31 July 2026

Taskforce on Nature-related Financial Disclosures
International House, 36-38 Cornhill,
London, EC3V 3NG.
United Kingdom

Japanese Bankers Association

JBA Comments on TNFD Discussion Paper on Nature-Related Risk Assessment Methods and Practices

Dear Taskforce on Nature-related Financial Disclosures:

The Japanese Bankers Association[1] (JBA) appreciates the opportunity to provide its comments on the *Discussion paper on Nature-Related Risk Assessment Methods and Practices*, released in July 2026.
We hereby submit our comments on the discussion paper, which have been compiled through consultations with our member banks. We would be grateful if you would give due consideration to our comments.
We would like to express our appreciation once again to the Taskforce on Nature-related Financial Disclosures for this opportunity, and we hope our comments will contribute to further consideration.

Yours faithfully,

Japanese Bankers Association

[1] The Japanese Bankers Association is the leading trade association for banks, bank holding companies and bankers associations in Japan. As of 1 July 2026, JBA has 110 Full Members (banks), 3 Bank Holding Company Members (bank holding companies), 78 Associate Members (banks & bank holding companies), 49 Special Members (regionally-based bankers associations) and one Sub-Associate Member for a total of 241 members.

JBA Comments on TNFD Discussion Paper on Nature-Related Risk Assessment Methods and Practices

No.	Question	JBA Comments
1.	**Scope:** Do you agree with the need for a refinement of the TNFD risk assessment guidance, namely the Assess phase of LEAP and the scenario analysis guidance, based on the rationale described in this paper?	・ Yes, we support the proposed refinements.
2.	**Identifying gaps and priorities:** Based on your experience, are there any additional gaps or challenges in the current TNFD Assess phase and scenario analysis guidance that this paper has not captured?	・ In particular, for financial institutions with large and diverse portfolios of clients and counterparties, it would be helpful for the guidance to acknowledge more explicitly that, from an operational perspective, comprehensively identifying and analysing location-specific data for individual facilities across all counterparties may often be impracticable.
3.	**Refining and enhancing guidance:** Which of the proposed refinements outlined in this paper would be most useful for market participants? Are there other refinements or clarifications you would recommend to make the guidance more practical or implementable?	・ We believe that greater clarity regarding the definitions of key terms, such as "risk" and "hazard," as well as their relationship to, and consistency with, the ISSB's materiality assessment framework, would be particularly beneficial for market participants.

No.	Question	JBA Comments
4.	**Tools and practical support:** What types of tools, templates or examples would most help organisations conduct nature-related risk assessments? How could the TNFD best support this (e.g. sector-specific examples, worksheets, alignment with existing ERM tools)?	・ It would be beneficial for TNFD to support the development and provision of data infrastructure that enables analysis at multiple levels, including macroeconomic impacts (such as impacts on GDP), sector- and industry-level impacts, and micro-level impacts at the individual company and facility level using location-specific data. ・ The availability of such resources would significantly enhance the practicality and consistency of nature-related risk assessments.
5.	**Implementation and usability:** How can the TNFD further support organisations at different levels of maturity in applying the guidance?	・ Given the varying levels of maturity in available data, methodologies, and analytical capabilities, it is important that the guidance should not place undue burdens on organisations, particularly with regard to more advanced analytical exercises such as scenario analysis.

Other Comments	
	・ Nature-related data remains challenging to obtain, and assessment methodologies are not yet sufficiently established. In addition, nature-related risks are highly context-specific, varying by region, sector, and other factors, and are therefore not easily generalised or standardised. Furthermore, for financial institutions, risk profiles and the availability of relevant information vary considerably across organisations, and the purpose and practical relevance of identifying, assessing, and managing nature-related risks within exposure management and portfolio management frameworks have not yet been sufficiently clarified. ・ Accordingly, in refining the guidance, the primary focus should not be placed solely on the provision of data and tools. Rather, it would be helpful first to clarify the specific use cases for nature-related risk assessments within financial institutions, together with the purpose of such use and its practical relevance. ・ In addition, any methodologies or approaches developed in the future should be provided primarily as illustrative examples, rather than prescriptive requirements. It would be desirable to allow for a broad range of approaches that reflect organisations' individual circumstances and practical realities.

(End)