

Task Force on Climate-Related Financial Disclosures Index 2022



Governance

Topic	Recommended disclosures	Response
Disclose the organisation's governance around climate-related risks and opportunities.	a. Describe the Board's oversight of climate-related risks and opportunities.	<p>2022 TCFD Report – Climate governance, p. 10.</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 11.</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>
	b. Management's role in assessing and managing climate-related risks and opportunities.	<p>2022 TCFD Report - Executive responsibility, p. 14.</p> <p>2022 TCFD Report - Managing climate change, p. 15.</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.</p> <p>The responsibility for managing climate-related risks is delegated to senior management throughout the Group. The Group Risk Assurance Manager coordinates the work between the ESG Committee and Divisional management across the business to ensure that climate risks and opportunities are identified, the potential impacts are accurately reported and risk mitigation measures are adopted.</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.	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	<p>2022 TCFD Report – Climate-related risks and opportunities, p. 20 - 26.</p> <p>We have identified the risks and opportunities associated with each of our three scenarios (<2°C, 2-3°C, and >3°C), and presented these in our 2022 TCFD report.</p> <p>We identified ten risks and four opportunities.</p>
	b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	<p>2022 TCFD Report – Climate resilient business strategy, p. 17 - 26.</p> <p>Videndum has a well-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>
	c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<p>2022 TCFD Report – Climate resilient business strategy, p. 17 - 26.</p> <p>Consistent with the TCFD recommendations, we consider a range of scenarios to assess the impact of climate change on Videndum. The scenarios model warming pathways from the best-case global warming scenario below 2°C to the worst-case scenario above 3°C. Details of our climate scenario analysis can be found on page 18.</p>

Risk Management

Topic	Recommended disclosures	Response
Disclose how the organisation identifies, assesses, and manages climate-related risks.	a. Describe the organisation's processes for identifying and assessing climate-related risks.	<p>2022 TCFD Report — Climate risk management, p. 28 - 29.</p> <p>We identified risks through research, 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. We assessed each risk and opportunity using our climate scenario analysis, accounting for the full range of each one's potential impact. The financial impact of risks was assessed and considered where possible.</p>
	b. Describe the organisation's processes for managing climate-related risks.	<p>2022 TCFD Report — Climate-related risks and opportunities, p. 20 - 26. 2022 TCFD Report — Climate risk management, p. 28 - 29.</p> <p>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>
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	<p>2022 TCFD Report — Climate risk management, p. 28 - 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
<p>Disclose how the organisation identifies, assesses, and manages climate-related risks.</p>	<p>a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.</p>	<p>2022 TCFD Report – Metrics and Targets, p. 31 - 40.</p> <p>We use a wide variety of metrics, to measure climate-related impacts. These metrics consist of Videndum's GHG inventory, including the Group's Scope 1, 2 and 3 carbon emissions. Our emissions reduction pathway is aligned with the Paris Agreement 1.5°C warming scenario. Videndum's other environmental indicators on energy efficiency measures, waste reduction, water consumption, product sustainability and supply chain integrity, contribute towards mitigating some transition and physical risks.</p>
	<p>b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p>	<p>2022 TCFD Report – Reducing our greenhouse gas emissions, p. 32 - 36.</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>Videndum's full carbon balance sheet can be found on page 36 of the 2022 TCFD report.</p>
	<p>c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.</p>	<p>2022 TCFD Report – Carbon reduction targets, p. 37 - 38.</p> <p>Our carbon reduction and additional environmental targets are presented within the 2022 TCFD report. We have also detailed our transition plan on page 7.</p>

A full-page background image featuring a winter landscape with snow-covered mountains and a frozen lake. In the foreground, a splash of clear water is captured in motion, creating a dynamic contrast with the cold, blue-toned scene.

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