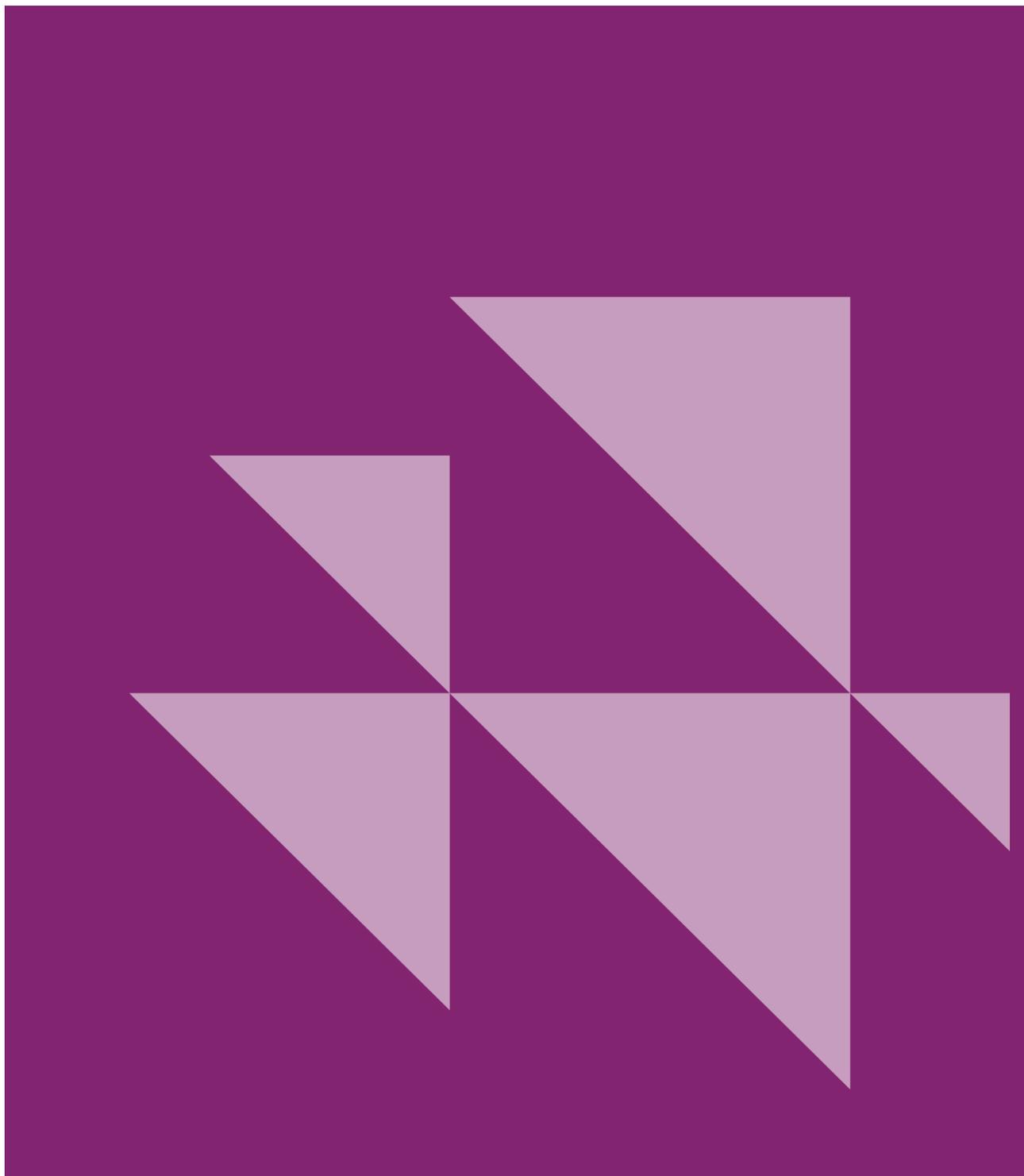

CDP Technical Note on the TCFD

Disclosing in line with the TCFD's Recommendations in 2019



Supported by



 Climate-KIC is supported by the EIT, a body of the European Union

Contents

Version	3
Section 1: Integration of TCFD recommendations into CDP	4
a. Introduction	4
b. TCFD's background and mission.....	4
Background.....	4
TCFD's mission.....	4
c. Early support.....	5
d. Why CDP has committed to its alignment with the TCFD	5
e. Transitioning CDP's questionnaires to a more sector-specific approach.....	6
f. An updated questionnaire structure.....	6
g. Benefits of disclosing to CDP	6
Section 2: The TCFD's recommendations.....	8
a. Climate-related risks, opportunities and financial impacts.....	8
Climate-related risks:.....	8
Climate-related opportunities:.....	8
Financial impacts:	8
Focus on forward-looking approaches:.....	9
b. Principles for effective disclosure	9
c. Core elements and recommendations	10
d. Supplemental guidance for non-financial groups	12
e. Supplemental guidance for financial groups	13
Scenario analysis	13
f. TCFD on scenario analysis	14
The TCFD's viewpoint on scenario analysis:	14
Section 3: Breakdown of TCFD-related questions in CDP's climate change questionnaire .	15
Next steps.....	19
TCFD Knowledge Hub	19

Version

Version Nr.	Revision Date	Released	Revision Summary
1.0	19/12/2017	19/12/2017	Version 1
2.0	08/03/2019	22/03/2019	Minor updates for 2019, including: <ul style="list-style-type: none">• Updated mapping of CDP questions against TCFD Recommendations (see Table 1)

Section 1: Integration of TCFD recommendations into CDP

a. Introduction

This technical note provides an overview of the Task Force on Climate-related Disclosures (TCFD) [recommendations](#), how CDP has committed to aligning its questionnaires with the TCFD's recommendations, and where organizations can find TCFD-related questions in our questionnaires.

We recommend readers review the TCFD's full report as this note will not present the TCFD's recommendations in their entirety. The TCFD's final report was released as three distinct documents:

- ▼ **Main report** – [Recommendations of the Task Force on Climate-related Financial Disclosures](#)
- ▼ **Implementation Annex** – [Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures](#)
- ▼ **Scenario analysis technical supplement** – [The Use of Scenario Analysis in Disclosure of Climate-related Risks and Opportunities](#)

If you have any questions, comments, or suggestions about the content of this document please contact CDP at respond@cdp.net.

b. TCFD's background and mission

Background

At the request of the G20 Finance Ministers and Central Bank Governors, the Financial Stability Board (FSB) and its chair Mark Carney established the industry-led Task Force on Climate-related Financial Disclosures (TCFD or Task Force). This was in response to increasing demands from investors, lenders, insurers, regulators, policy makers, and other stakeholders in the financial markets for decision-useful, climate-related information.

Inadequate information about risks can lead to mispricing of assets and misallocation of capital that can potentially lead to concerns about the stability of financial markets, as they can be vulnerable to abrupt corrections.

Chaired by Michael Bloomberg, the TCFD's objective was to formulate a set of recommendations to help organizations to understand and disclose their exposure climate-related issues.

TCFD's mission

The TCFD was tasked with developing a set of voluntary, financially relevant, climate disclosure recommendations that could promote informed investment, credit, and insurance underwriting decisions that could in turn enable stakeholders to better understand assets exposed to climate-related risks.

Its aim is to enable stakeholders to allocate capital efficiently through the transition to a low-carbon economy without a potential dislocation of capital in the financial markets.

The TCFD's final report presents a principle-based set of recommendations for voluntary disclosure that aims to balance the needs of data users with the challenges faced by preparers. The report provides the overarching core recommendations with supporting information on climate-related risks, *opportunities*, financial impacts, and scenario analysis.

c. Early support

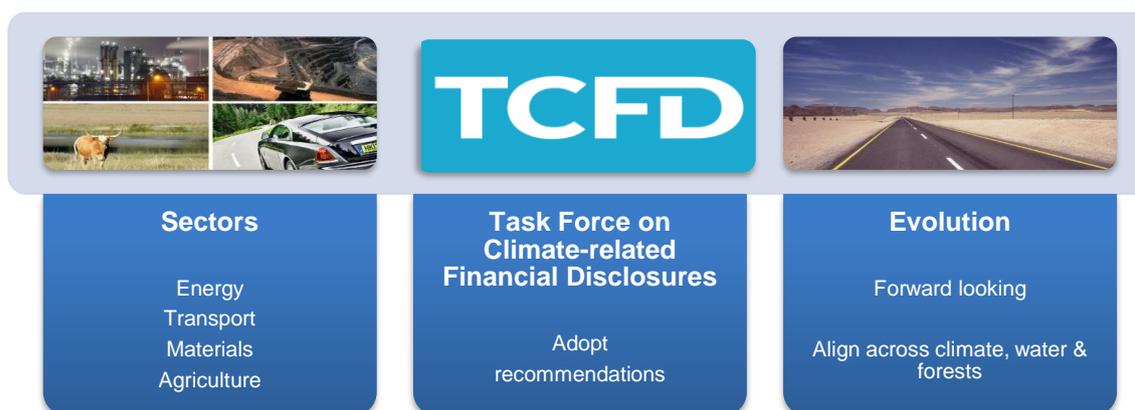
The final report, released in June 2017, has helped mainstream the importance of climate-related financial disclosures and has received strong support from stakeholders. For example:

- ▼ 100+ CEOs publicly supported the TCFD recommendations on launch
- ▼ 237 global companies have now supported the TCFD's recommendations
- ▼ 14 companies have committed to implementing the TCFD's recommendations in the next three years through [CDSB's commitment](#)
- ▼ 130 investors (with over \$13 Trillion AUM) have written to the G20 to encourage the group to consider the TCFD's recommendations as input to their national disclosure rules.
- ▼ Sweden and France have committed to implement the TCFD's recommendations
- ▼ The UK Government has publicly welcomed the TCFD recommendations and subsequently established the Green Finance Taskforce to develop recommendations for the UK Government on green finance.
- ▼ To feed into the UK Governments Green Finance Taskforce, the City of London has established the Green Finance Initiative (GFI). CDP is a member of the GFI's Working Group on data and disclosure, which has a strong focus on TCFD implementation.
- ▼ The Council of the European Union conclusions from the climate finance forum in October welcomed the development of the TCFD recommendations (alongside the work of the HLEG, OECD and G20 Green Finance Study Group).

d. Why CDP has committed to its alignment with the TCFD

CDP recognizes the important role of the TCFD in mainstreaming climate-related information and advancing the availability of financially relevant information for global markets. The recommendations will ensure climate information is integrated into mainstream financial reports, providing transparency and a roadmap to meet the commitments of the Paris Agreement.

In recognition of the TCFD's report CDP has committed to align its information requests with the TCFD's recommendations, alongside introducing a sectoral focus and adopting a forward-looking approach to climate-risk disclosure. This harmonization will help to drive the adoption of TCFD recommendations by reporting companies, optimize the reporting burden and speed-up the generation of decision-useful information for data users.



This means a greater emphasis on elements such as board oversight, climate risk assessment and management (including integration into a company's business planning processes), and the use of forward-looking scenario analysis to determine the resilience of a company's strategy to climate risks.

e. Transitioning CDP’s questionnaires to a more sector-specific approach

In response to market needs, CDP has taken a sector-focused approach to disclosure and scoring since 2018 for our climate, forests, and water questionnaires.

This evolution in disclosure will build upon forward-looking metrics such as carbon pricing and science-based targets to indicate progress companies are making. It ensures we continue to ask the right questions and gather the most meaningful data for companies and investors to better understand environmental risks and opportunities.

In 2019, companies from the following sectors will be asked to respond to sector-specific questionnaires:

Cluster Questionnaire	Theme		
	Climate change	Water	Forests
Energy	Oil & gas Coal Electric utilities	Oil & gas Electric utilities	Coal
Transport	Transport vehicle manufactures Transport services		
Materials	Cement Steel Metals & mining Chemicals	Metal & mining Chemicals	Metals & mining
Agriculture	Food, beverage & tobacco Agricultural commodities Paper & Forestry	Food, beverage & tobacco	Paper & Forestry

Organizations in all other sectors will respond to the general questionnaires in 2019.

f. An updated questionnaire structure

Since 2018 climate change questionnaire features new section headings, a new numbering convention, and significant re-ordering of content, in part to align more closely with the TCFD’s recommendations.

g. Benefits of disclosing to CDP

Using CDP’s platform and CDSB’s reporting framework can help organizations to align with the TCFD recommendations in their reporting.

Successful disclosure relies on a whole cycle of requirements to ensure relevancy, consistency, and comparability through high-quality data. CDP’s unique disclosure system provides organizations with:

- i. **Structure** – An important step for voluntary initiatives to facilitate comparability among companies’ disclosures
- ii. **A streamlined template** – Minimizing the duplication of efforts providing a streamlined, coherent, and comparable approach for companies’ disclosures.
- iii. **Disclosure of decision-useful information** – A response to CDP puts the information required by the TCFD into a recognized, established system that can structure, analyze, compare, and trace information transparently. The CDSB Framework can then be used to put the most relevant information into mainstream reports and fulfill the aim of the TCFD’s recommendations

- iv. **Preparation advice** – CDP’s system offers support to companies throughout the disclosure process
- v. **Highlighting what is important** – The CDP platform and CDSB’s Reporting Framework provide guidance on how to distill and present information in line with the TCFD recommendations in mainstream reports.
- vi. **Going further than the TCFD recommendations** – CDP provides the infrastructure to enable the disclosure cycle and the experience to help evolve disclosure to reflect changing issues, policies, science, and evidence. Through CDP’s drive to advance data, corporate practices (risk-disclosure, science-based targets, carbon pricing, transition plans), assessments, and disclosure we ensure performance tracking aligns a company’s actions with the transition to a low-carbon economy.
- vii. **The future** – In recognition of the changing disclosure landscape, CDP is enhancing its platform through the Reimagining Disclosure initiative and aligning with the TCFD recommendations

Section 2: The TCFD's recommendations

a. Climate-related risks, opportunities and financial impacts

An important part of the TCFD's recommendations is the consistent categorization of climate-related risks and opportunities and the resulting financial impacts. The Task Force's recommendations encourage organizations to evaluate and disclose, as part of their annual financial filing preparation and reporting processes, the climate-related risks and opportunities that are most pertinent to their business activities.

The Task Force presents a series of risks, opportunities, and financial impacts in the figure below:



Climate-related risks:

Climate-related risks can be divided into two major categories; those related to the **transition** to a low-carbon economy and risks associated with the **physical** impacts of climate change.

- ▼ **Transitional risks** – The road to a low-carbon economy will involve addressing the mitigation and adaptation requirements related to climate change. This is likely to materialize in the form of extensive policy, legal, technology, and market changes.
- ▼ **Physical risks** – Physical risks from climate change can be event-based (acute) or longer-term climate pattern shifts (chronic). Physical risks can have direct financial implications for organizations such as direct damage to assets, and indirect impacts including supply chain disruption.

Climate-related opportunities:

Recognizing the potential impacts of climate change also offers opportunities for an organization, such as resource efficiency, shifting to climate-resilient or renewable energy sources, the development of new products and services, access to new markets, and increased resilience.

Financial impacts:

An increase in quality and quantity of climate-related disclosures will provide investors, lenders, and insurers with the information they need to make informed financial decisions based on material climate-related risks and opportunities reflected in an organizations mainstream reports.

Driving factors of financial impacts - The financial impacts an organization faces are driven by the underlying climate-related risks and opportunities the organization is exposed to and how effective its strategic and risk management decisions are on managing these drivers.

In the [main report](#) (page 9), the Task Force identifies four major categories that may affect an organization's current and future financial position: revenues, expenditures, assets and liabilities, and capital and financing.

The financial impacts of climate-related issues on organizations are not always clear or direct, and, for many organizations, identifying the issues, assessing potential impacts, and ensuring material issues are reflected in financial filings may be challenging. Please see table 1 and 2 in the TCFD's [main report](#) for examples of climate-related risks and opportunities, and their potential financial impacts.

Focus on forward-looking approaches:

As part of the process of assessing the potential financial impacts of climate change, the TCFD recommendations encourage organizations to incorporate scenario analysis into their strategic planning or risk management practices. Efforts to mitigate and adapt to the uncertainties surrounding climate change is an issue that emerged strongly in the past 6 years, and historical analysis will not sufficiently cover the changing landscape of the transition to a low-carbon economy.

CDP has developed a technical note on scenario analysis that can be found [here](#).

b. Principles for effective disclosure

To underpin the formal recommendations, the TCFD developed principles for effective disclosure. These are designed to aid organizations in recognizing the links between climate-related issues and their practices surrounding governance, strategy, risk management, and metrics and targets.

The TCFD identified seven principles for effective disclosure. Effective disclosures should:

1. Represent relevant information;
2. Be specific and complete;
3. Clear, balanced and understandable;
4. Consistent over time;
5. Comparable among others within a sector, industry or portfolio;
6. Reliable, verifiable and objective; and
7. Provided on a timely basis.

These principles align closely with the Guiding Principles developed by the Climate Disclosure Standards Board (CDSB) in its [Framework for reporting environmental information and natural capital](#), which is designed to guide organizations through translating and presenting climate-related information in mainstream reports.

c. Core elements and recommendations

The key recommendations developed by the TCFD are based around four core elements:



The core elements are supported by key climate-related financial disclosures – 11 in total. These key disclosures are designed to help investors and others understand how reporting organizations consider and assess climate-related risks and opportunities and their financial impacts.

Recommendations and Supporting Recommended Disclosures

Governance	Strategy	Risk Management	Metrics and Targets
<p>Disclose the organization’s governance around climate-related risks and opportunities.</p>	<p>Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material.</p>	<p>Disclose how the organization identifies, assesses, and manages climate-related risks.</p>	<p>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</p>
<p>Recommended Disclosures</p>	<p>Recommended Disclosures</p>	<p>Recommended Disclosures</p>	<p>Recommended Disclosures</p>
<p>a) Describe the board’s oversight of climate-related risks and opportunities.</p>	<p>a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p>	<p>a) Describe the organization’s processes for identifying and assessing climate-related risks.</p>	<p>a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p>
<p>b) Describe management’s role in assessing and managing climate-related risks and opportunities.</p>	<p>b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.</p>	<p>b) Describe the organization’s processes for managing climate-related risks.</p>	<p>b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p>
	<p>c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.</p>	<p>c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p>

The TCFD also created supplementary guidance for financial sectors and non-financial groups.

d. Supplemental guidance for non-financial groups

The TCFD approached the development of supplemental guidance for non-financial groups based on their assessment of sectors and industries. This assessment centred on three factors: the premise that climate-related transitional and physical risks will likely manifest themselves as constraints to GHG emissions, energy production and usage, and effects on water availability, usage and quality. The TCFD identified four non-financial industry groups that would benefit most from supplementary guidance:

1. Energy	2. Transportation	3. Materials and Buildings	4. Agriculture, Food, and Forest Products
<ul style="list-style-type: none"> • Oil and Gas • Coal • Electric Utilities 	<ul style="list-style-type: none"> • Air Freight • Passenger Air Transportation • Maritime Transportation • Rail Transportation • Trucking Services • Automobile and components 	<ul style="list-style-type: none"> • Metals and Mining • Chemicals • Construction Materials • Capital Goods • Real Estate Management and Development 	<ul style="list-style-type: none"> • Beverages • Agriculture • Packages Foods and Meats • Paper and Forest Products

The TCFD provides supplemental guidance for non-financial groups, detailed below (a, b, and c, refer to the recommended disclosures and their supplemental guidance). The full supplemental guidance for non-financial groups can be found in the [TCFD's Annex](#) (pages 46-65).

Groups	Governance		Strategy			Risk Management			Metrics and Targets		
	a)	b)	a)	b)	c)	a)	b)	c)	a)	b)	c)
Energy			■	■					■		
Transportation			■	■					■		
Materials and Buildings			■	■					■		
Ag, Food, and Forest Products			■	■					■		

e. Supplemental guidance for financial groups

The Task Force developed supplemental guidance for the financial sector based on four major industries and their activities:



The TCFD provides supplemental guidance for the financial sector, as detailed below:

Industries	Governance		Strategy			Risk Management			Metrics and Targets		
	a)	b)	a)	b)	c)	a)	b)	c)	a)	b)	c)
Banks			■			■			■		
Insurance Companies				■	■	■	■		■		
Asset Owners				■	■	■	■		■	■	
Asset Managers				■		■	■		■	■	

The TCFD recognizes the role of disclosure by the financial sectors in fostering early assessments of climate-related issues and improving pricing of climate-related risks, leading to more informed business and capital allocation decisions.

This technical note does not expand on the additional guidance the TCFD provides for financial companies as CDP will not be addressing these groups through sector-specific questionnaires for the 2019 reporting cycle. Until CDP develops financial sector-specific questionnaires, companies in the financial sector will respond to the general questionnaires.

Financial institutions looking to adopt the TCFD’s recommendations ahead of CDP releasing financial sector-specific questionnaires should review the supplemental guidance in the [TCFD Annex](#) (pages 21 – 44). For guidance on how to respond to CDP’s current questionnaire, financial institutions can review the [CDP’s Technical Note on Financial Services](#).

Scenario analysis

Scenario analysis is a strategic planning tool used to explore how an organization might perform (based on its flexibility, resilience, or robustness) in different future states (sometimes referred to as “alternative worlds”). Regarding climate-related issues, scenario analysis enables an organization to explore and develop an understanding of how climate change might impact their business over time.

Scenario analysis focuses on a range of forward-looking variables rather than historic data. Crucially, scenario analysis not only identifies potential risks but can also offer insight into opportunities including energy efficiency, changes in energy sources and/or technologies, new products and services, new markets or assets, and increased resilience.

Scenarios are stories that have been methodically developed for the future, and which shed light on the decisions that we need to make today. Thorough scenario analysis uses rigor and method to enable decision makers to evaluate potential outcomes based on a variety of assumptions, and to understand how adjusting one or more of these variables impacts the organization’s business.

Common climate-related scenarios are based on exposure to either transition risk pathways or physical risks. Transition risk pathway scenarios consider how and organization is impacted by changes to policy/regulation, technology or market changes aimed at emissions reductions, energy efficiency, subsidies/taxes or other constraints or incentives implemented to facilitate a low carbon economy (for example the “well below 2°C” goal committed to by the Paris Agreement). Physical risk scenarios assess the impact of acute or chronic physical change related to climate change such extreme weather, rising sea levels, water shortage, etc.

CDP has developed a technical note on scenario analysis that can be found [here](#).

f. TCFD on scenario analysis

A core aim of the TCFD recommendations is for organizations to improve their understanding of future financial risks related to climate change and develop suitable resilience strategies. This includes focusing organizations attention on climate-related scenario analysis (Strategy, Recommended Disclosure c) and its role in organizations developing resilient strategies for a low-carbon economy consistent with a 2°C or lower scenario.

The TCFD’s viewpoint on scenario analysis:

“The TCFD believes all organizations exposed to climate-related risks should consider (1) using scenario analysis to help inform their strategic and financial planning processes and (2) disclosing how resilient their strategies are to a range of plausible climate-related scenarios. The Task Force recognizes that, for many organizations, scenario analysis is or would be a largely qualitative exercise. However, organizations with more significant exposure to transition risk and/or physical risk should undertake more rigorous qualitative and, if relevant, quantitative scenario analysis with respect to key drivers and trends that affect their operations.

A critical aspect of scenario analysis is the selection of a set of scenarios (not just one) that covers a reasonable variety of future outcomes, both favorable and unfavorable. In this regard, the Task Force recommends organizations use a 2°C or lower scenario in addition to two or three other scenarios most relevant to their circumstances, such as scenarios related to Nationally Determined Contributions (NDCs), physical climate-related scenarios, or other challenging scenarios. In jurisdictions where NDCs are a commonly accepted guide for an energy and/or emissions pathway, NDCs may constitute particularly useful scenarios to include in an organization’s suite of scenarios for conducting climate-related scenario analysis.

For an organization in the initial stages of implementing scenario analysis or with limited exposure to climate-related issues, the Task Force recommends disclosing how resilient, qualitatively or directionally, the organization’s strategy and financial plans may be to a range of relevant climate change scenarios. This information helps investors, lenders, insurance underwriters, and other stakeholders understand the robustness of an organization’s forward-looking strategy and financial plans across a range of possible future states.

Organizations with more significant exposure to climate-related issues should consider disclosing key assumptions and pathways related to the scenarios they use to allow users to understand the analytical process and its limitations. In particular, it is important to understand the critical parameters and assumptions that materially affect the conclusions drawn”.

Section 3: Breakdown of TCFD-related questions in CDP's climate change questionnaire

The TCFD recommendations demonstrate a clear message from investors and private companies regarding what climate-related information should be incorporated in financial disclosures.

CDP's has primarily integrated the TCFD's recommendations into the climate change questionnaire, as there is already significant overlap between existing questions and the recommendations. CDP has modified the structure of the climate change questionnaire to align more closely with TCFD recommendations structure.

The water and forests questionnaires have not adopted TCFD tags as the TCFD focuses on climate-related issues. However, if water and forests-related issues are material to your organization, the water and forests questionnaires contain data points that can aid organizations disclose in line with the TCFD recommendations.

Table 1: Mapping of CDP questions against TCFD Recommendations

Question number (CDP climate change)	Question text	TCFD recommendations
C1.1b	Provide further details on the board’s oversight of climate-related issues.	Governance recommended disclosure a) Describe the board’s oversight of climate related risks and opportunities.
C1.2	Below board-level, provide the highest-level management position(s) or committee(s) with responsibility for climate-related issues.	Governance recommended disclosure b) Describe management’s role in assessing and managing climate related risks and opportunities.
C1.2a	Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals)	Governance recommended disclosure b) Describe management’s role in assessing and managing climate related risks and opportunities.
C2.1	Describe what your organization considers to be short-, medium- and long-term horizons.	Strategy recommended disclosure a) Describe the climate related risks and opportunities the organization has identified over the short, medium, and long term.
C2.2	Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.	Risk Management recommended disclosure c) Describe how processes for identifying, assessing, and managing climate related risks are integrated into the organization’s overall risk management.
C2.2b	Provide further details on your organization’s process(es) for identifying and assessing climate-related risks.	Risk Management recommended disclosure a) Describe the organization’s processes for identifying and assessing climate-related risks.
C2.2c	Which of the following risk types are considered in your organization's climate-related risk assessments?	Risk Management recommended disclosure a) Describe the organization’s processes for identifying and assessing climate-related risks.
C2.2d	Describe your process(es) for managing climate-related risks and opportunities.	Risk Management recommended disclosure b) Describe the organization’s processes for managing climate related risks.
C2.3	Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?	Strategy recommended disclosure a) Describe the climate related risks and opportunities the organization has identified over the short, medium, and long term.

C2.3a	Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.	<p>Strategy recommended disclosure a) Describe the climate related risks and opportunities the organization has identified over the short, medium, and long term.</p> <p>Strategy recommended disclosure b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.</p> <p><u>Please note: columns 1-7 align with the TCFD recommendations</u></p>
C2.4	Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?	<p>Strategy recommended disclosure a) Describe the climate related risks and opportunities the organization has identified over the short, medium, and long term.</p>
C2.4a	Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.	<p>Strategy recommended disclosure a) Describe the climate related risks and opportunities the organization has identified over the short, medium, and long term.</p> <p>Strategy recommended disclosure b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.</p> <p><u>Please note: columns 1-7 align with the TCFD recommendations</u></p>
C2.5	Describe where and how the identified risks and opportunities have impacted your business.	<p>Strategy recommended disclosure b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.</p>
C2.6	Describe where and how the identified risks and opportunities have been factored into your financial planning process.	<p>Strategy recommended disclosure b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.</p>
C3.1	Are climate-related issues integrated into your business strategy?	<p>Strategy recommended disclosure b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.</p>
C3.1a	Does your organization use climate-related scenario analysis to inform your business strategy?	<p>Strategy recommended disclosure c) Describe the resilience of the organization's strategy, taking into consideration different climate related scenarios, including a 2°C or lower scenario.</p>
C3.1c	Explain how climate-related issues are integrated into your business objectives and strategy.	<p>Strategy recommended disclosure b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.</p>
C3.1d	Provide details of your organization's use of climate-related scenario analysis.	<p>Strategy recommended disclosure b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.</p>

		Strategy recommended disclosure c) Describe the resilience of the organization's strategy, taking into consideration different climate related scenarios, including a 2°C or lower scenario.
C4.1	Did you have an emissions target that was active in the reporting year?	Metrics & Targets recommended disclosure c) Describe the targets used by the organization to manage climate related risks and opportunities and performance against targets.
C4.1a	Provide details of your absolute emissions target(s) and progress made against those targets.	Metrics & Targets recommended disclosure c) Describe the targets used by the organization to manage climate related risks and opportunities and performance against targets.
C4.1b	Provide details of your emissions intensity target(s) and progress made against those target(s).	Metrics & Targets recommended disclosure c) Describe the targets used by the organization to manage climate related risks and opportunities and performance against targets.
C4.2	Provide details of other key climate-related targets not already reported in question C4.1/a/b.	Metrics & Targets recommended disclosure a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. Metrics & Targets recommended disclosure c) Describe the targets used by the organization to manage climate related risks and opportunities and performance against targets.
C6.1	What were your gross global Scope 1 emissions in metric tons CO ₂ e?	Metrics & Targets recommended disclosure b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.
C6.3	What were your gross global Scope 2 emissions in metric tons CO ₂ e?	Metrics & Targets recommended disclosure b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.
C6.5	Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.	Metrics & Targets recommended disclosure b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.
C9.1	Provide any additional climate-related metrics relevant to your business.	Metrics & Targets recommended disclosure a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.
C12.4	Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).	C12.4 does not align with a specific area, or recommended disclosure provided by the TCFD. However, it does align with the TCFD's primary aim to have climate-related information disclosed in financial filings.

Next steps

Since the TCFD's recommendations were released in June 2017, the Task Force has focused on promoting and monitoring adoption of its recommendations. During that time, the Task Force has seen significant momentum around and support for its work. According to [the status report](#) released in September 2018, the TCFD has more than 500 supporters, including 457 companies and 56 other organizations (e.g., industry associations, governments). The companies represent a broad range of sectors with a combined market capitalization of over \$7.9 trillion. For the TCFD's Status Report, CDP provided some initial analysis, ahead of the close of our disclosure platform. As of August 22, 2018, over 70% of the companies that had submitted their CDP questionnaires answered 21 or more of the 25 questions.

From a policy standpoint, there is a growing number of institutions globally evaluating how to incorporate TCFD recommendations into existing reporting and regulatory frameworks, which will embed the principles of the TCFD recommendations into mainstream requirements. The TCFD has received support from governments—Belgium, Canada, France, Sweden, and the United Kingdom—as well as financial regulators around the world, including in Australia, Belgium, France, Hong Kong, Japan, the Netherlands, Singapore, South Africa, Sweden, and the United Kingdom.

CDP is committed to further aligning its platform with the TCFD's recommendations, most notably through the development of new sector-specific questionnaires and guidance for 2020 reporting cycle. CDP is also members of a range of initiatives and reports such as [Science Based Targets](#), [Carbon Pricing Corridors](#) and [ACT](#) (Assessing low Carbon Transition) that are all designed to help organizations develop resilient business strategies and make robust financial planning decisions for the transition to a low-carbon economy.

TCFD Knowledge Hub

CDSB, in collaboration with the TCFD, have developed a unique and focused online knowledge hub - [TCFD Knowledge Hub](#) - to support the efforts to scale up the widespread adoption of the TCFD recommendations and the development of high-quality, consistent and comparable disclosures of climate-related financial information. The TCFD Knowledge Hub is an essential tool that collates, structures and makes accessible a variety of practical resources that facilitate efficient and effective implementation of the TCFD recommendations by the report preparers.

Whether new to climate-related financial reporting or already working towards implementing the TCFD recommendations, this platform provides insights and guidance for the disclosure process. The type of content aggregated includes technical guidance, tools, research papers, frameworks, methodologies, case studies, webinars and FAQs.

Visit www.tcfdhub.org and explore the resources.

If you have any questions, comments, or suggestions about the content of this document, please contact CDP at respond@cdp.net