

Sustainability, simplified

# Making the Most of CDP

April 2012

# Agenda

- Introduction
- CDP structure
- Internal benefits of CDP reporting
- Tips for managing the process
- Questions and answers

### Presenters



#### Yohan Hill - Senior Consultant

Yohan is a Senior Consultant with Corporate Citizenship, he specializes in a number of aspects: environmental reporting, assurance and external standards. He has worked with a range of global companies and professional firms including Pearson, Molson Coors, National Grid and Unilever.



#### **Megan DeYoung – Director, United States**

Megan manages Corporate Citizenship's US practice and works with clients to develop and implement citizenship strategies that are closely tied with the business and to communicate clients' initiatives to internal and external stakeholders. She has worked with many global companies including Abbott, Hershey's, Aramark, and Unilever.

# Corporate Citizenship's work is global

- Corporate Citizenship is a corporate responsibility management consulting company with offices in the US and UK
- Since 1997, we have advised leading, global corporations on how to enhance and align their citizenship and traditional business activities to create strategic business value

We have a team of 30 and experience in 40 countries

"They have a real understanding of the issues in diverse countries around the world"

- Unilever







# We work in all areas of corporate responsibility

- Advised on what it means to be a good corporate citizen, including addressing contentious business impacts, in different parts of the globe
- Develop best practice and strategy for some of the largest and most influential corporations
- Devised and implemented environment data management systems in over 100 countries
- Advised or wrote more than 125 reports
- Global market leaders for assurance (200 reports verified)
- Help businesses invest £1.4bn in local communities annually

Our partners



CARBON DISCLOSURE PROJECT
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"They understood what was important to the way we operate, and where we could make the greatest difference" - Abbott





### About the CDP

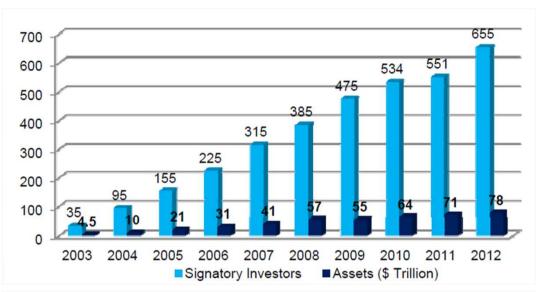
### CARBON DISCLOSURE PROJECT

- CDP is an NGO reporting on behalf of over 500 institutional investors globally (with over US\$70 trillion in assets under management)
- Responses are used by asset managers and analysts for research and engagement purposes, responding companies for benchmarking and procuring organizations to inform decision-making
- CDP is in its 12th year of evaluating corporations on their climate change risks, opportunities, impacts and associated business strategies and performance
- More than 3,700 companies in some 72 countries reported through CDP in 2011, including 81% of the Global 500 companies

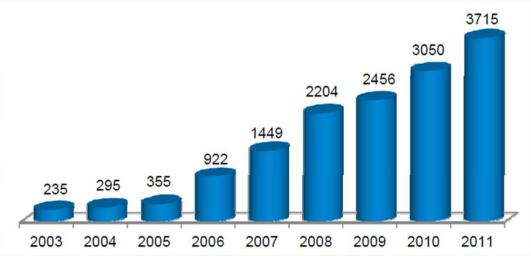




### About the CDP



The number of CDP signatories continues to grow year-on-year



As does the number of responding companies





### **CDP Programs**

Program	Core Modules	Additional Modules	Response Deadline
Investor CDP	Management	Oil & Gas	31 May 2012
	Risks & Opportunities	Electric Utilities	
	Emissions	Auto	
	Sign-off	ICT	
CDP Supply Chain	Management	Supplier	31 July 2012
	Risks & Opportunities		
	Emissions		
	Sign-off		

- CDP Water Questionnaire is separate from Investor CDP & CDP Supply Chain
- CDP Carbon Action is an initiative for high-emitting industries and industries with potentially significant supply chain emissions





### CDP Scoring

 Core modules are scored based on the 'CDP Scoring Methodology' for Disclosure and Performance

#### The Disclosure score:

- Is expressed as a number (out of 100)
- Designed to reflect the quality and completeness of response

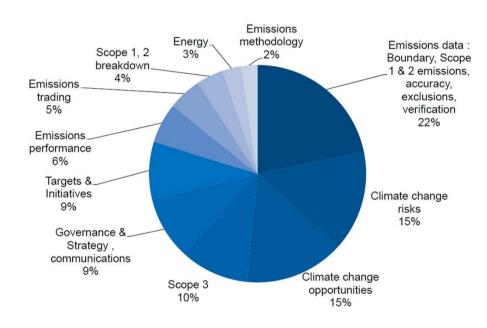
#### The Performance score:

- Designed to recognise actions that contribute to climate change mitigation, adaptation and transparency
- Is assessed if the disclosure score is above 50 and expressed as a band (in 2011, the bands were A, A-, B, C, D, E)

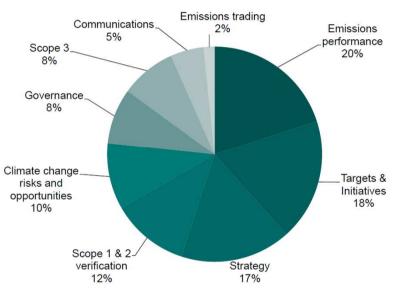


# **CDP Scoring**

#### 2012 Disclosure Scoring



#### 2012 Performance Scoring







### Carbon Leadership Indices

 To get into either the Carbon Disclosure Leadership Index (CDLI) or the Carbon Performance Leadership Index (CDPI), a company's response must be publically available and submitted via CDP's ORS

#### To enter the CDLI, a company must have:

A top disclosure score (usually top 10%)

### To enter the CPLI, a company must have:

- A top performance score (bands currently under review)
- Maximum points for 13.1a absolute emissions reduction
- Scope 1 & 2 figures disclosed
- Maximum performance points for verification/assurance of Scopes 1 & 2



# Internal benefits of CDP reporting

#### **Disclosure framework**

- Modules help to standardize carbon data collection & disclosure
- Supports benchmarking against peers



- Promotes monitoring and identification of risks & opportunities
- Supports internal focus on performance improvement

Internal & external engagement

- Platform for senior leadership, employee, customer and supplier engagement
- Improves reputation with investment community and beyond



- Can help to make the case for changes internally
- Can help identify specific improvement areas





### Maximize the value

- Keep raising the bar internally (in response to CDP criteria)
- Push your CDP content through various outlets (external website, annual reports, other index submissions, bid/tender submissions, intranet etc.)
- Get others on-board, not simply by requesting their input but by taking the opportunity to educate and inform (about CDP and indices more broadly)
- Make those internal connections early (to maximise their opportunity for input and ensure sign-off of content in time for submission)
- Close-the-loop: look for opportunities to feedback on your scores (good or bad) and plot a course forward





# Ace the response



Leave no blanks



Make answers direct & pointed



Use attachments wisely



Never use links or cross-references



Get numbers verified using an "acceptable" standard



Make use of *Response Check* service









# How we help our clients respond to the CDP

#### CDP submission support and advice

- A range of support options for responding companies:
  - Corporate carbon footprinting
  - Environmental data verification
- Detailed insight and advice on response to each question in CDP core modules to improve scoring

#### **CDP Response Check**

- Analysis of pre-final CDP responses, in line with standardized methodology, for completeness and accuracy
- Detailed feedback against CDP guidelines

**CARBON DISCLOSURE PROJECT** 

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### Contact us

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