Addressing Climate Change

Climate Risks and Opportunities



Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) governance, strategy, risk management, and metrics and targets



Governance

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- operational decisions

Strategy

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Risk Management

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Metrics and Targets

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Key Climate Risk Responses

Risk Item	Risk Type	Risk Description	Impacted Stages	Time Horizon	Current Financial Impact	Expected Financial Impact	Risk Response Measures
Increase in raw material costs	- Market					•	• • •
Carbon pricing mechanism		levels	Operations		compliance costs and	• • •	• • •
Transition to low-emission technologies and products		Government policies on	Operations		in increased capital	• • •	• • •
Increased concerns and negative feedback from stakeholders			Operations			•	• •
Changes in consumer behavior	- Market					• • environmental protection, and	• • •

Key Climate Risk Responses (Continued)

Risk Item	Risk Type	Risk Description	Impacted Stages	Time Horizon	Current Financial Impact	Expected Financial Impact	Risk Response Measures
Heavy precipitation (rain, hail, snow/ice)		precipitation and a rise in	Operations		systems	• asset maintenance or replacement, and delays	• • • •

Key Climate Opportunity Responses

Opportunity Item	Opportunity Type	Opportunity Description	Impacted Stage	Time Horizon	Current Financial Impact	Expected Financial Impact	Opportunity Response Measures
Leverage public-sector incentive mechanisms	Market		Operations			•	• •
Develop new products or services			Operations			•	• •