

2018 TCFD DISCLOSURE

EDC announced its support for the recommendations of the Task Force on Climate-related Financial Disclosures in September 2018. EDC believes the recommendations represent an important step forward with respect to strengthening the quality, consistency and comparability of climate-related information. For EDC, aligning with these recommendations will be a journey, as we improve our

understanding of our climate-related risks and opportunities and of how we can best integrate these into our business, corporate strategies and financial planning. This disclosure represents EDC's first step on this journey, and we look forward to publishing our disclosure annually to provide updates on our progress in this regard, as part of EDC's integrated annual report.

	Pre-2018	New in 2018	Looking ahead: 2019–2023
GOVERNANCE	<ul style="list-style-type: none"> • EDC Management and Governance • Board and executive oversight of: <ul style="list-style-type: none"> • Enterprise Risk Management Framework • Environmental and Social Review Directive (ERD) • Environmental and Social Risk Management (ESRM) Policy, including climate change • Disclosure Policy • Human Rights Statement • CSR Advisory Council 	<ul style="list-style-type: none"> • Reviewed and updated EDC's Environmental and Social Risk Management Policy Framework (ERD, ESRM, climate change, human rights and disclosure policies) • Integrated CSR and corporate reporting 	<ul style="list-style-type: none"> • Publish Board-approved Climate Change Policy and Human Rights Policy • Publish updated ESRM Policy, ERD, Disclosure Policy • Develop Executive attestation process for policy compliance
STRATEGY	<ul style="list-style-type: none"> • Corporate Plan 2018–2022 • Cleantech Strategy • EDC's Green Bonds • Position on thermal coal power plants 	<ul style="list-style-type: none"> • Launched EDC's Corporate Social Responsibility Framework 	<ul style="list-style-type: none"> • Integrate Climate Change Policy into EDC strategic planning, including cleantech • Determine resilience of EDC strategy to different climate-related scenarios
RISK MANAGEMENT	<ul style="list-style-type: none"> • Non-project* due diligence • Application of ERD, ESRM • Adherence to international environmental and social risk management standards for projects: <ul style="list-style-type: none"> • Equator Principles (EP) • OECD Common Approaches • IFC Performance Standards 	<ul style="list-style-type: none"> • Reviewed and updated EDC's ESRM non-project* risk assessment methodology • Co-chaired EP Climate Change Working Group 	<ul style="list-style-type: none"> • Implement non-project* climate transition risk methodology • Develop approach to physical climate risk assessment • Identify links between non-credit and credit risk assessment processes
METRICS AND TARGETS	<ul style="list-style-type: none"> • EDC's operational footprint metrics • Annual reporting on key climate-related opportunity metrics. For example, in 2017, EDC: <ul style="list-style-type: none"> • Provided \$278 million in climate finance in developing countries • Facilitated more than \$1.5 billion in cleantech exports • Partnered with 171 cleantech companies • Issued two Green Bonds (US\$500 million and C\$500 million) 	<ul style="list-style-type: none"> • Established EDC's CSR scorecard • Provided \$231 million in climate finance in developing countries • Facilitated more than \$2.0 billion in cleantech exports • Partnered with 210 cleantech companies • Issued 2018 Green Bond Impact Report 	<ul style="list-style-type: none"> • Establish baseline and set targets for carbon intensity of EDC's loan portfolio • Continue to issue regular Green Bonds • Update approach to Green Bond impact reporting

* *Non-project* transactions refer to those transactions undertaken by EDC that fall into various EDC product categories, such as corporate lending, where the majority of funds are not directed at financing a project, as well as contracts, insurance and bonding.