1)Research questions

- Have the sell-side analysts incorporated the impact of climate change into their profit forecasts?
- Whether abnormally warmer climate influence firm performance and the accuracy of analysts?

2)Why are the research questions interesting?

According to recent literature, analysts are information intermediaries, this research question validates: "Do analysts provide profit forecasts that reflect the potential impact of global climate change on company performance ?"

3)What is the paper's contribution?

1. Contributing to the growing finance literature that examines how climate change affects financial outcomes. (By expanding this literature and indicated that an increase in temperature would result a decline on the earnings of companies that are more sensitive to temperature.)
2. Contributed to the literature on factors that affect analyst predictions by supplementing this analyst literature.(By determining that significant temperature increases will affect analyst predictions and accuracy.)
3. Supplementing the findings by further investigating how analysts understand the impact of climate change on firms and whether they adjust their forecasts accordingly. (A related paper studied how extreme temperatures affect profit expectations.)
4. Supplementing research on how political beliefs affect financial decisions: (Political beliefs are related to analysts' ability to evaluate the relationship between climate change and profit.)
5. The results of the article have affected the information dissemination process in the financial market, as the market's response to unexpected returns becomes stronger after a significant rise in temperature.

4)What hypotheses are tested in the paper?

- After a significant increase in temperature, analysts located in areas where businesses are more sensitive to climate change will release relatively less optimistic predictions.

a) Do these hypotheses follow from and answer the research questions?

Yes, these hypotheses follow the problem logic of the paper. They are verified by the paper through conclusions and answers the question of how climate change affects analyst predictions.

b) Do these hypotheses follow from theory or are they otherwise adequately developed?

This hypothesis does not seem to have its own unique theoretical basis, but the paper has fully developed it: Ruling out the possibility of interfering variables, considering various climate impact tests, and conducting robustness tests.

5) Sample: comment on the appropriateness of the sample selection procedures.

For analyst data, some restrictions were imposed on the sample to filter out potential input errors and mitigate the impact of outliers. Setting the longest and shortest terms for predictions reduces the potential noise that outdated predictions and information leaks may bring.

6) Dependent and independent variables: comment on the appropriateness of variable definition and measurement (focus on the key dependent variables and independent variables).

- The distinction between the treated group and the control group makes the results more convincing for variable selection in analyst prediction problems. The main independent variable in this section, *HTSA*, is a dummy variable that is easy to explain. Additionally, the article introduces multiple easily understandable dummy variables

7) Regression/prediction model specification: comment on the appropriateness of the regression/prediction model specification.

- The rolling regression for estimating enterprise level temperature sensitivity is effective, clearly expressing the correlation between the dependent variable, independent variable, and other factor variables (Fama-French market variables)
- For the income regression standard, the function here is clear and easy to understand. The author assumes that the income (dependent variable) will be negatively correlated with the coefficient of temperature (independent variable)

8) What difficulties arise in drawing inferences from the empirical work?

The question is that there seems to be no fixed measurement standard for the explanation of *HTSA* variables in the article's tables.(It first serves as a measure of predictive variables, and later measures the difference in accuracy between the treatment and control group analysts)

9) Describe at least one publishable and feasible extension of this research.

- In future research, it will be interesting to investigate whether business managers, investors, or other market participants are also aware of climate related risks.
- It would also be useful to study whether stock analysts are adept at incorporating information from other non-traditional sources, such as gambling or dividend sentiment, into their earnings forecasts.