

MEMO# 32939

November 23, 2020

Asia ESG: Summary of HK SFC Consultation on Climate Risk Requirements for Asset Managers

[32939]

November 23, 2020 TO: ICI Global Members

ESG Task Force

ICI Global Regulated Funds Committee

ICI Global Regulated Funds Committee - Asia SUBJECTS: Compliance

Disclosure

ESG

International/Global

Investment Advisers RE: Asia ESG: Summary of HK SFC Consultation on Climate Risk

Requirements for Asset Managers

The Hong Kong Securities and Futures Commission (SFC) recently published a consultation on proposed regulatory requirements for asset managers on climate-related risk.[\[1\]](#)

The SFC proposes to amend the Fund Manager Code of Conduct (FMCC) provisions on governance, investment management, and risk management to ensure that climate-related risk is taken into account. The SFC also will issue a circular setting out baseline requirements for all fund managers and enhanced standards for large fund managers, together with sample industry practices. The circular will provide guidance to the industry on compliance with the proposed requirements under the four key elements: governance, investment management, risk management, and disclosures.

ICI Global is working with members to prepare a response by the consultation deadline of 15 January 2021.

Attached is a detailed summary of the consultation.

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[Attachment](#)

endnotes

[1] The SFC press release with the link to the consultation, dated 29 October 2020, is available at <https://apps.sfc.hk/edistributionWeb/gateway/EN/news-and-announcements/news/doc?refNo=20PR104>.

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