



# HSBC Global ESG Financing Awareness of the Taskforce for Climate-related Financial Disclosures

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# About the report

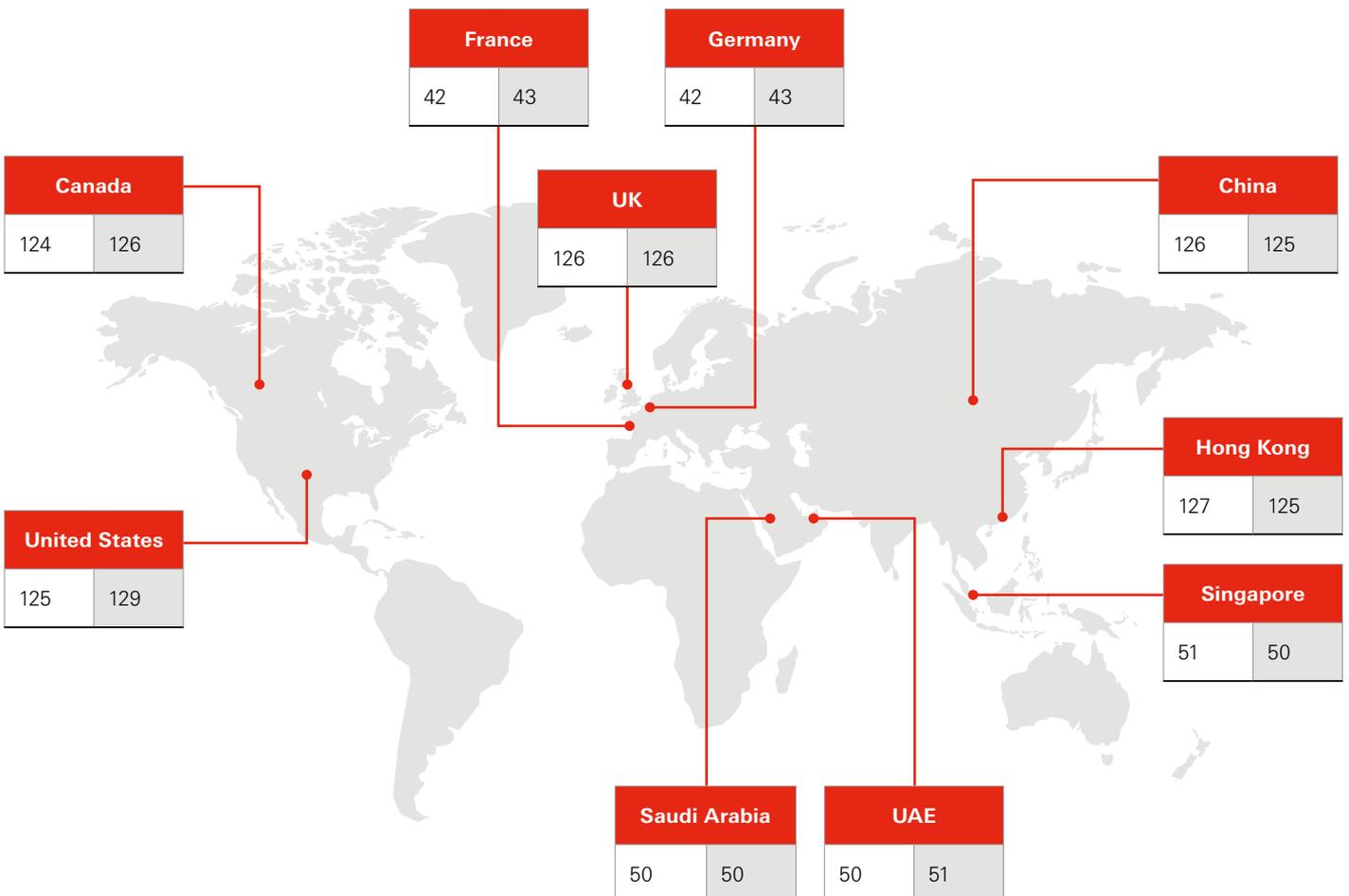
HSBC has commissioned East & Partners (East) to continue its Sustainable Finance research programme into a third year. The main research objective is to further explore the underlying approach to the sustainable financing and Environmental, Social and Governance (ESG) markets across the investor and issuer base in each geography, the importance of disclosure to them, how that has changed, and what the future holds.

The first round of research in 2016 reported on sustainable financing with particular focus on environmental, which was expanded to cover social investing in the next round in 2017. Round III in 2018 has broadened this further to encompass all three ESG factors pivotal to sustainable and responsible investing.

The reporting is based on direct interviews conducted by East with 1,731 global entities including 863 issuers and 868 investors over a five week period ending 29 June 2018. Among corporate issuers, the average company size was USD\$23.8bn, with 54% of issuers with annual turnover under USD\$10bn and 46% with turnover in excess of USD\$10bn. Among investors, the average assets under management (AUM) were USD\$178.8bn, with 43% of investors with AUM under USD\$100bn and 57% with AUM in excess of USD\$100bn. Group Treasurers, CFOs, CIOs and heads of investments strategy included in the sample frame were located across Europe, North America, Asia and the Middle East.

## Geographical Distribution

■ Market   
  Issuers   
  Investors



# TCFD Awareness

Awareness of the Taskforce on Climate-related Financial Disclosures (TCFD) is low. Globally, only eight percent of issuers and 10% of investors are aware of its existence.

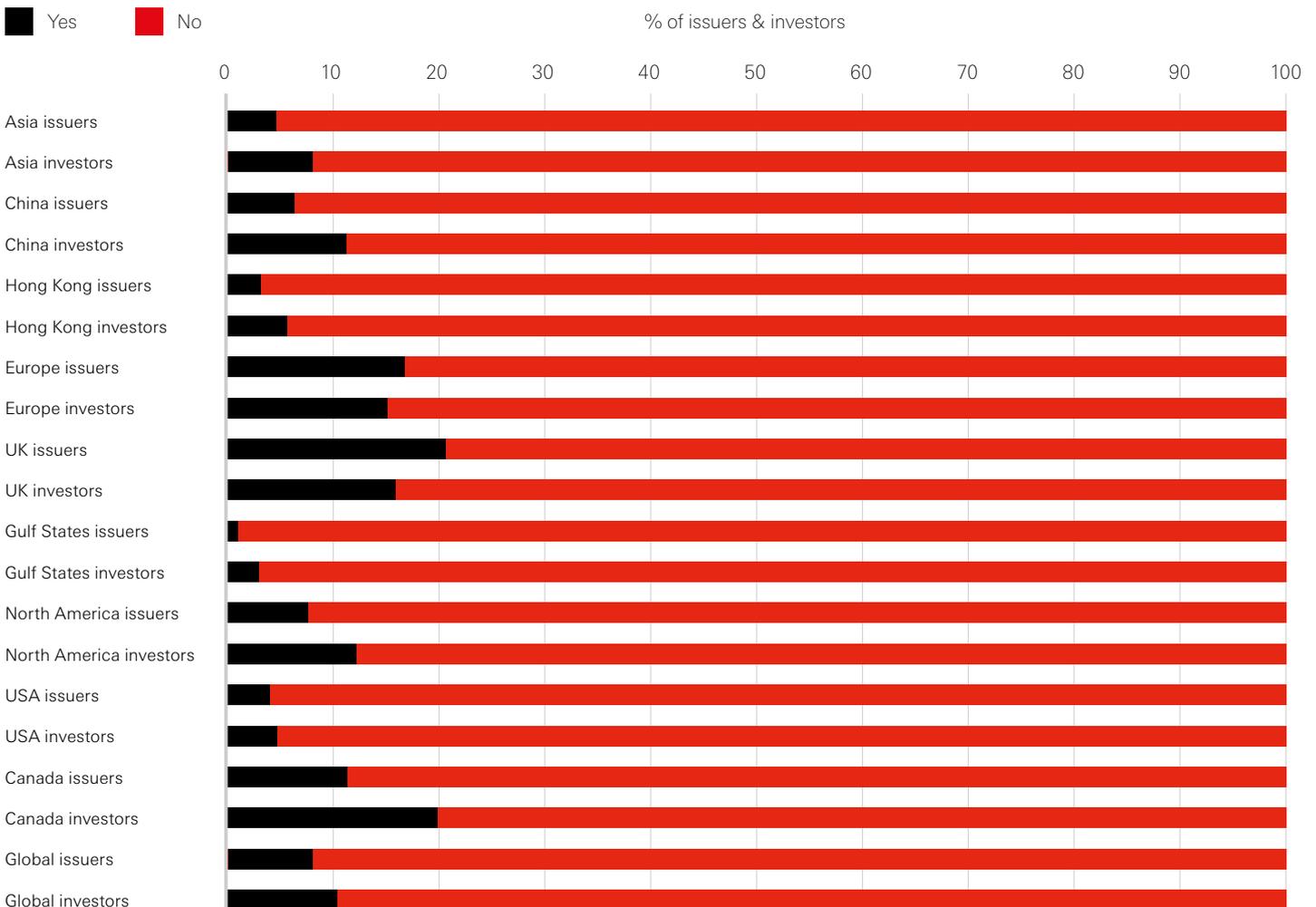
Among issuers, only the UK and Canada have double figure levels of awareness with 20% and 11% respectively. This is led by those with turnover exceeding USD\$10bn and, in the case of Canada, it is this revenue segment that pushes the total market surveyed into double figures.

As with all disclosure related issues, it is the investor market which is slightly more advanced with regard to awareness of the TCFD. Globally this awareness is 10%, with Canada, the UK and China reporting double figures. In all markets and regions, this is driven by pension funds and sovereign wealth funds whose awareness is 70% higher globally and 132% higher in the UK.

A limited level of intent was captured as part of the research, where 14% of issuers who are currently unaware of the TCFD and 16% of investors stated they would explore the Taskforce and its remit. Having said that, this was an uninformed opinion from interviewees given they had not heard of the Taskforce at the time of interview.

From the few issuers and investors who are aware, strategy is the main element from the TCFD's recommendations being implemented, with 62% and 71% respectively, followed by risk management for issuers and governance for investors.

## Are you aware of the TCFD?



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