

MEMO# 33573

June 4, 2021

Draft Letter on SASB Proposal to Remove Systemic Risk Management Topic for Asset Managers; Your Comments to ICI Due by Thursday June 10

[33573]

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TO: Chief Risk Officer Committee

Disclosure Working Group

ESG Advisory Group

Liquidity Rule Implementation Working Group RE: Draft Letter on SASB Proposal to Remove Systemic Risk Management Topic for Asset Managers; Your Comments to ICI Due by Thursday June 10

As we previously advised, the Sustainability Accounting Standards Board (SASB) is seeking public comment on proposed changes to its Asset Management & Custody Activities Standard on the issue of systemic risk management.[\[1\]](#)

ICI has prepared the attached comment letter, which expresses strong support for SASB's proposal to remove the existing Systemic Risk Management disclosure topic and associated accounting metrics. The draft letter explains that the topic and metrics do not appropriately recognize the agency nature of the asset management business and improperly conflate risks at the manager level with risks at the fund/client level. The draft letter concurs with SASB's conclusion that removal of the topic is appropriate given the shift in the regulatory dialogue around potential systemic risks in asset management, away from individual managers and toward risks at the "activity" (or fund/client) level.

Please provide any comments on the draft letter to Rachel (rgraham@ici.org) on or before Thursday, June 10. We hope to file the letter with SASB on Friday, June 11.

Rachel H. Graham
Associate General Counsel & Corporate Secretary

Bridget Farrell
Assistant General Counsel

endnotes

[1] See ICI Memorandum [No. 33559](#) (May 28, 2021) for a summary of the SASB proposal.

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