

Board Leadership for Growth and Resilience

Guiding Principles for Climate and Nature Governance

JANUARY 2026



This is a summary of *Board Leadership for Growth and Resilience: Guiding Principles for Climate and Nature Governance*. Click [here](#) to read the full report.

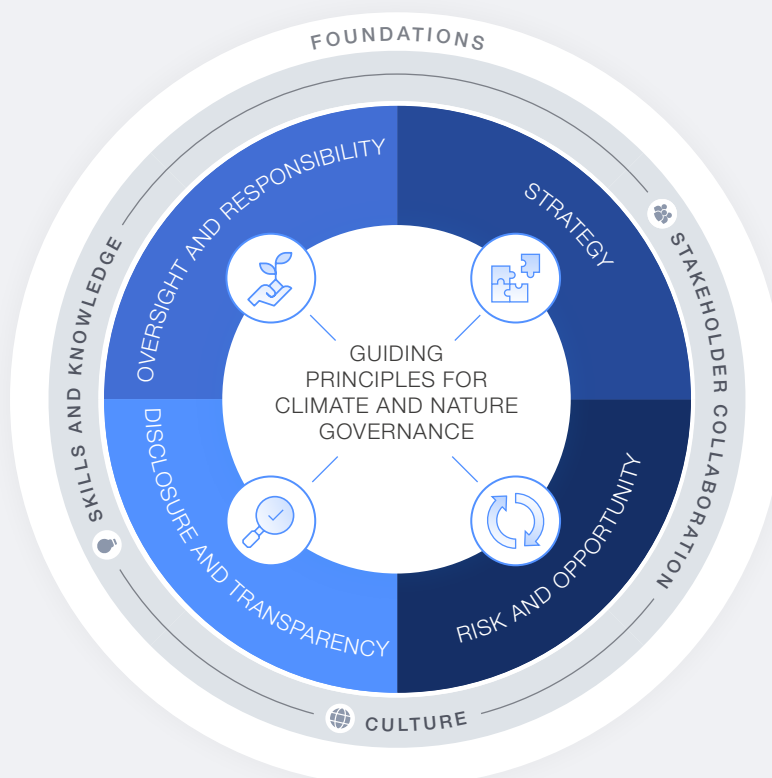
For today's boards, climate and nature represent some of the **greatest opportunities for growth and renewal**. They are redefining markets, driving technological innovation and influencing where investment flows. Subjects that once sat outside the boardroom are now central to business performance, resilience and value creation.

For boards, it is not only about mitigating risk but about seizing the upside of the transition. **Directors who understand climate and nature as drivers of change can position their organizations to lead in emerging markets, attract long-term**

investment and build enduring stakeholder trust. Effective governance in this realm is good business. It signals confidence, supports resilience and equips organizations to stay competitive in a rapidly evolving environment.

This guide provides a short overview of the **Principles for Effective Climate and Nature Governance** and illustrates key actions boards can take to anchor nature and climate in the boardroom. It offers **four principles** supported by **three cross-cutting essential foundations** that together can deliver sustained impact.

FIGURE 1 The building blocks: integrating principles and foundations



Three governance foundations



Skills and knowledge

The board maintains the skills, knowledge and mindset to challenge strategy, oversee risk and drive sustained value. It applies understanding of how shifts in climate and nature affect the organization, recognizing they present unprecedented opportunities and risks.



Stakeholder collaboration

The board oversees collaboration with stakeholders to strengthen resilience and inform decisions. It guides engagement with regulators, investors, industry and communities to build shared solutions and enhance preparedness for climate and nature challenges.



Culture

The board shapes culture through purpose and values that enable curiosity, challenge and foresight. It signals that climate and nature are central to strategy, resilience and long-term value creation.

Four guiding principles



GUIDING PRINCIPLE 1

Oversight and responsibility

The board is accountable for promoting long-term resilience and value creation. It oversees systems and processes that formalize responsibility for the impact of changes to climate and natural resources on organizations.

- **Define and uphold clear board and management responsibilities** for climate and nature by embedding the topics into board agendas, regular reports and updates on progress towards targets.
- **Align incentives and performance frameworks** with long-term goals and values to seize opportunities and drive purpose-led performance.
- **Regularly review governance structures and board performance** to ensure transparency, resilience and effective oversight of climate and nature priorities.



GUIDING PRINCIPLE 3

Risk and opportunity

The board oversees material risks, opportunities and dependencies to protect and enhance stakeholder value. It considers how climate and nature both shape and are shaped by the organization's activities and financial performance.

- **Identify and assess climate and nature risks and opportunities**, including those that are indirect, systemic and fast-evolving, **to understand impacts and dependencies** across the value chain and time horizons.
- **Use scenario analysis to understand how different pathways may reshape risk exposure and opportunity potential**, challenging assumptions and exploring tipping points, dependencies and long-tail risks.
- **Balance short-term pressures with long-term resilience**, reframing challenges as opportunities for innovation and sustainable value creation.

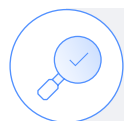


GUIDING PRINCIPLE 2

Strategy

The board oversees systemic integration of material risks and opportunities into organizational strategy and policy development. It steers the inclusion of climate- and nature-related considerations into decision-making to drive long-term value creation.

- **Integrate climate and nature into company goals, capital allocation and performance objectives** as key drivers of strategic transformation that shape risk appetite, adaptability and competitiveness.
- **Test business-model and transition-plan resilience** under multiple scenarios to ensure credible, forward-looking and accountable strategies that support transformation across different time horizons.
- **Apply foresight and systems thinking** to guide goals, partnerships and investment amid regulatory shifts and emerging opportunities, ensuring coherent action and value creation in the short, medium and long term.



GUIDING PRINCIPLE 4

Disclosure and transparency

The board promotes transparency, integrity and accountability through disclosures that fairly inform investors and stakeholders. It oversees systems that enable true and fair reporting of how changes in climate and nature affect financial performance and long-term prospects.

- **Ensure the accuracy, credibility and integrity of climate and nature disclosures**, supported by robust systems, data and independent verification.
- **Align reporting with strategy, commitments and regulatory expectations**, applying consistent metrics and frameworks that enable stakeholders to benchmark climate and nature performance over time.
- **Promote coherence** across all internal and external reporting and communication, supported by independent assurance.