

Green and Sustainable Finance Cluster Germany forms TCFD think tank for climate reporting in the financial sector

Recognizing climate change-related risks at an early stage and implementing them in risk management

The overall aim of the think tank is to form tangible and application-oriented recommendations for financial market players from the climate related financial disclosure task force (TCFD).

The Task Force was founded by the Financial Stability Board of G20 Finance Ministers and G20 Central Banks. In 2017, their final report was published. Their goal was to develop guidelines for companies on how to recognize and analyze business risks and opportunities due to climate change early on and implement them in economic decisions and planning contexts.

As important as these recommendations are for financial institutions, so abstract and theoretical in the publication of the Task Force they are. The cluster's think tank workshops aim to close the gap between theory and practice.

Climate change already affects the manufacturing economy and the financial world. A strategic approach to this influence, which will intensify in the future, is required. In the course of sound climate reporting, which is the basis for a comprehensive analysis of climate change-related risks for the respective financial institution and its value-added chain, companies should learn to understand the new challenges and to integrate them into their strategy and decision-making processes.

In four workshops, methods will be developed to implement such climate reporting along the entire value-added process.

For the TCFD Think-Tank the *GSFCG* chose experts from the *Frankfurt School UNEP Collaborating Center*, the consulting firm *Co-Firm* and *d-fine* as well as the data provider *right.based on science*. The participants come mainly from asset management, CSR and risk departments of the members and supporters of the *GSFCG e. V.*

The workshops not only serve to prepare the TCFD recommendations, but also to stimulate exchange between participants in general. The Think Tank thus contributes to positioning the cluster as a competence center on topics related to sustainable finance and supports the goal of achieving a more efficient use of financial market expertise in the area of sustainability and formulating concrete approaches for the future viability of national and international financial markets.

The guidelines and background studies developed as part of the TCFD think tank workshop will be published after the workshops have been completed.