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Biodiversity > TNFD calls for adoption of final recommendations following launch

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The Taskforce on Nature-related Financial Disclosures (TNFD) has called for companies to adopt its recommendations as the "ball starts to move" following its long-awaited final framework launch.

The TNFD "encourages and supports" the voluntary market adoption of the recommendations for disclosing on nature-related issues, as pharmaceutical giant GSK said it would be among the first to do so.

Helping businesses and financial organisations in reporting on their dependencies and impacts on nature through ascertaining exact metrics, despite the complexities of biodiversity, is the main aim of the cross-stakeholder taskforce.

It released its 14 final recommended general disclosures on nature-related dependencies, impacts, risks, and opportunities during Climate Week in New York – with only one tweak from the most recent draft. The disclosures follow the same approach of the Task Force on Climate-Related Financial Disclosures (TCFD), with the four pillars of governance, strategy, risk and impact management, and metrics and targets.

GSK and Hong Kong-headquartered developer Swire Properties are "getting started" with TNFD disclosures, while other companies will join them over the coming weeks, Tony Goldner, taskforce executive director, said during a webinar on Monday. GSK has committed to publishing its first TNFD disclosures from 2026 based on 2025 data, the taskforce said.

"Protecting nature makes our business more resilient and helps us deliver for patients by ensuring the supply of raw materials needed to manufacture vital medicines and vaccines. That's why we're proud to be a member of the TNFD," said Julie Brown, chief financial officer at GSK.

[Ecopetro](#), Columbia's largest petrol company, also intends to adopt TNFD, David Craig, co-chair of the taskforce said on Tuesday.

The TNFD Adopters, a list of companies who intend to adopt the recommendations, will be released this January at the World Economic Forum at Davos in Switzerland.

"This is the ball starting to move, building momentum. We're opening a four-month period to attract early adopters," said TNFD's Goldner.

The taskforce will publish an annual status update report, like the TCFD, with annual market adoption from next year.

"We've heard about interest from as far as Kenya, Australia, Brazil, from asset owners and asset managers to banks, and companies across different real economy sectors," Goldner said.

Around 35% of corporate and financial institution members of the [1,200 organisations in the TNFD Forum](#) said they are likely to be able to begin disclosing by the financial year of 2024, the taskforce said.

Approximately 75% of corporate and 60% of financial institution members said they could do so by 2025 or earlier.

Companies already disclosing under TCFD can move "quite quickly" to create integrated TCFD-TNFD reports, like that of Australian forestry company Forico due for publication today, according to Goldner.

"[Forico] has been a leader in natural capital accounting for a number of years, and it has been working with us to produce an illustrative disclosure report, which shows in very practical terms how companies can move towards integrated disclosures," he said.

DISCLOSURE TWEAK

The "only significant shift" in the 14 final recommended disclosures was moving one on human rights to the 'governance' pillar from the 'risk and impact management' one, TNFD said (see below in full).

Feedback to the taskforce had signalled that linking the disclosures on Indigenous Peoples and local communities to governance would be more "more relevant and powerful" due to nature impacts being localised, Goldner said.

The move followed 62 civil society organisations including Greenpeace sending an open letter in May saying that TNFD had failed to propose disclosures on links to violations of the rights of local communities.

METRICS

TNFD confirmed 'core global metrics' for dependencies and impacts that should be included across all organisations on a comply or explain basis – in addition to the 14 recommended disclosures – enabling reporting under the 'metrics and targets' pillar.

For example, one metric is the total footprint on land, combining the total area owned, restored, and disturbed expressed in square kilometres.

The TNFD will publish 'core sector metrics' in due course on a comply or explain basis, as well as 'additional metrics' for further nature-related issues based on organisations' specific circumstances, it said.

Disclosure metrics differ from assessment metrics, which businesses can use internally to inform their decisions.

Sources for metrics include the Climate Disclosure Standards Board, Sustainability Accounting Standards Board, CDP, Global Reporting Initiative (GRI), European Financial Reporting Advisory Group, and the World Economic Forum.

Alongside the 154-page recommendations document, [TNFD has also published](#) a suite of additional guidance:

- 'Getting started' with TNFD guidance
- Guidance on the identification and assessment of nature-related issues (the LEAP approach)
- Guidance for financial institutions, which includes draft metrics for feedback
- Guidance for business to understand their impacts and dependencies in different types of ecosystems (known as biomes)
- Guidance on the use of scenario analysis
- Guidance on target-setting, developed with the Science Based Targets Network (SBTN)
- Guidance on engagement with Indigenous Peoples, Local Communities, and affected stakeholders
- A full glossary of key terms

The standards are consistent with International Financial Reporting Standards, European Sustainability Reporting Standards, and GRI, and are aligned with the reporting target in the final agreement of the COP15 biodiversity conference, TNFD said.

The latest release follows two years of work with [four prototype releases](#) and 3,000 pieces of feedback from stakeholders across 60 countries.

GOVERNMENT SUPPORT

Although reporting on nature-related metrics is relatively new, there are calls for governments around the world to make it mandatory.

"Nature provides irreplaceable services to societies and businesses. France, along with various French market actors, has been actively supporting TNFD's prefiguration and work, especially since its launch in Paris in October 2021," French President Emmanuel Macron said in a statement.

"The integration of biodiversity by all relevant sectors is what will ensure the shift in global financial flows toward sustainability," Macron said.

His sentiment was mirrored in comments from the British government.

"We encourage UK businesses and financial institutions across sectors to engage with the TNFD's Recommendations," said Therese Coffey, UK environment secretary.

"We look forward to the TNFD informing a global baseline on nature and broader sustainability standards and reporting so that global capital allocations can increasingly be aligned with environmental goals at an international and domestic level," Coffey said.

Meanwhile, Elizabeth Mrema, co-chair of TNFD, commented that "business as usual is no longer an option and business and finance can no longer consider nature and biodiversity as just a corporate social responsibility (CSR) issue".

"It is now squarely a central and strategic risk management issue," she said.

The UN Environment Programme World Conservation Monitoring Centre applauded the launch, saying: "We now need to see businesses and financial institutions adopt the recommendations in full and without delay, recognising risks to both society and business across their entire value chains."

Australian Conservation Foundation "cautiously welcomed" the recommendations, while saying they need to "go much further to address the biodiversity crisis".

Meanwhile, NatureAlpha launched two biodiversity metrics to help investors report on the TNFD framework.

View the TNFD's 14 final recommendations in full:

Governance	Strategy	Risk & Impact management	Metrics & targets
<p>Disclose the organisation's governance of nature-related dependencies, impacts, risks and opportunities.</p>	<p>Disclose the effects of nature-related dependencies, impacts, risks and opportunities on the organisation's business model, strategy and financial planning where such information is material.</p>	<p>Describe the processes used by the organisation to identify, assess, prioritise and monitor nature-related dependencies, impacts, risks and opportunities.</p>	<p>Disclose the metrics and targets used to assess and manage material nature-related dependencies, impacts, risks and opportunities.</p>
<p>Recommended disclosures</p> <p>A. Describe the board's oversight of nature-related dependencies, impacts, risks and opportunities.</p> <p>B. Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities.</p> <p>C. Describe the organisation's human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organisation's assessment of, and response to, nature-related dependencies, impacts, risks and opportunities.</p>	<p>Recommended disclosures</p> <p>A. Describe the nature-related dependencies, impacts, risks and opportunities the organisation has identified over the short, medium and long term.</p> <p>B. Describe the effect nature-related dependencies, impacts, risks and opportunities have had on the organisation's business model, value chain, strategy and financial planning, as well as any transition plans or analysis in place.</p> <p>C. Describe the resilience of the organisation's strategy to nature-related risks and opportunities, taking into consideration different scenarios.</p> <p>D. Disclose the locations of assets and/or activities in the organisation's direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations.</p>	<p>Recommended disclosures</p> <p>A(i) Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its direct operations.</p> <p>A(ii) Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s).</p> <p>B. Describe the organisation's processes for managing nature-related dependencies, impacts, risks and opportunities.</p> <p>C. Describe how processes for identifying, assessing, prioritising and monitoring nature-related risks are integrated into and inform the organisation's overall risk management processes.</p>	<p>Recommended disclosures</p> <p>A. Disclose the metrics used by the organisation to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process.</p> <p>B. Disclose the metrics used by the organisation to assess and manage dependencies and impacts on nature.</p> <p>C. Describe the targets and goals used by the organisation to manage nature-related dependencies, impacts, risks and opportunities and its performance against these.</p>

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