TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

2024
Bloomberg
Sustainability Report

2024 TCFD Index

The Task Force on Climate-related Financial Disclosures (TCFD) framework for disclosing climate-related financial information is designed to guide companies in reporting clear, comparable and consistent information about the risks and opportunities presented by climate change. This supplemental index aligns with the TCFD's framework, providing an overview into how Bloomberg understands and manages the risks and opportunities associated with climate change at our company. For additional information, please see our 2024 Sustainability Report and 2024 Performance by the Numbers supplement.

Governance

TCFD Recommendation	Disclosure
a) Describe the board's oversight of climate-related risks and opportunities.	Bloomberg's Board of Directors is composed of leaders with deep experience in finance, technology, media, philanthropy and government. The Board lends expertise to sustainability matters in relation to our business strategy. For more information, please refer to our 2024 Sustainability Report.
b) Describe management's role in assessing and managing climate-related risks and opportunities.	In 2024, Bloomberg formed a new sustainability committee composed of Bloomberg's CEO, CFO and Chief Legal Officer to provide oversight and approval of the firm's sustainability strategy, including the management of its climate-related risks, impacts and opportunities, and its climate decarbonization strategy. The Sustainability Oversight Committee approves firmwide sustainability policies, external targets and commitments, external sustainability reporting and sustainability-related product development. For more information, please refer to our 2024 Sustainability Report.

Strategy

TCFD Recommendation	Disclosure
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	In our most recent scenario analysis, we identified climate-related business risks and opportunities in the short (0 - 5 years), medium (5 - 10 years) and long term (10 years +) in three scenarios: net-zero aligned (1.5°C), delayed transition (~2°C) and current policies (>3°C). Key risks and opportunities for each scenario are listed below: **Net zero aligned (1.5°C) scenario:** Risks under this scenario include: • Limited access, increased costs and greater competition associated with buying clean energy • Increased scrutiny of ESG data as stakeholder expectations and compliance with global frameworks become more demanding • Required investment to adapt our workplaces to manage physical impacts on our infrastructure and workforce until 2035 Opportunities under this scenario include: • Use of lower-emission sources of energy, supportive policy incentives to decarbonize and new technologies • Increased need for transparent, climate-related risk and opportunity information from companies, and increased demand for products and services to address these changes • Attraction of new talent seeking to work at a "purposeful" organization **Delayed transition (~2°C) scenario:** Risks under this scenario include: • Greater volatility and unpredictability of stakeholder expectations, as well as the need to adapt quickly to a rapidly changing, fragmented regulatory landscape Opportunities under this scenario include: • Development of new products and services to meet increased demand for real-time climate data, climate risk management tools and related news and research **Current policies (>3°C) scenario:** Risks under this scenario include: • Significant disruptions and negative impacts on financial markets that would disrupt our core client base and potentially have an impact on our business • Physical impacts on our infrastructure and supply chains, including damage to offices and data centers from physical climate impacts and associated operational challenges in critical geographies • Potential constraints on business travel, limited on-the ground news coverage, climate disruption and physical climate impacts, and threats to employee well-being Opportunities under this scenario include: • Development of new products and services to meet increased demand for real-time climate data, climate risk management tools, and related news and research

Strategy (continued)

TCFD Recommendation	Disclosure
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	In our most recent scenario analysis, our business leaders identified climate-related business risks and opportunities in the short (0 - 5 years), medium (5 - 10 years) and long term (10 years +) in three divergent scenarios: net-zero aligned (1.5°C), delayed transition (~2°C) and current policies (>3°C). We use the following levels to provide a rough assessment of the intensity of financial, operational and/or reputational impact on our company: • Low: Ability to absorb financial operational or reputational impact • Medium: Some impact to finances, operations and reputation • High: Substantial financial, operational strategic and/or reputational impact Our quantification of the physical and transition risks for each scenario are listed below: • Under the net-zero aligned (1.5°C) scenario, we assessed both our physical and transition risks to be low to medium • Under the delayed transition (~2°C) scenario, we assessed our physical risk to be low-to-medium and our transition risk to be medium to high • Under the current policies (>3°C) scenario, we assessed our physical risk to be high and our transition risk to be low
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Bloomberg's business strategy has positioned the company to perform well across scenarios due to increasing demand for climate-related data, news and information, products that help clients navigate uncertainty and a relatively light and agile physical footprint. Despite our resilience, we have identified key areas of risk across scenarios: 1. Physical presence and workplace 2. Management and governance of climate risks 3. Continued investment in building resilience

Risk Management

TCFD Recommendation	Disclosure
a) Describe the organization's processes for identifying and assessing climate-related risks.	To better understand the potential effects of climate change on our company to inform our business strategy, we complete climate scenario analyses when our operations have materially changed, climate science has materially evolved or guidance has been materially updated. We last completed a scenario analysis in 2022, where we identified climate-related business risks in the short (0 - 5 years), medium (5 - 10 years) and long term (10 years +) in three divergent scenarios: net-zero aligned (1.5°C), delayed transition (~2°C) and current policies (>3°C). The risks and opportunities identified during said scenario analysis remain relevant and appropriate to Bloomberg's current operations. Our 2022 analysis involved the following steps: • **Scenario development:** We defined three climate scenarios developed by the Network for Greening the Financial System to serve as our base scenarios. This included a narrative reflecting how a range of business-relevant topics, including social and political events, could materialize in each of these scenarios. • **Identification of climate-related risks and opportunities:** We convened a series of workshops with Bloomberg stakeholders to consider the potential business impact of the three scenarios and identify risks and opportunities. • **Strategic implications:** We facilitated a cross-functional workshop with Bloomberg stakeholders to validate our risk and opportunity assessment. During the workshop, we identified ideas for improving resilience under the most disruptive scenarios. • **Action planning:** We hosted a concluding workshop to identify the next steps for improving Bloomberg's climate resilience.
b) Describe the organization's processes for managing climate-related risks.	We use a "three lines of defense" risk management model. Our first line of defense is the business, which is accountable for identifying and managing risk. Our second line of defense is our enterprise risk management and compliance functions, which drive consistency in the application of our risk frameworks and policies and provide oversight of the first line. Our third line of defense is our internal audit function.
c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	During 2024, we progressed the integration of ESG-related risk identification and management into our Enterprise Risk Management (ERM) framework, aligning with the maturation of our three lines of defense approach to risk management. This has seen the development of the business' risk taxonomy and the development of new processes and tools to support us in risk management, mitigation and escalation.

Metrics & Targets

TCFD Recommendation	Disclosure
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	See our Performance by the Numbers supplement.
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	See our Performance by the Numbers supplement.
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Bloomberg is committed to reducing the company's greenhouse gas (GHG) emissions in line with a 1.5°C future and has set both near- and long-term emissions reductions targets as well as a net-zero target. These commitments have been validated by the Science Based Target initiative (SBTi). Bloomberg's long-term science-based net-zero target commits the organization to reducing absolute Scope 1, 2 and 3 emissions by 90 percent by 2040 (from a 2018 baseline). As an interim step on that journey, SBTi previously validated Bloomberg's near-term science-based targets to reduce absolute Scope 1 and Scope 2 emissions by 80 percent and absolute Scope 3 operational emissions by 30 percent, both by 2030 (from a 2018 baseline). Our long-term target includes achieving the reductions required to meet our near-term Scope 1, 2 and 3 targets plus reductions in additional areas of Scope 3 emissions, considered "value chain" categories. We are in the process of refining emissions calculations for these additional Scope 3 categories as well as evaluating activities within currently reported categories. Additionally, from a renewable energy standpoint, we have, since 2016, continued to expand our renewable energy procurement program. This has delivered both emissions reductions and financial benefits. We're on track to meet our goal of matching 100 percent of our global electricity consumption with renewable energy by 2025, primarily through long-term Power Purchase Agreements (PPAs) and energy supply contracts. This achievement will also contribute to the 80 percent reduction in Scope 1 and 2 emissions required to meet our near-term science-based targets.