

### **Responsible Investment/ Climate Risk Reporting Proposed Process**

The SAB is asked to note the invitation from Scottish Ministers to make a recommendation on making the Task Force on Climate-related Financial Disclosures reporting a regulatory requirement for Local Government Pension Scheme funds in Scotland.

This is a significant financial issue facing funds, and one which has attracted widespread interest in wider society. A number of funds are already exploring how to assess and manage the risks involved in this, alongside experts in the industry.

The Scottish government is looking to move at pace to introduce regulations, and a rapid response from the SAB will be needed. Therefore, it is proposed that the SAB:

1. Establish a short life working group to develop a response to the Scottish Government.
2. That it be convened by the joint secretaries, using the expertise of SAB advisors and others if deemed necessary.
3. That it aims to initially meet before the end of the year.
4. That it reports back to the first normal SAB meeting of 2022.