

**Nature-related Risk: Handbook for Financial Institutions
Summary document**

October 2024



What is this?

The handbook is a 33-page document in pdf form providing practical guidance on how financial institutions can start thinking about nature and taking actions to embed this into risk management.

To complement to the handbook, the technical data guidance is a 28-page document in pdf form providing an overview of the nature data landscape and key applications of nature-related datasets and tools, particularly on specific uses and insights for financial institutions.

Who is this for?

Both the handbook and technical data guidance will be useful **for those working in banks, insurers, and asset managers whose firms are embarking on their nature journey.**

What does it contain?

The handbook covers information on:

- The context on nature-related risk for firms, including a definition of nature and how nature risk can be transmitted to financial institutions
- Emerging practice on how to incorporate nature into risk management across financial institutions
- Case studies showing how a range of financial institutions are performing pilots to assess nature-related risks and opportunities across their portfolios

The technical data guidance covers information on:

- The types of nature data available for use by financial institutions
- Approach to quantifying nature risks
- Nature-based opportunities
- Practical interpretations of the LEAP approach
- The outlook for nature reporting

When was it published/updated?

October 2024

What does it reference?

The handbook takes a practical view to implementing the concepts and principles introduced in existing nature-related guidance and protocols, notably the Task Force for Nature-related Financial Disclosures (TNFD) recommendations. The case studies are based on public disclosures of abrdn, PIMCO, Phoenix, HSBC, Barclays, and Nature Alpha.

The technical guidance looks into various nature-related datasets and tools including UN dataset ENCORE, Earth Observation, NGFS scenario data set, The Biodiversity Metric 4.0, NatureMetrics, EarthDaily Agro, and Kayrros.

Both documents reference a range of industry and scientific papers, a complete list of which can be found in the paper's bibliography.