

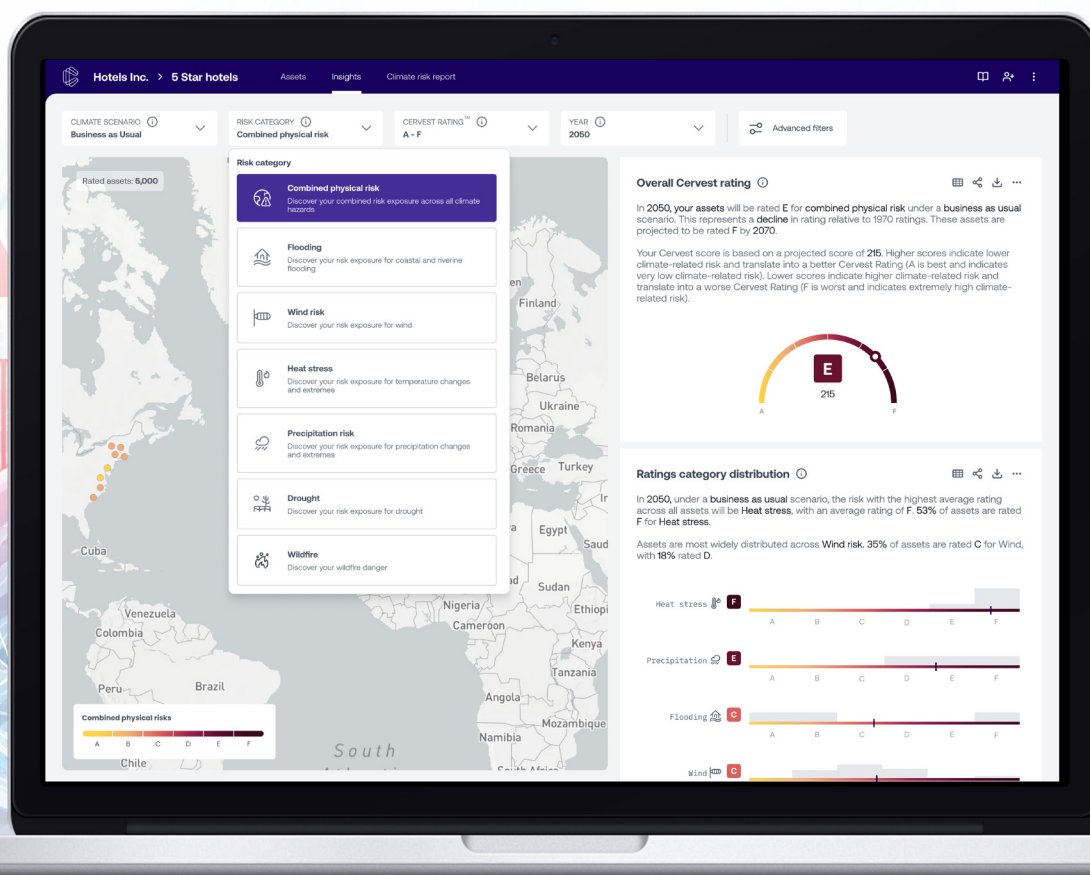
# Are you ready for EU Taxonomy reporting?

From January 2023, companies with more than 500 employees as well as financial market participants will need to report on how and to what extent their economic activity is sustainable, based on the EU Taxonomy (EUT) regulation.


## Take control of your climate risk assessment

The EUT requires eligible companies to assess climate risk across the assets that they own, manage or rely upon, in order to determine whether a business activity makes a substantial contribution to climate adaptation and mitigation objectives.

To help you run this assessment at scale, EarthScan provides on-demand science-backed insights at the asset and portfolio level across multiple climate risk hazards, emission scenarios and time horizons.



# How EarthScan helps you meet the EUT requirements

EU Taxonomy (EUT)		EarthScan
Emissions scenarios	“Assessment[s] to be performed using the highest available resolution [and] state-of-the-art climate projections across the existing range of future scenarios”	<div>3 IPCC emission scenarios</div> <ul style="list-style-type: none"><li>– Business as Usual</li><li>– Paris-Aligned</li><li>– Emissions Peak in 2040</li></ul>
Time horizons	“The climate risk and vulnerability assessment [be] proportionate to the scale of the activity and its expected lifespan ... including a minimum of 10 to 30 years in the future for “major investments.”	<div>1970 – 2100</div> <div>in five-year time steps to cover the entirety of an asset’s lifecycle</div>
Hazards and vulnerability	<p>The EU Taxonomy lists four categories of climate hazards. Companies will need to identify which physical climate risks may affect economic performance, and assess the materiality of the physical climate risks on economic activity.</p> <p>It advises that your analysis focuses on “the most important or significant hazards and is designed to guide the user to consider the most salient physical risks”.</p>	<div>7 climate-related risk categories across acute and chronic hazards, including:</div> <ul style="list-style-type: none"><li>– Combined physical risk</li><li>– Heat stress (incl. extreme temperature &amp; heatwaves)</li><li>– Flooding (coastal, riverine and sea level rise)</li><li>– Precipitation</li><li>– Extreme wind</li><li>– Drought</li><li>– Wildfire danger</li></ul> <div> These risk categories can also be used as risk drivers for other hazards listed within the EUT</div>
Resolution and model quality	Climate risk assessments should be performed “using the highest available resolution, state-of-the-art climate projections”.	<div>25km resolution across all atmospheric risk categories</div> <div>Best-in-class datasets include:</div> <ul style="list-style-type: none"><li>– <b>Selected CMIP6 model data</b>, with development coordinated and promoted by the World Climate Research Programme</li><li>– <b>CORDEX</b>: climate projections at regional scale</li><li>– <b>ERA5</b>: the fifth generation of ECMWF atmospheric reanalyses of the global climate</li><li>– <b>NASA GDDP</b>: signals contain downscaled data from the NASA Global Daily Downscaled Projections model</li></ul> <div>130m resolution for coastal flooding</div> <div>90m resolution for riverine flooding</div>

# EU Taxonomy Hazards and Vulnerability

## How EarthScan helps you meet the assessment for Scope 1 reporting

Assessment for Scope 1	Temperature	Wind	Water	Solid mass
Chronic	Changing temperature: air	Changing wind patterns	Changing precipitation patterns and types	Coastal erosion
	Changing temperature: freshwater*		Precipitation or hydrological variability	Soil degradation
	Changing temperature: marine*		Ocean acidification	Soil erosion
	Heat stress		Saline intrusion	Solifluction
	Temperature variability		Sea level rise	
	Permafrost thawing		Water stress*	
Acute	Heat wave	Cyclone, hurricane, typhoon	Drought	Avalanche
	Cold wave/frost	Storms (incl. Blizzards)	Heavy precipitation	Landslide
	Wildfire	Dust storms	Flood	Subsidence
		Tornado	Glacial lake outburst	

\*Currently in development.   Currently not available.

Our climate intelligence experts will be by your side to offer guidance on how to address currently unavailable hazards using existing hazards as risk drivers.

## Why EarthScan



**A single source of truth**

Easily upload assets, segment and share portfolios directly with colleagues, helping you bring teams, departments and regions together with a single, shared source of truth.



**Quantified and comparable**

Use globally standardized Cervest Ratings™ to quickly compare assets, identify the highest risks in your portfolio and discover the financial impact of climate risk at the asset level.



**Science-backed and shareable**

Map physical climate risk across your supply chain network, identify critical risks and share with suppliers and key stakeholders to minimize business disruption and support sustainability commitments.



**Get a headstart on your EU Taxonomy reporting with EarthScan.**

Contact [charles@cervest.earth](mailto:charles@cervest.earth) to find out more about how EarthScan can help you meet your EU Taxonomy reporting goals.