



The Inaugural TCFD Summit Held in Japan

October 10, 2019

▶ Energy and Environment Policy

***Summary of the TCFD Summit and speech given by Mr. Carney, Governor of the Bank of England, were posted on November 25.**

On October 8 (Tue.), 2019, the Ministry of Economy, Trade and Industry (METI) held the TCFD Summit (TCFD: Task Force on Climate-related Financial Disclosures) in Tokyo, the world's first occasion in bringing together leaders of leading worldwide companies, financial institutions and other organizations having made efforts to advance the implementation of the TCFD recommendations, a framework in which companies disclose their information on climate change.

1. Background

The number of organizations supporting the TCFD recommendations has grown to 864 worldwide, and among them, 199 Japanese organizations have shown their support, marking the highest number in the world, as of October 10, 2019.

As the number of such organizations showing support on the TCFD recommendations has been growing, Japan, as the 2019 G20 Presidency, should take leadership in generating a positive flow of finance through constructive dialogues between corporates and financial institutions industries as well as in stimulating discussions on expected challenges, future directions and other related issues regarding the TCFD, in order to embed the TCFD recommendations in business practices and lead efforts in accelerating a virtuous cycle of environment and growth.

For this purpose, the TCFD Summit was held in Japan as the world's first occasion in bringing together leaders of worldwide leading companies, financial institutions and other organizations having made efforts to advance the implementation of the TCFD recommendations.

2. Overview of the TCFD Summit

Date: October 8 (Tue.), 2019

Venue: Ballroom "Ho'oh," the Capitol Hotel Tokyu

Organizer: Ministry of Economy, Trade and Industry

Co-organizers: The World Business Council for Sustainable Development (WBCSD) and the TCFD Consortium

Number of participants: Approximately 350

Program	
Welcome Message	Mr. Sugawara Isshu, Minister of Economy, Trade and Industry
Opening Remark	Mr. Mark Carney, Governor of the Bank of England
Opening Session (Expectations for the	Prof. Ito Kunio Chair of the TCFD Consortium / Professor, Ph.D. Graduate School of Business Administration, Hitotsubashi University Mr. Peter Bakker, President and CEO, WBCSD

<i>TCFD Summit)</i>	<p>Ms. Mary L. Schapiro, Advisor, TCFD Secretariat Mr. Mizuno Hiromichi, Principle for Responsible Investment (PRI) Board member / Executive Managing Director and Chief Investment Officer, Government Pension Investment Fund (GPIF) Mr. Shindo Kosei, Representative Director and Chairman , Nippon Steel Corporation / Vice Chair, Japan Business Federation (Keidanren) Mr. Charles O. Holliday, Chairman, Royal Dutch Shell Plc</p>
Panel Discussion 1 (From Divestment to Engagement)	<p>Moderator: Mr. Mizuno Hiromichi, PRI Board member / Executive Managing Director and Chief Investment Officer, GPIF Panelists: Mr. Martin Skancke, Chair of the PRI Board Mr. Gordon J. Fyfe, Chief Executive Officer & Chief Investment Officer, British Columbia Investment Management Corporation (BCI) Mr. Yu Ben Meng, Chief Investment Officer, The California Public Employees' Retirement System (CalPERS) Ms. Yoo-Kyung Park, Head of APAC Responsible Investment & Governance, APG Asset Management Mr. Mark Lewis, Global Head of Sustainability Research, BNP Paribas Asset Management Ms. Helle Kristoffersen, President Strategy-Innovation; Member of the Executive Committee, Total Video Message Mr. Valdis Dombrovskis, Vice President, European Commission (EC)</p>
Video Message	Mr. Valdis Dombrovskis, Vice President, European Commission (EC)
Panel Discussion 2 (How to Develop Opportunity Assessment?)	<p>Moderator: Ms. Mardi McBrien, Managing Director, Climate Disclosure Standards Board (CDSB) Panelists: Mr. Tokura Masakazu, Chairman of the Board, Sumitomo Chemical Company, Limited Mr. Pierre Breber, Vice President and Chief Financial Officer, Chevron Corporation Mr. Nicholas Akins, Chairman, President & CEO, American Electric Power Mr. Waqas Samad, CEO, FTSE Russell Mr. Baer Pettit, President, MSCI Inc. Mr. Stanislas Pottier, Chief Responsible Investment Officer, Amundi Dr. Madelyn Antoncic, CEO, Sustainability Accounting Standards Board (SASB)</p>
Panel Discussion 3 (Disclosure in Asia: Challenges and Opportunities)	<p>Moderator: Ms. Rebecca Mikula-Wright, Director, Asia Investor Group on Climate Change (AIGCC) Panelists: Mr. Ikeda Satoshi, Chief Sustainable Finance Officer, Japan Financial Service Agency (JFSA) Ms. Emily Chew, Global Head of ESG Research & Integration, Manulife Investment Management Mr. Richard Pan, Managing Director; Head of QFII Investment and International Business, China Asset Management Mr. Georg Kell, Chairman, Arabesque Mr. Matthew Arnold, Global Head of Sustainable Finance, JP Morgan</p>
Closing Remark	Mr. Peter Bakker, President and CEO, WBCSD



A scene

from the forum



Photo

session of speakers

3. Details of the discussions

(1) Welcome speech from the Minister of Economy, Trade and Industry

Minister Sugawara explained Japan's efforts so far for the TCFD and the importance of information disclosure. Participants also shared recognition of the importance of investment toward innovations and of measures against

climate change no longer as a matter of cost but as a source of competitiveness.



(2) Message from Mr. Mark Carney, Governor of the Bank of England

Mr. Mark Carney, Governor of the Bank of England, a former chair of the Financial Stability Board (FSB) when the TCFD recommendation was formulated, stated that climate disclosure must become comprehensive, and that investing in a two-degree world must go mainstream.



Mr. Mark

Carney, Governor of the Bank of England

(3) Opening session (*Expectations for the TCFD Summit*)

In this session, speakers representing co-organizers, TCFD secretariat, investors and business entities gave speeches that set the scene for the TCFD Summit on reasons why global society's attention to the TCFD is growing; initiatives taken by companies and industrial players to achieve the virtuous cycle of environment and growth; what aspects the TCFD is expected to contribute in assessing these initiatives; as well as other issues.

Moreover, Prof. Ito, Chair of the TCFD Consortium and Professor at Hitotsubashi University, announced the Guidance for Utilizing Climate-related Information to Promote Green Investment (Green Investment Guidance), which was formulated and publicized by the TCFD Consortium on the same date of the summit. Other speakers also expressed their expectations that the newly issued Green Investment Guidance to providers of capital have catalyzed action toward promotion of investment for a low carbon economy.



Prof. Ito,

Chair of the TCFD Consortium and Professor at Hitotsubashi University

(4) Panel discussion 1 (*From Divestment to Engagement*)

To accelerate the realization of the virtuous cycle of environment and growth, divestment as a strategy has its limitations; rather, constructive engagement is a more powerful tool to improve corporate value and generate a more positive flow of finance towards energy transition. In the session, panelists discussed why the engagement is key to sparking the virtuous cycle of environment and growth, what are the material points investors go over in terms of climate-related disclosure, what types of disclosures and engagement are required for companies, what actions are necessary for the next step and other issues.

Through these discussions, panelists shared their recognition that divestment only shifts the emissions; it does not eliminate them so that it is important to encourage companies to change themselves through engagement. Moreover, panelists stated that engagement will become more effective if not only ESG analysts, but also portfolio managers would join, and that investors should enhance the transparency of their engagement efforts.



A scene

• from Panel discussion 1

(5) Video message from Vice-President Dombrovskis, EC

Vice-President Dombrovskis, EC, stated that expanding the scale of green investments is necessary for achieving the Paris Agreement goal of limiting global temperature increase to well below 2 degrees Celsius by mobilizing not only public but private finance as well.



Mr.

• Dombrovskis, Vice-President, EC

(6) Panel discussion 2 (How to Develop Opportunity Assessment?)

In the context of climate-related investment and financing, emphasis has been placed on addressing climate change risk in the past. However, it is necessary to look at upsides such as opportunity assessment in order to mobilize risk money to disruptive innovation. From this viewpoint, panelists discussed how ESG indexes companies/asset managers evaluate opportunity for companies, how have business companies looked at their opportunities and contributed to tackling climate change, and how do they want to be evaluated by ESG indexes companies/investors.



A scene

• from Panel discussion 2

(7) Panel discussion 3 (*Disclosure in Asia: Challenges and Opportunities*)

The Asian region accounts for the largest amount of emissions worldwide and it is essential for companies to take climate actions and disclose them. In the panel discussion, 3 panelists discussed the trend of climate-related disclosure in Asia where rapid growth and huge demand of green investments are envisaged, and the challenge to promote disclosure in line with the TCFD recommendations.



A scene

from Panel discussion 3

(8) Closing remark

Mr. Bakker, President and CEO, WBCSD, co-organizer of the summit, stated the following message as key takeaways of the summit.

- **The Green Investment Guidance will be a useful tool in facilitating dialogues between corporates and investors.**
- It is important to deepen understanding not only of the risks of climate change and how to price them, **but also of its opportunities.**
- As divestment has its limitations, **constructive engagement is a more powerful tool.**
- It will be important **to showcase the suite of low carbon technologies that have the potential to contribute to transition in Asia.**
- We will call for support for the TCFD recommendations to a wide range of stakeholders worldwide.
- **The TCFD Summit will be held in Tokyo again in 2020.**
- It is of utmost importance that **TCFD's work should continue.**
- **The Japan's TCFD Consortium is expected to collect and disseminate best practices.**





(For details, see the Key Takeaways of the TCFD Summit from the link below.)



Mr. Bakker,

President and CEO, WBCSD

Related Documents

- [Key takeaways from TCFD Summit\(PDF:96KB\)](#)
- [Summary of the TCFD Summit\(PDF:1,835KB\)](#)
- [Green Investment Guidance\(PDF:602KB\)](#)
- [Summary of the Green Investment Guidance\(PDF:308KB\)](#)

Links to related information

- [TCFD Summit website](#)
- [TCFD Consortium website](#)
- ["TCFD: strengthening the foundations of sustainable finance" speech given by Mr. Mark Carney, Governor of the Bank of England, at the TCFD Summit 2019 on 8th October 2019](#)

Division in Charge

Environmental Economy Office, Industrial Science and Technology Policy and Environment Bureau

Related website

- [Global Warming Countermeasures](#)

-  [Download\(To Adobe site\)](#)