Making the Most of CDP

April 2012
Agenda

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

“They understood what was important to the way we operate, and where we could make the greatest difference” - Abbott
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

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- 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

- Emissions methodology: 2%
- Emissions data: Boundary, Scope 1 & 2: 22%
- Scope 1, 2 breakdown: 4%
- Scope trading: 5%
- Emissions performance: 6%
- Targets & Initiatives: 9%
- Climate change risks: 15%
- Climate change opportunities: 15%
- Scope 3: 10%

2012 Performance Scoring

- Emissions trading: 2%
- Communications: 5%
- Scope 3: 8%
- Governance: 8%
- Climate change risks and opportunities: 10%
- Strategy: 17%
- Scope 1 & 2 verification: 12%
- Targets & Initiatives: 18%
- Emissions performance: 20%
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

Strategic framework
• 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

3rd party evaluation & feedback
• 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
ACCREDITED PROVIDER 2012
Contact us

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