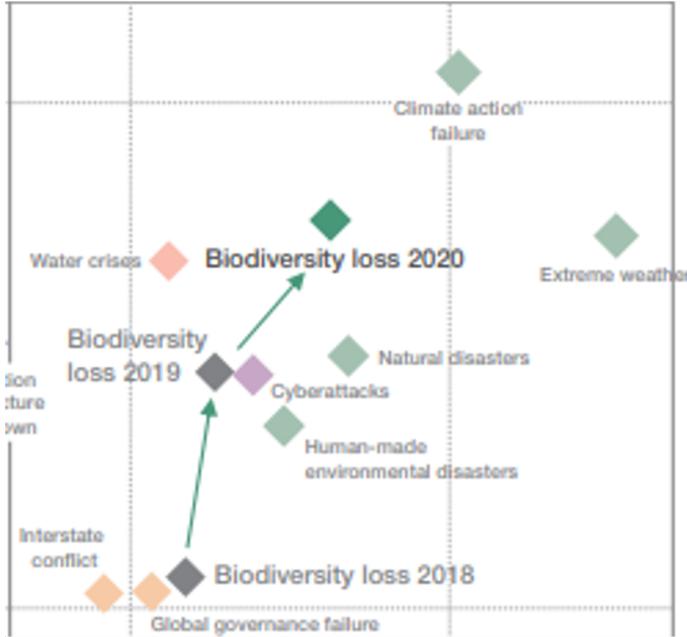


The Challenge

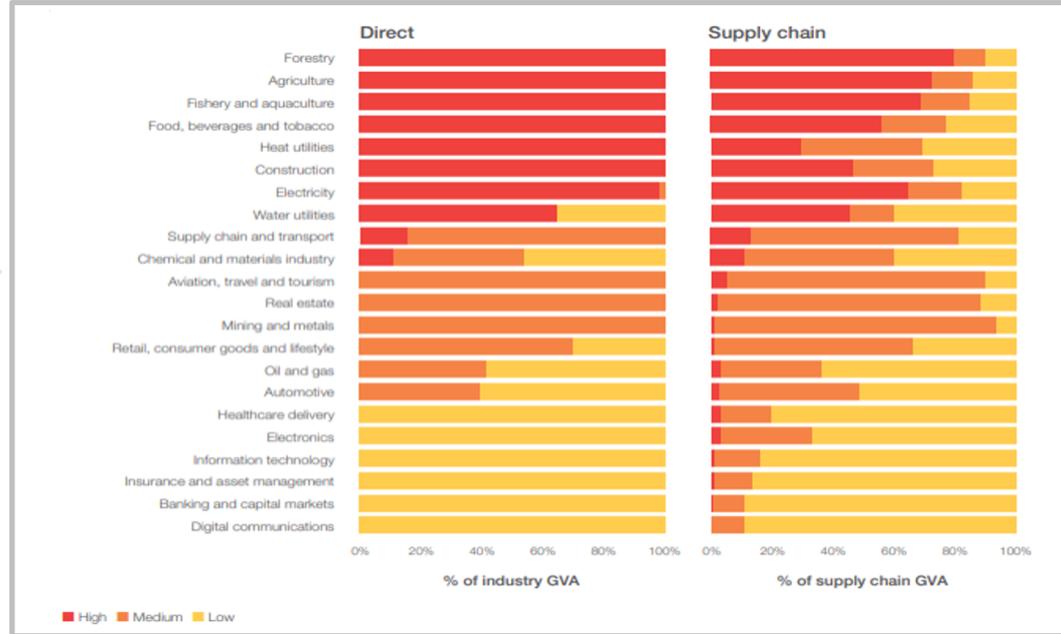
Enterprise value risk from biodiversity loss is now a global C-suite issue, well beyond agriculture

Global Risk Report,
World Economic Forum 2021



Source: World Economic Forum Global Risks Report, 2021

Percentage of direct and supply chain GVA with high, medium and low nature dependency, by industry

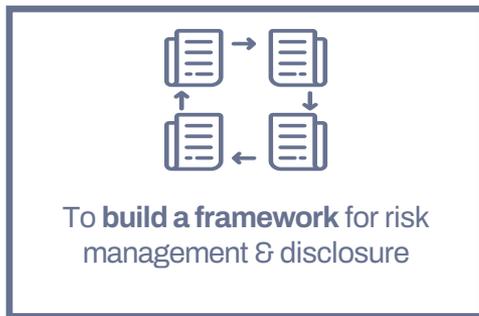


Source: PWC

The Mission

The TNFD's mission has been endorsed by G7 Finance Ministers & G20 Environment Ministers

To develop and deliver a risk management and disclosure framework for organizations to report and act on evolving nature-related risks, which aims to support a shift in global financial flows away from nature-negative outcomes and toward nature-positive outcomes.





Market Usability



Science-based



Purpose-driven



Integrated & Adaptive



Climate-Nature Nexus



Nature-related Risks



Globally Inclusive

Benefits and Beneficiaries

The TNFD's work will benefit a wide range of market participants with the ultimate aim of shifting the flow of capital to nature-positive outcomes

IMPROVING
FINANCIAL MARKET
INTEGRITY

...By ...

STRENGTHENING
MARKET RISK
ASSESSMENT &
DISCLOSURE

1

INVESTORS

Make more informed and robust capital allocation decisions based on clarity, confidence, and trust in data

2

ANALYSTS

Utilize information to determine impacts on future cash flow and company valuations

3

COMPANIES

Incorporate in financial reports to take necessary actions to address risks and opportunities

4

REGULATORS

Standards-ready material for immediate adoption as a method of compliance in regulation

5

STOCK EXCHANGES

Consider new voluntary and mandatory listing requirements linked to natural-capital risks and opportunities

6

ACCOUNTING FIRMS

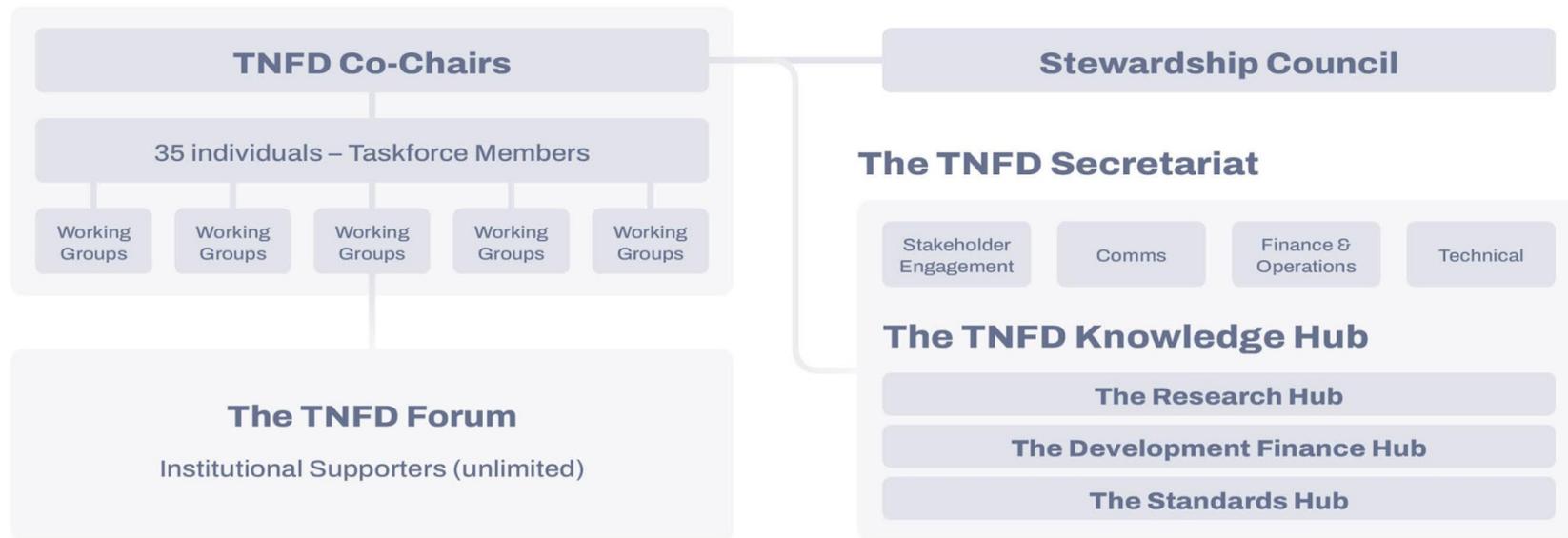
Provide comprehensive assurance of companies reporting on above-referenced performance



The TNFD Alliance

The Taskforce is supported by the TNFD Forum, already over 200 institutions globally, and the TNFD Knowledge Hub ‘crowding-in’ global expertise from science, conservation, finance and standards-setting

The Taskforce



The Taskforce – Co-Chairs and Members

Led by global leaders in financial capital and natural capital, the Taskforce represents financial institutions, companies and market intermediaries across industries and geographies

34 Senior executive representatives from:



Deloitte and KPMG, alongside BlackRock, HSBC, UBS and Moody's, is among the members appointed to develop the TNFD framework and disclosure guidance.

The Task force is supported by the TNFD Forum, already over 200 institutions globally.

Taskforce Members Overview

Influence

\$18.3+ Trillion AUM

\$3.1 Trillion Market Value

Global Reach

5 Continents

16 HQ Countries

180+ Countries impacted

Wealth of Climate-Nature Experience

TCFD Overlap

45% Member

organizations of TNFD
Members will build on their organization's experience with TCFD

88% Supporter

44% SASB Reporters

72% GRI Reporters

75% CDP Reporters

18% ClimateAction 100+ Members

12 of 22 Business Sectors most at risk

With a high impact/ high dependency on nature according to the WEF Nature Risk Rising Report

Forestry
Agriculture
Fishery & aquaculture
Food & beverages
Construction
Supply chain & transport

Mining & metals
Retail consumer goods
Oil and gas
Healthcare
Insurance & asset management
Banking & capital markets

The Role of the Forum

Over 240 institutions from finance, business, government, regulators, civil society and academics are currently in the Forum



You receive:

- **Updates - Forum Insights** - coinciding with Taskforce Plenaries
- **Learning Journey Webinars** - monthly
- **Shared Learning – TNFD Knowledge Bank**

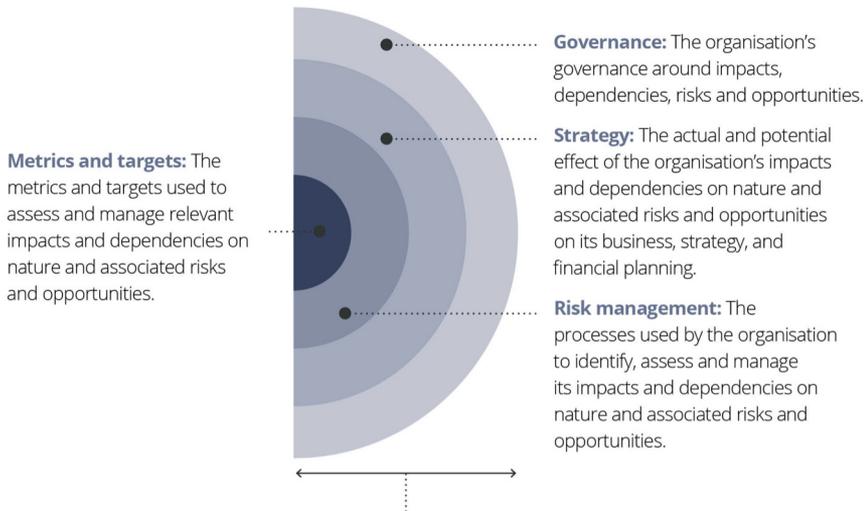


Invitation from the Secretariat:

- **Input into Framework Design (specific technical expertise)**
- **Piloting of the Framework throughout the development phase**

Our Approach: TCFD Aligned

By design, the TNFD has been established to align with the approach taken by the TCFD while recognizing the differences between climate and nature-related impacts and dependencies



Nature-related risks: In each of the above pillars, the organisation must consider its impacts on nature, dependencies on nature, and the resulting financial risks and opportunities.



Physical Risks

Transition Risks

Systemic Risks

01

FOUNDATIONAL WORKING GROUPS

NATURE-RELATED RISKS

DATA AVAILABILITY

STANDARDS & METRICS

2ND GENERATION WORKING GROUPS

02

CROSS-CUTTING WORKING GROUPS

BETA FRAMEWORK

PILOT METHODOLOGY

KNOWLEDGE HUB

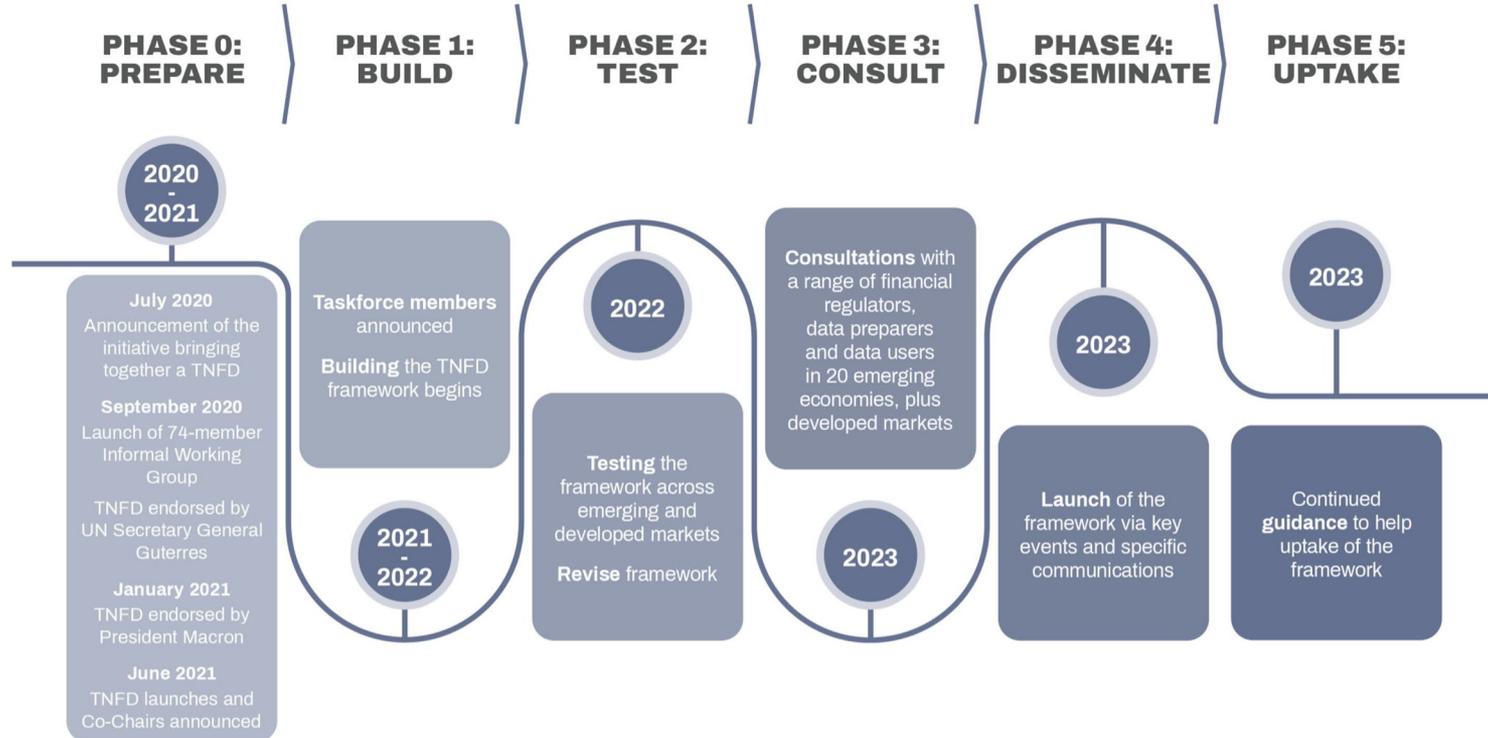
RESEARCH HUB

DEVELOPMENT FINANCE HUB

STANDARDS HUB

The Approach: Open Innovation

To engage market participants early and often in the design and development of the framework, TNFD has embraced an ‘open innovation’ approach with the goal of releasing a ‘beta’ framework in early 2022



The Ask | What does it mean?

There are a number of ways clients can get involved, depending on the level of ambition and maturity:

Watch
Take no action and incur higher costs and difficulties in operating as a result

Prepare
Become a member of the TNFD. Conduct an internal materiality assessment and risk screening to understand impacts and dependencies on nature, existing programs and initiatives, and commence education, awareness & training.

Commit
Set Science-based Targets for Nature; and align your Net Zero commitments with Nature-Positive principles

Pilot
Be showcased as a global case study of how to leverage the TNFD frameworks to implement a game-changing, future-proofed business strategy.

Target: ambitious first-movers across a range of sectors and geographies

What you should be asking of your business?

- Do you understand how natural capital fits into your overall business strategy?
- Do you have nature-based commitments or targets? How do they fit into your overall climate strategy?
- How is your business equipped, from a capability perspective, to handle emerging issues in biodiversity and natural capital?
- Do you know how nature related regulatory and market changes in disclosure might impact your business?



Taskforce on Nature-related
Financial Disclosures

Thank you

www.tnfd.global



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