

Reducing Your Business Impact on Nature

Introduction

To limit global temperature rise to 1.5°C we must rapidly reduce emissions and protect and restore nature. This short guide will cover actions you can take to address your impact on nature within your value chain, beyond your value chain, and how to communicate and report on these efforts.

Reduce Your Impact Within in Your Value Chain

Addressing land-based emissions is the most effective way for you as an organisation to reduce your impact on nature. SMEs should focus on emissions from agriculture, forestry, and other land uses within their supply chains.

Key Actions:

- **Identify Your Land-Based Emissions:** Assess emissions from agriculture, forestry, and other land-use activities in your supply chain. Set specific targets to reduce these emissions.
- **Source Sustainably:** Shift to sourcing commodities produced through regenerative agriculture and sustainable forestry practices. This approach benefits the climate, biodiversity, and local communities.
- **Eliminate Deforestation:** Commit to eliminating deforestation from your supply chain as quickly as possible. Support initiatives that promote sustainable land management and restoration in the regions you source from.
- **Promote Sustainable Lifestyles:** Encourage consumers to adopt more sustainable lifestyles through your product offerings, marketing, and corporate practices.

Invest in Nature-Based Solutions Beyond Your Value Chain

Beyond reducing emissions in your operations and supply chain, SMEs should invest in nature-based solutions (NBS) that contribute to global climate goals. These investments should go beyond traditional offsets and focus on additional contributions to nature and climate.

Purchase carbon credits that support high-quality nature-based solutions, such as reforestation, agroforestry or wetland restoration. Always ensure that carbon is stored in high and complex biodiversity ecosystems, certified by reputable organisations and with a solid track record. While these investments should not replace efforts to reduce your value chain emissions, they are a critical supplement to those efforts as we know value-chain decarbonization alone is insufficient to keep our climate goals in reach.

In addition to carbon markets, consider direct investments in conservation, ecosystem restoration, or other forms of nature protection that do not necessarily generate carbon credits. Prioritize projects that provide multiple benefits, including biodiversity conservation, improved livelihoods, support for local communities, and climate resilience.

Report and Communicate Transparently

Disclosing investments in carbon credits or other nature-based projects beyond your company's value chain must be reported separately and independently from your company's annual greenhouse gas emissions reports. Carbon credit purchases should not be considered traditional 'offsets' and should only be used in addition to – not as a substitute for – decarbonization of your own operations.

Key Actions:

- **Report Emissions Annually:** Disclose your greenhouse gas emissions and progress toward science-based targets annually.
- **Communicate Nature-Based Investments:** Clearly state the amount of nature-based climate solution credits purchased and any other investments in nature. Report these separately from your direct emissions reductions. Showcase your biodiversity investments, promote the NGOs you donated to and nature-based initiatives to inspire other businesses in your sector - transparently and backed by science. Use geospatial platforms or third-party platforms to showcase your impact.
- **Avoid Misleading Claims:** Do not use carbon credit purchases as traditional 'offsets' for your emissions reduction commitments. These should be additional efforts beyond your value chain reductions.

Engage Your Employees

Engaging employees in nature-focused initiatives can foster a strong connection to local environments while generating positive social and environmental impact. Companies can offer pro-bono support to NGOs, and contribute to urban greening efforts by sponsoring parks, green roofs, or urban forest projects. Other ways to do this could be through employee giving programs, volunteering opportunities in local conservation and restoration projects, and in-kind donations of equipment or services. Organizing site visits to regenerative farms or conservation projects enhances understanding of sustainability, benefiting both nature and employee engagement as they actively participate in efforts to improve their local surroundings.