

The Climate & Nature Nexus: Taking Action on Integrated Approaches

November 2023



**Climate &
Nature
Nexus**

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Scan** 
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Overview

Climate and nature are deeply interconnected. Nature is an essential part of solutions for climate change, and climate change is one of five key drivers of biodiversity loss. Focusing too narrowly on carbon often results in missed opportunities for impact, undervaluing nature and unintended trade-offs.

Nearly all expert stakeholders surveyed are highly concerned about the states of both climate and nature in the world. Over 90 percent of experts agree that biodiversity loss is just as urgent as climate change. Both stakeholders and the public view governments and companies as the sectors most responsible for climate and nature and most in need of improving their performance.

Our research reveals an opportunity for companies to elevate nature and biodiversity in sustainability/ ESG programs and take more balanced and integrated approaches to climate, nature, and social issues. We see encouraging progress on several fronts, but there is much more to do. Fortunately, many companies can build on existing programs and knowledge in areas like forests and water.

Stakeholders' key asks of companies on the climate and nature nexus are to take action with more holistic approaches, invest in proportional impact for climate, nature, and people, and assume collective responsibility for driving systems change. There is an urgent need to seize this window of opportunity for changing our trajectory on climate and nature.

Key Takeaways

- Most experts around the world consider the states of both climate and nature to be “alarming” or “catastrophic,” and 94 percent of experts agree biodiversity loss needs the same level of urgency and resources as climate change.
- Experts and the global public hold governments and companies most responsible for addressing climate change and protecting nature, and these actors are the most in need of improving their performance in both areas.
- Companies need to take much more integrated approaches to nature, climate, and social issues and elevate nature and biodiversity in their sustainability/ ESG strategies, programs, and engagement.
- The playbook for business action on the climate and nature nexus includes cultivating executive support; building on existing programs and knowledge; understanding place-based impacts and dependencies; elevating nature and biodiversity in strategy, goals, and programs; building organizational capacity; and emphasizing action and impact.
- Nature-based solutions (NBS) are powerful, flexible tools to deliver multiple benefits for climate, nature, and people. High-quality carbon credits can make a valuable contribution to filling the gap in financing and incentives for NBS.
- Prioritizing people, inclusion, and rights-based approaches is a key success factor for impact, equity, and long-term, lasting progress on climate and nature.



EXPERT VIEWS


Headline Insights from the Global Survey of over 200 Expert Stakeholders

Over **9/10** 


experts view the states of both climate and nature as **“alarming”** or **“catastrophic.”**

82% 

of experts strongly agree on the need for companies to take much more **integrated approaches** to effectively address nature, climate, and social issues.

72% 

of experts favor companies **emphasizing both climate and nature** or leading with nature to effectively engage internal and external stakeholders.

94% 

of experts agree **biodiversity loss** needs the same urgency and resources as climate change.

90% 

of experts agree companies need a **public nature strategy backed by the CEO and Board** to effectively protect and restore biodiversity.

89% 

of experts agree **nature-based solutions** need to be a key part of companies' approaches to sustainability.

CONSUMER VIEWS

Headline Insights from the Public Opinion Survey of 30,000 People across 31 Countries

85% 

of people feel large companies have a **responsibility to encourage governments** to do more to address climate change and protect nature and wildlife.

60% 

of people feel both climate change and the loss of nature and wildlife will **worsen access to food and water, the economy, and poverty.**

78% 

of consumers think **environmentally responsible companies should focus equally on climate and nature** (62%) or mainly on nature (16%).

94% 

of the global public see the need to shift to a **green economy that is based on renewable energy** rather than fossil fuels.

Program Description and Methodology

Program Description

GlobeScan’s shared research program on The Climate & Nature Nexus addresses a key question for many companies’ sustainability/ESG teams – how to better align strategies and programs on climate and nature. The program builds on key insights from GlobeScan’s prior [Navigating the Nature Agenda](#) program. The Climate & Nature Nexus program identifies insights and good practices to help guide companies’ approaches through: 1) research and benchmarking of companies on good practices; 2) understanding experts’ views on issues, opportunities, and good practices for companies and programs for climate and nature; and 3) gathering public opinion on climate and nature across 31 markets from approximately 30,000 people.

We are grateful to the following companies that participated in and supported The Climate & Nature Nexus program:

- AB InBev
- Anglo American
- BritVic
- Calumet
- Church & Dwight
- City Developments LTD
- Colgate
- DeBeers
- GSK
- Interface
- Keurig Dr Pepper
- Maersk
- McDonald’s
- PepsiCo
- Petronas
- Standard Chartered
- Sun Life
- Tyson
- Vale



Methodology

The Climate & Nature Nexus program includes qualitative and quantitative research approaches that explore good practices of leading companies and insights from the public and expert stakeholders around climate and nature. The findings presented in this report are based on five streams of research:

1. **Member conversations:** GlobeScan conducted 17 interviews (in groups or with individuals) with over 40 leaders from 19 member companies of the Climate & Nature Nexus program. The 45- to 60-minute in-depth interviews explored business perspectives and strategies for addressing climate and nature issues with a focus on member companies' approaches, priorities, initiatives, and challenges.
2. **Desk research and benchmarking:** GlobeScan reviewed ten companies in a benchmarking exercise to understand their approaches to strategy and goals, good practices, and examples of leading initiatives relating to climate and nature. Companies were selected based on indicators of leadership on climate and nature, including the World Benchmarking Alliance's (WBA) Nature Benchmark, participation in Science-based Targets (SBT) for Nature pilot, the Taskforce for Nature-related Financial Disclosures (TNFD) Taskforce membership, and inclusion in the GlobeScan / ERM Sustainability Institute Leaders Survey.
3. **In-depth interviews with expert stakeholders:** GlobeScan interviewed subject matter experts from 16 organizations across several sectors including multi-lateral organizations, environmental NGOs, academia, foundations, sustainability firms, and investor/finance. Interviews were approximately 45–60-minute calls between August and November 2023. The interviews examined experts' views on issues and challenges, good practices, and company approaches related to climate, nature conservation and biodiversity, equity, human rights, and corporate sustainability/ESG.
4. **Stakeholder survey:** An online survey was conducted with sustainability and nature experts between September and October 2023. The survey was approximately ten minutes in length and conducted in English only. A total of 204 experts from 47 markets completed the survey, of which 69 percent indicated they were based in the Global North, and 28 percent indicated they were based in the Global South. The survey was distributed directly by GlobeScan, member companies, and partners via email and/or LinkedIn. Participation in the survey was voluntary. Eighty-six percent of participants indicated they had six years or more of experience in sustainability and nature-related topics, with 72 percent indicating they had more than ten years of experience. There was a good balance of representation across sectors like NGOs/foundations, corporate/financial, consultancy/associations/media, and academia/research/think tanks, with slightly fewer participants from government/multilateral organizations. Respondents self-identified their expertise with the majority indicating one or more of the following areas: corporate sustainability, climate, conservation/biodiversity, finance/investment, human rights, and Indigenous peoples and local communities (IPLCs).
5. **Public opinion survey:** To understand public opinions on climate and nature, GlobeScan leveraged its [2023 Healthy & Sustainable Living survey](#), an annual online survey of approximately 1,000 adults in each of 31 markets (500 each in Hong Kong, Kenya, Nigeria, and Singapore, and 1,500 in the USA) ($n=29,565$). The survey included new questions designed specifically for the Climate and Nature Nexus research. The survey was conducted between July and August 2023 in 31 markets, including Argentina, Australia, Brazil, Canada, China, Colombia, Egypt, France, Germany, Hong Kong, India, Indonesia, Italy, Japan, Kenya, Mexico, Netherlands, Nigeria, Peru, Portugal, Saudi Arabia, Singapore, South Africa, South Korea, Spain, Sweden, Thailand, Turkey, the United Kingdom, the United States, and Vietnam. Samples are representative of online population, weighted to reflect general population census data.

The research findings appear throughout the report. Chart headings indicate whether insights come from the expert survey, consumer survey, or both. Figures in the charts are expressed in percentages unless otherwise indicated.

Understanding The Climate & Nature Nexus

Climate and nature are deeply interconnected. The Climate & Nature Nexus refers to the many links between climate and nature that must be understood and addressed to design effective, science-based programs, maximize positive impacts for people and the planet, and avoid adverse trade-offs and unintended consequences.

“Climate and nature are two sides of the same coin,” noted Christine Lagarde, then head of the International Monetary Fund (IMF) at the International Union for the Conservation of Nature (IUCN) World Congress in Marseille. Since then, the need to better align and integrate approaches to climate and nature has quickly caught the attention of investors, civil society advocates, and sustainability/ESG leaders.

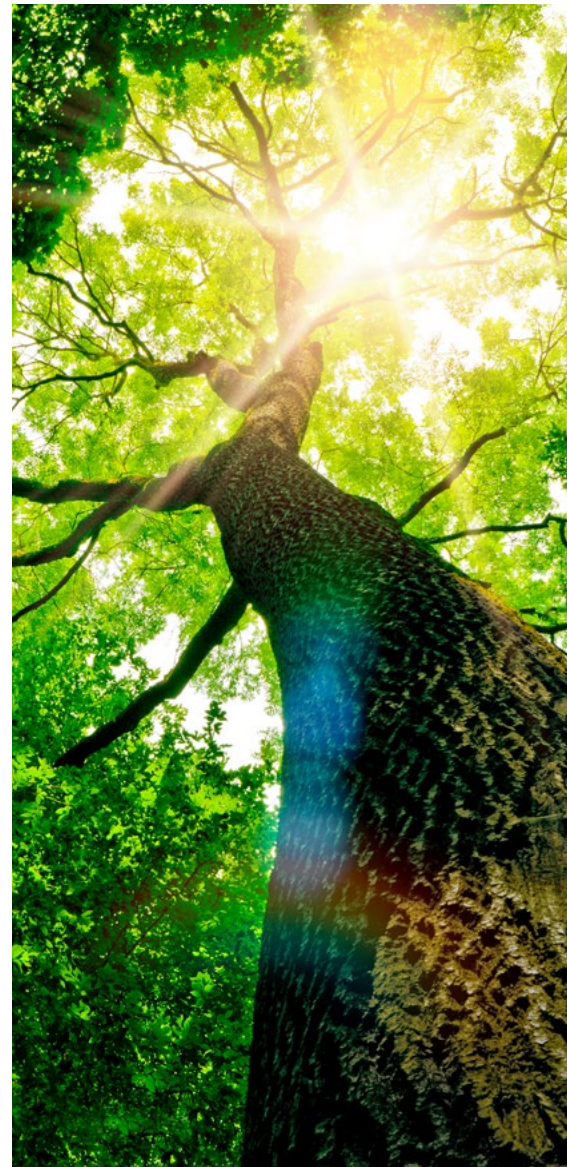
According to the Science Based Targets Network (SBTN), “there is now clear scientific evidence that net zero is not possible without nature. Nature is the backbone of human well-being and the foundation for all economic activity.”¹ The TNFD’s four realms of nature include land, freshwater and ocean ecosystems and atmosphere. The atmosphere, and climate in particular, depend on and greatly influence ecosystems and biodiversity.

The landmark global assessment of ecosystems and biodiversity by the science-policy body IPBES identified climate change as one of the five key drivers of biodiversity loss along with land use, exploitation of resources, pollution, and invasive species.² It also determined that nature-based solutions (NBS) could contribute up to 37 percent of the Paris climate goal to limit global warming.³

Nature-based solutions offer a powerful tool for climate, biodiversity, and people who make use of nature to address societal challenges. NBS come in many forms and can allow for considerable creativity and innovation. Examples include partnering with Indigenous peoples on community management of nature- and carbon-rich landscapes and regenerative agriculture methods that jointly improve soil health and water quality, capture carbon, and improving the livelihoods of smallholder farmers. Other key issues, good practices, and enablers for NBS are discussed in more detail in a later section of this report.

To learn more about nature-based solutions (NBS), select resources include:

- [IUCN Global Standard for Nature-based Solutions](#)⁴
- [10 Guiding Principles for the UN Decade on Restoration](#)⁵
- [Nature-based Solutions Initiative, University of Oxford](#)⁶
- [WWF Powering Nature report](#)⁷



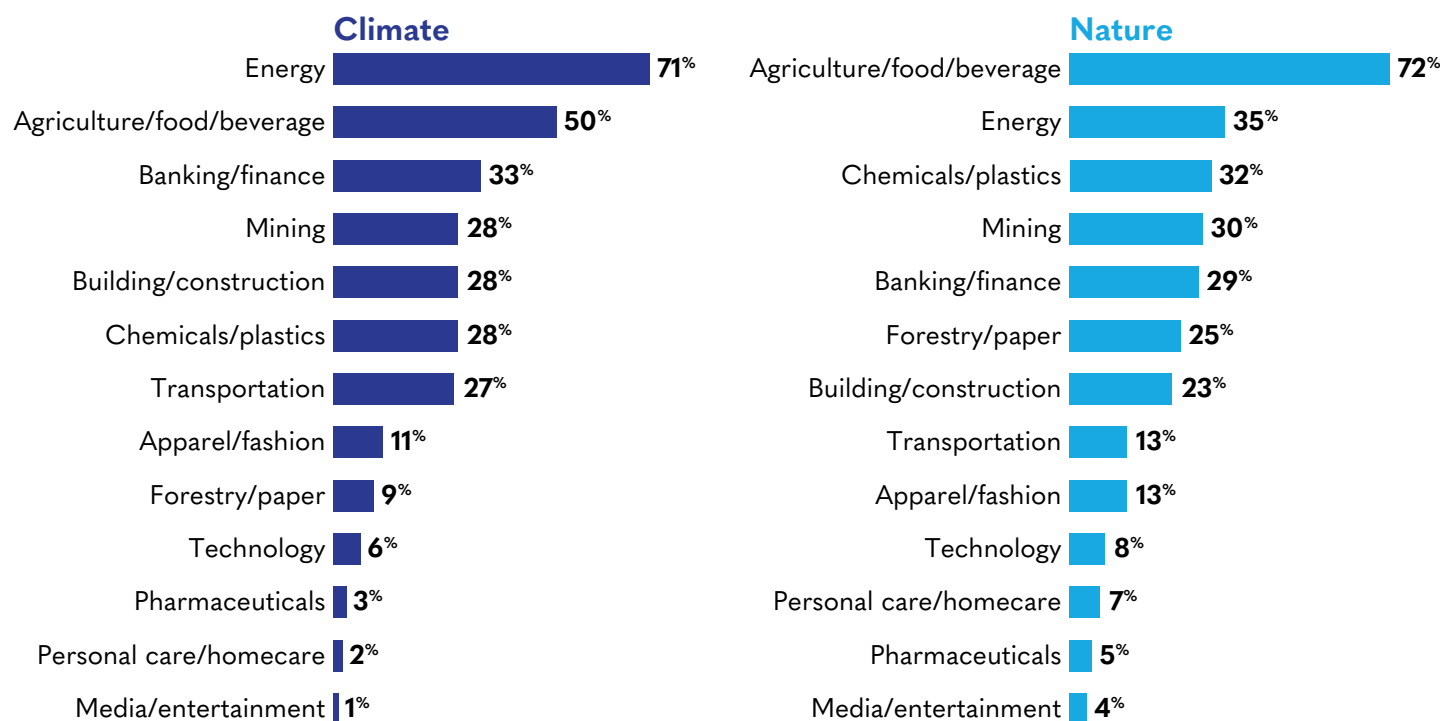
Sector-level Impacts and Dependencies on Climate and Nature

While nature and climate are vital for the economy and business overall, the stakes are higher for sectors with more direct, higher-value impacts and dependencies on nature and climate. The energy sector generates around 75 percent of the greenhouse gas (GHG) emissions that cause climate change.⁸ Agriculture represents about half of the 22 percent of net anthropogenic GHG emissions globally from the forest, land and agriculture (FLAG) sector.⁹ Globally, food systems are responsible for 80 percent of deforestation, 70 percent of fresh water use, and are the single greatest cause of terrestrial biodiversity loss.¹⁰

As these figures suggest, the agriculture, food and beverage and energy sectors are on the frontlines of stakeholder interest and engagement on climate and nature. In our global consultation, experts ranked the agriculture, food and beverage sector highest by a wide margin on the need to improve on protecting nature and biodiversity and the second highest sector behind energy in needing to improve on mitigating and adapting to climate change. Other sectors with high impacts and dependencies on climate and nature and that are in need of relatively more improvement include mining and extractives, building and construction, and finance and banking.

Sectors Needing the Most Improvement on Climate and Nature

Total Mentions, All Experts, Split Sample, 2023



Q. Which of the following sectors do you believe need to improve the most in mitigating and adapting to climate change? Select up to three.

Q. Which of the following sectors do you believe need to improve the most in protecting and restoring nature and biodiversity? Select up to three.

The Business Case for Nature and Climate

Nature and natural capital create tremendous value for the economy and business, and climate change and nature loss can destroy a large share of that value. Several factors drive and reflect the heightened attention on how companies' performance and value chains impact and depend on nature and climate. These include: 1) the economic and business value of nature and climate; 2) recent policy and regulation; 3) new sustainability/ESG standards; and 4) stakeholder views and public opinion.

The Economic and Business Value of Nature and Climate

Nature and climate have vast impacts on the global economy, business, and society. Well over one-third of global GDP – \$44 trillion of economic value – is moderately or highly dependent on nature.¹¹ Ecosystem services from biodiversity (e.g., crop pollination, water purification, flood protection, carbon sequestration) have been calculated at \$125-140 trillion per year – more than global GDP.¹² A new report from WWF estimates the annual economic value of water and freshwater ecosystems is \$58 trillion.¹³ The Boston Consulting Group (BCG) figures that the decline in ecosystem functionality is already costing the global economy over \$5 trillion per year.¹⁴ Earlier research by UN partner organizations found that global land degradation costs up to \$10.6 trillion per year in lost ecosystem services and directly impacts 1.4 billion people.¹⁵

On the opportunity side, the transition to a sustainable, inclusive green economy offers great potential to protect and create value for business, people, and communities around the world. The New Climate Economy project determined that an ambitious transition to a low-carbon, sustainable growth path could deliver \$26 trillion in direct economic gains and 65 million new low-carbon jobs by 2030.¹⁶ The World Economic Forum (WEF) has identified 15 nature-positive transitions that could generate up to \$10.1 trillion in annual business value and 395 million jobs by 2030.¹⁷ Three socio-economic systems each account for roughly a third of that value, including: 1) food, land and ocean use; 2) infrastructure and the built environment; and 3) energy and extractives. Priority actions for the household and personal care sector alone could unlock more than \$60 billion in annual business opportunities by 2030 according to WEF's *Sector Transitions to Nature Positive* report series, launched in September 2023.¹⁸



Policy and Regulation on Climate and Nature

Recent introductions of new policies and regulations have rapidly changed the landscape and raised the bar for corporate sustainability/ESG related to climate and nature.

The new [Global Biodiversity Framework \(GBF\)](#)¹⁹ was signed in Montreal in December 2022. Key areas of the GBF for companies include:

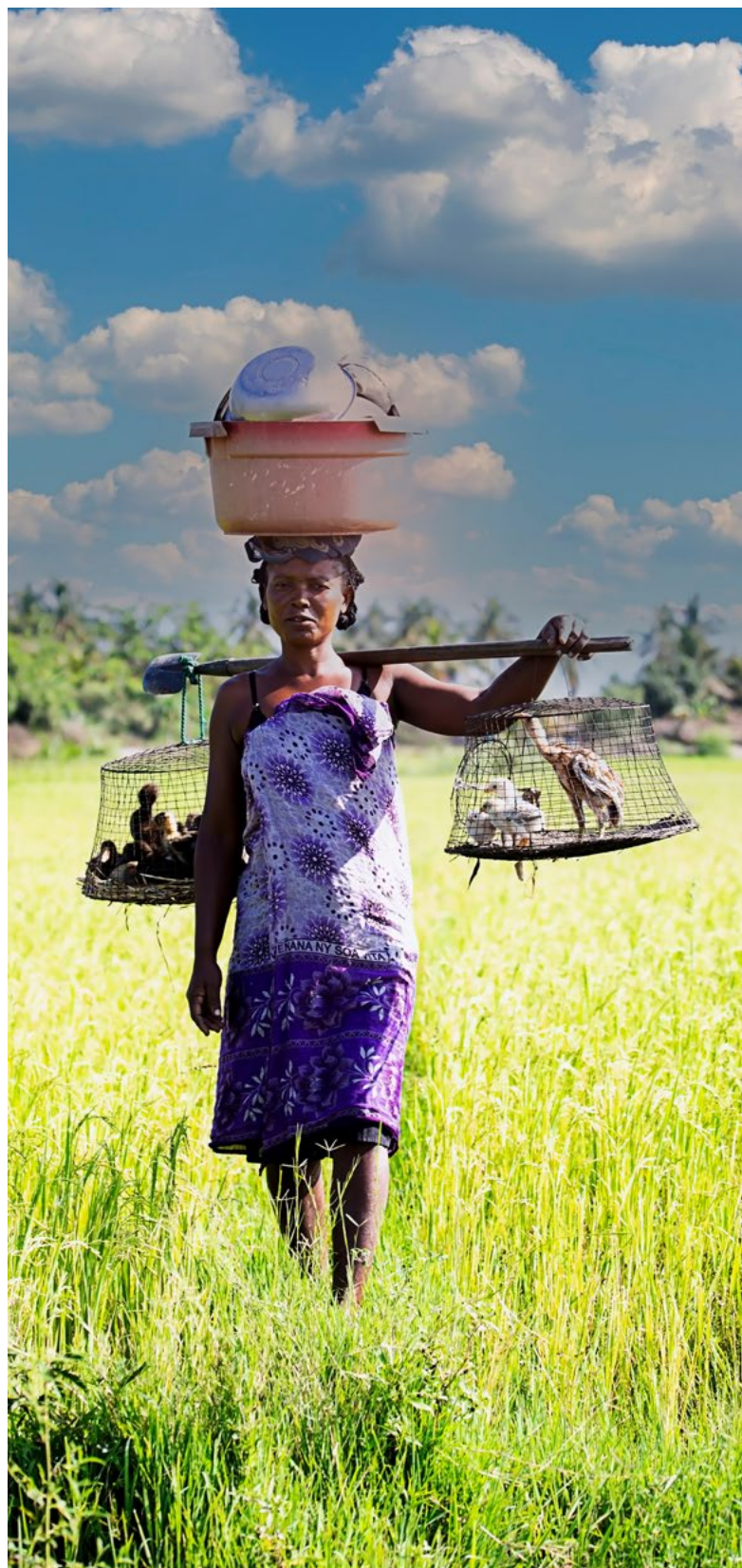
1. The global goal to halt and reverse nature loss and achieve a nature-positive future (Goal A);
2. The goal to protect 30 percent of the world’s nature by 2030 (Target 3);
3. The expectation for companies to analyze and report on their nature-related impacts, dependencies, risks, and opportunities (Target 15); and
4. The goal to repurpose an estimated \$1.8 trillion in subsidies that harm nature and biodiversity (Target 18).²⁰

The EU Green Deal has ushered in a host of far-reaching regulations on corporate sustainability/ESG that relate to climate and nature. These include the EU Deforestation Regulation, Nature Restoration Law, and the Corporate Sustainability Reporting Directive (CSRD). In our survey, experts indicate EU/national regulations that require companies to reduce or avoid harmful impacts and repurpose harmful subsidies are the most effective policies for driving company action on both climate and nature.

Sustainability/ESG Standards and Frameworks Led by Investors and Civil Society

Investors have been a leading force behind the push for nature-related standards and disclosures. The final TNFD Recommendations for nature-related risk management and disclosure were published in September 2023. The TNFD aligns with and builds on learnings from the Taskforce for Climate-Related Financial Disclosures (TCFD).

The Science Based Targets Initiative (SBTi) announced a pilot with 17 companies on its new nature targets for water and land use in May 2023. Business for Nature, WEF, and WBCSD collectively launched sector guidance on the transition to Nature Positive in September 2023. Business for Nature recently launched its “All-In for Nature” Campaign and Nature Strategy Handbook in November 2023.

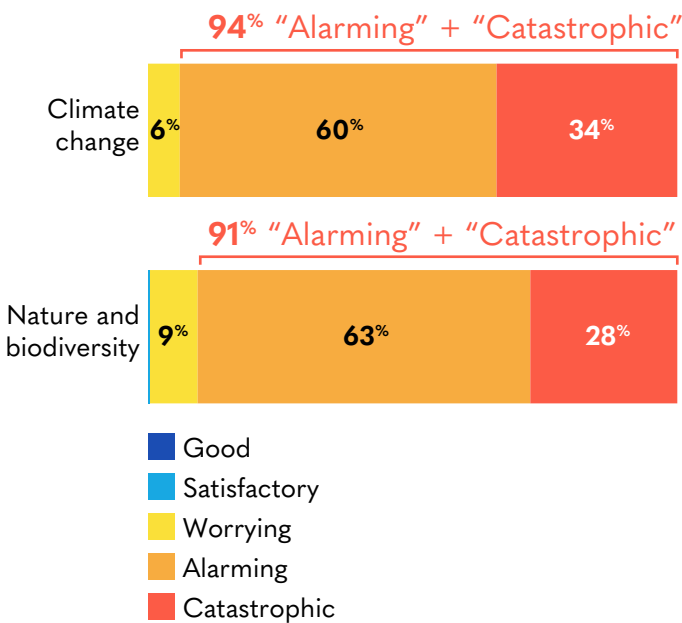


Stakeholder and Public Views on the States of Climate and Nature

In our research, both expert stakeholders across sectors and geographies and people around the world express very high levels of concern for climate change and the loss of nature and biodiversity. Over 90 percent of experts view the states of both climate and nature as “alarming” or “catastrophic,” and 94 percent of experts agree that biodiversity loss requires the same urgency and resources as climate change. Consumers across 31 countries include climate change, depletion of natural resources, and water/air pollution in their top five “very serious” global problems.

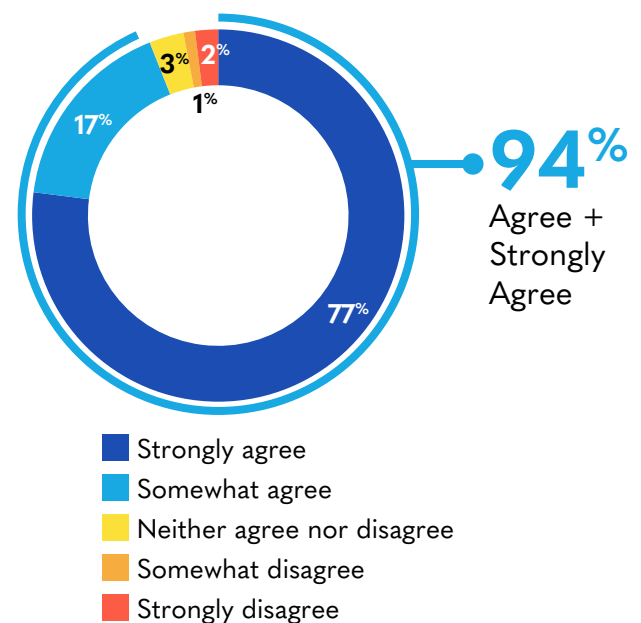
Current States of Climate and Nature

All Experts, 2023



Urgency/Resources Needed for Biodiversity Loss Equal to Climate Change

All Experts, 2023



Q. For each of the following issues, please select the option that best describes your view of the current state of the issue in the world.

Q. To what extent do you agree or disagree with the following statements? – Biodiversity loss needs to be addressed with the same urgency and resources as climate change.

When it comes to the institutions that are expected to tackle these interwoven crises, experts hold governments and the private sector most responsible for driving forward the goals and targets of the new Global Biodiversity Framework. Likewise, the public holds governments and companies most responsible for addressing climate change and protecting nature and wildlife, respectively. Over 85 percent of people feel large companies have a responsibility to encourage governments to do more to both address climate change and protect nature and wildlife.

Elevating Nature in Corporate Sustainability / ESG Strategy and Engagement

The message from stakeholders and the public is loud and clear – companies need to take action on deploying more integrated approaches and elevating nature and biodiversity in their sustainability/ESG strategies, programs, and engagement. Over 80 percent of experts strongly agree on the need for companies to take much more integrated approaches to effectively address nature, climate, and social issues.

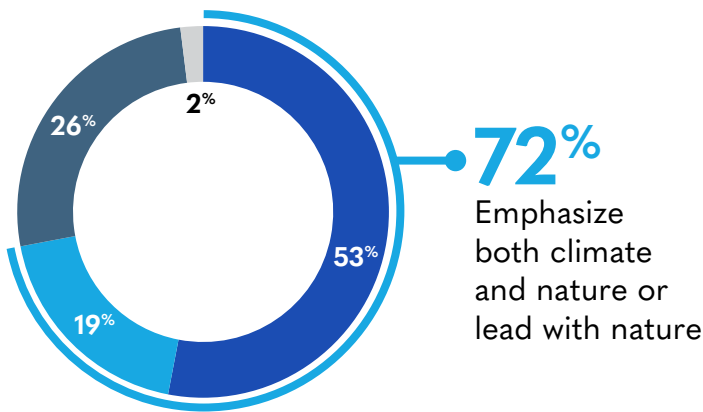
“Just a carbon lens can be quite diminishing and doesn’t cover the full picture at all, especially when we include things like water, etc. It can’t just be about measuring carbon. It has to be more and more holistic.”

– Finance Leader

Both experts and the public prefer companies to take more balanced approaches to their work and engagement on climate and nature. Over seven in ten experts favor companies emphasizing both climate and nature and their interconnections or leading with nature to effectively engage internal and external stakeholders. Expert views in the Global South are more divided, with 59 percent favoring climate and nature or nature alone and 38 percent preferring to lead with climate. Among the general public, 78 percent of people think environmentally responsible companies should focus equally on climate and nature (62%) or mainly on nature (16%).

Engaging Stakeholders on Climate and Nature

All Experts, 2023

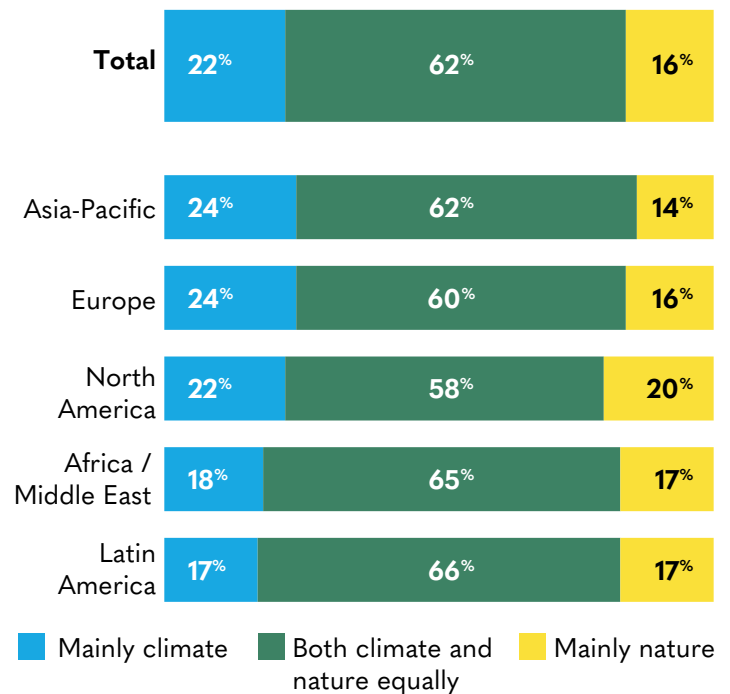


- Emphasize both climate and nature as important to address and show the interconnections
- Lead with nature and address climate in the context of nature
- Lead with climate and frame nature in terms of climate
- Other

Q. How can companies most effectively engage and influence internal and external stakeholders about their approach to climate and nature?

Focus for Environmentally Responsible Companies

Average of 31 Markets, 2023



Q. What do you think an environmentally responsible company should focus on most?

Business Playbook for Taking Action on The Climate & Nature Nexus

Our research and consultations with expert stakeholders identified practical, real-world guidance for companies to better align and integrate their strategy, programs, and engagement on climate and nature. These insights generally align with and are intended to help apply far more detailed directions in leading frameworks, standards, and guidance. Along the journey, consulting and bringing along both internal and external stakeholders play a key role in understanding, building trust, and effectively taking action on priority issue areas.

1. Cultivate understanding and support of Board and executives

There is much to gain from cultivating more awareness and support from senior business leaders on the climate and nature nexus and biodiversity in particular. Nine in ten expert stakeholders agree that companies need a public nature strategy backed by the CEO and Board to effectively protect and restore biodiversity.

Sustainability/ESG teams can help executives understand how climate and nature matter to the business and stakeholders and align with existing sustainability/ESG strategies and programs. The Board and its broader, longer-term perspective can be a key ally to engage earlier rather than later in the process. Approaches to inform and influence the Board and senior executives can include:

- Clearly identify and communicate the implications of recent and emerging policy, regulation, and sustainability/ESG standards related to nature and climate;
- Show the importance of nature and nexus issues to key stakeholders, including investors, customers/consumers, civil society, and governments;
- Demonstrate how innovation, leadership, and good practices around the climate and nature nexus can help manage risk and be a source of growth, competitive advantage, and resilience; and
- Assess impacts and dependencies on nature and climate along and beyond the value chain and how they translate into business risks and opportunities.



Other resources for companies to consult include:

- [TNFD and TCFD Recommendations](#)
- [Science Based Targets Process for Climate and Nature](#)
- [WBCSD Roadmaps to Nature Positive](#)
- [Sector Actions for Nature Positive²¹](#)
- [The Accountability Framework Core Principles](#)

2. Relate to and build on existing programs

Investors and other expert stakeholders advise positioning nature and biodiversity as a build on existing programs, rather than something new and extra. Sustainability/ESG leaders can help key decision makers and internal stakeholders understand how the climate and nature nexus and biodiversity are already directly linked to and implicitly part of existing work on areas like forests and water, regenerative agriculture and circularity, and community development. Integrating these aspects can also help to strengthen current programs by enhancing impact and credibility.

Approaches to relate biodiversity and the climate and nature nexus to existing priorities, programs, and workstreams include:

- Clearly communicate how nature and nexus issues are already key to delivering existing sustainability/ESG commitments and programs (e.g., climate goals, no deforestation or conversion, water stewardship);
- Explain how the climate and nature nexus can be a new source of solutions and impact (e.g., unlocking nature-based solutions and financing for climate, nature, and people); and
- Show how nature and climate can contribute to existing business objectives and opportunities (e.g., contributions to market needs and demand and/or cost/risk reduction in sectors like building, food, energy, and healthcare).

3. Improve understanding of place-based impacts and dependencies

Many corporate practitioners identify the lack of data and metrics as a key barrier, especially for biodiversity. Several expert stakeholders view this as more of an excuse and counter that scientists and researchers have a long history of collecting data on nature and biodiversity. In other cases, some companies have partnered with scientists and researchers to tap into their expertise. Moreover, new tools and methods are making measurement and monitoring more accessible and easier than before. For example, Anglo American uses eDNA at mining sites to evaluate risks and impacts, monitor progress toward biodiversity targets, and engage local community members in helping to manage their local environment.

Instead, experts say a much bigger barrier is often traceability or the lack of information many companies have about where things happen in their value chains. Approaches that involve nature and biodiversity need to account for place-based and context-specific aspects. This calls for companies to understand where and how dependencies and impacts, both negative and positive, occur along and adjacent to their operations and value chains. Locating their source is a key starting point on the journey to evaluating risks and opportunities and prioritizing the most material issues. In practice, the process is iterative with ample experimenting, learning, and refining along the way. This process corresponds to the “L – Locate your interface with nature” of the TNFD’s LEAP approach or the “A – Assess” of the ACT-D framework.²²

Many companies can learn a lot from third-party sector analyses and other existing sources. Experts also point to obtaining valuable information on biodiversity by taking a thorough inventory of all the information companies already track and report on for climate, forests, and water.

In addition, many companies have yet to map and assess their operations and value chains against areas of high- and at-risk biodiversity or conservation value, high carbon stock, and high cultural value. Among other indicators, these can include designated protected areas, Key Biodiversity Areas (KBAs), IUCN Red List, territories of Indigenous peoples, and UNESCO World Heritage Sites. A variety of tools already exist for this kind of analysis, including the likes of IBAT, ENCORE, WWF Water & Biodiversity Risk Filter, LandScale, and others.



4. Elevate nature and biodiversity in sustainability/ ESG strategy

Many companies have an opportunity to review and refresh their sustainability/ESG strategies to better reflect the importance of the climate and nature nexus and biodiversity to their business and stakeholders. At this stage, companies that are relatively more advanced on climate and nature generally take one or a combination of three main approaches:

1. Lead with or base strategy pillars on nexus issue areas (e.g., regenerative agriculture, circularity);
2. Dedicate a pillar of their strategy to nature or climate and nature; and/or
3. Prioritize nexus issues and/or nature or biodiversity within strategy pillars.

Going forward, there is much greater potential for sustainability/ESG strategies and programs to embed more integrated approaches.

5. Set goals and targets that drive action and integration

More advanced companies are committing to nature-positive and specific targets that emphasize positive impacts, restoration, and regeneration across and beyond the value chain. This aligns with the “C” component of the ACT-D framework or committing to action in the context of priority issues around the climate and nature nexus, though it is also important to note that the concept and global goal for nature-positive requires following the mitigation hierarchy by starting with avoidance and mitigation.

Examples of ambitious targets already set by companies include:

- Net positive impact on biodiversity by 2030 (Holcim, Ørsted)
- Water positive and forest positive by 2030 (IKEA)
- Restore/regenerate (X million) hectares/acres of land or ocean by 2030 (Kering, Nestlé, Unilever, Walmart)
- Source 20/50 percent of key ingredients through regenerative agriculture methods by 2025/2030 (Nestlé)
- Pay a living wage to suppliers, including smallholders (Natura, Unilever)



6. Integrate nature and nexus areas into programs and engagement

There are a variety of steps companies can take to assess and enhance how their current programs account for the climate and nature nexus. Taking action in these areas can have multiple benefits, including: de-risking existing efforts, improving impacts and outcomes, and building a reputation for high-quality programs with key stakeholders, including investors and civil society. Specific actions can include:

- Address nature and nexus issue areas and approaches in transition plans;
- Require existing and new programs to include key performance indicators (KPIs) for relevant environmental and social areas. For example, Holcim and Kering have developed biodiversity metrics with IUCN and Cambridge Institute for Sustainability Leadership (CISL), respectively. This should include good practices for MRV (measurement, reporting, verification);
- Include biodiversity and nexus issue areas in sustainable sourcing and other policies as well terms and engagement with suppliers and other business partners;
- Use holistic, science-based landscape and ecosystem approaches to account for the needs of all users and any tradeoffs across users or issue areas (e.g., carbon benefits vs effects on biodiversity and people);
- Apply good human rights practices and rights-based approaches that respect the needs and rights of all stakeholders, especially under-represented and vulnerable groups (see more in the section below); and
- Embed nature in risk and financial tools and decision-making. For example, Kering and Natura have developed integrated profit-and-loss methods that show the value of natural, social, and human capital in language familiar to the business.

7. Build capacity through organizational development

Most companies will have to build the capacity of sustainability/ESG teams and business counterparts to develop and implement the most effective integrated approaches and take full advantage of opportunities arising from climate and nature nexus issue areas.

More companies are creating or assigning positions to jointly lead work on climate and nature or biodiversity specifically. Teams are also adding capacity and building skills in key areas like traceability and the development of nature-based solutions.

Companies identified the need to develop skills and foster ways of working that are more conducive to integrated approaches and help overcome siloes, such as experience and comfort with collaboration, interdisciplinary teams, and more experimental methods. In addition, they spoke to the importance of outreach, training, and narratives that help business partners and employees better understand why and how they are expected to contribute to goals and programs related to climate and nature.

8. Emphasize action, impact, and progress

Experts, especially leaders from civil society, urge companies to take action and move quickly. They pointed to the need to experiment with a willingness to learn and fail, and for a higher tolerance for risk. They advise companies to get started and take action from where they are and what they already know, which is often more than they realize.



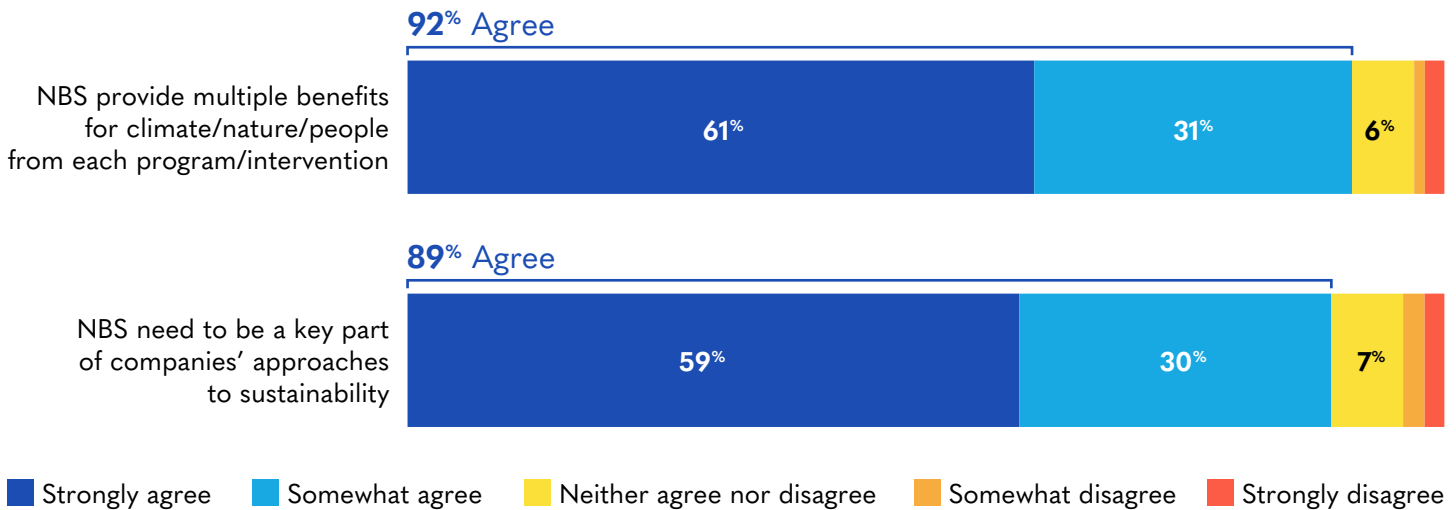
Nature-based Solutions for Climate, Biodiversity, and People

Member companies and experts see great potential in nature-based solutions (NBS) to deliver impact and multiple benefits for climate, nature, and people, often through one intervention.

In our research, 89 percent of experts agree that NBS need to be a key part of companies' approaches to sustainability. That figure rises to 98 percent for experts in the Global South. In addition, the public and consumers favor investing in natural solutions like protecting forests and planting trees over new tech fixes like carbon capture and storage (CCS).

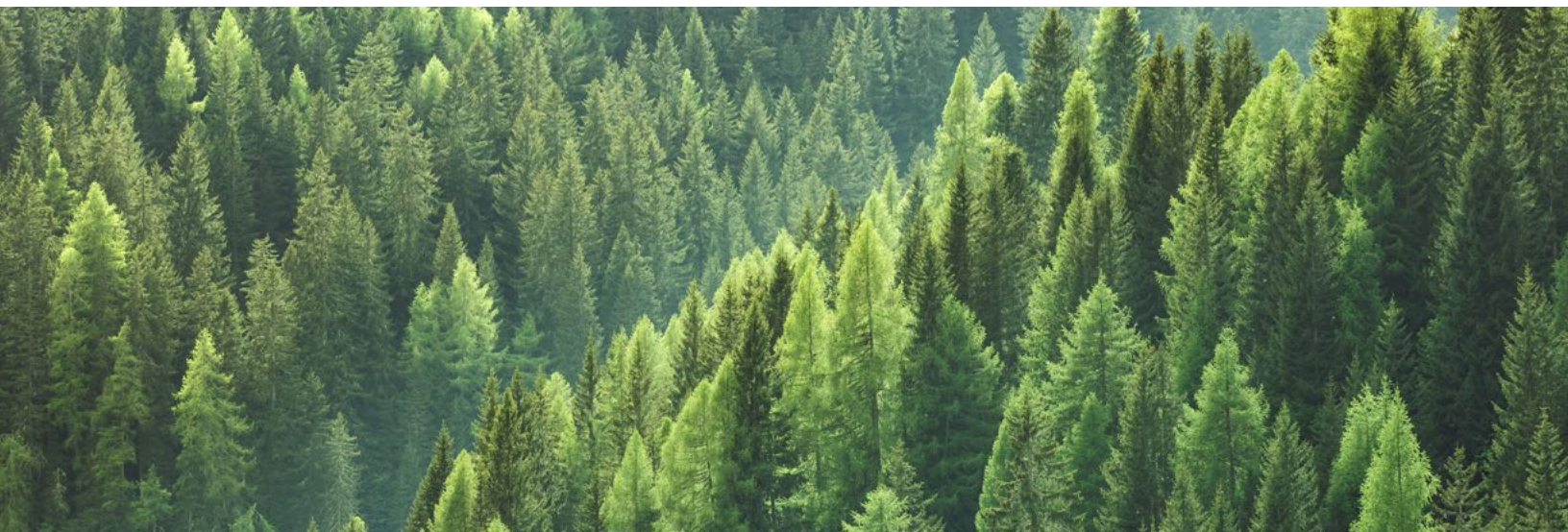
Views on Nature-based Solutions

All Experts, 2023



Q. To what extent do you agree or disagree with the following statements (shown in chart above)?

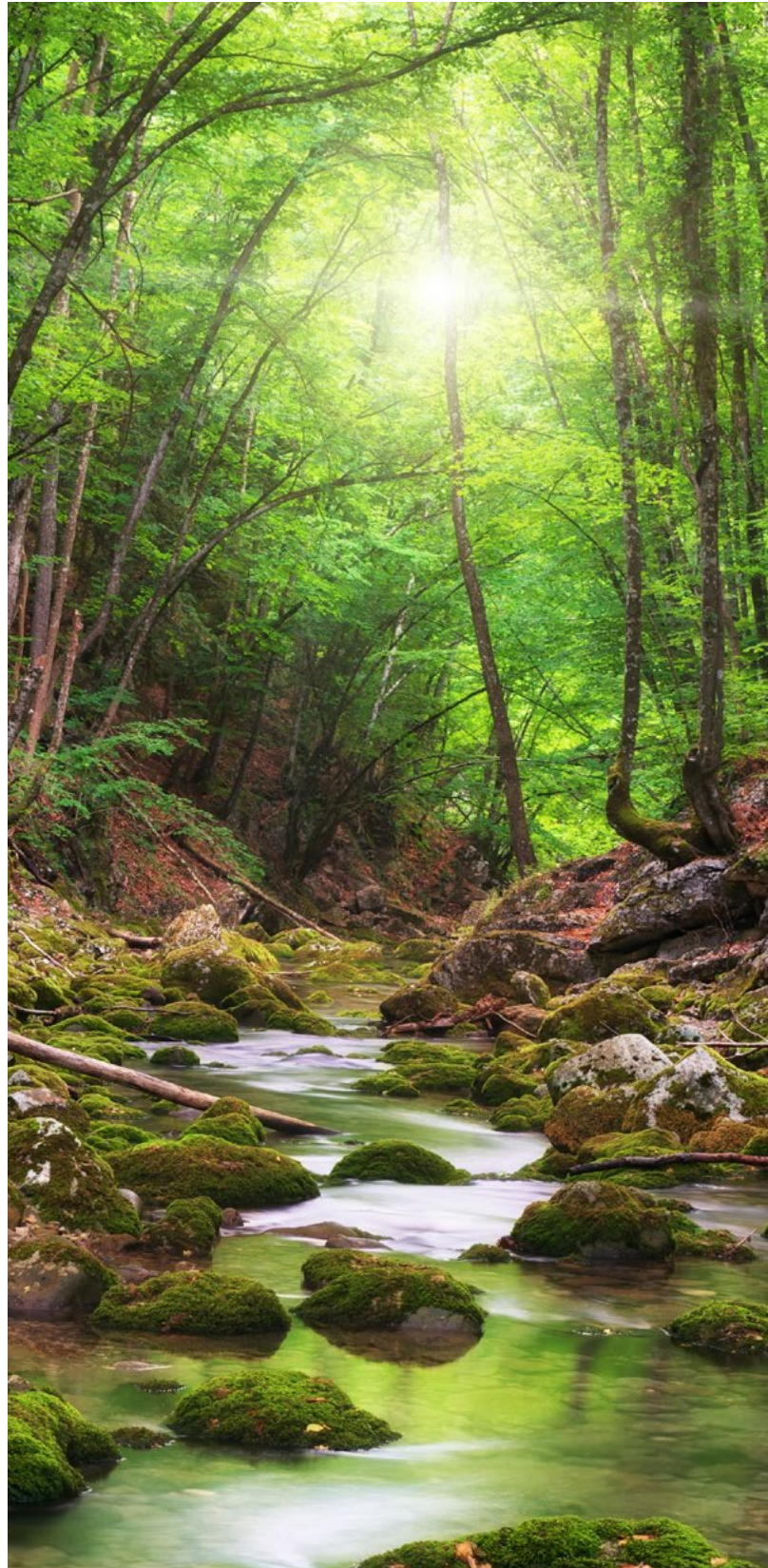
In addition to offering multiple benefits, there are other good reasons to make NBS an integral part of sustainability/ ESG strategy and programs. NBS are often: 1) more effective than "gray" or human-made solutions; 2) less costly than alternatives; and 3) better at advancing prevention, adaptation, and resilience. NBS can also be well-suited to improving the livelihoods, well-being, and ownership of local communities, Indigenous peoples, and other groups who depend more directly on nature and are more at risk from climate change.



The design and management of NBS need to be outcomes-oriented, inclusive, rights-based, and avoid or account for adverse trade-offs. Other good practices include:

- Identify and design for all users and be clear on desired outcomes from the outset;
- Consider impacts and dependencies beyond the value chain;
- Conduct thorough due diligence on issues, local context, and any partners or intermediaries;
- Build in approaches for capacity building with local organizations and communities and their roles in ongoing, long-term management;
- Ensure inclusion of local communities and Indigenous peoples (where applicable):
 - Rigorously apply and uphold Free, Prior, and Informed Consent (FPIC)
 - Provide money directly to landowners and stewards rather than through governments

Several stakeholders referenced the [Rimba Collective](#) as a leading example of applying NBS by the private sector to address impacts in and beyond their supply chains. Rimba Collective is a long-term financing mechanism designed to protect and restore natural landscapes and support local communities. It prioritizes projects that protect and restore large, continuous areas of natural ecosystems as well as critical habitats to produce more meaningful biodiversity outcomes. Projects are also prioritized according to their potential to generate measurable ecosystem service benefits, such as maintaining water quality and supply, improving soil fertility and sequestering carbon, as well as improving the livelihoods of local communities. The initiative was co-designed by Nestlé, PepsiCo, Procter & Gamble, and Unilever, together with Lestari Capital.



Finance and Incentives for NBS and the Role of Carbon Credits

Stakeholders emphasize the need for incentives and financing to scale NBS. Despite criticism and issues raised by the Guardian and others, many stakeholders view carbon credits as a valuable tool for advancing NBS by helping to fill the gap in financing and incentives. Supporters include leading environmental NGOs, scientists, and Indigenous groups.

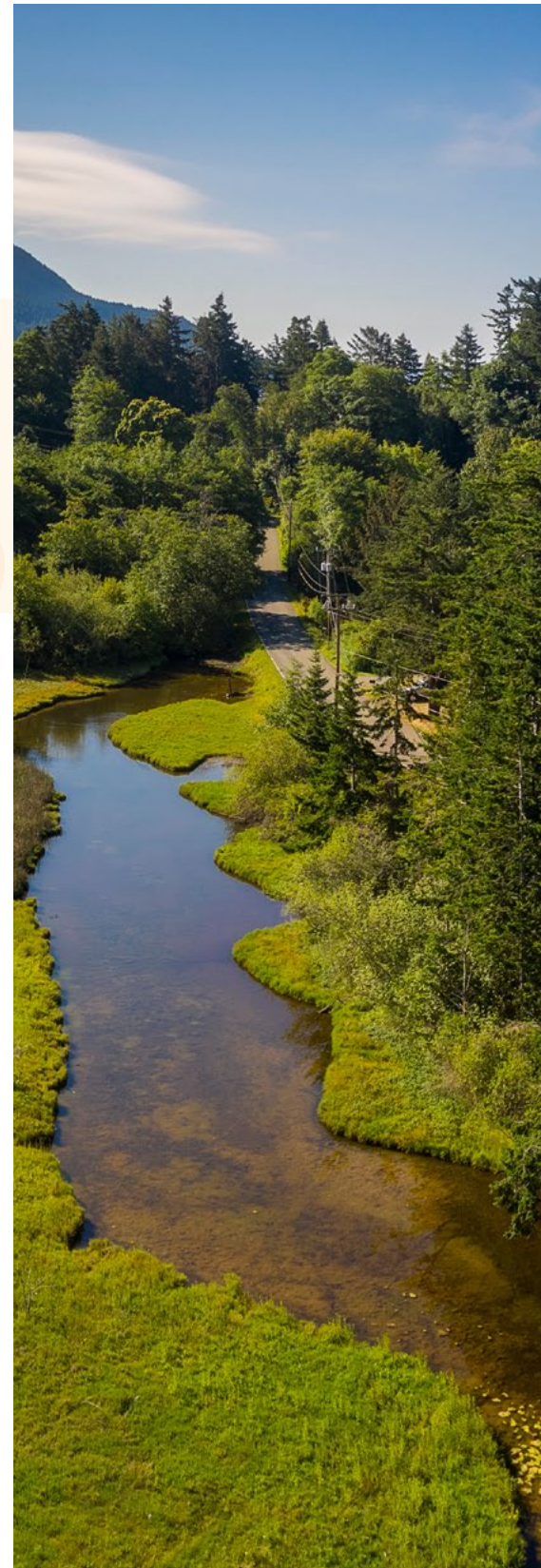
“I have come to the conclusion that putting a value on carbon is pretty much the best strategy we have to mobilize the significant financial resources and inherent incentives that come with those resources to do what needs to be done.”

— NGO Leader

In our survey consultation, a majority of experts support the use of carbon credits and offsets for NBS provided they apply good practices for high-quality credits. One-fifth of expert stakeholders rejected the use of carbon credits and offsets for NBS. Reasons for questioning or opposing the use of credits include low quality of credits, prevalence of fraudulent activity, lack of regulation, and using offsets in place of mitigation. Other recent research has countered that companies engaging in the voluntary carbon market (VCM) outperform peers by setting SBTs for climate that are more ambitious as well as disclosing more of their Scope 3 emissions to the CDP.²³

Good practices for helping to ensure the integrity and credibility of carbon credits for NBS include:

- Following guidance and best practices for high-quality credits and social safeguards
 - Stakeholders reference the [Tropical Forest Credit Integrity Guide](#) as a current “gold standard”²⁴;
- Following the mitigation hierarchy and not using NBS and credits as a substitute for reducing and mitigating GHG emissions;
- Setting science-based targets (SBTs);
- Avoiding carbon tunnel vision and focusing on maximizing the combination of positive impacts for climate, nature, and people;
- Jurisdiction-level and fully-nested projects (or ones that are ready to be) can help achieve scale and avoid issues with double-counting, over-crediting, etc.



Prioritizing People, Inclusion, and Rights-based Approaches

Climate and nature programs need to prioritize people, inclusion, and rights-based approaches to ensure they are effective, avoid adverse trade-offs, maximize positive impacts, and build trust with stakeholders.

Over 90 percent of stakeholders agree that initiatives to protect and restore nature are: 1) essential for a Just Transition for all; and 2) must account for the rights, knowledge, and contributions of Indigenous peoples and local communities (IPLCs).

“The Just Transition should include companies helping to develop economies and build capacity in emerging economies and value chains (e.g., living wage, develop suppliers and local businesses). I don’t see many companies taking up this opportunity or working in this area.”

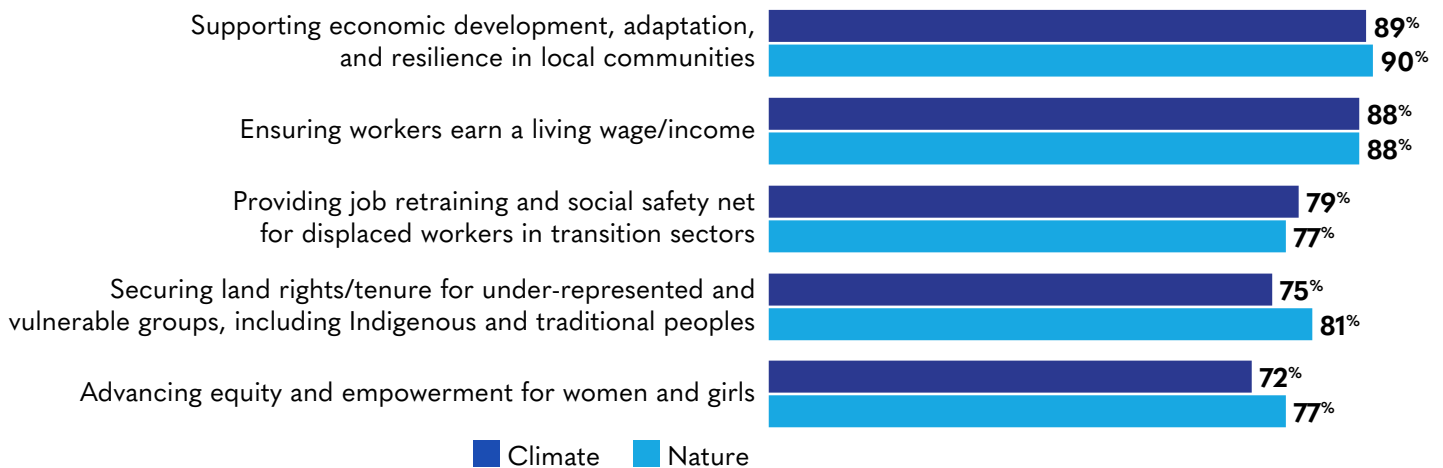
— NGO leader



A large majority of experts surveyed consider social initiatives that advance inclusive development, livelihoods, and human rights to be very or extremely important for lasting, long-term progress on climate and nature (including living wage, land rights, and retraining).

Social Actions to Address Climate and Nature

Top 2 Boxes (“Very Important” + “Extremely Important”), All Experts, Split Sample 2023



Q. V1 How important are each of the following social actions to make lasting, long-term progress on protecting and restoring nature and biodiversity? V2 How important are each of the following social actions to make lasting, long-term progress on mitigating and adapting to climate change?

“Land tenure/rights is the closest thing we have to a silver bullet for nature.”

— Academic Leader

Companies can address Just Transition and other equity and human rights issues related to climate and nature through good human rights practices and rights-based approaches that identify and address the needs of at-risk groups and key issue areas. These include applying the UN Guiding Principles on Business and Human Rights and good practices for ensuring Free, Prior, and Informed Consent (FPIC).

Examples of At-risk Groups and Social Issues Related to Climate and Nature

Populations	Issue Areas
<ul style="list-style-type: none"> • Most vulnerable to effects of climate change, nature loss, pollution, and land use changes • Workers in transition sectors • Family and smallholder farmers • Geography/land-based groups – Global South, Indigenous peoples, local communities, rural areas • Demographics – poor/low income, women and girls, minorities 	<ul style="list-style-type: none"> • Effects on livelihoods, health and well-being, safety, housing, and other basic needs and rights • Retraining and employment for displaced workers • Land rights/tenure • Access and benefit sharing • Compensation for loss and damage • Access to nature and green spaces

Nature Connectedness and Biophilic Design

There is also an important opportunity to increase public interest and action on nature and climate by helping to repair the broken relationship that many people have with nature. This relationship is referred to as “nature connectedness.”²⁵ The Nature Connectedness Research Group at the University of Derby has identified five pathways that can strengthen peoples’ relationships with nature: senses, beauty, emotion, meaning, and compassion.

In our survey, experts viewed business leadership and integration and making nature more integral to everyday experiences and environments as key enablers for helping people build deeper, more meaningful connections with nature. Companies interested in promoting nature connectedness can learn more through the recently published [The Nature Connected Organisations Handbook](#), which includes a framework and guidance on taking action.²⁶

Biophilic design is a valuable tool for integrating nature into everyday experiences and environments. It provides an opportunity to reconnect people with nature in the places where they live, work, and learn. When used in workplaces, it can help to improve employee well-being and performance. The company Interface incorporates biophilic design in interiors and products and offers helpful guides on the topic.



Need for Transformation and Systemic Approaches

For people and the planet, the ultimate measure of companies' efforts depends on their impacts and contribution to the global goals to limit climate change and protect and restore nature and biodiversity. Several experts point out that many efforts by companies to date do not approach the scale of their impacts or dependencies on climate and nature.

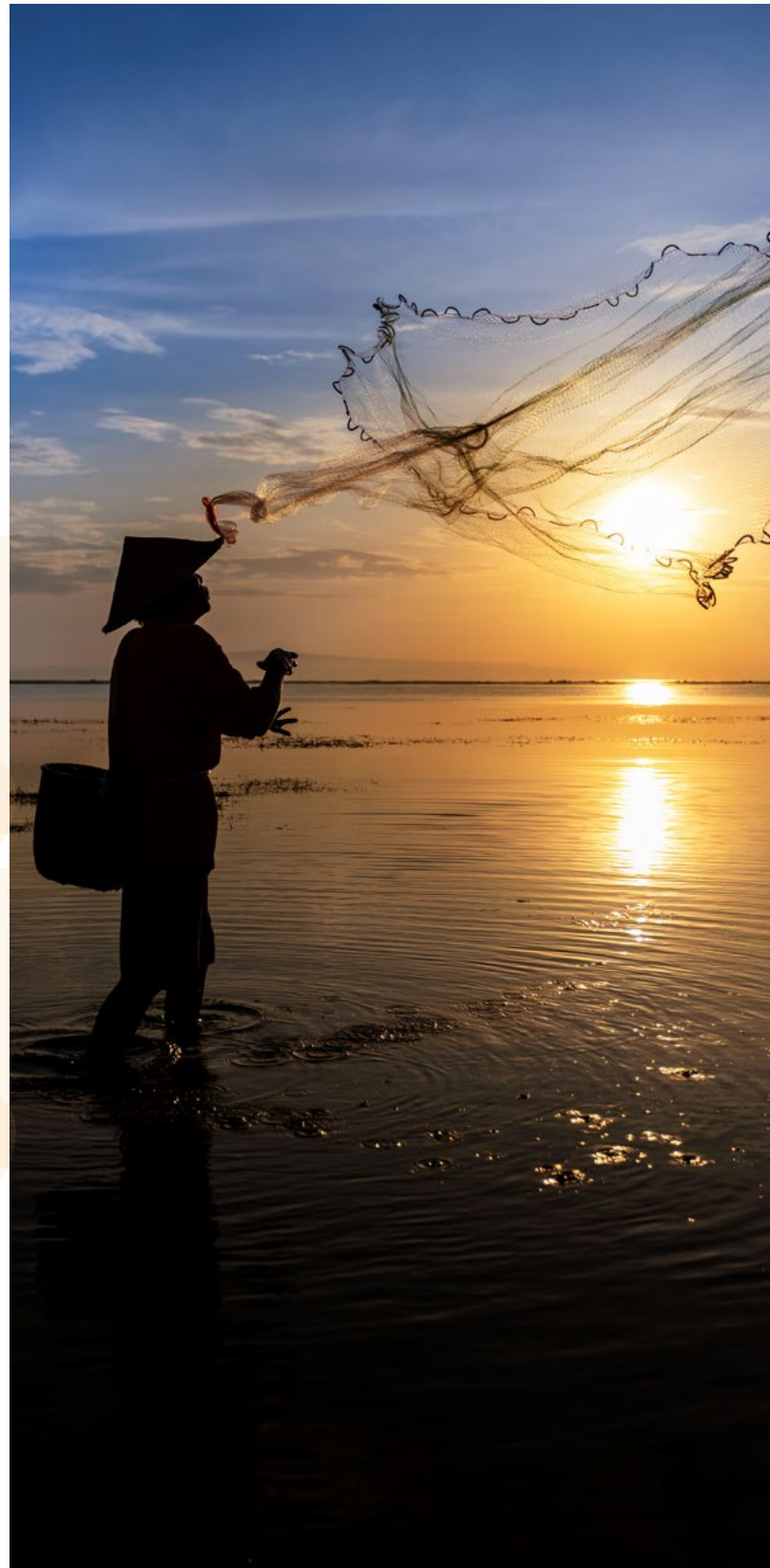
To accelerate impact with the required scale and urgency, companies need to use their leverage and networks to drive systems change. This includes influencing partners along and beyond their value chains, collaborating across sectors, and advocating for policy and incentives that lead to the desired actions and outcomes. Going forward, stakeholders stress the need for companies to prioritize action, collective responsibility, and proportional impact.

“We would love companies to be thinking about collective responsibility and working at a landscape scale, not just on their part, but on how the whole product and value chain can be positive for nature.”

— NGO Leader

“The root issue we need to address is the view that nature is there for humans to control and use for their own benefit rather than understanding that humans live within nature and are one of many species.”

— NGO Leader



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About GlobeScan

Thank you for reading this report. If you are interested in exploring the climate and nature nexus or just want to learn more about GlobeScan, please get in touch.

GlobeScan is a global insights and advisory consultancy working at the intersection of sustainability, behavior change, and trust.

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