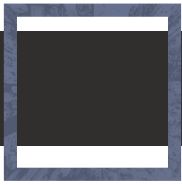




Guidance on nature in transition plans

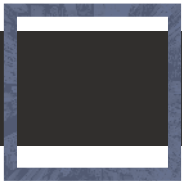
November 2025



Contents

Executive summary	3
1. Introduction	8
2. Context	12
3. Nature in transition planning	18
4. How to incorporate nature into a transition plan	31
5. Disclosing information about nature in a transition plan	91
6. Conclusions and further work	114
7. References	117
8. Acknowledgements	127
Annex 1: Disclosing information about nature in transition plans as part of annual TNFD-aligned disclosures	128





Executive summary

The mission of the Kunming-Montreal Global Biodiversity Framework (GBF) is to ‘halt and reverse biodiversity loss’ by 2030, with a 2050 vision of ‘a world living in harmony with nature’. The GBF has been signed by almost 200 national governments.

Delivering the transition implied by the GBF will require significant changes to business practices across all sectors. Transition planning offers a way to manage an organisation’s responses and contributions to this transition in a coherent, structured way. This process is already well established for the net zero transition. The Taskforce on Nature-related Financial Disclosures (TNFD) has developed guidance to help organisations incorporate nature into their transition plans and to disclose information about those plans.

Nature is now recognised as a central and strategic risk management issue. Effective management of nature-related issues is critical to sustaining business models across all sectors. As highlighted in the TNFD’s [2025 Status Report](#), momentum has begun to build for companies to identify, assess, disclose and manage their nature-related dependencies, impacts, risks and opportunities. At the same time, alignment to global policy goals – specifically the four goals and 23 targets of the Kunming-Montreal Global Biodiversity Framework (GBF) to halt and reverse biodiversity loss by 2030 and live in harmony with nature by 2050 – will require a significant shift in how businesses operate.

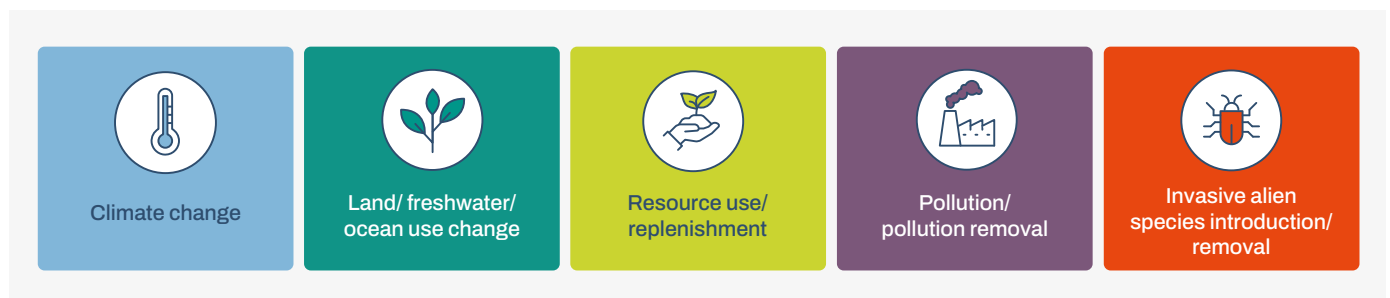
Integrating nature into transition plans can support this shift. Transition plans provide a coherent structure for organisations to manage their nature-related dependencies, impacts, risks and opportunities, and their climate mitigation and adaptation efforts, and thereby to respond and contribute to the transition implied by the GBF and Paris Agreement. This TNFD guidance on nature in transition plans breaks down the process of aligning with the goals and targets of the GBF into a coherent set of forward-looking strategies, actions and accountability mechanisms, built into the organisation’s main business strategy.

As outlined in the TNFD’s [2025 Status Report](#), companies and financial institutions have already begun integrating their climate and nature disclosures aligned to the Task Force on Climate-related Financial Disclosures (TCFD) and TNFD recommendations. 78% of companies surveyed by the TNFD in mid-2025 indicated that they are reporting climate and nature-related issues in an integrated fashion.¹

1 See also Business for Nature’s [It’s Now for Nature Pulse](#).

The TNFD encourages companies to take the same approach to their transition planning. These plans will respond and contribute to the transition implied by the Paris Agreement and the GBF, while also considering synergies and trade-offs with the organisation's social objectives. Such an approach recognises the inseparable relationship between climate change and the other four drivers of nature change recognised by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) (Figure 1).

Figure 1: The five drivers of nature change



Sources: Adapted from IPBES (2019) [Global assessment report on biodiversity and ecosystem services](#).

By disclosing information about nature in its transition plan, an organisation can demonstrate to investors, regulators and other stakeholders that it acknowledges the interconnectedness of nature and climate, is effectively managing its nature-related issues and is responding and contributing to the transition implied by the GBF, as well as the Paris Agreement. In turn, this helps equip investors with the information they need to finance the transition in an equally integrated way.

The TNFD and nature in transition plans

The [TNFD recommendations](#) and [additional guidance](#) help organisations assess, report and act on evolving nature-related dependencies, impacts, risks and opportunities. Within the [TNFD recommendations](#), recommended disclosure Strategy B specifies that an organisation should describe ‘any transition plans in place’.

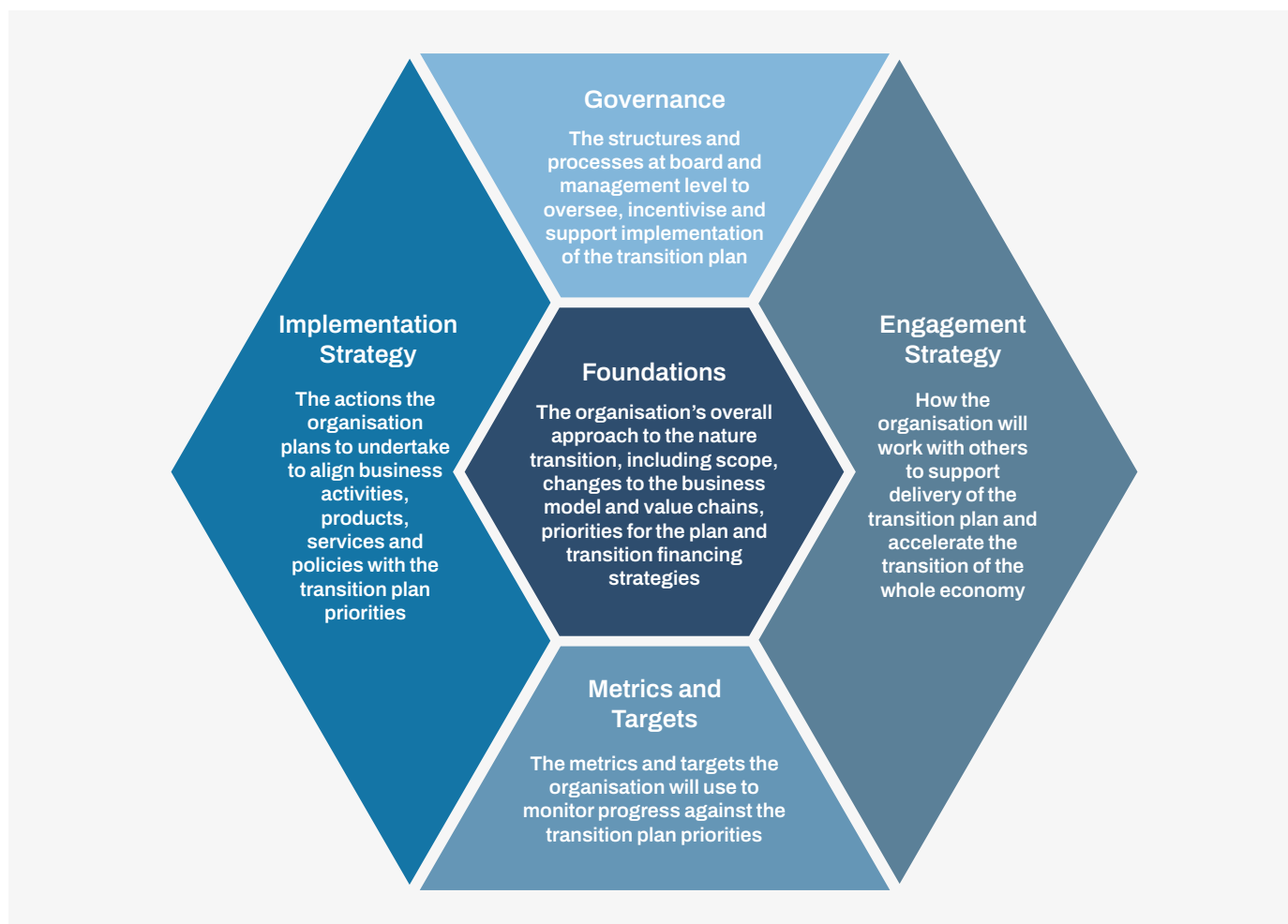
This TNFD guidance on nature in transition plans for corporates and financial institutions covers:

- How an organisation can incorporate nature into its transition plan; and
- How information about nature in transition plans can be disclosed as a standalone report and within annual disclosures aligned with the [TNFD recommendations](#).

The guidance is also relevant to investors and other stakeholders as users of disclosures about nature in organisations’ transition plans.

Emphasising the Taskforce's commitment to encouraging an integrated approach to the extent possible, this guidance builds on market best practices for climate transition plans. It uses the same five themes proposed by the [Glasgow Financial Alliance for Net Zero \(GFANZ\)](#) and [Transition Plan Taskforce \(TPT\)](#) for net zero transition planning, refocused on how an organisation can respond and contribute to the transition implied by the GBF (Figure 2). This guidance will also be useful for organisations that want to consider and articulate how nature contributes to the realisation of their net zero plans, including addressing greenhouse gas emissions from nature degradation in their business model and value chain, and seizing opportunities for natural carbon sequestration.

Figure 2: Themes for nature in transition plans

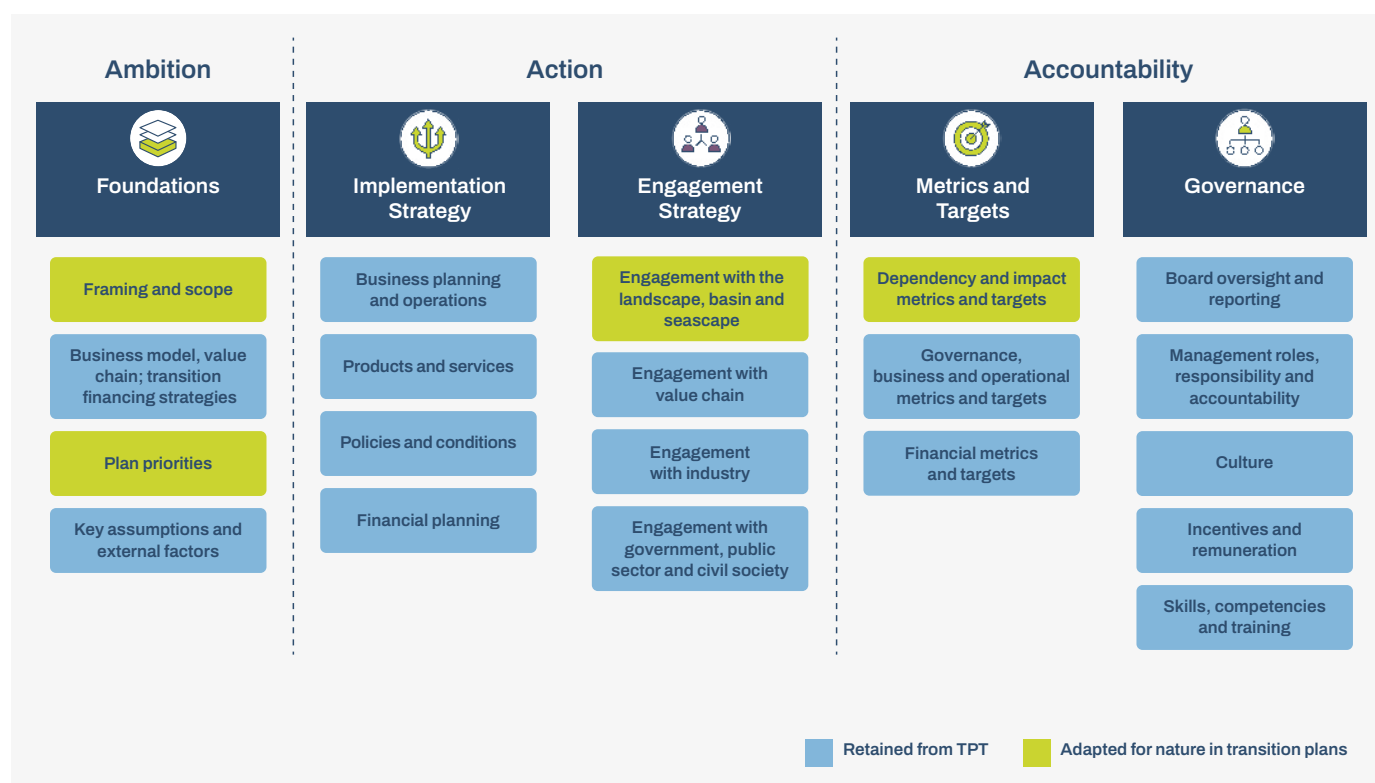


The guidance on disclosure of information about nature in transition plans builds from the [TPT disclosure framework](#) for climate transition plans. The [TPT's disclosure-specific materials](#) are now the responsibility of the IFRS® Foundation.

The TNFD disclosure guidance retains 16 of the 19 TPT recommended disclosures (Figure 3). The TPT's recommended disclosure on strategic ambition has been replaced with guidance on disclosure of information about transition plan framing and scope, and plan priorities. The TPT's recommended disclosure on greenhouse gas emissions metrics and targets has been replaced with guidance on disclosure of information about nature-related dependency and impact metrics and targets. The TPT's recommended disclosure on carbon credits metrics was not considered relevant for the nature context.

This approach supports the integrated disclosure of information about nature and climate in transition plans and follows the precedent of how the TNFD built its [recommendations](#) on those of the [Task Force on Climate-related Financial Disclosures \(TCFD\)](#).

Figure 3: Structure of nature in transition plan disclosure guidance



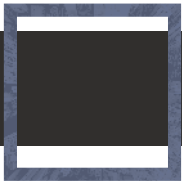
Other related initiatives

In preparing this guidance, the TNFD collaborated with a number of related initiatives and benefited from the input of its [knowledge partners](#) and other experts. Notable inputs include Business for Nature's [guidance on forming a nature strategy](#); GFANZ's work on [net zero transition plans for financial institutions and real economy companies](#) and [consultation paper on nature in net-zero transition plans](#); the IFRS Foundation's [guidance on disclosure of information about an entity's climate-related transition](#); the Science Based Targets Network



(SBTN) [methods](#) for corporates to set science-based targets for nature; and WWF's work on [nature transition plans](#).

The Taskforce views these initiatives as complementary to this TNFD guidance on nature in transition plans. The Taskforce thanks these partners and other experts for their input into the development of this guidance.

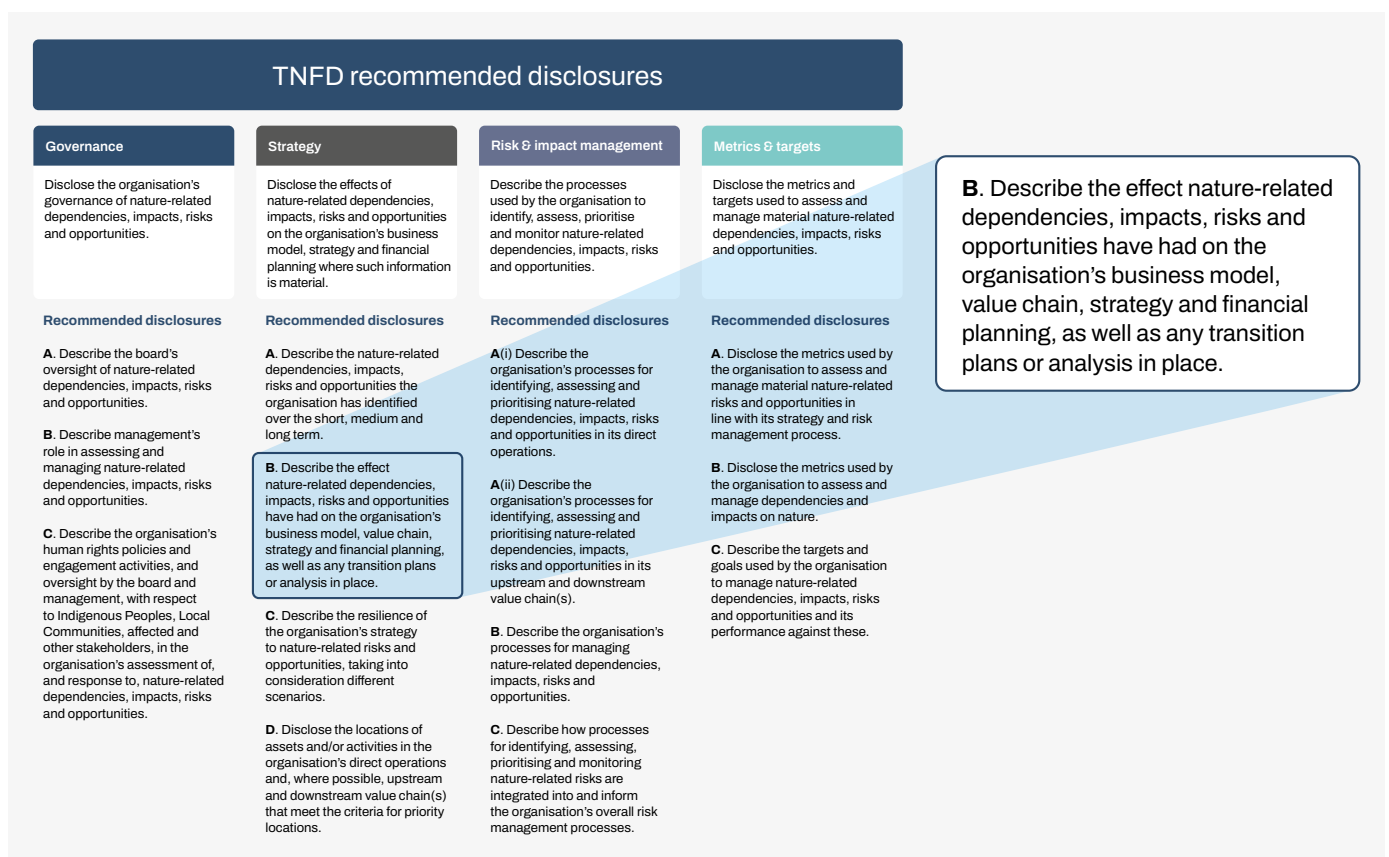


1. Introduction

The TNFD [recommendations](#) and [guidance](#) help organisations assess, report and act on evolving nature-related dependencies, impacts, risks and opportunities.²

Responding to nature-related issues is good business. Every business across every sector has dependencies and impacts on nature. These can create risks for the organisation and its future financial prospects. They can also be a source of opportunities that create positive outcomes for an organisation and nature. Investors and other report users are increasingly interested in how organisations are managing their nature-related issues and responding and contributing to global nature and climate goals.

Figure 4: TNFD recommended disclosure Strategy B



2 Organisations have dependencies and impacts on nature. These give rise to nature-related risks and opportunities. These four concepts are collectively referred to by the TNFD as nature-related issues.



To support organisations in meeting this interest, [TNFD recommended disclosure Strategy B](#) sets out that an organisation should describe ‘any transition plans in place’ (Figure 4). This includes a provision that ‘organisations that have made nature-related commitments, set nature-related targets, and/or made nature transition plans to address nature-related dependencies, impacts, risks and opportunities should describe their commitments, how they will achieve them and how they are aligned to the GBF goals and targets’.

This TNFD guidance outlines how nature can be integrated into transition plans and how information about the transition plan can be disclosed.

The guidance on transition planning is flexible. An organisation might start by incorporating nature into an existing climate-focused transition plan or a transition plan focused on other goals. Or it might create a separate plan focused on responding and contributing to the transition implied by the GBF, while proactively identifying and managing the synergies and trade-offs with climate action and other objectives. The transition planning guidance breaks down the process of aligning to the goals and targets of the GBF into a coherent set of forward-looking strategies, actions and accountability mechanisms, built into the organisation’s main business strategy.

When it comes to disclosing information about the plan, the TNFD regards it as good practice to disclose the information in a standalone report that is periodically updated using the disclosure guidance in this document. The TNFD also recommends that an organisation references and draws from the TNFD’s transition plan disclosure guidance to provide relevant information in its annual reporting when using the [TNFD recommendations](#).

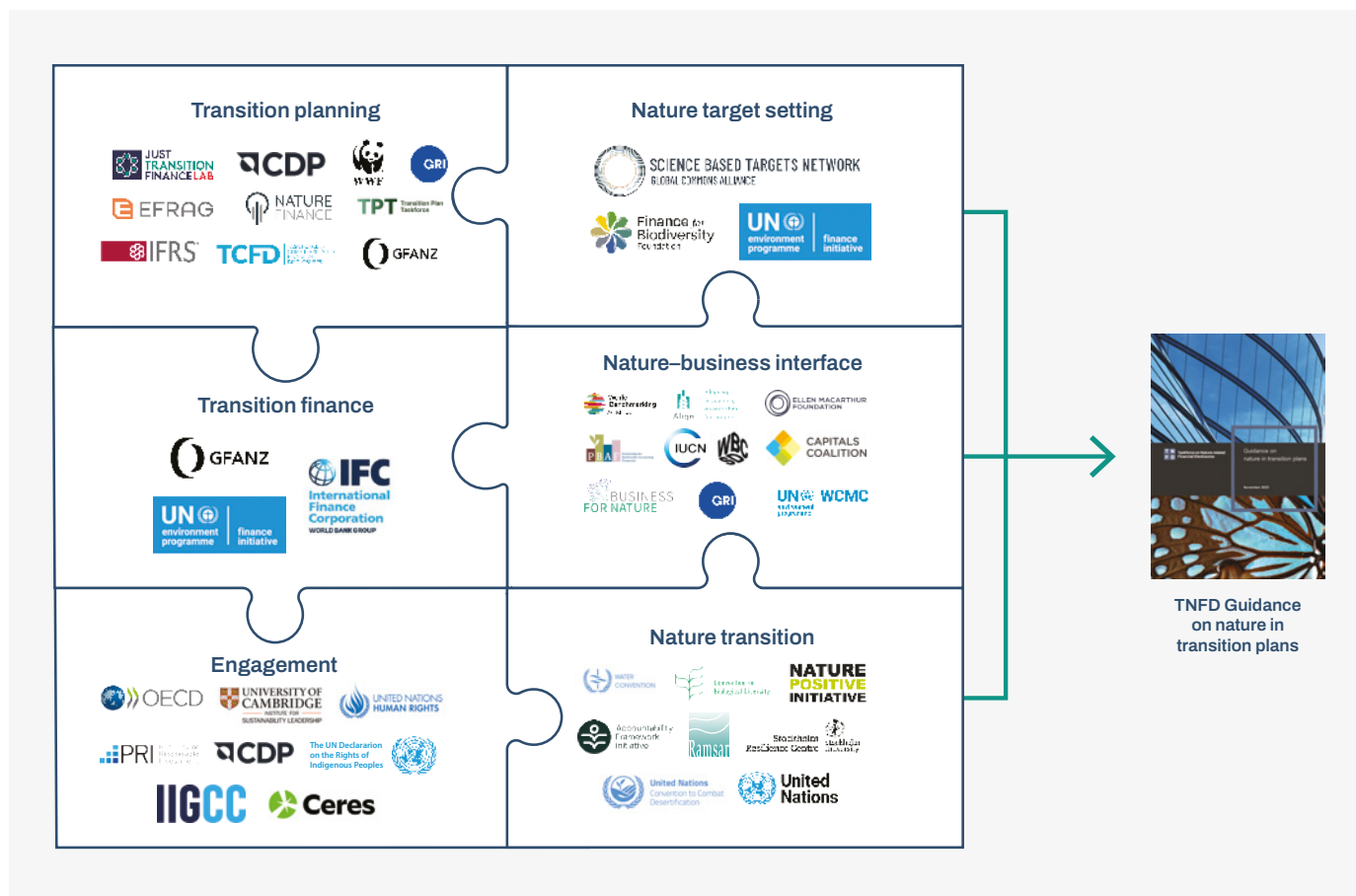
In preparing this guidance and the discussion paper that preceded it, the TNFD has worked closely with and drawn on the work of a number of related initiatives (Figure 5). These include:

- Business for Nature, which has developed a [Nature Strategy Handbook](#). This provides a practical guide to support businesses in embedding nature in their strategy;
- The Glasgow Financial Alliance for Net Zero (GFANZ), which has published [voluntary guidance for consultation on incorporating nature into net zero transition plans for financial institutions](#);
- The IFRS Foundation, which is now responsible for the [TPT’s disclosure-specific materials](#) and has published [guidance on how to disclose information about an entity’s climate-related transition in accordance with the IFRS Sustainability Disclosure Standard IFRS S2 Climate-related Disclosures](#);
- The [Science Based Targets Network’s methods](#) for corporates to set science-based targets for nature;
- The Transition Plan Taskforce (TPT), which developed [recommended disclosures](#) for private sector climate transition plans in the UK and developed a complementary [advisory paper on considering nature in climate transition plans](#); and
- WWF, which has released an initial paper on [Nature In Transition Plans](#), and [complementary recommendations and case-studies on nature transition plans](#), specifically in relation to the European Corporate Sustainability Reporting Directive (CSRD) and to inform the work of European Union regulatory authorities.

The TNFD has built from existing market practices for climate transition plans, particularly the work of GFANZ and the TPT, to support an integrated approach to transition planning and the disclosure of information about transition plans. This mirrors how the TNFD built its disclosure recommendations on those of the [Task Force on Climate-related Financial Disclosures \(TCFD\)](#). The Taskforce sees these initiatives as complementary to this guidance on nature in transition plans.

This TNFD guidance incorporates feedback from a market consultation and the learnings from pilot testing by 15 organisations from various sectors and geographies from March to September 2025. It includes real-world examples from pilot companies and others to show how the guidance can be applied in practice.

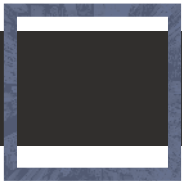
Figure 5: TNFD’s transition plan guidance builds on existing frameworks, methods and tools





In this document:

- Chapters [2](#), [3](#) and [4](#) provide guidance on how to incorporate nature into transition plans, focusing on responding and contributing to the GBF, as well as synergies and trade-offs with other objectives, and cover each of the themes and components that a transition plan should consider;
- Chapter [5](#) provides guidance on how information about nature in a transition plan can be disclosed; and
- Chapter [6](#) sets out some conclusions and areas where further work is required to support nature in transition planning.



2. Context

The GBF, signed by almost 200 countries, includes four goals for 2050 to achieve the vision of ‘a world living in harmony with nature’ and 23 targets to achieve its mission to ‘halt and reverse biodiversity loss by 2030’ (Box 1). It calls for the participation of all of society in meeting these objectives, including businesses and financial institutions.

Box 1: Nature positive

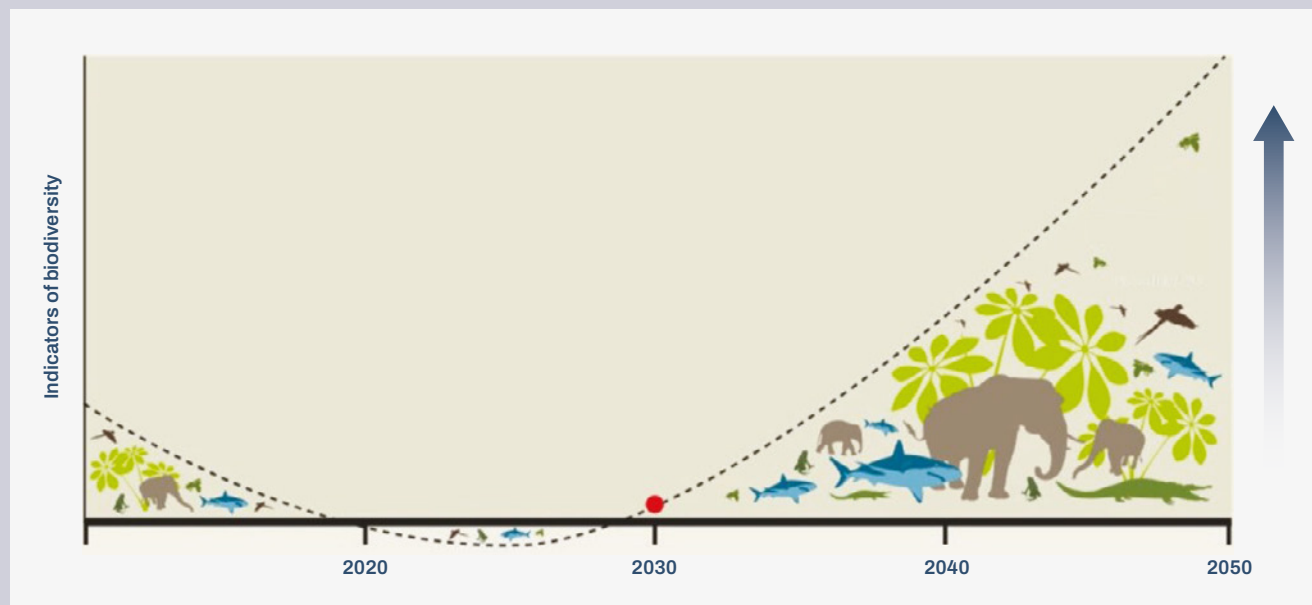
The GBF provides a global societal mission to halt and reverse biodiversity loss by 2030 and a vision of living in harmony with nature by 2050. This societal goal is increasingly being referred to by businesses, financial institutions, governments and NGOs as a goal to achieve ‘nature-positive’ outcomes globally, though the GBF does not use this term.

The [Nature Positive Initiative](#) (NPI) is a multistakeholder platform of 27 partners made up of global conservation organisations, academic institutes, subnational governance and Indigenous knowledge networks, business and finance coalitions, and standards, disclosure and targets frameworks, including the TNFD. It was set up to support alignment around use of the term nature positive and the science-based measurement of contributions to nature-positive outcomes and to support action to deliver these outcomes. Science-based targets for nature will be an important part of this work, building from the work of the SBTN.

The NPI has provided a definition of nature positive, consistent with the GBF’s 2030 mission: “Nature Positive is a global societal goal defined as ‘Halt and reverse nature loss by 2030 on a 2020 baseline, and achieve full recovery by 2050’” (Figure 6). At the level of individual organisations, this requires demonstrating their ‘contribution to a global nature-positive outcome’.

The NPI has developed a draft consensus [set of metrics to track the state of terrestrial ecosystems](#). These metrics will empower companies to drive and demonstrate their contribution to halt and reverse biodiversity loss, the Nature Positive global goal. The process to develop these metrics has engaged [over 700 stakeholders](#) and received more than 130 technical written inputs. The indicators and their respective metrics are now being [tested for applicability via a piloting programme](#) with a variety of businesses and financial institutions in 32 countries.

Figure 6: The trajectory of nature positive by 2030



Source: Locke, H. et al. (2021) [A Nature-Positive World: The Global Goal for Nature](#).

The next step is extending this framework beyond land. The terrestrial metrics and guidance are being adapted to integrate freshwater ecosystems, enabling a full-landscape approach to measuring the state of nature. The NPI is working with the World Economic Forum and the [Ocean Risk and Resilience Action Alliance](#) to work with marine scientists, NGOs, ocean practitioners, businesses and financial institutions that are part of the blue economy, and others to [co-develop a set of metrics for marine biodiversity](#).

The NPI is also working on building consensus around the use of the term nature positive – what it means for an organisation to say that it is contributing to nature recovery, and how to do so with high integrity and credibility. This conversation will depend on an agreed set of outcome (state of nature) metrics.

The intention of the NPI project to align metrics and provide guidance on how to demonstrate contributions is to provide users – from global companies to local authorities – with a framework to show how their actions fit within the broader nature-positive global goal. They will be able to identify where they can improve and transparently report progress using the same common language.

Sources: Locke, H. et al. (2021) [A Nature-Positive World: The Global Goal for Nature](#); Nature Positive Initiative (2023) [The Definition of Nature Positive](#); Nature Positive Initiative (2025) [Measuring what matters: building the metrics for a nature positive world](#); Nature Positive Initiative (2025) [Demonstrating Nature Positive Outcomes: building consensus on how to communicate nature's recovery](#).



Through GBF target 15, countries have committed to ‘take legal, administrative or policy measures to encourage and enable business... [to] regularly monitor, assess, and transparently disclose their risks, dependencies and impacts on biodiversity [...] in order to progressively reduce negative impacts on biodiversity, increase positive impacts, reduce biodiversity-related risks to business and financial institutions, and promote actions to ensure sustainable patterns of production’.³

Initiatives like the TNFD and SBTN have laid important groundwork to help organisations respond to GBF target 15, with recommendations and guidance on how to identify, assess, disclose and respond to their nature-related dependencies, impacts, risks and opportunities, including through setting science-based targets. Notably, this included the publication of the TNFD’s [recommendations and guidance on the identification and assessment of nature-related issues](#) in September 2023 and SBTN’s development of [methods for science-based targets for nature](#). Other organisations such as the World Business Council for Sustainable Development (WBCSD), Business for Nature and the World Economic Forum (WEF) have developed [recommendations on priority actions](#) for organisations in key sectors.

Nevertheless, meeting the GBF 2030 mission and 2050 vision, and its outcome-oriented goals and targets, will require more than disclosures in response to target 15. It requires significant adaptation of business practices, and innovation to create new products and services, including financial services, across all sectors. This comes alongside the changes required by the Paris Agreement and other societal goals and economic transformations.

A transition plan offers a structured way for organisations to navigate these changes. It does so by breaking down the process for the organisation into a coherent set of strategies, actions and accountability mechanisms, integrated into the organisation’s main business strategy. Where possible, the Taskforce recommends an integrated approach to transition planning for nature, climate and other goals.

Disclosure of information about nature in these plans can help organisations demonstrate to investors, regulators and other stakeholders that they are effectively managing their nature-related issues and are responding and contributing to the GBF. In turn, this helps equip investors with the information they need to finance the transition.

³ Although the GBF uses the word biodiversity, this document uses the broader framing of nature for transition planning, consistent with the rest of the TNFD recommendations and guidance. Nature refers to the natural world, with an emphasis on the diversity of living organisms (including people) and their interactions among themselves and with their environment.



Building from climate transition plans

The concept of transition planning is well-established for climate, although coverage of nature's contribution to net zero is inconsistent.⁴ The development of guidance for climate transition plans was supported by the translation of the global climate goal to Nationally Determined Contributions (NDCs) and organisation-level goals and targets, specifically:

- Global carbon budgets and decarbonisation pathways;
- Sector and national decarbonisation pathways;⁵
- Target-setting methodologies by organisations such as the [Science Based Targets initiative](#) (SBTi) and net zero investor alliances;⁶ and
- Development of voluntary guidance on climate transition planning by organisations such as the [Task Force on Climate-related Financial Disclosures](#) (TCFD) and [GFANZ](#).

The recognition of the absence of nature from many climate plans prompted climate transition planning initiatives to produce new materials to encourage organisations to recognise the role of nature in achieving net zero. Notably, GFANZ published [voluntary guidance for consultation on incorporating nature into net zero transition plans for financial institutions](#). Going further, the TPT Nature Working Group developed an [advisory paper](#) on how climate transition planning can extend beyond decarbonisation.⁷

Mandatory and voluntary corporate climate disclosure recommendations and standards also increasingly refer to disclosure of information about an organisation's climate-related transition plan.⁸ This reflects growing demand from investors and regulators for more consistency, credibility and accountability in the plans presented and delivered.⁹

Interactions between the nature and climate transitions

As organisations begin to respond and contribute to the transition implied by the GBF, it is essential to recognise the deep interconnections between climate and nature. The changes required to achieve nature-related objectives will often overlap with, or diverge from, those

4 GFANZ (2024) [Nature in Net-zero Transition Plans](#).

5 See, for example: CCC (2019) [Net Zero – The UK's contribution to stopping global warming](#); Cresko, J. et al. (2022) [U.S. Department of Energy's Industrial Decarbonization Roadmap](#); and IEA (2023) [Net Zero Roadmap: A Global Pathway to Keep the 1.5 °C Goal in Reach](#).

6 Including, the [Net Zero Asset Managers initiative](#), [Net-Zero Asset Owner Alliance](#), [Net-Zero Banking Alliance](#), [Net-Zero Export Credit Agencies Alliance](#), [Paris Aligned Asset Owners](#), [Venture Climate Alliance](#).

7 TPT Nature Working Group (2024) [The future for nature in transition planning](#).

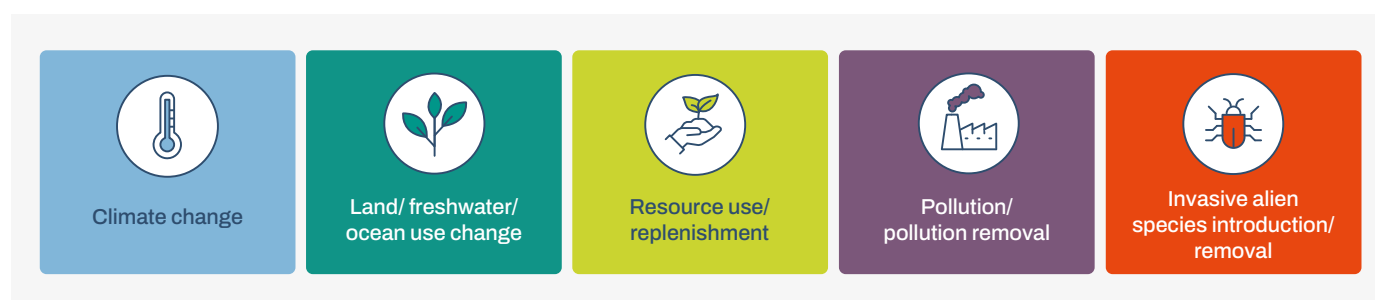
8 For example, the IFRS Sustainability Disclosure Standard IFRS [S2 Climate-related Disclosures](#), IFRS (2025) [Disclosing information about an entity's climate-related transition, including information about transition plans, in accordance with IFRS S2](#); the [European Sustainability Reporting Standard E1](#) and the TPT (2023) [Disclosure Framework](#).

9 See, for example, GFANZ (2022) [Recommendations and Guidance on Financial Institution Net-zero Transition Plans](#); TPT (2023) [Disclosure Framework](#).

needed to achieve net zero, creating both synergies and trade-offs.¹⁰ This also applies where an organisation is increasing the coverage of nature in net zero plans.

Degradation of nature is the result of the five drivers of change identified by IPBES (Figure 7) and is also a major source of greenhouse gas emissions. Conversely, nature restoration increases ecosystems' ability to capture and sequester carbon dioxide from the atmosphere and helps to regulate local temperatures. For example, between 2001 and 2024, global greenhouse gas emissions from deforestation and other forest disturbances averaged 9.2 Gt CO₂e per year, while removals by forests averaged 14.4 Gt CO₂e per year.¹¹ Achieving net zero requires halting and reversing that deforestation, with 1.5°C pathways showing an increase of 322 million hectares in forest cover by 2050.¹²

Figure 7: The five drivers of nature change



Sources: Adapted from IPBES (2019) [Global assessment report on biodiversity and ecosystem services](#).

Global and national decarbonisation pathways and policies, and organisational net zero transition plans, need to address these greenhouse emissions from nature loss and seize the opportunities for increased sequestration in order to achieve the goals of the Paris Agreement.

Climate change is one of the drivers of nature loss. This means that organisations' climate plans, where they effectively manage any trade-offs with other drivers of nature loss, also contribute to the transition implied by the GBF. Limiting warming to 1.5°C reduces species loss significantly compared to a 2°C scenario: insect species losses drop from 18% to 6%, plant species from 16% to 8% and vertebrate species from 8% to 4%.¹³ Rising temperatures accelerate migration of invasive species, including pests and diseases,¹⁴ and reduce crop yields, which may create pressure for cropland to expand.¹⁵ In marine ecosystems, warming and pollution drive migration of species and have major impacts on global marine animal

¹⁰ Pörtner, H.-O. et al. (2021) [IPBES-IPCC co-sponsored workshop report on biodiversity and climate change](#).

¹¹ Sims, M. et al. (2025) [Greenhouse Gas Fluxes from Forests](#).

¹² Riahi, K. et al. (2022) [Mitigation pathways compatible with long term goals](#).

¹³ Warren, R. et al. (2018) [The projected effect on insects, vertebrates, and plants of limiting global warming to 1.5°C rather than 2°C](#).

¹⁴ Riahi, K. et al. (2022) [Mitigation pathways compatible with long term goals](#).

¹⁵ Molotoks, A. et al. (2020) [Comparing the impact of future cropland expansion on global biodiversity and carbon storage across models and scenarios](#).



biomass production and fisheries' maximum sustainable yield.¹⁶ At the same time, pursuing a climate-first approach, without considering the wider synergies and trade-offs, would have negative impacts for biodiversity.¹⁷

Nature in transition plans

Business and finance transition planning has so far largely focused on net zero. Investors and other stakeholders are now increasingly looking for organisations to take more integrated and holistic approaches that consider broader nature goals and better embed considerations of nature into climate plans. Regulators are also increasingly interested in this information.¹⁸

Several initiatives have already made important strides to support corporate action on nature:

- Target setting is an important component of any robust transition plan, and SBTN already offers [methods](#) for corporates to set science-based targets for nature, including land, ocean and freshwater, and is preparing to launch resources on Step 4, covering target implementation. These resources will help companies identify and manage the technical details of action planning, which should underpin a number of aspects of transition planning;
- A second important aspect is the incorporation of nature-related considerations into corporate strategy. Business for Nature has published [guidance](#) on embedding nature in business strategies; and
- Business for Nature, WBCSD and the World Economic Forum have also published [sector guidance](#) and [roadmaps](#) for nature-positive outcomes.¹⁹

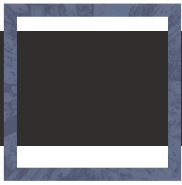
The TNFD contributes to nature in transition planning through the [TNFD recommendations](#), which include a recommended disclosure (Strategy B) that incorporates transition plans, and this guidance. It builds on the TNFD's existing [guidance on the LEAP approach](#) and metrics architecture, as well as the market's existing approach to climate transition planning. This provides important consistency for plan preparers and the users of disclosures.

16 Burrows, M. T. et al. (2019) [Ocean community warming responses explained by thermal affinities and temperature gradients](#); Bindoff, N. L. et al. (2019) [Changing Ocean, Marine Ecosystems, and Dependent Communities](#).

17 IPBES (2024) [Summary for Policymakers of the Thematic Assessment Report on the Underlying Causes of Biodiversity Loss and the Determinants of Transformative Change and Options for Achieving the 2050 Vision for Biodiversity of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services](#).

18 At the time of publication of this guidance, the [ESRS are being revised and are undergoing a process of consultation](#) with the market for their revision following the European Commission's Omnibus initiative. As part of this revision, EFRAG is exceptionally proposing to change the recommendation of disclosure of transition plans for biodiversity and ecosystems (ESRS E4-1) from voluntary to mandatory, as this disclosure is considered highly decision-useful for users.

19 Business for Nature, WBCSD and WEF (2023) [Sector actions towards a nature-positive future](#); WBCSD (2023) [Roadmaps to Nature Positive: Foundations for all businesses](#).



3. Nature in transition planning

Defining nature in transition plans

Transition plans provide a coherent structure for organisations to respond and contribute to societal goals and economic shifts.

Nature in transition plans refers specifically to how an organisation will respond and contribute to the transition implied by the GBF, and how it will manage the synergies and trade-offs associated with other objectives of its proposed transition, including global policy priorities such as net zero, consistent with the Paris Agreement. Box 2 provides a formal definition that builds on the definitions for climate transition plans from the IFRS Foundation and GFANZ and on the language of the GBF and Nature Positive Initiative.²⁰

The guidance in this document will also be useful for organisations that are improving the coverage of nature in their net zero plans by, for example, addressing emissions from nature degradation in their business model and value chain, and seizing opportunities for natural carbon sequestration.

Box 2: Definition of a transition plan and nature in transition plans

A transition plan is an aspect of an organisation's overall business strategy that lays out the organisation's goals, targets, actions, accountability mechanisms and intended resources to respond and contribute to societal goals and other economic transformations, where relevant.

Nature in transition plans concerns the organisation's goals, targets, actions, accountability mechanisms and intended resources to respond and contribute to the transition implied by the Global Biodiversity Framework, where:

- Biodiversity loss is halted and reversed by 2030; and
- Biodiversity is valued, conserved, restored and wisely used, maintaining ecosystem services, sustaining a healthy planet and delivering benefits essential for all people by 2050.

Transition plans should be timebound and science based, respect human rights, and include the identification and management of synergies and trade-offs with other

²⁰ CBD (2022) [Kunming-Montreal Global Biodiversity Framework](#), Section F.11; GFANZ (2022) [Financial Institution Net-zero Transition Plans](#), p14; IFRS (2023) [IFRS S2 Climate-related Disclosures](#), Appendix A; Nature Positive Initiative (2023) [The Definition of Nature Positive](#).



transition plan objectives, including any response and contribution to the transition implied by the Paris Agreement.

When incorporating nature into a transition plan, an organisation should prioritise changes to nature and to the real economy. This may include actions to avoid and reduce negative impacts; protect, conserve, regenerate and restore nature; transform underlying systems to address the drivers of nature loss; and collaborate and engage with Indigenous Peoples, Local Communities and affected stakeholders.

Under the definition in Box 2, a transition plan prioritises actions that drive change for nature and the real economy. Risk management activities that have limited ability to deliver change for nature and the real economy, such as risk insurance and contingency plans, should be considered as a secondary priority. Material information about these supporting activities should still be disclosed in annual disclosures aligned with the [TNFD recommendations](#).

Preparing for nature in transition planning

To incorporate nature into transition plans, an organisation must first understand its nature-related dependencies, impacts, risks and opportunities, including some level of analysis of the physical locations of those activities. Without an understanding of these nature-related issues, it is difficult to design meaningful plans to manage them. Deepening and strengthening the organisation's understanding of nature-related issues may be part of a plan, but only to inform further refinement of the plan.

This guidance assumes, as a starting point, that an organisation has already undertaken a [LEAP assessment](#) or similar process to identify its nature-related issues, across the organisation's business model and value chain (Box 3).

Consistent with the TNFD's general requirements for disclosures (specifically, general requirement 2 on the scope of disclosures), an organisation is not expected to cover every location or issue in its transition plan immediately. An organisation may start its transition plan for just a part of its business model and value chain and expand the coverage, precision and depth over time (Figure 8). This may occur as an organisation's understanding of its nature-related issues matures, for example, as its LEAP assessments cover more of the business model and value chain and at a greater level of granularity. Further guidance on prioritisation is provided in Chapter 4.



Box 3: The TNFD LEAP approach

The [LEAP approach](#), published in September 2023, provides a process to identify and assess nature-related dependencies, impacts, risks and opportunities across the organisation's value chain.

The TNFD LEAP approach has four phases:

- Locate your interface with nature;
- Evaluate your dependencies and impacts on nature;
- Assess your nature-related risks and opportunities; and
- Prepare to respond to and report on, material nature-related issues, aligned with the [TNFD's recommended disclosures](#).

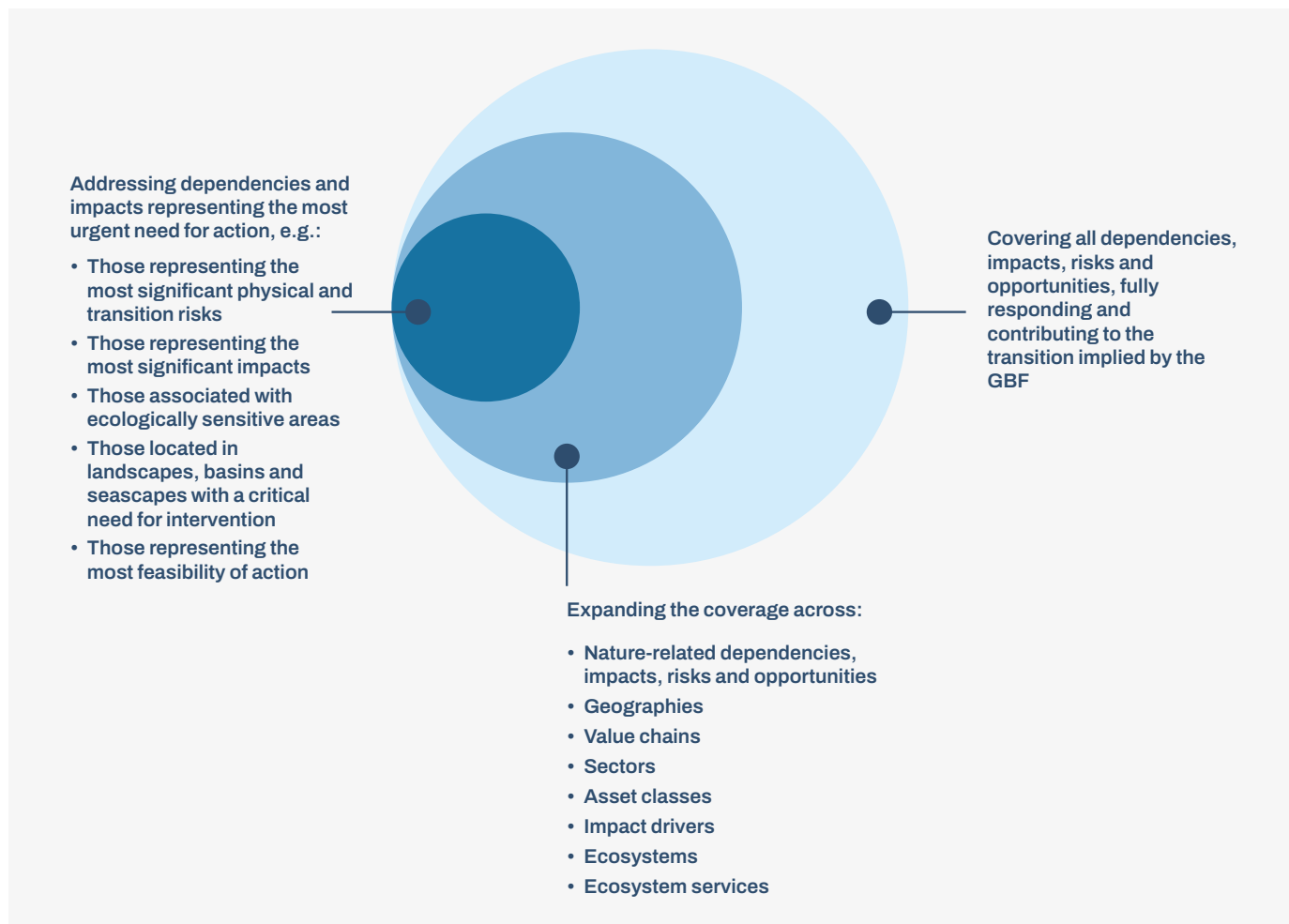
The Prepare phase of LEAP includes guidance on how an organisation can respond to its dependencies, impacts, risks and opportunities. This is the key phase for the development and evolution of a transition plan, in particular:

P1 – Strategy and resource allocation plans – What risk management, strategy and resource allocation decisions should be made as a result of this analysis?

P2 – Target setting and performance management – How will we set targets and define and measure progress?

Work in the Prepare phase may identify a number of response actions, such as setting science-based targets; changing business processes and activities, or investing, lending or insurance decisions; and preparing voluntary or mandatory corporate reporting on nature-related issues.

Figure 8: Increasing coverage and accuracy of the transition plan over time



Further initial considerations

Further initial considerations for an organisation beginning to consider nature in transition planning include:

- The strategic purpose of the plan;
- Internal and external stakeholders; and
- The extent of integration.

The strategic purpose of the plan

An organisation should determine what strategic purpose it hopes to achieve through its transition plan, be that risk management, improved resilience of business strategy, alignment to policy goals, further contributions to societal objectives, or a combination for different parts of the business model and value chain.



Internal and external stakeholders

An organisation should involve relevant stakeholders early in the development process. Incorporating nature into transition plans may affect departments, branches or business units across the organisation and value chain, with mandates and information relevant to aspects of the plan. For example, a plan covering activity in a specific country should be developed with the relevant country managers. Similarly, in selecting priorities and activities, organisations should consider perspectives of Indigenous Peoples, Local Communities and affected stakeholders.

Stakeholder groups that might be affected by an organisation's nature-related activities or value chains include affected communities, Indigenous Peoples and Local Communities, rights-holders,²¹ its own workforce, value chain workers, and consumers and end-users.

Within each group of stakeholders, the greatest care and attention should be given to the most marginalised people and groups, given that they may be at heightened risk of harm from an organisation's activities that may cause negative impacts on nature. Marginalised groups may also stand to gain the most from approaches that integrate their concerns and perspectives into an organisation's nature-related strategies and achieve positive nature outcomes. Consideration should be given to the differentiated risks that may be faced by women and men. Depending on the local context, marginalised groups may include migrant workers, women, elders, children or youth, Indigenous Peoples, and people with disabilities.²²

Mapping potential stakeholders early and starting to establish the relevant relationships will help to ensure that they are aware of the initiative and are willing, respected participants in the planning process.

Extent of integration

An organisation should consider how it wants to structure its transition planning activities. This might involve incorporating nature into existing net zero transition plans or creating a standalone nature plan, while capturing synergies and trade-offs with other sustainability objectives, particularly climate mitigation and adaptation efforts (see [page 24](#)).

A holistic, strategic and rounded approach

To drive good practice further, the TNFD guidance applies the three guiding principles of Ambition, Action and Accountability as recommended by the [TPT](#).

²¹ Under the Universal Declaration of Human Rights, all human beings are 'rightsholders'. However, not all individuals will have their human rights put at risk or impacted by a project or its associated activities. It is important to identify human rights risks related to project activities among stakeholders and recognise such stakeholders as 'rights-holders' in the context of engagement.

²² For further guidance, see TNFD (2023) [Guidance on engagement with Indigenous Peoples, Local Communities and affected stakeholders](#).

Ambition

The plan should have a level of ambition that reflects the urgency to act, both in terms of its depth and breadth. This should reflect the latest scientific findings about nature loss; public policies, including the GBF; the interdependencies across organisations, sectors, ecosystems and other sustainability objectives, particularly climate mitigation; and the potential for systemic risks. The plan's breadth and depth should be commensurate with the skills, capabilities and resources that are available to the organisation. A holistic, strategic and rounded approach (Figure 9) to the transition that meets this ambition could capture opportunities, minimise future risks, protect and enhance the organisation's long-term viability, and align to the goals and targets of the GBF by:

- Responding to nature-related risks and opportunities;
- Addressing impacts on nature and supporting the resilience and sustainability of dependencies; and
- Contributing to the jurisdictional or economy-wide transition and restoration of nature, encompassing actions and engagement across the organisation's operations, landscapes, basins and seascapes, value chains, industry, government, public sector and civil society, and the wider economy that go beyond the organisation's immediate operational goals to contribute to the delivery of economy-wide, landscape, basin or seascape goals.

Figure 9: A holistic, strategic and rounded approach



Adapted from TPT (2023) [Disclosure Framework](#); TPT Nature Working Group (2024) [The Future for Nature in Transition Planning](#). An advisory paper from the TPT's Nature Working Group.

Action

The plan should have concrete, short-term steps for action, creating a clear roadmap of planned actions to deliver the plan's aims. These should apply the mitigation hierarchy and consider the long-term implications of actions now for the transition as a whole, avoiding, for example, locking into technologies or processes that will hinder future action.

Accountability

The plan should have mechanisms that enable delivery through robust governance and reporting.²³

Frequency of updates to the plan

Nature-related issues should be assessed on an annual basis, aligned to corporate reporting cycles. This should include information on progress against transition plans.

The transition plan should be updated at least every five years, or more frequently if aligned with business strategic planning cycles. This will help to ensure continued relevance and efficacy for an organisation's overall strategy planning process:

- As its understanding of its nature-related dependencies, impacts, risks and opportunities and associated locations improves and changes;
- In line with how science and research evolve, particularly in relation to the state of nature and ecosystem service provision in specific locations; and
- In line with its review process for nature-related commitments and targets.

Synergies and trade-offs across sustainability objectives

Actions taken in a transition plan may present synergies and trade-offs across transition plan, sustainability and business objectives (see Box 4 for examples) and across different aspects of nature.

An organisation should proactively design its transition plan to maximise synergies, prioritising actions that advance multiple objectives. At the same time, an organisation should explain approaches to and choices made when addressing trade-offs. This will require engagement with internal and external stakeholders and, potentially, scenario analysis.²⁴

²³ These principles should be applied in accordance with the duties of the organisation's directors and senior managers, constitutional documents and relevant law or regulation. The three principles are adapted from: TPT (2023) [Disclosure Framework](#); TPT Nature Working Group (2024) [The Future for Nature in Transition Planning](#).

²⁴ This overall approach to the relationship between nature, climate and social issues in a transition plan is consistent with the [TNFD recommendations](#)' general requirements including:

- General requirement 4 on integration with other sustainability-related issues, which states that: 'The organisation should ensure that any alignment, synergies, contributions and possible trade-offs between actions and targets for climate and nature are clearly identified.'; and
- General requirement 6 on engagement with Indigenous Peoples, Local Communities and affected stakeholders, which states that: 'Effective and meaningful engagement with people is an important aspect of any robust identification, assessment and management of nature-related issues.'

This is supported by [TNFD guidance on engagement with Indigenous Peoples, Local Communities and affected stakeholders](#). SBTN also has developed [stakeholder engagement guidance](#).

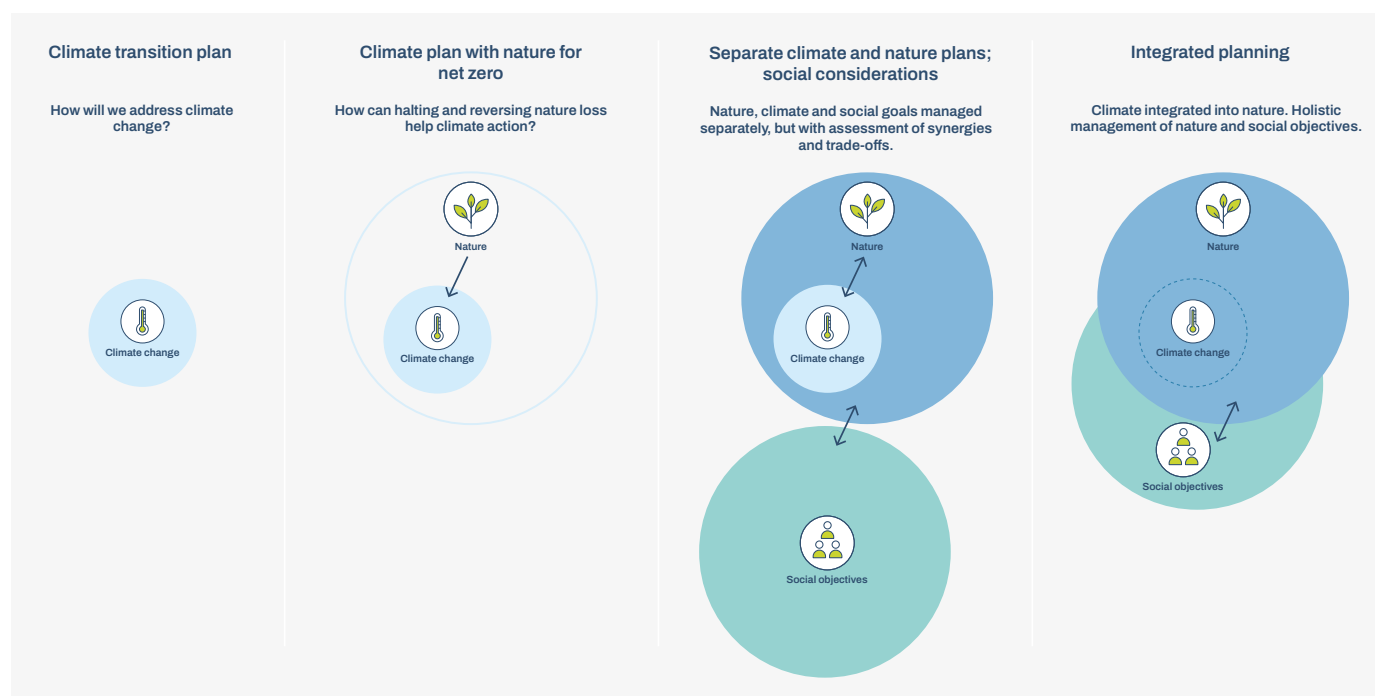
The IPBES report on the synergies and trade-offs across biodiversity, climate, water and other societal objectives may be a source of inspiration both for potential synergies and trade-offs and for potential solutions.²⁵

Assessments of synergies and trade-offs should:

- Rely on credible information, science, experts (including external sources if needed), disclosure from value chain partners, clients or portfolio companies, and local knowledge;
- Consider taking a pragmatic approach, including what has a higher probability of a real economy effect in the timeframes identified by science;
- Be explicit about the assumptions used and consider incorporating sensitivity analysis;
- Consider opportunities to design solutions to the trade-offs; and
- Cover new activities as well as existing business.²⁶

If an organisation chooses to develop a standalone transition plan for nature, rather than integrating it into an existing plan, it should still consider how this connects to other transition planning objectives and move towards an integrated transition plan over time. Alternatively, an organisation might start by integrating relevant nature actions into its climate plan, before expanding to a more comprehensive plan, as shown in Figure 10.

Figure 10: Moving from climate transition plans to integrated transition planning



²⁵ IPBES (2024) [Summary for Policymakers of the Thematic Assessment Report on the Underlying Causes of Biodiversity Loss and the Determinants of Transformative Change and Options for Achieving the 2050 Vision for Biodiversity of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services](#).

²⁶ Adapted from GFANZ (2024) [Nature in Net-zero Transition Plans](#).

Box 4: Examples of synergies and trade-offs across sustainability objectives

Examples of synergies across nature, climate and social objectives, where an action has benefits for multiple objectives, could include:

- Conserving and restoring a mangrove forest to sequester carbon, mitigate coastal flooding due to climate change (thereby protecting both the organisation's facilities and local communities), provide important habitat for local species, and support the provision of other ecosystem services for the organisation and the local community, such as timber, fish and fuel wood; and
- Increasing the efficiency of nitrogen fertiliser use on a farm can reduce the risk of runoff and consequent eutrophication of local water bodies. This benefits species that live in the water body and communities that may rely on that water for consumption, livelihoods or leisure. It reduces greenhouse gas emissions and may improve profitability for the farmers involved by reducing their fertiliser expenditures.

Examples of trade-offs, where an action has a benefit for one objective, but may be negative for another objective, could include:

- Installing wind turbines for renewable energy that can disrupt bird migration routes and cause fatalities;
- Using biofuels to reduce greenhouse gas emissions can also create new sources of income for farmers, but can require large-scale and intensive land use, contributing to deforestation and loss of biodiversity;
- Planting monoculture forests to sequester carbon may harm the water balance and biodiversity; and
- Switching from glass to plastic packaging may reduce the greenhouse gas emissions associated with transport, but increases the risk of plastic pollution at the product's end of life.

Sources: Pörtner, H.-O. et al. (2021) [IPBES-IPCC co-sponsored workshop report on biodiversity and climate change](#); TNFD (2024) [Additional sector guidance – Electric utilities and power generators](#); UBS Asset Management and Planet Tracker (2024) [Climate meets nature: Integrating biodiversity into the energy transition](#); WRI (2023) [The Global Land Squeeze: Managing the Growing Competition for Land](#).

Nature and climate

An organisation's considerations when addressing greenhouse gas emissions associated with nature degradation and supporting natural carbon sequestration are different from those associated with industrial and energy sector GHG emissions. This can complicate the integration of nature and climate transition planning. For example:

- **Multiple aspects of nature to be considered:** Climate objectives and targets can be summarised with a single metric, carbon dioxide-equivalent (CO₂e), allowing



straightforward assessment of options for action. By contrast, nature in transition planning should consider:

- Interconnected impact drivers and external factors;²⁷
- The state of nature, including ecosystem extent and condition, and species abundance and extinction risks; and
- The availability of ecosystem services.²⁸
- **Importance of location:** The effect of greenhouse gas emissions on the climate is broadly the same regardless of where on the planet they are emitted. Other dependencies and impacts on nature, and associated risks and opportunities, including physical climate risks, vary depending on the characteristics of nature in the locations considered. This requires a more location-specific lens, considering the different realms of nature, biomes and ecosystems, the condition of those ecosystems, ecological connections between sites, and the effects on, and needs and possible responses of, people and other actors in specific locations.
- **Timelines:** Nature will respond to an organisation's actions on timelines determined by biological processes; these may not align with planning and investment cycles.²⁹
- **Pathways:** Paris-aligned decarbonisation pathways exist for many sectors, but these may not take into account interactions with nature. Similar pathways do not yet exist for implementation of the GBF.

For further guidance, financial institutions can refer to the GFANZ [voluntary draft guidance on nature in net zero transition plans](#), and all organisations can refer to the TPT Nature Working Group [advisory paper](#) on how climate transition planning can extend beyond decarbonisation.

Nature and people

Understanding how a transition plan affects people and inequalities is also essential. This includes, for example, how the transition plan affects the local economy, human rights and employment, and any risk that a change in business activities could unintentionally shift environmental or social harm elsewhere. The organisation should consider social impacts that could jeopardise the priorities and needs of others in a location and undermine the success of the plan (Box 5 and Box 6).

To ensure plans are both effective and equitable, organisations should engage, as relevant, Indigenous Peoples, Local Communities and affected stakeholders in the planning process.

²⁷ Land, freshwater and ocean-use change, pollution and pollution removal, resource use and replenishment; the introduction and removal of invasive alien species, as well as climate change.

²⁸ For an explanation of these terms and how they relate to each other, see section 2 of the [TNFD LEAP approach](#).

²⁹ GFANZ (2024) [Nature in Net-zero Transition Plans](#).



Supporting livelihoods, and identifying fair and equitable pathways to environmental goals, is essential to building lasting, locally supported outcomes.

There are also opportunities for synergies with social objectives. For example, helping supplier communities to secure just, legal land tenure rights can improve community well-being while also laying the groundwork for production practices with lower harmful and improved positive impacts on nature. Recognising and acting on these interconnections strengthens both the social and environmental dimensions of a transition plan.

An organisation may find it useful to refer to:

- TNFD's [Guidance on engagement with Indigenous Peoples, Local Communities and affected stakeholders](#);
- The Just Transition Finance Lab's [The just transition: transforming the financial system to deliver action](#);
- TISFD (2025) [Conceptual Foundations](#), particularly section 4 on the linkages between people, nature and climate; and
- TPT Just Transition Working Group (2024) [Putting People at the Heart of Transition Plans: key steps and metrics for issuers](#).

Box 5: Just transition

Progress on climate in transition plans has generated recognition of the importance of a just transition. Labour rights organisations such as the International Trade Union Confederation (ITUC) are particularly focused on ensuring that the transition of economies towards more environmentally sustainable models and sources of energy is fair and inclusive and respects international labour rights.

Most existing guidance on just transition focuses on energy decarbonisation. The International Labour Organization (ILO) has developed [Guidelines for a just transition towards environmentally sustainable economies and societies for all](#). This work aims to ensure the transition contributes to 'decent work for all, social inclusion and the eradication of poverty'. The ILO defines a just transition as one that promotes 'environmentally sustainable economies in a way that is fair and inclusive to everyone concerned – workers, enterprises and communities – by creating decent work opportunities and leaving no one behind.' These and other guidance documents are also relevant for the transition implied by the GBF, but some recommendations are now emerging that are specific to that transition.

The transition implied by the GBF would create societal benefits overall, including decent jobs at a large scale and the protection of environmental and human rights, but these benefits – and societal costs – would not automatically be distributed in a just manner. Gender-responsive and human rights-based approaches can help ensure that



actions are just, address historical inequalities, promote inclusive participation, and distribute benefits and responsibilities fairly across society.

Principles of a just transition require not only a consideration of social implications, but also meaningful engagement during plan development and implementation. Inadequate and ineffective engagement is itself a source of risk to an organisation. Conversely, if done well, engagement can be a source of competitive advantage, driving customer loyalty and creating new opportunities. The ILO Guidelines for a just transition, like the OECD Guidelines for multinational enterprises on responsible business conduct, point to the need for organisations to have high-quality stakeholder engagement processes as a cornerstone of effective risk and opportunity management and response.

For further guidance on engagement, organisations may refer to the TNFD [guidance on engagement with Indigenous Peoples, Local Communities and affected stakeholders](#).

Sources: Grantham Research Institute on Climate Change and the Environment and Centre for Climate Change Economics and Policy, London School of Economics and Political Science (2022) [Just Nature: How finance can support a just transition at the interface of action on climate and biodiversity](#); ILO (2016) [Guidelines for a just transition towards environmentally sustainable economies and societies for all](#); ILO (2023) [Guidelines for a just transition: Action framework](#).

Box 6: Indigenous Peoples and Local Communities, and the diverse values of nature

Indigenous Peoples and Local Communities have a critically important role in halting and reversing nature loss and identifying and scaling solutions that benefit nature.

The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) global assessment found that nature is generally declining less rapidly on Indigenous Peoples' lands than on other lands, as is the knowledge of how to manage it. Governance, including customary institutions, management systems and co-management regimes for conservation and sustainable use that involve Indigenous Peoples and Local Communities and incorporate their local knowledge, were also an effective way to safeguard nature and its contributions to people.

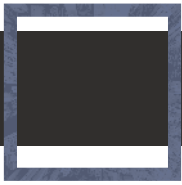
The IPBES values assessment highlights the diverse values of nature and their contributions to people. The assessment follows a plural value lens that encompasses a wide variety of dimensions to assess the interdependence between nature and societies, including biophysical, health, sociocultural and holistic approaches. The framework can:

- Help organisations engage with diverse knowledge and value systems for nature;
- Allow the recognition of a variety of perspectives held by those engaged on the multiple values of nature;



- Help organisations understand the process of collecting, synthesising and communicating knowledge about the ways in which people ascribe importance and meaning of nature;
- Demonstrate the importance of cultural values to people and nature, especially Indigenous Peoples and Local Communities; and
- Help avoid the risk of excluding legitimate ways of defining, knowing and valuing nature and biodiversity.

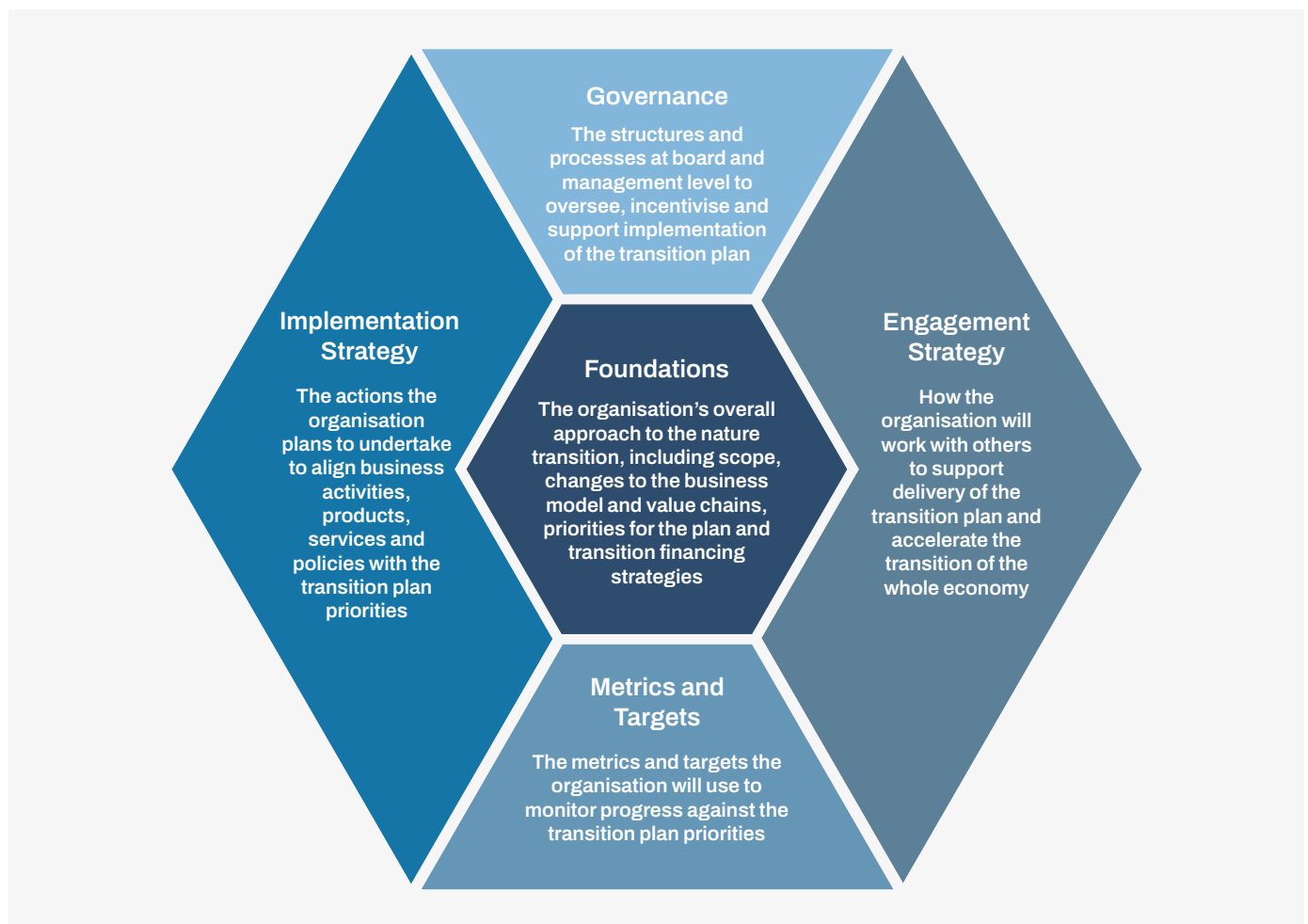
Sources: IPBES (2019) [Summary for policymakers of the global assessment report on biodiversity and ecosystem services](#); IPBES (2022) [Methodological assessment report on the diverse values and valuation of nature of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services](#).



4. How to incorporate nature into a transition plan

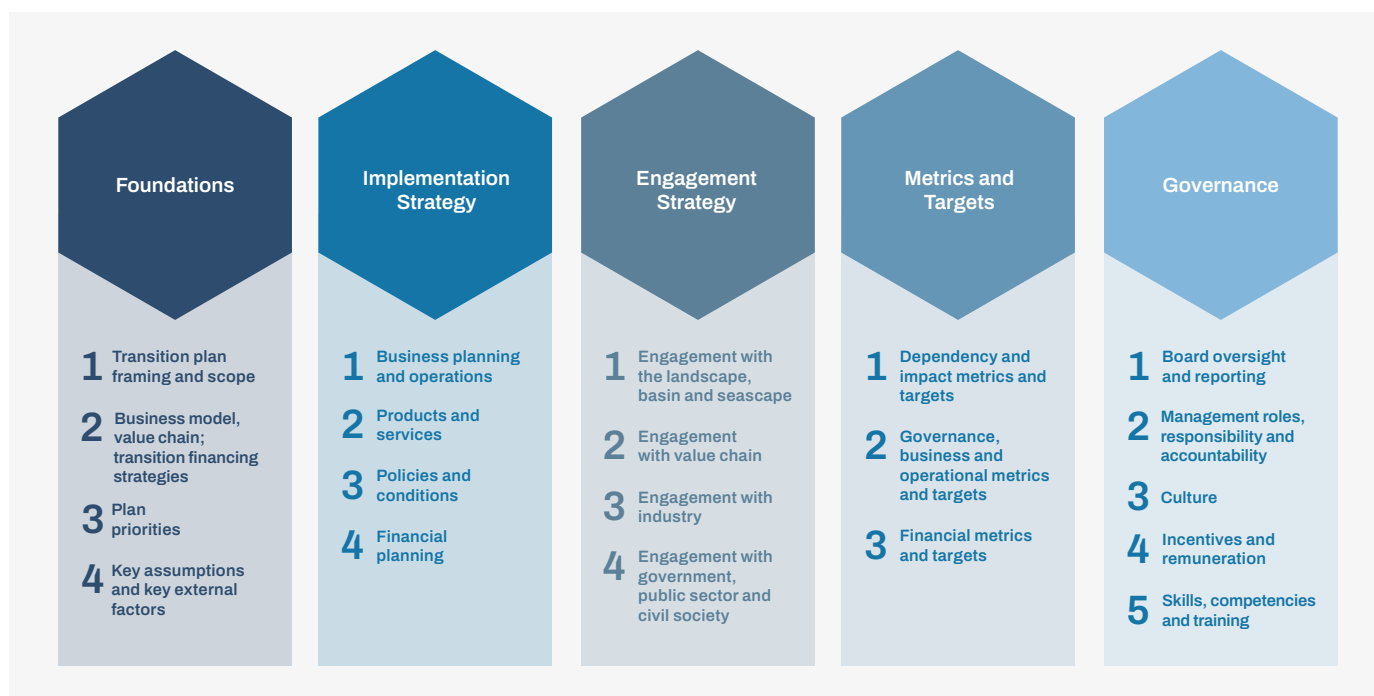
This guidance on incorporating nature into transition plans is structured around the same five themes recommended by GFANZ for climate in transition plans, as shown in Figure 11. Each of these themes contains a number of components (Figure 12).

Figure 11: Themes for nature in transition plans



Source: Based on GFANZ (2022) [Recommendations and Guidance on Financial Institution Net-zero Transition Plans](#); GFANZ (2022) [Expectations for Real-economy Transition Plans](#).

Figure 12: Nature in transition plan components

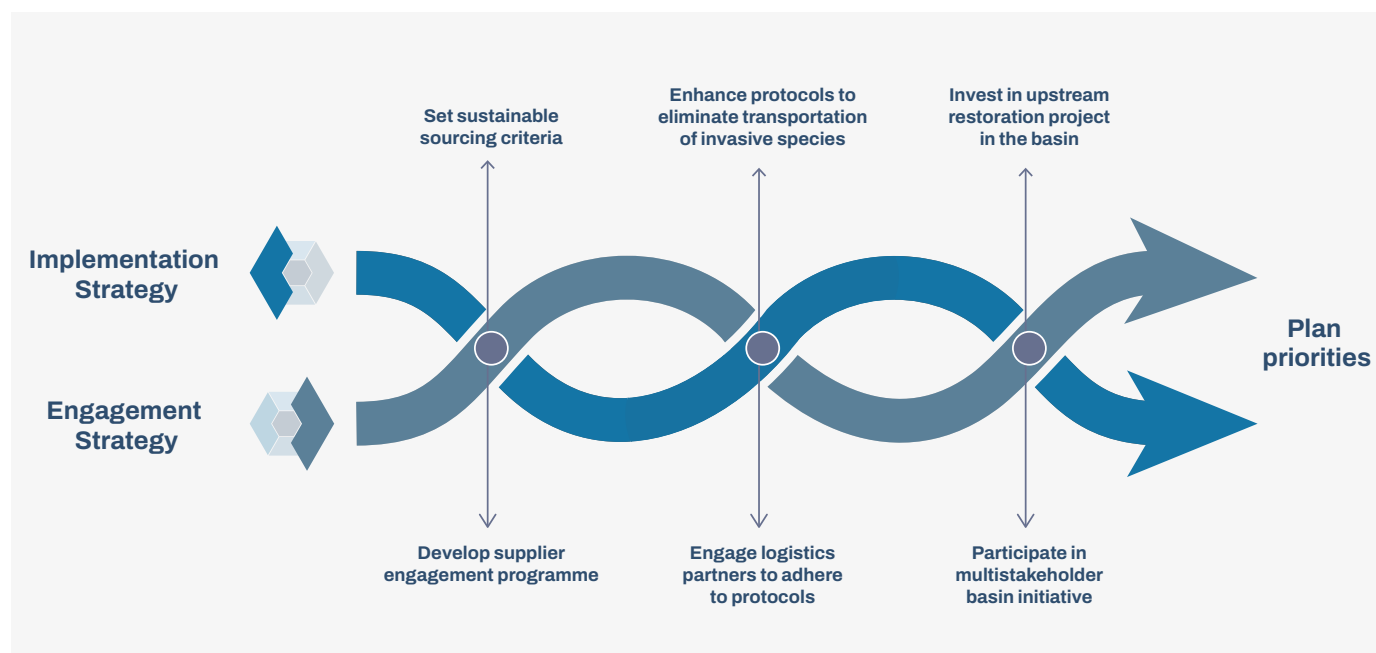


This structure does not imply that an organisation should approach nature in transition planning sequentially across the themes and components. The themes and components interact and refer to each other and should be developed in parallel.

In particular, the Engagement and Implementation Strategies should be considered as mutually reinforcing (Figure 13) and could even be presented in one integrated section of a plan. For example, an organisation setting new sustainable sourcing criteria can develop an associated supplier engagement programme to help suppliers to meet the new criteria. Similarly, when an organisation wants to scale a sustainable outgrower scheme, it could develop an engagement plan for potential outgrowers and other affected stakeholders to codesign the scheme. When an organisation is investing in an upstream wetland restoration project to enhance basin water capture, it could also engage with other water-users in the basin to avoid rebound effects and stimulate collective action on water use.

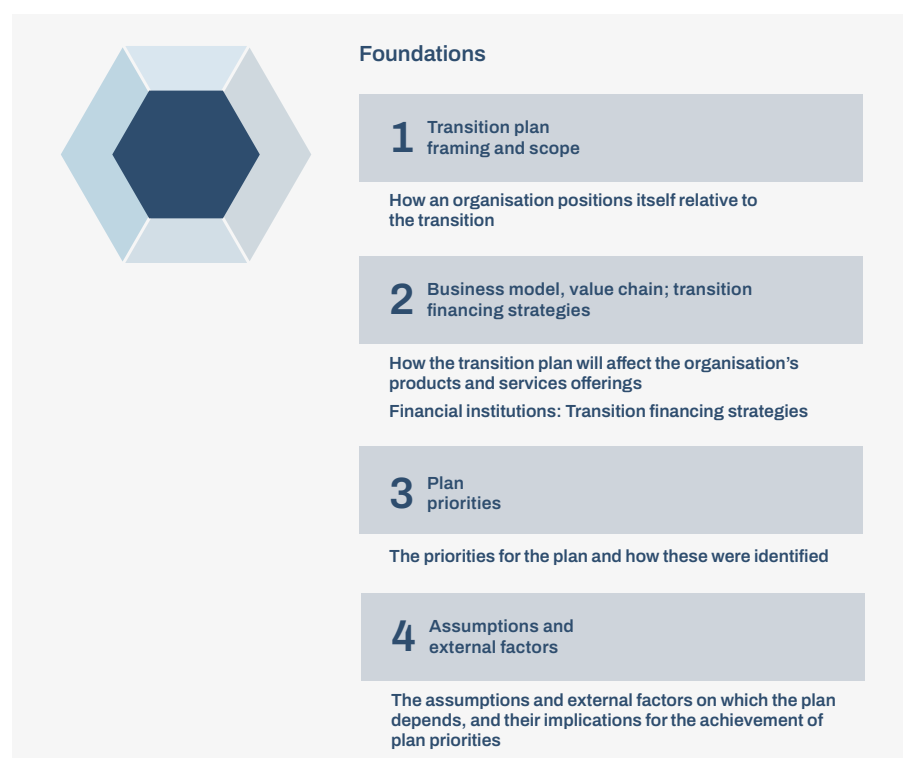
An organisation should, in parallel to this guidance on transition planning, consider the TNFD [discussion paper on nature-related opportunities](#). The TNFD defines nature-related opportunities as ‘activities that create positive outcomes for organisations and nature by creating positive impacts on nature or mitigating negative impacts on nature’. In a transition plan, specific actions can constitute nature-related opportunities, particularly actions that concern the organisation’s business focus, such as the product or service the business produces, and that address the organisation’s and others’ impacts on nature.

Figure 13: Illustrative relationship between Implementation and Engagement Strategies



4.1. Foundations

The Foundations theme is where the organisation develops its overall approach to nature in the transition. This includes identifying the scope, changes to the business model and value chains, priorities for the transition plan, the key assumptions and external factors relevant to the plan, and, for financial institutions, the transition financing strategies that will be applied.





4.1.1. Transition plan framing and scope

Component 1: Transition plan framing and scope

How an organisation positions itself relative to the transition

- The nature transition that the organisation is responding and contributing to in its transition plan
- High-level ambition
- The scope of the plan, including, for example, coverage of business activities, impact drivers, geographic/spatial and temporal scope, parts of the value chain, current, future and/or historic dependencies, impacts and/or other spheres of influence

The aim of this component is to explain how the transition implied by the GBF, as well as the Paris Agreement and other relevant transformations, will affect the organisation's business model and value chain and nature-related dependencies, impacts, risks and opportunities. It also includes the high level ambition for the plan; and which parts of the business model and value chain are involved in delivering the plan. Box 7 provides a hypothetical example for a garment producer.

The transition implied by the GBF

Exactly what changes the GBF implies for an organisation will depend on the type of organisation, the type, location and condition of ecosystems where it is operating, and the policy changes the authorities in jurisdictions relevant to the organisation are implementing, among other factors.

In this component of the transition plan, the organisation should consider what the transition implied by the GBF means for its business model, value chain and wider operating environment.

It should explain which parts of a GBF-aligned transition are likely to have the biggest effects on its business model, value chain and wider operating environment, and which parts of that transition the transition plan is primarily intended to respond and contribute to.

Translating the GBF to the context of an individual organisation is not straightforward and will require careful consideration. An organisation may find relevant supporting information to understand the state of nature, the degree of action required and potential public policies in resources such as:

- The [Planetary Boundaries](#),³⁰ [Safe and just Earth system boundaries](#) and [IPBES assessments](#), which provide foundational science but require translation to actionable

³⁰ The latest assessment of planetary health is available from: Planetary Boundaries Science (2025) [Planetary Health Check 2025](#).



insights and targets for an organisation, using, for example, the work of [SBTN](#) and the [Earth Commission](#);

- [National Biodiversity Strategies and Action Plans \(NBSAPs\)](#) and national, sub-national or regional policy frameworks, plans, targets and regulations, for example, the [EU Green Deal](#) or the [Zambian government's National Green Growth Strategy](#);
- Complementary agreements under the Convention on Biological Diversity (CBD), such as the [CBD Gender Plan of Action](#), [Article 8\(j\) on Traditional knowledge, innovations and practices](#), or the decision related to [digital sequence information](#);
- Other nature-related treaties such as the United Nations Convention to Combat Desertification [BBNJ Agreement](#)³¹ and [Ramsar Convention on Wetlands](#);
- Multistakeholder agreements, including as part of landscape, basin or seascape interventions;
- National sector and/or landscape, river basin or seascape, or further locally specified transition pathways may be a useful reference for individual organisations, as and when these emerge (see Section 5), as has been seen for climate transition planning;³² and/or
- The [Sustainable Development Goals](#).

The Paris Agreement and other societal goals and economic transformations

The organisation may also consider how its nature-related dependencies, impacts, risks and opportunities, business model, value chain and wider operating environment are affected by the transition implied by the Paris Agreement.

For example, an organisation with deforestation occurring in its business model and value chain might want to take into account the IPCC's assessment that achieving net zero includes a need to halt and reverse deforestation, with 1.5°C pathways showing an increase of 322 million hectares in forest cover by 2050.³³ An organisation should also review the Nationally Determined Contributions and any national climate mitigation plans for the jurisdictions where it operates.

An organisation can follow a similar process for other societal goals and economic transformations that it has identified as relevant. This could include a description of the economic, technological, social, policy or market dynamics that are relevant to the organisation.

31 Agreement under the United Nations Convention on the Law of the Sea on the Conservation and Sustainable Use of Marine Biological Diversity of Areas beyond National Jurisdiction.

32 See, for example: CCC (2019) [Net Zero – The UK's contribution to stopping global warming](#); Cresko, J. et al. (2022) [U.S. Department of Energy's Industrial Decarbonization Roadmap](#); and IEA (2023) [Net Zero Roadmap: A Global Pathway to Keep the 1.5 °C Goal in Reach](#).

33 Riahi, K. et al. (2022) [Mitigation pathways compatible with long term goals](#).



High-level ambition

Having framed what the transition implied by the GBF means for the organisation, the transition plan should include a commitment to respond and contribute to that transition. This could additionally include statements such as commitments to deliver “positive impacts on people, our planet, and the future of our products”, “a healthier planet” or “resilient and regenerative natural ecosystems”. It could also make reference to other transition plan or sustainability objectives, such as “meeting net zero by 2050 while contributing to halting and reversing nature loss” and the ambition for holistic management.

An organisation should acknowledge the aspirational nature of these high-level ambitions and refer to the plan priorities (see Section 4.1.3) for specific measurable commitments and objectives.

Scope of the plan

Consistent with the TNFD [recommendations general requirements](#), the Foundations theme should set out which parts of the organisation’s business model and value chain are covered by the transition plan, and which aspects of its interfaces with nature, including locations, are included.

This section should consider:

- Impact drivers, ecosystem services, environmental assets, biomes and geographic regions;
- Direct operations, upstream and downstream value chains and other spheres of influence, such as sectors, landscapes, basins and seascapes;
- Current, future and/or historic dependencies and impacts; and
- Engagement with multi-stakeholder efforts.

For financial institutions, this could include defining the relevant departments, regional or national branches or asset classes in scope.

For all organisations, the scope of the transition plan may be informed by the scope and results of the organisation’s LEAP assessment.



Box 7: Hypothetical example of framing and scope for a garment producer

The framing and scope component of a garment producer’s transition plan could, for example, state (non-exhaustive):

The nature transition

Our organisation commits to respond and contribute to the transition implied by the GBF. Implementation of the GBF implies significant changes relevant to our operations across our value chain, and we will prepare for and contribute to these changes in



order to support the long-term viability of our business, the resilience of the ecosystem services on which we depend, and prepare for the policy changes. All the GBF targets will have some implications for our business model and value chain, but we are particularly focused on our assessment that:

- GBF targets 1, 2 and 3 will require a reduction and, eventually, elimination of land-use change associated with textile farming, and an adjustment in farming and processing practices to support, and avoid interference with, spatial planning efforts that enable nature restoration and protection;
- GBF target 7 will require a reduction in pollution from textile farming and across the textile lifecycle, and a reduction and eventual elimination of plastic from textiles;
- GBF target 10 will require improvements to the sustainability of farming, including the adoption of regenerative practices; and
- GBF target 16 will require the enabling of textile products' end users to make more sustainable choices in order to reduce textile products' global footprint.

Achieving the goals of the Paris Agreement will similarly require a halt to land conversion and more efficient use of fertiliser.

We also expect to see action to curb plastic pollution that would affect our business, given that plastics are an important pollutant associated with the garment industry, and the planetary boundaries assessment found that "the amount of synthetic substances released into the environment without adequate safety testing places novel entities in the high-risk zone". Action could include, for example, phase-outs of certain materials and product design requirements.

Scope of the plan

The plan considers:

- Impact drivers: Land-use change, freshwater pollution and unsustainable water use;
- Ecosystem services: Contributing to protecting the resilience of relevant water supply, soil quality regulation, and soil and sediment retention services;
- Business model and value chain: Direct operations and upstream priority locations;
- State of nature: Restoring natural ecosystems associated with both impacts from our direct operations and the resilience of the ecosystem services on which we depend; and
- External engagement: Aligning our policy and advocacy efforts with the GBF goals and targets and contributing to multi-stakeholder efforts in priority locations.



4.1.2. Business model and value chains

Component 2: Business model and value chains

The changes to the organisation's business model and value chains

- Expected changes to the business model
- Expected changes to value chains

The organisation should consider any high-level changes the organisation will need to make to its business model and upstream and downstream value chains as it responds and contributes to the transition identified in Section 4.1.1. These changes should reflect the plan priorities (Section 4.1.3.) and Implementation Strategy, but are presented for separate consideration in the Foundations section given their cross-cutting nature and interest to users of the plan.

Changes to the business model and value chains could include:

- Shifts in product and service offerings, such as moving from fast fashion to slow fashion, developing new nature-specific investment mechanisms, or entering new markets;
- Changes in the organisation's relationship with customers, such as moving from the sale of physical products to a product-as-a-service model;
- Upgrades to product or technologies;
- Changes in supply chains due to product design changes or new procurement policies;
- Changes in the geographies of the company's own assets and activities and those in its value chains; and
- **For financial institutions**, new arrangements between investors, lenders, clients and underwriters, such as new financial incentives for adopting green technologies or sustainable farming practices; engagement in new public-private partnerships to fund sustainable infrastructure or environmental protection programmes; or new models for insuring environmental assets.

The organisation should indicate the timeframe over which these changes are expected to occur. For example, it could categorise the changes as short, medium or long-term, with specific associated time frames, referring back to the transitions that the organisation is responding and contributing to and to the plan priorities (Section 4.1.3).

Financial institutions: Transition financing strategies

Component 2: Transition financing strategies (financial institutions only)

- The transition financing strategies the financial institution will deploy as part of its transition plan

In the business model and value chains component, a financial institution should consider how it will use its financing activities to respond and contribute to the transition identified



in Section 4.1.1. These approaches are referred to as the financial institution's transition financing strategies.

Transition financing strategies for nature will be distinct for each financial institution, depending on its place in the financial system and relationships with the real economy. Nevertheless, a distinction can be made between two high-level types of financing for nature in transition plans:

- Financing economic activities or entities to help them reduce negative impacts on nature, and enhance positive impacts on nature; and
- Financing economic activities or entities that, by design, deliver or enable such changes, either through:
 - The deployment of place-based activities, such as sustainable production forests, regenerative agriculture or constructed wetlands; or
 - The development, deployment or scaling of enabling innovations and infrastructure, such as eco-friendly farming equipment, alternative protein sources or monitoring, capacity building and data products and services.

In defining its financing strategies, an organisation will also have to consider eligibility criteria for each financing strategy, and what monitoring plans and ongoing due diligence are associated with them.

An effective strategy for responding and contributing to the transition implied by the GBF may lead to a short-term increase in negative impacts on nature associated with a portfolio, with the finance provided enabling the investees to reduce their negative impacts in the medium to long term. For example, investing in technologies like alternative proteins may lead to an increase in financed greenhouse gas emissions within the portfolio from the company developing, manufacturing and supplying the alternative proteins, but could also contribute to decreased impacts on nature outside of the portfolio as it supports a societal shift away from activities such as cattle farming.³⁴

When financing interventions or activities in a particular location, a financial institution should consider how the financed activities and recipients of the finance interact with others at a landscape, seascape or basin level to support effectiveness and de-risking.³⁵

When a financial institution already has climate transition financing strategies in place, such as those proposed in the [GFANZ Net Zero Transition Plans guidance](#), it should consider how these relate to proposed nature-related transition financing strategies, and synergies and trade-offs between objectives. For example, a financial institution using an aligned or aligning

³⁴ Based on GFANZ (2024) [Nature in Net-zero Transition Plans](#).

³⁵ WWF's [Landscape Finance Approach Guide](#) offers place-based guidance to enhance capital for nature and alignment of existing financial flows with nature positive outcomes, by convening stakeholders under a joint action and investment plan in landscapes.



strategy, as defined by GFANZ, might consider ensuring that investees' climate plans fully reflect the importance of nature in achieving net zero.³⁶

Where possible, financial institutions should support the definition and eligibility criteria of their strategies with reference to credible third-party taxonomies or guidance, such as IFC's [Biodiversity Finance Reference Guide](#). They may also refer to Finance for Biodiversity Foundation and UNEP-FI's [Finance for Nature Positive](#) framework.

4.1.3. Plan priorities

Component 3: Plan priorities	
The priorities identified for the plan and how these were identified	<ul style="list-style-type: none">• Nature-related dependencies, impacts, risks and opportunities to be prioritised for management in the transition plan• The rationale for the prioritisation and strategies chosen• The high-level objective and approach to each prioritised dependency, impact, risk and opportunity• The coverage of the plan priorities relative to the organisation's wider nature-related dependencies, impacts, risks and opportunities, and associated locations

Clear objectives and priorities underpin a detailed, credible transition plan. An organisation should set out its priorities for nature in its transition plan. These plan priorities consist of:

1. The nature-related dependencies, impacts, risks and opportunities that the organisation has prioritised for management in the transition plan; and
2. The organisation's high-level approach to address these.³⁷

Boxes 8 and 9 provide use cases from an asset manager and a coffee company for aspects of this component.

Priority dependencies, impacts, risks and opportunities

The first step is to determine which nature-related dependencies, impacts, risks and opportunities, including the relevant locations, the organisation wants to prioritise for management in its plan. Early versions of an organisation's transition plan may start with a

³⁶ GFANZ (2024) [Nature in Net-zero Transition Plans](#).

³⁷ An organisation may find it helpful to refer to the Capitals Coalition's [Integrated Decision-Making Framework](#), SBTN's [guidance on prioritisation](#) and WBCSD's [Roadmaps to Nature Positive: Foundations for all businesses](#).



small subset of its dependencies, impacts, risks and opportunities, and associated locations, expanding coverage and accuracy over time.

The prioritised dependencies, impacts, risks and opportunities may be selected from the results of the organisation's assessment of nature-related issues, using the LEAP approach or an equivalent due diligence process for nature-related issues. They may relate to the organisation's current dependencies, impacts, risks and opportunities, or anticipated future ones.

Future dependencies, impacts, risk and opportunities might arise from new development projects, expansion to new markets, new or updated products, services or production processes and other anticipated changes in the business model or value chain. In the case of a plan priority for future dependencies and impacts, the location may be unknown or known at only very low specificity. This will result in a focus on general organisational policies rather than location-specific activity in the Implementation Strategy.

For existing and/or past dependencies, impacts, risks and opportunities, the plan priority may be associated with a single dependency or impact in a specific location, multiple dependencies or impacts in that location, or a common dependency or impact across multiple locations where those locations have similar characteristics. For example, where an organisation sources from a large, constantly changing set of farms in a specific region, and these farms face similar dependencies or impacts, the organisation may group these dependencies or impacts under one plan priority at the regional level.

Further aggregation (e.g. at the organisation level) is unlikely to be suitable for transition planning. However, such aggregated information may be used for structuring or communication purposes if the information can be fully disaggregated to a set of location-level objectives. For example, an organisation may express objectives related to its overall water usage, only if this can also be disaggregated to water use-related objectives for its location-specific prioritised dependencies, impacts, risks and opportunities.³⁸

A financial institution with less location-specific information may select dependencies or impacts at a sub-sector or activity level, preferably with at least a high-level geography, and for specific portfolios. This may be based on an initial heatmapping assessment of the portfolio, as outlined in the TNFD LEAP approach. Financial institutions with highly dynamic portfolios, with constantly changing exposures to dependencies, impacts, risks and opportunities and their associated locations, can formulate priorities based on typical dependencies or impacts at a sub-sector level, while considering general spatial characteristics where possible, such as reducing water use from portfolio companies across water-stressed areas.

Portfolios or assets with more location-specific data may allow more specific identification of dependencies, impacts, risks, opportunities and their associated locations. This could include loan portfolios that cover direct transactions with single-location producers and

³⁸ See also General Requirement 3 of the [TNFD recommendations](#).



project finance or listed equity investments related to subsectors with more publicly available operational data, such as utilities.

The TNFD expects that financial institutions will be able to improve the specificity of their transition plans over time as data on the location of company assets, activities and sensitive locations improves.

Prioritisation process

An organisation should design a clear process and rationale for its prioritisation of dependencies, impacts, risks and opportunities. This process should include application of the mitigation hierarchy.³⁹

Beyond application of the mitigation hierarchy, an organisation should consider:

Business factors:

- **Strategic interest:** Alignment with the organisation's wider strategy;
- **Risks and opportunities:** The extent to which dependencies or impacts may result in risks or opportunities for the organisation;
- **Cost:** The cost of intervention; and/or
- **Feasibility:** The extent to which dependencies, impacts, risks or opportunities can be addressed and the cost-effectiveness of such action. This should include consideration of alignment with the organisation and other actors' existing efforts, strategies and capacities, the presence of, or potential for, landscape approaches in the relevant locations, and the availability of scientific knowledge, the maturity of solutions and the potential for improvements in the state of nature in the location; and/or

Nature-related factors:

- **Relevance of impacts:** The magnitude of an organisation's impacts in a location, in terms of the impact on nature or the size of exposure to an impact driver, or to a sector or activity with generally high impacts on nature in a financial portfolio;
- **State of nature:** The ecological sensitivity⁴⁰ of the area and the need for intervention from a nature perspective (e.g. an ecosystem with high vulnerability to degradation or loss or that is approaching a tipping point); and/or
- **People and human rights:** The extent to which dependencies or impacts might affect nature's contribution to people, including the rights, perspectives, values and goals of local stakeholders, as well as inequalities.

³⁹ The TNFD aligns to the SBTN [AR3T Framework](#) that covers actions to avoid future impacts, reduce current impacts, regenerate and restore ecosystems, and transform the systems in which companies are embedded inside and outside their value chains. It is built on the mitigation hierarchy set out in the International Financial Corporation's (IFC) Performance Standard 6 and the conservation hierarchy.

⁴⁰ For TNFD's approach to assessing ecological sensitivity, see the guidance for component L4 of the [LEAP approach](#) and the TNFD [biome guidance](#).



An organisation may strengthen its understanding of these factors by deploying scenario analysis, as detailed in the TNFD [Guidance on scenario analysis](#) and [Discussion paper on conducting advanced scenario analysis](#). Scenario analysis enables an organisation to assess how the factors above may unfold over time, including how sustained impacts may compromise nature's contribution to people.

SBTN defines a verifiable approach that incorporates all the above elements in order to prioritise locations for target setting. It recommends that companies rank locations according to an index that combines impact drivers (referred to as pressures in the SBTN methods) and state-of-nature dimensions alongside dimensions of biodiversity to create a general state-of-nature ranking. These two rankings are then combined and supplemented with additional prioritisation factors, reflecting social, financial, feasibility and strategic considerations, including Nature's Contributions to People (NCPs), which are linked to dependencies on nature.⁴¹

An organisation with land-intensive sectors in its business model and value chain may also refer to SBTi's [guidance for forest, land and agriculture climate targets](#).

An organisation's prioritisation process should include engagement with, as relevant, Indigenous Peoples, Local Communities and affected stakeholders. The process of gathering this input can be informed by the TNFD's [guidance on engagement](#) and SBTN's [stakeholder engagement guidance](#) for organisations setting science-based targets as part of their transition plans.



Box 8: Location-informed prioritisation in an equity portfolio

In defining its priorities, Storebrand Asset Management (SAM), an asset manager, considered its dependencies and impacts associated with its listed equities portfolios. Among these, SAM considered three factors for prioritisation, including:

- Potential dependencies and impacts: Companies with potential high dependencies and impacts, based on the sectors listed in Annex 1 of the [TNFD additional guidance for financial institutions](#)⁴² (>30% of revenue derived from such sectors);
- Sensitivity of the location: Companies with most operational exposure to areas of biodiversity importance (e.g. category Ia protected areas⁴³), physical risks (e.g. water risk) and changes in ecosystem integrity;

⁴¹ SBTN (2024) [Technical Guidance Step 2 Prioritize v1.1](#).

⁴² The TNFD recommends that financial institutions disclose a metric that represents the exposure to a defined set of sectors considered to have material nature-related dependencies and impacts. Annex 1 of the [TNFD additional guidance for financial institutions](#) provides the list of sectors for that metric.

⁴³ Category Ia protected areas are an [IUCN protected area management category](#), and refer to strict nature reserves managed mainly for science or wilderness protection, with minimal human disturbance.

- **Feasibility:** SAM considers its efforts to be most effective in contributing and responding to the GBF where its ownership and physical proximity to the company are highest. For SAM, this constitutes companies with the largest market capitalisation headquartered in one of the five Nordic countries: Norway, Sweden, Denmark, Finland and Iceland; and
- **Indigenous peoples:** Companies with high proximity to Indigenous Peoples' territories. SAM recognises that securing Indigenous Peoples' customary rights is widely recognised as the most effective way of protecting biodiversity and ensuring sustainable use of nature.

Based on these, SAM defined plan priorities related to the dependencies and impacts of 15 Nordic companies associated with the following sectors:

NACE sector	Number of exposed assets	Number of protected areas (category Ia)	Number of which governed by Indigenous Peoples	Company count
Construction of railways and underground railways	157	293	47	2
Manufacture of refined petroleum products and fossil fuel products	108	26	6	1
Computing infrastructure, data processing, hosting and related activities	100	10	0	1
Production of electricity from renewable sources	98	28	1	2
Construction of roads and motorways	67	56	4	1
Trade of gas through mains	52	32	2	1
Repair and maintenance of civilian ships and boats	42	5	0	1
Support activities for petroleum and natural gas extraction	40	16	3	2

NACE sector	Number of exposed assets	Number of protected areas (category Ia)	Number of which governed by Indigenous Peoples	Company count
Other business support service activities n.e.c.	32	11	9	1
Engineering activities and related technical consultancy	30	30	28	3

Through its stewardship activities, SAM will work with these companies to mitigate their key impact drivers. Engagements with Indigenous Peoples, Local Communities and affected stakeholders will guide SAM's engagement expectation for these companies.

By following a structured and consistent approach, SAM was able to identify a strategic and manageable set of priorities for contributing to the transition implied by the Global Biodiversity Framework. It aims to further enhance the specification of its plan priorities over time, including related to the relevant geographies, specific dependencies and impacts and in defining nature metrics and targets. This will enhance the focus and consistency of SAM's planning to contribute and respond to the transition.



Box 9: Grouping sourcing regions to define priorities in a commodity supply chain

As part of its TNFD pilot programme, JDE Peet's, a global coffee company, leveraged its existing classification of "farming archetypes" to define plan priorities. These archetypes group sourcing regions based on shared socioeconomic and environmental characteristics. They include (1) smallholder farms in tropical regions with high input use and medium-to-low yields; (2) large-scale, professionally managed farms; and (3) smallholder, low-input farms in areas with limited infrastructure. This method acknowledges, to the extent possible, TNFD's guidance on grouping of locations only when they share relevant natural and operational aspects. In doing so, JDE Peet's was able to translate its complex global sourcing footprint into a manageable set of priorities for nature-related action.

A central focus across archetypes is achieving regenerative agriculture (RegenAg) aimed at reducing synthetic inputs, restoring soil health, and improving resilience and livelihoods. However, each archetype faces specific physical and transition risks, supply



chain controls, and farmer support availability, which are all factors that inform tailored archetype-specific implementation and engagement strategies.

By leveraging its archetype approach to define priorities, JDE Peet's is able to set a scalable, yet precise, approach to manage nature-related financial risks. It also lays the groundwork for embedding transition planning into JDE Peet's Responsible Sourcing strategy.

High-level approach to the prioritised dependencies, impacts, risks and opportunities

Each prioritised dependency, impact, risk or opportunity should be accompanied by a short statement explaining what the organisation aims to achieve for that issue and its associated locations, and a high-level approach for driving such change.

This should include:

- What the organisation aims to achieve for the dependency, impact, risk or opportunity and associated location;
- The anticipated outcome for nature resulting from the organisation's own activities and engagement with others, with reference to local plans or scientific assessments where available;
- The high-level approach taken:
 - Reducing negative impacts on nature and/or increasing positive impacts on nature, while applying the mitigation hierarchy;⁴⁴ and
 - Changes to the organisation's own operations and external engagement;
- The geographic scale of action needed to achieve the organisation's underlying objective for the plan (e.g. if the organisation wants to ensure the resilience of its freshwater supply, it may need to consider the whole or a large part of the basin);
 - **For financial institutions**, the associated (high-level) geographies of the portfolios and nature-related issues in question, where location-specific data are available, and which financing strategies apply; and
- The timeframe the high-level approach applies to, bearing in mind the time it may take for nature to respond to the organisation's actions.

Organisations will take different approaches to address their prioritised dependencies, impacts, risks and opportunities, depending on factors that include the size of the organisation, their business model, influence, operating environment, portfolio and client

⁴⁴ The TNFD aligns to the SBTN [AR3T Framework](#) that covers actions to avoid future impacts, reduce current impacts, regenerate and restore ecosystems, and transform the systems in which companies are embedded inside and outside their value chains. It is built on the mitigation hierarchy set out in the International Financial Corporation's (IFC) Performance Standard 6 and the conservation hierarchy.



characteristics, and geographic coverage. The priorities should cross reference relevant targets and metrics under the Metrics and Targets theme.

Box 10 and Box 11 provide example plan priorities for corporates and financial institutions respectively.



Box 10: Hypothetical examples of corporate transition plan priorities

In the plan priorities component, a beverage company, for example, might state:

- We will prioritise addressing water stress around our maize production sites in Sinaloa state, Mexico. These were prioritised due to our high dependency on the water supply at those sites. We will address this first by reducing our operational water use and our contribution to water stress in the area (see targets X, Y and Z);
- We will deploy watershed restoration activities and engage in integrated basin management to improve management of freshwater resources around our activities, secure an ongoing supply of freshwater to our sites and others in the basin, and reduce the risk of others in the basin reacting to our reduced withdrawals by increasing their own (see metrics A, B and C); and
- We will address the plastic pollution associated with the packaging of our beverages in the Indonesian Citarum, Brantas and Ciliwung river basins. These basins are experiencing significant habitat degradation and sustain key species and local communities. We will immediately scale up our partnerships with cities in Indonesia to support plastic collection and recycling equivalent to the quantity of plastic we place on the market there (see target X). We will also aim to shift away from plastic to avoid the impact entirely (see target X). We will scale up R&D to develop fully biodegradable, bio-plastic packaging (see target X).



Box 11: Hypothetical examples of financial institution transition plan priorities

Recognising current data limitations, financial institutions may formulate dependencies and impacts on nature at various levels of granularity following their LEAP assessment.

Depending on the level of granularity of the LEAP assessment, financial institutions may be able to formulate high or early maturity plan priorities.

High maturity plan priorities:

- We will prioritise providing finance to our rapeseed farmer clients in Poland to support take-up of integrated pest management practices. This will help address the negative impacts of agriculture in the region on pollinator populations by reducing pesticide



use and respond to incoming policy action to deliver the EU's target to reduce pesticide use by 50% by 2030.⁴⁵ Both upfront costs and familiarisation time (where there may be a short-term dip in yields) mean that farmers require finance to deliver this change. Failure to provide this finance could lead to the long-term decline in the creditworthiness of the clients identified, given their dependence on pollinators, creating risks for our loan book.

Early maturity plan priorities:

- We will prioritise addressing water-related issues associated with the exposure of our listed equities portfolio to high water-intensive sectors, including mining, agriculture, energy production, chemicals, pharmaceuticals, construction and IT, and high water-stress areas, focusing on, and beyond, South Africa, the Middle East and North Africa region, California, India and Pakistan. We will do so by implementing and signalling clear water-related expectations and adjust stewardship activities accordingly, including those related to our portfolio companies' water-related assessment, disclosure, actions, strategies and targets. We aim for organisations from these sectors, and with exposure to these regions, to align with our water-related expectations by 2030.

Coverage of plan priorities

In order to understand the effectiveness of the plan as a response and contribution to the transition identified in Section 4.1.1., an organisation should consider the extent to which its plan priorities address its nature-related dependencies, impacts, risks and opportunities, and which associated locations and parts of its business model, value chain, investment portfolios and/or asset classes are covered.

Where an organisation has not immediately developed plans for all dependencies, impacts, risks and opportunities, it should consider where it might expand the boundaries of the plan priorities and the transition plan in the future, incorporating more geographies, dependencies or impacts, financial portfolios or asset classes. Such proposed expansion should consider the prioritisation criteria on page 41.

Ultimately, an organisation should aim to respond and contribute to the fullest extent possible to the transition identified in Section 4.1.1., including coverage of all of its identified dependencies, impacts, risks and opportunities, and describe the timeframe within which it aims to reach this level of comprehensive coverage in its transition plan. For example, for most sectors, plan priorities should eventually address all natural ecosystem conversion to put nature on the path of recovery, consistent with the recommendations of the [Accountability Framework initiative](#) and the Science Based Targets Network's methods,⁴⁶ reflecting that land use change is the largest contributor to nature loss for land and freshwater ecosystems.⁴⁷

⁴⁵ European Commission (no date) [Farm to Fork targets – Progress](#).

⁴⁶ SBTN (2024) [Supplementary Material – Science Based Targets for Land \(Version 1.0\)](#).

⁴⁷ IPBES (2019) [Summary for policymakers of the global assessment report on biodiversity and ecosystem services](#).



4.1.4. Key assumptions and external factors

Component 4: Key assumptions and external factors	
The key assumptions and external factors on which the plan depends, and their implications for the achievement of plan priorities	<ul style="list-style-type: none">• Assumptions and external factors• Considerations of location-specific issues, trade-offs and unattended consequences

The organisation should be explicit about the key assumptions made, which may include:

- Policy and regulatory changes;
- Qualitative or quantitative information about the expected future trajectory for changes in nature external to the organisation's activities across relevant geographies and/or sectors, including in any locations with which the organisation expects to end its association as a result of implementing the transition plan;
- Macroeconomic trends (e.g. labour availability, cost of borrowing);
- Microeconomic and financial factors (e.g. availability of finance, relative prices);
- Technological developments;
- Access to data and reliability of data;
- Shifts in client and consumer demand;
- The physical impacts of nature loss for the organisation and others, and the regional and spatial implications of these;
- The response of other actors in the landscape, basin or seascape and the impact of these responses on nature, including instances where implementing the transition plan results in the organisation ending its association with a location;
- Any climate and nature scenarios and sectoral pathways;
- Assumptions underpinning the estimated financial impacts of the plan, and the degree to which the actions in the transition plan will deliver the strategic priorities and targets; and
- Interdependencies between these assumptions and uncertainties across the assumptions.

Organisations may find it helpful to consider the TNFD [Guidance on scenario analysis](#) and [Discussion paper on conducting advanced scenario analysis](#) for further information on how to identify and test the assumptions underpinning their prioritisation.



Consideration of location-specific issues and unintended consequences

Changes in location

The organisation should include assumptions about outcomes for nature that result from any changes to the locations in the organisation's business model and value chain. When an organisation ends its association with a location, it loses leverage over the state of nature in that location, which may then decline. There may also be trade-offs with an organisation's social objectives. The assumptions should take into account any mitigating actions detailed in the Implementation and Engagement Strategies. Box 12 provides a hypothetical example.

A financial institution should similarly consider the outcome for nature of any divestment. While withdrawal of finance may encourage action on nature, it can also potentially have the unintended consequence of prolonging the life of high-impact assets and even worsen their impacts on nature if they are transferred to investors with less nature ambition, disclosure or scrutiny.⁴⁸

Leakage

An organisation should outline assumptions about the potential responses of other actors in a location to its own actions. When an organisation reduces its impacts on nature in a location, others in the location may increase their impacts in response. This is known as impact leakage.⁴⁹ For example, improvements in irrigation efficiency may not always reduce overall water consumption in agriculture in a basin, and in some cases may instead increase water use.⁵⁰

Leakage can also take place over large scales. For example, restoration efforts to support migratory bird populations in their summer habitat could be offset by increased hunting in their winter location.

The Engagement Strategy will be particularly relevant for addressing leakage and building collaborations with other actors in the location to support a coordinated approach to the management of nature.

⁴⁸ Based on GFANZ (2024) [Nature in Net-zero Transition Plans](#).

⁴⁹ Impact leakage refers to the unintended negative consequences that occur when efforts to manage or protect nature in one area lead to adverse effects in another area.

⁵⁰ Linstead, C. (2018) [The Contribution of Improvements in Irrigation Efficiency to Environmental Flows](#).



Box 12: Hypothetical example of rationale and assumptions for certification

High-level approach: We will address probable land conversion associated with our soy sourcing from the Cerrado, Brazil. To address this risk, we aim to source chain-of-custody soy certified by the [Round Table on Responsible Soy \(RTRS\)](#).

Rationale and assumptions

Conversion in this area represents a key threat to high value habitat and our association with such practices could reasonably be assumed to lead to progressive reputational risks. The potential implications of conversion for nature, people and our core business are more significant than the nature-related impacts associated with our other activities.

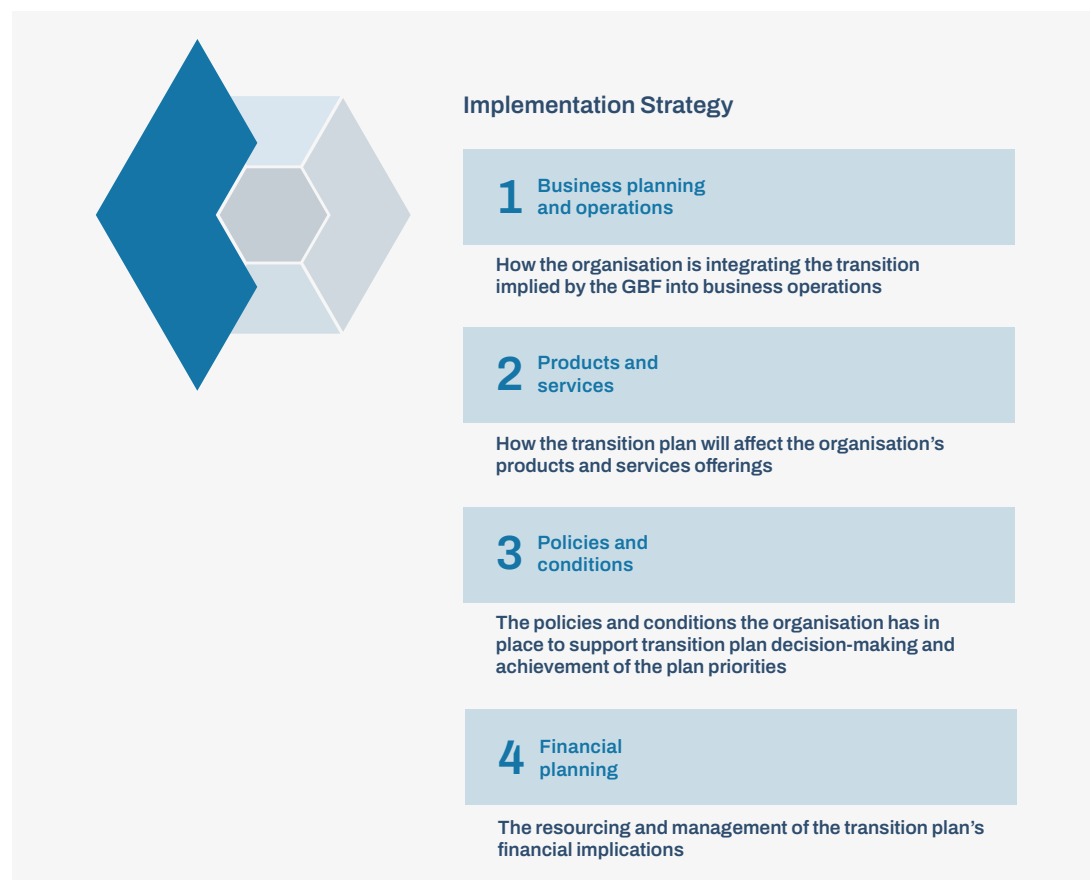
We recognise that RTRS-certified soy with mass-balance chain of custody does not guarantee that our sourced soy was produced responsibly. This is why we pursue segregation chain-of-custody for our RTRS-certified soy.

Increasing RTRS certification means working with our existing suppliers – directly and through industry and cross-industry location-based initiatives – to adopt certification, as well as developing new supplier relationships.

We recognise that if, despite our best efforts to secure their support and build local supply chain capabilities, we part ways with suppliers that are unwilling or unable to meet our standards, there is a risk that these suppliers may continue their harmful practices and seek out buyers with lower standards, potentially exacerbating nature loss. Increasing RTRS certification may also not guarantee deforestation is avoided for all suppliers.

We will therefore adopt additional measures to reduce deforestation and conversion. This will include continued participation in industry collaborations to address deforestation and conversion, such as the [Cerrado Manifesto](#). We will also reinstate contracts with suppliers if and when they show progress towards certification.

4.2. Implementation Strategy



An organisation should develop a set of actions to align business activities, products, services and policies with the plan priorities.

The Implementation Strategy could include:

- Incremental changes to business processes, the workforce, technologies or procurement practices;
- Changes to products, services and locations to reduce negative impacts on nature;
- Specific actions to achieve positive impacts on nature, such as those to protect, conserve, restore and regenerate nature within the existing business model;
- New policies and conditions applied across the organisation or to its business practices; and
- Wider transformation programmes and initiatives, such as moving from selling individual products to switching to a leasing model to support a more circular use of materials.

To develop this Implementation Strategy, an organisation may want to draw on principles and concepts for sustainable business practices, such as the bioeconomy, the circular economy, the sustainable blue economy, regenerative business models and practices, eco-efficiency,



biomimicry and nature-based solutions,⁵¹ as well as the options for change set out in the [Dasgupta Review on the Economics of Biodiversity](#).

The Implementation Strategy should be developed and implemented jointly with the Engagement Strategy to show a pathway to deliver the plan priorities and associated targets.

What aspects of the plan priorities are best delivered through the Implementation Strategy or the Engagement Strategy will depend on the organisation's position in the value chain, the aspects of nature it has influence over, and how it can best exert that influence individually or collectively with other organisations with overlapping interests. For example, an organisation that is the primary off-taker of a crop in a certain location may have significant influence over the impact of its suppliers on nature, whereas an organisation that is one among many suppliers of a commodity may have little influence over its customers. The former may be able to work directly with suppliers and apply contract provisions to drive forward change, potentially providing finance to help the suppliers implement the changes required. The latter may want to consider other levers, such as investing in creating new technological solutions or engaging with industry peers and other value chain actors. As for all parts of the plan, the Implementation Strategy should be integrated and coherent with plans for other sustainability objectives, and the organisation's high-level ambition.

Boxes 13 and 14 include use cases from a diversified global bank and an asset owner.

Useful resources include:

- Business for Nature, WBCSD and WEF's [Sector Actions Towards a Nature-Positive Future](#);
- Capitals Coalition's [Framework for Integrated Decision-making](#);
- The Ellen MacArthur Foundation's [circular economy principles](#);
- IUCN's [resources on nature-based solutions](#);
- SBTN's [Act guidance](#);
- The SUSTAIN project's [Taxonomy of impact reduction strategies](#);
- Prepare phase guidance of the [TNFD sector guidance](#); and
- WBCSD's [Roadmaps to Nature Positive: Foundations for all businesses](#) and [Nature-based Solutions Blueprint](#).

51 See for example WBCSD (2024) [Nature-based Solutions Blueprint](#).



4.2.1. Business planning and operations

Component 1: Business planning and operations	
The operational action plan for delivering the transition plan priorities	<ul style="list-style-type: none">• How the organisation is responding and contributing to the transition through its planning and business operations

In this component of the Implementation Strategy, the organisation sets out the changes it will make to business planning and operations to deliver the plan priorities.

For each plan priority, the organisation will need to consider actions at many different levels.

Some actions will take place at the site, some across the wider landscape or area of influence. Other actions might take place across a value chain, at the organisation level (Table 1) or across the whole sector. For financial institutions, actions may also take place at the portfolio level.

Some actions will contribute to multiple plan priorities⁵² or have wider positive or negative impacts on nature beyond the plan priority. An organisation should consider such additional impacts, and whether the action remains aligned with the high-level ambition. Similarly, an organisation may want to describe additional no-regret actions that go beyond the plan priorities but support the high-level ambition.

SBTN’s [response options database](#) provides a list of potential responses an organisation may want to consider to address land and freshwater-related impacts. An updated response option database will be released in 2026 and will expand response options to address ocean-related impacts and co-benefits across nature realms, including broader impacts on biodiversity and people. Table 1 provides some examples of actions for different parts of the value chain.

⁵² For example, adoption of a certification standard for procurement of a certain commodity might cover multiple impacts associated with cultivating that commodity across different geographies.

Table 1: Examples of real economy actions by value chain stage addressed

Value chain stage addressed	Example actions
Upstream	Procurement policy, exclusions of suppliers with certain practices in certain locations
Direct operations	<p>Process improvements (e.g. technology roll-out) to reduce resource extraction, pollution and waste</p> <p>Winding down of use of certain highly polluting substances</p> <p>Product redesign to influence upstream material needs or downstream impacts (e.g. incorporation of recycled inputs, design for reuse and recycling)</p> <p>Investment in landscape restoration to support ecosystem service resilience and sustainability around a critical production site</p>
Downstream	Take-back schemes to take back products once consumers no longer want them, or consumer awareness programmes
Cross-cutting	Develop solutions and transform underlying systems, including outside value chain, to address drivers of nature loss (e.g. R&D)

An organisation may also choose or be required to consider the potential role of nature-related carbon credits, or biodiversity or nature credits, in its planning to deliver against plan priorities.⁵³ Such credits can be considered in business planning and operations, where credible market mechanisms align with managing nature-related dependencies, impacts, risk and opportunities.

A financial institution will need to consider here how it uses its transition financing strategies, in conjunction with the Engagement Strategy, to drive change in its clients and portfolio companies – directly and through external asset managers where relevant⁵⁴ – to deliver the plan priorities. This will include which categories of clients and portfolio companies (by geography, sector or other relevant criteria) will be addressed first, how the transition financing strategies deployed will support the change and over what timescales.

⁵³ Biodiversity or nature credits are defined by the Biodiversity Credit Alliance as a 'certificate that represents a measured and evidence-based unit of positive biodiversity outcome that is durable and additional to what would have otherwise occurred'. Various initiatives, such as the [Biodiversity Credit Alliance](#) (BCA), the [International Advisory Panel on Biodiversity Credits](#) (IAPB), and [WEF Biodiversity Credits Initiative](#) have been exploring the design of voluntary and compliance nature and biodiversity credit markets. These initiatives have developed High Integrity Principles for Biodiversity credit development and issuance.

⁵⁴ Asset owners may find it helpful to consult PRI's [Stewardship for Sustainability: Evaluation tool](#), IIGC's [Asset Owner Stewardship Questionnaire](#) and the TNFD's [Asking Better Questions on Nature for Asset Owner Chief Investment Officers](#).



A financial institution should also consider in this part of the plan changes to the decision-making processes it uses for transaction approvals, lending approvals, investment mandate allocations, direct investment allocations, credit underwriting, insurance underwriting, and client and/or investment due diligence. Decision-making processes should reflect the transition plan priorities and any policies developed to help deliver them. This could include, for example:

- Sector and location-specific aspects of nature, client and portfolio company data on nature-related issues, and outcomes of engagement with other actors in relevant locations and value chains in risk, expected return, and pricing models; and
- Integrating synergies and trade-offs across objectives when assessing investment prospects.

A financial institution should further consider how to incorporate nature into top-down tools that inform core decision-making such as:

- Taxonomy-based information, such as the EU taxonomy, regional taxonomies and initiatives such as the Climate Bonds Initiative (CBI) taxonomy for land use and marine resources;
- Asset ratings incorporating potential nature-related mitigation opportunities;
- Green capital weighting with specific weights for nature-related information;
- Internal thresholds and criteria on nature-related issues; and
- Carve outs to support early stage, smaller corporates, or other structural considerations particularly found with nature-related issues.

The [TNFD LEAP approach](#) can further help financial institutions evaluate nature-related issues and support decision-making from the bottom up.⁵⁵

All organisations should consider how actions build on each other, and the other elements of the plan, to develop a complete pathway to achieve the plan priority and associated targets, while respecting the mitigation and conservation hierarchies.⁵⁶ To achieve this, an organisation may want to start with consideration of the desired end state and work

⁵⁵ GFANZ (2024) [Nature in Net-zero Transition Plans](#).

⁵⁶ The mitigation hierarchy offers a hierarchy of actions for mitigating and offsetting negative impacts of specific projects, and the conservation hierarchy goes further to cover conservation actions related to any activity, including those that address historical, systemic and non-attributable biodiversity loss. The TNFD aligns to the SBTN [AR3T Framework](#) that covers actions to avoid future impacts, reduce current impacts, regenerate and restore ecosystems, and transform the systems in which companies are embedded including inside and outside value chains. It is built on the mitigation hierarchy set out in the IFC's [Performance Standard 6](#) and the conservation hierarchy.

See, for example, Cross Sector Biodiversity Initiative (2015) [A cross sector guide for implementing the Mitigation Hierarchy](#); Milner-Gulland, E. J. et al. (2021) [Four steps for the Earth: mainstreaming the post-2020 global biodiversity framework](#); SBTN (no date) [Step 4: Act](#); Sinclair, S. et al. (no date) [The Conservation Hierarchy: Underpinning the Post-2020 Biodiversity Framework](#); and TNFD (2023) [Recommendations of the Taskforce on Nature-related Financial Disclosures](#).



backwards to understand what actions are required to enable each successive change and whether cumulatively they are sufficient to bridge the gap from the current state. An organisation may want to consider several different pathways, in order to be able to compare the costs, benefits and uncertainties associated with each. Scenario analysis can support this process.⁵⁷

An organisation should review this process periodically, taking account of any innovations that have become available to minimise the risk of locking in technologies or processes early that will then need to be undone at a later stage of the transition.

The identified set of actions should include the timing of each action, how the actions build on one another, and a view on the expected contribution of each action towards the plan priorities and targets.

Managing changes in locations and activities

An organisation should manage any changes in locations and activities to avoid leaving nature in those locations in a worse state. Changes in locations may be actively driven by the transition plan, for example, when a sensitive location appears incompatible with an industrial mining process, or where a switch to a more circular business model reduces the number of suppliers required.

When changes in locations are driven by the transition plan, the assumptions about what will happen to that location are set out in the Foundations theme. The Implementation Strategy should provide more detail on the specific actions taken and decisions made to avoid unintended consequences and support the high-level ambition. It may be further complemented by actions in the Engagement Strategy.

Examples of when changes in locations and activities could occur, and the plans an organisation might put in place to manage this, include:

- A change in the business model that means that some sites are no longer required could lead to an organisation putting in place ongoing finance to support a transition to more sustainable practices;
- A decision to avoid activities with high, unmitigable and/or irreversible negative impacts on nature could lead to the organisation working through its Engagement Strategy to encourage others also to avoid these activities, and provide financial support to the companies involved in these activities to repurpose their assets to more sustainable activities or practices;
- A decision to avoid suppliers that are unwilling or unable to adopt progressively ambitious environmental safeguards could lead the organisation to put in place provisions to reengage should the supplier change its approach; and

⁵⁷ See TNFD [Guidance on scenario analysis](#) and [Discussion paper on conducting advanced scenario analysis](#).



- The identification of some locations as highly sensitive or that are soon to be protected could lead the organisation to end operations at the site, but to put in place provisions to protect and conserve it.

Arrangements could also include a planned transition period, during which an organisation phases out its engagement with the location, and puts in place programmes and investments for the restoration of nature at that location, such as the restoration of closed mine sites and quarries.

In all such cases, an organisation should check whether such action is in line with its engagement with Indigenous Peoples, Local Communities and stakeholders, following the TNFD [guidance on engagement](#), and take account of the impacts of such action on communities and the local economy, aligned with just transition principles and participatory approaches (see Box 6).



Box 13: Exploring implementation for a diversified bank, building from climate foundations

As part of MUFG's nature-related issue assessment, the organisation undertook an in-depth analysis of sectors in its portfolio with substantial dependencies and impacts on natural capital. This revealed sectors with heightened exposure to nature-related dependencies and impacts, including construction, energy, food and beverages, materials, mining and utilities. In particular, sectors exposed to water scarcity and flooding face heightened risks even under the NGFS 1.5°C scenario. MUFG's assessment also uncovered that upstream and downstream activities, for example, those in the automotive sector, can significantly amplify nature-related risks in its portfolio. This sectoral prioritisation provides a practical starting point for exploring an approach to nature in transition planning, especially in identifying 'plan priorities' to address critical dependencies and impacts.

Deepening this assessment by incorporating client and project-specific details would enable highly specified priorities, guiding a targeted and strategic response to the transition for MUFG. Such deepening would include identifying the client segment most exposed to these risks, as well as the geographical scope at which these materialise.

To effectively address the identified priorities, MUFG can leverage insights gained from its existing mechanisms for supporting clients' climate transitions. These include a dedicated transition assessment framework and an environmental and social framework, which together provide a solid foundation for dedicated client engagement and identifying suitable financial products and services.

Findings like these are a crucial foundation for transition planning for a financial institution with a diverse client portfolio like MUFG. Identifying priority sectors and risk transmission channels enables in-depth client analysis, which in turn facilitates targeted strategies for active dialogue. This iterative process is considered essential by MUFG, to focus efforts where they can most effectively drive change in the real economy.



Box 14: A targeted deforestation strategy in a dynamic portfolio

As part of the TNFD nature in transition planning pilot, the Church Commissioners for England (Church Commissioners), an asset owner, developed an implementation strategy to operationalise its deforestation goals through to 2030. This strategy was developed in tandem with the Church Commissioners' 2025 Climate Action Plan, recognising that deforestation is a major driver of both nature loss and climate change. Given the dynamic nature of its investment portfolio and challenges related to accessing accurate and complete data on locations of investee company assets and activities, the plan focuses on sector-level impact drivers, with agriculture-driven land use change prioritised as a key contributor to tropical deforestation.

Engagement with stakeholders is one of the Church Commissioners' primary levers to drive real-world action on deforestation. To guide and monitor these efforts, the Church Commissioners developed a deforestation and conversion-free (DCF) alignment framework.* This framework serves as an internal implementation mechanism, assessing investee companies operating in forest-risk commodity supply chains and evaluating the strength of DCF commitments and reporting. Companies are classified from "not started" to "aligning."

The framework will be used to track progress towards Church Commissioners' 2030 aim of increasing the proportion of holdings assessed as "aligning". This mirrors their broader climate strategy, which uses a 'net zero alignment scale' to track progress on climate change.

Based on the 'DCF alignment framework', engagements with investee companies are structured across three levels:

1. Systematic engagement focuses on companies in the "not started" category and includes voting and letter writing to articulate minimum expectations at scale;
2. Strategic engagement focuses on keystone companies in the "beginning" and "making progress" categories, aiming to strengthen commitments, traceability, and transparency via multi-year dialogues; and
3. System engagement involves policymakers and wider market stakeholders to encourage the enabling environment for DCF supply chains.

By deploying the DCF alignment framework to guide its Engagement Strategy, the Church Commissioners have translated high-level deforestation goals into a structured strategy, aiming to drive real-world outcomes and supporting a broader transition to a net zero and nature-positive economy.

	Not started	Beginning	Making progress	Aligning
Criteria	No DCF commitments or reporting	Presence of either a DCF commitment or reporting on DCF volumes	Strong DCF commitment/s covering all relevant commodities Presence of reporting on DCF volumes	Strong DCF commitment/s and strong reporting of DCF volumes covering all relevant commodities
Engagement strategy	Systematic engagement reaching a larger number of companies to articulate minimum expectations	Strategic engagement with keystone companies over multiple years to encourage improved practices		
Desired direction of travel				

*Forest-risk commodities include: beef, cocoa, coffee, leather, palm oil, pulp and paper, soya and timber.

4.2.2. Products and services

Component 3: Products and services	
How the transition plan will affect the organisation's products and services offerings	<ul style="list-style-type: none"> • Ability of existing products and services to respond and contribute to the transition • Changes and additions to products and services • Business model changes

An organisation should consider its wider commercial positioning to meet its plan priorities. In this component, an organisation should consider how the transition is embedded in the company's existing products and services portfolio, whether any changes to products and services are required and how such changes will support the wider business model positioning, maintaining or enhancing commercial viability. This component can also provide further detail on the wider transformations to the business model set out in the Foundations theme. This could include switching from selling individual products to a leasing model to support more circular use of materials. An organisation may want to draw on principles and



concepts for more sustainable business practices such as the bioeconomy, the circular economy, the regenerative economy and nature-based solutions.⁵⁸

Changes to products and services may alter the organisation's dependencies, impacts, risks and opportunities, value chains and locations, and those of the users of its products or services. An organisation should refer to the guidance on changes in location in the business planning and operations component.

A financial institution should consider the products and services it needs to offer to deliver the changes set out in the business operations component, in line with the prioritised transition financing strategies, and the extent to which these needs are met by existing products and services. This should include any opportunities for new financing or services. For example:

- An insurance company may consider offering insurance for environmental assets that provide ecosystem services to many clients (e.g. a coral reef that protects a city or a facility from coastal flooding and supports local tourism), protecting those assets to help better manage risk and seize opportunities.
- A bank might provide financing, investment, insurance or other services that support companies and activities that reduce negative impacts on nature, including, where appropriate, having the product structure support or involve other actors in the same locations; help scale emerging technology for operations and monitoring; and reflect the natural processes inherent to such projects, particularly those with longer timelines and large capex needs or smaller project sizes.
- An asset manager could:
 - Update investment benchmarks, when possible and relevant, to specify nature-related objectives in sufficient detail and clearly define performance objectives;
 - Integrate nature-related objectives into portfolio construction alongside standard indicators; or
 - Construct a portfolio geared specifically towards companies that are reducing or enabling reductions in negative impacts on nature, scaling up activities that protect, conserve, restore or regenerate nature, or provide services such as due diligence for nature-related opportunities.

Financial institutions may also build into their wider product and service offering efforts to educate and advise clients and portfolio companies on the mitigation of impacts on nature, appropriate safeguards and accountability, monitoring and measurement of outcomes, secondary effects on value chains, and the identification, assessment and management of synergies and trade-offs across objectives.

Both corporates and financial institutions may consider the business performance opportunity categories set out in the TNFD [LEAP approach](#) and [opportunity register](#).

⁵⁸ See, for example WBCSD (2024) [Nature-based Solutions Blueprint](#).



4.2.3. Policies and conditions

Component 3: Policies and conditions	
The policies and conditions the organisation has in place to support transition plan decision-making and the achievement of the plan priorities	<ul style="list-style-type: none">• The processes and policies in place to guide plan design and implementation across the business model and value chain• Any exclusions or enhanced due diligence procedures in place for future financing or supplier decisions• How the organisation is working to achieve an integrated approach to sustainability matters, identifying and managing synergies and trade-offs across sustainability objectives

Policies and processes guide business planning and operational changes, particularly across a large organisation with many locations or with many upstream and downstream value chain partners. An organisation should consider which management processes and policies it needs to put in place to deliver the transition plan priorities. Such policies may be specific to the transition plan's nature objectives or may include interrelated climate and social policies, such as policies on deforestation, gender inclusiveness, human rights, and engagement with Indigenous Peoples, Local Communities and affected stakeholders. Policies can also guide how organisations seek out synergies and manage trade-offs across nature, climate, social and other sustainability objectives.

Policies could cover business in sensitive locations, high-impact activities or the use of particularly polluting substances, accounting for the characteristics of nature in the associated locations and broader landscape, basin or seascape, as well as social considerations.

The organisation could also provide additional detail on any sustainability concepts it is seeking to apply (e.g. circular economy principles).

A financial institution might identify sector, topic or activity-specific expectations of portfolio organisations, and voting policies, exclusions or enhanced due diligence procedures it will apply to current and future financing in the case of, for example, clear-cut forestry or Illegal, Unreported and Unregulated (IUU) fishing.⁵⁹

Financial institutions may want to draw from existing resources such as [investor expectations](#) set by Nature Action 100, the [Deforestation Investor Group](#), and the TNFD's [Asking Better Questions on Nature for Asset Owner Chief Investment Officers](#).

⁵⁹ For example, see: PRI (2024) [Developing a biodiversity policy: A technical guide for asset owners and investment managers](#); UNEP FI (2023) [Banking on nature: What the Kunming-Montreal Global Biodiversity Framework Means for Responsible Banks](#).



All organisations may refer to the resources of the [Accountability Framework initiative](#) to address deforestation in supply chains, among clients and in portfolio companies. All policies should be clear on the objective, the scope (geographic, business units and value chain stages), the timelines, any methodology to be used and their alignment with the wider transition plan framing and objectives.

Relevant policies include those that enable the monitoring, management and remediation of adverse human rights impacts the organisation causes or significantly contributes to through its business activities, supply chains and business relationships, including organisational grievance mechanisms. This particularly applies to Indigenous Peoples, Local Communities and affected stakeholders. Organisational grievance mechanisms should be legitimate, accessible, predictable, equitable, transparent, rights-compatible and designed with stakeholder input.⁶⁰

4.2.4. Financial planning

Component 1: Financial planning	
The resourcing and management of the transition plan's financial implications	<ul style="list-style-type: none">• The effects of the transition plan on financial performance and cash flows. For a financial institution, this will include planned deployment of transition financing strategies across the plan priorities• Resourcing of the plan

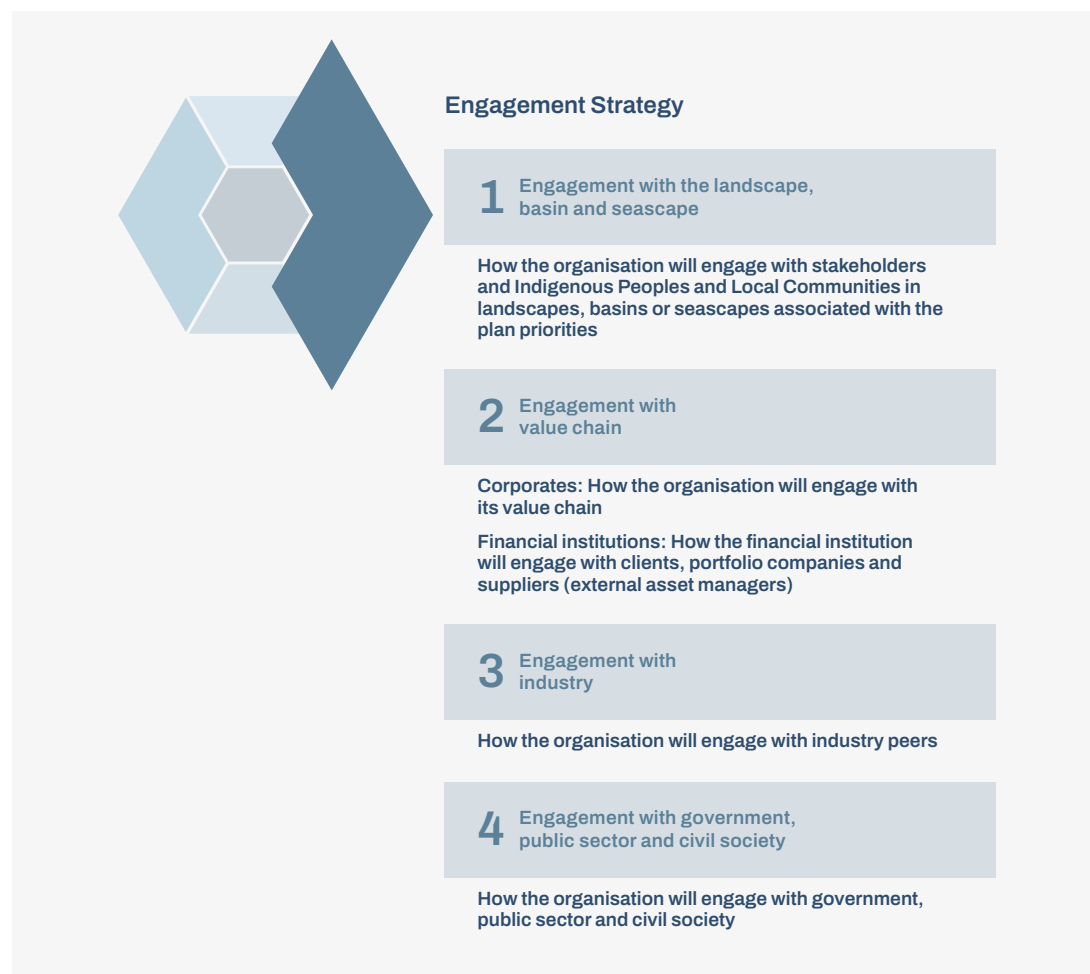
Each action in the plan – including the Engagement Strategy – should include an assessment of the financial resourcing and the impact of the action on the organisation's financial position. Demonstrating the financial viability of the plan improves its credibility. Financial plans should include up-front investment requirements and ongoing costs, as well as cost savings, new or enhanced revenue streams associated with the actions, and potential improvements to business resilience. This may include plans to deploy new and innovative financing models to address resourcing needs, such as blended finance.

Financial plans should be developed over short, intermediate and long-term timelines, aligned to the activity. **Financial institutions** may also undertake scenario analysis to update market assumptions and asset-level risk/return expectations and to stress test portfolios. This should be considered in the context of the organisation's wider financial plans and progress on financial plans should be reflected in annual financial reports.

Financial plans should also consider costs associated with monitoring, reporting and evaluating the plan, including any costs associated with the Engagement Strategy and gathering data for metrics and targets.

⁶⁰ United Nations Human Rights, Office of the High Commissioner (2011) [The UN Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework](#), principle 31.

4.3. Engagement Strategy



The Engagement Strategy outlines how the organisation will work with others to avoid and reduce negative impacts on nature; protect, conserve, regenerate and restore nature; and/or transform underlying systems to address the drivers of nature loss, thereby supporting delivery of the organisation's transition plan.⁶¹ Engagement with stakeholders is also an important part of identifying the plan priorities and developing solutions.

Working with others will in many cases be essential to achieve an organisation's plan priorities, as any intervention is likely to affect others' access to ecosystem services or depend on others' actions to secure the expected benefit. For example:

- An organisation's efforts to reduce water extraction will only improve the availability of water in a basin if other actors do not increase their own withdrawals in response;
- Achieving reductions in impacts on nature from activities like farming or waste disposal in the upstream or downstream value chain will depend on working with the upstream

⁶¹ The Engagement Strategy theme also aligns with the guidance under general requirement 6 of the [TNFD recommendations](#).



farmers to adopt more sustainable practices and encouraging customers to support collection and recycling of waste packaging;

- Embedding changes in resource governance or putting in place systems and infrastructure to support packaging recycling may require engagement with others across local communities, the sector and government; and
- Ensuring the sustainability of a dependency might mean engaging with actors some distance away. For example, the productivity of soy production in the southern Brazilian Amazon is being affected by changes in atmospheric (or ‘flying’) river patterns due to animal agriculture-related deforestation elsewhere in the Amazon, hundreds of kilometres away, with projected productivity losses worth USD 1 billion a year.⁶²

In the Engagement Strategy, an organisation should consider the engagement activities that need to be undertaken to deliver the strategic objective and transition plan priorities. The Engagement and Implementation Strategies should be considered in conjunction and as mutually reinforcing to deliver the plan priorities (see Figure 13).

An organisation should quantify, where feasible, the contribution of each engagement to the plan priorities, with reference to the metrics and targets of the transition plan, as well as any financial commitments to support the engagement.⁶³

Boxes 15, 16 and 17 provide use cases from a global beverage, pharmaceutical and health science company, a consortium working to improve water and climate resilience of coffee production in Brazil, and a cosmetics, beauty and personal care company.

4.3.1. Engagement with the landscape, basin and seascape

Component 1: Engagement with the landscape, basin and seascape	
How the organisation will engage with stakeholders and Indigenous Peoples and Local Communities in landscapes, basins or seascapes associated with the plan priorities	<ul style="list-style-type: none">• Engagement with stakeholders and Indigenous Peoples and Local Communities in the landscapes, basins or seascapes associated with the plan priorities, the engagement level, modes of engagement used, which priorities the engagement relates to, which relevant stakeholders are engaged and the expected outcomes

Engagement with stakeholders in the landscapes, basins or seascapes associated with the plan priorities will in many cases be essential to achieve the aims of an organisation’s transition plan. Such engagement can help to:

⁶² Leite-Filho, A. T. et al. (2021) [Deforestation reduces rainfall and agricultural revenues in the Brazilian Amazon](#).

⁶³ Adapted from GFANZ (2022) [Expectations for Real-economy Transition Plans](#); GFANZ (2022) [Financial Institution Net-zero Transition Plans](#).



- Magnify the impact of the organisation's own efforts by enabling coordinated, mutually reinforcing actions to halt and reverse nature loss;
- Identify new nature-related opportunities, and synergies between these, through alignment with stakeholders behind common objectives;
- Achieve the scale of action required across an area to halt and reverse nature loss, and mitigate associated nature-related risks, recognising the interdependencies and connections in nature and economic activity across the landscape, basin or seascape;
- Identify opportunities for lower due diligence and monitoring costs through shared data; and
- Address impact leakage, where an organisation's efforts to reduce its impacts are offset by other actors in the area responding by increasing their impacts.

For example, multiple land managers working to restore habitat on their lands can achieve better outcomes if they coordinate their plans so that the new and existing habitat forms a connected network across land holdings, and if they link with broader action across the landscape to address impacts from other sectors.

Engagement will include Indigenous Peoples and Local Communities, where present, who have an important role to play in halting and reversing nature loss and identifying and scaling nature-based solutions that benefit nature and the ecosystem services nature provides. It may also include governance organisations such as basin authorities, government ministries, sub-national jurisdictions or municipalities involved in the governance of these landscapes, basins and seascapes.

This type of location-based engagement requires a high level of commitment from the organisation to build trust, alignment, commitment and effort from all the stakeholders involved. An organisation should be prepared to demonstrate commitment and provide resources for a sufficient period of time to realise the benefits. Any engagement process should include a human rights due diligence process.

A financial institution may have a concentration of portfolio companies, clients, peers and other stakeholders in a single landscape with related dependencies, impacts, risks and opportunities. In such cases, financial institutions might incorporate landscape, basin or seascape perspectives into stewardship activities or set specific criteria for clients to align with the goals and objectives of any landscape, basin or seascape initiatives in the area.

Financial institutions can also play an important role in landscape, basin and seascape engagement efforts in their own right. Participating alongside portfolio companies and clients and other landscape stakeholders can help to broker solutions, improve coordinated action and allow them to monitor progress. This can mitigate risks to the financial institution arising in the landscape, basin or seascape and create new financing opportunities. ICMA's [Sustainable Bonds for Nature](#) guide recognises Key Performance Indicators (KPIs) on implementation of initiatives.



Landscape, basin and seascape, and jurisdictional approaches

Landscape, basin, seascape and jurisdictional approaches aim to scale sustainability efforts by aligning the investments and actions of different stakeholders in a landscape, basin, seascape or jurisdiction. A convening organisation brings companies, local governments, communities and implementers together in a landscape to agree common sustainability goals and a collective plan to achieve them. They collectively monitor progress in implementing that plan and delivering impacts.

Such approaches help to fulfil a number of critical functions necessary for halting and reversing nature loss and associated nature-related risks at scale:

- Stakeholders align on nature-based goals relevant to the landscape context, potentially considering ecosystem use thresholds and allocations for each participant;
- Activities are grounded in a collective action plan that supports efficiencies and amplifies impacts;
- Activities are delivered at a scale that is meaningful to address key sustainability challenges and achieve positive nature impacts;
- Engagement by local stakeholders and government creates opportunities to embed and strengthen the durability of activities and outcomes over time; and
- Collective monitoring provides a better understanding of overall impact in the landscape.

An organisation can participate and provide finance to:

- Contribute to or convene relevant stakeholders in a decision-making body to address resource management problems in the area;
- Enhance the shared understanding of stakeholders' needs and interests related to the area, alongside the understanding of threats, dependencies, impacts and risks;
- Identify and plan a collaborative roadmap for achieving resilience in the area;
- Ensure that interventions are effectively and diligently implemented;
- Align its own activities (as part of its Implementation Strategy) with the collectively agreed roadmap;
- Ensure that collective monitoring mechanisms are in place; and
- Help to strengthen catalysts for implementation, in relation to governance, finance and markets.⁶⁴

Resources such as the LandScale's [Landscape Initiative Maturity Framework](#) and ISEAL's [Core Criteria for Mature Landscape Initiatives](#) can help an organisation evaluate what makes a credible, effective and resilient landscape initiative.

⁶⁴ Global Canopy Programme et al. (2015) [The Little Sustainable Landscapes Book](#).



Further resources on engagement with stakeholders in landscapes, basins and seascapes include:

- The TNFD's [Guidance on engagement with Indigenous Peoples, Local Communities and affected stakeholders](#) and all the sources of guidance listed on page 6 of that document and throughout;
- CDP's examples of [Collective Action: Corporate engagement in landscape and jurisdictional approaches](#);
- CDP's guidance on the [linkages between nature-based solutions and landscape and jurisdictional approaches](#);
- Global Canopy Programme et al. (2015) [The Little Sustainable Landscapes Book](#);
- ISEAL's series of collective position papers: [landscape guidance and roadmap for companies](#);
- ISEAL and partners' [Core Criteria for Mature Landscape Initiatives](#);
- Landesa and Proforest's guidance on [Respecting Rights of Indigenous Peoples and Local Communities in Landscape Initiatives](#);
- LandScale's [Grant proposal toolkit](#) and [Landscape Initiative Maturity Framework](#);
- The Nature Conservancy's [Landscape Approaches in Corporate Climate and Nature Frameworks: Current Status and a Path Forward](#);
- Guidance in support of SBTN's [Landscape Engagement target](#), applied in conjunction with other SBTN [land targets](#), as well as SBTN's [stakeholder engagement guidance](#);
- South Pole's [An investor guide on basin water security engagement](#);
- UNEP FI's guidance on [Just Transition Finance Pathways for Banking and Insurance](#);
- WWF's guidance on [Unpacking collective action in water stewardship](#); and
- WWF's [Landscape Finance Approach](#).



Box 15: Basin-engagement for securing resilience and licence to operate

The Kirin Group, a global beverage, pharmaceutical and health science company, recognises its business as water dependent. Water-related dependencies and impacts of the Fort Collins brewery of Kirin Group's New Belgium Brewing are one of the nature-related priorities, since it operates in a watershed, the Cache La Poudre watershed, experiencing high water stress.

Water from this watershed is used by the local community, agriculture and industry, making water resource security a shared challenge for multiple stakeholders in the catchment. New Belgium Brewing holds priority rights for water sufficient to satisfy maximum operations capacity. However, social and environmental changes will perpetuate water stress in this watershed. Additional water-related risk is created by potential for changes to the water allocation criteria under federal policies (that may no longer satisfy maximum operations capacity).



Piloting the TNFD transition plan process evidenced that, to secure the social licence to operate and enhance watershed resilience, intervention at the catchment level, in addition to the brewery's own water use intensity, is needed. It became clear that to take responsible and effective action, convening stakeholders to understand actionable measures and key performance indicators of watershed health would be a first step.

This watershed-level stakeholder engagement would be key to establish a comprehensive understanding of the challenges, and identify and coordinate opportunities for interventions to preserve and enhance watershed health and ecosystem services in a watershed context-specific manner.



Box 16: Collective action for water and climate resilience in Brazil's coffee heartland

In Brazil's Cerrado Mineiro region, recurring droughts posed a structural risk to coffee production, threatening yields, water security, and corporate climate and deforestation commitments. In response, companies like Nespresso convened cooperatives, NGOs and local partners to establish the Cerrado das Águas Consortium (CCA) to address shared nature-related risks at landscape scale.

The CCA evolved into an independent NGO with inclusive governance and long-term financing. Its approach centres on co-created Climate Adaptation Plans with farmers, integrating soil conservation, irrigation efficiency and ecological restoration. This participatory model reframed water management as a collective responsibility and enabled coordinated action across multiple basins.

In 2024, the CCA expanded its scope through the Regenerative Landscape of Cerrado Mineiro, covering 182,000 ha and nearly 2,000 properties. Corporate members contribute multi-year fees and hold board seats, enabling strategic alignment and oversight. The consortium also pilots innovations such as agroforestry systems, which enhance resilience and restore ecological functions.

Over six years, regenerative strategies have been implemented across 4,000 ha, with 68,000 native seedlings planted and 200 ha of native areas conserved. The initiative is supported by companies, foundations and public institutions, and governed with input from local authorities, farmer associations and universities.

By acting collectively, companies were able to pool resources, align priorities, and deliver more effective, scalable solutions and avoid impact leakage. The CCA provides a locally embedded strategy to manage nature-related risks and impacts, contributing to the transition implied by the GBF, demonstrating how place-based, multi-stakeholder action can enhance outcomes in priority landscapes.



4.3.2. Engagement with value chain

Corporates: Upstream and downstream value chain partners

Component 2: Engagement with value chain (corporates)

How the organisation will engage with its upstream and downstream value chains

- Engagement with upstream and downstream value chain partners, modes of engagement used, which priorities the engagement relates to and the expected outcomes

Many of an organisation's nature-related dependencies, impacts, risks and opportunities may be found in its upstream and downstream value chains. Engaging with actors along these value chains will therefore be essential to achieve the organisation's plan priorities. Collaboration in this way can magnify the organisation's contributions to halting and reversing nature loss. For example:

- A food retail company might work with farmers in its upstream value chain to provide training in precision fertilisation; or
- A beverage company might work with retailers in its downstream value chain to provide improved facilities for consumers to recycle plastic bottles.

An organisation should consider where it needs to see change in the value chain to achieve its transition plan priorities. This may cover engagements with value chain partners upstream or downstream, and across many tiers.

An organisation should review its existing engagement with value chain partners to identify how to incorporate the transition plan into these programmes and fill any gaps to achieve the desired outcomes. Clear communication with value chain partners on the transition plan may also stimulate collaborative efforts.

Any engagement should have clear objectives and an understanding of the timeline for the engagement and milestones to assess progress. The organisation should consider what coverage of value chain actors is needed to achieve the plan priorities and associated targets, and consider which partners have the most influence over the desired outcomes. Methods of engagement will vary, from meetings and training provision to financial support for change. The organisation will need to consider what escalation path it might want to follow if there is little or no response from value chain partners, depending on the nature of the relationship and the position in the value chain.⁶⁵

The engagement with stakeholders, landscape initiatives and Indigenous Peoples and Local Communities discussed under Section 4.3.1. may also apply to engagement with value chain partners.

⁶⁵ Adapted from GFANZ (2022) [Recommendations and Guidance on Financial Institution Net-zero Transition Plans](#); GFANZ (2022) [Expectations for Real-economy Transition Plans](#).



Useful resources include:

- The TNFD's [Guidance on engagement with Indigenous Peoples, Local Communities and affected stakeholders](#) and all the sources of guidance listed on page 6 of that document and throughout;
- The TNFD's [Guidance on value chains](#);
- Business for Nature, WBCSD and WEF's [sector actions towards a nature-positive future](#) and the [TNFD sector guidance](#) for potential asks of value chain partners; and
- The resources of the [Accountability Framework initiative](#).



Box 17: Convening suppliers for regenerative sourcing

In 2023, Natura, a cosmetics, beauty and personal care company, adopted the TNFD recommendations, building on its existing Biodiversity Policy, and assessed its business's nature-related dependencies, impacts, risks and opportunities. As a cosmetics company relying on plant-based ingredients, traceability in its value chains is a strategic pillar to ensure environmental conservation and human rights protection.

Based on the assessment, Natura identified priority upstream and downstream dependencies and impacts. Consequently, engaging its suppliers became a crucial element of the organisation's transition and its 'Pathways to Regeneration' vision.

The Regenerative Alliance, launched by Natura, is a network of over 100 suppliers gathered to promote solutions for social and environmental regeneration, positively impacting Natura's strategy. Suppliers are selected based on their importance for Natura's goals and classified by their sustainability maturity level in areas like carbon, biodiversity and human rights. This classification helps identify improvement opportunities for joint or individual initiatives, with over 500 mapped so far. The initiatives are classified by urgency level, enabling internal teams to monitor their progress. There are regular meetings with suppliers, a channel for questions and monitoring to support the initiatives.

This collective effort with suppliers, built on socio-environmental commitment and shared responsibility, helps Natura develop more sustainable and resilient supply chains in a targeted way. The Regenerative Alliance is part of Natura's forthcoming Transition Plan, based on the TNFD discussion paper on nature transition plans.



Financial institutions: Clients and portfolio companies

Component 2: Engagement with value chain (financial institutions)

How the financial institution will engage with clients, portfolio companies and suppliers (external asset managers)

- Engagement with clients, portfolio companies and suppliers, modes of engagement used, which priorities the engagement relates to and the expected outcomes

Engagement with clients, portfolio companies and external asset managers is a key lever that financial institutions have to achieve the plan priorities. Financial institutions can play an important role in supporting, advising and urging action to develop and deliver nature objectives and manage synergies and trade-offs with climate and other transition plan objectives. Different types of financial institutions will have different capabilities, different types of clients, portfolios and suppliers and therefore different approaches to engagement.

The Engagement Strategy for clients and portfolio companies should reflect the financial institution's wider business model and own plan priorities for the transition. The financial institution should consider where it is positioned in the market and where its leverage points are to drive change through engagement. Financial institutions will also need to consider the characteristics of their portfolio companies and clients, and what their specific needs are likely to be. The Engagement Strategy should cover both a review of existing engagement practices, aligning them with the financial institution's transition plan, and consideration of what additional engagement might be required.

Engagement strategies for clients or portfolio companies should clearly outline which clients or portfolio companies are covered and should include defined objectives for each. For example, a financial institution may engage high risk commodity traders in their portfolio to adopt credible transition plans that address deforestation and land conversion. In developing strategies, an organisation should consider the timing for engagement, the geographical scope of engagements and the methods of engagements, including appropriate escalation mechanisms when progress remains lacking. Escalation mechanisms may include voting against the board or management of portfolio companies.

A financial institution may also engage data suppliers as these may be needed to develop crucial nature-related information to inform implementation and engagement strategies.

Asset owners may need to oversee the implementation of their transitions plans by external managers. This includes setting clear expectations and mandates, close monitoring and ongoing engagement with external managers.

A financial institution's engagement strategy for clients and portfolio companies should be integrated, where possible, with the industry engagement strategy (4.3.3), where the financial institution takes part in collective engagement initiatives.

Many credible guides for engagement are available that financial institutions may want to consider, including:

- The TNFD's [Additional guidance for financial institutions](#); [Guidance on engagement with Indigenous Peoples, Local Communities and affected stakeholders](#) and [Asking Better Questions on Nature for asset owner chief investment officers](#);
- Business for Nature, WBCSD and WEF's [sector actions towards a nature-positive future](#) and the [TNFD sector guidance](#) for potential asks of clients and portfolio companies;
- Ceres and Nature Action 100's [Exploring Nature Impacts and Dependencies: A Field Guide to Eight Key Sectors](#);
- CISL's [Let's Discuss Nature with Climate: Engagement Guide](#);
- Global Canopy's [Deforestation-free Transition \(DEFT\) Pathway](#);
- Guidance on engagement in the context of a climate transition plan in GFANZ's guidance on [Financial Institution Net-zero Transition Plans](#);
- Guidance on engagement for nature in [PRB Nature Target Setting Guidance](#) and Finance for Biodiversity Foundation's [Nature target setting framework for asset managers and asset owners](#); and
- PRI's [SPRING](#).

4.3.3. Engagement with industry

Component 3: Engagement with industry	
How the organisation will engage with industry peers	<ul style="list-style-type: none"> • Engagement with industry peers and industry-related bodies to help deliver transition plan

An organisation should consider how engagement with industry peers and industry-related bodies (e.g. academia, NGOs) can help deliver its transition plan and drive forward change. This can include participation in and leadership of industry initiatives, trade organisations and/or engagement to enable the economy-wide transition. To the extent permitted by regulation, this could include sharing non-competitive, non-confidential information about lessons learned and best practices, and pooling resources to address common challenges. This may be particularly relevant at the landscape, basin and seascape level (see Section 4.3.1.), and for government, public sector and civil society engagement (see Section 4.3.4.). Beyond targeted industry engagements to deliver plan priorities, organisations should consider other existing or new engagements in sector initiatives and evaluate the extent to which these may hamper delivery of the transition. This particularly relates to nature-related advocacy and lobbying activities by industry initiatives.

Outcomes could include:

- Adoption of common approaches to the transition, supporting uptake of standards by less advanced peers and comparability across organisations;



- Identification of high priority locations for the sector, informing prioritisation of engagement in landscape, basin and seascape initiatives;
- Joint transactions or collaboration on projects or initiatives for the transition, including at a landscape, basin or seascape level;
- Collaboration on advocacy and on engagement with public policy development to support the transition, at a national, international, landscape, basin and seascape level, including the adoption of common positions within what is permitted by law;
- Making common commitments;
- Joint development of knowledge products; and
- Improved data and analytics to support the transition, for example, through standard requirements for clients, portfolio companies and value chain partners.⁶⁶

4.3.4. Engagement with government, public sector and civil society

Component 4: Engagement with government, public sector and civil society	
How the organisation will engage with government, public sector and civil society	<ul style="list-style-type: none">• The importance of public policy for delivery of the transition plan, including how policy can enable or hinder execution• The organisation's existing and planned direct and indirect engagement with the public sector and how it is consistent with the transition plan, including the topics of engagement

Governments play an important role in environmental governance. What can or cannot be done on a site or across a landscape, basin, seascape or country will often be governed by local, national and international law. Furthermore, regulators also may offer incentives or put in place guidelines that enable or hamper the ability to deliver changes. Undertaking the actions in the Implementation Strategy may require the support of the authorities responsible for environmental oversight of the area, as well as civil society, which may have a further consultative role.

At a local, national and international level, environmental laws will also guide an organisation's approaches to the transition, and support collaboration on issues that may require an element of coordination between actors to address and push forward action from organisations less advanced in their understanding of nature. An organisation should assess the role of public policy in its transition plan, including how policy can enable or hinder execution of the plan.

⁶⁶ Adapted from GFANZ (2022) [Financial Institution Net-zero Transition Plans](#); GFANZ (2022) [Expectations for Real-economy Transition Plans](#).

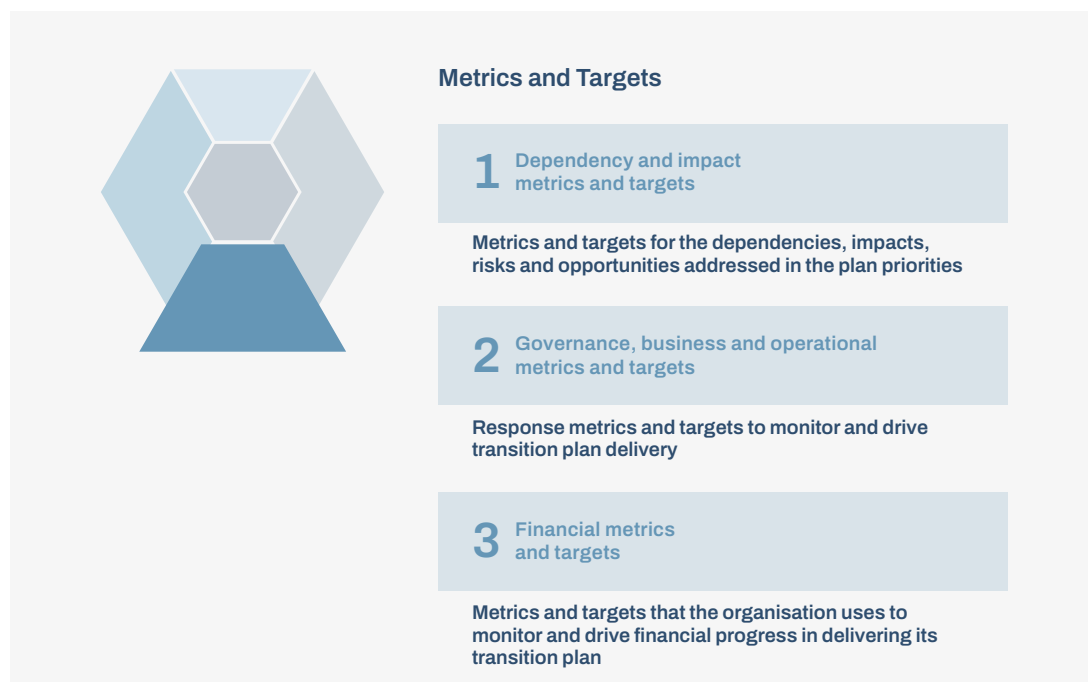


An organisation may also, as appropriate and legally permitted, encourage the lobbying and advocacy of clients, portfolio companies and value chain partners to be consistent with the organisation's own transition plan.

Examples of topics that an organisation may want to engage the public sector on include:

- National and subnational nature targets and strategies, including NBSAPs as a reference point for the organisation's transition plan;
- Regulation, taxation and public spending with respect to the country's efforts to achieve the goals and targets of the GBF. This would include government policy regarding investment, innovation, market design, product design regulation, green labelling regulation and associated taxonomies, material use regulations, industrial incentives, competition and utility regulation, infrastructure provision and resource governance;
- Nature-related policies in support of achieving the aims of the Paris Agreement, such as efforts to halt deforestation and other habitat conversion, and other societal goals;
- Local and national land, freshwater and ocean use governance;
- Mobilising capital flows to deliver the financing ambitions of the GBF for emerging markets and developing economies and supporting a just transition globally; and
- Disclosure requirements, covering information about nature-related dependencies, impacts, risks and opportunities.⁶⁷

4.4. Metrics and Targets

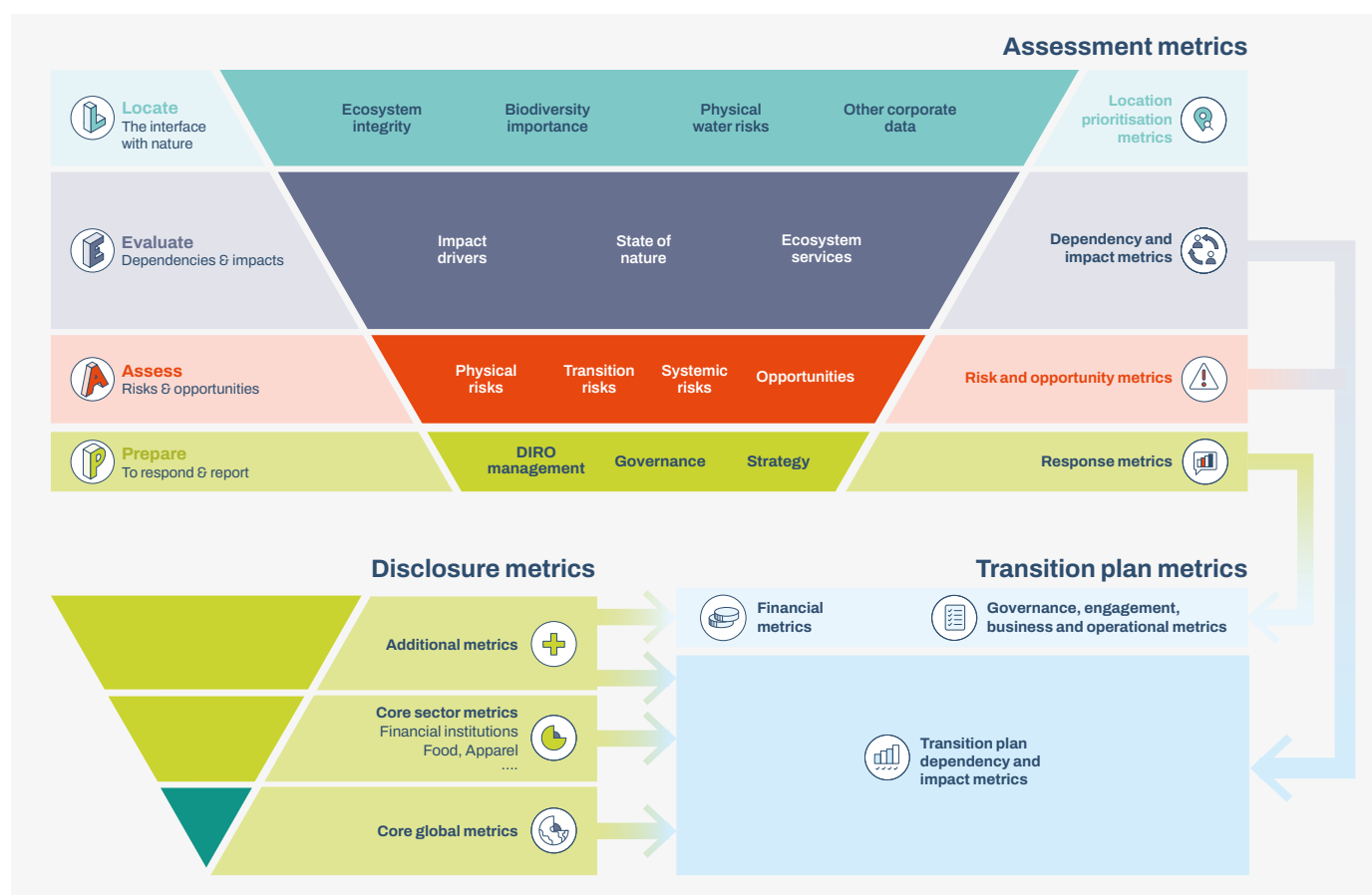


⁶⁷ Adapted from GFANZ (2022) [Financial Institution Net-zero Transition Plans](#); GFANZ (2022) [Expectations for Real-economy Transition Plans](#).

In the Metrics and Targets theme, an organisation identifies metrics to monitor progress against the plan priorities and sets targets for those metrics.

Metrics and targets help organisations to communicate the degree of ambition of the plan, the comprehensiveness of the Implementation Strategy and Engagement Strategy in delivering the plan priorities, and progress against those priorities. They also help to create accountability for the delivery of the outcomes to which the organisation has committed.

Figure 14: TNFD metrics architecture and transition planning



Nature in a transition plan should include three categories of metrics and targets, aligned with the TNFD metrics architecture (Figure 14):

- **Dependency and impact metrics and targets:** These encompass metrics and targets for impact drivers, changes to the state of nature and changes to ecosystem services. They are used to monitor and drive progress for individual components of the dependency or impact pathways associated with the transition plan priorities. An organisation should refer to – but is not limited to – the TNFD indicators and metrics for dependencies and impacts on nature, including the TNFD core and additional global metrics, core and additional sector metrics, and assessment metrics;



- **Governance, engagement, business and operational metrics and targets:** These metrics fall under the category of response metrics in the TNFD metrics architecture. They are used to monitor and drive delivery of the plan, including governance, engagement, business and operational aspects. An organisation should refer to – but is not limited to – the TNFD response indicators and metrics (including the TNFD core and additional global metrics, core and additional sector metrics, and assessment metrics); and
- **Financial metrics and targets:** These metrics correspond to the capital allocation and investment category of strategy response metrics in the TNFD metrics architecture. They are used to monitor delivery of financial aspects of the plan, including associated taxonomies, if and when applicable, for financial institutions' investments and lending activities.

All the metrics and targets are equally important in a comprehensive transition plan. The set of metrics and targets can also be adapted over time as the plan evolves. An organisation may adjust the level of detail or granularity of the metrics and targets depending on the data available, while improving the quality of data over time.⁶⁸ An organisation should monitor climate and social metrics alongside nature-related metrics in order to understand how synergies and trade-offs evolve as the plan is implemented.

As set out in the TNFD's guidance on component P2 of the [LEAP approach](#), targets should be quantified, time-bound and science-based, where possible, and refer to relevant baseline values against which progress will be tracked. Baseline values should reflect a recent and representative period of the company's operations and environmental impacts and avoid periods of anomalies (e.g. during unusual events). For example, SBTN recommends calculating baselines for water use and quality based on the last five full years of operations.

Box 18 provides a use case from an energy company.

⁶⁸ An organisation may wish to refer to the TNFD [recommendations for how a system-wide approach to upgrading nature data could be advanced](#).



4.4.1. Dependency and impact metrics and targets

Component 1: Dependency and impact metrics and targets	
Metrics and targets for the dependencies, impacts, risks and opportunities addressed in the plan priorities	<ul style="list-style-type: none">• Metrics covering impact drivers, changes to the state of nature and changes to ecosystem services for the dependency or impact pathways addressed in the transition plan priorities• Targets covering impact drivers, changes to the state of nature and changes to ecosystem services for the dependency or impact pathway addressed through the transition plan priorities• Risk and opportunity metrics, where these form part of the plan priorities• Organisation-level aggregated impact driver, state of nature and ecosystem service metrics and targets where appropriate, relevant and useful, and only as a complement to the disaggregated metrics• Anchor points to inform metrics and targets

Dependency and impact metrics in a transition plan capture the transition plan's outcomes for nature. They also provide insights into the organisation's nature-related risks and opportunities.

An organisation, as a minimum, should measure the impact drivers associated with each plan priority by location. To identify relevant metrics, an organisation can draw from, but is not limited to, the relevant TNFD dependency and impact metrics (including the TNFD core and additional global metrics, core and additional sector metrics, and assessment metrics).⁶⁹

An organisation may also wish to refer to the metrics in [SBTN's Step 1: Assess Technical guidance](#), which covers impact driver metrics (referred to as pressures in the SBTN methodology) and state of nature metrics for the main causes of nature loss in land, freshwater and ocean systems.⁷⁰

An organisation should also measure, where possible, the other impact drivers associated with the plan priority locations. This enables understanding and management of synergies and trade-offs across nature-related issues in the location. For example, an agricultural commodity producer may focus on reducing water use and choose metrics to monitor its water use. Monitoring its other impact driver metrics allows it to check, for example, if its farmers respond to reduced water availability by applying additional agri-chemicals to try to boost yields.

⁶⁹ See TNFD (2023) [Recommendations of the Taskforce on Nature-related Financial Disclosures](#), Annexes 1 and 2; TNFD [LEAP approach](#), component E3 and Annex 1; and TNFD (2024) [Additional guidance by sector](#).

⁷⁰ SBTN (no date) [Step 1: Assess your impacts on nature](#).



Measurement of changes to the state of nature and ecosystem services in the relevant locations can further strengthen the understanding of whether the actions taken are contributing to halting and reversing nature loss and improving the resilience of the ecosystem services on which the organisation and wider society depend. They need to be measured at the appropriate scale and interpreted carefully, bearing in mind that changes in the state of nature and ecosystem services in any location are determined by the cumulative actions of all actors with impacts on that location and may respond to businesses' actions on different timescales to usual business planning.

An organisation can draw from the NPI's consensus [state of nature metrics](#) for more guidance, which are currently in draft and expected to be finalised in 2026. An organisation may also want to coordinate with other actors in a location to share costs and gain insights.

The TNFD dependency and impact metrics may not always be suitable for monitoring the success of less location-specific priorities or priorities that might affect nature over a longer timescale.⁷¹ In such cases, an organisation should consider metrics under the other components of the Metrics and Targets theme for monitoring progress.

Further guidance on measuring the state of nature and ecosystem services is available from:

- The TNFD [LEAP approach](#), component E3 and Annex 2;
- Data and analytics tools in the TNFD [Tools Catalogue](#);
- The publications of the [Align Project](#);
- The proposed [state of nature metrics to drive nature positive outcomes](#) from the Nature Positive Initiative; and
- The [SBTN Step 1: Assess technical guidance](#), which provides an overview of key pressure-sensitive and biodiversity state of nature metrics. These are supported by a toolbox containing relevant datasets and tools.

Dependency and impact metrics for financial institutions

Financial institutions can track dependency and impact metrics reported by individual portfolio companies to inform transition financing strategies as part of a suite of indicators to determine the credibility of a portfolio organisation's transition plan. A financial institution may also use dependency and impact metrics in sustainability-linked financing mechanisms.

Nevertheless, the TNFD recognises that data and methodological gaps and data quality issues may make it more complex for financial institutions to measure some dependencies and impacts at the portfolio or sub-portfolio level. This is subject to ongoing work by the TNFD and partners.⁷²

⁷¹ Such as investing in developing technologies to enable the transition.

⁷² See, for example, TNFD's [Discussion paper on identification, assessment and disclosure of dependencies and impacts on nature in financial portfolios](#).



Where data is not available, financial institutions may want to focus on governance, business, operational and financial metrics (see Sections 4.4.2 and 4.4.3) using the TNFD disclosure metrics for financial institutions, set out in the TNFD [Additional guidance for financial institutions](#).

Dependency and impact targets

Dependency and impact targets quantify the organisation's nature-related ambitions for each plan priority and location. An organisation, as a minimum, should set targets for the impact drivers for each plan priority, using the relevant TNFD dependency and impact metrics.⁷³ Targets should be developed over short, intermediate and long-term timelines, aligned to the plan and business strategy process.

The TNFD recommends that organisations use [methods developed by SBTN](#) to set science-based targets for nature and that corporates use SBTN guidance to take action towards these targets, and measure progress and performance against them, where available.⁷⁴ Organisations with land-intensive sectors in their business model or value chain should also refer to the [SBTi's Forest, Land and Agriculture climate targets](#).

The TNFD recognises that some organisations may choose another process for setting targets for nature. In such cases, the TNFD recommends that target setting follows the basic principles of science-based targets set out in the SBTN methods.

The credibility of targets not based on the SBTN approach may be enhanced if they are linked to external anchor points. These are desired levels for an activity, impact driver, the state of nature or ecosystem services based on external established sources for specific geographic and temporal scales (see Box 19).

It may not always be feasible for an organisation to identify and apply appropriate anchor points for every location covered by the transition plan. An organisation may therefore, as an interim step, apply the same level of action to all locations with similar characteristics, rather than identifying specific anchors for each location. For example, an organisation might apply a target of a 20% reduction in water consumption in each location with high water stress. These could be referred to as location-informed targets. This avoids postponing setting targets until a similar level of evidence can be achieved for all locations. Such targets can be combined with location-specific targets, where some locations have, for example, basin-specific water-use targets, based on identified anchors (see Figure 15).

An organisation may also consider setting targets for state of nature and ecosystem service metrics, although the TNFD recognises that organisations have less direct control over

⁷³ See TNFD (2023) [Recommendations of the Taskforce on Nature-related Financial Disclosures](#), Annexes 1 and 2; TNFD [LEAP approach](#), component E3 and Annex 1; and TNFD (2024) [Additional guidance by sector](#).

⁷⁴ SBTN's upcoming releases of V2 Land and Freshwater methods for science-based targets will further increase coverage to address even more of the major environmental pressures. See also TNFD (2023) [Guidance for corporates on science-based targets for nature](#).

outcomes for the state of nature and ecosystem services, compared to impact drivers. They may be most relevant where an organisation has included in a plan priority a commitment to nature protection, conservation, restoration or regeneration, for example, to secure a supply of ecosystem services or to address historic negative impacts. An organisation should also consider the NPI's [forthcoming work on demonstrating contributions to nature-positive outcomes](#) and ISEAL Alliance's [guidance for making claims related to landscape initiatives](#).

Further guidance on target setting is available in the TNFD [LEAP approach](#), component P2.



Box 18: Site-specific ecosystem and species metrics for delivering transition objectives

Iberdrola is developing a Biodiversity Accounting Framework to monitor its biodiversity-related actions and set measurable targets, reflecting its high-level nature vision.

The framework is built around two complementary metrics.

The first is an ecosystem metric, designed to track how ecosystems change at Iberdrola's sites over time around Iberdrola's operations. Each area is scored on a scale from 0 to 5, where 0 reflects a heavily degraded ecosystem and 5 represents a healthy, intact one. These scores are based on a combination of field data and satellite imagery, capturing both aspects of the ecosystem condition and external pressures affecting it. The condition score is combined with the spatial extent of each ecosystem type to calculate an 'equivalent hectares' (ha-eq) value, essentially, an estimation of how much fully functional ecosystem the site represents. This is then compared to a baseline established before any activity began.

The second is a species metric, currently under development. It aims to track the impact of Iberdrola's activities on individual species, focusing initially on mortality events, such as birds colliding with wind turbines, which are already being monitored. The ambition is to complement this data by also measuring the positive effects of conservation efforts that support the recovery of the same species. While the methodology to quantify species gains equivalent to recorded losses is still being developed, the goal is to create a balanced view of species-level outcomes.

Using these two metrics, Iberdrola will identify priority locations where targeted Biodiversity Action Plans (BAPs) will need to be implemented. These plans aim to deliver positive outcomes for both indicators at each site, including a net gain in its ecosystem metric and a net positive change in its species metric.

Beyond site-level planning, the Biodiversity Accounting Framework also supports internal decision-making and external reporting, helping to embed biodiversity considerations into corporate governance and business model. Once finalised, Iberdrola aims to publicly share its full methodology for its metrics.

Box 19: Anchor points

Anchor points are a desired level for an activity, impact driver, the state of nature or ecosystem services, with reference to a geographic and temporal scale, compared to a baseline.

They may be based on, for example:

- Scientific reference conditions for the state of nature and ecosystem services in a relevant location;
- Scientific models, scenarios and sector transition pathways;
- Stakeholder agreements (e.g. collective commitments and landscape, basin or seascape approaches);
- Stakeholder expectations;
- National and regional policy objectives (e.g. NBSAPs) and stated targets for the state of nature in relevant locations;
- The goals and targets of the GBF, the Paris Agreement and other societal goals; and
- Industry benchmarks.

While any of these may offer guidance for setting targets, most credible anchor points are a combination of these and include at least a reference to scientific findings or models for the state of nature in the location. For example, SBTN's approach to setting water targets includes using science-based environmental flow models, endorsed by relevant local water authorities, and consider relevant stakeholder perspectives.

This needs to be balanced with identifying variables that will respond sufficiently quickly to an organisation's actions in order to show progress.

Stakeholder consultation on the adequacy of different anchor points for a given location, reflecting potentially competing social priorities and local context, should be considered before selecting (or combining) anchor points for target setting.

Multiple anchor points may be available at various levels and in various forms, which may complement or contradict each other. For example, the GBF has a target to reduce global excess nutrients lost to the environment by at least half by 2030, but the UK Environmental Improvement Plan 2023 has a target to reduce nitrogen, phosphorus and sediment pollution from agriculture into the water environment by at least 40% by 2038. An organisation should assess the credibility and relevance of available anchor points to be transparent about how it has decided to use them. An organisation should consider engaging stakeholders in this selection process.

Source: See, for example, the [SBTN methods](#) and WWF's [Catalysing change: The urgent need for nature transition plans](#).

Risk and opportunity metrics

Where an organisation has included a nature-related risk or opportunity in a plan priority, it may also include risk and opportunity metrics alongside the dependency and impact metrics to provide a fuller picture of progress in delivering the plan priority. An organisation should draw from, but is not limited to, the relevant TNFD risk and opportunity metrics and assessment metrics.⁷⁵

Aggregating metrics and targets across locations

In line with general requirement 3 of the [TNFD recommendations](#), dependency and impact metrics and targets for the transition plan priorities should be location-specific and aligned with the plan priorities themselves. As for the plan priorities, different locations should only be aggregated where the locations have shared characteristics, both in terms of type and condition of nature in those locations, and the dependencies, impacts, risks and opportunities associated with them.

Aggregated organisation-wide impact driver targets should only be considered as complementary to location-specific or location-informed targets, with all information disaggregated to the location level. Similarly, organisation-wide metrics are only complementary to, not a substitute for, the metrics directly associated with dependency or impact pathways for plan priorities (see Figure 15).

Figure 15: Impact driver targets



⁷⁵ See TNFD (2023) [Recommendations of the Taskforce on Nature-related Financial Disclosures](#), Annexes 1 and 2; TNFD [LEAP approach](#), component A3 and Annex 1; and TNFD (2025) [Additional guidance by sector](#).



4.4.2. Governance, business and operational metrics and targets

Component 2: Governance, business and operational metrics and targets	
Response metrics and targets to monitor and drive transition plan delivery	<ul style="list-style-type: none">• Response metrics and targets covering governance, business and operations

Metrics related to governance, business and operations fall under the category of response metrics in the TNFD metrics architecture (Figure 14).

An organisation should choose response metrics and set targets to monitor and drive progress and performance in executing its plan.

These metrics and targets may be at the plan priority-level or aggregated to demonstrate progress in delivering the plan across the organisation, depending on the topic. Aggregated metrics may be particularly important for organisation-level activities or activities that cut across many locations. Metrics related to the activities of the board and senior management may be more likely to relate to the plan as a whole rather than a specific plan priority.

Examples could include:

- Percentage of sites with a certain technology deployed;
- Percentage of own operations and suppliers compliant with site-specific water use policies;
- Percentage of suppliers with Accountability Framework initiative-aligned deforestation and conversion-free policies;
- Percentage of soy sourced with RTRS-certified chain-of-custody;
- Frequency of stakeholder engagement activities; or
- Number of times the board has discussed the transition plan.

Financial institutions may similarly track and report such response metrics and targets, either at the portfolio, transaction, client or portfolio company, or location level. Financial institutions may also deploy such metrics to inform their criteria for providing transition financing to portfolio organisations. For example, a financial institution may include the level of chain-of-custody RTRS certification as part of a suite of indicators to determine the credibility of a soy producer’s progress in its transition plan. This could help the financial institution to determine whether the producer is eligible for finance under its strategy to support transitioning organisations.

4.4.3. Financial metrics and targets

Component 3: Financial metrics and targets	
Metrics and targets that the organisation uses to monitor and drive financial progress in delivering its transition plan	<ul style="list-style-type: none"> Response metrics and targets, covering financial delivery of the plan, including associated taxonomies if and when applicable, and, for financial institutions, investment and lending activity

These are response metrics and targets for monitoring the financial delivery of the transition plan, both at the priority and plan level. An organisation should set financial metrics and targets associated with the strategies and activities identified. These provide clarity and confidence in the financial planning, as described in the implementation plan. Financial metrics may vary across organisations depending on their sector and line of business, and can address turnover, capex, opex, R&D expenditures and spending associated with specific activities, decisions, products or services. Where applicable, companies should set metrics both as absolute values and as a percentage of the total.

If applicable and relevant, an organisation should use relevant taxonomies in their financial metrics and targets to enhance their credibility by showing the extent to which they contribute to the transition implied by the GBF, the Paris Agreement and other societal goals.

Financial institutions should additionally use financial metrics and targets to steer and monitor their progress in deploying their transition financing strategies within their investment and lending activity. These metrics and targets should include amounts dedicated to different transition financing strategies.

Use of these strategies should include a clear description of how they are deployed within portfolios and transactions, including the relevant taxonomies and/or criteria used.

When selecting metrics and targets, an organisation should consider using the TNFD's core and additional disclosure and assessment response metrics, which are set out in the:

- TNFD [Recommendations of the Taskforce on Nature-related Financial Disclosures](#), Annex 2;
- TNFD [LEAP approach](#), in particular, components E3, P2 and Annex 1; and
- TNFD sector guidance, including the [additional guidance for financial institutions](#).

4.5. Governance

An organisation should consider whether existing governance structures are sufficient or whether changes are required to ensure the plan is delivered.

Effective governance starts with obtaining initial senior and board buy-in to the plan and embedding it in the wider strategy of the organisation. This includes making resources



available and ensuring people within the organisation have the skills to deliver the plan and are appropriately incentivised and held accountable for doing so.

Creating the right culture around the plan will also be essential, with nature embedded across all teams, innovation encouraged to support delivery, and leadership regularly reinforcing the plan's importance and updating on progress and any changes.⁷⁶

An organisation should consider how governance might vary across transition plan topics and wider sustainability objectives, balancing specialist oversight with effective management of synergies and trade-offs. Considering the interactions between nature and climate efforts, an organisation might identify that cultural change and capacity building may draw on one integrated environmentally themed programme. Similarly, climate and nature roles and responsibilities may be integrated into one ESG, sustainability or environmental team. An organisation taking an integrated approach to the Governance component should clearly outline this as part of the plan.

Box 20 provides a use case from a construction materials company.

4.5.1. Board oversight and reporting

Component 1: Board oversight and reporting	
The board-level oversight and reporting structures the organisation has put in place	<ul style="list-style-type: none">• Board-level governance and reporting structures for the plan• Board-level knowledge and capacity to oversee the plan

The board provides ultimate oversight of the plan and holds the organisation accountable for its delivery. The board should put in place a clear mandate for action across the organisation, and reporting structures should be in place to allow the board – or subcommittee – to keep track of implementation and ensure progress. The board or subcommittee could include members with nature-related experience and expertise, or the plan could include capacity building for board members where this is lacking.

The process of reporting to the board should include defined reporting thresholds and escalation protocols. Reporting could cover metrics for the actions listed in the plan, results from engagement activities, management performance indicators as a result of the plan, risks and mitigations, and reports from third parties.

Processes should be put in place – including at a board and sub-committee level – to review and update the plan as the external situation changes, more information becomes available and challenges are encountered, with implementation risks properly managed to maintain progress. The board should provide advice to management, review the suitability of the plan

⁷⁶ Adapted from GFANZ (2022) [Recommendations and Guidance on Financial Institution Net-zero Transition Plans](#); GFANZ (2022) [Expectations for Real-economy Transition Plans](#).



and its design, and assess progress. Any changes, and the responsible individuals in the organisation or board, should be well documented.

4.5.2. Roles, responsibilities and accountability

Component 2: Management roles, responsibilities and accountability	
The management roles and responsibilities the organisation has defined to support delivery of the transition plan, and the accountability mechanisms in place	<ul style="list-style-type: none">• Management roles across all levels with ownership, oversight and responsibility for delivery of the transition plan• Accountability, performance criteria and role descriptions

An organisation should clearly define and document responsibilities at all levels – the board (if applicable), senior management and all other staff – to ensure the ownership, oversight and delivery of the transition plan. These responsibilities should cascade down through the organisation, for both the design and delivery of the plan, as appropriate.

Updated or newly defined roles and responsibilities may warrant changes to the organisational structure. This could include governance structures tailored to address plan priorities at a location level to help ensure that they are achieved or the creation of new or redefined teams that better align with new strategic priorities. This process should ensure that each role and team is clearly defined and equipped to handle the specific tasks required by the transition plan. Additionally, establishing clear lines of accountability and communication within the updated structure can facilitate better coordination and monitoring of progress.

Appropriate accountability and individual performance criteria should be in place where possible.

Individuals should be given sufficient authority to deploy resources and set operational objectives to deliver the elements of the plan for which they are responsible. This could include access to advisors and the development of resources, tools, data and analysis. It could also extend to authority to deliver the Engagement Strategy, building networks across the different aspects of the plan.

The overall governance should provide continuity in plan delivery, regardless of personnel changes. This will require resources, skills and cultural changes to be embedded across the organisation, ensuring that nature is integrated into its wider strategy.⁷⁷

⁷⁷ Adapted from GFANZ (2022) [Recommendations and Guidance on Financial Institution Net-zero Transition Plans](#); GFANZ (2022) [Expectations for Real-economy Transition Plans](#).



Box 20: Aligning global ambitions with local responsibilities

With operations in 45 countries, spanning five continents, building solutions provider Holcim navigates multi-level governance systems that oversee its nature-related planning and implementation.

At a global level, Holcim is responsible for identifying its material environmental impacts across its business locations. For example, in the process of setting SBTN freshwater targets, Holcim assessed where the most significant water-use practices took place and which were in the most water-stressed basins.

The maturity of business locations is then assessed in consultation with local teams. This includes evaluating available resources, gauging local buy-in, and understanding the existing stakeholder relationships in each regional office. This is understood by Holcim to be crucial for tailoring the prioritisation and ambition setting, to align with where ambitious action is achievable.

Based on the materiality and maturity assessments, the Group Sustainability and local teams agree on priorities together, and set associated local targets. Local managers are responsible for delivering the targets that have been set for the location. At the same time, local targets are integrated into the overarching global Nature Strategy. This ensures that while action is taken where it is most impactful locally, it also contributes to the company's broader nature-positive ambitions.

To ensure leadership support, selected nature-related targets in the global strategy are tied to the long-term incentive plans of the company's top 200 senior leaders worldwide. The Nomination, Compensation & Governance Committee (NCGC) proposes the objectives for the Long-Term Incentive Plan. These objectives are then approved by the Board of Directors. The Health, Safety and Sustainability Committee (HSSC) advises the Board of Directors on all matters related to sustainable development and meets quarterly to discuss progress.

4.5.3. Culture

Component 3: Culture

The organisation's approach to changing organisational culture to support delivery of the transition plan

- Processes for changing norms, beliefs and attitudes in the organisation

Shifting the organisational culture is essential to the success of organisational change processes, as culture shapes the values, behaviours and decision-making processes that determine how effectively a company can adapt. It may also stimulate cross-functional



collaboration. Without systems in place to guide and reinforce cultural change, even the most well-designed transition strategies risk being undermined by inertia, resistance or misalignment across teams.

Considering the transition plan in systems such as internal communications, company values, leadership development programmes and employee engagement initiatives helps embed the transition plan into the organisational DNA. It ensures that the plan is not just a collection of top-down directives, but shared commitments across all levels of the business.

These systems also provide the structure needed to translate abstract nature ambitions into everyday practices. For example, consistent communication from senior management and through training programmes helps to normalise new ways of working and fosters a sense of ownership and accountability. Over time, this may support a culture that is not only aligned with the transition plan, but resilient and adaptive.

4.5.4. Incentives and remuneration

Component 3: Incentives and remuneration	
The incentives and remuneration packages in place	<ul style="list-style-type: none">• Incentives and remuneration

Compensation structures should evolve to support and accelerate implementation of the transition plan. By embedding nature-related metrics into executive and employee remuneration, an organisation can incentivise the behaviours and decisions necessary for a successful and credible transition. These should all be tailored to the role of the individual concerned. Incentives should include outcomes for where targets are met and where they are not. This may include financial incentives, including those for senior or executive management, commensurate with the importance of the transition plan.

Remuneration tied to nature in transition planning signals a company’s seriousness about its commitments. It builds trust with investors, regulators and the public by demonstrating that the plan is not just a peripheral concern, but a core strategic priority. Transparent and accountable compensation frameworks can help mitigate reputational risk and attract nature-conscious talent. Ultimately, remuneration becomes a tool not only for rewarding performance, but for driving change across the organisation.



4.5.5. Skills, competences and training

Component 5: Skills, competences and training

The organisation's approach to accessing skills to support delivery of the transition plan

- Training and capacity building programmes

Designing and delivering a transition plan may require significant change across the organisation, including changes in the skills and knowledge required for many employees.

The organisation should conduct an assessment of the individuals who will need to lead key elements of the design and delivery of the plan. This will determine whether they have the required skills and knowledge for the role, and whether further subject matter expertise needs to be acquired or outsourced, such as ecologists and others with specialised scientific knowledge or the multidisciplinary skills needed to bring together different aspects of nature. This will range from strategic oversight of the plan through to day-to-day delivery.

Training will also be relevant to those with less direct responsibility but may still have a degree of influence over the success of the plan. Across the wider organisation, staff should have sufficient understanding of the relevance of nature and the transition plan to their role and the organisation, why the changes are happening, what is expected of them and how they can contribute. An organisation may also want to extend this training to value chain partners and others outside the organisation who are critical to the success of the plan. The provision of such training would form part of an organisation's Engagement Strategy.⁷⁸

Understanding an organisation's nature-related interface, and the management of the plan, will require gathering, managing and interpreting new data. An organisation may want to encourage the effective use of this by improving data literacy, increasing the accessibility of data across the organisation, guiding decisions at all levels with data and analytics, and integrating data into workflow processes. This may also require an organisation to plan and upgrade their data infrastructure, including data services contracts and relevant internal software.

An organisation can use TNFD capacity building materials in training programmes, available in the TNFD [Trainer Portal](#) and [Learning Lab](#). An organisation can also find practical examples from financial institutions and corporates that have applied the LEAP approach to assess their nature-related dependencies, impacts, risks and opportunities in the TNFD webinar library and case study library, which are available in the TNFD's [Knowledge Hub](#).

⁷⁸ Adapted from GFANZ (2022) [Recommendations and Guidance on Financial Institution Net-zero Transition Plans](#); GFANZ (2022) [Expectations for Real-economy Transition Plans](#).



5. Disclosing information about nature in a transition plan

As shown in the TNFD's [2025 Status Report](#), investors and other report users are increasingly interested in understanding organisations' nature-related dependencies, impacts, risks and opportunities, their approach to responding and contributing to the goals and targets of the GBF, and the associated implications for their business model and value chain.

The work of the TNFD and others has reflected this growing information need in international and regional standards and frameworks:

- The [TNFD recommended disclosure](#) Strategy B sets out that an organisation should describe 'any transition plans in place'. The guidance underpinning this recommendation says, 'Organisations that have made nature-related commitments, set nature-related targets and/or made nature transition plans to address nature-related dependencies, impacts, risk and opportunities should describe their commitments, how they will achieve them and how they are aligned to the GBF goals and targets';
- The [IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information](#) asks organisations to 'disclose information about how the entity has responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making' and has provided [guidance](#) on disclosure of information about an organisation's climate-related transition within the IFRS S2 standard; and
- Regional and national standards also refer to transition plans, with the European Sustainability Reporting Standards recommending disclosure of transition plans for biodiversity and ecosystems as part of ESRS E4.⁷⁹

This section offers guidance on how an organisation can meet this demand and disclose information about nature in their transition plans. The guidance follows the same structure recommended in the TPT [disclosure framework](#) for climate transition plans, which builds on the GFANZ five transition planning themes of Foundations, Implementation Strategy, Engagement Strategy, Metrics and Targets, and Governance. Adapting the TPT disclosure framework to nature helps organisations to integrate reporting of information about their

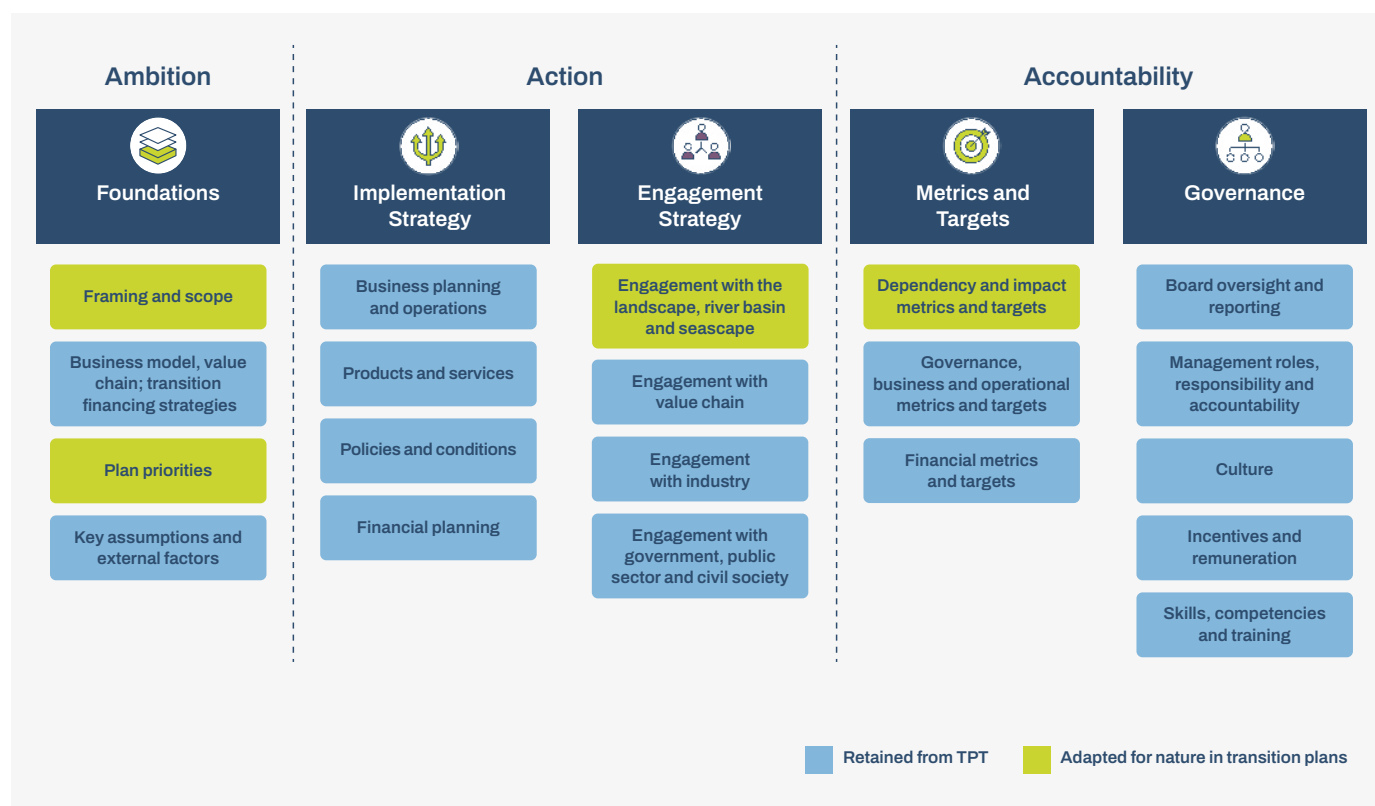
⁷⁹ At the time of publication of this paper, the [ESRS are being revised and are undergoing a process of consultation](#) with the market for their revision following the European Commission's Omnibus initiative. As part of this revision, EFRAG is exceptionally proposing to change the recommendation of disclosure of transition plans for biodiversity and ecosystems (ESRS E4-1) from voluntary to mandatory, as this disclosure is considered highly decision-useful for users.

nature and climate transition plans. The TNFD general requirements⁸⁰ also apply to these disclosures, and an organisation should report any deviation from its approach to its main TNFD-aligned disclosures.

Figure 16 provides an overview of how the TNFD has adapted the TPT recommendations:

- The TNFD disclosure guidance retains 16 of the 19 TPT recommended disclosures;
- The TPT's recommended disclosure on strategic ambition has been replaced with guidance on disclosure of information about transition plan framing and scope, and plan priorities;
- The TPT's recommended disclosures on greenhouse gas emissions metrics and targets has been replaced with guidance on disclosure of information about nature-related dependency and impact metrics and targets;
- The TNFD has added guidance on disclosure of information about engagement in landscapes, basins and seascapes; and
- The TPT's recommended disclosure on carbon credits was not considered relevant to the nature context.

Figure 16: Structure of nature in transition plan disclosure guidance



Based on TPT (2023) [Disclosure Framework](#).

80 TNFD (2023) [Recommendations of the Taskforce on Nature-related Financial Disclosures](#), pp. 43–45.



The TNFD regards it as good practice to disclose information about an organisation's transition plan in a standalone report that is periodically updated using this guidance on disclosures. This should ideally integrate information about the organisation's plan for responding and contributing to the transition implied by the GBF and the Paris Agreement, as well as any other objectives.

There are synergies across the [TNFD recommendations](#) for annual reporting and disclosure of information about transition plans. The TNFD therefore recommends that an organisation draw from and reference its transition plan disclosures to provide the relevant information for its annual reporting when using the [TNFD recommendations](#). Annex 1 presents a high-level mapping between the disclosure guidance on nature in transition plans and the [TNFD recommended disclosures](#).

The standalone report may include additional information that, while not material for the users of disclosures aligned with the [TNFD recommendations](#) – regardless of the organisation's approach to materiality – may be helpful for clearly communicating its strategy to the intended audience.

5.1. Foundations

5.1.1. Transition plan framing and scope

Disclose information about the transition that the organisation is responding and contributing to in its transition plan, including reference to the goals and targets of the Kunming-Montreal Global Biodiversity Framework (GBF), relevant National Biodiversity Strategies and Action Plans (NBSAPs), and other relevant scientific frameworks, public policies and standards. Disclose the organisation's high-level ambition for this transition and the scope of the plan across value chains, nature-related issues and geography.

As part of this, an organisation might determine that it is relevant to disclose:

- Changes to public policy, the natural environment, the economy, technology and social, policy or market dynamics that are relevant to the organisation's nature-related issues and have implications for the organisation's business model, value chain and wider operating environment. This includes changes resulting from or implied by:
 - The goals and targets of the GBF;
 - Other national or international policies, environmental agreements and regulations, including the Paris Agreement and relevant NBSAPs and NDCs that affect the organisation's nature-related dependencies, impacts, risks and opportunities;
 - Any targets the organisation is required to meet by law or regulation;
 - Sector transition pathways, roadmaps or other climate scenarios;
 - Voluntary commitments (e.g. existing public commitments, organisational and industry standards, contractual relationships, codes of practices);
 - Scientific frameworks and stakeholder initiatives; and



- Other societal goals and economic transformations relevant to the organisation's nature-related dependencies, impacts, risks and opportunities;
- The consequences of these external changes for the organisation's business model and value chain in the absence of the transition plan;
- The high-level ambition for the transition plan, including whether the organisation commits to respond and contribute to the transition outlined;
- The parts of the organisation's business model and value chain, and aspects of its interfaces with nature across geographies, impact drivers, dependencies and time periods (including historic impacts) that are in scope of the plan;
- Whether and how the organisation has identified, assessed and taken into account the synergies and trade-offs between aspects of the plan, and with the organisation's other objectives and activities, including its engagement with Indigenous Peoples, Local Communities and affected and other stakeholders, just transition and societal considerations, and climate mitigation and adaptation;
- A summary of the organisation's commitments in the context of the transition plan regarding:
 - International standards of responsible business practice as set out in the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct;
 - Respect of the rights of Indigenous Peoples as reflected in the UN Declaration on the Rights of Indigenous Peoples, ILO Convention 169, the Convention on Biological Diversity; and
 - The UN General Assembly Resolution 76/300 on rights to a healthy environment;
- A description of whether and how human rights due diligence processes, including but not limited to those covering the rights of Indigenous Peoples and Local Communities, are embedded in the plan development and implementation; and
- The processes adopted to enable the monitoring, management and remediation of any adverse human rights impacts caused by or significantly contributed to through the development and implementation of the plan.

5.1.2. Business model and value chain; transition financing strategies

Disclose information about the current and anticipated changes to the organisation's business model and value chain as part of the transition plan. A financial institution should also disclose information about the transition financing strategies it will deploy as part of its transition plan.

As part of this, an organisation might determine that it is relevant to disclose:

- The current and anticipated high-level changes to its business model and value chain; and
- The timeframe over which these changes are expected to occur.



A financial institution might additionally determine that it is relevant to disclose how it will use its financing to respond and contribute to the transition, including:

- The types of financial flows;
- The magnitude of the finance;
- The asset classes in scope;
- How the financing activity will reduce negative impacts on nature or increase positive impacts on nature; and
- The eligibility criteria.

5.1.3. Plan priorities

Disclose information about the organisation's transition plan priorities and their collective coverage of the business model and value chain, and of the organisation's nature-related issues.

As part of this, an organisation might determine that it is relevant to disclose:

- The organisation's nature-related dependencies, impacts, risks and opportunities and associated locations prioritised for management in the transition plan, or for financial institutions, the associated geographies of the portfolio and nature-related issues in question, where location-specific data are available;
- The rationale for the selection of these nature-related dependencies, impacts, risks or opportunities, with reference to any underlying taxonomy, tools, methodologies or definitions used, as appropriate;
- The organisation's high-level approach for each prioritised dependency, impact, risk and opportunity, including:
 - What the organisation aims to achieve for that dependency, impact, risk or opportunity and associated locations, including the anticipated outcome for nature and people;
 - Which aspects of the dependency or impact pathway will be addressed;
 - How the mitigation hierarchy will be applied;
 - The timeframe the high-level approach applies to; and
 - For financial institutions, which financing strategies will be applied;
- The coverage of the dependencies, impacts, risks and opportunities prioritised within the transition plan relative to the full set of the organisation's nature-related dependencies, impacts, risk and opportunities; its business model, value chains, portfolios and asset classes; and its sensitive and other locations; and
- Expected or planned expansions to the plan priorities in the future.



5.1.4. Key assumptions and external factors

Disclose information about the key assumptions the organisation has made in formulating the plan and the external factors on which it depends to achieve the transition plan priorities.

As part of this, an organisation might determine that it is relevant to disclose:

- The key assumptions the organisation has made, including the level of certainty associated with these, external factors on which the plan depends, and the implications of these assumptions and external factors for the achievement of the transition plan priorities. These may include:
 - Policy and regulatory changes;
 - Qualitative or quantitative information about the expected future trajectory for changes in nature that are external to the organisation's activities across relevant geographies and/or sectors, including any locations where the organisation expects to end its interface after implementing the transition plan;
 - Macroeconomic trends (e.g. labour availability, cost of borrowing);
 - Microeconomic and financial factors (e.g. availability of finance, relative prices);
 - Technological developments;
 - Access to data and reliability of data;
 - Shifts in client and consumer demand;
 - The physical impacts of nature loss for the organisation and others, and the regional and spatial implications of these;
 - The response of other actors in the landscape, basin or seascape and the impact of these responses on nature, including where implementing the transition plan results in the organisation ending its association with a location; and
 - Any climate and nature scenarios and sectoral pathways;
- The timeframes over which these key assumptions and external factors are expected to occur;
- Whether and how the organisation aims to increase its relevant knowledge and fill data gaps to test and strengthen assumptions; and
- Whether and how the key assumptions are reflected in the organisation's financial statements.

5.2. Implementation Strategy

5.2.1. Business planning and operations

Disclose information about the short, medium and long-term actions the organisation is taking, or plans to take, in its business planning and operations, and any changes to the decision-making processes it uses, to achieve its plan priorities.

As part of this, an organisation might determine that it is relevant to disclose:

- Current and anticipated changes to business practices or the location of business operations, and investments in new technologies or research and development;
- Current and anticipated changes to upstream sourcing practices and interactions with downstream entities, such as the adoption of improved tracing, certification practices, collaboration with suppliers, customers and other stakeholders, or extended producer responsibility schemes;
- Any other current and anticipated efforts to achieve each transition plan priority related to its business operations including changes to:
 - Production processes or equipment;
 - Physical assets;
 - Workforce;
 - Supply chain and procurement; and
 - Locations and any plans put in place to reduce the risk that leaving a location leaves nature in a worse state;
- The timeline for each action and whether these take place at site, landscape, basin, seascape, organisational, value chain or sector level;
- How actions are sequenced, and build on each other, to form a pathway to enable delivery of the plan priorities, taking into account how the organisation's choices in one period (e.g. of technology or organisational structure) might limit or enable future choices;
- Any detailed action plans in place to avoid unintended negative consequences following intended or expected changes to the locations with which the organisation interfaces after implementing the transition plan;
- The expected principal contributions of each action towards achieving each plan priority, including the methodologies and data sources used to estimate these contributions, where quantified, as well as any uncertainties, assumptions and caveats; and
- What synergies and trade-offs were identified between different aspects of nature and with other sustainability objectives, and how they were identified, prioritised and managed.

Financial institutions might additionally determine that it is relevant to disclose:

- The decision-making processes for transaction approvals, lending approvals, investment mandate allocations, direct investment allocations, credit underwriting, insurance underwriting, and client and/or investment due diligence, including how these reflect plan priorities, and any policies developed to help deliver them; and
- The deployment of transition financing strategies over different timescales to drive change at clients and portfolio companies, including the categories of clients and portfolio companies (e.g. by geography or sector that will be addressed first).

5.2.2. Products and services

Disclose information about the short, medium and long-term actions the organisation is taking, or plans to take, to change its portfolio of products and services to achieve the plan priorities.

As part of this, an organisation might determine that it is relevant to disclose:

- Information about the extent to which current product and services offerings are positioned to achieve the plan priorities;
- Information about anticipated changes to its product and service offerings and further transformative changes to the business model, including timelines;
- Any underlying taxonomy, tools, methodologies or definitions used to classify products and services; and
- The expected principal contributions of the product or service towards achieving each plan priority, and the methodologies and data sources used to estimate these contributions, as well as any uncertainties, assumptions and caveats.

5.2.3. Policies and conditions

Disclose information about the policies and conditions that the organisation uses, or plans to use, to achieve the plan priorities.

As part of this, an organisation might determine that it is relevant to disclose:

- A brief description of any policy or condition that it uses, or plans to use, to achieve the plan priorities, including:
 - Environmental management and safeguards, including those related to natural resource usage, impact drivers and operations in sensitive locations;
 - Use of verified standards, certification systems or other environmental management standards;
 - Supplier, portfolio and client engagement policies;
 - Sector, topic or activity-specific expectations and considerations for procurement, customers, clients and/or portfolio companies, as relevant;



- Nature-related considerations (e.g. thresholds, targets or restrictions) in lending or investment activities;
- Exclusions, enhanced due diligence procedures and/or divestments from assets and activities;
- Human rights, including Free, Prior and Informed Consent (FPIC) policies, with reference to the organisation's main TNFD disclosure under Governance C;
- Labour standards;
- Policies associated with advocacy, collective actions, and landscape, basin and seascape approaches;
- Policies relating to advancing social equity or addressing potential adverse social impacts (e.g. on communities);
- Policies for the identification, management and prioritisation of synergies and trade-offs within aspects of nature and with other sustainability objectives; and
- Any policies in place to address grievances;
- The objective and scope of each policy, the timelines it applies for and any associated methodologies; and
- The expected principal contributions of the policy or condition towards achieving each plan priority, the methodologies and data sources used to estimate these contributions, where quantified, and any uncertainties, assumptions and caveats.

5.2.4. Financial planning

Disclose information about the effects of the transition plan⁸¹ on the organisation's financial position, financial performance and cash flows⁸² over the short, medium and long term, including information about how it is resourcing or plans to resource its plan priorities, to the extent that the financial effects of the transition plan are separately identifiable.⁸³

As part of this, an organisation might determine that it is relevant to disclose:

- The short, medium and long-term financial resources required to deliver the current and planned activities set out in the transition plan, by activity and plan priority;
- How the organisation is meeting, or plans to meet, these resourcing requirements, by activity and plan priority; and

⁸¹ This is not intended to cover information about the financial effects of wider nature-related risks and opportunities. Instead the focus lies on the direct and indirect effects from implementing the transition plan itself.

⁸² For financial institutions, this should cover the financial performance of the organisation itself and not its investment or lending portfolio.

⁸³ This recommended disclosure should be regarded as distinct from the recommended disclosures for financial metrics and targets. Here, the focus lies on demonstrating that the organisation has integrated the transition plan into its financial planning and disclosing expected financial effects. Financial metrics and targets relate to the financial metrics and targets that it is using to assess progress and delivery of the plan over time.



- Qualitative and quantitative information about how implementation of the transition plan is projected to affect the organisation's financial position over the short, medium and long term, including:
 - The organisation's investment and asset disposal plans (e.g. plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformations, innovation, new business areas, investments into research and development for nature solutions, and asset retirements), and plans to which the organisation is not contractually committed;
 - Sources of funding to implement the plan; and
 - Qualitative and quantitative information about how implementation of the transition plan is projected to affect the organisation's financial performance and cash flows over the short, medium and long term.⁸⁴

In reporting this information, the organisation should:

- Use all reasonable and supportable information that is available to the organisation at the reporting date without undue cost or effort;
- Use an approach that is commensurate with the skills, capabilities and resources that are available to the organisation for preparing those disclosures; and
- Explain the methodologies and data sources used, including any scenario modelling used to inform assumptions about asset valuation or financial stress testing, as well as any uncertainties, assumptions and caveats.

Reporting of quantitative information may be point estimates or an estimated range, and prioritise quantitative information about current financial effects and those of short-term actions that may be more certain.

Where financial effects are not separately identifiable, the level of uncertainty is so high that the resulting information would not be useful, or the organisation does not have the skills, capabilities or resources to provide that quantitative information, the organisation should explain this, as well as any measures being put in place to overcome this barrier, including the timescale for these measures.

⁸⁴ This may include quantitative information about the combined financial effects of the transition plan with other aspects of wider corporate strategy unless the organisation determines that quantitative information about the combined financial effects would not be useful information.



5.3. Engagement Strategy

5.3.1. Engagement with the landscape, basin and seascape

Disclose information about any engagement activities – including multi-stakeholder engagement – at a landscape, basin or seascape level that the organisation is undertaking, or plans to undertake, to achieve the plan priorities.

As part of this, an organisation might determine that it is relevant to disclose:

- An explanation of how the organisation prioritises engagement activities in the relevant landscapes, basins and seascapes to achieve the plan priorities;
- A description of how human rights due diligence processes, including but not limited to those covering the rights of Indigenous Peoples and Local Communities, are embedded in the engagement process; and
- A description of current and planned engagement activities by plan priority and location, including, as relevant:
 - A statement of the purpose of the engagement and whether it relates to assessment, solution-finding, monitoring, evaluation and/or management of nature-related issues;
 - The scale of the engagement activity and to what extent it aligns with recognised geographic, administrative or ecological boundaries of the landscape, basin or seascape addressed;
 - Whether the organisation is leading the engagement or is participating in an effort led by another organisation, in the latter case, specifying the lead or convening organisation, the name of the initiative or programme, if available, and the role of the organisation disclosing the transition plan in that collective effort;
 - The expected principal contributions of the engagement activities towards achieving the plan priority, including any collective objectives set and their alignment with relevant jurisdictional or administrative plans; the methodologies and data sources used to estimate these contributions, where quantified, and any uncertainties, assumptions and caveats;
 - A description of the Indigenous Peoples, Local Communities and stakeholders in the landscape, basin or seascape to be engaged, how they were identified and a confirmation that this description has been agreed with them;
 - A description of the approach to and process of engagement, whether engagement is one-off, periodic or ongoing, whether it is through formal or informal structures, as well as the timelines for the engagement;
 - A description of whether engagement is based on free, prior and informed consultation and participation and how Free, Prior and Informed Consent (FPIC) is obtained;
 - A statement of how equitable Access and Benefit Sharing is attained, particularly as it relates to Indigenous Peoples and Local Communities;



- The processes adopted to enable the monitoring, management and remediation of any adverse human rights impacts caused by the organisation or to which it significantly contributes through its engagement;
- Whether landscape, basin or seascape-level monitoring, reporting and governance mechanisms are in place, and a description of those mechanisms;
- A description of the results of the engagement, including relevant data from monitoring actions being implemented or performance improvements, any actions implemented and investments mobilised, and the alignment of these with relevant jurisdictional or administrative plans;
- Linkages with the Implementation Strategy and with any key assumptions and external factors disclosed in the Foundations theme; and
- A description of escalation processes or criteria in place to manage instances where engagement activities do not lead to the desired changes.

An organisation should also refer to its main TNFD-aligned disclosures under general requirement 6 and Governance C and disclose any differences from the information provided there about the way the organisation undertakes engagement in the context of the transition plan.

5.3.2. Engagement with value chain

Disclose information about engagement activities with other organisations and individuals in the organisation's upstream and downstream value chains that it is undertaking, or plans to undertake, to achieve the transition plan priorities.

As part of this, an organisation might determine that it is relevant to disclose:

- An explanation of how the organisation prioritises engagement activities with its upstream and downstream value chain partners to achieve the plan priorities. For financial institutions, this may include stewardship activities and engagement with asset managers, investee companies, loan clients and relevant financial market intermediaries;
- A description of how human rights due diligence processes, including but not limited to those covering the rights of Indigenous Peoples and Local Communities, are embedded in the engagement process; and
- A description of current and planned value chain engagement activities by plan priority and location, including, as relevant:
 - A statement of the purpose of the engagement and whether it takes place in relation to assessment, solution-finding, monitoring, evaluation and/or management of nature-related issues;
 - The part of the value chain engaged with;
 - Whether the organisation is leading the engagement or is participating in an effort led by another organisation, in the latter case specifying the lead or convening



organisation, the name of the initiative or programme if available, and the role of the organisation disclosing the transition plan in that collective effort;

- The expected principal contributions of the engagement activities towards achieving the plan priority, including any collective objectives set; the methodologies and data sources used to estimate these contributions, where quantified, and any uncertainties, assumptions and caveats;
- A description of the Indigenous Peoples, Local Communities and stakeholders in the value chain to be engaged, how they were identified and a confirmation that this description has been agreed with them;
- A description of the approach to and process of engagement, whether engagement is one-off, periodic or ongoing, whether it is through formal or informal structures; and the timelines for the engagement;
- A description of whether engagement is based on free, prior and informed consultation and participation and how Free, Prior and Informed Consent (FPIC) is obtained;
- A statement of how equitable Access and Benefit Sharing is attained, particularly as it relates to Indigenous Peoples and Local Communities;
- The processes adopted to enable the monitoring, management and remediation of any adverse human rights impacts caused by the organisation or to which it significantly contributes through its engagement;
- A description of the results of the engagement, including any actions implemented and investments mobilised;
- Linkages with the Implementation Strategy and with any key assumptions and external factors disclosed in the Foundations theme; and
- A description of escalation processes or criteria in place to manage instances where engagement activities do not lead to the desired changes.

An organisation should also refer to its main TNFD-aligned Governance C disclosure and disclose any differences from the information provided there in the way the organisation undertakes engagement in the context of the transition plan.

5.3.3. Engagement with industry

Disclose information about engagement and collaborative activities with industry counterparts (and other relevant initiatives, individuals or organisations) that the organisation is undertaking, or plans to undertake, to achieve the plan priorities.

As part of this, an organisation might determine that it is relevant to disclose:

- All memberships in trade organisations, lobby organisations or industry bodies;
- An explanation of how the organisation prioritises industry engagement and collaborative activities to achieve the transition plan priorities; and



- A description of current and planned engagement and collaborative activities with membership bodies, industry associations, industry counterparts (and other relevant initiatives or organisations, such as peers and labour unions), by plan priority and location, including:
 - A statement of the purpose of the engagement and whether it takes place in relation to assessment, solution-finding, monitoring, evaluation and/or management of nature-related issues;
 - The membership body, industry association, industry counterparts and other relevant initiatives or organisations engaged with, and the role of the organisation in that group;
 - Whether the organisation is leading the engagement or is participating in an effort led by another organisation, in the latter case, specifying the lead or convening organisation, the name of the initiative or programme if available, and the role of the organisation disclosing the transition plan in that collective effort;
 - The expected principal contributions of the engagement activities towards achieving the plan priority, including any collective objectives set, the methodologies and data sources used to estimate these contributions, where quantified, and any uncertainties, assumptions and caveats;
 - A description of the approach to and process of engagement, whether engagement is one-off, periodic or ongoing, whether it is through formal or informal structures; and the timelines of the engagement;
 - Whether industry reporting and governance mechanisms are in place;
 - A description of the results of the engagement, including any actions implemented and investments mobilised;
 - Linkages with the Implementation Strategy and with any key assumptions and external factors disclosed in the Foundations theme; and
 - The steps taken by the organisation to monitor the activities of membership bodies or industry bodies in which it participates to minimise any actions that may conflict with the transition plan.⁸⁵

An organisation should also refer to its main TNFD-aligned Governance C disclosure and disclose any differences from the information provided there in the way the organisation undertakes engagement in the context of the transition plan.

⁸⁵ The TNFD notes the similarity between this recommendation and the recommended disclosure on indirect policy engagement under Engagement with government, public sector and civil society. Under Engagement with industry the primary focus lies on outlining significant engagement activities undertaken to influence membership bodies, industry associations, industry counterparts and other relevant organisations. Under Engagement with government, public sector and civil society, the focus lies on outlining significant engagement activities undertaken in collaboration with, or via, trade associations to influence the decision-making and policy positions of government and the public sector.



5.3.4. Engagement with government, public sector and civil society

Disclose information about direct and indirect engagement activities with governments, regulators, public sector organisations, communities and civil society that the organisation is undertaking, or plans to undertake, to achieve the transition plan priorities.

As part of this, an organisation might determine that it is relevant to disclose:

- A summary of the organisation's nature-related advocacy and lobbying priorities and positions in support of the transition plan, and any advocacy or lobbying priorities and positions that are not consistent with the plan. This should be complemented, where relevant, with a summary of the main direct advocacy and lobbying activities undertaken by the organisation associated with nature-related regulation and public policy development that are related to the topics in the transition plan;
- An explanation of how the organisation prioritises engagement activities with governments, regulators, public sector organisations, communities and civil society to achieve the plan priorities; and
- A description of current and planned engagement activities, including:
 - A statement of the purpose of the engagement and whether it takes place in relation to assessment, solution-finding, monitoring, evaluation and/or management of nature-related issues;
 - Whether the organisation is leading the engagement or is participating in an effort led by another organisation, in the latter case, specifying the lead or convening organisation, the name of the initiative or programme if available, and the role of the organisation disclosing the transition plan in that collective effort;
 - The expected principal contributions of the engagement activities towards achieving the plan priority, the methodologies and data sources used to estimate these contributions, where quantified, and any uncertainties, assumptions and caveats;
 - A description of the approach to and process of engagement, whether engagement is one-off, periodic or ongoing, whether it is through formal or informal structures; and the timelines for the engagement;
 - A description of the results of the engagement processes including any collective objectives set or actions and investments mobilised; and
 - Linkages with the Implementation Strategy and with any key assumptions and external factors disclosed in the Foundations theme.

An organisation should also refer to its main TNFD-aligned Governance C disclosure and disclose any differences from the information provided there in the way the organisation undertakes engagement in the context of the transition plan.



5.4. Metrics and Targets

5.4.1. Dependency and impact metrics and targets

Disclose information about the impact driver, state of nature and ecosystem service metrics and targets used by the organisation to drive, measure and manage progress in the implementation of the transition plan.

As part of this, an organisation might determine that it is relevant to disclose:

- The dependency and impact metrics used to drive, measure and manage progress in the implementation of the transition plan, including as appropriate:
 - Metrics covering the impact drivers associated with the transition plan priorities, indicating what the impact driver is and the magnitude in which the impact driver occurs, reported by location and transition plan priority, with reference to the TNFD core and additional global and sector metrics for dependencies and impacts, where relevant;⁸⁶
 - Metrics for changes in the state of nature (e.g. ecosystem condition and extent, and species population size and extinction risk); and
 - Metrics for changes in the availability of ecosystem services;
- Any risk and opportunity metrics used to drive, measure and monitor progress towards implementation of the transition plan, with reference to the TNFD core and additional risk and opportunity metrics, where relevant;⁸⁷ and
- Aggregated impact driver metrics for the organisation's direct operations, and upstream and downstream value chain(s), to complement the disaggregated metrics to the extent possible and where relevant, and by product or service line if material, using the TNFD core global and core sector metrics listed in Annex 1 of the [TNFD recommendations](#).

Metrics should be reported:

- With reference to the plan priority, location and part of the business to which the metric relates;
- Against a clear and transparent baseline and/or a reference condition for a specific and clearly disclosed location, where possible;
- Separately for negative and positive impacts, not on a net basis;
- With reference to whether they relate to the organisation's direct operations, upstream value chain(s) or downstream value chain(s);

⁸⁶ See Annexes 1 and 2 of the [TNFD recommendations](#), and the [TNFD sector guidance](#).

⁸⁷ See Annexes 1 and 2 of the [TNFD recommendations](#).



- With an absolute figure, rate of change and an intensity/efficiency ratio, describing the rationale for the selection of ratios;⁸⁸
- With a description of if and how metrics have been aggregated, in line with general requirement 3 of the [TNFD recommendations](#) and including the scientific justification for aggregating metrics and/or locations (e.g. ecological equivalency or industry best practice, with references), the methodologies used and any limitations or assumptions;
- With a description of the methodologies, tools and data platforms used to obtain key data; the assumptions, tools and data platforms used to calculate or estimate nature-related indicators and metrics; and any limitations, including a lack of data or the use of proxy data and industry averages; and
- When appropriate, forward-looking nature-related indicators and metrics, consistent with the organisation's business or strategic planning horizons.

An organisation should also disclose the targets and goals it has established in its transition plan, including targets and goals for changes to impact drivers, improving or maintaining the flow of ecosystem services, halting and reversing nature loss, and improving or maintaining the state of nature. It should disclose its performance against these targets and goals.

Disclosures for each target should include:

- The plan priority, associated impact driver, aspect of the state of nature or ecosystem service, location and part of the business to which the target relates;
- Any anticipated regulatory requirements, market constraints, limitations or other contextual information relevant to understanding the target;
- The metric used to quantify the target and monitor performance;
- The targeted value of the metric;
- The baseline year and value of the metric;
- The timeframe for achieving the target;
- Short and medium-term interim targets or target trajectory for the metric;
- The methodology used to set the target and baseline, including whether the organisation has used any external standards when setting the target and whether these use a science-based approach,⁸⁹ and whether the target value, interim targets or trajectory, and timeframe are based on ecological thresholds or any other anchor points;
- Whether the targets are specific to the organisation or part of a collective monitoring process;
- Performance against the target relative to the baseline or reference condition on a historical and current year basis, updated annually, and expected performance against targets for the following year, where appropriate;

⁸⁸ The TNFD disclosure metrics are mostly listed at the absolute level. Organisations are encouraged to use the best practice intensity/efficiency ratios for their sectors.

⁸⁹ For example, using the [SBTN methods](#).



- If the organisation exceeded or fell short of the target trajectory, or is projected to do so, an explanation of the reasons and disclosure of any resulting adjustment or resetting of targets from the prior period; and
- Whether and how the target aligns with or supports the targets and goals of the GBF and others, where relevant, such as the Paris Agreement on climate change, the Sustainable Development Goals, Planetary Boundaries, and other global reference environmental treaties, policy goals and system-wide initiatives.

5.4.2. Governance, business and operational metrics and targets

Disclose information about the governance, engagement, business and operational metrics and targets used by the organisation to drive, measure and monitor progress towards implementation of the transition plan.

As part of this, an organisation might determine that it is relevant to disclose:

- The governance, engagement, business and operational metrics used to drive, measure and manage progress in implementation of the transition plan, with reference to the response metrics in Table 10 of the [TNFD recommendations](#), Table 28 of the [TNFD LEAP approach](#) and the [TNFD sector guidance](#), as relevant.

Metrics should be reported:

- With reference to the plan priority, location, where relevant, and part of the business to which the metrics relate;
- Against a clear and transparent baseline, where possible;
- With reference to whether they relate to the organisation's direct operations, upstream value chain(s) or downstream value chain(s);
- With an absolute figure, rate of change and an intensity/efficiency ratio, where relevant, describing the rationale for selection of ratios;
- With a description of if and how metrics have been aggregated, in line with general requirement 3 of the [TNFD recommendations](#) and including the scientific justification for aggregating metrics and/or locations (e.g. ecological equivalency or industry best practice with references), the methodologies used and any limitations or assumptions, where relevant;
- With a description of the methodologies, tools and data platforms used to obtain key data; the assumptions, tools and data platforms used to calculate or estimate indicators and metrics; and any limitations, including a lack of data or the use of proxy data and industry averages, where relevant; and
- When appropriate, forward-looking indicators and metrics, consistent with its business or strategic planning horizons.



An organisation should also disclose the governance, business and operations targets and goals it has established in its transition plan, and its performance against these targets and goals.

Disclosures for each target should include:

- The plan priority, location and part of the business to which the target relates;
- Any anticipated regulatory requirements, market constraints, limitations or other contextual information relevant to understanding the target;
- The metric used to quantify the target and monitor performance;
- The targeted value of the metric;
- The baseline year and value of the metric;
- The timeframe for achieving the target;
- Short and medium-term interim targets or target trajectory for the metric;
- The methodology used to set the target and baseline, including whether the organisation has used any external standards when setting the target and whether these use a science-based approach,⁹⁰ and whether the target value, interim targets or trajectory, and timeframe are based on ecological thresholds or any other anchor points;
- Performance against the target relative to the baseline or reference condition on a historical and current year basis, updated annually, and expected performance against targets for the following year, where appropriate;
- If the organisation exceeded or fell short of the target trajectory, or is projected to do so, an explanation of the reasons, and disclosure of any resulting adjustment or resetting of targets from the prior period; and
- Whether and how the target aligns with or supports the targets and goals of the GBF and others, where relevant, such as the Paris Agreement on climate change, the Sustainable Development Goals, Planetary Boundaries, and other global reference environmental treaties, policy goals and system-wide initiatives.

5.4.3. Financial metrics and targets

Disclose information about the financial metrics and targets used by the organisation to drive, measure and monitor progress in implementation of the transition plan.

As part of this, an organisation might determine that it is relevant to disclose:

- The financial metrics – including, for financial institutions, investment and lending activity, by transition financing strategy if relevant – used to drive, measure and manage progress in implementation of the transition plan.

⁹⁰ For example, the [SBTN methods](#).



Metrics should be reported:

- With reference to the plan priority, location and part of the business to which the metric relates;
- Against a clear and transparent baseline, where possible;
- With reference to whether they relate to the organisation's direct operations, upstream value chain(s) or downstream value chain(s);
- With an absolute figure, rate of change and an intensity/efficiency ratio, where relevant, describing the rationale for selection ratios;
- With a description of if and how metrics have been aggregated, in line with general requirement 3 of the [TNFD recommendations](#) and including the scientific justification for aggregating metrics and/or locations (e.g. ecological equivalency or industry best practice with references), the methodologies used and any limitations or assumptions, where relevant;
- With a description of the methodologies, tools and data platforms used to obtain key data; the assumptions, tools and data platforms used to calculate or estimate indicators and metrics; and any limitations, including a lack of data or the use of proxy data and industry averages, where relevant; and
- When appropriate, forward-looking indicators and metrics, consistent with its business or strategic planning horizons.

An organisation should also disclose the financial targets and goals – including, for financial institutions, investment and lending activity – it has established in its transition plan, and performance against these targets and goals.

Disclosures for each target should include:

- The plan priority, location and part of the business to which the target relates;
- Any anticipated regulatory requirements, market constraints, limitations or other contextual information relevant to understanding the target;
- The metric used to quantify the target and monitor performance;
- The targeted value of the metric;
- The baseline year and value of the metric;
- The timeframe for achieving the target;
- Short and medium-term interim targets or target trajectory for the metric;
- The methodology used to set the target and baseline, including whether the organisation has used any external standards, taxonomies, tools or definitions when setting the target;⁹¹

⁹¹ For example, the [SBTN methods](#).



- Performance against the target relative to the baseline or reference condition on a historical and current year basis, updated annually, and expected performance against targets for the following year, where appropriate;
- If the organisation exceeded or fell short of the target trajectory, or is projected to do so, an explanation of the reasons and disclosure of any resulting adjustment or resetting of targets from the prior period; and
- Whether and how the target aligns with or supports the targets and goals of the GBF and others, where relevant, such as the Paris Agreement on climate change, the Sustainable Development Goals, Planetary Boundaries, and other global reference environmental treaties, policy goals and system-wide initiatives.

An organisation may report financial metrics and targets as single amounts or as ranges.

5.5. Governance

5.5.1. Board oversight and reporting

Disclose information about the board's oversight of the transition plan.

As part of this, an organisation might determine that it is relevant to disclose:

- How the board monitors and oversees progress in implementing the transition plan and the goals and targets within it, including:
 - How the board reviews and approves the transition plan, including oversight of any changes, updates and reporting;
 - How responsibilities for the transition plan are reflected in the terms of reference, mandates, knowledge and capacity requirements, role descriptions and other related policies applicable to board; and
 - How the board determines whether appropriate skills and competencies are available or will be developed to oversee the transition plan;
- The processes and frequency by which the board and/or board committees are informed about the transition plan; and
- Whether and how the board takes into account the transition plan, including any synergies and trade-offs when:
 - Reviewing and guiding strategy, major plans of action, risk management policies, annual budgets and business plans;
 - Setting the organisation's performance objectives, monitoring implementation and performance; and
 - Overseeing major capital expenditures, acquisitions and divestitures.



5.5.2. Management roles, responsibility and accountability

Disclose information about management's role in the governance processes, controls and procedures used to monitor, manage and oversee the transition plan, and how it is embedded within the organisation's wider control, review and accountability mechanisms.

As part of this, an organisation might determine that it is relevant to disclose:

- Whether and how the organisation has assigned responsibilities for oversight and implementation of the transition plan to management-level positions or committees, and whether such management positions or committees report to the board or board committee, including:
 - The identity of the management body(s) or individual(s) responsible for executive oversight and delivery of the transition plan;
 - The role of the management body(s) or individual(s) in defining the transition plan, the setting of targets and the monitoring of progress; and
 - How oversight is exercised over that body(s) or individual(s);
- The associated organisational structure(s);
- The controls and procedures by which management is informed about and monitors implementation of the transition plan, including:
- Whether the management body(s) or individual(s) uses controls and procedures to support the oversight of the transition plan and ensure the reliability of information disclosed. If so, an organisation should disclose how these controls and procedures are integrated with other internal functions and provide information about which aspects of the transition plan are subject to external assurance or verification, including the nature of the assurance or verification; and
- Whether the transition plan is subject to shareholder approval, including through a shareholder vote.

5.5.3. Culture

Disclose information about how the organisation aligns or plans to align its culture with the transition plan.

As part of this, an organisation might determine that it is relevant to disclose information about how its transition plan is reflected in:

- Company values and purpose statements;
- Communications, systems and processes;
- HR policies and procedures (including escalation processes, compensation and benefits);
- The employee value proposition;
- Leadership and manager training and capacity building programmes; and
- Workforce engagement strategies.



5.5.4. Incentives and remuneration

Disclose information about how the organisation aligns or plans to align its incentive and remuneration structures with the transition plan.

As part of this, an organisation might determine that it is relevant to disclose whether and how performance metrics for the transition plan are incorporated into remuneration policies, including:

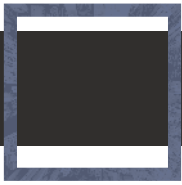
- The metric(s) used;
- Whether the metric(s) is within the short-term and/or long-term incentive plan(s);
- The typical percentage weighting of the transition plan-related metric(s) within the incentive plan for the executive population;
- The percentage of total executive remuneration that is linked to transition plan-related metric(s); and
- A description of whether and how incentive and remuneration structures for employees across the organisation are aligned with the transition plan, including whether this approach is consistent with that for executives or whether it is differentiated for specific teams or roles.

5.5.5. Skills, competencies and training

Disclose information about actions the organisation is taking or plans to take to assess, maintain and build the appropriate skills, competencies and knowledge across the organisation to deliver the transition plan.

As part of this, an organisation might determine that it is relevant to disclose:

- Information about how the organisation assesses whether it has the appropriate skills, competencies and knowledge across the organisation to effectively design, develop, deliver and govern the transition plan in accordance with its plan priorities;
- Where it has identified a skills gap and information about actions it is taking or plans to take to acquire or develop the required skills; and
- Information about actions it is taking or plans to take to provide the board and executive management with access to the appropriate skills, competencies and knowledge required to effectively oversee the transition plan.



6. Conclusions and further work

Incorporating nature in transition planning gives organisations a structured, coherent process to develop sets of actions to avoid and reduce negative impacts on nature; protect, conserve, regenerate and restore nature; and transform underlying systems to address the drivers of nature loss. This enables organisations to respond and contribute to the transition implied by the GBF, the Paris Agreement, and other societal goals and economic transformations, as relevant.

This guidance seeks to break down the process of change for an organisation into a set of strategies, actions and accountability mechanisms, consistent with the existing approach to climate transition plans. The disclosure guidance aims to help organisations to provide investors and other users of the disclosures with decision-useful, strategic and consistent information on how the organisation will address its nature-related issues and respond and contribute to the transition implied by the GBF.

Beyond this guidance, the TNFD believes that further work in a number of areas would help organisations to incorporate nature into their transition plans and support report users as they assess the information disclosed within such plans. The Taskforce encourages further work in the following areas:

1. Development of sector guidance and nature transition pathways, building on the existing guidance produced by organisations such as WBCSD, Business for Nature and the World Economic Forum;
2. Integrating assessment and decision-making across nature, climate and social considerations;
3. Assessment guidance and templates to aid comparability for plan users;
4. Upgrading market access to decision-useful nature data to support transition plan development and communication to external stakeholders; and
5. Capacity building to support uptake.

6.1. Development of sector guidance and nature transition pathways

This guidance is cross-sector. As organisations begin to incorporate nature into their transition plans, further guidance on sector-specific aspects of transition planning may help to enhance relevance, effectiveness and comparability. This could include nature transition pathways showing how each sector can contribute to meeting nature-related objectives in specific locations.



The development of sector-specific decarbonisation pathways has supported organisations in the execution of effective climate transition planning, helping them to align their plans with the global net zero transition. They have also helped investors and other plan users as they assess the credibility of the transition plans.

Sector-specific nature transition pathways could be similarly relevant and critical to guide the alignment of relevant activities and financial flows with the goals and targets of the GBF.⁹² Science-based pathways for sector-specific nature transitions would have to capture the location-specificity and multiple dimensions of nature, and take a wider view of the synergies and trade-offs with climate and social impacts at the economy-wide level. Linking to NBSAPs and associated policies could support the feasibility and credibility of any proposed approach.

Some encouraging early work has been undertaken for specific geographies and sectors,⁹³ but further work is needed by a credible consortium of stakeholders to progress the conceptualisation and development of sector-specific nature transition pathways.

The finance sector has particular challenges in transition planning that may benefit from further work. This includes the definition of nature transition financing strategies, similar to GFANZ's transition finance categories for climate. In addition, dependencies and impact metrics at the portfolio level face challenges from data gaps, attribution complexity and a lack of methodological consistency. The TNFD has published a [discussion paper](#) to explore these practical challenges.

6.2. Integrating assessment and decision-making across nature, climate and social considerations

This guidance describes how organisations can integrate nature into a wider transition plan that includes climate and social dimensions. An integrated approach to transition planning can help to avoid fragmented strategies that risk overlooking synergies, trade-offs and cumulative effects, and missing opportunities.

The Capitals Coalition's [Integrated Decision-Making Framework](#) provides an approach to integrated assessment and the TNFD will continue to collaborate with the Capitals Coalition and other initiatives like WBCSD, the [Taskforce on Inequality and Social-related Financial Disclosures](#) (TISFD), the [International Transition Planning Network](#) (ITPN) and others to support convergence and coherence across frameworks. The TNFD welcomes further work on integrated approaches.

⁹² See, for example: Business for Nature, WBCSD and WEF (2023) [Sector Actions Towards a Nature-Positive Future](#); Business for Nature (2024) [Policy recommendations for effective implementation of the Biodiversity Plan](#); Finance for Biodiversity Foundation (2024) [Aligning Financial Flows with the Global Biodiversity Framework](#); Transition Plan Taskforce (2024) [The Future for Nature in Transition Planning](#); and WWF-UK (2024) [National nature-positive pathways to guide policy and private sector action](#).

⁹³ For example, WWF-UK (2024) [National nature-positive pathways to guide policy and private sector action](#) and WWF UK and GFI (2025) [Business Investment in Nature: Supporting UK Economic Resilience and Growth](#)

6.3. Assessment guidance and templates to aid comparability

For transition plans to be decision-useful to report users, including the transition plans of financial institutions, further guidance on the assessment of such plans may be needed. The Assessing Transition Plans Collective (ATP-Col) has demonstrated the value of structured assessment approaches in climate transition plans, enhancing comparability and accountability for report users. Some assessment guidance for financial institutions is already available.⁹⁴

The Taskforce further acknowledges proposals to develop templates for organisations disclosing transition plans. Templates may offer specific comparable structures and information for aspects of transition plans, which may enhance practicability and comparability. However, the development of such templates should not promote the perception that transition planning is merely a compliance exercise.

6.4. Upgrading the nature-related data value chain

Access to nature-related data is a key enabling condition to inform, and track the progress of, organisations that include information about nature in their transition plans. Since its commencement in 2021, the TNFD has been working to understand market experience using nature-related data – both state of nature ‘input’ data and reported or ‘output’ data from companies across value chains. Following an initial market scan and gap analysis published in March 2022, the Taskforce has been working with stakeholders across the nature data value chain – from collection and aggregation to market-facing analytics services and end use – to improve access to relevant, high-quality and timely nature data for market participants.

While the TNFD signposts to many data sets and analytic tools throughout its guidance, it also recognises the need for a more systemic and strategic approach to upgrade the quality of nature data across the data value chain. In November 2025, the TNFD released a [set of recommendations](#) for how a system-wide approach to upgrading nature data could be advanced and it will continue to work with stakeholders to move those recommendations forward.

6.5. Supporting uptake

The TNFD will continue to work closely with knowledge partners and market leaders to support organisations that include nature in their transition plans and to encourage uptake. This will include working with partners such as Business for Nature, Capitals Coalition, CDP, Finance for Biodiversity, GRI, GFANZ, the ISSB, ITPN, SBTN, UNEP FI, WWF, WBCSD, World Economic Forum and others to build on this work and achieve further synergies through market engagement and, where relevant, on guidance, methods, tools and evolving corporate reporting standards.

⁹⁴ See WEF's [Corporate Assessment Guide for Financial Institutions](#).



7. References

Accountability Framework initiative (2024) [Accountability Framework](#).

Angelsen, A. and Kaimowitz, D. (2000) [When does technological change in agriculture promote deforestation?](#) CABI Publishing.

Balmford, A. et al. (2018) [The environmental costs and benefits of high-yield farming](#). Nature Sustainability 1, 477–485.

Bindoff, N. L. et al. (2019) [Changing Ocean, Marine Ecosystems, and Dependent Communities](#). In: IPCC Special Report on the Ocean and Cryosphere in a Changing Climate [Pörtner, H.-O. et al. (eds.)]. Cambridge University Press, Cambridge, UK and New York, NY, USA, 447–587.

BloombergNEF (2024) [Biodiversity Finance Factbook](#).

Burrows, M. T. et al. (2019) [Ocean community warming responses explained by thermal affinities and temperature gradients](#). Natural Climate Change 9, 959–963.

Business for Nature (2025) [Nature Strategy Handbook](#).

Business for Nature, WBCSD and WEF (2023) [Sector actions towards a nature-positive future](#). Business for Nature, World Business Council for Sustainable Development, World Economic Forum.

Biodiversity Credit Alliance (2024) [Definition of a Biodiversity Credit](#).

Capitals Coalition (no date) [Aligning Accounting Approaches for Nature](#).

Capitals Coalition (no date) [Integrated Decision-Making Framework](#).

Capitals Coalition (2016) [Natural Capital Protocol](#).

Capitals Coalition et al. (no date) [Sustain 2.2 Taxonomy of impact reduction strategies](#). Capitals Coalition, Oxford Sustainable Finance Group, PBL Netherlands Environmental Assessment Agency, World Business Council for Sustainable Development, ShareAction, United Nations Environment Programme World Conservation Monitoring Centre, ETH Zürich, Fundación Biodiversidad, International Union for the Conservation of Nature.

CCC (2019) [Net Zero – The UK’s contribution to stopping global warming](#). Climate Change Committee.

CBD (1992) [Article 2](#). Convention on Biological Diversity.

CBD (2022) [Kunming-Montreal Global Biodiversity Framework](#). Convention on Biological Diversity.

CBD (2022) [Gender Plan of Action](#). Convention on Biological Diversity.

CBD (2024) [16/2. Digital sequence information on genetic resources](#).

CBD (2025) [Article 8\(j\) – Traditional Knowledge, Innovations and Practices](#). Convention on Biological Diversity.

CBD (2025) [National Biodiversity Strategies and Action Plans \(NBSAPs\)](#). Convention on Biological Diversity.

CDP (2021) [Collective action: Corporate engagement in landscape and jurisdictional approaches](#).

Ceres and Nature Action 100 (2024) [Exploring Nature Impacts and Dependencies: A Field Guide to Eight Key Sectors](#).

Cresko, J. et al. (2022) [U.S. Department of Energy's Industrial Decarbonization Roadmap](#). United States Department Of Energy: Office of Energy Efficiency and Renewable Energy.

CISL (2023) [Let's Discuss Nature with Climate: Engagement Guide](#). Cambridge Institute for Sustainability Leadership.

Cross Sector Biodiversity Initiative (2015) [A cross-sector guide for implementing the Mitigation Hierarchy](#).

Dasgupta, P. (2021) [The economics of biodiversity: The Dasgupta Review](#). HM Treasury.

DEFRA (2023) [Environmental Improvement Plan 2023](#). Department for Environment, Food & Rural Affairs.

DEFRA (2024) [Biodiversity net gain](#). Department for Environment, Food & Rural Affairs.

Deutz, A. et al. (2020) [Financing Nature: Closing the Global Biodiversity Financing Gap](#). The Paulson Institute, The Nature Conservancy, and the Cornell Atkinson Center for Sustainability.

Díaz, S. et al. (2015) [The IPBES Conceptual Framework – connecting nature and people](#). Current Opinion in Environmental Sustainability 14, 1–16.

Ellen MacArthur Foundation (no date) [Circular economy principles](#).

European Commission (no date) [Farm to Fork targets – Progress](#).

European Commission (no date) [The European Green Deal](#).



European Union (2023) [Commission Delegated Regulation \(EU\) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards.](#)

FAO (2025) [Climate Change: Agrifood systems emissions](#). Food and Agriculture Organization of the United Nations.

Finance for Biodiversity Foundation (2024) [Aligning Financial Flows with the Global Biodiversity Framework](#).

Finance for Biodiversity Foundation (2024) [Nature Target Setting Framework for Asset Managers and Asset Owners](#).

Finance for Biodiversity Foundation and UNEP-FI (2024) [Finance for Nature Positive](#). Finance for Biodiversity Foundation, United Nations Environment Programme Finance Initiative.

Garnett, T. et al. (2013) [Sustainable Intensification in Agriculture: Premises and Policies](#). Science 341(6141), 33–34.

GFANZ (2022) [Expectations for Real-economy Transition Plans](#). Glasgow Financial Alliance for Net Zero.

GFANZ (2022) [Financial Institution Net-zero Transition Plans](#). Glasgow Financial Alliance for Net Zero.

GFANZ (2023) [Scaling Transition Finance and Real-economy Decarbonization, Supplement to the 2022 Net-zero Transition Plans report](#). Glasgow Financial Alliance for Net Zero.

GFANZ (2024) [Nature in Net-zero Transition Plans](#). Glasgow Financial Alliance for Net Zero.

Global Canopy (2024) [Deforestation-free Transition \(DEFT\) Pathway](#).

Global Canopy Programme et al. (2015) [The Little Sustainable Landscapes Book](#). Global Canopy Programme, EcoAgriculture Partners, the Sustainable Trade Initiative, The Nature Conservancy, and the World Wide Fund for Nature

Grantham Research Institute on Climate Change and the Environment and Centre for Climate Change Economics and Policy, London School of Economics and Political Science (2022) [Just Nature: How finance can support a just transition at the interface of action on climate and biodiversity](#).

Goulart, F. F. et al. (2023) [Sparing or expanding? The effects of agricultural yields on farm expansion and deforestation in the tropics](#). Biodiversity and Conservation 32, 1089–1104.

ICMA (2025) [Sustainable Bonds for Nature: A Practitioner's Guide](#). International Capital Market Association.



IEA (2023) [Net Zero Roadmap: A Global Pathway to Keep the 1.5 °C Goal in Reach](#). International Energy Agency.

IFC (2012) [Performance Standard 6](#). International Finance Corporation.

IFC (2023) [Biodiversity Finance Reference Guide](#). International Finance Corporation.

IFRS Foundation (2023) [IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information](#). International Financial Reporting Standards Foundation.

IFRS Foundation (2023) [IFRS S2 Climate-related Disclosures](#). International Financial Reporting Standards Foundation.

IFRS Foundation (2024) [ISSB delivers further harmonisation of the sustainability disclosure landscape as it embarks on new work plan](#). International Financial Reporting Standards Foundation.

IFRS Foundation (2025) [Disclosing information about an entity's climate-related transition, including information about transition plans, in accordance with IFRS S2](#). International Financial Reporting Standards Foundation.

IIGC (2023) [Asset Owner Stewardship Questionnaire](#). Institutional Investors Group on Climate Change.

ILO (2016) [Guidelines for a just transition towards environmentally sustainable economies and societies for all](#). International Labour Organization.

ILO (2023) [ILO Guidelines for a just transition: Action framework](#). International Labour Organization.

IPBES (2019) [Global assessment report on biodiversity and ecosystem services](#). Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services.

IPBES (2019) [Summary for policymakers of the global assessment report on biodiversity and ecosystem services](#). Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services.

IPBES (2022) [Methodological assessment report on the diverse values and valuation of nature of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services](#). Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services.

IPBES (2024) [Summary for Policymakers of the Thematic Assessment Report on the Underlying Causes of Biodiversity Loss and the Determinants of Transformative Change and Options for Achieving the 2050 Vision for Biodiversity of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services](#). Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services.



IPCC (2019) [Summary for Policymakers](#). In: Climate Change and Land: an IPCC special report on climate change, desertification, land degradation, sustainable land management, food security, and greenhouse gas fluxes in terrestrial ecosystems [Shukla, P. R. et al. (eds.)].

ISEAL (2022-2024) [Landscape guidance and roadmap for companies](#).

ISEAL Alliance (2023) [Effective company claims about contributions to landscape outcomes](#).

ISEAL et al. (2024) [Core Criteria for Mature Landscape Initiatives](#). Better Cotton, CDP, Conservation International, Earthworm, Ecoagriculture Partners, Gold Standard, IDH, ISEAL, Kaleka, Lingkar Temu Kabupaten Lestari, LandScale, Produszir Conservar Incluir, Proforest, Roundtable on Sustainable Palm Oil, SourceUp, Transitions, Systemiq, The Nature Conservancy, Tropical Forest Alliance, World Wide Fund for Nature.

Landesa and Proforest (2023) [Respecting Rights of Indigenous Peoples and Local Communities in Landscape Initiatives](#).

LandScale (2023) [Grant proposal toolkit](#).

LandScale et al. (2024) [Landscape initiative maturity joint paper](#). CDP, LandScale, ISEAL, Science Based Targets Network.

Leite-Filho, A. T. et al. (2021) [Deforestation reduces rainfall and agricultural revenues in the Brazilian Amazon](#). Nature Communications 12, 2591.

Linstead, C. (2018) [The Contribution of Improvements in Irrigation Efficiency to Environmental Flows](#). Frontiers in Environmental Science 6.

Locke, H. et al. (2021) [A Nature-Positive World: The Global Goal for Nature](#).

Milner-Gulland, E. J. et al. (2021) [Four steps for the Earth: mainstreaming the post-2020 global biodiversity framework](#). One Earth 4(1), 75–87.

Molotoks, A. et al. (2020) [Comparing the impact of future cropland expansion on global biodiversity and carbon storage across models and scenarios](#). Philosophical Transactions of the Royal Society B: Biological Sciences 375, 20190189.

Mongabay (2022) [Healthy mangroves build a resilient community in the Philippines' Palawan](#).

Natural Capital Project (2024) [InVEST 0.0](#). Stanford University, University of Minnesota, Chinese Academy of Sciences, The Nature Conservancy, World Wildlife Fund, Stockholm Resilience Centre and the Royal Swedish Academy of Sciences.

Nature Action 100 (2024) [Nature Action 100 Company Benchmark Indicators](#).

Nature Action 100 and Ceres (2024) [Exploring Nature Dependencies and impacts: A Field Guide to Eight Key Sectors](#).

The Nature Conservancy (2025) [Landscape Approaches in Corporate Climate and Nature Frameworks: Current Status and a Path Forward](#).



Nature Positive Initiative (2023) [The Definition of Nature Positive](#).

Nature Positive Initiative (2024) [Consultation document: Building consensus on state of nature metrics to drive nature positive outcomes](#).

Nature Positive Initiative (2024) [The Nature Positive Initiative convenes process to foster consensus on measuring nature positive outcomes](#).

Nature Positive Initiative (2025) [Demonstrating Nature Positive Outcomes: building consensus on how to communicate nature's recovery](#).

Nature Positive Initiative (2025) [Four key indicators in the draft State of Nature Metrics](#).

Nature Positive Initiative (2025) [Measuring what matters: building the metrics for a nature positive world](#).

Nature Positive Initiative (2025) [Nature Positive Initiative launches global piloting programme](#).

Nature Positive Initiative (2025) [Process kicks off at UNOC to foster consensus on measuring nature-positive outcomes for the ocean](#).

Nature Positive Initiative (2025) [State of Nature Metrics: ready for testing](#).

OECD (2011) [OECD Guidelines for Multinational Enterprises, 2011 Edition](#). Organisation for Economic Cooperation and Development.

OECD (2016) [Extended Producer Responsibility: Updated Guidance for Efficient Waste Management](#). Organisation for Economic Cooperation and Development.

Planetary Boundaries Science (2025) [Planetary Health Check 2025](#). Potsdam Institute for Climate Impact Research (PIK), Potsdam, Germany.

Phalan, B. et al. (2011) [Reconciling food production and biodiversity conservation: land sharing and land sparing compared](#). Science 333, 1289–1291.

Phalan, B. et al. (2016) [How can higher-yield farming help to spare nature?](#) Science 351(6272), 450–451.

PRI (2023) [Stewardship for Sustainability: Evaluation tool](#). United Nations Principles for Responsible Investment.

PRI (2024) [Developing a biodiversity policy: A technical guide for asset owners and investment managers](#). United Nations Principles for Responsible Investment.

Pörtner, H.-O. et al. (2021) [IPBES-IPCC co-sponsored workshop report on biodiversity and climate change](#). Intergovernmental Panel on Climate Change, Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services.

Ramsar (1971) [Convention on Wetlands of International Importance especially as Waterfowl Habitat](#).



Republic of Zambia (2024) [National Green Growth Strategy 2024 – 2030](#).

Riahi, K. et al. (2022) [Mitigation pathways compatible with long term goals](#). In IPCC, 2022: Climate Change 2022: Mitigation of Climate Change. Contribution of Working Group III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [Shukla, P.R. et al. (eds.)]. Cambridge University Press, Cambridge, UK and New York, NY, USA.

Robins, N. et al. (2024) [The just transition: transforming the financial system to deliver action](#). Grantham Research Institute on Climate Change and the Environment, London School of Economics and Political Science.

Rockström, J. et al. (2023) [Safe and just Earth system boundaries](#). Nature 619, 102–111.

Round Table on Responsible Soy (no date) [Certification](#).

SBTN (no date) [Landscape Engagement target](#). Science Based Targets Network.

SBTN (no date) [Our target-setting process](#). Science Based Targets Network.

SBTN (no date) [Step 1: Assess your impacts on nature](#). Science Based Targets Network.

SBTN (no date) [Step 4: Act](#). Science Based Targets Network.

SBTN (2023) [Company Response options for the first release of SBTs for Nature](#). Science Based Targets Network.

SBTN (2024) [Step 2: Interpret & Prioritize \(Version 1.1\)](#). Science Based Targets Network.

SBTN (2024) [Technical Guidance Step 2 Prioritize v1.1](#). Science Based Targets Network

SBTN (2024) [Step 3 Freshwater: Measure, Set & Disclose \(Version 1.1\)](#). Science Based Targets Network.

SBTN (2024) [Step 3: Measure, Set, & Disclose: Land \(Version 1.0\)](#). Science Based Targets Network.

SBTN (2024) [Supplementary Material – Science Based Targets for Land \(Version 1.0\)](#). Science Based Targets Network.

SBTN (2024) [Stakeholder engagement and science-based targets for nature \(Version 1.0\)](#). Science Based Targets Network.

Science Based Targets initiative (no date) [Forest, Land and Agriculture \(FLAG\)](#).

Sims, M. et al. (2025) [Greenhouse Gas Fluxes from Forests](#). World Resources Institute.

Sinclair, S. et al. (no date) [The Conservation Hierarchy: Underpinning the Post-2020 Biodiversity Framework](#).

South Pole (2020) [An Investor Guide on Basin Water Security Engagement: Aligning with SDG 6](#).



SPRING (2024) [Investor Statement: The need for urgent action](#).

Stockholm Resilience Centre (no date) [Planetary boundaries](#).

TCFD (2017) [Recommendations of the Task Force on Climate-related Financial Disclosures](#).
Task Force on Climate-related Financial Disclosures.

TCFD (2021) [Guidance on Metrics, Targets, and Transition Plans](#). Task Force on Climate-related Financial Disclosures.

TNFD (no date) [Tools Catalogue](#). Taskforce on Nature-related Financial Disclosures.

TNFD (2023) [Discussion paper on conducting advanced scenario analysis](#). Taskforce on Nature-related Financial Disclosures.

TNFD (2023) [Guidance for corporates on science-based targets for nature](#). Taskforce on Nature-related Financial Disclosures.

TNFD (2023) [Guidance on engagement with Indigenous Peoples, Local Communities and affected stakeholders](#). Taskforce on Nature-related Financial Disclosures.

TNFD (2023) [Guidance on biomes](#). Taskforce on Nature-related Financial Disclosures.

TNFD (2023) [Guidance on the identification and assessment of nature-related issues: the LEAP approach](#). Taskforce on Nature-related Financial Disclosures.

TNFD (2023) [Recommendations of the Taskforce on Nature-related Financial Disclosures](#).
Taskforce on Nature-related Financial Disclosures.

TNFD (2023) [TNFD nature-related risk and opportunity registers](#). Taskforce on Nature-related Financial Disclosures.

TNFD (2024) [Additional sector guidance – Electric utilities and power generators](#). Taskforce on Nature-related Financial Disclosures.

TNFD (2024) [Additional guidance for financial institutions](#). Taskforce on Nature-related Financial Disclosures.

TNFD (2024) [Guidance on value chains](#). Taskforce on Nature-related Financial Disclosures.

TNFD (2024) [A roadmap for upgrading market access to decision-useful nature-related data](#).
Taskforce on Nature-related Financial Disclosures.

TNFD (2025) [Additional guidance by sector](#). Taskforce on Nature-related Financial Disclosures.

TNFD (2025) [Asking Better Questions on Nature for Asset Owner Chief Investment Officers](#).
Taskforce on Nature-related Financial Disclosures.



TNFD (2025) [Discussion paper on identification, assessment and disclosure of dependencies and impacts on nature in financial portfolios](#). Taskforce on Nature-related Financial Disclosures.

TNFD (2025) [Discussion paper on nature-related opportunities](#). Taskforce on Nature-related Financial Disclosures.

TNFD (2025) [Guidance on scenario analysis](#). Taskforce on Nature-related Financial Disclosures.

TNFD (2025) [Recommendations to upgrade the nature data value chain](#). Taskforce on Nature-related Financial Disclosures.

TNFD (2025) [TNFD 2025 Status Report](#). Taskforce on Nature-related Financial Disclosures.

TPT (2023) [Disclosure Framework](#). Transition Plan Taskforce.

TPT Adaptation Working Group (2024) [Building Climate-ready Transition Plans: A primer for preparers](#). Transition Plan Taskforce.

TPT Nature Working Group (2024) [The Future for Nature in Transition Planning](#). Transition Plan Taskforce.

UBS Asset Management and Planet Tracker (2024) [Climate meets nature: Integrating biodiversity into the energy transition](#).

UNCCD (2022) [Convention text](#). United Nations Convention to Combat Desertification.

UNEP FI (2023) [Banking on nature: What the Kunming-Montreal Global Biodiversity Framework Means for Responsible Banks](#). United Nations Environment Programme Finance Initiative.

UNEP FI (2023) [Just Transition Finance Pathways for Banking and Insurance](#). United Nations Environment Programme Finance Initiative.

UNEP FI (2023) [PRB Nature Target Setting Guidance](#). United Nations Environment Programme Finance Initiative, Principles for Responsible Banking.

UNEP FI Sustainable Blue Economy (no date) [Resources: Sustainable Blue Finance](#). United Nations Environment Programme Finance Initiative.

United Nations (2015) [Transforming our World: The 2030 Agenda for Sustainable Development](#).

United Nations (2015) [Paris Agreement](#).

United Nations (2023) [Agreement under the United Nations Convention on the Law of the Sea on the Conservation and Sustainable Use of Marine Biological Diversity of Areas beyond National Jurisdiction](#).



United Nations Human Rights, Office of the High Commissioner (2011) [The UN Guiding Principles on Business and Human Rights: Implementing the United Nations “Protect, Respect and Remedy” Framework](#).

Warren, R. et al. (2018) [The projected effect on insects, vertebrates, and plants of limiting global warming to 1.5°C rather than 2°C](#). Science 360(6390), 791 LP–795.

WBCSD (2023) [Roadmaps to Nature Positive: Foundations for all businesses](#). World Business Council for Sustainable Development.

WBCSD (2024) [Nature-based Solutions Blueprint](#). World Business Council for Sustainable Development.

WEF (2023) [Biodiversity Credits: Demand Analysis and Market Outlook](#). World Economic Forum.

WEF (2025) [Nature Positive: Corporate Assessment Guide for Financial Institutions](#). World Economic Forum.

WRI (2023) [The Global Land Squeeze: Managing the Growing Competition for Land](#). World Resources Institute.

WWF (2022) [Nature in Transition Plans: Why and How](#). World Wide Fund for Nature.

WWF (2022) [Our climate’s secret ally: Uncovering the story of nature in the IPCC Sixth Assessment Report](#). World Wide Fund for Nature.

WWF (2024) [Unpacking collective action in water stewardship](#). World Wide Fund for Nature.

WWF (2024) [Catalysing change: The urgent need for nature transition plans](#). World Wide Fund for Nature.

WWF (2025) [Landscape Finance Approach Guide](#). World Wide Fund for Nature.

WWF Brazil et al. (2017) [The Cerrado Manifesto](#). World Wide Fund for Nature Brazil.

WWF-UK (2024) [National nature-positive pathways to guide policy and private sector action](#). World Wide Fund for Nature UK.

WWF-UK and GFI (2025) [Business Investment in Nature: Supporting UK Economic Resilience and Growth](#). World Wide Fund for Nature UK and Green Finance Institute

Whiteman, G. et al. (2012) [Planetary Boundaries: Ecological Foundations for Corporate Sustainability](#). Journal of Management Studies 50(2), 307–336.

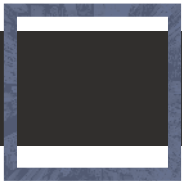
zu Ermgassen, S. O. S. E. et al (2022) [Are corporate biodiversity commitments consistent with delivering ‘nature-positive’ outcomes? A review of ‘nature-positive’ definitions, company progress and challenges](#). Journal of Cleaner Production 379(2).



8. Acknowledgements

The Taskforce is grateful for the inputs from a range of individuals and organisations to produce this guidance. The Taskforce extends particular thanks to:

- The team at the Glasgow Financial Alliance for Net Zero (GFANZ) for their review and input, including Joy Williams and Marie Henniges;
- The team at the Transition Plan Taskforce (TPT) for their review and input on alignment with the TPT's disclosure-specific materials;
- WWF for its support in the development of this guidance as a TNFD knowledge partner, and for the secondment of Nicolas Poolen to help draft this paper;
- The following organisations for their review and input on this guidance and the discussion paper that preceded it: Accountability Framework initiative, Business for Nature, Capitals Coalition, CDP, Climate Focus, Conservation International, Earthworm, EcoAgriculture Partners, Finance for Biodiversity Foundation, IDH, the Institutional Investors Group on Climate Change (IIGCC), the International Sustainability Standards Board (ISSB) within the IFRS Foundation, ISEAL, LandScale, NatureFinance, the Nature Positive Initiative, the Partnership for Biodiversity Accounting Financials (PBAF), UN Principles for Responsible Investment (PRI), Proforest, the Science Based Targets Network (SBTN), SourceUp, the Stockholm Resilience Centre at Stockholm University with partners Beijer Institute and Global Economic Dynamics and the Biosphere (GEDB), Academy Program of the Royal Swedish Academy of Sciences, The Nature Conservancy, Taskforce on Inequality and Social-related Financial Disclosures (TISFD), UNEP World Conservation Monitoring Centre (UNEP-WCMC), UNEP Finance Initiative (UNEP FI), the World Benchmarking Alliance, the World Business Council on Sustainable Development (WBCSD), the World Economic Forum, and the World Wildlife Fund US (WWF US);
- All pilot testing organisations for their valuable contributions in helping to refine and enhance this guidance, and for offering their case studies; and
- All those who provided feedback to the consultation on the TNFD discussion paper on nature transition plans.



Annex 1: Disclosing information about nature in transition plans as part of annual TNFD-aligned disclosures

The TNFD regards it as good practice to prepare a standalone transition plan that is periodically updated using this guidance on disclosures. The TNFD also recommends that an organisation integrate information about their transition plan into their annual disclosures using the [TNFD recommendations](#).

The standalone report may include additional information that, while not considered material for the users of annual disclosures aligned with the [TNFD recommendations](#) – regardless of the organisation’s approach to materiality – may be helpful for clearly communicating its strategy to the intended audience.

Report preparers may use cross referencing for efficiency when presenting a transition plan that follows this guidance when preparing corporate reports that are aligned with the TNFD recommendations.

Table 2 presents a mapping of the disclosure guidance on nature in transition plans to the [TNFD recommended disclosures](#).

Table 2: Mapping of the TNFD disclosure guidance for nature in transition plans to the TNFD recommended disclosures

TNFD recommended disclosures	TNFD disclosure guidance for nature in transition plans
Governance A	<i>Governance, component 1: Board oversight and reporting</i> <i>Governance, component 4: Incentives and remuneration</i>
Governance B	<i>Governance, component 2: Management roles, responsibility and accountability</i>



TNFD recommended disclosures	TNFD disclosure guidance for nature in transition plans
Governance C	<p>Information that concerns human rights, engagement with Indigenous Peoples, Local Communities and affected stakeholders, and direct and indirect nature-related advocacy and lobbying in:</p> <ul style="list-style-type: none">• <i>Foundations</i>;• <i>Implementation Strategy, component 3: Policies and conditions</i>; and• <i>Engagement Strategy</i>
Strategy B	<p>Aspects of <i>Foundations</i>, <i>Implementation Strategy</i>, <i>Engagement Strategy</i> and <i>Governance</i> not covered elsewhere</p>
Strategy C	<p>Information about use of scenarios in:</p> <ul style="list-style-type: none">• <i>Foundations, component 1: Transition plan framing and scope</i>;• <i>Foundations, component 4: Assumptions and external factors</i>; and• <i>Implementation Strategy 4: Financial planning</i>
Metrics and targets A	<p>Information about risk and opportunity metrics in <i>Metrics and Targets, component 1: Dependency and impact metrics and targets</i></p>
Metrics and targets B	<p>Information about metrics other than risk and opportunity metrics across all the <i>Metrics and Targets</i> disclosures</p>
Metrics and targets C	<p>Information about targets across all the <i>Metrics and Targets</i> disclosures</p>

