
QUICK BRIEF

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Nature in Climate Transition Planning: From Parallel Agendas to Integrated Management



Climate and nature are no longer distinct corporate agendas to be reported in separate chapters of a sustainability report.

They are two sides of the same underlying system of dependencies, impacts, risks and opportunities. The organisations that recognise this earliest will be best placed to allocate capital, prioritise adaptation investments and build resilient business models in an increasingly volatile operating environment.

The methodologies and guidance now exist to make this integration practical.

Why Nature Must Enter Transition Planning

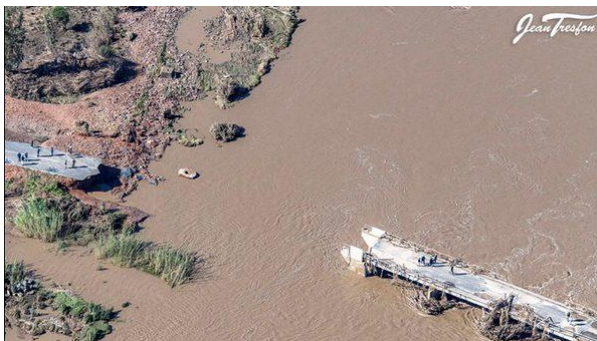
For much of the past decade, corporate sustainability agendas have advanced along two parallel tracks. Climate mitigation has matured into a structured, compliance-driven discipline, supported by science-based targets, sectoral decarbonisation pathways and an established practice of transition

planning. The nature agenda has progressed more slowly, often confined to standalone biodiversity statements and treated as adjacent to, rather than integral to, core business strategy.

That separation is becoming increasingly difficult to defend. The evidence now points consistently to climate and nature as elements of a single planetary system, rather than as discrete issues.

For example, ecosystem degradation amplifies physical risk through the intensification of flood and drought exposure. In a recent business case assessment conducted by [eThekweni Municipality](#), climate change impacts on riverine areas could cost eThekweni Municipality and its citizens more than R375 million per annum by 2040.

The report further indicates that eThekweni Municipality will be, “directly affected, with annual damages to municipal road culverts alone due to increased climate change related flooding estimated at over R151 million by 2040.”



[The Taskforce on Nature-related Financial Disclosures' \(TNFD\) November 2025 guidance on nature in transition plans](#) also reflects this shift in framing. The guidance observes that the actions required to meet nature-related objectives frequently overlap with – or even at times diverge from – those required for climate, and that a "climate-first" approach pursued in isolation can produce negative outcomes for biodiversity, and ultimately for a company's climate plan itself. **Conversely, an integrated transition plan signals to investors, regulators and other stakeholders that an organisation is responding coherently to the transitions implied by both the Paris Agreement and Kunming-Montreal Global Biodiversity Framework (GBF).**



For corporates, the case for integration is increasingly financial rather than reputational. The [World Business Council for Sustainable Development \(WBCSD\)](#) estimates that, in the absence of adaptation, physical risks could reduce annual EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) by 5–25% across critical industries in every global region by 2050. A further 60% of businesses surveyed already anticipate increased costs from extreme weather and supply chain disruption within the [next twelve months](#).

Treating nature and climate as a single, financially material risk and opportunity domain is, on at least this evidence, the logical next stage in the maturation of corporate transition planning.

Understanding the Risk Landscape

Unlike greenhouse gas emissions, which aggregate at the atmospheric level, nature-related risks are intensely local; for example, a beverage company sourcing from a water-stressed basin, a food retailer exposed to crop failures in an agricultural commodity supply chain, or a construction company whose workers are increasingly exposed to heat risk. They all face fundamentally place-based risks.

Physical risks include acute disruptions from extreme weather (cyclones, floods, fires) and the chronic erosion of productivity from sustained heat, water stress and **ecosystem decline**. Transition risks arise from the regulatory, technological, market and consumer shifts that accompany the move to a nature-positive, **low-carbon economy**. The two factors reinforce one another: transition risks are often addressed and financed at an operational level, the same level at which site-based physical risk manifests. Aligning company capital expenditure to jointly address operational transition risk and nature vulnerabilities makes business sense, in the context of integrated risk management. There are already companies in South Africa that build nature into the financial models of projects designed to reduce their transition risk.

WBCSD's adaptation planning guidance frames this candidly: *increased physical risk is a "wicked risk-multiplier" on top of an already uncertain operating environment, and to remain competitive a leading **business must adapt**.*



Why Integration Matters

Sustainability reporting has fragmented over the past decade, as new frameworks emerge for climate, nature, water, social and human rights topics. For corporate teams this fragmentation manifests as duplicated data collection, siloed governance, and strategies that overlook the interactions between domains.

The TNFD's transition plan guidance describes a clear progression: organisations typically start with a climate transition plan, then extend it to recognise nature's contribution to net zero (for example, the role of forests, wetlands and soils in sequestration), then move to an integrated plan in which climate, nature and social objectives are managed holistically with explicit assessment of synergies and **trade-offs**. An integrated approach helps avoid fragmented strategies that overlook synergies, trade-offs, cumulative effects, and missing opportunities.

The Five Drivers of Change in Nature

To move from intent to action, organisations need a structured way to think about how their business interacts with nature. The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) identifies five drivers of change to nature:

1. Land, freshwater and ocean use change – conversion of natural ecosystems for agriculture, forestry, infrastructure, aquaculture, mining and urban expansion. For most corporates, this is the

most material driver in upstream supply chains, captured through metrics such as area devoted to agriculture, forest plantation, open-cast mining or seabed mining.

2. Resource use and replenishment – withdrawal of water, harvesting of biomass, fisheries and minerals beyond the rate at which ecosystems can replenish. This driver creates direct dependency risk for sectors such as food, beverages, textiles and pharmaceuticals.

3. Climate change – the only driver explicitly shared with traditional climate transition plans, captured through greenhouse gas emissions and their effects on ecosystems and species. It is here that the synergies and trade-offs between the two agendas is most easily understood.

4. Pollution and pollution removal – release of nutrients, chemicals, plastics, light and noise into ecosystems, and the corresponding circular-economy opportunities to reduce, reuse, recycle and transform waste.

5. Invasive alien species introduction and removal – often overlooked by corporates, but increasingly relevant to shipping, agriculture and infrastructure, with growing market opportunities in the removal and beneficiation of invasive species (plant-based) and land restoration.

The TNFD adopts the above five drivers as the organising framework for both nature and transition planning. Using these as a lens forces a more honest analysis of organisational exposure than carbon emissions-only frameworks allow. It surfaces dependencies that climate disclosures miss, identifies pollution and resource-use issues that compound climate risk, and reveals where actions on one driver might inadvertently worsen another.



Operationalising Integration: The LEAP Approach

The TNFD's LEAP approach – Locate, Evaluate, Assess, Prepare – provides the practical methodology to translate these concepts into an internal due diligence process. LEAP is designed to be flexible and iterative rather than strictly sequential and works in concert with established climate scenario analysis and enterprise risk management processes. Crucially, it can serve as a single backbone for both nature assessment and the location-specific aspects of climate adaptation planning. Moreover, while not a mitigation framework, LEAP can be used to inform mitigation decisions.

From Compliance to Strategic Resilience

Three key strategic levers stand out for organisations seeking to move beyond compliance:

- **Prioritise co-benefits.** Focus on solutions – particularly nature-based solutions – that simultaneously deliver climate resilience, decarbonisation and nature-positive outcomes. For example, a regenerative agriculture programme that improves soil carbon, water retention,

biodiversity and supplier resilience all at once produces a far higher return than four separate initiatives.

- **Build collective resilience.** Climate adaptation and system-wide nature restoration largely operate at landscape, basin or seascape scales. Engaging with local communities, suppliers, peer companies and government on shared resilience distributes the cost and broadens the benefit of investments, beyond what a single organisation's balance sheet can justify.

- **Align with national plans and frameworks.** Both the [TNFD](#) and [WBCSD](#) emphasise alignment with National Adaptation Plans (NAPs), [National Biodiversity Strategies and Action Plans \(NBSAPs\)](#), [Nationally Determined Contributions \(NDCs\)](#) and other regional frameworks. Such alignment de-risks transition investments, signals credibility to investors, and positions the company in line with where public capital and policy support will flow.

Underpinning all of these strategic levers is company governance. The TNFD guidance recommends that boards put in place clear mandates and reporting structures for nature, build board-level capacity, and consider whether climate and nature roles can be integrated into a single ESG, sustainability or environmental team and a single environmentally-themed culture and [capacity-building programme](#).

Conclusion

The journey from parallel agendas to integrated risk management will not be completed in a single reporting cycle. The TNFD itself recognises that organisations may begin by integrating relevant nature actions into an existing climate plan, before expanding to a more comprehensive integrated plan over time. WBCSD similarly advises a phased approach: learning and monitoring where uncertainty is high, testing and piloting where resources allow, and acting decisively where the risks – and opportunities – are highest.

What matters now is starting. The frameworks, methodologies and early case evidence are sufficient to begin; waiting for perfect data or fully harmonised standards will simply compress the time available to act. Sustainability teams that move first – integrating nature into existing climate risk processes, governance forums and transition plan iterations – will shape how their organisations understand resilience, allocate capital and engage their value chains for the decade ahead.

For more information related to this article and its associated references, **please contact Chantal van der Watt (PwC: Director): chantal.van.der.watt@pwc.com; or Garth Barnes (NBI: Programme Manager: Water & Biodiversity): garthb@nbi.org.za.**