



TCFD 101 Training Workshop

Getting started with climate-related financial reporting





Welcome and introduction

.....
**Ms. Katherine Ng, Head of Policy and Secretariat
Services, Listing, HKEX**



IFC Opening Remarks

.....
Hester Marie DeCasper, Regional Head of
Operations

Today's Hosts

Main Facilitators



Evan Guy
Policy Manager
CDP



Tiffany Grabski
Academy Head
UN SSE Initiative

Additional Support



Guo Peiyuan
Chairman of SynTao
Green Finance



Ling Zhu 朱聆
Capital Markets | CDP
China

Agenda for today's session

Time (GMT + 8)	Content
15:00-16:00	Session overview & introductions
	1. Climate risk & opportunity, financial stability and reporting
	2. Global & local reporting landscape
	3. Overview of the TCFD recommendations
16:00-16:05	Break
16:05-16:45	4. Practical steps for implementation
	5. Interactive discussion exercise
	6. Support and resources available
16:45-17:00	Questions & session closeout

Housekeeping & workshop interaction

We encourage you to share your questions, views & experiences

- Please feel free to introduce yourself in the chat box.
- There will be time for Q&A towards the end of the training, but we encourage you to share your questions and comments in the Q&A and chat boxes through the session.
- During the Q&A, please use the raise hand function if you would like to raise a question or comment. Your mic will be unmuted when you are called upon to speak
- We will take a short break halfway through the session.
- All presentation materials will be sent to participants after the event.

The TCFD Training Programme



TCFD 101

Live workshop: Getting started with climate-related financial reporting



TCFD 102

Live workshop: Building experience in climate-related financial reporting



TCFD 102E

Self-guided online learning: Supporting your ongoing TCFD journey

Learning objectives for TCFD 101



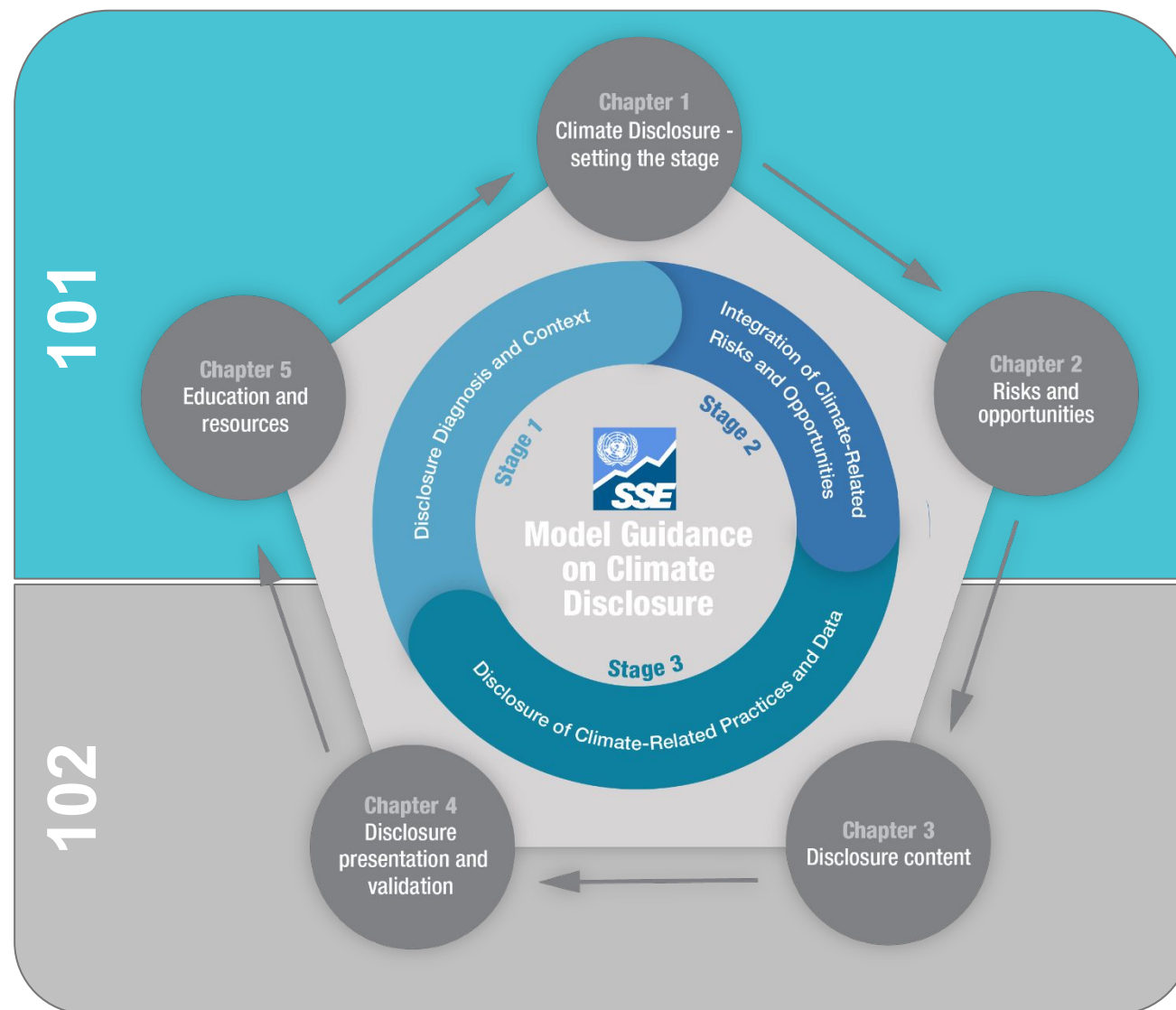
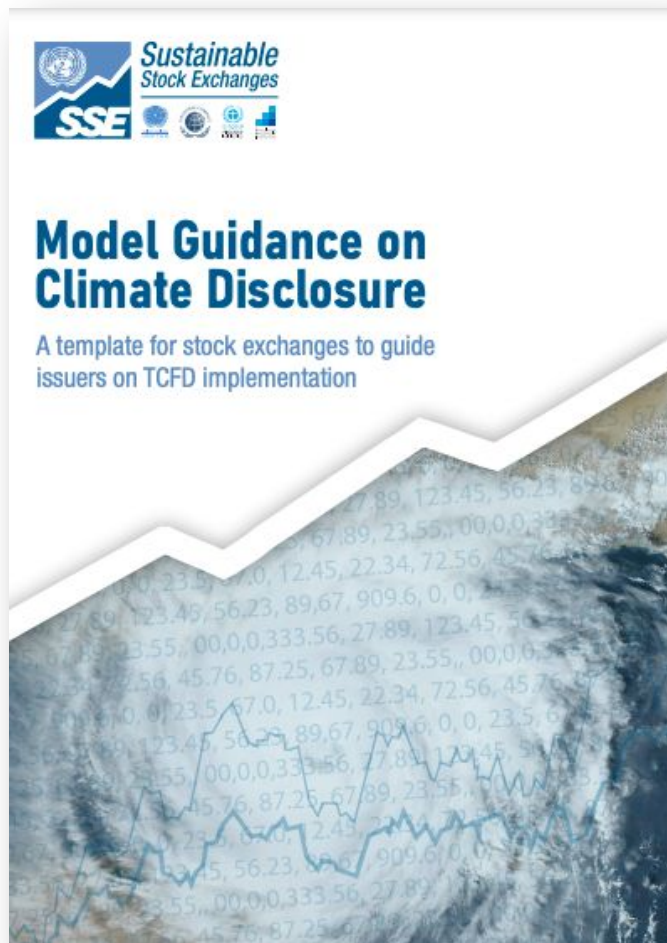
TCFD 101

Live workshop: Getting started with climate-related financial reporting

By the end of today's workshop, participants should be able to:

1. Explain the **financial risks & opportunities** associated with climate change, and the importance of **climate-related financial disclosure**.
2. Understand the **key elements** of climate-related financial disclosure and outline the **characteristics of good practice**.
3. Identify the **initial steps** organisations need to take to **implement** the recommendations of the TCFD.

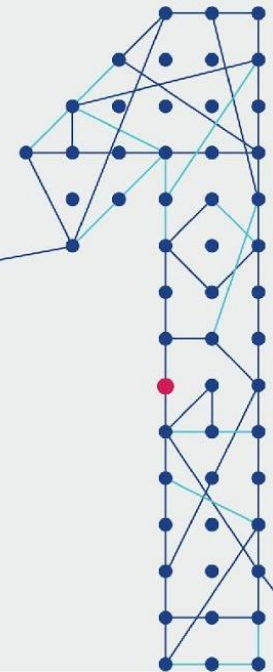
SSE Model Guidance - A reference tool



Q1: How would you describe your understanding of the TCFD recommendations?

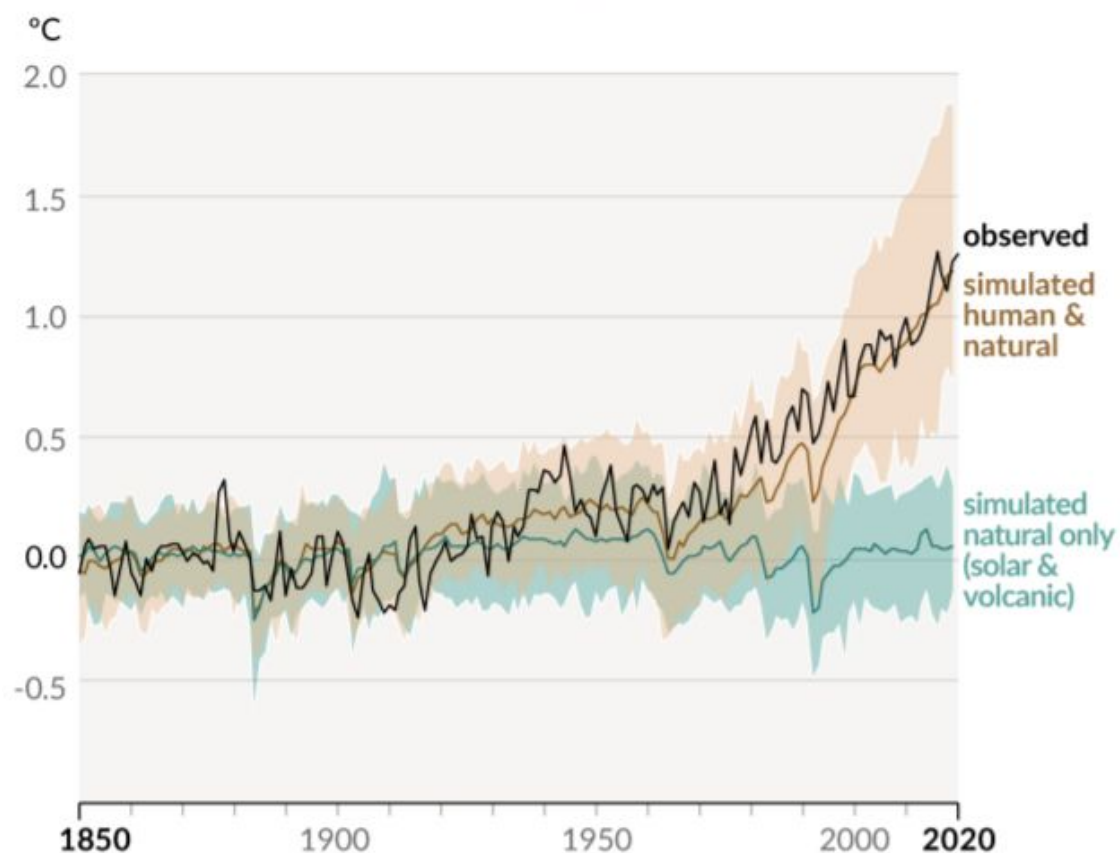
- ☐ I am an expert
- ☐ I am confident, but need to understand some elements
- ☐ I have some knowledge, but need support
- ☐ I have little to no prior knowledge

Climate risk & opportunity, financial stability and reporting

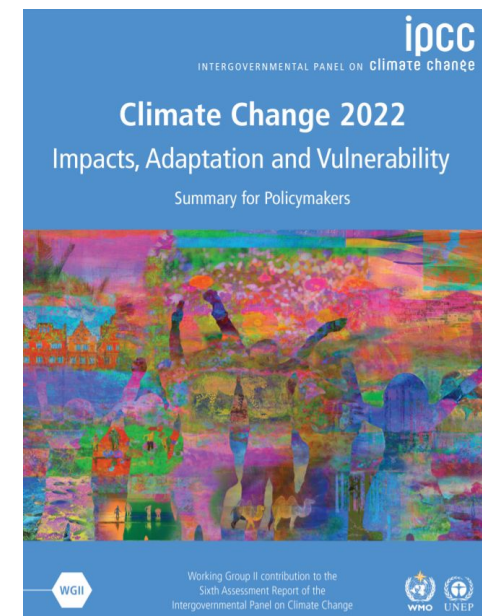
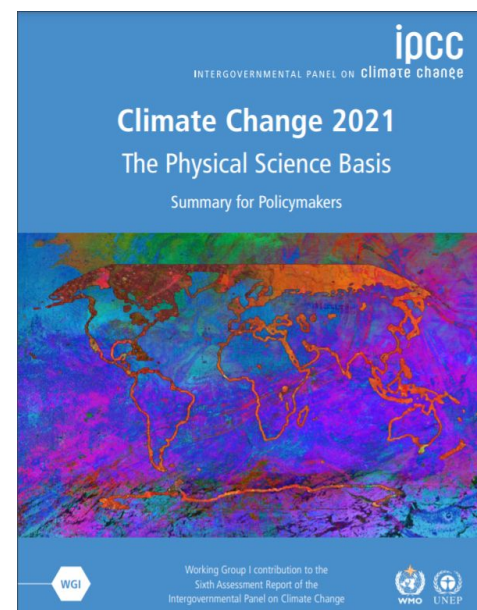


The case for urgent climate action

b) Change in global surface temperature (annual average) as **observed** and simulated using **human & natural** and **only natural** factors (both 1850-2020)



- Human activities have caused 1.1°C of global warming since pre-industrial times.
- 1.5°C of warming could be reached by as early as 2030 at the current rate of emissions.



Societal and business concern is growing

Likelihood of Cape Town water crisis tripled by climate change

Brazil's Amazon rainforest suffers worst fires in a decade

- Satellites record 61% rise in hotspots over September 2019
- Scientist warns: 'It could get worse if the drought continues'



Hong Kong expects scorching temperatures, coinciding with arrival of 'Great Heat' day on Saturday

'Great Heat' day to fall on Saturday, with temperatures expected to hit high of 37 degrees in some parts of city.

South China Morning Post · 14d

New York Post

Hurricanes to threaten more than 32 million US homes

The firm said that while hurricane wind damage is "generally insured for ... risk amidst climate change – calculated that at-risk properties have a ...

2 weeks ago



Sustainable Business

Shell ordered to deepen carbon cuts in landmark Dutch climate case



Climate change has pushed a million people in Malawi to the 'edge of starvation,' UN says

Jun 23, 2021

Climate change is the driving force of a developing food crisis in southern Malawi, UN's World Food Programme (WFP) has warned. The African island has back-to-back droughts -- its worst in four decades -- which have pushed

Business Economy

Posted at: Jun 23 2021 11:19PM



One third of India's cotton growing regions face severe climate risks by 2040

Global and systemic risk

*“Last September, when millions of people took to the streets to demand action on climate change, many of them emphasised **the significant and lasting impact that it will have on economic growth and prosperity** – a risk that markets to date have been slower to reflect.”*

Larry Fink, CEO BlackRock

Top Global Risks by Likelihood

	1st	2nd	3rd
2021	Extreme weather	Climate action failure	Human environmental damage
2020	Extreme weather	Climate action failure	Natural disasters
2019	Extreme weather	Climate action failure	Natural disasters
2018	Extreme weather	Natural disasters	Cyberattacks

Source: [WEF Global Risks Report 2021](#)

Financial stability & the tragedy of the horizons



*“The **horizon** for monetary policy extends out to 2-3 years. For financial stability it is a bit longer, but typically only to the outer boundaries of the credit cycle – about a decade. In other words, once climate change becomes a defining issue for **financial stability**, it may already be **too late**.”*

Mark Carney,
UN Special Envoy on Climate Action & Finance
(Former Chair G20 Financial Stability Board)

Climate-related risks



Asset impairment, changes in the useful life or fair valuation of assets.



Increased costs or **reduced demand** for products and services.



Provisions and contingent liabilities arising from **fines and penalties** through more stringent emissions regulations.



Changes in expected **credit losses** for loans and financial assets.

Climate-related opportunities



Growth and innovation through the development of products and services that contribute to climate mitigation and adaptation.



Reduced costs through improved energy and resource efficiency.

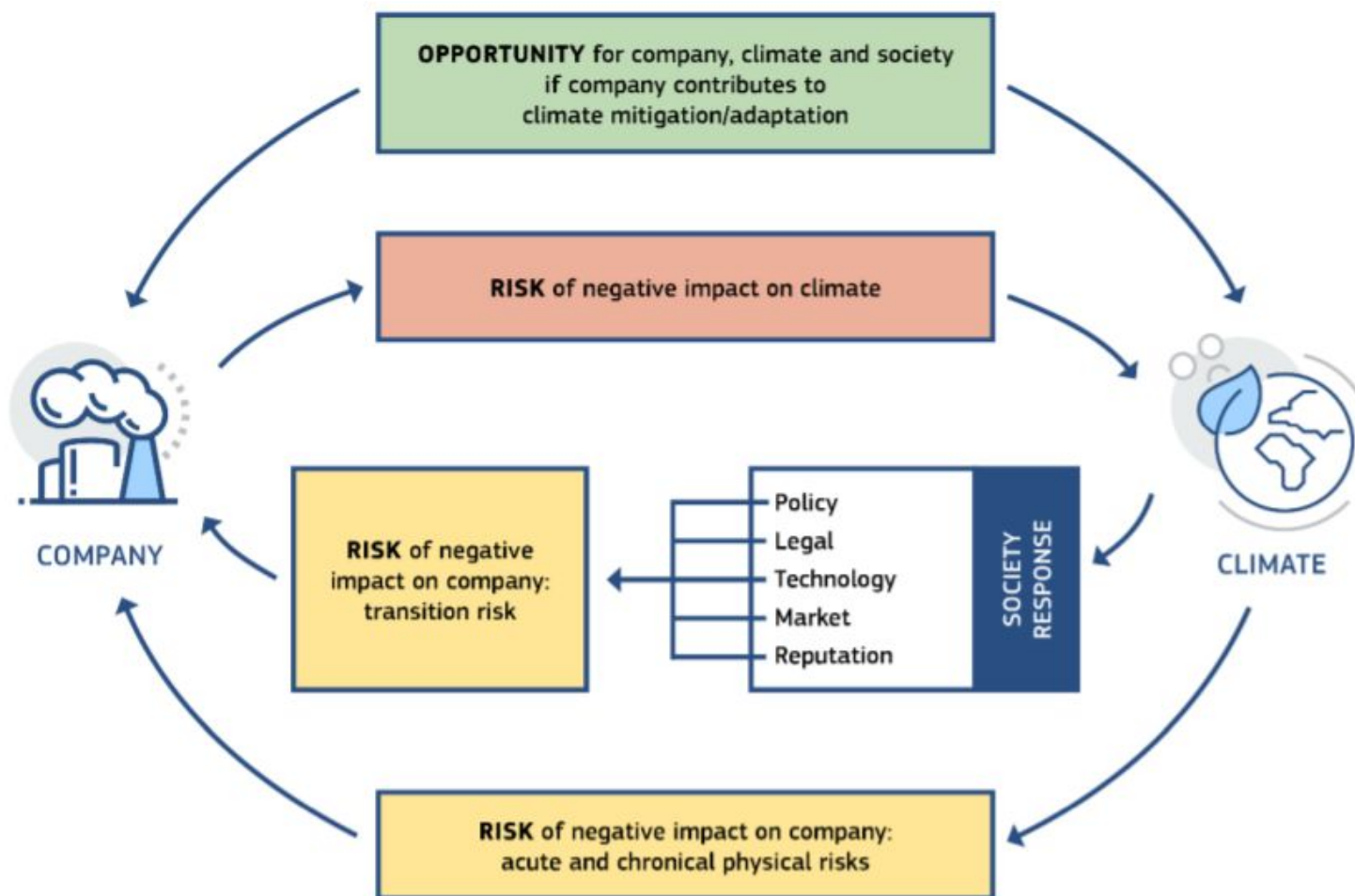


Improved reputation with employees, customers and other stakeholders.



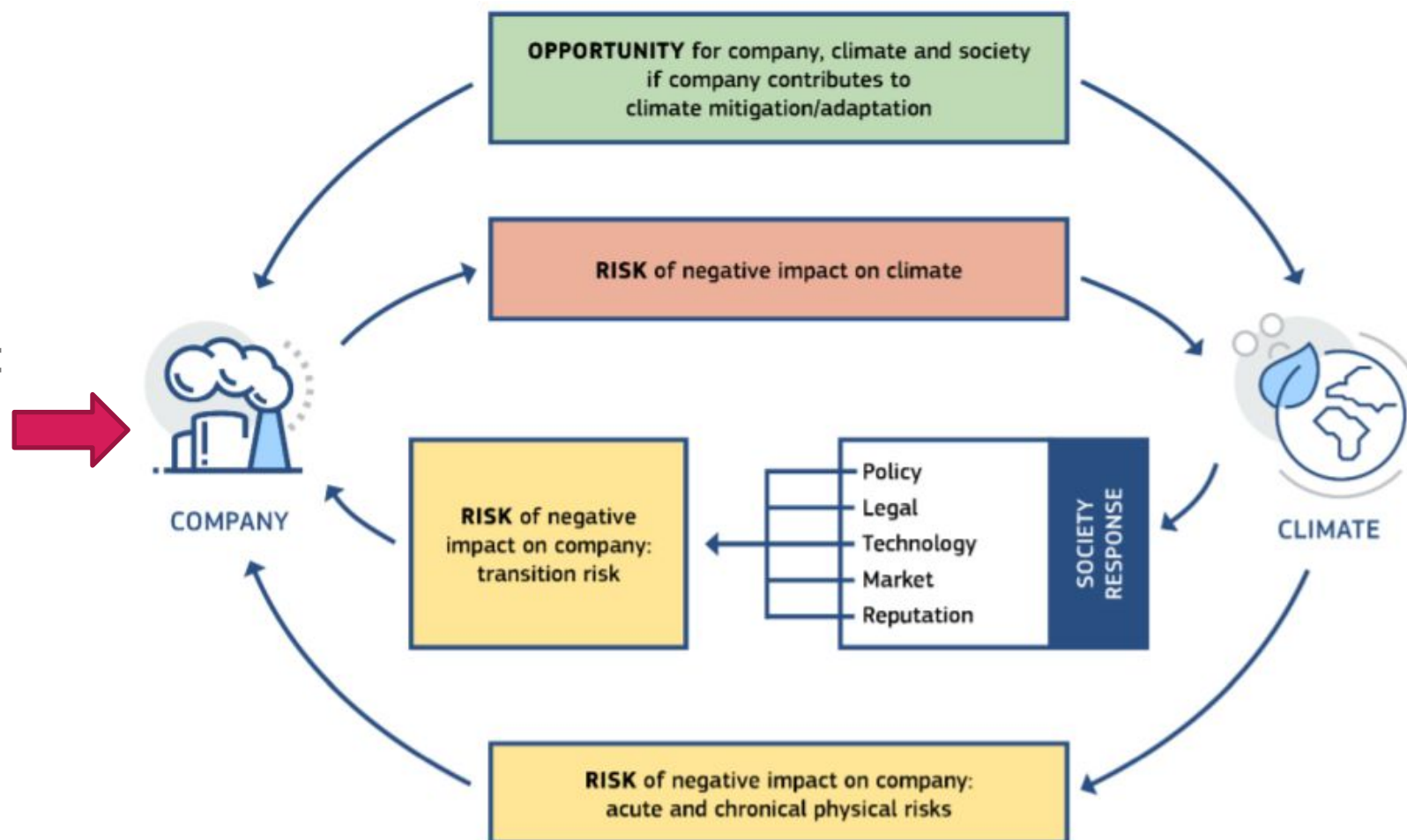
Improved resilience to business disruptions.

Two perspectives on materiality



Climate-related financial disclosure

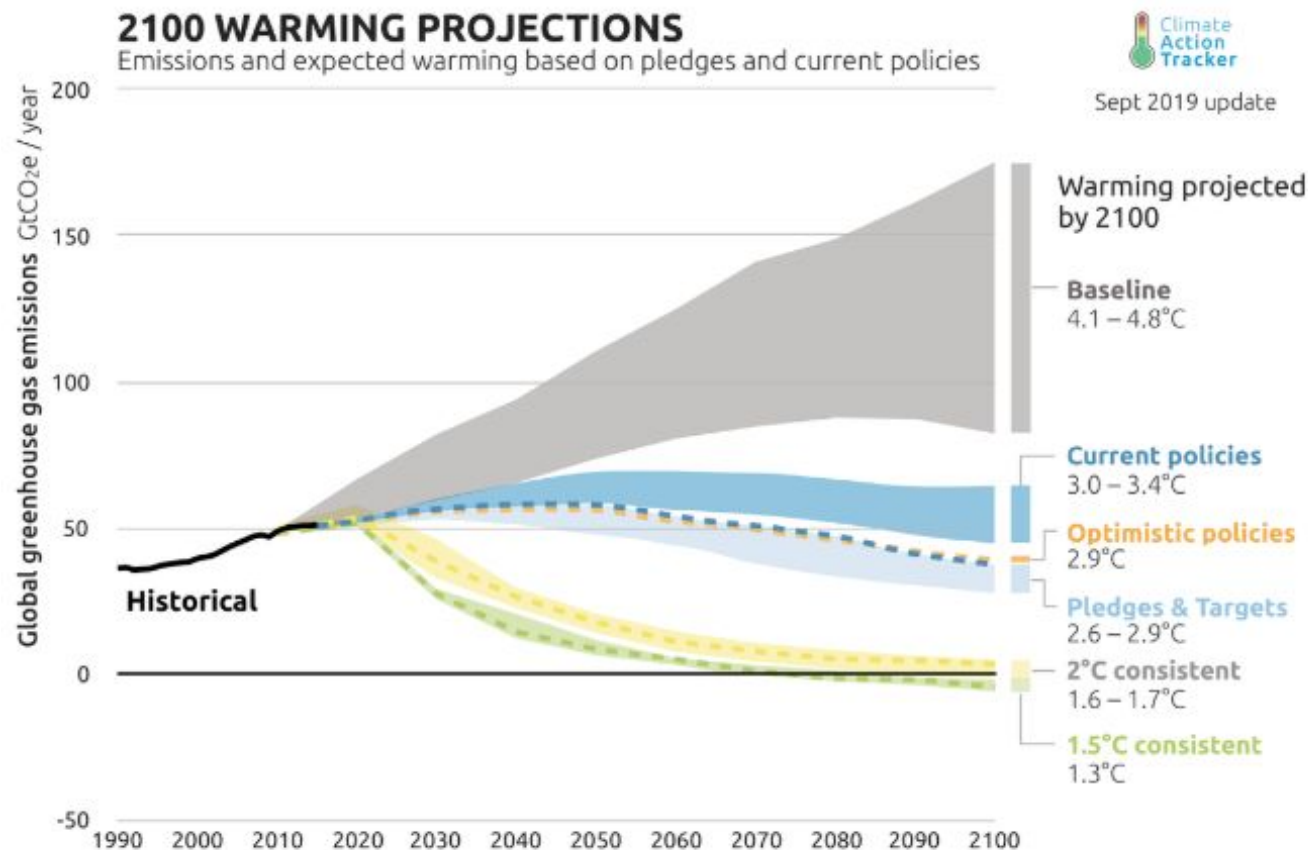
TCFD perspective:
risks and impacts **ON**
the company



Source: [EU Guidelines on reporting climate-related information](#)

Alignment vs risk

Contribution and alignment to climate targets



Source: [Carbon Action Tracker](#)

The risks to a company due to climate action



How investors use climate-related financial disclosures

- **Mobilising private sector finance** to deliver upon the Paris Agreement.
- **Pricing** climate-related risks into their company valuations.
- **Efficient allocation of capital** towards low carbon and resilient businesses in the long-term.
- Builds upon **established approaches** to wider strategic and financial disclosure to capital markets.

"Increasing transparency makes markets more efficient and economies more stable and resilient."

Michael R. Bloomberg

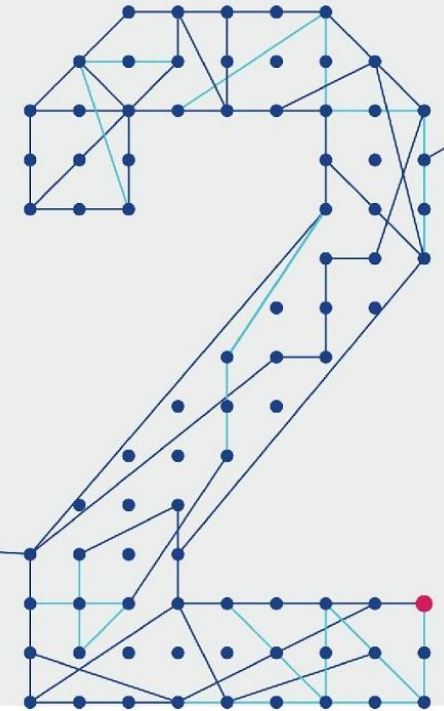
The benefits of climate-related financial disclosure for companies

Internal benefits	External benefits
Cost savings through identifying opportunities for resource and energy efficiency	Improved access to capital
Improved strategic resilience	Improved engagement with investors
Identification of potential climate-related financial opportunities	Ensure preparedness for emerging climate regulation
Improved robustness of risk management processes	Improved reputation with customers, employees and wider stakeholders
Improved communication between board and management on climate issues	Establishing a leadership position among industry peers

Q2: Which of the following are examples of climate-related financial risks? *(Select all that apply)*

- ☐ Reduced demand for products & services
- ☐ Increased costs due to extreme weather damage
- ☐ Lower costs due to reducing energy consumption
- ☐ Higher rates of taxation due to carbon pricing

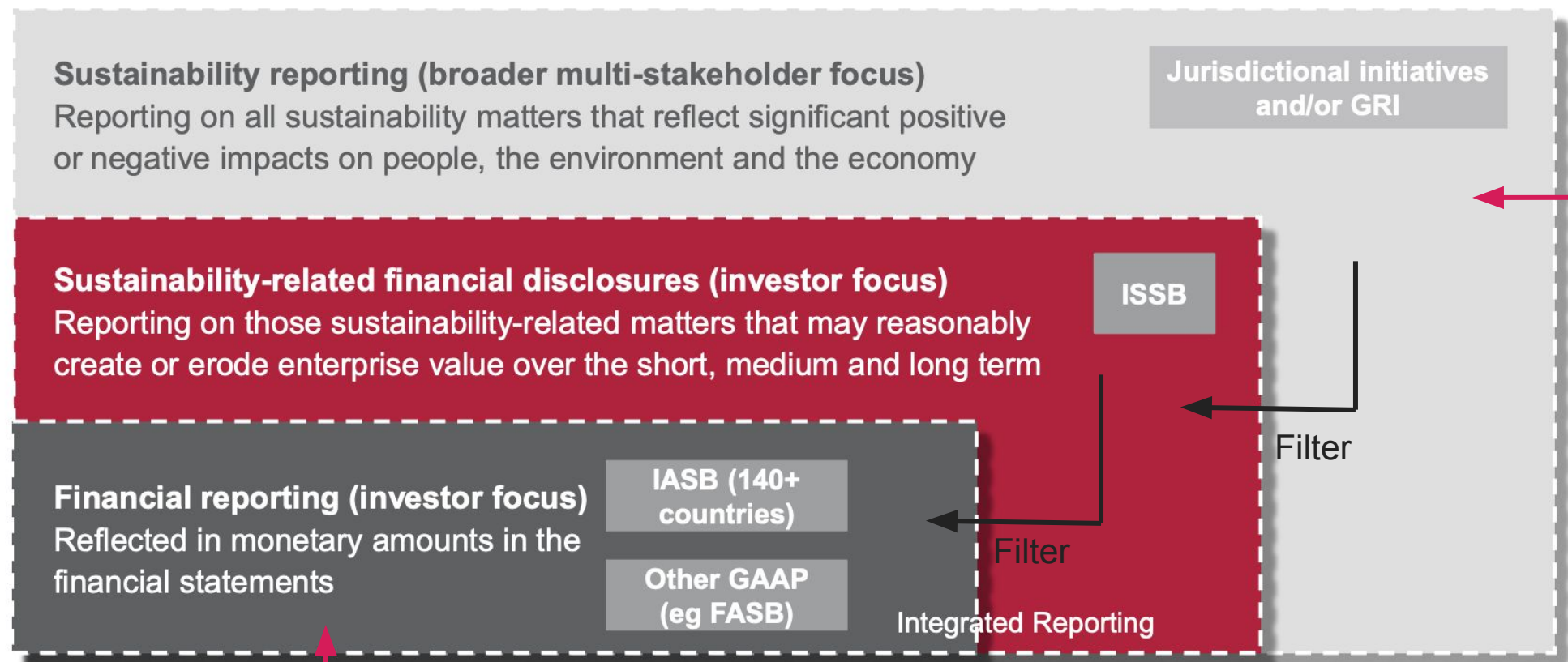
Global & local reporting landscape



Q3: Which frameworks and standards do you currently use to report on climate? *(Select all that apply)*

- ☐ CDP questionnaire
- ☐ SASB standards
- ☐ GRI standards
- ☐ Integrated Reporting Framework
- ☐ CDSB Framework
- ☐ Other
- ☐ We don't currently use any

A building blocks approach



Source: <https://www.ifrs.org/content/dam/ifrs/project/climate-related-disclosures/supporting-materials/issb-webinar-presentation-april-2022.pdf>

To users with a **specific interest** in understanding **enterprise value**

To **various users** who want to understand the enterprise's positive and negative contributions to **sustainable development**.

Reporting on enterprise value
Illustrated with a prototype climate-related financial disclosure standard

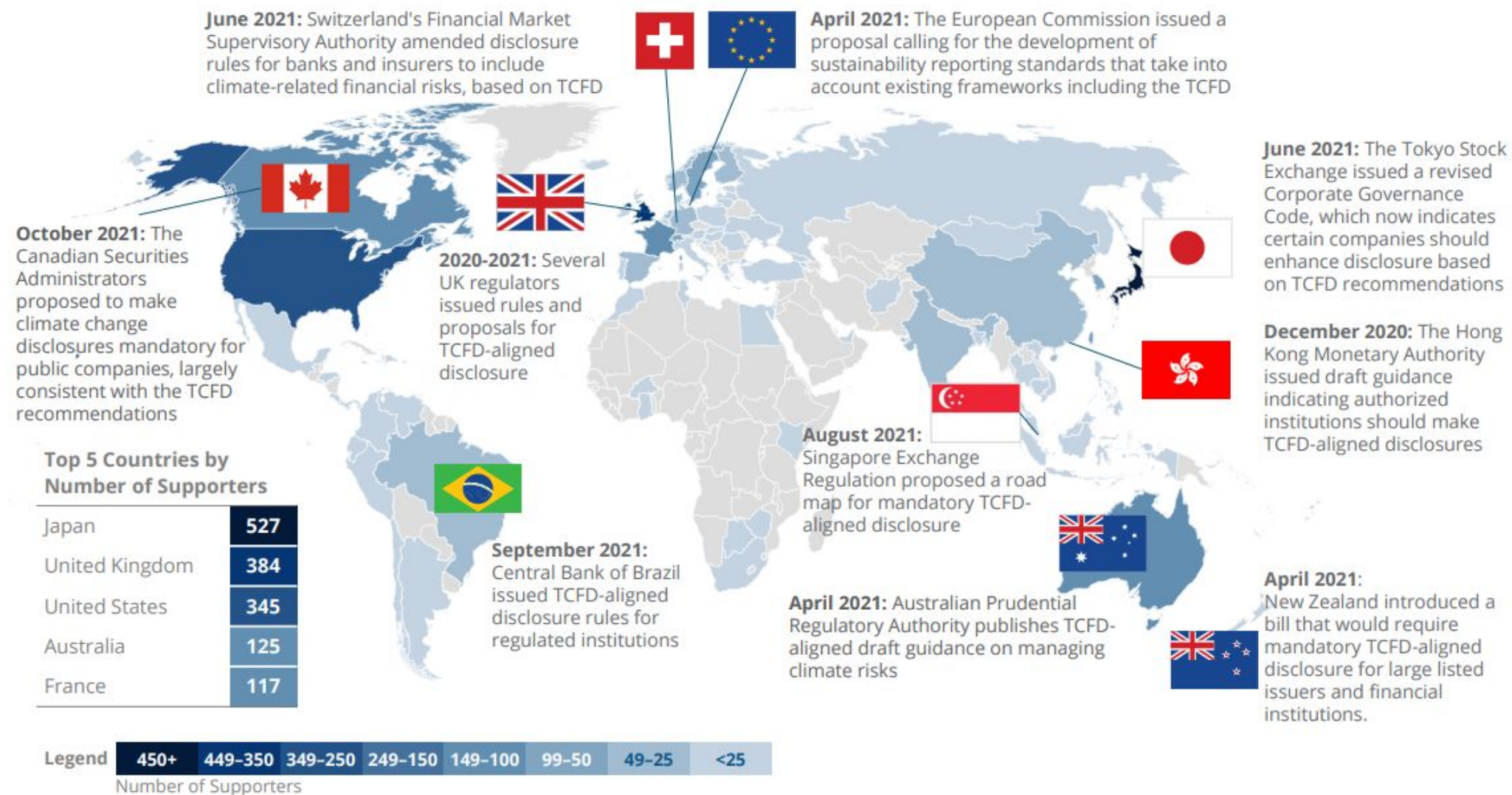
Progress towards a comprehensive corporate reporting system, from leading sustainability and integrated reporting organisations CDP, CDSB, GRI, IIRC and SASB

Facilitated by the Impact Management Project, World Economic Forum and Deloitte

December 2020



Global encouragement



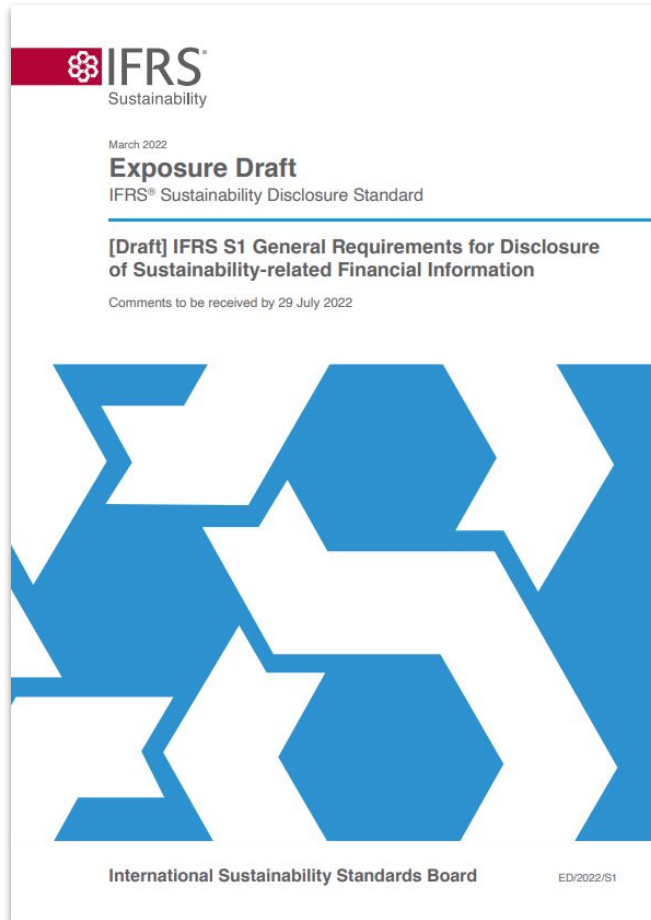
40 jurisdictions welcomed ISSB



List of Finance Ministers

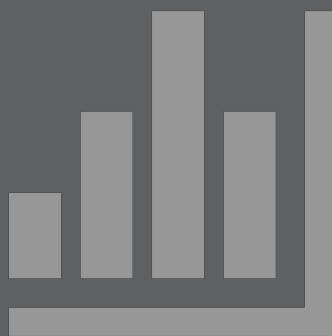
Australia, Brazil (Central Bank Governor), Canada, Chile, China, Costa Rica, Egypt, Ethiopia, European Commission, Fiji, France, Germany, Greece, Guatemala, India, Indonesia, Italy, Jamaica, Japan, Kenya, South Korea, Luxembourg, Maldives, Mexico, Morocco, Netherlands, New Zealand, Nigeria, Paraguay, Philippines, Russia, Saudi Arabia, Seychelles, Singapore, Spain, Switzerland, Tonga, Turkey, UK, Uruguay, USA

International Sustainability Standards Board



International Sustainability Standards Board

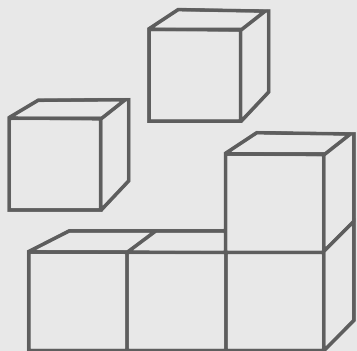
Four strategic focus areas



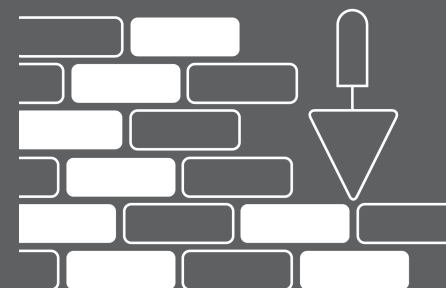
Investor focus
(enterprise value)



Sustainability
scope, starting
with climate



Global baseline



Build on existing
frameworks

International sustainability reporting standards (ISSB)

At COP 26, IFRS Foundation announced International Sustainability Standards Board, consolidation with CDSB and VRF, and publication of prototype disclosure requirements.



Introducing the Taskforce on Nature-related Financial Disclosures

- TNFD is developing a **risk management and disclosure framework** for organisations to report and act on evolving nature-related risks.
- The Taskforce is **market-led** and made up of 34 senior executives from companies managing over \$20 trillion, with operations in 180+ countries. TNFD's work is **science-based** and **government-supported**.
- TNFD recommendations are **aligned with TCFD recommendations** by design and use the same 4-pillar approach to disclosure but takes a unique approach to nature-related risks. TNFD actively encourages integrated climate- and nature-related risk management and disclosures, rather than the development of dedicated nature-only risk management and reporting.
- TNFD is using an open innovation approach, putting out prototype "beta versions" for the market to pilot and feedback on until 1 June 2023. The final recommendations are due in September 2023.
- **Engagement opportunities:**
 - Join the TNFD Forum, 600+ institutions learning and contributing: <https://tnfd.global/about/the-tnfd-forum/>
 - Provide feedback on the TNFD beta framework: <https://framework.tnfd.global/>
 - Learn more: www.tnfd.global

TNFD Recommendations Core Elements | TCFD Aligned Disclosures

New disclosure on location and several others under further development

Provide feedback on the TNFD beta framework:
<https://framework.tnfd.global/>

Governance	Strategy	Risk Management	Metrics & Targets
Disclose the organisation's governance around nature-related risks & opportunities.	Disclose the actual and potential impacts of nature-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.	Disclose how the organisation identifies, assesses and manages nature-related risks.	Disclose the metrics and targets used to assess and manage relevant nature-related risks and opportunities where such information is material.
Recommended Disclosures A. Describe the board's oversight of nature-related risks and opportunities. B. Describe management's role in assessing and managing nature-related risks and opportunities.	Recommended Disclosures A. Describe the nature-related risks and opportunities the organisation has identified over the short, medium, and long term. B. Describe the impact of nature-related risks and opportunities on the organisation's businesses, strategy, and financial planning. C. Describe the resilience of the organisation's strategy, taking into consideration different scenarios. D. Describe the organisation's interactions with low integrity ecosystems, high importance ecosystems or areas of water stress.	Recommended Disclosures A. Describe the organisation's processes for identifying and assessing nature-related risk. B. Describe the organisation's processes for managing nature-related risks. C. Describe how processes for identifying, assessing, and managing nature-related risks are integrated into the organisation's overall risk management.	Recommended Disclosures A. Disclose the metrics used by the organisation to assess and manage nature-related risks and opportunities in line with its strategy and risk management process. B. [Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.]* *Adaptation under consideration by TNFD C. Describe the targets used by the organisation to manage nature-related risks and opportunities and performance against targets.

Scenarios

Location

Metrics

Value Chain

Targets

Regional context for Hong Kong

- **Hong Kong Monetary Authority (HKMA)**

- In December 2021, the HKMA issued guidance to Authorised Institutions (AIs) on the key elements of climate-related risk management.
 - The HKMA Guidance sets out the HKMA's approach to, and expectations in, reviewing AIs' climate-related risk management.
 - The HKMA Guidance encourages AIs to make climate-related disclosures aligned with TCFD recommendations.

- **Securities and Futures Commission (SFC)**

- In June 2021, the SFC issued its "Circular to management companies of SFC-authorized unit trusts and mutual funds ESG funds", which set out guidelines on enhanced disclosures for funds that incorporate ESG factors as a key investment focus.
 - The circular imposed a new requirement (effective from 1 January 2022) for ESG funds to conduct and disclose periodic assessment and reporting of how ESG factors are incorporated.
- In August 2021, the SFC issued its "Circular to licensed corporations" to set out expected standards for complying with the amended Fund Manager Code of Conduct to require fund managers to consider climate-related risks in their investment and risk management processes and to make appropriate disclosures to meet investors' growing demand for climate risk information and to combat "greenwashing".
 - These include baseline requirements and enhanced standards for in areas covering governance, investment management and disclosures.
 - Fund managers are given a 12-month to 15-month transition period to comply with the new requirements.

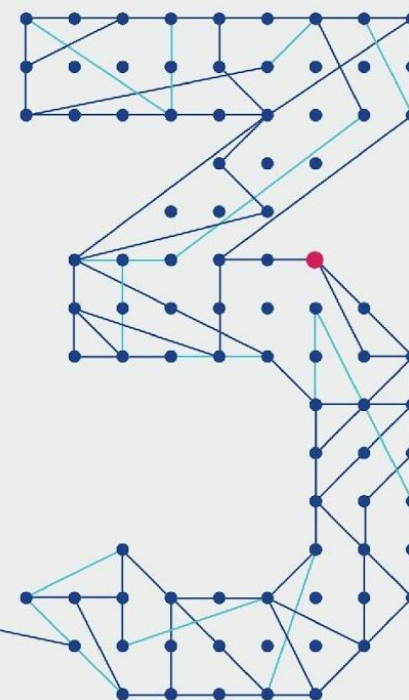
- **Hong Kong Exchanges and Clearing Limited (HKEX)**

- In November 2021, HKEX has published guidance to listed companies on climate disclosures.
 - The Guidance helps companies assess their response to risks arising from climate change.
 - The Guidance provides practical tips and step-by-step guidance to assist issuers in preparing TCFD-aligned climate change reporting.

- **Hong Kong's Green and Sustainable Finance Cross Agency Steering Group**

- Announced plans for mandatory TCFD-aligned climate-related disclosures by 2025.

The TCFD recommendations



TCFD recommendations

To help identify the information needed by investors, lenders, and insurance underwriters to appropriately assess and price climate-related risks and opportunities.

- Voluntary
- Report climate-related **financial** disclosures in the annual financial filings (mainstream report)
- Financial sector & high risk non-financial sectors
- Transition **risks** & physical risks (and **opportunities**)
- Scenario analysis & **forward-looking** information
- Short-term, medium-term & long-term
- Qualitative & quantitative disclosures



Who should disclose?

“the Task

*Force **recommends all organizations with public debt or equity** implement its recommendations.*

Because climate-related issues are relevant for other types of organizations as well, the Task

*Force **encourages all organizations** to implement these recommendations”*

Supplemental
guidance
developed for
selected groups

Financial sector group

Banks
Insurers
Asset Owners
Asset Managers

Non-financial sector group

Energy
Transportation
Materials and Buildings
Agriculture, Food and Forestry
Products

Where should you disclose?

- Disclosure should be provided in the **mainstream report**, also referred to as the annual report, registration document, 10-K.
- Intention was **not for separate TCFD statements** or additional sustainability reporting.
- Integrated into reporting and **connected to financial information.**
- Subject to the same **governance processes** and sign off as the financial report
- Accessible to **investors** as primary users

*“The Task Force recognizes the challenges associated with measuring the impact of climate change, but believes that by moving climate-related issues into **mainstream annual financial filings**, practices and techniques will evolve more rapidly.”*

TCFD, Final Recommendations

TCFD Principles of disclosure

To underpin its recommendations and help guide current and future developments in climate-related financial reporting.

1. Present **relevant** information,
2. Be **specific** and **complete**,
3. Be clear, **balanced**, and **understandable**,
4. Be **consistent** over time,
5. Be **comparable** among organizations within a sector, industry, or portfolio,
6. Be reliable, **verifiable**, and objective
7. Be provided on a **timely** basis.

Q4: The TCFD recommended that disclosures should be made within a standalone climate risk report

- ☐ True
- ☐ False

Governance

The TCFD recommends the following disclosures for all organizations:

A) Describe the board's oversight of climate-related risks and opportunities

B) Describe management's role in assessing and managing risks and opportunities.

Strategy

The TCFD recommends the following disclosures for all organizations, **subject to a materiality assessment:**

A) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

B) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

C) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Strategy updates

A) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

Supplemental guidance for banks now includes expanded definition on exposure to carbon-related assets

B) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

More explicitly addresses disclosure of actual financial impacts on organizations and key information for transition planning

C) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

More explicitly addresses disclosure of potential financial impacts on organizations

Risk management

The TCFD recommends the following disclosures for all organizations:

A) Describe the organization's processes for identifying and assessing climate-related risks.

B) Describe the organization's processes for managing climate-related risks.

C) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.

Metrics and targets

The TCFD recommends the following disclosures for all organizations, **subject to a materiality assessment:**

A) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

B) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

C) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

Metrics and targets updates

A) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

B) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

Revision of scope 2 and 3 disclosures for all, added encouragement for scope 3 disclosure

Added disclosure recommendations for all four financial sector supplemental guidance to align financial activities with a well below 2°C scenario

C) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

Added guidance on interim targets and targets consistent with cross-industry metrics

An overview...

STRATEGY (Risks & Opportunities)

Risks & Opportunities identified

Impacts on strategy & financial planning

Resiliency (Scenario Planning)

- Physical risks
- Transition risks
- Opportunities

Metrics & Targets

Metrics

Emissions (Scope 1, 2, 3)

Targets

- Comparable
- Consistent

GOVERNANCE

Board oversight

Management oversight

- Committees
- Processes/Mechanisms
- Time lines

Governance

Strategy

Risk Management

Metrics and Targets

RISK MANAGEMENT

Identification & assessment

Management processes

Integration

RISK MANAGEMENT PROCESS



Updates to the TCFD

Overview of Key TCFD Reports and Guidance

Final
Recommendations
and Recommended
Disclosures



2017 Final Report

Implementing
Guidance



2017 Implementing
Guidance (Annex)

- Provides guidance for:
- All sectors
 - Four financial industries
 - Four non-financial groups

The 2021 Annex supersedes the 2017 Annex

Three New Documents in 2021



2021 Implementing
Guidance (Annex)

Additional
Supporting
Materials



2017 Scenario Analysis
Technical Supplement



2020 Guidance on
Risk Management
Integration and
Disclosure



2020 Guidance on
Scenario Analysis
for Non-Financial
Companies



2021 Guidance on Metrics,
Targets, and Transition
Plans

Status Reports

2018 Status Report

2019 Status Report

2020 Status Report

2021 Status Report

Visit [fsb-tcfd.org/publications](https://www.fsb-tcfd.org/publications) to access all of the Task Force's reports, guidance, and other materials.

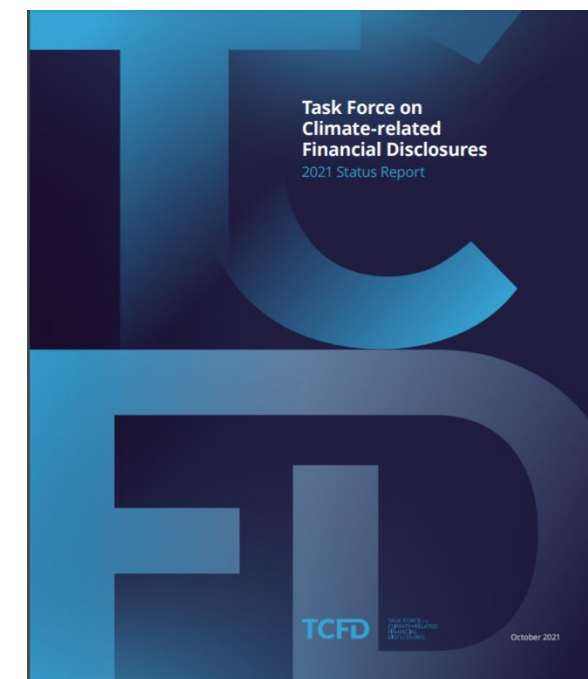
Example of 2021 updates

Recommendation	2017	2021	Summary
Recommended Disclosure b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Organizations should provide their Scope 1 and Scope 2 GHG emissions and, if appropriate, Scope 3 GHG emissions and the related risks.	Organizations should provide their Scope 1 and Scope 2 GHG emissions independent of a materiality assessment, and, if appropriate, Scope 3 GHG emissions and the related risks. All organizations should consider disclosing Scope 3 GHG emissions	<ul style="list-style-type: none">• Revised disclosure of Scope 1 and Scope 2 GHG emissions to be independent of a materiality assessment.• Revised to encourage disclosure of Scope 3 GHG emissions

The current status of TCFD adoption

As of August 2022, **3400+** companies, investors, governments & regulators publicly support the TCFD recommendations in **95** jurisdictions

- Disclosure of climate-related information has increased since the release of the recommendations, but **significant progress is needed**.
- Limited disclosure on **resilience of strategy under different climate scenarios (Strategy c)**.
- Disclosures **primarily made in sustainability reports**.
- Large and high impact companies are most likely to disclose.
- The Asia Pacific region had the second highest increase in disclosure (next to Europe, tied with Latin America) with a 15% increase from 2018-2020. Of 333 reports reviewed from the region, 54% disclosed climate-related metrics, and 48% disclosed on climate-related risks and opportunities in alignment with the TCFD.



Source: TCFD Status Report 2021

Q5: What of the following are the four core elements of the TCFD? *(Select all that apply)*

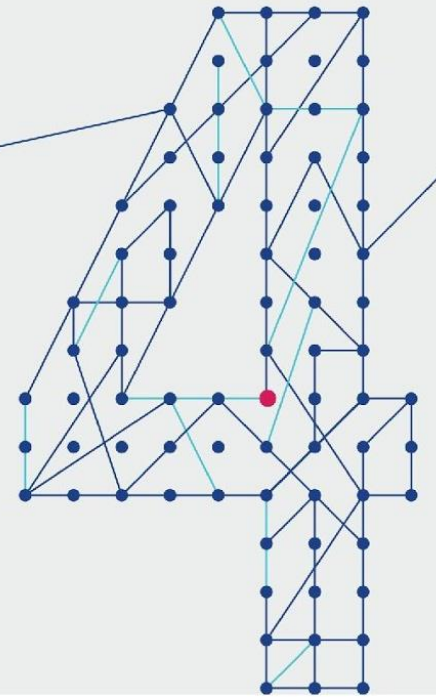
- ☐ Metrics & Targets
- ☐ Sustainable Development
- ☐ Risk Management
- ☐ Stakeholder Engagement
- ☐ Strategy
- ☐ Governance



5 minute break

.....
Please return to the session promptly!

Practical steps for implementation

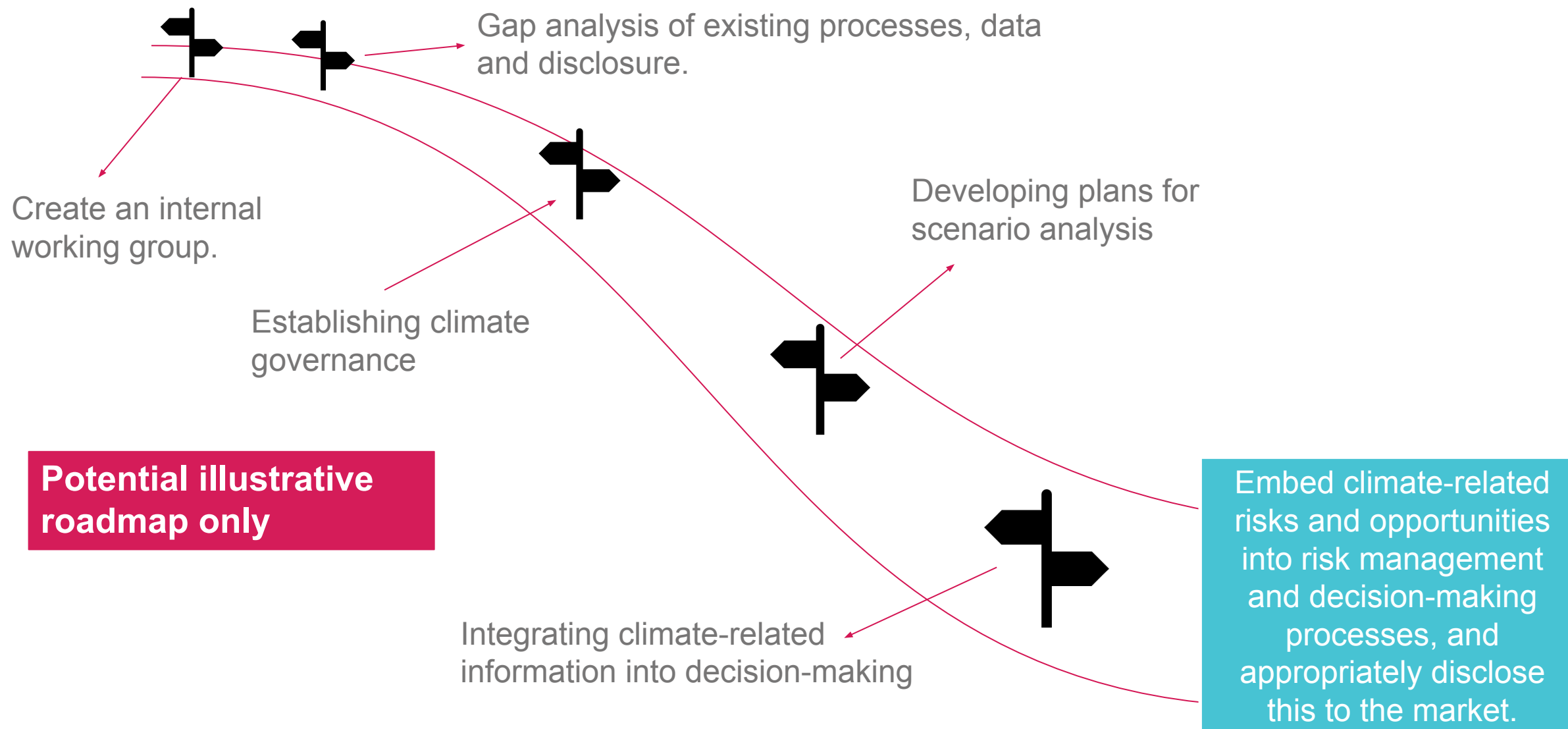


Top tips for getting started with disclosure

- Build on existing processes
- Connected information
- Cross referencing
- Clear, concise and proportional
- Balanced
- Clearly define time horizons
- Start with qualitative reporting



Creating a roadmap for disclosure



Creating a “TCFD Team”



Leveraging existing work

- What climate-related data are you already capturing?
- What are you already disclosing?
- What structures/processes are already in place?

Existing climate-related standards and frameworks focused on enterprise value creation



Using CDP & CDSB together

- Reporting information in the mainstream need not be seen as daunting or novel.
- Emphasis is on what is material for enterprise value
- Those disclosing to CDP via the climate change questionnaire are already gathering much of the right data.
- CDSB Framework can act as a tool to support integration of CDP data into the mainstream report, to deliver TCFD-aligned disclosure.



Source: CDSB & CDP, The Building Blocks

What should we report first?

Phase 1: Foundation for TCFD Disclosures

The Task Force encourages companies to disclose information related to its Governance and Risk Management recommendations to provide investors and other with the context in which financial and operating results are achieved. The Task Force views such information as the foundation for effective climate-related financial disclosure.

Governance

- a Board's oversight of climate-related issues.
- b Management's role in assessing and managing climate-related issues.

Risk Management

- a Processes for identifying and assessing climate-related risks.
- b Processes for managing climate-related risks.
- c How these processes are integrated into overall risk management.

Enhancing disclosures

Phase 2: Enhancements and Additions

A company interested in enhancing or expanding its climate-related financial disclosures may find expert users' views on the most useful disclosure elements useful in prioritizing its implementation efforts. Once the foundation is laid, a company could focus on the "top ten" disclosure elements, which expert users, on average, rate as extremely useful.

Metrics and Targets

- a Key metrics used to measure and manage climate-related issues for past three+ years.
- b Scope 1 and 2 GHG emissions for past three+ years.
- c Climate-related targets related to GHG emissions, associated timeframes, and base year.
- c Key performance indicators used to assess progress against climate-related targets.

Governance

- a How the board considers climate-related issues in reviewing major capital expenditures, acquisitions, and divestitures.

Strategy

- a Material climate-related issues by sector and geography.
- b How these issues have affected business and strategy.

Disclosure on resilience

Phase 3: Enhancements and Additions of Strategy Resilience

Once a company discloses information aligned with the TCFD's four recommendations and has had time to explore the use of climate-related scenario analysis, it may be ready to disclose the resilience of its strategy under different climate-related scenarios and make further enhancements to existing areas of disclosure.

Metrics and Targets

- a How climate-related performance metrics are incorporated into remuneration policies.
- b Scope 3 GHG emissions for past three+ years.
- c Identification of climate-related targets as absolute or intensity based.
- c Methodologies used to calculate or estimate climate-related targets.

Governance

- a How the board considers climate-related issues when reviewing and guiding strategy.

Strategy

- a Timeframes (short, medium, or long term) associated with material climate-related issues.
- b How material climate-related issues have affected financial planning.
- b How climate-related scenarios inform strategy/financial planning.
- c Resilience of strategy to climate-related issues, including an indication of direction or range of potential financial implications.

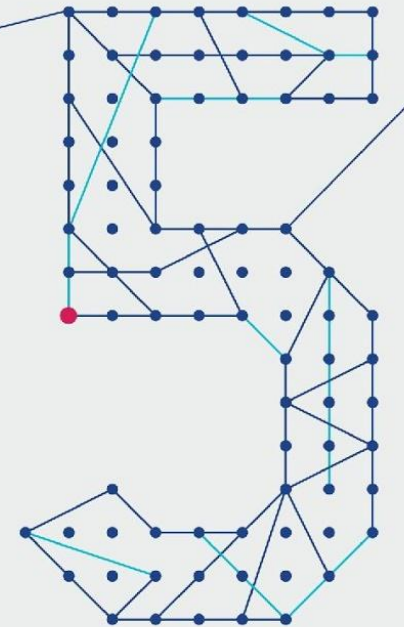
Risk Management

- a Whether company considers existing and emerging regulatory requirements related to climate change.

Q6: What key action will you take next to progress climate disclosure in your organisation?

- ❑ Establish a “TCFD team” internally
- ❑ Conduct a gap analysis of existing reporting
- ❑ Develop a roadmap for TCFD adoption
- ❑ Establish internal climate governance
- ❑ Not sure, ask me next week!

Interactive discussion exercise



Reflection exercise

- **Review your own company's current disclosure practices** and determine what phase of the three phases of the TCFD's phased plan you believe your company is currently at.
- Consider what **gaps exist** in the current climate-related disclosures of your company, and what steps should be taken internally to improve disclosures.
- **Drop in the chat what practical challenges** you may have to overcome in order to implement these first steps.
- You will have **10 minutes** to think about this and submit some comments in the chat, at which point we will begin discussing the challenges and how they could be overcome.

Phase 1: Foundation for TCFD Disclosures

Governance

Risk Management

Phase 2: Enhancements and Additions

Strategy

Metrics and Targets

Phase 3: Further enhancements and Additions of Strategy Resilience

Strategy: using scenario analysis to assess resilience

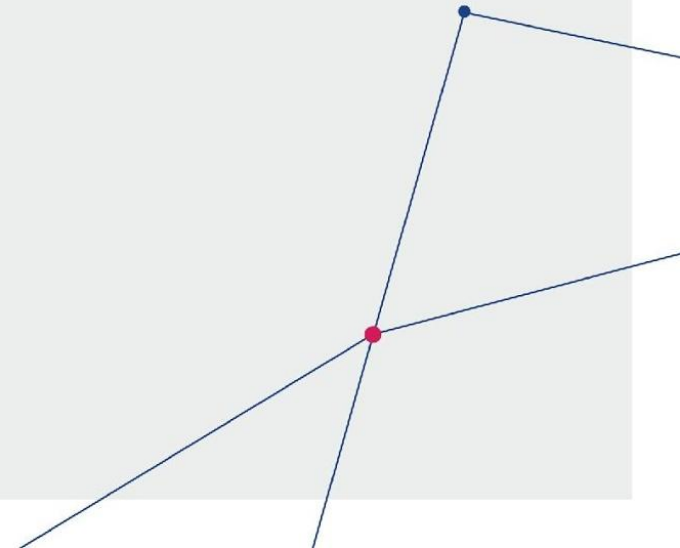
Governance

Risk Management

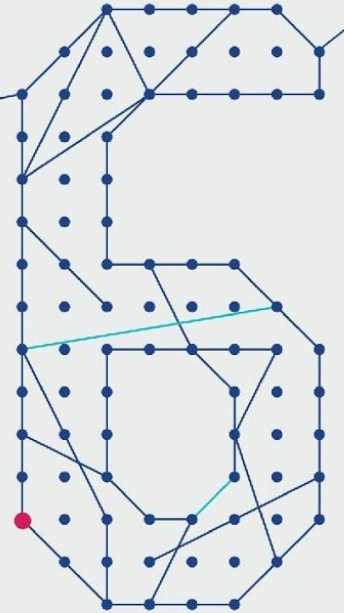
Metrics and Targets



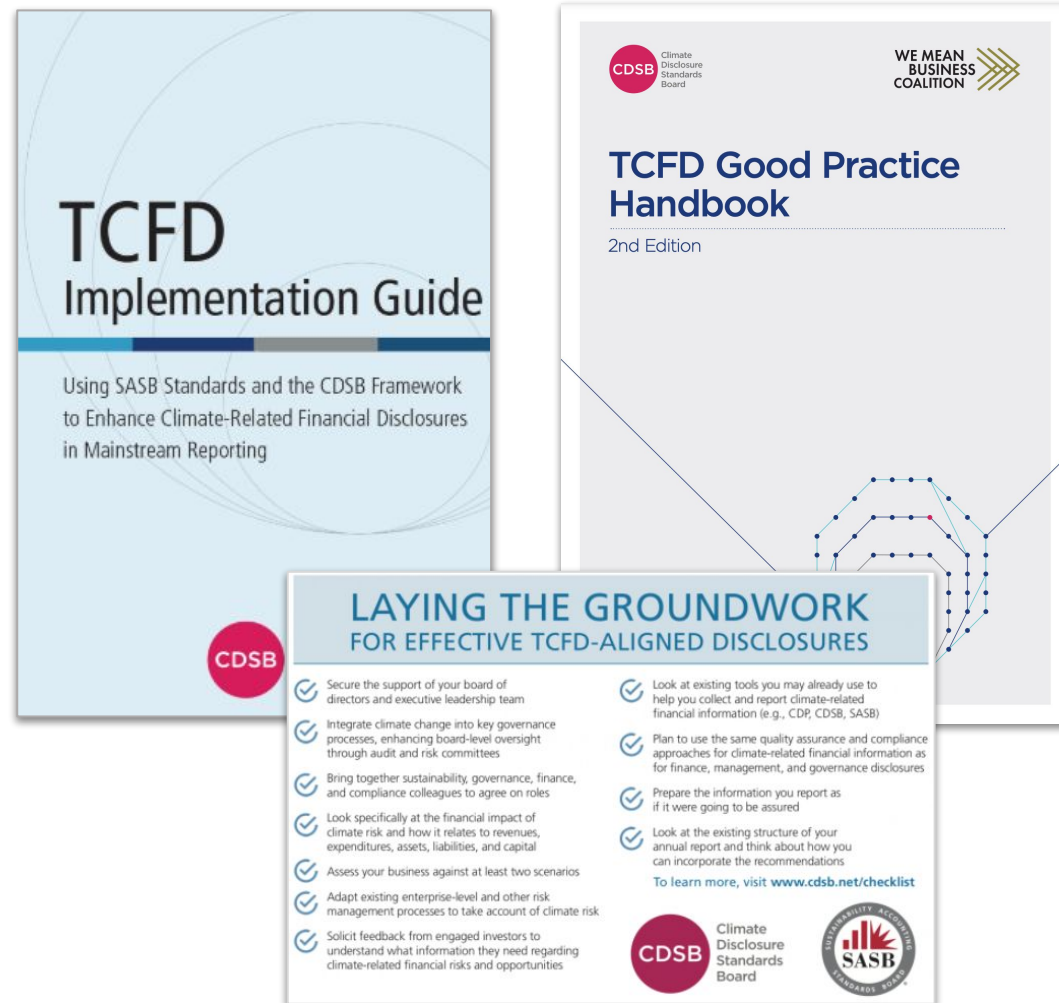
Discussion feedback



Support & resources available



TCFD resources



tcfdhub.org

TCFD Knowledge Hub

Find the resources you need to understand and implement the TCFD recommendations.

Start searching for resources below, or click [here](#) to learn about the TCFD recommendations. You can also click on the four themes below for more detail on the recommendations.

Governance

Disclose the organization's governance around climate-related risks and opportunities.

[Find out more here](#)

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.

[Find out more here](#)

Risk Management

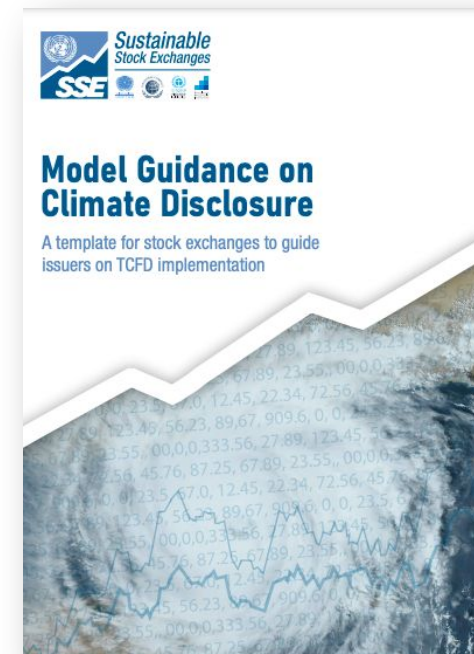
Disclose how the organization identifies, assesses, and manages climate-related risks.

[Find out more here](#)

Metrics & Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

[Find out more here](#)



IFC Disclosure and Transparency Program

Building ESG Disclosure & Transparency Standards in Emerging Markets

HOLISTIC APPROACH

BEYOND THE BALANCE SHEET

Enhancing Disclosure, Transparency & Communication

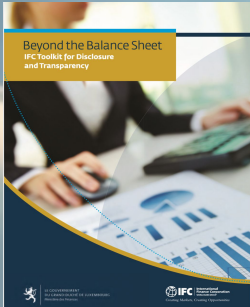
EXPLORE ▾ LEARN ▾ CREATE ▾ ASSESS ▾ CONNECT WITH US

IFC's "Beyond the Balance Sheet" toolkit and platform offers an ecosystem of resources and reporting tools to help emerging market organizations on their journey toward a more open and transparent communication of material environmental, social and governance (ESG) factors.

D&T FRAMEWORK

Helps disclose material aspects of:

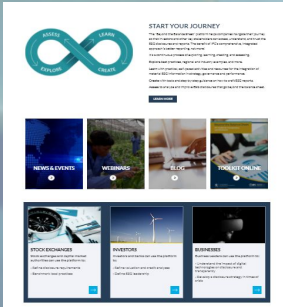
- Strategy & sustainability
- Corporate governance
- Financial & non-financial performance
- Streamlined all reporting frameworks



ONLINE PLATFORM



Facilitates continuous process:

- Exploring global, local, industry resources
- Self-paced learning modules, blended with webinars
- Creating via report generator and community of practice
- Assessing via annual report self-assessment tool



CAPITAL MARKETS

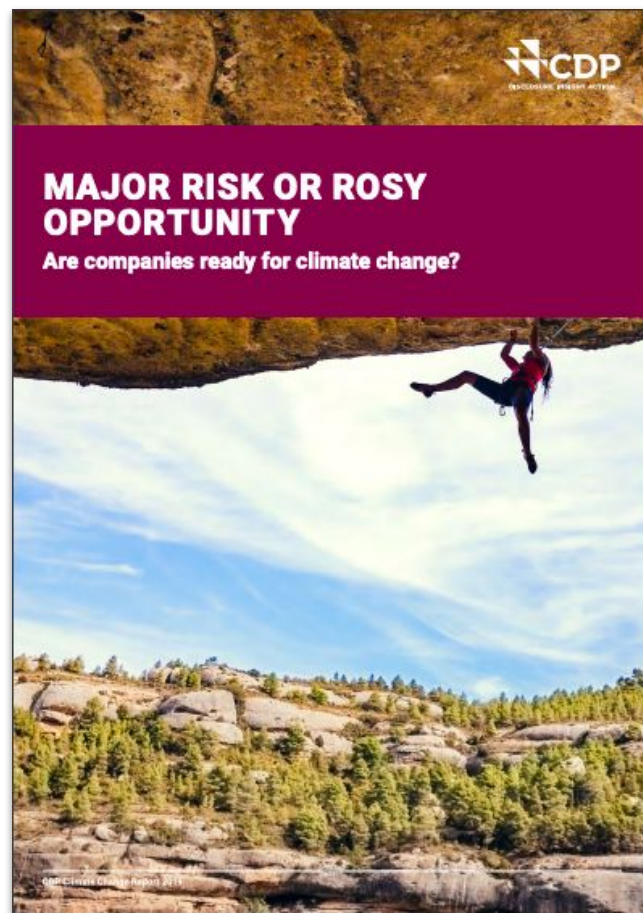
- Policy support to stock exchanges and regulators, developing 145 codes, laws, 30 scorecards and 10 ESG reporting guidelines
- Strategic partnership with UN SSE



Market and sector-specific resources



[Building on the Base: TCFD Disclosure in Asia](#)



[Major Risk or Rosy Opportunity](#)



[HKEX Guidance on Climate Disclosures](#)

The TCFD Training Programme

TCFD 102
August 31st, 2022
H. 15:00 (GMT + 8)



TCFD 102

*Live workshop: Building
experience in climate-related
financial reporting*

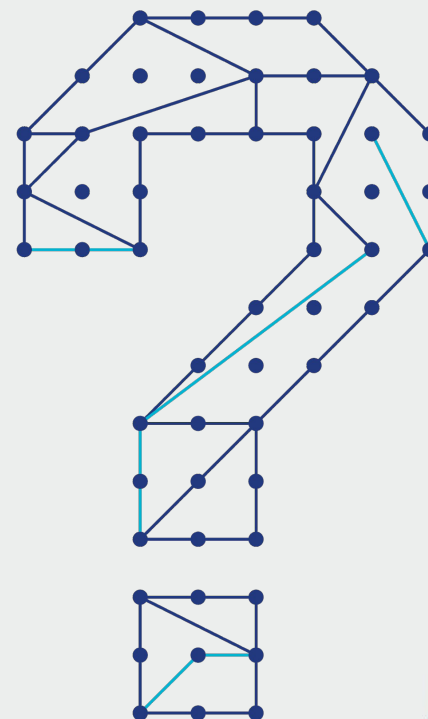
*By the end of the TCFD
102 workshop,
participants should:*

1. Build a **detailed understanding** of the TCFD recommended disclosures and how to achieve **practical implementation**.
2. Understand what **good practice** looks like, through **case studies**.
3. Identify the **internal processes** necessary to support climate risk & opportunity reporting, and how to overcome **common implementation challenges**.



Questions & comments

.....
Please raise your hand and you will be unmuted
when called upon, or use the chat function



Thank you for your participation!

- A short **feedback survey** will be shared in the chat and also issued to all attendees in follow up via email – please share your thoughts to help us continue to improve the training.
- Attendees of today's session will receive a **completion certificate** via the email address they registered for the session within the next week.
- This course is **CPD certified**, which means participants may be able to count their participation towards continuing professional development requirements for professional body memberships (e.g. Chartered Accountants, Auditors, etc.).



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Thank you to **HKEX** for coordinating this training event

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