

## **Keidanren Declares Support for TCFD Recommendations**

26 April 2019

Keidanren  
(Japan Business Federation)

Keidanren has declared its support for the Recommendations<sup>1</sup> of the Task Force on Climate-related Financial Disclosures (TCFD). TCFD was established by the Financial Stability Board (FSB) which is comprised of representatives of major countries' central banks and financial regulatory authorities.

The TCFD Recommendations were announced in June 2017 and set out a voluntary disclosure framework for companies. The Recommendations are expected to become a vital tool for domestic and international recognition of companies that are innovating and proactively addressing climate change, and for enabling such companies to attract global investment funds amid the recent worldwide spread of ESG investing, which incorporates environmental, social, and governance factors into investment decisions.

Keidanren has actively contributed to discussion of the TCFD Recommendations to ensure that the proposed disclosure framework will properly reflect and incentivise corporate efforts to address climate change. Based on the Recommendations, we will continue our efforts to facilitate appropriate communication between those disclosing information and users of such information, which will lead to a virtuous cycle of economic growth and climate change measures.

Keidanren chairman Hiroaki Nakanishi will join the founders of the TCFD Consortium due to be launched shortly.

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1. In order to reduce financial market risks associated with uncertainty, the TCFD recommends that companies disclose business risks and opportunities stemming from medium- to long-term climate change, the impact these will have on their financial situation, and specific responses and strategies to deal with them. The full text is available on the website listed below: