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Disclosure Status in Accordance with TCFD (Governance/Risk Management)

Disclosure of Climate-related Information in Voluntary Disclosures by TOPIX500 Employers

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Summary

- This paper summarizes the status of disclosures in accordance with TCFD as of the end of September 2022 of the 439 TOPIX500 member companies that have issued voluntary disclosure documents (integrated reports, sustainability reports, etc.), and describes the suggestions obtained for future disclosure.
- Regarding governance, many companies disclosed systems and processes for promoting governance and initiatives related to climate change (347 companies), the roles of organizations involved in promoting governance and initiatives (220), and their members (211).
- With regard to risk management, disclosures were made regarding the process of identifying and assessing climate change risks (232 companies), the risk management process (274), and the integration of climate change risk management into enterprise-wide risk management (277).
- In the future, it is assumed that the disclosure of sustainability information will be required in the securities report. The Financial System Council's Disclosure Working Group has proposed that all companies should disclose governance and risk management in particular from the viewpoint that it will require a framework for companies to recognize sustainability information and to judge its importance based on their own business environment. In order to meet the needs of investors, listed companies are expected to actively promote disclosure while also referring to the status of disclosure by other companies.

Attention

This report is a summary translation. The official document is only in Japanese.