



HUMANS AREN'T ADEPT AT GRASPING REALLY big numbers. Yet those are what we invariably use to convey both how important nature is and how devastating our collective inaction remains.

To help connect those massive numbers to tangible steps, the World Economic Forum created a series called the New Nature Economy Reports (NNER). These reports view the situation through the lenses most familiar to business: risks and opportunities. Blending research and analysis, the New Nature Economy series lays out why nature-related risks matter to business, what transitions are required to reach a nature-positive future, and the opportunities to be gained from doing so.

SECTOR TRANSITION PATHWAYS

The NNER series highlights how three key systems with highest impact also have the most to gain by transforming:

1. **Food, land and ocean use**
2. **Infrastructure and the built environment**
3. **Extractives and energy**

Collectively, these systems represent more than one-third of the global economy and two-thirds of all jobs, and they endanger around 80% of

The New Nature Economy series, produced by the **WORLD ECONOMIC FORUM**, lays out the risks and opportunities for business. By **AKANKSHA KHATRI** and **LUCY ALMOND**.

threatened or near-threatened species. Improvements in these systems will produce outsized impact.

REGIONAL DEEP-DIVE

Taking the global framework into regional and country deep-dives has been helpful in showing that as sectors transform, so must entire regions. In China, for example, a recent WEF report—produced in collaboration with Golden Bee—finds that there are 15 priority transitions that have the potential to add \$1.9 trillion in annual business value and create 88 million jobs by 2030. It is a similar story for other regions: There are significant economic and societal gains to be realized.

NET ZERO AND NATURE POSITIVE

Companies are increasingly recognizing that nature-related risks are just as critical as—and interwoven with—climate-related risks. And, as with climate, managing risk is only half the story; unlocking opportunity is the other half. For instance, we calculate the benefits of protecting at least 30% of the world's land and oceans outweigh the costs by a ratio of at least five to one. There are growing opportunities and proven business models for nature-positive aligned investment. Already companies are using nature-based solutions to do everything from shore

up their bottom line to increase the resilience of their supply chains.

GUIDANCE ON HOW TO GET GOING

As action mounts, a deep pool of guidance and expertise is emerging on how to implement both net-zero and nature-positive transitions. The level of detail is important but sometimes the volume of guidance can feel overwhelming for companies, and at times even be conflicting. That's why it's critically important that a range of groups such as Business for Nature, Science Based Targets Network (SBTN), and the World Business Council for Sustainable Development have come together to create a joint, easy-to-understand framework which presents the high-level steps a business needs to take. It's called ACT-D, or Assess, Commit, Transform, Disclose.

ASSESS: Every business's first step should be to assess double materiality of impact and dependency on nature.

COMMIT: Follow up by setting targets. The SBTN provides guidance for companies to set science-based targets for both nature and climate.

TRANSFORM: For companies looking to invest in high-integrity nature-based solutions, particularly beyond their own value chains, a wealth of new resources are emerging, such as the Natural Climate Solutions Alliance corporate guide, and the recently published Tropical Forest Credit Integrity guide.

DISCLOSE: The Taskforce on Nature-related Financial Disclosures, for example, provides a framework for how organizations can assess and disclose their impacts, while channeling capital and taking action to address environmental risks and opportunities.

WHAT DOES LEADERSHIP LOOK LIKE?

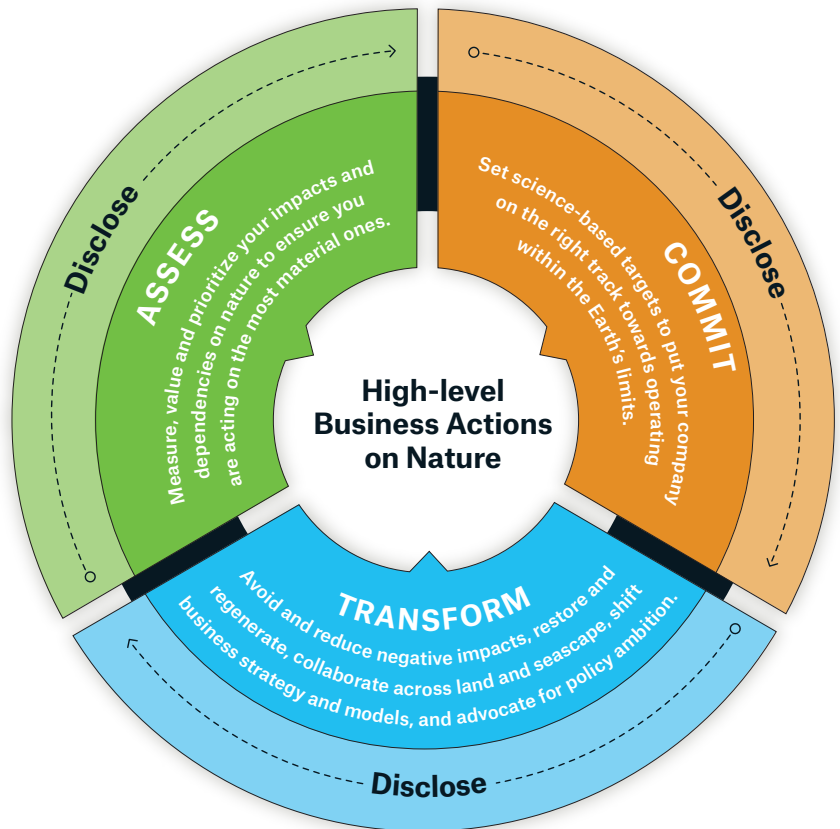
Leading companies are putting that guidance into practice. The details will differ slightly for each industry and company, but businesses on the forefront of this issue are all taking two related steps:

1. They're decarbonizing fast and transparently. They play their role in moving the world toward net zero and a pathway that is 1.5°C compatible.

2. They recognize there is no net zero without nature. That means harnessing the power of nature in their climate strategy and investing in core business transformations. The overarching goal is to move toward a nature-positive future, which requires halting and reversing nature loss associated with business activities, such as deforestation, habitat conversion or overfishing.

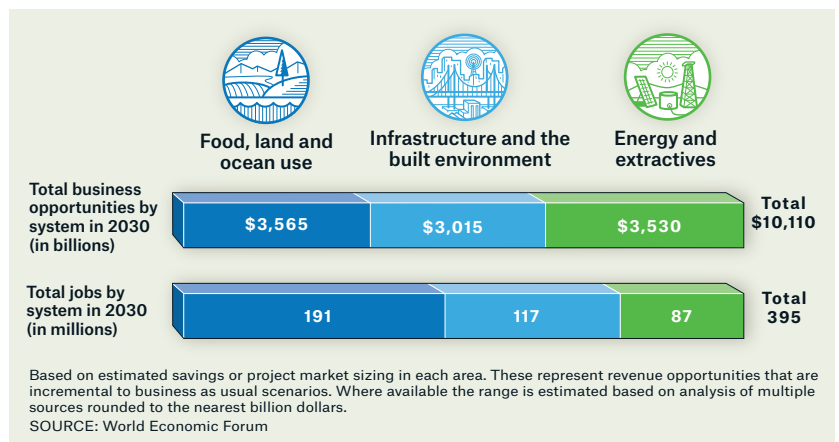
STEPS TO NATURE POSITIVE

The World Economic Forum's ACT-D model provides a framework for business action.



3 KEY SYSTEMS

15 transitions in three socio-economic systems could deliver \$10.1 trillion of annual business opportunities and 395 million jobs by 2030.



Big steps, like big numbers, can risk sparking inaction—where does one begin? Fortunately, a growing body of research and guidance helps answer that question, demonstrating how businesses can carve out ambitious paths to net zero and nature positive. ♦

AKANKSHA KHATRI is Head of Nature Action Agenda for World Economic Forum's Platform for Global Public Goods. **LUCY ALMOND** is Chair of the Nature4Climate coalition.