

**MEMO# 30510**

January 10, 2017

# January 17 Member Call to Discuss FSB Task Force Consultation on Climate Change Financial Disclosures

[30510] January 10, 2017 TO: ICI Members

Investment Company Directors

ICI Global Members

Closed-End Investment Company Committee

ICI Global Regulated Funds Committee

ICI Global Steering Committee

International Committee

SEC Rules Committee

Small Funds Committee SUBJECTS: Disclosure

Fund Governance

International/Global

Investment Advisers RE: January 17 Member Call to Discuss FSB Task Force Consultation on Climate Change Financial Disclosures

The Financial Stability Board established a Task Force on Climate-related Financial Disclosures in December 2015 to review how the financial sector could consider climate-related issues in investment, lending, and insurance underwriting decisions. This Task Force recently released a report setting out recommendations for voluntary climate-related financial disclosures with the aim of allowing investors, lenders, and insurance underwriters to account for material risks related to climate change.[\[1\]](#)

The Task Force's recommendations apply to financial sector organizations in the G20, including banks, insurance companies, investment managers, and institutional investors, which appear to include registered investment advisers and registered investment companies. The report uses a "fund fact sheet" as an example of how investment managers could provide climate change disclosure to investors and more broadly recommends that "preparers of climate-related financial disclosures provide [climate change] disclosures in their mainstream (i.e., public) financial filings."[\[2\]](#)

The report also recommends certain specific disclosure considerations for investment managers,[\[3\]](#) including the following:

- Description of how the transition to a low-carbon economy would affect each product or investment strategy;
- Identification and assessment of material climate-related risks for each product or investment strategy; and

- Description of metrics used to assess climate-related risks and opportunities in each product or investment strategy, including greenhouse gas emissions associated with each product or investment strategy.

The Task Force opened a public consultation period to solicit views on its recommendations, which it then will share with the FSB. The deadline for comments is February 12, 2017. We are considering filing a comment letter.

We will hold a conference call on Tuesday, January 17 from 3:00-4:00 p.m. ET, to discuss your views on the report's recommendations and any potential comments. If you plan to participate in the call, please RSVP to Jennifer Odom ([jodom@ici.org](mailto:jodom@ici.org)) to ensure that we have sufficient telephone lines available. The dial-in number for the call is (800) 857-5052 and the passcode is 43551.

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Counsel

**endnotes**

[1] *Recommendations of the Task Force on Climate-related Financial Disclosures*, available at [https://www.fsb-tcfd.org/wp-content/uploads/2016/12/16\\_1221\\_TCFD\\_Report\\_Letter.pdf](https://www.fsb-tcfd.org/wp-content/uploads/2016/12/16_1221_TCFD_Report_Letter.pdf).

[2] *Id.*, at p. 35.

[3] *Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures*, at p. 37-42, available at [https://www.fsb-tcfd.org/wp-content/uploads/2016/12/16\\_1220\\_TCFD-Annex-Letter.pdf](https://www.fsb-tcfd.org/wp-content/uploads/2016/12/16_1220_TCFD-Annex-Letter.pdf).