

# CASG Non-listed Company Sustainability Questionnaire Reporting Guidance

***Background:*** *To streamline and ease sustainability disclosure for non-listed companies, especially small and medium sized enterprises (SMEs), and facilitate the collection of sustainability-related information by financial institutions and listed companies, the Green and Sustainable Finance Cross-Agency Steering Group (Steering Group) has developed the Non-listed Company Sustainability Questionnaire (CASG Questionnaire) – a free sustainability reporting template, in collaboration with CDP[[1]](#footnote-2), on the basis of CDP questionnaire[[2]](#footnote-3).*

*CASG Questionnaire was first launched in 2022 and enhanced in 2025 in light of market development and industry feedback. The Steering Group will continue to review and update the questions periodically with CDP's assistance, in line with global standards.*

1. Introduction

## [1.1] In which language are you submitting your response? *(Source: 2025 CDP SME questionnaire)*

### Response options

Please complete the following table:

|  |
| --- |
| **Language** |
| Select from:   * + English   + Chinese |

## [1.2] Select the currency used for all financial information disclosed throughout your response. *(Source: 2025 CDP SME questionnaire)*

### Rationale

We encourage organizations to report financial figures associated with dependencies, impacts, risks, and opportunities. Establishing a single currency will facilitate the collection of comparable financial information. This will benefit investors and other data users when assessing the costs and benefits reported by your organization.

### Response options

Please complete the following table:

|  |
| --- |
| **Currency drop-down list** |
| Select from:   * + HKD   + USD   + CNY |

### Requested content

#### General

* The currency you select will be applied to all financial information reported in your disclosure.
* For example, if you select USD ($), this will determine the currency applied to the figure you give for the financial metric reported in question 3.2.1.

## [1.3] State the end date of the year for which you are reporting data. *(Source: 2025 CDP SME questionnaire)*

### Rationale

This question allows for the establishment of context to enable consistent year-to-year comparisons and assessments of an organization's environmental progress. It enhances transparency and accountability and aids data users in interpreting your responses in relation to the reported timeframe.

### Ambition

* The organization's financial disclosures related to sustainability shall cover the same reporting period as the corresponding financial statements.

### Response options

Please complete the following table:

|  |  |
| --- | --- |
| **End date of reporting year** | **Alignment of this reporting period with your financial reporting period** |
| To: [DD/MM/YYYY] | Select from:   * + Yes   + No |

### Requested content

#### General

* We recommend that organizations provide the most recent 12-month period for which you have complete data, if possible. If you do not have data for the entire reporting year, consider the following options:
  + - Extrapolate or estimate your data to cover the entire reporting year.
    - Outline in the relevant questions any exclusions from your disclosure.
* Apply this reporting year to all your answers throughout the questionnaire, except where the ability is provided to specify other reporting periods.

#### End date of the reporting year (column 1)

* The start date will be automatically assumed to be exactly 365 days before the listed date. For example, if you enter an end date of 31/12/2023, your start date will be automatically assumed to be 01/01/2023.

#### Alignment of this reporting period with your financial reporting period (column 2)

* Whilst we do not require organizations to synchronize their reporting year with their fiscal year, the investment community generally prefers an organization’s reporting year for environmental disclosure to match the fiscal year for their financial jurisdiction. This facilitates the assessment of environmental performance data in alignment with financial performance data.
* When reporting intensity figures using a financial metric throughout the questionnaire, ensure that the financial information provided aligns with the reporting year disclosed here, even if your reporting year is not aligned with your fiscal year.

## [1.4] Provide an overview and introduction to your organization. *(Source: 2025 CDP SME questionnaire)*

### Rationale

This introductory information about your organization helps data users to understand your responses in the context of your business activities and sector as well as their connection to environmental issues and corporate strategy.

### Response options

Please complete the following table:

|  |  |
| --- | --- |
| **Organization type** | **Description of organization** |
| Select from:   * + Publicly traded organization   + Privately owned organization   + State owned organization   + Partially privately owned and partially state owned organization | Text field [maximum 1,000 characters] |

### Requested content

#### Description of organization (column 2)

* If disclosing climate change data, specify your business divisions and emissions sources (e.g., natural resource extraction and/or processing, electricity generation, transportation, manufacturing) to help data users understand your emissions profile and compare it with peers.

## [1.5] Briefly introduce your organization.

## [1.5a] Select the industry it belongs to. (*New Question for CASG Questionnaire)*

### Rationale

### This will help data users interpret your responses.

### 

### Connection to other frameworks

### CDP’s Activity Classification System (CDP-ACS)

### CDP-ACS was developed to allocate sector-specific questions to companies. It categorizes companies by focusing on the activities from which they drive revenue and associating these activities with the company’s climate change impact.

### Response options

Please select the industry that is most applicable to your organization:

|  |
| --- |
| **Industry** |
| Select from:   * + Apparel   + Biotech, health care & pharma   + Food, beverage & agriculture   + Fossil fuels   + Hospitality   + Infrastructure   + International bodies   + Manufacturing   + Materials   + Power generation   + Retail   + Services   + Transportation Services |

## [1.5b] Report the total number of employees. *(Source: CDP Private Markets Questionnaire 2022)*

### Response options

Please complete the following table:

|  |
| --- |
| **Total number of employees in your organization, based on staff headcount.** |
| Number field |

### Requested content

#### General

* Please include staff headcount at your organization for the reporting period stated above. Please do NOT use the number of full time employees (FTE).

## [1.5c] Provide key asset locations of the organization, including both operating assets and collateral assets. Key assets are those that an organization considers material to their operations, profitability or revenue. (*New Question for CASG Questionnaire)*

### Rationale

This question provides data users with geographical information of the respondent’s key assets that are material to their business operations, which is useful for data users to conduct climate-related risk assessment.

### Response options

Please complete the following table:

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **SN** | **Asset Type** | **Classification** | **Site name** | **Address** | | | | | | **GPS**  **(GPS coordinates)** |
| **Street** | **District** | **City** | **Province/State** | **Country/Region** | **Postal Code** |
| Text field | Text field | Text field | Text field |  |  |  |  |  |  | Text field |

### Requested content

### *General*

* You should disclose locational information for as many key assets as possible, including assets owned and collateral assets. As a minimum, you should include your organization’s top 5 assets in terms of (i) production capacity, (ii) generated revenue or (iii) collateral value, if your organization has many asset holdings.
* You should provide the longitude and latitude of each key asset location for the column “GPS Coordinates”, as accurately as possible.

### Explanation of terms

* Key assets: organization’s operational assets (e.g. plants, factories, data centres, stations, offices, etc.) that are critical to business operations, contribute materially to revenue generation, or account significantly for the organization’s carbon footprint

**[1.5d] Provide annual revenue for the stated reporting period. (Source: 2025 CDP full corporate questionnaire)**

### Rationale

Annual revenue for the reporting period provides contextual information for data users.

### Response options

|  |
| --- |
| **Revenue** |
| Numerical field [enter a number from 0-999,999,999,999,999 using a maximum of 2 decimal places] |

### Requested content *General*

* Enter a numerical value for the revenue, this should be consistent with the reporting period disclosed in 1.3.
* Revenue is a critical data point to support your stakeholders’ scope 3 calculations.
* This figure should be in the same currency that you selected for all financial information disclosed in question 1.2.
* Note: This figure must be provided in single units not in units of thousands or millions. For example, if you selected USD($) in 1.2, make sure to provide your revenue in single USD($) units, not in thousands or millions USD($).

**Explanation of terms**

* Revenue: gross income arising from the operations of an organization over a period of time

## [1.6] How do the entities you are including in your response compare to those included in your financial statements? *(Source: 2025 CDP SME questionnaire)*

### Rationale

The set of entities (groups, businesses, or companies) that your organization is responding to this disclosure framework for is referred to as your reporting boundary. Defining a reporting boundary is a fundamental step in environmental reporting. Your response to this question defines the set of entities that you are providing data for in the questionnaire and helps data users interpret how your responses relate to your business operations and compare the environmental performance of different organizations.

### Ambition

* The organization uses the same reporting boundary as the boundary used in the preparation of their financial statements.
* The reporting boundary is applied consistently throughout reporting, and information on the value chain outside of the boundary is provided as supplementary information when relating to the dependencies, impacts, risks and opportunities, where relevant, that the organization has identified.

### Response options

Please complete the following table:

|  |  |
| --- | --- |
|  | ***Appears if ‘No, the entities included in my disclosure are not the same as those included in my financial statements’ is selected in column 1*** |
| **1** | **2** |
| **Are the entities included in your response the same as those included used in your financial statements?** | **How do the entities included in your response differ to those included in your financial statement, and why are they different?** |
| Select from:   * + Yes, the entities included in my disclosure are the same as those included in my financial statements   + No, the entities included in my disclosure are not the same as those included in my financial statements   + Not applicable - we do not publicly disclose financial statements | Text field [maximum 2,500 characters] |

### Requested content

#### General

* The reporting boundary defines the set of entities (groups, businesses, or companies) that you are responding for.
* Best practice is for an organization’s environmental reporting boundary to be the same reporting boundary as that used in their financial statements to ensure transparency and consistency across reporting.
* Unless stated otherwise, the information you provide in response to the questionnaire should be presented as one result covering all the companies, entities, businesses etc., within your reporting boundary. You will be able to indicate exclusions to the reporting boundary later in the questionnaire.
* If you are unfamiliar with how your financial statements are presented or are unsure of how to respond, legal or accounting are commonly able to provide guidance to help you determine your reporting boundary.

## [1.7] Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)? *(Source: 2025 CDP SME questionnaire)*

### Rationale

ISIN codes and other market identifiers are used globally in the identification of securities such as bonds, futures, and stocks. Providing your organization’s unique identifier increases the transparency of your response.

### Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

|  |  |  |
| --- | --- | --- |
|  |  | ***Appears only if ‘Yes’ is selected in column 2*** |
| **1** | **2** | **3** |
| **Unique identifier** | **Does your organization use this unique identifier?** | **Provide your unique identifier\*** |
| ISIN code – bond | Select from:   * + Yes   + No | Text field [maximum 50 characters] |
| ISIN code – equity |  |  |
| CUSIP number |  |  |
| Ticker symbol |  |  |
| SEDOL code |  |  |
| LEI number |  |  |
| D-U-N-S number |  |  |
| Other unique identifier |  |  |
| Select from:   * + ISIN code – bond   + ISIN code – equity   + CUSIP number   + Ticker symbol   + SEDOL code   + LEI number   + D-U-N-S number   + Other unique identifier |  |  |

### Requested content

#### Unique identifier (column 1)

* This column uses a fixed row, add row combination. If your organization has more than one unique identifier, add rows as needed.

#### Provide your unique identifier (column 3)

* This column is only presented if “Yes” is selected in column 2 “Does your organization use this unique identifier?”.
* Ensure that you enter the correct format for your unique identifier. For example, ISIN codes include a two-letter country code, followed by a nine-character alphanumeric identifier and a single check digit.
* If providing an identifier for the row “Other unique identifier”, specify the type of identifier as well as the identifier code.

## [1.8] Select the countries/areas in which the entities reported in 1.6 are based and/or conduct business. *(Source: 2025 CDP SME questionnaire)*

### Rationale

While some SMEs may operate primarily within their local country/area, others may expand to neighboring countries or target specific areas. This question helps data users interpret how your responses relate to your operations across different geographical areas. Geographic data can be used by data users to contextualize expectations and understand potential risks and opportunities.

### Response options

Please complete the following table:

|  |
| --- |
| **Country/area** |
| Select all that apply:  [Country/area drop-down list] |

### Requested content

#### Country/area (column 1)

* Select all countries/areas in which you operate from the drop-down list provided.
* The countries/areas you select in this question will be shown when providing country-level breakdowns.
* If you are unsure of how to respond, we recommend that you consult your accountant.

## [1.9] Select the consolidation approach used by your organization to determine the climate-related impacts that are reported on throughout your response. Note that this option should align with your chosen approach for consolidating your GHG inventory. *(Source: 2025 CDP SME questionnaire)*

### Rationale

The consolidation approach is the method by which environmental impacts (e.g., GHG emissions) have been attributed to your organization. This context will help data users interpret how climate change relates to your business operations.

### Ambition

* The organization discloses whether the consolidation of their entities in their accounting of their environmental impacts has been done through the financial control approach, operational control approach, equity share approach, or another method. The organization provides an explanation for why the particular method was chosen.

### Response options

Please complete the following table:

|  |  |
| --- | --- |
| **1** | **2** |
| **Consolidation approach used** | **Provide the rationale for the choice of consolidation approach** |
| Select from:   * + Operational control   + Financial control   + Equity share   + Approach is unknown   + Other, please specify | Text field [maximum 2,500 characters] |

### Requested content

#### General

* The “consolidation approach” identifies which entities are included within the calculation of your environmental performance data and determines which information is relevant to disclose within Section 5 – Reported Emissions .
* We recommend that you consult your legal or accounting advisor when determining your consolidation approach.
* This question is asking you to provide details on your consolidation approach only. You will be able to indicate exclusions to your environmental performance data from the boundary determined by this approach later in Section 5 – Reported Emissions.

#### Consolidation approach used (Column 1)

* Select the consolidation approach used to consolidate your GHG inventory. To support the use, tracking, and comparability of reported GHG information, respondents are encouraged to adopt the consolidation approaches based on the [GHG Protocol Corporate Standard](https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf).
* The drop-down options are based on the GHG Protocol Corporate Standard, and are described in more detail below (text adapted from the [GHG Protocol Corporate Standard](http://www.ghgprotocol.org/corporate-standard))
  + - **Operational control**: An organization has operational control over an operation if it or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation.
      * Most SMEs select this option.
    - **Financial control:** An organization has financial control over an operation if it has the ability to direct the financial and operating policies of the operation with a view to gaining economic benefits from its activities. Generally, an organization has financial control over an operation for GHG accounting purposes if the operation is treated as a group company or subsidiary for the purposes of financial consolidation.
    - **Equity share:** Under the equity share approach, an organization accounts for GHG emissions from operations according to its share of equity in the operation. The equity share reflects the economic interest, which is the extent of rights an organization has to the risks and rewards flowing from an operation. Typically, the share of economic risks and rewards in an operation is aligned with the organization’s percentage ownership of that operation, and equity share will normally be the same as the ownership percentage. Where this is not the case, the economic substance of the relationship the company has with the operation always overrides the legal ownership form to ensure the equity share reflects the percentage of economic interest. The principle of economic substance taking precedence over legal form is consistent with international financial reporting standards.
    - **Other, please specify:** Select this option if none of the other options apply. If you select this option, provide a label in the text field provided.
* If you are unable to determine the consolidation approach, select “Approach is unknown” and provide an explanation in column 2 “Provide the rationale for the choice of consolidation approach”.
* In the case of leasing arrangements, see the [GHG Protocol Appendix: Categorizing GHG Emissions from Leased Assets](https://ghgprotocol.org/sites/default/files/standards_supporting/Categorizing%20GHG%20Emissions%20from%20Leased%20Assets.pdf) and the lease accounting standard from your relevant generally accepted accounting principles (GAAP) to determine the appropriate scope for those emissions.

#### Provide the rationale for the choice of consolidation approach (Column 2)

* If you have used the same consolidation approach as used in your financial accounting, then state this here.
* If you are unable to determine the consolidation approach used, explain the reasons.

### Additional information

* For further information on the consolidation approach please refer to the [SBTN Technical Guidance Step 1 Assess](https://sciencebasedtargetsnetwork.org/wp-content/uploads/2023/05/Technical-Guidance-2023-Step1-Assess-v1.pdf) and the [GHG Protocol Corporate Standard](http://www.ghgprotocol.org/corporate-standard).

2. Governance

## [2.1] Is there responsibility for environmental issues within your organization? *(Source: 2025 CDP SME questionnaire)*

### Rationale

This question provides an indication of your level of commitment to highlighting the importance of environmental issues in your organization. Assigning executive or management-level responsibility indicates that the organization is committed to implementing its environmental policy.

### Ambition

* The organization has senior management responsibility for the assessment and management of environmental risks and opportunities.

### Response options

Please complete the following table.

|  |  |
| --- | --- |
| **0** | **1** |
| **Environmental issue** | **Responsibility for this environmental issue** |
| Climate change | Select from:   * + Yes   + No, but we plan to within the next two years   + No, and we do not plan to within the next two years |
| Forests |  |
| Water |  |

### Requested content

#### General

* Select “Yes” if positions or committees in your organization have responsibilities in any of the following areas related to environmental issues:
  + - Managing risks and opportunities;
    - Setting and measuring progress towards policies, commitments, and targets;
    - Managing public policy and/or value chain engagement; and
    - Setting and implementing strategy and managing financial planning.

## [2.1.1] Provide the highest positions or committees with responsibility for environmental issues (do not include the names of individuals). *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if you select “Yes” in response to column 1 “Responsibility for this environmental issue” of 2.1.

### Rationale

This question provides an indication of your level of commitment to highlighting the importance of environmental issues in your organization. Assigning executive or management-level responsibility indicates that the organization is committed to implementing its environmental policy.

### Ambition

* The organization has senior management responsibility for the assessment and management of environmental risks and opportunities.
  + - These responsibilities are assigned to a particular role.
    - Senior management is informed about and monitors environmental issues, and the organization has a clear, transparent, and thorough process for doing so which includes whether, by whom, and how frequently management is informed.
    - Senior management has a direct reporting line to the board and reports at least quarterly on environmental issues.
* Senior management has responsibility for:
  + - Environmental policies and commitments
    - Setting and measuring progress (through performance metric tracking) against environmental targets
    - Dedicated controls and procedures for the management of environmental issues, in particular with relation to the implementation of strategy, financial planning, and risk management policies

### Response options

Please complete the following table:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **1** | **2** | **3** | **4** | **5** | **6** |
| **Environmental issue** | **Position of individual or committee with responsibility** | **Environmental responsibilities of this position** | **Who in the organization does this position report to** | **Frequency of reporting on environmental issues via this reporting line** | **Please explain** |
| Climate change | Select from the drop-down options below | Select all that apply from the drop-down options below | Select from:   * + Reports to the board directly   + Reports to executive leadership (CEO, CRO, CFO, COO, CSO, or equivalent)   + Other, please specify | Select from:   * + More frequently than quarterly   + Quarterly   + Half-yearly   + Annually   + Less frequently than annually   + As important matters arise | Text field [maximum 2,000 characters] |
| Forests |  |  |  |  |  |
| Water |  |  |  |  |  |
| Select from:   * + Climate change   + Forests   + Water |  |  |  |  |  |

|  |  |
| --- | --- |
| **Position of individual or committee (column 2)** | |
| **Executive level**   * + Corporate executive team   + Chief Executive Officer (CEO)   + Chief Financial Officer (CFO)   + Chief Operating Officer (COO)   + Chief Procurement Officer (CPO)   + Chief Risks Officer (CRO)   + Chief Sustainability Officer (CSO)   + Chief Government Relations Officer (CGRO)   + Chief Technology Officer (CTO)   + Chief Compliance Officer (CCO)   + Other C-Suite Officer   + President   + General Counsel | **Committee**   * + Risk committee   + Sustainability committee   + Environmental, Social, Governance committee   + Safety, Health, Environment and Quality committee   + Corporate responsibility committee   + Other committee, please specify   **Management level**   * + Business unit manager   + Energy manager   + Environmental, Health, and Safety manager   + Environment/Sustainability manager   + Facility manager   + Process operation manager   + Procurement manager   + Public affairs manager   + Risk manager   **Other**   * + Other position, please specify |

|  |  |
| --- | --- |
| **Environmental responsibilities of this position (column 3)** | |
| **Risks and opportunities**   * + Assessing future trends in environmental risks and opportunities   + Assessing environmental risks and opportunities   + Managing environmental risks and opportunities   **Policies, commitments, and targets**   * + Setting corporate environmental policies and/or commitments   + Monitoring compliance with corporate environmental policies and/or commitments   + Setting corporate environmental targets   + Measuring progress towards environmental corporate targets   + Measuring progress towards environmental science-based targets | **Engagement**   * + Managing public policy engagement related to environmental issues   + Managing value chain engagement related to environmental issues   + Managing engagement in landscapes and/or jurisdictions   + Managing supplier compliance with environmental requirements   **Strategy and financial planning**   * + Conducting environmental scenario analysis   + Developing a climate transition plan   + Implementing a climate transition plan   + Developing a business strategy which considers environmental issues   + Implementing the business strategy related to environmental issues   + Managing acquisitions, mergers, and divestitures related to environmental issues   + Managing major capital and/or operational expenditures relating to environmental issues   + Managing annual budgets related to environmental issues   + Managing priorities related to innovation/low-environmental impact products or services (including R&D)   + Managing environmental reporting, audit, and verification processes   **Other**   * + Providing employee incentives related to environmental performance   + Other, please specify |

### Requested content

#### General

* If there is more than one senior position/committee with management-level responsibility for the environmental issue, provide details on the highest senior position or committee with management-level responsibility for environmental issues.
* If you would like to describe more than one senior position/committee with responsibility for the environmental issue you may use the "Add Row” button. This is optional. In this case, ensure that the position/committee with the highest level of responsibility is in the top row of the table.
* **Note that this question asks about the position and not about the names of the staff holding these positions. Do not include the name of any individual or any other personal data in your response.**

#### Position of individual or committee with responsibility (column 2)

* Select the best match for the position/committee in your organization, or select "Other position, please specify" or "Other committee, please specify".
* The list includes senior positions that may sometimes but not always be at board level. Select one of those positions only if the individual has management responsibility for climate-related issues.

#### Who in the organization does this position report to (column 4)

* Select the option that represents the direct reporting line of the position of individual or committee with responsibility for environmental issues (i.e., the position with direct oversight of the individual or committee with responsibility).

#### Frequency of reporting on this environmental issue (column 5)

* Select the most regular frequency that the individual or committee reports via the reporting line specified in column 4 “Who in the organization does this position report to”. For example, if the individual or committee reports quarterly but may also report in between these regular meetings as important matters arise, you should select ‘Quarterly’.

#### Please explain (column 6)

* Provide a brief description of the organizational structure associated with the position/committee selected in column 2.

### Additional information

* Best practice is for an organization to have a formalized governance structure, including a management-level position or committee with responsibility regarding the governance, processes, controls, and procedures used to manage environmental impacts and risks and for a board of directors, or equivalent governing body (administrative, management, or supervisory body), to oversee aspects with regard to environmental matters. However, some organizations may not have a board or equivalent governing body due to their size. In this case, best practice is for a member of the organization to oversee aspects regarding environmental issues.

## [2.2] Do you provide monetary incentives for the management of environmental issues, including the attainment of targets? *(Source: 2025 CDP full corporate questionnaire)*

### Rationale

Employee incentives linked to sustainability performance send a clear signal about the role that employees are expected to play in achieving the organization’s environmental commitments and targets. Data users aim to understand the degree to which organizations encourage their employees to address environmental issues, as well as the mechanisms by which certain behaviors are incentivized in the organization’s decision making and business culture.  
  
**Ambition**

* The organization includes environmental performance metrics in their monetary incentives policies for at least board and senior management levels.
* The organization ties a significant proportion of total remuneration to environmental performance, and more specifically to the achievement of environmental targets. This proportion is significant at board and senior management levels.

### Response options

Please complete the following table.

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | ***Appears if “Yes” is selected in column 1 “Provision of monetary incentives related to this environmental issue”*** |  |
| **0** | **1** | **2** | **3** |
| **Environmental issue** | **Provision of monetary incentives related to this environmental issue** | **% of total C-suite and board-level monetary incentives linked to the management of this environmental issue** | **Please explain** |
| Climate change | Select from:   * + Yes   + No, but we plan to introduce them in the next two years   + No, and we do not plan to introduce them in the next two years | Percentage field [enter a percentage from 0-100, max 2dp] | Text field (maximum 1,000 characters) |
| Forests |  |  |  |
| Water |  |  |  |

### Requested content

#### General

* Note that incentives can be positive, e.g., providing rewards for demonstrating desired behaviors, or they can be negative, e.g., issuing penalties or withholding rewards for not meeting certain standards.
* Note that only monetary incentives should be reported in this question. When assessing whether your organization provides monetary incentives, include all incentives that could have a monetary value equivalent, such as share-based compensation. See Explanation of Terms.

#### % of total C-suite and board-level monetary incentives linked to the management of this environmental issue (column 2)

* This column is only presented if “Yes” is selected in column 1 “Provision of monetary incentives related to this environmental issue”.
* Enter the percentage of the total amount of C-suite and board-level monetary incentivization provided for the management of each environmental issue in relation to the total amount of all C-suite and board-level monetary incentives provided in the reporting year.
* If you do not provide monetary incentives for the management of environmental issues for any C-suite or board-level positions, enter 0 in this column. For example, if you do not provide any climate-related incentives, enter 0 in row “Climate change”.
* You should only provide a figure for the rows for which outcomes relating to the environmental issue are specified. For example, if you provide an environmental, social, and corporate governance (ESG) incentive that is solely tied to forests and water security outcomes, without incentivizing specific climate change-related outcomes, the same figure should be reported for “Forests” and “Water”, while “Climate change” should be reported as 0.
* If your organization has incentives linked to environment, health and safety (EHS), report only the proportion relating to environmental performance metrics.

#### Please explain (column 3)

* If you selected “Yes” in any row in column 1 “Provision of monetary incentives related to this environmental issue”, explain the extent to which your monetary incentives related to environmental issues form a part of your total monetary incentivization package for employees.
* If you selected any “No” option in any row in column 1, explain why you do not provide monetary incentives related to the environmental issue.
* Explain each figure provided in column 2. For example, if your organization provides monetary incentives related to climate-change outcomes only at board-level, explain why here.

### Explanation of terms

* C-suite: a term used to collectively refer to the most senior executive team.
* Monetary incentive: a bonus, shares, profit share, or other form of positive or negative change in remuneration which has a monetary value equivalent e.g., providing rewards for demonstrating desired behaviors, or issuing penalties or withholding rewards for not meeting certain standards.

## [2.2.1] Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals). *(Source: 2025 CDP full corporate questionnaire)*

### Question dependencies

This question only appears if you select “Yes” in response to column 1 “ Provision of monetary incentives related to this environmental issue” of 2.2.

### Rationale

Employee incentives linked to sustainability performance send a clear signal about the role that employees are expected to play in achieving the organization’s environmental commitments and targets. Data users aim to understand the degree to which organizations encourage their employees to address environmental issues, as well as the mechanisms by which certain behaviors are incentivized in the organization’s decision making and business culture. Providing insight into these incentives and the specific performance metrics used to address environmental issues informs data users how these incentives are aligned with the identification, assessment, and management of the organization’s environmental dependencies, impacts, risks, and opportunities.

**Ambition**

* The organization includes environmental performance metrics in their monetary incentives policies for at least board and senior management levels.
* The organization ties a significant proportion of total remuneration to environmental performance, and more specifically to the achievement of environmental targets. This proportion is significant at board and senior management levels.
* The organization links monetary incentives to environmental performance metrics in the Short-Term and/or Long-Term Incentive Plan, or equivalent incentive package.

### Response options

Please complete the following table.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** |
| **Environmental issue** | **Position entitled to monetary incentive** | **Incentives** | **Performance metrics** | **Incentive plan the incentives are linked to** | **Further details of incentives** | **How the position’s incentives contribute to the achievement of your environmental commitments and/or climate transition plan** |
| Climate change | Grouped option (single-select group, single-select option): | Select all that apply:   * + Bonus - % of salary   + Bonus – set figure   + Promotion   + Salary increase   + Shares   + Profit share   + Retirement plan   + Other, please specify | Grouped option (multi-select group, multiselect option): | Select from:   * + Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)   + Long-Term Incentive Plan, or equivalent, only (e.g. contractual multi-year bonus)   + Both Short-Term and Long-Term Incentive Plan, or equivalent   + The incentives are not linked to an incentive plan, or equivalent (e.g. discretionary bonus in the reporting year) | Text field [maximum 2,500 characters] | Text field [maximum 2,500 characters] |
| Forests |  |  |  |  |  |  |
| Water |  |  |  |  |  |  |
| Select from:   * + Climate change   + Forests   + Water |  |  |  |  |  |  |

|  |  |
| --- | --- |
| **Position entitled to monetary incentive (column 2)** | |
| **Board or executive level**   * + Board Chair   + Board/Executive board   + Chief Compliance Officer (CCO)   + Chief Credit Officer (CCO) [FS only]   + Chief Executive Officer (CEO)   + Chief Financial Officer (CFO)   + Chief Government Relations Officer (CGRO)   + Chief Investment Officer (CIO) [FS only]   + Chief Operating Officer (COO)   + Chief Procurement Officer (CPO)   + Chief Risks Officer (CRO)   + Chief Sustainability Officer (CSO)   + Chief Technology Officer (CTO)   + Chief Underwriting Officer (CUO) [FS only]   + Corporate executive team   + Director on board   + Other C-Suite Officer, please specify   + General Counsel   + President   **Senior-mid management**   * + Buyers/purchasers   + Energy manager   + Environment/Sustainability manager   + Environmental, Health, and Safety manager   + Management group   + Process operation manager   + Procurement manager   + Public affairs manager   + Risk manager   + ESG Portfolio/Fund manager [FS only]   + Investor relations manager [FS only]   + Portfolio/Fund manager [FS only]   + Other senior-mid manager, please specify | **Facility/Unit/Site management**   * + Business unit manager   + Facilities manager   + Site manager   + Other facility/unit/site manager, please specify   **Sustainability specialist**   * + Dedicated responsible investment analyst [FS only]   + Investment/credit/insurance analyst [FS only]   + Risk analyst [FS only]   + Other sustainability specialist, please specify |

|  |  |
| --- | --- |
| **Performance metrics (column 4)** | |
| **Targets**   * + Progress towards environmental targets   + Achievement of environmental targets   + Organization performance against an environmental sustainability index   + Reduction in absolute emissions in line with net-zero target [CC only]   + Other targets-related metrics, please specify   **Strategy and financial planning**   * + Board approval of climate transition plan [CC only]   + Shareholder approval of climate transition plan [CC only]   + Achievement of climate transition plan [CC only]   + Increased green asset ratio of portfolio/fund [FS only]   + Shift to a business model compatible with a net-zero carbon future [CC only]   + Increased investment in environmental R&D and innovation   + Increased proportion of revenue from low environmental impact products or services   + Increased alignment of capex with transition plan and/or sustainable finance taxonomy [CC only]   + Other strategy and financial planning-related metrics, please specify   **Emission reduction**   * + Implementation of an emissions reduction initiative [CC only]   + Reduction in emissions intensity [CC only]   + Increased share of renewable energy in total energy consumption [CC only]   + Reduction in absolute emissions [CC only]   + Emissions reductions across portfolio companies [FS only]   + Other emission reduction-related metrics, please specify [CC only]   **Resource use and efficiency**   * + Reduction of virgin wood fiber used in paper and packaging products (e.g., by reducing material input, or using recycled content/alternative fibers) [F only]   + Eliminating deforestation and conversion of other natural ecosystems in direct operations and/or other parts of the value chain [F only]   + Improvements in commodity production efficiency [F only]   + Reduction of water withdrawals – direct operations [W only]   + Reduction in water consumption volumes – direct operations [W only]   + Reduction of water withdrawal and/or consumption volumes – upstream value chain (excluding direct operations) [W only]   + Reduction of water withdrawal and/or consumption volumes – downstream value chain (excluding direct operations) [W only]   + Improvements in water efficiency – direct operations [W only]   + Improvements in water efficiency – upstream value chain (excluding direct operations) [W only]   + Improvements in water efficiency – downstream value chain (excluding direct operations) [W only]   + Improvements in emissions data, reporting, and third-party verification [CC only]   + Improvements in commodity volume data collection, reporting and third-party verification/certification [F only]   + Improvements in water accounting, reporting, and third-party verification [W only]   + Energy efficiency improvement [CC only]   + Reduction in total energy consumption [CC only]   + Other resource use and efficiency-related metrics, please specify | **Pollution**   * + Improvements in wastewater quality – direct operations [W only]   + Improvements in wastewater quality – upstream value chain (excluding direct operations) [W only]   + Improvements in wastewater quality – downstream value chain (excluding direct operations) [W only]   + Reduction of water pollution incidents [W only]   + Reduction or phase out of hazardous substances [W only]   + Increase in substitution of listed environmental contaminants [W only]   + Increase in discharge treatment compliance and meeting regulatory requirements – direct operations [W only]   + Increase in discharge treatment compliance and meeting regulatory requirements – upstream value chain (excluding direct operations) [W only]   + Increase in discharge treatment compliance and meeting regulatory requirements – downstream value chain (excluding direct operations) [W only]   + Reduction/elimination of environmental incidents and/or environmental notices (notices of violation)   + Other pollution-related metrics, please specify   **Policies and commitments**   * + Increased supplier compliance with environmental requirements   + New or tighter environmental requirements applied to purchasing practices   + Increase in verified compliance with Deforestation and   + Conversion Free (DCF) policies and/or commitments [F only]   + Restoration and compensation to address past deforestation and conversion [F only]   + Securing Free, Prior and Informed Consent (FPIC) of Indigenous peoples and local communities   + Adopting UN International Labour Organization principles   + Implementation of water-related community project [W only]   + Increased access to workplace WASH – direct operations [W only]   + Increased access to workplace WASH – upstream value chain (excluding direct operations) [W only]   + Increased access to workplace WASH – downstream value chain (excluding direct operations) [W only]   + Other policies and commitments-related metrics, please specify   **Engagement**   * + Increased engagement with suppliers on environmental issues   + Increased engagement with smallholders on environmental issues   + Increased engagement with customers on environmental issues   + Increased engagement in landscape (including river basin) and jurisdictional initiatives   + Increased engagement with investee companies on environmental issues [FS only]   + Increased engagement with clients on environmental issues [FS only]   + Increased value chain visibility (traceability, mapping)   + Implementation of employee awareness campaign or training program on environmental issues   + Other engagement-related metrics, please specify |

### Requested content

#### General

* If there is more than one senior position entitled to incentives related to the environmental issue, provide details on the highest senior position entitled to incentives. If you would like to describe more than one senior position entitled to incentives, you may use the "Add Row” button. This is optional. In this case, ensure that the position with the highest level of responsibility is in the top row of the table.
* Note that this question asks about the position of employees entitled to incentives. Do not include the name of any individual or any other personal data in your response.

#### Position entitled to monetary incentive (column 2)

* Select the position of the individual who is entitled to the incentive. If the position is not listed here, select the closest match for your organization or select “Other, please specify”.

#### Incentives (column 3)

* Select all relevant incentives from the drop-down list, or select “Other, please specify”.
* Note that only monetary incentives should be reported in this question.

#### Performance metrics (column 4)

* Select the performance metrics relevant to the monetary incentives for the position selected in column 2 “Position entitled to monetary incentive”. You will have the opportunity to provide further details in column 6 “Further details of incentives”.

#### Incentive plan the incentives are linked to (column 5)

* Indicate whether the environmental incentive(s) for this position is part of an incentive plan:
* Short-Term Incentive Plans (STIPs) aim to reward employees for their individual contribution to achieving short-term business objectives and maximizing organizational performance over the course of a year. For example, if the position was contractually eligible to receive a bonus based on annual performance against environmental performance metrics in the reporting year, select the appropriate “Short-Term Incentive Plan” option in this column.
* Long-Term Incentive Plans (LTIPs) aim to reward and retain employees who are key to achieving the organization’s long-term strategic goals. Incentives that are part of an employee’s LTIP are usually rewarded over the course of/after a number of years. For example, if the position was contractually eligible to receive a bonus based on performance against environmental performance metrics over a multi-year period including the reporting year, select the appropriate “Long-Term Incentive Plan” option in this column.
* Incentives may be awarded on a discretionary basis. If, for example, the position does not have an incentive plan, but was eligible for a discretionary bonus in the reporting year, select “The incentives are not linked to an incentive plan, or equivalent (e.g. discretionary bonus in the reporting year)”.

#### Further details of incentives (column 6)

* Use this field to provide further details of the monetary incentives the position is entitled to, including:
* The time period over which performance against each of the metrics selected in column 4 “Performance metrics” is measured.
* Quantitative details of the incentives and the performance metrics.
* Regional, sectoral, and/or operational context.

#### How the position’s incentives contribute to the achievement of your environmental commitments and/or climate transition plan (column 7)

* Explain if your incentives have already contributed to the implementation or achievement of organization’s environmental commitments and/or transition plan and what actions have been taken due to the incentives being in place. For example:
  + - How the performance metrics reported in column 4 “Performance metrics” are linked to key performance indicators (KPIs) within your climate transition plan, or
    - How they will progress your environmental commitments, e.g., to reach net-zero emissions by 2050, control/reduce/eliminate water pollution or eliminate deforestation and conversion of other natural ecosystems.
* Note that you will be asked to provide details on your organization’s environmental commitments in 2.3 and on your organization’s climate transition plan in 4.2.

### Explanation of terms

* Free, Prior and Informed Consent (FPIC): a collective human right of indigenous peoples and local communities to give and withhold their consent prior to the commencement of any activity that may affect their rights, land, resources, territories, livelihoods, and food security. It is a right exercised through representatives of their own choosing and in a manner consistent with their own customs, values, and norms ([AFi, 2024](https://accountability-framework.org/use-the-accountability-framework/definitions/)).
* Landscape: defined geographic area with common and interacting ecological and socioeconomic characteristics. They may be delineated based on river basins, seascapes, ecosystems, jurisdictional boundaries, or in other ways (adapted from [AFi, 2024](https://accountability-framework.org/use-the-accountability-framework/definitions/)).
* Landscape and jurisdictional initiatives: the on-the-ground collaborative programme to set common goals, take collective action while reconciling different interests, and monitor progress towards improving social, environmental, and economic outcomes at a landscape/jurisdictional scale.
* Traceability: the ability to follow a product or its components through stages of the value chain (e.g. production, processing, manufacturing, and distribution) (adapted from [AFi, 2024](https://accountability-framework.org/use-the-accountability-framework/definitions/))

## [2.3] Does your organization have an environmental policy that addresses environmental issues? *(Source: 2025 CDP SME questionnaire)*

### Rationale

An environmental policy is a key governance tool which serves as a foundation to drive action while ensuring accountability. Setting a corporate environmental policy for environmental issues indicates that the organization understands their importance and recognizes its responsibility in taking environmental action.

Therefore, data users wish to know that organizations have articulated and documented a policy that acknowledges the organization’s risks and opportunities associated with environmental issues, and have clear intentions and direction for action. For accountability to the organization’s stakeholders, the policy should be publicly available.

### Ambition

* The organization has publicly available policies which address environmental risks and opportunities related to the organization and its value chain.

### Response options

Please complete the following table:

|  |  |
| --- | --- |
|  | ***Appears if any “No...” option is selected in column 1*** |
| **1** | **2** |
| **Does your organization have any environmental policies?** | **Primary reason for not having a environmental policy** |
| Strategy and financial planning   * + Yes   + No, but we plan to within the next two years   + No, and we do not plan to within the next two years | Select from:   * + Lack of internal resources, capabilities, or expertise (e.g., due to organization size)   + No standardized procedure   + Not an immediate strategic priority   + Judged to be unimportant or not relevant   + Other, please specify |

### Requested content

#### Does your organization have any environmental policies? (column 1)

* Select “Yes” if your organization addresses environmental issues anywhere within your policy framework. It may be a stand-alone policy document (regardless of the title), or another equivalent document or set of documents that includes policy or policies that address environmental issues relevant to your organization. For example, some organizations may have an overarching ‘environmental’ or ‘sustainability policy’, while others may have policies specific to particular environmental issues, e.g., ‘climate policy’.
* An example of an environmental policy is documenting guidelines for improving energy efficiency within your operations, such as upgrading equipment or encouraging energy-saving practices in the workplace.

### Additional information

* SMEs may have few (or no) policies formalised in written documents. However, best practice is for an organization to have publicly available policies that address the environmental risks and opportunities related to the organization and its upstream/downstream value chain.

## [2.3.1] Provide details of your environmental policies. *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if you select “Yes” in response to column 1 “Does your organization have any environmental policies?” of 2.3.

### Rationale

An environmental policy is a key governance tool which serves as a foundation to drive environmental action while ensuring accountability. This question informs data users about the organization’s commitments regarding environmental issues by providing an insight into its level of awareness of those issues and demonstrating the robustness of actions outlined in the policy.

### Ambition

* The organization has publicly available policies which address environmental risks and opportunities related to the organization and its value chain.
* The policies apply organization-wide, and to its value chain where relevant.

### Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  | ***Dropdown options appear dependent on environmental issue selected in column 1*** |
| **1** | **2** | **3** | **4** | **5** |
| **Environmental issues covered** | **Level of coverage** | **Value chain stages covered** | **Explain the coverage** | **Environmental policy content** |
| Select all that apply:   * + Climate change   + Forests   + Water | Select from:   * Organization-wide * Selected facilities, businesses or geographies only * Selected products only * Selected commodities only | Select all that apply:   * Direct operations (our own organization) * Upstream activities (suppliers) * Downstream activities (distributors or customers) | Text field [maximum 1,500 characters] | Select all that apply from drop- down options below |

|  |  |
| --- | --- |
| **Environmental policy content (column 5)** | |
| **Environmental commitments**   * Commitment to comply with regulations and mandatory standards * Commitment to take environmental action beyond regulatory compliance * Commitment to engage in integrated, multi-stakeholder landscape (including river basin) initiatives to promote shared sustainability goals * Commitment to stakeholder engagement and capacity building on environmental issues * Other environmental commitment, please specify   **Climate-specific commitments**   * Commitment to 100% renewable energy * Commitment to net-zero emissions * Commitment to not invest in fossil-fuel expansion * Other climate-related commitment, please specify   **Forests-specific commitments**   * Commitment to best management practices for soils and peat * Commitment to no-conversion of natural ecosystems by target date, please specify * Commitment to no-deforestation by target date, please specify * Other forests-related commitment, please specify | **Water-specific commitments**   * Commitment to reduce or phase out hazardous substances * Commitment to control/reduce/eliminate water pollution * Commitment to reduce water consumption volumes * Commitment to reduce water withdrawal volumes * Commitment to safely managed WASH in local communities * Commitment to water stewardship and/or collective action * Other water-related commitment, please specify   **Social commitments**   * Adoption of the UN International Labour Organization principles * Commitment to promote gender equality and women’s empowerment * Commitment to respect and protect the customary rights to land, resources, and territory of Indigenous Peoples and Local Communities * Commitment to respect internationally recognized human rights * Commitment to secure Free, Prior, and Informed Consent (FPIC) of indigenous people and local communities * Other social commitment, please specify   **Additional references/Descriptions**   * Description of commodities covered by the policy * Description of environmental requirements for procurement * Description of grievance/whistleblower mechanism to monitor non-compliance with the environmental policy and raise/address/escalate any other greenwashing concerns * Description of renewable electricity procurement practices * Reference to timebound environmental milestones and targets * Other, additional references/descriptions please specify |

### Requested content

#### General

* If you have no stand-alone environmental policy, provide details on your equivalent policy documents that include the directions and goals regarding your environmental performance.
* If you have set targets related to any of the commitments selected in column 5 “Environmental policy content”, you should report the target’s details in the corresponding Targets questions in the Section 5 – Reported Emissions.

#### Level of coverage (column 2)

* Select “Organization-wide” if the level of coverage applies to your entire organization, e.g., if the policy is applied at the corporate level rather than a geographical or facility level.
* If the level of coverage does not apply to your entire organization, choose another option and provide more details and an explanation in column 4 “Explain the coverage”.
  + - For example, select “Selected products only” if your organization’s policy contains a “Commitment to comply with regulations and mandatory standards” for a single product that your organization produces or sources.

#### Value chain stages covered (column 3)

* Indicate the stages of the value chain covered in the content of your policy, e.g., whether the content dropdowns selected in column 5 “Environmental policy content” extend to stages of the value chain beyond your direct operations.
* This is different from column 2 “Level of coverage”, as the former refers to the scope of the policy, while this column requests information on whether the contents of the policy, i.e. commitments, only address your direct operations or also other parts of your value chain. For example, an organization could have an organization-wide policy whose content only relates to direct operations and a country-specific environmental policy whose commitments extend to upstream value chain activities (i.e., their suppliers).
* If some response options in column 5 “Environmental policy content” only apply to a particular value chain stage, add rows as applicable; e.g., if you have one organization-wide policy but different commitments apply to different stages of your value chain.

#### Explain the coverage (column 4)

* Briefly describe the coverage of your environmental policy and provide reasons.
* Indicate whether there are exclusions to the coverage of your policy e.g., geographical areas, business activities etc. If there are exclusions, provide the reasons.

## [2.4] Are you aware of any climate-related incentive schemes (e.g. government funding scheme)? *(New Question for CASG Questionnaire)*

### Rationale

This question aims to understand whether you are aware of any climate-related incentive schemes available to your organization in the areas it operates in, and whether you have applied for them to support your organization’s efforts in managing climate-related risks and addressing the impacts arising from climate change to your organization.

### **Response options**

|  |
| --- |
| **Aware of any climate-related incentive schemes** |
| Select from:   * Yes, we have applied for some incentive scheme. Please specify: \_\_\_\_\_ * Yes, we are aware but are not eligible to apply. * Yes, we are aware but do not have plan to apply. * No, we are not aware of such incentive schemes. |

### Requested content

#### General

* You may consider incentive schemes available in Hong Kong and overseas such as government grants, subsidies, capacity building schemes, continuing professional development (CPD) courses related to sustainability, etc.
* Where possible, you should provide information about the incentive scheme(s) your organization has applied for in the reporting year.

3. Assessment of Risks and Opportunities

## [3.1] Does your organization have a process for identifying, assessing, and managing environmental risks and opportunities? *(Source: 2025 CDP SME questionnaire)*

### Rationale

SMEs are often especially vulnerable to risks, including environmental risks, as they often do not have robust risk assessment and management systems in place. Banks and lenders are also increasingly requesting information on a company’s environmental risks to make financing decisions. As such, having a robust risk assessment process in place to identify and manage risks is key to building business resilience and has never been more important for SMEs.

Additionally, SMEs’ flexibility and capability to innovate makes them well placed and crucial for providing environmental solutions. Without robust processes to identify and manage such opportunities, SMEs may risk facing competitive disadvantages and losing out on the ability to capitalize on important opportunities.

This question establishes whether the organization has a process for identifying, assessing, and managing environmental issues so that data users may gauge the organization's awareness of its own environmental risks and opportunities. This links closely to clear business benefits including cost-savings, better investor and company relations and shows that a company is futureproofing its growth ahead of future environmental policy.

**Ambition**

* The organization has a robust process to identify, assess, and manage environmental dependencies, impacts, risks, and opportunities across its direct operations, value chain, financed activities, and assets.

### Response options

Please complete the following table:

|  |  |  |  |
| --- | --- | --- | --- |
|  | ***Appears if ‘Yes’ is selected in column 1*** | | |
| **1** | **2** | **3** | **4** |
| **Process in place** | **Risks and/or opportunities evaluated in this process** | **Frequency of assessment** | **Please explain the process** |
| Select from:   * + Yes   + No, but we plan to within the next two years   + No, and we do not plan to within the next two years | Select from:   * + Risks only   + Opportunities only   + Both risks and opportunities | Select from:   * + More than once a year   + Annually   + Every two years   + Every three years or more   + As important matters arise   + Not defined | Text field [maximum 3,500 characters] |

### Requested content

#### Process in place (column 1)

* Select “Yes” if your organization has any process in place for identifying, assessing, and managing risks and opportunities. Select “Yes” regardless of whether both risks and opportunities are assessed, and regardless of whether the process is integrated (i.e. across multiple environmental issues, and any other issues) or separated.
* Only select "No…" if you do not have any form of process for identifying, assessing, and managing risks and opportunities.
* If your organization has identified environmental risks and opportunities but does not yet have a formalized process in place for identifying, assessing, and managing risks and opportunities on a consistent and reoccurring basis, select either “No…” option, and provide details on the specific risks and/or opportunities identified in 3.2 and 3.3.

#### Frequency of assessment (column 3)

* Select the option that best reflects the frequency that all risks and/or opportunities are assessed and/or reviewed.
  + - The frequency disclosed here does not necessarily mean the frequency you complete a full assessment of all risks and opportunities. For example, long-term risks may be relevant for several years and only require periodic review. Therefore, you may select the option that best reflects the frequency that all risks and/or opportunities are assessed and/or reviewed.

#### Please explain the process (column 4)

* Describe your process for identifying, assessing, and managing risks and/or opportunities, including the areas of your business covered by the assessment and any exclusions; time horizons covered; types of risks and/or opportunities considered; and tools or methods used, such as databases, Enterprise Risk Management tools, or external consultants.

## [3.2] Are you aware of any risks created by environmental issues which have had a substantive effect on your organization in the reporting year or may in the future? *(Source: 2025 CDP SME questionnaire)*

**Rationale**

Environmental risks with substantive effects (those which have had, or are anticipated to have, a considerable or relatively significant operational, financial, or strategic impact on an organization at the corporate level) can undermine the entire business or part of the business. As SMEs are particularly vulnerable to global risks, identifying risks is a critical step to ensuring business resiliency. It is also crucial for investors and data users to understand your organization's risk exposure, especially regarding any environmental risks across your value chain (suppliers, customers, and other stakeholders) which are anticipated to have substantive effects on your organization. This includes both risks which have already had an effect within the reporting year and risks which may have an effect in the future. If no environmental risks with substantive effects have been identified as part of your assessment, it is equally crucial for data users to understand how and why you have concluded that such risks are not anticipated to affect your organization.

**Ambition**

* The organization discloses environmental risks which have had, or are anticipated to have a substantive effect on the organization’s strategy, business activities, value chain, financial position (e.g. assets and liabilities), financial performance (e.g., revenue or expenditure) and cash flows.

**Response options**

Please complete the following table.

|  |  |  |
| --- | --- | --- |
|  |  | ***Appear if any option other than “Yes, both...” is selected in column 1*** |
| **0** | **1** | **2** |
| **Environmental issue** | **Environmental risks identified** | **Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/orupstream/downstream value chain** |
| Climate change | Select from:   * Yes, both in direct operations (our own operations) and upstream/downstream value chain (our suppliers, distributors, and customers) * Yes, only within our direct operations (our own operations) * Yes, only in our upstream/downstream value chain (our suppliers, distributors, and customers), excluding direct operations * No | Select from:   * Environmental risks exist, but none with the potential to have a substantive effect on our organization * Evaluation in progress * Lack of internal resources, capabilities, or expertise (e.g., due to organization size) * No standardized procedure * Not an immediate strategic priority * Insufficient data * Other, please specify |
| Forests |  |  |
| Water |  |  |

### Requested content

#### General

* For the purposes of this response, the environmental risks reported should only be those which:
  + - Have had or are anticipated to have a substantive effect on your organization;
    - Have had or are anticipated to have a substantive effect at the corporate level, and not simply at the asset, business unit and/or geographic level where they may occur; and
    - Have had or are anticipated to have a substantive effect when considering the inherent risk (existing in the absence of controls, i.e. not considering any mitigation or management measures that have been or could be implemented) as well as the residual risk (remaining after a specific action has been taken to manage the risk).
* Your selection in column 1 “Environmental risks identified” will determine whether column 2 “Primary reason why your organization…” will be presented.

#### Environmental risks identified (column 1)

* Select the appropriate “Yes” option if any risks have been identified as having had or having anticipated substantive effects before any response actions are accounted for. Consider both the risks which have been accepted and those to which you are responding when determining which option to select.

### Additional Information

* What are examples of risks related to environmental issues (also referred to as environmental risks)?
  + - Environmental risks can relate to various environmental issues including, but not limited to, the ones covered by this questionnaire: climate change, water security, and forests. Examples of environmental risks related to climate change include floods, storms, wildfires, or droughts, which are also known as acute physical risks. These events may cause damage to your organization’s property or lead to you being unable to fulfill customer orders on time, resulting in business risks such as unhappy customers and loses in revenue.
* How does my organization determine if an environmental risk is considered substantive?
  + - What constitutes a substantive effect will vary between organizations. For example, a 1% reduction in profits will have different effects on different organizations depending on their respective profit margins. For the purposes of this response, organizations are therefore asked to determine “substantive” in the way that they would for their business decision-making. For example, a substantive impact could occur because of a large impact to any one of the following aspects, or because multiple small impacts create a larger impact:
      * the proportion of business units affected;
      * the size of the impact on those business units;
      * the dependency of the organization on that unit;
      * the potential for shareholder or customer concern

## [3.2.1] Provide details of the risks created by environmental issues which have had a substantive effect on your organization in the reporting year or may in the future. *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if you select any of the “Yes…” options in column “Environmental risks identified” of 3.2.

### Rationale

Your response to this question provides data users with an overview of the environmental risks affecting your organization, now and in the future, such as flooding or changes in customer behavior due to growing demand for sustainable products or services. Information on the current and anticipated financial effects of these risks, and your response strategy to manage and mitigate them, are critical elements for guiding investments as well as implementing corporate actions to improve business resilience and environmental stewardship. Additionally, larger companies may be required to report financial impact figures of risk under certain emerging regulatory reporting requirements. Failing to address these risks can lead to reputational damage, regulatory compliance issues, and financial instability.

### Ambition

* The organization discloses environmental risks which have had or are anticipated to have substantive effects on the organization’s strategy, business activities, value chain, financial position (e.g. assets and liabilities), financial performance (e.g. revenue or expenditure) and cash flows. The disclosure per risk includes:
* The timeframe, likelihood and magnitude associated with the effects of the risk,
* Current and anticipated effects on the value chain and where these risks are located,
* Whether the risks are physical (acute or chronic) or transition risks (policy, market, reputation, technology, liability),
* The potential financial effects of the risks.
* The costs of response to a risk, a description of the response and an explanation of the cost calculation

### Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***Rows appear based on selections in column 1 of***  ***3.2*** |  | ***Appears if “Forests” is selected in column 1*** |  |  |  |  | ***Appears if “Water” is selected in column 1*** |  |  |
| **1** | **2** | **3** | **4a** |  | **5** | **6** | **7** | **8** | **9** |
| **Environmental issue the risk relates to** | **Risk identifier** | **Commodity** | **Risk type** |  | **Value chain stage where the risk occurs** | **Country/area where the risk occurs** | **River basin where the risk occurs** | **Organization- specific**  **description of risk** | **Primary financial effect of the risk** |
| Climate change | Select from:  Risk1- Risk100 | N/A | Select from:   * + Acute physical (short term, specific events that change the state of nature)   + Chronic physical (gradual changes to the state of nature)   + Policy   + Market   + Reputation   + Technology   + Liability (legal claims)   Select Primary source of the environmental risk from the drop down list base on above option. |  | Select from:   * + Direct operations (our own operations)   + Upstream value chain (suppliers)   + Downstream value chain (distributors or customers) | Select all that apply:  [Country/area drop- down list]   * + All countries/ areas in which we operate | N/A | Text field [maximum 1,500  characters] | Select from the drop-down list below |
| Forests |  | Select all that apply:   * + Timber products   + Palm oil   + Cattle products   + Cocoa   + Coffee   + Soy   + Rubber   + Not applicable |  |  |  |  | N/A |  |  |
| Water |  | N/A |  |  |  |  | Select all that apply: [River basin drop-down list]   * + Unknown   + Other, please specify |  |  |
| Select all that apply:   * + Climate change   + Forests   + Water |  |  |  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | ***Appears if any option other than “The risk has already had a***  ***Substantive effect on our organization in the reporting year” is selected in column 10*** |  |  | ***Appears if “Yes” is***  ***selected in the column 13*** | ***Appears if “Yes” is***  ***selected in the column 13*** | ***Appears if “Yes” is***  ***selected in the column 13*** | ***Dropdown***  ***options***  ***appear***  ***dependent***  ***on column 1*** |  |  |  |
| **10** | **11** | **12** | **13** | **14** | **15** | **16** | **17** | **18** | **19** | **20** |
| **Time horizon over which the risk is anticipated to have a substantive effect on the**  **organization** | **Likelihood of the risk having an effect within the anticipated time horizons** | **Magnitude** | **Are you able to quantify the financial effect of the risk?** | **Potential financial effect figure – minimum (currency)** | **Potential financial effect figure – maximum (currency)** | **Explanation of financial effect figure** | **Primary response to risk** | **Cost of response to risk** | **Explanation of cost calculation** | **Description of response** |
| Select all that apply:   * + Short-term   + Medium- term   + Long-term   + The risk has already had a substantive effect on our organization in the reporting year   + Unknown | Select from:   * + Virtually certain (99–100%)   + Very likely (90–100%)   + Likely (66–100%)   + More likely than not (50–100%)   + About as likely as not (33–66%)   + Unlikely (0–33%)   + Very unlikely (0–10%)   + Exceptionally unlikely (0–1%)   + Unknown | Select from:   * + High   + Medium- high   + Medium   + Medium- low   + Low   + Unknown | Select from:   * + Yes   + No | Numerical field [enter  a number from 0 to 999, 999, 999,999,999 using up to 2 decimal places] | Numerical field [enter  a number from 0 to 999, 999,999,999,999 using up to 2 decimal places] | Text field  [maximum 2,500 characters] | Select from drop-down options below | Numerical  field [enter a number from 0 to 999,999,999,999,999using up to 2 decimal places] | Text field  [maximum 1,000 characters] | Text field  [maximum 2,000 characters] |

|  |  |
| --- | --- |
| **Primary source of the environmental risk (column 4b)** | |
| **Policy**   * + Carbon pricing mechanisms   + Changes to international law and bilateral agreements   + Changes to national legislation   + Changes to regulation of existing products and services   + Higher water prices   + Increased difficulty in obtaining operations permits   + Increased difficulty in obtaining withdrawal permits   + Introduction of regulatory standards for previously unregulated contaminants   + Lack of mature certification and sustainability standards   + Limited or lack of river basin management   + Limited or lack of transboundary water management   + Mandatory water efficiency, conservation, recycling or process standards   + Non-compliance with legislation   + Poor enforcement of regulation   + Poor coordination between regulatory bodies   + Regulation of discharge quality/volumes   + Statutory water withdrawal limits/changes to water allocation   + Uncertainty and/or conflicts involving land tenure rights and water rights   + Other policy risk, please specify   **Liability (legal claims)**   * + Exposure to sanctions and litigation   + Moratoria and voluntary agreements   + Other liability risk, please specify   **Technology**   * + Dependency on water intensive energy sources   + Inability to increase yield of existing production areas   + Lack of access to data   + Lack of monitoring systems   + Transition to water efficient and low water intensity technologies and products   + Transition to water intensive, low carbon energy sources   + Transitioning to lower emissions technology   + Unsuccessful investment in new technologies   + Other technology risk, please specify   **Market**   * + Changing customer behavior   + Inadequate access to water, sanitation, and hygiene services   + Increased commodity prices   + Increased cost of certified sustainable commodities   + Increased cost of raw materials   + Lack of availability of certified sustainable material   + Leakage markets   + Limited visibility of embedded commodities   + Uncertainty about commodity origin and/or legality   + Uncertainty in market signals   + Other market risk, please specify | **Reputation**   * + Increased stakeholder concern or negative stakeholder feedback   + Local community opposition   + Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress)   + Stigmatization of sector   + Other reputation risk, please specify   **Acute physical (short term, specific events that change the state of nature)**   * + Avalanche   + Cold wave/frost   + Cyclone, hurricane, typhoon   + Drought   + Flooding (coastal, fluvial pluvial, groundwater)   + Glacial lake outburst   + Heat wave   + Heavy precipitation (rail, hail, snow/ice)   + Landslide   + Pollution incident   + Storm (including blizzards, dust and sandstorm)   + Subsidence   + Tornado   + Toxic spills   + Wildfires   + Other acute physical risk, please specify   **Chronic physical (gradual changes to the state of nature)**   * + Change in land-use   + Changing precipitation patterns and types (rain, hail, snow/ice)   + Changing temperature (air, freshwater, marine water)   + Changing wind patterns   + Coastal erosion   + Declining water quality   + Groundwater depletion   + Heat stress   + Inadequate water-related infrastructure   + Increased ecosystem vulnerability   + Increased levels of environmental pollutants in freshwater bodies   + Increased severity of extreme weather events   + Land loss to desertification   + Ocean acidification   + Permafrost thawing   + Poorly managed sanitation   + Rationing of municipal water supply   + Saline intrusion   + Scarcity of land resources   + Sea level rise   + Seasonal supply variability   + Soil degradation   + Soil erosion   + Solifluction   + Temperature variability   + Water stress   + Other chronic physical risk, please specify |

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| --- | --- |
| **Primary financial effect of the risk (column 9)** | |
| * + Brand damage   + Change in revenue mix and sources   + Closure of operations   + Constraint to growth   + Decrease in shareholder value   + Decreased access to capital   + Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets   + Decreased revenues due to reduced demand for products and services   + Decreased revenues due to reduced production capacity   + Delays in securing operating licenses   + Disruption in production capacity   + Disruption to sales   + Disruption in upstream supply chain (suppliers)   + Disruption to workforce management and planning   + Fines, penalties or enforcement orders | * + Increased capital expenditures   + Increased compliance costs   + Increased cost of capital   + Increased credit risk   + Increased direct costs   + Increased indirect [operating] costs   + Increased insurance premiums   + Increased production costs   + Litigation   + Loss of license to operate   + Reduced availability of insurance on assets in “high-risk” locations   + Upfront costs to adopt/deploy new practices and processes   + Other, please specify |

|  |  |
| --- | --- |
| **Primary response to risk (column 17)** | |
| **Agricultural practices**   * + Adopt sustainable irrigation practices   + Avoid sourcing from jurisdictions with a high risk of deforestation and conversion of other natural ecosystems   + Improve soil health   + Species management and/or recovery   + Other agricultural practice, please specify   **Diversification**   * + Develop new products, services and/or markets   + Increase supplier diversification   + Marketing campaigns   + Market expansion   + Improve emergency response systems in sourcing regions   + Improve fire management systems in sourcing regions   + Other diversification, please specify   **Engagement**   * + Align organization’s public policy engagement with its environmental strategy   + Engage in multi-stakeholder initiatives   + Engage with customers   + Engage with local communities   + Engage with NGOs/special interest groups   + Engage with regulators/policy makers   + Engage with suppliers   + Engage with trade unions   + Ensure grievance mechanisms are available to relevant stakeholders   + Introduce/strengthen environmental incentives   + Other engagement, please specify   **Compliance, monitoring and targets**   * + Ensure no deforestation and no conversion in own operations   + Establish site-specific targets   + Establish company-wide targets   + Greater compliance with regulatory requirements   + Greater due diligence   + Greater traceability of commodities   + Implementation of environmental best practices in direct operations   + Improve monitoring of direct operations   + Improve monitoring of upstream and downstream activities   + New or tighter supplier performance standards   + Promotion of best practice and awareness in the value chain   + Other compliance, monitoring or target, please specify | **Infrastructure, technology and spending**   * + Adopt water efficiency, water reuse, recycling and conservation practices   + Improve maintenance of infrastructure   + Increase environment-related capital expenditure   + Increase geographic diversity of facilities   + Increase investment in R&D   + Increase investment in water, sanitation and hygiene [WASH]   + Secure alternative water supply   + Other infrastructure, technology and spending, please specify   **Nature based solutions, restoration and conservation**   * + Biodiversity offsetting   + Implement ecosystem restoration and long-term protection   + Engage and support landscape and jurisdictional initiatives   + Implement nature-based solutions   + Promotion of sustainable forest management, including financial incentives   + Support catchment and river restoration   + Support river basin restoration   + Voluntary engagement in conservation projects (including reforestation, afforestation and ecosystem restoration)   + Other nature-based solution, restoration and conservation, please specify   **Policies and plans**   * + Adopt regenerative agriculture policies   + Amend the Business Continuity Plan   + Consider relevant transboundary water policies and agreements at national, bilateral or regional level   + Develop a climate transition plan   + Develop drought emergency plans   + Develop flood emergency plans   + Improve alignment of public policy influencing activity with environmental commitments   + Increase insurance coverage   + Increased use of sustainably sourced materials   + More ambitious environmental commitments and policies   + More ambitious no-conversion commitments and policies   + More ambitious policies and commitments to protect natural ecosystems   + Participation in environmental collaborative industry frameworks, initiatives and/or commitments   + Use risk transfer instruments   + Other policies or plans, please specify   **Pricing and credits**   * + Implement internal price on carbon   + Implement internal price on water   + Increase internal price on carbon   + Increase internal price on water   + Purchase water quality credits   + Promotion/purchase of carbon credits   + Other pricing or credit, please specify |

### Requested content

#### General

* Risks reported should include those which either have had or are anticipated to have a substantive effect on your strategy, business activities, value chain, financial position (e.g. assets and liabilities), financial performance (e.g., revenue or expenditure) and cash flows, irrespective of whether the risk has been responded to or accepted.
* **If a risk relates to multiple environmental issues (e.g. climate change and water), repeat the risk in a row for each relevant environmental issue and use the same risk identifier (column 2) and provide the same information across these rows.**
* Even if a dedicated risk assessment process has not yet been defined, if your organization has identified an environmental risk, it is recommended to still provide as much information as possible regarding the details of the risk, how the risk may affect your organization, and the organization’s response to the risk.

#### Risk identifier (column 2)

* Select a unique identifier from the drop-down list to track the risk across subsequent questions and reporting years. Select from Risk1-Risk100 and maintain consistency by using the same identifier for recurring risks. For new risks, use a unique identifier that you have not previously used.
* If the risk relates to multiple environmental issues, use the same identifier in each row referring to the risk.

#### Risk type (column 4a)

* Note that a selection must be made for both column 4a “Risk type” and column 4b “Primary environmental risk driver”. Your data will not be saved if either column is left blank.
* The risk types are based on the TNFD’s categories of nature-related physical (acute and chronic) and transition (policy, market, reputation, technology, liability) risks.

#### Organization-specific description of risk (column 7)

* Provide further contextual information on the primary source of the environmental risk, including more detail on the exact nature, location and/or regulation of the effect concerned, as well as any notable geographic/regional examples.
* Include organization-specific details, such as references to activities, programs, products, services, methodologies, or operating locations specific to your organization’s business or operations.

#### Time horizon over which the risk is anticipated to have a substantive effect on the organization (column 10)

* Appropriate time-horizons will vary between organizations as the timing of effects are likely to also vary. As such, standards, frameworks, and stakeholders often don’t specify specific time frames and instead encourage organizations to decide how to define their own timeframes (e.g., TCFD and TNFD).
* When defining time horizons, consider the following:
  + - The profile of the environmental risks and opportunities your organization faces,
    - The sector and geographies in which your organization operates,
    - The useful life of your organization’s assets and infrastructure,
    - How environmental risks and opportunities may appear in the short, medium, and long-term.

#### Magnitude (column 12)

* The magnitude describes the extent to which the effect, if it occurred, would affect your business. You should consider the business as a whole and therefore the magnitude can reflect both the damage that may be caused and the exposure to that potential damage.
* For example, two organizations may have identical facilities located on a coast in an area which is vulnerable to sea level rise. However, if organization A relies on that facility for 90% of its production capacity and organization B relies on it for only 40% of its production capacity, the magnitude of a sea level rise impact on organization A will be comparatively higher than that on company B.
* It is not possible for us to accurately define terms for magnitude as they will vary from organization to organization. For example, a 1% reduction in profits will have different effects on different organizations depending on the profit margins on which they work. Therefore, organizations are asked to determine magnitude on a qualitative scale. Factors to consider include:
  + - The proportion of business units affected;
    - The size of the impact on those business units;
    - The dependency of the company on those units; and
    - The potential for shareholder or customer concern.
* If the financial effect has not been assessed by your organization, select “Unknown”.

#### Are you able to quantify the financial effect of the risk? (column 13)

* We recognize that identifying, assessing, and managing environmental risks is a journey for small and medium-sized enterprises and depends on a number of factors, such as size and available resources.
  + - If you are able to quantify the financial effect of the risk, select “Yes” and you will be able to provide these figures in columns 14-16.
    - If you are not yet able to quantify the financial effect of the risk, select “No” and you will not be presented with columns 14-16.

#### Potential financial effect figure - minimum/maximum (currency) (columns 14-15)

* These columns are presented if you select “Yes” in column 13 “Are you able to quantify the financial effect of the risk?”
* Consider all time horizons over which the risk is anticipated to effect the organization when calculating the financial effect figure. For example, if the risk is anticipated to affect the organization in both the short-term and the medium-term, a cumulative figure should be provided to indicate the range of the financial effect on the organization considering both of these time horizons.
* This figure should be in the same currency that you selected in 1.2 for all financial information disclosed throughout your response.
  + - Financial figures should reflect the effect of the risk on your organization’s financial performance, such as revenue and costs and its financial position, such as assets and liabilities.
    - For example, for organizations with a medium-term horizon of 3-5 years, a cumulative range should be provided for the years covered by the time horizon.
* Things you may consider when calculating the financial effect of the risk could include:
  + - For physical risks:
      * The value of capital expenditure on infrastructure asset repair or replacement as a result of loss and damage,
      * The percentage increase in insurance costs due to loss and damage,
      * Capital expenditure on adaption due to the effects of physical risks,
      * Costs associated with the relocation of operations and suppliers due to the effects of physical risks.
    - For policy risks:
      * A description and value of any fines/penalties received,
      * A description and value of clean-up costs,
      * A description and value of costs relating to loss of operating areas.
      * A description and value of litigation action taken against the organization associated with environmental related issues.
    - For market risks:
      * The costs related to loss of market access,
      * The costs related to raw material and natural resource price volatility.
    - For reputational risks:
      * The increased costs/loss of revenue due to reputational risks,
      * The decreased revenues due to reduced demand for products and services and reduced production capacity.
    - For technological risks:
      * Expenditure on R&D for new and alternative technologies related to mitigation and adaptation of risks.
      * For all risks:
      * Any other effects from environmental risks which have resulted in increased direct and indirect (operating) costs, increased capital expenditures, increased credit risk, decreased access to capital and asset value, decreased asset useful life leading to write-offs, asset impairment or early retirement of existing assets.

#### Explanation of financial effect figure (column 16)

* This column is presented if you select “Yes” column 13 “Are you able to quantify the financial effect of the risk?”.
* Describe how you arrived at this figure (or range), including:
  + - The approach utilized for calculation;
    - The calculation method employed;
    - How the figure relates to the primary effect identified in column 8 “Primary financial effect of the risk”;
    - The numerical values used in your calculation;
    - Any underlying assumption influencing the figure;
    - The time horizons considered.
* You can also give further qualitative information, such as describing here other financial effects resulting from the selected risk (other than the main effect identified in column 8 “Primary financial effect of the risk”). If “Other, please specify” is selected in column 8 “Primary financial effect of the risk”, provide more details on the nature of the effect.

#### Cost of response to risk (column 18)

* We recognize that identifying, assessing, and managing environmental risks is a journey for small and medium-sized enterprises and depends on a number of factors, such as size and available resources. If you are able to do so, provide a quantitative figure representing the cost of your risk response actions. If there are no costs associated with responding to the risk, enter 0.
* If an absolute value cannot be provided, you may report a percentage value by entering 0 in this column and then reporting the percentage figure in column “Explanation of cost calculation”, including an explanation of the percentage calculation.
* This figure should be in the same currency that you selected in question 1.2 for all financial information disclosed throughout your response.

#### Explanation of cost calculation (column 19)

* Explain the methodology used to calculate the figure for the cost of managing the risk (in column 17), including numerical values used in your calculation.
* If there are no costs associated with responding to the risk, explain how you arrived at a figure of 0, even if the cost is absorbed into business-as-usual activities.

#### Description of response (column 20)

* Provide details of your organization’s response to mitigate, control, transfer or accept the risk, including, if applicable, how the risk has been managed so far and future risk management procedures.
* Describe the effect the response has had/is likely to have.
* Include an example of organization-specific risk responses actions (activities, projects, products and/or services).
* Report whether the response strategy involves any collective action initiatives, or if it contributes to the progress of a UN Sustainable Development Goal.

## [3.3] Are you aware of any opportunities created by environmental issues which have had a substantive effect on your organization in the reporting year or may in the future? *(Source: 2025 CDP SME questionnaire)*

### Rationale

Environmental opportunities with substantive effects (those which have had or are anticipated to have, a considerable or relatively significant operational, financial, or strategic impact on an organization at the corporate level) can contribute to positive impacts such as cost savings or revenue generation, enhanced differentiation and competitiveness, job creation, increased stakeholder confidence, as well as wider community benefits. It is crucial for investors and data users to know whether your organization has identified any environmental opportunities within your direct operations or across your value chain (suppliers, customers, and other stakeholders) which are anticipated to have substantive effects on your organization. This includes both opportunities which have already had an effect in the reporting year, as well as opportunities which may have an effect in the future. If no environmental opportunities with substantive effects have been identified as part of your assessment, it is equally crucial for data users to understand how and why your organization has concluded that you are not presented with any opportunities.

### Ambition

* The organization discloses environmental opportunities which have had or are anticipated to have a substantive effect on its business activities, value chain, financial position (e.g., assets and liabilities), financial performance (e.g., revenue or expenditure) and cash flows.

### Response options

Please complete the following table.

|  |  |  |
| --- | --- | --- |
|  |  | ***Appears if “No” is selected in column 1*** |
| **0** | **1** | **2** |
| **Environmental issue** | **Environmental opportunities identified** | **Primary reason why your organization does not consider itself to have environmental opportunities** |
| Climate change | Select from:   * + Yes, we have identified opportunities, and some/all are being realized   + Yes, we have identified opportunities but are unable to realize them   + No | Select from:   * + Opportunities exist, but none anticipated to have a substantive effect on organization   + Evaluation in progress   + Lack of internal resources, capabilities, or expertise (e.g., due to organization size)   + No standardized procedure   + Not an immediate strategic priority   + Judged to be unimportant or not relevant   + Other, please specify |
| Forests |  |  |
| Water |  |  |

### Requested content

#### General

* For the purposes of this response, the opportunities reported should only be those which have had or are anticipated to have substantive effects on your organization (as described in the Additional Information section).

#### Additional Information

* What are examples of opportunities related to environmental issues (also referred to as environmental opportunities)?
  + - Environmental opportunities can relate to various environmental issues including, but not limited do, the issues covered by this questionnaire: climate change, water security, and forests. Examples of environmental opportunities related to climate change include those related to innovation and development of new products and services, such as adopting eco-friendly materials for development of your products, which may strengthen your brand’s reputation and attract new customers which are environmentally conscious. For more detail on the types of environmental opportunities which should be considered, reference the Requested Content for column 4a “Opportunity type” in 3.3.1.
* How does my organization determine if an environmental opportunity is considered substantive?
  + - What constitutes a substantive effect will vary between organizations. For example, a 1% increase in profits will have different effects on different organizations depending on their respective profit margins. For the purposes of this response, organizations are therefore asked to determine “substantive” in the way that they would for their business decision-making. For example, a substantive impact could occur because of a large impact to any one of the following aspects, or because multiple small impacts create a larger impact:
      * the proportion of business units affected;
      * the size of the impact on those business units;
      * the dependency of the organization on that unit;
      * the potential for shareholder or customer benefit.

## [3.3.1] Provide details of the opportunities created by environmental issues which have had a substantive effect on your organization in the reporting year or may in the future. *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if you select either of the “Yes…” options in response to column “Environmental opportunities identified” of 3.3.

### Rationale

Your response to this question provides data users with an overview of the environmental opportunities which have had a substantive effect on your organization in the reporting year or are estimated to have a substantive effect in the future. Information on the current and estimated potential scale of these opportunities, as well as your response strategy to seize these opportunities, enable data users to see how your organization is implementing corporate actions to improve business resilience and environmental stewardship.

### Ambition

* The organization discloses environmental opportunities expected to have a substantive effect on its business activities, value chain, financial position (e.g., assets and liabilities), financial performance (e.g., revenue and expenditure), and cash flows. The disclosure per opportunity includes:
  + - The timeframe and likelihood associated with the effects of the opportunity,
    - Whether the opportunities are related to resource efficiency, energy source, products and services, markets, and/or resilience,
    - How the organization is responding to opportunities, including changes made to pursue them, relevant time periods, and how opportunities are prioritized.

### Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***Rows appear based on selections in column 1 of 3.3*** |  | ***Appears if “Forests” is selected in column 1*** | ***Dropdown options appear dependent on environmental issue selected in column 1*** |  |  |  | ***Appears if “Water” is selected in column 1*** |
| **1** | **2** | **3** | **4a** |  | **5** | **6** | **7** |
| **Environmental issue the**  **opportunity relates to** | **Opportunity identifier** | **Commodity** | **Opportunity type** |  | **Value chain stage where the**  **opportunity occurs** | **Country/area where the opportunity**  **occurs** | **River basin where the opportunity**  **occurs** |
| Climate change | Select from:    Opp1-100 | N/A | Select from:   * + Capital flow and financing   + Energy source Markets   + Products & services   + Reputational capital   + Resilience   + Resource efficiency   + Other, please specify   Selection from drop-down options from **Primary source of the environmental opportunity** base on above options |  | Select from:   * + Direct operations (our own operations)   + Downstream value chain (distributors or customers)   + Upstream value chain (suppliers) | Select all that apply:  [Country/area drop-down list] | Select all that apply:  [River basin drop-down list]   * + Unknown   + Other, please specify |
| Forests |  | Select all that apply:   * + Timber products   + Palm oil   + Cattle products   + Cocoa   + Coffee   + Soy   + Rubber   + Not applicable |  |  |  |  |  |
| Water |  | N/A |  |  |  |  |  |
| * + Climate change   + Forests   + Water |  |  |  |  |  |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  | **Appears if any other option than “The opportunity has already had a substantive effect on our organization in the reporting year” is selected in column 10** |  |
| **8** | **9** | **10** | **11** | **12** |
| **Organization specific description** | **Primary financial effect of the opportunity** | **Time horizon over which the opportunity is anticipated to have a substantive effect on the organization** | **Likelihood of the opportunity having an effect within the anticipated time horizon** | **Magnitude** |
| Text field [maximum 1,500 characters] | Select from:  Response drop-down list below table | Select all that apply:   * + Short-term   + Medium-term   + Long-term   + The opportunity has already had a substantive effect on our organization in the reporting year   + Unknown | Select from:   * + Virtually certain (99–100%)   + Very likely (90–100%)   + Likely (66–100%)   + More likely than not (50–100%)   + About as likely as not (33–66%)   + Unlikely (0–33%)   + Very unlikely (0–10%)   + Exceptionally unlikely (0–1%)   + Unknown | Select from:   * + High   + Medium-high   + Medium   + Medium-low   + Low   + Unknown |

|  |  |
| --- | --- |
| **Primary source of the environmental opportunity (column 4b)** | |
| **Capital flow and financing**   * + Access to new financing options   + Access to sustainability linked loans   + Financial reward from buyers   + Payment for ecosystem services [other than REDD+]   + Price premium for deforestation and conversion-free materials   + REDD+   + Other capital flow and financing opportunity, please specify   **Energy source**   * + Participation in carbon market   + Shift toward decentralized energy generation   + Use of carbon capture and storage   + Use of low-carbon energy sources   + Use of renewable energy sources   + Other energy source opportunity, please specify   **Markets**   * + Easier access to cheaper and/or more available credit   + Expansion into new markets   + Increased brand value   + Improved supply chain engagement   + Increased availability of products with reduced environmental impact [other than certified products]   + Increased demand for certified and sustainable materials   + Increased growth in the alternative protein market   + Stronger competitive advantage   + Use of public sector incentives   + Other markets opportunity, please specify | **Products and services**   * + Ability to diversify business activities   + Development of new products or services through R&D and innovation   + Increased sales of existing products and services   + Increased security of production   + Increased value chain transparency   + Reduced impact of product use on water resources   + Shift in consumer preferences   + Other products and services opportunity, please specify   **Reputational capital**   * + Improved community relations   + Improved ratings by sustainability/ESG indexes   + Reputational benefits resulting in increased demand for products/services   + Strengthened social license to operate   + Other reputational capital opportunity, please specify   **Resilience**   * + Improved resilience to future regulatory changes   + Improved staff retention   + Increased resilience to impacts of climate change   + Increased upstream value chain resilience   + Participation in environmental collaborative industry frameworks, initiatives and/or commitments   + Shift in business model   + Other resilience opportunity, please specify   **Resource efficiency**   * + Agricultural expansion in degraded land   + Cost savings   + Increased efficiency of production and/or distribution processes   + Move to more energy/resource efficient buildings   + Reduced water usage and consumption   + Regenerative production   + Use of more efficient modes of transport   + Use of recycling   + Water recovery from sewage treatment   + Use of new technologies   + Other resource efficiency opportunity, please specify   **Other, please specify**   * + Other opportunity, please specify |

|  |
| --- |
| **Primary financial effect of the opportunity (column 9)** |
| * + Reduced direct costs   + Reduced indirect (operating) costs   + Increased revenues resulting from increased demand for products and services   + Increased revenues through access to new and emerging markets   + Increased revenues resulting from increased production capacity   + Increased revenue resulting from price premiums   + Increased revenue resulting from direct payments from downstream companies   + Increased access to capital   + Increased access to capital at lower/more favorable rates   + Increased value of fixed assets   + Increased diversification of financial assets   + Returns on investment in low-emission technology   + Other, please specify |

### Requested content

#### General

* Opportunities reported should include those which either have had or are anticipated to have substantive effect on your strategy, business activities, value chain, financial position (e.g. assets and liabilities), financial performance (e.g., revenue or expenditure) and cash flows.
* If an opportunity relates to multiple environmental issues (e.g. climate change and water), repeat the opportunity in a row for each relevant environmental issue and use the same opportunity identifier (column 2) across these rows.

#### Opportunity identifier (column 2)

* Select a unique identifier to identify the opportunity in subsequent questions, if required, and to track the status of the opportunity in subsequent reporting years. Use the same identifier in subsequent years for the same opportunity. For any new opportunities you are adding, always use a new identifier that you have not used previously.
* If the opportunity relates to multiple environmental issues, use the same identifier in each row referring to the opportunity. E.g. Use the same identifier in Forest and Climate change rows to report a sustainability linked loan that references low-emissions and deforestation/conversion free product targets.

#### Opportunity type (column 4a)

* Select an option from the drop-down menu that best describes the type of the identified opportunity:
  + - Resource efficiency – opportunities related to improving resource efficiency across production and distribution processes, buildings, machinery/appliances, and transport/mobility.
    - Energy source - opportunities related to shifting energy usage toward low emission energy sources.
    - Resilience – opportunities related to the development of adaptive capacity to respond to and develop with change and uncertainty [adapted from [TNFD, 2023](https://tnfd.global/wp-content/uploads/2023/08/Recommendations_of_the_Taskforce_on_Nature-related_Financial_Disclosures_September_2023.pdf?v=1695118661%22%20%EF%B7%9FHYPERLINK%20%22https%3A//tnfd.global/wp-content/uploads/2023/08/Recommendations_of_the_Taskforce_on_Nature-related_Financial_Disclosures_September_2023.pdf%3Fv%3D1695118661)]. They may be especially relevant for organizations with long-lived fixed assets or extensive supply or distribution networks;  
      network those that depend critically on utility and infrastructure networks or natural resources in their value chain; and those that may require longer- term financing and investment.
    - Markets – opportunities in new markets or types of assets that may help organizations to diversify their activities and better position themselves for the transition to a lower-carbon and nature positive economy including consumer demands consumer and investor sentiment and stakeholder dynamics [adapted [from TNFD](https://tnfd.global/wp-content/uploads/2023/09/Glossary_of_key_terms_v1.pdf?v=1695138274)].
    - Products and services - opportunities related to innovation and development of new products and services that protect, manage or restore nature [adapted [from TNFD](https://tnfd.global/wp-content/uploads/2023/09/Glossary_of_key_terms_v1.pdf?v=1695138274)]
    - Reputational capital - Changes in perception concerning a company’s actual or perceived nature impacts, including the consequent impacts on society and engagement of stakeholders [TNFD, [2023](https://tnfd.global/wp-content/uploads/2023/08/Recommendations_of_the_Taskforce_on_Nature-related_Financial_Disclosures_September_2023.pdf?v=1695118661)].
    - Capital flow and financing - Access to capital markets, improved financing terms or financial products connected to the management of nature- related dependencies, impacts, risks and opportunities [TNFD, [2023](http://0.0.7.231/)].

#### Organization-specific description (column 8)

* Provide further context on the opportunity driver, including more detail on the exact nature, location, and/or regulation of the effect concerned, as well as any notable geographic/regional examples.
* Include information on how the opportunity links to any of the organization’s risks, as reported in 3.2.1.
* Include organization-specific detail, such as references to activities, programs, products, services, methodologies, or operating locations specific to your organization’s business or operations.

#### Primary financial effect of the opportunity (current or anticipated) (column 9)

* This column refers to the potential financial effect that the opportunity could have on your organization. The financial effect of environmental opportunities on organizations are not always clear or direct, and for many organizations there might be more than one financial impact associated with an environmental opportunity.

#### Magnitude (column 12)

* The magnitude describes the extent to which the effect, if it occurred, would affect your business. This should consider the business as a whole and therefore the magnitude can reflect both the opportunity and the extent to which it applies throughout the organization.
* An assessment of the ‘magnitude’ of the potential financial benefit arising from an absolute value will vary in scale and metric from organization to organization so it is not possible for us to accurately define the terms for magnitude. For example, two organizations may report a potential financial effect figure of $500,000. For organization A this could represent a 1% increase in profits, but a 15% increase in revenue for organization B. Therefore, organizations are asked to determine magnitude on a qualitative 5-point scale from High to Low.
* Factors to consider include:
  + - The proportion of business units affected;
    - The size of the impact on those business units; and
    - The potential for shareholder or customer response.
* If the financial effect has not been assessed by your organization, select “Unknown”.

## [3.4] Have risks and opportunities created by environmental issues influenced your strategy and/or financial planning? *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if any “Yes…” option is selected in column 1 of 3.2 or 3.3.

### Rationale

This question allows organizations to indicate whether they have considered and acted upon environmental issues at a strategic level for the business, rather than solely at the operational level.

There is strong evidence that companies who integrate climate-related decisions and initiatives in the company-wide strategy are more likely to be able to take meaningful action and meet their climate-related targets.

Environmental risks, such as new regulations or potential scarcity of key resources required for production due to environmental factors, can affect both organizational strategy and financial planning. Coping with these challenges may require strategic revisions, such as aligning with regulatory requirements and diversifying suppliers. Adjustments in financial planning, like allocating resources for compliance and investing in new technologies or alternative resources, may also be necessary.

On the other hand, environmental opportunities can positively influence both organizational strategy and financial planning. For example, recognizing a shift in consumer preferences towards environmentally sustainable products may prompt a strategic decision to develop eco-friendly products. Additionally, engaging in environmental initiatives and enhancing brand reputation align with the growing interest in Environmental, Social, and Governance (ESG) investing. From a financial perspective, seizing opportunities such as adopting energy-efficient technologies or transitioning to cost-effective renewable energy sources can result in reduced operational costs.

### Ambition

* The organization considers environmental dependencies, impacts, risks, and opportunities, and their interdependencies, in its decision-making, financial planning, and when developing its strategy and transition plan where relevant.

### Response options

Please complete the following table:

|  |  |  |
| --- | --- | --- |
|  | ***Appears if any option except “Yes, both strategy and financial planning” are selected in column 1*** | ***Appears if any option except “Yes, both strategy and financial planning” are selected in column 1*** |
| **1** | **2** | **3** |
| **Environmental risks and/or opportunities have affected your strategy and/or financial planning** | **Primary reason why environmental risks and opportunities have not affected your strategy and/or financial planning** | **Explain why environmental risks and/or opportunities have not affected your strategy and/or financial planning** |
| Select from:   * + Yes, strategy only   + Yes, financial planning only   + Yes, both strategy and financial planning   + We plan to evaluate the potential effect of environmental risks and opportunities on our strategy and financial planning within the next two years   + We do not plan to evaluate the potential effect of risk and opportunities on our strategy and financial planning within the next two years   + No | Select from:   * + Lack of internal resources, capabilities, or expertise (e.g., due to organization size)   + No standardized procedure   + Not an immediate strategic priority   + Judged to be unimportant or not relevant   + Other, please specify | Text field [maximum 2,500 characters] |

### Requested content

#### General

* If you are a parent company of a group, note that this question asks about the group strategy and financial planning – meaning your organization (as defined in 1.6). If you wish, you can comment on divisional (business unit) strategies and planning in 3.4.1.
* If risks and/or opportunities have affected your organization’s climate transition plan, include these details as part of your strategy.
* The risks and opportunities referred to in this question should correspond to the risks and opportunities your organization reported in 3.2.1 and 3.3.1.

#### Environmental risks and/or opportunities have affected your strategy and/or financial planning (column 1)

* Only select “We plan to evaluate the potential effect of environmental risks and opportunities on our strategy and financial planning within the next two years” if this is relevant for both your strategy and financial planning. For example, if risks have affected your strategy but not your financial planning but you are planning to address the effect of risks and opportunities on your financial planning within the next two years still select “Yes, strategy only”.
* If your strategy and/or financial planning has been affected by either risks or opportunities, but not both, still select a “Yes…” response. For example, if your organization's strategy has been influenced by risks, but not opportunities, select “Yes, strategy only” and provide further details in 3.4.1.
* Select “No” if your organization’s strategy and financial planning has not been affected by your risks and/or opportunities.
* Companies in the financial services sector should select a “Yes…” response for example when one of the following considerations has affected your strategy and/or financial planning:
  + - The need to understand how environmental risks and opportunities will affect your client/investee relationships, financial products and/or services; and/or
    - The need to provide financial flows to capitalize on opportunities presented by the transition to a net-zero and nature-positive future.

#### Explain why environmental risks and/or opportunities have not affected your strategy and/or financial planning (column 3)

* This column is only presented if any option except “Yes, both strategy and financial planning” is selected in column 1 “Environmental risks and/or opportunities have affected your strategy and/or financial planning”.
* If you selected either “Yes, strategy only” or “Yes, financial planning only” in column 1 “Environmental risks and/or opportunities have affected your strategy and/or financial planning” provide details as to why either your strategy or financial planning has not been affected by your risks and/or opportunities.
* If you selected “We have not evaluated whether environmental risks and opportunities have affected our strategy and financial planning, but plan to do so within the next two years” in column 1 “Environmental risks and/or opportunities have affected your strategy and/or financial planning”, provide details of these plans.
* If you selected “No” in column 1 “Environmental risks and/or opportunities have affected your strategy and/or financial planning”, provide details of your process and the reasons why your organization concluded that environmental issues need not affect its strategy and/or financial planning.

## [3.4.1] Describe where and how risks and opportunities created by environmental issues have influenced your strategy and/or financial planning? *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if you select “Yes, strategy only”, “Yes, financial planning only”, or “Yes, both strategy and financial planning” in response to column “Environmental risks and/or opportunities have affected your strategy and/or financial planning” of 3.4.

### Rationale

Through this question, data users seek to understand where the identified environmental risks and opportunities have affected your organization’s strategy and/or financial position and performance, both now and in the future. Your response to this question may be used to inform expectations about the future performance of your organization and how resilient your strategy and/or financial position and performance is to environmental risks and opportunities.

### Ambition

* The organization considers environmental dependencies, impacts, risks, and opportunities, and their interdependencies, in its decision-making, financial planning, and when developing its strategy and transition plan where relevant.
* The organization adapts its decision-making, financial planning, strategy, and transition plan in response to environmental impacts, risks, and opportunities, across its direct operations and the value chain.
* The organization analyzes and discloses how its financial position, financial performance, and cash flows changed over the reporting period and how it anticipates they will change in the short, medium, and long-term due to its investment and disposal plans and funding of strategies to respond to environmental risks and opportunities. This includes plans to finance and resource the meeting of environmental commitments and targets.

### Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| ***Rows appear based on selections in column 1 of 3.4*** | ***Only appears in “Strategy” row*** | ***Only appears in “Financial planning” row*** |  |  |  |
| **1** | **2** | **3** | **4** | **5** | **6** |
| **Area influenced by environmental risks and/or opportunities** | **Business areas that have been affected** | **Financial planning elements that have been affected** | **Effect type** | **Environmental issues relevant to the risks and/or opportunities that have affected your strategy and/or financial planning in this area** | **Describe how environmental risks and/or opportunities have affected your strategy and/or financial planning in this area** |
| Strategy | Select all that apply:   * + Products and services   + Upstream/downstream value chain   + Investment in R&D   + Operations | N/A | Select all that apply:   * + Risks   + Opportunities | Select all that apply:   * + Climate change   + Forests   + Water | Text field [Maximum 2,500 characters] |
| Financial planning | N/A | Select all that apply:   * + Revenues   + Direct costs   + Indirect costs   + Capital expenditures   + Capital allocation   + Acquisitions and divestments   + Access to capital   + Assets   + Liabilities   + Other, please specify |  |  |  |
| Select from:   * + Strategy   + Financial planning |  |  |  |  |  |

### Requested content

#### General

* If you are a parent company of a group, note that this question is intended to focus on the group business strategy and financial planning – meaning your organization (as defined in 1.6). However, if it is more appropriate, you may wish to comment on divisional (business unit) strategies and specify where this is the case.
* If your strategy and financial planning has been affected by risks and/or opportunities differently across the environmental issues considered, add a row and explain the difference in column 6 “Describe how environmental risks and/or opportunities have affected your strategy and/or financial planning in this area”.
  + - For example, if forests-related risks have affected your operations strategy but both risks **and opportunities** relating to climate have affected your operations strategy, disclose this across separate rows.
* If your risks and/or opportunities have affected your strategy relating to a business area or a financial planning element for the individual environmental issues differently, add a row for each.
  + - For example, if your climate-related and water-related risks have affected your operations differently, then disclose these in different rows. Whereas, if your climate-related and water-related risks affected your operations in the same way, then disclose these in the same row.
    - Or, if your climate-related and water-related risks have affected your capital expenditure differently, then disclose these in different rows. Whereas, if your climate-related and water-related risks affected your capital expenditure in the same way, then disclose these in the same row.
* If you are responding to a request from a Supply Chain member, include information specific to your requesting member, i.e. relevant business units.

#### Business areas that have been affected (column 2)

* This column is only presented if “Strategy” is selected in column 1 “Area influenced by environmental risks and/or opportunities”.

#### Financial planning elements that have been affected (column 3)

* This column is only presented if “Financial planning” is selected in column 1 “Area influenced by environmental risks and/or opportunities”.

***Environmental issues relevant to the risks and/or opportunities that have influenced your strategy in this area (column 5)***

* Response options will appear based on your responses to column 4 “Effect type”, and column 1 “Environmental risks/opportunities identified” of 3.2 and 3.3.

***Describe how environmental risks and/or opportunities have affected your strategy in this area (column 6)***

* If “Strategy” is selected in column 1 “Area influenced by environmental risks and/or opportunities”:
  + - Use organization-specific examples to describe how the business area in column 2 was affected, including;
      * The risks and/or opportunities disclosed in 3.2.1 / 3.3.1 that have affected the business area and why the decision was taken (e.g. to avoid loss in revenue, to exploit new markets);
      * The time horizons over which your business strategy in this area has been affected by environmental risks and/or opportunities;
      * The most substantial decisions in this area that have been affected by risks and/or opportunities; and
      * How your organization makes and implements strategic decisions. For example, you may have decided to introduce a new product range or cease the manufacturing of a particular product, divest from a location, or increase capital expenditure on new technologies. You may use the mitigation hierarchy to detail these decisions and explain why this decision was taken. For example, to benefit from increased asset valuations; to exploit new markets; because of a projected lack of resource availability; or because of anticipated consumer behavior shifts. More details on the mitigation hierarchy can be found on p.38 of the [TNFD recommendations](https://tnfd.global/wp-content/uploads/2023/08/Recommendations_of_the_Taskforce_on_Nature-related_Financial_Disclosures_September_2023.pdf?v=1695118661)
      * If relevant, details on how dependencies and impacts have affected your organization’s strategy;
  + Include where in your organization’s strategy risks and opportunities are concentrated (for example, geographical areas, facilities and type of assets).
    - Include current and anticipated changes to your organization’s business model, including resource allocation, to address environment-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or upstream value-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments). This may also include current and anticipated changes in policies or efforts to mitigate environmental risks, manage issues and/or contribute towards the goals and targets in the Kunming-Montreal Global Biodiversity Framework, Paris Agreement or Sustainable Development Goals.
  + Detail how your organization plans to achieve, if they have been set, any environment-related targets and, if relevant, targets you are required to meet by law or regulation.
  + For current and anticipated risks and opportunities include the:
    - Effects on your organization's business model and value chain; and
    - Responding direct and indirect adaptation and mitigation activities.
* If “Financial planning” is selected in column 1 “Business areas that have been affected”:
  + - Describe how your organization’s financial planning element(s) have been affected by environmental risks and/or opportunities. This may include:
      * How environmental risks and/or opportunities serve as an input into financial planning processes for the financial planning elements selected;
      * How your organization’s resourcing, resource allocation and plans to resource, may change due to your organization’s investment and disposal plans and funding of strategies to respond to environmental risks and/or opportunities;
      * A case study for at least one of the elements selected, including details of the risks or opportunities disclosed in 3.2.1 / 3.3.1 that have affected the financial planning element selected in column 3 “Financial planning elements that have been affected”, and how.
      * The time horizons over which your financial planning in this area has been affected by environmental risks and/or opportunities, using organization-specific examples where relevant.
      * Details on how your organization plans to fund the strategies to achieve the environmental commitments and targets that you have set and any targets you are required to meet by law or regulation.

#### Note for climate change disclosers:

* + If you are planning to resource emissions reduction initiatives, detail how you are planning to do so in column 6 “Describe how environmental risks and/or opportunities have affected your strategy in this area”.
  + If you are planning to disclose on your organization’s climate transition plan in 4.2, provide details of how you plan to resource the different aspects of the climate transition plan in column 6 “Describe how environmental risks and/or opportunities have affected your strategy in this area”.

***Note for forest disclosers:***

* + Consider if the following issues have affected your strategy or financial planning:
    - Eliminating or reducing deforestation and conversion of natural ecosystems from your direct operations and upstream value chain;
    - Promoting ecosystem restoration and/or conservation in your direct operations and upstream value chain (e.g. to remedy past deforestation or conversion); and
    - Increasing the sustainable production and/or consumption of commodities.
  + In column 6 “Describe how environmental risks and/or opportunities have affected your strategy in this area”, specify whether your plans apply to all of your relevant commodities or to only a selection of them. If your plans do not apply to all your commodities, please provide your reasons here.

### Example Response

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Area influenced by environmental risks and/or opportunities** | **Business areas that have been affected** | **Financial planning elements that have been affected** | **Effect type** | **Environmental issues relevant to the risks and/or opportunities that have affected your strategy and/or financial planning in this area** | **Describe how environmental risks and/or opportunities have affected your strategy and/or financial planning in this area** |
| Strategy | Products and services | N/A | * + Risks   + Opportunities | * + Climate change   + Forests   + Water | Risks and opportunities related to the growing demand from customers for transparency, naturality, and food and drinks with low carbon footprint, (as reported in 3.2.1) have influenced our product-related strategy and product portfolio. In June 2019, our Board of Directors made a Global Transparency and Sustainability Pledge, committing to increasing the share of plant-based products in the portfolio, using more natural ingredients in our flagship brands such as Pantheon Peanut Butter, Red Rose Beetroot Paste, Gracious Hummus and increasing transparency on our packaging (e.g. disclosure of the presence of any synthetic or GMO ingredients on product labels). This gives consumers a greater variety of products and improved ability to choose them, while providing a high-quality product offering, benefiting the producers as well as preserving natural resources, promoting biodiversity, improving soil health and water quality, and reducing carbon emissions. We aim to have implemented changes to our products and packaging in line with the pledge by December 2020, prioritizing our consumer base in North America and Europe. |
| Financial planning | N/A | Capital expenditures | * + Risks   + Opportunities | * + Climate change | In 2017 our organization introduced an internal price on carbon into our capital expenditures approval process, with the aim to redirect investments towards clean technologies, lower- carbon solutions, and renewable energy projects across our operations and supply chain. We conducted a benchmark study and decided to set the price at a relatively high level, 36€/tCO2e, to internalize the potential future cost of carbon in the long term. Returns on investments are assessed with the impact of the carbon implication. This enables management to arbitrate between different options and to choose the most virtuous and efficient ones in order to achieve our organization’s strategic goals. This is a long-term measure, and the price will be periodically reviewed and updated. As a direct result of this implemented internal price on carbon we have approved a project of installing solar panels in our factories in Spain that will reduce our demand for purchased energy by 30% in the next 5 years. |
| Strategy | Operations | N/A | Risks | Climate change | National and sub-national jurisdictions that account for about half of the global economy now have carbon pricing systems (as disclosed in 3.2.1). This trend is on the rise and could result in increased operational costs for our company. For example, a carbon price of €32/ton would increase our operational costs to €25.1m in Europe. This has led to our Board's strategic decision to join RE100 and commit to transition to 100% renewable electricity by 2030, with an intermediary step of 40% by 2022. In 2019, 38 of our production sites in Europe ran on 100% renewable energy and we purchased 37% of our total electricity from renewable sources such as wind farms and hydropower plants (compared with 22% in 2018). As part of this strategy, all our new plants will have renewable power generation facilities on site. |

## [3.5] In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations? *(Source: 2025 CDP SME questionnaire)*

**Rationale**

Knowledge of compliance related fines and other non-financial penalties across your organization demonstrates an awareness by your organization of its impact on the local operating environment as well as the potential financial implications of its water management.

This information helps investors and other data users to gain some insight into the effectiveness of your control procedures at a corporate level.

**Response options**

Please complete the following table:

|  |  |  |
| --- | --- | --- |
|  | ***Appears if ‘Yes’ is selected in column 1*** |  |
| **1** | **2** | **3** |
| **Water-related regulatory violations** | **Fines, enforcement orders, and/or other penalties** | **Comment** |
| Select from:   * + Yes   + No   + Unknown | Select all that apply:   * + Fines   + Enforcement orders or other penalties   + Fines, but none that are considered as significant   + Enforcement orders or other penalties but none that are considered as significant | Text field [maximum 1,000 characters] |

**Requested content**

#### General

* Note that this question asks about fines, penalties and/or enforcement orders that were issued to your company during the reporting year.
* You should not include information about fines and penalties that were issued to your company in a previous year but became payable in this year.

#### Water-related regulatory violations (column 1)

* Select ‘Yes’ if your organization has been penalized for a water-related regulatory violation during the reporting year, even if it was not considered as significant.

#### Fines, enforcement orders, and/or other penalties (column 2)

* This column is only presented if “Yes, we have a transition plan…” is selected in column 1.

#### Comment (column 3) (optional)

* You may use this column to provide information that will help data users to understand your selection, e.g., how you monitor water-related regulatory violations.

## [3.6] What proportion of revenue of your organization is reliant upon fossil fuels (e.g., oil, gas, coal)? *(New Question for CASG Questionnaire)*

**Rationale**

This question aims to understand your organization’s reliance on fossil fuels in respect of its total revenue, thereby facilitating data users’ assessment of your organization’s transition risks, i.e. risk related to process of adjustment towards a lower-carbon economy as the market transits away from fossil fuels.

**Response options**

\_\_\_\_%

**Requested content**

#### General

* (For energy & utilities) % revenue from extraction, production, refining, distribution, transmission, or sales of fossil fuels (e.g. oil, gas & coal)
* (For transport) % revenue from sale or use of vehicles primarily running on fossil fuels (e.g. gasoline & diesel)
* (For manufacturing) % revenue from using energy from fossil fuels within manufacturing plant(s)
* (For others) % revenue from using non-renewable energy

## [3.7] During the reporting year, does your organization have insurance policy to mitigate against potential financial losses from climate-related events? *(New Question for CASG Questionnaire)*

### Rationale

This question provides data users with an understanding of the extent to which the residual physical risks are being addressed by insurance policy.

### Response options

Please complete the following table:

|  |
| --- |
| **Classify your existing goods and/or services as low-carbon products** |
| Select one of the following options:   * + Yes   + No |

4. Business Strategy

## [4.1] Does your organization use scenario analysis to identify environmental outcomes? *(Source: 2025 CDP full corporate questionnaire)*

### Rationale

Scenario analysis is considered a valuable tool to inform an organization's business strategy as part of transitioning to a sustainable economy. This question establishes whether your organization uses scenario analysis to identify environment-related outcomes, which is a recommended practice for businesses preparing for possible futures.

### Ambition

The organization uses scenario analysis to identify risks and opportunities with respect to environmental issues and to assess the resilience of its strategy and business and model to the risks.

### Response options

Please complete the following table:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  | ***Only presented if either "No…" option is selected in column 1 "Use of scenario analysis"*** | ***Only presented if either "No…" option is selected in column 1 "Use of scenario analysis"*** |
| **0** | **1** | **2** | **3** | **4** |
| **Environmental issue** | **Use of scenario analysis** | **Frequency of analysis** | **Primary reason why your organization has not used scenario analysis** | **Explain why your organization has not used scenario analysis** |
| Climate change | Select from:   * + Yes   + No, but we plan to within the next two years   + No, and we do not plan to within the next two years | Select from:   * + More than once a year   + Annually   + Every two years   + Every three years or less frequently   + Not defined   + First time carrying out analysis   + On a per project basis | Select from:   * + Lack of internal resources, capabilities, or expertise (e.g., due to organization size)   + No standardized procedure   + Not an immediate strategic priority   + Lack of available methodologies   + Insufficient data   + Judged to be unimportant or not relevant   + Other, please specify | Text field [maximum 2,500 characters] |
| Forests |  |  |  |  |
| Water |  |  |  |  |

### Requested content

#### Frequency of analysis (column 2)

* Indicate the frequency with which your organization undertakes a scenario analysis exercise. This may include a full assessment, or an update to existing scenarios or a previous scenario analysis.

#### Primary reason why your organization has not used scenario analysis (column 3)

* This column is only presented if either "No…" option is selected in column 1 "Use of scenario analysis".
* If more than one reason applies to your organization, select the reason which is most relevant and elaborate on the other reasons in column 4 "Explain why your organization has not used scenario analysis".

#### Explain why your organization has not used scenario analysis (column 4)

* This column is only presented if either "No…" option is selected in column 1 "Use of scenario analysis".
* Provide an organization-specific explanation of why you do not use environment-related scenario analysis to inform your strategy and outline any plans to do so in the future.
* If you selected "Judged to be unimportant", explain the criteria used to decide that environment-related scenario analysis is not important for your organization.
* If you selected "Lack of internal resources", specify whether this relates to lack of internal expertise, data availability, funds to outsource the analysis or other resources.

### Explanation of Terms

* **Environmental outcomes:** scenario analysis enables decision makers to identify and evaluate potential outcomes and their effects on their organization, based on a variety of scenarios. The outcomes may be related to environmental issues themselves, or have implications for the governance of the organization, or for its wider business strategy.
* **Scenario analysis:** a scenario describes a potential path of development that will lead to a particular outcome or goal. Scenario analysis is the process of highlighting central elements of a possible future and drawing attention to key factors (or critical uncertainties). It is a tool to enhance critical strategic thinking by challenging "business-as-usual" assumptions, and to explore alternatives based on their relative and absolute impact and likelihood of occurrence. Scenarios are not forecasts or predictions, but tools to describe potential pathways.

### Additional Information

* The [**TCFD Guidance on Scenario Analysis for Non-Financial Companies**](https://assets.bbhub.io/company/sites/60/2020/09/2020-TCFD_Guidance-Scenario-Analysis-Guidance.pdf) identifies two main types of scenarios: (1) exploratory scenarios used to explore a range of different possible futures and (2) normative scenarios used to plan for a preferred future. The essential difference is that with normative scenarios, scenario analysis begins with a desired future outcome and works backward to inform decisions on what is needed to achieve that outcome. With exploratory scenarios, the scenario analysis instead begins from the present, and then describes a diverse set of plausible future states.
* Normative scenarios are typically used for assessment and setting of specific targets and implementation plans, while exploratory scenarios are used to assess potential climate-related risks and uncertainties and test the resiliency of various strategies to a wide range of future conditions. The TCFD recommends the use of an exploratory approach.
* [**The TNFD Guidance on scenario analysis**](https://tnfd.global/publication/guidance-on-scenario-analysis/) provides guidance for organizations who choose to use scenario analysis to explore the possible consequences of nature loss and climate change.

## [4.1.1] Provide details of the scenarios used in your organization's scenario analysis. *(Source: 2025 CDP full corporate questionnaire)*

Question dependencies  
This question only appears if you select "Yes" in response to any row of column 1 "Use of scenario analysis" of 4.1.

### Rationale Scenario analysis is considered a valuable tool to inform an organization's business strategy as part of transitioning to a sustainable economy. Your response to this question provides data users with an indication of the extent to which your organization is considering a range of possible and probable futures when considering environmental challenges and opportunities in your business strategy.

### Ambition

* The organization describes how the scenarios chosen were developed, including:
  + - Sources of scenarios used and rationale for the choice;
    - Narratives and constraints including inputs, assumptions and uncertainties; and
    - Time-horizons considered.
* The scenario analysis performed includes the following:
  + - The chosen assumptions, narratives and time horizons should be robust and internally consistent. I.e., they should:
      * Be consistent with critical environmental assumptions made in the organization's strategy and financial planning; and
      * Be relevant to and cover the organization's plausible dependencies, impacts, risks, and opportunities.
    - A range of scenarios covering all environmental topics that are relevant to the organization, including quantitative and qualitative components. For example, changing hydrological patterns, changes in water use/exploitation, land use change, and socio-economic changes. Consider ecological thresholds and tipping points where possible.
    - Consideration of interdependencies between environmental scenarios.
    - A nature-wide analysis approach where feasible.
* Climate-scenario analysis should include:
  + - At least one 1.5°C or lower scenario for organization-wide climate transition risk assessment;
    - At least one high emission scenario (3°C or higher) for organization-wide physical risk assessment, with location-based analysis specific to the organization's locations where possible; and
    - The decarbonization scenarios used should be from credible, well recognized sources (e.g., International Energy Agency (IEA)).
* (Financial Services sector) Companies in the financial services sector use a range of scenarios as part of their scenario analysis, focusing on climate risks associated with their financing activities (lending, investing and insurance underwriting), at least one of which is a 1.5ºC temperature aligned scenario.

### Response options

Please complete the following table. You are able to add rows by using the "Add Row" button at the bottom of the table.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | ***Only appears if you select a RCP scenario in column 1*** |  |  |  |  |
| **0** | **1** | **2** | **3** | **4** | **5** | **6** |
| **Environmental issue this scenario has been used to analyze** | **Scenario used** | **Scenario used in conjunction with scenario** | **Approach to scenario** | **Scenario coverage** | **Risk types considered in scenario** | **Temperature alignment of scenario** |
| Climate change | Grouped option (single-select group; single-select option) from dropdown list below: | Select from:   * + SSP1   + SSP2   + SSP3   + SSP4   + SSP5   + No SSP used | Select from:   * + Qualitative   + Quantitative   + Qualitative and quantitative | Select from:   * + Organization-wide   + Organization-wide excluding portfolio   + Business division   + Business activity   + Facility   + Country/area   + Product-level   + Portfolio   + Other, please specify | Select all that apply:   * + Acute physical   + Chronic physical   + Policy   + Market   + Reputation   + Technology   + Liability | Select from:   * + 1.5°C or lower   + 1.6°C - 1.9°C   + 2.0°C - 2.4°C   + 2.5°C - 2.9°C   + 3.0°C - 3.4°C   + 3.5°C- 3.9°C   + 4.0°C and above   + Unknown |
| Forests |  |  |  |  |  |  |
| Water |  |  |  |  |  |  |
| Select from:   * + Climate change   + Forests   + Water |  |  |  |  |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **7** | **8** | **9** | **10** | **11** |
| **Reference year** | **Timeframes covered** | **Driving forces in scenario** | **Assumptions, uncertainties and constraints in scenario** | **Rationale for choice of scenario** |
| *[Date field 1990-2024]* | Select all that apply:   * + 2025   + 2030   + 2040   + 2050   + 2060   + 2070   + 2080   + 2090   + 2100   + Other, please specify | Grouped option (multi-select group; multi-select option) from dropdown list below: | *Text field [maximum 2,500 characters]* | *Text field [maximum 2,500 characters]* |

|  |  |
| --- | --- |
| **Scenario used (Column 1)** | |
| **Climate transition scenarios**   * + IEA NZE 2050   + IEA B2DS   + IEA 2DS   + IEA 450   + IEA SDS   + IEA APS   + IEA STEPS (previously IEA NPS)   + IEA CPS   + Greenpeace   + DDP   + IRENA   + BNEF NEO   + NGFS scenarios framework, please specify   + Customized publicly available climate transition scenario, please specify   + Bespoke climate transition scenario | **Physical climate scenarios**   * + RCP 1.9   + RCP 2.6   + RCP 3.4   + RCP 4.5   + RCP 6.0   + RCP 7.0   + RCP 8.5   + Customized publicly available climate physical scenario, please specify   + Bespoke physical climate scenario   **Water scenarios**   * + WRI Aqueduct   + WWF Water Risk Filter   + Customized publicly available water scenario, please specify   + Bespoke water scenario   **Forests scenarios**   * + Customized publicly available forests scenario, please specify   + Bespoke forests scenario |

|  |  |
| --- | --- |
| **Driving forces in scenario (column 9)** | |
| **Local ecosystem asset interactions, dependencies and impacts**   * + Changes to the state of nature   + Number of ecosystems impacted   + Changes in ecosystem services provision   + Speed of change (to state of nature and/or ecosystem services)   + Climate change (one of five drivers of nature change)   + Other local ecosystem asset interactions, dependencies and impacts driving forces, please specify   **Finance and insurance**   * + Cost of capital   + Sensitivity of capital (to nature impacts and dependencies)   + Other finance and insurance driving forces, please specify   **Stakeholder and customer demands**   * + Consumer sentiment   + Consumer attention to impact   + Impact of nature footprint on reputation   + Impact of nature service delivery on consumer   + Sensitivity to inequity of nature impacts   + Other stakeholder and customer demands driving forces, please specify | **Regulators, legal and policy regimes**   * + Global regulation   + Political impact of science (from galvanizing to paralyzing)   + Level of action (from local to global)   + Global targets   + Methodologies and expectations for science-based targets   + Other regulators, legal and policy regimes driving forces, please specify   **Relevant technology and science**   * + Granularity of available data (from aggregated to local)   + Data regime (from closed to open)   + Other relevant technology and science driving forces, please specify   **Direct interaction with climate**   * + On asset values, on the corporate   + Perception of efficacy of climate regime   + Other direct interaction with climate driving forces, please specify   **Macro and microeconomy**   * + Domestic growth   + Globalizing markets   + Other macro and microeconomy driving forces, please specify |

### Requested content

#### General

* Add a row for each scenario, or scenario variation, used in your scenario analysis.
* For climate-related scenario analysis, as recommended by TCFD, scenarios should be sufficiently diverse to allow challenging "what-if" analyses and capture a wide range of insights about uncertain futures. In assessing transition risks, an organization should consider using or developing a 1.5°C scenario. In assessing physical risks, an organization should use the current GHG pathway based on government policies currently in place, which according to latest estimates from the [Climate Action Tracker](https://climateactiontracker.org/global/temperatures/) would result in warming of about 2.7°C above pre-industrial levels. 2.7°C is the median of the low and high ends of current policy projections.
* Organizations using customized or bespoke scenarios should have a robust and accountable process to ensure that the scenarios used are objective and diverse, and should transparently disclose this process and the content of the scenarios in this question.
* The [CDP Technical Note on Scenario Analysis](https://cdn.cdp.net/cdp-production/cms/guidance_docs/pdfs/000/001/430/original/CDP-technical-note-scenario-analysis.pdf?1512736385) provides further guidance on conducting and disclosing scenario analysis.

#### Environmental issue this scenario has been used to analyze (column 0)

* A row will automatically be added to this column for each environmental issue you select "Yes" in question 4.1.

#### Scenario used (column 1)

* Note that a scenario linked to one environmental issue can be used in the scenario analysis of another. For instance, a climate change scenario can be used to analyze outcomes for forests.
* If you have based your scenario on a publicly available one but adjusted it for the purposes of your analysis, please select the relevant "Customized publicly available..." option.

#### SSPs used in conjunction with scenario (column 2)

* This column only appears if you select a RCP scenario in the "Scenario used" column.
* By design, the RCP emission and concentration pathways were stripped of their association with a certain socio-economic development. Shared Socio-economic Pathways (SSPs) have been developed to complement them. SSP1, SSP2, …, SSP5 are used to denote the five socio-economic scenario families used in conjunction with the RCPs.

#### Reference year (column 7)

* The reference year is the designated start date for the scenario.

#### Timeframes covered (column 8)

* Select all time horizons covered by the scenario that you use for analysis (example: if the scenario runs to 2100 but you only use 2030 and 2040 time horizons for analysis, only select 2030 and 2040).

#### Driving forces in scenario (column 9)

* Specify the key external factors that influence the events, trends, and patterns that determine the outcomes in the scenario.
* Consult the [TNFD Guidance on scenario analysis](https://tnfd.global/publication/guidance-on-scenario-analysis/) for further information on the driving forces presented in this column.

#### Assumptions, uncertainties and constraints in scenario (column 10)

* Outline the major assumptions your organization has made regarding:
  + - Policies in the jurisdictions covered by the scenario;
    - Macroeconomic trends;
    - National- or regional-level variables (e.g. local weather patterns, demographics, land use, infrastructure and availability of natural resources);
    - Developments in technology and;
    - Energy usage and mix.
* Discuss the assumptions your organization has made on the severity or intensity of the driving forces identified in column 10 "Driving forces in scenario".
* Highlight the uncertainties and constraints that may affect the outcomes of the scenario analysis.
* If the scenario does not cover your entire organization, provide further details of the coverage.

#### Rationale for choice of scenario (column 11)

* Describe why the chosen scenario is relevant to the resilience of your organization's business strategy, and how it aligns with critical assumptions in your organization's strategy and financial planning.
* If disclosing on climate change, include why the scenarios are relevant to assessing your organization's resilience to climate-related changes, developments or uncertainties. Specify if any of the climate-related scenarios used were aligned with the latest international agreement on climate change.
* Provide further details on the sources of the scenarios used, including data sources and models used if applicable.
* Financial services sector companies should state if your organization uses environmental scenario analysis to understand the impact of environmental issues on lending, financial intermediary, investment and/or insurance underwriting activities, in addition to operational activities.

#### Note for companies in the financial services sector

* Note that "Organization-wide" in column 3 "Scenario coverage" refers to the reporting boundary as disclosed in the introduction module. Financial services sector companies using scenario analysis on their portfolios should select "Portfolio", even when the scenario covers all financial activities and portfolios. In column "Scenario coverage", select "Company-wide" if referring to direct operations AND portfolio activities related to lending, investing and or insurance. Select "Company-wide excluding portfolio" if referring only to your direct operations and nothing related to your lending, insurance and investing activities.
* Both physical and transition pathway risks should be considered in your scenario analysis.
* Banks:
  + - Banks are encouraged to use the Network for Greening the Financial System (NGFS) scenarios framework.
* Insurance companies:
  + - Insurance companies that perform climate-related scenario analysis on their underwriting activities should provide the following information:
      * Information on the time frames used for the climate-related scenarios, including short-, medium-, and long-term milestone; and
      * Companies with substantial exposure to weather-related perils should consider a greater than 2°C scenario to account for physical effects of climate change.

### Explanation of Terms

* **Qualitative scenarios**: a high level, narrative approach to scenario analysis, suitable for organizations familiarizing themselves with the process. Qualitative scenario analysis explores relationships and trends for which little or no numerical data is available.
* **Quantitative scenarios:** a more detailed method for conducting scenario analysis, with greater rigor and sophistication in the use of data sets and quantitative models which may warrant further analysis. Quantitative scenario analysis can be used to assess measurable trends and relationships using models and other analytical techniques.
* **Driving forces:** the underlying external causes of change in relation to the focal question. For a process to be considered as a driver it needs to (1) be continuous over a period of time and (2) influence the outcomes of the focal question durably and consistently. A time-bound, episodic process may not be a driver but rather a crisis or shock.
* **1.5°C or lower scenario:** a core element of the TCFD's Strategy recommendation c) "Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario". As noted on page 26 of The [TCFD Guidance on Scenario Analysis for Non-Financial Companies](https://assets.bbhub.io/company/sites/60/2020/09/2020-TCFD_Guidance-Scenario-Analysis-Guidance.pdf), the TCFD now recommends that in assessing transition risks, companies should consider using or developing a 1.5°C scenario for the "2°C or lower scenario", stating that "a 1.5°C scenario would provide stronger diversity in assumptions about future policies and technologies. A 1.5°C scenario also aligns with the latest scientific research from the IPCC, the growing momentum of pledges to limit emissions to net-zero by 2050, and the spirit of the Paris Agreement, demonstrating a company's alignment to recognized temperature targets."
* Publicly available scenarios: scenarios which are:
  + - used/referenced and issued by an independent body;
    - wherever possible, supported by publicly available datasets;
    - updated on a regular basis; and
    - linked to functional tools (e.g., visualizers, calculators, and mapping tools) that can be applied by organizations [from [TCFD recommendations](https://assets.bbhub.io/company/sites/60/2020/10/FINAL-2017-TCFD-Report-11052018.pdf)].
* **IEA NZE 2050:** IEA’s Net Zero by 2050 scenario presents a roadmap for the energy sector to transition to a net zero energy system by 2050. It assumes that advanced economies will reach net zero in advance of 2050 and sets out an emissions trajectory consistent with a 50% chance of limiting the global temperature rise to 1.5°C without a temperature overshoot.
* **IEA B2DS:** IEA's Beyond 2°C Scenario (B2DS) sets out a rapid decarbonization pathway in line with international policy goals. The B2DS looks at how far known clean energy technologies could go if pushed to practical limits, in line with countries' ambitious aspirations in the Paris Agreement. In this scenario, the energy sector reaches carbon neutrality by 2060 to limit future temperature increases to 1.75°C by 2100. This pathway implies that all available policy levers are activated throughout the outlook period in every sector worldwide, requiring unprecedented policy action as well as effort and engagement from all stakeholders.
* **IEA 2DS:** IEA's 2°C Scenario is built on a projected warming limit of 2°C and is part of the annual publication "Energy Technology Perspectives", providing scenario analysis based on the development of lower carbon technology and its deployment in various sectors. The IEA ETP 2DS sets out an energy system development pathway and an emissions trajectory consistent with at least a 50% chance of limiting the average global temperature rise to 2°C. It sets the target of cutting CO2 emissions by almost 60% by 2050 (compared with 2013), followed by continued decline after 2050 until carbon neutrality is reached. It also identifies changes that help ensure a secure and affordable energy system in the long run, while emphasizing that transforming the energy sector is vital, but not enough on its own.
* **IEA 450:** IEA's World Energy Outlook 450 scenario is expressed as realizing a 50% chance of limiting warming to a 2°C rise by 2100 (originally based upon a projected warming limit of 2°C through limiting the concentration of GHG's to around 450ppm of CO2 equivalent) and offers steps by which that goal might be achieved. It references many separate measures which are required to reduce energy-related emissions from 2015 to 2040, including stronger deployment of technologies that are familiar and available at a commercial scale today, delivering close to 60% of the emissions reductions. Technologies referenced include the building of significant additional nuclear capacity and rapid CCS expansion.
* **IEA SDS:** IEA's Sustainable Development Scenario (SDS) is compatible with the Paris Agreement's less ambitious "well-below 2°C" goal. It assumes all energy-related SDGs and all current net-zero pledges are achieved, with advanced economies reaching net zero emissions by 2050, China by 2060 and all others by 2070 at the latest. It has a 50% probability of limiting global temperature rise to 1.65°C, assuming no extensive net negative emissions. With some net negative emissions after 2070, temperature rise could be reduced to 1.5°C by 2100.
* **IEA APS:** IEA's Announced Pledges Scenario (APS) takes account of all climate commitments made by governments around the world including Nationally Determined Contributions (NDCs) as well as longer-term net-zero targets and assumes they will be met in full and on time. The global emissions difference between the APS and the NZE represents the "ambition gap" that needs to be closed for governments to achieve the goals agreed in the 2015 Paris Agreement.
* **IEA STEPS (previously IEA NPS):** IEA's Stated Policies Scenario (STEPS) does not take for granted that governments will meet all announced goals. It instead looks at where the energy system might go without additional policy implementation, looking at existing policies and measures and those under development. The global emissions difference between the STEPS and the APS represents the "implementation gap" that needs to be closed for governments to achieve their announced decarbonization targets.
* **IEA CPS:** IEA's Current Policies Scenario (CPS) includes only existing energy policies. This default setting for the energy system is a benchmark against which the impact of "new" policies can be measured.
* **Greenpeace:** the Advanced Energy [R]evolution scenario. Based on Greenpeace's basic Energy [R]evolution scenario, which includes significant efforts to exploit opportunities for energy efficiency, along with large-scale integration of renewables, biofuels, and hydrogen into the energy mix, the Advanced Energy [R]evolution scenario sets out an ambitions pathway towards a fully decarbonized energy system by 2050 through much stronger efforts to move energy towards a 100% renewable energy supply. Consumption pathways remain similar to the basic scenario, but faster introduction of technologies leads to complete decarbonization. The IEA's Current Policies Scenario serves as the reference point in the development of Greenpeace's Advanced Energy Revolution scenario.
* **DDP:** the Deep Decarbonization Pathways (DDP) initiative builds and brings to the public debate realistic decarbonization pathways to 2050. These are designed to deeply reduce carbon emissions while satisfying socio-economic objectives. The pathways are developed country/area by country/area, considering in each case the specific context and highlighting key drivers of the transformation and their potential effects.
* **IRENA:** IRENA's REmap determines the potential for countries, regions and the world to scale up renewables in order to ensure an affordable and sustainable energy future. REmap assesses worldwide renewable energy potential assembled from the bottom-up, starting with country/area analyses - in collaboration with country/area experts, and then aggregating these results to arrive at a global picture. REmap accounts for renewable power technologies, but also considers technology options in heating, cooling and transport. In determining the potential to scale up renewables, REmap focuses on possible technologies pathways and assesses numerous other metrics, including: technology, sector and system costs; investment needs; externalities relating to air pollution and climate; CO2 emissions; and economic indicators such as employment and economic growth. Based on these country/area driven results, REmap provides insights to policy and decision makers for areas in which action is needed.
* **BNEF NEO:** Bloomberg New Energy Finance's (BNEF) New Energy Outlook (NEO) focusses on the annual long-term economic analysis of the world's power sector out to 2050. 2021's edition presents three scenarios that are aligned with the Paris Agreement, achieving net-zero emissions in 2050. The Green Scenario is a net-zero pathway where so-called 'green hydrogen' complements greater electricity use, recycling and bioenergy. The Grey Scenario assumes greater use of electricity and renewable power is complemented by carbon capture and storage technology and allows for the continued use of some fossil fuels. The Red Scenario assumes smaller, modular nuclear is deployed to complement wind, solar and battery technology in the power sector, with dedicated nuclear plants manufacturing so-called "red hydrogen".
* **IEA NZE 2050:** IEA's Net Zero by 2050 scenario presents a roadmap for the energy sector to transition to a net zero energy system by 2050. It assumes that advanced economies will reach net zero in advance of 2050 and sets out an emissions trajectory consistent with a 50% chance of limiting the global temperature rise to 1.5°C without a temperature overshoot.
* **NGFS scenarios framework:** to facilitate the uptake of climate scenario analysis by central banks, financial regulators, and the larger financial community, the NGFS developed a global set of scenarios and published guidance on conducting such analysis.
* **RCP 1.9:** Representative Concentration Pathway (RCP) 1.9 is the IPCC's lowest emission pathway that focuses on limiting warming to below 1.5°C by the end of the century, which is the aspirational goal of the Paris Agreement. RCPs provide a quantitative description of atmospheric pollutions over time, as well as radiative forces in 2100. In RCP 1.9, radiative forcing is limited to no more than 1.9 W/m2 above pre-industrial levels.
* **RCP 2.6:** in RCP 2.6, radiative forcing peaks at 3.1 W/m2 before returning to 2.6 W/m2 by 2100, achieved through; a shift to renewable energy sources; CO2 remaining at today's level until 2020, then decline and becoming negative in 2100; and CO2 concentrations peaking by 2050, followed by a modest decline to around 400 ppm by 2100.
* **RCP 3.4:** RCP 3.4 represents the IPCC's intermediate pathway between the very stringent RCP2.6 and the less stringent mitigation efforts associated with RCP4.5.
* **RCP 4.5:** RCP 4.5 represents one of IPCC's intermediate stabilization pathways in which radiative forcing is stabilized at approximately 4.5 W/m2 after 2100.
* **RCP 6.0:** RCP 6.0 represents one of IPCC's intermediate stabilization pathways in which radiative forcing is stabilized at approximately 6.0 W/m2 after 2100.
* **RCP 7.0:** RCP 7.0 consists of a baseline outcome rather than a mitigation target, and represents the medium-to-high end of the range of future emissions and warming resulting from no additional climate policy.
* **RCP 8.5:** RCP 8.5 represents the IPCC's high-end pathway in which radiative forcing reaches greater than 8.5 W/m2 by 2100, and continues to rise for some time afterwards.
* Physical risks:
  + - Acute - occurrence of short term, specific events that change the state of nature. For example, oil spills, forest fires or pests affecting a harvest;
    - Chronic - gradual changes to the state of nature. For example, pollution stemming from pesticide use or climate change.
    - Transition risks:
    - Policy - changes in the policy context due to new (or enforcement of existing) policies to create positive impacts on nature or mitigate negative impacts on nature;
    - Technology - substitution of products or services with a reduced impact on nature and/or reduced dependency on nature. For example, the replacement of plastics with biodegradable containers;
    - Market - changing dynamics in overall markets, including changes in consumer preferences, which arise from changing physical, regulatory, technological and reputational conditions and stakeholder dynamics. For example, the market value of a company is affected by assets that have decreased in value because there is insufficient freshwater for the production process, or the value of the business' production process is reduced by the emergence of new technologies that require less water to operate;
    - Reputation - changes in perception concerning an organisation's actual or perceived nature impacts, including at the local, economic and societal level. This can result from direct company impacts, industry impacts and/or impacts of activities upstream and/or downstream in a value chain.
    - Liability - liability risks that arise directly or indirectly from legal claims. As laws, regulations and case law related to an organisation's preparedness for nature action evolves, the incident or probability of contingent liabilities arising from an organisation may increase. ([TNFD](https://tnfd.global/wp-content/uploads/2023/09/Glossary_of_key_terms_v1.pdf?v=1695138274), 2023)

## [4.2] Does your organization's strategy include a climate transition plan? *(Source: 2025 CDP SME questionnaire)*

### Rationale

There is growing interest from investors, customers, and employees in how organizations plan on tackling the climate crisis and transitioning their business model to one that aligns with a net-zero future. Transitioning refers to taking actions that: align a business model with a world in which two key outcomes are pursued: (1) the global average temperature is allowed to rise by no more than 1.5°C above pre-industrial levels, (2) natural ecosystem health is restored; and enable a thriving economy that works for people and planet in the long term. A credible transition plan sets out how an organization will achieve such actions and serves as a mechanism for accountability and transparency with regard to progress made to mitigate climate change through organizational action.  
   
SMEs' flexibility and capability to innovate makes them well placed and crucial for providing climate solutions that are key for building resilience to climate change and limiting the global temperature rise to 1.5°C. However, if SMEs do not take actions to transition their business model with a net-zero carbon economy, they risk facing competitive disadvantages and losing out on low carbon opportunities.  
   
Developing a climate transition plan provides certainty to data users that an organization is aligning to the long-term, global climate goals and that its business model will continue to be relevant in a net-zero carbon economy. Collecting feedback on the climate transition plan allows stakeholders to review and raise resolutions related to progress. This question provides transparency regarding an organization's transition plans and associated feedback mechanisms.

### Ambition

* The organization has a publicly available 1.5°C-aligned climate transition plan in place
* The organization discloses the key assumptions used in developing its transition plan and anything that the transition plan is reliant upon.
* The transition plan has a well-defined feedback mechanism in place, where relevant stakeholders can provide input. For example, a shareholder vote at an organization's AGM.
* The transition plan is developed in the context of a robust climate-related and, where relevant, other environmental dependencies, impacts, risk and opportunities assessment. The plan should demonstrate how the organization intends on managing climate-related dependencies and impacts whilst mitigating identified risks and realizing identified opportunities.
* The transition plan is underpinned by credible science-based targets (i.e., 1.5C-aligned and net zero targets), and progress against these targets should be measured and disclosed.
* The organization determines the decarbonization levers they plan to use and the plan outlines the mitigation and adaptation actions they need to take now and in the future to achieve the goals of the transition plan and meet the associated targets, both within their own operations and value chain (such as changes in products and services, changes in business model and engagement strategies).
* The plan contains verifiable and quantifiable key performance indicators (KPIs) which measure the success of an organization's climate transition and are tracked regularly.
* The organization has developed a plan for how the actions needed to achieve the transition plan objectives will be resourced (i.e., where the investment for the implementation of the plan will come from), and any preconditions to this financing.
* The organization leverages sustainable finance instruments, where possible. For example, an organization may use sustainable finance taxonomies to identify products and services they should invest in to achieve the transition plan objectives.

### Response options

Please complete the following table.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | ***Appears if "Yes, we have a climate transition plan" is selected in column 1*** | ***Appears if "Yes, we have a climate transition plan" is selected in column 1*** | ***Appears if "Yes, we have a climate transition plan" is selected in column 1*** | ***Appears if "We have a feedback mechanism in place, …" is selected in column 4*** | ***Appears if "Yes, we have a climate transition plan" is selected in column 1*** | ***Appears if "Yes, we have a climate transition plan" is selected in column 1*** | ***Appears if "Forests", "Water" or "Other, please specify" is selected in column 7*** |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** |
| **Transition plan** | **Temperature alignment of transition plan** | **Publicly available climate transition plan** | **Mechanism by which feedback is collected from stakeholders on your climate transition plan** | **Frequency of feedback collection** | **Attach any relevant documents which detail your climate transition plan (optional)** | **Other environmental issues that your climate transition plan considers** | **Explain how the other environmental issues are considered in your climate transition plan** |
| Select from:   * + Yes, we have a climate transition plan   + No, but we are developing a climate transition plan within two years   + No, and we do not plan to develop a climate transition plan within the next two years | Select from:   * + 1.5°C   + Well-below 2°C aligned   + 2°C aligned   + Unspecified   + Other, please specify | Select from:   * + Yes   + No | Select from:   * + We have a feedback mechanism in place, please specify   + We do not have a feedback mechanism in place, but we plan to introduce one within the next two years   + We do not have a feedback mechanism in place, and we do not plan to introduce one within the next two years | Select from:   * + More frequently than annually   + Annually   + Less frequently than annually | [Attachment functionality] | Select all that apply:   * + Forests   + Water   + Other, please specify   + No other environmental issue considered | Text field [maximum 2,500 characters] |

### Requested content

#### Temperature alignment of transition plan (column 2)

* This column is only presented if "Yes, we have a climate transition plan" is selected in column 1 "Transition plan".
* If your organization's transition plan does not align to any of the options displayed or you do not know if your transition plan is aligned to the options, select "Other, please specify" and provide details.

#### Publicly available climate transition plan (column 3)

* This column is only presented if "Yes, we have a climate transition plan" is selected in column 1 "Transition plan".

#### Mechanism by which feedback is collected from shareholders on your climate transition plan (column 4)

* This column is only presented if "Yes, we have a climate transition plan" is selected in column 1 "Transition plan".
* If the plan is reviewed and updated regularly with a defined stakeholder feedback mechanism, select "We have a feedback mechanism in place, please specify" and make note of the type of feedback mechanism you have in place.
  + - If your organization has shareholders, note whether you hold Annual General Meetings that include your climate transition plan as a standing item.
    - If your organization does not have shareholders, note whether other feedback mechanisms are used such as, investor feedback, community engagement, supplier input, an employee feedback system or collaboration with government agencies or non-governmental organizations.

#### Frequency of feedback collection (column 5)

* This column is only presented if "We have a feedback mechanism in place, please specify" is selected in column 4 "Mechanism by which feedback is collected from stakeholders on your climate transition plan".

#### Attach any relevant documents which detail your climate transition plan (optional) (column 6)

* This column is only presented if "Yes, we have a climate transition plan" is selected in column 1 "Transition plan".
* You may attach one or more documents which include your climate transition plan e.g., your annual report, your sustainability report, and/or a separate climate transition plan document.
* Note that a credible climate transition plan is considered to be succinctly integrated into an organization's existing mainstream filings.

#### Explain how the other environmental issues are considered in your climate transition (column 8)

* An organization should disclose information on the interconnections between its climate transition plan and its targets and plans for other environmental issues. Provide examples of plans or actions taken that aim to address multiple environmental issues.

### Additional information

* **What is a transition plan?**
  + - Organizations typically set emissions reduction targets, commit to monitoring their progress on climate action and reduce their exposure to climate related risks. A transition plan is a time-bound action plan that clearly outlines specific strategies and clear accountability mechanisms to track progress towards a trajectory that aligns with the latest and most ambitious climate science recommendations, i.e. halving greenhouse gas (GHG) emissions by 2030 and reaching net-zero by 2050 at the latest, limiting global warming to 1.5°C ([List of Sustainability Definitions - CDP](https://www.cdp.net/en/the-sustainable-economy-glossary)).
* **Why is 1.5°C important?**
  + - 1.5°C is the target set by the 2015 Paris Agreement as the global average temperature compared with pre-industrial history. Scientists generally agree that global temperatures must be kept well below 2°C - ideally 1.5°C - to avoid the worst impacts of climate change ([List of Sustainability Definitions - CDP](https://www.cdp.net/en/the-sustainable-economy-glossary)).
    - According to the Science-based Targets initiative, aligning with a 1.5°C world currently means reducing Scope 1, 2 and 3 emissions to zero or close to zero and neutralizing any residual emissions by 2050 at the latest.
    - For more information, note that the IPCC (Intergovernmental Panel on Climate Change) is internationally regarded as the leading scientific authority on climate change and authors reports to advise on the impacts of, and solutions to, climate change. Reference the relevant IPCC reports, in particular [the IPCC Sixth Assessment Report (AR6)](https://unfccc.int/topics/science/workstreams/cooperation-with-the-ipcc/the-sixth-assessment-report-of-the-ipcc) and [the IPCC Special Report on Global Warming of 1.5°C (SR1.5)](https://www.ipcc.ch/sr15/).
* **What is the Paris Agreement?**
  + - The Paris Agreement is a legally binding international treaty on climate change, adopted at COP21 in Paris in 2015. Its goal is to limit global warming to well below 2°C, preferably to 1.5°C, compared to pre-industrial levels ([List of Sustainability Definitions - CDP](https://www.cdp.net/en/the-sustainable-economy-glossary)).
* **Why are climate transition plans important?**
  + - Regulatory compliance: Climate transition plans enable organizations to navigate evolving regulations and policy changes, ensuring compliance and avoiding regulatory shocks
    - Accountability and transparency: Climate transition plans enhance accountability and transparency by providing stakeholders with clear insights into an organization's climate strategies and actions.
    - Investor and stakeholder engagement: Robust climate transition plans are essential for attracting investment and securing stakeholder support, as initiatives emphasize the importance of credible and ambitious net-zero strategies.
    - Refer to the [CDP Climate Transition Plan technical note](https://cdn.cdp.net/cdp-production/cms/guidance_docs/pdfs/000/003/101/original/CDP_technical_note_-_Climate_transition_plans.pdf?1643994309) (page 5) for more details on why climate transition plans and disclosure about them is important.
* **What should a credible transition plan include?**
  + - Refer to the [CDP Climate Transition Plan technical note](https://cdn.cdp.net/cdp-production/cms/guidance_docs/pdfs/000/003/101/original/CDP_technical_note_-_Climate_transition_plans.pdf?1643994309) for more details on transition plans, including principles and key elements to guide the preparation of a credible transition plan. Note that for SMEs and emerging markets certain elements of a climate transition plan may be more difficult to realise and disclose on. CDP has still attempted where possible to make the guiding principles and elements of climate transition plans as accessible to all.
* **What steps should my organization take to develop a transition plan and how can CDP help?**
  + - Fundamental steps for developing a climate transition plan, which are facilitated through disclosure of this questionnaire, include the following:
      * Identify and calculate your organization's scope 1, scope 2, and scope 3 GHG emissions (as reported in 5.4, 5.5 and 5.8).
      * Once your GHG emissions are known, set near term and long-term science-based targets, including a specific timeframe for achieving net zero targets (as reported in 5.18.1 and 5.18.2).
      * Identify and engage key stakeholders such as the Board, executive leaders, procurement teams, finance teams, energy and building teams, and manufacturing teams to be accountable for target achievement (as reported in 2.1).
      * Identify actions to reduce emissions required to meet targets (as reported in 5.19.1).
      * Identify your organization's climate risk and opportunities (as reported in 3.2.1 and 3.3.1).
    - For additional guidelines for setting climate transition plans, taking action and disclosing results, reference the [1.5C Business Playbook](https://exponentialroadmap.org/wp-content/uploads/2023/10/1.5C-Business-Playbook-Version-3.0.pdf), which is endorsed by the Exponential Roadmap Initiative, Race to Net Zero, and SME Climate Hub.

## [4.3] Do you classify any of your existing goods and/or services as low-carbon products? If yes, please provide details. *(Source: CDP Private Markets Questionnaire 2022)*

### Rationale

This question provides valuable information to investors who are seeking to increase their investment in companies providing low-carbon goods and services.

### Response options

Select one of the following options:

|  |
| --- |
| **Options** |
| Select one of the following options:   * + Yes   + No |

### Requested content

#### General

* Low-carbon products and/or services are important to aid the transition to a net-zero carbon economy and to ensure that global average temperature increase above pre-industrial level stays below 1.5°C.
* While there are various low-carbon product/service taxonomies and definitions, we broadly defines them as products or services which have comparatively lower emissions across their entire life cycle (i.e. from material acquisition through to product end-of-life) when compared to a baseline (business-as-usual) scenario or reference product of a similar function. Note that a product can only be considered low-carbon if its production and use does not prevent and/or contributes to reaching net-zero by 2050 or sooner. In that respect, any fossil fuel (including natural gas) energy generation not fitted with carbon capture and storage should not be considered as low-carbon. See “Additional information” for more guidance on how to define a low-carbon product or service.
* The reduction in life cycle emissions between the baseline scenario or reference product and the low-carbon product or service is commonly referred to as the “avoided emissions”.
* There are various circumstances in which a company might consider that the use of its goods and services by others has the potential to reduce GHG emissions.
* For example, an insulation company might consider that the installation of its insulation in another organization’s premises might reduce the consumption of gas to heat the building, with the consequent reduction of GHG emissions from the property. Similarly, a consultancy providing advice services on energy efficiency/emissions reductions or a manufacturer producing a product with lower energy use requirements compared with equivalent products on the market could also consider themselves to reduce the GHG emissions of others.
* Note that a company generating renewable electricity and selling it to a third party would be an example of this. In this case, the third party would calculate their Scope 2 market-based emissions with a zero emissions factor and, providing that the grid average factor is not zero, this would enable that third party to avoid emissions.

#### Explanation of terms

* Baseline scenario: A reference case that represents the events or conditions most likely to occur in the absence of the low-carbon product in the consequential approach to estimating avoided emissions.
* Reference product: The product against which the low-carbon product is compared in the attributional approach to estimating avoided emissions.
* Attributional approach: The most commonly used approach at present to estimate avoided emissions - measures the difference in total life-cycle GHG emissions between the low-carbon product(s) or service(s) and a reference product or service that provides an equivalent function.
* Consequential approach: Measures the sum of total, system-wide changes in emissions or removals occurring because of the low-carbon product(s) or service(s) when compared to a baseline (business-as-usual) scenario without the low-carbon product. This approach helps to answer the question “What are the GHG impacts related to the full share of the activities that are expected to change when producing, consuming, and disposing of the product?”.

#### Additional information

#### How do you define a low-carbon product?

* Despite the increasing focus from investors on low-carbon products, there remains a level of ambiguity over the definition of what constitutes a ‘low-carbon product’. Instead, there has been a greater focus on the benefits of their creation and use, one of which is aiding in the transition towards a net-zero carbon economy operating within the limits set out by leading climate scientists to ensure that global average temperature increase above pre-industrial level stays below 1.5°C.
* Taxonomies, such as the [Climate Bonds Taxonomy](https://www.climatebonds.net/standard/taxonomy), are similarly based on this scientific criterion. At this stage, we encourages companies to use this criterion when evaluating whether a product is low carbon or not (i.e., companies should evaluate a product or service as low carbon if it is compatible with the level of decarbonization required to keep global temperature increase to 1.5°C compared to pre-industrial temperatures).
* Therefore, while we encourages the development of common definitions across global markets about what constitutes a ‘low-carbon product’, companies should evaluate their low-carbon products in relation to their contribution to a net-zero carbon economy. Different goods and services will have pertinent characteristics in which they can do this. This can include improving the energy efficiency of certain technologies so that they are consistent with avoiding dangerous climate change or contributing to the decarbonization of high-emitting industries.

## [4.3a] (Yes) Provide details of your products and/or services that you classify as low-carbon products. *(Source: CDP Private Markets Questionnaire 2022)*

### Response options

Please complete the following table. You are able to add rows by using the "Add Row" function at the bottom of the table.

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  | ***These columns only appears if you select "Yes" in "Have you estimated the avoided emissions of this low-carbon product(s) or service(s)" (column 5).*** | | | | | | |  |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** | **12** | **13** |
| **Level of aggregation** | **Taxonomy used to classify product(s) or service(s) as low-carbon** | **Type of product(s) or service(s)** | **Description of product(s) or service(s)** | **Have you estimated the avoided emissions of this low-carbon product(s) or service(s)** | **Methodology used to calculate avoided emissions** | **Life cycle stage(s) covered for the low-carbon product(s) or services(s)** | **Functional unit used** | **Reference product/service or baseline scenario used** | **Life cycle stage(s) covered for the reference product/service or baseline scenario** | **Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario** | **Explain your calculation of avoided emissions, including any assumptions** | **Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year** |
| Select from:   * + Product or service   + Group of products or services | Select from:   * + Low-Carbon Investment (LCI) Registry Taxonomy   + Climate Bonds Taxonomy   + The EU Taxonomy for environmentally sustainable economic activities   + Green Bond Principles (ICMA)   + The IEA Energy Technology Perspectives Clean Energy Technology Guide   + No taxonomy used to classify product(s) or service(s) as low carbon   + Other, please specify | Select from dropdown list below: | *Text field [maximum 1,500 characters]* | Select from:   * + Yes   + No | Select from:   * + Addressing the Avoided Emissions Challenge- Chemicals sector   + The Avoided Emissions Framework (AEF)   + Evaluating the carbon-reducing impacts of ICT   + Estimating and Reporting the Comparative Emissions Impacts of Products (WRI)   + Guidelines for Assessing the Contribution of Products to Avoided Greenhouse Gas Emissions (ILCA)   + Methodology for Environmental Life-Cycle Assessment of Information and Communication Technology Goods, Networks and Services (ITU-TL.1410)   + Other, please specify | Select from:   * + Cradle-to-gate   + Cradle-to-grave   + Cradle-to-cradle/closed loop production   + Cradle-to-gate + end-of-life stage   + Gate-to-gate   + Use stage   + End-of-life stage   + Other, please specify   + Not applicable | *Text field [maximum 500 characters]* | *Text field [maximum 500 characters]* | Select from:   * + Cradle-to-gate   + Cradle-to-grave   + Cradle-to-cradle/closed loop production   + Cradle-to-gate + end-of-life stages   + Gate-to-gate   + Use stage   + End-of-life stage   + Other, please specify   + Not applicable | *Numerical field [enter a number from 0-99,999,999,999 using a maximum of 10 decimal places and no commas]* | *Text field [maximum 2,500 characters]* | *Numerical field [enter a number from 0-100 using a maximum of 2 decimal places and no commas]* |

|  |  |
| --- | --- |
| **Type of product(s) or service(s) (column 3)** | |
| **Power**   * + Dry steam plant   + Flash steam plant   + Flywheel   + Geothermal electricity   + Hydropower   + Large-scale light-water nuclear reactor   + Liquid air energy storage (LAES)   + Lithium-ion batteries   + Multi-junction cell   + Onshore wind   + Organic Rankine cycle   + Parabolic trough   + Pumped storage   + Seabed fixed offshore wind turbine   + Small-scale light-water nuclear reactor   + Solar PV   + Solar tower   + Other, please specify   **Heat**   * + Geothermal heat management   + Large-scale heat pump   + Latent heat storage (LHS)   + Solar thermal district heating   + Other, please specify   Biofuels   * + Anaerobic digestor   + Bioethanol   + Biomass gasification   + Fatty acid methyl ester (FAME)   + Hydrogenated vegetable oil   + Other, please specify   Hydrogen   * + Electrolysis   + Hydrogen pipelines   + Hydrogen storage tanks   + Salt cavern hydrogen storage   + Other, please specify   **Ammonia**   * + Ammonia tankers   + Other, please specify   **Batteries**   * + Copper recycling   + Cathode recycling   + Other, please specify   **Road**   * + Compressed biogas engines   + Ethanol-fuelled diesel engine   + Hydrogen fuel cell   + Hydrogen Refuelling Station   + Liquified biogas engines   + Lithium-ion batteries   + Polymer electrolyte membrane fuel cell   + Other, please specify   **Rail**   * + Magnetic levitation   + Other, please specify   **Shipping**   * + Ammonia bunkering   + Cold ironing, alternative maritime power   + Foul Release Hull Coating   + Liquified biogas engines   + Rudder bulb   + Other, please specify   **Aviation**   * + Geared Turbo Fan/ Ultra-High Bypass Ratio engine   + Other, please specify   **Chemicals and plastics**   * + Chemical absorption of CO2   + Physical absorption of CO2   + Other, please specify | **Iron and steel**   * + Chemical absorption of CO2   + Other, please specify   **Cement and concrete**   * + Calcined clay   + Other, please specify   **Pulp and paper**   * + Lignin extraction   + Black liquor gasification   + Other, please specify   **Aluminum**   * + Additive manufacturing   + Other, please specify   **CO2 storage**   * + CO2-enhance oil recovery   + Saline formation   + Other, please specify   **Buildings construction and renovation**   * + Building orientation: Lighting   + Building orientation: Thermal performance   + Composite materials   + Dual flow ventilation   + Dynamic simulation   + Foam, caulk, tape or gaskets   + Modular components   + Natural ventilation   + Pre-casting   + Thick crystal products or thin-film products   + Other, please specify   **Heating and cooling**   * + Advanced heat exchanger   + Air-source heat pump using heat recovery   + Aquifer thermal energy storage (ATES)   + Borehole thermal energy storage (BTES)   + Central heat pump water heaters   + Chilled water storage   + Ground-source heat pump   + Hot water tank   + Hydrogen boiler   + Pellets burning stove and boiler   + Solid-liquid ice storage   + State-of-the-art air-to-air technology   + Wood burning stove   + Other, please specify   **Cooking**   * + Bag digester   + Composite material digester   + Improved biomass cooking stove   + Induction cooker   + LPG cooking stove   + Vitroceramic/hot plate cooking stoves   + Other, please specify   **Lighting**   * + Conventional LED   + Organic LED   + Polymer LED   + Other, please specify   **Systems integration**   * + Double smart grid   + Smart meter   + Other, please specify   **CO2 transport**   * + Pipeline   + Other, please specify   **Other**   * + Hybrid flexible demand and battery network   + Induction heating for large-scale industrial processes   + Infrared heating for large-scale industrial processes   + Other, please specify |

### Requested content

#### Level of aggregation (column 1)

* Select from the drop-down menu what level of aggregation you wish to report on in this row. For example, you may only produce one product that can be classified as 'low carbon.' In this case you may want to report at the product level of aggregation. Alternatively, if your company produces several low carbon products that have a similar function, you may wish to report at the "Group of products or services" level.
* Note that you can add multiple rows to this table and report different levels of aggregation. For each row, please select the level of aggregation that is most appropriate to your stakeholders.

#### Taxonomy used to classify product(s) or service(s) as low carbon (column 2)

* As investors seek to increase the proportion of their portfolio invested in low carbon products there is an effort to establish standardized taxonomies to classify and define low-carbon products and services.
* Select the taxonomy used to classify the product(s) or service(s) as low-carbon. If you used a taxonomy that is not listed, select "Other, please specify" and state the taxonomy used.
* If you are reporting a product or service that you consider to be low-carbon, but it has not been classified as such by any taxonomy, select "No taxonomy used to classify product(s) or service(s) as low-carbon".

#### Type of product(s) or service(s) (column 3)

* Select the category and type of product or service from the list of options provided, which have been developed using the [IEA Energy Technology Perspectives (ETP) Clean Energy Technology Guide](https://www.iea.org/articles/etp-clean-energy-technology-guide) and the [Climate Bonds Taxonomy](https://www.climatebonds.net/standard/taxonomy).
* If the product(s) or service(s) you are disclosing does not fall into any of the types provided, select "Other". If the product(s) or service(s) is not listed within the relevant type of product/service, select "Other, please specify".

#### Description of product(s) or service(s) (column 4)

* Use this column to describe the product(s) or service(s) that you are disclosing in this row.
* If you have selected "No taxonomy used to classify product(s) or service(s) as low-carbon" in column 2, provide a rationale as to why you consider the product(s) or service(s) to be low-carbon.

#### Have you estimated the avoided emissions of this low-carbon product(s) or services(s)? (column 5)

* The reduction in life cycle emissions between a baseline (business-as-usual) scenario or reference product and the low-carbon product or service is commonly referred to as the "avoided emissions".
* Indicate whether your organization has attempted to calculate the avoided emissions of the low-carbon product(s) or service(s) described in column 4. You will be requested to provide details of your estimation approach in the subsequent columns.
* To estimate the avoided emissions of a low-carbon product or service, companies could follow either an "attributional" or "consequential" estimation approach:
  + - An attributional estimation approach - the most commonly used approach at present - measures the difference in total life-cycle GHG emissions between the low-carbon product(s) or service(s) and a reference product or service that provides an equivalent function.
    - A consequential estimation approach measures the sum of total, system-wide changes in emissions or removals occurring because of the low-carbon product(s) or service(s) when compared to a baseline (business-as-usual) scenario without the low-carbon product. This approach helps to answer the question "What are the GHG impacts related to the full share of the activities that are expected to change when producing, consuming, and disposing of the product?".
* For more information on these approaches refer to WRI's paper "[Estimating and Reporting the Comparative Emissions Impacts of Products](https://files.wri.org/d8/s3fs-public/estimating-and-reporting-comparative-emissions-impacts-products_0.pdf)" and the [Avoided Emissions Framework](https://www.misolutionframework.net/pdf/Net-Zero_Innovation_Module_2-The_Avoided_Emissions_Framework_(AEF)-v2.pdf).

#### Methodology used to calculate avoided emissions (column 6)

* This column only appears if you select "Yes" in "Have you estimated the avoided emissions of this low-carbon product(s) or service(s)" (column 5).
* Methodologies to calculate avoided emissions are still in the infancy of their development. We will keep refining the list of methodologies to best reflect those that are considered best practice.

#### Life cycle stage(s) covered for the low-carbon product(s) or service(s) (column 7)

* This column only appears if you select "Yes" in "Have you estimated the avoided emissions of this low-carbon product(s) or service(s)" (column 5).
* Select the life cycle stages of the low-carbon product(s) or service(s) covered in your avoided emissions calculation. Refer to the "Explanation of terms" for definitions of the life cycle stages.
* Where practical, a full life-cycle approach (cradle-to-grave or cradle-to-cradle/closed loop production) should be taken to estimate the avoided emissions of the low-carbon product(s) or service(s).
* If you have not used a life cycle approach, select "Not applicable" and explain why not in column 12 "Explain your calculation of avoided emissions, including any assumptions".

#### Functional unit used (column 8)

* This column only appears if you select "Yes" in "Have you estimated the avoided emissions of this low-carbon product(s) or service(s)" (column 5).
* Avoided emissions are usually expressed in terms of a functional unit, which should be applicable to both the low-carbon product(s) or service(s) and the reference product/service or baseline (business-as-usual) scenario.
* The functional unit refers to the performance characteristics and services delivered by the product(s) or service(s) and should be clearly defined and measurable.
* A functional unit will typically define the following three parameters:
  + - The function of the product(s) or service(s);
    - The duration or service life of the product(s) or service(s) (i.e. the amount of time needed to fulfil the function); and
    - The quality of the product(s) or service(s).
* For example, a functional unit to compare an electric vehicle with a conventional vehicle could be "operating an electric passenger vehicle for 50,000km vs. a similar-sized internal combustion engine passenger vehicle for 50,000km".

#### Reference product/service or baseline scenario used (column 9)

* This column only appears if you select "Yes" in "Have you estimated the avoided emissions of this low-carbon product(s) or service(s)" (column 5).
* Specify and explain the choice of the reference product/service or baseline (business-as-usual) scenario used to calculate the estimated avoided emissions in column 11.
* Note that the reference product should represent the most likely alternative solution that would be used for a certain function in the absence of your disclosed low-carbon product(s) or service(s).

#### Life cycle stage(s) covered for the reference product/service or baseline scenario (column 10)

* This column only appears if you select "Yes" in "Have you estimated the avoided emissions of this low-carbon product(s) or service(s)" (column 5).
* Select the life cycle stages covered in your avoided emissions calculation for the reference product/service or baseline scenario specified in column 9. Refer to the "Explanation of terms" for definitions of the life cycle stages.
* Note that credible comparisons should cover the same life cycle stages for the low-carbon product/service and the reference product/service.
* If you have not used a life cycle approach, select "Not applicable" and explain why not in column 12 "Explain your calculation of avoided emissions, including any assumptions".

#### Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario (column 11)

* This column only appears if you select "Yes" in "Have you estimated the avoided emissions of this low-carbon product(s) or service(s)" (column 5).
* Quantify the estimated avoided emissions of your low-carbon product(s) or service(s), compared to the reference product/service or baseline scenario specified in column 9.
* For example, if using an attributional approach, this figure can be calculated using the equation: "Life-Cycle Emissions of Reference Product - Life-Cycle Emissions of Low-Carbon Product". If the resulting figure is positive, the assessed product emits less over its life cycle when compared to the reference product and as such, the positive figure represents the "avoided emissions" of the low-carbon product(s) or service(s).
* Note that the avoided emissions should be estimated in relation to the functional unit specified in column 8.

#### Explain your calculation of avoided emissions, including any assumptions (column 12)

* This column only appears if you select "Yes" in "Have you estimated the avoided emissions of this low-carbon product(s) or service(s)" (column 5).
* State whether you used an attributional or consequential approach to estimate the avoided emissions and explain the reason for your choice. If you used a consequential approach, clarify the boundary of your analysis and what effects you have included in your assessment (e.g. rebound and secondary enabling effects).
* Include the figures used in your calculation and any critical assumptions that you made (e.g., emissions factors, performance characteristics, allocation methods, data sources and any uncertainties) to help data users to assess the credibility and reliability of the results.

#### Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year (column 13)

* State the revenue generated from the low-carbon product(s) or service(s) described in column 4 as a percentage of your organization's total revenue in the reporting year.

Enter the figure for 'revenue' as would be declared in your financial statement (sometimes referred to a 'turnover' or 'sales'). Under the [International Financial Reporting Standard](https://www.iasplus.com/en/standards/ifrs/ifrs15) this would be the inflow of income arising in the course of an entity's ordinary activities, with deductions made (such as for sales returns, allowances and discounts). This figure is commonly used by investors to assess the income-generating ability of a business.

### Example response

Worked examples of low-carbon products

**Example 1: Company A is a paper production company. It has a range of products that can be classified as low-carbon as these products are made from recycled material so have comparatively lower emissions than paper made from virgin material.**

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** | **12** | **13** |
| **Level of aggregation** | **Taxonomy used to classify product(s) or service(s) as low-carbon** | **Type of product(s) or service(s)** | **Description of product(s) or service(s)** | **Have you estimated the avoided emissions of this low-carbon product(s) or service(s)** | **Methodology used to calculate avoided emissions** | **Life cycle stage(s) covered for the low-carbon product(s) or services(s)** | **Functional unit used** | **Reference product/service or baseline scenario used** | **Life cycle stage(s) covered for the reference product/service or baseline scenario** | **Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario** | **Explain your calculation of avoided emissions, including any assumptions** | **Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year** |
| Product or service | Climate Bonds Taxonomy | Pulp and paper: Other, please specify | We have manufactured/sold printing paper that consists of 50% recycled material. These products can be classified as low-carbon products because manufacturing of them requires less raw materials and therefore very little emissions are embedded in the products. | Yes | Guidelines for Assessing the Contribution of Products to Avoided Greenhouse Gas Emissions (ILCA) | Cradle-to-grave | 75GSM printing paper supplying 1000 A4 sheets with 50% recycled material | 75GSM printing paper supplying 1000 A4 sheets with industry average amount of virgin material | Cradle-to-grave | 6000 | We followed an attributional approach to our LCA and measured the difference in total cradle-to grave emissions between our product and an industry average product.  The calculation was limited in that we were unable to calculate indicators for ocean warming or herbicide use, and freshwater or wetland disturbance due to lack of data.  We used the following Global Warming Potential 20 (GWP20) factors from the IPCC 5th assessment report: Carbon Dioxide (CO2): 1,  Methane (CH4): 102,  Nitrous Oxide (N2O): 264,  Sulfur Hexafluoride (SF6): 17,500,  HFC-134a: 3,710,  Nitrogen Trifluoride (NF3): 12,800,  Black Carbon: 3,385,  Organic Carbon: -128,  Sulfur Dioxide (SO2): -274,  Nitrogen Oxide (NOx) 122   We used a mass-based allocation for energy and resource inputs where multiple products were being produced. To allocate the impacts from the recycled material we followed the most common 100-0 cut-off approach, where the environmental impacts are only included for one lifecycle of the product. In other words, recycled fiber is not allocated to any of the impacts associated with the original fiber sourcing or processing, but only the impacts of the paper recycling process.   We identified a representative set of pulp and paper mills across our region for which mill-level data is available. Our data is then averaged across all the mills producing the same paper grade in the region. We also used environmental data from government to calculate some of the environmental impacts. We then compared these averages to our data to calculate avoided emissions.   The estimation of avoided emissions is based on the differences that arise from our higher content of recycled material: A 30% decrease in wood use, a 10% decrease in total energy, and minor decreases in other impacts (water usage, solid waste produced, and other pollutants). | 65 |

**Example 2: Company B is an automotive manufacturer. Its electric vehicles are considered low-carbon as they have comparatively lower use stage emissions when compared with their internal combustion engine vehicles.**

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** | **12** | **13** |
| **Level of aggregation** | **Taxonomy used to classify product(s) or service(s) as low-carbon** | **Type of product(s) or service(s)** | **Description of product(s) or service(s)** | **Have you estimated the avoided emissions of this low-carbon product(s) or service(s)** | **Methodology used to calculate avoided emissions** | **Life cycle stage(s) covered for the low-carbon product(s) or services(s)** | **Functional unit used** | **Reference product/service or baseline scenario used** | **Life cycle stage(s) covered for the reference product/service or baseline scenario** | **Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario** | **Explain your calculation of avoided emissions, including any assumptions** | **Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year** |
| Group of products or services | The IEA Energy Technology Perspectives Clean Energy Technology Guide | Road: Lithium-ion batteries | Our company has a range of electric passenger vehicles that use lithium ion batteries. | Yes | Guidelines for Assessing the Contribution of Products to Avoided Greenhouse Gas Emissions (ILCA) | Use stage | Operating a passenger car for 10,000 passenger-kilometers. | Our range of passenger vehicles that use internal combustion engines. | Use stage | 22700 | Our calculation of avoided emissions was based on the difference in emissions during operation. This simplified our calculations as we could set aside the emissions from energy production. This was a key limitation to our assessment, and we are working to improve our methodology to cover the full life cycle of our products.   We calculated the emissions of our electric vehicles during use and the emissions of our internal combustion engine vehicles during use (over 10,000km as per our functional unit). We then calculated the difference as the emissions avoided by our electric vehicles. We thus took an attributional approach to the estimation.   We obtained our emissions factors from the IPCC's 5th Assessment report, most importantly:  Carbon Dioxide (CO2): 1,  Nitrous Oxide (N2O): 264  Nitrogen Oxide (NOx) 122   The estimation was based on the assumption that both types of vehicles were operated in a similar way with a similar average speed. | Operating a passenger car for 10,000 passenger-kilometers. |

### Explanation of terms

* **Baseline scenario:** A reference case that represents the events or conditions most likely to occur in the absence of the low-carbon product in the consequential approach to estimating avoided emissions.
* **Reference product:** The product against which the low-carbon product is compared in the attributional approach to estimating avoided emissions.
* **Gate-to-gate:** The emissions and removals attributed to a studied product while it is under the ownership or control of the reporting company.
* **Cradle-to-gate:** A partial life cycle assessment from material acquisition (cradle) through to when the product leaves the reporting company's gate (i.e. immediately following the product's production). Includes the material acquisition & pre-processing stage and the production stage.
* **Cradle-to-grave:** A full life cycle assessment of emissions and removals attributed to a studied product from material acquisition through to the material or product end-of-life (grave). Includes the material acquisition & pre-processing stage, production stage, use stage and end-of-life stage.
* **Cradle-to-cradle/closed loop production:** A full life cycle assessment from material acquisition though to end-of-life material or product recycling (i.e. cradle-to-grave + recycling).
* Life cycle stages (in line with the GHG Protocol Product Life Cycle Accounting and Reporting Standard):
  + - Material acquisition & pre-processing stage: A life cycle stage that begins when resources are extracted from nature and ends when the product components enter the gate of the studied product's production facility.
    - Production stage: A life cycle stage that begins when the product components enter the production site for the studied product and ends when the finished studied product leaves the production gate.
    - Use stage: A life cycle stage that begins when the consumer takes possession of the product and ends when the used product is discarded.
    - End-of-life stage: A life cycle stage that begins when the used product is discarded by the consumer and ends when the product is returned to nature (e.g. incinerated) or allocated to another product's life cycle.

### Additional information

**How do you define a low-carbon product?**

* Despite the increasing focus from investors on low-carbon products, there remains a level of ambiguity over the definition of what constitutes a 'low-carbon product'. Instead, there has been a greater focus on the benefits of their creation and use, one of which is aiding in the transition towards a net-zero carbon economy operating within the limits set out by leading climate scientists to ensure that global average temperature increase above pre-industrial level stays below 1.5°C.
* Taxonomies, such as the [Climate Bonds Taxonomy](https://www.climatebonds.net/standard/taxonomy), are similarly based on this scientific criterion. At this stage, CDP encourages companies to use this criterion when evaluating whether a product is low carbon or not (i.e., companies should evaluate a product or service as low carbon if it is compatible with the level of decarbonization required to keep global temperature increase to 1.5°C compared to pre-industrial temperatures).
* Therefore, while we encourage the development of common definitions across global markets about what constitutes a 'low-carbon product', companies should evaluate their low-carbon products in relation to their contribution to a net-zero carbon economy. Different goods and services will have pertinent characteristics in which they can do this. This can include improving the energy efficiency of certain technologies so that they are consistent with avoiding dangerous climate change or contributing to the decarbonization of high-emitting industries.

## *[4.4] Provide details of the organization's capital investment in low-carbon or other green technologies. Note, capital investments do not include operating and maintenance costs, but one-off acquisitions. (New Question for CASG Questionnaire)*

## Rationale

## This question provides data users with an indication of the extent to which businesses are managing their climate-related risks by allocating their funds and/or resources to acquire climate mitigation and adaptation technologies.

## Response options

## Please complete the following table:

|  |  |  |
| --- | --- | --- |
| *Timeframe (counting from this reporting year, i.e., Year 1 refers to the next 12 months after the end of this reporting year)* | *Planned capital expenditure in low-carbon or other green technologies (in the currency selected in 1.2)* | *% of total planned capital expenditure* |
| Year 0 (i.e. reporting year) | Numerical field [enter a range of 0- 999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] |
| Year 1 | Numerical field [enter a range of 0- 999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] |
| Year 2 | Numerical field [enter a range of 0- 999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] |
| Year 3 | Numerical field [enter a range of 0- 999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] |
| Year 4 | Numerical field [enter a range of 0- 999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] |
| Year 5 | Numerical field [enter a range of 0- 999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] |
| [Add new field for additional years] | Numerical field [enter a range of 0- 999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] |

## Requested content

## *General*

* You should disclose whether your organization plans to invest in low-carbon technologies such as CCUS (carbon capture, utilization and storage), energy transition technology or other technologies enabling the reduction of carbon emissions across its value chain or improvement of climate resilience.
* You should assess your organization’s capital expenditure (capex) towards a transition to low-carbon product life cycle.

## Explanation of terms

* **Capital investments:** one-off acquisitions of available technology; ongoing operating and maintenance costs are not included

## [4.5] Provide the R&D investments that is being or planned to be made in low-carbon or other green technologies, now and in the future. *(New Question for CASG Questionnaire)*

## Rationale

## This question provides data users with an indication of the extent to which businesses are managing their climate-related risks by allocating their funds and/or resources to acquire climate mitigation and adaptation technologies.

## Response options

## Please complete the following table:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| *Timeframe (counting from this reporting year, i.e., Year 1 refers to the next 12 months after the end of this reporting year)* | *Planned R&D investments for low-carbon or other green technologies (in the currency selected in 1.2)* | *Amount invested as % of annual revenue* | *Amount invested/ planned as % of total R&D budget* | *% of total planned expenditure* |
| Year 0 (i.e. reporting year) | Numerical field [enter a range of 0- 999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] |
| Year 1 | Numerical field [enter a range of 0- 999,999,999,999 using a maximum of 3 decimal places and no commas] | N/A | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] |
| Year 2 | Numerical field [enter a range of 0- 999,999,999,999 using a maximum of 3 decimal places and no commas] | N/A | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] |
| Year 3 | Numerical field [enter a range of 0- 999,999,999,999 using a maximum of 3 decimal places and no commas] | N/A | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] |
| Year 4 | Numerical field [enter a range of 0- 999,999,999,999 using a maximum of 3 decimal places and no commas] | N/A | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] |
| Year 5 | Numerical field [enter a range of 0- 999,999,999,999 using a maximum of 3 decimal places and no commas] | N/A | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] |
| [Add new field for additional years] | Numerical field [enter a range of 0- 999,999,999,999 using a maximum of 3 decimal places and no commas] | N/A | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] |

## Explanation of terms

* **R&D (Research and Development)**: the activities companies undertake to innovate and introduce new products and services. It is often the first stage in the development process. Investment in R&D is a type of expense associated with the research and development of a company's goods or services
* **Low-carbon or green technologies:** technologies that enable the reduction of carbon emissions across value chain or improvement of climate resilience

## [4.6] Provide details of your organization's plans to cater for any emerging demand of competitive energy efficient products. *(New Question for CASG Questionnaire)*

## Rationale

## This question provides data users with information on how your organization adapts business strategy to the emerging trend of climate conscious consumption.

## Response options

## Please complete the following table:

|  |  |  |  |
| --- | --- | --- | --- |
| *Description of your organization’s plan(s)* | *Target of KPIs (if any)* | *Initiative(s) that your organization is planning to take* | *% of total planned expenditure* |
| Text field [maximum 2,500 characters] | Text field [maximum 2,500 characters] | Select all that apply  * + Renewable fuel production & consumption   + Waste management   + Resource consumption or efficiency   + Low-carbon vehicles   + Low-carbon buildings   + Land use change4   + Methane reduction target   + Fossil fuel reduction target   + Engagement with suppliers   + Engagement with customers   + R&D investments   + Green finance   + Other, please specify | Numerical field [enter a range of 0- 100 using a maximum of 2 decimal places and no commas] |

## Requested content

## *General*

* You should disclose whether your organization plans to invest in low-carbon technologies such as CCUS (carbon capture, utilization and storage), energy transition technology or other technologies enabling the reduction of carbon emissions across its value chain or improvement of climate resilience.
* You should assess your organization’s capital expenditure (capex) towards a transition to low-carbon product life cycle.

## Explanation of terms

* **Capital investments:** one-off acquisitions of available technology; ongoing operating and maintenance costs are not included

5. Reported Emissions

## [5.1] Do you evaluate your organization’s greenhouse gas (GHG) emissions? Note that you can measure your emissions or estimate them using the assistance of a carbon accounting tool. *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

Your response to this question determines the questions presented in the rest of Section 5 Reported Emissions.

### Rationale

Evaluating emissions is a critical first step that every organization must take to understand its negative impact on the climate and take the right steps to reduce it. Doing so is becoming increasingly important for obtaining financing, ensuring competitiveness and resiliency, and meeting regulatory and supplier requirements. This question helps data users understand whether organizations collect this data and the reasons behind those who have not yet initiated the process.

### Response options

Please complete the following table:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  | ***Only appears if any “Yes…” option is selected in column 1 for row “Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)”***  ***“We are reporting a Scope 2 figure but do not know which approach was used” only appears if “Yes, we use a generic tool to estimate them, please specify” is selected in column 1 for row “Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)”*** | *Appears if “We are reporting a location- based figure” option is selected in column 2* | ***Appears if any “Yes…” option is selected in column 1*** | ***Appears if “Yes” is selected in column 4*** |
| **0** | **1** | **2** | **3** | **4** | **5** |
| **Scope of emissions** | **Emissions evaluated** | **Scope 2 approach** | **Primary reason for not reporting a market- based figure** | **Indicate whether you had any major barriers or challenges evaluating your emissions in the**  **reporting year** | **Please explain the major barriers or challenges in evaluating your**  **emissions** |
| Scope 1 (direct emissions from owned or controlled activities) | Select from:   * + Yes, we use tailored in-house or paid-for resources to calculate them   + Yes, we use a generic tool to estimate them, please specify   + No, but we plan to within the next two years   + No, and do not plan to in the next two years | N/A | N/A | Select from:   * + Yes   + No | Text field [maximum 2,500 characters] |
| Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling) |  | Select from:   * + We are reporting a Scope 2 location-based figure   + We are reporting a Scope 2 market-based figure   + We are reporting both a Scope 2 location-based and market- based figure   + We are reporting a Scope 2 figure but do not know which approach was used | Select from:   * + We have no operations where we are able to access electricity supplier emission factors or residual emission factors, and are unable to report a Scope 2, market-based figure   + We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure |  |  |
| Scope 3 (indirect emissions in upstream/downstream value chain) |  | N/A | N/A |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| ***Appears if “Yes” is selected in column 4*** | ***Appears if any “No..” option is selected in column 1*** | ***Appears if any “Yes..” option is selected in column 1*** | ***Appears if “Yes” is selected in column 8*** |
| **6** | **7** | **8** | **9** |
| **Main measures which have helped, or would help, to manage or resolve the challenges** | **Primary reason for not evaluating emissions** | **Indicate if you are providing emissions data for past reporting years** | **Number of past reporting years you will be providing emissions data for** |
| Select all that apply:   * + Use of free tools and resources   + Investment in paid-for tools and resources   + External partnership   + Stakeholder or peer support   + Involvement in external partnerships and collaboration   + Other, please specify | Select from:   * + Lack of internal resources, capabilities, or expertise (e.g., due to organization size)   + No standardized procedure   + Not an immediate strategic priority   + Judged to be unimportant or not relevant   + Other, please specify | Select from:   * + Yes   + No | Select from:   * + 1 year   + 2 years   + 3 years   + 4 years   + 5 years |

### Requested content

#### Emissions evaluated (column 1)

* Select any “Yes” or “No” option that best describes if and how you evaluate the emissions that are associated with your organization’s activities.
* “Yes, we use tailored in-house or paid-for resources to calculate them” could involve using online platforms or consultant organizations that provide emission calculation services tailored to your organization. Select “Yes, we use a generic online tool to estimate them, please specify” if you evaluate your emissions using a generic calculation tool and specify the name of the tool you used. If using a generic tool, you should ensure it is tailored for business emissions evaluation and it produces results categorized per scope of emissions. Note that generic tools, such as free online carbon calculators, typically provide simpler, generalized estimates rather than customized results for organizations’ emissions.

#### Scope 2 approach (column 2)

* Refer to the Additional Information section for further guidance on Scope 2 location-based and market-based approaches.
* If reporting a market-based figure, for the purpose of this reporting, to claim the use of renewable electricity for market-based figures, companies must source renewable electricity from within the boundary of the market in which they are consuming the electricity (i.e. comply with the market boundary criteria). Refer to [CDP’s Technical Note on Accounting of Scope 2 emissions](https://cdn.cdp.net/cdp-production/cms/guidance_docs/pdfs/000/000/415/original/CDP-Accounting-of-Scope-2-Emissions.pdf?1490781235) for further information.
* If you have estimated your emissions using a free online tool, select the Scope 2 approach that the tool uses. This information should be outlined in the methodology employed by the tool for Scope 2 or can be obtained by directly inquiring with the organization. If after researching, you are still unable to determine the approach used, select “We are reporting a Scope 2 figure but do not know which approach was used“.

#### Primary reason for not reporting a market-based figure (column 3)

* This column only appears if “We are reporting a location-based figure” option was selected in column 1.
* If you have operations where there are contracts such as RECs and Guarantees of Origin, supplier specific emissions factors, or a residual emissions factor such as in the US and Europe – regardless of whether or not you purchase them select “We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure”.
* If you are uncertain about the availability of access to electricity supplier emission factors or residual emission factors for the locations you operate, consult your electricity supplier.

#### Indicate whether you had any major barriers or challenges evaluating your emissions in the reporting year (column 4)

* Select “Yes” if your organization in the reporting year experienced major barriers or challenges to evaluating your emissions per your selection in column 1 “Emissions evaluated”.

#### Please explain the major barriers or challenges in evaluating your emissions (column 5)

* This column only appears if “Yes” is selected in column 4 “Indicate whether you had any major barriers or challenges evaluating your emissions in the reporting year”.
* Provide details on the specific challenges your organization faced. For example, did you find it difficult or time consuming to gather your consumption data from your utility providers or other suppliers, did you face challenges locating accurate emissions factors, or face other challenges in calculating your emissions?

#### Main measures which have helped, or would help, to manage or resolve the challenges (column 6)

* This column only appears if “Yes” is selected in column 4 “Indicate whether you had any major barriers or challenges evaluating your emissions in the reporting year”.
* Select the option that best describes your measure for addressing barriers or challenges, or the measures which would be most valuable to your organization for building capabilities to address challenges faced relating to evaluating emissions.
* If none of the options are suitable, select “Other, please specify” and provide a label for your measure.

#### Indicate if you are providing emissions data for past reporting years (column 8)

* This column only appears if either “Yes” option was selected in column 1.
* If you are a first-time responder and have therefore not provided emissions data before, provide gross global emissions data for the five years preceding the current reporting year in the emissions accounting questions (5.4) and (5.5}) for scopes 1 and 2, and in (5.8) for scope 3.
* For all other responders, restating emissions data is optional but enhances transparency.
* If providing past emissions data, select "Yes" and specify the number of past years of emissions data for each scope in column 9 “Number of past reporting years you will be providing emissions data for”.
* For more information on restatements, refer to [CDP’s technical note on restatements](https://cdn.cdp.net/cdp-production/cms/guidance_docs/pdfs/000/000/779/original/CDP-Restatements-technical-note.pdf?148605013).

#### Number of past reporting years you will be providing emissions data for (column 9)

* This column only appears if “Yes” was selected in column 8 “Indicate if you are providing emissions data for past reporting years”.

### Additional information

* What are greenhouse gasses (GHGs)?
  + - Greenhouse gases, such as carbon dioxide and methane, are gases which trap and hold heat in the atmosphere and contribute to climate change. Much of human activity emits greenhouse gases, such as burning fossil fuels for energy and transport, farming land for food production, and deforestation. Organizations should account for the emission of these gases resulting from their activities.
* What is the Greenhouse Gas (GHG) Protocol?
  + - The [GHG Protocol](https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf) sets standards to measure and manage emissions, including the world's most widely used greenhouse gas accounting standards for organizations. The website provides calculation tools as well as PDFs of the Corporate Standard and Scope 2 Guidance.
* What are Scope 1, Scope 2 and Scope 3 emissions?
  + - Scope 1, Scope 2, and Scope 3 emissions refer to different categories of greenhouse gas (GHG) emissions associated with an organization’s activities. Throughout this module we reference the following GHG Protocol definitions of scope 1, scope 2, and scope 3 emissions:
      * **Scope 1 emissions** refer to direct GHG emissions that occur from sources that are controlled or owned by an organization. For example, this can be from combustion in owned or controlled boilers, furnaces, vehicles, etc. and emissions from chemical production in owned or controlled process equipment.
      * **Scope 2 emissions** refer to indirect GHG emissions associated with any purchases of electricity, steam, heat, or cooling. For example, this can be from equipment that consumes electricity (electrical engines, lights, buildings, etc), heat (heat in industrial processes, buildings, etc.), steam (industrial processes) and cooling (industrial processes, buildings).
      * **Scope 3 emissions** are indirect GHG emissions as a result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly impacts in its value chain. For example, this can be from the production of purchased products, transportation of purchased products, or use of sold products.
    - For a visual representation, of the GHG Protocol scopes and emissions across the value chain, reference Figure 1.1 on p5 ([GHG Protocol, 2011](https://ghgprotocol.org/sites/default/files/standards/Corporate-Value-Chain-Accounting-Reporing-Standard_041613_2.pdf)).
* What are Scope 2 location-based and market-based figures, and how do I know which is relevant to my organization?
  + - When calculating scope 2 emissions best practice is for organizations to follow the [GHG Protocol Scope 2 Guidance](http://www.ghgprotocol.org/scope_2_guidance) which states that organizations shall account for their Scope 2 emissions using two methodologies: a location-based method and a market-based method. Note that [GHG Protocol has identified and responded to the top 10 questions about the scope 2 guidance](https://ghgprotocol.org/top-ten-questions-about-scope-2-guidance), to help organizations get started and identify where to find more information in the Guidance document.
    - As summarized by the [World Resource Institute](https://www.wri.org/insights/scope-2-changing-way-companies-think-about-electricity-emissions), reporting both figures tells an important story about the company’s carbon footprint and carbon reduction strategy. Both methods are useful for different purposes; together, they provide a more complete understanding and assessment of risks, opportunities, and changes to emissions from electricity supply over time.
      * The **location-based method** reveals what the company is physically putting into the air. It considers the average emission factors for the electricity grids that provide electricity to the reporting organization (using mostly grid-average emission factor data).
      * The **market-based method** shows emissions that the company is responsible for through its purchasing decisions. It reflects emissions from the electricity that the reporting organizations have chosen or purchased in the market. It considers contractual arrangements under which the reporting organization procures power from specific suppliers or sources, such as renewable energy. It is suitable for organizations who have any operations in markets providing product- or supplier-specific data in the form of contractual instruments.
    - If your organization can access emissions factors from your energy supplier for any of your operations, you are required to calculate and report a market-based figure. If this is not applicable to your organization, you only need to provide one location-based figure.
    - For more information on how to report Scope 2 emissions and CDP’s current recommendations on what emission factor to use for electricity accounting, where you can find emission factors and the different types there are, please check the Technical Note “[Accounting of Scope 2 emissions](https://cdn.cdp.net/cdp-production/cms/guidance_docs/pdfs/000/000/415/original/CDP-Accounting-of-Scope-2-Emissions.pdf?1479752807)”.
* Are there resources available to help my organization start evaluating my emissions?
  + - In facilitating the process of evaluating their emissions, small and medium enterprises (SMEs) may leverage commercially available estimation tools. Explore the [GHG Emissions Calculator Tool,](https://www.sustainablefinance.org.hk/en/data-technology/calculator-for-scope-1-and-scope-2-greenhouse-gas-emissions-of-a-corporation) a free online tool offered by the CASG that can assist your organization in evaluating greenhouse gas emissions.

## [5.2] Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions. *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if either “Yes” option has been selected in column 1 and any row of 5.1.

### Rationale

Data users need to understand what methods have been used to calculate emissions.

### Response options

Select all that apply from the following options:

|  |  |
| --- | --- |
| Options | |
| * + ABI Energia Linee Guida   + Act on the Rational Use of Energy   + American Petroleum Institute Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Natural Gas Industry, 2009   + Australia - National Greenhouse and Energy Reporting Act   + Bilan Carbone   + Brazil GHG Protocol Programme   + Canadian Association of Petroleum Producers, Calculating Greenhouse Gas Emissions, 2003   + China Corporate Energy Conservation and GHG Management Programme   + Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019   + ENCORD: Construction CO2e Measurement Protocol   + Energy Information Administration 1605(b)   + Environment Canada, Sulphur hexafluoride (SF6) Emission Estimation and Reporting Protocol for Electric Utilities   + Environment Canada, Aluminum Production, Guidance Manual for Estimating Greenhouse Gas Emissions   + Environment Canada, Base Metals Smelting/Refining, Guidance Manual for Estimating Greenhouse Gas Emissions   + Environment Canada, Cement Production, Guidance Manual for Estimating Greenhouse Gas Emissions   + Environment Canada, Primary Iron and Steel Production, Guidance Manual for Estimating Greenhouse Gas Emissions   + Environment Canada, Lime Production, Guidance Manual for Estimating Greenhouse Gas Emissions   + Environment Canada, Primary Magnesium Production and Casting, Guidance Manual for Estimating Greenhouse Gas Emissions   + Environment Canada, Metal Mining, Guidance Manual for Estimating Greenhouse Gas Emissions   + EPRA (European Public Real Estate Association) guidelines, 2011   + EPRA (European Public Real Estate Association) Sustainability Best Practice recommendations Guidelines, 2017   + European Union Emission Trading System (EU ETS): The Monitoring and Reporting Regulation (MMR) – General guidance for installations   + European Union Emissions Trading System (EU ETS): The Monitoring and Reporting Regulation (MMR) – General guidance for aircraft operators   + French methodology for greenhouse gas emissions assessments by companies V4 (ADEME 2016)   + Global GHG Accounting and Reporting Standard for the Financial Industry (PCAF)   + Hong Kong Environmental Protection Department, Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings, 2010   + ICLEI Local Government GHG Protocol   + IEA CO2 Emissions from Fuel Combustion   + India GHG Inventory Programme   + International Wine Industry Greenhouse Gas Protocol and Accounting Tool   + IPCC Guidelines for National Greenhouse Gas Inventories, 2006   + IPIECA's Petroleum Industry Guidelines for reporting GHG emissions, 2003   + IPIECA’s Petroleum Industry Guidelines for reporting GHG emissions, 2nd edition, 2011   + ISO 14064-1 | * + Japan Ministry of the Environment, Law Concerning the Promotion of the Measures to Cope with Global Warming, Superseded by Revision of the Act on Promotion of Global Warming Countermeasures (2005 Amendment)   + Korea GHG and Energy Target Management System Operating Guidelines   + National Development and Reform Commission (NDRC) Guidance for Accounting and Reporting of GHG Emissions for Corporates (Trial)   + New Zealand - Guidance for Voluntary, Corporate Greenhouse Gas Reporting   + Philippine Greenhouse Gas Accounting and Reporting Programme (PhilGARP)   + Programa GEI Mexico   + Recommendations for reporting significant indirect emissions under Article 173-IV (ADEME 2018)   + Regional Greenhouse Gas Initiative (RGGI) Model Rule   + Smart Freight Centre: GLEC Framework for Logistics Emissions Methodologies   + Taiwan - GHG Reduction Act   + Thailand Greenhouse Gas Management Organization: The National Guideline Carbon Footprint for organization   + The Climate Registry: Electric Power Sector (EPS) Protocol   + The Climate Registry: General Reporting Protocol   + The Climate Registry: Local Government Operations (LGO) Protocol   + The Climate Registry: Oil & Gas Protocol   + The Cool Farm Tool   + The GHG Indicator: UNEP Guidelines for Calculating Greenhouse Gas Emissions for Businesses and Non-Commercial Organizations   + The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)   + The Greenhouse Gas Protocol Agricultural Guidance: Interpreting the Corporate Accounting and Reporting Standard for the Agricultural Sector   + The Greenhouse Gas Protocol: Public Sector Standard   + The Greenhouse Gas Protocol: Scope 2 Guidance   + The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard   + The Tokyo Cap-and Trade Program   + Toitū carbonreduce programme   + Toitū carbonzero programme   + US EPA Center for Corporate Climate Leadership: Direct Fugitive Emissions from Refrigeration, Air Conditioning, Fire Suppression, and Industrial Gases   + US EPA Center for Corporate Climate Leadership: Indirect Emissions From Events and Conferences   + US EPA Center for Corporate Climate Leadership: Indirect Emissions From Purchased Electricity   + US EPA Center for Corporate Climate Leadership: Direct Emissions from Stationary Combustion Sources   + US EPA Center for Corporate Climate Leadership: Direct Emissions from Mobile Combustion Sources   + US EPA Mandatory Greenhouse Gas Reporting Rule   + US EPA Emissions & Generation Resource Integrated Database (eGRID)   + VfU (Verein fur Umweltmanagement) Indicators Standard   + WBCSD: The Cement CO2 and Energy Protocol   + World Steel Association CO2 emissions data collection guidelines   + Other, please specify |

### Requested content

#### General

* There are a variety of standards, methodologies, and protocols available for collecting and reporting GHG data, but the large majority of organizations refer to the GHG Protocol.
* The appropriateness of an emissions calculation methodology should be determined on a case-by-case basis, and it is good practice for the methods used to estimate emissions and the underlying data to be externally verified.
* We make no judgments on standards or methodologies applied by organizations to produce their inventories. However, we expect that any tool used will follow the best practice and observe important aspects such as the accuracy and completeness principles of standards similar to the GHG Protocol. We encourage organizations to use the GHG Protocol Corporate Standard when national standards are not specified.
* If the methodology you have used is not listed, select “Other, please specify;” and indicate the methodology used.
* If you have estimated your emissions using a generic tool, select which standard, protocol, or methodology the tool adheres to. This is generally publicly available information and can commonly be found on the tool’s website, platform, or through inquiry with the organization directly. For example, the SME Climate Hub “Business Carbon Calculator”, is a free tool which helps SMEs measure scope 1, scope 2, and scope 3 emissions and is based on the GHG protocol standards. If your organization used this tool to measure scope 1, 2, and 3, select "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)", The Greenhouse Gas Protocol: Scope 2 Guidance” and the “The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard”.

## [5.3] Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions which are attributed to the entities you are including within your selected reporting boundary which are not included in your disclosure? If yes, please specify the sources and reasons for being excluded. *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if either “Yes” option has been selected in column 1 and any row of 5.1.

### Rationale

In some cases it can be difficult to gather data for all sources. Circumstances where this might be the case include sources in countries/areas or small facilities where data acquisition is difficult or unreliable. Structural changes to the organization including mergers, acquisitions and divestments can also be reasons where emissions data are not included in your disclosure. This question enables companies to report where these sources are not included in the disclosure and thus provides data users transparency into reported emissions inventories.

### Ambition

* The organization reports on all exclusions from the reporting boundary and does not have any significant exclusions from their disclosure.

### Response options

Select one of the following options:

|  |  |
| --- | --- |
|  | ***Appears if select “Yes” in column 0*** |
| **0** | **1** |
| **Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions which are attributed to the entities you are including within your selected reporting boundary which are not included in your disclosure?** | **If yes, please specify the sources and reasons for being excluded.** |
| Select from:   * + Yes   + No | * + Text field [maximum 2,500 characters] |

### Requested content

#### General

* Identify sources that would normally be within the consolidation approach used by your organization to determine the climate-related impacts that are reported on throughout your response, as identified in your disclosure in 1.9 (i.e. financial control, operational control, equity share or other) but for which greenhouse gases are not reported in this disclosure. Excluded sources may be in a particular country/area or represent a number of very small facilities making it difficult to gather data.
* Common reasons for exclusions, both relevant or not relevant, can include the following:
  + - Incomplete information for the period in question;
    - Structural changes to the organization including mergers, acquisitions and divestments;
    - Outsourcing and/or insourcing of activities; and
    - Unreliable information
* The [GHG Protocol’s Corporate Accounting and Reporting Standard](https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf) notes on the reporting of exclusions (page 9) that “Specific exclusions…need to be clearly identified and justified, assumptions disclosed, and appropriate references provided for the methodologies applied and the data sources used. The information should be sufficient to enable a third party to derive the same results if provided with the same source data.”
* Only select “No” if your answers to 5.4, 5.5, and 5.8 represent the total gross global emissions of all the companies, businesses, other entities or groups that fall within the consolidation approach used by your organization to determine the climate-related impacts that are reported on throughout your response (provided in 1.9).

### Additional information

Relevance in GHG reporting

* The GHG Protocol’s Corporate Value Chain (Scope 3) Accounting and Reporting Standard (page 24) provides the following definition of relevance for GHG reporting: “A relevant GHG report contains the information that users – both internal and external to the company – need for their decision making. Companies should use the principle of relevance when determining whether to exclude any activities from the inventory boundary. Companies should also use the principle of relevance as a guide when selecting data sources. Companies should collect data of sufficient quality to ensure that the inventory is relevant (i.e., that it appropriately reflects the GHG emissions of the company and serves the decision-making needs of users) (...) and should not exclude any activities from the inventory that would compromise the relevance of the reported inventory.”
* A practical rule of thumb often applied to evaluate the relevance of an emissions’ source or activity is to consider the sources that contribute to 95% of the emissions inventory once sources are listed by the size of emissions. This rule is of practical value in particular when a low number of sources contribute to a large proportion of the total emissions while a large number of sources contribute to a small percentage of emissions.
* In order to utilize the 95% threshold, the emissions from all sources or activities need to be quantified or estimated to ensure they meet this threshold. Relevance should apply not only to the size of emissions, but also other criteria, such as the potential to drive emissions reductions, the cost-benefit of gathering the data, stakeholder expectations, and potential uses of the data.
* Relevance of emissions should not be limited to sustainability topics that have a significant financial impact on your organization, or “materiality”.
* Examples of circumstances where the reasons for excluding known emissions sources from the GHG statement may not be reasonable include:
* The entity has relevant Scope 1 emissions but only includes Scope 2 emissions in its disclosure.
  + - The boundary has been defined, but particular geographies within the boundary are not being reported although they represent relevant emissions; and
    - The emissions reported exclude business divisions/areas of business with relevant emissions which are only a small proportion of the total emissions included in the GHG statement (i.e., once emissions are quantified at a sufficient level of quality they should be included in the inventory, even if they represent only a small share of the total).

## **[5.4] What were your organization’s gross global Scope 1 emissions in metric tons CO2e?** *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if either “Yes” option was selected in column 1 and in the row “Scope 1 (direct emissions from owned or controlled activities)” of 5.1.

### Rationale

Reporting emissions is a prerequisite to understanding and reducing negative environmental impacts. This question aims to ensure companies are measuring their carbon footprints from direct emissions.

### Ambition

* Organizations disclose that their Scope 1 emissions in the reporting year have reduced in line with a 1.5 °C-aligned pathway.

### Response options

Please complete the following table:

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  | ***Appears if “Yes, we use tailored in-house or paid-for resources to calculate them” is selected in column 1 and in the row “Scope 1 (direct emissions from owned or controlled activities)” of 5.1*** |
| **0** | **1** | **2** | **3** |
| **Year** | **Gross global Scope 1 emissions (metric tons CO2e)** | **End date** | **Methodological details** |
| Reporting year | Numerical field [enter a range of 0- 999,999,999,999 using a maximum of 3 decimal places and no commas] | [This cell is not seen in the portal] | Text field [maximum 2,500 characters] |
| Past year 1 [Only appears if “1 year”, “2 years”, “3 years”, “4 years” or “5 years” is selected in column 9 of 5.1 in row “Scope 1 (direct emissions from owned or controlled activities)”] | Numerical field [enter a range of 0- 999,999,999,999 using a maximum of 3 decimal places and no commas] | To: [DD/MM/YYYY] |  |
| Past year 2 [Only appears if “2 years”, “3 years”, “4 years” or “5 years” is selected in column 9 of 5.1 in row “ Scope 1 (direct emissions from owned or controlled activities)”] | Numerical field [enter a range of 0- 999,999,999,999 using a maximum of 3 decimal places and no commas] | To: [DD/MM/YYYY] |  |
| Past year 3 [Only appears if “3 years”, “4 years” or “5 years” is selected column 9 of 5.1 in row “Scope 1 (direct emissions from owned or controlled activities)”] | Numerical field [enter a range of 0- 999,999,999,999 using a maximum of 3 decimal places and no commas] | To: [DD/MM/YYYY] |  |
| Past year 4 [Only appears if “4 years” or “5 years” is selected in column 9 of 5.1 in row “Scope 1 (direct emissions from owned or controlled activities)”] | Numerical field [enter a range of 0- 999,999,999,999 using a maximum of 3 decimal places and no commas] | To: [DD/MM/YYYY] |  |
| Past year 5 [Only appears if “5 years” is selected in column 9 of 5.1 in row “Scope 1 (direct emissions from owned or controlled activities)”] | Numerical field [enter a range of 0- 999,999,999,999 using a maximum of 3 decimal places and no commas] | To: [DD/MM/YYYY] |  |

### Requested content

#### General

* Emissions must be reported in gross, not net figures. Therefore, negative numbers are not allowed.
* Putting in zero suggests that you have measured your emissions and that they are equal to zero.
* Gross emissions are requested so that data users can account for GHG emissions from sources owned or controlled by your organization before any reductions for offsets are made, as per the GHG Protocol Corporate Standard. This transparency is meant to provide users with the most accurate portrayal of the emissions created within your company's boundary.
* Scope 1 emissions should be reported in metric tons of CO2e. Common values for converting your unit of measurement, also known as conversion factors, are included in the Technical Note [Units of Measure Conversions"](https://cdn.cdp.net/cdp-production/cms/guidance_docs/pdfs/000/000/467/original/CDP-Units-of-measure-conversions.pdf?1479753788).
* Special requirements for carbon sequestration, captured & stored and transferred CO2, transfer in – transfer out, and enhanced oil recovery are explained in the Technical Note ["Special conditions for reporting Scope 1 emissions"](https://cdn.cdp.net/cdp-production/cms/guidance_docs/pdfs/000/000/468/original/CDP-Special-conditions-for-Scope-1-emissions.pdf?1479753909).
* Emissions estimates are acceptable, as long as there is transparency with regards to the estimation approach (what is estimated and how) and the data used for the analysis is adequate to support the objectives of the inventory. If applicable to your organization's reporting of Scope 1 emissions, outline this in the methodological details column.

#### End date (column 2)

* The start date of each past year will be automatically assumed to be exactly 365 days before the listed date. For example, if you enter an end date of 31/12/2023, your start date will be automatically assumed to be 01/01/2023.

#### Methodological details (column 4)

* Include the measurement approach, emissions factors, inputs, and assumptions used to measure your Scope 1 emissions, and a rationale for your choices.

#### Note for first-time responders

* If you are a first-time responder, provide gross global Scope 1 emissions data for the current reporting year and up to five years prior to the current reporting year.
* The number of past year rows that will appear is dependent on your selection in column 9 “Number of past reporting years you will be providing emissions data for” of 5.1 for row “Scope 1 (direct emissions from owned or controlled activities)”.
* Input the gross global Scope 1 emissions data for the current reporting year in the first row and work backwards from the current reporting year.
* Ensure that the reporting period represents only one full year that has already passed. Reporting periods should not be in the future. This information is important for others to understand the time dimension of your disclosure.

#### Note for restatements

* If you have chosen to restate your organization's gross global Scope 1 emissions data previously supplied to us (as indicated in column 9 “Number of past reporting years you will be providing emissions data for” of 5.1 for row “Scope 1 (direct emissions from owned or controlled activities)”), you may do so here.
* The number of past year rows that will appear is dependent on your selection column 9 “Number of past reporting years you will be providing emissions data for” of 5.1 for row “Scope 1 (direct emissions from owned or controlled activities)”.
* Reporting recalculated figures for these years is optional.
* All years Scope 1 emissions data needs to be entered in reverse order, with the current reporting year first, i.e. you should first input the current reporting year emissions data and work backwards from the most recent reporting year.
* Ensure that the reporting period represents only one full year that has already passed. Reporting periods should not be in the future. This information is important for others to understand the time dimension of your disclosure.
* Use the comment column to identify that this is restated data and the reason for the restatement.
* For more information on restatements see CDP’s technical note on restatements [here](https://cdn.cdp.net/cdp-production/cms/guidance_docs/pdfs/000/000/779/original/CDP-Restatements-technical-note.pdf?1486050131).

#### Note on biogas:

* For further information see the GHG Protocol’s Interim Update on Accounting for Biomethane Certificates [here](https://ghgprotocol.org/blog/interim-update-accounting-biomethane-certificates).

#### Additional information

* What data is needed to measure scope 1 emissions?
  + - Typical Scope 1 emissions include CO2 (and CH4 and N2O) emissions associated with fuel combustion (for example in boilers, furnaces, vehicles, etc), as well as fugitive emissions from air conditioning and industrial processes.
    - Emissions associated with combustion can be calculated by multiplying your organization’s activity data (e.g., your consumption of a specific fuel), the fuel’s emission factor, and the Global Warming Potential of the GHG.
      * Your organization’s activity data can be determined using fuel purchase receipts, purchase records, or through direct measurement at the combustion device.
      * Common fuel emission factors can be located through published resources such as, [ADEME – Bilant Carbonne, IPCC – Emissions Factor Database](https://base-empreinte.ademe.fr/), or IPCC – Guidelines for National Greenhouse Gas Inventories.
      * The Global Warming Potential (GWP) is derived from the latest list published by the IPCC ([IPCC - Global Warming Potential](https://www.ipcc.ch/report/ar6/wg1/downloads/report/IPCC_AR6_WGI_Chapter07_SM.pdf) – page 16).
* What does metric tons CO2e mean?
  + - Metric tons of CO2e (sometimes also displayed as “tCO2e") stands for metric tons of carbon dioxide equivalent. This unit is essential because it serves as a standardized measurement for quantifying greenhouse gas emissions.

## [5.5] What were your organization’s gross global Scope 2 emissions in metric tons CO2e? *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if either “Yes” option was selected in column 1 in the row “Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)” of 5.1.

### Rationale

Reporting emissions is a pre-requisite to understanding and reducing negative environmental impacts. This question ensures organizations are measuring emissions from purchased or acquired electricity, steam, heat, and cooling.

### Ambition

* Organizations disclose that their Scope 2 emissions in the reporting year have reduced in line with a 1.5 °C-aligned pathway.

### Response options

Please complete the following table:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Appears if ”We are reporting a Scope 2 location-based figure” or “We are reporting both a Scope 2 location- based and market- based figure” is selected in column 2 of 5.1** | ***Appears if ”We are reporting a Scope 2 market based figure” or “We are reporting both a Scope 2 location- based and market- based figure” is selected in column 2 of* 5.1** | ***Appears if ”We are reporting a Scope 2 figure but do not know which approach was used” is selected in column 2 of* 5.1** |  | ***Appears if “Yes, we use tailored in-house or paid-for resources to calculate them” is selected in column 1 and in the row “Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)” of* 5.1** |
| **0** | **1** | **2** | **3** | **4** | **5** |
| **Year** | **Gross global Scope 2, location-based emissions (metric tons CO2e)** | **Gross global Scope 2, market-based emissions (metric tons CO2e)** | **Gross global Scope 2 emissions, approach unknown (metric tons CO2e)** | **End date** | **Methodological details** |
| Reporting year | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | [This cell is not seen in portal] | Text field [maximum 2,500 characters] |
| Past year 1 [Only appears if “1 year”, “2 years”, “3 years”, “4 years” or “5 years” is selected in column 9 of 5.1 in row “Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)”] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | To: [DD/MM/YYYY] |  |
| Past year 2 [Only appears if “2 years”, “3 years”, “4 years” or “5 years” is selected in column 9 of 5.1 in row “Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)”]. | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | To: [DD/MM/YYYY] |  |
| Past year 3 [Only appears if “3 years”, “4 years” or “5 years” is selected in column 9 of 5.1 in row “Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)”]. | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | To: [DD/MM/YYYY] |  |
| Past year 4 [Only appears if “4 years” or “5 years” is selected in column 9 of 5.1 in row “Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)”]. | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | To: [DD/MM/YYYY] |  |
| Past year 5 [Only appears if “5 years” is selected in column 9 of 5.1 in row “Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)”]. | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | To: [DD/MM/YYYY] |  |

### Requested content

#### General

* Negative numbers are not allowed as reporting needs to be gross, not net figures.
* Putting in zero would suggest that you have measured your emissions and that they are equal to zero.
* Emissions estimates are acceptable, as long as there is transparency with regards to the estimation approach (what is estimated and how) and the data used for the analysis is adequate to support the objectives of the inventory.
* For further information, please also see [GHG Protocol Scope 2 Guidance](http://www.ghgprotocol.org/scope_2_guidance).
* For more detailed information beyond what is provided in this guidance and technical annexes, consult your electricity suppliers, carbon advisor, or verifier/assurer.

#### End date (column 4)

* The start date of each past year will be automatically assumed to be exactly 365 days before the listed date. For example, if you enter an end date of 31/12/2023, your start date will be automatically assumed to be 01/01/2023.

#### Methodological details (column 5)

* Include at least the measurement approach, emissions factors, inputs, and assumptions used to measure your Scope 2 emissions, and a rationale for your choices.
* Summarize the details of any contractual instruments.

#### Note for first-time responders

* If you are a first-time responder, provide gross global Scope 2 emissions data for the current reporting year and up to five years prior to the current reporting year.
* The number of past year rows that will appear is dependent on your selection in column 9 “Number of past reporting years you will be providing emissions data for” in 5.1.
* Input the gross global Scope 2 emissions data for the current reporting year in the first row and work backwards from the current reporting year.
* Ensure that the reporting period represents only one full year that has already passed. Reporting periods should not be in the future. This information is important for others to understand the time dimension of your disclosure.
* Use the methodological details column to report relevant information regarding your organization's past Scope 2 emissions data.

#### Note for restatements

* If you have chosen to restate your organization’s gross global Scope 2 emissions data previously supplied to us (as indicated in column 9 “Number of past reporting years you will be providing emissions data for” in row “Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)” of 5.1, you may do so here.
* The number of past year rows that will appear is dependent on your selection in column 9 “Number of past reporting years you will be providing emissions data for” in row “Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)” of 5.1.
* Reporting recalculated figures for these years is optional.
* All years Scope 2 emissions data needs to be entered in reverse order, with the current reporting year first, i.e. you should first input the current reporting year emissions data and work backwards from the most recent reporting year.
* Ensure that the reporting period represents only one full year that has already passed. Reporting periods should not be in the future. This information is important for others to understand the time dimension of your disclosure.
* Use the methodological details column to identify that this is restated data and the reason for the restatement.
* For more information on restatements, see CDP’s technical note on restatements [here](https://cdn.cdp.net/cdp-production/cms/guidance_docs/pdfs/000/000/779/original/CDP-Restatements-technical-note.pdf?1486050131).

### Additional information

* **Scope 2 emissions**: In many industries, indirect GHG emissions mostly occur from the generation of purchased electricity (and purchased heat, steam and cooling) consumed by the company, as per the GHG Protocol Corporate Standard. Non-energy-intensive companies are likely to have significantly higher Scope 2 figures than Scope 1 figures. The GHG Protocol highlights that “accounting for Scope 2 emissions allows companies to assess the risks and opportunities associated with changing electricity and GHG emissions cost.”
* **What data is needed to measure scope 2 emissions?**
  + - Typical sources of Scope 2 emissions relate to any equipment that consumes electricity (electrical engines, lights, buildings, etc), heat (heat in industrial processes, buildings, etc.), steam (industrial processes) and cooling (industrial processes, buildings).
    - Emissions associated with the purchase and consumption of electricity, heat, steam and cooling can be calculated by multiplying your organization’s activity data (e.g., the quantity of fuel consumed, typically expressed in MWh) by the fuel’s emission factor for the production of electricity.
      * Your organization’s activity data can be determined using Purchase receipts or utility bills, contract purchase or firm purchase records.
      * For information about CDP’s current recommendations on what emission factor to use for electricity accounting, where you can find emission factors and the different types there are, please check the Technical Note [“Accounting of Scope 2 emissions.”](https://cdn.cdp.net/cdp-production/cms/guidance_docs/pdfs/000/000/415/original/CDP-Accounting-of-Scope-2-Emissions.pdf?1479752807) Note that CH4 and C2O emissions should be included in the emissions factor.
* What does metric tons CO2e mean?
  + - Metric tons of CO2e (sometimes also displayed as “tCO2e") stands for metric tons of carbon dioxide equivalent. This unit is essential because it serves as a standardized measurement for quantifying greenhouse gas emissions.

## [5.6] Describe your emissions in the context of an appropriate business metric (Emissions intensity). *(Source: CDP Private Markets Questionnaire 2022)*

### Rationale

Companies should disclose their gross global combined Scope 1 and 2 emissions for the reporting year, in metric tons CO2e, per unit of physical activity or economic output (preferably per unit of total revenue).

### Response options

This is an open text question.

## [5.7] What was the % of revenue produced in the countries/areas reported in 1.8? *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if either “No” option was selected in column 1 and in the row “Scope 1 (direct emissions from owned or controlled activities)” or “Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)” of 5.1.

### Rationale

In the case your organization is unable to report on both Scope 1 and Scope 2 emissions, this question allows data users to understand geographic breakout of revenue, a critical input for modelling emissions.

### Response options

Please complete the following table:

|  |  |
| --- | --- |
| **1** | **2** |
| **Country/area** | **% of total revenue produced in country/area** |
| Select from: [Country/area drop-down list] | Numerical field [enter a number from 0-100 using a maximum of 2 decimal places] |

### Requested content

#### Country/area (column 1)

* Organizations should add a row for each country/area they operate in (as reported in 1.8).
* If you are unsure of how to respond, we recommend that you consult your accountant.

#### % of total revenue produced in country/area (column 2)

* Total % of revenue should sum to 100%.

## [5.8] Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions. *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if either “Yes” option was selected in column 1 and in the row “Scope 3 (indirect emissions in upstream/downstream value chain)” of 5.1.

### Rationale

For most organizations, the majority of emissions occur in stages of the value chain beyond their direct operations. This question allows data users to gauge the thoroughness of organizations’ accounting processes and to understand how organizations are analyzing their emissions footprints.

### Response options

Please complete the following table:

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | **Appears *if “Relevant, calculated” or “Not relevant, calculated” is selected in column 1 “Evaluation status”*** | ***Appears if “Yes, we use tailored in-house or paid-for resources to calculate them” was selected in column 1 and in the row “Scope 3 (indirect emissions in upstream/downstream value chain)” of 5.1 OR “Not relevant, explanation provided” is selected in C1*** |
| **0** | **1** | **2** | **3** |
| **Scope 3 category** | **Evaluation status** | **Emissions in reporting year (metric tons CO2e)** | **Please explain** |
| Purchased goods and services | Select from:   * + Relevant, calculated   + Relevant, not yet calculated   + Not relevant, calculated   + Not relevant, explanation provided   + Not evaluated | Numerical field [enter a number from 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Text field [maximum 2,400 characters] |
| Capital goods |  |  |  |
| Fuel-and-energy-related activities (not included in Scope 1 or 2) |  |  |  |
| Upstream transportation and distribution |  |  |  |
| Waste generated in operations |  |  |  |
| Business travel |  |  |  |
| Employee commuting |  |  |  |
| Upstream leased assets |  |  |  |
| Downstream transportation and distribution |  |  |  |
| Processing of sold products |  |  |  |
| Use of sold products |  |  |  |
| End of life treatment of sold products |  |  |  |
| Downstream leased assets |  |  |  |
| Franchises |  |  |  |
| Investments |  |  |  |
| Other (upstream) |  |  |  |
| Other (downstream) |  |  |  |

### Requested content

#### General

* You should complete every **row** of the table (with the exception of the last two rows “Other (upstream)” and “Other (downstream)” which are optional).
* The columns that appear will depend on the selection made in column 1 “Evaluation status”.
* Note that the exclusion of specific sources of Scope 3 emissions should not be reported in this question, but instead in question 5.3. E.g. if you are excluding emissions from suppliers in a specific country/area, this should be reported in 5.3.

#### Scope 3 category (column 0)

* The categories of Scope 3 emissions have been taken from the Greenhouse Gas Protocol’s [Corporate Value Chain (Scope 3) Accounting and Reporting Standard](http://www.ghgprotocol.org/standards/scope-3-standard), published in September 2011. Refer to the standard for information on the emissions sources that each category comprises and additional information on how to calculate these emissions.
* If you use a generic tool to estimate your emissions, provide figures for the categories covered by the tool.

#### Evaluation status (column 1)

* This column should be completed for all Scope 3 categories, with the exception of “Other (upstream)” and “Other (downstream)” – these two rows should only be used if organizations have a source of Scope 3 emissions that is not provided in the categories above.
* The evaluation status includes two components: whether a Scope 3 category is relevant to your business and whether you have calculated the emissions in that category. Relevance should be determined with reference to the GHG Protocol Scope 3 standard and [CDP’s Technical Note on the relevance of Scope 3 categories by sector](https://cdn.cdp.net/cdp-production/cms/guidance_docs/pdfs/000/003/504/original/CDP-technical-note-scope-3-relevance-by-sector.pdf?1649687608) – **see Additional Information for the Scope 3 relevance criteria**. Select from:
  + - **Relevant, calculated** - Select this option if the Scope 3 category is relevant to your business and you have calculated the emissions associated with at least part of it.
    - **Relevant, not yet calculated** - Select this option if you are aware that the Scope 3 category is relevant to your business but you have not yet calculated the emissions associated with it.
    - **Not relevant, calculated** - Select this option if you know that this Scope 3 category is not one of the most important for your business but as part of your Scope 3 work, you have been able to calculate the emissions associated with it.
    - **Not relevant, explanation provided** - Select this option if you have investigated this Scope 3 category and have been able to determine that it is not relevant. This could be based on quantitative or qualitative investigations.
    - **Not evaluated** - Select this option if you have not yet investigated this Scope 3 category and therefore do not know whether or not it is relevant for your business.
* If you have used a generic tool to estimate your emissions, select “Relevant, calculated” for the categories you have included a figure for. Select “Not evaluated” for all other categories.

#### Emissions in reporting year (metric tons CO2e) (column 2)

* This column is only presented if “Relevant, calculated” or “Not relevant, calculated” is selected in column 1 “Evaluation status”.
* Negative numbers are not allowed as reporting needs to be gross, not net figures. Emission figures should be for the reporting year only.
* Entering 0 implies that you have calculated the emissions associated with this category and they are equal to zero.

#### Please explain (column 5)

* Provide details regarding any other inputs or assumptions made in the measurement of Scope 3 emissions as well as inputs and assumptions used.
* If you have used data from suppliers or value chain partners with different reporting periods, specify the period this data covers and why more recent data was not available. Also specify any relevant changes which have occurred since the data was collected.
* For all transport-related emissions (i.e., those in Scope 3 category 4: “Upstream transportation and distribution”, category 6: “Business travel”, category 7 “Employee commuting” and category 9: “Downstream transportation and distribution”), indicate the life cycle stages covered in your calculation (e.g., Well-to-Wheel etc.).
* For all Scope 3 categories that you have identified as “Not relevant, explanation provided” in the “Evaluation status” column, provide details of how you have reached the conclusion that the source is not relevant and include any qualitative or quantitative reasoning.
* If you wish to provide additional context to any of the rows in the table, such as to explain why emissions have decreased or increased, you can also do that in this column.

### Additional information

* **Relevance criteria for Scope 3 emissions sources:** Companies should not exclude any activity that would compromise the relevance of the reported inventory. The [Corporate Value Chain (Scope 3) Accounting and Reporting Standard](http://www.ghgprotocol.org/sites/default/files/ghgp/standards/Corporate-Value-Chain-Accounting-Reporing-Standard_041613_2.pdf) provides a list of criteria for determining relevance (Table 6.1, p61). Companies in one of CDP’s high-impact sectors should also refer to [CDP’s Technical Note on the relevance of Scope 3 categories by sector](https://cdn.cdp.net/cdp-production/cms/guidance_docs/pdfs/000/003/504/original/CDP-technical-note-scope-3-relevance-by-sector.pdf?1649687608), which identifies the relevant and most significant Scope 3 categories for each sector based on a review of literature and analysis of CDP 2021 data.
* **What does metric tons CO2e mean?**
  + - Metric tons of CO2e (sometimes also displayed as “tCO2e") stands for metric tons of carbon dioxide equivalent. This unit is essential because it serves as a standardized measurement for quantifying greenhouse gas emissions.

## [5.8.1] Disclose or restate your Scope 3 emissions data for previous years. *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if you select “Yes” in response to the row “Scope 3 (indirect emissions in upstream/downstream value chain)” and in the column 8 “Indicate if you are providing emissions data for past reporting years” in 5.1.

### Rationale

A prerequisite for a meaningful emissions data comparison is a consistent data set over time. This question enables companies to restate Scope 3 emissions data previously supplied to us, for example to ensure that their historical data reflects their current organizational boundary. It also enables first-time responders to provide Scope 3 emissions data for the five years prior to the reporting year.

### Ambition

Companies disclose Scope 3 emissions from previous years to enable tracking over time and to reflect changes that would otherwise compromise the consistency and relevance of the reported GHG emissions information.

### Response options

Please complete the following table:

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** |
| **Year** | **End date** | **Scope 3: Purchased goods and services (metric tons CO2e)** | **Scope 3: Capital goods (metric tons CO2e)** | **Scope 3: Fuel and energy- related activities (not included in Scopes 1 or 2) (metric tons CO2e)** | **Scope 3: Upstream transportation and distribution (metric tons CO2e)** | **Scope 3: Waste generated in operations (metric tons CO2e)** | **Scope 3: Business travel (metric tons CO2e)** | **Scope 3: Employee commuting (metric tons CO2e)** | **Scope 3: Upstream leased assets (metric tons CO2e)** |
| Past year 1 [Only appears if “1 year”, “2 years”, “3 years”, “4 years” or “5 years” is selected in column 9 and row “Scope 3 (indirect emissions in upstream/downstream value chain)” of 5.1] | [DD/MM/YYYY] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] |
| Past year 2 [Only appears if “2 years”, “3 years”, “4 years” or “5 years” is selected in column 9 and row “Scope 3 (indirect emissions in upstream/downstream value chain)” of 5.1] |  |  |  |  |  |  |  |  |  |
| Past year 3 [Only appears if “3 years”, “4 years” or “5 years” is selected in column 9 and row “Scope 3 (indirect emissions in upstream/downstream value chain)” of 5.1] |  |  |  |  |  |  |  |  |  |
| Past year 4 [Only appears if “4 years” or “5 years” is selected in column 9 and row “Scope 3 (indirect emissions in upstream/downstream value chain)” of 5.1] |  |  |  |  |  |  |  |  |  |
| Past year 5 [Only appears if “5 years” is selected in column 9 and row “Scope 3 (indirect emissions in upstream/downstream value chain)” of 5.1] |  |  |  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **11** | **12** | **13** | **14** | **15** | **16** | **17** | **18** | **19** | **20** |
| **Scope 3: Downstream transportation and distribution (metric tons CO2e)** | **Scope 3: Processing of sold products (metric tons CO2e)** | **Scope 3: Use of sold products (metric tons CO2e)** | **Scope 3: End of life treatment of sold products (metric tons CO2e)** | **Scope 3: Downstream leased assets (metric tons CO2e)** | **Scope 3: Franchises (metric tons CO2e)** | **Scope 3: Investments (metric tons CO2e)** | **Scope 3: Other (upstream) (metric tons CO2e)** | **Scope 3: Other (downstream) (metric tons CO2e)** | **Comment** |
| Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Text field [maximum 2,400 characters] |

### **Requested content**

#### General

* Emissions must be reported in gross, not net figures. Therefore, negative numbers are not allowed.
* Entering zero suggests that you have measured your emissions and that they are equal to zero.
* Enter data for all Scope 3 categories for which emissions have been calculated for the reporting period specified in column 2 “End date”. If you have not calculated emissions for a Scope 3 category for that reporting period, leave the corresponding column blank.
* Ensure that the reporting period represents only one full year that has already passed. Reporting periods should not be in the future. This information is important for others to understand the time dimension of your disclosure.
* Emissions estimates are acceptable, as long as there is transparency with regard to the estimation approach (what is estimated and how) and the data used for the analysis is adequate to support the objectives of the inventory. If applicable to your organization's reporting of Scope 3 emissions, please outline this in the comment column.

#### End date (column 2)

* The start date of each past year will be automatically assumed to be exactly 365 days before the listed date. For example, if you enter an end date of 31/12/2023, your start date will be automatically assumed to be 01/01/2023.

#### Note for first-time responders

* If you are a first-time responder, please provide gross global Scope 3 emissions data for up to five years prior to the current reporting year.
* The number of past year rows that will appear is dependent on your selection in column 9 “Number of past reporting years you will be providing emissions data for” and row “Scope 3 (indirect emissions in upstream/downstream value chain)” of 5.1.
* Input Scope 3 emissions data for the year prior to the current reporting year in the first row and work backwards.
* Use the comment column to report relevant information regarding your organization's past Scope 3 emissions data, such as the emissions calculation methodologies used, and an indication of the proportion of emissions calculated using data obtained from suppliers or value chain partners.

#### Note for restatements

* If you have chosen to restate your organization's gross global Scope 3 emissions data previously supplied to us (as indicated in column 9 “Number of past reporting years you will be providing emissions data for” in row “Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)” of 5.1), you may do so here. The number of past year rows that will appear is dependent on your selection in column 9 “Number of past reporting years you will be providing emissions data for” and row “Scope 3 (indirect emissions in upstream/downstream value chain)” of 5.1.
* Reporting recalculated figures for these years is optional.
* Restated Scope 3 emissions data needs to be entered in reverse order i.e. you should work backwards from the most recent reporting year.
* Use the comment column to identify that this is restated data and the reason for the restatement.
* For more information on restatements see the CDP technical note on restatements here.

## [5.9] Indicate the verification/assurance status that applies to your reported emissions. *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if “Yes, we use tailored in-house or paid-for resources to calculate them” option is selected in column 1 of each row in 5.1.

### Rationale

We support verification and assurance as good practice in environmental reporting. This question gives data users further confidence in the accuracy of the data reported.

### Response options

Please complete the following table:

|  |  |  |
| --- | --- | --- |
| ***Rows appear based on selection of either “Yes…” option in column 1 of 5.1*** |  | ***Appears if “Third-party verification or assurance process in place” is selected in column 2*** |
| **1** | **2** | **3** |
| **Scope** | **Verification/assurance status** | **Attach verification evidence/report (optional)** |
| Scope 1 (direct emissions from owned or controlled activities) | Select from:   * + No third-party verification or assurance   + Third-party verification or assurance process in place | [Attachment functionality] |
| Scope 2 (location-based or market-based indirect emissions from purchased electricity, heat, steam or cooling) | Select from:   * + No third-party verification or assurance   + Third-party verification or assurance process in place | [Attachment functionality] |
| Scope 3 (indirect emissions in upstream/downstream value chain) | Select from:   * + No third-party verification or assurance   + Third-party verification or assurance process in place | [Attachment functionality] |

### Requested content

#### General

* It is recognized that for some organizations, the verification/assurance schedule is out of synchronization with the disclosure process and therefore it is difficult to complete the verification/assurance process before the disclosure deadline, as applicable. In addition, verification/assurance processes may occur every two years (biennial verification) or every three years (triennial verification). Where this is the case, you should select “Third-party verification or assurance process in place”.

### Additional information

* **Annual, biennial and triennial processes:** If in the year the verification is completed (for example, Year 3), the data for all sources during the full cycle is verified (for example year 1, 2, and 3) the company can report 100% verification and should attach the verification statements that cover the emissions for all three years. This would be considered **a triennial process**.
* **Annual processes:** Not all processes taking place over three years will be considered a triennial process.
* Another example of a yearly process is when one third of the sources is verified every year. Under this scenario, in Year 3 only 1/3 of the sources are verified, with the second third verified in Year 2, and the remaining third in Year 1. The company should report this as a yearly process where 33% of the sources are verified. Likewise, where a company has 1/3 of their emissions verified every year this is an annual process.
* We regard **verification/assurance** as a process undertaken by an independent third party accredited to perform verification/assurance of the GHG emissions data. Please only state that you have had or are having verification/assurance carried out if it is by an independent third party accredited to perform verification/assurance of GHG data. We do not prescribe companies’ choice of specific verification/assurance providers. However, companies searching for a provider may want to consult CDP’s list of accredited verification partners: [Learn more about CDP solution providers offering third party verification services here](https://www.cdp.net/en/info/accredited-solutions-providers).

## [5.10] How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year? *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if any “Yes” option was selected in the rows “Scope 1 (direct emissions from owned or controlled activities)” or “Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)” in column 1 of 5.1

### Rationale

Investors and data users are interested in understanding whether companies are successfully reducing their emissions year over year. When investigating how year-on-year gross global emissions (Scope 1 + 2 combined) have changed, data users are also interested in gaining insight into factors than have contributed to these changes.

### Response options

Please complete the following table:

|  |  |  |
| --- | --- | --- |
|  | ***Appears if “Increased” or “Decreased” is selected in column 1*** |  |
| **1** | **2** | **3** |
| **How do your gross global emissions (Scope 1 and 2 combined)** **for the reporting year compare to those of the previous reporting year?** | **Reason** | **Please explain** |
| Select from:   * + Increased   + Decreased   + Remained the same overall   + This is our first year of reporting, so we cannot compare to last year | Select all that apply:   * + Change in renewable energy consumption   + Other emissions reduction activities   + Divestment   + Acquisitions   + Mergers   + Change in output   + Change in methodology   + Change in boundary   + Change in physical operating conditions   + Unidentified   + Other | Text field [maximum 2,000 characters] |

### Requested content

#### How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year? (column 1)

* The change in emissions can be calculated using the following formulas:
  + - Total gross Scope 1+2 emissions for the current reporting year – previous year’s total gross Scope 1+2 emissions = total change in emissions
    - (Total change in emissions / previous year’s total gross Scope 1+2 emissions) \* 100 = % total change in emissions
* If the resulting figure is negative, then your organization’s overall emissions decreased compared to the previous year. If the resulting figure is positive, overall emissions have increased compared to the previous year. If the resulting figure is equal to zero, overall emissions have not changed compared to the previous year.
* In this context your Scope 1 and Scope 2 emissions are the figures supplied in response to questions 5.4 and 5.5.
* The previous year compared should apply to the 12-month period directly prior to the reporting period.

#### Reason (column 2)

* **Change in renewable energy consumption**: Report the change in your organization's emissions because of the consumption of self-generated or purchased renewable energy.
  + - In cases where you have renewable energy, you may include this on the provision that you have accounted for those renewable energy purchases in your market-based Scope 2 figure reported in 5.5 and the purchases reported here were additional purchases in the reporting year.
    - Due to the change in accounting practices around Scope 2 with the addition of Scope 2 market-based emissions and low-carbon energy, companies may see their Scope 2 emissions decrease. Any change in Scope 2 emissions due to the change in accounting method from Scope 2 location-based to Scope 2 market-based should not be reported here, but rather by selecting “Change in methodology”.
* **Other emissions reduction activities**: This refers to changes in emissions that have occurred because of proactive emissions reduction initiatives or activities other than those caused by a change in renewable energy consumption (which should be reported by selecting the option ‘Change in renewable energy consumption’).
* **Divestment**: This refers to changes that occur as a result of selling off certain aspects of the businesses.
* **Acquisitions**: This refers to changes that occur as a result of purchasing or obtaining another company/subsidiary/facility.
* **Mergers**: This refers to changes that occur as a result of business mergers.
* **Change in output**: This refers to changes that occur as a result of changes (increases or decreases) in your business output (i.e. a product or service); this could be, for example, organic growth, purchase of additional facilities due to business expansion, declines in sales due to a global recession, or release of a new product.
* **Change in methodology**: This refers to changes that occur due to modifications in the way that the inventory is calculated, for example, changes in emissions factors used or changes in methodology protocol followed. Companies that have amended their Scope 2 emissions figure as a result of the changes in Scope 2 accounting practices for low carbon energy should report this here.
* **Change in boundary**: This refers to changes in the boundary used for your inventory calculation, i.e. changing from financial control to operational control. This option could also apply if you have incorporated facilities into your inventory that were excluded in previous years.
* **Change in physical operating conditions**: This refers to changes in weather that have a significant influence on how the company operates, but that cannot be accounted for under the other options available, e.g. increase production of hydroelectricity because of increased rainfall.
* **Unidentified**: Choose this option if you are not able to identify the reason for the change in emissions from year to year.
* **Other**: Other alternative reason(s) for the change. Where you have used this option, please provide details of the reason(s) for the change in the ‘Please explain’ column.

### Example response

|  |  |  |
| --- | --- | --- |
| **How do your gross global emissions (Scope 1 and 2 combined)** **for the reporting year compare to those of the previous reporting year?** | **Reason** | **Please explain** |
| * + Increased | * + Other emissions reduction activities   + Change in output | Our gross global emissions (Scope 1 + 2) for this reporting year are 208 metric tons of CO2e. Our gross global emissions for the previous reporting year were 200 metric tons of CO2e. This means that the total change in our emissions was 8 metric tons of CO2e, equal to a 4% increase, according to the formula in the requested content, above: (8/200) \* 100 = 4%.  The change from 200 to 208 metric tons is attributed to two reasons: 1) an estimated reduction of 4 metric tons of CO2e achieved due to emissions reduction activities implemented during the year; and 2) an increase in 12 metric tons of CO2e emissions due to increased production (i.e. a change in output). If no measures had been introduced, increased demand leading to increase output would have generated an extra 6% more of emissions. |

## [5.11] Break down your total gross global Scope 1 emissions by business activity. *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if “Yes, we use tailored in-house or paid-for resources to calculate them” was selected in column 1 and in the row “Scope 1 (direct emissions from owned or controlled activities)” of 5.1.

### Rationale

Reporting emissions by activity allows a more in-depth understanding of business risks related to future regulation and climate-related issues, and allows organizations to identify potential opportunities to reduce emissions associated with operational activities.

### Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

|  |  |
| --- | --- |
| **1** | **2** |
| **Activity** | **Scope 1 emissions (metric tons CO2e)** |
| Text field [maximum 500 characters] | Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas] |

### Requested content

#### Activity (column 1)

* Using no more than 500 characters, state the activity you are disclosing Scope 1 emissions for.
* To facilitate comparability of data between companies, you are asked to report a breakdown of your activities using language that would be clear to someone outside of your organization and avoid using company-specific terminology.
* Relevant activities are defined by the reporting company and could include stationary combustion, mobile combustion (transport), fugitive emissions, process activities, office activities, etc. These activities can take place over multiple business divisions, countries, or facilities.
  + - Reporting by activity allows a more in-depth understanding of business risk related to future regulation.
    - The level of aggregation of activities should be set so that it is meaningful to investors or customers viewing your response.
    - Each activity should be broken down to a level granular enough to provide a data user with a relevant and complete understanding of your company’s activities and how these contribute to your emissions profile.

#### Scope 1 emissions (metric tons CO₂e) (column 2)

* Report your organization’s greenhouse gas emissions in CO₂-equivalent for the activity stated in column 1.
* Negative numbers are not allowed as organizations are to report gross, not net figures.
* Emissions figures should be for the reporting year only (as defined by your answer to 1.3).

## [5.12] Break down your total gross global Scope 2 emissions by business activity. *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if “Yes, we use tailored in-house or paid-for resources to calculate them” was selected in column 1 and in the row “Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)” of 5.1.

### Rationale

Reporting emissions by activity allows a more in-depth understanding of business risks related to future regulation and climate-related issues, and allows organizations to identify potential opportunities to reduce emissions associated with operational activities.

### Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

|  |  |  |
| --- | --- | --- |
| **1** | **2** | **3** |
| **Activity** | **Scope 2, location-based (metric tons CO2e)** | **Scope 2, market-based (metric tons CO2e)** |
| Text field [maximum 500 characters] | Numerical field [enter a number from 0- 99,999,999,999 using a maximum of 3 decimal places and no commas] | Numerical field [enter a number from 0- 99,999,999,999 using a maximum of 3 decimal places and no commas] |

### Requested content

#### Activity (column 1)

* Using no more than 500 characters, disclose the activity you are disclosing Scope 2 emissions for.
* To facilitate comparability of data between companies, you are asked to report a breakdown of your activities using language that would be clear to someone outside of your organization and avoid using company-specific terminology.
* Relevant activities should be defined by the reporting company but could include process activities, office activities etc. These activities can take place over multiple business divisions, countries/areas or facilities.
  + - Reporting by activity allows a more in depth understanding of business risk to future regulation.
    - The level of aggregation of activities should be set so it is meaningful to investors or customers viewing your response.
    - Each activity should be broken down to a level granular enough to provide a data user with a relevant and complete understanding of your company’s activities and how these contribute to your emissions profile.

#### Scope 2, location-based (metric tons CO₂e) (column 2)

* Report your organization’s Scope 2 emissions in CO₂e for the activity reported in column 1, on a location-based method, i.e. reflecting the average emissions intensity of grids on which energy consumption occurs.
* Negative numbers are not allowed as organizations are to report gross, not net figures.
* Emissions figures should be for the reporting year only (as defined by your answer to 1.3).

#### Scope 2, market-based (metric tons CO₂e) (column 3)

* Report your organization’s Scope 2 emissions in CO₂e for the activity reported in column 1, on a market-based method, i.e. reflecting emissions from electricity that companies have purposefully chosen (or their lack of choice).
* Negative numbers are not allowed as organizations are to report gross, not net figures.
* Emissions figures should be for the reporting year only (as defined by your answer to 1.3).

## [5.13] Allocate your emissions to your customer(s) to whom you are sending the questionnaire according to the goods or services you have sold them in this reporting period. *(Source: 2025 CDP SME questionnaire)*

### Rationale

This information provides clarity to your customers (i.e. data requesters) on the emissions associated with goods and products sold to them over the reporting year. This supports transparency in emissions allocations, verification of these emissions allocations and methodologies used. This question also provides transparency regarding how data was acquired and used to derive emissions values allocated to your customers.

### Response options

Please complete the following table. The table is displayed over several rows for readability. You are able to add rows by using the “Add Row” button at the bottom of the table.

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **“Scope 2: approach unknown” appears only** **if “We are reporting a Scope 2 figure but do not know which approach was used”** **is selected in column 2 in 5.1** | ***Appears if “Scope 3” is selected in column 2***  ***Dropdowns appear based on rows where “Relevant, calculated” or*** ***“Not relevant, calculated” were selected in 5.8*** |  | ***Appears if “Business unit (subsidiary company)” or*** ***“Facility” is selected in column 4*** |  | ***Does not appear if any “Allocation not necessary”*** ***option is selected in column 6*** | | |  |  |  |  |  |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** | **12** | **13** | **14** |
| **Your customers** | **Scope of emissions** | **Scope 3 category(ies)** | **Allocation level** | **Allocation level detail** | **Allocation method** | **Unit for market value or** **quantity of goods/service s supplied** | **Market value or quantity of goods/services** **supplied to the requesting member (numerator)** | **Emissions in metric tons of CO2e** | **Uncertainty (± %)** | **Major sources of emissions** | **Allocation verified by a third party?** | **Please explain how you have identified** **the GHG source, including major limitations** **to this process and assumptions made** | **Where published information has been used,** **please provide a reference.** |
| Text field [maximum 2,500 characters] | Select from:   * + Scope 1   + Scope 2: location based   + Scope 2: market based   + Scope 2: approach unknown   + Scope 3 | Select all that apply:   * + Category 1: Purchased goods and services   + Category 2: Capital goods   + Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)   + Category 4: Upstream transportation and distribution   + Category 5: Waste generated in operations   + Category 6: Business travel   + Category 7: Employee commuting   + Category 8: Upstream leased assets   + Category 9: Downstream transportation and distribution   + Category 10: Processing of sold products   + Category 11: Use of sold products   + Category 12: End-of-life treatment of sold products   + Category 13: Downstream leased assets   + Category 14: Franchises   + Category 15: Investments   + Other (upstream)   + Other (downstream) | Select all that apply:   * + Company wide   + Business unit (subsidiary company)   + Facility   + Commodity | Text field [maximum 500 characters] | Select from drop- down list below | Select from drop- down list below | Numerical field [enter a number from 0-999,999,999,999,999 using a maximum of 4 decimal places] | Numerical field [enter a number from 0-999,999,999,999,999 using a maximum of 4 decimal places] | Percentage field [enter a percentage from 0-999] | Text field [maximum 2,500 characters] | Select from:   * + Yes   + No | Text field [maximum 5,000 characters] | Text field [maximum 5,000 characters] |

|  |  |
| --- | --- |
| **Allocation method (column 6)** | |
| * + Allocation not necessary due to type of primary data available   + Allocation not necessary as secondary data used   + Allocation based on mass of products purchased   + Allocation based on the volume of products purchased   + Allocation based on the energy content of products purchased   + Allocation based on the chemical content of products purchased | * + Allocation based on the number of units purchased   + Allocation based on area   + Allocation based on another physical factor   + Allocation based on the market value of products purchased   + Other allocation method, please specify |

|  |  |
| --- | --- |
| **Unit for market value or quantity of goods/services supplied (column 7)** | |
| * + Currency   + Kilograms   + Pounds (lb)   + Metric tons   + Gallons   + Liters   + Cubic feet   + Cubic meters | * + Square meters   + Hectares   + Megawatt hours (MWh)   + Full time equivalents (FTE)   + Hours   + Kilometers   + Passenger kilometers   + Other unit, please specify |

### Requested content

#### Scope of emissions (column 2)

* Use this column to specify which scope of your emissions you are allocating to your customers. Note that emissions that you allocate will be your customers’ Scope 3 emissions, however it is up to your customer to allocate your organization’s emissions into a specific Scope 3 category.
* You should only be allocating the emissions you stated in 5.4, 5.5, 5.8. You can allocate either direct emissions from your company boundary (your Scope 1) or indirect emissions (your Scope 2 and 3). An explanation of defining Scopes 1, 2 and 3 can be found in the [GHG Protocol Corporate Standard](http://www.ghgprotocol.org/standards/corporate-standard) and the [GHG Corporate Value Chain (Scope 3) Standard](https://ghgprotocol.org/corporate-value-chain-scope-3-standard).
* If you are able to, specify whether you are allocating your Scope 2 location-based, or your Scope 2 market-based figure. Companies are only required to allocate one Scope 2 figure.

#### Scope 3 categories (column 3)

* This column only appears if you select “Scope 3” in column 2 “Scope of emissions”.

#### Allocation level detail (column 5)

* This column only appears if you select “Business Unit (subsidiary company)” or “Facility” in column 4 “Allocation level”.

#### Allocation method (column 6)

* Select the method your organization has used to attribute emissions to the requesting customer.
* Allocation based on mass, volume, energy content, chemical content, number of units and/or area of products purchased fall under “physical allocation”; market value of products purchased falls under “economic allocation.”
* If “Allocation not necessary due to type of primary data available” or “Allocation not necessary as secondary data used”, are selected, the calculation columns will not be presented.

#### Unit for market value or quantity of goods/services supplied (column 7)

* Your selection in this column should align with the previous column, “Allocation method”. For example, if “Allocation based on the area of products purchased” is selected, the unit may be cubic feet, cubic meters, square meters, or hectares.
* Or, if “Allocation based on the market value of products purchased” is selected, the unit will be “Currency”.
* If “currency” is selected, the figure provided in column 8 “Market value or quantity of goods/services supplied to the requesting member” should be in the same currency that you selected in question 1.2 for all financial information disclosed throughout your response.

#### Market value or quantity of goods/services supplied to the requesting member (numerator) (column 8)

* Report the unit of goods/services provided to the customer.
* If you provide multiple goods/services that do not share a common unit, provide the market value of the goods and/or services supplied.

#### Emissions in metric tons of CO2e (column 9)

* Specify the metric tons of CO2e you are allocating to your customer for the scope given in column 2 “Scope of emissions”.

#### Major sources of emissions (column 11)

* Describe significant sources of emissions for which you have provided a figure. The following list of examples is non-exhaustive:
  + - Scope 1 emissions may be equipment in which fuel is burnt to provide heat (e.g. ovens, driers or kilns); emissions from organization-owned or controlled vehicles; emissions from production processes e.g. in cement manufacture;
    - Scope 2 emissions may include electricity used to power production lines, lighting in offices, electricity for data centers, etc.;
    - Scope 3 covers a broader range of possible sources. For example, the “Scope 3, Business travel” category would include air travel for organization employees; the “Scope 3, Capital goods” category would include the manufacture of steel to make heavy machinery or infrastructure; and the “Scope 3, Waste generated in operations” category would include emissions from out-sourced treatment of organic waste.

#### Please explain how you have identified the GHG source, including major limitations to this process and assumptions made (column 13)

* Organizations often have many different sources of emissions and this question seeks to understand how you have selected major emission sources.
* The [GHG Protocol Corporate Standard](http://www.ghgprotocol.org/standards/corporate-standard) states companies should report on all emissions within their chosen organizational boundary. This defines the sources of emissions on which you are going to report. There are three options: sources in which the organization has an equity share; sources over which the organization has financial control; sources over which the company has operational control. If you exclude any sources within the boundary, you are asked to disclose and justify those exclusions.
* However, it may be that you have been limited by your knowledge of potential emission sources or made assumptions about which sources were the largest. Or alternatively, that certain sources do not play a role for the specific products your customers are purchasing from you. Please explain the thinking behind your selection including the difficulties that you encountered.

#### Where published information has been used, please provide a reference(s) (column 14)

* To allocate emissions to your customer you may have used your own (primary) data in answering this question. Alternatively, you may have relied on publications that give industry-average (secondary) data for particular materials or processes or you may have used a mixture of both. In order to make the origin of the data clear, provide references where published information has been used, as well as flag where they have been used.

### Additional information

* For further information on allocation methods and dividing emissions of different goods and services between your respective customers, see Chapter 8 (page 86) of the [GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard](https://ghgprotocol.org/corporate-value-chain-scope-3-standard).

## [5.14] What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges? *(Source: 2025 CDP SME questionnaire)*

### Rationale

The purpose of this question is to provide your customers with insights about the challenges in assigning specific emissions to them from your products or services. In certain cases, it might be that specific solutions can be found between you and your customer to overcome those challenges.

### Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

|  |  |
| --- | --- |
| **1** | **2** |
| **Allocation challenges** | **Please explain what would help you overcome these challenges** |
| Select from:   * + Diversity of product lines makes accurately accounting for each product/product line cost ineffective   + Customer base is too large and diverse to accurately track emissions to the customer level   + Managing the different emission factors of diverse and numerous geographies makes calculating total footprint difficult   + Doing so would require we disclose business sensitive/proprietary information   + We face no challenges   + Other, please specify | Text field [maximum 2,500 characters] |

## [5.15] Do you plan to develop your capabilities to allocate emissions to your customers in the future? *(Source: 2025 CDP SME questionnaire)*

### Rationale

This question aims to provide your customers with insights and transparency into how you aim to develop your capabilities to allocate emissions to them, and thus allow them to gain a greater understanding of the emissions and/or energy intensity of the goods/services that you provide to them.

### Response options

Please complete the following table:

|  |  |  |  |
| --- | --- | --- | --- |
|  | ***Appears if you select “Yes” in column 1*** | ***Appears if you select “No” in column 1*** | |
| **1** | **2** | **3** | **4** |
| **Do you plan to develop your capabilities** **to allocate emissions to your customers in the future?** | **Describe how you plan to develop your capabilities** | **Primary reason for no plans to develop your** **capabilities to allocate emissions to your customers** | **Explain why you do not plan to develop** **capabilities to allocate emissions to your customers** |
| Select from:   * + Yes   + No | Text field [maximum 5,000 characters] | Select from:   * + Lack of internal resources, capabilities, or expertise (e.g., due to organization size)   + No standardized procedure   + Not an immediate strategic priority   + Judged to be unimportant or not relevant   + Capabilities to allocate emissions to customers already maximized   + Other, please specify | Text field [maximum 5,000 characters] |

### Requested content

#### Describe how you plan to develop your capabilities (column 2)

* This column only appears if you select “Yes” in column 1.
* Provide a description of how your organization plans to develop its capabilities to allocate emissions to its customers in the future.

#### Explain why you do not plan to develop capabilities to allocate emissions to your customers (column 4)

* This column only appears if you select “No” in column 1.
* Include in your answer details of:
  + - Why you do not plan to develop capabilities to allocate emissions to your customers;
    - The barriers that your organization faces that prevent it from allocating emissions to your customers; and
    - Potential circumstances that might encourage your organization to develop capabilities to allocate emissions to your customers.

## [5.16] Does your organization break down its electricity consumption by country/area. *(Source: 2025 CDP SME questionnaire)*

### Rationale

In case your organization is unable to report on emissions, electricity consumption is a critical input for modeling emissions. Additionally, breaking down electricity consumption to the country/area level is useful to data users, as this is often the level at which energy-related legislation is introduced. Data from this question can help guide the development of energy-related legislation.

### Response options

|  |
| --- |
| Select from:   * + Yes   + No |

## [5.16.1] Provide a breakdown by country/area of your purchased or acquired electricity consumption in MWh. *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if you select “Yes” in 5.16.

### Rationale

Given the importance of electricity consumption in emissions accounting, this question provides transparency to data users on the consumption of electricity by the organization. It is also an essential input for modelling emissions.

### Response options

Please complete the following table:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **1** | **2** | **3** | **4** | **5** |
| **Country/area** | **MWh from renewable sources** | **MWh from non-renewable sources** | **Total (renewable + non-renewable) MWh [auto-calculated]** | **Comment** |
| Select from:  [Country/area drop-down list] | Numerical field [enter a number from 0 to 9,999,999,999 using up to 2 decimal places and no commas] | Numerical field [enter a number from 0 to 9,999,999,999 using up to 2 decimal places and no commas] | Numerical field – auto-calculated | Text field [maximum 2,500 characters] |

### Requested content

#### General

* If you only have electricity consumption data on part of your operations, you may extrapolate the rest, but include a note in column 4 “Comment”.
* For more information on fuel definitions, please view the [CDP Technical Note: Fuel Definitions](https://cdn.cdp.net/cdp-production/cms/guidance_docs/pdfs/000/000/475/original/CDP-Fuel-definitions.pdf?1479754958).

#### Country/area (column 1)

* Organizations should add a row for each country/area they operate in (as reported in 1.8).
* You should include consumption from both purchased/acquired energy in this question. Energy that is purchased but not physically consumed (e.g. traded power, financial instruments) should not be included here.
* Energy consumption figures should be for the reporting year only (as defined by your answer to 1.3).

#### MWh from renewable sources (column 2)

* Renewable energy is energy taken from sources that are inexhaustible such as wind, solar, hydropower, geothermal, sustainable biomass and marine (tidal and wave energy).
* Waste energy should not be included if it is derived from fossil fuels.
* Hydrogen should not be included if it is derived from fossil fuels.

#### MWh from non-renewable sources (column 3)

* Any source not identified as deriving from renewable sources should be entered, e.g. coal, oil, natural gas, etc.
* Consumption of purchased or acquired electricity from nuclear sources should be included.

#### Total (renewable + non-renewable) MWh [auto-calculated] (column 4)

* This field is auto-calculated using your response in column 1 “MWh from renewable sources” and column 2 “MWh from non-renewable sources”. Please ensure that both fields are filled out.

#### Comment (column 5)

* Ensure to include any comments about calculation methodology, data extrapolations, assumptions, etc.

## [5.16.2] Report your organization’s consumption of purchased or acquired electricity in MWh. *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if you select “No” in column 1 in 5.16.

### Rationale

Given the importance of electricity consumption in emissions accounting, this question provides transparency to data users on the consumption of electricity by the organization. It is also an essential input for modelling emissions.

### Response options

Please complete the following table:

|  |  |  |  |
| --- | --- | --- | --- |
| **1** | **2** | **3** | **4** |
| **MWh from renewable sources** | **MWh from non-renewable sources** | **Total (renewable + non- renewable)** **MWh [auto- calculated]** | **Comment** |
| Numerical field [enter a number from 0 to 9,999,999,999 using up to 2 decimal places and no commas] | Numerical field [enter a number from 0 to 9,999,999,999 using up to 2 decimal places and no commas] | Numerical field – auto- calculated | Text field [maximum 2,500 characters] |

### Requested content

#### General

* Figures you provide should be for the reporting year only (as defined by your answer to 1.3).
* You should enter all energy data in Megawatt-hours (MWh). If your raw data is in energy units other than MWh, such as Giga-Joules (GJ) or British Thermal Units (Btu), then you should convert to MWh. For e.g., 1 Giga-Joule (GJ) = 0.277778 MWh, so if your data is in GJ then should multiply your data by 0.277778. If your data is in million Btu, then you need to multiply your data by 0.29307.
* Conversion factors from other energy units are available from a variety of online calculation tools, including from [IEA](https://www.iea.org/reports/unit-converter-and-glossary) and [OnlineConversion.com](http://www.onlineconversion.com/energy.htm), or from conversion tables such as those in [EPA AP-42 (Annex A)](https://www3.epa.gov/ttn/chief/ap42/appendix/appa.pdf).
* If your raw data is in volume units, e.g. cubic feet or gallons, or in mass units, e.g. kilograms (kg) or pounds (lb), then you should convert to energy units using factors for fuel heating/calorific values. These are available from numerous sources, including the below:
  + - IPCC Guidelines for National GHG Inventories (Volume 2, Table 1.2, p1.18–1.19).
* If you only have electricity consumption data on part of your operations, you may extrapolate the rest, but include a note in the “Comment” section (column 5).
* For more information on fuel definitions, view the [CDP Technical Note: Fuel Definitions](https://cdn.cdp.net/cdp-production/cms/guidance_docs/pdfs/000/000/475/original/CDP-Fuel-definitions.pdf?1479754958).

#### MWh from renewable sources (column 1)

* Renewable energy is energy taken from sources that are inexhaustible such as wind, solar, hydropower, geothermal, biomass and marine (tidal and wave energy).
* Waste energy should not be included if it is derived from fossil fuels.
* Hydrogen should not be included if it is derived from fossil fuels.

#### MWh from non-renewable sources (column 2)

* Any source not identified as deriving from renewable sources should be entered, e.g. coal, oil, natural gas, etc.
* Consumption of purchased or acquired electricity from nuclear sources should be included.

#### Total (renewable + non-renewable) MWh [auto-calculated] (column 4)

* This field is auto-calculated using your response in column 1 “MWh from renewable sources” and column 2 “MWh from non-renewable sources”. Please ensure that both fields are filled out.

#### Comment (column 5)

* Ensure to include any comments about calculation methodology, data extrapolations, assumptions, etc.

## [5.17] Describe any captive power generation activities within the organization, if applicable (such as, aluminium smelters, steel plants, chemical plants, solar panels on roof etc.). *(New Question for CASG Questionnaire)*

**Response options**

This is an open text question.

### Requested content

#### General

* Please describe any captive power generation activities within your organization, if applicable (such as, aluminum smelters, steel plants, chemical plants, solar panels on roof etc., apart from sourcing energy form power grid)
* You may consider providing details on how these captive power generation activities support your organization’s business operations
* The following items may be disclosed as relevant to your organization’s circumstances:
  + - Whether your organization has any onsite installations to generate captive power? If so, what fuel does each installation use?
    - How many sites of your organization have captive power generation? Across these sites, what proportion of energy is supported by these activities, compared to power grid supply?
    - Whether your organization has any onsite installations for renewables such as solar roofs?

## [5.18] Did you have an emissions or other climate-related target that was active in the reporting year? *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if either “Yes” option has been selected in any row of column 1 of 5.1.

### Rationale

Target setting plays a vital role in environmental action through its role in the successful execution of corporate strategies, as well as in the effective management of risks and opportunities.  
Data users want to understand companies' commitments to reducing emissions and whether the organization has a goal towards which they are harmonizing and focusing emissions-related efforts. This question increases transparency of corporate environmental commitments relevant to different organizations and allows data users to understand why companies do not have active targets guiding their environmental strategy.

### Ambition

The organization has senior management responsibility for the assessment and management of environmental risks and opportunities.

### Response options

Please complete the following table. Forests and Water rows will only be shown to organizations who are disclosing those themes.

|  |  |  |
| --- | --- | --- |
|  | ***Appears if “No target” is selected in column 1*** | |
| **1** | **2** | **3** |
| **Emissions or other climate-related target** | **Primary reason for not having an emissions or other climate-related target** | **Please explain** |
| Select all that apply:   * + Absolute emissions target   + Emissions intensity target   + Target to increase or maintain low-carbon energy consumption or production   + Target to reduce methane emissions   + Net-zero target   + Other climate-related target   + No target | Select from:   * + We are planning to introduce a target in the next two years   + Important but not an immediate business priority   + Judged to be unimportant, explanation provided   + Lack of internal resources   + Insufficient data on operations   + No instruction from management   + Other, please specify | Text field [maximum 2,400 characters] |

### Requested content

#### General

* Targets that are based on a future “business as usual” year are not equivalent to emissions reduction targets and therefore should not be reported here. Acceptable targets must determine emissions reductions through comparison to a set base year in the past, not to a projected “business as usual” emissions figure in the future.
* You have an “active target” if the target ends in or after the reporting year.

#### Primary reason for not having an emissions or other climate-related target (column 2)

* If you select “Other, please specify,” provide a label for the "Primary reason".

#### Please explain (column 3)

* Provide an explanation of why you do not have a target and the timeline to implement one, if applicable.

### Additional information

* **Why is target setting important for SMEs?**
  + - The SME Climate Hub notes the following benefits of committing to a target to reduce your organization’s emissions:
      * Improve efficiency – Reduce costs by managing your resources more efficiently. You can take steps today that benefit both your business and the climate.
      * Manage business risk – Build a more resilient business and better protect yourself against climate-related damage, disruptions, and closures.
      * Gain a competitive advantage – Become a leader in the fight against climate change. Show investors, employees, and customers how you’re adopting ambitious goals.
      * Enhance access to capital – Keep insurance and lending fees affordable and stay attractive to investors by reducing your exposure to climate-related risks.
      * Group your business and brand – Gain opportunities to grow your brand and attract new customers.
* **What does it mean to have emissions reduction targets?**
  + - **Absolute emissions target**: an absolute target describes a reduction in actual emissions in a future year when compared to a base year. The target can relate to your Scope 1, Scope 2 and/or Scope 3 emissions in full or in part.
      * The following are examples of absolute emission targets:
      * Metric tons CO2e or % reduction from base year
      * Metric tons CO2e or % reduction in product use phase relative to base year
      * Metric tons CO2e or % reduction in supply chain relative to base year
      * Metric tons CO2e or % reduction per year
      * Metric tons CO2e or % reduction relative to 5 year rolling average of emissions
      * Cap on emissions in metric CO2e
    - **Emissions intensity target**: an intensity target describes a future reduction in emissions that have been normalized to a business metric when compared to the same normalized business metric emissions in a base year. The target can relate to your Scope 1, Scope 2 and/or Scope 3 emissions in full or in part.
      * The following are examples of emission intensity targets
      * Metric tons CO2e or % reduction per unit revenue (also per unit turnover; per unit gross sales) relative to base year
      * Metric tons CO2e or % reduction per full-time employee equivalent (also per hours worked; per operating hour; per guest night; per capita; per patient days) relative to base year
      * Metric tons CO2e or % reduction per unit of product (e.g. metric ton of paper; metric ton of aluminum) relative to base year
      * Metric tons CO2e or % reduction per passenger kilometer (also per km; per nautical mile) relative to base year
      * Metric tons CO2e or % reduction per square foot relative to base year
      * Cap on emissions relative to an activity (e.g. stabilizing emissions at x metric tons CO2e per metric ton of steel produced)
      * Metric tons CO2e or % reduction per MWh
      * Metric tons CO2e or % reduction in emissions from business flights per employee
    - For more information on deciding between absolute and intensity-based targets, reference [GHG Protocol Corporate Standard](http://www.ghgprotocol.org/standards/corporate-standard) Chapter 11 “Setting a GHG Target” (page 76 and 77).
* **What does it mean to have other climate-related targets?**
  + - **Targets to increase or maintain low-carbon energy consumption or production**: These may relate to your organization’s production or consumption of electricity, heat, steam, or cooling.
      * E.g., % renewable electricity consumption relative to base year
      * E.g., % of heat consumed from low-carbon sources relative to base year
    - **Targets to reduce methane emissions**: These may be absolute or intensity based and relate to metrics including the following:
      * E.g., Cubic meters of methane vented, leaked, or flared
      * E.g., Total methane emissions in m3 or CO2e
      * E.g., Methane leakage rate (%)
    - **Net zero targets:**
      * E.g., Reduce Scope 1, 2 and 3 emissions to zero, or to a residual level that is consistent with reaching net-zero emissions, by a target year (e.g., common target years include 2030, 2040, or 2050)
    - **Other climate-related targets**: These may be absolute or intensity based and relate to metrics including the following:
      * Renewable fuel production or consumption - E.g., Percentage of total fuel consumption that is from renewable sources
      * Waste management - E.g., Percentage of total waste generated that is recycled
      * Low-carbon vehicles, buildings, or other products - E.g., Percentage of revenue from low-carbon products
      * Engagement with suppliers - E.g., Percentage of suppliers (by emissions) disclosing their GHG emissions
  + **Are there resources available to help my organization understand the steps to establish emission reduction, or other climate-related, targets and begin to take action?**
    - In facilitating the process of establishing targets, SMEs may reference the following resources:
      * [SME Climate Hub’s Setting 1.5°C Aligned Targets Action Guide](https://smeclimatehub.org/take-action-on-your-emissions/action-guides/): This guide outlines the steps involved in setting emissions reduction targets in line with the global ambition to keep climate change below 1.5°C.
      * [Exponential Roadmap Initiative’s 1.5°C Business Playbook](https://exponentialroadmap.org/1-5-business-playbook/): This playbook includes guidelines for setting climate targets, strategies, transition plans, taking action and disclosing results.
      * [GHG Protocol Corporate Standard](http://www.ghgprotocol.org/standards/corporate-standard): Chapter 11 “Setting a GHG Target” provides guidance on the process of setting and reporting on a corporate GHG target.
  + **Target setting initiatives for SMEs**
    - Some initiatives allow SMEs to select from a set of pre-defined targets aligned with science, making the target-setting process simpler for SMEs. Two key examples are the [SBTi’s SME route](https://sciencebasedtargets.org/small-and-medium-enterprise-sme-target-setting-process) and the [SME Climate Hub’s Climate Commitment](https://smeclimatehub.org/sme-climate-commitment/). Organizations are encouraged to sign up to such initiatives to demonstrate their commitment to reducing emissions, and to get help with setting robust, credible targets that are in line with climate science.

## [5.18.1] Provide details of your absolute emissions targets and progress made against those targets. *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if you select “Absolute emissions target” in response to 5.18.

### Rationale

Target setting plays a vital role in environmental action through its role in the successful execution of corporate strategies, as well as in the effective management of dependencies, impacts, risks, and opportunities. The question encourages organizations to set and make progress towards timebound, tracked, quantitative targets, informed by the guidance of leading initiatives and frameworks, such as the Science Based Targets initiative (SBTi) where available.  
There are several benefits to setting science-based targets for organizations including increased competitiveness, addressing stakeholder expectations, anticipating regulatory, policy and market developments, allowing organizations to seize opportunities.

### Ambition

Organizations make progress against emissions targets that reflect their full emissions inventory and in are line with the Science Based Targets initiative (SBTi) criteria.

### Response options

Please complete the following table. The table is displayed over several rows for readability. You are able to add rows by using the “Add Row” function at the bottom of the table.

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | ***Dropdowns appear based on “Yes” responses selected in column 1 of 5.1*** | ***Appears if “Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)” option was selected in column 4******“Approach unknown” only appears if “We are reporting a Scope 2 figure but do not know which approach was used” is selected in column 2 in 5.1*** | ***Appears if “Scope 3 (indirect emissions in upstream/downstream value chain)” option was selected in column 4*** |  |  |  |  |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** |
| **Target reference number** | **Date target was set** | **Target coverage** | **Scopes covered by target** | **Scope 2 accounting method** | **Scope 3 categories** | **End date of base year** | **Total base year emissions covered by target in all selected Scopes (metric tons CO2e)** | **End date of target** | **Targeted reduction from base year (%)** |
| Abs1- Abs50 | [DD/MM/YY] between 01/01/1900 and 25/09/2024 | Select from:   * + Organization-wide   + Business division   + Business activity   + Site/facility   + Country/area/ region   + Product-level   + Other, please specify | Select all that apply:   * + Scope 1 (direct emissions from owned or controlled activities)   + Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)   + Scope 3 (indirect emissions in upstream/downstream value chain) | Select from:   * + Location-based   + Market-based   + Approach unknown | Select all that apply:   * + Category 1: Purchased goods and services   + Category 2: Capital goods   + Category 3: Fuel- and energy-related activities (not included in Scopes 1 or 2)   + Category 4: Upstream transportation and distribution   + Category 5: Waste generated in operations   + Category 6: Business travel   + Category 7: Employee commuting   + Category 8: Upstream leased assets   + Category 9: Downstream transportation and distribution   + Category 10: Processing of sold products   + Category 11: Use of sold products   + Category 12: End-of-life treatment of sold products   + Category 13: Downstream leased assets   + Category 14: Franchises   + Category 15: Investments   + Other (upstream)   + Other (downstream) | [DD/MM/YY] between 01/01/1900 and 25/09/2024 | Numerical field [0-999,999,999,999] | [DD/MM/YY] between 01/01/2019 and 31/12/2099 | Percentage field [enter a percentage from 0-100 using a maximum of 2 decimal places] |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  | **Appears if “Yes, and this target has been approved by the Science Based Targets initiative” is selected in column 15** |  |
| **11** | **12** | **13** | **14** | **15** | **16** | **17** |
| **Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]** | **Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)** | **% of target achieved relative to base year**  **[auto- calculated]** | **Target status in reporting year** | **Is this a science-based target?** | **Science Based Targets initiative official validation letter** | **Explain target coverage and identify any exclusions** |
| Numerical field [0-999,999,999,999] | Numerical field [0-999,999,999,999] | Percentage field | Select from:   * + New   + Underway   + Achieved   + Achieved and maintained   + Expired   + Revised   + Replaced   + Retired | Select from:   * + Yes, and this target has been approved by the Science Based Targets initiative   + Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative   + Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years   + Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative   + No, but we are reporting another target that is science-based   + No, but we anticipate setting one in the next two years   + No, and we do not anticipate setting one in the next two years | [Attachment(s)] | Text field [maximum 2,500 characters] |

### Requested content

#### General

* Note that we are requesting data on gross emissions targets. Gross means total emissions before any deductions or other adjustments are made to take account of offset credits or avoided emissions.
* If you have a target that will be met in part by offsetting (including carbon neutrality targets), or CO2 removals, only the proportion of the target that relates to emissions reductions (and not offset purchases or CO2 removals) should be reported here. If you are uncertain of the proportion that will be achieved through emissions reductions, make an estimation based on the initiatives that you have in place or planned.
* Targets to reduce emissions in the product use phase or to reduce emissions from the value chain should be captured as Scope 3 targets.
* If you intend to report a net-zero target in 5.18.3, you should report both the near-term and long-term emissions reduction targets associated with your net-zero target either in this question or in 5.18.2 and link them to your net zero target in column 5 “Targets linked to this net zero target” of 5.18.4. Please refer to the [SBTi Net-Zero Standard](https://sciencebasedtargets.org/resources/files/Net-Zero-Standard.pdf) for information on science-based net-zero targets.

#### Target reference number (column 1)

* Select a unique target reference from the drop-down menu provided to identify the target in subsequent questions and to track progress against the target in subsequent reporting years.
* If you reported a target to us last year and will be reporting progress against the same target this year, ensure you use the same target reference number as last year. For any new targets you are adding, always use a new reference number that you have not used previously.

#### Date target was set (column 2)

* Enter the date on which your company set the target.
* This must be either before or during the reporting year but cannot be after the reporting year or after the end date of the target.
* If the target is science-based and has been submitted to the SBTi for validation or revalidation, enter the date on which your organization submitted the target for validation or revalidation by the SBTi.
* If the target is science-based and has been validated or revalidated by the SBTi (as indicated by your response to column 15), enter the “Date published” from the [SBTi target dashboard](https://sciencebasedtargets.org/target-dashboard).
* If you have a year-on-year rolling target, enter the date on which your company first set the target. This can be before the base year.
* If you set the target based on financial years, enter the date that applies to the end of your financial year and specify this in column 17 “Explain target coverage and identify any exclusions”.
* If you do not know the exact date on which your company set the target, enter the end of the year that your target was set.

#### Target coverage (column 3)

* If the target applies to the whole organization, select “organization-wide”. Note that “organization” refers collectively to all the companies, businesses, organizations, other entities or groups that fall within the entities you are including in your response.
* It is considered best practice to report one overarching target covering total company-wide Scope 1 and 2 emissions. Sub-targets may also be reported in additional rows.
* If the target does not apply to the whole organization, select the option that best describes the coverage of the target, and provide further details in column 17 “Explain target coverage and identify any exclusions”. E.g. if your target applies only to your European operations, select “Country/area/region” in this column and specify the country/area/region in the “Explain target coverage and identify any exclusions” column.

#### Scopes covered by target (column 4)

* This refers to the scopes of emissions to which the target relates. Note that the target does not have to comprise all emissions within a particular scope.
* If the target being reported has been validated by the SBTi, the scopes (Scope 1, 2 and 3 emissions, and Scope 3 categories) reported and their coverage should match that which has been reported to the SBTi.
* For more information on emission scopes refer to the Greenhouse Gas Protocol’s [Corporate Standard](https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf) (Scope 1 and 2) and [Corporate Value Chain](https://ghgprotocol.org/sites/default/files/standards/Corporate-Value-Chain-Accounting-Reporing-Standard_041613_2.pdf) (Scope 3).

#### End date of base year (column 7)

* The base year is the year against which you are comparing your absolute emissions target.
* The base year cannot be after the reporting year.
* If you have a year-on-year rolling target, the end date of the base year will be the previous reporting year.
* As per the GHG Protocol (p. 79), it is recommended to use the same base year for your targets as the base year of your emissions inventory. See SBTi criteria for relevant considerations for selecting a science-based target base year.
* If you have a target based on financial years, enter the date that applies to the end of your financial year and specify this in column 17 “Explain target coverage and identify any exclusions”.
* If you have a target based on average emissions over a period of time (e.g. 5-year average), enter the date that applies to the end of the average period and specify this in column 17 “Explain target coverage and identify any exclusions”.

#### Total base year emissions covered by target in all selected scopes (metric tons CO2e) (column 8)

* Enter the base year emissions covered by the target in this column.
* E.g. if your target is to reduce Scope 1 emissions arising from your European operations, enter the base year Scope 1 emissions for your European operations only.
* E.g. if your target relates to Scope 2 emissions of a particular business activity (e.g. office-based operations, etc.), enter the base year Scope 2 emissions relating to that business activity only.

#### End date of target (column 9)

* Enter the date that the target ends. For example, if the target is to reduce emissions by 50% by the end of 2030, the end date of the target is 31st December 2030.
* If you have a year-on-year rolling target, the end date of the target will be within the reporting year.
* If you have a long-term maintenance target that will begin once you have achieved your near-term emissions reduction target, the end date of the target will be the end date of the near-term target that you will be maintaining.
* If you have a target based on financial years, enter the date that applies to the end of your financial year and specify in column 17 “Explain target coverage and identify any exclusions”.
* If you have a target based on average emissions over a period of time (e.g. 5-year average), enter the date that applies to the end of the average period and specify this in column 17 “Explain target coverage and identify any exclusions”.
* You should not report any target that was achieved before the start of the reporting year.

#### Targeted Reduction from Base Year (%) (column 10)

* Enter your targeted emissions reduction as a percentage reduction in emissions in all Scopes relevant to the target to be achieved in the target year, when compared to the base year.
* Note this column is to capture the percentage target reduction you have set to be achieved between the base year and the target year.
* E.g. if your target is to reduce your Scope 1+2 emissions by 3000 metric tons CO2e and your base year Scope 1+2 emissions were 150,000 metric tons CO2e, you should enter 2 into this column (i.e. (3000/150000)=0.02; then multiply by 100 for percentage value).

#### Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e) [auto-calculated] (column 11)

* This column will be auto-calculated. Ensure that you have entered data into these columns:
  + - Column 8 “Total base year emissions covered by target in all selected Scopes”
    - Column 10 “Targeted reduction from base year”
* The steps below will be automatically performed based on the figures entered in the columns listed above:
  + - Step 1: “Targeted reduction from base year” is subtracted from 100.
    - Step 2: The figure from step 1 is then divided by 100.
    - Step 3: The figure from step 2 is then multiplied by “Total base year emissions covered by target in all selected Scopes”.
* E.g. if your base year emissions were 150,000 metric tons CO2e, and your targeted reduction is 2%, this column will display 147,000.
  + - Step 1: (100 - 2) = 98
    - Step 2: (98 / 100) = 0.98
    - Step 3: (0.98 \* 150,000) = 147,000

#### Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e) (column 12)

* Enter the emissions in the reporting year covered by the target in this column.
* E.g. if your target is to reduce Scope 1 emissions arising from your European operations, enter the Scope 1 emissions in the reporting year for your European operations only.
* E.g. if your target relates to Scope 2 emissions of a particular business activity (e.g. office-based operations, etc.), enter the Scope 2 emissions in the reporting year relating to that business activity only.

#### % of target achieved relative to base year [auto-calculated] (column 13)

* This column will be auto-calculated. Ensure that you have entered data into these columns:
  + - Column 8 “Total base year emissions covered by target in all selected scopes (metric tons CO2e)”
    - Column 10 “Targeted reduction from base year (%)”
    - Column 12 “Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)”
* The steps below will be automatically performed based on the figures entered in the columns listed above:
  + - Step 1: The numerator is calculated by subtracting “Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)” from “Total base year emissions covered by target in all selected scopes (metric tons CO2e)”.
    - Step 2: The denominator is calculated by dividing “Targeted reduction from base year (%)” by 100, then multiplying it by “Total base year emissions covered by target in all selected scopes (metric tons CO2e)”.
    - Step 3: The numerator (step 1) is then divided by the denominator (step 2).
    - Step 4: Lastly, the figure from step 3 is multiplied by 100.
* E.g. if your base year emissions were 150,000 metric tons CO2e and your target is to reduce your Scope 1 emissions by 10% and in the reporting year your Scope 1 emissions had reduced by 3% compared to the base year, this column will display 30 as your target is 30% complete.
  + - Step 1: (150,000 – 145,500) = 4,500
    - Step 2: (10 / 100) \* 150,000 = 15,000
    - Step 3: (4,500 / 15,000) = 0.3
    - Step 4: (0.3 \* 100) = 30
* Negative values indicate an increase in emissions compared to the base year.
* Values greater than 100 indicate that you have exceeded your target.

#### Target status in reporting year (column 14)

* **New** – Select this option for targets that have been set in the reporting year and are still in progress.
* **Underway** – Select this option for targets that were set before the reporting year, with an end date in the future, that have not been achieved and continue to be pursued.
* **Achieved** – Select this option for targets that have been achieved or exceeded in the reporting year.
* **Achieved and maintained** – Select this option for targets that are in place to maintain a certain level of performance (e.g., to maintain a 90% reduction of emissions from the base year) and this has been achieved in the reporting year.
* **Expired** – Select this option for targets with an end date within the reporting year, that have not been achieved or maintained and have therefore expired in the reporting year.
* **Revised** – Select this option for targets that were set before the reporting year, but a revision has been made to any of the elements in columns 2 to 12 in the reporting year, for example due to a recalculation of the base year emissions or a change to the end date of the target. Note that the target status should be reported as “revised” only for the reporting year the update was conducted.
* **Replaced** – Select this option for previously reported targets that have been replaced with another target in the reporting year, for example where a facility target has been incorporated into a organization-wide target.
* **Retired** – Select this option for targets with an end date in the future, that have not been achieved, but will no longer be pursued. Provide more information as to why this target was retired in column 17 “Explain target coverage and identify any exclusions”.

#### Is this a science-based target? (column 15)

* A brief description of science-based targets and why we are asking companies to set them is provided as additional information to this question.
* The Science Based Targets initiative (SBTi) has streamlined target-setting route for SMEs. For further information, please see the [SBTi’s Frequently Asked Questions for SMEs](https://sciencebasedtargets.org/resources/files/FAQs-for-SMEs.pdf).
  + - Note that financial institutions and oil and gas sector companies are not allowed to use the SME streamlined route. If these sectors are relevant to your organization, select the most appropriate “No…” option in this column.
* **Yes, and this target has been approved by the Science Based Targets initiative** – Companies are very strongly encouraged to have their targets officially evaluated by the Science Based Targets initiative (SBTi). We consider targets approved by the initiative to reflect best practice in science-based target setting. Select this option only if the target has been approved by the SBTi.
* **Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative** – If your company has set a target and has self-assessed it to be science-based, it has been submitted to the SBTi for validation and is currently being reviewed by the SBTi, you should select this option. You should use column 17 “Explain target coverage and identify any exclusions” to explain why you consider your target to be science-based.
* **Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years** – Not all companies have had their target assessed by the SBTi. If your company has set a target and has self-assessed it to be science-based but has not yet submitted it to the SBTi for validation, you should select this option. You should use column 17 “Explain target coverage and identify any exclusions” to explain why you consider your target to be science-based. If you are currently in the process of revising your target to meet SBTi criteria, indicate this by selecting “No, but we anticipate setting one in the next two years.”
* **Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years** – Not all companies intend to have their target assessed by the SBTi. If your company has set a target and has self-assessed it to be science-based but has not committed to submit it to the SBTi for validation, you should select this option. You should use column 17 “Explain target coverage and identify any exclusions” to explain why you consider your target to be science-based. If you are a supplier to a company with a supplier engagement target, as part of which you have set a target in line with SBTi resources but are not planning to seek SBTi approval, select this option.
* **No, but we are reporting another target that is science-based** – Another target (absolute or intensity) disclosed is science-based, either in another row in this table, or in 5.18.2.
* **No, but we anticipate setting one in the next two years** – The SBTi’s streamlined route for SMEs enables them to bypass the initial stage of committing to set a science-based target and the standard target validation process. SMEs can immediately set science-based targets (near-term and net-zero options available) by choosing from one of the predefined target options available in the SME science-based target setting form. For larger companies, while not necessary, it is recommended that the company publicly state this by submitting a Science Based Target initiative commitment letter.
* **No, and we do not anticipate setting one in the next two years** – No science-based targets have been set and there are no plans in place to set one in the next two years.

#### Science Based Targets initiative official validation letter (column 16)

* This column only appears if you select “Yes, and this target has been approved by the Science Based Targets initiative” in column 15 “Is this a science-based target?”.
* Attach your Science Based Targets initiative (SBTi) validation letter.

#### Explain target coverage and identify any exclusions (column 17)

* If the target is not organization-wide (i.e. it does not apply to the whole company in line with the entities you are including in your response), provide further details of your target coverage in this column. E.g. if you have selected “Country/area/region” in column 3 “Target coverage”, specify which countries/areas/regions your target covers.
* If there is a difference between your inventory base year emissions and this target’s base year emissions, explain why.
* If you have excluded any relevant Scopes or Scope 3 categories from your target, state the reason for omitting these Scopes or Scope 3 categories and outline any steps you are taking to enable target-setting for relevant Scopes or Scope 3 categories.
* You can use this column to identify where you have a financial year or average year-based target.
* If your target was originally in a different format, you may wish to give the original target before it was converted into the format required for the purposes of this table.
* If your target is part of a wider carbon neutrality goal, a regulatory requirement, or a longer-term target, you can also explain this here.

### Additional information

* **What is a base year?**
  + - Per [SME Climate Hub’s Setting 1.5°C Aligned Targets Action Guide](https://smeclimatehub.org/take-action-on-your-emissions/action-guides/), a target base year is a year to which future emissions will be compared. The target base year should be one with reliable baseline data available to ensure meaningful comparisons.
    - Most organizations select a single year (referred to in this guidance as a financial year target) as their base year. However, some may choose an average of annual emissions over several consecutive years (referred to in this guidance as an average year base target).
    - For information on choosing a base year, reference [GHG Protocol Corporate Standard](http://www.ghgprotocol.org/standards/corporate-standard) Chapter 5 “Tracking Emissions Over Time” (page 35).
* **What is meant by offset credits and avoided emissions?**
  + - The GHG emissions released into the atmosphere from your organization’s activities can be balanced out (i.e., offset) by supporting projects that reduce or remove an equivalent amount of GHGs from the atmosphere. Such projects include planting trees which will absorb CO2 as they grow. GHG offsets can be converted into GHG credits when used to meet an externally imposed target. A GHG credit is a convertible and transferable instrument usually bestowed by a GHG program.
    - On the other hand, avoided emissions are emissions which never happened due to actions taken to prevent them. For example, if your organization replaces an old piece of equipment with a more energy-efficient model, your organization will use less energy to produce the same amount of goods or service, resulting in fewer GHG emissions. These emissions that you’ve avoided are called avoided emissions.
    - For information, reference [GHG Protocol Corporate Standard](http://www.ghgprotocol.org/standards/corporate-standard) Chapter 8 “Accounting for GHG Reductions” (page 58-61) and Chapter 11 “Setting a GHG Target” (pages 74-85).
    - Note that SBTi does not allow use of offsets or avoided emissions towards progress of achieving targets (reference [SBTi’s Target Validation Application Checklist for Small and Medium-Sized Enterprises](https://sciencebasedtargets.org/resources/files/Target-Validation-Application-Checklist-for-Small-and-Medium-Sized-Enterprises.pdf) for more information). As such, in this question we request data on gross emissions targets (total emissions before any deductions or other adjustments are made to take account of any of the above adjustments or reductions).
* **Science-based targets**
  + - Nearly 200 nations at COP21 wrote into the Paris Agreement that globally we will aim to limit warming to below 2°C and pursue efforts to limit warming to under 1.5°C. However, there is a large gap between the level of ambition of the country/area commitments and targeted temperatures. Companies, which are responsible for a vast majority of the world’s emissions, must play a critical role in filling the gap left by country/area commitments by raising the level of ambition in their target setting and reducing their emissions in line with climate science.
    - Science-based target setting methods enable companies to set emissions targets that are consistent with conserving the remaining global emissions budget. A number of factors are taken into consideration in order to determine what is most appropriate for a given company. Please see the [CDP Science Based Targets webpage](https://www.cdp.net/en/campaigns/science-based-targets) for information on best practices in target setting and what CDP considers a science-based target.
    - Organizations are very strongly encouraged to have their targets officially evaluated by the Science Based Targets initiative (SBTi). We consider targets approved by the initiative to reflect best practices in science-based target setting. Due to the waiting list for target validation, companies are encouraged to book a validation slot and submit their targets to the SBTi as early as possible in order for these targets to be used for the questionnaire.
    - Regardless of submission to SBTi, companies are expected to report emissions reductions targets in their response. Targets that did not pass the SBTi’s review process or that have not been submitted for review prior to the deadline will still be evaluated using the information disclosed by each company in their response. See the [CDP Science Based Targets webpage](https://www.cdp.net/en/campaigns/science-based-targets) for more details.

## [5.18.2] Provide details of your emissions intensity targets and progress made against those targets. *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if you select “Emissions intensity target” in response to 5.18.

### Rationale

Target setting plays a vital role in environmental action through its role the successful execution of corporate strategies, as well as in the effective management of dependencies, impacts, risks, and opportunities. The question encourages organizations to set and make progress towards timebound, tracked, quantitative targets informed by the guidance of leading initiatives and frameworks, such as the Science Based Targets initiative where available.

### Ambition

Organizations make progress against emissions targets that reflect their full emissions inventory and are in line with the Science Based Targets initiative (SBTi) criteria.

### Response options

Please complete the following table. The table is displayed over several rows for readability. You are able to add rows by using the “Add Row” function at the bottom of the table.

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | ***Dropdowns appear based on “Yes” responses selected in column 1 of 5.1*** | ***Appears only if “Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)” is selected in column 4******“Approach unknown” appears only if “We are reporting a Scope 2 figure but do not know which approach was used” is selected in column 2 in 5.1*** | ***Appears only if “Scope 3 (indirect emissions in upstream/downstream value chain)” is selected in column 4*** |  |  |  |  |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** |
| **Target reference number** | **Date target was set** | **Target coverage** | **Scopes covered by target** | **Scope 2 accounting method** | **Scope 3 categories** | **Intensity metric** | **End date of base year** | **Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)** | **End date of target** |
| Int1-Int50 | [DD/MM/YY] between 01/01/1900 and 25/09/2024 | Select from:   * + Organization-wide   + Business division   + Business activity   + Site/facility   + Country/area/ region   + Product-level   + Other, please specify | Select all that apply:   * + Scope 1 (direct emissions from owned or controlled activities)   + Scope 2 (indirect emissions from purchased electricity, heat, steam or cooling)   + Scope 3 (indirect emissions in upstream/downstream value chain) | Select from:   * + Location-based   + Market-based   + Approach unknown | Select all that apply:   * + Category 1: Purchased goods and services   + Category 2: Capital goods   + Category 3: Fuel- and energy-related activities (not included in Scopes 1 or 2)   + Category 4: Upstream transportation and distribution   + Category 5: Waste generated in operations   + Category 6: Business travel   + Category 7: Employee commuting   + Category 8: Upstream leased assets   + Category 9: Downstream transportation and distribution   + Category 10: Processing of sold products   + Category 11: Use of sold products   + Category 12: End-of-life treatment of sold products   + Category 13: Downstream leased assets   + Category 14: Franchises   + Category 15: Investments   + Other (upstream)   + Other (downstream) | Select from drop-down options below | [DD/MM/YY] between 01/01/1900 and 25/09/2024 | Numerical field [enter a number from 0-999,999,999,999 using a maximum of 10 decimal places and no commas] | [DD/MM/YY] between 01/01/2019 and 31/12/2099 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  | ***Appears if “Yes, and this target has been approved by the Science Based Targets initiative” is selected in column 16*** |  |
| **11** | **12** | **13** | **14** | **15** | **16** | **17** | **18** |
| **Targeted reduction from base year (%)** | **Intensity figure at end date of target for all selected Scopes (metric tons CO2e per unit of activity)**  **[auto-calculated]** | **Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)** | **% of target achieved relative to base year**  **[auto- calculated]** | **Target status in reporting year** | **Is this a science-based target?** | **Science Based Targets initiative official validation letter** | **Explain target coverage and identify any exclusions** |
| Percentage field [enter a percentage from 0-100 using a maximum of 2 decimal places] | Numerical field [0-999,999,999,999] | Numerical field [enter a number from 0-999,999,999,999 using a maximum of 10 decimal places and no commas] | Percentage field | Select from:   * + New   + Underway   + Achieved   + Achieved and maintained   + Expired   + Revised   + Replaced   + Retired | Select from:   * + Yes, and this target has been approved by the Science Based Targets initiative   + Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative   + Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years   + Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative   + No, but we are reporting another target that is science-based   + No, but we anticipate setting one in the next two years   + No, and we do not anticipate setting one in the next two years | [Attachment(s)] | Text field [maximum 5,000 characters] |

|  |
| --- |
| **Intensity metric (column 7)** |
| * + Grams CO2e per revenue passenger kilometer   + Metric tons CO2e per USD($) value-added   + Metric tons CO2e per square meter   + Metric tons CO2e per metric ton of aluminum   + Metric tons CO2e per metric ton of steel   + Metric tons CO2e per metric ton of cement   + Metric tons CO2e per metric ton of cardboard   + Grams CO2e per kilometer   + Metric tons CO2e per unit revenue   + Metric tons CO2e per unit FTE employee   + Metric tons CO2e per unit hour worked   + Metric tons CO2e per metric ton of product   + Metric tons of CO2e per liter of product   + Metric tons CO2e per unit of production   + Metric tons CO2e per unit of service provided   + Metric tons CO2e per square foot   + Metric tons CO2e per kilometer   + Metric tons CO2e per passenger kilometer   + Metric tons CO2e per megawatt hour (MWh)   + Metric tons CO2e per barrel of oil equivalent (BOE)   + Metric tons CO2e per vehicle produced   + Metric tons CO2e per metric ton of ore processed   + Metric tons CO2e per ounce of gold   + Metric tons CO2e per ounce of platinum   + Metric tons of CO2e per metric ton of aggregate   + Metric tons of CO2e per billion (currency) funds under management   + Other, please specify |

### Requested content

#### General

* Note that we are requesting data on gross emissions targets. Gross means total emissions before any deductions or other adjustments are made to take account of offset credits or avoided emissions.
* If you have a target that will be met in part by offsetting (including carbon neutrality targets), or CO2 removals, only the proportion of the target that relates to emissions reductions (and not offset purchases or CO2 removals) should be reported here. If you are uncertain of the proportion that will be achieved through emissions reductions, make an estimation based on the initiatives that you have in place or planned.
* Targets to reduce emissions in the product use phase or to reduce emissions from the value chain should be captured as Scope 3 targets.
* If you intend to report a net-zero target in 5.18.3, you should report both the near-term and long-term emissions reduction targets associated with your net-zero target either in this question or in 5.18.1 and link them to your net zero target in column 5 “Targets linked to this net zero targets” of 5.18.3. Please refer to the [SBTi Net-Zero Standard](https://sciencebasedtargets.org/resources/files/Net-Zero-Standard.pdf) for information on science-based net-zero targets.

#### Target reference number (column 1)

* Select a unique target reference from the drop-down menu provided to identify the target in subsequent questions and to track progress against the target in subsequent reporting years.
* If you reported a target to us last year and will be reporting progress against the same target this year, ensure you use the same target reference number as last year. For any new targets you are adding, always use a new reference number that you have not used previously.

#### Date target was set (column 2)

* Enter the date on which your company set the target.
* This must be either before or during the reporting year but cannot be after the reporting year or after the end date of the target.
* If the target is science-based and has been submitted to the SBTi for validation or revalidation (as indicated by your response to column 16), enter the date on which your organization submitted the target for validation or revalidation by the SBTi.
* If the target is science-based and has been validated or revalidated by the SBTi (as indicated by your response to column 16), enter the “Date published” from the [SBTi target dashboard](https://sciencebasedtargets.org/target-dashboard).
* If you have a year-on-year rolling target, enter the date on which your company first set the target. This can be before the base year.
* If you set the target based on financial years, enter the date that applies to the end of your financial year and specify this in column 18 “Explain target coverage and identify any exclusions”.
* If you do not know the exact date on which your organization set the target, enter the end of the year that your target was set.

#### Target coverage (column 3)

* If the target applies to the whole organization, select “organization-wide”. Note that “organization” refers collectively to all the companies, businesses, organizations, other entities or groups that fall within the entities you are including in your response.
* It is considered best practice to report one overarching target covering total organization-wide Scope 1 and 2 emissions. Sub-targets may also be reported in additional rows.
* If the target does not apply to the whole organization, select the option that best describes the coverage of the target, and provide further details in column 18 “Explain target coverage and identify any exclusions”. E.g. if your target applies only to your European operations, select “Country/area/region” in this column and specify the country/area/region in column 18 “Explain target coverage and identify any exclusions”.

#### Scopes (column 4)

* This refers to the scopes of emissions to which the target relates. Note that the target does not have to comprise all emissions within a particular Scope.
* If the target being reported has been validated by the SBTi, the scopes (scope 1, 2 and 3 emissions, and scope 3 categories) reported, and their coverage should match that which has been reported to the SBTi.
* For more information refer to the Greenhouse Gas Protocol’s [Corporate Standard](https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf) (Scope 1 and 2) and [Corporate Value Chain](https://ghgprotocol.org/sites/default/files/standards/Corporate-Value-Chain-Accounting-Reporing-Standard_041613_2.pdf) (Scope 3).

#### Intensity metric (column 7)

* If you select “Other, please specify”, provide a label for the metric.
* This should be in the format “mass CO2 per activity”, as in the drop-down options above.

#### End date of base year (column 8)

* The base year is the year against which you are comparing your emissions intensity target.
* The base year cannot be after the reporting year.
* If you have a year-on-year rolling target, the end date of the base year will be within the previous reporting year.
* As per the GHG Protocol (p. 79), it is recommended to use the same base year for your targets as the base year of your emissions inventory. See SBTi criteria for relevant considerations for selecting a science-based target base year.
* If you have a target based on financial years, enter the date that applies to the end of your financial year and specify this in column 18 “Explain target coverage and identify any exclusions”.
* If you have a target based on average emissions over a period of time (e.g. 5-year average), enter the date that applies to the end of the average period and specify this in column 18 “Explain target coverage and identify any exclusions”.

#### Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity) (column 9)

* Enter the emissions intensity figure in the base year covered by the target in this column.
* Note that the base year emissions intensity figure should be calculated by dividing the base year emissions covered by the target by the intensity metric denominator (e.g. unit revenue, metric ton of product etc).
* E.g. if your target is to reduce your Scope 1 emissions per full time equivalent (FTE) employee by 22%, using 2010 as the base year and 2020 as the target year, first calculate what your Scope 1 emissions were per FTE in 2010 (in this example 9 metric tons CO2e) and enter this figure in the field.

#### End date of target (column 10)

* Enter the date that the target ends. For example, if the target is to reduce emissions intensity by 50% by the end of 2030, the target date is 31st December 2030.
* If you have a year-on-year rolling target, the end date of the target will be the reporting year.
* If you have a target based on financial years, enter the year that applies to the end of your financial year and specify this in the “Please explain target coverage and identify any exclusions” column.
* If you have a target based on average emissions over a period of time (e.g. 5-year average), enter the year that applies to the end of the average period and specify this in column 18 “Please explain target coverage and identify any exclusions”.
* You should not report any target that has been achieved before the start of the reporting year.

#### Target reduction from base year (%) (column 11)

* Enter your targeted emissions intensity reduction as a percentage reduction of the emissions intensity figure in all scopes relevant to the target to be achieved in the target year, when compared to the base year.
* Note this column is to capture the percentage target reduction you have set to be achieved between the base year and the target year.
* E.g. If your target is to reduce your Scope 1 + 2 emissions per FTE employee to 7 metric tons CO2e per FTE employee and your base year Scope 1 + 2 intensity figure was 9 metric tons CO2e per FTE employee, you should enter 22 into this column (i.e., (9 - 7)/9 = 0.22 then multiply by 100 to give a percentage value).

#### Intensity figure at end date of target for all selected scopes (metric tons CO2e per unit of activity) [auto-calculated] (column 12)

* This column will be auto-calculated. Ensure that you have entered data into these columns:
  + - Column 9 “Intensity figure in base year for all selected scopes”
    - Column 11 “Targeted reduction from base year”
* The steps below will be automatically performed based on the figures entered in the columns listed above:
  + - Step 1: “Targeted reduction from base year” is subtracted from 100.
    - Step 2: The figure from step 1 is then divided by 100.
    - Step 3: The figure from step 2 is then multiplied by “Intensity figure in base year for all selected scopes”
* E.g. if your base year intensity figure was 9 metric tons CO2e per FTE employee, and your targeted reduction is 22%, this column will display 7.
  + - Step 1: (100 - 22) = 78
    - Step 2: (78 / 100) = 0.78
    - Step 3: (0.78 \* 9) = 7

#### Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity) (column 13)

* Enter the emissions intensity figure in the reporting year covered by the target in this column.
* Note that the intensity figure in the reporting year should be calculated by dividing your reporting year emissions covered by the target by the intensity metric denominator (e.g. unit revenue, metric ton of product etc).
* E.g. if your target is to reduce your Scope 1 emissions per full time equivalent (FTE) employee from 9 metric tons CO2e to 7 metric tons CO2e and in the reporting year your Scope 1 emissions per FTE employee were 8 metric tons CO2e, enter 8 in this field.

#### % of target achieved relative to base year [auto-calculated] (column 14)

* This column will be auto-calculated. Ensure you have entered data into these columns:
  + - Column 9 “Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)”
    - Column 11 “Target reduction from base year (%)”
    - Column 13 “Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)”
* The steps below will be automatically performed based on the figures entered in the columns listed above:
  + - Step 1: The numerator is calculated by subtracting “Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)” from “Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)”.
    - Step 2: The denominator is calculated by dividing “Targeted reduction from base year (%)” by 100, then multiplying it by “Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)”.
    - Step 3: The numerator (step 1) is then divided by the denominator (step 2).
    - Step 4: Lastly, the figure from step 3 is multiplied by 100.
* E.g. if your base year emissions were 150,000 metric tons CO2e and your target is to reduce your Scope 1 emissions per FTE employee by 22% and in the reporting year your Scope 1 emissions per FTE employee had reduced by 11% compared to the base year, this column will display 50 as your target is 50% complete.
  + - Step 1: (150,000 – 133,500) = 16,500
    - Step 2: (22 / 100) \* 150,000 = 33,000
    - Step 3: (16,500 / 33,000) = 0.5
    - Step 4: (0.5 \* 100) = 50
* Negative values indicate an increase in the emissions intensity figure compared to the base year.
* Values greater than 100 indicate that you have exceeded your target.

#### Target status in reporting year (column 15)

* **New** – Select this option for targets that have been set in the reporting year and are still in progress.
* **Underway** – Select this option for targets that were set before the reporting year, with an end date in the future, that have not been achieved and continue to be pursued.
* **Achieved** – Select this option for targets that have been achieved or exceeded in the reporting year.
* **Achieved and maintained** – Select this option for targets that are in place to maintain a certain level of performance (e.g., to maintain emissions intensity of reduction of 90% compared to 2017) and this has been achieved in the reporting year.
* **Expired** – Select this option for targets with an end date within the reporting year, that have not been achieved or maintained and have therefore expired in the reporting year.
* **Revised** – Select this option for targets that were set before the reporting year, but a revision has been made to any of the elements in columns 2 to 76 in the reporting year, for example due to a recalculation of the base year emissions or a change to the end date of the target. Note that the target status should be reported as “revised” only for the reporting year the update was conducted.
* **Replaced** – Select this option for previously reported targets that have been replaced with another target in the reporting year, for example where a facility target has been incorporated into a organization-wide target.
* **Retired** – Select this option for targets with an end date in the future, that have not been achieved, but will no longer be pursued. Provide more information as to why this target was retired in column 18 “Explain target coverage and identify any exclusions”.

#### Is this a science-based target? (column 16)

* A brief description of science-based targets and why we are asking companies to set them is provided as additional information to this question.
* The Science Based Targets initiative (SBTi) has streamlined target-setting route for SMEs. For further information, please see the [SBTi’s Frequently Asked Questions for SMEs](https://sciencebasedtargets.org/resources/files/FAQs-for-SMEs.pdf).
* Note that financial institutions and oil and gas sector companies are not allowed to use the SME streamlined route. If these sectors are relevant to your organization, select the most appropriate “No…” option in this column.
* In addition, refer to the [CDP Technical Note on Science-Based Targets](https://cdn.cdp.net/cdp-production/cms/guidance_docs/pdfs/000/000/386/original/CDP-technical-note-science-based-targets.pdf?1622217705) for what qualifies as a science-based target and how to assess your target against the Science Based Targets initiative’s criteria.
* **Yes, and this target has been approved by the Science Based Targets initiative** – Companies are very strongly encouraged to have their targets officially evaluated by the Science Based Targets initiative (SBTi). We consider targets approved by the initiative to reflect best practice in science- based target setting. Select this option only if the target has been approved by the SBTi.
* **Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative** – If your company has set a target and has self-assessed it to be science-based, and it has been submitted to the SBTi for validation and is currently being reviewed by the SBTi, you should select this option. You should use column 18 “Explain target coverage and identify any exclusions” to explain why you consider your target to be science-based.
* **Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years** – Not all companies have had their target assessed by the SBTi. If your company has set a target and has self-assessed it to be science-based but has not yet submitted it to the SBTi for validation, you should select this option. You should use column 18 “Explain target coverage and identify any exclusions” to explain why you consider your target to be science-based. If you are currently in the process of revising your target to meet SBTi criteria, indicate this by selecting “No, but we anticipate setting one in the next two years.
* **Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years** – Not all companies intend to have their target assessed by the SBTi. If your company has set a target and has self-assessed it to be science-based but has not committed to submit it to the SBTi for validation, you should select this option. You should use column 18 “Explain target coverage and identify any exclusions” to explain why you consider your target to be science-based. If you are a supplier to a company with a supplier engagement target, as part of which you have set a target in line with SBTi resources but are not planning to seek SBTi approval, select this option.
* **No, but we are reporting another target that is science-based** – Another target (absolute or intensity) disclosed is science-based, either in another row in this table, or in 5.18.1.
* **No, but we anticipate setting one in the next two years** – The SBTi’s streamlined route for SMEs enables them to bypass the initial stage of committing to set a science-based target and the standard target validation process. SMEs can immediately set science-based targets (near-term and net-zero options available) by choosing from one of the predefined target options available in the SME science-based target setting form. For larger companies, while not necessary, it is recommended that the company publicly state this by submitting a [Science Based Target initiative commitment letter](https://word-edit.officeapps.live.com/we/wordeditorframe.aspx?ui=zh-CN&rs=en-US&wopisrc=https%3A%2F%2Fesdlife0.sharepoint.com%2Fsites%2FDS%2F_vti_bin%2Fwopi.ashx%2Ffiles%2Fd2a3ce419d654fc7a28e97f09772354e&wdenableroaming=1&mscc=1&hid=076DAEA1-8055-5000-4F3F-E2B395F05217.0&uih=sharepointcom&wdlcid=zh-CN&jsapi=1&jsapiver=v2&corrid=7e878eb8-8f92-28f4-63a3-d3bfcc7df07d&usid=7e878eb8-8f92-28f4-63a3-d3bfcc7df07d&newsession=1&sftc=1&uihit=docaspx&muv=1&ats=PairwiseBroker&cac=1&sams=1&mtf=1&sfp=1&sdp=1&hch=1&hwfh=1&dchat=1&sc=%7B%22pmo%22%3A%22https%3A%2F%2Fesdlife0.sharepoint.com%22%2C%22pmshare%22%3Atrue%7D&ctp=LeastProtected&rct=Normal&wdorigin=Sharing.ServerTransfer&afdflight=52&csc=1&instantedit=1&wopicomplete=1&wdredirectionreason=Unified_SingleFlush#commit).
* **No, and we do not anticipate setting one in the next two years** – No science-based targets have been set and there are no plans in place to set one in the next two years.

#### Science Based Targets initiative official validation letter (column 17)

* This column only appears if you select “Yes, and this target has been approved by the Science Based Targets initiative” in column 16 “Is this a science-based target?”.
* You should attach your SBTi validation letter.

#### Explain target coverage and identify any exclusions (column 18)

* If the target is not organization-wide (i.e. it does not apply to the whole company in line with the entities you are including in your response), provide further details of your target coverage in this column. E.g. if you have selected “Country/area/region” in column 3 “Target coverage”, please specify which countries/areas/regions your target covers.
* If there is a difference between your inventory base year emissions and this target’s base year emissions, explain why.
* If you have excluded any relevant Scopes or Scope 3 categories from your target, state the reason for omitting these Scopes or Scope 3 categories and outline any steps you are taking to enable target-setting for relevant Scopes or Scope 3 categories.
* You can use this column to identify where you have a financial year or average year-based target.
* If your target was originally in a different format, you may wish to give the original target before it was converted into the format required for the purposes of this table.
* If your target is part of a wider carbon neutrality goal, a regulatory requirement, or a longer-term target, you can also explain this here.

### Additional information

* **What is a base year?**
  + - Per [SME Climate Hub’s Setting 1.5°C Aligned Targets Action Guide](https://smeclimatehub.org/take-action-on-your-emissions/action-guides/), a target base year is a year to which future emissions will be compared. The target base year should be one with reliable baseline data available to ensure meaningful comparisons.
    - Most organizations select a single year (referred to in this guidance as a financial year target) as their base year. However, some may choose an average of annual emissions over several consecutive years (referred to in this guidance as an average year base target).
    - For information on choosing a base year, reference [GHG Protocol Corporate Standard](http://www.ghgprotocol.org/standards/corporate-standard) Chapter 5 “Tracking Emissions Over Time” (page 35).
* **What is meant by offset credits and avoided emissions?**
  + - The GHG emissions released into the atmosphere from your organization’s activities can be balanced out (i.e., offset) by supporting projects that reduce or remove an equivalent amount of GHGs from the atmosphere. Such projects include planting trees which will absorb CO2 as they grow. GHG offsets can be converted into GHG credits when used to meet an externally imposed target. A GHG credit is a convertible and transferable instrument usually bestowed by a GHG program.
    - On the other hand, avoided emissions are emissions which never happened due to actions taken to prevent them. For example, if your organization replaces an old piece of equipment with a more energy-efficient model, your organization will use less energy to produce the same amount of goods or service, resulting in fewer GHG emissions. These emissions that you’ve avoided are called avoided emissions.
    - For information, reference [GHG Protocol Corporate Standard](http://www.ghgprotocol.org/standards/corporate-standard) Chapter 8 “Accounting for GHG Reductions” (page 58-61) and Chapter 11 “Setting a GHG Target” (pages 74-85).
    - Note that SBTi does not allow use of offsets or avoided emissions towards progress of achieving targets (reference [SBTi’s Target Validation Application Checklist for Small and Medium-Sized Enterprises](https://sciencebasedtargets.org/resources/files/Target-Validation-Application-Checklist-for-Small-and-Medium-Sized-Enterprises.pdf) for more information). As such, in this question we request data on gross emissions targets (total emissions before any deductions or other adjustments are made to take account of any of the above adjustments or reductions).
* **Science-based targets**
  + - Nearly 200 nations at COP21 wrote into the Paris Agreement that globally we will aim to limit warming to below 2°C and pursue efforts to limit warming to under 1.5°C. However, there is a large gap between the level of ambition of the country/area commitments and targeted temperatures. Companies, which are responsible for a vast majority of the world’s emissions, must play a critical role in filling the gap left by country/area commitments by raising the level of ambition in their target setting and reducing their emissions in line with climate science.
    - Science-based target setting methods enable companies to set emissions targets that are consistent with conserving the remaining global emissions budget. A number of factors are taken into consideration in order to determine what is most appropriate for a given company. Please see the [CDP Science Based Targets webpage](https://www.cdp.net/en/campaigns/science-based-targets) for information on best practices in target setting and what CDP considers a science-based target.
    - Companies are very strongly encouraged to have their targets officially evaluated by the Science Based Targets initiative (SBTi). We consider targets approved by the initiative to reflect best practices in science-based target setting. Due to the waiting list for target validation, companies are encouraged to book a validation slot and submit their targets to the SBTi as early as possible in order for these targets to be used for the questionnaire.
    - Regardless of submission to SBTi, companies are expected to report emissions reductions targets in their response. Targets that did not pass the SBTi’s review process or that have not been submitted for review prior to the deadline will still be evaluated using the information disclosed by each company in their response. See the [CDP Science Based Targets webpage](https://www.cdp.net/en/campaigns/science-based-targets) for more details.

## [5.18.3] Provide details of any other climate-related targets that were active in the reporting year. *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if “Target to increase or maintain low-carbon energy consumption or production”, “Target to reduce methane emissions”, “Net-zero target”, or “Other climate-related target” has been selected in 5.18.

### Rationale

Target setting plays a vital role in environmental action through its role in the successful execution of corporate strategies, as well as in the effective management of risks and opportunities. Emissions reduction targets are not the only type of relevant targets that organizations use to drive change, as other target types can be an important element of organizations’ strategies to reduce their emissions. This question increases transparency of corporate environmental commitments relevant to different organizations.

### Response options

Please complete the following table:

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | ***Appears only if “Net- zero target” is selected in column 1*** |  |  |  |  |  |  |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** |
| **Active climate- related target** | **Target reference number** | **Date target was set** | **Target coverage** | **Targets linked to this net zero target** | **End date of base year** | **End date of target** | **Description of target** | **Target status in reporting year** | **Is this target part of an overarching initiative?** | **Explain target coverage and identify any exclusions** |
| Select from:   * + Target to increase or maintain low-carbon energy consumption or production   + Target to reduce methane emissions   + Net-zero target   + Other climate-related target | Oth1 – Oth50 | [DD/MM/YY] between 01/01/1900 and 25/09/2024 | Select from:   * + Organization-wide   + Business division   + Business activity   + Site/facility   + Country/ area/ region   + Product-level   + Other, please specify | Select all that apply:   * + Abs1 - Abs50   + Int1 - Int50   + Not applicable | [DD/MM/YY] between 01/01/1900 and 25/09/2024 | [DD/MM/YYYY] between 01/01/2019 and 31/12/2099 | Text field [maximum 2,400 characters] | Select from:   * + New   + Underway   + Achieved   + Achieved and maintained   + Expired   + Revised   + Replaced   + Retired | Select all that apply:   * + RE100   + Science Based Targets initiative – SME target   + Science Based Targets initiative – non-SME target   + SME Climate Hub or UN Race to Zero campaign   + No, it’s not part of an overarching initiative   + Other, please specify | Text field [maximum 2,400 characters] |

### Requested content

#### Target reference number (column 2)

* Select a unique target reference from the drop-down menu provided to track progress against this target in subsequent reporting years.

#### Date target was set (column 3)

* Enter the date on which your organization set the target.
* This must be either before or during the reporting year but cannot be after the reporting year. It also cannot be after the end date of the target.
* For year-on-year rolling targets, enter the date that you first set the target. This can be before the base year.
* If the target was set based on financial years, enter the date that applies to the end of your financial year and specify this in column 11 “Explain target coverage and identify any exclusions”.
* If you do not know the exact date on which your company set the target, enter the end of the year that the target was set.

#### Target coverage (column 4)

* If the target applies to the whole company, select “Organization-wide”. Members of the RE100 initiative should select this option to report their RE100 target. Note that “organization” refers collectively to all the companies, businesses, organizations, other entities or groups that fall within your definition of the reporting boundary.
* If the target does not apply to the whole company, select the option that best describes the coverage of the target, and provide further details in column 11 “Explain target coverage and identify any exclusions”. E.g. if your target applies only to your European operations, select “Country/area/region” in this column and specify the country/area/region in the column “Explain target coverage and identify any exclusions”.

#### End date of base year (column 6)

* The base year is the year against which you are comparing your target.
* The base year cannot be after the reporting year.
* For RE100 targets, the base year is usually the year that your organization committed to the RE100 initiative.
* If you have a year-on-year rolling target, the end date of the base year will be within the previous reporting year.
* If you have a maintenance target, your base year will be the same as the base year of the target that is being maintained. If you did not have a target to increase low-carbon energy consumption or production before setting a maintenance target, your base year will be the current reporting year.
* If you have a target based on financial years, enter the date that applies to the end of your financial year and specify this in column 10 “Explain target coverage and identify any exclusions”.
* If you have a target based on an average over a period of time (e.g. 5-year average), enter the date that applies to the end of the average period and specify this in column 11 “Explain target coverage and identify any exclusions”.

#### End date of the target (column 7)

* Enter the date that the target ends. For example, if the target is to increase renewable energy production by 200% by the end of 2030, the end date of the target is 31st December 2030.
* If you have a year-on-year rolling target or maintenance target, the end date of your target will be within the reporting year.
* If you have a target based on financial years, enter the date that applies to the end of your financial year and specify in column 10 “Explain target coverage and identify any exclusions”.
* If you have a target based on an average over a period of time (e.g. 5-year average), enter the date that applies to the end of the average period and specify this in column 10 “Explain target coverage and identify any exclusions”.
* You should not report any target that was achieved before the start of the reporting year.

#### Target status in reporting year (column 9)

* **New** – Select this option for targets that have been set in the reporting year and are still in progress.
* **Underway** – Select this option for targets that were set before the reporting year, with an end date in the future, that have not been achieved and continue to be pursued.
* **Achieved** – Select this option for targets that have been achieved or exceeded in the reporting year.
* **Achieved and maintained** – Select this option for targets that are in place to maintain a certain level of performance (e.g., to maintain 100% renewable energy consumption) and this has been achieved in the reporting year.
* **Expired** – Select this option for targets with an end date within the reporting year, that have not been achieved or maintained and have therefore expired in the reporting year.
* **Revised** – Select this option for targets that were set before the reporting year but a revision has been made to any of the elements in columns 3 to 7 in the reporting year, for example due to a recalculation or a change to the end date of the. Note that the target status should be reported as “revised” only for the reporting year when the update was conducted.
* **Replaced** – Select this option for previously reported targets that have been replaced with another target in the reporting year, for example where a facility target has been incorporated into an organization-wide target.
* **Retired** – Select this option for targets with an end date in the future, that have not been achieved, but will no longer be pursued. Provide more information as to why this target was retired in column 11 “Explain target coverage and identify any exclusions”.

#### Is this target part of an overarching initiative? (column 10)

* “No, it’s not part of an overarching initiative” cannot be selected in conjunction with another option.
* If you are a member of the RE100 initiative, ensure to select “RE100” here.

#### Explain target coverage and identify any exclusions (column 11)

* If the target does not apply to the whole organization (i.e. the target coverage is not “Organization-wide”), provide further details of your target coverage in this column. E.g. if you have selected “Country/area/region” in column 4 “Target coverage”, specify which countries/areas/regions your target covers.
* You can use this column to identify where you have a financial year or average year-based target.
* If your target was originally in a different format, you may wish to give the original target before it was converted into the format required for the purposes of this table.
* If your target is part of a wider carbon neutrality goal, a regulatory requirement, or a longer-term target, you can also explain this here.

## [5.19] Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases. *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if either “Yes” option has been selected in any row of column 1 of 5.1.

### Rationale

Once your organization has measured its carbon footprint, an important next step is to identify where the most intense areas of emissions are and take action to reduce these emissions. Implementing emission reduction initiatives as part of your organization’s strategy has many benefits, including potential cost savings and improved efficiencies (e.g., optimizing transportation routes can help consolidate routes, resulting in reduced emissions and costs related to shipping). Additionally, many countries and organizations are setting emissions targets themselves, and want to understand what initiatives organizations in their supply chain are implementing to help contribute to these targets and reduce negative environmental impacts. The answer to this question enables data users to understand your organization’s commitment to reducing emissions beyond business-as-usual scenario (beyond standard maintenance/replacement activities) or why you do not engage in the best practice of actively reducing your emissions.

### Response options

Please complete the following table:

|  |  |
| --- | --- |
|  | ***Appears if “No” is selected in column 1*** |
| **1** | **2** |
| **Emissions reduction initiative** | **Primary reason for not having an emissions reduction initiative** |
| Select from:   * + Yes   + No, but we plan to within the next two years   + No, and we do not plan to within the next two years | Select from:   * + Important but not an immediate business priority   + Judged to be unimportant   + Insufficient data on operations   + No instruction from management   + Other, please specify |

### Requested content

#### General

* It is acknowledged that maintenance activities can have a beneficial impact on carbon emissions. Only activities that have either been part of a defined program of emissions reduction activities or where additional investment beyond standard maintenance/replacement has been made for the purposes of reducing emissions should be reported here.
* It is acknowledged that diverse companies often have large number of emissions reduction initiatives operating over varying time periods and scales. You should answer this question in the context of the reporting year. This could include initiatives that have become operational within the reporting year (e.g. installation of new equipment, or instigation of new operational practices) or commitments that have been made in the reporting year (e.g. investments made which are yet to become fully operational).
* If you are reporting a market-based Scope 2 figure, you can reflect any renewable energy purchasing policies as a component of emissions reduction activities. Please bear in mind, however, that if you are already buying renewable energy instruments and accounting for them at a zero emissions factor, then emissions reduction activities can only be achieved as “additional purchases” to what you are already doing. Therefore, emissions reduction activities are established by comparing what you have done in the previous year and what you are proposing to do in the future.
* Measures taken to reduce Scope 3 emissions may be reported here.
* Initiatives do not need to relate to specific targets reported in 5.18.1 and 5.18.2

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### Additional information

* **Where should my organization start?**
  + - **Examples of actions to reduce emissions, as outlined on page 19 of** the [1.5C-Business-Playbook-Version-3.0.pdf (exponentialroadmap.org)](https://exponentialroadmap.org/wp-content/uploads/2023/10/1.5C-Business-Playbook-Version-3.0.pdf) include:
      * Improve energy efficiency in own buildings through retrofitting and digital automation.
      * Improve energy efficiency in factory production processes and machines e.g. by investing in new technology and digital automation.
      * Switch to renewable energy for all processes, buildings and sites with the goal of reaching 100% renewable energy as soon as possible.
      * Install new on-site renewable energy production and storage.
      * When buying renewable energy enter into power purchase agreements to ensure additionality and contribute to expanding production. If renewable electricity is not available in one market, work with other stakeholders to increase supply.
      * Monitor and match supply and consumption of renewable energy in both geography and time.
      * Require low emissions buildings, whether owned or leased, when expanding or establishing new businesses or in new locations.
      * Optimise the use of building space in all operations to reduce emissions and costs.
      * Work systematically to reduce use of resources, materials, chemicals and water in all operations.
      * Move towards a low-emission vehicle fleet by requiring 100% electrical or other low-emission owned and leased vehicles.
    - For more information on practical steps that your organization can take to reduce carbon emissions, explore other [SME Climate Hub](https://smeclimatehub.org/tools/) for tools and resources, including [SME Climate Hub’s Action Courses](https://academy.smeclimatehub.org/) and [UK Business Climate Hub's steps businesses can take to cut emissions](https://word-edit.officeapps.live.com/we/wordeditorframe.aspx?ui=zh-CN&rs=en-US&wopisrc=https%3A%2F%2Fesdlife0.sharepoint.com%2Fsites%2FDS%2F_vti_bin%2Fwopi.ashx%2Ffiles%2Fd2a3ce419d654fc7a28e97f09772354e&wdenableroaming=1&mscc=1&hid=076DAEA1-8055-5000-4F3F-E2B395F05217.0&uih=sharepointcom&wdlcid=zh-CN&jsapi=1&jsapiver=v2&corrid=7e878eb8-8f92-28f4-63a3-d3bfcc7df07d&usid=7e878eb8-8f92-28f4-63a3-d3bfcc7df07d&newsession=1&sftc=1&uihit=docaspx&muv=1&ats=PairwiseBroker&cac=1&sams=1&mtf=1&sfp=1&sdp=1&hch=1&hwfh=1&dchat=1&sc=%7B%22pmo%22%3A%22https%3A%2F%2Fesdlife0.sharepoint.com%22%2C%22pmshare%22%3Atrue%7D&ctp=LeastProtected&rct=Normal&wdorigin=Sharing.ServerTransfer&afdflight=52&csc=1&instantedit=1&wopicomplete=1&wdredirectionreason=Unified_SingleFlush#steps-to-take).

## [5.19.1] Provide details on the emissions reduction initiatives implemented in the reporting year in the table below *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if you select “Yes” in response to 5.19.

### Rationale

Data users are interested in understanding how you are making progress towards your emissions reduction targets, as well as other emissions-reducing actions undertaken in the reporting year.

### Response options

Please complete the following table. The table is displayed over several rows for readability. You are able to add rows by using the “Add Row” button at the bottom of the table.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** |
| **Initiative category** | **Initiative type** | **Scope(s) or Scope 3 category(ies) where emissions savings occur** | **Voluntary/ Mandatory** | **Are you able to estimate CO2e savings and financial impacts?** | **Estimated annual CO2e savings (metric tons CO2e)** | **Investment required (unit currency – as specified in 1.2)** | **Annual monetary savings (unit currency – as specified in 1.2)** | **Payback period** | **Estimated lifetime of the initiative** | **Comment** |
| Select from:   * + Company policy or behavioral change   + Energy efficiency in buildings   + Energy efficiency in production processes   + Fugitive emissions reductions   + Low-carbon energy consumption   + Low-carbon energy generation   + Non-energy industrial process emissions reductions   + Transportation   + Waste reduction and material circularity   + Other, please specify | Select from drop-down options below | Select all that apply:   * + Scope 1   + Scope 2 (location-based)   + Scope 2 (market-based)   + Scope 2 (approach unknown)   + Scope 3 category 1: Purchased goods & services   + Scope 3 category 2: Capital goods   + Scope 3 category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)   + Scope 3 category 4: Upstream transportation & distribution   + Scope 3 category 5: Waste generated in operations   + Scope 3 category 6: Business travel   + Scope 3 category 7: Employee commuting   + Scope 3 category 8: Upstream leased assets   + Scope 3 category 9: Downstream transportation and distribution   + Scope 3 category 10: Processing of sold products   + Scope 3 category 11: Use of sold products   + Scope 3 category 12: End-of-life treatment of sold products   + Scope 3 category 13: Downstream leased assets   + Scope 3 category 14: Franchises   + Scope 3 category 15: Investments   + Scope 3: Other (upstream)   + Scope 3: Other (downstream) | Select from:   * + Voluntary   + Mandatory | Select from:   * + Yes   + No | Numerical field [enter a number from 0-999,999,999,999 using a maximum of 2 decimal places and no commas] | Numerical field [enter a number from 0-999,999,999,999,999 using no decimal places, and no commas] | Numerical field [enter a number from 0-999,999,999,999,999 using no decimal places, and no commas] | Select from:   * + <1 year   + 1-3 years   + 4-10 years   + 11-15 years   + 16-20 years   + 21-25 years   + >25 years   + No payback | Select from:   * + <1 year   + 1-2 years   + 3-5 years   + 6-10 years   + 11-15 years   + 16-20 years   + 21-30 years   + >30 years   + Ongoing | Text field [maximum 1,500 characters] |

|  |  |  |
| --- | --- | --- |
| **Initiative type (column 2)** | | |
| **Company policy or behavioral change**   * + Supplier engagement   + Customer engagement   + Site consolidation/closure   + Change in purchasing practices   + Resource efficiency   + Waste management   + Other company policy or behavioral change, please specify   **Energy efficiency in buildings**   * + Insulation   + Maintenance program   + Draught proofing   + Solar shading   + Building Energy Management Systems (BEMS)   + Heating, ventilation and air conditioning (HVAC)   + Lighting   + Motors and drives   + Combined heat and power (cogeneration)   + Other energy efficiency in buildings, please specify   **Energy efficiency in production processes**   * + Waste heat recovery   + Cooling technology   + Process optimization   + Fuel switch   + Compressed air   + Combined heat and power (cogeneration)   + Wastewater treatment   + Reuse of water   + Reuse of steam   + Machine/equipment replacement   + Automation   + Electrification   + Smart control system   + Motors and drives   + Product or service design   + Other energy efficiency in production processes, please specify | **Fugitive emissions reductions**   * + Agricultural methane capture   + Agricultural nitrous oxide reduction   + Landfill methane capture   + Oil/natural gas methane leak capture/prevention   + Refrigerant leakage reduction   + Carbon capture and storage/utilization (CCS/U)   + Other fugitive emissions reductions, please specify   **Low-carbon energy consumption**   * + Solid biofuels   + Liquid biofuels   + Biogas   + Geothermal   + Large hydropower (>25 MW)   + Small hydropower (<25 MW)   + Hydropower (capacity unknown)   + Renewable hydrogen fuel cell   + Solar heating and cooling   + Solar PV   + Solar CSP   + Nuclear   + Wind   + Tidal   + Wave   + Fossil fuel plant fitted with CCS   + Low-carbon electricity mix   + Other low-carbon energy consumption, please specify   **Low-carbon energy generation**   * + Solid biofuels   + Liquid biofuels   + Biogas   + Geothermal   + Large hydropower (>25 MW)   + Small hydropower (<25 MW)   + Hydropower (capacity unknown)   + Renewable hydrogen fuel cell   + Nuclear   + Solar heating and cooling   + Solar PV   + Solar CSP   + Wind   + Tidal   + Wave   + Fossil fuel plant fitted with CCS   + Other low carbon energy production, please specify | **Non-energy industrial process emissions reductions**   * + Process equipment replacement   + Process material substitution   + Process material efficiency   + Carbon capture and storage/utilization (CCS/U)   + Other non-energy industrial process emission reductions, please specify   **Transportation**   * + Business travel policy   + Teleworking   + Employee commuting   + Company fleet vehicle replacement   + Company fleet vehicle efficiency   + Other transportation, please specify   **Waste reduction and material circularity**   * + Waste reduction   + Product or service design   + Product/component/material reuse   + Product/component/material recycling   + Remanufacturing   + Other waste reduction and material circularity, please specify |

### Requested content

#### General

* Organizations are asked to provide information on any emissions reduction initiatives made.
* There is no need to record every action – initiatives can be recorded on a programmatic level. Companies with large numbers of initiatives should prioritize those that have the potential to provide a meaningful contribution to emissions reductions.
* It is acknowledged that maintenance activities can have a beneficial impact on carbon emissions. Only those activities that have either been part of a defined program of emissions reduction initiatives or where additional investment beyond standard maintenance/replacement has been made for the purposes of reducing emissions should be reported here.
* Where initiatives are part of routine maintenance or necessary equipment replacement (e.g. necessary replacement of equipment that has an additional benefit in emissions reduction), enter the additional (premium) costs and additional monetary savings associated with the lower emissions model (if applicable).
* It should be noted that not all emissions reduction initiatives carry with them a significant cost – many initiatives, such as resource efficiency, have fairly negligible investment costs yet offer potentially high monetary savings. These initiatives should be included in the table, with the minimal investment required reflected in the “Investment required” column, and by selecting the payback of less than a year option (if this is the case).

#### Initiative category (column 1)

* Select the option from the drop-down list that best describes the initiative. Note that these are broad categories only, with more detailed options provided in the “Initiative type” column.
  + - **Company policy or behavioral change** – Select this option for initiatives relating to a change in company policy (e.g. value chain engagement, a new procurement policy) or an organizational behavioral change (e.g. resource efficiency improvements such as reducing paper use, waste management improvements such as reducing food waste etc.). Note: Changes in company transportation policies should not be reported here but under the initiative category “Transportation”.
    - **Energy efficiency in buildings** – Select this option for all energy efficiency initiatives relating to buildings, including those relating to the building fabric (e.g. insulation, draught-proofing, etc.) and those relating to building services (e.g. HVAC, BEMS etc.)
    - **Energy efficiency in production processes** – Select this option for all energy efficiency initiatives relating to processes (e.g. waste heat recovery, process optimization, compressed air, combined heat and power, automation, smart control systems, product/service design to improve energy efficiency etc.)
    - **Fugitive emissions reductions** – Select this option for initiatives to reduce fugitive emissions (e.g. methane capture, agricultural nitrous oxide reductions, refrigerant leakage reduction etc.).
    - **Low-carbon energy consumption** – Select this option for emissions reduction initiatives relating to increasing low-carbon energy consumption (i.e. energy from renewable sources, nuclear plants and fossil-fuel plants fitted with carbon capture and storage). Note: If increasing low carbon energy consumption has been a component of your emissions reduction initiatives, please also report the other accompanying information 5.18.1 or 5.18.2. If you select “Solid biofuels”, “Liquid biofuels”, or “Biogas” you should specify whether any of the biofuels are derived from sustainable biomass and/or if they are being used for bioenergy with carbon capture and storage (BECCS) in the “Comment” column (column 11). Refer to [CDP’s Technical note on Biofuels](https://www.cdp.net/en/guidance_docs) for more information. Members of the RE100 initiative selecting this option should ensure to enter a figure in column 8 “Annual monetary savings”.
    - **Low-carbon energy generation** – Select this option for initiatives relating to the installation of low-carbon energy generating facilities (renewable, nuclear or fossil-fuel plants fitted with carbon capture and storage) at your own site or at others on behalf of your clients. Note: If you select “Solid biofuels”, “Liquid biofuels”, or “Biogas” you should specify whether any of the biofuels are derived from sustainable biomass and/or if they are being used for bioenergy with carbon capture and storage (BECCS) in the “Comment” column (column 11). Refer to [CDP’s Technical note on Biofuels](https://www.cdp.net/en/guidance_docs) for more information. Members of the RE100 initiative selecting this option should ensure to enter a figure in column 8 “Annual monetary savings”.
    - **Non-energy industrial process emissions reductions** – Select this option only for initiatives to reduce emissions from industrial production processes which chemically or physically transform materials (e.g. CO₂ from the calcination step in cement manufacturing, CO₂ from catalytic cracking in petrochemical processing, PFC emissions from aluminum smelting etc.).
    - **Transportation** – Select this option for initiatives relating to employee travel and commuting and the company fleet.
    - **Waste reduction and material circularity** – Select this option for circular economy and waste reduction initiatives (e.g. reuse, recycling, remanufacturing, product/service design to reduce waste etc.).
    - **Other, please specify** – If none of the listed categories are applicable to your initiative, select this option and specify the initiative.

#### Initiative type (column 2)

* Select the type of initiative you have undertaken from the drop-down options provided. Note that only initiative types relative to the initiative category selected in column 1 “Initiative category” will be displayed in the portal.
* If none of the provided options are applicable to your initiative, select “Other, please specify” and provide details of the initiative type.

#### Scope(s) (column 3)

* Select the Scope(s) and/or Scope 3 categories where the emission reductions are expected to occur.
* If the initiative covers multiple Scopes, select all Scopes and Scope 3 categories where emissions reductions are expected to occur.

#### Voluntary/Mandatory (column 4)

* Select whether the initiative is mandatory (i.e. to comply with regulation), or a voluntary initiative.

#### Are you able to estimate CO2e savings and financial impacts? (column 5)

* We recognize that implementing emission reduction initiatives is a journey for small and medium-sized enterprises and depends on a number of factors, such as size and available resources.
  + - If you are able to estimate CO2e savings and/or financial impacts of your organization’s emission reduction initiatives, select “Yes” and you will be able to provide these figures in columns 6–9.
    - If you are not yet able to estimate CO2e savings and/or financial impacts of your organization’s emission reduction initiatives, select “No” and you will not be presented with columns 6–9.

#### Estimated annual CO2e savings (metric tons CO2e) (column 6)

* Enter the expected annual CO2e savings in all emission Scopes, in metric tons, occurring with the initiative in place. It is acknowledged that this figure is likely to be an estimate.
* Where savings occur on a non-annual basis, average the savings so that an annual figure can be provided.
* Where the initiative has not been in place for the entire reporting period, estimate and report the emissions that would be saved in a 12-month period, so that an annual figure can be provided.

#### Investment required (unit currency – as specified in 1.2) (column 7)

* Enter the total investment required for the initiative over its lifetime.
* The number entered should be appropriate to the currency selected in question 1.2.

#### Annual monetary savings (unit currency – as specified in 1.2) (column 8)

* Enter the amount of monetary savings per year expected from the initiative (e.g. in reduced energy costs) once it is fully operational.
* The number entered should be appropriate to the currency selected in 1.2.
* Where savings occur on a non-annual basis, please average out so that an annual figure can be provided.

#### Payback period (column 9)

* The payback period reflects the time it takes for the investment made to be offset by the monetary savings from the initiative (Payback Period = Investment / Annual monetary savings).
* The payback period is not applicable (therefore select "**No payback**") if:
  + - the initiative does not require any investment and you have entered 0 (zero) in column 7 "Investment required (unit currency, as specified in 1.2)" AND/OR
    - the initiative does not bring any monetary savings and you have entered 0 (zero) in column 8 "Annual monetary savings (unit currency – as specified in 1.2)".

#### Estimated lifetime of the initiative (column 10)

* This column refers to the duration of cash flow savings from carbon mitigation investments. This data point, in years, allows data users to calculate the Internal Rate of Return of the project, also using the “Annual monetary savings,” “Investment required” and “Payback period” information.
* If you have multiple emissions reduction initiatives for each initiative type, select the median to answer this column.

#### Comment (column 11) (optional)

* If you select “Solid biofuels”, “Liquid biofuels”, or “Biogas” as the “Initiative type” (column 2), specify whether any of the biofuels are derived from sustainable biomass here.

### Additional information

* **What are fugitive emissions?**
  + - Fugitive emissions are small amounts of pollutants which can leak directly into the atmosphere from various types of equipment and processes if not properly controlled or captured. For more information refer to the [US EPA Center for Corporate Climate Leadership: Direct Fugitive Emissions from Refrigeration, Air Conditioning, Fire Suppression, and Industrial Gases.](https://www.epa.gov/sites/default/files/2020-12/documents/fugitiveemissions.pdf)
* **What is the circular economy?**
  + - The circular economy is designed to eliminate waste by maximizing the value of products and services while in use and repurposing them at the end of their lives. For more information refer to SME Climate Hub resources including, [Business in the Community: Accelerating to net zero with the circular economy](https://www.bitc.org.uk/fact-sheet/accelerating-to-net-zero-with-the-circular-economy/).

6.Carbon Pricing

## [6.1] Provide details of your organization’s carbon price pass through targets and progress made against those target(s). *(New Question for CASG Questionnaire)*

### Rationale

This question seeks to assess the preparedness of your organization towards future carbon price risks.

### Response Option

This is an open text question.

### Requested Content

#### General

* You should disclose how carbon pricing is integrated into your organization’s climate strategy and whether an internal carbon price has been developed to inform the formulation of strategy, as well as risk & opportunity assessment. Please provide relevant details as appropriate (e.g. how carbon pricing has impacted strategic planning and has been provided for in the business model).
* You should also disclose whether carbon pass through targets have been set as a response to future carbon price risk and elaborate on how these targets can help mitigate relevant risk.

7. Other Environmental Risks

## [7.1] What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change? *(Source: 2025 CDP full corporate questionnaire)*

### Rationale

This question incentivizes companies to have a complete view of their water balance at the corporate level and to assess anticipated forward trends in water demand, encouraging a transition towards business models which do not pose threats to rivers, lakes, aquifers, and streams.  
  
Total volumes can indicate the organization's relative significance as a user of water and provide a baseline figure for other calculations. Along with trend data, these volumes can also suggest the level of risk posed by future disruptions to water supplies or increases in the cost of water.  
  
Water consumption measures water that is no longer available for use by the ecosystem or local community in the reporting period. Reporting the volume of water consumption contributes to an organization's understanding of the overall scale of its impact due to water withdrawal on downstream water availability.

### Response options

Please complete the following table:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **0** | **1** | **2** | **3** | **4** | **5** | **6** |
| **Water aspect** | **Volume (megaliters/year)** | **Comparison with previous reporting year** | **Primary reason for comparison with previous reporting year** | **Five-year forecast** | **Primary reason for forecast** | **Please explain** |
| Total withdrawals | Numerical field [enter a range of 0 to +/- 999,999,999,999 using a maximum of two decimal places] | Select from:   * + Much lower   + Lower   + About the same   + Higher   + Much higher   + This is our first year of measurement | Select from:   * + Change in accounting methodology   + Divestment from water intensive technology/process   + Facility closure   + Facility expansion   + Increase/decrease in business activity   + Increase/decrease in efficiency   + Investment in water-smart technology/process   + Maximum potential volume reduction already achieved   + Mergers and acquisitions   + Unknown   + Other, please specify | Select from:   * + Much lower   + Lower   + About the same   + Higher   + Much higher   + Unknown | Select from:   * + Change in accounting methodology   + Divestment from water intensive technology/process   + Facility closure   + Facility expansion   + Increase/decrease in business activity   + Increase/decrease in efficiency   + Investment in water-smart technology/process   + Maximum potential volume reduction already achieved   + Mergers and acquisitions   + Unknown   + Other, please specify | Text field [maximum 2,000 characters] |
| Total discharges |  |  |  |  |  |  |
| Total consumption |  |  |  |  |  |  |

### Requested content

Note: Organizations responding to an electric utilities, metals & mining, coal, or oil & gas sector request should refer to additional sector-specific guidance on this question at the end of the "Requested content" section.

#### General

* This question is asking you to report aggregated company-wide volumetric data. If you do not have the aggregated data, if you are estimating or extrapolating to provide complete coverage, give an explanation in column 6 (Please explain).
* **Note** that a zero should only be used for reporting zero volumes and not for an absence of data.
* Please refer to CDP's water accounting definitions before completing this question. **Report volumetric data in megaliters per year for the reporting year** (the time period you stated in response to 1.4). (1 megaliter = 1 million liters or 1,000 m3).
* **Cooling water:** Cooling water (freshwater or sea water) is often withdrawn in large quantities and discharged back to its original source with negligible losses or variation in quality. However, this should be included in your water accounts.
* **Rainwater:** If a company is managing rainwater (for example, by harvesting for use or storage, or to prevent flooding), or is dependent on it for production of goods or the delivery of services, it should try to estimate and disclose it as a withdrawal from the hydrological system into the company boundary. Note that in some jurisdictions rainwater is considered a withdrawal source and organizations are required to report its collection and use.
  + - Companies may choose to exclude collected rainwater and domestic sewage from their water withdrawal/discharge volumes only if the resulting error in their water balance would be less than 5%. (This avoids your discharge volumes being larger than your withdrawals).
    - Including rainwater helps companies better understand their water dependency and risks. For some companies, precipitation/rainwater volumes may constitute a principal input of water at site level. This includes run-off where it has to be managed. In these cases, excluding rainwater from water accounting - withdrawal and discharge - would not be a true reflection of site water balance. In addition, there may be reduced impacts from using rainwater in place of other local freshwater sources.

#### Volumes (megaliters/year) (column 1)

* Report volumetric data in megaliters per year for the reporting year (1 megaliter = 1 million liters or 1000 m3).
* For withdrawals, data may be collected from several sources, including water meters, water bills, calculations derived from other available water data or the organization's own estimates (if neither water meters, nor bills, or reference data exist).
* Before deciding whether your withdrawals, discharges or consumption can be reported as zero (0), please refer to CDP's [Technical Note on Water Accounting Definitions](https://cdn.cdp.net/cdp-production/cms/guidance_docs/pdfs/000/001/561/original/CDP-technical-note-water-accounting-definitions.pdf?1523617481).
* If reporting "zero consumption", remember to check your discharge volumes. Scorers will check that discharge and withdrawals volumes balance (approximately).

#### Comparison with previous reporting year / Five-year forecast (columns 2, 4)

* We do not define the threshold for considering a value as "much higher" rather than simply "higher" (or "much lower"/"lower"). We request this information from many different industries with huge variations in water use, and it would therefore be difficult to provide a universal threshold that is meaningful (as proportions will equate to different absolute values and impacts).
* We recommend that you define your own threshold for what is "much higher" (and "much lower") and apply it consistently so that the reported data for this question is comparable and data users can track your water accounts more effectively each year. A company-specific explanation for these thresholds should be provided in column 6 (Please explain).
* The threshold defined for "much higher"/"higher" (and "much lower"/"lower") should be the same for column 2 and column 4.
* **Comparison with previous reporting year:** If the data was not previously reported, but was collected, you may choose to indicate a comparison with the previous year or select "This is our first year of measurement". In either case, use the "Please explain" column to provide details about the information reported.

#### Primary reason for comparison with previous reporting year / Primary reason for forecast (columns 3, 5)

* Select the most significant reason.
* **'Maximum potential volume reduction already achieved'** refers to situations where water saving limits have been reached - for example where a closed-loop water recycling system has been put in place and further water reductions are not feasible.

#### Please explain (column 6)

* Include any contextual information necessary to understand your primary reason for the comparison with previous reporting year and the five-year forecast, and how the volumetric data have been compiled, such as any standards, methodologies, and assumptions used.
* If you have left column 1 blank because you do not have the data, describe the barriers to reporting that data and any plans to collect and report it.
* Describe the thresholds for what is "much higher" and "much lower" for the change in volumes from previous reporting year and the five-year forecasts.
* If you provide an estimated figure or there is any level of uncertainty in your "Total" figures in column 1, you should explain this in this field and give the range of uncertainty. Uncertainty can arise from data gaps, assumptions, metering/measurement constraints including equipment accuracy, data management, etc.
* Note: We expect withdrawals, discharges and consumption figures to balance (approximately; +/- 5%) so if there is a good reason why this cannot happen, it should be explained in the "Total consumption" row.

#### Please explain - additional guidance for consumption volume (row 3)

* For the "water consumption" row, you should indicate if your figure is based on an aggregation of local measurements, an aggregation of local calculations, or is a company-wide calculation (for example using withdrawals minus discharges).
* If known, please provide a breakdown of this figure (with reference to CDP's definition of consumption) and a brief explanation. Breakdowns include:
  + - Volume incorporated into products, crops or waste;
    - Volume evaporated or transpired;
    - Volume consumed by humans or livestock;
    - Net volume stored in a controlled manner;
    - Net volume stored for future use;
    - Volumes otherwise excluded from discharges out of the organization's boundary.
* It is important that you explain a negative consumption figure where this is the case. This would indicate that your discharges are larger than your withdrawals for the reporting year - due to a net release of water from storage, for example.

### Requested content - Sector-specific guidance for electric utilities sector

#### General

* This guidance is specific to companies responding to an electric utilities sector request. You should first read the guidance for this question that applies to all companies. This is additional to the general guidance and does not replace it.

#### Water aspect (column 0)

* **Total withdrawals:** We recognize the difficulty in accounting for some elements of the hydropower operations' water balance, specifically surface runoff or elements that are outside the organization's control such as third-party discharges into the reservoir. Water withdrawals into hydropower operations include river inflow, surface runoff and precipitation onto the reservoir surface, as well as third-party discharges into the reservoir:  
     
  W = Precipitation + River Inflow + Runoff + Third-party discharges into reservoir  
     
  Organizations should strive to include volumes for those sources if they would result in an estimated error in the water balance of more than 5% and take a consistent approach throughout the questionnaire. In column 6 (Please explain), you should explain which sources you have included or excluded. Note that estimation or modelling are valid sources of data.
* **Total discharges:** We recognize the difficulty in accounting for some elements of the hydropower operations' water balance, specifically seepage or those that are outside the organization's control such as third-party withdrawals. In hydropower operations, water discharge includes the dam outlet and the spillway, underground seepage and third-party withdrawals from the reservoir (for example a municipal water plant abstracting from the reservoir).  
     
  D = Dam outlet + Spillway + Seepage + Third-party withdrawals from the reservoir
* Organizations should strive to include volumes for those destinations and explain which of these elements are included or excluded if they would result in an estimated error in the water balance of more than 5%. In column 6, you should explain which destinations you have included or excluded and take a consistent approach throughout the questionnaire. Note that estimation or modelling are valid sources of data.
* **Total consumption:** Water consumption in hydropower operations includes evaporation from the reservoir surface as well as the balance between withdrawals and discharges. Although organizations should estimate evaporated volumes if they would result in an estimated error in the water balance of more than 5%, you may consider variations in storage as a valid measure of your consumption volumes rather than calculating evaporation and the balance between all withdrawals and discharges. This information is usually easily derived from water level measurements.
* In column 6 (Please explain) provide your approach to reporting a total consumption figure.

#### Please explain (column 6)

* In the case of hydropower operations, indicate which elements of water withdrawals (river inflow, surface runoff, precipitation onto the reservoir surface and third-party discharges into the reservoir), discharges (spillway, underground seepage, and third-party withdrawals from the reservoir) and consumption are you taking into account when providing your response to column 1 (Volume). You may indicate the method followed to obtain it, e.g. direct monitoring, estimation from a hydrological model, or other secondary source of information.
* Additionally, you may choose to specify the evaporated volumes if your organization collects this data.
* **Note:** We expect withdrawals, discharges and consumption figures to balance (approximately; +/- 5%) so if there is a good reason why this cannot happen, it should be explained in the "Total consumption" row.

### Requested content - Sector-specific guidance for metals & mining and coal sectors

#### General

* This guidance is specific to companies responding to a metals & mining or coal sector request. You should first read the guidance for this question that applies to all companies. This is additional to the general guidance and does not replace it.

#### Water aspect (column 0)

* **Water withdrawals:** In line with CDP's definition of water withdrawal, for the mining industry water withdrawals include water diversions to enable comparability -because it is water that crosses the company boundary.
* **Water discharges:** In line with CDP's definition of water discharges, for the mining industry discharges comprise all water outputs including water diversions - because it is water that crosses the company boundary. Evaporation and water entrained in waste material should not be considered discharges but as part of the consumption volumes.
* **Water consumption:** Water consumption in the mining industry should report on the volumes of water lost to evaporation from open water surfaces, entrained in remaining waste material (such as tailings, coarse rejects, and concentrates), or water stored over the reporting year.

### Requested content - Sector-specific guidance for oil & gas sector

#### General

* This guidance is specific to companies responding to an oil & gas sector request. You should first read the guidance for this question that applies to all companies. This is additional to the general guidance and does not replace it.

#### Water aspect (column 0)

* **Total withdrawals:** In the oil & gas sector, the reporting of water withdrawals volumes typically does not include produced water. To enable comparability, we require all companies to include produced water volumes in their withdrawals disclosure, in order to have an accurate water balance.
* As part of groundwater withdrawal volumes (be it from renewable or non-renewable sources), organizations should include all withdrawals from aquifers (other than the formation being exploited). These withdrawals may be intended for any use in the organization, including injection to maintain well pressure or as part of the fracture fluids.
* **Total discharges:** In oil production, as part of secondary and tertiary recovery operations, water-based fluids (from various sources) may be used to maintain the pressure, and to displace the hydrocarbons and move them towards the production wells. For this disclosure, organizations must report these volumes as discharges to groundwater bodies, to enable comparability and have an accurate water balance.

### Explanation of terms

* **Water balance:** An account of the volumes of water flowing into and leaving an organization across its boundary. When the two volumes are equal, the net water balance will be zero.
* **Water consumption:** The amount of water that is drawn into the boundaries of the organization (or facility) and not discharged back to the water environment or a third party over the course of the reporting period. It is important to distinguish the term ‘consumption’ from the term ‘water withdrawal’ or ‘water use’. Water consumed is water that during the reporting year:
  + - * has been incorporated into products, crops or waste
      * has evaporated or transpired
      * consumed by humans or livestock
      * has been stored in a controlled manner because it is polluted to the point of being unusable by other users, and so that it does not leave the organization’s boundary
      * has been stored during the reporting year for use or discharge in a subsequent reporting period
      * is otherwise excluded from discharges out of the organization’s boundary so that it is no longer available for use by the ecosystem or local community.

Consumption may be measured directly or modelled, or it can be calculated by subtracting the total water discharge from company boundary from total water withdrawn into the company boundary during the reporting period. As data users require comparability, all disclosing companies should use this method. If the company discharges more water than it withdraws, for example, because it has used and then discharged previously stored water, a negative consumption value is possible. This would indicate a net contribution to the water environment in the reporting year.

* **Water discharges – total volume(s):** The sum of effluents and other water leaving the organization’s boundary and released to surface water, groundwater water or to third parties over the course of the reporting period. This includes all water leaving the company boundary, whether it is:
  + - considered used or unused
    - released through a defined discharge point (point source discharge), or
    - released over land in a dispersed or undefined manner (non-point source discharge), or as
    - wastewater removed from the organization via truck.

Water discharge can be authorized (in accordance with discharge consent) or unauthorized (if discharge consent is exceeded).

* **Water diversions (Metals & mining and coal sectors only):** According to the Water Accounting Framework from the Mineral Council of Australia water diversions are flows from an input to an output without being utilized by the operational facility. The flow is not stored with the intention of being used in a task or treated.

### Example Response

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **0** | **1** | **2** | **3** | **4** | **5** | **6** |
| **Water aspect** | **Volume (megaliters/year)** | **Comparison with previous reporting year** | **Primary reason for comparison with previous reporting year** | **Five-year forecast** | **Primary reason for forecast** | **Please explain** |
| *Total withdrawals* | *32,596,140* | *About the same* | *Increase/decrease in efficiency* | *Lower* | *Investment in water-smart technology/process* | *Description for "comparison with previous reporting year" and "five-year forecast" thresholds: Deviation +/- 5% = about the same; Deviation between +/- 5-15% = higher / lower; Deviation > +/- 15% = much higher / lower.*  *Water withdrawals remained about the same compared to the previous year despite an increase in production thanks to water efficiency measures and divestment from thermal coal operations. These actions form part of our 2020-2025 sustainability strategy.*  *In the future, we expect withdrawals to decrease with increased investments in water-smart technologies, water efficiency measures, and water circularity.* |
| *Total discharges* | *23,827,590* | *Higher* | *Increase/decrease in efficiency* | *Lower* | *Investment in water-smart technology/process* | *Description for "comparison with previous reporting year" and "five-year forecast" thresholds: Deviation +/- 5% = about the same; Deviation between +/- 5-15% = higher / lower; Deviation > +/- 15% = much higher / lower.*  *The increase in total discharges can be explained by a decrease in water consumption as well as improved water efficiency.*  *In the future, we expect water discharges to decrease with increased investments in water water-smart technologies, efficiency measures, and water circularity.* |
| *Total consumption* | *8,779,710* | *Lower* | *Divestment from water intensive technology/process* | *Lower* | *Investment in water-smart technology/process* | *Description for "comparison with previous reporting year" and "five-year forecast" thresholds: Deviation +/- 5% = about the same; Deviation between +/- 5-15% = higher / lower; Deviation > +/- 15% = much higher / lower.*  *Total water consumption figures are based on measured primary data on water withdrawal and water discharge at all operations (C= W - D).*  *The lower consumption volume can be primarily attributed to divestment from thermal coal operations. Increases in water efficiency measures have also contributed to the decrease in water consumption.*  *We expect water consumption to continue decreasing with the implementation of the remainder of our 2020-2025 sustainability strategy, including water-smart processes, water circularity and an optimized water management to achieve a continuous improvement of the water usage ration.* |

## [7.2] Provide details of the organization's waste disposal goals, and the initiatives implemented to achieve the target. *(New Question for CASG Questionnaire)*

### Response Option

Please complete the following table (one row per target, add new row for additional targets):

|  |  |  |  |
| --- | --- | --- | --- |
| Target(s) on waste disposal or management | Metric used for the target | Initiative(s) implemented to achieve the target | Description of initiative(s) implemented |
| Select all that apply:   * + Metric tons of waste diverted from landfill   + Metric tons of waste recycled   + Metric tons of waste reused   + Metric tons of waste generated   + Percentage of total waste generated that is recycled   + Percentage of sites operating at zero-waste to landfill   + Other, please specify | Select from:   * + KWh   + MWh   + GJ   + Btu   + Boe   + Other, please specify | Select all that apply:   * + Energy efficiency in production processes   + Waste heat recovery   + Wastewater treatment   + Waste reduction and material circularity   + Waste reduction   + Product or service design   + Product/component/material reuse   + Product/component/material recycling   + Remanufacturing   + Other, please specify . | * + Text field [maximum 2,500 characters] |

### Requested Content

#### General

* You should consider the following in responding to this question:
  + - Does your organization measure how much waste is generated from its business, and how the waste is handled?
    - What proportion of waste is sent to landfill, recycled or reused?
    - Does your organization have any zero-waste policy and practice?
    - Does your organization have any initiatives to reduce waste generated from product life cycles, i.e. from the acquisition of raw materials or generation of natural resources to end-of-life.

8. Supply Chain

## [8.1] Do you engage with suppliers, customers, and other stakeholders within your value chain on environmental issues? *(Source: 2025 CDP SME questionnaire)*

Rationale  
 Engaging with value chain stakeholders is essential for organizations to drive progress on environmental issues associated with their operations. A value chain encompasses the activities, resources, and relationships an organization uses and relies on to create its products or services from conception to delivery, consumption and end-of- life. Relevant activities, resources and relationships include: a) those in the organization's own operations, such as human resources; b) those along the organization's supply, marketing and distribution channels, such as materials and service sourcing and product and service sale and delivery; and c) the financing, geographical, geopolitical and regulatory environments in which the organization operates.  
   
As SMEs typically have fewer resources compared to larger corporations, engaging with value chain stakeholders can be especially valuable for sharing learnings, building expertise, enhancing risk management, and taking action to address environmental impacts. Examples of engagement include collaborating with suppliers to establish environmentally responsible sourcing of materials and educating customers on environmental sustainability and eco-friendly practices. Another example is joining industry networks on sustainability to share resources and discuss best practices and collaborative opportunities with other businesses. If you are not engaging with your value chain on environmental issues, data users wish to know why you are not engaging in any way and what your plans are to do so in the future.

### Ambition

* The organization has a value chain engagement strategy for environmental issues and undertakes value chain engagement to positively impact its value chain stakeholders and the environment.

### Response options

Please complete the following table:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  | ***Appears if "Yes" is selected in column 1*** | ***Appears if either "No…" option is selected in column 1*** | ***Appears if "Yes" is selected in column 1*** | ***Appears if "Yes" is selected in column 1*** |
| **0** | **1** | **2** | **3** | **4** | **5** |
| **Value chain stakeholder** | **Engaging with this stakeholder on environmental issues** | **Environmental issues covered** | **Primary reason for no engagement** | **Type of engagement** | **Details of engagement** |
| Suppliers | Select from:   * + Yes   + No, but we plan to within the next two years   + No, and we do not plan to within the next two years | Select all that apply:   * + Climate change   + Forests   + Water | Select from:   * + We are producers, and do not have any commodity suppliers [Suppliers row only; F only]   + Lack of internal resources, capabilities, or expertise (e.g., due to organization size)   + No standardized procedure   + Not an immediate strategic priority   + Judged to be unimportant or not relevant, explanation provided   + Other, please specify | Select all that apply:   * + Capacity building [not shown in Customers or Investors and shareholders rows]   + Financial incentives [not shown in Customers or Investors and shareholders rows]   + Information collection [not shown in Customers or Investors and shareholders rows]   + Innovation and collaboration   + Education/Information sharing [not shown in Suppliers' row]   + Other | Text field [maximum 2,500 characters] |
| Customers |  |  |  |  |  |
| Investors and shareholders |  |  |  |  |  |
| Other value chain stakeholders, please specify |  |  |  |  |  |

### Requested content **General**

* Processors, traders, manufacturers, and retailers are encouraged to engage with their suppliers they directly contract with to ensure the sustainable production of raw materials and the alignment with your organization's policies and commitments.

#### Engaging with this stakeholder on environmental issues (column 1)

* Select "Yes" if you engage on environmental issues with the stakeholder specified in each row. Engagement can include environmental information collection, contractual requirements, innovation and collaboration, incentivization, education programs, or other methods.
  + - For example, when considering engagement with suppliers, does your organization engage with suppliers in case of poor performance, integrate environmental considerations into vendor selection and appraisal processes, or influence their actions regarding sustainable sourcing and production?

#### Environmental issues covered (column 2)

* This column is only presented if a "Yes" response has been selected for a value chain stakeholder in column 1 "Engaging with this stakeholder on environmental issues".
* Select all environmental issues that apply from the dropdown list.

#### Primary reason for no engagement (column 3)

* This column is only presented if a "No…" response has been selected for a value chain stakeholder in column 1 "Engaging with this stakeholder on environmental issues".

#### Details of engagement (column 5)

* This column is only presented if "Yes" is selected in column 1 "**Engaging with this stakeholder on environmental issues**".
* Include any details that would help data users to understand the details of the engagement. For example:
  + - If you selected any option other than "No, and we do not plan to within the next two years" in column 1 "Engaging with this stakeholder on environmental issues" for the row "Other value chain stakeholders, please specify", provide detail on the type of value chain stakeholder your organization engages with.
    - If you selected "Capacity building" in column 4 "Type of engagement", describe if this includes activities such as providing training, support and best practices on environmental topics.
    - If you selected "Financial incentives" in column 4 "Type of engagement", describe if this includes activities such as providing financial incentives for environmental performance or progress.
    - If you selected "Information collection" in column 4 "Type of engagement", describe if this includes activities such as collecting GHG emissions data or water quantity data (e.g., withdrawal and discharge volumes) at least annually from suppliers.
    - If you selected "Innovation and collaboration" in column 4 "Type of engagement", describe if this includes activities such as investing jointly with suppliers in R&D of relevant low-carbon technologies, or collaborating on innovations to reduce environmental impacts in products and services.
    - If you selected "Education/Information sharing" in column 4 "Type of engagement", describe if this includes activities such as sharing information about your products and environmental initiatives, or if you are working with stakeholders on understanding and measuring exposure to environmental risks.

## [8.1.1] If yes, do your suppliers assess their climate risks? Do you have a plan to receive climate risk data from your suppliers, or do you support your suppliers in the collection of such climate risk data? *(New Question for CASG Questionnaire)*

### Question dependencies

This question only appears if you select “Yes” in column 1 in response to “Suppliers” in column 0 of 8.1.

**Response Option**

This is an open text question.

**Requested Content**

***General***

* You should consider disclosing the following in responding to this question:
  + - Does your organization embed sustainability into procurement and performance evaluation? If so, what KPIs are used?
    - What is your organization’s approach to managing its supply chain risks through supplier engagement, e.g. setting out sustainability expectations, requesting for annual climate-related disclosures, and providing practical support and resources to suppliers?
    - How does your organization engage with suppliers that have poor sustainability performance?
    - What kind of support (e.g. technical and monetary support) does your organization offer to your suppliers in collecting climate risk data?
    - How does your organization support suppliers’ transition to a low-carbon economy, e.g. use of sustainable materials and energy efficient appliances etc.?

## [8.2] Do you use climate-related weighted criteria for evaluation in competitive tenders and purchase agreements? *(New Question for CASG Questionnaire)*

**Rationale**

This question seeks to understand whether your organization has taken into account climate-related objectives as part of the tender evaluation process and in the purchase agreements.

**Response Option**

Select one of the following options:

* Yes
* No

## [8.3] Does your organization use life cycle analysis to measure climate-related impacts across the supply chain? *(New Question for CASG Questionnaire)*

**Response Option**

This is an open text question.

**Explanation of term**

* **Life cycle analysis**: a structured, comprehensive method of quantifying material- and energy-flows, their associated emissions and environmental impacts i throughout the life cycles of products (i.e. goods and services)

## [8.4] Does your organization utilize a social cost of carbon (SCC) for establishing life cycle costs and benefits? *(New Question for CASG Questionnaire)*

**Response Option**

Select one of the following options:

* Yes
* No

**Explanation of term**

* **Social cost of carbon (SCC):** the discounted monetary value of the future climate change damages from emitting an additional metric ton of carbon dioxide into the atmosphere today

## [8.4.1] If yes, what is it and does it escalate over time? *(New Question for CASG Questionnaire)*

**Question dependencies**

This question only appears if you select “Yes” in 8.4.

**Response Option**

This is an open text question.

**Requested Content**

***General***

* You should disclose the details of your organization’s social cost of carbon and whether the value will change over time. If so, what are the driving factors?

## [8.5] Does your organization use a lower discount rate for evaluating low carbon solutions? *(New Question for CASG Questionnaire)*

**Response Option**

Select one of the following options:

* Yes
* No

## [8.6] Please give an assessment of the physical risk impacts on your supply chain. *(New Question for CASG Questionnaire)*

**Response Option**

Select one of the following options:

* Very high
* High
* Medium
* Low
* Very low

**Explanation of terms**

* **Supply chain (also referred to as “upstream value chain”)**: the activities, sites, resources, relationships, and stakeholders that provide products and/or services to your organization. This typically involves activities early in the value chain, such as production or development. The upstream value chain varies depending on the nature of the business but may include raw material, component, or equipment suppliers (adapted from [ESRS, 2023](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202302772))
* **Physical risk**: the impacts of climate and weather-related events and long-term progressive shifts of climate. Weather events such as heatwaves, floods, storms while change in average temperatures, precipitation and sea-level rise. Direct impacts of such events may lead to damage to property or reduced productivity and revenues, indirectly impacts may result in disruption of global supply chains.

## [8.7] Please briefly explain the strategy that your organization uses to mitigate or adapt to current and future physical risks to your supply chain. *(New Question for CASG Questionnaire)*

### Response Option

This is an open text question.

### Requested Content

#### General

* You should consider disclosing the following in responding to this question:
  + - Has your organization conducted climate risk assessment on its supply chain?
    - Does your organization understand its risk exposure from the supply chain, e.g. how that can impact your business if your suppliers have an operational base in coastal areas?
    - Does your organization have a risk mitigation plan, e.g. through vendor due diligence?
    - Does your organization have a long-term strategy to decarbonize its supply chain, e.g. provision of subsidies to support suppliers’ transition to low-carbon solutions, sourcing of more sustainable raw materials, etc.?

**Explanation of terms**

* **Supply chain (also referred to as “upstream value chain”)**: the activities, sites, resources, relationships, and stakeholders that provide products and/or services to your organization. This typically involves activities early in the value chain, such as production or development. The upstream value chain varies depending on the nature of the business but may include raw material, component, or equipment suppliers (adapted from [ESRS, 2023](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202302772))

9. Assurance

## [9.1] Is any environmental information included in your response verified and/or assured by a third party? *(Source: 2025 CDP SME questionnaire)*

Rationale  
This information gives data users confidence in the quality and credibility of your organization's response. We support third-party verification and assurance as good practice in environmental reporting as it ensures the reliability of the data and processes disclosed. This question allows leading organizations to report their efforts on this and to highlight trends in verification and assurance of interest to investors and purchasing organizations. We also recognize the growing importance to organizations of disclosing credible independently verified environmental data for demonstrating compliance with emerging standards and regulations.

### Ambition

* Organizations work with an accredited third party to verify/assure data disclosed in their response using a reputable standard.

### Response options

|  |
| --- |
| **Options** |
| Select one of the following options:   * + Yes   + Third-party verification/assurance is currently in progress   + No, but we plan to obtain third-party verification/assurance of other environmental information in our response within the next two years   + No, and we do not plan to obtain third-party verification/assurance of other environmental information in our response within the next two years |

### Requested content

#### General

* This question requests whether any of the environmental information in your response (other than information disclosed in question 5.9) has been verified and/or assured by a third party, (i.e., an independent body) and not by your own or partner organization.

## [9.1.1] Which data points within your response are verified and/or assured by a third party, and which standards were used? *(Source: 2025 CDP SME questionnaire)*

### Question dependencies

This question only appears if you select "Yes" or "Third-party verification/assurance is currently in progress" in response to 9.1.

### **Rationale**

This information allows data users to understand which elements of your organization’s response have been verified/assured by an accredited third-party.

### Ambition

* Organizations disclose and provide evidence that the environmental data within their response has been verified, through credible standards.

### Response **options**

Please complete the following table. You are able to add rows by using the "Add Row" button at the bottom of the table.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| ***Drop-down options appear depending on themes selected to disclose*** | ***Drop-down options appear based on selections in column 1 (Section 1 – 4, and 7 appear for all themes, Section 5 – 6 only appear if “Climate change” is selected in column 1)*** | ***Drop-down options appear depending on selections in column 2a*** | ***Drop-down options appear depending on selections in column 1*** |  |  |
| **1** | **2a** | **2b** | **3** | **4** | **5** |
| **Environmental issue for which data has been verified and/or assured** | **Disclosure section** | **Data verified and/or assured** | **Verification/assurance standard** | **Further details of the third- party verification/assurance process** | **Attach verification/assurance evidence/report (optional)** |
| Select all that apply:   * + Climate change   + Forests   + Water | Select from:   * + 1: Introduction   + 2: Governance   + 3: Assessment of risks and opportunities   + 4: Business strategy   + 5: Reported emissions   + 6: Carbon pricing   + 7: Other environmental risks   + 8: Supply chain   + 9: Assurance   + All data points in my response | * + Select all that apply from drop-down options below: | * + Select all that apply from drop-down options below: | * + Text field [maximum 2,000 characters] | * + [Attachment functionality] |

|  |  |
| --- | --- |
| **Data verified and/or assured (column 2b)** | |
| **Introduction**   * + All data points in section 1   + Other data point in section 1, please specify   **Governance**   * + Environmental policies   + Incentives   + All data points in section 2   + Other data point in section 2, please specify   **Assessment of risks and opportunities**   * + Identification, assessment, and management risks and opportunities   + Financial effect of environmental risks   + All data points in section 3   + Other data point in section 3, please specify   **Business strategy**   * + Scenario analysis   + Transition plans   + All data points in section 4   + Other data point in section 4, please specify | **Reported emissions**   * + Allocation of emissions to customers   + Electricity/Steam/Heat/Cooling consumption   + Emissions reduction initiatives/business activities   + Progress against targets   + Renewable electricity consumption   + Target-setting methodology   + Year on year change in absolute emissions (Scope 1 and 2)   + Year on year change in absolute emissions (Scope 3)   + Year on year change in emissions intensity (Scope 1 and 2)   + Year on year change in emissions intensity (Scope 3)   + All data points in section 5   + Other data point in section 5, please specify   **Carbon pricing**   * + All data point in section 6   **Other environmental risks**   * + Water volume   + Waste disposal   + All data point in section 7   **Supply chain**   * + All data point in section 8   + Other data point in section 8, please specify   **All data point in my response** |

|  |  |
| --- | --- |
| **Verification/assurance standard (column 3)** | |
| **General**   * + AA1000AS   + Aluminium Stewardship Initiative (ASW)   + ASAE 3000   + Attestation Standards (AT-C Section 105 & 210/205) established by the American Institute of Certified Public Accountants (AICPA)   + Compagnie Nationale des Commissaires aux Comptes (CNCC)   + CRevR 6 Bestyrkande av hållbarhetsredovisning (RevR 6 Assurance of Sustainability)   + CSAE 3000   + DNV Verisustain Protocol / Verification Protocol for Sustainability Reporting   + Dutch Standard 3000A   + IDW AsS 821: IDW Assurance Standard: Generally Accepted Assurance Principles for the Audit or Review of Reports on Sustainability Issues   + International Sustainability and Carbon Certification (ISCC)   + ISAE 3000   + ISAE 3410, Assurance Engagements on Greenhouse Gas Statements   + RevR6 Procedure for assurance of sustainability report from Far, the Swedish auditors professional body   + Roundtable on Sustainable Biomaterials (RSB)   + SGS Sustainability Report Assurance   + Standard 3810N Assurance engagements relating to sustainability reports of the Royal Netherlands Institute of Registered Accountants   + SURE (Sustainable Resources Verification Scheme)   + Sustainable Biomass Program (SBP)   + Verified Carbon Standard (VCS)   + SURE   + Other general verification standard, please specify   **Water**   * + Other water verification standard, please specify   **Forests**   * + Other forests verification standard, please specify | **Climate change**   * + ABNT NBR ISO 14064-3:2007 (Associação Brasileira de Normas Técnicas)   + Advanced technologies promotion Subsidy Scheme with Emission reduction Target (ASSET)   + Airport Carbon Accreditation (ACA) des Airports Council International Europe   + Alberta Specified Gas Emitters Regulation   + ASAE 3410   + Australia National Greenhouse and Energy Regulations (NGER Act)   + California Mandatory GHG Reporting Regulations (Californian Air Resources Board regulations)   + Canadian Institute of Chartered Accountants (CICA) Handbook: Assurance Section 5025   + Carbon Trust Standard   + Chicago Climate Exchange verification standard   + Climate Action Reserve   + Corporate GHG Verification Guidelines from ERT   + CSAE 3410   + Earthcheck Certified   + ERM GHG Performance Data Assurance Methodology   + ERT Standard “Corporate Greenhouse Gas Verification”   + IDW PS 821: IDW IDW Prüfungsstandard: Grundsätze ordnungsmäßiger Prüfung oder prüferischer Durchsicht von Berichtenim Bereich der Nachhaltigkeit   + IRECS (International Renewable Energy Certificate services)   + ISO 14064-1   + ISO 14064-3   + JVETS (Japanese Voluntary Emissions Trading Scheme) Guideline for Verification   + Korean GHG and energy target management system   + NMX-SAA-14064-3-IMNC: Instituto Mexicano de Normalización y Certificación A.C   + Saitama Prefecture Target-Setting Emissions Trading Program   + Spanish Institute of Registered Auditors (ICJCE)   + SSAE 3000   + State of Israel Ministry of Environmental Protection, VERIFICATION OF GREENHOUSE GAS EMISSIONS AND EMISSIONS REDUCTION IN ISRAEL GUIDANCE DOCUMENT FOR CONDUCTING VERIFICAITONS, Process A   + Swiss Climate CO2 label   + Thai Greenhouse Gas Management Organization (TGO)   + The Climate Registry’s General Verification Protocol (GVP)   + Toitū carbon reduce   + Toitū climate positive   + Toitū net carbon zero   + Tokyo Emissions Trading Scheme   + Verification under the EU Emissions Trading Scheme (EU ETS) Directive and EU ETS related national implementation laws   + Other climate change verification standard, please specify |

### Requested content **Disclosure module (column 2a)**

* Select the questionnaire section in which the verified/assured data is reported.

#### Data verified and/or assured (column 2b)

* For each section selected in column 2a, indicate the data points from your response that have been verified/assured by a third party.
* If the verified/assured data points are not listed, select “Other data point in …, please specify” and provide the relevant data point.

#### Verification/assurance standard (column 3)

* This column requests the verification standard against which the verification/assurance process has been undertaken. It does not refer to the reporting or calculation standard.
* The options provided are not a comprehensive list of all acceptable environmental-related verification/assurance standards. Inclusion here does not mean that we have made a judgement about the standards or is promoting the use of any particular standard above another.
* Refer to the following criteria when considering if a verification standard is credible:
  + - Relevance: The standard should specify that it relates to a third-party audit or verification process; for a program-related standard, third-party verification should be specified as part of the program compliance.
    - Competency: The standard should include a statement regarding the competency of verifiers; where it is a program and verification parties are stipulated, competency is assumed to be determined by the second party and therefore need not be explicit in the standard.
    - Independence: The standard should contain a requirement that ensures that impartiality is maintained in cases where the same external organization compiles and verifies a responding organization’s inventory.
    - Terminology: The standard should specify the meaning of any terms used for the level of the finding (e.g. limited assurance; reasonable assurance).
    - Methodology: The standard should describe a methodology for the verification that includes the verification of the process and/or system controls and the data.
    - Availability: The standard should be available for scrutiny.

#### Further details of the third-party verification/assurance process (column 4)

* You may use this column to provide additional details about the verification/assurance process such as:
  + - How often the verification/assurance is performed;
    - The scope it encompasses (i.e., whether it applies to your direct operations only, to your upstream/downstream value chain; or only to selected regions, facilities, and products);
    - The rationale for the chosen data points, and standard;
    - The level of assurance the verification provides (i.e., Limited assurance, Moderate assurance, Reasonable assurance, or High assurance); and
    - Any parts of the data point selected in column 2b that are excluded from the verification process, and why.
* If you are reporting verification/assurance of target-related details, provide any relevant target reference numbers.

#### Attach verification/assurance evidence/report (optional) (column 5)

* You may attach a copy of your verifier’s report or equivalent document here. This is optional but will support the robustness of your disclosure.

### Additional information

* For further details on good practice for verification and assurance refer to [CDP's guide on the business benefits of third-party verification of environmental data](https://cdn.cdp.net/cdp-production/cms/reports/documents/000/007/102/original/CDP_Verification_White_Paper.pdf?1684318901).
* There is no requirement for data to be verified twice, as such data that has already been verified for one scheme/reporting effort can normally be used for another. Check the specifications of your verification body/evidence to ensure this is the case.

## [9.2] Provide the job title for the person that has signed off your response. *(Source: 2025 CDP SME questionnaire)*

### Rationale

We ask organizations to identify the job title and corresponding job category of the person signing off (approving) the response. This information signals to investors where in the corporate structure direct responsibility is being taken for the response and the information contained therein.

### Response options

Please complete the following table:

|  |  |
| --- | --- |
| **1** | **2** |
| **Job title** | **Corresponding job category** |
| Text field [maximum 200 characters] | Select from:   * + Board chair   + Director on board   + Chief Executive Officer (CEO)   + Chief Financial Officer (CFO)   + Chief Operating Officer (COO)   + Chief Procurement Officer (CPO)   + Chief Risk Officer (CRO)   + Chief Sustainability Officer (CSO)   + Other C-Suite Officer   + President   + General Counsel   + Business unit manager   + Energy manager   + Environmental, health and safety manager   + Environment/Sustainability manager   + Facilities manager   + Process operation manager   + Procurement manager   + Public affairs manager   + Risk manager   + Other, please specify |

### **Requested content**

#### ***Job title (column 1)***

* Enter the title of the person who has signed off on this response.
* **Note that this question asks about the position and not about the name of the individual holding this position. Do not include names or any other personal data in your response.**

#### Corresponding job category (column 2)

* Select the job category that most closely corresponds with the job title provided in column 1 "Job title". The job category selected should clearly correspond with the title given in column 1 "Job title".
* If you select "Other, please specify", provide a label for the corresponding job category.

1. CDP is a global non-profit organization that runs an independent environmental disclosure system for companies, cities, states and regions to manage their environmental impacts. [↑](#footnote-ref-2)
2. CDP updated its questionnaire in 2024 to align with International Financial Reporting Standards (IFRS) S2 Climate-related Disclosures as the foundational baseline for CDP’s climate disclosure. [↑](#footnote-ref-3)