or conducting environmental impact assessments or other studies. The advantage of having a common understanding of the term nature within the company is that people within the organization can more easily connect with each other, and information already available in the organization can be more easily shared. This information can subsequently be used to identify impacts, dependencies, risks, and opportunities for subsequent disclosure.

Nature loss is driven by factors such as habitat destruction, overexploitation of resources, pollution, climate change, and invasive.[21] As a result, it has become a primary driver for companies to assess and mitigate their impact on nature. Habitat destruction from deforestation and urbanization displaces wildlife, while overexploitation through unsustainable fishing, hunting, and logging depletes resources. Pollution from industrial, agricultural, and household sources contaminates natural ecosystems, and climate change alters weather patterns and ocean temperatures. Invasive species introduced by human activity disrupt native species and ecosystems. To address these issues, companies are increasingly adopting circular economy practices, waste and pollution control measures, conservation efforts, and habitat restoration projects. Definitions and further details on these drivers and actions can be found in the box at the beginning of this report.
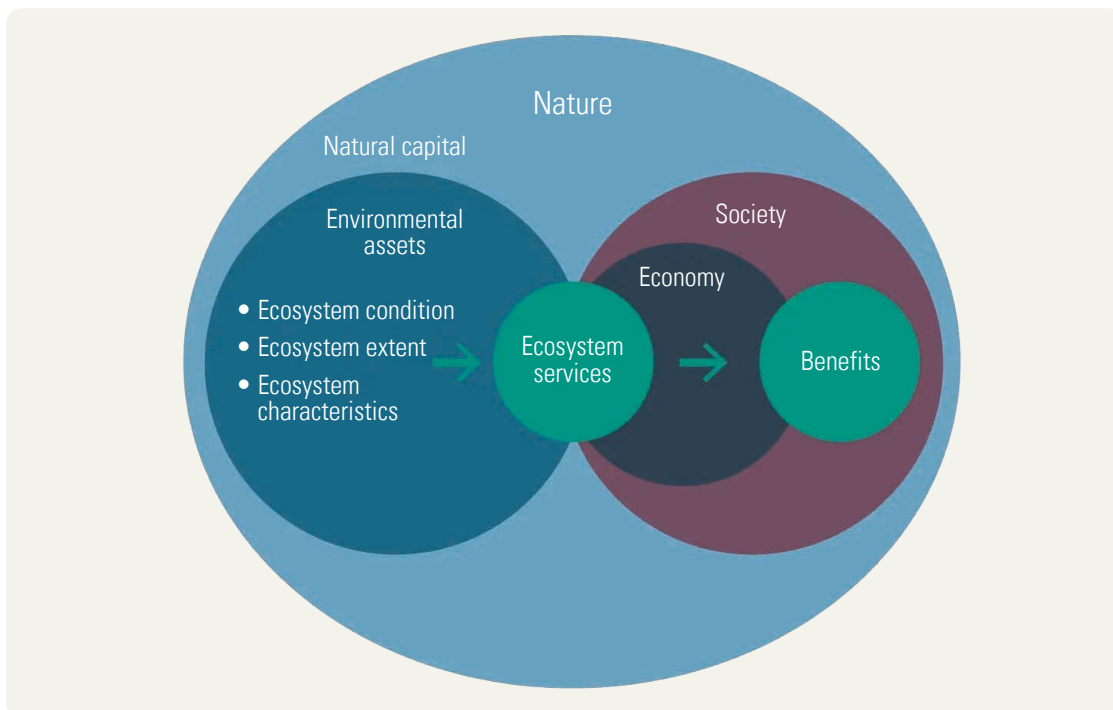
Tips: Analyze what data on nature (including all its aspects) is already available within the organization, e.g., the data it reports to regulators under permits: data on waste, emissions, air, or water pollution, for example.

20   Environmental Pollution: Threats, Impact on Biodiversity, and Protection Strategies | SpringerLink

21   The impacts of climate change on biodiversity loss and its remedial measures using nature-based conservation approach: a global perspective | Biodiversity and Conservation (springer.com)

Good practice: Technological company

The company manufactures semiconductors and is preparing for disclosure under the TNFD recommendations and CSRD requirements. Given that the company has been collecting and reporting environmental impact data for several years in accordance with local legislation, the company stated that it sees little difficulty in disclosing information in accordance with CSRD requirements. The main difficulty lies in assessing impacts, dependencies, risks, and opportunities related to biodiversity.
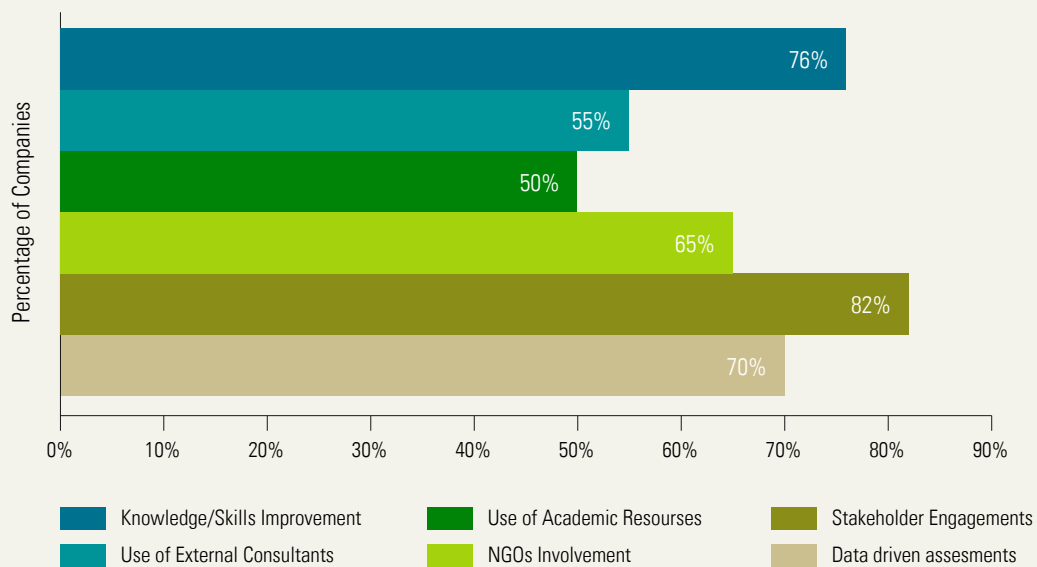
Knowledge gaps about the various aspects of nature and their specific impacts

Through our interviews, we identified several significant knowledge gaps that hinder companies in integrating nature-related considerations into their business strategies to the full extent. These gaps include a limited awareness of the various aspects of nature and their specific impacts on businesses.

However, companies are actively working to close these gaps by acquiring knowledge through various means. These efforts include organizing internal educational programs to build a common understanding, collaborating with environmental NGOs for insights and data, and adopting established frameworks like those developed by the TNFD and SBTN for structured guidance. The following paragraphs will explore these methods in greater detail.

Figure 2 illustrates how companies are currently acquiring their knowledge of natural resources and environmental sustainability. As shown, there is a clear interest in deepening their understanding of nature through various initiatives and data sources. However, companies are not content with just this basic knowledge; they are actively seeking to expand their expertise further to develop comprehensive transition plans. These plans are aimed at ensuring a sustainable shift towards environmentally responsible practices and aligning with long-term strategic goals that address both current and future ecological challenges.

Figure 2: *How companies are currently acquiring their knowledge*

Legend:
- Knowledge/Skills Improvement
- Use of External Consultants
- Use of Academic Resourses
- NGOs Involvement
- Stakeholder Engagements
- Data driven assesments

Initial hesitation on where to start

Given the complexity of the topic and the lack of relevant knowledge at the beginning of the journey of assessing aspects of nature, it is difficult for companies to decide on a starting point. The answer to the question of where to start this journey may vary based on the motivation of the company. However, based on the input from respondents, we found that the main motivation for organizations is to understand the scope of their operations, their value chain, and the potential impacts on natural aspects related to these. In this respect, the TNFD and SBTN standards, described in the previous chapter, can be used by organizations to analyze their impacts. Perhaps equally important, these standards can provide guidance to organizations on how to begin their assessment.

Out of the analyzed sample, companies with the most developed nature reporting/internal practices indicated using the TNFD or SBTN framework. The SBTN framework was preferred by some of the respondents because it supports them in developing targets on nature. Respondents also indicated that another advantage of applying these standards is that the SBTN process (Assess, Prioritize, Set targets, Act and Track), is in line with the LEAP approach and recommended in the CSRD for reporting on E2, E3, and E4.[22] However, it is evident that 70% of the companies interviewed were still not using any structured framework for their nature reporting, indicating that these companies can benefit significantly by adopting a structured nature framework.

Based on interviews, Figure 3 outlines the current nature frameworks used by Dutch companies.

Figure 3: *Percentage of Companies using TNFD and SBTN policies*
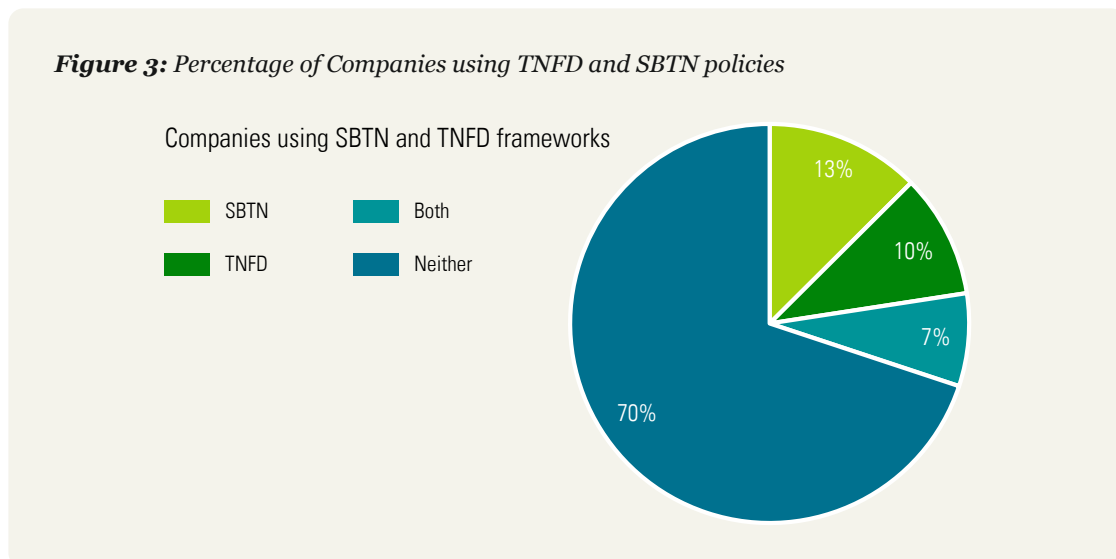
In both the SBTN and TNFD frameworks, an important step of the nature assessment is the scoping exercise. From the interviews, we understand that companies find it an overwhelming idea that they have to assess their nature-related impact for their entire operations, including the value chain. As this idea could prevent companies from starting the nature assessment, the majority of respondents stated that defining the boundaries of the analysis and focusing on the highest impacts is an extremely relevant step. This step also provides an opportunity to reduce the time spent on the assessment and the number of resources involved in the analysis. In addition, it is also possible to prioritize by operation, i.e., to identify the key operations in manufacturing a product or delivering a service and perform an evaluation based only on these operations. For example, a beverage company might focus first on water consumption and water pollution operations.

Prioritization of operations can be done in consultation with internal stakeholders. Another identified method to determine the scope of the nature assessment is to pinpoint high-impact operations by using data from life cycle assessments. Life cycle assessments indicate the environmental impacts of a product and determine the share of environmental costs in the various stages of the final product. This methodology can be used to identify operations that create products with the highest environmental costs and, therefore, operations to prioritize in a nature assessment. However, it is important to note that this approach is predominantly relevant for the scoping exercise, as it does not sufficiently incorporate location aspects, and impacts on nature are location-specific, so further analysis and verification would be required after identifying the products with the highest impact on nature.

Good practice: Using the LCA approach

In 2020, an electrical equipment company announced a commitment to sustainability, setting itself ambitious targets to assess the environmental impact not only of its operations globally, but also of its supply chain. The assessment approach was based on the Life Cycle Assessment (LCA) methodology for the products the company manufactures. The calculation used the environmental impact from a reference product multiplied by the number of products sold and then expressed in euros. A "reference product" was defined as a product that represents part of the portfolio of products sold by a company.

Environmental impacts included in the assessment were Eutrophication (marine and freshwater); Particulate matter formation; Ecotoxicity (terrestrial, marine, and freshwater); Occupation of agricultural land; Depletion of water resources; Depletion of fossils; Material resources metals minerals etc. The environmental pricing methodology was based on the ReCiPe 2016. In this way, the company identified the products with the highest contribution to environmental pollution. This methodology helped the company to further evaluate DIROs in accordance with the TNFD framework.

However, it is crucial to emphasize that it is not acceptable for companies to just analyze their own operations, as most of the environmental impact is often found elsewhere in the value chain. Therefore, a comprehensive assessment that includes both upstream and downstream activities is essential for a holistic understanding of a company's overall impact on nature.

Another resource for companies is the Business for Nature network. They provide sector guidance for all major sectors, which can be a useful starting point to identify key impacts and topics in a specific sector.

Guidance for your company

Scoping exercise – identifying high impact sectors and/or products.

Starting with their own operations or identifying high-impact operations using the LCA methodology can be difficult and therefore unappealing to some companies trying to scope their nature assessment, particularly if they are engaged in various sectors or value chains. If so, various tools are available that can be used to identify the type and extent of nature-related impacts and risks for a particular sector. The use of these tools can guide companies in analyzing the sectors or products with the most significant nature-related impacts or risks, and therefore the sectors or products on which to focus their assessment. An example of such a tool is the ENCORE tool, which provides information on the key impacts and dependencies for a particular sector. Another example is the SBTN Materiality Screening tool and the SBTN high-impact commodity list.[23]

However, it should be noted that other operations and locations will need to be further assessed. In addition, a more detailed subsequent analysis of a particular operation or location may lead to the rethinking of key operations or locations in terms of their impact on nature or the presence of nature-related risks.

Do's	Don'ts
Focus on priority locations first and expand the scope gradually to address more complex sustainability challenges.	Do not try to analyze all Dependencies, Impacts, Risks and Opportunities (DIROs) (for all operations, locations, or the entire supply chain) all at once from the start.
Start by assessing the impact within your own operations first to gain experience with the process and gather insights from on-the-ground stakeholders to inform investment strategies.	Do not wait for perfect conditions; the most important step is the first step.
Acknowledge that the assessment process may take longer than anticipated and be prepared to adjust timelines accordingly.	Avoid becoming overwhelmed by the complexity of sustainability challenges; maintain a step-by-step strategy.
Leverage established frameworks such as those developed by the SBTN and the TNFD for an integrated approach to nature.	Do not limit your assessment to your own operations; proceed with value-chain assessment after having gained some experience to make sure you capture the most important impacts and dependencies.

3

3. GOVERNANCE AND POLICY

Effective governance and policy frameworks are crucial for integrating nature-related considerations into business operations. They ensure that sustainability goals are aligned with corporate strategies and that there is accountability at all levels of the organization.

Overall summary of research and interviews

Issues and challenges

- **Management structure:** Securing leadership commitment to nature initiatives.

- **Resource allocation:** Ensuring adequate resources and support for sustainability teams.

- **Policy integration:** Integrating nature-related goals into existing corporate policies and strategies.

Solutions

- **Top-down and bottom-up approaches:** Encouraging both management-driven and employee-lead initiatives.

- **Structured frameworks:** Applying frameworks like those developed by TNFD and SBTN for systematic assessment and reporting.

- **Stakeholder engagement:** Involving stakeholders like local communities, suppliers, and NGOs in the governance process.

Management structure: Securing leadership commitment to nature initiatives

All companies surveyed stated that assessing their connection with nature is a management-approved and prioritized target. Based on the input received from respondents, the promotion of a nature connectivity analysis can be done by management, the sustainability team, or other stakeholders like local business units. Securing leadership support is crucial for spreading the nature message across all levels of the organization. When leaders prioritize nature connectivity, it becomes a core organizational value, influencing decision-making, operations, and culture. Leadership endorsement mobilizes resources, aligns objectives, and fosters a shared sense of responsibility and engagement among employees. Similarly, management buy-in should be a priority. While it is commendable that some companies have succeeded in obtaining it, this requires effort and does not happen automatically.

The interviews highlighted two main approaches: top-down and bottom-up. The top-down approach, driven by senior management, ensures alignment with corporate strategies and efficient resource allocation. The bottom-up approach empowers employees, encouraging participation and innovative solutions. Both methods have their strengths: the top-down approach offers clarity and cohesion, while the bottom-up approach promotes inclusivity and engagement, creating a balanced and effective strategy.

Figure 4: How companies are integrating nature practices

The type of nature approach companies use (%)

- Bottom-up
- Top-down
- Both Approaches
- No Report
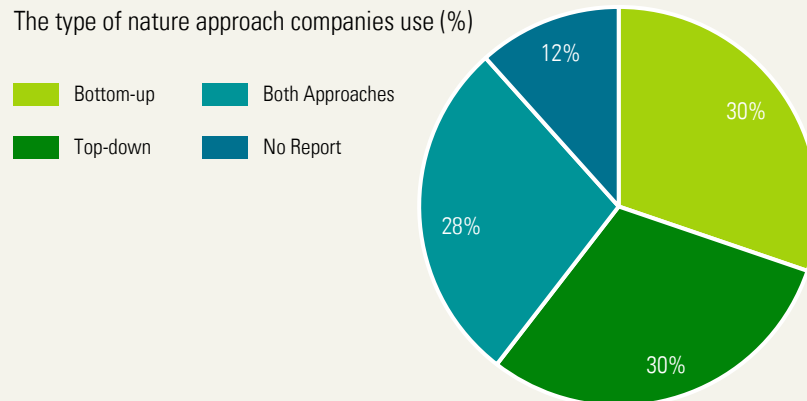
Resource allocation: Ensuring adequate resources and support for sustainability teams

Once there is a common understanding of what nature encompasses and how it relates to our economy, companies should allocate the appropriate resources to start acting on nature. One of the most important factors in embarking on a nature assessment journey is the team that will undertake the analysis, whether in-house or outsourced. All the companies surveyed indicated that they have a sustainability team on staff.

In addition to human resources, companies are also allocating financial resources to ensure the success of their nature assessments. This includes budgeting for external consultancy services, procuring necessary datasets, and funding for field research and monitoring activities. Investments in technological resources are equally crucial. Companies are leveraging advanced technologies, as well as specialized software for data analysis and modelling. These tools enable more precise and comprehensive assessments of natural assets and biodiversity.

Moreover, companies are investing in training and capacity-building initiatives to enhance the skills and knowledge of their teams. This includes workshops, certification programs, and partnerships with other companies and research institutions. By integrating the different resources – human, financial, and technological – companies can develop robust and effective nature assessment strategies that contribute to sustainable business practices and environmental stewardship.

Policy integration: Integrating nature-related goals into existing corporate policies and strategies

Overall, companies are increasingly recognizing the importance of integrating nature into their existing policies and strategies to foster sustainable development. They are adopting a dual approach by encouraging both top-down and bottom-up initiatives. Management-driven strategies ensure that sustainability principles are embedded in corporate governance, while grassroots initiatives empower employees and local communities to contribute to nature goals. Structured frameworks like those developed by the TNFD and the SBTN provide systematic methods for assessing and reporting on ecological impacts, thereby ensuring transparency and accountability. Moreover, stakeholder engagement plays a pivotal role: by involving stakeholders like local communities, suppliers, and NGOs in the governance process, companies can ensure that diverse perspectives are considered, leading to more inclusive and effective environmental strategies. This holistic approach not only enhances corporate responsibility but also drives long-term value creation by aligning business operations with ecological sustainability.

4

4. TOOLS AND METHODOLOGIES

The use of robust tools and methodologies is essential for accurately assessing and managing nature-related impacts, dependencies, risks, and opportunities.

Overall summary of research and interviews

Issues and challenges

- **Data availability:** Difficulty in accessing reliable data across different locations and operations.

- **Tool selection:** Choosing the right tools and methodologies for specific nature assessments.

- **Integration with existing systems:** Ensuring compatibility with existing corporate systems and processes.

Solutions

- **Use of established tools:** Utilizing tools like ENCORE, IBAT, and WWF's Risk Filter Suite.

- **Simplifying data collection:** Leveraging climate disclosure data and other existing environmental data.

- **Partnerships:** Collaborating with organizations.

Data availability: Difficulty in accessing reliable data across different locations and operations

As described above, a company may choose to focus on its direct operations at the beginning of a nature assessment to simplify the establishment of the assessment process. However, the issue of data collection is critical for many companies. Out of the 11 companies interviewed, 7 emphasized that it is difficult to collect data given the location of each company site and the heterogeneity of the available information. For large industrial companies, data submitted to regulators or data developed during the planning phase of a project, such as environmental impact assessment documents, can be used. If a company faces difficulties in data collection, the following approaches can be used, either simultaneously or separately:

Good practice: Engaging with an NGO to increase data availability on upstream supply chain

Data limitations on the (upstream) value chain locations constitute a hurdle often faced by companies in assessing their DIROs on nature. A coffee company addressed this issue by partnering with a global non-profit organization that tracks social, economic, and agricultural impact across multiple crops and industries.

This organization supports the coffee company directly at the farm level by conducting farm audits, focusing among other things on deforestation and environmental conditions, and on a global level by analyzing high resolution satellite imagery using self-developed machine learning technology to identify and prevent coffee-related deforestation. As a result of having farm level data through their partnership with the NGO, the company is able to address nature-related issues by implementing solutions tailored to the needs of local communities.

Guidance for your company

1. **Look at your climate-related disclosures - respondents noted that some of the data used in analyzing greenhouse gas emissions (GHG) can also be used to identify and analyze environmental impacts since, as shown in the previous chapter, the topics of nature and climate are inextricably linked.**

   Of course, this approach cannot be used for every sector or every company. However, this approach can serve as a starting point and will ensure that there is no duplication of data collection efforts. Such data may include water consumption in electricity calculations, data on deforestation caused or reduced by the company, use of machinery that may have a negative impact on nature, characteristics of buildings and structures, and so on.

2. **Simplifying data collection for nature and climate assessment** - the second approach involves analyzing data that can be collected in the simplest way possible to compensate for the data gaps that remain after looking at climate disclosure. Many databases and tools have been developed that can be used both at the initial stage of nature assessment and at a more advanced stage. These tools include risk and impact databases as well as background information on key biodiversity areas or protected areas. It is also worth paying attention to localized guides or databases that may be available on regulators' websites. Additionally, with the current implementation of the CSRD and TNFD frameworks, more data is expected to become available. Examples of such tools will be summarized below, with an expanded list of tools provided in the annex to this guide.

Tool selection: Choosing the right tools and methodologies for specific nature assessments

In today's business environment, accurately assessing and managing nature-related impacts, dependencies, risks, and opportunities is essential. There are a variety of tools to choose from, and therefore selecting the right tools is crucial for this task, as it ensures that assessments are both effective and efficient. However, sometimes the right tools or reliable data may not be publicly available. In such cases, organizations can create their own solutions. This will allow them to meet their immediate needs, but also sets them apart as industry leaders. Our good practice example will demonstrate how pioneering in tool development can drive significant progress in environmental management. The table below summarizes the insights of Dutch companies utilizing tools on their nature journey.

Category	Number of companies	Common tools mentioned
Reported on tools	4	• IBAT (Integrated Biodiversity Assessment Tool) • Water Risk Assessment Tools (WWF, WRI) • SBTN Tools (Water Availability Tool, Natural Land Maps) • WWF Biodiversity Risk Filter • Global Forest Watch and Satellite Imagery
Did not report on tools	22	
No information provided	5	
Total	**31**	

Good practice – Develop internal KPIs for acting on nature

Biodiversity monitor developed by an agricultural company

An agricultural company recognized that their member farmers can have a significant influence on the biodiversity on their farms and in the natural areas surrounding these farms (i.e., area of influence). As impact indicators for nature are not always publicly available, the agricultural company, together with WWF-NL and Rabobank, developed a Biodiversity Monitor that aims to measure the impact of member dairy farmers on biodiversity.

By using KPIs such as greenhouse gas emissions, soil nitrogen balance, ammonia emission, share of protein produced by own land, share of permanent grassland, and share of nature and landscape management, farms get a score that indicates their impact on biodiversity. Depending on the impacts of a specific farm, opportunities for improvements can be identified.

Key takeaway

In the absence of fit-for-all KPIs on nature, companies could partner with other organizations to develop internal KPIs to improve their performance on nature.

Integration with existing systems: Ensuring compatibility with existing corporate systems and processes

Ensuring compatibility with existing systems and processes is crucial for the seamless integration of nature-related assessments into corporate operations. This begins with a thorough evaluation of current systems to understand data formats, reporting structures, and key performance indicators. Choosing tools and methodologies that align with existing IT infrastructure, such as ENCORE, IBAT, and WWF's Risk Filter Suite, is essential to minimize disruption. Standardizing data formats to match the existing ones will facilitate easier integration and analysis, while training staff on new tools and processes ensures a smooth transition. Simplifying data collection plays a significant role in this integration by leveraging existing environmental data from climate disclosures, thus reducing duplication of efforts. The use of established databases and tools, as well as localized guides available on regulatory websites, can fill data gaps efficiently. Collaboration with organizations is equally important; partnering with environmental groups and industry peers can provide valuable insights and lead to standardized data collection methods, enhancing data reliability and integration efficiency. Moreover, working with regulatory bodies ensures that data collection meets compliance standards, further simplifying the integration process. Together, these solutions create a cohesive framework for incorporating nature-related assessments into existing corporate systems and processes.

5

5. TARGET SETTING AND REPORTING

Overall summary of research and interviews

Issues and challenges

- **Target development:** Difficulty in developing measurable, time-bound targets for nature conservation.

- **Reporting standards:** Navigating various reporting standards and frameworks.

- **Transparency:** Ensuring transparency and credibility in reporting.

Solutions

- **Science-based targets:** Adopting the SBTN framework for setting measurable and time-bound targets.

- **Integrated reporting:** Aligning with the CSRD and TNFD frameworks for comprehensive reporting.

- **Assurance:** Companies should seek independent assurance for sustainability disclosures, verify nature impact assessments, validate ecosystem conservation efforts, engage with stakeholders, conduct regular audits, and publicly disclose assurance results to benchmark against best practices, while ensuring internal data quality controls are strengthened for transparency purposes.

Target development: Developing measurable, time-bound targets for nature conservation

Respondents highlighted several key challenges in setting measurable, time-bound nature conservation targets. Firstly, the complexity of metrics for assessing biodiversity, water usage, and ecosystem health, which – unlike carbon emissions – lack standardized parameters, poses a significant difficulty. Additionally, the absence of consistent, universal reporting standards leads to confusion and inconsistency across industries. The dynamic nature of environmental factors further complicates target development, as natural ecosystems are subject to continuous changes that require ongoing adaptation and significant resources. Adopting a framework like the one developed by the SBTN addresses these challenges by providing clear, scientifically grounded guidelines for setting measurable and time-bound targets. The SBTN framework offers a unified methodology for assessing nature-related impacts, ensuring consistency and comparability across sectors. Moreover, it promotes adaptive management, encouraging regular review and adjustment of targets to maintain long-term relevance and effectiveness. In summary, despite the inherent challenges, the SBTN framework offers structured, science-based solutions that enhance the credibility and sustainability of corporate environmental goals.

Reporting standards: Navigating various reporting standards and frameworks

Respondents identified the wide variety of reporting standards and frameworks as a significant challenge in nature conservation reporting. The number of options may lead to confusion and inconsistency, as companies struggle to determine which framework best aligns with their goals and industry requirements. However, selecting the appropriate framework can help align a company's reporting practices with most other standards and frameworks, thereby enhancing the credibility and comparability of their disclosures. For instance, integrated frameworks like those of the CSRD and the TNFD are designed to provide comprehensive reporting structures that cover a broad range of environmental factors. In particular, more specialized, detailed frameworks like the one developed by the TNFD can support the implementation of mandatory CSRD reporting on nature-related topics. These frameworks are becoming increasingly aligned, reflecting a broader trend towards the convergence of reporting standards. This convergence simplifies the reporting process for companies, ensuring that adherence to one robust framework can meet the requirements of multiple stakeholders and regulatory bodies. By carefully choosing and adhering to a generally recognized framework, companies can navigate the complexities of reporting standards more effectively, ensuring transparency, consistency, and alignment with global best practices.

Transparency: Ensuring transparency and credibility in reporting:

Increasing transparency and credibility in reporting is crucial for companies, as it builds trust with stakeholders, enhances corporate reputation, and can lead to better business outcomes. Transparent reporting demonstrates a company's commitment to accountability and sustainability, something increasingly demanded by investors, customers, and regulatory bodies. Companies can achieve this by seeking independent assurance for their sustainability disclosures, which involves independent verification of data and practices, thereby providing an unbiased assessment. This not only enhances credibility but also helps identify areas for improvement.

However, independent assurance should be accompanied by strong internal and external processes to ensure data quality and transparency. This includes robust internal data quality procedures, stakeholder verification, and adhering to frameworks like the SBTN verification process. Integrating these elements will ensure a comprehensive approach to maintaining credibility and fostering a culture of transparency and accountability.

6

6. NATURE TRANSITION PLANS

Nature transition plans are strategic documents that outline how companies will integrate nature-related goals into their business operations, aligning with broader environmental and sustainability frameworks. Transition plans should set out clear and actionable steps to achieving science-based nature targets, and aligning these with climate targets to ensure that mutual trade-offs are well considered. Currently, companies are at an early stage of nature assessment. However, some companies are already considering the full integration of nature into their processes and are ready to develop transition plans for this purpose, either as a standalone plan or integrated into a broader sustainability plan.

The research for this guide further revealed that while climate action is gaining momentum, nature loss remains under-addressed despite its critical role in carbon sequestration. Companies are encouraged to adopt a two-step approach: first, incorporating nature into existing climate transition plans; and second, aligning these plans with global nature-positive goals. Current best practices and frameworks, such as those from Glasgow Financial Alliance for Net Zero and International Financial Reporting Standards (IFRS)- International Sustainability Standards Board (ISSB), are beginning to integrate nature considerations. These actions exemplify how businesses can unlock new opportunities, reduce risks, and ensure long-term sustainability. The guide provides actionable steps and tools for companies to build knowledge, set objectives, engage with stakeholders, define metrics, and establish governance mechanisms, ultimately transitioning towards net-zero and nature-positive.

Overall summary of research and interviews

Issues and challenges

- **Plan development:** Challenges in creating detailed and actionable transition plans.

- **Integration with climate goals:** Ensuring that nature transition plans align with existing climate strategies.

- **Stakeholder buy-in:** Securing support from all relevant stakeholders.

Solutions

- **Phased approach:** Adopting a phased approach to integrate nature into existing transition plans.

- **Cross-sector collaboration:** Engaging in cross-sector collaborations for broader impact.

- **Continuous improvement:** Regularly updating and refining transition plans based on new data and insights.

Plan development: Challenges in creating detailed and actionable transition plans

Developing detailed and actionable nature transition plans is complex due to several factors. First, the lack of comprehensive baseline data on biodiversity and ecosystem services makes it challenging to set measurable targets. Moreover, the absence of standardized metrics and methodologies further complicates the planning process. Integrating nature-related goals into existing climate strategies presents another challenge. Companies must ensure that their actions are not counterproductive, which requires a nuanced understanding of both environmental science and potential trade-offs. Stakeholder engagement is also critical. Securing buy-in from executives, employees, investors, and regulators can be difficult, particularly when stakeholders have varying levels of commitment to nature-related issues.

To address these challenges, adopting a phased approach is effective. For example, the TNFD recommends using a tiered strategy. This allows companies to start with high-level assessments and gradually move towards more detailed actions. In the initial phase, companies can focus on raising awareness and conducting preliminary risk assessments. The next phase can involve setting preliminary targets and integrating these into broader strategies. Subsequent phases would involve detailed planning, stakeholder engagement, and continuous monitoring. By adopting this phased approach, companies can systematically build the necessary data, knowledge, and stakeholder support, ensuring that their transition plans are both detailed and actionable.

Ultimately, transition plans should cover all aspects of the mitigation hierarchy: from mitigating measures like phasing out or reducing harmful activities, to activities that contribute to the restoration of nature and the transformation of our economic systems.

Figure 5: SBTN AR3T Mitigation hierarchy framework
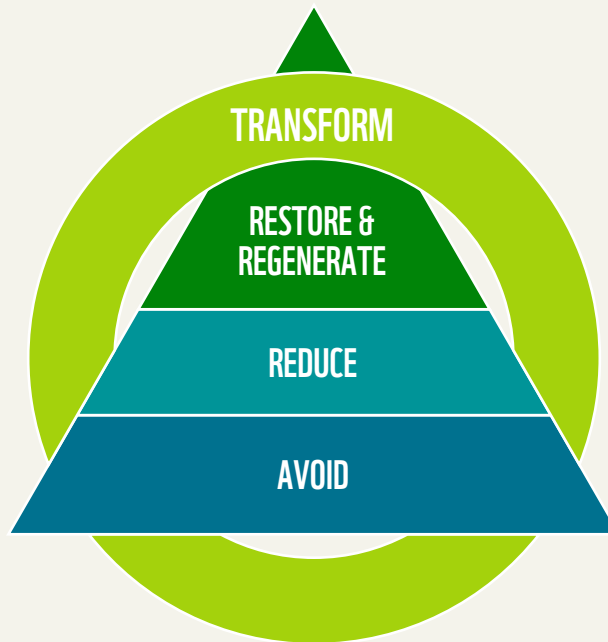
Integration with climate goals: Ensuring that nature transition plans align with existing climate strategies

The nexus between nature and climate is critical: without integrating nature, achieving climate goals is unattainable. Ecosystems play a vital role in climate regulation, carbon sequestration, and resilience against climate impacts. Thus, nature-based solutions are essential for effective climate action.

Integrating nature into climate strategies ensures a holistic approach to sustainability. It avoids potential conflicts and leverages synergies, such as using forests for carbon sequestration while preserving biodiversity. Companies must ensure that their nature transition plans complement and enhance their climate goals.

Fortunately, the availability of climate data within companies can facilitate this integration. Companies already possess extensive climate-related data, which provides a solid foundation for incorporating nature considerations. This existing data infrastructure can streamline the development of nature transition plans, enabling companies to set informed targets and monitor progress effectively.

Aligning nature transition plans with climate strategies not only enhances environmental outcomes but also strengthens overall sustainability efforts. By recognizing the interdependence of nature and climate, companies can develop robust transition plans that are comprehensive, actionable, and aligned with their broader environmental objectives. To get started, businesses can take a phased approach to integrating nature in existing transition planning frameworks by step 1) integrating nature into their climate transition planning to support the delivery of the Paris Agreement, and step 2) aligning transition plans with the nature-positive goals of the Kunming-Montreal Global Biodiversity Framework, or similar agreements (see text box below).[24]

Stakeholder buy-in: Securing support from all relevant stakeholders

Including all relevant stakeholders in the development of nature transition plans is crucial for several reasons. First, it ensures that the plans are comprehensive and consider multiple perspectives and the best available science, leading to more robust and effective strategies. Second, stakeholder engagement fosters a sense of ownership and accountability, increasing the likelihood of successful implementation. Stakeholders each have unique insights and interests. Their support is essential for aligning nature transition plans with broader business objectives and regulatory requirements. Moreover, engaging stakeholders early and often helps mitigate risks, address concerns, and build a coalition of support. Stakeholders can also help verify or provide feedback on transition plans. For instance, Business for Nature provides companies with the opportunity to submit their plans for review.

Cross-sector collaborations are instrumental in achieving broad stakeholder buy-in. By working with partners across different sectors, companies can leverage diverse expertise, share best practices, and amplify their impact. These collaborations can also facilitate the pooling of resources and data, making it easier to tackle complex nature-related challenges. Our solution of continuous improvement is key to maintaining stakeholder trust and credibility. Regular updates and refinements to the transition plans demonstrate a commitment to transparency and accountability. This ongoing process not only shows progress but also encourages innovation and adaptation to new insights and data. By incorporating continuous improvement, companies can better cater to stakeholder needs, build lasting relationships, and enhance the effectiveness of their nature transition plans. This iterative approach ensures that the plans remain relevant, actionable, and aligned with both stakeholder expectations and environmental goals.

WWF Methodology approach

"We recently developed guidelines for developing natural transition plans, in which we suggest that businesses adopt a phased approach to incorporating natural elements into their existing transition planning frameworks by: step 1) embedding nature into their climate transition planning to help achieve the objectives of the Paris Agreement, and step 2) ensuring their transition plans align with the nature-positive objectives of the Kunming-Montreal Global Biodiversity Framework established at the COP 15, or other similar agreements. The first step could involve, for instance, investing in nature-based climate solutions like the restoration of natural carbon sinks such as forests or peatlands, and implementing safeguards to evaluate and prevent any potential harm to nature resulting from activities under the climate transition plan. The second step could focus on developing a thorough understanding of the business's significant impacts on nature, reducing those adverse impacts, and coordinating business operations with global commitments to nature."

24   https://www.wwf.org.uk/sites/default/files/2023-02/WWF_Nature_In_Transition_Plans_Feb23.pdf
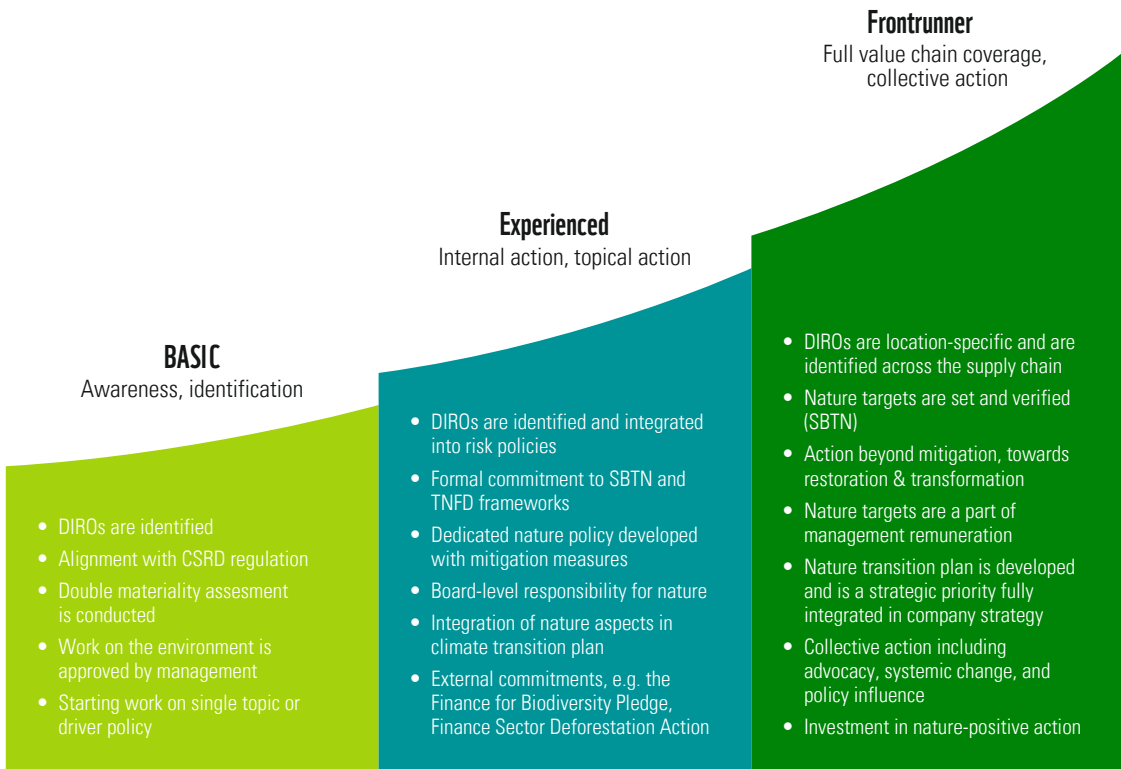
C

CONCLUSIONS AND RECOMMENDATIONS

In this guide, developed collaboratively by WWF-NL and Deloitte Netherlands, the complex relationship between business operations and nature is thoroughly explored. The guide highlights the urgent environmental challenges currently faced and identifies practical ways in which Dutch companies can integrate nature-related considerations into their core business strategies. This integration is shown to not only help protect the environment but also to make sound business sense. By examining the dependencies between businesses and nature, the risks they face from environmental degradation, and the benefits of adopting nature-positive practices, the guide demonstrates that the health of ecosystems is closely linked to the health of the economy. It underscores that businesses are part of a larger ecological and socio-economic system, and sustainable practices are essential for long-term success. These practices do not just contribute to environmental preservation, they are critical for the future prosperity of the businesses themselves. The table below presents the findings of the interviews conducted during the study, summarizing the key insights and observations gathered from participants. The subsequent points outlined in the document represent the recommendations derived from these findings, offering actionable strategies and suggestions aimed at addressing the identified issues and enhancing overall outcomes.

Findings	Recommendations
Understanding (the value of) nature *Identifying and assessing impacts, dependencies, risks, and opportunities for your business*	• Conduct a Nature Impact and Dependency Assessment: Evaluate and assess direct operations and supply chains to understand how the business affects and depends on nature, using existing tools and technologies. • Be specific and local in assessments: Assess local ecosystems and engage community stakeholders to understand and support nearby natural features.
Governance and policy *Integrating nature into strategy, financial planning, and reporting*	• Establish strong leadership and governance structures to oversee nature efforts. • Enhance organizational integration and transparency: Integrate nature-related considerations into various aspects of business operations – from procurement and financial planning to human resources and corporate governance – to ensure a holistic approach to sustainability.
Tools and methodologies *Collecting data and information necessary for effective integration*	• Accept that data collection is challenging work, given the fact that data sets are incomplete, and use adaptive management to refine strategies as new information emerges. • Prioritize efforts in high-risk impact areas: Focus on areas with significant risks to your business, like water-dependent supply chains. • Use frameworks like those developed by the SBTN and TNFD for structure, best practice, and guidance. • Review existing ESG work and data to identify areas relevant to nature, such as waste management, water usage, and pollution-related actions/KPIs. Evaluate how these areas impact natural resources and prioritize actions that can yield measurable environmental benefits.
Target setting and reporting *Setting ambitious and meaningful targets*	• Communicate plans and progress clearly and transparently: Report the performance and progress of nature-positive strategies to stakeholders in a clear and transparent manner, aligning with major reporting standards to enhance credibility and trust. • Set science-based targets for nature: Develop measurable and time-bound metrics and targets to guide actions and monitor progress towards nature conservation and restoration goals, ensuring alignment with global frameworks and best practices. • Focus on priority locations: Prioritize efforts in areas where the company has the most significant impact on nature to maximize positive outcomes. • Take a phased approach to implement feasible actions: Implement initiatives that offer immediate benefits for nature and serve as a foundation for long-term nature-positive strategies.

Findings	Recommendations
Nature transition plans *Translating analysis and targets into a comprehensive nature transition plan*	• Adopt and integrate the Mitigation Hierarchy in your nature transition plan: Apply a systematic approach to avoid, reduce, and restore nature impacts in operations and broader supply chains. • Look beyond risks towards opportunities: Identify nature-based solutions that can reduce costs and create new business opportunities. • Engage with knowledge partners and in cross-sector collaborations, and advocate policies that support the transition to a nature-positive economy.

Overall, it is recommended to adopt a holistic strategy that incorporates nature into all aspects of your operations. Engage with stakeholders and implement training programs to build knowledge across all levels. Ensure leadership commitment, track progress with clear metrics, and foster external partnerships and innovation. These steps will create a sustainable organization that is in harmony with nature. After the survey, we identified the practices that companies are currently applying for nature valuation.

These practices can be sorted into 3 broad company experience categories (Basic, Experienced and Frontrunner) depending on whether the company wants to be a leading company in the field of nature disclosure, or its priority at the moment is to comply with legislation, i.e., CSRD, which contains requirements for the identification of impacts and risks, as well as requirements for the disclosure of this information.

Frontrunner
Full value chain coverage, collective action

Experienced
Internal action, topical action

BASIC
Awareness, identification

BASIC:
• DIROs are identified
• Alignment with CSRD regulation
• Double materiality assesment is conducted
• Work on the environment is approved by management
• Starting work on single topic or driver policy

Experienced:
• DIROs are identified and integrated into risk policies
• Formal commitment to SBTN and TNFD frameworks
• Dedicated nature policy developed with mitigation measures
• Board-level responsibility for nature
• Integration of nature aspects in climate transition plan
• External commitments, e.g. the Finance for Biodiversity Pledge, Finance Sector Deforestation Action

Frontrunner:
• DIROs are location-specific and are identified across the supply chain
• Nature targets are set and verified (SBTN)
• Action beyond mitigation, towards restoration & transformation
• Nature targets are a part of management remuneration
• Nature transition plan is developed and is a strategic priority fully integrated in company strategy
• Collective action including advocacy, systemic change, and policy influence
• Investment in nature-positive action

A

APPENDICES

Appendix A: Methodology applied, and companies selected

For the study, various nature disclosure company rankings, such as those developed by the Nature Benchmark Alliance, TNFD and SBTN were analyzed. In this way, leading companies with HQ in the Netherlands with practices in place for assessing nature-related impacts, dependencies, risks, and opportunities were selected. Information on company performance was obtained from annual reports, CDP reports and interviews. We performed desk research for 31 companies and held interviews with 11 companies.

Selection criteria for companies	Information obtained for study	Interview and questionnaire key questions	Sector of analyzed companies
Origin (Dutch HQ)	Analysis of interviews with companies conducted by Deloitte and WWF	Why did you start?	Retail
Industries with high impact and dependency on nature (certain industries)	Analysis of data from public sources (annual reports, policies, methodologies, websites)	How did you start?	Technology manufacturing
Mature nature assessment practices		Where are you now?	Food manufacturers
Developed annual sustainability reports		Where do you want to go?	Services
Appearance in independent rankings			Beverage production
			Feed production
			Chemical production

Appendix B: Relevant tools and databases

Realm	Tool	Description
Land	WWF Biodiversity Risk Filter	The WWF BRF is a free-of-charge, web-based, spatially explicit corporate- and portfolio-level screening and prioritization tool for biodiversity-related risks in land and oceans globally. It allows companies to understand and assess the biodiversity-related impacts and dependencies of their operational locations and their suppliers and to prepare an appropriate response plan. By the same logic, financial institutions can assess biodiversity-related risks for all companies in a given portfolio. By providing comprehensive, actionable data, the tool empowers businesses and investors to take proactive steps towards risk management.[25]
	Global Forest Watch	Global Forest Watch (GFW) is an interactive online forest monitoring and alert system designed to empower people everywhere with the information they need to better manage and conserve forest landscapes. Developed by the World Resources Institute (WRI) in partnership with over 40 organizations, GFW utilizes advanced technology, including satellite imagery, open data, and crowdsourcing, to provide users with near real-time information about the state of the world's forests.[26]
	Trends. Earth	Trends.Earth (formerly known as the Land Degradation Monitoring Toolbox) is an innovative tool developed to support the monitoring and reporting of land degradation and sustainable land management. It was created through a collaboration between Conservation International, the National Aeronautics and Space Administration (NASA), and the Group on Earth Observations (GEO). The tool is designed to assist countries in fulfilling their commitments to the United Nations Convention to Combat Desertification (UNCCD) and other international frameworks that target land degradation and advocate sustainable practices.[27]
Freshwater	WWF Water Risk Filter	The WWF Water Risk Filter is a practical online tool designed to help businesses and investors assess and respond to water-related risks. Developed by the World Wildlife Fund (WWF), this tool enables users to evaluate water risks in their operations, supply chains, and investment portfolios across the globe. It provides a detailed, location-specific analysis of water risks based on the latest research and data. The WWF Water Risk Filter stands out as a pivotal resource for managing water risks in an era of increasing water scarcity and climate volatility. By providing comprehensive, actionable data, the tool empowers businesses and investors to take proactive steps towards sustainable water use and risk management.[28]
	Aqueduct	The Aqueduct tool is a comprehensive suite developed by the World Resources Institute (WRI) aimed at providing detailed, accessible, and actionable global water risk assessments. Aqueduct's robust database and mapping tools enable companies, investors, governments, and other users to understand where and how water risks are emerging worldwide and to respond appropriately.[29]
Ocean	Ocean+	This platform presents worldwide and national data on coral reefs, saltmarshes, mangroves, and seagrass ecosystems, demonstrating the intersection of these habitats with the global network of protected areas. The platform facilitates the monitoring of conservation targets and indicators at the national level through detailed country profiles. Ocean+ Habitats equips decision-makers and professional communities with the essential knowledge and tools needed for the effective management and conservation of critical marine ecosystems.[30]

25 WWF Biodiversity Risk Filter

26 Global forest watch

27 Preamble — Trends.Earth 2.1.17 documentation

28 WWF Water Risk Filter

29 Aqueduct | World Resources Institute (wri.org)

30 Ocean+ (oceanplus.org)

Realm	Tool	Description
Ocean	Copernicus Marine Service	The Copernicus Atmosphere Monitoring Service (CAMS) is an integral part of the European Union's Copernicus program, which is the world's largest single Earth observation program directed by the European Commission in partnership with the European Space Agency (ESA), EU Member States, and EU agencies. CAMS provides consistent and quality-controlled information related to air pollution and health, solar energy, greenhouse gases, and climate forcing, derived from satellite and in-situ observations.[31]
Atmosphere	Copernicus Atmosphere Monitoring	The Copernicus Atmosphere Monitoring Service (CAMS) is an integral part of the European Union's Copernicus program, which is the world's largest single Earth observation program directed by the European Commission in partnership with the European Space Agency (ESA), EU Member States, and EU agencies. CAMS provides consistent and quality-controlled information related to air pollution and health, solar energy, greenhouse gases, and climate forcing, derived from satellite and in-situ observations.[32]

Examples of assessment tools and databases used by Dutch companies

Name	Description
WWF Risk Filter Suite	The WWF Risk Filter is a suite of tools - the Biodiversity Risk Filter and Water Risk Filter - developed by the World Wildlife Fund (WWF) to help businesses and financial institutions assess the risks to water and biodiversity within their operations and supply chains. It is designed to raise awareness about water and biodiversity issues and guide companies in understanding and mitigating their impacts on natural habitats and species.[33]
Encore	The ENCORE tool (Exploring Natural Capital Opportunities, Risks and Exposure) is an innovative online resource designed to help financial institutions and businesses assess how environmental changes, particularly the loss of natural capital, could impact their operations. Developed by the Natural Capital Finance Alliance (NCFA) in collaboration with the United Nations Environment Programme Finance Initiative (UNEP FI) and Global Canopy, ENCORE aims to bridge the gap between ecological information and financial risk management.[34]
IBAT	The Integrated Biodiversity Assessment Tool (IBAT) is a critical resource developed collaboratively by leading conservation organizations, including BirdLife International, Conservation International, IUCN, and UNEP-WCMC. IBAT is designed to provide detailed and reliable biodiversity information for informed decision-making in business and policy contexts.[35]
Copernicus	The Copernicus program is the European Union's Earth observation and monitoring program, previously known as GMES (Global Monitoring for Environment and Security). It is coordinated and managed by the European Commission in partnership with the European Space Agency (ESA), EU Member States, and EU agencies. Copernicus aims to provide accurate, timely, and easily accessible information to improve the management of the environment, understand and mitigate the effects of climate change, and ensure civil security.[36]

31 Home | CMEMS (copernicus.eu)
32 Home | Copernicus
33 WWF Risk Filter Suite
34 ENCORE (encorenature.org)
35 Integrated Biodiversity Assessment Tool | Impact Toolkit (thegiin.org)
36 Home | Copernicuss