# 2026 GUIDE FOR SUPERVISORS

NGFS
Central Banks and Supervisors
Network for Greening the Financial System

Built from the 2020 version, the updated NGFS Guide helps supervisors integrate climate and nature-related risks into prudential supervision through a proportionate approach, adapted to different mandates, capacities, and national circumstances.

The Guide is based around **5 key recommendations** that form a practical roadmap:

## UNDERSTAND THE RISKS

- **Determine the transmission channels for materiality assessment**
- **Identify how climate and nature-related risks affect financial institutions, the economy, and financial stability**

## EMBED RISKS WITHIN SUPERVISORY ORGANISATIONS

- **Identify needs and ways to include climate and nature into organisational arrangements, including at governance level**

## MEASURE EXPOSURE

- **Identify supervised entities' exposures**
- **Conduct scenario analysis and stress testing**
- **Assess potential losses and residual risks**

## ESTABLISH EXPECTATIONS

- **Develop clear supervisory expectations on governance, strategy, risk management and disclosure**

## INTEGRATE INTO FRAMEWORKS AND TOOLS

- **Ensure adequate management of climate and nature-related risks**
- **Adopt a proportionate but risk-based approach**
- **Consider how such risks may be addressed within the prudential framework, at the micro- and macro-levels**

## BUILT ON LIVED EXPERIENCE

**67** Supervisory Authority Contributions

**70%** of all NGFS member jurisdictions

## NOW IN 2026

Incorporates the latest developments in supervisory practices, including on:

- **Nature-related financial risks**
- **Transition Planning**
- **Climate scenarios and stress testing**
- **Climate-related litigation risks**
- **Climate disclosure frameworks**
- **Adaptation and resilience measures**

## A PROPORTIONATE BUT RISK BASED APPROACH

The Guide recognises that jurisdictions differ in mandates, resources, and capabilities

Supervisors can start with available data and progressively increase over time

**"CLIMATE AND NATURE ARE A SOURCE OF FINANCIAL RISK. SUPERVISORS SHOULD ENSURE THAT THE FINANCIAL SYSTEM IS RESILIENT TO THOSE RISKS."**