

Accelerating corporate ambition and preparedness toward science-based targets for nature

→ Actionable insights from WBCSD's SBTN Preparer Group



Contents

Foreword	03	02. Company readiness for <i>location-based nature targets</i>	10		
Message from Peter Bakker	3				
Message from Erin Billman	4				
Executive summary	05	03. Looking forward	12		
01. Introduction: <i>why target-setting on nature matters for all companies</i>	07			3.1 Breaking down and integrating the specificities of nature into corporate approaches	13
				3.2 Collecting and managing the data required for location-based nature target-setting	14
1.1 About this insights brief	08	3.3 Attributing accountability for nature impacts along complex value chains	16		
		04. Accelerating corporate target-setting on nature	18		
				4.1 What is needed	19
		4.2 How WBCSD will support	20		

Foreword

Message from Peter Bakker

The corporate nature positive agenda is evolving rapidly: companies are building up their understanding of nature-related impacts, dependencies, risks and opportunities, driven by major advances in voluntary accountability and reporting frameworks. The Science-based Targets Network (SBTN) has recently released updated methods for setting science-based nature targets, and over 400 companies have committed to adopting the Taskforce for Nature-related Financial Disclosures (TNFD) recommendations. The mandatory reporting agenda is also moving quickly: the EU's Corporate Sustainability Reporting Directive (CSRD) is now in effect, and the International Sustainability Standards Board (ISSB) has started a project to research disclosure about risk and opportunities associated with biodiversity, ecosystems and ecosystem services. These developments, combined with broader stakeholder pressures, are driving a necessary increase in corporate awareness of the material significance of nature-related issues.

Target-setting plays a key role in corporate transformation and transition planning. It helps identify specific outcomes linked to material issues for companies to work toward, and focuses transformational activities within key functions. Reporting on progress against commonly agreed priority metrics, goals and targets also allows financial institutions and other stakeholders to hold companies accountable for their impacts and improve their understanding of company performance and transition plans. In other words, targets focus action and help to align the incentives needed for those actions to succeed.

Using the SBTN initial target-setting methodology, it is now possible for companies to set science-based nature targets. The SBTN methods, complemented by the TNFD recommendations, provide the foundations for all companies to integrate material nature impacts and dependencies into risk and performance management systems, and accelerate business-critical actions on nature.

Alongside SBTN's own pilot, WBCSD assembled an SBTN Preparer Group, with expert support provided by Quantis. The experiences of the WBCSD members that took part have generated valuable insights, many of which have been incorporated into SBTN's latest release.

This briefing summarizes the key insights of the WBCSD Preparer Group, and identifies areas for future action, for example: enabling and motivating all companies, regardless of their nature maturity, to understand their material impacts on nature; advancing corporate capacity on data, traceability and stakeholder engagement to lay the groundwork for science-based targets to be set in the future, and; supporting differentiated approaches tailored to companies' position within a value chain to ensure accountability is focused on where impacts are most material, driving meaningful engagement throughout supply chains.

WBCSD will continue our collaboration with SBTN and our members, advancing target-setting as an essential element of the evolving corporate performance and accountability system for nature. Our efforts will focus on preparing many more companies for science-based nature target-setting, accelerating the adoption of ambitious, pragmatic approaches to nature transparency and accountability.

I would like to congratulate and thank SBTN for this essential advance in the nature agenda, and the members that have participated in the pilots, further developing their understanding of nature target-setting and inspiring the business community through their leadership.



Peter Bakker
President and CEO, WBCSD

Message from Erin Billman

On behalf of the Science Based Targets Network (SBTN), I'd like to express my sincere thanks to our partner, WBCSD, and its Preparer Group of companies for their valuable contributions. The insights detailed in this report, along with those from our official pilot, have been instrumental in informing our updated guidance released in July 2024 and will continue to shape SBTN's strategy moving forward.

SBTN was created by a coalition of environmental NGOs to provide consensus and a credible pathway for companies to take ambitious place-based action where nature needs it most, recognizing that real change can only happen when companies understand where their biggest impacts on nature are and can measure those impacts accurately.

Through our year-long pilot with a trail-blazing cohort of companies we've now proven the concept of science-based targets for nature. First-mover companies are now equipped with a gold standard approach to comprehensively assess their impacts on nature including people, and then move on to setting targets to address key drivers of nature loss in the ecosystems where they and their suppliers operate.

Participating companies have validated that we are both raising corporate ambition, including moving beyond zero deforestation to zero conversion of natural ecosystems, and establishing a foundation for measurable, comparable, and standardized approaches that are gaining recognition across the corporate sustainability landscape.

However, as the findings in this report highlight, there are challenges in scaling the adoption of these targets. The complexity and feasibility issues are real, and they demand our focused attention as we move forward. With a vetted proof of concept, and growing corporate demand with over 150 companies preparing to set science-based targets for nature, SBTN's next priority is to continue to scale adoption and broaden the impact of science-based targets for nature.

Collective effort is key. Many challenges are system-wide and require collaboration across civil society and the international community, who can play an important role in closing gaps for instance around upstream traceability.

As we continue this journey, our goal remains steadfast: to empower companies to operate within environmental boundaries, meeting society's needs while making quantifiable and science-based contributions toward a nature-positive future. Together, with the support of partners like WBCSD, we are confident that we can achieve this critically bold goal.



Erin Billman
Executive Director, SBTN

Executive *summary*



Executive summary

Why target setting on nature matters for all companies

Target-setting is a key element of an effective corporate performance and accountability system that incentivizes ambitious business action to halt and reverse nature loss. Rapid uptake of target-setting on nature is needed to help companies accelerate and become accountable for contributing to a nature-positive world.

The [World Business Council for Sustainable Development](#) (WBCSD) convened a [Science Based Targets Network](#) (SBTN) Preparer Group supporting 12 companies with mature nature strategies in the development of science-based nature targets using guidance from the SBTN. This briefing captures lessons and insights from the Preparer Group as well as the experiences of WBCSD members that participated in the SBTN's own Pilot (SBTN has released updated guidance, available [here](#), incorporating insights from the pilots).

Readiness for nature targets

The SBTN approach enables companies to make major leaps forward on their nature journeys by strengthening their understanding of how they contribute to the loss and degradation of nature. It provides a thorough, science-based and externally recognized process to accurately identify, measure and prioritize material impacts on nature and set linked targets. SBTN's deliberate focus on priority locations complements companies' intermediate-, corporate- and sector-level targets.

Setting advanced nature targets, especially location-based targets, requires an in-depth understanding of a company's value chain, advanced traceability, multiple metrics, attention to the specificities of each location and extended stakeholder engagement. This means that currently only the most mature companies have the capabilities to credibly set location-based targets on nature.

Main insights on target-setting

The observations from WBCSD member experiences can be grouped into three main areas:

- **Corporate maturity on nature.** Nature is a relatively new topic for business, and many companies face challenges in identifying the full range of nature-related issues in their materiality assessments. A comprehensive and robust materiality assessment, as set out in SBTN's [steps 1](#) and [2](#), is critical to informing a credible nature strategy and associated nature targets.
- **Depth of the SBTN methods.** Setting science-based targets in priority locations demands precise data and robust stakeholder engagement, often requiring a maturity

that develops over several years. Currently, companies with advanced nature strategies and capabilities are best positioned to set these targets. However, given the urgency of the nature crisis, we must also ensure that all companies are taking credible steps to address their nature impacts, recognizing and rewarding those progressing towards science-based targets for nature and taking relevant action.

- **Value chain position.** Differentiated approaches are needed to drive accountability along the full value chain. For example, companies with a large direct nature footprint can prioritize targets and actions on direct operations. But companies further downstream from resource extraction and production locations may have little influence on effecting meaningful change directly in impacted locations. Instead, these companies can drive change indirectly through corporate and/or supply-chain decisions, such as changes to procurement policies, product design and business models.

What is needed to accelerate corporate nature target-setting

An interim complementary, differentiated approach to nature target-setting, that a company can build up systematically over time, would allow businesses at different levels of maturity and stages of the value chain to be held accountable for their nature impacts, thereby accelerating actions to address them.

- Requiring an initial focus on the identification of the full range of nature-related issues (SBTN step 1), and, potentially, location prioritization (SBTN step 2), would ensure that companies are aware of all material impacts and dependencies, and where nature positive contributions are most needed.
- Differentiating targets to take a company's value chain positioning into account is critical to rapidly scale up action at the most relevant level, specific to the company's relative influence: from sector, corporate and intermediate and/or location levels.

This approach needs to be accompanied by awareness-raising and capacity-building, targeting a company's sector, size and maturity on nature. WBCSD is working with actors from all parts of the system to align and optimize systems that incentivize business to identify and address material impacts and dependencies on nature and focus resources on priority actions to halt and reverse nature loss. This will be essential to accelerate business contributions to the [CBD's Biodiversity Plan](#).

Introduction: *why target-setting on nature matters for all companies*



01.

01. Introduction: why target-setting on nature matters for all companies

The planet's natural systems, and the services they provide, allow our societies and businesses to thrive. However, humanity has breached six of nine planetary boundaries¹ and the impacts are already being felt across key economic sectors from agriculture to the built environment and energy. There are five main drivers of nature loss: land, freshwater- and sea-use change, direct exploitation of natural resources, climate change, pollution and invasive species.² Business contributes to all of these drivers of nature loss and therefore has a key role to play in driving solutions and innovations at scale to both halt and reverse nature loss.

However, despite businesses commitments to reach net-zero emissions and work toward nature-positive outcomes, short-term actions are not unleashing transformation at the rate required to meet these long-term ambitions.

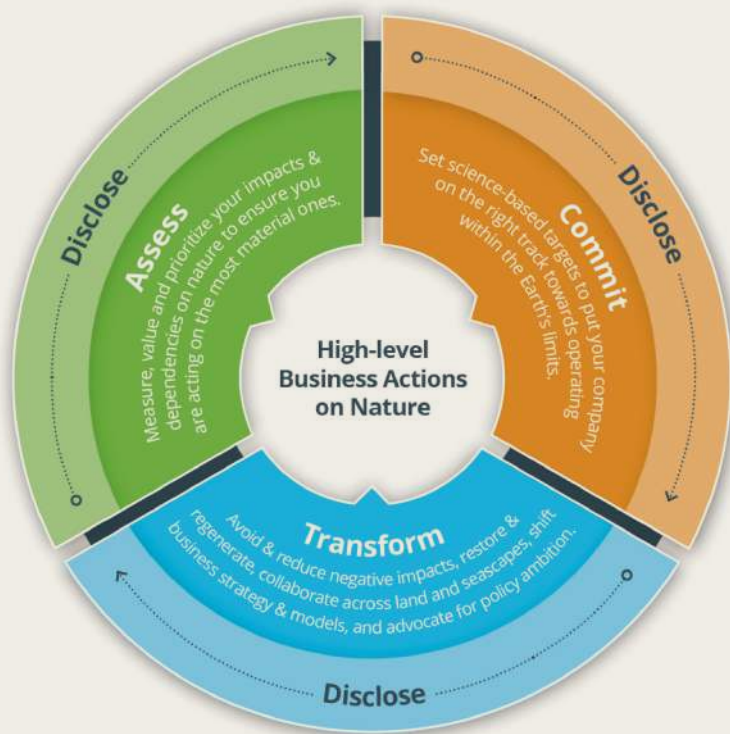
While government, finance and civil society stakeholders have been focusing on corporate accountability for climate targets and actions, their attention is increasingly expanding to include nature and equity concerns.³ The United Nations Convention on Biodiversity's (UN CBD) Biodiversity Plan⁴ sets a global framework to be implemented at the national level, with numerous targets that are relevant for business.⁵ Target 15 in particular, which requires business to disclose nature-related dependencies, impacts, risks and opportunities,

is increasingly reflected in mandatory reporting requirements, such as the European Union's Corporate Sustainability Reporting Directive (CSRD) and the China Stock Exchange's mandatory sustainability reporting requirements. Following the launch of the Taskforce for Nature-related Financial Disclosures' (TNFD) recommendations in September 2023, the International Sustainability Standards Board (ISSB) has also stated its intention to include biodiversity and ecosystems.

Alongside the evolving regulatory environment, key elements of a voluntary nature accountability system are emerging, including recommendations on setting science-based nature targets and nature-related financial disclosures. To ensure alignment in this space, Business for Nature, the Capitals Coalition, SBTN, TNFD, WBCSD, World Economic Forum (WEF) and WWF have collaborated to create the High-level Business Actions on Nature – Assess, Commit, Transform and Disclose (ACT-D) – based on the logic underpinning key frameworks, including the Natural Capital Protocol, SBTN and TNFD (see figure 1).

The "assess" element is particularly critical: a key difference between climate and nature action is linked to the location-specific characteristics of nature impacts. Transformative responses and associated commitments and disclosures can only be developed when informed by an understanding of where material nature impacts are occurring.

Figure 1: The high-level actions for nature (Business for Nature et al, 2023)



Ultimately, by integrating nature-related risks and opportunities into every part of the strategic and performance management processes, companies can provide financial markets – and other stakeholders – with well-managed, consistent and comparable information. This information can be used to further inform the allocation of capital away from nature-negative to nature-positive outcomes. Such actions will enable business to align their valuation and capital allocation models and more rapidly scale transformation in line with a nature-positive world.

1.1 About this insights brief

Several milestones for nature action were achieved in 2023, including the publication of the first version of the Science Based Targets Network's (SBTN) methodology for corporates (see figure 2 in box) to set science-based targets for nature. SBTN set up an initial target validation pilot with 17 companies, including eight WBCSD/OP2B members.⁶ In parallel, WBCSD launched an SBTN Preparer Group to support 12 further WBCSD members, with advanced nature strategies, in

learning about or setting initial science-based nature targets as well as provide additional feedback to SBTN (see box). SBTN has released updated guidance, available [here](#), incorporating insights from the pilots.

This briefing brings together the main insights and lessons from WBCSD members actively advancing their understanding of, or working to set, science-based nature targets, drawn from the WBCSD's Preparer Group and the official SBTN pilot. This briefing does not provide comprehensive guidance on setting science-based nature targets: it focuses on the successes and challenges these companies faced when engaging with science-based nature targets. It also proposes ways forward to rapidly increase the number of companies committing to setting nature targets and taking action to halt and reverse nature loss.

The briefing is primarily aimed at any stakeholder active in the nature target-setting space, either framing targets or supporting companies in setting targets. It can also inspire and inform sustainability practitioners driving their company's approach on nature.

Box: About WBCSD's SBTN Preparer Group

From September 2023 to April 2024, WBCSD convened 12⁷ members with advanced nature strategies from various economic sectors to take part in its SBTN Preparer Group. Supported by Quantis, WBCSD organized a series of workshops to help these members understand and apply the SBTN approach (see figure 2 below), specifically steps 1-3:

1. Evaluate the impact of the corporate value chain on nature (SBTN Step 1)
2. Identify the top priority locations for which targets must be set (SBTN Step 2)
3. Set targets on freshwater (quality and quantity) and land (no conversion, land footprint reduction and landscape engagement) (SBTN Step 3)

This Preparer Group was run in parallel and independently from SBTN's pilot. SBTN participated in the sessions related to targets for land and water (SBTN Step 3).

Figure 2: Science-based Targets for Nature step-by-step framework. Source: Quantis, adapted from SBTN (2023)



Company readiness for *location-based* *nature targets*



02.

02. Company readiness for location-based nature targets

Target-setting, like other elements of a corporate journey on nature, can be understood through a maturity lens. As laid out in the Roadmaps to Nature Positive: Foundations for all business, companies typically start with a high-level corporate target. As internal buy-in and resource allocation increases, targets become more specific over time to focus on priority products or operations and eventually account for the local state of nature (i.e., science-based targets). Figure 3 provides an example of an evolution in targets related to water withdrawals.

Regardless of maturity, a credible nature strategy (and associated nature targets) begins with a materiality assessment i.e. the Assess phase of ACT-D. Companies should set targets linked to their material impacts (relating to the five main drivers of loss of nature), and put responses in place to reach these targets, while disclosing progress along the way. For a target to qualify as 'science-based', SBTN requires companies to consider local conditions in priority locations related to the most material impacts, which could arise from direct operations and/or the sourcing of commodities, especially those that are known to have a high-risk of impact (e.g. cattle, palm oil, cocoa, gold, liquified natural gas...).⁸

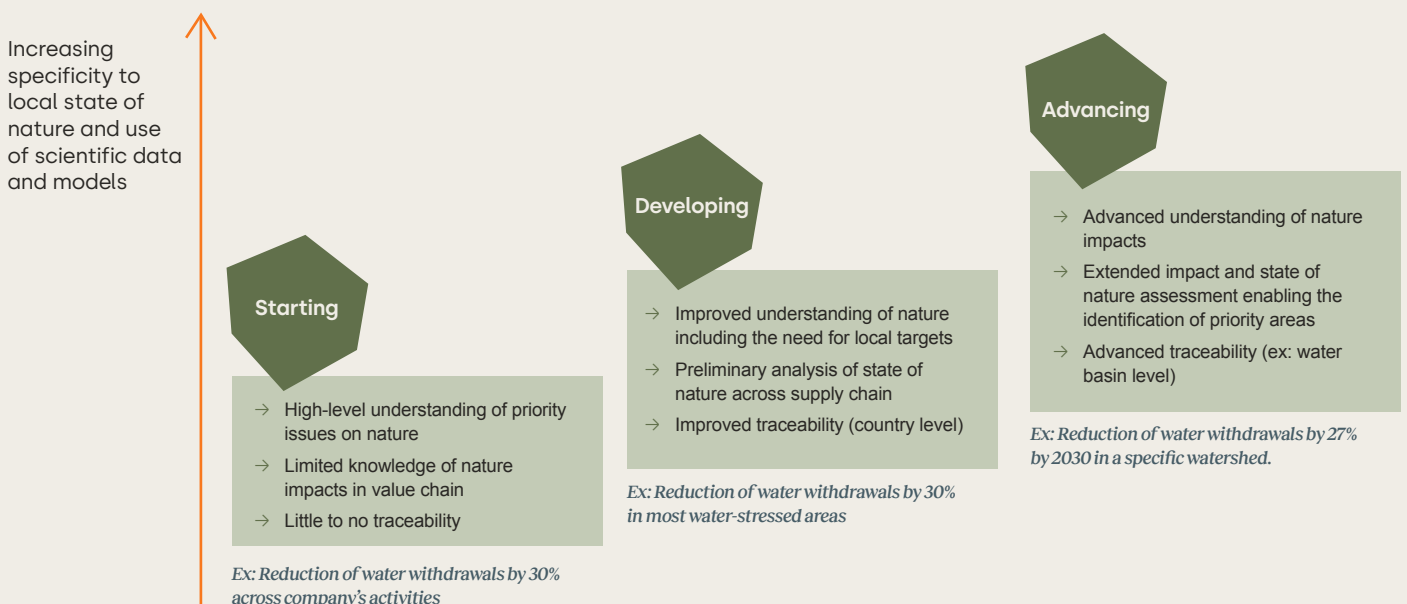
While many companies with mature sustainability programs have set corporate-level targets for specific drivers of nature loss (e.g. land-use change) and/or for specific sites, setting science-based landscape/watershed-specific targets requires the use of local primary and modelled data. This demands a significant level of experience and resources in addressing nature impacts.

As such, companies with the ability to set science-based targets will typically have:

1. high traceability and stable supply chains, leading to a deep understanding of their activities (where, how and with what impacts on nature their direct operations run and their raw materials are produced);
2. the capacity to set individual targets for each priority location identified in their value chain (done by translating global targets to specific locations in a way that can adapt to future business transformations and changes in volume or portfolio mix); and
3. the capacity to engage and influence through being a significant actor in specific locations where the most important impacts may take place (which includes understanding and managing the implications of target-setting on other stakeholders operating in the same landscape).

Given the advanced level of data, engagement and associated corporate maturity and resources required for location-based target setting, few companies are currently able to set science-based targets that can be validated (it is important to note, this is comparable to the early days of SBTi validation of climate targets in 2015⁹). Ultimately, it can take years to develop the traceability and data mechanisms needed to set science-based nature targets. Therefore, companies need to immediately start putting traceability mechanisms in place to be able to identify priority locations in the coming years.

Figure 3: Maturity journey for corporate target-setting with example targets for water



Main insights *on target-setting for nature*



03.

03. Main insights *on target-setting for nature*

The main observations from WBCSD member experiences in nature target-setting are grouped into three areas:¹⁰

1. Breaking down and integrating the specificities of nature into corporate approaches
2. Collecting and managing the data required for location-based nature target-setting
3. Attributing accountability for nature impacts along complex value chains.

Below we describe each area, including the main challenges and how SBTN and other initiatives are currently addressing them. We also suggest further areas for development.

3.1 Breaking down and integrating the specificities of nature into corporate approaches

Companies are generally used to adopting a single climate target that is shared across different parts of the business. Tackling nature loss entails a range of targets across different impact drivers, including climate, with different location-based targets depending on local ecological thresholds. Approaches to halting and reversing nature loss therefore demand multiple workstreams, which can be difficult to prioritize and manage simultaneously. As a result, members have experienced difficulties in communicating their nature strategies internally, due to the novelty of the topic and the complexity of indicators compared to GHG emissions alone. Significant internal capacity building and training is required to address this.

“The SBTN is a rigorous framework, with a broad environmental scope and anchored in science, aligned with IPBES and the Global Biodiversity Framework. It is also a well-respected framework by a wide range of key stakeholders including investors and indices. Kering is proud to be one of the first companies to pilot the SBTN and lend our deep experience in measuring and quantifying environmental impacts.”

Kering

How SBTN resources helped

WBCSD Preparer Group members perceive SBTN's framework as the most recognized and comprehensive framework for nature target-setting. The framework provided them with a robust step-by-step approach to conduct their nature impact assessments and set targets that will be recognized by external stakeholders, including financial institutions and NGOs.

Participating WBCSD members advanced significantly on their nature journeys by following the SBTN approach, especially Step 1 (assess) and Step 2 (prioritize). SBTN's methods helped them understand the importance of nature for their activities, how their activities contribute to the loss of nature and the requirements for a comprehensive corporate nature strategy by:

- providing a detailed step-by-step approach to nature target-setting, enabling companies to organize different workstreams related to different nature assessments and target-setting processes;
- clearly identifying the main drivers of nature loss that should be assessed and the indicators and tools that can be used to assess them, leading companies to expand the drivers of nature loss being tackled and;
- providing fit-for-purpose training materials to carry out nature assessments and target-setting, supporting roll-out in companies.

What more is needed

Building the capacity of business professionals to credibly start their nature journey and advance into science-based target-setting is an ongoing challenge. While the initial focus is on sustainability leads, the awareness and capacity of colleagues from other functions and from suppliers must also be raised to understand and be willing to comply with data requests. To meet these needs, a number of organizations are establishing capacity-building resources to cater to different maturity levels and functions, including SBTN, TNFD, Capitals Coalition, Global Canopy and WBCSD. For example, SBTN released a [corporate manual](#) for non-experts to understand the methods.¹¹ The SBTN Train-the-Trainer program is a welcome addition to help leverage the important role service providers and NGOs play.

3.2 Collecting and managing the data required for location-based nature target-setting

With the rise in mandatory and voluntary nature-related frameworks, many companies are now working to understand the impacts and dependencies of their direct operations, while more advanced companies are starting to prioritize specific parts of their business, including potentially high-impact commodities and locations. To set science-based targets for specific locations, companies need to invest significant resources in data sourcing, data management and stakeholder engagement, raising several challenges.

- **Managing data collection efforts.** This includes full visibility on all raw materials inputs, how and where these are produced and processed, and their environmental footprint. The understanding of the composition of raw materials and impacts of different activities is often still partial and relies (mostly) on secondary databases or proxies. For companies with extensive and long, globalized supply chains, this can be resource- and time-intensive. For example, companies that purchase chemicals don't always know the type of raw material from which a chemical is synthesized, nor the number and characteristics of the transformation processes required to obtain the chemical.
- **Improving traceability.** Many companies have limited traceability on their raw materials, especially when these are sourced from global markets. When information is available on the origin of raw material inputs, it is often at the country-level and corresponds to the origin of the supplier and not necessarily the location of extraction/production of the raw material where most of the impacts on nature will occur. While this level of information can already inform supply chain target-setting and actions, it is not sufficient to set location-specific targets. Frequent changes to the suppliers and their locations will also add to the difficulties of setting location-specific targets.

- **Identifying and assessing relevant indicators to monitor nature impacts and actions.** Many of the indicators introduced by frameworks such as the SBTN are new for companies, which then need to learn to apply or interpret them. These indicators do not yet cover all the potential main sources of a company's impacts on nature. For example, the current methods related to water quality targets focus on nitrogen and phosphorous, which, in volume, are the most important sources of water pollution typically associated with agricultural value chains. However, this source of pollution is less material compared to ecotoxicity for companies in, for example, chemical and pharmaceutical value chains (n.b. SBTN plans to cover some toxic chemicals in 2025).
- **Resourcing multi-stakeholder engagement for local models and data collection.** Sourcing the right location-specific models and data can be resource-intensive for the company and/or their suppliers. In some cases, where local models have not been developed by local governments and/or civil society organizations, additional investments are required by the business to help develop these models, further raising barriers to setting location-based targets.



How SBTN resources helped

By asking companies to evaluate both pressures on nature and current states of nature where they operate and source, SBTN has spurred traceability efforts. This has also helped companies gain an understanding of their real potential impact, in some cases for the first time.

SBTN's detailed approach and templates for (predominantly location-specific) targets for nature, has helped companies develop their own target-setting processes. Furthermore, SBTN's guidance has helped to focus the data collection efforts of companies, including through the high-impact commodity list and the improved prioritization approach (as outlined in the July 2024 release). Traceability will continue to be a working group topic for the SBTN into 2025.

Members that have engaged with the SBTN methods have also been able to gain a more detailed understanding of their value chain and are now better prepared to meet regulatory and voluntary disclosure requirements, such as those of the TNFD or of the EU's CSRD.

Though further alignment on the details of specific metrics is required, much of the data gathered under SBTN's steps 1 and 2 can be used to prepare for disclosures within other frameworks.

SBTN is supporting further alignment efforts through several initiatives, such as [TNFD's Guidance on SBTs for Nature, corporate water stewardship and SBTs for freshwater](#). SBTN is also developing additional resources that consolidate the local data required to set nature targets. For example, the development of a basin threshold tool will help reduce the need for companies to find local hydrological models themselves (due in 2025). SBTN has also developed guidance on how companies can deal with data gaps in supplier information.¹²

"SBTN has helped us deepen our understanding of our impacts and dependencies on nature, prioritize areas for action and changed the way we are engaging with suppliers to increase traceability and data transparency."

GSK

What more is needed

Given the high level of maturity and associated investment needed to set location-specific targets, further support is required from SBTN and other actors in the system to:

- develop additional lists of priority landscapes and watersheds to enable companies to focus assessments and target-setting efforts where most feasible and meaningful from an environmental as well business materiality perspective – avoiding paralysis and better prioritizing data collection efforts. An example frequently cited by WBCSD's members is the [100 priority basins](#) identified by CEO Water Mandate's Water Resilience Coalition;¹³
- tailor requirements for the traceability of companies' activities, depending on the type of products and materials (raw or highly processed) and/or the structure of the supply chain (i.e., for products bought directly from the producer versus on a global market with multiple intermediaries);
- add additional target-setting methods to address the most pressing nature-related impacts of the sector concerned (e.g., freshwater ecotoxicity is a more relevant indicator for the chemicals sector than freshwater eutrophication) – SBTN has indicated it will expand its methods to cover more drivers of nature loss including pollution from toxic chemicals and overexploitation of marine ecosystems in 2025.

- provide guidance on how manage trade-offs within and between pressures (e.g., an investment in renewable energy that has benefits for climate but increases water use) – the [Integrated Capitals Protocol](#) from the Capitals Coalition may help address this point; and,
- further support stakeholder engagement (e.g., through a list of key national organizations trained on nature approaches and capable of guiding companies through the required stakeholder identification and engagement efforts).

While the above insights will help advanced companies prepare for SBTN's Step 3, it is important to note that all companies, regardless of maturity, can carry out SBTN's Step 1 and assess the most material impacts for all drivers of nature loss. The reality is the number of companies undertaking Step 1 needs to increase significantly, alongside efforts to ensure that Step 1 is carried out correctly, which is critical for any company preparing for EU CSRD disclosures. Anecdotal evidence suggests that some companies are not identifying relevant nature-related issues during [stakeholder engagement required by the CSRD](#). This is likely due to how companies are misunderstanding nature-related issues and setting incorrect materiality thresholds. While capacity building will help address this challenge, an interim validation "milestone" of the material issues identified would ensure that companies proceed to target-setting against the right (validated) impacts.

3.3 Attributing accountability for nature impacts along complex value chains

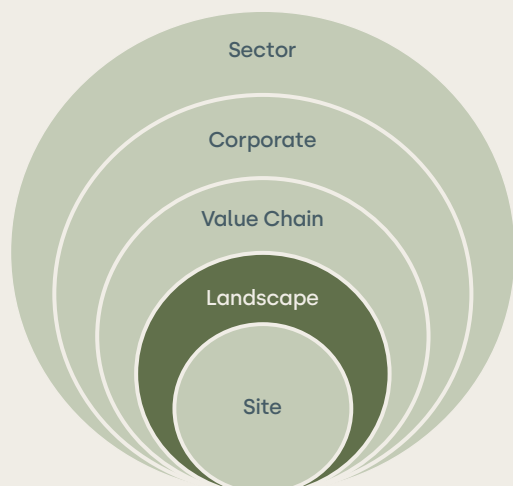
An underlying assumption of frameworks that require location-specific action is that companies will be able to engage in long-term initiatives and partnerships to influence change. However, having the means to act upon the causes of nature loss in identified priority locations can be challenging when:

- supplier/product mixes regularly change;
- the impacts of supply activities are many tiers upstream in complex supply chains (where the company has limited meaningful influence); and,
- sectors have light impact footprints, such as service providers.

In these cases where meaningful landscape engagement and location-based target-setting is less feasible, actions can still be taken to help contribute to positive outcomes for nature. For example, collective action can be taken at the sector-level, such as pharmaceutical initiatives collaborating on sourcing.¹⁴ However, collective action, while important, presents challenges in attributing the positive impacts to individual companies.

Companies can also drive change indirectly through corporate and/or supply-chain decisions, such as changes to procurement policies, product design or business models, which will differ depending on the sectors they are active in. Indeed, to effect systems change, actions at these sector-, corporate- and value chain-levels are needed to complement site- and landscape-level interventions.

Figure 4: Nested levels of action on how businesses can contribute to nature positive outcomes (Adapted from Align project, 2024 forthcoming)



These insights are consistent with the Align Project findings.¹⁵ The forthcoming paper on 'Exploring measurement solutions for nature positive commitments' highlights that nature positive outcomes are visible and ultimately measured at the landscape scale, while business actions contributing to landscape-level outcomes can occur at different scales (see figure 4).

How SBTN resources helped

The SBTN methods contain elements of both corporate and location targets (see figure 5). While the freshwater target methods are focused primarily on locations, the interim land target offers some differentiation at various scales of impact. Moreover, while the landscape engagement target focuses on locations, the targets on non-conversion of natural habitats and land occupation focus on a company's activities at the corporate and supply chain levels. SBTN also has differentiated dates to achieve targets based on a company's position within the value chain. Furthermore, the SBTN AR3T action framework has helped companies realize that to halt as well as reverse nature loss, actions to Avoid, Reduce, Restore and Regenerate (AR3) are needed, as well as actions that Transform (T) the systems in which the company has influence. Indeed, SBTN's framing of "spheres of control and influence" has been instrumental in helping companies understand the need to go beyond direct operations.

Companies regularly request that guidance be tailored to their particular sector. To this end, WBCSD, Business for Nature and the World Economic Forum collaborated in 2023 to develop overviews of the dependencies, impacts and priority actions for 12 high-impact sectors: [Sector Actions Towards a Nature Positive Future](#).¹⁷ This work built on SBTN framework and tools, including the SBTN [interim targets](#) that informed the identification of priority actions for nature. In addition, the SBTN is planning to work with key partners, including WBCSD, to update the interim targets.

Ahead of the more detailed guidance on corporate actions to address impacts (Step 4) due in 2025, SBTN has released priority corporate responses to address the drivers of nature loss, which are relevant across sectors.¹⁸ For the 2025 release, SBTN will share expanded guidance for land and freshwater that will likely increase applicability for additional sectors (e.g., additional pollutants for freshwater) and the first ocean methods.

What more is needed

Tackling nature loss will require systemic changes in the way organizations interact with natural ecosystems and use natural resources. While direct responses on the ground should be prioritized where feasible, actions that will indirectly avoid or reduce negative impacts, or support restoration and regeneration also need to be recognized and invested in, such as changes in product mix, development of new products and services, etc.

Companies need greater visibility on the range of individual and collective actions required to achieve societal goals for nature, as set out in the Biodiversity Plan. When it comes to targets and metrics to measure progress, distinction needs to be made along value chains for companies with control (i.e. producers) and strong influence (i.e. traders) on the outcomes in locations, versus those with little to no influence (i.e. processors and retailers). Similarly, a distinction is needed at sector, corporate and intermediate levels (e.g., groups of sites or product line) for a holistic approach to nature target-setting.

“We need to understand and then share what good looks like with nature-based targets for upstream impacts where the company has limited direct control, and provide more clarity on how to leverage and report collective action.”

Croda International Plc.

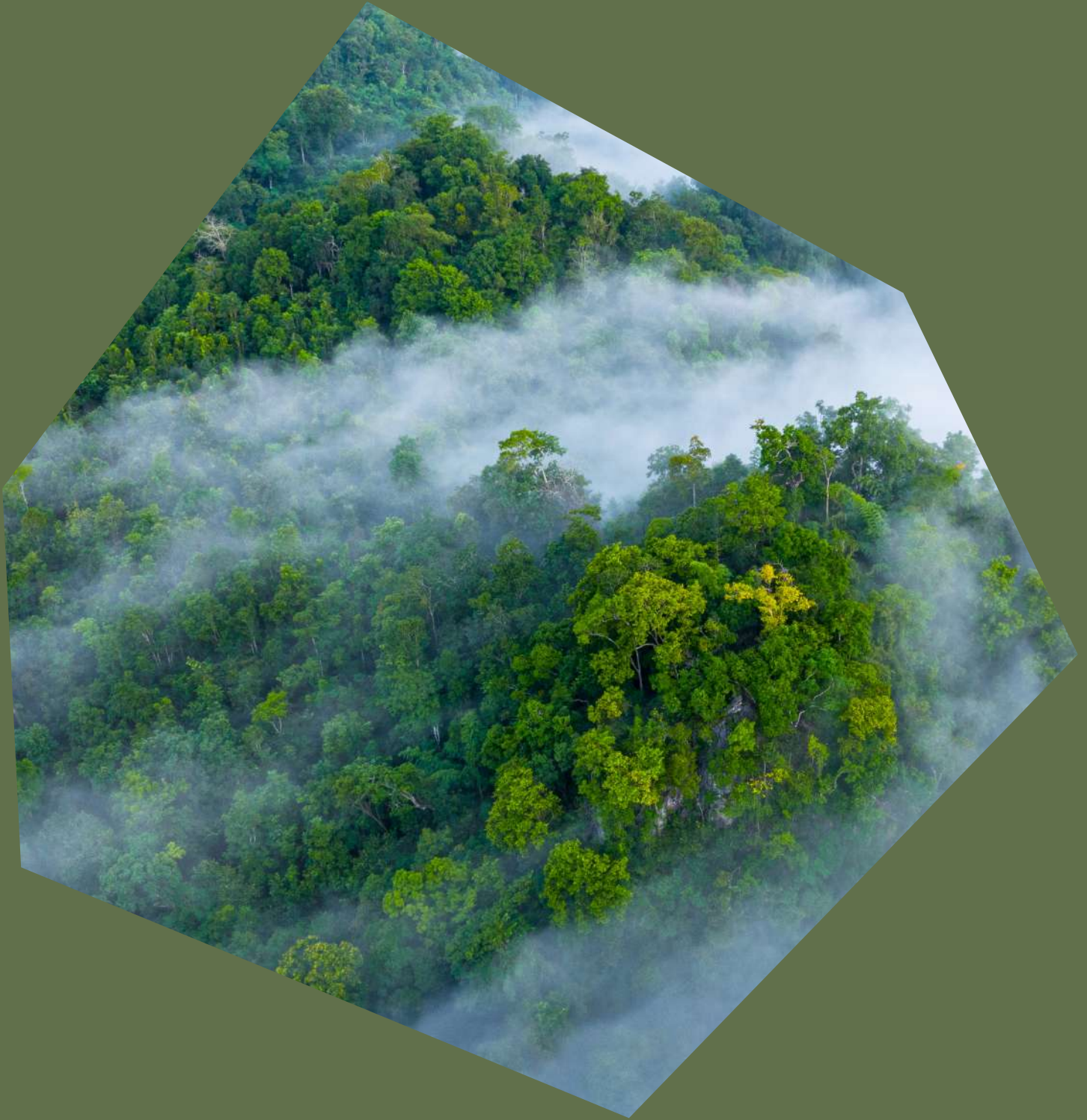
Figure 5: The SBTN framework currently focuses mainly on location targets

	Freshwater targets		Land Targets (Interim)		
	1 Freshwater withdrawals (reduction)	2 Freshwater quality (improvement)	1 No conversion of natural habitats	2 Land Occupation (reduction)	3 Landscape Engagement
1. CORPORATE LEVEL TARGETS	~ Can be defined once all specific water basin targets have been computed	~ Can be defined once all specific water basin targets have been computed	✓	✓ Agricultural commodities only	
2. INTERMEDIATE TARGETS	~ Can be defined once all specific water basin targets have been computed	~ Can be defined once all specific water basin targets have been computed	✓ Focus on high impact commodities		
3. SPECIFIC LOCATION TARGETS	✓ Water basin specific	✓ Water basin specific	✓ Focus on high impact commodities		✓ Landscape specific

✓ Covered by the SBTN approach

~ Partially covered by the SBTN approach

Accelerating corporate *target-setting on nature*



04.

04. Accelerating corporate *target-setting on nature*

Through conversations with WBCSD's Preparer Group and members that participated in the SBTN validation group, we have identified areas of focus for stakeholders active in the nature space.

4.1 What is needed

Pressure from regulators, financial institutions and other stakeholders is growing. Companies are increasingly expected or required to include nature in corporate decision-making and disclosures, and to be held accountable for their contributions to both halting and reversing nature loss.

Targets are a key dimension of any corporate system¹⁹ that guides performance, helping to direct transformations in key functions, including risk, procurement and finance. For the system to work and incentivize corporate transformation, governments and financial institutions should ultimately reward progress toward targets.

Since few companies are currently able to set location-based targets, both from a maturity as well as a value chain-influence perspective, an interim, complementary approach to location-based target-setting for nature is needed. Such an approach would be adapted to lower levels of maturity on nature and recognize targets and actions at corporate and supply-chain levels, as well as in priority locations, depending on value chain position. Leaner and more efficient impact assessment and target-setting processes and resources will also be required to enable more companies to develop credible nature strategies and rapidly take meaningful action.

Responding to the maturity and value-chain application needs highlighted in section 2, an interim approach would include the interrelated elements and outcomes proposed here.

Assess

- Recognize the prioritization of the "correct" dependencies and impacts on nature (i.e., SBTN Step 1) at the start of a double materiality process and associated high-level targets to avoid and reduce negative impacts.
- Offer early prioritization of more granular data needs, including a list of priority landscapes for consideration.

Commit

- Enable companies to develop targets at different operational levels (sector, corporate, intermediate, local). These targets should be scientifically robust, comparable across companies and allow for companies to be held accountable at relevant scales of action.

Transform

- Provide a comprehensive list of priority actions companies can take to address drivers of nature loss in direct operations and across the different stages of the value chain. These actions should be tailored to a company's business activity and level of maturity. The [Sector Actions Towards a Nature-Positive Future](#), developed by Business for Nature, WBCSD and the World Economic Forum, can provide a helpful starting point to identify priority actions to address material impacts and dependencies for 12 different sectors.

Cross-cutting

- Account for sectoral specificities in the impact assessment and target-setting processes, and the types of targets and actions that are required to best leverage each sector's capacity to act. This would align with TNFD's sectoral guidance for applying the LEAP approach.

“There needs to be a way to “count” all potential nature targets and actions that a company can take for addressing their nature-related impacts, dependencies, risks and opportunities.”

Tetra Pak

4.2 How WBCSD will support

WBCSD is committed to supporting the development of frameworks and approaches that are ambitious and scientifically robust, but also pragmatic enough to drive uptake by companies at different maturity levels. To this end, WBCSD is working on several initiatives to support the development of a holistic and efficient system that would enable business actions on nature to be recognized and rewarded by financial institutions and other stakeholders.

1. WBCSD is further developing the system-specific **Roadmaps to Nature Positive** to prioritize and provide guidance on the most relevant and applicable metrics to measure impacts and dependencies, tied to interim targets (when applicable). WBCSD's Roadmaps are built through collaboration with peers from the same sector or economic system: they define a shared agenda and accelerate credible nature-positive ambitions, actions and accountability.

Working groups are tying each priority action identified in the first phase (foundations) to a set of metrics prioritized according to their relevance, applicability and alignment with key voluntary and regulatory frameworks, such as SBTN, TNFD and CSRD. The prioritized metrics will be accessible through an interactive Nature Metrics Portal, which will allow companies to identify the most relevant set of metrics applicable, depending on sector and value chain. The initial version of the portal will be delivered at UNFCCC COP30 in November 2025.

2. Building on the **CEO guide to Climate-related Corporate Performance and Accountability Systems** (CPAS) released in 2023, WBCSD will develop a CEO guide to nature-related CPAS to provide a practical pathway for CEOs and business leaders to align business performance and innovation with nature actions. It will emphasize the need for the right incentives from financial markets to scale corporate nature action and meet the increasing demand for accountability from society's stakeholders.
3. In parallel, WBCSD will continue working with the SBTN and other partners convened through the **Nature Positive Initiative** to support the continuous improvement of existing nature metric and target frameworks and the development of complementary, interim approaches when necessary.

All companies, no matter their sector nor their size, can draw on the wealth of structured and practical guidance that is now available to support them in targeting their efforts on material nature impacts. WBCSD looks forward to working with our partners and members to further focus the nature agenda, helping accelerate business action to halt and reverse nature loss.

For further information on the work of WBCSD's Nature Action imperative, contact nature@wbcsd.org.

Endnotes

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- 3 WBCSD (2023) CEO Guide to the Climate-related Corporate Performance and Accountability System (CPAS). Accessed at: https://www.wbcsd.org/wp-content/uploads/2024/07/CEO-GUIDE_Climate-related-Corporate-Performance-and-Accountability-System-CPAS.pdf
- 4 <https://www.cbd.int/gbf>
- 5 Business for Nature (2023) Sector actions towards a nature-positive future: Mapping the sector priority actions against the recommendations of the Global Biodiversity Framework and the Sustainable Development Goals <https://businessfornature.org/s/GBF-SDG-Mapping.pdf>
- 6 WBCSD/OP2B members involved in the SBTN initial validation pilot included: AB InBev, GSK, Kering, Holcim, LVMH, Neste, Nestlé, L'Occitane.
- 7 Members of the WBCSD SBTN Preparer Group included: Croda International Plc, Diageo, Ingka Group, Inter IKEA Group, Manulife Investment Management (Timberland and Agriculture), OCP, Olam Food Ingredients (ofi), P&G, PepsiCo, Philip Morris International, Stora Enso, Tetra Pak
- 8 Science-Based Targets Network (SBTN) (2024) High Impact Commodity List (Version 1.1). Accessed at: <https://sciencebasedtargetsnetwork.org/wp-content/uploads/2024/07/High-Impact-Commodity-List-v1-1.xlsx>
- 9 See [SBTi progress report from 2020](#) for numbers since 2015. Latest adoption numbers can be viewed at [Target dashboard - Science Based Targets Initiative](#)
- 10 These experiences are broadly aligned with lessons from the [SBTN's official pilot group](#) and the [UN Global Compact Finland Network's SBTN training programme](#).
- 11 Science Based Targets Network (2024). Corporate Manual. Available at: <https://sciencebasedtargetsnetwork.org/wp-content/uploads/2024/07/Corporate-manual-for-setting-SBT-for-Nature.pdf>
- 12 Science Based Targets Network (2024). Step 1b: Value chain assessment. Available at: <https://sciencebasedtargetsnetwork.org/companies/take-action/assess/value-chain-assessment/>
- 13 See <https://wateractionhub.org/100basins/>
- 14 See <https://pscinitiative.org/supplierPartnership>
- 15 Forthcoming in Q3 2024. See <https://capitalscoalition.org/project/align/>
- 16 As set out in Science Based Targets Network (2020) Science-Based Targets for Nature Initial Guidance for Business. <https://sciencebasedtargetsnetwork.org/resource-repository/#companies>
- 17 Business for Nature, the World Business Council for Sustainable Development and the World Economic Forum have developed guidance for 12 sectors. The sector-specific actions build on the high-level actions businesses should take to credibly help halt and reverse nature loss and contribute to an equitable, nature-positive economy. See: <https://www.businessfornature.org/sector-actions>
- 18 SBTN (2024). <https://sciencebasedtargetsnetwork.org/wp-content/uploads/2023/05/Response-option-database-first-release.xlsx>
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Disclaimer

This publication has been developed in the name of WBCSD. Like other WBCSD publications, it is the result of collaborative efforts by representatives from member companies and external experts. A wide range of member companies reviewed drafts, thereby ensuring that the document broadly represents the perspective of WBCSD membership. Input and feedback from stakeholders listed above was incorporated in a balanced way. This does not mean, however, that every member company or stakeholder agrees with every word. The report has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, legal or other professional advice.

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About WBCSD's Nature

Action Imperative

WBCSD's Nature Action Imperative supports members to accelerate credible corporate action, and mainstream nature in business strategies & decision-making: building the tools and guidance needed to define credible business contributions to Nature Positive (halt and reverse nature loss by 2030); preparing to engage with the emerging performance and accountability system for nature; and catalyzing investments into nature assets. To learn more about the Imperative and related projects, visit <https://www.wbcسد.org/Imperatives/Nature-Action>.

About WBCSD

The World Business Council for Sustainable Development (WBCSD) is a global community of over 220 of the world's leading businesses, representing combined revenue of more than USD \$8.5 trillion and 19 million employees. Together, we transform the systems we work in to limit the impact of the climate crisis, restore nature and tackle inequality.

We accelerate value chain transformation across key sectors and reshape the financial system to reward sustainable leadership and action through a lower cost of capital. Through the exchange of best practices, improving performance, accessing education, forming partnerships and shaping the policy agenda, we drive progress in businesses and sharpen the accountability of their performance.

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