

Appendix A

TCFD Recommendations & Application to Oakville

The TCFD recommendations represent a multiyear, phased opportunity for the Town to begin disclosing, assessing, responding to, and ultimately quantifying climate-related financial risk and opportunities.

TCFD Core Area	TCFD Recommended Actions (adapted for municipalities)	Manifest's TCFD Criteria (more granular view of TCFD Recommendation)
<p>Governance</p> <p>The Town's governance around climate-related risks and opportunities</p>	<p>Describe the mayor and council's oversight of climate-related risks and opportunities</p> <hr/> <p>Describe management's role in assessing and managing climate-related risks and opportunities.</p>	<ol style="list-style-type: none"> 1. Establish a regular cadence for the Board review of climate-related matters 2. Assign clear responsibility for climate oversight with Board members that have the right expertise 3. Integrate climate-related matters into key areas of Board/Board Committee decision-making 4. Ensure the Board and Management have, or have access to, the competencies needed to engage on climate matters 5. Set up a documented process to govern the Board's oversight of climate-related risks, opportunities, goals and targets 6. Delegate appropriate and clear authority to promote management-level authority on climate matters
<p>Strategy</p> <p>Disclosing potential impacts of climate-related risks to the Town</p>	<p>Describe climate-related risks and opportunities over the short-, medium-, and long-term</p> <hr/> <p>Describe the impact of climate-related risks and opportunities on the strategy and financial planning of the town</p> <hr/> <p>Describe the resilience of the town's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario</p>	<ol style="list-style-type: none"> 1. Identify the climate-related opportunities behind which the organization and its business units can align 2. Understand which climate-related risks matter across short, medium and long-term time horizons 3. Integrate the impact of climate-related risks and opportunities into business, strategic, and finance matters 4. Conduct climate-related scenario analysis to test the resilience of the organization's climate strategy 5. Develop a comprehensive transition plan to respond to climate-related risks and opportunities and to meet climate-related targets or goals
<p>Risk Management</p> <p>How the Town identifies, assesses, and manages climate-related risks</p>	<p>Describe the town's processes for identifying and assessing climate-related risks</p> <hr/> <p>Describe the town's processes for managing climate-related risks</p> <hr/> <p>Describe how processes for identifying, assessing and managing climate-related risks are integrated into the town's overall risk management</p>	<ol style="list-style-type: none"> 1. Develop processes and tools to identify and assess climate-related risks 2. Understand the different types of climate-related risks the organization is facing, using an industry-accepted taxonomy 3. Set up a process to manage climate-related risks, factoring in the impact of such risks relative to other business risks 4. Integrate processes to identify, assess and manage climate-related risks into the organization's risk management system
<p>Metrics and Targets</p> <p>Detailing and measuring expectations on the Town's climate-related risks</p>	<p>Disclose the metrics used by the town to assess climate-related risks and opportunities in line with its strategy and risk-management process</p> <hr/> <p>Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions and the related risks</p> <hr/> <p>Describe the metrics used by the town to manage climate-related risks and opportunities as well as performance against targets</p>	<ol style="list-style-type: none"> 1. Use metrics to measure climate-related risks and opportunities, and use historical data to identify trends 2. Incorporate climate-related performance metrics into remuneration policies 3. Develop climate-related targets to effect organizational change 4. Establish an organizational understanding of carbon offsetting, including how offsets play into climate-related targets 5. Identify and document organizational methodologies for climate-related metrics and targets 6. Document the organizational process of conducting climate-related materiality assessments