



TCFD Index

The Task Force on Climate-related Financial Disclosures (TCFD) has developed a voluntary, consistent, climate-related financial risk disclosure framework for companies to provide information to investors, lenders, insurers, and other stakeholders.

TOPIC	LOCATION
Governance	
a) Describe the board's oversight of climate-related risks and opportunities	Governance, Accountability, and Risk ; page 34
b) Describe management's role in assessing and managing climate-related risks and opportunities	Governance, Accountability, and Risk ; page 34
Strategy	
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	In assessing our exposure to climate-related risks, we have determined our primary risks to be extreme weather events – exacerbated by climate change – where our stores or distribution centers are located. For example, impacts from hurricanes, tornados, floods, and other events could severely damage or destroy one or more of our stores or distribution centers. Any of these events or circumstances also could disrupt the operations of one or more of our supply chain partners. Beyond the impacts of severe storms, we are also susceptible to extended periods of unseasonably warm or cold temperatures throughout the year, which could render a portion of our inventory incompatible with those unseasonable conditions; for example, unusually warm weather during fall or winter. Because higher net sales historically have occurred during the second half of the year, unseasonably warm weather during these months could have a disproportionately large effect on our business and materially adversely affect our financial condition and results of operations. Looking forward, we will continue to monitor and assess how climate change can impact our company and how we can prepare for its impacts.
b) Describe the impact of climate-related risks and opportunities of the organization's businesses, strategy, and financial planning	
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	We are planning to undertake our first formal review of our strategy based on climate-related scenarios to test its resilience. The Environmental Management System we have implemented will help to guide us in the exploration of scenario-based comparisons. This will help to guide us in a climate-related assessment in the future.
Risk Management	
a) Describe the organization's processes for identifying and assessing climate-related risks	Governance, Accountability, and Risk ; page 34
b) Describe the organization's processes for managing climate-related risks	Governance, Accountability, and Risk ; page 34
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Governance, Accountability, and Risk ; page 34
Metrics and Targets	
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Energy ; page 26 and Climate ; page 23 Data and Disclosures ; page 39 <ul style="list-style-type: none"> • Total GHG emissions (mt CO₂e) • Total energy consumption (MWh) • Total renewable energy consumption (MWh)
b) Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Energy ; page 26 and Climate ; page 23
c) Describe the targets used by the organization to manage climate-related risks and opportunities to manage climate-related risks and opportunities and performance against targets	Energy ; page 26 and Climate ; page 23