

# TCFD Alignment

Decarbonization has been central to our strategy and has been driving growth and innovation for more than 15 years. Our Climate Commitment builds on our strong track record with our vision to achieve net-zero CO<sub>2</sub> emissions by 2050. We've set clear carbon reduction goals along the way. We have also been assessing physical climate risks and determining both short- and long-term business impacts. Emera is aligned with the [Task Force on Climate-related Financial Disclosures \(TCFD\) Recommendations](#) as one way to track the disclosure of our commitment and our ongoing efforts to address climate change.

	Current State	Future State	Learn More on How We Align
Governance	<ul style="list-style-type: none"> <li>Our Board oversees management's approach to addressing Emera's Environmental, Social and Governance (ESG) impacts, risks and opportunities, including climate change, which are most important to our business performance and to our key stakeholders</li> <li>Emera recently established an executive-led Sustainability Management Committee, chaired by Emera's CEO, which provides an integrated approach for overseeing our ESG risks and opportunities, including climate change, across our business</li> </ul>	<ul style="list-style-type: none"> <li>Continue with existing governance structure</li> <li>Provide regular ESG action plan updates to the Board</li> </ul>	<p><a href="#">2020 Annual Report</a>, pages 53-62</p> <p><a href="#">Management Information Circular 2021</a>, pages 28-32, 41-42</p> <p><a href="#">Board of Directors Charter</a></p> <p><a href="#">2020 Sustainability Report</a>, pages 12-15, 27</p> <p><a href="#">2020 GRI and SASB Content Index</a>, GRI 102-18, 19, 20, 26, 27, 29, 31, 32, GRI 103</p> <p><a href="#">2021 CDP Climate Change Submission</a>, C.1.1, C1.1a, C1.1b, 1.2, 1.2a</p>
Strategy	<ul style="list-style-type: none"> <li>Emera is a leader in decarbonization and has a strategic priority to advance cleaner energy towards our Net-Zero Vision</li> </ul>	<ul style="list-style-type: none"> <li>Continue to advance our strategy</li> <li>Continue to enhance our disclosure on the short-, medium- and long-term time horizons we use to evaluate climate-related risks and opportunities</li> <li>Build on work from our affiliate-level Integrated Resource Management Plans</li> <li>Continue to integrate our Climate Risk Adaptation Framework into existing risk processes, including climate-related scenario analysis</li> </ul>	<p><a href="#">2020 Annual Report</a>, pages 1-8, 20-27, 53-62</p> <p><a href="#">Management Information Circular 2021</a>, pages 1-3, 41-42</p> <p><a href="#">2020 Sustainability Report</a>, pages 12-15, 27</p> <p><a href="#">2020 GRI and SASB Content Index</a>, GRI 102-15, GRI 201-2, SASB IF-EU-110a.3</p> <p><a href="#">2021 CDP Climate Change Submission</a>, C2.1a, 2.3, 2.3a, 2.4, 2.4a, 3.1, 3.2, C.3.2a, C3.3, C3.4</p> <p>Integrated Resource Plans: <a href="#">Nova Scotia Power</a>, <a href="#">Tampa Electric</a></p>
Risk Management	<ul style="list-style-type: none"> <li>Material enterprise risks, such as climate change, are managed by our Board. Emera's Enterprise Risk Management Committee (ERMC) is comprised of Emera business leaders. The ERMC identifies, assesses and reports on these risks</li> <li>The ERMC prepares a dashboard that highlights high-impact risks and mitigations. This is updated by the ERMC and reviewed by our Board on a quarterly basis</li> <li>Emera has developed a Climate Risk Adaptation Framework for identifying both acute and long-term climate risks and for putting processes in place to mitigate potential impacts to our business</li> <li>Climate-related risks and opportunities are also managed within our environmental management system</li> </ul>	<ul style="list-style-type: none"> <li>Continue to evaluate how existing and emerging regulatory requirements and physical risks associated with climate change impact how we manage climate-related risks and opportunities</li> </ul>	<p><a href="#">2020 Annual Report</a>, pages 53-62</p> <p><a href="#">Management Information Circular 2021</a>, pages 41-42</p> <p><a href="#">2020 Sustainability Report</a>, pages 27-28</p> <p><a href="#">2020 GRI and SASB Content Index</a>, GRI 201-2</p> <p><a href="#">2021 CDP Climate Change Submission</a>, C2.1, 2.2, 2.2a</p>
Metrics and Targets	<ul style="list-style-type: none"> <li>In early 2021, we announced our Climate Commitment - a set of clear, future-focused carbon reduction goals and our vision to achieve net-zero CO<sub>2</sub> emissions by 2050. We are committed to actively tracking our commitment to achieve our goals</li> <li>Since 2005, we've reduced CO<sub>2</sub> emissions by 39% and coal use by 68%</li> <li>\$4.6B+ planned capital spending on cleaner, more reliable energy through 2023</li> </ul>	<ul style="list-style-type: none"> <li>Track progress of our Climate Commitment:                             <ul style="list-style-type: none"> <li>2025 Goal: 55% reduction of CO<sub>2</sub> emissions</li> <li>2040 Goal: 80% reduction of CO<sub>2</sub> emissions</li> <li>2040 Goal: Last coal unit retired</li> <li>2050 Vision: Net-zero CO<sub>2</sub> emissions</li> </ul> </li> </ul>	<p><a href="#">2020 Annual Report</a>, pages 1-8, 20-27</p> <p><a href="#">Management Information Circular 2021</a>, pages 28-32, 51-52, 65-67</p> <p><a href="#">2020 Sustainability Report</a>, pages 7, 29</p> <p><a href="#">2020 GRI and SASB Content Index</a>, GRI 102-29, 102-30, 201-2, 305-1, SASB IF-EU-110a.1-4</p> <p><a href="#">2021 CDP Climate Change Submission</a>, C4.1, 4.1a, 4.1b, 4.2, 4.2a, 4.2b, 4.2c, 6, 9.1</p>