

Five questions on nature governance for boards.

What I said, and why

Earlier this year, the World Economic Forum and Chapter Zero Alliance launched Board Leadership for Growth and Resilience: Guiding Principles for Climate and Nature Governance. The question is no longer whether nature belongs in the boardroom. The question is how.

2019: STRUCTURE

Then, the emphasis was on structure (e.g. build the right committee, include in agenda, add a climate KPI to remuneration report).

2026: CAPABILITY + CULTURE

Now we recognise that structure is important, but insufficient. Capability and culture are the key determinants of substantive climate and nature governance.

THREE TOP TIPS FROM THE 2026 GUIDING PRINCIPLES

- 1 Adopt a unified lens.**
Govern nature and climate together, not two separate tracks. The first question every board should ask is, "How and where does our business depend on and impact nature, and what is the interplay with our climate-related risks and opportunities?"
- 2 Embed.**
Embed the answers in company goals and capital allocation as drivers of strategic transformation, resilience and long-term value.
- 3 Build capability and culture to challenge.**
Build the skills, knowledge and mindset to challenge how nature is embedded in company goals and capital allocation decisions.

"Directors don't need to become ecologists. They need to become better at asking the questions that ecologists would ask, and holding management accountable for the answers."

Stakeholder collaboration

NOT ENGAGEMENT. COLLABORATION.

Foundation 2 of the 2026 Guiding Principles is Stakeholder Collaboration. Not stakeholder “engagement” which largely treats stakeholders as risks to be managed. “Collaboration” entails authentic learning from and working with stakeholders. Done well, it opens up whole new worlds and, indeed, worldviews of opportunity.

AN EXAMPLE FROM AOTEAROA NEW ZEALAND

In Aotearoa New Zealand, leading directors are learning from and with Māori stakeholders because Māori thought offers a distinctive governance lens.

Te Ao Māori (Māori worldview) holds that nature is not a resource to be managed but a relative to be respected. Kaitiakitanga, often translated as guardianship, positions an organisation not as an owner of natural assets but as a steward accountable to future generations.

For boards grappling with nature-related risks, exploring diverse stakeholder worldviews isn't just a cultural courtesy. It offers a different starting point for every governance question and unlocks opportunities to create long-term value informed by traditions of stewardship older and wiser than any regulatory framework.

“With a unified lens. Embedded. Built on the capability to challenge. And informed by traditions of stewardship older and wiser than any regulatory framework.”

This is what genuine stakeholder collaboration looks like in practice. Not consultation. Learning.

Global signals

Both market and non-market forces are signalling the importance of substantive nature governance. Too many boards are missing the message.

TIME-SENSITIVE SIGNALS

1 REGULATORY

TNFD adopted by 730+ organisations representing \$22 trillion AUM. That's the voluntary phase. ISSB is drafting nature disclosure standards built on TNFD, with an Exposure Draft due by COP17 this October. We've seen this before with climate change: TCFD was voluntary, then ISSB S2, then mandatory disclosures. The timeline is shorter for nature because the architecture already exists.

2 INVESTOR PRESSURE

Investor pressure has moved from general expectation to specific accountability. Nature Action 100 now benchmarks companies on ambition, targets, governance, and engagement. The question investors are asking is no longer "do you have a sustainability policy?" It is "show me your materiality assessment." Those are different conversations, and the second one is much harder to deflect.

3 MARKET PRICING

Markets started pricing nature risk before any disclosure framework existed. Investors started attaching a biodiversity risk premium after the Kunming Declaration in 2021, even before TNFD published its final recommendations. The signal came before the standard. Choosing to wait for regulatory compulsion can be costly.

The boards handling this well are the ones acting on signals, not waiting for standards.

Using nature insight to strengthen strategy and resilience

For most organisations, nature has been filed under risk: something to measure, disclose, defend against. That framing is understandable but limiting. The most interesting organisations have gone beyond asking “what is our exposure to nature risk?” and started asking “what does nature loss tell us about our business?” Those are fundamentally different questions.

1 SCHNEIDER ELECTRIC · OPPORTUNITY

No significant nature dependencies in its own operations. What it had was foresight. It saw that energy and resource inefficiency was becoming a critical pressure point for clients, driven by water stress, ecosystem constraints and rising natural resource costs, and asked: how do we build a product that solves that? EcoStruxure, which helps clients manage energy, water and material waste, is now a multi-billion dollar revenue line. Nature never appeared on their risk register. It was in their opportunity register.

2 NOVO NORDISK · HIDDEN DEPENDENCY

Pharmaceuticals, not an obvious nature sector. But Novo Nordisk found their manufacturing depends on glucose, which depends on wheat and maize, which depends on soil health. Nature was in their value chain all along. They just hadn't looked that far back. Now shifting key suppliers to regenerative agriculture. Not for brand reasons but for supply security.

Two companies. Two different reasons to act. One found an opportunity, one found a hidden dependency. Both arrived at the same conclusion: nature belongs in the strategy session.

The question for every board, regardless of sector: which of those two conversations are you not having?

Encouraging cross-sector collaboration

Nature risk doesn't respect organisational boundaries. A catchment, a watershed, a pollinator corridor — these are shared assets. The gap between how organisations are structured and how nature operates is where I think boards can make their most distinctive contribution.

BOARDS HAVE SOMETHING SUSTAINABILITY TEAMS DON'T

Convening power. Peer relationships. The credibility to pick up the phone to another chair and say: we have a shared problem here, and neither of us can solve it alone.

NESTLÉ

Recognised early that no single company can manage water stress across a shared watershed. They joined multi-stakeholder platforms bringing together governments, companies and communities around water as a shared resource. The board authorised the company to govern beyond its own boundary. That's the wise move.

THREE THINGS BOARDS CAN DO

- 1 Ask hard questions.**
What natural systems do we, or our suppliers, share with competitors and/or communities? Are those systems being governed, or is everyone free-riding?
- 2 Use procurement power.**
Drive standards across the supply chain to reduce risk and pursue opportunities for long-term value.
- 3 Champion pre-competitive coalitions.**
Some nature problems are too large and too shared for any single organisation to address.

“The tragedy of the commons is always a governance failure before it's an environmental one. Boards have the convening power to change that, if they choose to use it.”

From awareness to Confident oversight

Nature is inherently harder to measure than climate. For climate we have CO₂e, one universally accepted unit. For nature there's no equivalent. Five competing scientific indices, none outperforming the others. Waiting for clean metrics before you govern nature risk and opportunity is itself a governance choice. The market has already moved past it.

FOUR MOVES, IN ORDER OF PRIORITY

- 1 Commission a nature dependency audit.**
Not a full TNFD report. Start simpler. Map your top three business activities against the natural systems they depend on (e.g. water, soil, pollination, coastal protection). Every company I've seen do this has found surprises.
- 2 Stress-test against nature loss scenarios.**
Ask your risk team: what is our exposure if water provisioning or pollination services decline by 30%? If they can't answer, that is itself a governance finding.
- 3 Use the TNFD/Chapter Zero guide to Asking Better Questions on Nature.**
12 questions covering dependencies, impacts, risks, opportunities, and the interplay with climate. The guide gives directors language and leverage without requiring you to become ecologists. Available at hub.chapterzeroalliance.org
- 4 Set the cadence.**
Put nature risk and opportunity on the boardroom agenda with the same regularity as climate and cyber, not as an annual update on sustainability. That regularity is itself a signal of how seriously the board takes it.

The question is no longer whether nature belongs in the boardroom.

The question is no longer whether nature belongs in the boardroom. It does. The question is whether your board is governing it well, or waiting for the moment when an absence of substantive governance triggers a change in credit rating, more costly capital, a supply chain shock, or loss of market position to pro-active competitors.

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