SBTN Financial Sector Engagement Program

Supporting the financial sector to understand and apply science-based targets for nature in company and client engagement

Summary

- SBTN, with support from CDP and WWF, launched the program in October 2026 during UN CBD COP17.
- Phase 1 begins with freshwater quantity targets, providing a focused entry point with practical relevance for high-impact industries and financial sector engagement.
- Participants gain training and supporting materials, an engagement toolkit, data insights on corporate practices, and a peer working group.
- The common technical foundation on SBTs for nature can be applied differently across investment, banking, insurance, and supporting financial sector roles.

Program journey

1	2	3	4
UNDERSTAND	APPLY	LEARN	ADVANCE
Build a common SBTN foundation within the financial sector	Use resources in existing processes	Share experiences and barriers	Refine resources and expand scope

Why this program, and why now?

Nature degradation is increasingly relevant to financial institutions through its connections to risk, resilience, client outcomes and long-term economic value. Companies in high-impact sectors face growing expectations to understand and manage their impacts and dependencies on nature, including water availability, land use, ecosystem condition and biodiversity loss.

SBTN gives financial-sector actors a structured basis for company and client dialogue. It can support better questions, stronger assessment of credible corporate action, and more informed consideration of nature-related issues across portfolios, lending relationships, underwriting exposure and commercial strategy.

The October 2026 release of SBTN 2.0 creates a timely opportunity to build market capacity on SBTs for nature. The updated suite of methods and guidance make the target-setting journey more practical for companies while maintaining the rigor, place-based approach, and accountability that underpin credible action for nature over time. With expanded pathways and target coverage, it gives companies more ways to begin and make progress, thus providing the financial sector with greater confidence in company journeys.

Purpose and objectives

The program will help financial-sector participants understand, interpret and use SBTN methods in existing company and client engagement, beginning with freshwater quantity targets. It aims to:

- Build understanding and confidence of SBTN 2.0 methods across sustainability, investment, lending, underwriting, risk and client-facing teams
- Provide ready-to-use resources for incorporating SBTN into existing company and client engagement
- Help participants identify where SBTN is most relevant and how it can complement existing nature commitments, strategies and processes

- Support target-setting expectations within collaborative initiatives without duplicating their engagement activities
- Create a feedback loop so SBTN, CDP and WWF can improve guidance for financial-sector application

Who can join, and what will they gain?

The program is open to financial institutions and selected financial-sector actors that can use, enable or support company and client engagement on nature. Organizations may join whether their nature strategy is established or emerging.

Participant type	How the program can be applied	What participants gain
Asset owners and asset managers	Stewardship and portfolio-company dialogue, risk assessment and inclusion in investment processes.	A common technical foundation, practical engagement prompts and insight into corporate target-setting.
Banks and other lenders	Client dialogue, sector policy strategies, transition finance, risk assessment and relationship management.	Resources that translate SBTN into client-facing and internal conversations.
Insurers and reinsurers	Client engagement, underwriting insight, risk advisory, resilience and sector-level risk understanding.	A structured basis for discussing nature-related action with clients and internal teams.
Investment advisers	Asset-owner advice, manager research, policy development and portfolio or mandate guidance.	Technical understanding and materials that can inform advice and expectations.
Financial services providers	Design and delivery of engagement research, questions, escalation pathways and reporting.	Consistent SBTN framing and sector-specific prompts that can strengthen client mandates.

Program offer

Phase 1 will run from October 2026 to June 2027 and combine structured capacity building with practical resources available through a dedicated SBTN webpage.

1. Capacity-building. Webinars on SBTN 2.0 methods and application of freshwater quantity targets, with recordings and materials available after each session.
2. Interoperability guidance. Practical explanation of how SBTN connects with TNFD, initially focusing on assessment and prioritization, and with related nature initiatives.
3. Access to SBTN updates. Free access to SBTN's Corporate Engagement Program which provides expert insights from companies on method adoption and updates on latest developments.
4. FI engagement toolkit. Suggested questions, sector-specific prompts, talking points, and examples for sustainability, stewardship, lending, underwriting, risk and client-facing teams.
5. Insights on targets. Information from SBTN's target tracker and CDP data to illuminate corporate practice.
6. Peer working group. A quarterly forum focused on application, barriers and improvements, with topic-specific technical sessions where there is demand.

Initial focus: freshwater quantity

Freshwater quantity provides a focused and practical starting point. Companies have had more time to explore and apply SBTN's freshwater approach than newer target areas, and water availability is material to several industries.

Beginning here allows participants to build capabilities through a defined use case before the program broadens to other freshwater targets, ocean and land.

Initial capacity building will prioritize industries that produce or use forest, agricultural, or textile commodities within the food, beverage, agriculture, and apparel, as well as the manufacturing sectors, particularly those classified as having *very high* or *critical* impact levels in the Water Watch tool, CDP's water impact index.[1]

This prioritization will be kept under review as the program tests where engagement resources are most useful and as the scope expands.

What participation involves

No formal corporate engagement commitment

Participation is designed to build capacity on SBTN and its methods for SBTs for nature. Joining does not create a new stewardship or engagement commitment.

- Nominate a primary contact and relevant internal colleagues.
- Engage with core training sessions or recordings and review the program materials.
- Share relevant resources with appropriate internal teams.
- Where appropriate, test selected resources in an internal process or company/client conversation.
- Provide feedback on usefulness, barriers and further guidance needs.
- Agree to the organization's name being listed as a program participant on the SBTN website.

Success criteria for Phase 1

Phase 1 will be considered successful if it demonstrates both participant capacity building and practical value. SBTN, CDP and WWF will monitor the following criteria, using sign-up information, attendance and resource-use records, short participant surveys, and working-group feedback.

Success area	Evidence of success by June 2027	Monitoring and evaluation
Reach and relevance	A diverse cohort joins across eligible participant types and sees the program as relevant to its business model.	Sign-up information
Knowledge and confidence	Participants convey improved understanding of SBTN 2.0 and freshwater quantity targets, and greater confidence explaining the corporate value proposition and feasibility of SBTN.	Pre/post session pulse checks
Practical application	Participants test or adapt at least one program resource in an internal process or company/client conversation, where appropriate.	Voluntary application examples
Resource diffusion and usefulness	Core materials are reviewed and shared with relevant sustainability and business teams. Guidance is judged to be clear, practical and suitable for different financial-sector roles.	Working-group feedback and survey
Learning and improvement	Partners identify priority guidance gaps and agree changes for Phase 2, including future target areas and needs.	Phase 2 plan

[1] Water Watch is a free tool that classifies sectors, industries, and business activities into five bands based on their potential impact on water resources: Low/Not relevant, Medium, High, Very High, Critical.

How the program complements existing efforts

The program does not represent a substitute for existing frameworks or collaborative engagements. Rather, it will help participants apply SBTN in ways that support their current commitments and processes. For example:

TNFD LEAP guidance draws from SBTN's guidance and signposts to it for target-setting. For example, the SBTN AR3T framework (Avoid, Reduce, Regenerate, Restore and Transform) is utilized in LEAP to guide how companies should prioritize responses to nature-related risks and opportunities. In the Evaluate phase of LEAP, the SBTN Materiality Screening Tool is also recommended for corporates and financial institutions to use for identification of impact drivers (also known as pressures) that are likely to be present in operations and portfolios. Finally, as part of the Prepare phase of LEAP, the TNFD explicitly recommends that corporates set and measure performance against SBTs for nature using SBTN methods.

Nature Action 100 (NA100) and participating investors call on companies to take actions along six areas, one of which is on setting science-based targets. Indicator 3 of the NA100 company benchmark assesses whether companies have set and disclosed progress against such targets, including targets to avoid and reduce drivers of nature loss as well as to restore and regenerate ecosystems, and whether they have been validated by an independent third party. Targets set using SBTN methods and validated by the Accountability Accelerator can meet these criteria.

The Ceres' Valuing Water Finance Initiative (VWFI) and participating investors call on companies to eliminate their negative impacts on water availability in water-scarce areas throughout their value chains. Indicator 1.1 of the VWFI company benchmark includes assessment of whether companies have set science-based targets. Freshwater quantity targets using the SBTN Freshwater method can meet these criteria. Additionally, SBTN freshwater quality targets fall within scope of VWFI expectations on water quality.

The Finance for Biodiversity FABRIC initiative and participating investors call on companies in the textile and apparel sector to set science-based targets for nature on freshwater and land use. Targets set using SBTN methods meet these criteria. The initiative also recommends that companies use the SBTN Materiality Screening Tool to inform their target-setting processes.

PRI Spring and participating investors call on companies to set science-based targets to eliminate deforestation and biodiversity loss throughout their value chains. Targets set using SBTN methods, particularly the Land method, meet these criteria. Spring also refers to the Accountability Framework initiative's guidance, which is used by SBTN and integrated into the Land method.

The FAIRR Waste & Pollution Engagement calls on protein producing companies to set company-wide water quality targets and site-specific plans for their effluents, which is directly relevant to the scope of SBTN freshwater quality targets on nitrogen and phosphorus pollution. Location-specific SBTN freshwater quality targets support the development of site-specific plans and overarching company-level targets. SBTN Ocean methods are also complementary to and can follow the traceability objectives of FAIRR's Seafood Traceability Engagement, as seafood traceability generates data that is necessary for companies to set targets to reduce risk to endangered, threatened, and protected marine species.

We will engage with relevant initiatives to ensure the SBTN program complements their existing corporate engagement activities and provides participants with additional technical understanding and practical resources on SBTN.

Additionally, just as SBTi provides a science-based approach for assessing and advancing corporate climate ambition, SBTN extends this logic to nature by helping companies identify, prioritize and address their most material impacts on freshwater, land and oceans. While the methodologies and target areas are distinct, both frameworks share a common emphasis on science-based prioritization, target-setting, and action. For financial sector actors, this creates an opportunity to leverage existing governance processes, stewardship approaches and transition planning conversations developed around SBTi, while broadening the lens from climate alone to the wider natural systems on which long-term economic value creation depends. Rather than representing a separate undertaking, SBTN can help investors deepen and strengthen existing expectations of credible environmental transition planning by bringing climate and nature considerations together in a more holistic approach.

Phase 2 and beyond

Phase 1 will serve as proof of concept, allowing us to test what works and what is needed by participants. Phase 2 would then build on Phase 1 assuming success and demand from participants to move toward more applied implementation support. Potential elements include bilateral technical discussions with SBTN, WWF and CDP experts, support for applying resources in company or client engagement, and expansion to other freshwater, ocean and land targets.

Indicative schedule

Timing	Milestone	Participant experience
October 25, 2026	Program opens for sign-up	Learn about the program
January 2027	SBTN 2.0 orientation and baseline pulse check	Build common understanding and identify needs
February - May 2027	Three sessions on SBTN Step 1 (assess), Step 2 (interpret & prioritize), and Step 3 (set freshwater targets[2]) Engagement toolkit release to accompany the dedicated sessions	Learn about the SBTN method Learn how to apply knowledge to priority industries and corporate dialogues
Quarterly	Working-group sessions	Share internal and external application experience, barriers and resource needs
From mid-2027	Phase 2	Deeper implementation support and broader nature scope

How to join

Interested organizations can join by completing the program sign-up form by November 30, 2026.[3] Registered participants will receive program materials and invitations to capacity-building and working-group sessions.

Questions

Contact Guillaume Wahl at gwahl@wwf.fr or Monique Ewerton at Monique.Ewerton@cdp.net.

[2] Through the SBTN Corporate Engagement Program, participants will also have access to additional sessions on setting land and oceans targets. However, supplemental materials during Phase 1 will focus on freshwater quantity.
[3] Though firms may join after this deadline, we strongly advise joining by this date to make the most of the program.