



MEDIA RELEASE

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INVESTMENT COMMUNITY ACTS ON CLIMATE CHANGE

The Financial Services Council (FSC) and its fund management members are leading the transition to a lower emissions economy following the release of guidelines that will help combat climate change and greenwashing.

Published today, the FSC Guidance demonstrates the funds management industry's commitment to addressing climate change by setting expectations for the industry when setting net zero targets, labelling investment products, and fulfilling their legal obligation to disclose climate-related risks.

CEO of the FSC Blake Briggs said: "The Australian funds management industry takes the challenge of climate change seriously, along with its role in allocating capital to facilitate the transition to a low carbon economy.

"The Glasgow Financial Alliance for Net Zero estimates \$4.5 trillion USD a year from 2026 is required to transition the global economy to net zero by 2050.

"Investment funds are playing a vital role in this economic transition by working with their portfolio companies to adopt lower emissions practices.

"The FSC's Guidance for fund managers is a signal to Government, regulators and consumers the Australian investment community sees acting on climate change risk is a top priority and is taking a leadership position on emissions reduction and meeting net zero targets.

"The FSC wants consumers to have confidence fund managers who set net zero targets are assessing their portfolios with robust science-based methodology and are working with companies they invest in to reduce emissions."

The Guidance, which is [available here](#), sets out principles for Australian fund managers to ensure climate-related disclosures to consumers are accurate and backed by clear evidence.

It covers:

- Setting net zero targets for investment portfolios, particularly in assessing emissions in portfolios.
- Important considerations when labelling funds to avoid climate greenwashing.
- Reporting climate risk in line with the Taskforce on Climate Related Financial Disclosures.

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About the Financial Services Council

The FSC is a peak body which sets mandatory Standards and develops policy for more than 100 member companies in one of Australia's largest industry sectors, financial services. Our Full Members represent Australia's retail and wholesale funds management businesses, superannuation funds, life insurers and financial advice licensees. Our Supporting Members represent the professional services firms such as ICT, consulting, accounting, legal, recruitment, actuarial and research houses. The financial services industry is responsible for investing \$3 trillion on behalf of more than 15.6 million Australians. The pool of funds under management is larger than Australia's GDP and the capitalisation of the Australian Securities Exchange, and is the fourth largest pool of managed funds in the world.