

April 2017

## Follow-up questions from Greenstone and CDP's webinar *'CDP reporting 2017 – what you need to know'*

### How are the CDP responses actually used by investors?

The time spent by companies on their CDP responses is highly valued by a wide stakeholder group. These responses have enabled CDP to create the world's largest database of corporate environmental information, covering climate, water and forest-risk commodities.

CDP's dataset and insights are transforming the way investors approach climate change in their portfolios and track companies' environmental performance. Investors use [CDP scores and reports](#) to construct ESG metrics that enable them to rank and compare companies, assess carbon footprints, and support company engagement. The data is also made available widely via a number of different channels including through leading financial data and ESG research providers.

### How do other companies manage and report their projects to CDP?

It can be difficult for organisations to gather information about projects and initiatives only at the end of the year. Well prepared organisations will have a process for recording, monitoring and reporting initiatives and how the savings feed into their targets throughout the year. Greenstone provides software tools to manage this reporting that align with CDP – please [get in touch](#) if you would like to learn more.

### Do you have any information on how specifically clients who request data from their suppliers use the information they receive?

CDP's [Supply Chain members](#) use the data disclosed from their underlying suppliers in a variety of ways. For example, some use environmental performance data in integrated scorecards/supplier performance reviews; others use the data to contribute to scope 3 emissions reporting; and several use it for voluntary and regulatory supply chain risk mapping, e.g. French corporate duty of vigilance law. Examples of how members use the program can be found on [the CDP website](#) and if you'd like to discuss the benefits with a member of the CDP team please contact [membership@cdp.net](mailto:membership@cdp.net).

### When is chemical sector high energy intensity to be done?

We assume this question is in reference to CDP's 're-imagining disclosure' project. CDP are currently in the process of developing a sector specific questionnaire for the chemicals sector to release in 2018. Companies have the opportunity to provide feedback to CDP on the [proposed new metrics](#) (p47) via a [feedback form](#). CDP will also be going out to consultation in Q3 of 2017 with draft questionnaires which will then be refined before Q1 of 2018.

## Are you building a Science-Based Targets (SBT) module to help companies forecast?

Scenario analyses will be a key addition to the 2018 questionnaire, in line with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. According to the TCFD,

“the disclosure of organizations’ forward-looking assessments of climate-related issues is important for investors and other stakeholders in understanding how vulnerable individual organizations are to transition and physical climate related risks, and how such vulnerabilities are or would be addressed.”

Scenarios are hypothetical constructs and are used to see what the future would look like under certain conditions or if certain trends were to continue. They can help companies better understand the relationship between events and the many risks and opportunities of climate change including regulatory, social, and environmental. Science-based targets (SBTs) will be essential in the use of scenarios to calculate how emissions reductions relate to limiting temperature increase to 2 degrees.

Greenstone has functionality to record, monitor and report science-based, intensity and any other GHG targets. These targets will forecast data and can be set and monitored at a granular or organisation-wide level.

## Do we need to disclose about scenarios analysis this year?

In 2017 companies are able to disclose whether they use forward-looking scenario analysis in CC2.2a, and whether they have SBT's (or plan to set them) in CC3.1a/CC3.1b. For 2018 CDP will be providing additional guidance and support for companies to understand how to conduct scenario analysis (depending on their level of climate risk exposure) and how SBTs can be used as a tool in tracking progress towards a low carbon economy.

## Will the slides be available?

Yes, please get in touch with Greenstone if you would like a copy of the slides. The video recording is available on [Greenstone's website](#).

## Got another question? Talk to us

Greenstone Team - [info@greenstoneplus.com](mailto:info@greenstoneplus.com)

CDP Team - [respond@cdp.net](mailto:respond@cdp.net)

Want to provide input into the development of CDP's sector questionnaires? Review the brief [here](#) and complete the [feedback form](#).