

A photograph of two polar bears walking across a large, melting ice floe in the Arctic. The bears are white and appear to be moving from left to right. The ice is fragmented and surrounded by dark water, indicating a warming climate. The overall scene is somber and highlights the impact of climate change on the Arctic environment.

Videndum

**Task Force on  
Climate-related Financial  
Disclosures Index  
2021**

# Governance

| Topic  | Recommended disclosures   | Response  |
|--|---|---|
| Disclose the organisation's governance around climate-related risks and opportunities. | - Describe the board's oversight of climate-related risks and opportunities.                    | <p><a href="#">2021 TCFD Report</a> - Board-level oversight, p.8</p> <p>The Board provides oversight on climate-related risks and opportunities which have been integrated into the business strategy and targets.</p> <p>The roles and responsibilities of each Board member are outlined on page 9.</p> <p>The Board recognises the adverse impacts of climate change on wider society and believes everyone has a part to play to mitigate the long-term impacts.</p> <p>We are committed to enhancing our position as a sustainable business.</p>   |
|  | - Describe management's role in assessing and managing climate-related risks and opportunities. | <p><a href="#">2021 TCFD Report</a> - Executive responsibility, p.12</p> <p><a href="#">2021 TCFD Report</a> - Managing climate change, p. 13</p> <p>Executive responsibility for climate issues is held by the Group Chief Executive, Stephen Bird. Together with the Operations Executive and senior management, he ensures that climate-related risks and opportunities are integrated into existing business strategy. The responsibility for managing climate-related risks is delegated to senior management throughout the Group based on the classification of risk level at each site.</p> |

# Strategy

| Topic   | Recommended disclosures   | Response  |
|---|---|---|
| Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material. | - Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.                               | <p><u>2021 TCFD Report</u>- Climate-related risks and opportunities, p. 19-23</p> <p>We have identified the risks and opportunities associated with each of our three scenarios (&lt;2°C, 2-3°C, and &gt;3°C), and presented these in our 2021 TCFD report.</p> <p>We identified eight risks and two opportunities.</p>   |
|   | - Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.                        | <p><u>2021 TCFD Report</u> - Building climate resilience into our business strategy, p.15 -23</p> <p>Videndum has an established strategy and purpose. To ensure business longevity, we have worked to understand the impact of climate change on the Group's operations, strategy and financial planning. Adopting the TCFD recommendations within our existing risk management processes has enabled Videndum to develop a climate-risk impact framework.</p> |
|   | - Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. | <p><u>2021 TCFD Report</u> - Building climate resilience into our business strategy, p.15 -23</p> <p>Consistent with the TCFD recommendations, we consider a range of scenarios to assess the impact of climate change on our organisation. The scenarios model warming pathways from the best-case global warming scenario below 2°C to the worst-case scenario above 3°C.</p> <p>The outcomes from the scenario analysis are presented on pages 19-23.</p>    |

# Risk Management

| Topic  | Recommended disclosures   | Response   |
|--|---|--|
| Disclose how the organisation identifies, assesses, and manages climate-related risks. | - Describe the organisation's processes for identifying and assessing climate-related risks.  | <p><a href="#">2021 TCFD Report</a> - Climate risk management, p.25-26</p> <p>Step 1: identifying risks<br/>We identified risks through stakeholder engagement and climate risk management workshops held across our Divisions. Stakeholders were engaged in sharing their local knowledge of the region and Videndum. The Group's decentralised structure across the three Divisions enables us to manage climate-related issues on a location basis. The workshops addressed the relevant climate conditions and potential impacts of transition and physical risks to each site. In total, eight climate-related risks and two opportunities were identified.</p>   |
|  | - Describe the organisation's processes for managing climate-related risks.   | <p><a href="#">2021 TCFD Report</a> - Climate risk management, p.25-26<br/><a href="#">2021 TCFD Report</a> - Climate-related risk mitigation p.27-29</p> <p>Step 4: addressing risks<br/>We addressed each risk and opportunity, and controls were implemented to prevent, reduce or mitigate downside risks, or increase the likelihood of opportunities. As with our existing risk management process, we identify an initial risk level and a final risk level once our controls are implemented for each issue. We recognise that residual risks will remain and communicate this across the business. Our management teams and Group Risk Assurance Manager will annually review climate-risk exposure against business risk level tolerances.</p> |
|  | - Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management. | <p><a href="#">2021 TCFD Report</a> - Climate risk management, p.25-26<br/><a href="#">2021 TCFD Report</a> - Climate-related risk mitigation p.27-29</p> <p>As climate change is classified as a principal risk, the Board has ultimate responsibility for climate-related risks and opportunities. We have a well-established framework for assessing our risks and assigning mitigation actions from years of development in a competitive business landscape. We have embedded the TCFD recommendations within our risk management process. The transition and physical risks frame the problem of climate change, and climate scenarios contextualise the potential impacts over time on our operations.</p>  |

## Metrics and targets

| Topic  | Recommended disclosures  | Response   |
|--|--|--|
| Disclose how the organisation identifies, assesses, and manages climate-related risks. | - Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process. | <p><u>2021 TCFD Report</u> - Measuring and managing our climate impact, p.31-37</p> <p>We have been measuring and reporting on our energy usage, associated emissions, energy efficiency action and energy performance for the Group since 2018 under the government policy Streamlined Energy &amp; Carbon Reporting (“SECR”). In addition, we have set several ambitious targets to manage climate-related risks and opportunities described on pages 19 to 22 of the 2021 TCFD Report, and reduce our impact on the environment, such as becoming carbon neutral for Scope 1 and 2 by 2025, net zero for Scope 1 and 2 by 2035, and net zero for Scope 3 by 2045.</p> |
|  | - Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.   | <p><u>2021 TCFD Report</u> - Reducing our greenhouse gas emissions, p.32-33</p> <p>Reducing the Group's carbon footprint is a priority for Videndum. We engage external specialists to determine our carbon emissions to ensure accuracy, using the Greenhouse Gas Protocol as the basis of the calculations for our Scope 1, 2 and 3 emissions.</p> <p>Full figures can be found within the carbon balance sheet on page 33 of the 2021 TCFD report.</p>  |
|  | - Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.                       | <p><u>2021 TCFD Report</u> - Our targets, p.34-35</p> <p>Our carbon reduction and additional environmental targets are presented within the 2021 TCFD report.</p>  |





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