

## SCG Climate Change Risk Assessment

This Climate Change risk assessment, along with our;

- Climate Change policy,
- published science aligned emissions reduction targets,
- support for employees and our value chain in reducing emissions.

ensures that SCG are meeting our Climate Leaders Coalition commitments as per the 2022 Statement of ambition.

This assessment outlines and explains the climate change risks that Soar Communications Group may face as a business due to rising global temperatures. It is provided to our stakeholders as an assurance that SCG is not resting on its 100+ year-old history but is a future focused business with sustainability embedded in its DNA.

### Background

As global temperatures continue to increase due to increasing carbon emissions, we continue to see significant impacts because of rise in sea level. This is impacting communities and business across the world. As part of the Climate Change Response (Zero Carbon) Amendment Act 2019, the New Zealand Government will carry out;

- A national climate change risk assessment <sup>1</sup>, every six years
- A national adaptation plan, produced two years after each risk assessment
- monitoring implementation of the national adaptation plan, to ensure accountability

Due to past emissions, the climate will continue to change well into the future. Global surface temperatures have warmed, on average, by about 1°C on average since the late 19th century (Met Office, 2015). In New Zealand, a warming of 1°C was also recorded between 1909 and 2018. Based on monthly mean temperatures relative to the 1981–2010 average temperature, the five warmest years were: 2016 (+0.8°C), 2018 and 1998 (tied on +0.8°C), 1999 (+0.7°C), and 2013 (+0.7°C) (NIWA, 2019).<sup>2</sup>

---

<sup>1</sup> <https://environment.govt.nz/assets/Publications/Files/national-climate-change-risk-assessment-new-zealand-snapshot.pdf>

<sup>2</sup> <https://environment.govt.nz/assets/Publications/Files/national-climate-change-risk-assessment-main-report.pdf>

Soar Communications Group Ltd

20 Vestey Drive, Mt Wellington,  
Auckland 1060,  
New Zealand  
+64 9360 5700

The National climate change risk assessment identifies 43 priority risks across 5 main domains: Natural Environment, Economy, Human, Built Environment, and Governance.

SCG has assessed the 43 priority risks and identifies the following 25 as significant to our stakeholders and operations.

Domain	National climate change risk assessment	Urgency Rating (44-94)	Consequence				Note
			2030	2050	2100	SCG	
Natural Environment	N2 Risks to indigenous ecosystems and species from the enhanced spread, survival and establishment of invasive species due to climate change.	73	Mod	Mod	Major	Y	Risk of survival for forestry ecosystems and impact on paper products
Natural Environment	N11 Risks to the long-term composition and stability of indigenous forest ecosystems due to changes in temperature, rainfall, wind and drought.	53	Insig	Min	Major	Y	Risk of survival for forestry ecosystems and impact on paper products
Economy	E1 Risks to governments from economic costs associated with lost productivity, disaster relief expenditure and unfunded contingent liabilities due to extreme events and ongoing, gradual changes.	90	Min	Major	Ext	Y	Risk to ability to operate in a stable economic environment
Economy	E2 Risks to the financial system from instability due to extreme weather events and ongoing, gradual changes.	83	Min	Mod	Major	Y	Risk to access finance and insurance
Economy	E3 Risks to land-based primary sector productivity and output due to changes in mean rainfall and temperature, seasonality, weather extremes and changes in the distribution of invasive species.	81	Min	Mod	Major	Y	Risk of survival for forestry ecosystems and impact on paper products
Economy	E6 Risks to the insurability of assets, due to ongoing sea-level rise and extreme weather events.	75	Insig	Mod	Major	Y	Risk to access finance and insurance
Economy	E7 Risks to businesses and public organisations from supply chain and distribution network disruptions, due to extreme weather events and ongoing, gradual changes.	68	Insig	Mod	Major	Y	Risk to supply chain and distribution
Human	H1 Risks to social cohesion and community wellbeing from displacement of individuals, families and communities due to climate change impacts.	88	Min	Ext	Ext	Y	Risk to people and culture
Human	H2 Risks of exacerbating existing inequities and creating new and additional inequities due to differential distribution of climate change impacts.	85	Major	Ext	Ext	Y	Risk to people and culture
Human	H3 Risks to physical health from exposure to storm events, heatwaves, vector-borne and zoonotic diseases, water availability and resource quality and accessibility, due to changes in temperature, rainfall and extreme weather events.	83	Min	Mod	Major	Y	Risk to people and culture
Human	H4 Risks of conflict, disruption and loss of trust in government, from changing patterns in the value of assets and competition for access to scarce resources, primarily due to extreme weather events and ongoing sea-level rise.	83	Mod	Major	Major	Y	Risk to people and culture
Human	H7 Risks to mental health, identity, autonomy and sense of belonging and wellbeing from trauma, due to ongoing sea-level rise, extreme weather events and drought.	80	Major	Major	Major	Y	Risk to people and culture

Domain	National climate change risk assessment	Urgency Rating (44-94)	Consequence				Note
			2030	2050	2100	SCG	
Built Environment	B1 Risk to potable water supplies (availability and quality) due to changes in rainfall, temperature, drought, extreme weather events and ongoing sea-level rise.	93	Major	Major	Ext	Y	Risk to ability to operate
Built Environment	B2 Risks to buildings due to extreme weather events, drought, increased fire weather and ongoing sea-level rise.	90	Major	Ext	Ext	Y	Risk to ability to operate
Built Environment	B3 Risks to landfills and contaminated sites due to extreme weather events and ongoing sea-level rise.	85	Mod	Major	Major	Y	Risk to supply chain
Built Environment	B4 Risk to wastewater and stormwater systems (and levels of service) due to extreme weather events and ongoing sea-level rise.	85	Major	Ext	Ext	Y	Risk to ability to operate
Built Environment	B5 Risks to ports and associated infrastructure, due to extreme weather events and ongoing sea-level rise.	70	Min	Mod	Major	Y	Risk to supply chain
Built Environment	B6 Risks to linear transport networks, due to changes in temperature, extreme weather events and ongoing sea-level rise.	60	Major	Major	Ext	Y	Risk to supply chain and distribution
Built Environment	B7 Risk to airports, due to changes in temperature, wind, extreme weather events and ongoing sea-level rise.	55	Major	Major	Ext	Y	Risk to supply chain
Built Environment	B8 Risks to electricity infrastructure, due to changes in temperature, rainfall, snow, extreme weather events, wind and increased fire weather.	55	Mod	Mod	Major	Y	Risk to ability to operate
Governance	G1 Risk of maladaptation across all domains due to practices, processes and tools that do not account for uncertainty and change over long timeframes.	83	Major	Ext	Ext	Y	Risk to ability to operate in a stable economic environment
Governance	G2 Risk that climate change impacts across all domains will be exacerbated because current institutional arrangements are not fit for adaptation. Institutional arrangements include legislative and decision-making frameworks, coordination within and across levels of government, and funding mechanisms.	80	Mod	Major	Major	Y	Risk to ability to operate in a stable economic environment
Governance	G3 Risks to governments and businesses from climate change-related litigation, due to inadequate or mistimed climate change adaptation.	78	Mod	Major	Major	Y	Risk to access finance and insurance
Governance	G6 Risks to the ability of the emergency management system to respond to an increasing frequency and scale of compounding and cascading climate change impacts in New Zealand and the Pacific region.	70	Major	Major	Major	Y	Risk to ability to operate
Governance	G8 Risk to the ability of democratic institutions to follow due democratic decision-making processes under pressure from an increasing frequency and scale of compounding and cascading climate change impacts.	53	Mod	Major	Major	Y	Risk to ability to operate in a stable economic environment

SCG will undertake to continue to monitor and update our climate risk assessment in line with the national climate change risk assessment every six years.