



LEARNING AND DISCUSSION POINTS ON THE EFFECTS OF CLIMATE CHANGE RISK ON MARYLAND FINANCIAL INSTITUTIONS

1. What are your views on the financial risk impact of climate change to your institution and how would you manage such risks?
2. What kind of climate-related financial risks disclosures (if any) do financial institutions in your local business area make, such as governance, strategy, risk management, and/or metrics and targets? Please explain if these disclosures are voluntary or a result of regulatory expectations or requirements.
3. What policies or guidance have been implemented that is dedicated to the governance, strategy, and risk management of climate-related financial risks?
4. What specific challenges or barriers do you envision preventing the institution from actively considering climate-related risks?
5. What are some of the climate-related risks (if any) that are specifically incorporated in your day-to-day operation of the institution?
6. What climate-related risks has management raised in discussions with your counterparts or through public information sharing channels?
7. What kind of climate change research or investigation has your institution conducted relative to the measurement of climate-related financial risks that may impact your institution, including analytical tools and/or models?
8. What kind of climate-related risks mitigation strategies (if any) has your institution factored, or considering to factor, into its safety, soundness, and stability?
9. What other initiatives (if any) are underway in your institution on climate-related risks?

SELF-ASSESSMENT QUESTIONS

1. What is our overall exposure to climate change?
2. What specific methods or techniques can we adopt to measure our climate-related risks?
3. What measures can we carry out to monitor our exposure to climate risks?
4. What kind of management information concerning our exposure to climate risks do we regularly provide the board and senior management?
5. What kind of mitigation strategies do we implement to minimize or control the impacts of climate risks?
6. Which regulated entities (banks/credit unions/trust companies) and local government areas warrant our heightened attention and focus?
7. How exposed are our regulated entities and local government areas to a carbon or fossil fuels tax intended to reduce the emission of carbon dioxide?
8. How susceptible are our data centers and other critical services to extreme weather?
9. What can we do to take advantage of the opportunities from climate change?
10. For proper risk management processes, what kind of measures can we adopt to understand and identify our exposures to climate risks?
11. What kind of performance targets or indicators does the institution use to measure and monitor its performance in managing climate risks?
12. With respect to climate change risks, what kind of resources or staff capacity should we seek to ensure adequate staffing size and appropriate skills level?
13. Within our organization, which governing body has the oversight responsibility to measure and manage climate change risks (Board of Directors/Executive Committee/Risk Management Committee)?
14. Who is the contact person for climate change risks management within our institution?

15. If this position or function is at the senior management level, which governing body will this position report to and how often (monthly/quarterly/annually)?
16. Do we incorporate climate-related risks into our corporate strategic planning process?
17. Do we incorporate climate-related risks into our business and financial plans?
18. Do we conduct scenario analysis to assess the impact of climate-related risks, both physical risks and transition risks?
19. Other than the scenario analysis, do we incorporate climate-related risks in our stress testing exercise?
20. Do our lending and investment policies make any specific reference to climate risks?
21. Do our products and services make any specific reference to climate risks?
22. Do we seek to enhance our data management framework (including data collection and processing) to support our approach to managing climate risks?
23. Do we disclose information following recommendations and supplementary guidance published by the FSB's Task Force on Climate-related Financial Disclosure?
24. Other than the disclosures, do we communicate, both internally and externally, our approach to managing climate risks?