

PRESS RELEASE

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320 companies and financial institutions to start TNFD nature-related corporate reporting

DAVOS, SWITZERLAND – 16 January 2024: The Taskforce on Nature-related Financial Disclosures (TNFD) is delighted to announce that 320 organisations from over 46 countries have committed to start making nature-related disclosures based on the TNFD Recommendations published in September last year.

This first cohort of adopters of the TNFD Recommendations includes leading publicly listed companies across geographies and industry sectors representing US\$4 trillion in market capitalisation; over 100 financial institutions, including some of the world’s largest asset owners and managers, representing US\$14 trillion in Assets under Management (AUM) as well as banks, insurers and other leading market intermediaries such as stock exchanges and audit and accounting firms.

These organisations have signalled today their intention to begin adopting the TNFD Recommendations and publishing TNFD-aligned disclosures as part of their annual corporate reporting for FY2023, FY2024 or FY2025.

The organisations announced today as part of this first cohort of TNFD adopters are headquartered in over 46 countries. Among the notable financial institutions are NBIM (the largest single owner in the world’s stock markets, owning almost 1.5% of all shares in the world’s listed companies), as well as 7 of the 29 Globally Systemically Important Banks (GSIBs).

The announcement was made today at an Issue Briefing event at the Annual Meeting of the World Economic Forum on Tuesday 16th January 2024.

David Craig, Co-Chair of the TNFD and former founder and CEO of Refinitiv, said today: “This is a milestone moment for Nature finance and for corporate reporting. As climate-related sustainability reporting goes mainstream through the new International Sustainability Standards Board (ISSB) standards and regulation in a growing number of countries, this is a clear signal that investors, lenders, insurers and companies are recognizing that their business models and portfolios are highly dependent on both nature and climate and need to be treated as both strategic risks and investment opportunities. We are delighted to see such a strong, diverse and international group of companies and financial institutions step forward only four months after the release of our recommendations and look forward to even more stepping forward over the coming months”.

Elizabeth Maruma Mrema, TNFD Co-Chair and Deputy Executive Director of the UN Environment Programme (UNEP) added: “Twelve months ago the world came together to agree to the Global Biodiversity Framework to halt and reverse nature loss, including a specific target on corporate reporting. The release of the TNFD recommendations in September last year provided the tools to do that and today we have seen the market commit to start taking action”.

TNFD EARLY ADOPTERS STATISTICS

Total: 320

MSCI 1500: 98 (31% of early adopters)

Institution type:

- Companies: 178 (56%)
- Financial Institution: 106 (33%)
- Market Service Provider: 18 (5.5%)
- Other (including NGO, public development, data, public sector, etc.): 18 (5.5%)

Emerging and Developing Economies: 45 (14%)

Regional breakdown:

- Europe: 137 (43%)
- Asia and the Pacific: 134 (42%)
- North America: 21 (6%)
- Latin America and the Caribbean: 18 (6%)
- Africa and the Middle East: 10 (3%)

Country breakdown:

- 46 countries and territories represented

SASB Sector (SICS) overview:

- 58 sectors represented (out of 77)

Background on the TNFD recommendations:

- The TNFD was launched in June 2021 with the support of G20 and G7 governments.
- The TNFD corporate reporting recommendations on nature-related issues were published in September 2023 after a 2-year design and development process led by the TNFD's 40 Taskforce members and supported by 20 knowledge partners with global market input and participation.
- The 14 recommended disclosures follow the approach and structure developed by the Taskforce on Climate-related Financial Disclosures (TCFD) launched by Michael Bloomberg and Mark Carney in December 2015.
- The TNFD Recommendations have been designed to enable the achievement of the global policy goals outlined in the Kunming-Montreal Global Biodiversity Framework agreed to by 196 countries at the Convention on Biological Diversity (CBD) COP15 held in Montreal in December 2022.
- They have also been designed to be consistent with the new S1 and S2 standards on sustainability reporting published in mid-2023 by the International Sustainability Standards Board (ISSB) as well as existing nature and biodiversity impact reporting standards provided to market participants by the GRI.
- Over 250 institutions worldwide pilot tested the TNFD's proposed approach during its design and development phase.

David Atkin, CEO at the Principles for Responsible Investment, comments: "Transparency and disclosure are foundational to private sector efforts to identify and manage nature-related risks and

opportunities. The voluntary uptake of the TNFD disclosure recommendations happening at such speed and scale is a hugely significant step in the right direction in this regard. By committing to disclosing nature-related information, these early adopters are aligning themselves with emerging and ambitious best practice for the long term. The uptake seen so far further highlights the drive from the private sector to address nature-related risks and opportunities, and its appetite for ambitious action in implementing the Kunming-Montreal Global Biodiversity Framework and halting and reversing biodiversity loss. Nature risk is financial and business risk, and by committing to these disclosures, the TNFD early adopters are taking an important step to managing this risk and securing their businesses' operations for the long term."

Carine Smith Ihenacho, Chief Governance & Compliance Officer of Norges Bank Investment Management, said: "Addressing nature-related financial risks has been a longstanding priority on our ownership agenda at Norges Bank Investment Management. As active contributors to the Taskforce on Nature-related Financial Disclosures (TNFD), we are committed to leveraging this tool to deepen our understanding of our portfolio's nature-related impacts and dependencies, further reinforcing our responsible investment efforts in this important area."

Jesper Brodin, CEO of Ingka Group | IKEA, and Jon Abrahamsson Ring, CEO of Inter IKEA Group, said: "Nature loss is one of the biggest challenges facing humanity, deeply connected with the climate crisis, and growing social inequality around the world. Nature urgently needs attention and collaboration from us all, which is why we are delighted to become a TNFD early adopter. We see nature-related issues as a strategic business issue and believe the TNFD recommendations and guidance will support us in further assessing risks and opportunities and allowing more targeted positive action. We also know that our future relevance, success and resilience of our business is directly linked to how we address this now, in order to prepare for the future generations."

Mindy Lubber, CEO and President of Ceres (Ceres is a convener of the U.S. Consultation Group for the TNFD and founding partner of Nature Action 100), said: "Today's announcement that over 300 global companies and financial institutions will start making nature disclosures based on the TNFD recommendations is very significant and exciting. It provides concrete evidence that businesses now rightly see nature issues as strategically important and that they need to be proactively managed. The TNFD recommendations and the market adoption catalyzed also provide impetus for the nature engagement activities of Nature Action 100. Together, we look forward to working with companies as they follow through on their commitments."

Paul Russo, CEO of KCB Group, commented: "As East Africa's largest bank by assets, KCB is committed to aligning its interests with partner institutions to bolster climate action for the greater good for all. That's why we are glad to be part of the Taskforce on Nature-related Financial Disclosures (TNFD) journey. We are making deliberate steps in managing environmental risks, with an eye at ensuring that by 2025, 25% of our loan portfolio will be dedicated to green projects. Our credit process is designed to minimize environmental and social impact in financed projects. Being an early adopter of TNFD, we actively support projects that contribute to environmental preservation, foster economic growth, and enhance social well-being."

Masayuki Hyodo, Representative Director, President and Chief Executive Officer of Sumitomo Corporation, said: "As a conglomerate, we conduct business in multiple sectors including infrastructure, mining, forestry and agriculture. Undoubtedly, we are largely dependent on nature across the globe, and therefore, integrating nature into our business decision-making is crucial for the sustainable future of the company. By doing so, we will commit to the sustainability of the planet and local communities. As a TNFD Early Adopter, we will further accelerate our efforts to protect and restore natural capital and enhance disclosure."

Marisa Drew, Chief Sustainability Officer of Standard Chartered Bank, said: “With our market footprint representing some of the most complex and diverse natural resources in the world, working across our business and with our clients to preserve, restore and enhance nature is a priority for Standard Chartered. We are proud to become an early TNFD adopter. The decision solidifies our ambition to further integrate nature into our financial decision making by establishing it as an important area of risk management alongside climate change, but equally by viewing nature as a significant opportunity for us to facilitate financial flows towards nature-positive outcomes.”

Katrine DiBona, Corporate Vice President, Global Head of Sustainability of Novo Nordisk, said: “Nature and biodiversity are under increasing pressure. We acknowledge that our business both impacts and depends on nature to serve an increasing number of patients living with serious chronic diseases. To help progress towards the goals of the Global Biodiversity Framework agreed in Montreal, Novo Nordisk is proud to be part of the TNFD Early Adopters. We hope more companies will join the TNFD. We need collective action and transparency on progress and set-backs when it comes to protecting and restoring nature and biodiversity”.

Duncan Wanblad, Chief Executive of Anglo American, said: “I’m pleased that Anglo American is one of a growing number of organisations committed to adopting the TNFD framework. As the only mining company member of the taskforce, we recognise the value of being able to share how our business measures and manages its key interfaces with nature so that our stakeholders can be confident in our approach to achieving a net positive impact on biodiversity.”

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Notes to editors

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ABOUT THE TASKFORCE ON NATURE-RELATED FINANCIAL DISCLOSURES (TNFD)

The Taskforce on Nature-related Financial Disclosures (TNFD) is a market-led, science-based and government-backed initiative providing organisations with the tools to act on evolving nature-related issues.

The TNFD has developed a set of disclosure recommendations and guidance for organisations to report and act on evolving nature-related dependencies, impacts, risks and opportunities.

The recommendations and guidance will enable business and finance to integrate nature into decision making, and ultimately support a shift in global financial flows away from nature-negative outcomes and toward nature-positive outcomes.

After two years of design and development in partnership with 20 knowledge partners and the benefit of extensive consultation with market participants and other stakeholders, the TNFD launched its final Recommendations on September 18th, 2023. With the recommendations released, the Taskforce now focuses its efforts on encouraging and supporting voluntary market adoption and supporting efforts to address the knowledge, capacity building and data needs of market participants.

Launched in 2021, the TNFD comprises of 40 senior executives drawn from leading financial institutions, corporates and market service providers, with combined assets of over US\$20 trillion. Twenty core knowledge partners from leading science, standards, and data bodies feed into the work of the Taskforce. A group of over 1,300 organisations support the work of the Taskforce as institutional members of the TNFD Forum.