

Climate Financial Risk Forum (CFRF) Membership – Session 3

Call for interest

Climate change and society's response to it presents financial risks and opportunities that are relevant to the PRA's and FCA's objectives. Firms are enhancing their approaches to managing these risks, but face barriers to implementing the forward-looking, strategic approach necessary to minimise the risks. The CFRF has a unique structure that brings regulators and firms together to add value by building capacity and sharing best practice to advance the UK financial sector's response to the financial risks and opportunities generated by climate change.

The CFRF met in October 2021 and agreed to refresh up to half of the Forum members to ensure it remains reflective of the industry and brings in new viewpoints and relevant expertise to the collective benefit of the CFRF and the UK financial sector. The Forum will consist of a group of member firms (*Forum members*) whose representatives are expected to attend all Forum meetings and take part in setting the agenda and strategic direction of the CFRF¹. Working Group members will be active participants in their selected working groups only.

The following indicative criteria will be taken into account when selecting Forum and Working Group members (collectively referred to as *Members*). Further guidance on each criteria are illustrated in Appendix 3:

- (i) Ability to commit to the work of the CFRF in a meaningful manner;
- (ii) Provide sufficiently suitable senior² representation;
- (iii) Resources (proportionate to the size of the organisation);
- (iv) Current and planned approach by your firm to managing climate-related financial risks; and
- (v) Diversity of perspective your organisation will bring to the CFRF.

Accordingly, we are pleased to open the nomination process for becoming a Member and we would like to invite you to express your interest. Roles and responsibilities of being a member are outlined in the CFRF Terms of Reference attached in Appendix 1.

Should your organisation be interested to (re)join the CFRF for Session 3, **please complete the attached nomination form in Appendix 2 and return the completed form to the CFRF Secretariat (climate.forum@fca.org.uk) no later than 17 December 2021.**

¹ The Forum Members will be comprised of: 5 x banks, 5 x insurers, 5 x asset managers, 2 x asset owners and 2 x supporting institutions.

² Appropriate senior representation refers to the influential senior executives of an organisation with responsibility for managing climate-related financial risks.

Next steps:

- Membership applications for Session 3 received by **17 December 2021**.
- Membership applications reviewed by FCA/PRA between **3-14 January 2022**.
- Chairs for the Working Groups confirmed³ by **14 January 2022**.
- FCA/PRA and WG Chairs to finalise membership of Working Groups between **17-21 January 2022**.
- Composition of working groups finalised between **24-28 January 2022** – Session 3 commences.

³ The 3 Working Groups agreed at the 7 October 2021 Forum meeting are Disclosure, Data & Metrics; Scenario Analysis and Transition to Net-Zero.