



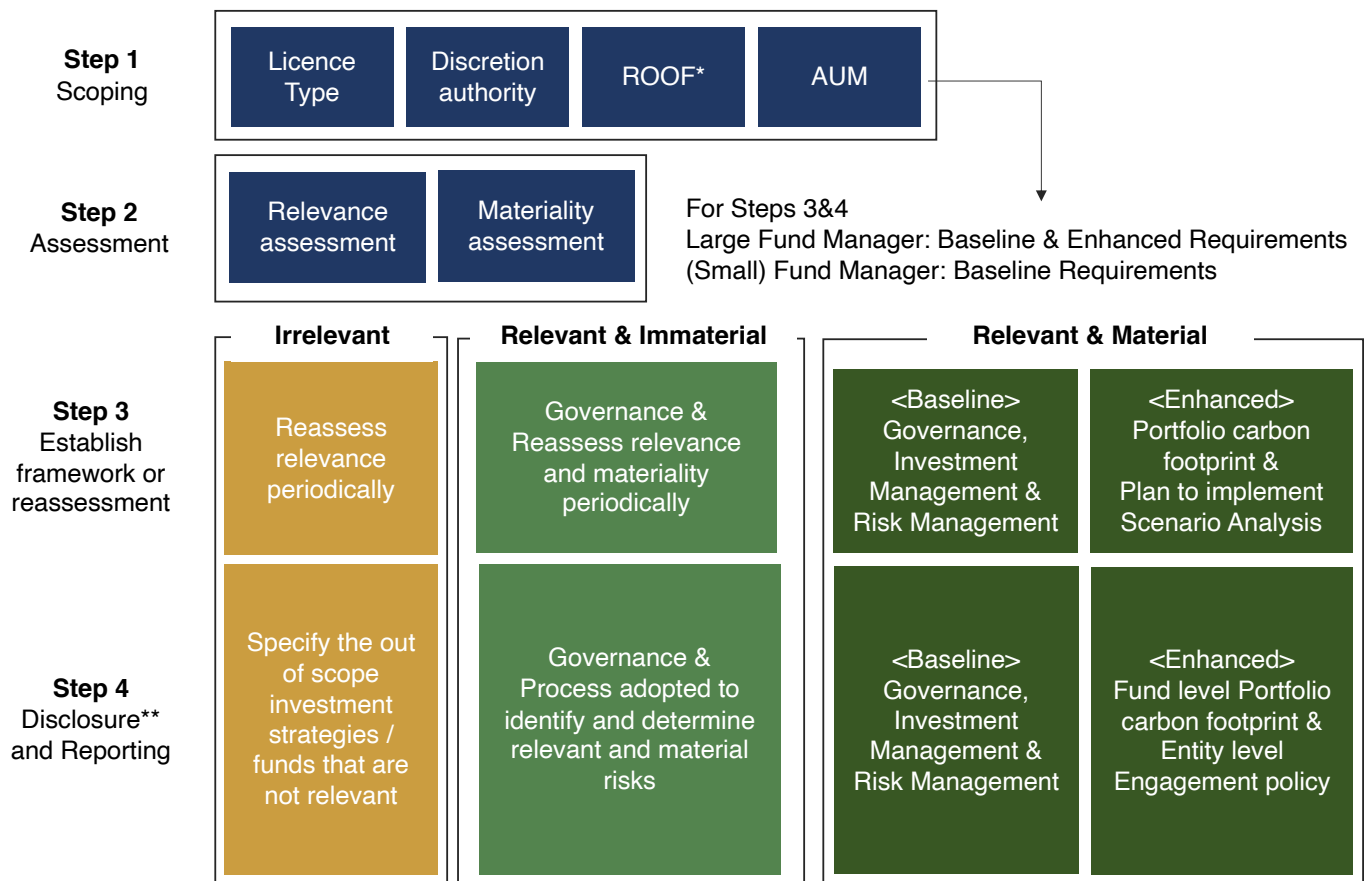
Fund Managers must comply with the Fund Manager Code of Conduct amendments relating to climate-related disclosures from August 2022

What you need to know

- Fund Managers in Hong Kong are required to comply with the amendments to the Fund Manager Code of Conduct (“FMCC”) covering climate-related risk management and disclosure if they:
 - (1) Hold a Type 9 license;
 - (2) Have investment discretion and are managing a fund; and
 - (3) Are responsible for the overall operation of the fund (“ROOF Manager”).
- The obligations that are applicable to a fund manager differ depending on AUM.
- The SFC breaks the requirements into baseline requirements and enhanced standards.
 - Large fund managers with an AUM of HK\$8 billion or above for any three months in the previous reporting year are required to comply with both the baseline requirements and the enhanced standards. The baseline requirements must be implemented by **20 August 2022** and the enhanced requirements by **20 November 2022**.
 - (Smaller) Fund Managers managing funds with an AUM of <HK\$8 billion are required to comply with the baseline requirements by **20 November 2022**.

Initial Action Points

Fund managers are expected to take the following steps:



*Responsible for overall operation of the fund (ROOF)

**In scope but not a ROOF, no disclosure requirements

How ComplianceAsia ESG can help

As the due date for complying with these requirements grows closer, it is important that you take action to perform an assessment of how the climate-related risk disclosure requirements apply to your firm.

ComplianceAsia ESG can help your firm with this assessment process and will provide you with a detailed guide on how your firm should look to incorporate climate-related risks into your risk and investment management practices.

After you have undertaken a preliminary assessment, it is important that you assess how and in what capacity you plan to integrate ESG throughout your operations. Here at ComplianceAsia ESG we can also assist your firm with:

- Assessing the degree of applicability based on the degree to which you are in scope.
- Relevance and Materiality Assessment: ComplianceAsia ESG will assist fund managers in determining the degree of relevance and materiality based on investment strategy.
- Drafting a customised climate-related risk management policy.
- Conducting a gap analysis to identify areas for enhancement and ensure the existing policies and procedures fulfill the SFC requirements.
- Providing ESG consultations: Constructing a customised ESG framework based on company needs, fund level and / or company level requirements or to comply with international or investor standards and requirements.

Other ComplianceAsia group services:



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Ongoing Compliance Support



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Compliance Training



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Corporate Governance



Family Offices and Proprietary Trading Pools



Cybersecurity Assessments



ESG Consulting

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