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Get started on your TNFD journey

A 6-step guide to get ahead of new
nature reporting requirements



Guide overview

Our six steps to success



Introduction

The Taskforce on Nature-related Financial Disclosures (TNFD) presents a new frontier for how companies assess, manage, and report on nature-related risks and opportunities.

With nature loss accelerating globally, regulators, investors, and consumers are demanding more accountability and transparency from businesses on their nature impacts. The TNFD framework provides best-practice guidance for improved risk management and disclosure.

Importantly, the intent of TNFD is not just improved disclosure - but to transform our economy to deliver nature-positive outcomes through good governance, responsible practices, transparency and collective action.

The goal of this guide is to provide companies with an overview of the key steps required to begin aligning their business with the TNFD recommendations. While the framework is still evolving, early adopters can gain a strategic edge by getting started now.

Within this guide, we'll cover:

- An introduction to the TNFD framework
- How to build internal buy-in for TNFD implementation
- Steps for identifying your nature-related risks and opportunities
- Gathering the data you need for robust TNFD disclosures
- Setting goals and targets for nature
- Preparing your first TNFD-aligned disclosure report

The transition to a nature-positive economy is complex but necessary. By taking a systematic approach - and getting started now - companies can effectively assess dependencies and impacts, set strategic priorities, and demonstrate progress to stakeholders.

The next chapter of environmental transparency and performance has arrived. This guide will equip you with the knowledge to take the first steps on your TNFD journey.

Let's get started.

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The time is now for organisations to get ahead of the curve on their approach to nature. In such a fast-moving landscape, businesses need support to build robust frameworks to meet impending nature reporting requirements.

Investing in a robust nature positive strategy now will enable the formation of sustainable business models, while supporting the development of a green economy. I look forward to working closely with new and existing NatureMetrics customers to help them map a clear roadway to nature progress.”



Pippa Howard
Chief Nature Strategist
NatureMetrics

Step 1

Get Familiar with the TNFD Framework

The TNFD takes a similar approach to climate-related reporting introduced by the Taskforce on Climate-related Financial Disclosures (TCFD).

At a high-level, the draft TNFD framework is structured around four pillars:



Governance

How your board oversees and management governs nature-related issues.



Strategy

How nature-related risks and opportunities influence your business strategy and financial planning.



Risk Management

The processes used to identify, assess, and manage nature-related risks.



Metrics & Targets

The key performance indicators and goals used to manage nature-related risks and opportunities.



Locate - Identify where your business activities interface with nature.



Evaluate - Assess dependencies and impacts on nature.



Assess - Determine nature-related risks and opportunities.



Prepare - Make strategic decisions and prepare disclosures.

Underpinning these pillars is the LEAP framework which provides guidance on assessing nature-related risks and opportunities:

The LEAP approach helps companies holistically evaluate their relationship with nature across operations, supply chains, and financial planning. Key concepts in the TNFD framework include:

- **Nature dependencies** - how your business relies on provisioning services from nature.
- **Nature impacts** - how your activities negatively or positively affect nature.
- **Nature-related risks** - how dependencies and impacts may create ecosystem, market, or regulatory risks.
- **Nature-related opportunities** - activities that reduce impacts or restore nature while benefiting your business.

The TNFD takes a broad view of risks, considering immediate financial risks as well as longer-term risks related to assets, reputation, changing regulations, and more.

Overall, the TNFD and LEAP framework aim to enable improved risk management and more robust nature-related disclosures.

Importantly, the TNFD framework also helps organizations recognise and act on their relationship with nature. By assessing dependencies and impacts, companies can make strategic decisions that reduce risks and restore vital ecosystems - thereby contributing to a transformation towards a more sustainable economy.



Build Internal Buy-In and Assign Responsibility

Gaining leadership buy-in and support is critical for implementing the TNFD framework across your organisation.

Here are some tips:

- Make the business case by connecting nature risks to financial and operational risks and showing how the TNFD and identifying opportunities strengthens business resilience.
- **Emphasise** the reputational benefits with customers, the value chain, and investors as confidence is built around companies able to identify their risks.
- Note emerging regulations that could mandate nature-related disclosures.
- **Outline** how the TNFD builds on your existing initiatives like TCFD and sustainability reporting.
- Relate nature impacts to your environmental and social values.

Once you have leadership buy-in, ensure key roles and responsibilities are assigned, such as:

- A **C-Suite sponsor** to champion the TNFD strategy.
- A **cross-functional working group** with representatives from key departments who collaboratively set the ambition of the nature strategy.
- Department leads to **coordinate** implementation across operations, procurement, risk management, sustainability, etc.

- **Technical specialists** to assess nature-related data and shape disclosures.
- A **research team** to identify innovative ways to act on opportunities across the business.

Finally, develop a **roadmap** to guide the first year of your TNFD journey. This should outline key milestones like:

- Formal adoption of the TNFD framework.
- Identify locations of all direct and supplier operations
- Initial risk and opportunity assessment.
- Data gathering and capability building.
- Setting nature targets.
- Drafting your first TNFD disclosure report.

Having an agreed strategy, assigned personnel, and mapped timeline will set your organisation up for success in adopting the TNFD recommendations.



Gather Nature-Related Data

Robust nature-related data is crucial for risk assessment, target setting, and performance tracking.

Key types of data needed, include:

Location data – maps (ideally shapefiles) and geographic coordinates for your facilities, operations, and supply chain.

Ecosystem data – data, including earth observation and habitat metrics, on the status of ecosystems your business interacts with, including health, biodiversity importance, and water risk, where available.

Impact data – data that reflects resource consumption or pollution in business activities, including biodiversity, chemical use, water use, waste, and land-use conversion. Typically, these will be used in target-setting.

Dependency data – information on dependencies like critical materials sourced from nature or natural features that provide ecosystem services, e.g. nearby pollinator habitat or Ha of trees nearby for mass soil stabilisation.

Management data – data related to your existing initiatives like sustainable sourcing programs and management risk.

Environmental DNA (eDNA) – biodiversity data obtained by collecting and analysing environmental DNA samples across operations that can be used to validate sites prioritisation by surveying for presence or absence of rare species.

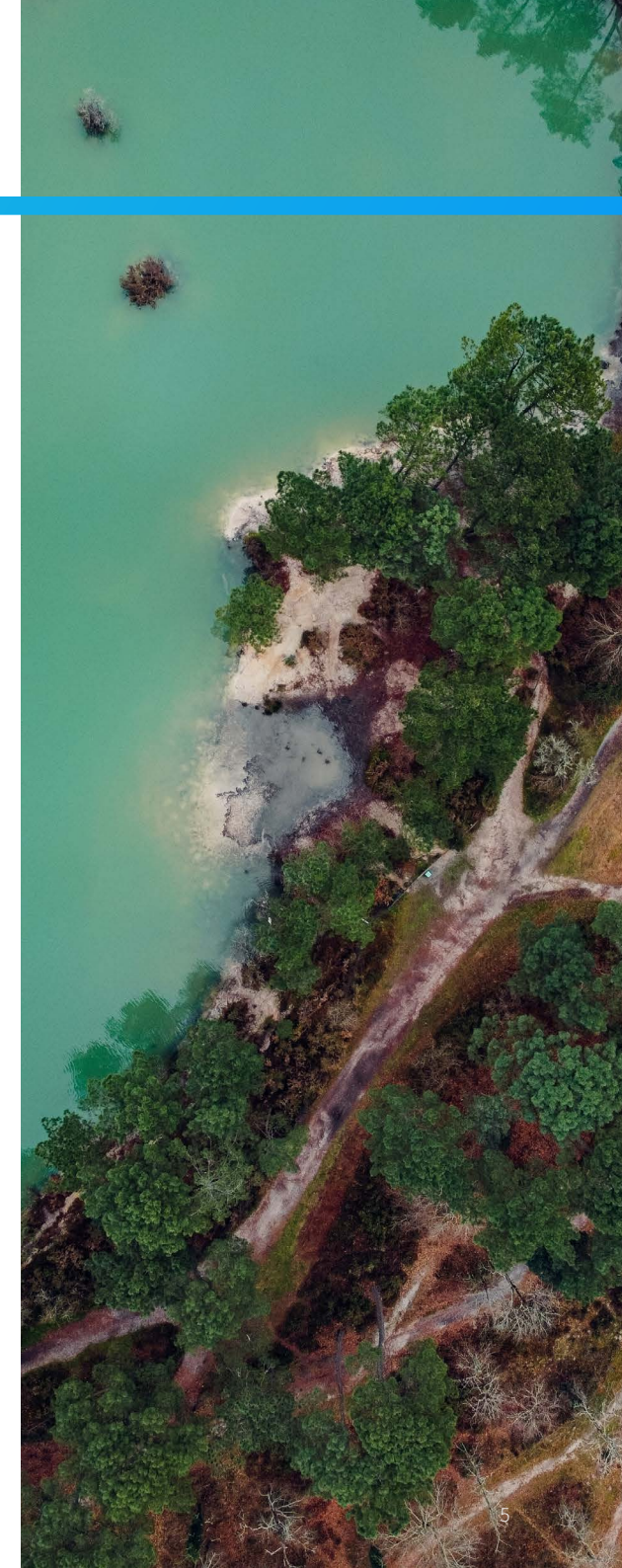
eDNA sampling and earth observation data layers provide an efficient way to establish biodiversity baselines, assess habitat quality, habitat condition, and ecological integrity, and continuously monitor ecosystem health over time. Advantages include:

- Holistic data that surveys all species without needing taxonomic expertise.
- Rapid, cost-effective analysis of samples in the lab.
- Minimal environmental disturbance compared to traditional sampling.
- Ability to re-sample sites frequently to track changes.
- Data standardisation for comparison across operations.

Consider deploying eDNA sampling to fill biodiversity data gaps, especially in high-risk or hard to survey areas across your value chain. This technology delivers the scale and quality of data needed for robust nature metrics and targets.

Gaining ground-truthed data at site-level with technology like eDNA sampling is essential to build a true picture of what is happening on the ground and ensure robust monitoring of improvements and change over time.

Also leverage existing sources like impact assessments and tools like ENCORE. Compiling a comprehensive nature dataset takes time but establishes an accurate baseline to inform targets and track performance.



Identify Your Nature - Related Risks and Opportunities

Before setting goals and targets, companies need to thoroughly understand their relationship with nature.

This involves assessing:



Nature Dependencies

Where and how does your business depend on nature? For example, dependence on fresh water for operations, pollinators for crop production, forests for raw materials, etc.



Nature Impacts

What impacts do your operations have on nature – both negative like habitat loss and positive like restoration efforts?



Nature Risks

How do the dependencies and impacts pose risks for your business? These risks may be physical (e.g. resource scarcity), transitional (e.g. changing laws), or financial (e.g. stranded assets).



Nature Opportunities

What opportunities arise from reducing negative impacts or scaling up positive contributions to nature? For example, protecting watersheds can reduce water supply risks.

A nature 'risk and opportunity assessment' can help you identify priority areas across your operations and supply chain. This involves:

- Mapping business activities and locations, across the full value-chain, against major ecosystems.
- Evaluating the status of those ecosystems using tools like WWF Risk Filter, ENCORE and IBAT which assess factors like ecosystem risk, sector impacts and dependencies, and global extinction risk.
- Determining where your business is highly dependent on vulnerable ecosystems or negatively impacting important ecosystems.

Conducting this assessment across your value chain allows you to pinpoint facilities, suppliers, product lines, or geographies where nature-related risks are highest. These priority areas can then inform your targets and management plans.

Regularly updating your nature risk assessment enables you to continually monitor risks and refine your nature strategy over time.



Set Nature-related Goals and Targets

With risks identified and data gathered, companies can establish nature-related goals and targets. Frameworks like the Science-Based Targets Network (SBTN) provide guidance for rigorous, science-aligned target setting across themes like climate, water, biodiversity, and land.

SBTN's five-step target setting process involves:

- **Assessing your nature impacts and dependencies**
- **Defining your target scope**
- **Calculating your fair share target boundary**
- **Setting your target(s)**
- **Developing your target implementation strategy**

Complement your external targets by developing internal policies and action plans on key issues like deforestation, biodiversity, and water security. Track progress through key performance indicators.

Robust nature targets demonstrate your commitment to stakeholders while enabling performance management. Align targets to priority risks, data, and timelines for maximum impact.

Once targets are set, robust data is key for tracking progress. Emerging technologies like environmental DNA (eDNA) sampling and earth observation (EO) data provide standardised biodiversity metrics that can be monitored over time to assess performance against targets. For example, eDNA surveys can measure changes in species diversity and abundance, while EO data can track indicators like vegetation health and land use change.

Using eDNA and EO as consistent monitoring approaches enables companies to gather the quantitative evidence needed to determine if targets for improving ecosystem health and biodiversity are being met. With rigorous data collection methodologies in place, companies can feel confident that target achievements are based on solid science.

Disclose Using the TNFD Recommendations

The four core pillars of TNFD disclosures provide a framework for reporting:



Governance

Disclose your board and management oversight of nature-related issues.



Strategy

Disclose your assessed nature-related risks, opportunities, and strategic approach.



Risk Management

Disclose your processes for assessing and managing nature-related risks.



Metrics & Targets

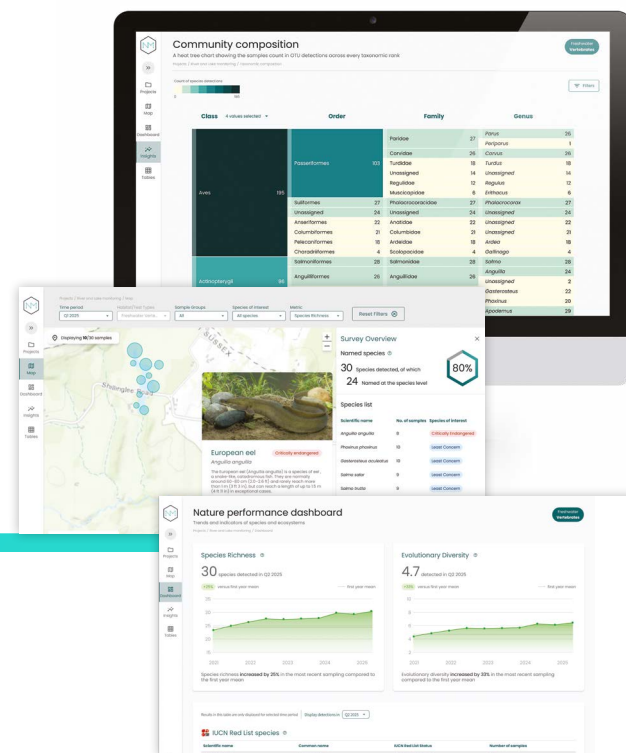
Disclose your key performance indicators and targets related to nature.



Tips for preparing your first report:

- Focus on disclosing material risks and how these are managed.
- Align with your existing reporting process and standards.
- Be clear on your current scope and plans to expand disclosures over time.
- Provide data summary tables alongside explanatory narratives.
- Ensure claims are backed by quantitative evidence and robust data.

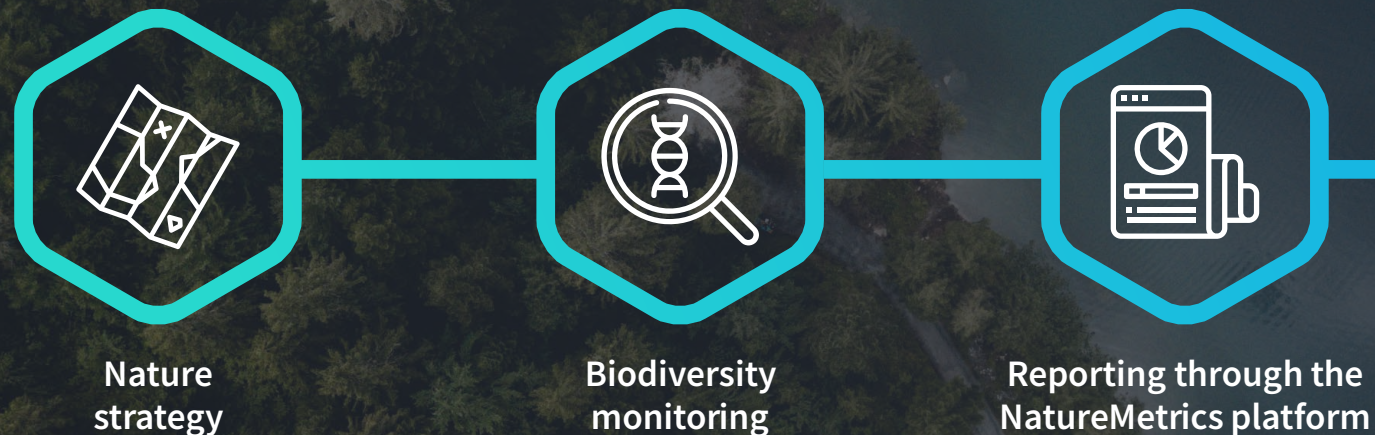
The pathway towards full TNFD implementation may take years. Take an incremental approach to develop comprehensive, rigorous disclosures over time.



How NatureMetrics can help get you started

The TNFD presents a monumental shift in how companies assess, manage, and report on their relationship with nature. While the transition may seem daunting, taking a systematic approach to address nature-related risks and opportunities will set you up in the best possible way now to prepare for future regulations.

NatureMetrics provides an end-to-end service that can support your TNFD journey:



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Companies are beginning to grasp the financial and societal risk associated with nature’s ongoing degradation. By adopting a nature strategy, reducing impacts, and investing in nature-based solutions, companies can give nature a lifeline to ensure the persistence of biodiversity and ecosystem services that society and their own business activities rely on.

We work hard to guide companies through this process so that nature becomes central to decision-making, with progress then demonstrable through our ground level biodiversity monitoring services. Our end-to-end services encourages companies to be the best environmental stewards possible, which can be verified and disclosed, so that those working hardest for biodiversity are recognised and rewarded.”



Owen Middleton
Principle Nature Strategist

From helping you to understand and set your nature strategy, through to building a nature monitoring plan and reporting your nature progress on our nature intelligence platform, we're here to help, at whatever stage of the journey you might be on.



Buy in

- We facilitate nature strategy workshops to build internal buy-in and develop a TNFD roadmap tailored to your business needs and context.
- Our nature positive workshops empower teams across your organisation to shape and deliver an achievable sustainability vision.



Locate – interface with nature

Our experts can map your business assets across your value-chain, and identify any high-risk areas based on proximity to biodiversity-priority areas.



Evaluate – impacts and dependencies

Identify impacts and dependencies across your value-chain and understand where data gaps lie in existing operations to monitoring impacts and dependencies going forward.



Assess – risks and opportunities

- Identify risks and opportunities that exist through knowledge of impacts and dependencies.
- Prioritise sites based on their location in high-risk areas related to impacts and dependencies.



Prepare – set targets and respond

- We help align your targets with frameworks like SBTN while ensuring your strategies adhere to global standards like TNFD.
- We build customised monitoring and evaluation frameworks leveraging eDNA technology to generate the robust, standardised data needed for tracking performance against targets.
- Our digital nature intelligence platform translates complex biodiversity data into intuitive metrics and dashboards, enabling you to visualise and demonstrate progress to stakeholders.

As new nature-related regulations emerge, companies proactively aligning their business with the TNFD framework will gain a strategic advantage. By harnessing NatureMetrics' nature intelligence services, you can effectively assess, manage, and disclose nature-related risks and opportunities.

Contact us today to discuss how we can support your organisation's TNFD implementation journey.



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About NatureMetrics

NatureMetrics is a world leader in delivering nature data and intelligence. We use cutting-edge technology to generate biodiversity data at scale using environmental DNA.

We make biodiversity measurable and support business to transition to nature-positive by providing the insights with which to drive good decisions for business and nature. Our mission is to empower the best decisions for nature to build a nature-positive economy.



Contact us to find out more:



Pippa Howard

Chief Nature Strategist

pippa.howard@naturemetrics.co.uk



Owen Middleton

Principle Nature Strategist

owen.middleton@naturemetrics.co.uk



Marta Felton

Business Development Director,
North America

marta.felton@naturemetrics.com



Laura Plant

Business Development Director

laura.plant@naturemetrics.co.uk