

CDP Turkey 2019 Training & Workshop

Name: Faye Bennett-Hart

Date: 18th April 2019



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- ▼ About CDP
- ▼ Benefits of disclosing
- ▼ Overview of 2018 and changes for 2019 questionnaires
- ▼ Business impacts of climate change & water
- ▼ Responding to water and climate change challenges
- ▼ CDP's climate change questionnaire & changes for 2019
- ▼ CDP's water security questionnaire & change for 2019

ABOUT CDP



- ▼ CDP runs the global disclosure system that enables companies, cities, states and regions to measure and manage their environmental impacts.
- ▼ We have built the most comprehensive collection of self-reported environmental data in the world.
- ▼ Our network of investors and purchasers and policymakers around the globe, use our data and insights to make better-informed decisions.
- ▼ Through our offices and partners in 50 countries we have driven unprecedented levels of environmental disclosure.

ABOUT CDP

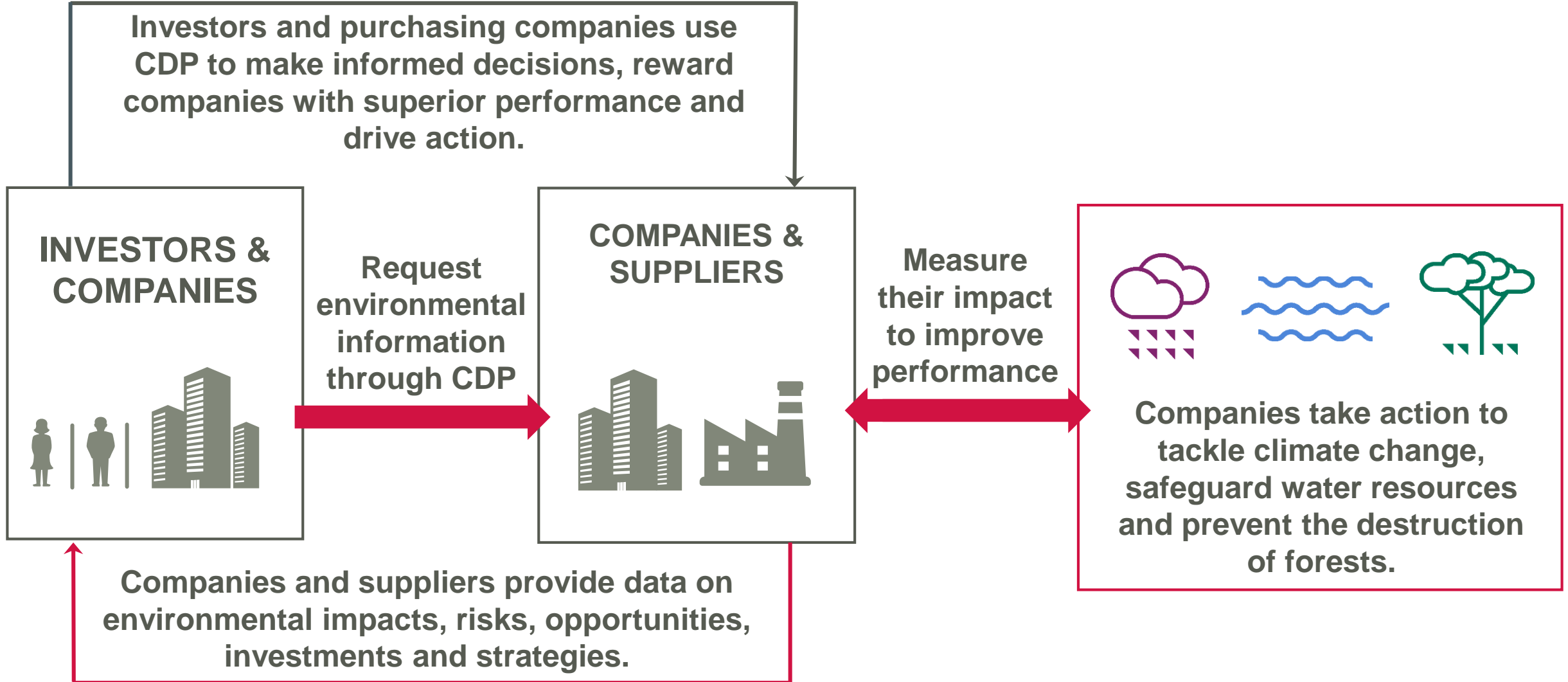


The world's economy looks to CDP as the gold standard of environmental reporting with the richest and most comprehensive dataset on corporate and city action.

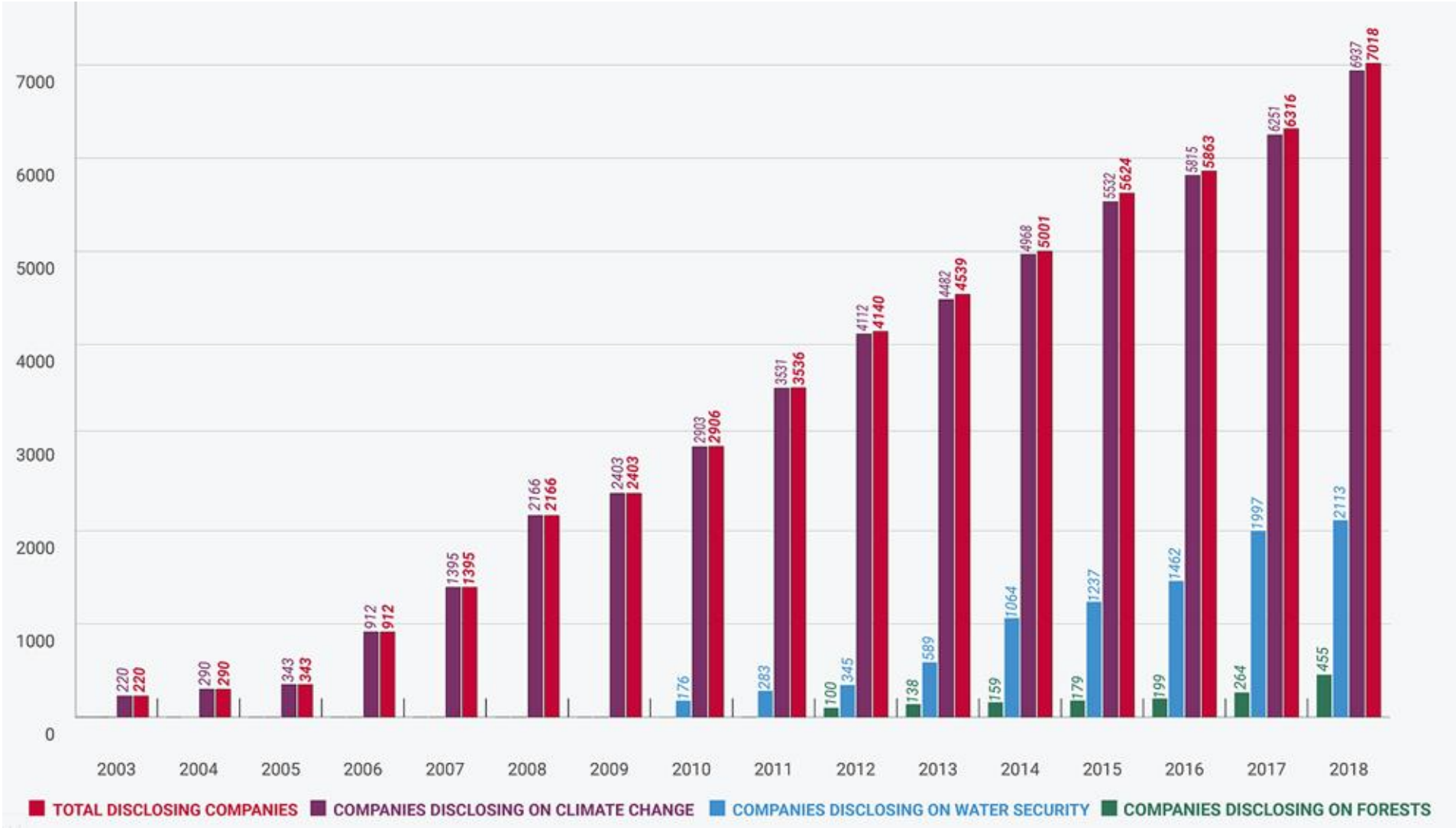
**For HSBC, climate change is a
cornerstone of our ongoing business
strategy.**

- HSBC

HOW WE WORK



THE GROWTH OF DISCLOSURE



Reporting companies now represent over 50% of global market capitalization

CDP UNDERPINS DATA USED BY THE MARKET

Across the financial markets, policy initiatives and civil society



European Bank for Reconstruction and Development



Climate-KIC



BNP PARIBAS ASSET MANAGEMENT



BENEFITS OF DISCLOSING



REACHING MULTIPLE STAKEHOLDERS

Companies disclose just once via CDP to reach multiple decision-makers.



“Our CDP report and score makes it easier for investors and customers to understand our environmental performance.”
Thyssenkrupp AG



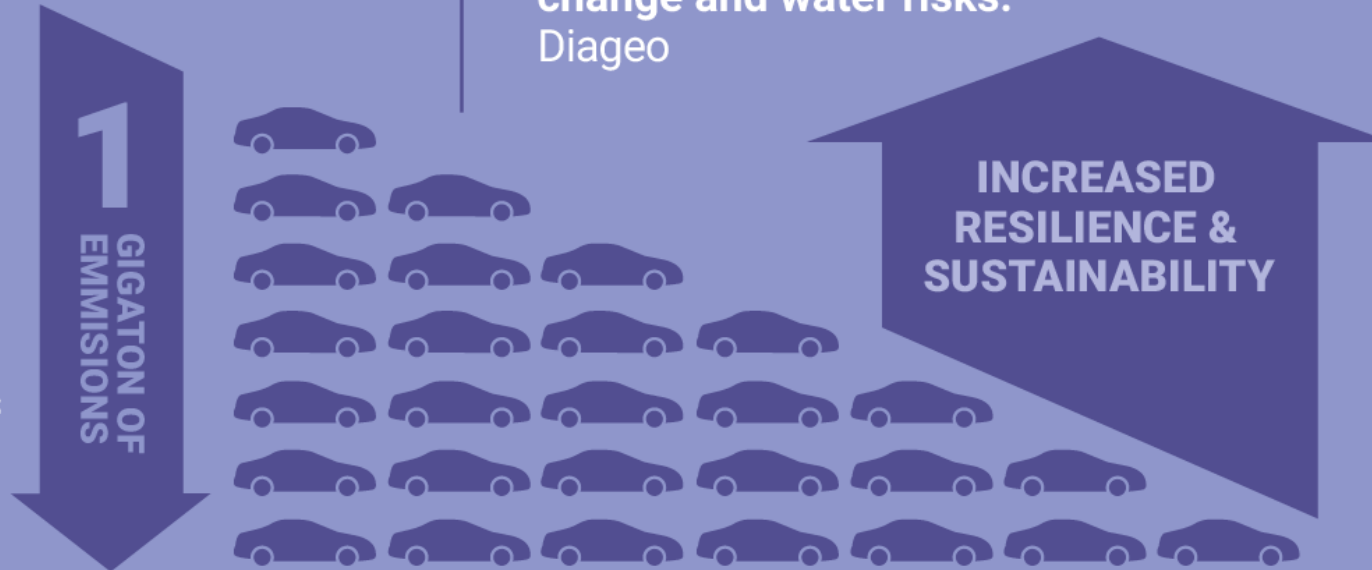
REACHING
99
TOP GLOBAL
BUYERS

CDP data is shared across multiple platforms from Bloomberg to Dow Jones Sustainability Indexes and with 99 of the world's top buyers.

BUILD SUSTAINABLE SUPPLY CHAINS

Organisations with US\$3 trillion in spend build sustainable supply chains.

Walmart works with suppliers to reduce emissions by 1 Gigaton by 2030, equivalent to taking more than 211 million passenger vehicles off US roads for a year.



MEASURE AND MANAGE ENVIRONMENTAL RISK

Companies measure and manage environmental risk to deliver bottom line benefits.

“Through CDP we are actively mobilizing our supply chain partners to scale up the sustainable management of raw materials. We are seeing future business growth opportunities as a result of using products derived from sustainable sources.”
Firmenich



87% of companies report opportunities associated with sustainable forest-risk commodities, such as new market or product opportunities and increased shareholder value.



DISCLOSE THE INFORMATION INVESTORS WANT

Companies disclose financial information that investors want.



▾▾ We can't model out of thin air. We need the information and it is CDP's data that underpins all our analysis.▾▾ CalPERS



+6%

Companies on CDP's A-List outperformed the market by 6% over four years.

CDP RAISED THE BAR IN 2018



Moved to sector-based disclosure;



Requesting more forward-looking metrics to assess how companies are planning for the transition to a sustainable economy;



Integrating the Task Force on Climate-related Financial Disclosure recommendations into the disclosure platform;



Greater alignment across climate change, water security and deforestation;



A new reporting platform for companies and cities disclosure.

MORE DISCLOSING THAN EVER BEFORE



525+ investors with US\$96 trillion in assets



110+ supply chain members with over US\$3 trillion in purchasing power



7,000+ companies responded through CDP



620+ cities disclosed environmental information



120+ states and regions measured their environmental impacts

2018 A - LIST

137 Companies
on the Climate
Change A List

7 Companies on the
Forests A List

31 Companies on
the Water Security
A List

MINIMAL CHANGES TO QUESTIONNAIRES IN 2019



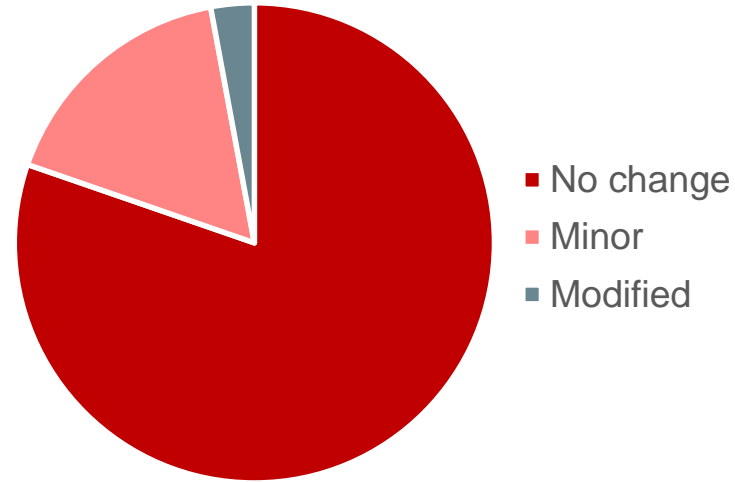
New sectors or questions

- ▼ No new sectors for Climate change and Water security questionnaires
- ▼ Only Coal, Metals & mining sectors in the Forests questionnaire will receive a new set of unscored questions.
- ▼ No new questions for Climate change questionnaire (only one amendment to the minimum tier)
- ▼ Only one new question for Water security and Forests, pertaining to 'water-related' /'forests-related' risks in mainstream financial reporting.

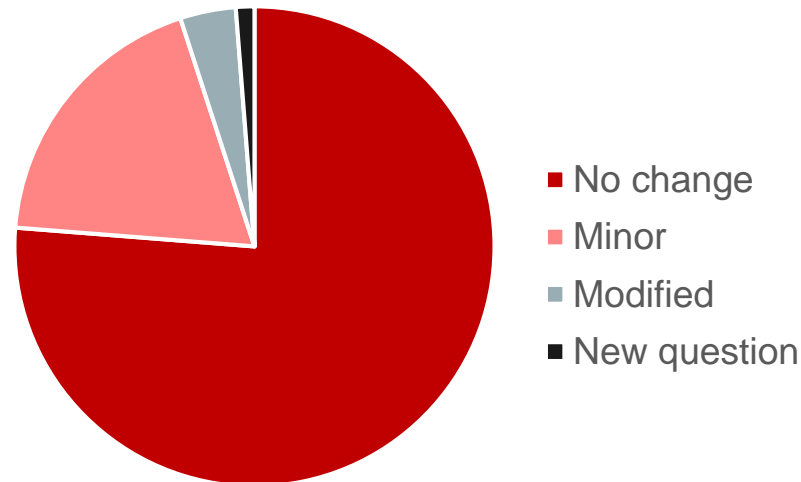
MINIMAL CHANGES TO QUESTIONNAIRES IN 2019

- ▼ Informed by feedback
- ▼ No significant change
- ▼ Allow consistency, trend analysis and 'copy from last year' feature
- ▼ Over 90% 'no change' and 'minor change'

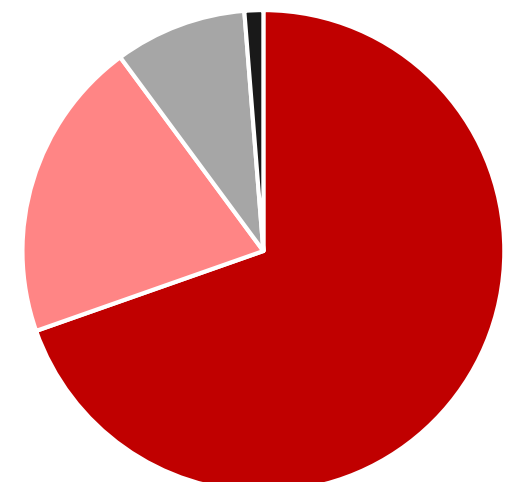
Climate questionnaire changes



Water questionnaire changes



Forests questionnaire changes



BUSINESS IMPACTS – CLIMATE CHANGE

- ▼ Recent report from the IPCC showed that the next decade is crucial in our shift to a sustainable economy
- ▼ Emissions need to halve by 2030, but after being flat for three years, they have recently been on the rise.



BUSINESS RESPONSE – CLIMATE CHANGE

- ▼ 40% surge in companies setting emissions reduction targets in line with Paris Agreement
- ▼ Some 500 companies now with SBTs
- ▼ RE100 initiative has led to 158 companies committing to 100% renewable energy



Walmart has proudly worked with CDP over the past decade to encourage transparency amongst suppliers. Disclosure starts suppliers on the journey towards setting and tracking targets, which is why we continue to leverage CDP's Supply Chain program in helping suppliers establish emission reduction projects and make commitments to Project Gigaton.

Zach Freeze, Walmart Inc.

BUSINESS IMPACTS- WATER

- ▼ Companies are withdrawing more water year-on-year despite greater awareness and targets
- ▼ Companies must ensure that water is meaningfully embedded into corporate governance
- ▼ The Retail sector is lagging behind



BUSINESS RESPONSE – WATER



Gap Inc. Unveils New Sustainable Manufacturing Goal to Conserve 10 Billion Liters of Water by the End of 2020

BY GAP INC.



BUSINESS RESPONSE - WATER

Arçelik A.Ş.

ARÇELİK A.Ş. includes access to fully-functioning, safely managed WASH services for all employees in their risk assessments to ensure implementation of SDG 6 and the human right to water and sanitation.



INTRODUCTION TO THE 2019 CLIMATE CHANGE QUESTIONNAIRE

Name: Faye Bennett-Hart

Date: 18th April 2019

CONTENT

- ▼ Introduction to CDP's climate change questionnaire
- ▼ Overview of changes for 2019 disclosure
- ▼ How to find out more

INTRODUCTION TO CDP'S CLIMATE CHANGE QUESTIONNAIRE



Our focus on climate change to 2030

CDP aims to integrate climate change into the standard conception of governance, leading to an economy-wide expectation that capital is reallocated toward zero-carbon, climate-resilient infrastructure, products and services within the public and private sectors at a scale which ensures the climate is stabilized at well below 2 degrees, as defined by the Paris Agreement and the Sustainable Development Goals.

OBJECTIVES OF THE CDP CLIMATE CHANGE QUESTIONNAIRE



To catalyse different and better decision-making by the private sector and local governments in order to manage climate change

We do so by:

- ▼ Providing the framework to measure and manage climate risks & opportunities;
- ▼ Providing data to investors to help reallocate capital away from climate risky investments;
- ▼ Taking companies and cities on a journey towards alignment with the Paris Agreement through guidance, insights, tools and incentivising change via our scoring;
- ▼ Helping create new markets for zero-carbon products & services and allowing companies to demonstrate innovation and best practice.

MINIMUM VERSION QUESTIONNAIRE

An option for organizations:

- ▼ Disclosing to the climate change questionnaire for the first time

OR

- ▼ With an annual revenue of less than EUR/US\$250 million



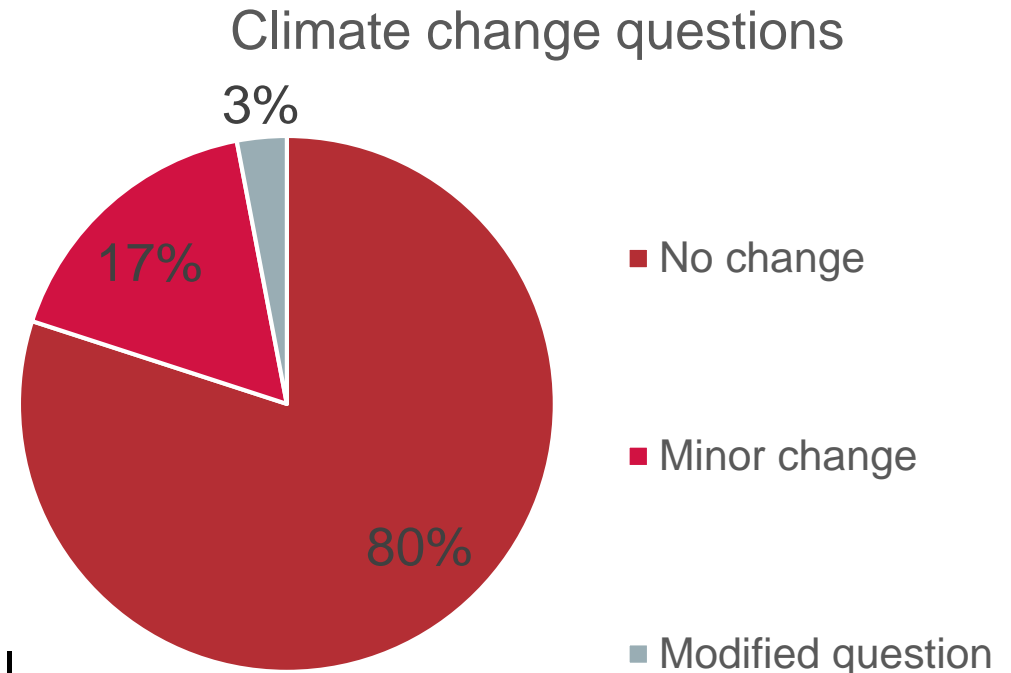
2019 CHANGES



2019 QUESTIONNAIRE CHANGES



- ▼ Stabilization: only minimal changes to the information requested, correction of errors, clarifications to reporting guidance
- ▼ Over 90% 'no change' and 'minor change'
- ▼ No new sector questions
- ▼ 'Copy from last year' functionality
- ▼ One question from the 2018 full version questionnaire will now also appear in the minimum version



REVISIONS TO NOTE INCLUDE

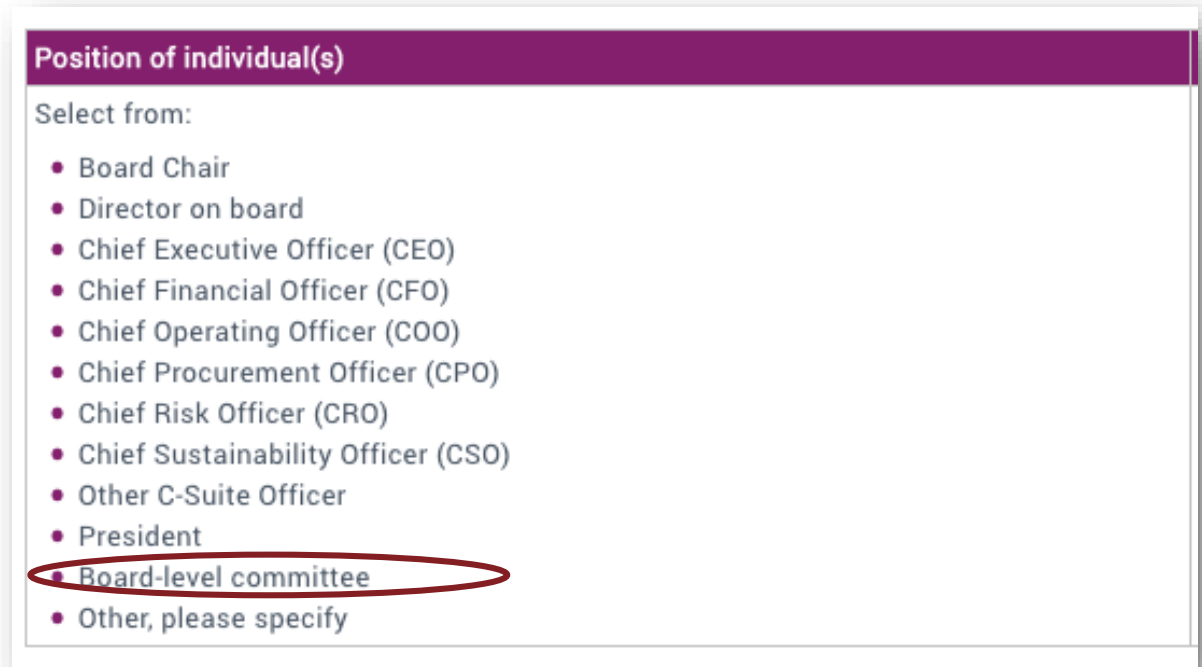


- ▼ **C1 Governance** - new drop-down option added to list of board positions - 'Board-level committee' (C1.1a); and a question text edit for management responsibility (C1.2)
- ▼ **C2 Risks and opportunities** - modified format for requesting the potential financial impact of risks and opportunities; new option to report a min/max range OR a single figure (C2.3a, C2.4a)
- ▼ **C4 Targets** - revised drop-down options (C4.2), new drop-down options (C4.1a, C4.1b, C4.2, C4.3)
- ▼ **C8 Energy** - in all questions asking to specify the type of heating value used we have added a new drop-down option: 'Unable to confirm heating value'; new column added to be able to track the region of consumption of low-carbon energy (C8.2f)
- ▼ **Oil and gas questionnaire** - new drop-down option: 'Midstream' (C-OG0.7); C-OG7.1b is redesigned to reduce the reporting effort
- ▼ **Supply chain** - new columns added (SC1.1) to allow for more details on the level of allocation

BOARD OVERSIGHT

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues

- ▼ New drop-down option added to list of board positions - 'Board-level committee' - as oversight may lie with a committee rather than an individual



Position of individual(s)

Select from:

- Board Chair
- Director on board
- Chief Executive Officer (CEO)
- Chief Financial Officer (CFO)
- Chief Operating Officer (COO)
- Chief Procurement Officer (CPO)
- Chief Risk Officer (CRO)
- Chief Sustainability Officer (CSO)
- Other C-Suite Officer
- President
- Board-level committee
- Other, please specify

MANAGEMENT LEVEL RESPONSIBILITY



(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues

- ▼ Question text edit – ‘**Below board-level**’ replaced with ‘**Management-level**’ to ease confusion about the difference between this question and the board oversight question

2018

Below board-level responsibility

(C1.2) Below board-level, provide the highest-level management position(s) or committee(s) with responsibility for climate-related issues.

2019

Management responsibility

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

POTENTIAL FINANCIAL IMPACT



(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

- ▼ Modified format for requesting the potential financial impact of risks and opportunities
- ▼ New option to report a min/max range OR a single figure

Are you able to provide a potential financial impact figure?	Potential financial impact figure (currency)	Potential financial impact figure - minimum (currency)	Potential financial impact figure - maximum (currency)
Select from: <ul style="list-style-type: none"> • Yes, a single figure estimate • Yes, an estimated range • No, we do not have this figure 	Numerical field [enter a number from 0 to 999,999,999,999,999 using up to 2 decimal places]	Numerical field [enter a number from 0 to 999,999,999,999,999 using up to 2 decimal places]	Numerical field [enter a number from 0 to 999,999,999,999,999 using up to 2 decimal places]

C4 TARGETS

- ▼ Revised drop-down options in column 'Target' to be able to report separately targets that apply to electricity only
- ▼ New drop-down options for the target status – 'Achieved' and 'Revised' (C4.1a, C4.1b, C4.2)
- ▼ New drop-down options for the description of the initiatives (C4.3b), including 'Wind', 'Waste recovery', 'Behavioral change' and 'Product design'
- ▼ % of Target achieved clarification (C4.1b)

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

Target	KPI – Metric numerator	Target Status	Please explain
Select from: <ul style="list-style-type: none"> • Energy productivity • Renewable electricity consumption • Renewable electricity production • Renewable energy target including electricity, heat, steam and cooling • Renewable fuel 	Text field [maximum 200 characters]	Select from: <ul style="list-style-type: none"> • New • Underway • Achieved • Expired • Revised • Replaced • Retired 	Text field [maximum characters]

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative type	Description of initiative	Estimated annual CO2e savings (metric tons CO2e)
Select from: <ul style="list-style-type: none"> • Energy efficiency: Building fabric • Energy efficiency: Building services • Energy efficiency: Processes • Fugitive emissions 	Select from drop-down options below	Numerical field [enter a number from 0-999,999,999,999 using a maximum of 2 decimal places and no commas]

C8 ENERGY

- ▼ In all questions asking to specify the type of heating value used we have added a new drop-down option: 'Unable to confirm heating value'

Activity	Heating value	MWh from renewable sources	MWh from non-renewable sources
Consumption of fuel (excluding feedstock)	Select from: <ul style="list-style-type: none"> • LHV (lower heating value) • HHV (higher heating value) • Unable to confirm heating value 	Numerical field [enter a number from 0 to 9,999,999,999 using up to 2 decimal places and no commas]	Numerical field [enter a number from 0 to 9,999,999,999 using up to 2 decimal places and no commas]
Consumption of purchased or acquired electricity	N/A		
Consumption of purchased or acquired heat	N/A		
Consumption of purchased or acquired steam	N/A		
Consumption of purchased or acquired other fuels	N/A		

C8 ENERGY

(C8.2f) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

- ▼ New column added to be able to track the region of consumption of low-carbon energy

Basis for applying a low-carbon emission factor	Low-carbon technology type	Region of consumption of low-carbon electricity, heat, steam or cooling	MWh consumed associated with low-carbon electricity, heat, steam or cooling
<p>Select from:</p> <ul style="list-style-type: none"> • No purchases or generation of low-carbon electricity, heat, steam or cooling accounted with a low-carbon emission factor • Off-grid energy consumption from an on-site installation or through a direct line to an off-site generator owned by another company • Power Purchase Agreement (PPA) with energy attribute certificates • Power Purchase Agreement (PPA) without energy attribute 	<p>Select all that apply:</p> <ul style="list-style-type: none"> • Solar PV • Concentrated solar power (CSP) • Wind • Hydropower • Nuclear • Biomass (including biogas) • Tidal • Other low-carbon technology, please specify 	<p>Select from:</p> <ul style="list-style-type: none"> • Asia • Africa • Europe • North America • South America • Oceania • Other, please specify 	<p>Numerical field [enter from 0 to 999,999,999, using up to 2 decimal and no commas]</p>

OIL AND GAS SECTOR QUESTIONS



- ▼ New drop-down option
'Midstream' added in C-OG0.7 to reduce the reporting effort and provide more targeted questions for companies with only midstream oil and gas activities (transportation and distribution of crude oil and natural gas)

(C-OG0.7) Which part of the oil and gas value chain and other areas does your organization operate in?

Change from 2018

Minor change

Rationale

CDP aims to deliver a more focused questionnaire for organizations that operate in the oil and gas value chain. By selecting this question, you will receive questions that are most relevant to your organization. Answers provided here will allow users to more accurately compare responses across organizations and industries.

Response Options

Select all that apply from the following options:

Oil and gas value chain

- Upstream
- Midstream
- Downstream
- Chemicals

OIL AND GAS SECTOR QUESTIONS



(C-OG7.1b) Break down your total gross global Scope 1 emissions from oil and gas value chain production activities by greenhouse gas type.

- Question redesigned to reduce the reporting effort and allow more flexibility in reporting emissions breakdowns in the oil and gas sector

2018

Emissions category	Gross Scope 1 CO ₂ emissions (metric tons CO ₂)	Gross Scope 1 methane emissions (metric tons CH ₄)	Total gross Scope 1 GHG emissions (metric tons CO ₂ e)	Comment
Fugitives (Oil: Total)	Numerical field [enter a number from 0-999,999,999,999 using a maximum of 2 decimal places]	Numerical field [enter a number from 0-999,999,999,999 using a maximum of 2 decimal places]	Numerical field [enter a number from 0-999,999,999,999 using a maximum of 2 decimal places]	Text field [maximum characters]
Fugitives (Oil: Venting)				
Fugitives (Oil: Flaring)				
Fugitives (Oil: E&P, excluding venting and flaring)				
Fugitives (Oil: All other)				
Fugitives (Gas: Total)				
Fugitives (Gas: Venting)				
Fugitives (Gas: Flaring)				
Fugitives (Gas: E&P, excluding venting and flaring)				
Fugitives (Gas: Midstream)				
Fugitives (Gas: All other)				

2019

Emissions category	Value Chain	Product	Gross Scope 1 CO ₂ emissions (metric tons CO ₂)	Gross Scope 1 methane emissions (metric tons CH ₄)
Select all that apply: <ul style="list-style-type: none"> Combustion (excluding flaring) Flaring Venting Fugitives Process (feedstock) emissions Other (please specify) 	Select all that apply: <ul style="list-style-type: none"> Upstream Midstream Downstream Other (please specify) 	Select from: <ul style="list-style-type: none"> Oil Gas Unable to disaggregate 	Numerical field [enter a number from 0-999,999,999,999 using a maximum of 2 decimal places]	Numerical field [enter a number from 0-999,999,999,999 using a maximum of 2 decimal places]

SUPPLY CHAIN MODULE

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member	Scope of emissions	Allocation level	Allocation level detail	Emissions in metric CO ₂ e
Select from: [Drop-down menu of requesting members]	Select from: <ul style="list-style-type: none">• Scope 1• Scope 2• Scope 3	Select from: <ul style="list-style-type: none">• Company wide• Business unit (subsidiary company)• Facility• Commodity	Text field [maximum 500 characters]	Numerical field [enforced from 0-999,999,999; maximum of 4 decimal places]

- ▼ New columns added at the request of supply chain member organisations to allow for more details on the level of allocation

MORE DETAILS ON REVISIONS




Refer to the ‘Changes’ documents on CDP website:

“Questionnaire changes 2018-2019”

Examples include:

- ▼ Rewording
- ▼ Minor edits to long drop-down lists
- ▼ Character limit improvements

CDP questionnaire changes 2018-2019

		
<p>Climate change A map of the relationship between questions in the 2018 climate change questionnaire and the 2019 climate change questionnaire.</p>	<p>Forests A map of the relationship between questions in the 2018 forests questionnaire and the 2019 forests questionnaire.</p>	<p>Water security A map of the relationship between questions in the 2018 water security questionnaire and the 2019 water security questionnaire.</p>

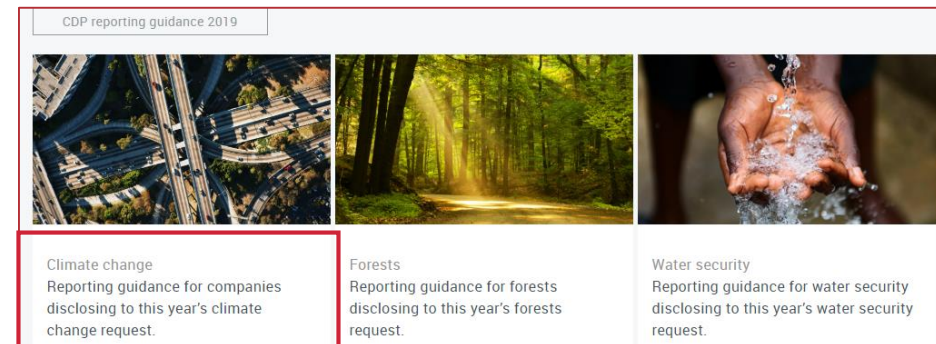
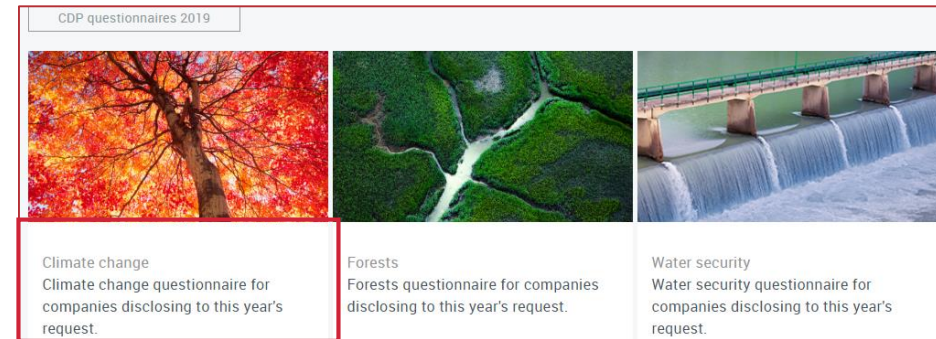
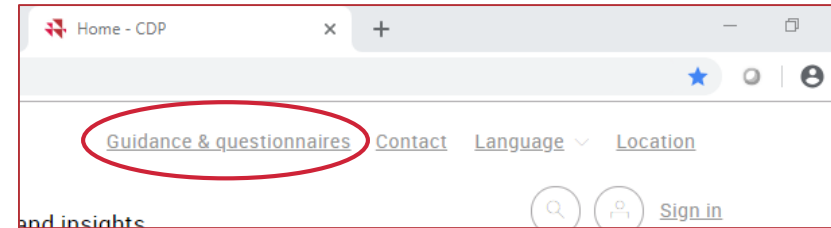
2020: STABILIZATION CONTINUES AND NEW SECTOR-SPECIFIC QUESTIONS

- ▼ Minimum developments
- ▼ Simplification of Module 2 (Risks and Opportunities)
- ▼ New sector-specific questions: Real Estate, Capital Goods and Financial Services



QUESTIONNAIRE RESOURCES

- ▼ Questionnaire
- ▼ Reporting guidance
- ▼ Changes
- ▼ Scoring methodology
- ▼ Technical feedback form



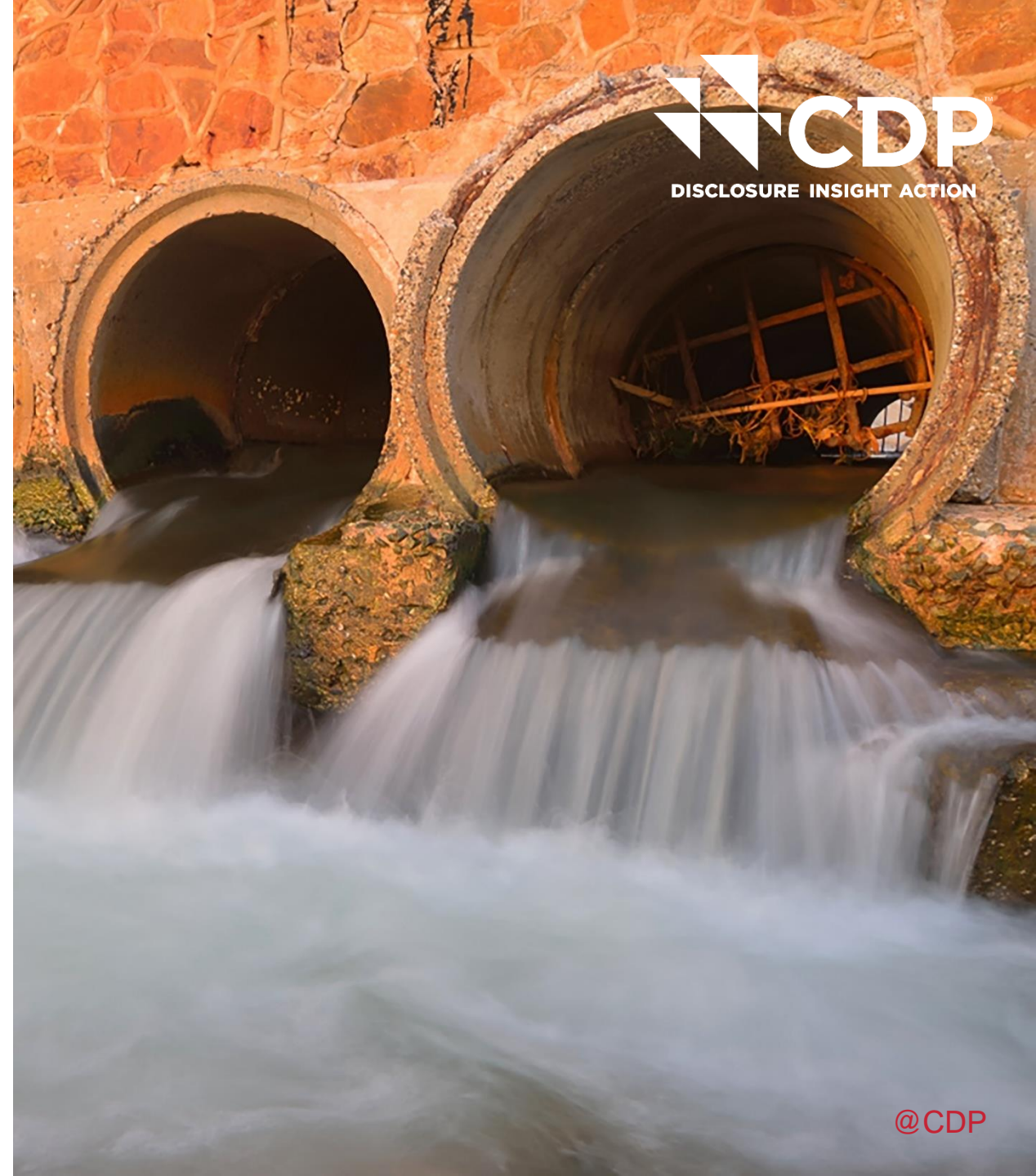
Introduction to the 2019 Water Security Questionnaire

CONTENTS

- ▼ Introduction to CDP's water security questionnaire
- ▼ Overview of changes for 2019 disclosure
- ▼ How to find out more

THE PRIVATE SECTOR IS VITAL TO DELIVERING A WATER SECURE FUTURE

- ▼ Delivering a water secure future requires a complete transformation of our global economy.
- ▼ Businesses face physical, operational and reputational risks, financial instability and loss of revenue.
- ▼ And “transition risks”. They may miss out on opportunities as the world drives water security through greater regulation and market innovation.



OBJECTIVES OF THE CDP WATER SECURITY QUESTIONNAIRE

CDP collects information to support better decision making:

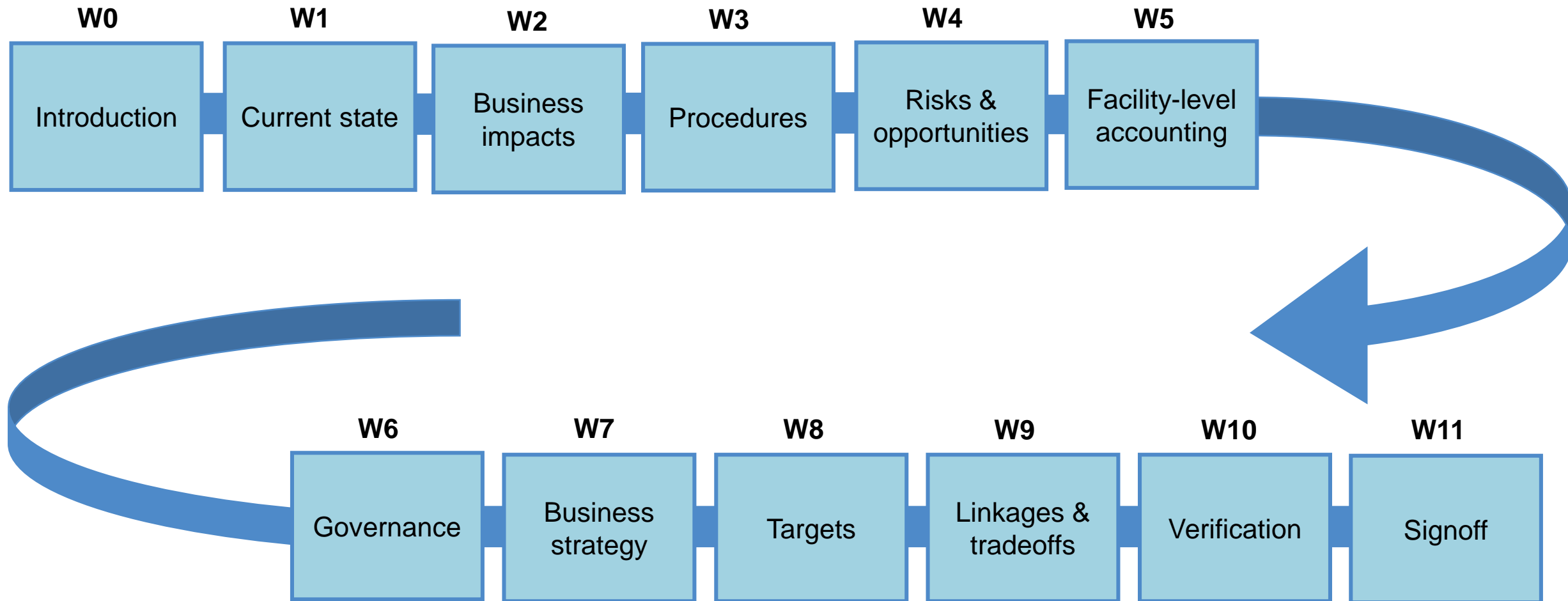
- ▼ by investors
- ▼ customers and
- ▼ policy makers;
- ▼ and corporations themselves.



Decisions that will:

- ▼ Decouple economic growth from unsustainable water use
- ▼ Increase the flow of capital in favour of water security
- ▼ Strengthen water policy and regulation

A FRAMEWORK FOR ALIGNING BUSINESS STRATEGY WITH A WATER SECURE FUTURE



MINIMUM VERSION OPTION



MINIMUM VERSION QUESTIONNAIRES

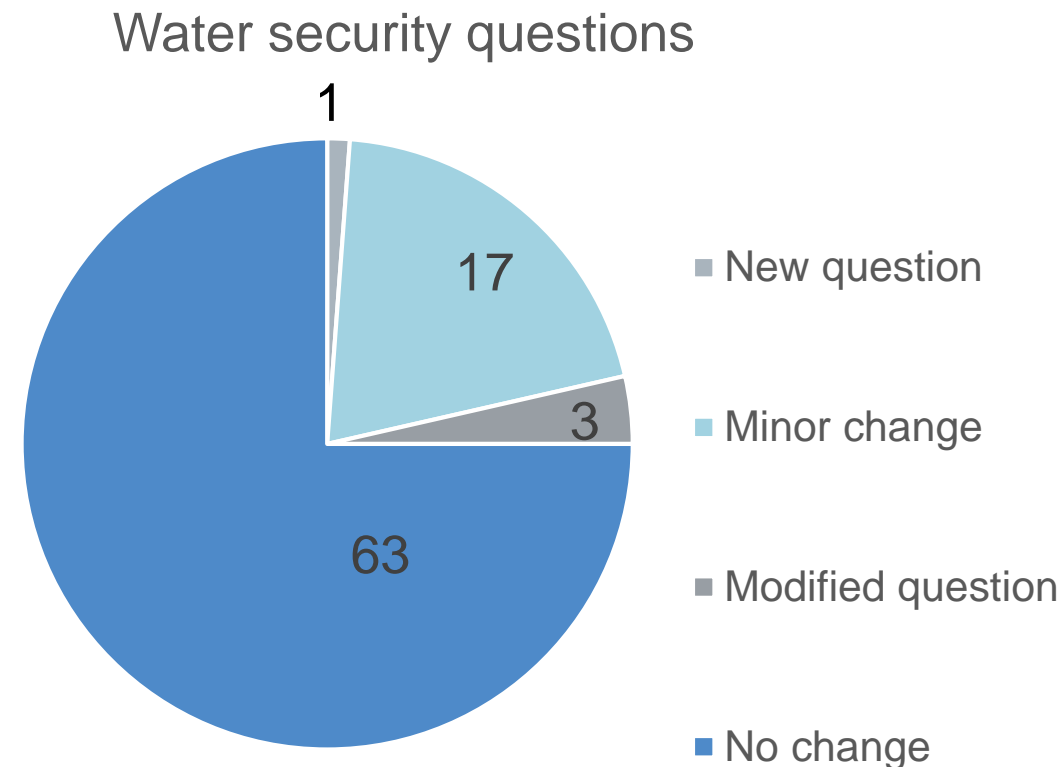


An option for organizations:

- ▼ Disclosing to the water security questionnaire for the first time;
- OR
- ▼ With an annual revenue of less than EUR/US\$250 million

2019 QUESTIONNAIRE CHANGES

- ▼ Stabilization: only minimum changes to the information requested, correction of errors, clarifications to reporting guidance
- ▼ Over 90% 'no change' and 'minor change'
- ▼ No new sector questions
- ▼ “Copy from last year” functionality



NEW QUESTION – W6 GOVERNANCE



Reporting

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Change from 2018

New question

Response options

Select one of the following options:

- Yes (you may attach the report – this is optional)
 - No, but we plan to do so in the next two years
 - No, and we have no plans to do so
-

5 REVISIONS TO NOTE INCLUDE:



- ▼ **W4 Risks & Opportunities** (also CC and F questionnaires) – modified format for requesting the potential financial impact of risks and opportunities
- ▼ **W6 Governance** (also CC and F questionnaires) – new drop down added for who has *board oversight (W6.2)*, and a question text edit for *management responsibility (W6.3)*
- ▼ **W4 Risks & W5 Facility level accounting** – clarified the guidance on how to group facilities for the purposes of reporting
- ▼ **(MM only)** W0 Introduction, W1 Current state & W3 Procedures – revised response options, and question dependencies
- ▼ **Minimum version W6** Governance – a missing ‘no-route’ question was added

WHAT TO LOOK OUT FOR:



▼ Copy from last year: you must check your responses!

- ▼ Note: If you submitted a response to the 2018 questionnaire, your answers will be auto-populated into your 2019 questionnaire, where applicable.

▼ Reporting your water-related risks

- ▼ Note that we ask for details of substantive risks only.
You tell us how you set the threshold for what is substantive – what exposes your company to impacts that would be significant operationally or financially, for example.
- ▼ Note that we ask for water accounting data at the facility level – but only for facilities that expose your company as a whole to substantive risk


MORE DETAILS ON 2019 REVISIONS

Refer to the ‘Changes’ documents on CDP website: [“Questionnaire changes 2019”](#)

Examples include:

- ▼ Removal of “other please specify” from country lists
- ▼ Minor edits to long drop-down lists
- ▼ Character limit improvements

CDP questionnaire changes 2018-2019



Climate change
A map of the relationship between questions in the 2018 climate change questionnaire and the 2019 climate change questionnaire.

Forests
A map of the relationship between questions in the 2018 forests questionnaire and the 2019 forests questionnaire.

Water security
A map of the relationship between questions in the 2018 water security questionnaire and the 2019 water security questionnaire.

2020 AND BEYOND

▼ 2020: stabilization continues

- ▼ minimum developments
- ▼ proposed new question: senior employee incentives – currently presented only to high impact sectors
- ▼ M&M refinements

▼ 2021 +

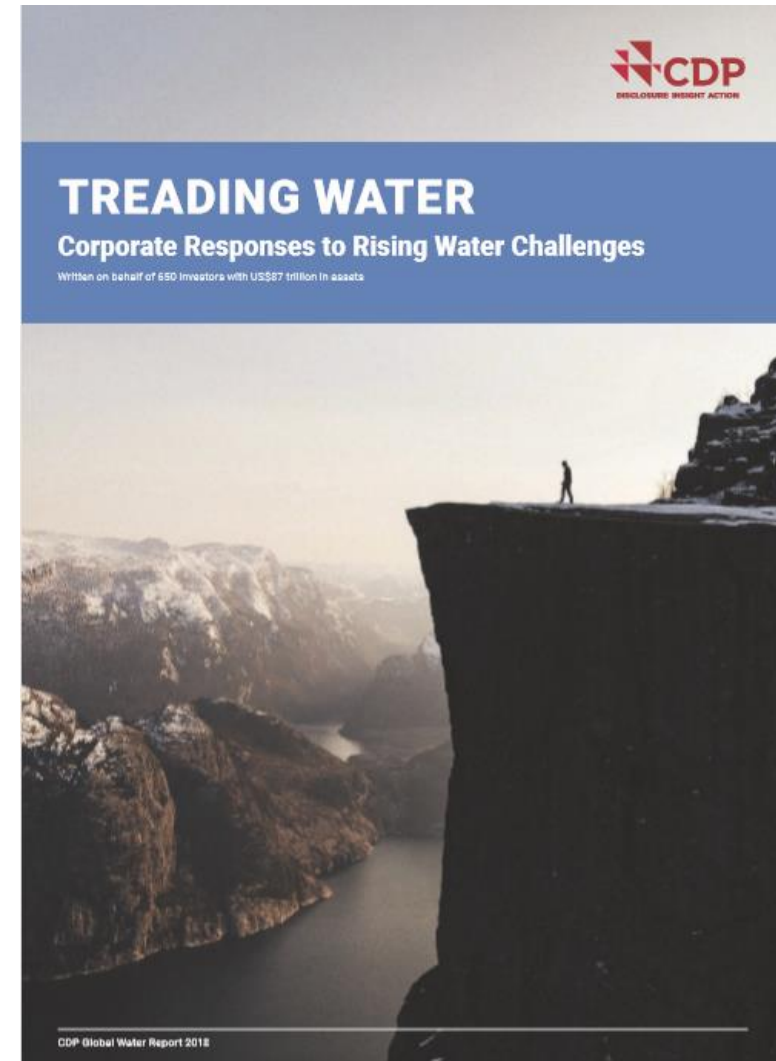
- ▼ potential for improved alignment with other frameworks following the work of the Better Alignment Project (www.CorporateReportingDialogue.com)
- ▼ revisions to Targets module
- ▼ emphasis on transition risk, governance and strategy

CDP'S 2018 GLOBAL WATER REPORT



▼ Presents an analysis of the response to water challenges from 783 of the world's largest publicly listed companies.

▼ <https://www.cdp.net/en/water>



Kahve molası

SESSION 2 – SCORING OVERVIEW & CHANGES

CONTENTS

Session 2: 11.30 -12.30

- ▼ Overview of scoring
- ▼ Scoring approach
- ▼ Question level changes
- ▼ Scoring resources 2019

Overview of scoring

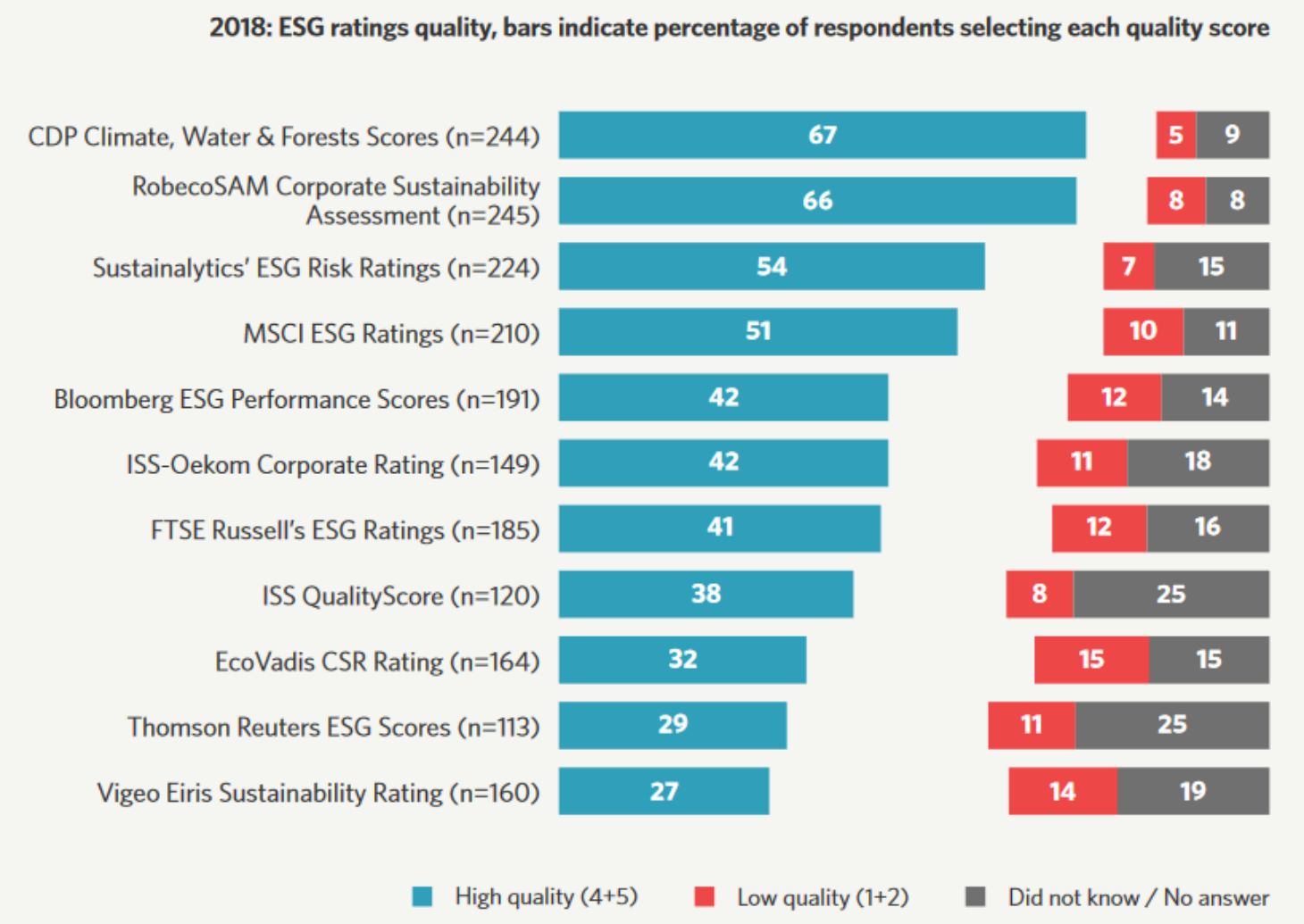


Scoring principles

- ▼ **Independent:** Scoring is completed by partner organizations trained by CDP. All scores are subjected to rigorous quality assurance checks.
- ▼ **Comparable:** The CDP methodologies are the same across all countries – the same key actions need to be demonstrated and same information provided.
- ▼ **Transparent:** The full guidance and methodology is available online, alongside webinars and explanations.
- ▼ **Wide reaching:** In 2018, over 8994 individual scores were awarded.
- ▼ **Influential:** Public scores are published in the CDP website and reports, Bloomberg terminals, Google Finance and Deutsche Börse, and shared directly with investors.



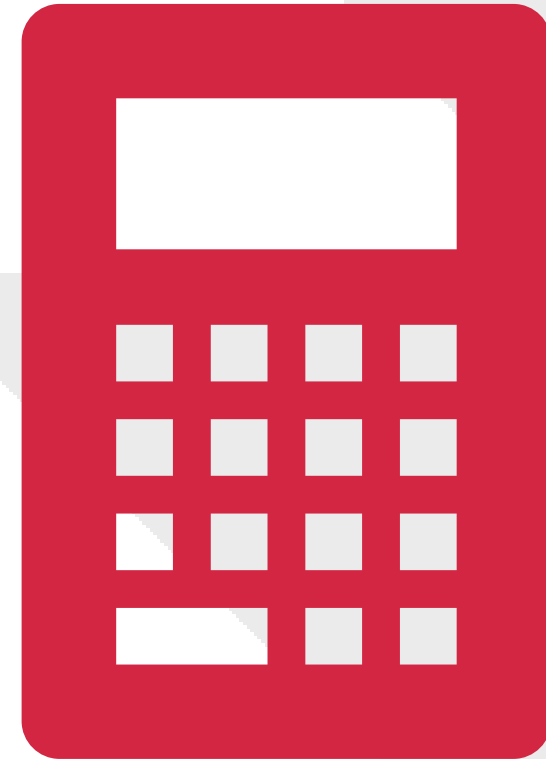
How credible is CDP?



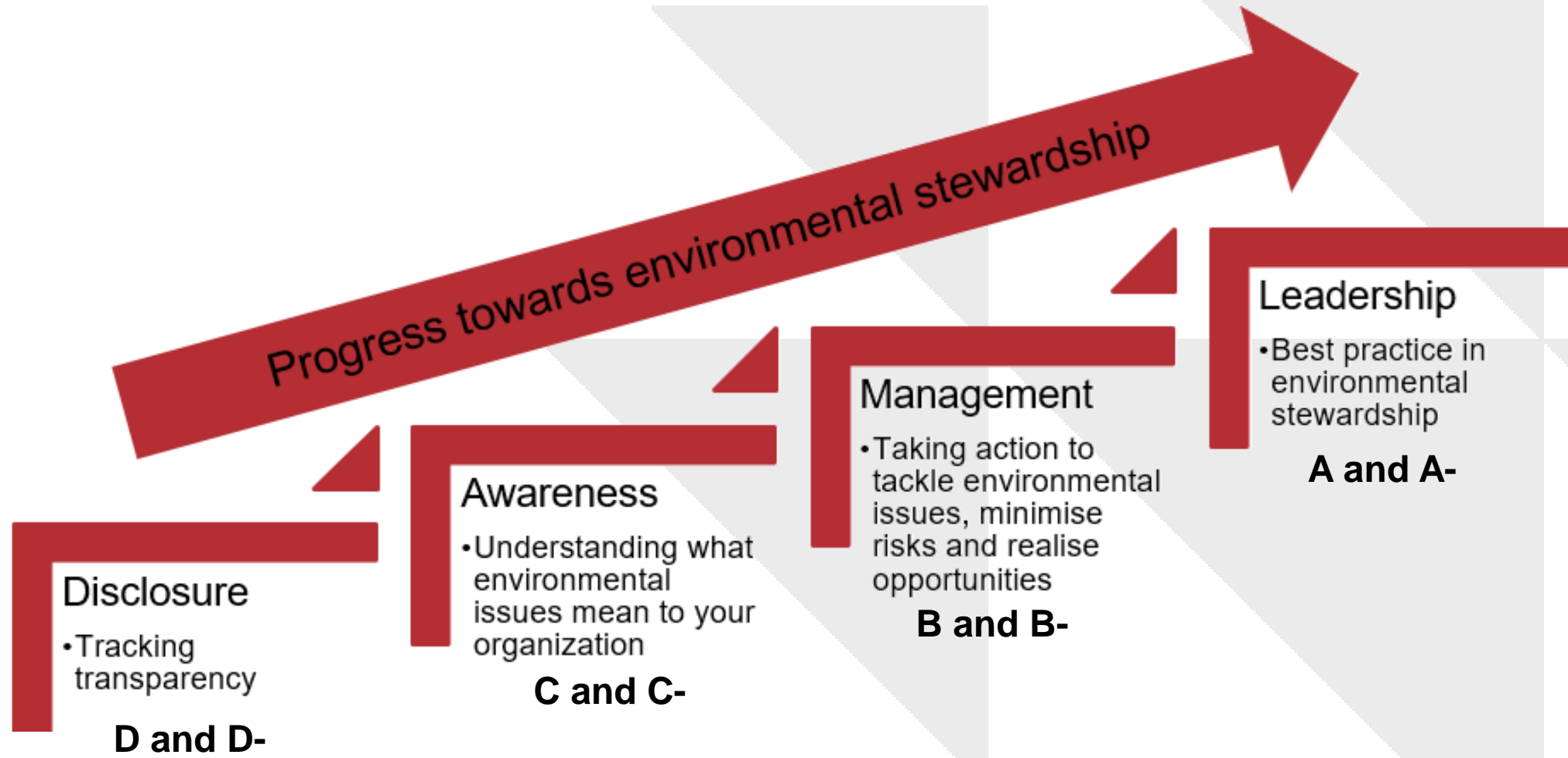
Scoring approach

Scoring approach

- ▼ Levels: Disclosure, Awareness, Management and Leadership
- ▼ Thresholds
- ▼ Categories
- ▼ Weightings



Scoring approach: levels



Disclosure and Awareness

Disclosure (D and D-)

- ▼ Scoring for **completeness**
- ▼ Drives improvements in the reliability and quality of data
- ▼ Ability to answer questionnaire = maturity of stewardship efforts

Awareness (C and C-)

- ▼ Scoring to identify those who have **considered the implications of environmental issues**
- ▼ Moving from transparent disclosure to some knowledge of environmental issues

Management and Leadership

Management (B and B-)

- ▼ Scoring for **the implementation of actions**
- ▼ Actively tracking, mitigating and stopping environmental risks and impacts

Leadership (A and A-)

- ▼ Scoring to **identify those who are carrying out the best practice in managing environmental issues**
- ▼ A detailed and company specific understanding of issues, demonstrating both knowledge and the implementation of particular actions

Scoring approach: thresholds



Scoring approach: thresholds in 2019



Level	Climate Change	Final score
Disclosure	0 – 44%	D -
	45 – 79%	D
Awareness	0 – 44%	C -
	45 – 79%	C
Management	0 – 44%	B -
	45 – 79%	B
Leadership	0 - 79%	A -
	80 – 100%	A

Scoring approach: changes to weightings for 2019

Scoring Category	2018 Management weighting	2019 Management weighting
Governance	12%	12%
Risk management processes	10%	10%
Risk Disclosure	8%	9%
Opportunity Disclosure	8%	6%
Business Impact Assessment & Financial Planning Assessment	5%	5%
Business Strategy	5%	4%
Scenario Analysis	1%	2%
Targets	12%	12%
Emissions reduction initiatives and low carbon products	5%	5%
Scope 1 & 2 Emissions (incl. verification)	12%	12%
Scope 3 Emissions (incl. verification)	5%	5%
Emissions breakdowns	0%	0%
Energy	6%	7%
Additional climate-related metrics (incl. verification)	0%	0%
Carbon pricing	2%	2%
Value chain engagement	5%	5%
Public policy engagement	1%	1%
Sign Off	2%	2%
100% Disclosure	0%	0%



Question level changes



Board-level oversight (C1.1a)

Position of individual(s)	Please explain
<p>Select from:</p> <ul style="list-style-type: none">• Board Chair• Director on board• Chief Executive Officer (CEO)• Chief Financial Officer (CFO)• Chief Operating Officer (COO)• Chief Procurement Officer (CPO)• Chief Risk Officer (CRO)• Chief Sustainability Officer (CSO)• Other C-Suite Officer• President• Board-level committee• Other, please specify	<p>Text field [maximum 1,000 characters]</p>

Leadership criteria (ii):
Modified from 2018

Leadership scoring criteria

If 1 point has been awarded for criteria i):

ii) 1 Leadership point will be awarded for providing the following in "Please explain":

- How the individual's responsibility is related to climate issues.

Board-level oversight (C1.1b)

Management

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
<p>Select from:</p> <ul style="list-style-type: none"> • Scheduled - all meetings • Scheduled - some meetings • Sporadic - as important matters arise • Other, please specify 	<p>Select all that apply:</p> <ul style="list-style-type: none"> • Reviewing and guiding strategy • Reviewing and guiding major plans of action • Reviewing and guiding risk management policies • Reviewing and guiding annual budgets • Reviewing and guiding business plans • Setting performance objectives • Monitoring implementation and performance of objectives • Overseeing major capital expenditures, acquisitions and divestitures • Monitoring and overseeing progress against goals and targets for addressing climate-related issues • Other, please specify 	<p>Text field [maximum 3,000 characters]</p>

Full Awareness points must have been awarded AND at least one option excluding "Other, please specify" selected in column "Governance mechanisms..." to be eligible for Management points.

Board-level oversight (C1.1b)

Management

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Select from: <ul style="list-style-type: none">• Scheduled - all meetings• Scheduled - some meetings• Sporadic - as important matters arise• Other, please specify	Select all that apply: <ul style="list-style-type: none">• Reviewing and guiding strategy• Reviewing and guiding major plans of action• Reviewing and guiding risk management policies• Reviewing and guiding annual budgets• Reviewing and guiding business plans• Setting performance objectives• Monitoring implementation and performance of objectives• Overseeing major capital expenditures, acquisitions and divestitures• Monitoring and overseeing progress against goals and targets for addressing climate-related issues• Other, please specify	Text field [maximum 3,000 characters]



i) "Scheduled - all meetings" OR "Scheduled - some meetings" is selected in column "Frequency with which climate-related issues..." - 1 point

Board-level oversight (C1.1b)

Management

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
<p>Select from:</p> <ul style="list-style-type: none"> • Scheduled - all meetings • Scheduled - some meetings • Sporadic - as important matters arise • Other, please specify 	<p>Select all that apply:</p> <ul style="list-style-type: none"> • Reviewing and guiding strategy • Reviewing and guiding major plans of action • Reviewing and guiding risk management policies • Reviewing and guiding annual budgets • Reviewing and guiding business plans • Setting performance objectives • Monitoring implementation and performance of objectives • Overseeing major capital expenditures, acquisitions and divestitures • Monitoring and overseeing progress against goals and targets for addressing climate-related issues • Other, please specify 	<p>Text field [maximum 3,000 characters]</p>

ii) "Please explain" column contains description of how one of the governance mechanisms selected, excluding "Other, please specify", contribute to the board's oversight of climate issues - 1 point

C1.1a vs C1.1b

- ▼ Both C1.1a and C1.1b are now scored for their 'Please explain' columns
- ▼ C1.1a focuses on individuals(s) on the board, and how they are responsible for managing climate related issues. Descriptions to explain why they have responsibility, and how climate issues are reflected in this responsibility.
- ▼ C1.1b focuses on how governance mechanisms in which climate issues are integrated are used by the board. Descriptions to explain how one of the governance mechanisms contribute to the boards oversight of climate related issues.



Governance: Alignment with W & F Methodologies

(C1.1a)



W6.2a

Leadership scoring criteria

ii) 1 point will be awarded for providing the following in the "Please explain" column:

- How the individual's responsibility is related to water issues.



F4.2a

Leadership scoring criteria

ii) 1 point will be awarded for providing the following in column "Please explain":

How the individual's responsibility is related to forests issues.

Governance: Alignment with W & F Methodologies

(C1.1b)

W6.2b

Management scoring criteria



- Selection of "Scheduled - all meetings" OR "Scheduled - some meetings" - 1 point

In the "Please explain column":

- A description of how the governance mechanisms selected contribute to the board's oversight of water issues - 1 point

F4.2b

Management scoring criteria



i) Selection of "Scheduled - all meetings" OR "Scheduled - some meetings" in column "Frequency that forests-related issues are a scheduled agenda item" - 1 point

In the "Please explain column":

ii) A description of how the governance mechanisms selected contribute to the board's oversight of forest issues - 1 point

Risks Management Processes (C2.1)

- ▼ Time Horizons
- ▼ Management and Leadership remain not scored
- ▼ Disclosure and Awareness criteria update
- ▼ **Long term-time horizon can be open-ended**

Time horizon	From (years)	To (years)	Comment
Short-term	Numerical field [enter a number from 0-100 using no decimals or commas]	Numerical field [enter a number from 0-100 using no decimals or commas]	Text field [maximum 2,400 characters]
Medium-term			
Long-term			

Risk and Opportunity Disclosure (C2.3a & C2.4a)



New Financial impact columns



New Management criteria (vi)



C2.4a pre-requisite removed from Management criteria

Risk and Opportunity Disclosure (C2.3a & C2.4a)



Identifier	Where in the value chain does the risk driver occur?	Risk type	Primary climate-related risk driver	Type of financial impact driver	Company-specific description	Time horizon	Likelihood	Magnitude of impact	Are you able to provide a potential financial impact figure?	Potential financial impact figure (currency)	Potential financial impact figure - minimum (currency)	Potential financial impact figure - maximum (currency)	Explanation of financial impact figure	Management method	Cost of management



Are you able to provide a potential financial impact figure?	Potential financial impact figure (currency)	Potential financial impact figure - minimum (currency)	Potential financial impact figure - maximum (currency)
Select from: <ul style="list-style-type: none"> • Yes, a single figure estimate • Yes, an estimated range • No, we do not have this figure 	Numerical field [enter a number from 0 to 999,999,999,999,999 using up to 2 decimal places]	Numerical field [enter a number from 0 to 999,999,999,999,999 using up to 2 decimal places]	Numerical field [enter a number from 0 to 999,999,999,999,999 using up to 2 decimal places]

▼ **4 new columns**

▼ Financial impact figure columns dependent on selection in “Are you able to...”

Risk and Opportunity Disclosure (C2.3a & C2.4a)



- ▼ Disclosure scored proportionally per completed cell
- ▼ Awareness score proportionally per complete row (excluding columns “Cost of Management” and “Management method”)
- ▼ **New financial impact columns grouped together for Disclosure and Awareness scoring. Each of these combinations equivalent to one complete cell:**
 1. “Yes, a single figure estimate” is selected in column “Are you able to provide a potential financial impact figure?” AND a figure is provided in column “Potential financial impact figure - (currency)”
 2. “Yes, an estimated range” is selected in column “Are you able to provide a potential financial impact figure?” AND a figure is provided in column “Potential financial impact figure - minimum (currency)” AND a figure is provided in column “Potential financial impact figure - maximum (currency)”
 3. “No, we do not have this figure” is selected in column “Are you able to provide a potential financial impact figure?”

Are you able to provide a potential financial impact figure?	Potential financial impact figure (currency)	Potential financial impact figure - minimum (currency)	Potential financial impact figure - maximum (currency)
Yes, a single figure estimate	250000		

Are you able to provide a potential financial impact figure?	Potential financial impact figure (currency)	Potential financial impact figure - minimum (currency)	Potential financial impact figure - maximum (currency)
No, we do not have this figure			

Equivalent to 1 complete cell at Disclosure and Awareness

Are you able to provide a potential financial impact figure?	Potential financial impact figure (currency)	Potential financial impact figure - minimum (currency)	Potential financial impact figure - maximum (currency)
Yes, an estimated range		250000	1000000

Risk and Opportunity Disclosure (C2.3a & C2.4a)

Management



- ▼ New financial impact columns affect Management criteria (ii) and (iii)

Management scoring criteria

ii) If "No.." has been selected in column "Are you able to provide a potential financial impact figure" - 0 points

OR

- The risk driver selected in column "Type of financial impact driver" is consistent and has clear rationale with the numerical figure in column(s) "Potential financial impact..." and text answer in column "Explanation of financial impact" - 1 point

Risk and Opportunity Disclosure (C2.3a & C2.4a)



▼ New Management criteria (vi):

vi) A figure has been reported in "Cost of Management" AND "Management method" explains how the figure in "Cost of Management" was calculated - 1 point (C2.3a)

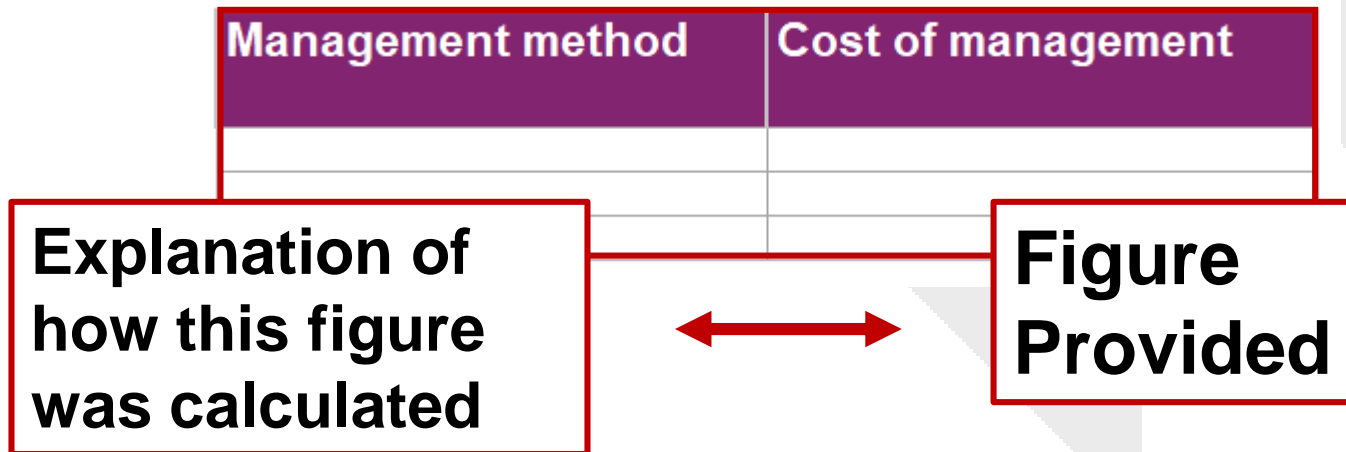
vi) A figure has been reported in "Cost to realize opportunity" AND "Strategy to realize opportunity" explains how the figure in "Cost to realize opportunity" was calculated - 1 point (C2.4a)

▼ Management denominator for C2.3a and C2.4a now 18 points

Risk and Opportunity Disclosure (C2.3a & C2.4a)



Identifier	Where in the value chain does the risk driver occur?	Risk type	Primary climate-related risk driver	Type of financial impact driver	Company-specific description	Time horizon	Likelihood	Magnitude of impact	Are you able to provide a potential financial impact figure?	Potential financial impact figure (currency)	Potential financial impact figure - minimum (currency)	Potential financial impact figure - maximum (currency)	Explanation of financial impact figure	Management method	Cost of management



Emissions Reductions Initiatives (C4.3b)

- ▼ Disclosure criteria unchanged
- ▼ Leadership remains not scored
- ▼ **Completion of financial columns** *“Annual monetary savings...”*;

“Investment required...” and *“Payback period”* **moved from**

Awareness level  **to Management level**



Emissions Reductions Initiatives (C4.3b)

Awareness



Initiative type	Description of initiative	Estimated annual CO2e savings (metric tons CO2e)	Scope	Voluntary/Mandatory	Annual monetary savings (unit currency, as specified in C0.4)	Investment required (unit currency, as specified in C0.4)	Payback period	Estimated lifetime of the initiative	Comment



Up to 3 points will be awarded in proportion to the number of complete rows (excluding column "Annual monetary savings (unit currency – as specified in C0.4)" column "Investment required (unit currency, as specified in CC0.4)" AND column "Payback period") that have a numerical value reported in the column "Estimated annual CO2e savings (metric tons CO2e)".

Emissions Reductions Initiatives (C4.3b)

Management

Initiative type	Description of initiative	Estimated annual CO2e savings (metric tons CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency, as specified in C0.4)	Investment required (unit currency, as specified in C0.4)	Payback period	Estimated lifetime of the initiative	Comment

i) If column “Annual monetary savings (unit currency – as specified in C0.4), column “Investment required (unit currency, as specified in CC0.4)” AND column “Payback period” are completed for all reported rows* – 1 point

- Criteria (ii) remains the same as 2018
- Management denominator increased to 2**

Energy (C8.2e & C-EU8.2e)

- ▼ Disclosure and Awareness scoring approach same as in 2018
- ▼ Leadership remains not scored
- ▼ **“Sliding scale” criteria introduced at Management level**
- ▼ Incentivizing increasing proportion of energy generation from renewable sources



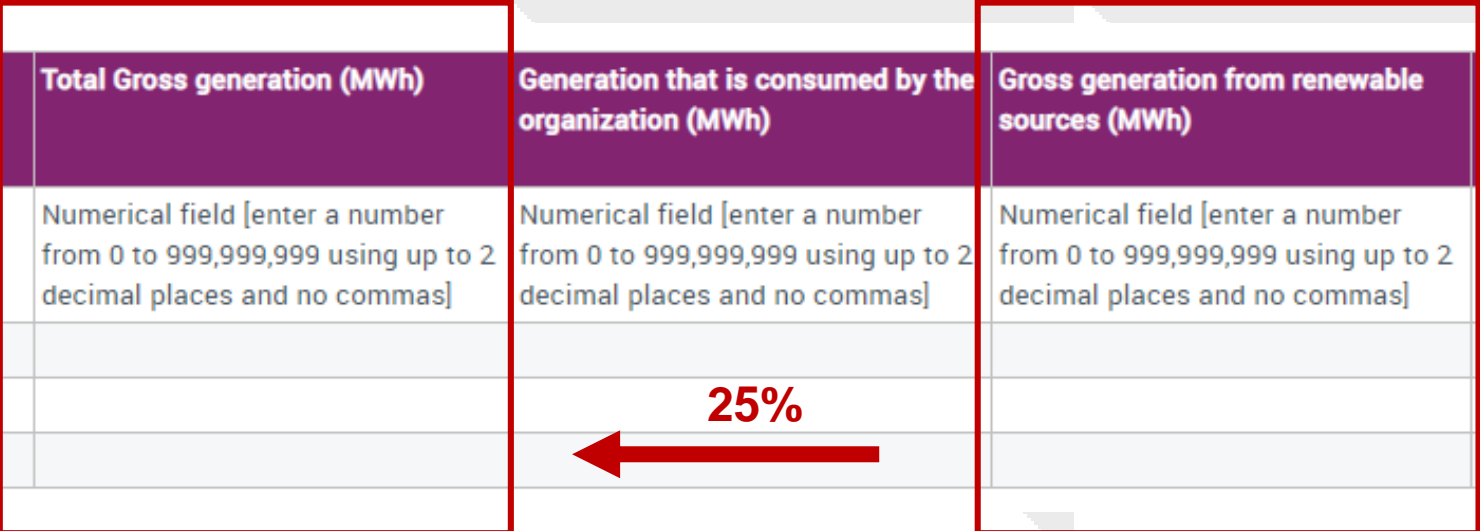
Energy (C8.2e)

Management scoring criteria

Full points must have been awarded at Awareness level to be eligible for points in Management.

If "Gross generation from renewable sources (MWh)" accounts for 25% or more your of "Total Gross generation (MWh)" - 1 point

Energy Carrier	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	Numerical field [enter a number from 0 to 999,999,999 using up to 2 decimal places and no commas]	Numerical field [enter a number from 0 to 999,999,999 using up to 2 decimal places and no commas]	Numerical field [enter a number from 0 to 999,999,999 using up to 2 decimal places and no commas]	Numerical field [enter a number from 0 to 999,999,999 using up to 2 decimal places and no commas]
Heat				
Steam				
Cooling				



Energy (C8.2e)

Example

Energy Carrier	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	35020	17985	18162	17040
Heat	3430820	3430830	969440	969440
Steam	0	0	0	0
Cooling	0	0	0	0

Total Gross Generation = 3465840

Gross Generation from renewable sources = 987602

$$(987602)/(3465840) * 100 = \mathbf{28.5\%}$$

Eligible for 1 Management point

Energy (C-EU8.2e)



Power generation source	Nameplate capacity (MW)	Gross electricity generation (GWh)	Net electricity generation (GWh)	Absolute Scope 1 emissions (metric tons CO2e)	Scope 1 emissions intensity (metric tons CO2e per GWh)	Comment
Coal - hard						
Lignite						
Oil						
Gas						
Biomass						
Waste (non-biomass)						
Nuclear						
Geothermal						
Hydroelectric						

Full Awareness points must have been awarded to be eligible for Management points in this question.

- If 10% - 25% of the total of column 'Net electricity generation (GWh) comes from renewable power generation sources (Biomass, Geothermal, Hydroelectric, Wind, and Solar) - 1 point
- If greater than 25% of the total of column 'Net electricity generation (GWh) comes from renewable power generation sources (Biomass, Geothermal, Hydroelectric, Wind, and Solar) - 2 points

Scoring resources 2019



Scoring resources 2019



- ▼ Scoring methodologies (all sectors, minimum version, SER) ✓
- ▼ Scoring introduction document ✓
- ▼ 2019 Categories & weightings document - *forthcoming*
- ▼ 2019 scoring methodology changes from 2018 document - *forthcoming*

IMPORTANT TO NOTE



Auto-populated answers for repeat disclosers

Clear sign posting to enable review of copy forward from last year answers

Copy forward from last year

If you submitted a response to the 2018 questionnaire, your answers have been auto-populated in to your 2019 questionnaire where applicable.

Please review the auto-populated answers carefully. It is your responsibility to ensure your answers are updated for the accuracy and completeness of your 2019 response.

This icon will show for auto-populated answers:



Please refer to the [guide to the disclosure platform](#) for more information on how to use the system.

More information on changes

Documents that detail the precise changes from last year are available on the CDP Guidance page of the website.

CDP questionnaire changes 2018-2019



Climate change

A map of the relationship between questions in the 2018 climate change questionnaire and the 2019 climate change questionnaire.



Forests

A map of the relationship between questions in the 2018 forests questionnaire and the 2019 forests questionnaire.



Water security

A map of the relationship between questions in the 2018 water security questionnaire and the 2019 water security questionnaire.

Top tips for your next response

- ▼ Review 'Copy forward from last year' answers
- ▼ Do not skip questions without making a selection
- ▼ Avoid blank answers
- ▼ Use company specific examples
- ▼ Read the scoring methodology – updated version will be on the website at the end of March



CDP Changes planned for 2020



- ▼ Complete our alignment and coverage of the high impact sectors identified by the TCFD. We will add the following sectors to the climate change questionnaire:
- ▼ **Financial Services:** Banking, Insurance, Asset owners, Asset management , for Climate Change questionnaire.
- ▼ **Materials:** Capital goods, Real estate development & management for Climate change questionnaire.

Future alignment to aid reporting

- ▼ CDP aligning with other key reporting frameworks in order to ease the reporting process for disclosers.
- ▼ CRD – Corporate Reporting Dialogue – with CDSB, GRI, FASB (as an observer), IASB, IIRC, ISO and SASB.



2019 TIMELINE



Date	Description
February 2019	Official disclosure requests sent to companies requested by investors.
March 2019	Final version of the reporting guidance is available on our guidance page . Scoring methodologies are available on our guidance page , too.
April 2019	Official disclosure requests sent to companies requested by customers. Online Response System (ORS) opens. Expected week commencing April 8, 2019. <i>(Week commencing April 1 for states and regions; week commencing April 15 for cities.)</i>
July 2019	Companies must submit their response to investors and/or customers using the ORS by July 31, 2019 to be automatically eligible for scoring and inclusion in reports (where applicable).
late 2019	Scores and public responses released.

Teşekkür ederiz

Thank you