

**Comments re: Consultation Paper on the Management and
Disclosure of Climate-related Risks by Fund Managers**

We set out in this Memorandum our comments on the Consultation Paper on the Management and Disclosure of Climate-related Risks by Fund Managers dated October 2020 (the "**Consultation**") prepared by the Securities and Futures Commission.

Generally, we welcome the proposals made in the Consultation.

1. We agree that at minimum, climate-related disclosure to investors should be made at an entity level. However, if this isn't applied at fund level as well, it may not be as effective if the objective of the disclosure is to promote clear, comparable and high-quality transparency to investors.
2. Given myriad differences in investments and strategies, we suggest that reviews and updates be conducted periodically based on each Fund Manager's individual investments and strategies instead of annually. We agree that reviews and updates should be held, and fund investors informed of material changes.
3. At the time of implementation, we suggest that disclosure requirements at the entity/fund level apply only to ROOFs that are managing funds opened for subscription, and not those whose fund offerings have all closed, except for disclosures that are subject to enhanced standards.
4. Based on various discussions with local fund managers, we hope that support will be provided during the implementation period on developing appropriate governance, and how to identify, evaluate and assess climate-related risks. For instance, it will be helpful to have more examples of strategies in which climate risks are not considered relevant.

If you would like to discuss any of the above issues, please feel free to contact our partner

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