

Chapter Zero New Zealand

Climate and nature target setting: A guide for boards and leadership

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**Chapter
Zero** New Zealand
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Why organisations set targets

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Targets can help organisations act on material risks, dependencies and opportunities. They may support:

- **Market access and customer requirements** – where exporters and suppliers are being asked to meet emissions, traceability, deforestation or other environmental requirements
- **Risk and resilience** – by setting a clear direction for reducing exposure to energy costs, water constraints, physical climate risk or reliance on vulnerable natural systems
- **Access to capital and insurance** – where lenders, investors or insurers seek evidence of how material climate and nature-related risks are being managed
- **Strategy and investment** – by providing measurable milestones for changes the organisation has already identified as important to long-term performance, competitiveness or resilience

A board does not need a target for every issue. A useful test is whether a measurable commitment would improve decision-making, drive action or strengthen accountability in relation to a material risk, dependency, market requirement or strategic opportunity.

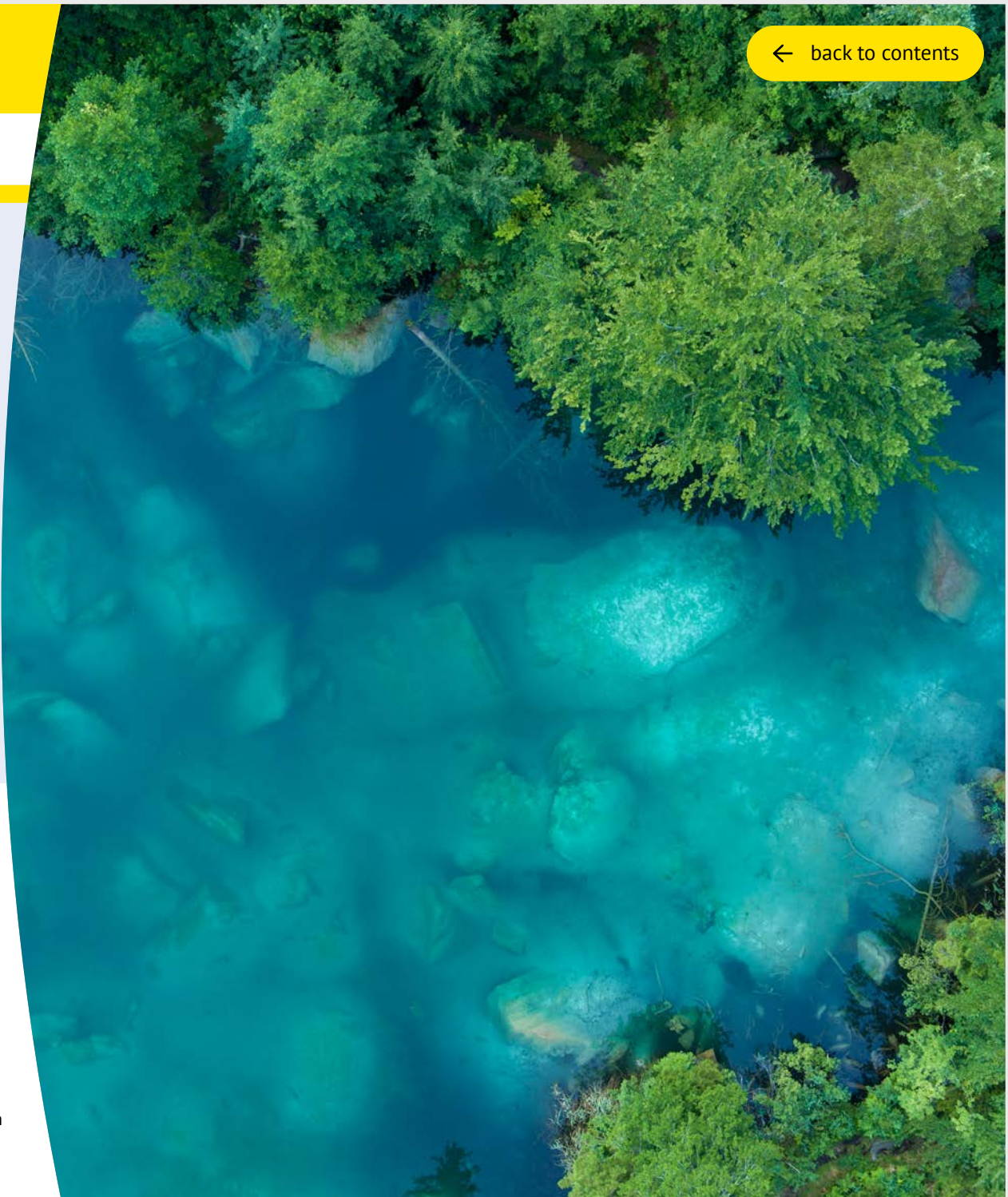
New Zealand's exposure

Around 70% of New Zealand's exports depend on natural resources, highlighting the importance of healthy natural systems to economic performance. Those systems provide services businesses often rely on directly or indirectly – including freshwater, productive soils, flood buffering, coastal protection and erosion control.

At the same time, nearly 70% of New Zealand's export value goes to economies where mandatory climate-related disclosure is already in force or proposed. These requirements may affect New Zealand suppliers and exporters, even when they are not directly subject to domestic climate-reporting requirements.

Sources: [The Aotearoa Circle, Natural Infrastructure Plan 2026](#); [Protecting New Zealand's Competitive Advantage update 2025](#).

Image by: Rapha Wilde on Unsplash



Organisations across many sectors are setting climate and nature targets as part of their long-term strategy.

Climate and nature are interconnected. Climate change is one of the major direct drivers of nature loss, while healthy natural systems can help mitigate climate change and support climate resilience.

Organisations also depend on natural systems for resources and services such as freshwater, healthy soils, pollination, raw materials, water regulation and protection from some natural hazards. Disruption or degradation of these systems can affect productivity, supply chains, costs and resilience.

Where these connections are material, boards should understand them and take them into account in target setting and decision-making.

Climate and nature targets can influence capital allocation, operational decisions, risk management and long-term competitiveness.

The World Economic Forum and Chapter Zero Alliance report [Board Leadership for Growth and Resilience: Guiding Principles for Climate and Nature Governance](#) highlights that climate and nature considerations can also create opportunities for innovation, competitiveness and long-term value creation.

However, setting targets is only the starting point. Scrutiny from regulators, investors and stakeholders is placing greater emphasis on progress. Targets need to be credible, integrated into strategy and supported by clear implementation pathways.

Effective oversight of targets requires asking practical questions:

- Are the organisation's targets evidence-based and proportionate?
- Are they aligned with strategy?
- Are they supported by credible delivery plans?
- How are trade-offs being managed?
- What progress is being made?

This guide provides a practical pathway for setting, overseeing and reviewing climate and nature targets. It is intended to help boards decide where targets are appropriate, what credible commitments look like and how to hold management accountable for delivery.

Image by: Ahmet Kurt on Unsplash



The strategic value of targets

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Targets play a central role in translating long-term sustainability ambitions into operational priorities.

Well-designed targets help:

→ **Clarify strategic direction**

Targets provide a clear signal about how the organisation intends to respond to emerging risks and opportunities associated with climate change, nature loss and resource constraints

→ **Guide capital allocation**

Investment decisions increasingly need to align with long-term climate and nature pathways

→ **Support risk management**

Targets help organisations anticipate regulatory changes, market shifts and physical risks.

→ **Demonstrate accountability**

Clear targets and progress reporting allow stakeholders to assess whether commitments are being delivered

However, poorly designed targets can create risks. Targets should not be treated simply as public commitments. Where they are material, they need to be integrated into strategy, decision-making and implementation, with appropriate board oversight.

Climate and nature are interconnected

Climate change and nature loss reinforce each other. Healthy ecosystems store carbon, regulate water cycles and reduce climate risks.

Climate and nature actions can also interact. Some may deliver benefits for both; others may create trade-offs. For example, large-scale tree planting may remove and store carbon but can have different outcomes for biodiversity and water depending on what is planted and where.

Targets that are unrealistic, poorly integrated into strategy, difficult to measure, or unsupported by credible implementation plans can undermine organisational credibility and expose the organisation to reputational, stakeholder or regulatory scrutiny.

This does not mean every organisation needs targets covering both climate and nature. The starting point should be the issues most material to the organisation. The test is whether a target will help drive action or monitor progress on something that matters to the organisation.

Strong governance helps ensure that targets inform decision-making and are integrated into organisational strategy.

Image by: William Bout on Unsplash



Organisations may set targets across climate, nature and broader operational sustainability. Targets should reflect the organisation’s material risks, impacts, dependencies and opportunities. They can be refined as data and capability improve.

Climate targets

Climate targets most commonly focus on reducing greenhouse gas emissions and improving resilience to climate-related risks.

Examples include:

- Net-zero greenhouse gas emissions targets
- Interim emissions reduction targets
- Renewable energy targets
- Resilience targets

Emissions-reduction targets may align with Paris Agreement goals, while other climate targets may address priority physical or transition risks.

Nature targets

Nature targets focus on managing an organisation’s impacts and dependencies on natural systems. Depending on the organisation, nature targets may address one or more of the major pressures contributing to nature loss or the degradation of natural systems.

Examples include targets related to:

- Land use
- Resource use
- No deforestation or conversion
- Water use and quality
- Biodiversity protection

Nature target setting may be informed by the [Kunming-Montreal Global Biodiversity Framework](#) (GBF), adopted in 2022, and seek to address an organisation’s nature impacts and dependencies.

Operational sustainability targets

Operational sustainability targets can support resource efficiency, cost reduction and improvements in day-to-day business practices.

Some organisations also set targets related to:

- Energy efficiency
- Waste reduction
- [Circular economy practices](#)

The key issue is ensuring that targets are relevant to the organisation’s circumstances and that the language used accurately reflects what the organisation can influence and demonstrate. Targets may address material risks or strategic priorities, but they may also support operational efficiency, cost reduction, resource productivity or other business benefits.

Matching the approach to the commitment

Type of commitment	What may be appropriate
Material public target	Strong evidence, defined baseline and scope, credible implementation plan, clear board approval and ongoing oversight; external standards or validation where relevant
Strategic or operational target	Proportionate evidence, clear ownership, measurable outcome and integration into business planning
Internal management measure	Sufficient to support operational decisions and track performance; may not require board approval unless material

Many economic activities depend on natural capital – the stock of natural resources and ecosystems such as land, water, soil and biodiversity – and the services those systems provide, including soil fertility, freshwater, pollination and protection from some natural hazards.

As a result, financial institutions and regulators are increasingly recognising nature loss as a source of systemic risk.

[PwC's](#) 2023 analysis estimated that 55% of global GDP – around US\$58 trillion – was moderately or highly dependent on nature.

The [Kunming-Montreal Global Biodiversity Framework](#) sets four long-term goals for 2050 and 23 targets for 2030. It is an important global reference point for nature policy, disclosure and target setting. Boards do not need to align every target with the GBF. They should understand which nature-related issues are material to their organisation and how those issues may affect strategy and resilience.

Nature considerations may increasingly influence:

- Supply chain resilience
- Resource availability
- Regulatory expectations
- Investment decisions
- Public and consumer expectations

Why nature target setting is challenging

Nature target setting presents some different challenges from emissions target setting because:

- Ecosystems vary significantly by geography, so risks and opportunities are place-based.
- Impacts and dependencies differ across sectors, activities and locations.
- Data and baselines often require a place-based understanding of activities and ecosystems.

Organisations may therefore need to build their approach progressively. The aim is not perfect information from the outset, but enough decision-useful information to identify what is material, where it occurs and what should be measured.



Nature target setting: a practical lens

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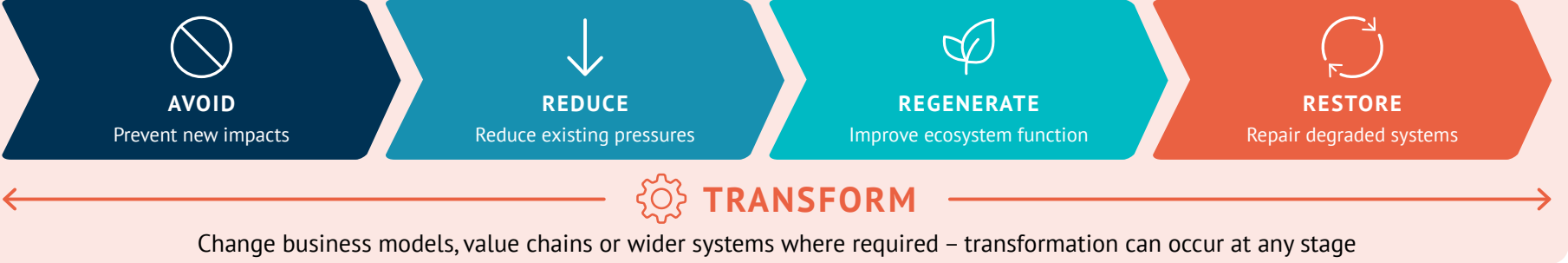
1 SCAN – Where might our pressures sit?



2 PRIORITISE – What matters to us?



3 RESPOND – What kind of action is appropriate?



Adapted from the Science Based Targets Network AR3T Action Framework.



Roles and responsibilities in target setting

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Management develops targets and implementation plans. The board tests their rationale, challenges assumptions and approves material commitments where appropriate.

Key leadership responsibilities include:

- **Target development**
Developing targets supported by appropriate evidence and analysis
- **Implementation**
Translating targets into practical implementation plans and business decisions
- **Accountability**
Assigning accountability and securing appropriate resources and capability
- **Reporting**
Providing clear information on progress, risks and changes for management decision-making and board oversight

Key board responsibilities include:

- **Strategic alignment**
Ensuring targets support long-term organisational resilience and competitiveness
- **Constructive challenge**
Testing assumptions about technology, regulation and market developments
- **Oversight of implementation**
Monitoring progress and holding management accountable
- **Transparency**
Overseeing whether public disclosures accurately reflect progress, assumptions, limitations and challenges. Strong governance helps ensure targets drive real change rather than symbolic commitments



Image by: Maria Orlova on Unsplash

Credible targets are built on a robust understanding of the material emissions and the climate- and nature-related risks, opportunities, impacts and dependencies relevant to the target, as well as the business reason for acting.

Before selecting a target, be clear about its purpose. What does the organisation need the target to help it achieve or manage? That should shape its scope, ambition and how progress is measured.

Developing a credible target involves understanding the organisation's starting point, identifying material priorities and defining what it intends to achieve.

1. Establishing a baseline

Understanding the organisation's starting point, including relevant baseline data and current performance. For a climate target, this may include emissions or climate exposure. For a nature target, it may include interactions with natural systems, its dependencies on the services they provide and impacts of its activities.

2. Assessing material impacts, dependencies and risks

Assess the material factors relevant to the target. For climate targets, this may include key emissions sources and physical or transition risks. For nature targets, this includes how activities affect or depend on natural systems, how resilient those systems are, and how effectively existing actions manage those impacts and dependencies.

3. Identifying where to focus

Priorities may sit within direct operations, particular locations or the value chain. Focus first on what is most material to the target and strategy, including where action could strengthen resilience, improve efficiency or create value, rather than what is easiest to measure or address.

4. Defining measurable outcomes

Targets should include:

- o Clear metrics
- o Defined scope and baseline or reference point
- o Defined timelines and, for long-term targets, interim milestones
- o Transparent assumptions and areas for improvement

A credible target should have a clear rationale, defined scope and baseline, measurable outcome, timeframe, key assumptions and material delivery dependencies.

Meridian Energy: What a well-defined target looks like

[Meridian Energy's emissions reduction targets](#) illustrate how a defined baseline, timeframe and interim milestone can provide a basis for measuring progress towards a longer-term commitment.

Near-term targets: Meridian Energy commits to reduce absolute scope 1 and 2 GHG emissions 50% by FY2030 from a FY2021 base year.

Long-term targets: Meridian Energy commits to reduce absolute scope 1 and 2 GHG emissions 90% by FY2040 from FY2021 base year.

Together, these targets provide a clear scope, baseline and timeframe, with a near-term milestone supporting progress towards the longer-term commitment.

They also give the board a basis for monitoring whether delivery is on track, testing whether assumptions remain valid and assessing whether the pathway between the two targets remains credible.

Board challenge: What actions, investment and capability are required to achieve the near-term target, how will progress be monitored, and what would trigger reconsideration of the pathway to the longer-term commitment?

What should come to the board?

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Before approving a material target, directors should expect management to be able to explain:

Purpose	what material risk, dependency, opportunity, market requirement or business benefit the target addresses
Basis	the starting point, evidence and methodology used
Scope	what is included and excluded, and why
Ambition	why the proposed level and timeframe are appropriate
Delivery	the actions, investment, capability and external dependencies required
Assumptions	what needs to be true for the target to be achieved
Monitoring	how the board will know whether delivery is on track
Review triggers	what changes would cause the target or pathway to be reconsidered



Image by: Aaron Burden on Unsplash

When considering a proposed target, boards should test the following with management:

Understanding the target

- Why are we setting this target, and what risk, dependency, opportunity or outcome is it intended to address?
- What business value or operational benefit could it create?
- What impacts or emissions does the target cover?
- How does it align with our strategy?
- What exactly are we committing to, and is the language clear about scope, baseline and timeframe?

Assessing credibility

- What assumptions underpin the target?
- What risks could affect delivery?
- What trade-offs or unintended consequences could arise from pursuing the target?
- Do we have sufficient evidence to support the claim being made?
- Are there recognised sector-specific standards, methodologies or validation frameworks relevant to this target, and if they are not being used, why not?

Implementation

- What actions will deliver the target?
- How are these embedded in business plans?
- Are the necessary resources, capability and investment reflected in business plans and budgets?

Monitoring

- How will progress be measured?
- What information will give the board early warning that progress is falling behind and action is needed?
- What would cause us to reconsider or reset the target?

External dependencies

- What external factors could affect delivery?
- Which suppliers, partners or other parts of the value chain are critical to achieving the target?



Material targets should inform the organisation’s strategy, investment decisions and operating plans.

Targets should be integrated into strategy and inform:

Capital allocation	Major investments should consider long-term climate and nature implications where these are material
Product and service development	Targets may influence product design, innovation, market positioning or customer propositions
Supply chain strategy	Many environmental impacts and dependencies occur within value chains
Partnerships and collaboration	Achieving targets may require collaboration across supply chains, sectors or locations, particularly where outcomes sit beyond the organisation’s direct control

Image by: Fernando Jorge on Unsplash



Setting targets is only the first step. Credible targets need clear ownership, appropriate resources and implementation plans that translate ambition into action.

Key components include:

Clear accountability	Responsibility for delivering targets should be assigned within the organisation, with clear ownership and escalation where progress falls behind
Operational planning	Implementation plans should outline specific initiatives, milestones, dependencies and decision points
Capability development	New skills and expertise, or external partnerships and support, may be required
Resource allocation	Adequate investment must support delivery, with material costs and investments reflected in operating and capital plans

Silver Fern Farms: Turning targets into action and commercial value

Silver Fern Farms provides an example of climate and nature targets being embedded in business decisions and value creation.

Setting measurable targets

Silver Fern Farms’ sustainability programme includes science-based emissions targets alongside measures covering biodiversity, water, waste and farm assurance. Its 2025 Sustainability Scorecard reports progress against targets that are independently audited and linked to its sustainability financing. Key results included:

- 30.1% reduction in absolute Scope 1 and 2 greenhouse gas emissions from a 2021 baseline
- 99% reduction in organic waste to landfill since 2021
- 826 suppliers registered for NZFAP Plus – a higher-level voluntary sustainability standard covering people, environment and biosecurity – with 612 certified
- A remote biodiversity assessment tool tested on at least 25 farms

Connecting performance to finance

In 2022, Silver Fern Farms established a NZ\$320 million sustainability-linked financing facility. Performance against agreed targets covering farm assurance, emissions, waste, water and environmental monitoring affects the cost of the financing. Silver Fern Farms has described strong performance against the targets as saving the company money, while underperformance costs it.

Creating value through the supply chain

Farmers with NZFAP Plus certification can receive an additional 10 cents per kilogram on eligible livestock. It has also entered a five-year Nature Positive partnership with Sainsbury’s, securing committed volumes and additional premiums for lamb from certified farms and verified Nature Positive outcomes.

In 2025, chief executive Dan Boulton said 20% of its revenue came from high-value customers who pay premium prices for quality protein while also expecting suppliers to reduce emissions.

What this illustrates for boards: Targets can create value when they are connected to financing, operational investment, supplier incentives, customer requirements and measurable outcomes. The governance question is not only whether a target has been set, but whether it is influencing how the organisation allocates resources, engages its value chain and competes in its markets.

Monitoring should show whether targets are on track, where delivery is falling behind and when management needs to act.

Effective monitoring includes:

- Regular reporting on key indicators
- Analysis of deviations from expected progress
- Identification of emerging risks

For material public targets, consider whether independent verification or assurance is proportionate to the significance of the commitment.

Is your monitoring fit for purpose?

Monitoring should provide information that helps decision-makers assess progress and make decisions, rather than simply generate more data.

Consider whether:

- The measures provide a meaningful indication of progress against the target
- The data and indicators match the target's scope and timeframe
- The level of monitoring is proportionate to the significance of the target
- Interim milestones provide sufficient warning where delivery is going off track
- There are any leading indicators or decision points that provide early warning before the target is missed

For nature, this may also require place-based indicators that show whether the relevant natural system is improving or deteriorating.



Image by: Getty Images on Unsplash

Stakeholders increasingly expect organisations to disclose:

- Targets
- Progress
- Methodologies
- Assumptions

Transparent disclosure supports stakeholder confidence and helps manage expectations.

However, public statements should be supported by credible evidence.

Avoiding reputational risk

Targets that are not supported by credible delivery plans may expose organisations to accusations of greenwashing.

Good practice includes:

- Credible targets supported by realistic delivery plans
- Transparent assumptions
- Balanced progress reporting

Be clear about the claim

Climate and nature commitments can use similar-sounding language to describe different levels of ambition or outcomes. Terms such as net zero, carbon neutral, climate positive, no net loss, net positive impact and nature positive are not interchangeable.

It should be clear what is being claimed, including the scope, baseline, timeframe and methodology, and whether there is sufficient evidence to support it. Claims should be clear, balanced and capable of being substantiated.

Where delivery relies materially on offsets, removals, restoration or outcomes beyond the organisation’s direct control, that should be clear.

Image by: Sharon Pittaway on Unsplash



Economic conditions, technology, policy, data and methodologies will evolve over time.

Targets may therefore need to be reviewed periodically.

Organisations should:

- Regularly assess whether targets remain relevant and achievable
- Update assumptions when conditions change
- Communicate material changes clearly and transparently to relevant internal and external stakeholders, including why the target has changed, what has changed and what this means for delivery
- Consider the reputational implications of changing, delaying or withdrawing a public commitment

A revised target need not undermine credibility if the organisation explains what has changed, why the original target is no longer appropriate and how it intends to respond.

By contrast, unexplained changes, silence or overly defensive communication can create greater reputational damage than the change itself.

Leadership should have a clear communication approach for significant target changes, with material changes brought to the board where approval or oversight is required, including how the organisation will explain the rationale, acknowledge any gap between ambition and delivery, and set out the revised path forward.

Air New Zealand: Reviewing targets as assumptions change

Air New Zealand provides an example of how ambitious climate targets can be reviewed transparently when the assumptions underpinning delivery change.

Setting an ambitious target

In 2022, Air New Zealand became the second airline globally to have a near-term target validated by the Science Based Targets initiative (SBTi). It aimed to reduce the carbon intensity of its well-to-wake (jet fuel production, distribution and combustion in flight) emissions by 28.9% by 2030 from a 2019 baseline. Achieving it depended on factors including fleet renewal, access to sustainable aviation fuel (SAF), operational efficiencies and supportive policy settings.

Testing the assumptions

By 2024, several critical delivery assumptions had become more uncertain. New aircraft were taking longer to arrive, while the availability and affordability of SAF and the required policy support remained uncertain. Air New Zealand withdrew the 2030 target, withdrew from SBTi, explained the factors affecting its achievability, and retained its commitment to net zero carbon emissions by 2050.

Adapting the approach

In 2025, Air New Zealand introduced [2030 Emissions Guidance](#), designed to be updated annually as fleet plans, technology, markets and policy settings evolve. It initially indicated a 20–25% reduction in net well-to-wake emissions from jet fuel by 2030; its [2026 Climate Statement](#) subsequently revised that range to 25–30% as underlying assumptions were updated. The guidance is explicitly intended to provide a transparent annual assessment of the airline’s short-term decarbonisation outlook.

The commercial implications are also integrated into planning: estimated costs for SAF, carbon-compliance obligations and fleet modernisation are incorporated into its five-year financial plan, while the board reviews progress against the Transition Plan twice a year.

What this illustrates for boards: Targets should not be “set and forget”. Boards need to keep key assumptions and dependencies underpinning delivery under review. Where circumstances change materially, revising a target or pathway can be more credible than maintaining a commitment no longer supported by evidence. Clear explanation of what has changed, why, and what happens next can preserve credibility without necessarily stepping back from the underlying ambition.

For many organisations, the most significant nature-related impacts and dependencies occur beyond their direct operations.

Agriculture, infrastructure, construction, energy and manufacturing organisations often rely on complex value chains and ecosystem services that interact with natural systems across broad landscapes through land use, water use, resource extraction and waste generation.

As a result, nature-related targets increasingly extend beyond operational boundaries.

This raises important considerations for target setting and delivery. Targets that focus only on operational activities may overlook the most material impacts, dependencies and risks within the organisation’s value chain.

For example:

- Food and beverage manufacturers may depend on crops whose availability and quality are affected by declining soil health or pollinator loss
- Water-intensive industries may rely on stressed freshwater systems
- Agricultural supply chains may drive land-use change or soil degradation

The objective is not necessarily to map every tier of the value chain. Start with where the organisation’s material impacts and dependencies are most likely to sit, then go deeper where needed.

Frameworks such as the [Taskforce on Nature-related Financial Disclosures](#) (TNFD) and the [Science Based Targets Network](#) encourage organisations to assess their impacts and dependencies across value chains to identify priority areas for action.

Organisations do not have direct control over all aspects of their supply chains, so the key question is how they can influence outcomes through procurement, partnerships and engagement.

Questions to consider

- Where in our value chain do the most significant nature impacts occur?
- Which suppliers or partners are most exposed to nature-related risks?
- How can procurement policies or supplier engagement support target delivery?

Image by: Daniel Sessler on Unsplash



Nature-based approaches may also create opportunities for organisations to manage costs, improve resilience or develop new products and services.

Nature-based solutions – such as ecosystem restoration, regenerative agriculture, wetland protection and sustainable forestry – can deliver benefits for both climate mitigation and adaptation.

These approaches can help:

- Restore ecosystems
- Improve water management
- Enhance resilience to extreme weather
- Store carbon

At the same time, they may deliver wider economic, social and resilience benefits that may not be captured in a conventional business case.

For example:

- Sustainable land management practices may increase agricultural productivity
- Ecosystem restoration projects may generate carbon or biodiversity credits
- Natural infrastructure solutions may complement traditional built infrastructure

When comparing nature-based and conventional options, consider the full range of costs, benefits and trade-offs, including who bears the costs and who receives the benefits. Nature-based and built infrastructure may also work together rather than as alternatives. Boards should assess nature-based options alongside conventional alternatives using the same disciplines: expected costs and benefits, risk reduction, resilience, delivery confidence and trade-offs.

[World Economic Forum analysis](#) identifies more than 50 investible opportunities across 13 sectors that could contribute up to US\$10.1 trillion in annual business revenues and cost savings by 2030.

The challenge is ensuring that targets do not focus only on reducing harm but also consider how climate and nature action can strengthen resilience, competitiveness and long-term value.

Image by: Andrej Lisakov on Unsplash



As sustainability commitments become more common and open to challenge, ensuring that targets are credible and achievable is increasingly important.

Several common challenges can undermine target setting efforts.

Pitfall	Board challenge
Targets disconnected from strategy	Which strategic decisions will this target influence, and how is it linked to the organisation’s priorities?
Insufficient understanding of the starting point	What do we know, and what remains uncertain?
Focusing on what’s easiest	Are we addressing the most material issues, rather than simply what is easiest to measure or deliver?
Waiting for perfect data	What can we act on now despite uncertainty, and what data gaps need to be addressed?
Reliance on external assumptions	What happens if technology, regulatory or supply chain developments are delayed or do not materialise?
Limited internal capability	Do we have the expertise, data systems and operational capability needed to deliver?
Lack of accountability	Who is responsible for delivery, what is the implementation plan, and how will progress be monitored?
Too many targets	Which targets address the organisation’s most material issues and strategic priorities, and genuinely warrant board oversight?



Use this checklist when considering new climate and nature targets and periodically reviewing existing commitments. The questions are intended to support board oversight and challenge and should be applied proportionately to the significance of the target.

1

STRATEGY

- ☐ Are targets aligned with the organisation's long-term strategy?
- ☐ Does each target address a material risk, dependency or opportunity?
- ☐ What value or benefit is the target intended to deliver?
- ☐ Where climate and nature targets interact, have we understood the co-benefits and potential trade-offs?

2

CREDIBILITY

- ☐ Are targets based on robust baseline data?
- ☐ Is the target clearly defined, including its scope, timeframe and measurable outcome?
- ☐ Are the assumptions supporting them clearly understood?
- ☐ Are material data gaps or limitations understood?

3

IMPLEMENTATION

- ☐ What actions will deliver these targets?
- ☐ Is there clear executive ownership, with appropriate performance objectives and incentives to support delivery?
- ☐ Are the resources and investment required for delivery reflected in operating and capital plans?

4

MONITORING

- ☐ How will progress be measured?
- ☐ Will the measures tell us whether the intended outcome is actually changing?
- ☐ What early warning indicators will help the board identify when corrective action is needed?
- ☐ How frequently will the board receive updates?
- ☐ Is the target continuing to support the organisation's strategy and long-term objectives?
- ☐ What would trigger review or adjustment of the target?

5

TRANSPARENCY

- ☐ Do disclosures clearly explain the organisation's progress and challenges?
- ☐ Are the claims clear, balanced and defensible?
- ☐ Are material assumptions, dependencies and limitations clearly communicated?

Further resources

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[Chapter Zero New Zealand Board Toolkit 2026](#) – practical guidance on integrating climate and nature into strategy, risk, capital allocation and oversight.

[Sustainability Reporting: A guide for boards and leadership](#) – guidance on materiality, reporting, data, assurance and communicating progress.

[Effective Climate Governance – Climate Scenario Analysis](#) – guidance for testing strategy against plausible future conditions.

[Australian Institute of Company Directors – Principles for setting climate targets](#) – practical principles to help boards oversee credible, achievable and strategically aligned targets.

[Transition Planning – A Guide for Directors](#) – guidance on developing credible pathways from long-term ambition to implementation.

[TNFD – Asking better questions on nature: For board directors](#) – 12 practical questions to help boards surface decision-useful information about nature-related dependencies, impacts, risks and opportunities.

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