

INSTRUCTIONS



This slide-deck has been produced by CDP to show how your company can benefit from disclosing your environmental data through CDP's disclosure platform.

For more detail, please download the benefits of disclosure messaging document to accompany this presentation.

If you have any further questions, feel free to get in touch with your local CDP office.

We hope you find this resource useful.

CDP DISCLOSURE



ABOUT CDP



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CDP is a global environmental impact non-profit working to secure a thriving economy that works for people and planet.



CDP runs the global disclosure system that enables companies, cities, states and regions to measure and manage their environmental impacts.



With the world's most comprehensive collection of self reported data, the world's economy looks to CDP as the gold standard of environmental reporting.



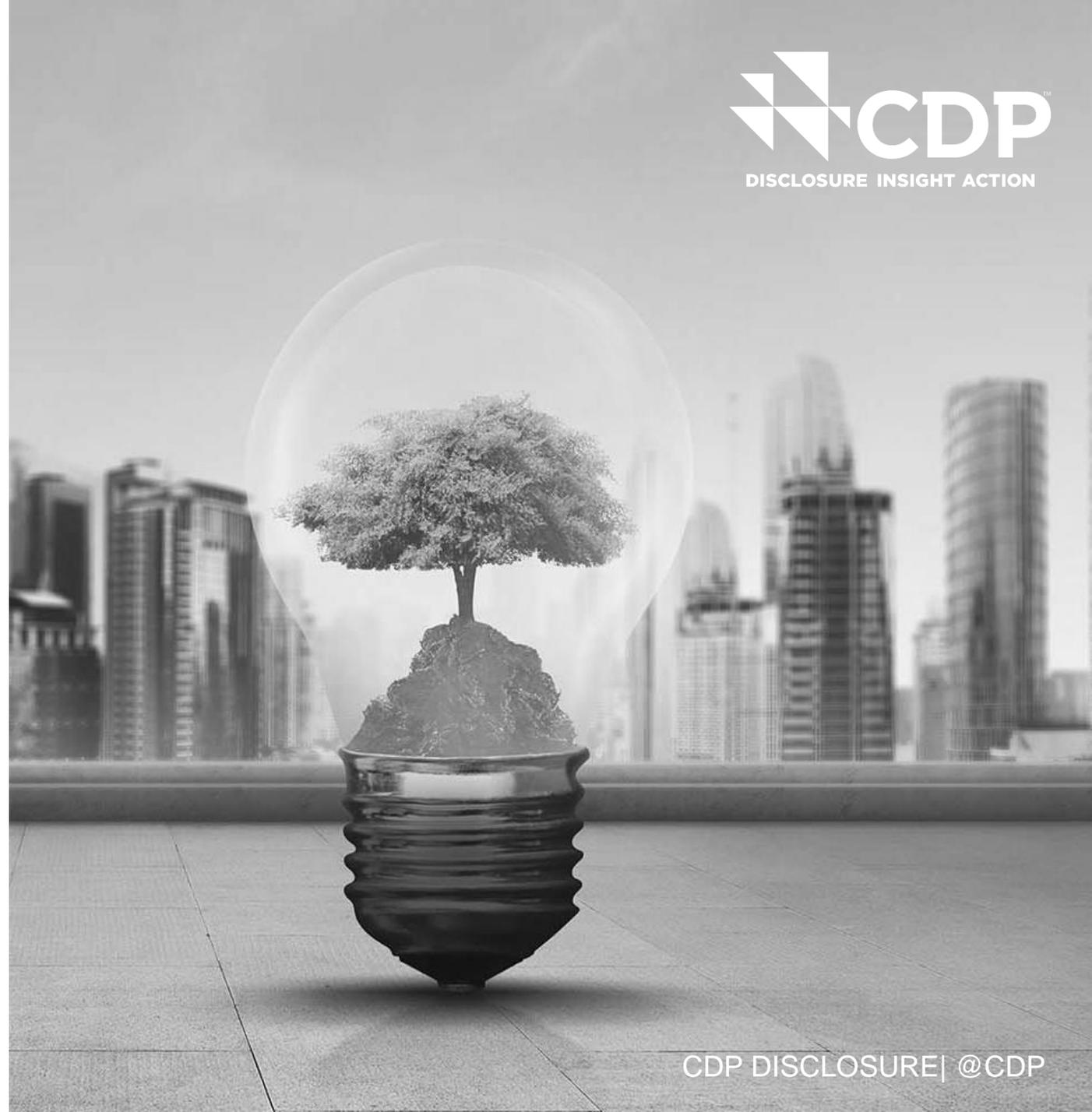
Its network of investors, purchasers and policymakers around the globe, use our data and insights to make better-informed decisions.

CDP'S VISION & MISSION

To see a thriving economy that works for people and planet in the long term.



To focus investors, companies and cities on taking urgent action to build a truly sustainable economy by measuring and understanding their environmental impact.



BY THE NUMBERS



525+ investors with US\$96 trillion in assets



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



8,400+ companies responded through CDP

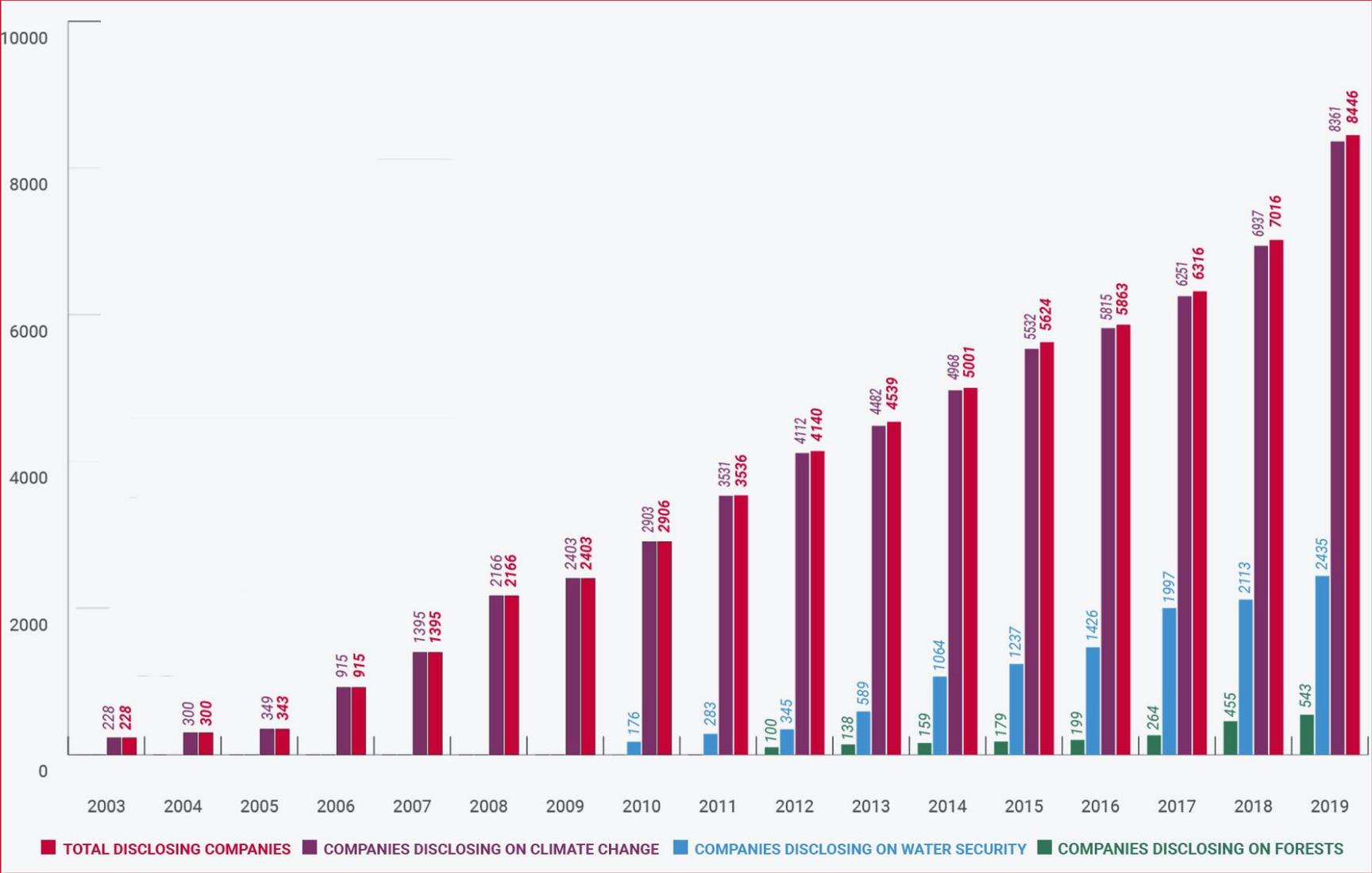


800+ cities disclosed environmental information



120+ states and regions measured their environmental impacts

GROWTH OF DISCLOSURE TO CDP



THE EVOLUTION OF CDP



Moving to sector-based disclosure;



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



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



Greater alignment across climate change, water security and deforestation;



A new robust reporting platform for companies and cities disclosure.

CDP AROUND THE WORLD

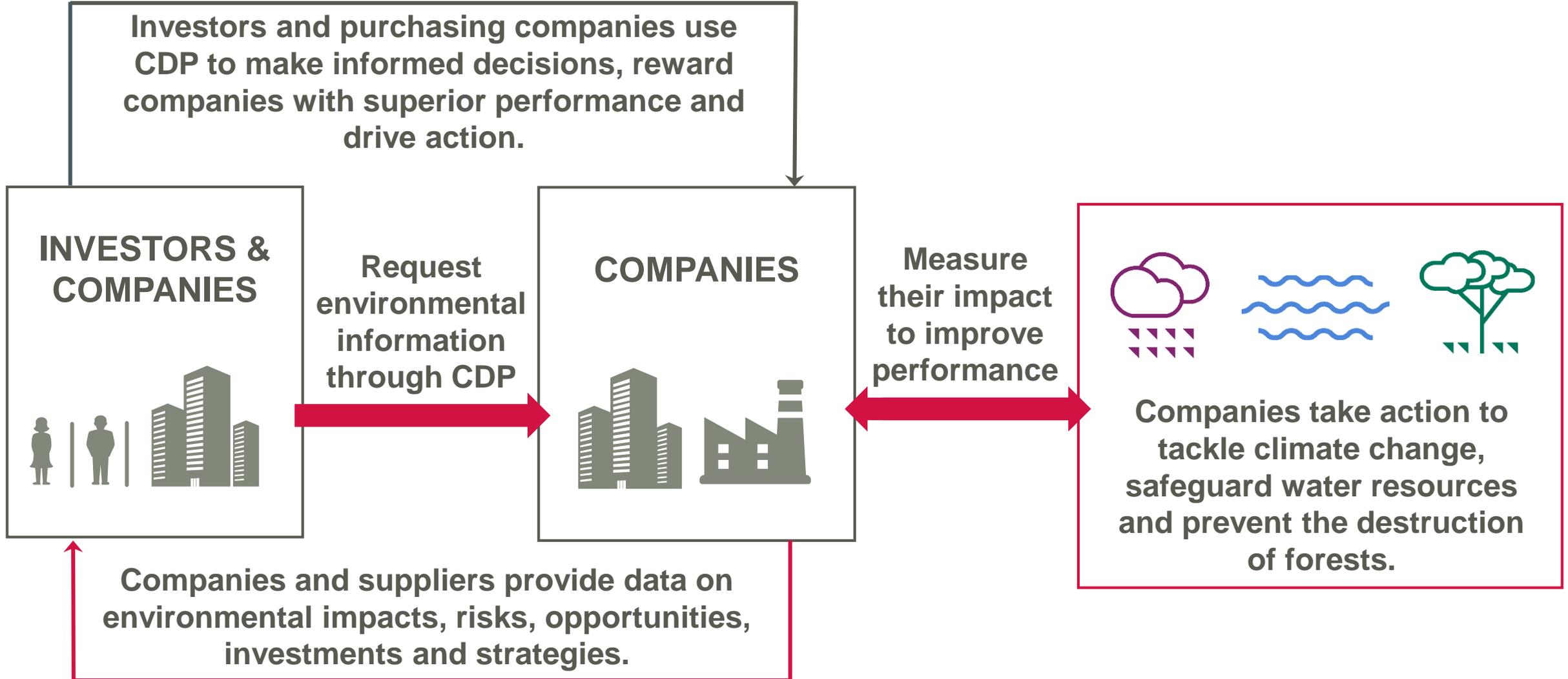
- ▼ CDP is an international organization, with **regional offices** and local partners **spanning 50 countries**.
- ▼ CDP has regional offices in:
 - ▼ the UK with 150+ employees
 - ▼ Europe with 40+ employees
 - ▼ North America with 40+ employees; and
 - ▼ Latin America, Japan, India, China and Hong Kong with 40+ employees.



DISCLOSING TO CDP



HOW IT WORKS



OUR DISCLOSURE TIMELINE



DATE	ACTIVITY
April	Online Response System (ORS) opens.
July	Companies must submit their responses to investors and/or customers using the ORS by the end of July to be automatically eligible for scoring and inclusion in reports (where applicable).

▼ *For more detailed information please [visit our website](#).*

DISCLOSURE THE BUSINESS CASE



The power of disclosure



INFORM INVESTORS





+525

investors

with **US\$96 trillion in assets** request
information on climate change, water
or forests.

CDP DATA USED IN INVESTMENT DECISIONS



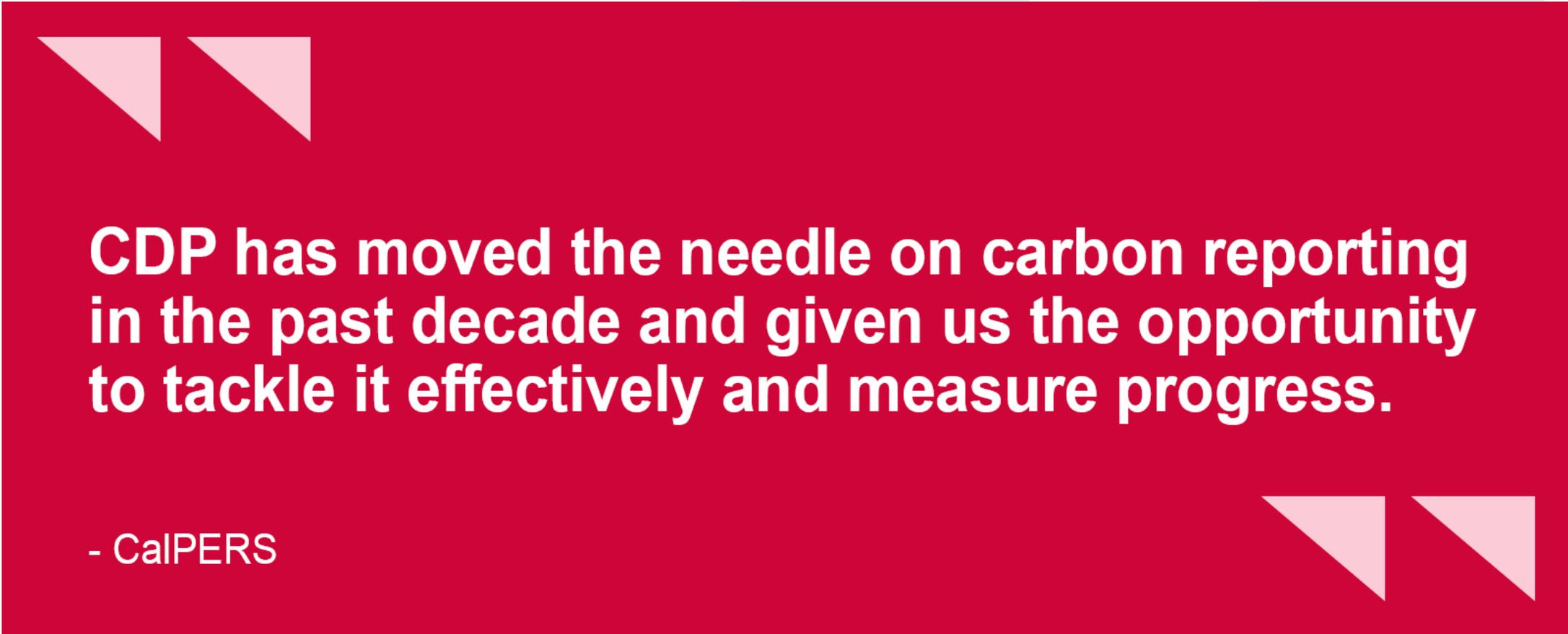
- ▼ CDP data is utilized in **research products and ratings** – i.e. Bloomberg, MSCI ESG Research and Climetrics fund ratings.
- ▼ Investors, such as Schroders and CalPERS, use CDP data to **assess the carbon footprint of their portfolio** and to pick future winners and losers.
- ▼ CDP data provides support for **shareholder engagement action**, such as the Aiming for A Coalition and Climate Action 100+.
- ▼ CDP data is **powering new financial products**, such as New York State Commons Retirement Fund's low carbon index and the CPR Invest – Climate Action fund.



The argument that climate change can affect value and that something must be done about it is broadly accepted, but CDP data provides the bridge that enables investors to get from there to actually doing something about it.

- Schroders





CDP has moved the needle on carbon reporting in the past decade and given us the opportunity to tackle it effectively and measure progress.

- CalPERS



CDP has helped normalize the disclosure of corporate ESG data, especially on climate change. In jurisdictions like the US where there is no mandatory requirement CDP continues to really help drive environmental data disclosure.

- Environment Agency Pension Fund

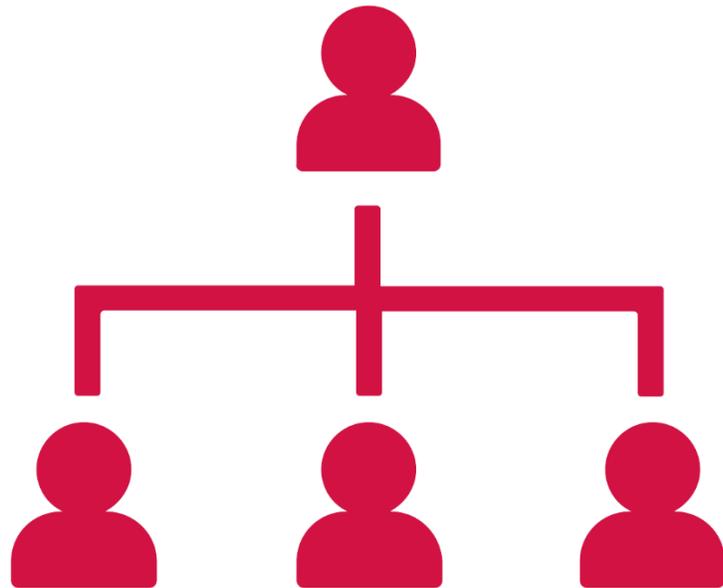


The way in which questionnaire answers are completed – both data and free text – tell our team a lot. It’s pretty crucial because if they can’t show that they’ve systems in place to manage their environmental challenges then it suggests that management may not be up to standard in other areas too.

- Environment Agency Pension Fund

INFORM PURCHASERS





120+ major purchasers

representing combined **purchasing power of over \$3 trillion** request information on climate change, water or forests.

CDP DATA USED IN PURCHASING DECISIONS



- ▼ 63% of CDP's requesting purchasing organizations are using, or considering using, CDP data to choose **whether or not to contract a supplier**.
- ▼ 43% of organizations will **deselect a company** based on their environmental performance.
- ▼ Purchasing organization's use CDP data to **benchmark suppliers** year-on-year and assess a company's performance against their peers.
- ▼ Some purchasers, such as L'Oréal and Diageo use CDP data as part of **supplier evaluations and performance reviews**.



We have integrated CDP data into our purchasing processes, and will be looking to collaborate with suppliers and drive emissions reductions down the supply chain.

- L'Oréal



We disclosed to CDP for the first time 10 years ago at the request of our clients. Recognizing the importance that clients place on sustainability performance has informed our own environmental strategy but also made us think about our own supply chain.

- KPMG LLP (UK)





CDP which has given us many insights into how we can make an impact internally as well as with our key suppliers... Our ambition is to encourage our suppliers to further cascade action and develop initiatives within their own supply chains.

- Firmenich





The Ministry of the Environment has decided to participate in CDP Supply Chain Program this year. Companies that take actions by setting medium to long term targets and disclosing information can achieve even higher target by reducing emissions from supply chains.

- Government of Japan





Our supply chain accounts for about one quarter of HP's total water footprint ...we value our work with CDP to integrate data about our suppliers' public water stewardship policy and governance into our supplier assessment processes.

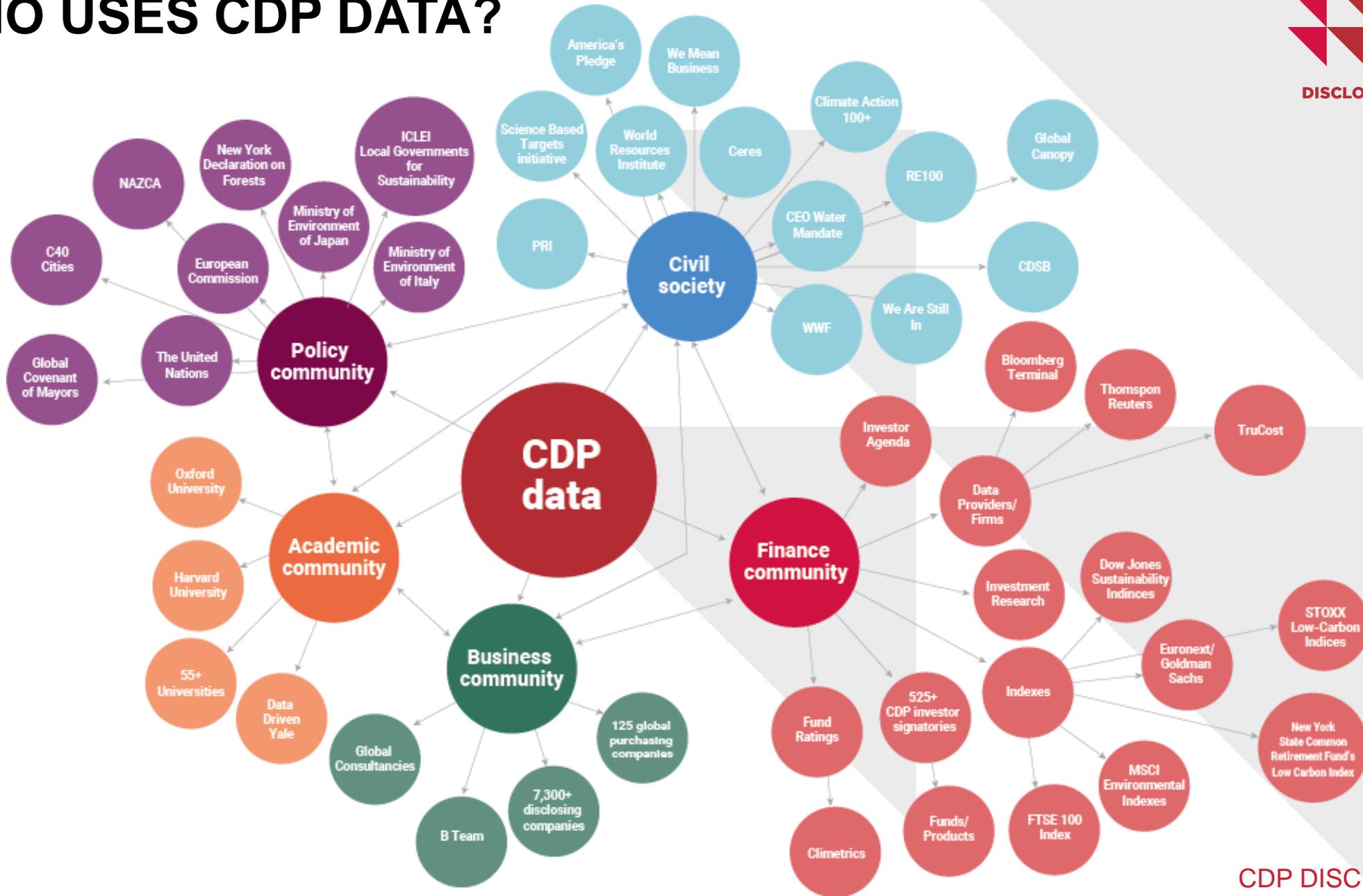
- HP Inc.



REACH DECISION MAKERS



WHO USES CDP DATA?



POWERED BY CDP



- ▼ Governments use CDP data to make better long-term decisions, and partner with CDP to boost corporate and city reporting.
- ▼ Through coalitions and partnerships, such as RE100, the Science Based Targets initiative, Assessing the low-Carbon Transition and Carbon Pricing Corridors, CDP powers corporate action demanded by investors and customers.
- ▼ Climetrics, powered by CDP data, is the world's first and only independent climate impact rating for investment funds.
- ▼ The New York Declaration on Forests progress assessments, supported by CDP data, tracks companies work to decouple deforestation from their supply chains by 2020.



The Ministry of Environment of Japan uses CDP water and climate data to create guidance for the business sector... Water disasters are a critical issue in Japan, and the guidance is designed to help major companies and suppliers meet this challenge.

- Ministry of Japan





CDP is to the future of business what the X-Ray machine was to the then future of medicine. Without it we would never see the inside of the patient's health.

- Christiana Figueres Former Executive Secretary, UNFCCC





The work of CDP is crucial to the success of global business in the 21st century... No other organization is gathering this type of corporate climate change data and providing it to the market.

- Ban Ki-moon, former Secretary General, United Nations





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

- Thyssenkrupp AG

BOOST COMPETITIVE ADVANTAGE



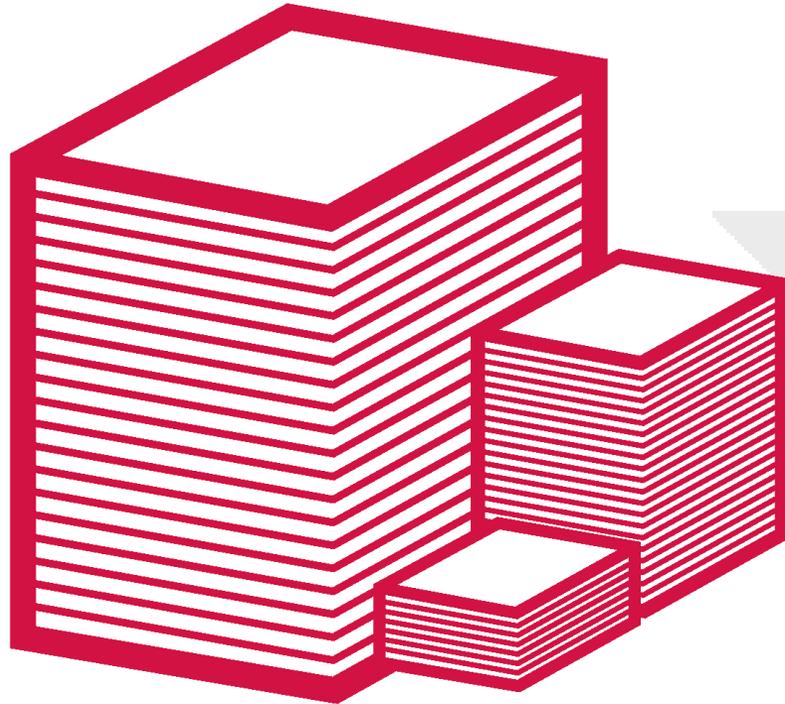


70% of responding
companies say reporting
to CDP improves their
reputation

Nearly half say reporting
to CDP helps their
organization to be more
competitive

THE A LIST

CDP's annual A List names the world's companies leading on environmental performance



5.5%

From 19/12/2011 to 25/01/2019,
the **Stoxx® Global Climate
Change Leaders index**
outperformed the **Stoxx® Global
1800 index** by **5.5% per annum.**

BENCHMARK AND DRIVE PROGRESS





69%

of companies disclosing for the third year have emissions reductions targets – compared to just 38% in year one.



61%

more companies committed to set a science-based target in 2017 than the previous year.



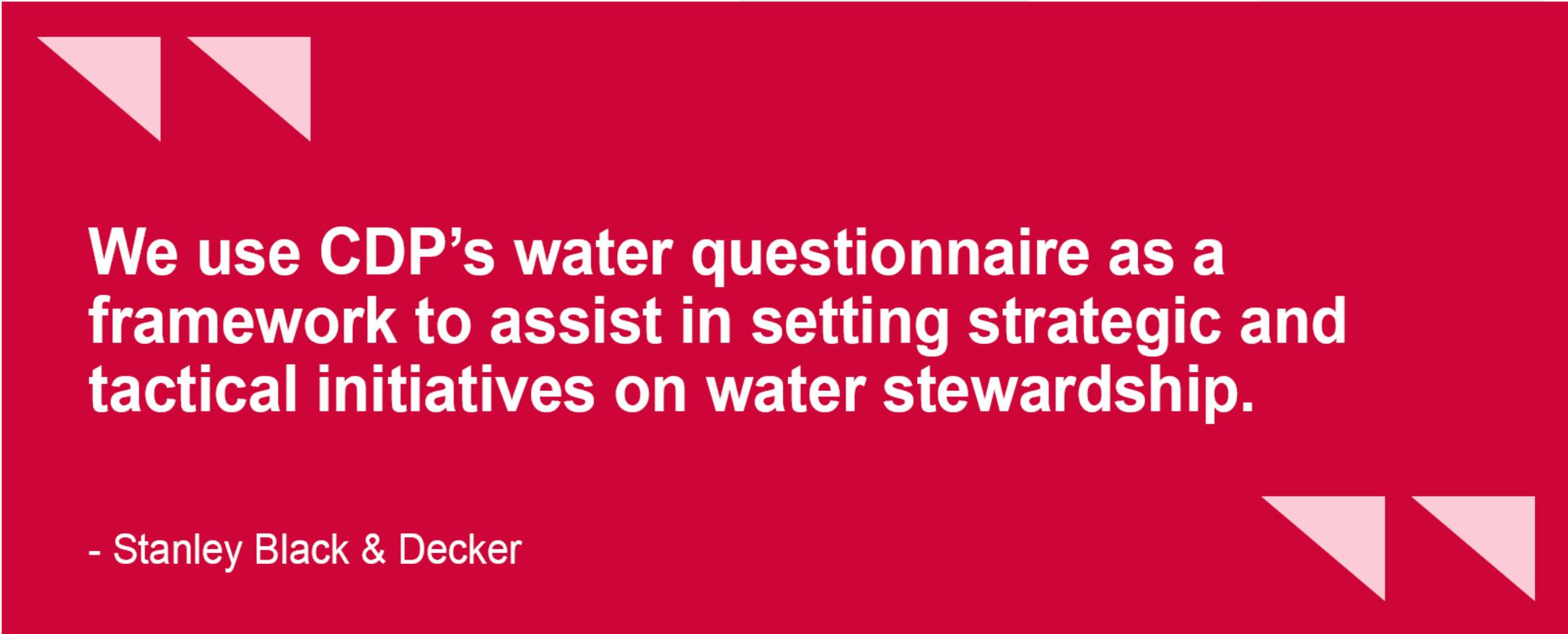
180

Companies were recognized on CDP's A List for climate change, water security and forests in 2018.

CDP SCORING & THE A LIST



- ▼ CDP's scoring methodologies **incentivize and guide** companies on a journey through disclosure to awareness, management and finally to leadership.
- ▼ Undertaken annually CDP's scores – and A List of leaders – are given to **the investors and major purchasing companies** requesting disclosure through CDP and are published publicly on the CDP website.
- ▼ CDP's scores and A List are used in the **STOXX Low Carbon Indices** and **the Euronext Index** licensed to Goldman Sachs.



We use CDP's water questionnaire as a framework to assist in setting strategic and tactical initiatives on water stewardship.

- Stanley Black & Decker



Walmart is working with CDP, our suppliers and others on Project Gigaton aimed at avoiding a gigaton (one billion metric tons) of emissions from the global value chain by 2030. Walmart is collaborating with CDP to accelerate action and track suppliers' progress.

- Walmart



MANAGE RISKS AND IDENTIFY OPPORTUNITIES





\$1 TRILLION

210+ biggest global companies report almost US\$1 trillion at risk from climate impacts in the next 5 years



40%

Shortfall of the available global water supply is expected by 2030



15%

Of the world's GHG emissions result from deforestation and forest degradation



YOU CAN'T MANAGE WHAT YOU DON'T MEASURE



75% of responding companies now report water risks – up from 70% in 2015



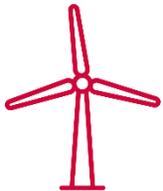
87% of responding companies identify risks from deforestation



US\$19.3 bn of costs savings are reported to suppliers responding to CDP



87% of companies report opportunities associated with sustainable forest-risk commodities



220+ of the world's largest companies report cumulative gains of realising business opportunities related to climate change at US\$2.1 trillion.



Asking our suppliers to disclose to CDP helps us identify hotspots and opportunities and collectively build sustainability into our supply chains and increase resilience.

- Diageo





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