

WHAT ARE THE DIFFERENCES BETWEEN THE TWO?

TCFD

**Task Force on Climate-Related
Financial Disclosures**

vs

TNFD

**Task Force on Nature-related
Financial Disclosures**

#TNFD

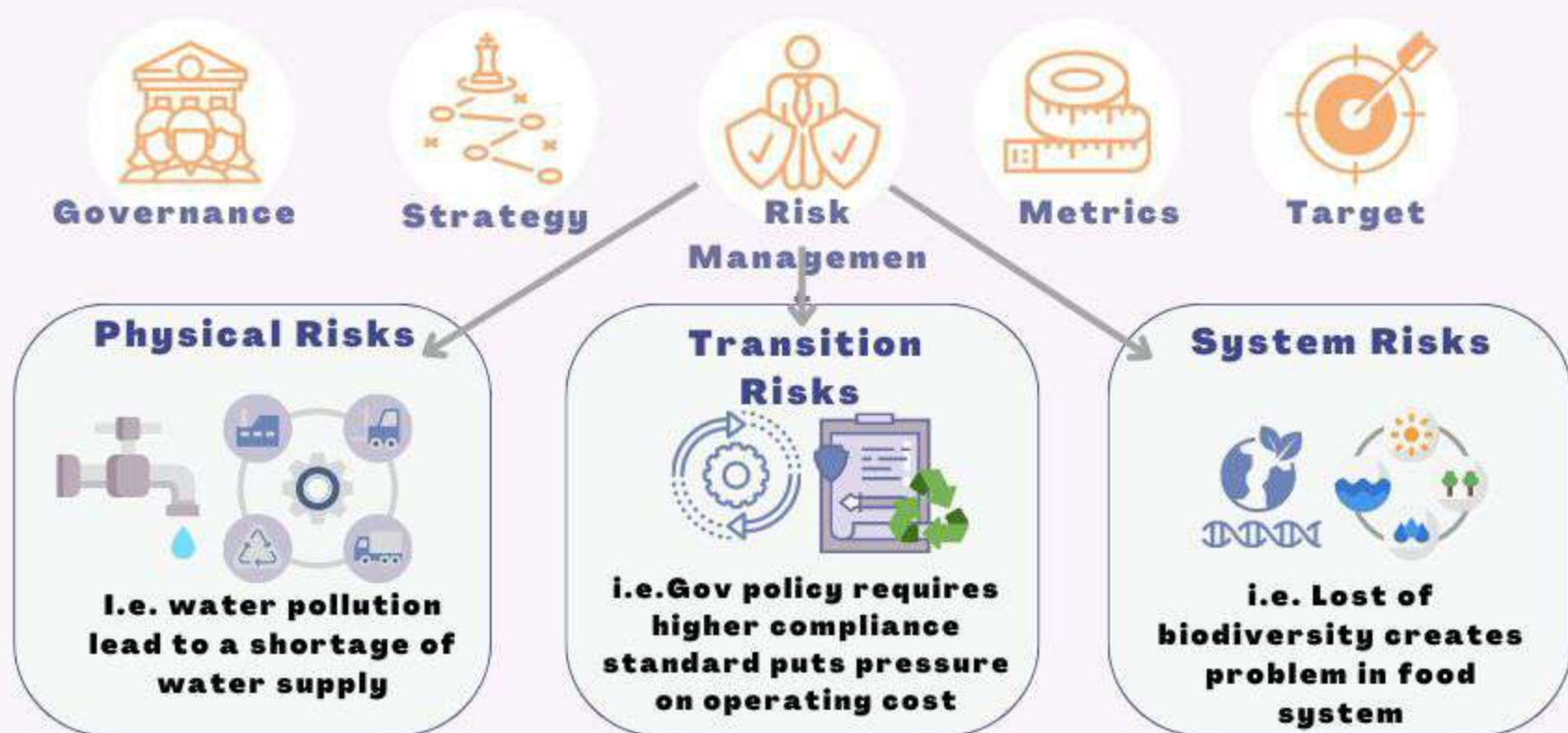
TNFD Identify 4 Key Elements of Nature



Corporations rely on these 'Natural Capital' to operate. If one of these elements is damaged, it might lead to negative chain effects on raw material supply and daily operations.

TNFD covers a wider spectrum but it is also more difficult the measure.

TNFD Took Reference of TCFD



#TCFD

TCFD

TCFD was created by the Financial Stability Board (FSB) in 2017, to develop recommendations on the types of information that companies should disclose to support the C-suite and investors, in appropriately assessing and pricing a specific set of risks and opportunities related to climate change.

Task Force consists of 31 members



Pension Funds



Insurance Companies



Banks



Asset Management Corporations



Credit rating Agencies

#TNFD



The loss of biodiversity and ecosystems degradation come as a wake-up call, it might impose long-term risks to the global economy and society if not properly addressed.

TNFD was launched

Recognized by G7 Finance Ministers and G20 Sustainable Finance Roadmap



TCFD

VS

TNFD



What are the key differences? X | microphone icon



Climate vs Nature Disclosures



TCFD



- 1 Focuses on corporate resilience towards climate-related risks
- 2 If corporate has a clear plan for managing climate-related risks
- 3 If the corporate have accessd the climate-related opportunities across their investment



TCFD has a gap in reflecting the interconnectedness between humans and nature, including the intricate relationships between different species within the ecosystem.



International & Domestic Policy Goals

Paris Agreement
(2.0 / 1.5 targets)

Global Biodiversity Framework
(Portfolio of Targets)

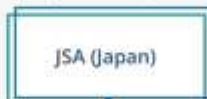
International Frameworks for Corporate and FI Action



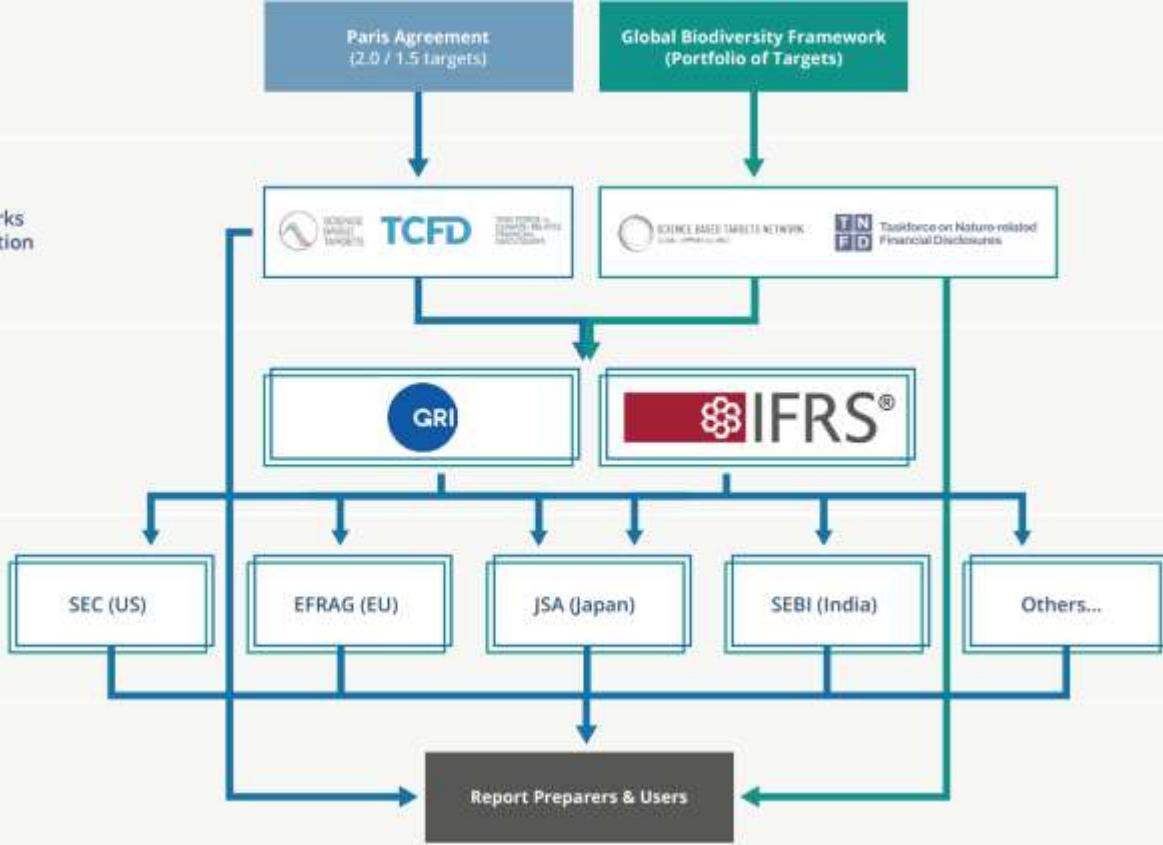
Corporate Reporting Standards



Market Regulation



Corporate & FI reporting activity



TNFD

TCFD

new

General Requirements

Six general requirements that cut across the four pillars of recommendations

Recommendations

Four widely adoptable recommendations tied to the same four pillars of TCFD

Recommendations

Four widely adoptable recommendations tied to: governance, strategy, risk management and metrics and targets

new

Recommended Disclosures

14 specific recommended disclosures organisations should include in their financial filings to provide decision useful information - aligned with TCFD's 11 recommendations and extended with an additional three for nature

Guidance for All Sectors

Guidance providing context and suggestions for implementing the recommended disclosures for all organisations

Supplemental Guidance for Certain Sectors and Biomes

Guidance that highlights important considerations for certain sectors and biomes, and provides a fuller picture of potential nature-related dependencies, impacts, risks and opportunities in those sectors and biomes
Supplemental guidance is provided for the financial sector and for non-financial sectors and biomes with the most significant dependencies and impacts on nature

Recommended Disclosures

Specific recommended disclosures organisations should include in their financial filings to provide decision-useful information

Guidance for All Sectors

Guidance providing context and suggestions for implementing the recommended disclosures for all organisations

Supplemental Guidance for Certain Sectors

Guidance that highlights important considerations for certain sectors and provides a fuller picture of potential climate-related financial impacts in those sectors
Supplemental guidance is provided for the financial sector and for non-financial sectors potentially most affected by climate change