TCFD Recommendations Report Launch – Statements of Support

Task Force Member Firms

Air Liquide

Enhanced disclosure of climate-related financial risks and opportunities can positively assist in addressing the global challenges of climate change. However, Air Liquide believes that such disclosure should be implemented across the competitive landscape worldwide to be efficient.

Aviva

This is a report the world can't afford to ignore. It could be a catalyst to deliver the Paris Agreement.

Comprehensive and consistent corporate disclosure of climate risks is a crucial and timely recommendation, which I endorse. What gets measured, gets managed and what gets disclosed and published gets managed even better.

I am calling to go one step further. We should give the disclosure real bite by making these recommendations mandatory, not voluntary. Only then will climate risk become integral to corporate governance and how we all do business.

– *Mark Wilson, Chief Executive Officer, Aviva plc.*

AXA

English

As one of the world's largest insurers, AXA has a unique role to play in tackling climate change through its influence over large institutions across the globe.
As an insurance company, AXA is directly affected by the impact of climate change but we also have the ability to foster adjustment (as a major global investor) to encourage the correct behaviors among the diverse companies we work with and invest in.

Finance has a real opportunity to show that, despite the lessons of recent history, it can be a force for good on a global scale by steering long-term investment towards a more sustainable future for everyone.

Under the mandate of the G20 and the Financial Stability Board, AXA joined the Task Force on Climate-related Financial Disclosures to drive consistent, voluntary disclosures by companies and enhance investor understanding of climate-related business risks and opportunities and was honored to be offered a role of Vice-chair.

The commitment to disclosure and encouraging better investor understanding of the issues is essential to deliver upon the COP21 agreement. As such, AXA will continue to be a key driver in this effort by not only looking to and addressing its own practices but also encouraging greater participation of companies and other investors in the generalized move towards greater levels of disclosure on climate-related risks and opportunities. As for AXA, the Group has initiated real and essential work, already achieved for most of it, to meet as quickly as possible the transparency requirements suggested by the TCFD.

French

En tant que l'une des plus importantes entreprises au monde, AXA a un rôle unique à jouer dans la lutte contre le changement climatique du fait de l'influence qu'elle peut exercer sur les grandes institutions à travers le monde.

En tant qu'assureur, AXA est directement impacté par le changement climatique, mais nous avons aussi la capacité de favoriser la prévention (en tant qu'investisseur institutionnel de premier plan) en encourageant les bons comportements au sein des entreprises avec lesquelles nous collaborons et dans lesquelles nous investissons.

Le secteur de la finance dispose d'une réelle opportunité de prouver que, en dépit de son histoire récente, elle peut représenter une force positive à l'échelle mondiale en orientant les investissements de long-terme dans le sens d'un futur plus durable pour tous.

AXA a rejoint la *Task Force on Climate-related Financial Disclosures*, mandatée par le G20 et le Comité de stabilité financière, afin de promouvoir une communication cohérente et volontaire des entreprises à propos des risques liés au changement climatique auquel elles sont confrontées, et ainsi améliorer la compréhension des investisseurs quant aux risques et opportunités liés au climat. AXA a été honoré de se voir proposer la vice-présidence de la TCFD.

Le fait de s'engager à communiquer, et permettre ainsi une meilleure compréhension de ces problématiques par les investisseurs, est essentiel pour tenir les engagements pris lors de la COP 21. Pour y parvenir, AXA continuera d'être leader dans cet effort, non seulement en évaluant et en améliorant ses propres pratiques mais aussi en encourageant une plus grande implication des entreprises et des autres investisseurs dans ce mouvement généralisé vers une meilleure communication sur les opportunités et les risques liés au changement climatique. Pour sa part, le Groupe AXA a initié un travail de fond, déjà achevé pour l'essentiel, afin de pouvoir répondre dans les meilleurs délais aux exigences de transparences proposées par la TCFD.

Banco Bradesco

Climate change represents a major challenge in the short and long term as it poses risks for Bradesco and its clients as well as to the entire society. At the same time, it also offers many business opportunities.

Aware of those potential risks and opportunities for the financial system, the FSB established the Task Force on Climate-related Financial Disclosures (TFCD) at the end of 2015, with Michael R. Bloomberg as Chair and Banco Bradesco as one of the members, representing Latin America.

The TFCD is the first global industry-led initiative, composed of banks, asset managers and insurance companies, with the objective of developing recommendations for voluntary climate-related financial disclosures for companies, which has just been released on December 14th. Bradesco strongly supports the Task Force initiative and believes that if companies and investors adopt its recommendations and include such important issue in their strategic discussions, this it will certainly facilitate the transition towards a lower-carbon economy, reducing asset price impacts and creating new business line opportunities for companies.

Barclays

We are very supportive of the excellent work done by the Task Force on Climate-related Financial Disclosures. Climate change, with its risks and financial implications, is a critical issue that we must address. Understanding those risks, as well as the opportunities, through increased disclosure and transparency is certainly necessary for market participants to make informed and efficient capital allocation decisions. The principles laid out in the Task Force's Recommendations are an important step in providing the foundations from which companies, investors, banks and other market participants can move forward together to improve transparency and build better understanding of those potential climate-related risks and opportunities.

BHP Billiton

BHP Billiton supports the work of the Task Force on Climate-related Financial Disclosures (TCFD) in its efforts to develop voluntary, consistent, climate-related financial risk disclosures that would be useful to lenders, insurers, investors and other stakeholders.

Climate change is a Board governance issue at BHP Billiton and we have a comprehensive approach to climate risk management. Addressing climate change has been a priority for us for nearly 20 years and we have a clear track record of action. We continue to reduce our emissions, adapt to physical impacts and invest in low emissions technology.

Alongside other recommendations, the TCFD Phase II report's recommendation in relation to scenario analysis is aligned with our company commitment to transparent engagement with investors, governments, industry and society. In 2015, we launched our Climate Change: Portfolio Analysis report which described our approach to portfolio evaluation and scenario planning, including the implications of a transition to a lower emissions future for our portfolio. We recently published Views after Paris, describing some of our observations from the past 12 months and their potential portfolio impacts. Views after Paris also provides further detail on some of our key climate change related assumptions and an update on recent actions we have taken related to climate change.

We encourage other business leaders to take a similar approach, where appropriate, and believe the work of the TCFD will help build a consistent framework for climate-related risk disclosure.

BlackRock

Investors need consistent, measureable and transparent data in order to fully integrate climate risk into their decision making and investment process. The Task Force on Climate-related Financial Disclosures is performing a keyrole in establishing a framework for improving market wide climate-related disclosure on this critical issue.

– Deborah Winshel, Global Head of Impact Investing, BlackRock

Canada Pension Plan Investment Board

Canada Pension Plan Investment Board strongly supports the work of and recommendations set out by the Task Force on Climate-related Financial Disclosures. We believe that climate change poses an unprecedented challenge for investors, particularly when it comes to accurately assessing and pricing the risks and opportunities it poses. This is complicated by the lack of a global and generally accepted standard to disclose the impact of climate change on a company's business. The Task Force, a private sector-led initiative, does much to remedy this gap with its recommendations for voluntary, consistent and mainstream financial reporting on climate change. All industries, from energy to consumer goods to financial institutions, can use the framework to give investors deeper insight into their assessment and management of climate change-related risks and opportunities. We have welcomed the opportunity to participate in the Task Force's work and look forward to adopting and implementing its recommendations. We urge investors and companies to join us.

Daimler

The capital market and the rules under which this market acts has, directly and indirectly, a very strong impact on the operation and the strategy of stock based companies. This of course also holds true for climate-related issues. It is therefore of high relevance, if investors give clear and reliable signals to companies on the climate-related items they consider important and which they take into account in their investment decision.

However, if investors are to integrate climate-related issues in their investment recommendations and decisions they need tools and criteria for their evaluation. That's the point where the activities of the Task Force on Climate-related Financial Disclosures come in.

The work of the TCFD is an important first step to define appropriate reporting standards. The elaboration of this reporting standard and balancing the needs of data preparers and data users will accompany us for many more years and will certainly require a number of iterations.

Deloitte

A new transparency milestone: Today, the Financial Stability Board (FSB) Task Force on Climate-Related Financial Disclosures (TCFD) published its recommendations for voluntary, consistent, climate-related financial disclosures in mainstream financial filings. I am delighted that my firm, Deloitte, participated in the Task Force, alongside other multinationals, that developed these recommendations.

– David Cruickshank, Chairman, Deloitte Touche Tohmatsu Limited

The Dow Chemical Company

The Dow Chemical Company (NYSE: DOW) actively participated in and supports the Phase II report recommendations developed by the Financial Stability Board's Task Force on Climate-Related Financial Disclosures (TCFD). Dow is committed to continuing to work alongside Michael Bloomberg, Mark Carney and other leading manufacturers and financial institutions that make up the TCFD to further advance and implement these voluntary, reasonable and actionable recommendations. Dr. Neil Hawkins, Dow's chief sustainability officer and corporate vice president of Environment, Health and Safety, was a member of the year-long work of the TCFD and provided critical industry perspectives.

"The work of the TCFD is an important step to enabling integration of sustainability in business and better informed investment decisions," said Hawkins. "The recommendations presented by the TCFD create a common platform for assessing and reporting climate-related risks and opportunities across all parts of the private sector. These are an important step for the business sector to play its part transitioning to a sustainable planet and society."

EnBW

The TCFD recommendations provide a profound guidance for preparers on how to report climate-related financial risks to the capital market in a concise, consistent and comparable manner.

By adopting the TCFD recommendations companies can demonstrate how management deals with climate-related risks and how resilient a company's business model is regarding the expected transition to a low carbon economy. By disclosing the relevant information in a company's financial reporting and hence providing the transparency for investors to promote better informed investment decisions and more efficient capital allocation companies can differentiate themselves from other market participants and unlock value by allowing investors to put a price tag to the way a company is dealing with climate change. We at EnBW are looking forward to adopting the TCFD recommendations.

Eni

Eni believes that climate change is a major issue for our society and we are committed to contribute to limiting global temperature increase to below 2°C. This challenge is not just representing risks but also great opportunities relating to the energy transition.

To seize these opportunities we have established a strategy relying on three main pillars:

- the improvement of our operational efficiency
- a low carbon upstream portfolio
- relevant investments on renewables and low carbon R&D

We believe that acting is important as well as disclosing what we do. For this reason, we have been progressively increasing our climate communication and today we are considered among the global industry leaders on climate-related disclosures.

The increasing attention on climate change deserves further efforts in either industry commitment and disclosures. The FSB Task Force on Climate-related Financial Disclosures (TCFD) represents a unique chance to raise the level of global awareness on climate change and is a major milestone for the improvement of the way industry communicates how it is addressing climate-related risks and opportunities.

Eni is honored to have taken part in the TCFD.

– Claudio Descalzi, CEO, Eni

EY

The Financial Stability Board (FSB) Task Force on Climate-related Financial Disclosures (TCFD) was convened in January 2016, with the objective of promoting more effective climate-related disclosures. EY supports this initiative which strives to increase the transparency from organizations on their governance structures, strategies and risk management practices.

Mark Weinberger, EY Global Chairman and CEO, says: "The FSB TCFD has been an important undertaking. I am pleased EY participated in this effort. Our profession's role in contributing to transparent financial reporting has never been more important and efforts such as this are central to the role EY has as auditors of, or advisors to, organizations."

Generation Investment Management

generation

The work of the FSB TCFD marks a significant advancement in the disclosure of climate-related financial risks throughout the investment chain. Accurately evaluating both the risks and the opportunities associated with climate change to investors, creditors, and underwriters through an enhanced reporting framework is fundamental to a global economy fit-for-purpose in the 21st century. The recommendations from the Task Force will therefore aid more efficient capital allocation across sectors and markets in the ongoing transition to a low carbon economy. Generation will integrate the FSB's recommendations into our reporting structure and engage portfolio companies accordingly.

– David Blood, Senior Partner, Generation Investment Management

HSBC

These recommendations are comprehensive and timely. The conclusion of the Paris agreement has raised the importance of climate risk to investors, but independent research commissioned by HSBC shows that less than a quarter of companies currently disclose their environmental impact. This makes it near impossible for analysts and investors to assess and compare how green these companies are. The TCFD's report is a big step towards a standard protocol on climate disclosure that can greatly accelerate the transition to a low carbon economy.

– Stuart Gulliver, CEO, HSBC

Industrial and Commercial Bank of China

I believe the TCFD achievements will serve as a brand-new benchmark to report climate-related financial risks. ICBC is a leading industry practitioner who promotes ideas and practices in Green Finance, committed to becoming a leading green bank in the world. We pay much attention to such issues as global climate change and relevant impacts on finance sectors. We have made a set of policies covering green finance identification, credit facility, credit approval, etc. We endeavor to translate environmental demands into financial language by which to play the financial sector's role in resource allocation, explore effective ways of connection between economic development and green finance, and provide financing support for the development of an ecological economy.

ICBC will take the great opportunity to implement these guidance and recommendations, establish climate risk governance, improve climate risk management, and refine related disclosures on an on-going basis.

– Gu Shu, President, Industrial and Commercial Bank of China

JPMorgan Chase & Co.

"Long-term economic growth is dependent on having a strong understanding of environmental risks and knowing how to develop sustainable solutions," said Matt Arnold, Head of Sustainable Finance, JPMorgan Chase. "The Task Force has taken an important step in shedding light on these risks by producing balanced and actionable recommendations for companies that will help inform investors. This effort is a testament to the vision and leadership of Governor Carney."

KPMG

Stakeholders need a clear view of financial risks faced by companies, and this includes an increasing interest in understanding the risks related to climate change, in order to assess prospects for long term value creation. The work of the Task Force is important to explore how such risks can be identified and reported in a way that is useful, efficient and effective both for the preparers and the users of financial information. As auditors and advisors, we have a key role to play in considering how these recommendations can be best applied in practical terms, and we look forward to working with others to do so.

– *John Veihmeyer, Chairman, KPMG*

MERCER
MAKE TOMORROW, TODAY

Mercer

Mercer is a leader in developing tools to support investors in assessing and managing risk, and climate risk reflects an area of particular expertise. We have supported investors representing over $1.5 trillion in assets in the development of governance, strategy, risk management and monitoring frameworks that allow them to effectively manage climate-related risk and opportunity. We look forward to supporting clients who look to apply the recommendations from the Task Force. The recommendations encourage consistent corporate voluntary reporting, thereby creating the potential for improved decision making across capital markets. As we would with any changes to corporate practices, voluntary or otherwise, Mercer's Career business will work in supporting organizations when looking to align incentives to enable different desired outcomes.

Moody's

Moody's supports the Financial Stability Board's (FSB's) initiative to promote voluntary climate-related financial disclosures that advance the quality of information available about the potential implications of climate change on organizations.

Financial reporting using constant, comparable, reliable metrics and disclosure is fundamental to the process by which investment, credit, and similar decisions are made. Moody's believes that the disclosures recommended by the FSB's Task Force are based on sound, fundamental principles of disclosure that can help market participants better understand the financial impacts of climate-related risks.

Importantly, the Task Force's recommendations recognize that the most significant impacts of climate change are likely to emerge over the medium- to long-term, and that their timing and magnitude, particularly on the local and regional level, remain uncertain. It is significant that the recommendations include the use of scenario analysis to develop a forward-looking consideration of how risks and opportunities may evolve, and of their potential impact on organizations over time and under conditions of uncertainty.

The Task Force's recommendations can help support Moody's own initiative to better dimension climate risks and opportunities in our credit analysis, including ratings, methodologies and research.

PGGM

The TCFD report is a timely step in the battle against climate change, for which COP21 has set an ambitious target.

Once implemented, the recommendations will greatly improve transparency and support more informed asset allocation decisions.

Institutional investors need this to play a stronger role in financing the energy transition. PGGM will engage with stakeholders and the companies we invest in to build awareness and promote broad based adoption.

– *Eloy Lindeijer, Chief, Investment Management, PGGM*

PwC

PwC welcomes the work of the FSB Task Force in developing a framework that promotes better disclosure as a means to improving transparency and enabling more informed decision-making by companies and their stakeholders.

The Task Force is a truly global, multi-industry and private sector-led initiative. Its voluntary reporting framework enables consistent, comparable and relevant disclosures on the risks and opportunities that climate change may pose to companies.

The Task Force's Phase II Report contains guidance which will be helpful for companies as they look to consider the implications of the report for their businesses.

We are pleased that one of our partners, Jon Williams, has been appointed in a personal capacity as a member of this Task Force and has had the opportunity to have been involved with its work.

Singapore Exchange

A well-functioning market relies on the transparent flow of quality information. As markets evolve, disclosures need to address evolving issues of global importance including climate change.

SGX is glad to support the extensive work done by the Task Force on Climate-related Financial Disclosures (TCFD). The recommendations provide guidance for understanding of companies' climate-related risks, and ultimately create conditions for better informed markets, more accurate pricing and greater financial stability.

S&P Global

S&P Global

S&P Global (NYSE: SPGI) welcomes the publication of the Financial Stability Board's Task Force on Climate Related Financial Disclosures (TCFD) Phase II report and hopes the initiative will contribute to improving the quality of risk reporting in the industry.

The Task Force is an industry-led initiative to promote more informed investment, credit, and insurance underwriting decisions and, in turn, enable stakeholders to understand better the concentrations of carbon-related assets in the financial sector and the financial system's exposures to climate-related risks.

S&P Global Managing Director for Environmental & Climate Risk Research, Michael Wilkins, was asked to join the TCFD and co-chairs the Governance Working Group, providing essential intelligence into the report on world-wide investment in sustainable businesses through our insightful, transparent and independent data, analytics and benchmarks. S&P Global's expanding suite of ESG related products and services help people identify ways they can invest that support global, long-term change across a wide range of industries and markets.

The Phase II report is the result of collaboration involving a wide range of stakeholders – banks, credit analysts, investors, and auditors. The report discusses interest in decision-useful sustainability risk information in order to allow lenders, insurers and investors to make informed capital allocation and financial decisions.

Storebrand

Storebrand welcomes the extensive work of the Task Force on Climate-related Financial Disclosures (TCFD). Storebrand is Norway's largest privately owned asset manager, with over $67 billion in assets under management. Sustainable investment has been on our strategic agenda for more than 20 years and the climate issue is in our opinion one of the most important and immediate issues facing the world today. As a committed sustainable asset owner and asset manager we have addressed climate risk and corresponding investment opportunities as a part of our investment strategy. We welcome the Task Force’s recommendation in creating a format that will guide investors in their efforts to assess climate risks in a systematic manner and we will explore how we can integrate these recommendations into our own framework as well.

Swiss Re

Swiss Re

As an integral member of the Task Force, Swiss Re has helped develop these voluntary guidelines on climate-risk reporting and will adopt the recommendations. Swiss Re believes the guidelines will ensure more transparency on climate-related risks and help users and providers of climate-related financial disclosures, including lenders, insurers and investors, to more effectively measure and evaluate the financial implications of climate change.

Tata Steel

In recent times, managing for climate change has become a critical and complex subject for corporates especially in the context of economic decision making. Having an appropriate climate change strategy has gained importance as it has far reaching implications for corporations especially with relation to capital allocation, technology choices and setting appropriate governance and disclosure standards. Climate change impacts not only companies but also all stakeholders associated with an enterprise viz., supply chain partners, customers, communities and financial stakeholders. I am particularly happy, that the climate change discussions have now moved into the corporate boardrooms and financial portfolios, which for years were limited to environmental activists and philanthropic groups. I strongly believe that addressing climate change has come to the front and center of board deliberations and failure to have meaningful debate and strategy around the subject will cause existential risks for the company.

As part of responsible global organisation and being a member of the Task Force on Climate-related Financial Disclosures (TCFD), Tata Steel is proactively focussing on engaging across stakeholder groups on climate change. Recognising the need of effective disclosures, Taskforce has developed four widely adoptable recommendations on climate-related financial disclosures that are applicable to organisations across sectors and jurisdiction along with some sector specific recommendations. It is recommended that corporates provide such disclosures in their mainstream financial filings as it will help the stakeholders get better understanding of the company/ industry specific climate-related risks and opportunities. Tata Steel, in future, will endeavour to incorporate the best practices as captured in the TCFD recommendations as far as practical.

– Koushik Chatterjee, Group Executive Director (Finance & Corporate) and Member of the Board, Tata Steel

Tokio Marine Holdings, Inc.

Climate change poses threat to all mankind, and is considered as one of the world's gravest issues which needs to be dealt with by every individuals and organizations on the globe.

Recommendations set forth by the Task Force on Climate-related Financial Disclosures mark a significant step forward in navigating organizational behavior towards a more resource-mindful one, while enabling investors to study and make informed investment decisions based on the disclosed information. The launch of the voluntary disclosure framework will encourage organizations to make sustainable decisions on climate-related issues.

As an insurance group concerned with the consequences brought about by climate change and aiming to deliver safety and security to its customers and community, Tokio Marine values the work carried out by the Task Force and supports its broad recognition as well as adoption across borders.

– Tsuyoshi Nagano, President and Group CEO, Tokio Marine Holdings, Inc.

UBS

In order to mobilize much-needed investment in projects tackling climate change, there is a clear need to improve data availability on climate change risks and organizations' climate change strategies. We fully support the development of voluntary standards on climate-related financial disclosures by the industry-led FSB Task Force on Climate-related Financial Disclosures, as well as the continuation of international cooperation and exchange on new methodologies related to environmental risk analysis and management in the finance sector. In order to be meaningful and effective for investors, such a disclosure standard should take a forward-looking perspective with respect to risks and opportunities. Enhanced disclosures will facilitate more investments into climate-related projects which will help society tackle one of the main challenges we are facing today.

Unilever

For business, assessing and managing risk is crucial. It's just as important for the stability of our financial systems. So we welcome the recommendations of the Task Force on Climate-related Financial Disclosures. Ultimately, these recommendations will enable the markets (companies, investors, insurers and lenders) to more easily evaluate and price climate-related exposure and opportunities.

Climate change is already affecting companies – both through the direct impacts of steadily rising global temperatures and through the policies that governments around the world adopt in response. If markets are to operate efficiently we must be transparent, to help investors make better decisions for the long term.

We know that transparency is increasingly important to our consumers too, particularly millennials. They want to know and trust the companies behind the brands they buy, and understand their purpose and values. We have already seen the impact of this at Unilever, where our purpose-driven brands are growing 30% faster than the rest of the business. We will be working towards adopting the recommendations and we encourage others to do the same.

The recommendations are practical. They can be adopted by all organisations, across sectors and geographies, and be included in their financial regulatory filings. They cover four core areas – Governance, Strategy, Risk Management and Metrics and Targets – and incorporate disclosures on the potential impacts of different future scenarios. With this information, financial markets will be able to draw upon comparable and consistent data and make better informed judgements on risks and opportunities, for example, around the transition to a low-carbon economy.

Separately, we have seen more than 1200 companies committing to implement a price on carbon. And 400 investors with $25 trillion of assets under management are participating in the Investor Platform for Climate Action. So we are seeing momentum, and hope that all businesses will be forward thinking and adopt these recommendations too.

Non-governmental Organizations

Ceres

Ceres has worked for decades to advance corporate disclosure of climate change risks. We sincerely appreciate the Task Force on Climate-related Financial Disclosures' efforts to solicit input from investors and the leadership of Michael Bloomberg, the Chairs and Members of the TCFD.

By providing robust climate disclosure recommendations – at the request of the Financial Stability Board – the TCFD plays a critical role in harnessing the power of markets to reduce the financial risks of climate change and advance economic opportunities for investors and companies.

The TCFD report provides well-considered disclosure recommendations that businesses, investors and governments should welcome, such as:

- Scenario analysis. Describe potential impacts of different scenarios including a two degree economic scenario. The Task Force believes that all organizations exposed to climate-related risks should consider using scenario analysis—including a 2°C scenario—to help inform their strategic and financial planning processes.

- Decision-useful information. Disclose information on metrics and targets: By recommending the use of targets related to water, energy usage and efficiency, land use, and revenues from products and services designed for a lower carbon economy, the TCFD encourages disclosure of information that investors can use in investment decisions and engagement with companies.

We encourage investors and companies to use the TCFD's recommendations to improve their financial reporting of climate risks and opportunities.

IIGCC

IIGCC - representing 131 investors in 9 European countries with over €14 tn AUM - welcomes the TCFD's recommendations for standardised forward-looking quantitative and qualitative disclosures. Implementation of the recommendations will help investors to assess whether companies are adapting their business strategies to a 2°C climate change pathway, as well as to changing market and technology dynamics. Through this, investors can better assess, price and manage the risks and opportunities of transition to a sustainable, low carbon, global economy.

Material climate disclosures must become a routine part of annual reporting practice if institutional investors are to make robust decisions that accurately reflect physical risks posed by climate change and transition risks arising from swift adoption of clean and efficient technologies. Nothing less will secure business resilience over the time horizons relevant to the needs of long term institutional investors and their beneficiaries.

Emission reductions required under the Paris Agreement imply a swift and potentially disruptive move away from fossil fuels that will transform all major sectors. TCFD's recommended disclosures related to governance, strategy, risk management and metrics/targets should also support the evolution of tools and methods for financial institutions to improve their own reporting practices and curb their exposure to climate-related risks.

– Stephanie Pfeifer, CEO, Institutional Investors Group on Climate Change

wbcsd
WE MEAN BUSINESS

WBCSD

We, the World Business Council for Sustainable Development (WBCSD) and the We Mean Business Coalition welcome the FSB Task Force on Climate-related Financial Disclosure's (TCFD) draft recommendations for businesses to disclose their climate-related financial risks and opportunities.

Companies and their boards must gain a firmer understanding of the risks and opportunities that climate change poses to their strategies and operations. By strengthening the governance and disclosing relevant information to the investor community in a comparable way, capital allocation and valuation decisions can be better informed.

This combination of enhanced understanding and decision making in companies, combined with better information for investors, will lead to an acceleration of the move towards a low carbon economy.

We see the Task Force recommendations as an important tool to help companies and investors scale up their involvement in climate action.

We will work with our member companies and partners to implement these draft recommendations and to provide useful feedback directly to the Task Force in their public consultation period. Doing so will help strengthen the recommendations before their finalization and release in 2017.

Together, our efforts will help speed the transition to a more sustainable world.

Peter Bakker, President and CEO, WBCSD commented:
"We see the TCFD recommendations as an important lever in speeding the transition to a low-carbon economy. The TCFD recommendations should inspire transparent and uniform climate disclosure standards, helping to differentiate and reward more sustainable companies. The public consultation period is an

important opportunity for our members to be part of the process, and we will work with them to get involved."

Nigel Topping, CEO of We Mean Business commented:
"There is a great need among the investor community to have consistent climate related financial risk disclosures from businesses in order for them to make more informed decisions on capital investment. The FSB Task Force recommendations will require disclosure from the business community which can be aligned to investors' needs. With consistent disclosure, both the business and investor community will be able to make more informed decisions to take steps to reduce their emissions and create greater business resilience."

WE MEAN BUSINESS

We Mean Business

In December 2015 the governments of the world sent a clear policy signal to the business community when they committed to the Paris Agreement on Climate Change. Increasingly companies have been getting the same signal from the investor community – and now the recommendations of the FSB Task Force mean that all businesses will be required to explain to investors how they plan to manage risks, invest and innovate on the way to the zero carbon economy of the future.

– Nigel Topping, CEO, We Mean Business