

Three Steps to Get Started in Managing Climate Risk

Keith Bryan (keith.bryan@bsigroup.com) (BSI Group America, Herndon, VA, USA)

Monika Serrano (mserrano@tcco.com) (Turner Construction Company, Belle Mead, NJ, USA)

Background/Objectives. What climate-related risks are present in the built environment, and how do we start to measure and manage them effectively? Climate change is arguably the most important issue facing the built environment sector today, and one for which building owners and managers must dedicate significant attention. In addition to typical risk management practices, asset managers must now integrate an ever-changing climate risk profile into long-term resilience planning, scoping the anticipated effects of climate change into the resilience planning of their real-property portfolios.

Approach/Activities. We will lead the audience through the topic of climate risk management, beginning with an overview of the key concepts and industry drivers, and finalizing with real-world examples and an actionable framework that participants can use to get started.

We will begin by providing an overview of the high-level concept, industry drivers, and different types of climate-related risks and opportunities as defined by the Task Force on Climate-Related Financial Disclosure (TCFD), differentiating between physical and transition risks. The audience will be given examples of the potential impacts of the various risk factors to aid in understanding the broad spectrum of potential consequences from climate risks, and the varied concerns of organizations based on location, industry, supply-chain, etc.

We will then discuss various industry-accepted assessment frameworks and methodologies before covering risk mitigation techniques based on select individually identified risk-profiles. Participants will be provided with examples of risk mitigation approaches to aid in understanding of effective approaches based on specific climate-related risk factors.

Finally, attendees will be provided with a simple three-step framework to illustrate how any organization can identify the specific climate related risk factors impacting its operations, develop approaches to mitigate those risks, and understand the necessary methods to disclose climate risk to stakeholders.

Time will be allocated for Q&A.

Results/Lessons Learned.

Attendees will leave this session with an overview understanding of climate risks, plus immediate next steps that they can incorporate to assess, mitigate and report risks present within their organization. The focus of the presentation will be on providing the audience with actionable information, and upon completion attendees should understand how to:

1. Define climate risk within the built environment
2. Differentiate between physical and transition climate risk
3. Identify frameworks for climate risk assessment
4. Distinguish between industry drivers for climate risk assessment and disclosure
5. Take the first steps to manage climate risk