

Press release

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Ref no: 32/2018
26 September 2018

Task Force report shows momentum building for climate-related financial disclosures

The Financial Stability Board (FSB) welcomed the publication of a report today by the industry-led Task Force on Climate-related Financial Disclosures (TCFD). The [Status Report](#) provides an overview of the extent to which companies in their 2017 reports included information aligned with the core TCFD recommendations published in June 2017. The report also provides information to support preparers of disclosures in implementing the TCFD recommendations.

Even though companies implementing the recommendations in their 2017 reports have had a limited amount of time to take on board the TCFD recommendations, it is encouraging that the TCFD found that a majority of companies assessed were already disclosing aligned with one or more of the TCFD recommendations. Going forward, disclosures aligned with the TCFD recommendations will supply decision-useful information for investors, creditors and other users.

The TCFD surveyed disclosures of over 1,700 firms from diverse sectors with broad geographical representation. It found that:

- The majority of the firms surveyed disclose information aligned with at least one of the TCFD recommended disclosures.
- While many companies describe climate-related risks and opportunities, few disclose the financial impact of climate change on the company.
- A minority of companies disclose forward-looking climate targets or the resilience of their strategies under different climate-related scenarios, including a 2°C or lower scenario, which is a key area of focus for the Task Force.
- Disclosures vary widely across industries. For example, more non-financial companies reported their climate-related metrics and targets; than did financial companies. However, financial companies were more likely to disclose how they had embedded climate risk into overall risk management.
- Disclosures are often made in sustainability reports or spread across financial filings, annual and sustainability reports.

The TCFD announced today that the number of firms supporting the TCFD recommendations has grown to over 500, with market capitalisations of over \$7.9 trillion, and including financial firms responsible for assets of nearly \$100 trillion. This compares with 100 firms when the recommendations were launched in June 2017.

Speaking about the publication of the report, FSB Chair Mark Carney said “Today’s announcement shows that climate-disclosure is becoming mainstream. Over 500 companies are now supporters of the TCFD, including the world’s largest banks, asset managers and pension funds, responsible for assets of nearly \$100 trillion. The TCFD’s status report based on companies’ 2017 financial filings, demonstrates the practical, decision-useful nature of the recommendations. As preparers, financial institutions and investors ‘learn by doing’, a virtuous cycle will be created where more and better information creates the imperatives for others to adopt the TCFD and for everyone to up their game on the quality of information they provide.”

Speaking about the report, Michael R. Bloomberg said “The more companies know about the risks they face, the faster and more effectively they can address them — and the more they report that information, the better equipped investors will be to make smart decisions. It is encouraging to see the Task Force’s group of supporters continue to grow. It will make the global economy more resilient and drive more capital to projects that are helping to reduce emissions and protect people from harm.”

The FSB has asked the Task Force to publish a further status report in June 2019 which will allow for analysis of disclosures made in 2018 financial reports.

Notes to editors

The Task Force on Climate-related Financial Disclosures, chaired by Michael R. Bloomberg, was established by the FSB in December 2015 to develop a set of voluntary, consistent disclosure recommendations for use by companies in providing information to investors, lenders and insurance underwriters about their climate-related financial risks. The members of the Task Force are drawn from a wide range of industries and countries across the globe.

The Task Force published its recommendations in June 2017 after extensive public engagement and consultation. The TCFD developed four recommendations on climate-related financial disclosures that are applicable to organisations across sectors and jurisdictions. The recommendations are structured around four thematic areas:

- **Governance:** The organisation’s governance around climate-related risks and opportunities.
- **Strategy:** The actual and potential impacts of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning.
- **Risk Management:** The processes used by the organisation to identify, assess and manage climate-related risks.
- **Metrics and Targets:** The metrics and targets used to assess and manage relevant climate-related risks and opportunities.

More information on the work of the Task Force, and companies’ statements of support, are available on the [TCFD website](#).

The FSB has been established to coordinate at the international level the work of national financial authorities and international standard setting bodies and to develop and promote the implementation of effective regulatory, supervisory and other financial sector policies in the interest of financial stability. It brings together national authorities responsible for financial stability in 24 countries and jurisdictions, international financial institutions, sector-specific international groupings of regulators and supervisors, and committees of central bank experts.

The FSB also conducts outreach with 65 other jurisdictions through its six regional consultative groups.

The FSB is chaired by Mark Carney, Governor of the Bank of England. Its Secretariat is located in Basel, Switzerland, and hosted by the Bank for International Settlements.

For further information on the FSB, visit the FSB website, www.fsb.org.