

From screening to financial risk assessments: science-based approaches for biodiversity physical risk assessment in the banking sector

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Partnership for Biodiversity Accounting Financials (PBAF), part of Finance for Biodiversity Foundation

PBAF Standards - Biodiversity Footprinting & Dependencies assessment & Practical guidance

→ Ensure that data which is science based, robust, consistent, fit for purpose & decision relevant

Assessment results for:

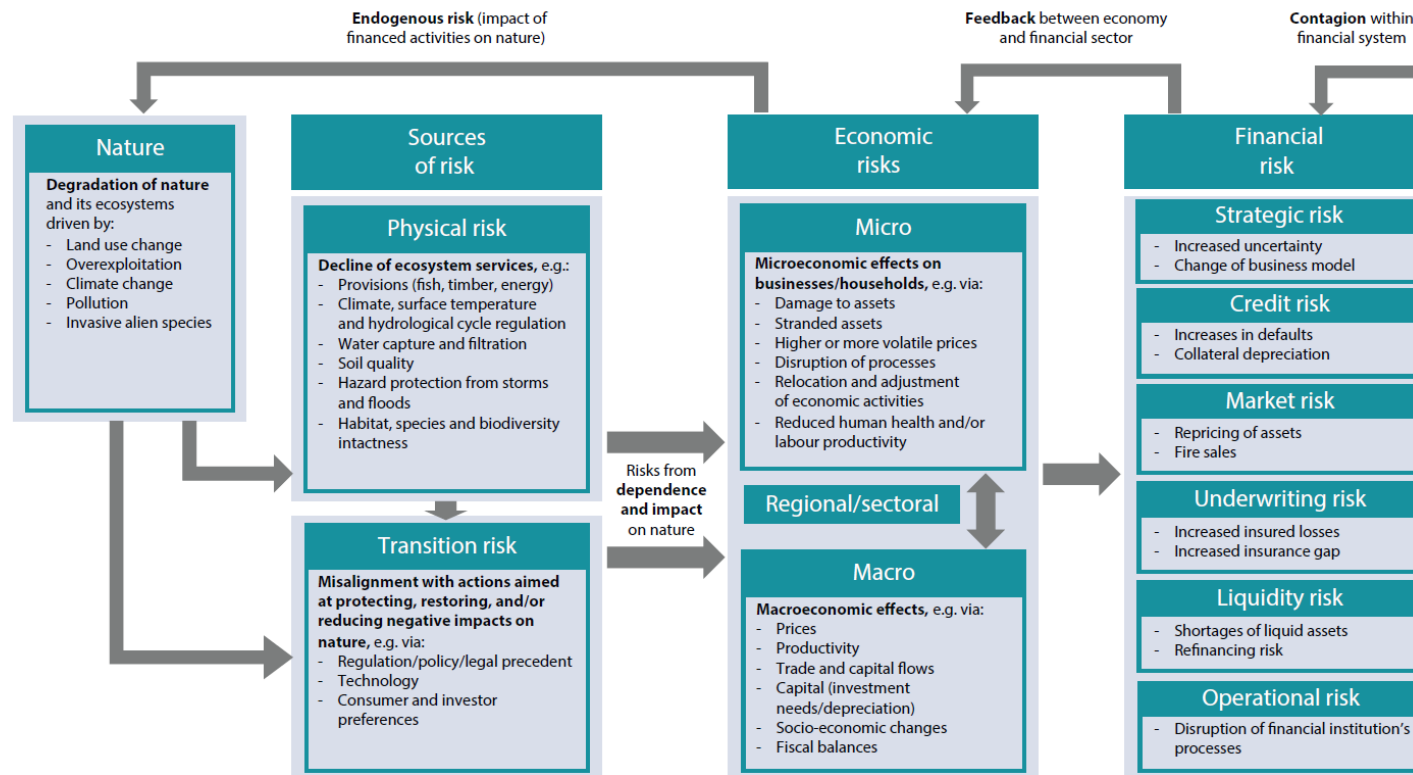
- Risk & Opportunities
- Reporting - TNFD - LEAP
- Compliance
- Strategy
- Policies
- Target setting
- Active Ownership
- GBF Targets
- Finance for Nature Positive



<https://www.pbafglobal.com/>



Nature-related financial risks



NGFS, September 2023

Source: Adapted from Svartzman, R. et al. (2021) A "Silent Spring" for the Financial System? Exploring Biodiversity-Related Financial Risks in France.



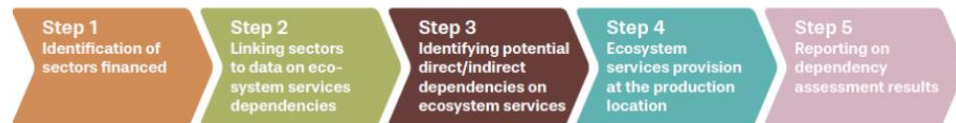
PBAF - Ecosystem services → Physical/financial risks

2023 - PBAF Standard Assessing Dependencies on ES

Main uses of a dependency assessment include:



A dependency assessment consists of five main steps:



- Explanation of each step
- Overview of challenges
- PBAF Requirements & Recommendations

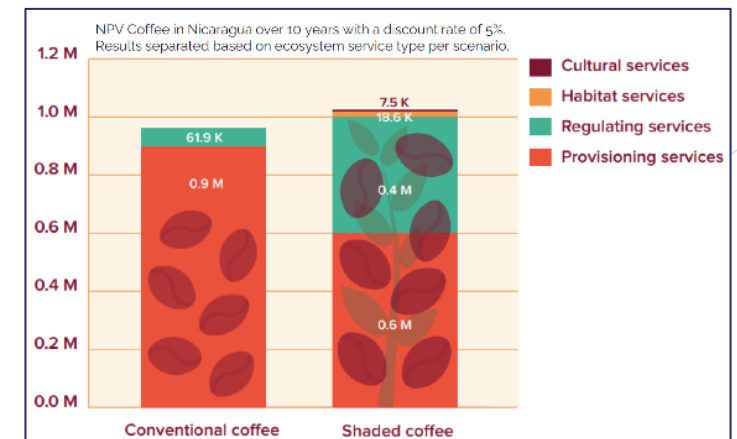


[Link](#)



2024 - Q&A Impacts on ES and monetisation

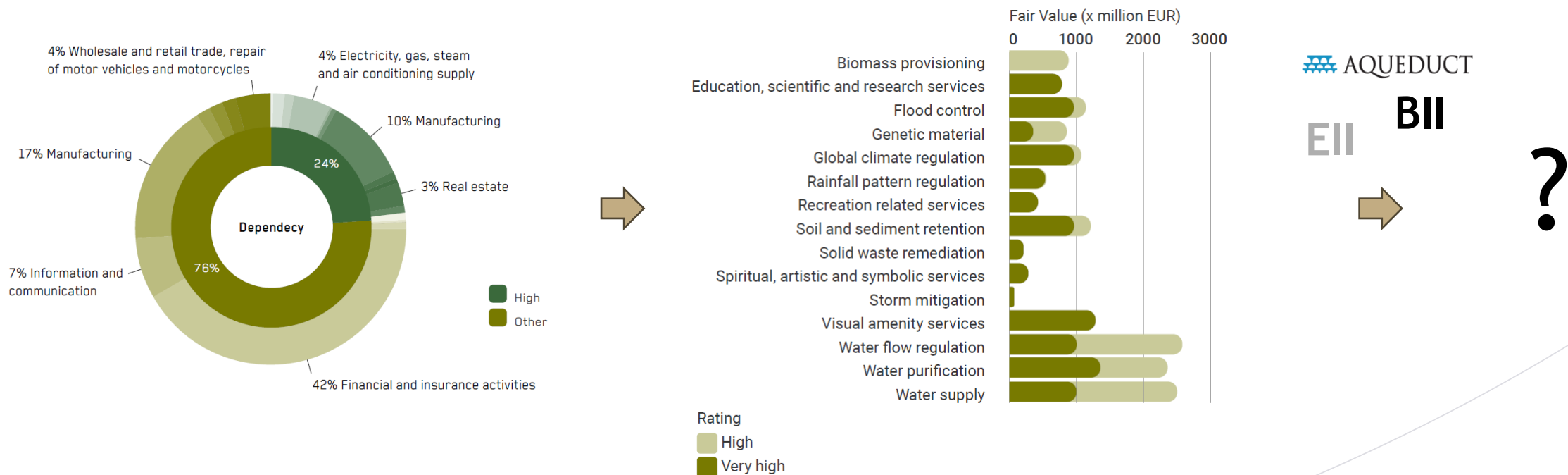
- Steps
- Use cases





PBAF - Ecosystem services → Physical/financial risks

2026 - From ENCORE to Financial risks



Source: Biodiversity
Whitepaper, Achmea, 2024



Ecosystem services → Physical/financial risks

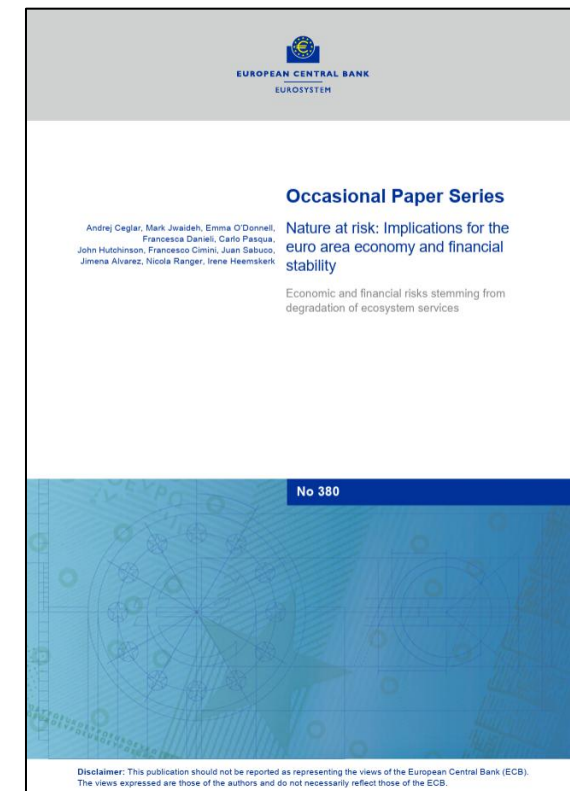
A dependency ≠ financial risk

Nature at risk, ECB (2026)

Nature Value at Risk = Hazard x Exposure x Vulnerability

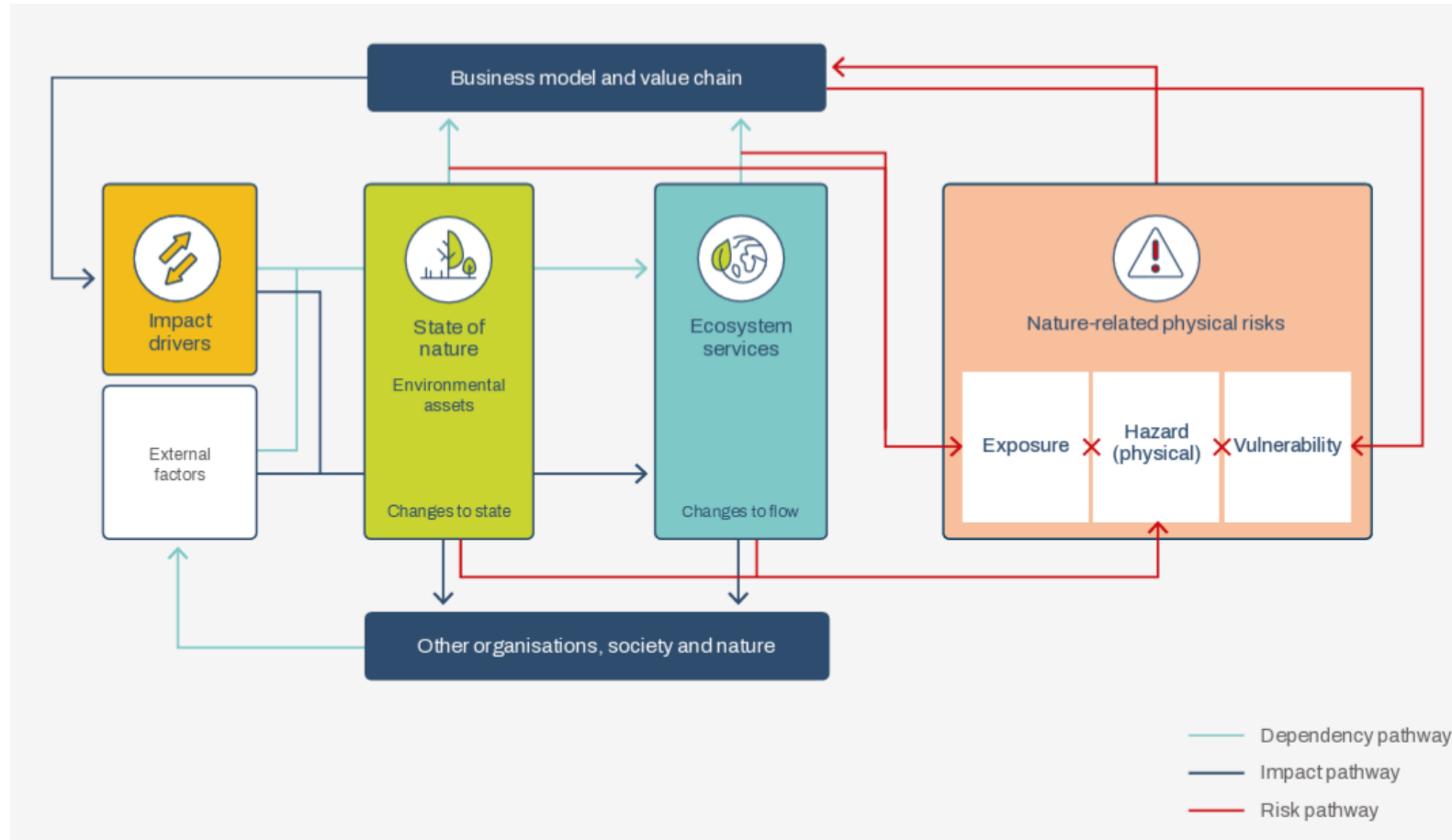
- **Hazard:** likelihood of an ecosystem service being degraded (e.g. by droughts, includes ecosystem condition)
- **Exposure:** monetary quantity of sectors/production systems exposed (dependencies, volume of loans to sectors)
- **Vulnerability:** production systems output and services vulnerability to ecosystem degradation (adaptive capacity of sectors and countries)

Result: a single value representing the **monetary VaR** at a given sectoral level in a given country





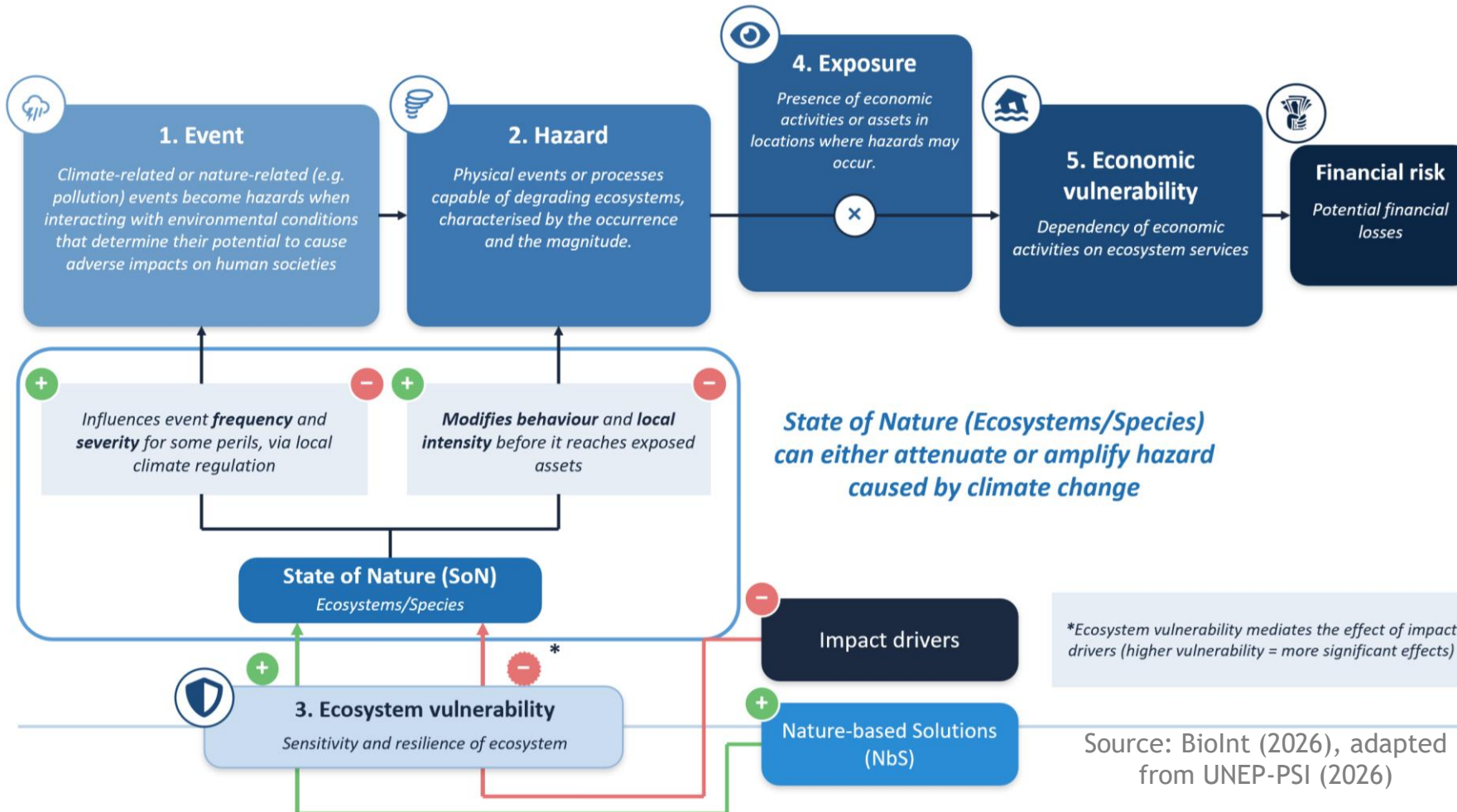
Ecosystem services → Physical/financial risks



Source: The LEAP approach Version 2.0
October 2026



Physical risks - Nature and Climate risks are linked





Thank you!



Finance *for*
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Foundation



Partnership for
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