SKILLS FRAMEWORK FOR FINANCIAL SERVICES
TECHNICAL SKILLS AND COMPETENCIES (TSC) REFERENCE DOCUMENT

TSC Category	Sustainable Finance					
TSC	Climate Change Management					
TSC Description	Synthesise information on climate change and climate policy developments to shape the organisation's strategies and policies, products and/or services					
TSC Proficiency Description	**Level 1**	**Level 2**	**Level 3**	**Level 4**	**Level 5**	**Level 6**
			Understand and explain key climate change concepts, principles and risk management issues relevant to the organisation's activities	Synthesise, analyse and apply information about climate change and climate policy developments to support decision making and organisational dealings	Shape the organisation's strategies, policies, products and/or services in response to climate change, climate change policy and market developments.	
Knowledge			• Basic climate science concepts • International agreements and frameworks on climate change • Concepts of climate reporting frameworks, guidelines and principles • Types of economic and market risks, which includes physical risk and transition risk, and opportunities arising from climate change • Key sources of climate risks, and potential transmission channels through which they can impact and be impacted by the financial sector performance of the organisation or materially impact sustainability factors	• Domestic, regional and global Nationally Determined Contributions (NDC) targets and their implications for key markets • Domestic, regional and international climate-related policies and regulations • Climate and energy scenarios and assumptions developed by international scientific bodies and organisations • Impacts of climate change on different industry sectors, including the financial sector, and the regional differences • Impacts of different industries/sectors (including the finance sector) on climate change, and regional differences • Key indicators that outline linkages between climate change and financial risk	• Climate models relevant for developing the organisation's climate change strategies • Interactions of climate change with other non-climate change factors • Transition pathways for countries, sectors or activities, and the role of capital or financial institutions	

				• Key disclosure and accounting indicators for climate change, and associated challenges in identifying appropriate indicators.		
Abilities			• Explain climate change and the impact, including risks, to organisation/ client • Identify opportunities for financial institutions to support climate change adaptation and mitigation	• Research and analyse impact of climate change and developments related to climate change on the organisation's activities, and the wider financial sector • Support the integration of climate risk into the organisation's wider risk management strategy alignment with international frameworks • Support the reporting of climate risk exposure • Support the incorporation of emissions reduction pathways into organisations' and customers' sustainability strategies	• Lead development of organisation's climate change strategies • Design and establish models for determining climate change impact on region and sectors relevant for the organisation's activities • Align organisation's climate ambitions and activities with international agreements • Identify and lead organisation's participation in relevant climate change fora • Integrate climate risk into the organisation's wider risk management strategy alignment with international frameworks • Report climate risk exposure	
Range of Application	Basic climate science concepts may include, but not limited to: • Earth's energy balance • Greenhouse gases and feedback mechanisms • Drivers of climate change • Carbon cycle International agreements and frameworks on climate change may include, but not limited to: • UN Framework Convention on Climate Change (UNFCCC) • Relevant Conference of the Parties (COP) meetings and outcomes • Paris Agreement • Kyoto Protocol Climate reporting frameworks may include, but not limited to: • Taskforce for Climate-related Financial Disclosures (TCFD) Climate and energy scenarios and assumptions developed by international scientific bodies and organisations may include, but not limited to: • Reports of the Intergovernmental Panel on Climate Change (IPCC)					

Effective Date: February 2022, Version 1.0

	• International Energy Agency (IEA) • Network for Greening the Financial System (NGFS) Climate Scenarios Climate models use quantitative methods to simulate the interactions of important drivers of climate (e.g. atmosphere, oceans, land surface, ice) and are used for a variety of purposes, from the study of the dynamics of the climate system to projections of future climate. Climate models may include, but not limited to: • Energy Balance Models • Radiative Convective Models • General Circulation Models Climate change strategies may include, but not limited to: • Elements such as the integration of climate risks and opportunities in company/sector ESG assessments • Stewardship activities • Sector (exclusion) policies • Sew products (e.g., low carbon, climate-aligned, climate thematic) • Overall alignment of the investment portfolio Non-climate change factors may include, but not limited to: • Biodiversity risk • Health effects • Vector migration