

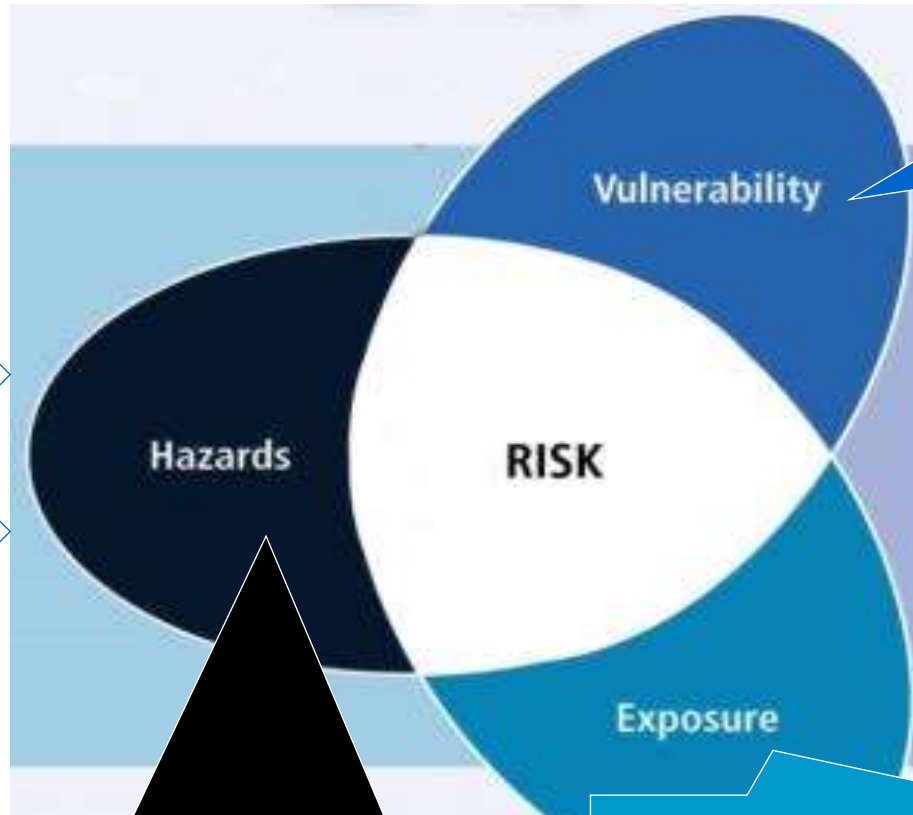
How your organisation can manage its response to climate change risks

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Risk of climate-related impacts results from the interaction of climate-related hazards with the vulnerability and exposure of human and natural systems



The propensity to be adversely affected

Natural climate variability

Anthropogenic climate change

The potential occurrence of a natural or human-induced physical event / trend / impact ...
... that may cause loss of life, injury, damage, loss

Presence of people / species / ecosystems ...
... in settings that could be adversely affected

1. Identify and scope risks

Identify and scope risks:

- Pull together current information on nature of risks;
- Assess vulnerabilities, adaptive capacities and enabling/constraining factors;
- Assess potential **impact** of risks;
- Assess perception of risks and current responses



Forecast range of future climate change parameters for each company location:

- Temperature
- Rainfall & rainfall intensity

Establish impacts of climate change on sectors of the company's operating environment:

- Water
 - Human health
 - Biodiversity
- (as per SA LT Adaptation Scenarios)*

Establish impacts on operations & infrastructure:

- Operations
- Value chain: Upstream incl. suppliers
- Value chain: Downstream incl. customers
- Value network *

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Location of risk			
	Operations	Value chain	Value network *
Short-term = 1 year			
Medium-term = 5 -10 years			
Long-term = 25 years			

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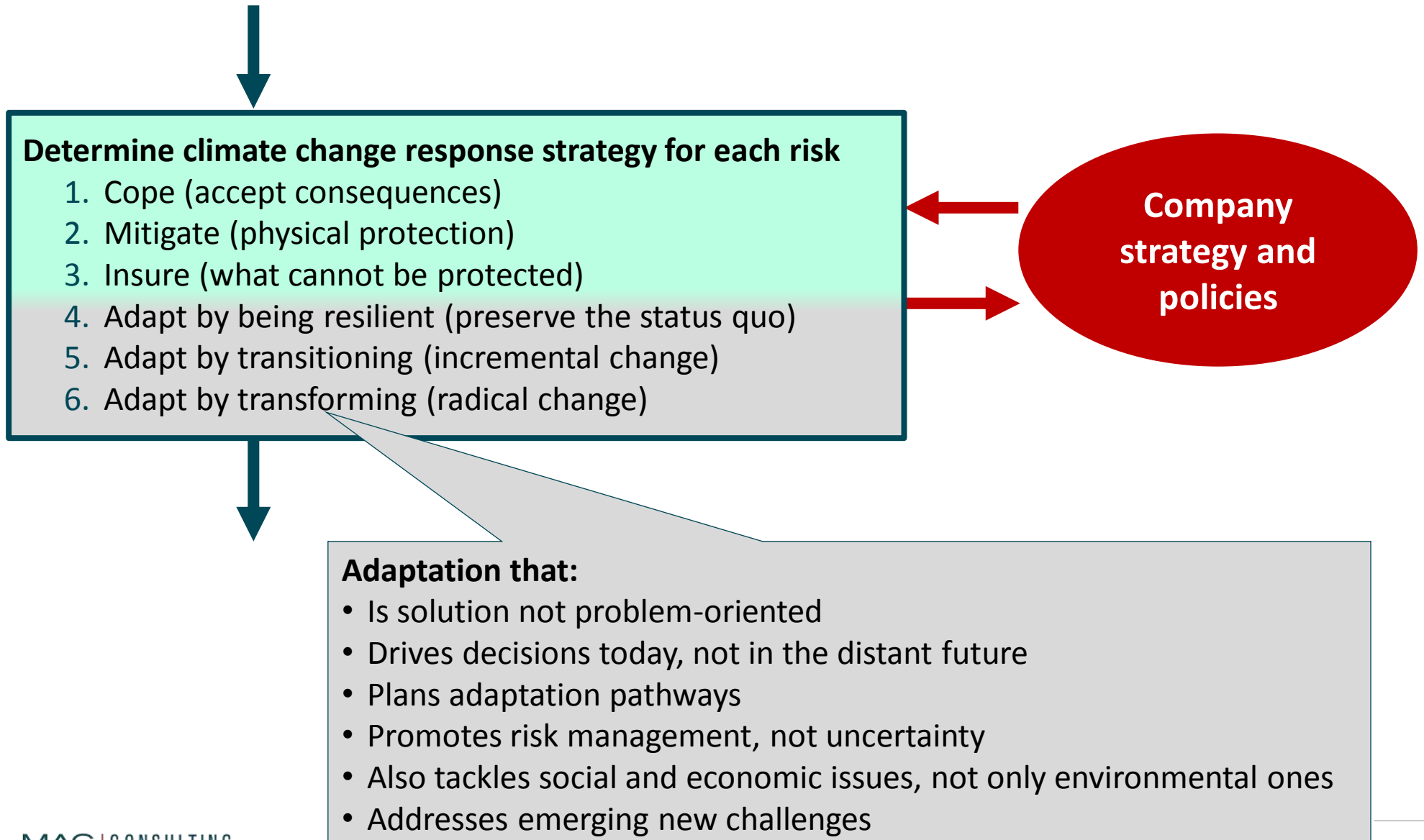
2. Build a shared understanding

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Build a shared understanding of each risk and its potential impact and the potential strategies for addressing each risk

3. Determine climate change response strategy for each risk



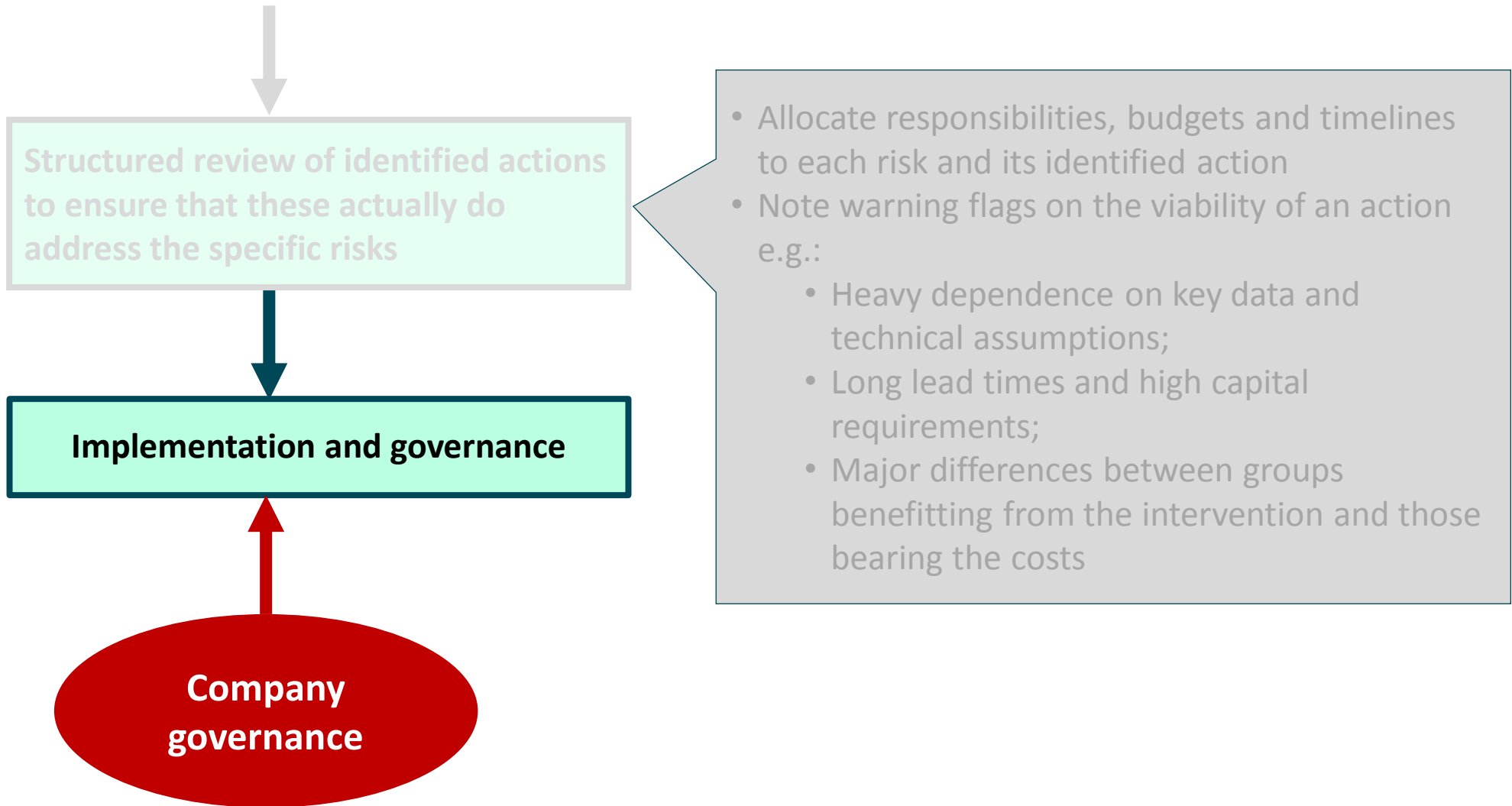
4. Hold a structured review of identified actions



Structured review of identified actions
to ensure that these actually do
address the specific risks

- Allocate responsibilities, budgets and timelines to each risk and its identified action
- Note warning flags on the viability of an action e.g.:
 - Heavy dependence on key data and technical assumptions;
 - Long lead times and high capital requirements;
 - Major differences between groups benefitting from the intervention and those bearing the costs

5. Implement and ensure governance



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