

Taking TNFD to your board

Engagement materials

Sep 2024



How to use this deck

This deck demonstrates why the Task Force on Nature-related Financial Disclosures (TNFD) is relevant to all Boards and how businesses can get started. It is for readers who have heard about TNFD but want to learn more about how it is relevant to their priorities.

It has been produced by the [Green Finance Institute](#), which leads the TNFD UK consultation group, in collaboration with [Chapter Zero](#).

If you are a **Head of Sustainability** preparing for a board discussion:

1. Use [Section 1](#) to identify which reasons to act on TNFD will resonate most with your board and extract key relevant evidence.
2. Use [Section 2](#) to become familiar with how peers in the market are leveraging progress on climate, building the right skills across corporate functions and establishing governance structures for nature. Use as inspiration to develop an initial action plan on nature.
3. Use [Section 3](#) to understand how the TNFD recommendations and guidance can help your business on this journey and what adopting the TNFD framework means.
4. Streamline and customise information by reducing or condensing critical details to keep the presentation engaging and to the point.

If you are a **Non-Executive Director** upskilling on nature:

1. Use [Section 1](#) to understand how nature and TNFD are relevant to your priorities as a board member.
2. Use [Section 2](#) to understand how your business can equip itself to manage its nature risks and opportunities, access learning materials, and compare your current board structure with the example governance framework to understand the entry points for nature across your duties as a board member.
3. Use [Section 3](#) to understand how the TNFD recommendations and guidance can help your business on this journey and what adopting the TNFD framework means.

Contents

Why are Boards acting on nature and TNFD?

How are businesses getting organised?

How can the TNFD framework help?



Why are Boards acting on nature and TNFD?

● Deep dives to follow



Climate



Risk



Opportunity



Investors



Regulation



Peers

Nature is critical for companies to meet their climate goals. Nature is a key source of **carbon sequestration** as well as **resilience to the impacts of climate change**. Nature loss can also **exacerbate physical climate risks**.

Natural ecosystems are expected to deliver a **third of carbon sequestration** required to meet 1.5°C-aligned climate goals.

Nature loss poses financial risks to businesses, such as **supply chain disruptions, rising input prices, and regulatory costs**. **Directors' duties** are evolving to include oversight of nature risks.

More than **half of global GDP** is moderately to highly dependent on nature and **\$900bn in annual corporate turnover** is at risk because of **deforestation-linked risks**. UK GDP could take a **6% hit by 2030** due to chronic nature loss alone.

Shifting to nature-friendly practices can create new business opportunities, such as **accessing new product markets, cutting production costs and enhancing brand value**.

The nature transition could bring **over \$10 trillion in business opportunity and 395 million jobs globally by 2030**.

Investors are increasingly pressuring companies to **disclose details of their nature strategies and risk management frameworks**.

More than **200 global institutional investors** are working together to engage with investees on nature through PRI Spring and Nature Action 100 initiatives.

Mandatory disclosure requirements on nature are incoming or expected in several jurisdictions, as well as **compliance markets** to minimise and offset nature impacts.

4 jurisdictions have announced mandatory disclosure requirements on nature including the EU and China. The **UK is aligning with ISSB** which is now working on a potential new nature standard.

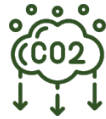
Companies across all sectors are moving on TNFD creating **competitive pressure** to keep up with industry standards and avoid falling behind.

More than **400 adopters globally** and over **60 UK organisations** have committed to report on TNFD for FY2025.

Nature is a critical tool for companies to meet their climate goals



The degradation of nature exacerbates the impacts of physical climate risk, leading to the compounding and acceleration of climate change impacts



Sequestration of carbon emissions



Abatement of carbon emissions



Adaptation to future climate effects

How does nature contribute?

Nature-based Solutions (NbS) are expected to account for roughly **1/3 of economically feasible sequestration of anthropogenic CO₂** over the next 30 years

Many of the drivers of nature loss are also significant sources of CO₂ emissions. **Tackling nature loss can also help to abate emissions**

Nature restoration projects **improve flood defences, reduce desertification, improve soil health and recharge groundwater supplies**

How can companies use nature to meet climate goals?

Nature-based solutions

- Investing in nature restoration projects or purchasing carbon credits from nature-based projects can contribute to sequestration goals

Deforestation

- Measures to tackle deforestation e.g. risk assessments, supplier due diligence, certification, contribute to CO₂ abatement

Circular economy

- Adoption of circular economy principles reduces both CO₂ emissions and nature impacts by eliminating waste and pollution, circulating products and materials, and regenerating nature

Water quality and quantity

- For businesses dependent on freshwater, nature restoration projects can tackle the impacts of drought and increased weather variability on the stability of water sources

Disaster protection

- For businesses exposed to increased flood risk, nature restoration projects and soil health improvements can provide improved drainage and protect physical assets

Example



Unilever invests in reforestation through the LEAF coalition (alongside other corporates such as Amazon, EY and BlackRock) as part of its carbon sequestration approach. The coalition will mobilise \$1 bn to protect tropical forests



12% of Schneider's revenue is generated through the sale of products made with recycled materials, leasing, pay-per-use and take back schemes, contributing to the reuse of rare earth materials, reducing the need for further extraction of resources and reducing CO₂ emissions

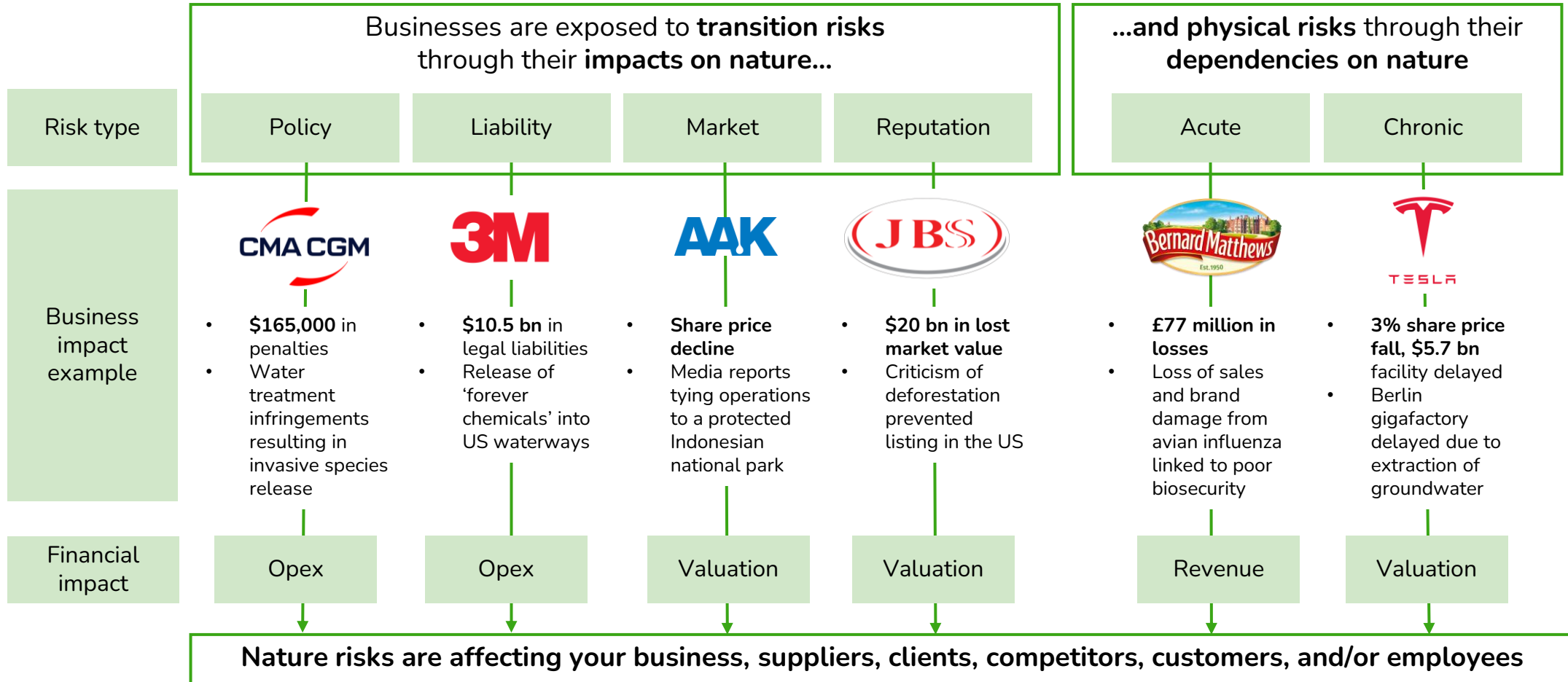


United Utilities invests in natural flood management practices such as restoring river bends and creation of buffers, enabling continued functioning of water distribution and drainage at times of high flood risk



Nature loss creates material financial risks for business

Across 10 real-life corporate case studies published by Bloomberg NEF, nature loss caused \$80 billion in financial loss, including reductions in market cap, credit rating downgrades, lost revenues, legal costs and fines



Note: TNFD also identifies technology risk as a transition risk.



Nature loss also creates systemic risks for the macroeconomy

Central banks and financial supervisors are recognising nature loss as a material risk to macroeconomic financial stability



“[Nature] risks may have **profound effects** on both the **real economy** and [...] on the **financial system** through [...] **credit risks, market risks and operational risks**, and indeed with potential feedback to the real economy again.”

- *Financial Stability Board, July 2024*



“As central banks and supervisors, we have **every reason to be concerned** because it’s an illusion to think we can **preserve financial stability** if this [nature] degradation continues.”

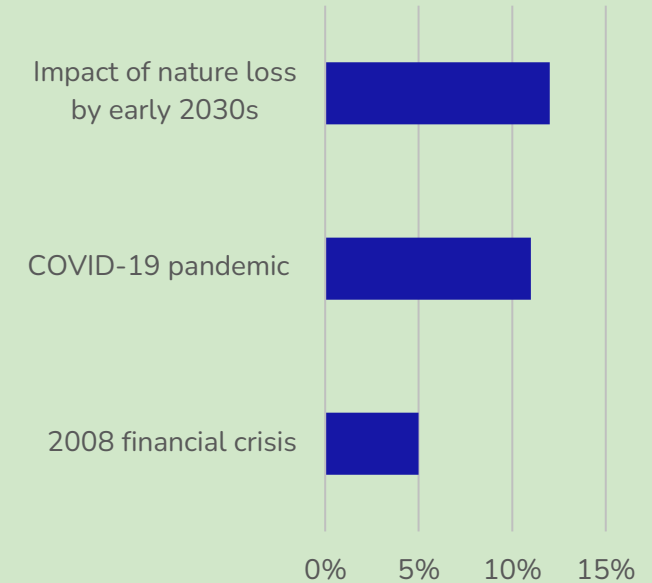
- *Klass Knot, DNB President, FSB Chair, ECB Governing Council, September 2023*



“Damage to the natural environment is **slowing the UK economy** and could lead to an estimated **12% reduction to GDP** in the years ahead – **larger** than the hit to GDP from the global financial crisis or **Covid-19**.”

- *Green Finance Institute, April 2024*

Impact on UK GDP

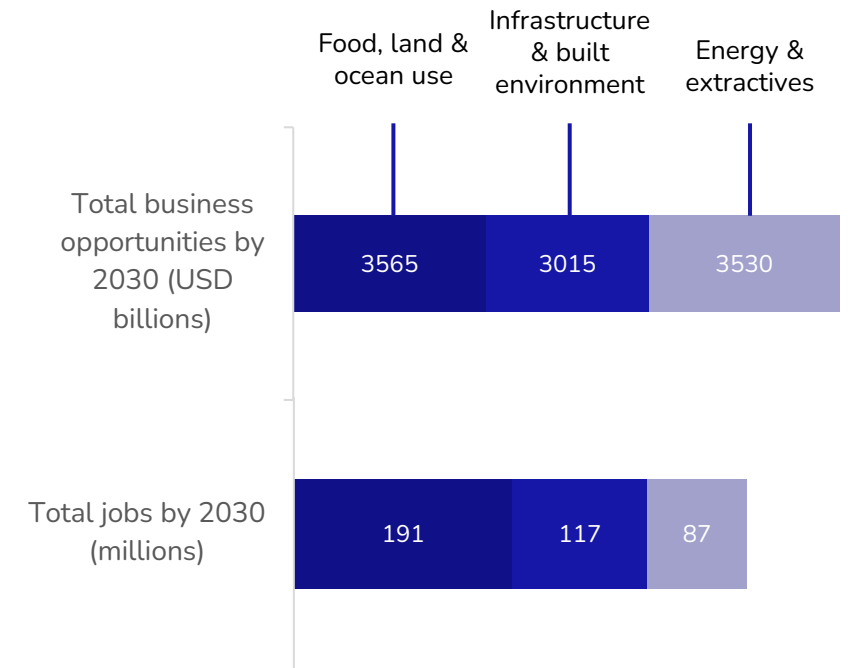




Yet there are commercial opportunities for businesses that adapt to the nature transition

Opportunity	Description	Company example
New product development	New products with lower impacts on nature relative to traditional alternatives are gaining market share	Bioplastic is a fast-growing sustainable alternative to traditional plastic packaging. The market size was valued at \$7.49 billion in 2023 and is expected to grow 29% by 2032 . Sway , a bioplastic manufacturer producing alternatives from seaweed, has raised over \$14m of funding since 2020
Customer purchasing decisions	Consumers are increasingly integrating a company's nature impacts into their purchase decisions	Nestlé's response to Greenpeace's 2018 palm oil campaign was to move beyond competitor pledges and commit to removing deforestation from their entire value chain
Cost savings	Nature-friendly business models often use less resources and reduce input costs	Tetra Pak have committed to reducing water withdrawal by 35% by 2030 , which will reduce both operational costs and pressure on local water resources

The World Economic Forum highlights that shifting to nature-positive practices could **unlock \$10.1 trillion and 395 million jobs by 2030**.



New products are emerging to finance the transition



Financing avoidance and reduction of nature harms

- **Manufacturing** - circular economy, bio-degradable packaging
- **Construction** – use of sustainable materials
- **Food and retail** – regenerative agriculture
- **Electricity** – improvements in water efficiency
- **Mining** – pollutant management, land reclamation

natura&co 

Natura&co with support from Morgan Stanley issued a **\$1bn sustainability-linked bond** with performance targets tied to **increased use of post-consumer recycled packaging**, reducing the need for extraction of virgin materials



Financing conservation and restoration of nature

- Reforestation and afforestation
- Protection, conservation and rewilding
- Peatland and wetland restoration
- Marine and freshwater conservation
- Seagrass meadow restoration



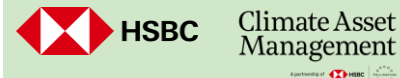
Bank of America issued a **\$500mn deal that lowers Gabon's national debt interest rate and extends repayment times** to unlock spending on **marine conservation**



Barclays issued a loan to Cairn Homes with **terms of finance linked to performance against the UK's Biodiversity Net Gain (BNG) metric** alongside reduction in scopes 1-3 emissions and employment of young people



Tesco suppliers are offered **preferential financing rates from Santander** when investing into changes such as **adoption of regenerative farming practices** that support the achievement of Tesco's scope 3 emission targets



Climate Asset Management, a joint venture between HSBC and Pollination, has **raised \$1 billion AUM** and **published a TNFD report**. Its natural capital strategy aims to deliver commercial returns while restoring and protecting natural landscapes



Federated Hermes have **partnered with Finance Earth** to launch a **fund that accelerates recovery of nature in the UK** helping deliver against the UK's nature targets such as protecting 30% of land by 2030



Investors are asking investees how they are tackling nature

Investors are issuing guidance, policies and letters to boards on their expectations on nature. Over **200 institutional investors**, representing **over \$28 trillion in AUM** are driving coordinated engagement through groups such as Nature Action 100 and the PRI Spring Initiative



“We encourage companies with a **material impact and reliance on biodiversity and natural capital** to put in place **effective mitigation strategies** within relevant timelines [...] insufficient improvements in biodiversity-related strategy and risk management **may lead to a dissenting vote cast against the Management** (including by supporting biodiversity-related shareholder resolutions) **or the Board.**”

- *Corporate governance and voting policy, 2024*



“We are **encouraging these exchanges** (Stock Exchange of Hong Kong (HKEX), Singapore Stock Exchange (SGX), Bursa Malaysia and Stock Exchange of Thailand (SET)) **to align with the targets and goals of the Kunming Montreal Global Biodiversity Framework** and to set **clear recommendations within disclosure expectations and listing rules during 2025.**”

- *LGIM Q2 engagement report, 2024*



“We would expect and recommend the investee companies which we engage to **demonstrate transparent disclosure, reporting regularly on biodiversity and endorsing the TNFD.**”

- *Global investors biodiversity policy statement, 2023*



“We **expect all companies to begin reporting** [...] against the **TNFD framework** in 2023. In preparation [...] **companies should undertake** [...] **LEAP.**”

- *Annual letter to company chairpersons from Mark Versey, Aviva CEO*



“We may be exposed to **portfolio risks and lost investment opportunities** as **biodiversity and ecosystems** become degraded [...] over time **externalities from unsustainable use of natural ecosystems** may affect [portfolio] **long-term performance.**”

- *Expectations of companies*

Nature Action 100 investor expectations

- **Ambition:** Public commitment to minimise contributions to nature loss, restore ecosystems throughout value chain by 2030
- **Assessment:** Public disclosure of nature-related dependencies, impacts, risks and opportunities
- **Targets:** Set time-bound, science-based targets and disclose annual progress against them
- **Implementation:** Develop plan on how to achieve targets
- **Governance:** Establish Board oversight and disclose management's role
- **Engagement:** Engage with external parties throughout value chain



Regulators are moving towards mandatory disclosure and other requirements to improve nature outcomes



UK

- The UK's forthcoming **Sustainability Disclosure Requirement (SDR)** is aligned with ISSB's S1 and S2 standards
- With the framework in place to do so, the UK Government is expected to assess the suitability of any new ISSB standards (such as that for nature) for use within SDR
- The ISSB's next area of focus is "**Biodiversity, Ecosystems and Ecosystem Services**" (nature) which will heavily draw from the TNFD framework
- **Biodiversity Net Gain (BNG)** is mandatory for all new UK developments, requiring a **10% uplift in biodiversity** against the pre-development baseline
- **Nutrient Neutrality** regulation requires that new developments must not increase overall nutrient load (nitrogen and phosphorous pollution) on water bodies
- Mandatory disclosure requirements
- Compliance markets for impacts
- Risk management policies



European Union

- **Corporate Sustainability Reporting Directive (CSRD)** requires mandatory disclosures on nature. CSRD incorporates TNFD's four disclosure pillars and recommends the LEAP approach is used for reporters' double materiality assessments. EFRAG has published a mapping between CSRD and TNFD to support companies in producing joint CSRD-TNFD reports
- **Corporate Sustainability Due Diligence Directive (CSDDD)** creates a legal duty for companies to identify and address their impacts on nature
- **EU Deforestation Regulation (EUDR)** requires companies to ensure all products and services sold in EU are deforestation-free
- **Waste Framework Directive** introduces a 'polluter pays principle' as well as 'extended producer responsibility'
- **Critical Raw Materials Act (CRM Act)** will diversify the EU's imports to reduce strategic dependencies. Private operators will have to investigate potential for recovery of critical raw materials from extractive waste



Other jurisdictions

- **Mainland China's three main stock exchanges** introduced requirements on sustainability reporting covering nature and the **Hong Kong Stock Exchange** also introduced broad ESG requirements
- The **Indonesian Financial Services Authority (OKJ)** requires listed companies and financial institutions to make sustainability disclosures including nature
- **Brazil, Costa Rica, Sri Lanka, Nigeria, Bangladesh, Turkey and Australia** have all adopted ISSB standards on sustainability reporting
- Countries including Colombia and Australia have introduced **compliance markets for impacts on nature** with the global value of compliance offsets estimated at \$6 billion
- The **US Forest Act** has support from **US House and Senate** which would be an equivalent to EUDR. Similarly, the UK government is preparing to implement a **Forestry Risk Commodity Regulation (UKFRC)** with similar objectives to EUDR
- **CSRD** compliance will also fall on non-EU companies with significant activities in the EU



Financial supervisors are also moving on nature

Central banks and financial supervisors are increasingly recognising nature loss as a material risk to financial stability, undertaking nature stress tests and developing guidance for licensed financial institutions



- **All financial regulators in the UK** (including the Financial Conduct Authority and Prudential Regulation Authority) are **required under the Financial Services and Markets Act 2023** to utilise the tools at their disposal to support the achievement of the goals set out in the Environment Act with repercussions for noncompliance
- The Bank of England is working with the UK Government (via Defra), as well as NGFS and TNFD to build a “clearer picture of the nature-related financial risks facing the UK”



- The Network of Central Banks and Supervisors for Greening the Financial System (NGFS) is a global group of financial supervisors working together on climate and nature issues
- Considers **nature loss as relevant to financial supervisors’ core mandate** of financial stability
- Published **guidance for how central banks** should approach nature
- Developing **integrated climate-nature scenarios** for use by financial sector



- **The Financial Stability Board (FSB)** is an international body that makes recommendations to preserve the stability of the global financial system
- Published **stocktake of global supervisor action on nature**
- **Assessments:** 17 central banks and financial supervisors have conducted or are conducting nature-related risk assessments, largely concluding that exposures to nature-related risks are material and recommending further assessment
- **Guidance:** 5 financial supervisors across emerging and advanced economies have issued supervisory guidance for financial institutions on the management of nature-related risks (with many more exploring the case to develop guidance)

Peers are moving across every sector



11

Published UK TNFD reports



49

UK companies reporting on TNFD in 2025



17

SBTN pilot companies (developing science-based targets for nature)

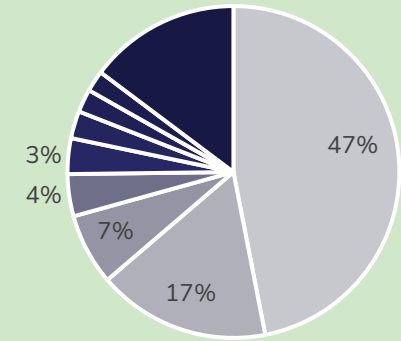


9

Nature strategies published and validated (by the Now for Nature initiative)



Over 400 companies have committed to report on TNFD for FY25



- Market service providers
- Fls & investment managers
- Infrastructure & real estate
- Technology
- Minerals & mining
- Ag, food & beverage
- Healthcare
- Renewables
- Other

Market service providers include professional and commercial services.

Contents

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How can the TNFD framework help?



Businesses are building on climate, leveraging existing progress

Examples of how strategies for nature can build on existing work on climate

Data and skills

- **Impact measurement and target setting approach** – similarities between methodologies for calculating climate (e.g. emissions) and nature impact
- **Data requirements** – repurposing of location data from physical climate risk assessments and existing disclosures (such as CDP, TCFD, CSRD), water and deforestation data
- **Supply chain mapping** – repurpose supply chain data and approximation techniques from scope 3 emissions accounting



- Legal & General is leveraging location data collected for disclosure of flood risk within TCFD reporting to assess exposure to nature risks

Client and supply chain engagement

- **Engagement frameworks** – extension of existing questionnaires, due diligence frameworks and risk assessments for climate to include nature, platforms to collect client and supplier data
- **Stakeholder groups** – use of existing fora to test requirements and develop approach



- Federated Hermes is building on existing climate engagement frameworks, adding nature-related considerations and expectations

Governance and business strategy

- **Governance structures** – existing climate governance arrangements can often be used for nature
- **Transition planning** – nature can be incorporated into existing climate transition plans following same structure, delivery programme etc.
- **Risk management** – risk escalation processes on climate can be used for nature



- United Utilities is combining nature and climate governance approaches where appropriate and using nature-based solutions within their net zero transition

Businesses are finding value in early work on TNFD

“Piloting the TNFD framework has been an **important step** in our ambition to mitigate negative impacts and contribute to the protection of nature and biodiversity. Using the LEAP approach has **strengthened collaboration** between business units and enabled us to **advance knowledge** within the organisation on nature and biodiversity. We **encourage other organisations to take the LEAP and get started!**”

- *Head of Group Sustainability of Danske Bank (Danish-based organisation, Commercial bank)*

“Using the TNFD’s LEAP approach to explore nature-related risks and opportunities associated with infrastructure development has been a **fascinating and insightful experience**. We have, in particular, welcomed the opportunity to become more **confident in using the various datasets** that are so important within the LEAP approach.”

- *Senior ESG Advisor of AECOM (USA-based organisation, Engineering and Construction Services, and Professional and Commercial Services)*

“In 2022, we used the TNFD LEAP (Locate, Evaluate, Assess and Prepare) methodology to conduct a materiality assessment that **enabled us to deepen our understanding of GSK’s physical and transition risks and opportunities** across each component of nature. We **included an initial disclosure** using the draft TNFD guidelines in our most recent annual report, with a particular focus on strategy, metrics and targets.”

- *Chief of Staff to the Chief Financial Officer of GSK (UK-based organisation, Biotechnology and Pharmaceuticals)*

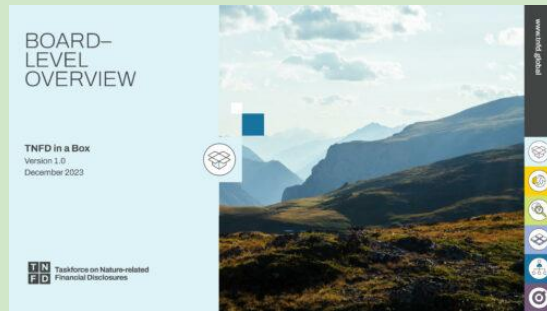
All corporate functions can develop expertise by getting started and leveraging publicly available resources

Function	Sustainability	Finance, audit and risk	Procurement	Strategy	Operations	Communications	Boards & Non-exec directors
Skills and knowledge	Nature risk assessment; Training on nature; Sustainable finance; Lifecycle assessments; Development and project management of nature strategy	Nature risk assessment; Nature-related data (geospatial, state of nature) assurance; Nature-related regulation (disclosure, compliance market, director duty)	Supplier due diligence and nature KPIs; Supply chain data collection; Supply chain insetting / knowledge of nature positive solutions	Scope new products; Market sizing; Consumer profiling on nature; Competitor analysis; Business resilience to nature risks; Cost cutting	Data infrastructure setup; Training; Circular economy understanding; Nature risk management; Resilience planning	Credibility of claims / greenwashing; Policy / NGO stance on nature matters; Media outreach to subject matter leads; External comms; Nature reporting	Nature-related regulation (disclosure, compliance market, director duty); Nature strategy and policy
Activities to start with	Pilot risk assessment, develop new product ideas, develop training materials	Profile relevant regulation, pilot risk assessment	Explore approaches in industry fora, gauge supplier readiness	Profile potential nature products and peer action	Gap analysis of data needs and potential data sources	Research external peer comms on nature activities and policies	Use this deck to become familiar with how nature is relevant to the role of a Non-Executive Director, table initial board discussion with management
Useful resources	<ul style="list-style-type: none"> • Example TNFD reports • Getting started with TNFD • The LEAP approach • Tools catalogue 	<ul style="list-style-type: none"> • Legal views on nature-related litigation • Risk and opportunity register 	<ul style="list-style-type: none"> • Guidance on value chains • Discussion paper on proposed approach to value chains 	<ul style="list-style-type: none"> • Guidance for corporates on science-based targets for nature • SBTN Nature materiality toolkit 	<ul style="list-style-type: none"> • Getting started with TNFD • The LEAP approach 	<ul style="list-style-type: none"> • Guidance on engagement with Indigenous Peoples, Local Communities and affected stakeholders 	<ul style="list-style-type: none"> • Chapter Zero • Nature-related Risks and Duties of Company Directors • Biodiversity as a material financial risk – What board directors need to know? • Company Directors and Nature Risk (English Law) • Boards and nature – evolving landscape for director’s duties • Competent Boards Climate and Nature Designation Program

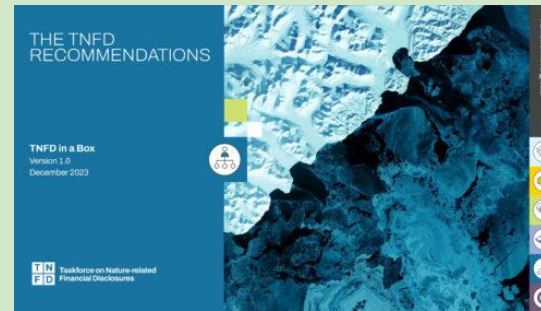
[TNFD in a box](#) is a useful primer for all corporate functions

A wide range of Board capacity building materials are available

TNFD in a Box contains five modules and a high-level overview aimed specifically at boards



Board level overview
A high-level summary of key elements tailored to boards.



Module 3: The TNFD Recommendations
Covers the 4 pillars and each of the 14 recommended disclosures, using real-world examples.



Module 1 The Nature-Business Nexus
Covers the relationship between nature and business and provides the business case for acting on nature.



Module 4: The TNFD assessment approach (LEAP)
Walks through LEAP, the integrated approach developed by the TNFD to provide a structured way to identify and assess nature-related issues.



Module 2 Overview of the TNFD
Covers the Taskforce's origin, mission, timeline and the reporting landscape the TNFD sits within.



Module 5: Metrics, Data, Scenarios and Engagement
Covers additional assessment guidance that supports identification, assessment and management of nature-related issues.

Webinars and blog posts aimed at boards

- [Nature-related Risks and Duties of Company Directors](#)
- [Biodiversity as a material financial risk – What board directors need to know?](#)
- [Company Directors and Nature Risk \(English Law\)](#)
- [Boards and nature – evolving landscape for director's duties](#)
- [Competent Boards Climate and Nature Designation Program](#)

Governance arrangements for nature should follow the same principles as for climate

P1

Principle 1 Accountability

Be held accountable to shareholders for the long-term resilience of the company, including shifts in the business landscape that may create climate and nature risks and opportunities



Assigns nature accountability with CEO

P2

Principle 2 Subject command

Ensure diverse composition to effectively debate and take decisions informed by an understanding of climate and nature risks and opportunities



Delegates expertise to Group Environment Committee

P3

Principle 3 Board structure

Integrate climate and nature considerations into structure and committees to allow stewardship for long-term performance



Quarterly board meeting to consider natural capital as part of credit application

P4

Principle 4 Materiality assessment

Challenge management to assess materiality of climate and nature risks and opportunities on an ongoing basis, ensuring that responses are proportionate to materiality



Assesses materiality using biodiversity driver database

P5

Principle 5 Strategic integration

Integrate climate and nature considerations into investment planning and decision-making processes across the organisation



Integrates nature considerations into product development and financial planning

P6

Principle 6 Incentivisation

Ensure executive incentives are aligned to promote long-term performance of the company, including climate and nature-related targets and indicators



Links remuneration and bonuses to nature targets

P7

Principle 7 Reporting & disclosure

Drive transparent disclosure of climate and nature risks, opportunities and strategic decisions to investors and regulators where relevant



TNFD report available for use by regulators and investors

P8

Principle 8 Exchange

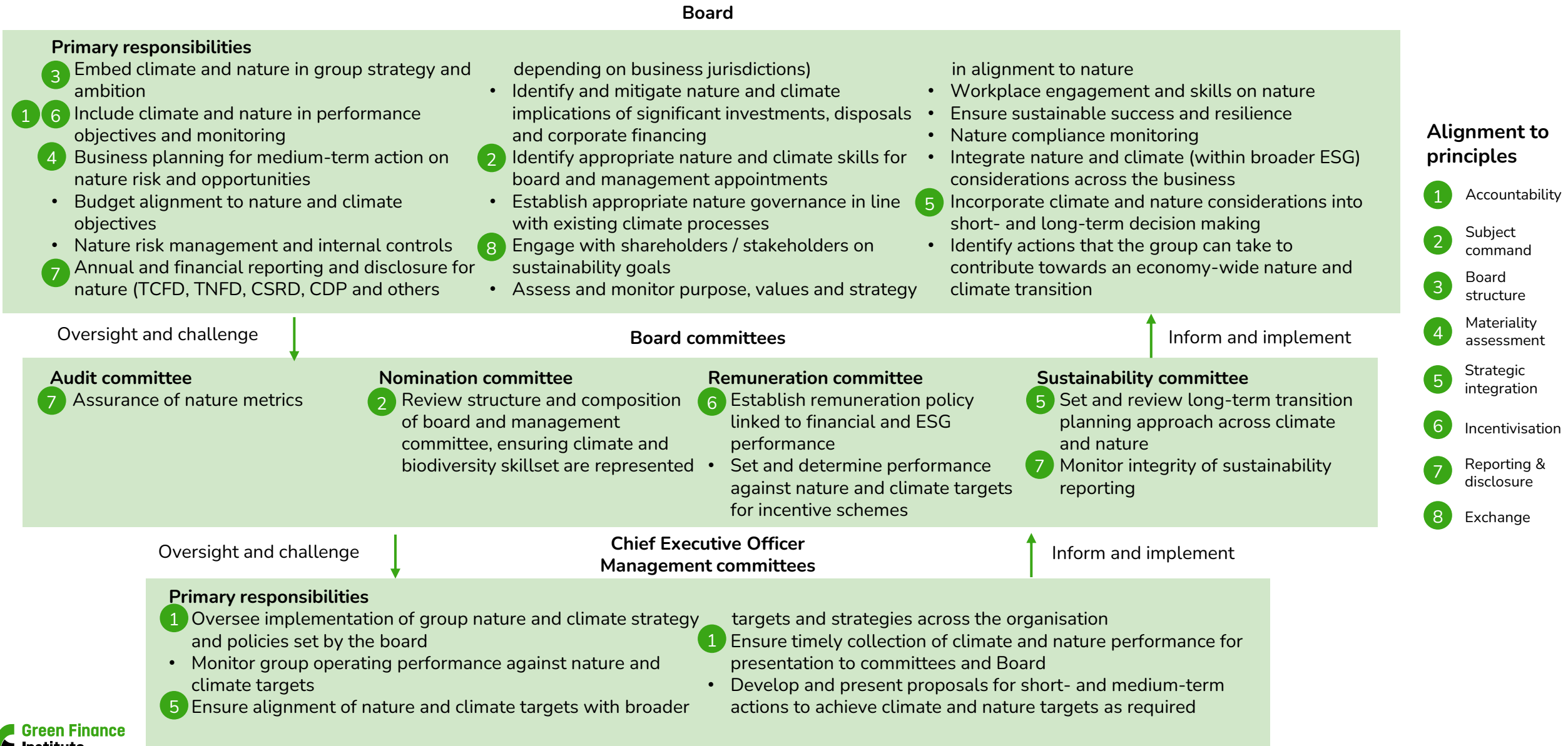
Maintain regular dialogues with peers, policy-makers and investors to keep abreast of climate and nature risks and opportunities



Comprehensive stakeholder engagement strategy

Many existing board duties have direct nature applications

Example climate and nature **additions** to typical governance structure



Questions for Non-Executive Directors to ask management

- How is nature embedded in our commercial business strategy and our resilience strategy?
- How are climate and nature linked in our short- and long-term action plans?
- How are nature-related dependencies, impacts, risks and opportunities considered in our risk management policies, annual budgets and business plans?
- Who is responsible for transition planning on nature, nature impact assessments etc.?
- How are you engaging departments like finance, marketing, operations, technology (including AI) in preparing to deliver against our transition plan?
- How is nature reflected in our divisional action plans?
- How is nature embedded in our performance objectives and remuneration policies?
- Who at board level has competence on nature-related issues and do we use external expert advisers to support deliberations?
- How are we assessing the skills required for delivering our transition plan and ensuring gaps are filled?
- How have we assured the integrity of the company's nature and climate-related data?

Contents

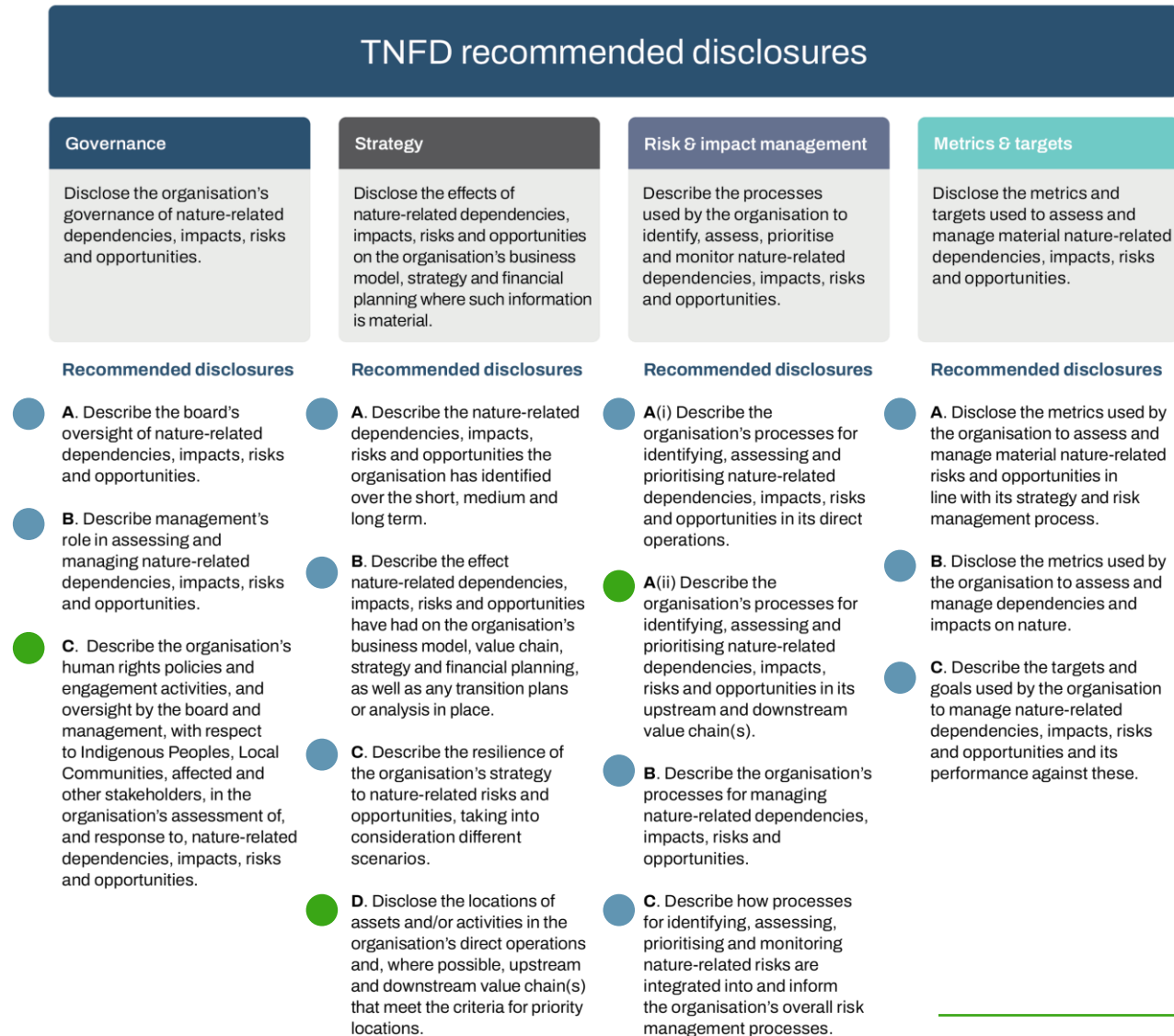
Why are Boards acting on nature and TNFD?

How are businesses getting organised?

How can the TNFD framework help?



The TNFD has developed a market-led framework to assess, disclose and manage nature risks and opportunities



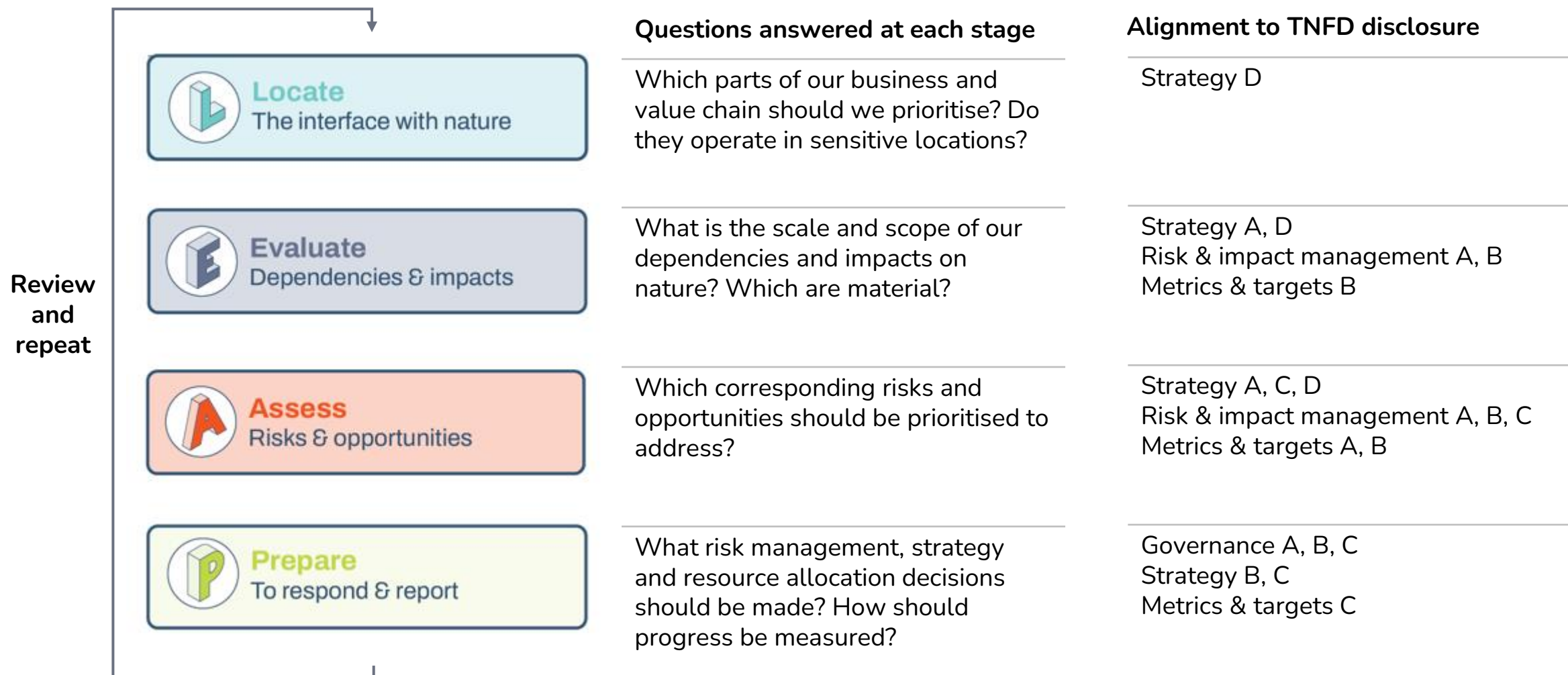
- All 11 TCFD disclosures carried over to TNFD disclosures
- 3 additional recommended disclosures:

- Engagement with Indigenous Peoples, local communities and affected stakeholders
- Interface with priority locations
- Value chains

- Carried over from TCFD
- Additional disclosures







It includes LEAP, a step-by-step approach to assessing nature risks and opportunities

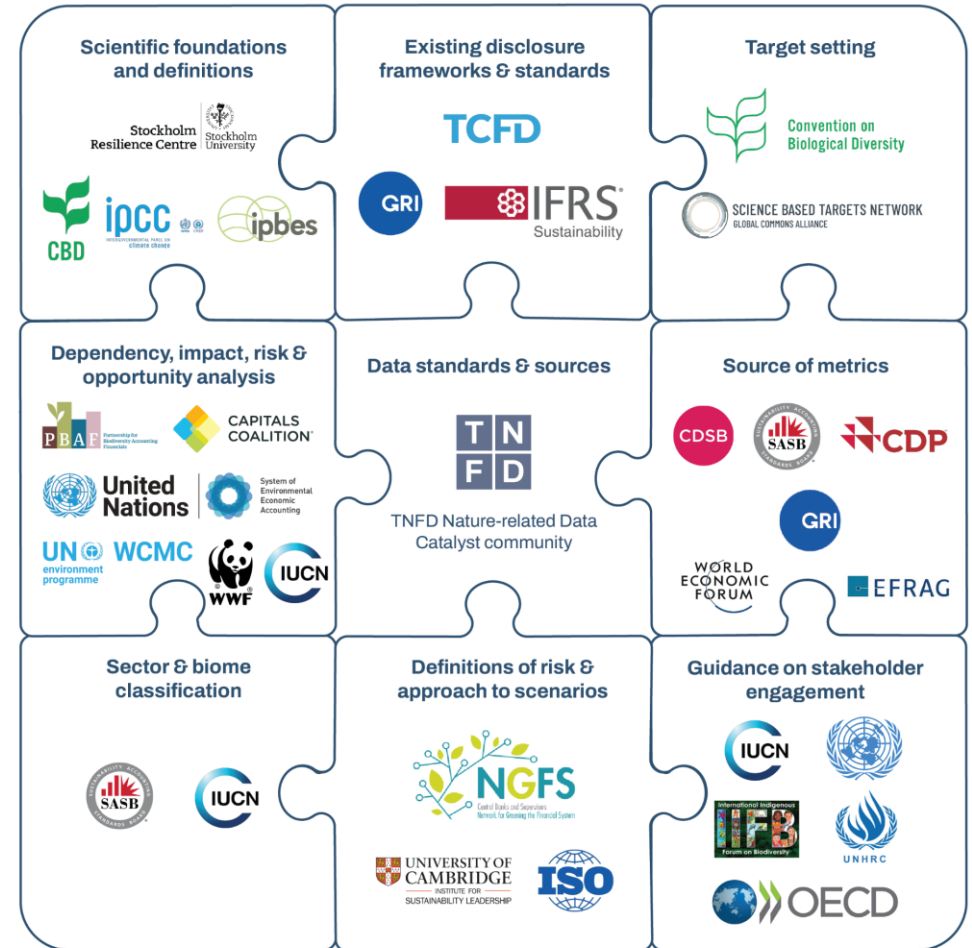
The LEAP approach was developed for companies and financial institutions across all sectors and sizes. It was refined based on **extensive market feedback and pilot tested with over 240 organisations**. Undertaking a LEAP assessment creates the information required for the TNFD's recommended disclosures



TNFD has been carefully designed to align with other key reporting frameworks and standards

TNFD has worked with **20 Knowledge Partners** to ensure consistency with existing frameworks and standards:

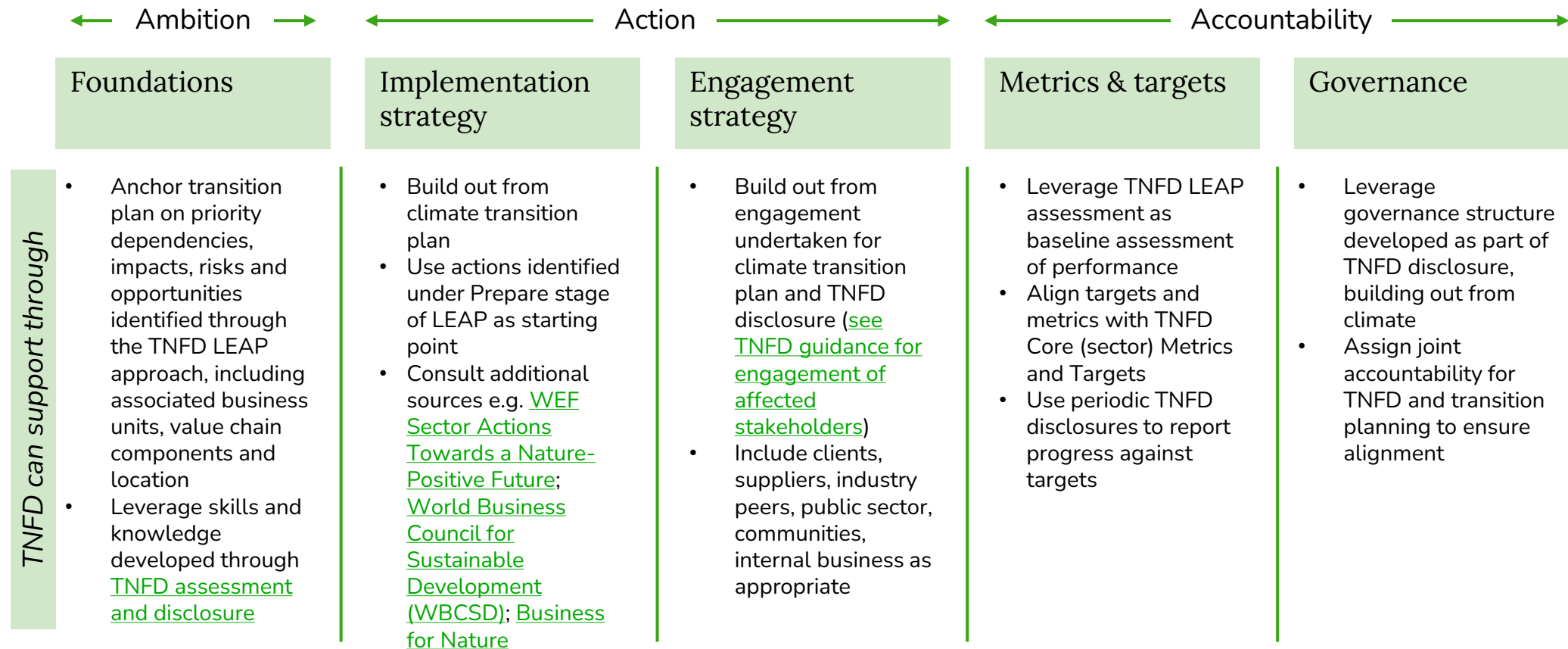
	Aligned to ISSB IFRS S1 General Requirements standard
	Aligned to European Sustainability Reporting Standards (ESRS) and CSRD metrics (EFRAG correspondence mapping)
	Aligned to GRI standards (GRI 101: Biodiversity)
	Aligned to CDP metrics
	All TCFD recommendations are incorporated into TNFD framework
	Aligned to GBF Target 15



Source: [Recommendations of the Taskforce on Nature-related Financial Disclosures](#)

TNFD disclosures can also inform and complement several elements of transition planning

Framework adapted from Transition Plan Taskforce guidance:



Adopters are encouraged to get started with the most relevant disclosures and build breadth and depth over time

Companies are [registering with TNFD](#) as an adopter to signal their intent to report in the future

Adoption means:

- ✓ Start according to material scope and disclosures, using data available at the time. Apply materiality assessment
- ✓ Publish a report FY24/25 or FY25/26

Adoption does not require:

- ✗ Conducting a LEAP assessment
- ✗ Disclosing against all 14 TNFD recommended disclosures
- ✗ Reporting on all of the recommended metrics

Learnings from early reporters

- ✓ Most reporters start with a high-level materiality assessment to prioritise future work. Most reporters are choosing to report against only a handful of disclosures
- ✓ Within LEAP, most reporters focus on impacts and dependencies (Locate and Evaluate) with few reporters quantifying financial risks (Assess)
- ✓ Most reports are combined with climate / TCFD. Reporters have found a high degree of consistency with their TCFD reports for the strategy and governance pillars. Some reports have included correspondence with other reporting frameworks e.g. GRI, CSRD
- ✓ Many businesses have expanded on existing stakeholder engagement strategies to include nature-related issues
- ✓ Most reports have detailed future scope of disclosures for next report iteration

About the authors



The Green Finance Institute (GFI) was established with support from the UK Government and the City of London in 2019 to partner on unlocking private sector finance to meet net zero and nature targets. The organisation works across multiple sectors, convening key stakeholders to identify barriers and develop solutions. Most recently, GFI CEO, Dr Rhian Mari Thomas OBE, acted as chair of the independent taskforce established to advise on the National Wealth Fund.

Specific to nature investment and environmental business resilience, the GFI hosts the Secretariat for the TNFD and the UK National Consultation Group of over 600 companies, funded by Defra. The broader nature team (GFI Hive) has advised and assessed on all three rounds of Defra's Natural Environment Investment Readiness Funds (NEIRF) working with financial institutions, farmers, UK eNGOs and companies to support the UK to develop the supply, demand and enabling policy environment to unlock private sector investment in nature.

The GFI also leads work on GBF Target 19 with UNEP FI and UNDP Biofin, supporting signatories on developing models and markets that unlock private sector finance for nature restoration and conservation.



Chapter Zero, the Directors' Climate Forum, is a global centre of excellence for thought leadership working in partnership with the Climate Governance Initiative. We work with directors and chairs to integrate climate into business strategy.

Through expert-led curation, convening and community building, Chapter Zero's purpose is to equip and inspire non-executive directors with the tools, knowledge and capabilities needed to ensure that climate is a strategic priority in boardrooms. Our events and publications programme brings the latest thinking on climate to our members.

With 3,000 members, Chapter Zero is represented on the boards of over 80% of the FTSE 100 and 75% of the FTSE 250.

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