



PRESS RELEASE

SASB Publishes Updated Climate Risk Technical Bulletin

Research shows climate risk is nearly ubiquitous but highly differentiated across 77 industries

San Francisco, April 13, 2021—The [Sustainability Accounting Standards Board](#) (SASB) today published an updated [Climate Risk Technical Bulletin](#), which shows how climate risks and opportunities manifest in unique ways across 77 industries and recommends industry-specific standards companies can use to measure, manage, and communicate those factors.

“There’s overwhelming consensus that climate change is a business risk and capital markets need appropriate tools to manage it effectively. While the volume of climate-related financial disclosure has increased, and its quality continues to improve, the approach outlined in this bulletin can accelerate progress toward comparable climate-related information that can inform investment decision making around the world,” says Janine Guillot, CEO of SASB.

The revised bulletin comes at a pivotal time. Markets around the world are exploring the establishment of widely accepted climate disclosure standards, including at the [US Securities and Exchange Commission](#), the [European Commission](#), the [IFRS Foundation](#), and the [International Organization of Securities Commissions \(IOSCO\)](#). Alongside [other major players in sustainability disclosure](#), SASB is leading progress toward a simplified corporate disclosure landscape. Together, we recently published a [prototype climate standard](#) that will serve as a key input to IFRS Foundation and IOSCO working groups and may serve as a useful companion to SASB’s Climate Risk Technical Bulletin.

Eivind Lorgen, Nordea Asset Management’s Director of Active Ownership, Responsible Investment and Chair of SASB’s [Investor Advisory Group](#) noted, “We need comparable and credible information to accelerate the capital markets’ transition to a low-carbon future. SASB’s detailed mapping of the types of climate risk likely to be material in each industry helps investors, including us, understand the nature of the risk we are exposed to depending on the holdings in our portfolio and enables us to make more informed decisions.”

Findings of the bulletin include:

- **Climate risk is nearly ubiquitous.** 68 out of 77 industries are significantly affected in some way by climate risk, which equates to 89 percent of the market capitalization of the S&P Global 1200. This represents a systematic risk that cannot be diversified away.
- **Climate risk is differentiated and requires industry-specific disclosure.** Although climate risk is virtually omnipresent, cutting across every sector, it manifests itself differently from one



industry to the next. Investors need industry-specific information to fully understand their exposures and how well companies are positioned to manage different types of climate risk.

- **Climate risk is inadequately disclosed.** Despite increasing awareness and investor demand, companies around the world continue to be challenged by climate-related financial disclosure.
- **SASB Standards and the TCFD recommendations are complementary and mutually reinforcing.** SASB Standards are widely recognized as a practical tool for companies to use when implementing the principles-based recommendations of the TCFD, thereby enhancing the effectiveness of their climate-related disclosures to investors.

The 2021 edition updates the original bulletin, which was published in 2016 before the release of the final TCFD recommendations. Since then, the SASB Standards have been codified and companies and investors around the world have started using the SASB Standards and TCFD recommendations to guide investor-focused disclosure of climate-related risks and opportunities. To download SASB's Climate Risk Technical Bulletin, please click [here](#).

About SASB

The Sustainability Accounting Standards Board (SASB) connects businesses and investors on the financial impacts of sustainability. SASB Standards enable businesses around the world to identify, manage, and communicate financially material sustainability information to investors. SASB Standards are industry-specific and are designed to be decision-useful for investors and cost-effective for companies. They are developed using a process that is evidence based and market informed. To download any of the 77 industry-specific standards, or learn more about SASB, please visit [SASB.org](https://sasb.org).

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