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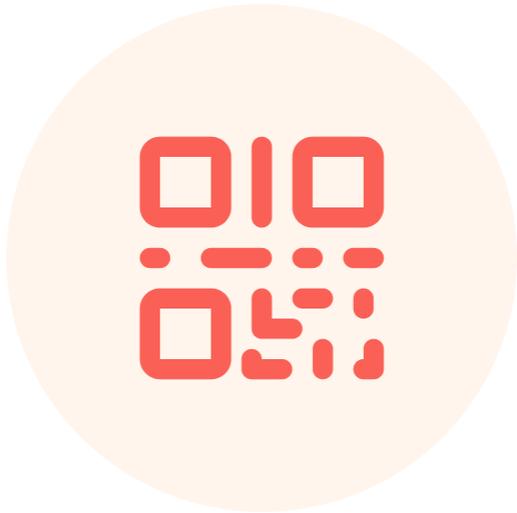


Identification and Measurement of Climate Change Impact on Credit

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Daniel Mikkelsen, Senior Partner, McKinsey

March, 2023

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What is the main driver for integration of climate assessment into credit

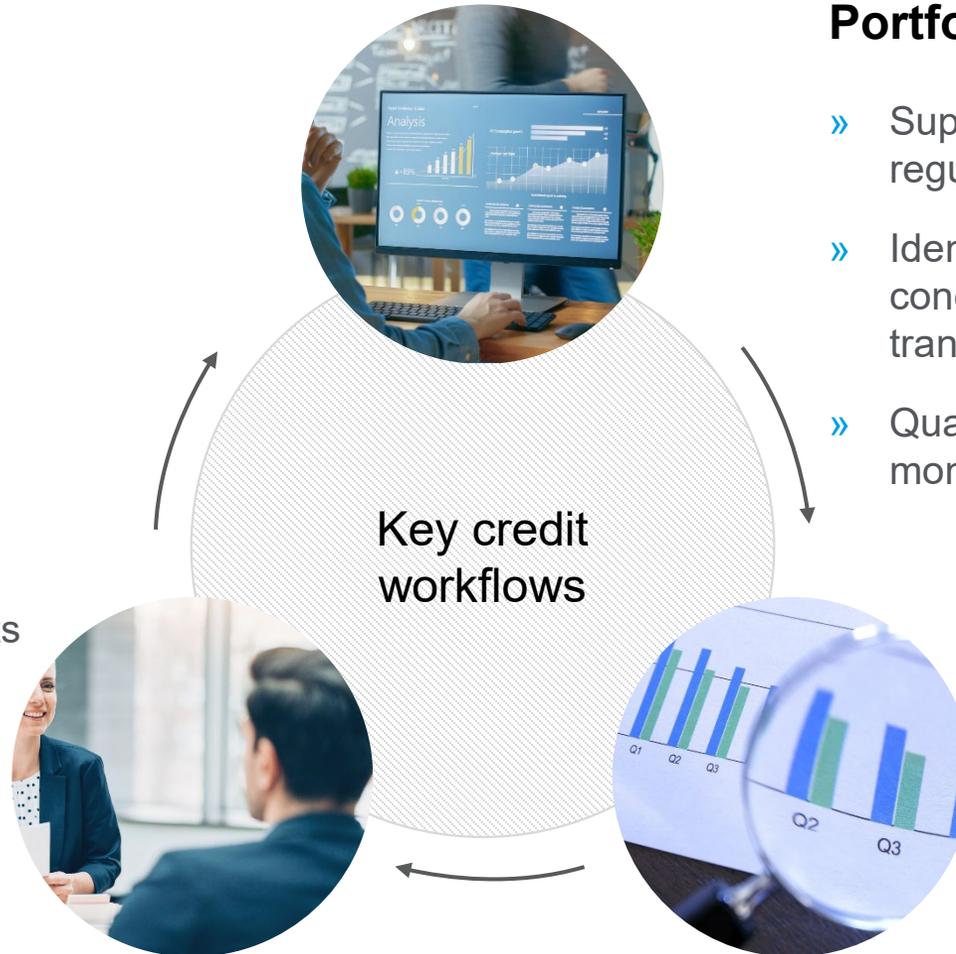
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Priority credit workflows for climate

Lending.

Support better loan decisions by considering climate effects.

- » Climate risk exposure of counterparties
- » Sustainable financing opportunities
- » Alignment with net zero targets
- » Impact in loan pricing



Portfolio planning.

- » Support execution of internal and regulatory stress tests
- » Identify vulnerabilities and risk concentrations, support development of transition plans and target setting
- » Quantify climate risk appetite metrics and monitor portfolio performance.

Disclosures.

- » Track, monitor and align with Climate regulatory and voluntary disclosures.
- » Facilitate consistency, accuracy, quality and speed of reporting against various reporting and disclosure requirements.

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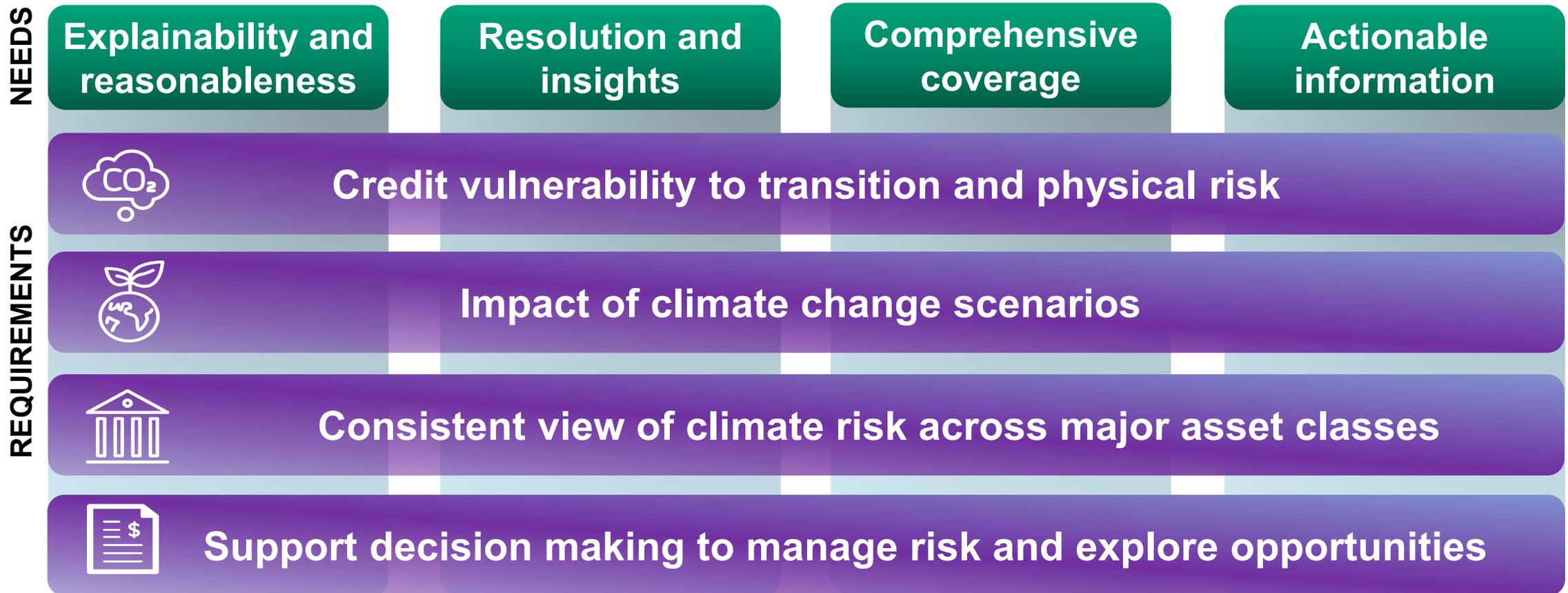


What do you see as the top hurdles in incorporating climate considerations into credit assessment?

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Needs and requirements for a climate capability

Support identification, measurement and management of climate change impact on credit



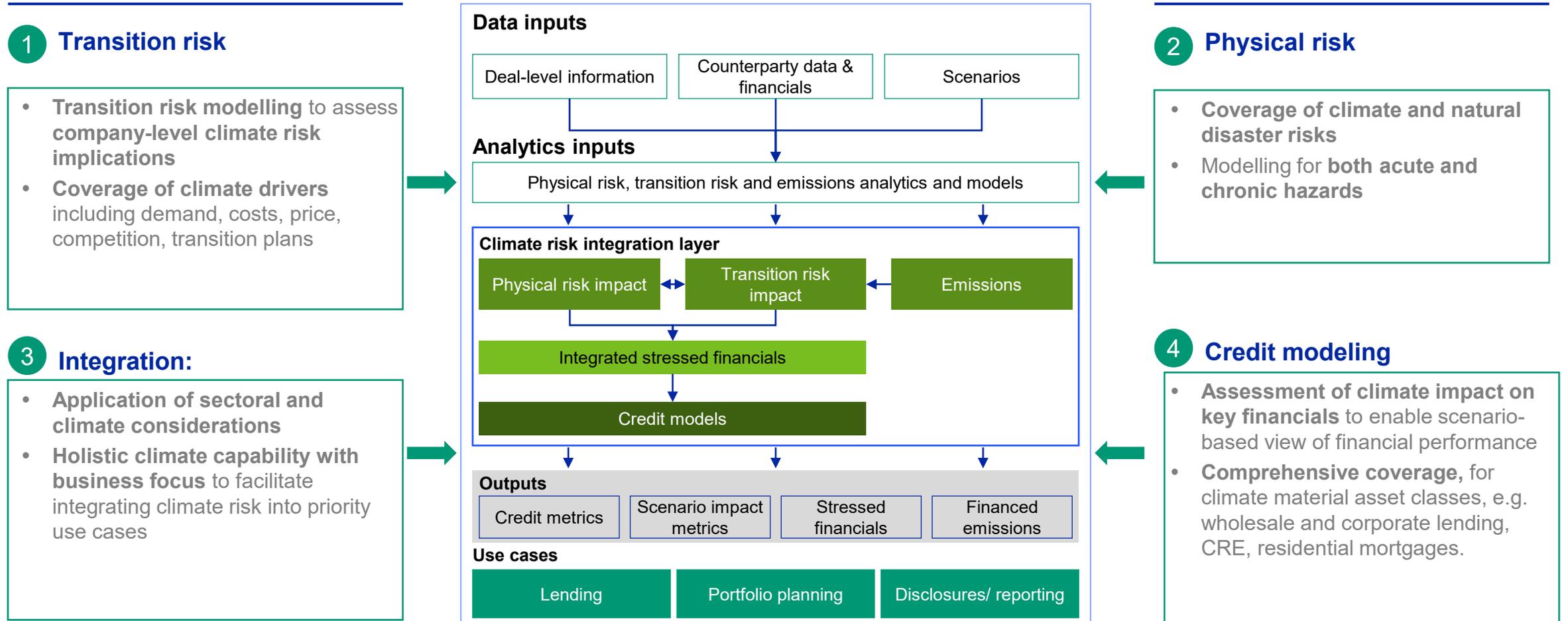
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What is the degree of climate analytics and tool advancement in your organisation?

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Embedding climate as a capability



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How embedded is climate into your credit processes?

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