

Climate Risk Disclosure for Banking

Both the Office of the Comptroller of the Currency (OCC) and the Federal Deposit Insurance Commission (FDIC) have issued proposed policies for regulated banks to understand and manage exposure to climate-related financial risks. To date, disclosure has largely been voluntary; however, with the proposed adoption of the SEC's Climate Risk Disclosure Rule, and financial standards under consideration by other organizations, disclosure may soon be mandatory.

Water related climate risk is a significant and growing concern. According to the United Nations Environment Programme, "Most of the impacts of climate change, including natural disasters, are felt in the hydrological cycle - and their frequency and magnitude are expected to increase in coming years. Over 90 per cent are water-related, including drought, flood and tropical storms, with significant impact on societies and economies."

Is Your Company Ready?

True Elements is your dedicated partner providing the deep, clear water intelligence you need for the solutions you want

True Elements clarifies water and watershed complexity to help bankers, lenders and asset managers evaluate portfolio risks, and help their portfolio companies get ready for mandatory climate related disclosures. Through easy to use, cost effective tools accessed through a single convenient platform, we help decision makers understand their localized water related climate risks so they can implement governance and other procedures to manage those water and climate challenges.

True Elements applies a sophisticated, patent pending scientific and AI lens to multiple layers of disparate watershed data to produce: **deeper, clearer, more holistic insights into watershed dynamics and risks; and reliable water quality and quantity forecasting.**

The Solution

True Elements is the specialist and leader in providing deep, clear water intelligence for bankers, lenders, portfolio, and asset managers who need to understand water related climate risk more fully for accurate disclosure and reporting. Our Water Risk Management Solution provides holistic assessment of water quality and quantity risk to current and future operations, supply chains, asset investments and valuations, reputational risk, and risk of inaction. Through clear, easy to understand and use mapping, indexing, scoring, and visualizations, True Elements' Water Risk Management Solution allows easy, fast, accurate and complete regulatory reporting and shareholder disclosures.



Principle	FDIC Guidance	How True Elements' Solutions Can Help
Governance	Demonstrate understanding of climate related financial risk exposures and their impact on banks	Digital Watershed Analysis Suite provides easy, complete, and accurate data driven insights to help decision makers better understand watershed dynamics and water related climate risks on the local, regional, and national levels
Policies, Procedures, and Limits	Incorporate climate-related risks to provide guidance on the bank's approach to these risks in line with strategy and board direction	Water Risk Assessment Solution provides holistic assessment of water quality and quantity risk to current and future operations, supply chains, asset investments and valuations, reputational risk, and risk of inaction to help banks incorporate water related climate risk into business planning and decision-making
Strategic Planning	Consider material climate-related risk exposures when setting strategies and plans	As part of the Water Risk Assessment Solution, True Elements' Climate Risk Calculator provides deep, clear water intelligence on current and future asset risk to support strategic and business operations planning
Risk Management and Scenario Analysis	Employ comprehensive process to identify emerging and material risks, including climate-related financial risks under various scenarios and time horizons	True Elements' solutions provide lenders greater insight into existing and emerging material risks by mapping and quantifying asset risk based on asset building year and storm recurrence interval to determine infrastructure risk based on changing weather patterns to 50+ years
Data, Risk Measurement and Reporting	Adopt effective risk data aggregation and reporting capabilities to capture and report material and emerging climate-related financial and physical risk exposures	True Elements' unique combination of expertise and technical capabilities fuses vast data collection, automated data aggregation and normalization, and dimensionalized data layers and synergies to maximize analysis and forecasting accuracy and create decision making clarity through indexing and scoring. True Elements can blend private and public data to create customized views and greater understanding of specific climate-related risk exposure.

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