



Media Release

12 April 2017

Asian and Australian investors launch major new guide on climate change disclosure

Investor groups from Australia and Asia have come together to release a major new guide on climate change disclosure for institutional investors, the first to be released following the publication of the draft recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD).

Developed by the Investor Group on Climate Change (IGCC - Australia/New Zealand) and the Asia Investor Group on Climate Change (AIGCC - Asia) *Transparency in Transition: A Guide to Investor Disclosure on Climate Change* is an essential building block to support investors and stakeholders in safely steering the global economy through a period of rapid and far-reaching transition, by better understanding the financial implications.

“Climate change is now widely recognised as a major financial risk for business. All companies need to enhance the capability to manage climate change risks and opportunities. Building the right tools to measure and report on the financial impacts of climate change is just as important for investors as it is for all companies. We believe this guide can help investors navigate available reporting options and translate them into practical application. It also represents a practical step forward for organisations looking to start aligning their reporting with the recommendations of the Taskforce on Climate-related Financial Disclosures”, said Emma Herd, Chief Executive Officer of the Investor Group on Climate Change (IGCC – Australia/New Zealand).

“Demand for investor disclosure on climate change has increased dramatically over the last two years including through regulation in some countries. Despite this, there has been minimal guidance for investors on providing meaningful information, and little recognition that this reporting is new and evolving. This guide provides a practical yet flexible framework which helps to fill that gap by establishing clear pathways to high quality disclosure. The guide also recognises that investors are critical agents in the transition to a low carbon economy and so have a responsibility to deliver the information our stakeholders need,” said Pablo Berrutti, Head of Responsible Investment Asia Pacific for Colonial First State Global Asset Management (CFSGAM) and Chair of the IGCC Disclosure Working Group which led the development of the guide.

Transparency in Transition - developed by investors for investors - aims to improve transparency and better inform a variety of stakeholders on the way climate change risks and opportunities are being tackled by the institutional investment community.

While building on best practice investor reporting practices available today, the guide is also aligned with the draft recommendations of the influential G20 Financial Stability Board’s Task Force on Climate-related Disclosures, led by Michael Bloomberg. It is intended to help investors translate how to support and integrate the TCFD recommendations into their annual reporting in a practical way.

The guide sets out a practical framework for implementing and improving investor disclosure, organised around core principles, effective narrative and the selection of appropriate metrics:

- The core principles are designed to help investors describe their perspective and approach

- on managing climate change risks and opportunities, while highlighting the attributes of good quality disclosure;
- The guidance on narrative reporting aims to ensure stakeholders have the information they need to appropriately assess the practices of the investor by providing important context on governance, strategy and priorities;
 - The guidance on metrics sets out the evolution, benefits and limitations of existing climate metrics to ensure that investors present a balanced and material picture of climate change performance.

Transparency in Transition will also be launched by AIGCC in Tokyo at the RI Asia 2017 Conference in Tokyo on 25th of April, 2017.

This report forms part of a program of work on investor disclosure being undertaken by global investor groups under the Global Investor Coalition on Climate Change.

www.globalinvestorcoalition.org

Download the guide at www.igcc.org.au

The **Investor Group on Climate Change** is a collaboration of Australian and New Zealand institutional investors and advisors, managing over \$1 trillion in assets under management and focusing on the impact that climate change has on the financial value of investments. IGCC aims to encourage government policies and investment practices that address the risks and opportunities of climate change. See www.igcc.org.au and [@igcc_update](https://twitter.com/igcc_update)

The **Asia Investor Group on Climate Change** is an initiative to create awareness among Asia's asset owners and financial institutions about the risks and opportunities associated with climate change and low carbon investing. AIGCC provides capacity for investors to share best practice and to collaborate on investment activity, credit analysis, risk management, engagement and policy. AIGCC represents the Asian perspective in the evolving global discussions on climate change and the transition to a greener economy. See www.aigcc.net and [@aigcc_update](https://twitter.com/aigcc_update)

---ENDS---

For further enquiries contact:

Emma Herd +61 404 861 026 , emma.herd@igcc.org.au

Visit IGCC at www.igcc.org.au