Reporting Guidance for the CDP Financial Services Questionnaire: Climate Change & Forests Pilot 2021

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About this Reporting Guidance
This Reporting Guidance assists disclosing organizations to provide the right information to CDP data users so that they have what they need to correctly interpret the disclosure and the organization’s environmental performance.

Introduction to the CDP Financial Services Questionnaire: Climate Change & Forests Pilot 2021
Climate change is set to dominate the economies of the future. Since the 2015 Paris Agreement, conversations around the risks and opportunities it will bring have moved squarely into the world’s most influential boardrooms and circles of government.

Limiting global temperature rises to 1.5°C will require both deep de-carbonization and, crucially, a halt to deforestation. Even with all other anthropogenic emissions phased out, 'business as usual' deforestation alone could still drive global warming above 1.5°C by the year 2100.

Climate change and deforestation create risks to the stability of our entire financial system, and to the soundness of the financial institutions which underpin it. This link has been emphasized by the Task Force on Climate-related Financial Disclosures (TCFD) since it was established by the Financial Stability Board.

The risks for financial institutions, as well as their impacts on the environment, occur primarily through their influence on the wider economy. This includes the emissions financed through their loans and investments, as well as their support, including insurance underwriting, for companies producing forest risk commodities unsustainably.

However, the transition to a sustainable economy also presents opportunities. For example, achieving net zero emissions by 2050 will require massive investment in low carbon technologies and sustainable agricultural practices. Only the financial sector can provide this.

CDP believes that disclosure and data are essential for driving that transition and the effective management of environmental risk and the realization of opportunities. In 2020, CDP began to fill a critical data gap by requesting financial institutions to report climate-related information for their lending, investing and insurance underwriting activities for the first time, as well as for their operational activities.

Building on that work, this pilot questionnaire asks about the impact of those activities on the world’s forests, in addition to their climate impact.

This pilot questionnaire is aimed at financial services companies. It is an opportunity to engage with new forests-related metrics for the financial services sector; and also to engage with a more integrated way of reporting, with the potential to reduce reporting. CDP believes an integrated approach is suitable given the interlinkages between deforestation and climate change, and the fact many financial institutions view these issues holistically through the lens of ESG.
As this pilot questionnaire asks about both climate- and forests-related risks and opportunities, it is important to be clear from the outset what we mean by these terms:

- **Climate-related risk** refers to the potential negative impacts of climate change on an organization including physical risks and risks associated with the transition to a lower carbon global economy. Physical risks emanating from climate change can be event-driven (acute, e.g. floods) or relate to longer-term shifts (chronic, e.g. sea level rises). Transition risks include policy actions, technology changes, market responses, and reputational considerations.

- **Climate-related opportunity** refers to the potential positive impacts on an organization resulting from efforts to mitigate and adapt to climate change. For financial institutions this could be the development or greater uptake of financing products and services that help clients mitigate or adapt to climate change.

- **Forests-related risk** refers to the likelihood, over a specific time, of an organization experiencing an impact caused directly or indirectly by deforestation/forest degradation or land use change (e.g. credit events at clients, fines, etc.).

- **Forests-related opportunity** refers to the potential positive impacts related to the sustainable production or consumption of forest risk commodities on an organization. For financial institutions this could be opportunities of financing operations to transition from unsustainable to sustainable production or consumption.

CDP recognizes that any company action that reduces deforestation will also benefit the climate due to the crucial role of forests in addressing the climate crisis. However, we ask that an issue is reported as forests-related, rather than climate-related, if the benefit the impact/benefit/risk is related to deforestation – even when there is also a climate-related outcome.

The CDP Financial Services Questionnaire: Climate Change & Forests Pilot 2021 covers the following financial activities:

- Banking (Banks)
- Investing (Asset owners)
- Investing (Asset managers)
- Insurance underwriting (Insurance companies)

The responder is asked to select which organizational activities it undertakes (in question FS0.6) and this determines which questions are shown throughout the questionnaire and which response options are listed within these questions.

Options selected also determine relevant portfolios for which the organization will be asked to disclose. For questions asking for information on portfolios, the organization should provide a response for each of their financial activities selected in FS0.6. Failing to do so could impact the organization’s CDP score.

There are 14 modules in this questionnaire, including the Introduction and Signoff modules.

The financial services pilot questionnaire follows a very similar modular structure to the 2021 Climate Change questionnaire, and in fact much of the information requested is the same. Financial institutions that have already completed their climate change response for 2021 will not have to repeat the same information again here. Responders can indicate in FS0.1 if that is the case, and will be able to skip a large number of questions accordingly. In certain questions where CDP believes financial institutions may look at an issue holistically through the lens of ESG, there is an opportunity here to answer holistically for both climate-related and forests-related issues if that better reflects your approach. This will mean reporting some climate-related information despite already having completed your climate change response for 2021.
Introduction to the Reporting Guidance for the CDP Financial Services: Climate Change & Forests Pilot 2021

CDP's reporting guidance includes the following sections for each question:

- **Comparison with CDP Climate Change 2021 Questionnaire:** States which question in the CDP Climate Change 2021 Questionnaire each question is adapted from, or whether the question is added for the pilot.
- **Rationale:** Provides reasoning behind the inclusion of each question and the data requested.
- **Connections to other frameworks:** Indicates connections to the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, WWF Sustainable Banking Assessment (SUSBA) Tool indicators, and Principles for Responsible Banking for each relevant question in the financial services questionnaire, plus connections to OJK's regulation 51 for Indonesian banks which must comply with the regulation.
- **Requested content:** Provides details about the information being requested to ensure data quality.
- **Explanation of terms:** Provides definitions for specific terminology.
- **Additional information:** For select questions, this provides contextual information and sources related to the subject of the disclosure request.

If you have any questions that are not answered in the reporting guidance, the additional guidance noted below, or our [Frequently Asked Questions](#), please contact your local CDP office or respond@cdp.net.

**Notes for completing your disclosure**

**Acronyms**

Avoid using bespoke internal acronyms unless required for your organization's response, in which case please provide their meaning to enable correct analysis and scoring.

**Blank responses**

Leaving a response blank is interpreted as non-disclosure. For numeric fields, values of zero (0) imply a measurement has been made, and the value is zero (0). Leaving a response blank and entering a value of zero (0) have different scoring implications. For numeric fields where no measurement has been made, please leave the field blank and provide an explanation in an open text field for that same question (e.g. "Comment" or "Please explain").

**Character limits**

Limits noted in the guidance include spaces.

**"Comment" column**

Some questions include a column labelled as "Comment". Note that providing information in these columns is optional and the information will not be scored, except for when choosing response option “Other, please explain”.

**Company-specific information**

Some questions request company-specific information. Be sure to include company-specific detail, such as references to activities, programs, products, services, methodologies, or operating locations unique to your company's business or operations. A company-specific explanation should include details that make the answer true for the responding company and are distinct from other companies in the same industry and/or geography. This level of detail gives data users confidence that the issue at hand has been thoroughly considered in the context of the responder's own business and not simply assessed in general terms.

**Consistency**

CDP encourages a comprehensive and consistent response. Please ensure there is no conflicting information in your responses, both within a question and across the questionnaire.
Data accuracy

CDP recognizes that there may be uncertainty linked to data – this can arise from data gaps, assumptions, metering/measurement constraints including equipment accuracy etc. CDP allows estimated data to be submitted. However, an emphasis is placed on reporting transparently and this means that a company should always provide an explanation when its reported data is not accurate and detail the uncertainty (use the “Please explain” or “Comment” columns provided in the question).

Drop-down options ("Other, please specify")

Please select from the options provided whenever possible, and only select "Other, please specify" when none of the listed options is appropriate. This greatly assists data analysis. If selecting 'Other, please specify', you must add a label that describes the option you are providing data for.

"Further information" field

At the end of the questionnaire, there is an opportunity to provide additional information or context that you feel is relevant to your organization’s response. This field is optional and not scored.

Mergers and acquisitions (M&As)

All disclosure should be defined by the organizational boundary applicable at the time of the stated reporting period. (Note that for CDP disclosure, organizations are encouraged to align their reporting period and organizational boundaries with their financial reporting). Regarding forward-looking disclosure, organizations should include information that was correct at the time of the stated reporting period (for example, for data points referring to the future or “the next two years”). Organizations undergoing (or that have undergone) M&As need to consider the timing of the M&As and reporting period as follows:

- Organizations that were acquired after the end of the current reporting period: these should respond with what was planned (strategy, targets, etc.) before being acquired (i.e., during the reporting period). For transparency, where possible they may state where they consider that the forward-looking information may be subject to change due to the very recent acquisition.

- Organizations that were acquired during the reporting period: these should provide information that was applicable and correct to the best of their knowledge at the end of the reporting period. At the time of submitting their response to CDP, this information may not be the most up to date due changes underway following the acquisition. For transparency, the company may state this in their disclosure where possible.

Personal data

- It is important that you do not include the name of any individual or any other personal data in your response. For questions that ask for the positions of staff, out of respect for personal data privacy we are asking only for the position and not for the individual’s name or any other information relating to them.

CDP Reporter Services

CDP Reporter Services program offers tailored support, enhanced data access and thought leadership on managing and reporting environmental risk to your business. Access the tools you need to move from disclosure to leadership on integrating climate, forests management, and water security into your wider business strategy. For year-round, personalized disclosure support from a dedicated CDP account manager, a gap analysis of your previous response, final review before submission, and analytics tools to benchmark yourself against peers and understand best practice contact reporterservices@cdp.net. Visit the Reporter Services page of CDP’s website for more information.

CDP accredited solutions providers

CDP partners with leading environmental service providers that can support companies throughout all stages of the measurement, reporting and management of their climate and sustainability data and impacts. All
CDP solutions providers have met specific accreditation criteria. See provider areas of expertise below, and visit the accredited solutions provider directory or contact partnerships@cdp.net to search for the provider best able to support you:

- Carbon reduction solutions providers offer technology and services that can help your organization reduce carbon emissions and improve energy efficiency.
- Climate consultancy solutions providers have a wide range of technical expertise to support companies with establishing and implementing climate change and sustainability strategies.
- Science-based target (SBT) accredited providers have expertise in helping companies to set and implement targets in line with what the latest climate science says is necessary.
- Education & training service providers improve employee awareness and understanding of how climate change affects their organization through carbon management training programs.
- Renewable energy solutions providers provide expertise in procuring, tracking, and generating renewable power.
- Software solutions providers simplify the collection, monitoring, and reporting of sustainability, CSR, and environmental data through integrated sustainability software applications.
- Verification solutions providers help organizations disclose accurate data and improve internal processes by providing third-party verification and assurance of emissions data, a practice recommended by CDP.

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**Module 0 – Introduction**

This module requests information about your organization’s disclosure to CDP and will help data users to interpret your responses in the context of your business operations, timeframe and reporting boundary.

The information provided here should apply consistently to your responses throughout the questionnaire and may determine response options presented in subsequent modules. For this reason, you should respond to every question in this module before accessing the rest of the questionnaire.

**(FS0.1)** Indicate if you have already completed or intend to complete your CDP Climate Change Questionnaire for 2021.

**Question dependencies**

Your response to this question determines which questions and response options will be shown throughout this questionnaire. If you have already completed or intend to complete your CDP Climate Change 2021 Questionnaire you will not have to duplicate responses to the same questions in this questionnaire.

**Comparison with CDP Climate Change 2021 Questionnaire**

Additional question

**Rationale**

This allows CDP to identify whether your company has already disclosed information through our Climate Change 2021 Questionnaire.

Note: You are able to skip some questions in this questionnaire that would duplicate that disclosure.

**Response options**

Select one of the following options:
Requested content

General

- Select “Yes” if you have already or if you intend to complete and submit your CDP Climate Change 2021 Questionnaire.
- It is recommended that you complete your CDP Climate Change 2021 Questionnaire before providing information through this pilot questionnaire.

(FS0.2) Give a general description and introduction to your organization.

Question dependencies

This question only appears if you select “No” in response to FS0.1.

Comparison with CDP Climate Change 2021 Questionnaire

C0.1

Rationale

This will help data users interpret your responses.

Response options

This is an open text question with a limit of 5,000 characters.

Requested content

General

- Provide information about your operations, your business divisions, the activities you undertake (e.g. corporate lending etc.) and the markets you focus on.
- This information helps data users understand your company’s profile and differences in emissions figures and other metrics between peer companies.

Explanation of terms

- **Organization:** Throughout this questionnaire, “your organization” refers collectively to all the companies, businesses, other entities or groups that fall within the definition your reporting boundary.

(FS0.3) State the start and end date of the year for which you are reporting data.

Question dependencies

This question only appears if you select “No” in response to FS0.1. If you have already completed or intend to complete your CDP Climate Change 2021 Questionnaire, report data for the year with the same start date and end date throughout this questionnaire.

Comparison with CDP Climate Change 2021 Questionnaire

C0.2

Rationale

This will help data users interpret your responses.

Response options
Complete the following table.

<table>
<thead>
<tr>
<th>Start date</th>
<th>End date</th>
<th>Indicate if you are providing emissions data for past reporting years</th>
<th>Select the number of past years you will be providing emissions data for</th>
</tr>
</thead>
<tbody>
<tr>
<td>From: [DD/MM/YYYY]</td>
<td>To: [DD/MM/YYYY]</td>
<td>Select from: • Yes • No</td>
<td>Select from: • 1 year • 2 years • 3 years</td>
</tr>
</tbody>
</table>

**Requested content**

**General**

- Please ensure that the reporting period represents only one full year that has already passed. This should be the most recent 12-month period for which data is reported.
- Apply this reporting year to your responses for the entire questionnaire unless the question specifically provides the ability to specify other (past) reporting periods.
- CDP does not require companies to align their reporting year with their fiscal year. However, doing so will likely ease disclosure for some metrics. For example, when reporting emissions intensity using a financial metric, both emissions and financial information provided should align with the reporting year.
- Note that the investment community generally prefers a company’s disclosure period to match the fiscal year for their financial jurisdiction. This facilitates the assessment of environmental performance data in alignment with financial performance data.
- CDP recommends that companies provide a year for which they have complete data if possible. However, if you do not have data for the entirety of your reporting year, you have the following options:
  - Extrapolate your data to cover the entire reporting year.
  - Outline in FS9.4 the sources of Scope 1 and 2 emissions within your selected reporting boundary and not included in your disclosure.
- Select “No” in column 3 (Indicate if you are providing data for past reporting years) unless you are a first-time responder providing emissions from past years. For more information on this see the note for first-time responders and the note for restating data below.
- If you select “No” in column 3 (Indicate if you are providing data for past reporting years), you are not required to select any option in column 4 (Select the number of past years you will be providing emissions data for).

**Note for first-time responders**

- If you have not provided emissions data before, you can supply gross global Scope 1 and Scope 2 emissions data for the three years prior to the current reporting year in the emissions accounting questions (FS9.1 and FS9.3).
- To report emissions data for years prior to the current reporting year select “Yes” in column 3 (Indicate if you are providing emissions data for past reporting years). Then select how many years of emissions data you will be providing.
- If multiple years of data are provided, only data pertaining to the most recent reporting year will be scored.

**(FS0.4) Select the countries/areas for which you will be supplying data.**

**Question dependencies**

This question only appears if you select “No” in response to FS0.1. If you have already completed or intend to complete your CDP Climate Change 2021 Questionnaire, report data for the same countries/areas throughout this questionnaire.
Comparison with CDP Climate Change 2021 Questionnaire

C0.3

Rationale
This will help data users interpret your responses.

Response options
Select all that apply from the following options:
[Country/area drop-down list]

Requested content
General
- Select all countries/areas in which you operate from the drop-down menu provided.

(FS0.5) Select the currency used for all the financial information disclosed throughout your response.

Question dependencies
This question only appears if you select “No” in response to FS0.1. If you have already completed or intend to complete your CDP Climate Change 2021 Questionnaire, report data using the same currency throughout this questionnaire.

Comparison with CDP Climate Change 2021 Questionnaire

C0.4

Rationale
CDP encourages companies to report financial figures associated with their 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
Select one of the following options:
[Currency drop-down list]

Requested content
General
- Select the currency to be applied to all financial information reported in this disclosure.
- For example, if you select USD($), provide metric tons CO$_2$e per USD($) as the financial intensity metric in question FS9.6.

(FS0.6) Which organizational activities does your organization undertake and which industry sectors does your organization provide finance or insurance to?

Question dependencies
Your response to this question determines which questions will be shown throughout this questionnaire and which response options will be listed within these questions.
**Comparison with CDP Climate Change 2021 Questionnaire**

C-FS0.7

**Rationale**

This question determines what type of financial institution your organization is and accordingly what financial industry activities your organization performs and/or engages in that are relevant for this disclosure. This will provide context on your financing activities to investors and other data users as well as help your organization set reporting boundaries.

**Response options**

Complete the following table:

<table>
<thead>
<tr>
<th>Organizational activity</th>
<th>Insurance types underwritten*</th>
<th>Industry sectors your organization finances/insures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select all that apply:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Banking lending (Bank)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Investing (Asset owner)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Investing (Asset manager)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Insurance underwriting (Insurance company)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Select all that apply:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• General (non-life)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Life/Health</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Select all that apply:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Grain &amp; corn farming</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Palm oil farming</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Other oilseed farming</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Soybean farming</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Cattle farming</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Poultry &amp; other animal farming</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Animal processing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Dairy &amp; egg products</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Grain &amp; corn milling</td>
<td></td>
<td></td>
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<tr>
<td>• Oilseed processing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Palm oil processing</td>
<td></td>
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<tr>
<td>• Soybean processing</td>
<td></td>
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<tr>
<td>• Logging</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Fast food</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Paper products &amp; packaging</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Finished wood products</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Biofuels</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Personal care &amp; household products</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Wood &amp; paper materials</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Convenience retail</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Agricultural products wholesale</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Animal products wholesale</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Biofuel supply</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Wood &amp; paper products wholesale</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Print publishing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• None of the above</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[Add another]

*This column applies only if you select “Insurance underwriting (Insurance company)” in Column 1.

**Requested content**

**General**

- Select all industry activities that occur inside your organizational boundary.
- At a minimum, select all activities for which more than 20% of your organization’s revenue in the reporting year is associated.

**Insurance types underwritten (column 2)**

- If you have selected “Insurance underwriting (Insurance company)” in column 1, select which types of insurance you provide.

**Industry sectors your organization finances/insures (column 3)**

- The industry sectors listed in this column have a potentially critical impact on forests according to CDP’s forest impact assessment, which assess the relationship with deforestation in either the direct operations or in the supply chain of each industrial activity.
• Select all industry sectors your organization is exposed to through your, financing, investing and/or insurance activities.
• At a minimum, select all industry sectors which:
  o Represent at least 0.5% of your portfolio based on either total or outstanding commitments, premiums or committed capital, OR;
  o Represent at least $50M of lending or investments

Explanation of terms

• Bank lending (Bank): Financial institutions that mostly undertake lending, deposit taking and other financial intermediary activities. Relevant questions on banks’ lending activities/portfolios.
• Investing (Asset Owner): Includes public – and private-sector pension plans, (re)insurance companies, endowments, and foundations that invest assets on their own behalf or on behalf of their beneficiaries. Relevant questions focus on asset owners’ investing activities.
• Investing (Asset Manager): Also known as investment managers, asset managers are hired by clients to invest assets on their behalf. Relevant questions focus on asset managers’ investing activities.
• Insurance underwriting (Insurance company): Financial institutions that provide and sell insurance underwriting products and services to their policyholders. Relevant questions focus on insurers’ insurance policy underwriting activities/portfolios. Please note that where references are made to “insurance” in the questionnaire, these are also applicable to reinsurance unless otherwise specified.
  o Life/Health insurance: insurance companies that directly underwrite life insurance policies, such as life, accidental death, disability and annuities, or health insurance policies, such as medical care.
  o General insurance (Non-life): insurance companies that directly underwrite property and casualty insurance policies (e.g. automobile, property damage, casualty, theft, fire, malpractice, marine insurance policies). Also referred to as Property & Casualty insurance.

Additional information

• If you are an insurance company that invests assets on your own behalf, you should select "Insurance underwriting" and "Investing (Asset owner) " as both insurance underwriting and investment activities are applicable to your business.
• If you are a bank that does both lending and asset management, you should select “Bank lending" and “Investing (Asset manager)" as both are applicable to your business.
• If you are a financial conglomerate that undertakes multiple industry activities listed, please select all that apply.

Module 1 – Governance

Board-level oversight of climate- and forests-related issues is considered best practice and provides an indication of the importance of environmental issues to the organization.

This module is intended to capture the governance structure of your company with regard to environment-related issues and provides data users with an understanding of the organization’s approach at the board level and management level.

Board oversight

(FS1.1) Is there board-level oversight of climate- and/or forests-related issues within your organization?

Comparison with CDP Climate Change 2021 Questionnaire
C1.1

Rationale

This question provides an indication of the importance of environment-related issues to your business. Investors and other data users are interested in an organization’s understanding and approach to environment-related risks at the board level; how aligned this is with business strategy, policies, and performance objectives; and how the board monitors progress against targets and goals. This question supports TCFD’s Governance recommendation a) Describe the board’s oversight of climate-related risks and opportunities.

Connection to other frameworks

*Principles for Responsible Banking – Principle 5*

*OJK Regulation 51*

Response options

Select all that apply:

- Yes, there is board-level oversight of climate-related issues
- Yes, there is board-level oversight of forests-related issues
- No, there is no board-level oversight of any of these issues

Requested content

General

- Consider whether the board and/or board committees take account of climate- and forests-related issues when reviewing and guiding their business strategy, major plans of action, risk management policies, annual budgets, and budget plans as well as setting the organization’s performance objectives, monitoring implementation and performance, and overseeing major capital expenditures, acquisitions, and divestitures.
- If your organization has board-level oversight of risk assessment that includes climate- and/or forests-related risks, select all that apply. If the board delegates these responsibilities to committees with no board member(s), select “No.” You will be able to provide details in subsequent questions.
- Consider whether the board and/or board committees have oversight of climate- and/or forests-related issues in relation to the financial activities undertaken by your organization, in addition to operational activities.

Explanation of terms

- **Board**: Or “Board of Directors” refers to a body of elected or appointed members who jointly oversee the activities of a company or organization. Some countries use a two-tiered system where “board” refers to the “supervisory board” while “key executives” refers to the “management board”.

*(FS.1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate- and/or forests-related issues.*

Question dependencies

This question only appears if either:

- You select “No” in response to FS0.1 and any option beginning “Yes…” in response to FS1.1; or,
- You select “Yes” in response to FS0.1 and “Yes, there is board-level oversight of forests-related issues” in response to FS1.1.

Comparison with CDP Climate Change 2021 Questionnaire
C1.1a

**Rationale**

This question provides an indication of the importance of environment-related issues to your business and aims to identify the highest-level individual(s) on the board with direct responsibility for climate- and/or forests-related issues. This question supports TCFD’s Governance recommendation a) Describe the board’s oversight of climate-related risks and opportunities.

**Connection to other frameworks**

*Principles for Responsible Banking – Principle 5*

*OJK Regulation 51*

**Response options**

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Position of individual(s)</th>
<th>Oversight issues</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Board Chair</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Director on board</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Chief Executive Officer (CEO)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Chief Financial Officer (CFO)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Chief Operating Officer (COO)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Chief Procurement Officer (CPO)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Chief Risk Officer (CRO)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Chief Sustainability Officer (CSO)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Chief Credit Officer (CCO)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Chief Investment Officer (CIO)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Chief Underwriting Officer (CUO)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Other C-Suite Officer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• President</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Board-level committee</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Other, please specify</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Select all that apply:

- Climate-related issues
- Forests-related issues

Text field [maximum 4,800 characters]

**Requested content**

**General**

- Report where in the board the responsibility for oversight of climate- and/or forests-related issues lies. This may be with an individual member of the board or a board-level committee, e.g. sustainability committee, risk committee, etc.
- Note that this question is asking about direct responsibility for oversight. In practical terms, this is the person or committee at the top of the chain of command specifically managing information on climate- and/or forests-related issues, making decisions about what the company will do and adapting those decisions based on environment-related information.
- The CEO is ultimately responsible for everything in the company; however, this question is looking to identify board-level responsibility specifically on climate- and/or forests-related issues. While this may be the CEO, it is not necessarily always the case.
- 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(s) (column 1)*
• Select the position of the individual on the board responsible for climate- and/or forests-related issues. If the position is not listed here please select “Other, please specify” and provide the position title in column 3 (“Please explain”).
• If oversight falls jointly to the members of a board-level committee, rather than an individual position, you should select “Board-level committee” and provide the name of the committee in column 3 (“Please explain”).
• If there is more than one position, please add a row.

Please explain (column 3)

• Explain how the responsibilities of the position(s)/committee(s) are related to climate- and/or forests-related issues, including at least one example of an environment-related decision made by the person(s)/committee(s)
• You can use this text field to enter any relevant information.

Explanation of terms

• C-suite: A term used to collectively refer to the most senior executive team.

**(FS1.1b) Provide further details on the board's oversight of climate- and/or forests-related issues.**

**Question dependencies**

This question only appears if either:

• You select “No” in response to FS0.1 and any option beginning “Yes…” in response to FS1.1; or,
• You select “Yes” in response to FS0.1 and “Yes, there is board-level oversight of forests-related issues” in response to FS1.1.

**Comparison with CDP Climate Change 2021 Questionnaire**

C1.1b

**Rationale**

This question provides an indication of the importance of environment-related issues to your business. Investors are interested in organizations' understanding and approach to climate- and/or forests-related risks at the board level; how aligned this is with organizational strategy, plans of action, management policies, and performance objectives; and how the board monitors progress against targets and goals. This question supports TCFD’s Governance recommendation a) Describe the board’s oversight of climate-related risks and opportunities.

**Connection to other frameworks**

**TCFD –** Governance recommended disclosure a)

**Principles for Responsible Banking –** Principle 5

**OJK Regulation 51**

**Response options**

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Frequency with which climate- and/or forests-related issues are a scheduled agenda item</th>
<th>Theme(s)</th>
<th>Governance mechanisms into which climate- and/or forests-related issues are integrated</th>
<th>Scope of board-level oversight</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select all that apply:</td>
<td>Select all that apply:</td>
<td>Select all that apply:</td>
<td>Text field [maximum 6,000 characters]</td>
</tr>
<tr>
<td>Frequency</td>
<td>Climate</td>
<td>Governance mechanisms into which climate- and/or forests-related issues are integrated (column 3)</td>
<td>Scope of board-level oversight (column 4)</td>
<td></td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>---------------</td>
<td>----------------------------------------------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Scheduled – all meetings</td>
<td>Reviewing and guiding strategy</td>
<td>Select all of the governance mechanisms in which climate- and/or forests-related issues are included.</td>
<td>Activities of a business may be both affected by climate change and land-use change or contribute to climate change and land-use change. For financial institutions, these impacts may materialize via the organization’s own operations, the financial products and services offered to its clients, and/or its investments. This column seeks insight on whether an organization’s board considers both:</td>
<td></td>
</tr>
<tr>
<td>Scheduled – some meetings</td>
<td>Reviewing and guiding major plans of action</td>
<td></td>
<td>o How the risks or opportunities presented by climate change and/or land-use change impact its business; and conversely.</td>
<td></td>
</tr>
<tr>
<td>Sporadic - as important matters arise</td>
<td>Reviewing and guiding risk management policies</td>
<td></td>
<td>o How its business activities contribute either positively or negatively to climate change and/or land-use change.</td>
<td></td>
</tr>
<tr>
<td>Other, please specify</td>
<td>Reviewing and guiding annual budgets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reviewing and guiding business plans</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Setting performance objectives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Monitoring implementation and performance of objectives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Overseeing major capital expenditures, acquisitions and divestitures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Monitoring and overseeing progress against goals and targets for addressing climate- and forests-related issues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other, please specify</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Risks and opportunities to our own operations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Risks and opportunities to our bank lending activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Risks and opportunities to our investment activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Risks and opportunities to our insurance underwriting activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>The impact of our own operations on the climate and/or forests</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>The impact of our bank lending activities on the climate and/or forests</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>The impact of our investing activities on the climate and/or forests</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>The impact of our insurance underwriting activities on the climate and/or forests</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Requested content**

**General**

- You should consider the frequency that climate- and/or forests-related issues are a scheduled agenda item for the principal board-level committee having oversight for these issues. This may be a subcommittee of the board, or the full board itself.
- If you select “Other, please specify,” provide details in column 5 for the Frequency with which climate- and/or forests-related issues are a scheduled agenda item.
- **Note that your response to this question may refer to the position of employees relevant to board oversight mechanisms. In this case, do not include the name of any individual or any other personal data in your response.**

**Governance mechanisms into which climate- and/or forests-related issues are integrated (column 3)**

- Select all of the governance mechanisms in which climate- and/or forests-related issues are included.

**Scope of board-level oversight (column 4)**

- Activities of a business may be both affected by climate change and land-use change or contribute to climate change and land-use change. For financial institutions, these impacts may materialize via the organization’s own operations, the financial products and services offered to its clients, and/or its investments. This column seeks insight on whether an organization’s board considers both:
  - How the risks or opportunities presented by climate change and/or land-use change impact its business; and conversely.
  - How its business activities contribute either positively or negatively to climate change and/or land-use change.
Please explain (column 5)

- Describe the governance mechanisms selected in column 3 and how these mechanisms contribute to the board's overall oversight of environment-related issues.
- Include such details as what climate and forests issues are scheduled agenda items, who briefs the board and on which matters (e.g. "a report from each Business Head regarding performance against climate targets is reviewed quarterly.")
- As much as possible, please give examples from the reporting year.

(FS1.1c) Why is there no board-level oversight of climate- and/or forests-related issues and what are your plans to change this in the future?

Question dependencies

This question only appears if you do not select both “Yes, there is board-level oversight of climate-related issues” and “Yes, there is board-level oversight of forests-related issues” in response to FS1.1.

Comparison with CDP Climate Change 2021 Questionnaire

C1.1c

Rationale

As board-level oversight of environment-related issues is considered best practice, this question allows organizations to explain why there is no board-level oversight.

Response options

Complete the following table.

<table>
<thead>
<tr>
<th>Theme(s)</th>
<th>Board-level oversight will be introduced within the next two years</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate</td>
<td>Select from:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• We plan to introduce board-level oversight</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• We do not plan to introduce board-level oversight</td>
<td></td>
</tr>
<tr>
<td>Forests</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Requested content

Board-level oversight will be introduced within the next two years (column 2)

- Indicate whether you plan to implement in the next two years, or if you do not currently plan to do so.

Please explain (column 3)

- Provide details of your organization’s plans to introduce board-level oversight, or if you have no plans then provide the main rationale for not currently having board-level oversight of climate- and/or forests-related issues.

Management responsibility

(FS1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate- and/or forests-related issues.

Comparison with CDP Climate Change 2021 Questionnaire

C1.2
Rationale

While it is most important for a member of the board to have responsibility for environment-related issues, assigning management-level responsibility indicates to CDP data users that the organization is committed to implementing its environment-related strategy.

Connection to other frameworks

**TCFD –** Governance recommended disclosure b)

**SUSBA –** Sub-indicators 4.1.1, 4.1.2 and 4.1.3

**Principles for Responsible Banking –** Principle 5

**OJK Regulation 51**

Response options

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

<table>
<thead>
<tr>
<th>Name of the position(s) and/or committee(s)</th>
<th>Reporting line</th>
<th>Responsibility</th>
<th>Responsibility relates to</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
<td>Select all that apply:</td>
</tr>
<tr>
<td>See drop-down options below</td>
<td>- Reports to the Board directly</td>
<td>- Assessing risks and opportunities</td>
<td>- Climate-related risks and opportunities</td>
</tr>
<tr>
<td></td>
<td>- CEO reporting line</td>
<td>- Managing risks and opportunities</td>
<td>- Forests-related risks and opportunities</td>
</tr>
<tr>
<td></td>
<td>- Risk – CRO reporting line</td>
<td>- Both assessing and managing risks and opportunities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Finance – CFO reporting line</td>
<td>- Other, please specify</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Investment – CIO reporting line</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Operations – COO reporting line</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Corporate Sustainability/CSR reporting line</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Other, please specify</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Area of responsibility</th>
<th>Frequency of reporting to the board on climate- and/or forests-related issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select all that apply:</td>
<td>Select from:</td>
</tr>
<tr>
<td></td>
<td>- Risks and opportunities related to our lending portfolio</td>
</tr>
<tr>
<td></td>
<td>- Risks and opportunities related to our investing activities</td>
</tr>
<tr>
<td></td>
<td>- Risks and opportunities related to our insurance underwriting activities</td>
</tr>
<tr>
<td></td>
<td>- Risks and opportunities related to our other products and services</td>
</tr>
<tr>
<td></td>
<td>- Risks and opportunities related to our own operations</td>
</tr>
<tr>
<td>[Add another]</td>
<td>- More frequently than quarterly</td>
</tr>
<tr>
<td>[Add another]</td>
<td>- Quarterly</td>
</tr>
<tr>
<td>Name of the position(s) and/or committee(s) drop-down options (column 1)</td>
<td></td>
</tr>
</tbody>
</table>

- Chief Executive Officer (CEO)
- Chief Financial Officer (CFO)
- Chief Operating Officer (COO)
- Chief Procurement Officer (CPO)
- Chief Risk Officer (CRO)
- Chief Sustainability Officer (CSO)
- Chief Credit Officer (CCO)
- Chief Investment Officer (CIO)
- Chief Underwriting Officer (CUO)
- Other C-Suite Officer, please specify
- President
- Risk committee
- Sustainability committee
- Safety, Health, Environment and Quality committee
- Corporate responsibility committee
- Credit committee
- Investment committee
- ESG committee
- Audit committee
- Other committee, please specify
**Requested content**

**General**

- Please provide details of the highest management-level position or committee with a responsibility for climate- and/or forests-related issues.
- The responsibility may be for assessing and/or managing climate- and/or forests-related risks and opportunities, or it may have another primary focus.
- **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.**

<table>
<thead>
<tr>
<th>Name of the position(s) and/or committee(s) (column 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select the best match for the position/committee in your organization, or select “Other, please specify”.</td>
</tr>
<tr>
<td>The list includes senior positions that may sometimes but not always be at board level.</td>
</tr>
<tr>
<td>Note that positions already listed in FS1.1a are also listed here; select one of those positions only if the individual has effective management responsibility for climate- and/or forests-related issues.</td>
</tr>
<tr>
<td>If there is more than one position/committee with high management-level responsibility and you would like to describe this, you may use the &quot;Add Row&quot; button. This is optional.</td>
</tr>
</tbody>
</table>

**Reporting line (column 2)**

- Select the best match for the reporting line that is in charge of overseeing the positions with responsibility for climate- and/or forests-related issues.

**Area of responsibility (column 5)**

- This column seeks to understand whether the highest management-level position or committee with responsibility for climate- and/or forests-related issues considers both climate- and/or forests-related risks and opportunities related to your own operations as well as core financing activities.

**Explanation of terms**

- **Highest management-level position(s) or committee(s):** The most senior individual or committee with operational responsibility for the implementation of decisions taken at the board level and day-to-day management.

---

**Employee incentives**

(FS1.3) Do you provide incentives for the management of climate- and/or forests-related issues, including the attainment of targets?

**Comparison with CDP Climate Change 2021 Questionnaire**

C1.3
Rationale
CDP data users aim to understand the degree to which companies encourage their employees to address environment-related issues and impacts of the business, as well as the mechanisms by which companies are incentivizing certain behaviors and performances.

Connection to other frameworks
SUSBA – Sub-indicator 4.2.4
Principles for Responsible Banking – Principle 5

Response options
Select all that apply:
- Yes, we provide incentives for climate-related issues
- Yes, we provide incentives for forests-related issues
- No, we do not provide incentives for any of these issues

Requested content
General
- Note that incentives can be positive (i.e. give people something) or negative (prevent access to something).

(FS1.3a) Provide further details on the incentives provided for the management of climate- and/or forests-related issues (do not include the names of individuals).

Question dependencies
This question only appears if either:
- You select “No” in response to FS0.1 and any option beginning “Yes…” in response to FS1.3; or,
- You select “Yes” in response to FS0.1 and “Yes, we provide incentives for forests-related issues” in response to FS1.3.

Comparison with CDP Climate Change 2021 Questionnaire
C1.3a

Rationale
CDP data users aim to understand the degree to which companies encourage their employees to address environment-related issues and impacts of the business, as well as the mechanisms by which companies are incentivizing certain behaviors and performances.

Connection to other frameworks
SUSBA – Sub-indicator 4.2.4
Principles for Responsible Banking – Principle 5

Response options
Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Entitled to incentive</th>
<th>Type of incentive</th>
<th>Activity incentivized</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select all that apply</td>
<td>Select from:</td>
<td>Select all that apply</td>
<td>Text field [maximum 4,800 characters]</td>
</tr>
<tr>
<td>- Board Chair</td>
<td>- Monetary reward</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Board/Executive board</td>
<td>Director on board</td>
<td>Non-monetary reward</td>
<td>Emissions reduction projects</td>
</tr>
<tr>
<td>-----------------------</td>
<td>-------------------</td>
<td>---------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>Corporate executive team</td>
<td>Chief Executive Officer (CEO)</td>
<td>Emissions reduction target</td>
<td>Corporate performance against a climate-related sustainability index</td>
</tr>
<tr>
<td>Chief Financial Officer (CFO)</td>
<td>Chief Operating Officer (COO)</td>
<td>Energy reduction projects</td>
<td>Achievement of forests-related commitments and targets</td>
</tr>
<tr>
<td>Chief Procurement Officer (CPO)</td>
<td>Chief Risk Officer (CRO)</td>
<td>Energy reduction target</td>
<td>Portfolio alignment to climate-related objectives</td>
</tr>
<tr>
<td>Chief Sustainability Officer (CSO)</td>
<td>Chief Credit Officer (CCO)</td>
<td>Efficiency projects</td>
<td>Portfolio alignment to forests-related objectives</td>
</tr>
<tr>
<td>Chief Investment Officer (CIO)</td>
<td>Chief Underwriting Officer (CUO)</td>
<td>Efficiency target</td>
<td>Other, please specify</td>
</tr>
<tr>
<td>Other C-Suite Officer</td>
<td>President</td>
<td>Behavior change related indicator</td>
<td></td>
</tr>
<tr>
<td>Executive officer</td>
<td>Management group</td>
<td>Environmental criteria included in purchases</td>
<td></td>
</tr>
<tr>
<td>Business unit manager</td>
<td>Energy manager</td>
<td>Supply chain engagement</td>
<td></td>
</tr>
<tr>
<td>Environmental, health, and safety manager</td>
<td>Environment/Sustainability manager</td>
<td>Company performance against a climate-related sustainability index</td>
<td></td>
</tr>
<tr>
<td>Facilities manager</td>
<td>Process operation manager</td>
<td>Achievement of forests-related commitments and targets</td>
<td></td>
</tr>
<tr>
<td>Process operation manager</td>
<td>Procurement manager</td>
<td>Portfolio alignment to climate-related objectives</td>
<td></td>
</tr>
<tr>
<td>Procurement manager</td>
<td>Public affairs manager</td>
<td>Portfolio alignment to forests-related objectives</td>
<td></td>
</tr>
<tr>
<td>Risk manager</td>
<td>Portfolio/Fund manager</td>
<td>Other, please specify</td>
<td></td>
</tr>
<tr>
<td>Portfolio/Fund manager</td>
<td>ESG Portfolio/Fund manager</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ESG Portfolio/Fund manager</td>
<td>Investment analyst</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment analyst</td>
<td>Dedicated Responsible Investment staff</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dedicated Responsible Investment staff</td>
<td>Investor Relations staff</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investor Relations staff</td>
<td>Risk management staff</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Risk management staff</td>
<td>Buyers/purchasers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buyers/purchasers</td>
<td>All employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All employees</td>
<td>Other, please specify</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Requested content

**General**

- Note that this question asks about the position of employees receiving incentives. Do not include the name of any individual or any other personal data in your response.
- For any “Other, please specify” responses, provide details in column 4 (“Comment”)

**Entitled to incentive (column 1)**

- If incentives are provided to specific lower-level employees, select “Other, please specify” and specify the position

**Types of incentive (column 2)**

- Incentive types include:
  - Monetary - a bonus or some form of financial remuneration
  - Non-monetary – employee awards (e.g. employee of the year) or career progression schemes not tied directly to any form of financial remuneration, increased holiday allowances, special assignments, parking allocations etc.

**Activity incentivized (column 3)**
- Performance indicators might include:
  o Projects: The implementation of projects, or the financing of project, that are realizing savings in emissions, energy, and/or that are promoting efficiency;
  o Targets: Activity resulting in progress towards your company’s target(s);
  o Behavior change: Contribution towards corporate global reputation improvement, rate of participation by employees in environmental activities, number of employees receiving training.

(FS1.3b) Why does your organization not provide incentives for the management of climate- and/or forests-related issues, and do you have plans to introduce incentives in the next two years?

Question dependencies

This question only appears if you do not select both “Yes, we provide incentives for climate-related issues” and “Yes, we provide incentives for forests-related issues” in response to FS1.3.

Comparison with CDP Climate Change 2021 Questionnaire

Additional question

Rationale

As encouraging their employees to address environment-related issues and impacts of the business is considered best practice, this question allows organizations to explain why they do not incentivize such behaviors and performances.

Response options

Complete the following table.

<table>
<thead>
<tr>
<th>Theme(s)</th>
<th>We plan to introduce incentives in the next two years</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate</td>
<td>Select from:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• We plan to introduce incentives</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• We do not plan to introduce incentives</td>
<td>Text field [maximum 4,800 characters]</td>
</tr>
<tr>
<td>Forests</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Requested content

_We plan to introduce incentives in the next two years (column 2)_

- Indicate whether you plan to implement in the next two years, or if you do not currently plan to do so.

_Please explain (column 3)_

- Provide details of your organization’s plans to introduce incentives, or if you have no plans then provide the main rationale for not incentivizing the management of climate- and/or forests-related issues.

Retirement schemes

(FS1.4) Does your organization offer its employees an employment-based retirement scheme that incorporates ESG principles including mitigating climate change and/or deforestation?

Comparison with CDP Climate Change 2021 Questionnaire
C-FS1.4

**Rationale**

This question seeks to understand whether the financial institution offers a retirement scheme that considers ESG principles (specifically climate and/or forests-related indicators) in their holdings. Consideration of ESG factors in retirement schemes contributes to the financing of a sustainable economy and demonstrate that organizations consider such risks and opportunities in their assessment of plan options. This question allows CDP data users to understand how the organization is contributing to sustainable/ESG investing.

**Response options**

Complete the following table.

<table>
<thead>
<tr>
<th>We offer an employment-based retirement scheme that incorporates ESG principles, including mitigating climate change and/or deforestation</th>
<th>Theme(s)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select all that apply:</td>
<td>Text field [maximum 3,000 characters]</td>
</tr>
<tr>
<td>• Yes, as the default investment for all plans offered</td>
<td>• Climate</td>
<td></td>
</tr>
<tr>
<td>• Yes, as the default investment for some plans offered</td>
<td>• Forests</td>
<td></td>
</tr>
<tr>
<td>• Yes, as an investment option for all plans offered</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Yes, as an investment option for some plans offered</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• No, but we plan to do so in the next two years</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• No due to use of national compulsory scheme</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Requested content**

**General**

- Select “Yes, …” if you offer an employment-based retirement scheme where the ESG principles for the investment options include climate-related and/or forests-related indicators.
- Select “No, …” if you don’t offer an employment-based retirement scheme that incorporates such ESG principles.

**Explanation of terms**

- **Employment-based retirement scheme**: This covers all types of corporate retirement saving schemes that an organization may offer its employees. Depending on jurisdiction, these may be referred to as pension schemes, superannuation, retirement plans, 401K, etc. These may be either defined benefit or defined contribution types.
- **Default investment option**: The investment plan that is selected automatically for a member joining the retirement scheme.
- **Investment option**: The investment plan that is optional for a member joining the retirement scheme; they may choose this option over the default investment option.
- **ESG Principles**: Environmental, social and governance factors.
Module 2 – Risks and opportunities

Evaluating exposure to climate- and forests-related risks and opportunities over a range of time horizons allows for a strategy for the transition to a low-carbon economy recognized in the Paris Agreement and UN SDGs.

This module focuses on processes for identifying, assessing, and responding to risks, as well as asking you to disclose your substantive climate- and forests-related risks and opportunities. The TCFD recommendations highlight the importance of considering environment-related issues in the context of financing activities. Therefore, this module asks about processes used in making financing decisions such as portfolio analysis and credit risk assessments. When evaluating exposure, responders should primarily consider the impact on their lending, financial intermediary, investing and/or insurance underwriting activities, in addition to operational activities. This information helps investors to assess the potential impacts to valuations and the adequacy of the company's risk response.

Many of the challenges you face when reporting on climate- and/or forests-related issues are common to other aspects of corporate reporting, requiring you to provide statements about your prospective condition. Some organizations, particularly accounting firms and their governing bodies, have published guidance about how to prepare statements that contain forward-looking information. You may wish to consult with your financial, legal, and/or compliance departments for advice on your company's general approach to the provision of forward-looking statements and information concerning risks.

Note that the questions relate to “inherent” risk and not the “residual” risk that remains after management measures have been taken into account.

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Risk management processes

(FS2.1) Does your organization have a process for identifying, assessing, and managing climate- and/or forests-related risks and opportunities?

Comparison with CDP Climate Change 2021 Questionnaire

C2.1

Rationale

For the financial services sector, climate change and deforestation can pose significant challenges and opportunities, now and in the future. CDP asks about a process for identifying, assessing, and responding to climate- and forests-related risks and opportunities so that data users may gauge the thoroughness of your organization's understanding of its exposure to environmental issues.

Connection to other frameworks

TCFD – Risk management recommended disclosures a), b) and c)

OJK Regulation 51

Response options

Select all that apply:

- Yes, we have a process for climate-related risks and opportunities
- Yes, we have a process for forests-related risks and opportunities
- No, we do not have a process for either climate or forests

Requested content

General
Select "Yes…" for the relevant themes(s) if you have any process in place for identifying, assessing, and responding to climate- and/or forests-related risks and opportunities, regardless of how thorough it is. You will be able to provide further details in the subsequent questions.

Only select "No" if you do not have any form of process for identifying, assessing, and responding to climate- or forests-related issues.

Explanation of terms

- **Climate-related risk** refers to the potential negative impacts of climate change on an organization including physical risks and risks associated with the transition to a lower carbon global economy. Physical risks emanating from climate change can be event-driven (acute, e.g. floods) or relate to longer-term shifts (chronic, e.g. sea level rises). Transition risks include policy actions, technology changes, market responses, and reputational considerations.

- **Climate-related opportunity** refers to the potential positive impacts on an organization resulting from efforts to mitigate and adapt to climate change. For financial institutions this could be the development or greater uptake of financial products and services that help clients mitigate or adapt to climate change.

- **Forests-related risk** refers to the likelihood, over a specific time, of an organization experiencing an impact caused directly or indirectly by deforestation/forest degradation or land use change (e.g. credit events at clients, fines, etc.).

- **Forests-related opportunity** refers to the potential positive impacts related to the sustainable production or consumption of forest risk commodities on an organization. For financial institutions this could be opportunities of financing operations to transition from unsustainable to sustainable production or consumption.

**(FS2.1a) How does your organization define short-, medium- and long-term horizons?**

**Question dependencies**

This question only appears if you select “No” in response to FS0.1.

**Comparison with CDP Climate Change 2021 Questionnaire**

C2.1a

**Rationale**

Providing your definitions of the short-, medium- and long-term provides context for CDP data users. Subsequent questions in this module relate to time horizons which will be defined differently by each responding company. Therefore, before proceeding with further questions, it is important that companies explain how they define these time horizons.

**Connection to other frameworks**

TCFD – Strategy recommended disclosure a)

**Response options**

Complete the following table.

<table>
<thead>
<tr>
<th>Time horizon</th>
<th>From (years)</th>
<th>To (years)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term</td>
<td>Numerical field [enter a number from 0-100 using no decimals or commas]</td>
<td>Numerical field [enter a number from 0-100 using no decimals or commas]</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td>Medium-term</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-term</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Requested content**

General
• State in years what your organization considers to be short-, medium-, and long-term horizons in the context of climate- and forests-related risks and opportunities.
• If your long-term time horizon is open-ended, you may leave the column “To (years)” blank.

Comment (column 4)
• This column is optional.
• You may specify if the time horizons for assessing climate- and forests-related risks and opportunities are aligned with how time horizons are defined for other business purposes, and provide any other relevant information.

Additional information

TCFD position on time horizons
• Because the timing of climate-related impacts on organizations will vary, the TCFD believes specifying timeframes across sectors could hinder organizations’ consideration of the climate-related risks and opportunities specific to their businesses. The TCFD is therefore not defining timeframes and encourages organizations to define their own timeframes according to the life of their assets, the profile of the climate-related risks they face, and the sectors and geographies in which they operate.

Time horizons of climate-related risks
• In assessing climate-related issues, organizations should be sensitive to the long-term nature of climate change. While operational, financial and strategic planning often cover a multi-year period, climate-related risks may have implications over an even longer period. It is therefore important for organizations to consider the appropriate timeframes when assessing climate-related risks.
• That said, there is a common perception that all climate-related risks are “long-term”, arising in 10+ years. However, transitional risks related to policy, technology, and markets are emerging earlier than this. Furthermore, physical risks including the frequency and intensity of storms and wildfires are already recognized.

(FS2.1b) How does your organization define substantive financial or strategic impact on your business?

Question dependencies
This question only appears if you select “No” in response to FS0.1.

Comparison with CDP Climate Change 2021 Questionnaire
C2.1b

Rationale
Explaining your threshold for including data in this disclosure provides context for CDP data users. Subsequent questions in this module ask you to disclose risks and opportunities with the potential to have a substantive financial or strategic impact on your business. What is considered a substantive impact will be different for each responding company. Therefore, before proceeding with further questions, it is important that organizations explain how they define substantive impact at the corporate level.

Response options
This is an open text question with a limit of 5,000 characters.

Requested content
General
Describe and quantify, in detail, how your organization defines a ‘substantive impact’ on your business at the corporate level, in the context of a climate and forests-related risk.

What constitutes a substantive impact will vary between financial institutions. For example, a 1% reduction in returns will have different effects on different organizations depending on their respective return ratios. Companies are therefore asked to determine ‘substantive’ in the way they would do for their business decision-making. For example, a substantive impact of relatively high magnitude could occur because of a large number for any one of the following aspects, or because of a small number for all four combines to 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 those units
- the potential for shareholder or customer concern.

**Explanation of terms**

- **Substantive impact**: an impact that has a considerable or relatively significant effect on an organization at the corporate level. This could include operational, financial or strategic effects that undermine the entire business or part of the business.

**(FS2.1c) Describe your process(es) for identifying, assessing, and responding to climate- and/or forests-related risks and opportunities.**

**Question dependencies**

This question only appears if either:

- You select “No” in response to FS0.1 and any option beginning “Yes…” in response to FS2.1; or,
- You select “Yes” in response to FS0.1 and “Yes, we have a process for forests-related risks and opportunities” in response to FS2.1.

**Comparison with CDP Climate Change 2021 Questionnaire**

C2.2

**Rationale**

Data users are interested in how environment-related issues are integrated into risk management frameworks to gauge the thoroughness of risk management processes employed by organizations. Financial institutions that fully integrate and frequently assess climate- and forests-related risks and opportunities across their financing portfolios and over a range of time-horizons may be better equipped to handle longer-term uncertainties.

**Connection to other frameworks**

*TCFD – Risk management recommended disclosures a), b) and c)*

*OJK Regulation 51*

**Response options**

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Value chain stage(s) covered</th>
<th>Risk management process</th>
<th>Frequency of monitoring</th>
<th>Time horizons covered</th>
<th>Description of process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select all that apply:</td>
<td>Select all that apply:</td>
<td>Select from:</td>
<td>Select all that apply:</td>
<td>Text field [maximum 9,999 characters]</td>
</tr>
<tr>
<td>Banking portfolio</td>
<td>Climate-related risks are integrated into a company-wide enterprise risk</td>
<td>More than once a year</td>
<td>Short-term</td>
<td></td>
</tr>
<tr>
<td>Investing (Asset owner) portfolio</td>
<td></td>
<td>Annually</td>
<td>Medium-term</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Long-term</td>
<td></td>
</tr>
</tbody>
</table>
• Investing (Asset manager) portfolio
• Insurance portfolio
• Direct operations
• Other parts of the value chain

management framework
• Forests-related risks are integrated into a company-wide enterprise risk management framework
• A specific climate-related risk management process
• A specific forests-related risk management process

Every two years
• Every three years or more
• Not defined
• Not defined

[Add another]

Requested content

General

• You are requested to provide information on the risk management processes in all parts of the value chain applicable to your organization, including your financing/investing/insuring activities as well as your operational risks.
• Risk management processes are likely to exist at multiple levels – from organization-level identification of key risks which will inform strategic planning and portfolio structuring, to deal-level processes such as credit risk assessments and due diligence. Subsequent questions ask about the integration of environmental issues into specific deal-level processes.
• Note that if your response to this question refers to the position of employees relevant to your risk management processes, do not include the name of any individual in your response.

Value chain stage(s) covered (column 1)

• Select all the parts of the value chain and/or portfolio(s) that your risk management process covers.
• If you have separate processes for different parts of the value chain, you may add rows to describe those processes separately.

Risk management process (column 2)

• Select the option that best describes whether your process for identifying, assessing, and responding to climate- and/or forests-related risks and opportunities is integrated into your overall risk management framework. You will have the opportunity to expand further in column 5 “Description of process”:
  o “Integrated into a company-wide enterprise risk management framework”: a documented process where climate- and/or forests-related risks and opportunities are identified and assessed in an integrated way in the company’s centralized enterprise risk management program covering all possible types/sources of risks and opportunities
  o “A specific risk management process”: a documented process that identifies, assesses and responds to environment-related risks and opportunities separate from other business risks and opportunities.
• If climate- and forests-related risks and opportunities are each integrated differently into your overall risk management framework, you may add rows to describe those different processes.

Frequency of monitoring (column 3)

• Select the option that describes how often climate- and/or forests-related risks are assessed for the values chain stage(s) selected in column 1.
• Select “Not defined” if for example climate- and/or forest-related risk issues are only handled as they arise.

**Time horizons covered (column 4)**

• Choose all the time horizons that are considered in your climate and/or forests-related risk assessment, in line with your definition of time horizons provided in FS2.1a.
• If none of the time horizons provided in FS2.1a are covered by this risk management process, select “Not defined” and explain the applicable time horizon or why it is not defined in the column “Description of process”.

**Description of process (column 5)**

• Describe your process for identifying, assessing and responding to climate- and/or forests-related risks and opportunities, including:
  o What level the process relates to (e.g. organization-level, portfolio-level, transaction-level).
  o The tools used to identify, assess and/or respond to environment-related risks and opportunities.
  o The approach taken to determining which risks and opportunities are considered to have a substantive financial or strategic impact on the organization.
  o How your organization makes decisions to mitigate, transfer, accept or control the identified risks and to capitalize on opportunities.
• Include descriptions of how you identify any significant concentrations of portfolio exposure to carbon-related assets and other climate- and/or forests-related risks in your portfolio.
• **Banks:**
  o Include descriptions of how you manage any significant concentrations of credit exposure to carbon-related assets and other climate- and/or forests-related risks in your lending and other financial intermediary business activities.
  o The TCFD suggests defining carbon-related assets as those assets tied to the energy and utilities sectors under the Global Industry Classification Standard (GICS), excluding water utilities and independent power and renewable electricity producer industries.
• **Asset owners/Asset managers:**
  o Describe how you manage material climate- and/or forests-related risks for each product or investment strategy. If appropriate, describe how climate- and/or forests-related risks are integrated into your overall risk management.
• **Insurance companies:**
  o Include a description of the processes used for managing climate- and/or forests-related risks on re-/insurance portfolios by geography, business division, or product segments.
  o Describe key tools or instruments, such as risk models, used to manage climate- and/or forests-related risks in relation to product development and pricing.
  o Describe the range of climate-related events considered and how the risks generated by the rising propensity and severity of such events are managed.
  o Additionally, as an asset owner, please describe how you consider the positioning of your total investment portfolio with respect to the transition to a lower-carbon energy supply, production, and use. This could include explaining how you are actively managing your portfolios’ exposure to climate- and/or forests-related risks.

**Explanation of terms**

• **Direct operations:** Your organization’s direct operations include anything your company does itself for the purpose of providing products and services and maintaining the functionality of the business. This covers your buildings, energy consumption and business travel.
• **Portfolio:** In the context of this questionnaire your portfolio is your entire collection of the core financial activities – loans, investments and insurance policies- that you offer.
- **Banking portfolio**: For bank lending, this is the entire collection of products and loans held on your balance sheet for which you own the receivable stream.
- **Investing (Asset owner) portfolio**: For asset owners, this is the entire collection of products, funds and investments owned and controlled by your company.
- **Investing (Asset manager) portfolio**: For asset managers, this is the entire collection of your products and investments that you hold and/or manage on behalf of your clients. Asset managers should consider discretionary investments, those where the company has discretion over investment decision.
- **Insurance portfolio**: For insurance underwriting, this is the entire collection of products and insurance policies you provide to your clients.

*(FS2.1d) Which risk types are considered in your organization’s climate- and/or forests-related risk assessments?*

**Question dependencies**

This question only appears if either:

- You select “No” in response to FS0.1 and any option beginning “Yes…” in response to FS2.1; or,
- You select “Yes” in response to FS0.1 and “Yes, we have a process for forests-related risks and opportunities” in response to FS2.1.

**Comparison with CDP Climate Change 2021 Questionnaire**

C2.2a

**Rationale**

Data users are interested in which risk types are considered in climate- and forests-related risk assessments. Not all risk types are relevant to each organization. The aim of this question is to ascertain how thoroughly companies examine multiple risk types as an indication of the comprehensiveness of the risk assessment.

**Connection to other frameworks**

- **TCFD** – Risk management recommended disclosure a)
- **SUSBA** – Sub-indicator 1.1.10
- **OJK Regulation 51**

**Response options**

Complete the following table.

<table>
<thead>
<tr>
<th>Risk type</th>
<th>Relevance and inclusion</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current regulation</td>
<td>Select from:</td>
<td>Text field [maximum 5,000 characters]</td>
</tr>
<tr>
<td></td>
<td>Relevant, always included</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Relevant, sometimes included</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Relevant, not included</td>
<td></td>
</tr>
<tr>
<td>Emerging regulation</td>
<td>Not relevant, included</td>
<td></td>
</tr>
<tr>
<td>Technology</td>
<td>Not relevant, explanation provided</td>
<td></td>
</tr>
<tr>
<td>Legal</td>
<td>Not evaluated</td>
<td></td>
</tr>
<tr>
<td>Market</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reputation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acute physical</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chronic physical</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Requested content

General

• Consider which risk types are relevant to your lending, investment and/or insurance underwriting activities, in addition to your direct operations.
• Consider characterizing your environment-related risks in the context of traditional industry risk categories such as credit risk, market risk, liquidity risk, and operational risk.
• Banks:
  o Describe climate-related risks and forests-related risks in lending activities by geography, industry, credit quality or average tenor.
• Asset owners/Asset managers:
  o Describe the climate- and/or forests-related risks relevant to your product or investment strategy by geography, industry, or product segment.
• Insurance companies:
  o Describe environment-related risks on re-/insurance portfolios by geography, business division, or product segments, including the following risks:
    ▪ Physical risks from changing frequencies and intensities of weather-related perils;
    ▪ Transition risks resulting from a reduction in insurable interest due to a decline in value, changing energy costs, or implementation of carbon regulation; and
    ▪ Liability risks that could intensify due to a possible increase in litigation. For example, the risk of an increase in claims for defense costs in relation to directors and officers (D&O) liability.
  o Additionally, as an asset owner, please also describe the climate- and/or forests-related risks relevant to your investment portfolio.

Please explain (column 3)

• Your response should explain:
  o Your decision on the relevance and inclusion of this risk type in your risk assessment.
  o For every risk type deemed relevant, an example of a specific risk considered in your assessment.
  o If you choose “Not relevant, explanation provided”: why this risk type is not deemed relevant.

Explanation of terms

• Physical risks
  o Acute: Risks that are event-driven, including increased severity of extreme weather events, such as hurricanes, wildfires or floods.
  o Chronic: Longer-term shifts in climate patterns (e.g. sustained higher temperatures) that may cause sea level rise or chronic heat waves.
• Transition risks
  o Current and emerging regulation: Policy developments that attempt to constrain actions that contribute to the adverse effects of climate change and deforestation or policy developments that seek to promote adaptation to climate change.
  o Technology: All risks associated with technological improvements or innovations that support the transition to a lower-carbon, deforestation-free energy-efficient economic system.
  o Legal: All climate and forests-related litigation claims.
  o Market: All shifts in supply and demand for certain commodities, products, and services.
  o Reputation: All risks tied to changing customer or community perceptions of an organization’s contribution to or detraction from the transition to a lower-carbon, deforestation-free economy.
(FS2.1e) Why does your organization not have a process in place for identifying, assessing, and managing climate- and/or forests-related risks and opportunities, and do you have plans to introduce a process in the next two years?

**Question dependencies**

This question only appears if you do not select both “Yes, we have a process for climate-related risks and opportunities” and “Yes, we have a process for forests-related risks and opportunities” in response to FS2.1.

**Comparison with CDP Climate Change 2021 Questionnaire**

C2.2g

**Rationale**

A thorough risk and opportunity assessment is integral to addressing environment-related issues. Therefore, data users want to understand why organizations do not carry out such assessments, as well as any plans to do so in the future. Without a process for managing risks and opportunities, organizations may be unable to determine the best ways to prepare for future uncertainties and liabilities, or to capitalize on available opportunities.

**Response options**

Complete the following table.

<table>
<thead>
<tr>
<th>Theme(s)</th>
<th>We plan to introduce a process in the next two years</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate</td>
<td>Select from:</td>
<td>Text field [maximum 4,800 characters]</td>
</tr>
<tr>
<td></td>
<td>• We plan to introduce a process</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• We do not plan to introduce a process</td>
<td></td>
</tr>
<tr>
<td>Forests</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Requested content**

*Please explain (column 3)*

- Ensure your explanation is company-specific and provides additional details as to why you do not have a process in place, including any specific plans to create a process and the anticipated timeline for its creation. For instance, you may include details on how you are exploring creating a process, using concrete examples from your organization’s experience.
- Also include details of how climate- and forests-related risks are addressed as they do arise (such as environmental legislation, weather-related events, or reputational risks). Include company-specific examples in your description.

(FS2.2) Do you assess your portfolio’s exposure to climate- and/or forests-related risks?

**Question dependencies**

Rows in this question will be presented according to the organizational activities reported in FS0.6.

**Comparison with CDP Climate Change 2021 Questionnaire**

C-FS2.2b

**Rationale**
The TCFD recommendations highlight the importance of the financial sector considering the potential impacts of environment-related risks in the context of their financing activities. When evaluating exposure to climate- and/or forests-related risks, organizations in the financial sector should primarily consider the impact on their financial portfolios including lending, investment and/or insurance underwriting activities.

**Connection to other frameworks**

*TCFD* – Risk management recommended disclosure a)

*SUSBA* – Sub-indicator 6.1.1

*OJK Regulation 51*

**Response options**

Complete the following table.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>We assess our portfolio’s exposure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking</td>
<td>Select all that apply:</td>
</tr>
<tr>
<td></td>
<td>• Yes, we assess our portfolio’s exposure to climate-related risks</td>
</tr>
<tr>
<td></td>
<td>• Yes, we assess our portfolio’s exposure to forests-related risks</td>
</tr>
<tr>
<td></td>
<td>• No, we do not assess our portfolio’s exposure to any of these risks</td>
</tr>
<tr>
<td>Investing (Asset owner)</td>
<td></td>
</tr>
<tr>
<td>Investing (Asset manager)</td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td></td>
</tr>
</tbody>
</table>

**Requested content**

*Portfolio (column 1)*

- The rows presented in this question depend on the organizational activities you selected in question FS0.6.

**Explanation of terms**

- **Climate-related risk** refers to the potential negative impacts of climate change on an organization including physical risks and risks associated with the transition to a lower carbon global economy. Physical risks emanating from climate change can be event-driven (acute, e.g. floods) or relate to longer-term shifts (chronic, e.g. sea level rises). Transition risks include policy actions, technology changes, market responses, and reputational considerations.

- **Forests-related risk** refers to the likelihood, over a specific time, of an organization experiencing an impact caused directly or indirectly by deforestation/forest degradation or land use change (e.g. credit events at clients, fines, etc.).

**(FS2.2a) Describe how you assess your portfolio’s exposure to climate- and/or forests-related risks.**

**Question dependencies**

This question only appears if you select any option beginning “Yes…” in response to FS2.2.

You should add a new row for each portfolio for which you selected any option beginning “Yes…” . You can add additional rows for the same portfolio to differentiate varying assessment types or coverage if required.

**Comparison with CDP Climate Change 2021 Questionnaire**

C-FS2.2c

**Rationale**

The TCFD recommendations highlight the importance of the financial sector considering the potential impacts of environment-related risks in the context of their financial activities. When evaluating exposure to climate- and/or forests-related risks, organizations in the financial sector should primarily consider the
impact on their financial portfolios including lending, investment and/or insurance underwriting activities. Data users are interested in how much of financial institution’s portfolios is assessed, and how thorough the assessment is.

**Connection to other frameworks**

*TCFD* – Risk management recommended disclosure a)

*SUSBA* – Sub-indicators 6.1.1 and 6.1.2

*OJK Regulation 51*

**Response options**

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Exposure to</th>
<th>Portfolio coverage of assessment</th>
<th>Assessment type</th>
<th>Tools and methods used</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from: • Banking • Investing (Asset owner) • Investing (Asset manager) • Insurance</td>
<td>Select all that apply: • Climate-related risks • Forests-related risks</td>
<td>Select from: • The whole portfolio • Majority of portfolio • Minority of portfolio • Unknown</td>
<td>Select all that apply: • Qualitative • Quantitative • Qualitative and quantitative</td>
<td>Select all that apply: • UNEP FI Portfolio Impact Analysis Tool for Banks [Climate] • UNEP FI Corporate Impact Analysis Tool [Climate] • 2DII Paris Agreement Capital Transition Assessment (PACTA) tool [Climate] • The Transition Pathway Initiative (TPI) [Climate] • 2 Degrees of Separation [Climate] • Risk models [Climate and forests] • Transition risk scenarios [Climate and forests] • Physical risk scenarios [Climate and forests] • Stress tests [Climate and forests] • Sustainability Policy Transparency Toolkit (SPOTT) [Forests] • Trase Finance [Forests] • Global Forests Watch Pro [Forests] • ENCORE [Forests] • Internal tools/methods [Climate and forests] • External consultants [Climate and forests] • Other, please specify [Climate and forests]</td>
<td>Text field [maximum 9,999 characters]</td>
</tr>
</tbody>
</table>

[Add another]

**Requested content**

**Portfolio (column 1)**

- You should add a new row for each portfolio for which you selected any option beginning “Yes…”. You can add additional rows for the same portfolio to differentiate varying assessment types or coverage if required.

**Exposure to (column 2)**
• If you assess your portfolio’s exposure to climate- and forests-related risks together as part of the same portfolio assessment exercise, select both “Climate-related risks” and “Forests-related risks” and describe your portfolio assessment in the subsequent columns.
• If you assess your portfolio’s exposure to the risks separately, you may add multiple rows and describe the climate-specific or forests-specific portfolio assessments you undertake in the relevant rows.
• If you only assess your portfolio’s exposure to risks related to either climate change or deforestation, use one row and select the relevant option.

**Portfolio coverage of assessment (column 3)**

• For each portfolio, indicate the coverage i.e. how much of your portfolio you assess for exposure to climate- and/or forests-related risks, based on either total or outstanding commitments, premiums and/or committed capital.
• Select “All of the portfolio” if you assess 100% of your portfolio.
• Select “Majority of the portfolio” if you assess more than 50% of your portfolio.
• Select “Minority of the portfolio” if you assess less than 50% of your portfolio.

**Assessment type (column 4)**

• Disclose whether the assessment is qualitative, quantitative, or both.
  o **Qualitative assessment** is descriptive and may include stakeholder involvement, meetings, interviews, and analysis of scenario impacts or descriptive risk matrices.
  o **Quantitative assessment** is expressed in numbers and involves indicators, indices, variables and metrics such as probabilistic or stochastic risk modelling considering frequency and severity of events.

**Tools and methods used (column 5)**

• Select which tools and methodologies you use to assess your portfolio’s exposure to climate and/or forests-related risks:
  o **UNEP FI Portfolio Impact Analysis Tool for Banks**: Helps banks analyze the impacts associated with their retail (consumer and business banking) and wholesale (corporate and investment banking) portfolios
  o **UNEP FI Corporate Impact Analysis Tool**: Enables users to perform a holistic analysis of companies, based on the reality of those companies’ business activities and the needs of the countries in which they operate, whether for sourcing, production or sales
  o **2DII Paris Agreement Capital Transition Assessment (PACTA) tool**: Portfolio-level analysis for equities and fixed income climate transition risks in power and some industrial sectors (cement and steel)
  o **The Transition Pathway Initiative (TPI)**: Bottom-up assessment of how listed companies are preparing for the transition to a low-carbon economy
  o **2 Degrees of Separation**: In-depth sector and company-level analysis of oil and gas companies’ upstream exposure to climate transition risks
  o **Risk models**: computerized systems, such as catastrophe models, used to assess and quantify the financial impact of a range of potential future disasters
  o **Transition risk scenarios**: consider how an organization is impacted by changes to policy/regulation, technology or market changes aimed at emissions reductions, energy efficiency, subsidies/taxes or other constraints or incentives implemented to facilitate a low carbon economy (for example, the ‘well below 2°C’ goal committed to by the Paris Agreement)
  o **Physical risk scenarios**: assess the impact of acute or chronic physical change related to climate change such extreme weather, rising sea levels, water shortage, etc.
  o **Stress tests**: process of evaluating a number of statistically defined possibilities to determine the most damaging combination of events, and the loss they would produce. The likelihood of such an event is then assessed
o **Sustainability Policy Transparency Toolkit (SPOTT):** supports the finance sector and supply chain stakeholders to manage environmental, social and governance (ESG) risks by publishing transparency assessments of soft commodity producers and traders

o **Trase Finance:** enables financial institutions to understand and mitigate their exposure to deforestation in their portfolios and allow civil society and governments to better hold those failing to act

o **Global Forests Watch Pro:** delivers critical decision-making analysis at the property, supply shed and portfolio levels

o **ENCORE:** identifies business risks arising from economic dependencies on natural capital. (NCFA, Global Canopy, UN)

- If you select “Other, please specify”, please describe tools and methodologies you use to assess your portfolio’s exposure in column “Description”.

**Description (column 6)**

- Describe what data sources you use in your assessments.
- Explain how coverage is determined and whether you consider it to be substantive to your organization.
- Briefly describe changes to your portfolio based on your climate- and/or forests-related risk assessments (this could include decisions to exclude or reduce exposure to certain economic activities, or decisions to amend your risk appetite).

**(FS2.2b) Why do you not assess your portfolio’s exposure to climate- and/or forests-related risks, and do you plan to do so in the next two years?**

**Question dependencies**

This question only appears if you do not select both “Yes, we assess our portfolio’s exposure to climate-related risks” and “Yes, we assess our portfolio’s exposure to forests-related risks” in response to FS2.2 for all rows presented.

**Comparison with CDP Climate Change 2021 Questionnaire**

**Additional question**

**Rationale**

The TCFD recommendations highlight the importance of the financial sector considering the potential impacts of environment-related risks in the context of their financing activities. When evaluating exposure to climate- and/or forests-related risks, organizations in the financial sector should primarily consider the impact on their lending, investment and/or insurance portfolios. Data users are interested why financial institutions do not assess their portfolio’s exposure to environmental risks.

**Response options**

Complete the following table.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Theme(s)</th>
<th>We plan to assess our portfolio’s exposure in the next two years</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking</td>
<td>Climate</td>
<td>Select from:</td>
<td>Text field [maximum 4,800 characters]</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• We plan to assess our portfolio’s exposure</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• We do not plan to assess our portfolio’s exposure</td>
<td></td>
</tr>
<tr>
<td>Banking</td>
<td>Forests</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investing (asset owner)</td>
<td>Climate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investing (asset owner)</td>
<td>Forests</td>
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<tr>
<td>Investing (asset manager)</td>
<td>Climate</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Requested content

Please explain (column 4)

- Your response should be company-specific and include:
  - Why you do not currently assess your portfolio to climate- and/or forests-related risks, and;
  - A description of any plans to undertake such portfolio assessments in the future.

(FS2.3) Do you consider climate- and/or forests-related information about your clients/investees when conducting due diligence and/or risk assessments?

You should add at least one row for each portfolio selected in FS0.6.

Comparison with CDP Climate Change 2021 Questionnaire

C-FS2.2f

Rationale

Considering environmental-related information about clients/investees in the initial phases of risk assessment and/or as part of your due diligence processes helps organizations in the financial sector better understand their clients/investees’ exposure to risks, and make better, more informed financing decisions. Thus, considering environmental-related information as part of due diligence processes can greatly reduce the organization’s climate- and/or forests-related risk exposure. Data users are interested in what information financial institutions consider, about which clients/investee, and whether that is enough for them to make informed lending, investment and/or insurance underwriting decisions and mitigate environment-related risks within their portfolio.

Connection to other frameworks

TCFD – Risk management recommended disclosures a) and b)

SUSBA – Sub-indicators 3.1.1, 3.1.2, 3.1.5

OJK Regulation 51

Response options

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>We consider climate- and/or forests-related information</th>
<th>Type of information collected</th>
<th>How information is obtained</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Banking</td>
<td></td>
<td></td>
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<tr>
<td>Investing (Asset owner)</td>
<td></td>
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<td></td>
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<tr>
<td>Investing (Asset manager)</td>
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<tr>
<td>Insurance</td>
<td></td>
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</tr>
<tr>
<td>Select all that apply:</td>
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<td></td>
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<tr>
<td>Select all that apply:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes, we consider climate-related information for relevant clients/investees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes, we consider forests-related information for relevant clients/investees</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>No, we do not consider this information when conducting due diligence and/or risk assessments</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Select all that apply:</td>
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<tr>
<td>Select all that apply:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emissions data [Climate]</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Energy usage data [Climate]</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decarbonization transition plans/targets [Climate]</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TCFD disclosures [Climate]</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Production volumes of forests risk commodities [Forests]</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Select all that apply:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Select all that apply:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directly from the client/investee using due diligence questions or verbal discussions</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public data sources</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From an intermediary or business partner</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other, please specify</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Text field [maximum 9,999 characters]</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
• Consumption volumes of forests risk commodities [Forests]
• Certification of forests risk commodities produced [Forests]
• Certification of forests risk commodities consumed [Forests]
• Traceability of forest risk commodities [Forests]
• Concession areas [Forests]
• Other, please specify [Climate and forests]

[Add another]

**Requested content**

**General**

- For each of your financial portfolios, disclose whether you consider climate- and/or forests-related information about your clients/investee companies as part of your screening, risk assessment and/or due diligence process.
  
  As an illustrative example:
  - Emissions data or energy usage data would be climate-related information.
  - Production or consumption volumes of forest risk commodities would be forests-related information.

- **Banks:**
  - Considering clients' climate- and/or forests-related information in borrower and deal-level credit risk and other pre-lending assessments such as due diligence and “know your client” processes.
  - For the purpose of this question, focus on your commercial/corporate clients.

- **Asset managers:**
  - Considering investees' climate- and/or forests-related information in fund allocation and investment risk assessment processes.

- **Insurance companies:**
  - Considering policyholders’ climate-related information in insurance underwriting due diligence processes.

**Type of information collected (Column 3)**

- If you select any option beginning “Yes…” in column 2, select which type of climate- and/or forests-related information you consider as part of your screening, risk assessment and/or due diligence process.

**How information is obtained (Column 4)**

- If you select any option beginning “Yes…” in column 2, select how you obtain environment-related information about clients/investee companies. This information could either be requested from the client/investee directly or gathered from other data sources.

**Description (column 5)**

- If you conduct enhanced environmental due diligence or risk assessments involving climate- and/or forests-related information for certain clients only, describe what kinds of clients are considered relevant, and why.
- Comment on the proportion of clients for which this information is considered.
• Describe how you use the information you consider and if it has any bearing on the outcomes of due
diligence or risk assessment processes.

**Explanation of terms**

• **Due diligence:** Research or investigation performed by the financial services company before
transacting with another party.

---

**(FS2.3a) Why do you not consider climate- and/or forests-related information about your clients when conducting due diligence and/or risk assessment practices, and do you plan to do so in the future?**

**Question dependencies**

This question only appears if you do not select both “Yes, we consider climate-related information for relevant clients/investees” and “Yes, we consider forests-related information for relevant clients/investees” in response to FS2.3 for all activities selected in FS0.6.

**Comparison with CDP Climate Change 2021 Questionnaire**

Additional question

**Rationale**

Considering environmental-related information about their clients/investees in the initial phases of risk assessment and/or as part of your due diligence processes helps organizations in the financial sector better understand their clients/investees’ exposure to risks, and make better, more informed financing decisions. Data users are interested in why financial institutions do not consider environmental-related data as part of their processes.

**Response options**

Complete the following table.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Theme(s)</th>
<th>We plan to consider this information in the next two years</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking</td>
<td>Climate</td>
<td>Select from:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• We plan to consider this information for relevant clients/investees</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• We do not plan to consider this information when conducting due diligence and/or risk assessments</td>
<td></td>
</tr>
<tr>
<td>Banking</td>
<td>Forests</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investing (asset owner)</td>
<td>Climate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investing (asset owner)</td>
<td>Forests</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investing (asset manager)</td>
<td>Climate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investing (asset manager)</td>
<td>Forests</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td>Climate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td>Forests</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Requested content**

*Please explain (column 4)*

• Your response should be company-specific and include:
  o Why you do not currently consider climate- and/or forests-related information when conducting due diligence and risk assessment processes, and;
A description of any plans to consider this in the future. Detail what information you plan to start collecting and how you will obtain it.

Risk disclosure

(FS2.4) Have you identified any inherent climate- and/or forests-related risks with the potential to have a substantive financial or strategic impact on your business?

Comparison with CDP Climate Change 2021 Questionnaire

C2.3

Rationale

Investors and data users are interested in learning whether your organization has knowledge at the corporate level of any substantive climate- and/or forests-related risks, across any part of your value chain.

Connection to other frameworks

TCFD – Strategy recommended disclosure a)

SUSBA – Sub-indicator 1.1.10

OJK Regulation 51

Response options

Select all that apply:

- Yes, we have identified climate-related risks
- Yes, we have identified forests-related risks
- No, we have not identified any climate- and/or forests-related risks

Requested content

General

- Please indicate if you have identified any inherent climate- and/or forests-related risks.
- For the purposes of this response, the risks reported should only be those which:
  - May pose substantive financial or strategic impacts, in line with your definition of substantive impact provided in FS2.1b; and
  - Are inherent (risks that exist in the absence of controls, i.e. not taking into account any potential mitigation or management measures that have been or could be implemented).
- For the purposes of this response, the risks reported should be inherent and have the potential for substantive impacts on your lending, investing, insurance underwriting and/or operational activities. Further details can be provided in subsequent questions.

Explanation of terms

- **Climate-related risk** refers to the potential negative impacts of climate change on an organization including physical risks and risks associated with the transition to a lower carbon global economy. Physical risks emanating from climate change can be event-driven (acute, e.g. floods) or relate to longer-term shifts (chronic, e.g. sea level rises). Transition risks include policy actions, technology changes, market responses, and reputational considerations.
- **Forests-related risk** refers to the likelihood, over a specific time, of an organization experiencing an impact caused directly or indirectly by deforestation/forest degradation or land use change (e.g. credit events at clients, fines, etc.).
(FS2.4a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Question dependencies

This question only appears if either:

- You select “No” in response to FS0.1 and any option beginning “Yes…” in response to FS2.4; or,
- You select “Yes” in response to FS0.1 and “Yes, we have identified forests-related risks” in response to FS2.4.

Comparison with CDP Climate Change 2021 Questionnaire

C2.3a

Rationale

Your response to this question will allow data users to see, in one place, details of the risks posed to your organization by climate- and/or forests-related issues, and also the estimated potential financial impact of these risks at the corporate level and your response strategy to manage these risks.

Connection to other frameworks

*TCFD* – Strategy recommended disclosures a) and b)

*SUSBA* – Sub-indicator 1.1.10

*OJK Regulation 51*

Response options

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

<table>
<thead>
<tr>
<th>Where in the value chain does the risk driver occur?</th>
<th>Primary risk driver</th>
<th>Risk related to</th>
<th>Primary potential financial impact</th>
<th>Risk mapped to traditional financial services industry risk classification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
</tr>
<tr>
<td>Banking portfolio</td>
<td>See drop-down options below</td>
<td>Climate-related risk</td>
<td>See drop-down options below</td>
<td>See drop-down options below</td>
</tr>
<tr>
<td>Investing (Asset owner) portfolio</td>
<td></td>
<td>Forests-related risk</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investing (Asset manager) portfolio</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insurance portfolio</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other parts of the value chain</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Company specific description</th>
<th>Time horizon</th>
<th>Likelihood</th>
<th>Magnitude of impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Text field [maximum 2,500 characters]</td>
<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
</tr>
<tr>
<td></td>
<td>Short-term</td>
<td>Virtually certain</td>
<td>High</td>
</tr>
<tr>
<td></td>
<td>Medium-term</td>
<td>Very likely</td>
<td>Medium-high</td>
</tr>
<tr>
<td></td>
<td>Long-term</td>
<td>Likely</td>
<td>Medium</td>
</tr>
<tr>
<td></td>
<td>Unknown</td>
<td>More likely than not</td>
<td>Medium-low</td>
</tr>
<tr>
<td></td>
<td></td>
<td>About as likely as not</td>
<td>Low</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Unlikely</td>
<td>Unknown</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Very unlikely</td>
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<tr>
<td></td>
<td></td>
<td>Exceptionally unlikely</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Unknown</td>
<td></td>
</tr>
</tbody>
</table>
Are you able to provide a potential financial impact figure?

Select from:
- Yes, a single figure estimate
- Yes, an estimated range
- No, we do not have this figure

Potential financial impact figure (currency)
Numerical field [enter a number from 0 to 999,999,999,999,999 using up to 2 decimal places]

Potential financial impact figure – minimum
Numerical field [enter a number from 0 to 999,999,999,999,999 using up to 2 decimal places]

Potential financial impact figure – maximum
Numerical field [enter a number from 0 to 999,999,999,999,999 using up to 2 decimal places]

Explain the financial impact figure
Text field [maximum 2,500 characters]

Cost of response to risk
Numerical field [enter a number from 0 to 999,999,999,999,999 using up to 2 decimal places]

Description of response and explanation of cost calculation
Text field [maximum 2,500 characters]

Comment
Text field [maximum 2,500 characters]

Primary risk driver drop-down options (column 2)

- Current regulation - Carbon pricing mechanisms
- Current regulation - Mandates on and regulation of existing products and services, including product standards
- Current regulation - Lack of mature certification and sustainability standards for forest risk commodities
- Current regulation - Land tenure regulations and uncertainty involving land ownership and occupancy rights
- Current regulation - Moratoria and voluntary agreements
- Current regulation - Enhanced emissions reporting obligations
- Current regulation - Regulation and supervision of climate-related risk in the financial sector
- Current regulation - Other, please specify
- Emerging regulation - Carbon pricing mechanisms
- Emerging regulation - Mandates on and regulation of existing products and services, including product standards
- Emerging regulation - Lack of mature certification and sustainability standards for forest risk commodities
- Emerging regulation - Land tenure regulations and uncertainty involving land ownership and occupancy rights
- Emerging regulation - Moratoria and voluntary agreements
- Emerging regulation - Enhanced emissions reporting obligations
- Emerging regulation - Regulation and supervision of climate-related risk in the financial sector
- Emerging regulation - Regulatory uncertainty
- Legal - Exposure to litigation and/or sanctions
- Legal - Uncertainties around legality of forests risk commodities produced or consumed by clients
- Legal - Lending that could create or contribute to systemic risk for the economy
- Legal - Regulation and supervision of climate-related risk in the financial sector
- Legal - Other, please specify
- Technology - Transitioning to lower emissions technologies, products and services
- Technology - Limited access to sustainable techniques of forest risk commodity production
- Technology - Other, please specify
- Market - Changing customer behavior
- Market - Inability to attract co-financiers and/or investors into deals due to climate and/or forests-related issues
- Markets - Loss of clients due to a fund’s poor environmental performance outcomes (e.g. if a fund has suffered climate-related write-downs)
- Market - Contraction of insurance markets, leaving clients exposed and changing the credit parameters
- Market - Rise in risk-based pricing of insurance policies (beyond demand elasticity)
- Market - Uncertainty in market signals
- Market - Increased cost of raw materials, including forest risk commodities
- Market - Availability of affordable certified sustainable forest risk commodities
- Market - Other, please specify
- Reputation - Stigmatization of sector in which your clients operate
- Reputation - Shifts in consumer preferences
- Reputation - Increased stakeholder concern or negative stakeholder feedback
- Reputation - Negative media coverage related to financing of projects or activities with negative impacts on the climate and/or forests
- Reputation - Local community opposition
- Reputation - Lending that could create or contribute to systemic risk for the economy
- Reputation - Investing that could create or contribute to systemic risk for the economy
- Reputation - Insurance underwriting that could create or contribute to systemic risk for the economy
- Reputation - Other, please specify
- Acute physical - Increased severity and frequency of extreme weather events such as cyclones and floods
- Acute physical - Increased likelihood and severity of wildfires
- Acute physical - Other, please specify
- Chronic physical - Changes in precipitation patterns and extreme variability in weather patterns
- Chronic physical - Rising mean temperatures
- Chronic physical - Rising sea levels
- Chronic physical - Deforestation and/or land use conversion
- Chronic physical - Water stress
- Chronic physical - Other, please specify
Primary potential financial impact drop-down options (column 4)

- Increased direct costs
- Increased indirect (operating) costs
- Increased capital expenditures
- Increased credit risk
- Increased insurance claims liability
- Requirement to hold increased amounts of regulatory capital
- Decreased revenues due to reduced demand for products and services
- Decreased revenues due to reduced production capacity

Risk mapped to traditional financial services industry risk classification drop-down options (column 5)

- Capital adequacy and risk weighted assets
- Liquidity risk
- Funding risk
- Market risk
- Credit risk
- Insurance risk
- Reputational risk
- Policy and legal risk
- Systemic risk
- Operational risk
- Strategic risk
- Other non-financial risk
- None

Requested content

General

- For the purposes of this response, the risks reported should only be those which potentially pose inherently substantive impacts in your business operations, revenue, or expenditure, regardless of whether or not the company has taken action to mitigate the risk(s).
- Both physical and transition risks in your lending, investing, insurance underwriting and/or operational activities should be considered, including the risk of stranded assets. These are assets that are no longer economically viable as a result of climate-related transition or physical risks.
- Banks:
  - should consider disclosing their climate- and/or forests-related risks (transition and physical) in their lending activities.
- Asset owners/Asset managers:
  - should consider climate- and/or forests-related risks for each product or investment strategy.
- Insurance companies:
  - should consider environment-related risks on re-/insurance portfolios by geography, business division, or product segments, including the following risks:
    - Physical risks from changing frequencies and intensities of weather-related perils;
    - Transition risks resulting from a reduction in insurable interest due to a decline in value, changing energy costs, or implementation of carbon regulation; and
    - Liability risks that could intensify due to a possible increase in litigation. For example, the risk of an increase in claims for defense costs in relation to directors and officers (D&O) liability.
  - Additionally, as an asset owner, please also describe the climate- and/or forests-related risks relevant to your investment portfolio.

Where in the value chain does the risk driver occur? (column 1)

- Select “… portfolio” if the environmental risk relates to the risks for your clients/ investee companies.
- Select “Direct operations” if the driver of the environmental risk is within your direction operations and the principal potential impact would fall on your operations directly.
- “Other parts of the value chain” could refer to upstream activities, products and services that are inputs to the activities of your business, sourced from third parties (e.g. your suppliers) or downstream activities, but excludes your portfolio and investment chain.
Primary risk driver (column 2)

- Risk driver describes the source of the risk. Select an option that best describes the primary risk driver of the identified risk from the drop-down menu.
- The primary risk driver drop-down options are grouped into categories by risk type. See explanation of terms for definitions of risk types.
- If the risk you are disclosing is not well represented by any of the drop-down options, consider which risk type it would be classified as using the definitions provided and select the “… Other, please specify” option for that risk type. Specify the risk driver in the “Company specific description” column 6.

Risk related to (column 3)

- Select whether the risk is related to climate change or related to forests. Some of the primary risk driver options are specific to one or the other; however, others could be either, therefore CDP requires you to indicate.
- As an illustrative example, if you face an inherent reputational risk of negative media coverage related to your financing:
  o This would be climate-related if the coverage is critical because your financing/insurance coverage was supporting heavy emitting companies such as those involved with fossil fuels.
  o This would be forests-related if the coverage is critical because your financing/insurance coverage was supporting companies responsible for deforestation.

Primary potential financial impact (column 4)

- Select the option that best describes the primary potential impact to your organization due to the risk driver reported in column 2.
- If there is more than one potential impact associated with a risk driver, you should select what you consider to be the primary impact and use the “Explanation of financial impact figure” column 14 to describe the secondary impacts.
- If you select “Other, please specify”, specify the type of impact on your business in the “Explanation of financial impact figure” column 14.

Risk mapped to traditional financial services industry risk classification (column 5)

- In this column consider how your environment-related risks fit into your already existing organizational risk framework.
  o Capital adequacy and risks weighted assets:
  o Liquidity risk: occurs when a financial institution cannot meet its short-term debt obligations.
  o Funding risk: refers to the risk associated with the impact on a project’s cash flow from higher funding costs or lack of availability of funds
  o Market risk: refers to the uncertainty associated with any investment decision
  o Credit risk: refers the possibility of a loss resulting from a borrower's failure to repay a loan or meet contractual obligations.
  o Insurance risk: refers to the possibility of loss resulting from an event(s) that triggers the insurer to pay a claim(s)
  o Reputational risk: refers to the risk for negative public perception or to the potential of uncontrollable events to have an impact on a company's reputation
  o Policy and legal risk: refers to the possibility that legal action will be taken because of an individual's or corporation's actions, inaction, products, services, or other events
  o Systemic risk: the possibility that an event at the company level could trigger severe instability or collapse an entire industry or economy
  o Operational risk: refers to the uncertainties and hazards a company faces when it attempts to do its day-to-day business activities
• As per the TCFD supplemental guidance to financial institutions, “Banks should consider characterizing their risks in the context of traditional banking industry risk categories such as credit risk, market risk, liquidity risk, and operational risk.”
• If an identified risk maps to multiple industry risk classifications, you should select what you consider to be the primary classification.

Company specific description (column 6)

• Provide further contextual information on the risk driver, including more detail on the exact nature, location and/or regulation of the effect concerned, as well as any notable examples.
• Be sure to include company-specific detail, such as references to activities, portfolios, products, services or operating locations specific to your company’s business.

Time horizon (column 7)

• Select the time horizon the potential impact could materialize over.
• Use the definitions of short-, medium- and long-term you provided in response to FS2.1a.

Likelihood (column 8)

• Likelihood refers to the probability of the inherent impact occurring within the time frame reported in column 7. In the case of an inherent risk, the probability of the impact might be similar to the probability of the risk event (the risk driver) itself.
• Likelihood of the impact occurring along with the magnitude of the impact are the building blocks for quantifying and prioritizing risk.
• The terms used to describe likelihood are taken from the Intergovernmental Panel on Climate Change’s (IPCC) 2013 report and are consistent across all CDP information requests.
• As a guide to quantifying likelihood on a % basis, we suggest:
  o Virtually certain (greater than 99% probability);
  o Very likely (greater than 90% probability);
  o Likely (greater than 66% probability);
  o More likely than not (greater than 50% probability);
  o About as likely as not (between 33% and 66% probability);
  o Unlikely (less than 33% probability);
  o Very unlikely (less than 10%);
  o Exceptionally unlikely (less than 1% probability);
  o Unknown.

Magnitude of impact (column 9)

• The magnitude describes the extent to which the impact, if it occurred, would affect your business. You should consider the business as a whole. This means that the potential magnitude of the impact can be a combination of the scale of the damage and your organization’s state of resilience prior to responding to the risk.
• Magnitude of impact will vary from company to company. For example:
  o Two financial institutions may have identical commitments in a reserve based lending (RBL) facility to an oil company. However, if the commitment in the RBL facility makes up 2% of financial institution A’s portfolio and only 0.2% of financial institution B’s portfolio, the magnitude of impact due to changes in the value of collateral associated with oil price movements will be comparatively higher on company A than on company B.
• As it is not possible for CDP to accurately define terms for magnitude of impact, companies are asked to determine and report magnitude using a qualitative 5 point scale from High to Low. Factors to consider when classifying the magnitude of the impact on your organization include:
  o The proportion of business units affected;
  o The size of the impact on those business units;
  o The dependency of the company on those units;
  o The potential for shareholder or customer concern.
An impact could have a relatively high magnitude for the company as a whole because of a large effect in one of these aspects or small effects in all four combining to create a larger impact.

If the financial impact has not been assessed by your organization, please select ‘Unknown’.

Are you able to provide a potential financial impact figure? (column 10)

- It is acknowledged that these figures will be estimates.
- If you are unable to provide a figure or an estimated range for financial impact, you may use column 14 “Explanation of financial impact” to provide a description of the impact in relative terms; for example, as a percentage relative to a stated or publicly available figure, or give a qualitative estimate of the financial impact.

Potential financial impact figure (currency) (column 11)

- This column is relevant if you selected “Yes, a single figure estimate”.
- Provide a single figure for the inherent financial impact of the risk (before taking into consideration any controls you may have in place to mitigate the impacts). This figure should be in the same currency that you selected in question FS0.4.
- An example would be the cost of destruction of facilities from extreme weather (before taking into consideration how much insurance coverage you have).

Potential financial impact figure – minimum/maximum (currency) (columns 12, 13)

- These columns are relevant if you selected “Yes, an estimated range”.
- Provide the estimated range for the inherent financial impact (before taking into consideration any controls you may have in place to mitigate the impacts). This figure should be in the same currency that you selected in question FS0.4.
- **Potential financial impact figure – minimum (currency)**: Use this field to report the lower point of your estimated financial impact associated with the risk. For example, if the range is from US $5,000 to $50,000, ‘5,000’ should be reported here.
- **Potential financial impact figure – maximum (currency)**: Use this field to report the upper point of your estimated financial impact associated with the risk. For example, if the range is from US $5,000 to $50,000, ‘50,000’ should be reported here.

Explanation of financial impact (column 14)

- Use this field to explain the figure(s) provided in ‘Potential financial impact’ (columns 11, 12, 13).
- Describe how you arrived at this figure (or range), including:
  - What approach was employed to calculate the figure;
  - Any assumptions the figure is dependent on;
  - The likely timescale for the financial impact.
- If ‘No, we do not have this figure’ was selected in column 11, use this column to provide a description of the financial impact in the relative terms (for example as a percentage relative to a stated or publicly available figure) or give a qualitative estimate of the financial impact. Otherwise, if you have no information about the financial impact, please state “The impact has not been quantified financially”.

Cost of response to risk (column 15)

- Provide a quantitative figure for the cost of your risk response actions. If there are no costs to responding to the risk, enter ‘0’. If the value you have reported is an estimate, please state this in column 16 (“Description of response and explanation of cost calculation”).
- This figure should be in the same currency that you selected for all financial information disclosed throughout your response in FS0.4.

Description of response and explanation of cost calculation (column 16)
• Provide details of your organization’s response to mitigate, control, transfer or accept the risk.
• Include an example of company-specific risk response actions (activities, projects, products and/or services).
• Provide an explanation of how the figure for the cost of managing the risk (in column 15) was calculated, including the figures used in your calculation.

Explanation of terms

• **Access to capital**: Capital investments provide sources of funding other than those resulting from a bank’s products and services. This includes equity and debt capital from investors and capital raised in the money markets.
• **Capital expenditure**: A measure of the value of purchases of fixed assets such as property, buildings, technology or equipment. Put differently, Capital expenditure is any type of expense that a company capitalizes, or shows on its balance sheet as an investment, rather than on its income statement as an expenditure.
• **Direct costs**: Also known as “costs of goods or services sold”. These expenses can be attributed to the manufacture of a particular product or the provision of a particular service.
• **Direct operations**: Your organization’s direct operations include anything your company does itself for the purpose of providing products and services and maintaining the functionality of the business. This covers your buildings, energy consumption and business travel.
• **Portfolio**: In the context of this questionnaire your portfolio is your entire collection of the core financial activities – loans, investments and insurance policies- that you offer.
  o **Banking portfolio**: For bank lending, this is the entire collection of products and loans held on your balance sheet for which you own the receivable stream.
  o **Investing (Asset owner) portfolio**: For asset owners, this is the entire collection of products, funds and investments owned and controlled by your company.
  o **Investing (Asset manager) portfolio**: For asset managers, this is the entire collection of your products and investments that you hold and/or manage on behalf of your clients. Asset managers should consider discretionary investments, those where the company has discretion over investment decision.
  o **Insurance portfolio**: For insurance underwriting, this is the entire collection of products and insurance policies you provide to your clients.
• **Indirect (operating) costs**: Refers to the essential expenses incurred in order to maintain the business including wages, rent, transport, energy (electricity, fuel, etc.), maintenance, and so on. These expenses cannot be attributed to the manufacture of a particular product or the provision of a particular service - they are standard costs that apply regardless of the volume of goods produced.
• **Physical risks**
  o **Acute**: Risks that are event-driven, including increased severity of extreme weather events, such as hurricanes, wildfires or floods.
  o **Chronic**: Longer-term shifts in climate patterns (e.g. sustained higher temperatures) that may cause sea level rise or chronic heat waves.
• **Regulatory capital**: Capital requirements are standardized regulations in place for financial institutions that determine how much liquid capital (that is, easily sold securities) must be held vis-a-vis a certain level of their assets.
• **Revenue**: Income arising in the course of an entity’s ordinary activities - before deducting costs for the goods/services sold and operating expenses to arrive at profit (based on the International Financial Reporting Standard).
• **Stranded assets**: Assets which, at some point prior to the end of their economic life, are no longer able to earn an economic return as a result of changes associated with the transition to a low-carbon economy.
• **Transition risks**
  o **Current and emerging regulation**: Policy developments that attempt to constrain actions that contribute to the adverse effects of climate change and deforestation or policy developments that seek to promote adaptation to climate change.
Technology: All risks associated with technological improvements or innovations that support the transition to a lower-carbon, deforestation-free energy-efficient economic system.

Legal: All climate and forests-related litigation claims.

Market: All shifts in supply and demand for certain commodities, products, and services.

Reputation: All risks tied to changing customer or community perceptions of an organization’s contribution to or detraction from the transition to a lower-carbon, deforestation-free economy.

(FS2.4b) Why do you not consider your organization to be exposed to climate- and/or forests-related risks with the potential to have substantive financial or strategic impact on your business?

Question dependencies

This question only appears if you do not select both “Yes, we have identified climate-related risks” and “Yes, we have identified forests-related risks” in response to FS2.4

Comparison with CDP Climate Change 2021 Questionnaire

C2.3b

Rationale

A risk assessment may identify no substantive climate- and/or forests-related risks. This conclusion is important to disclose and explain. Knowing why your organization has concluded that it is not exposed to risks is crucial for data users to understand your business.

Response options

Complete the following table.

<table>
<thead>
<tr>
<th>Theme(s)</th>
<th>Primary reason</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate</td>
<td>Select from:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Risks exist, but none with the potential to have a substantive financial or strategic impact on business</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Evaluation in process</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Not yet evaluated</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Other, please specify</td>
<td></td>
</tr>
<tr>
<td>Forests</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Requested content

Primary reason (column 2)

• Select the reason that best explains why you consider your organization to not be exposed to climate- and/or forests-related risks with the potential to have a substantive financial or strategic impact on your business, given your definition of substantive as reported in FS2.1b.

Please explain (column 3)

• Your explanation should include company-specific details such as your evaluation process or specific reasons why you have not yet conducted a risk assessment or why there are no climate- and/or forests-related risks to your organization.
Opportunity disclosure

(FS 2.5) Have you identified any climate- and/or forests-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Comparison with CDP Climate Change 2021 Questionnaire

C2.4

Rationale

In addition to risk, the transition to a sustainable economy also presents opportunities. Achieving net zero emissions by 2050 will require massive investment in low carbon technologies and sustainable agricultural practices. Only the financial sector can provide this. Investors and data users wish to know whether your organization has identified any substantive climate- and/or forests-related opportunities, across any part of your value chain.

Connection to other frameworks

TCFD – Strategy recommended disclosure a)

SUSBA – Sub-indicator 1.1.10

OJK Regulation 51

Response options

Select all that apply:

- Yes, we have identified climate-related opportunities
- Yes, we have identified forests-related opportunities
- No, we have not identified any climate- or forests-related opportunities

Requested content

General

- Indicate if you have identified any inherent climate- and/or forests-related opportunities.
- The opportunities may:
  - be commercial or operational in nature
  - bring direct financial benefits
  - bring other kinds of benefits, such as policy influence, strengthening of reputation, or reduced environmental impact
  - also be of benefit to others; for example through stewardship or collective action programs that address shared risks or aim limit global temperature rises to well below 2°C.

- For the purposes of this response, the opportunities reported should be inherent and have the potential for substantive impacts on your investing, financing, underwriting and/or operational activities. Further details can be provided in subsequent questions.
- Please note you may include opportunities which are:
  - Currently being experienced or which you expect to arise in the future
  - Being managed or newly identified
  - Well understood or with high levels of uncertainty with regard to the likelihood of the opportunity materializing and the extent to which it will impact the business.

Explanation of terms

- Climate-related opportunity refers to the potential positive impacts on an organization resulting from efforts to mitigate and adapt to climate change. For financial institutions this could be the
development or greater uptake of financial products and services that help clients mitigate or adapt to climate change.

- **Forests-related opportunity** refers to the potential positive impacts related to the sustainable production or consumption of forest risk commodities on an organization. For financial institutions this could be opportunities of financing operations to transition from unsustainable to sustainable production or consumption.

(FS2.5a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

**Question dependencies**
This question only appears if either:

- You select “No” in response to FS0.1 and any option beginning “Yes…” in response to FS2.5; or,
- You select “Yes” in response to FS0.1 and “Yes, we have identified forests-related opportunities” in response to FS2.5.

**Comparison with CDP Climate Change 2021 Questionnaire**
C2.4a

**Rationale**
Your response to this question will allow data users to see, in one place, details of the opportunities presented to your organization by climate- and/or forests-related issues, and also the estimated potential scale of these opportunities at the corporate level and your response strategy to take advantage of these opportunities.

**Connection to other frameworks**

*TCFD* – Strategy recommended disclosures a) and b)
* SUSBA* – Sub-indicator 1.1.10
*OJK Regulation 51*

**Response options**

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

<table>
<thead>
<tr>
<th>Where in the value chain does the opportunity occur?</th>
<th>Primary opportunity driver</th>
<th>Opportunity related to</th>
<th>Primary potential financial impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
</tr>
<tr>
<td>• Banking portfolio</td>
<td>See drop-down options below</td>
<td>• Climate-related opportunity</td>
<td></td>
</tr>
<tr>
<td>• Investing (Asset owner) portfolio</td>
<td></td>
<td>• Forests-related opportunity</td>
<td></td>
</tr>
<tr>
<td>• Investing (Asset manager) portfolio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Insurance portfolio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Direct operations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Other parts of the value chain</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Company specific description</th>
<th>Time horizon</th>
<th>Likelihood</th>
<th>Magnitude of impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Text field [maximum 2,500 characters]</td>
<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
</tr>
<tr>
<td></td>
<td>• Short-term</td>
<td>• Virtually certain</td>
<td>• High</td>
</tr>
<tr>
<td></td>
<td>• Medium-term</td>
<td>• Very likely</td>
<td>• Medium-high</td>
</tr>
</tbody>
</table>
Primary opportunity driver drop-down options (column 2)

- Resource efficiency - Use of more efficient modes of transport
- Resource efficiency - Use of more efficient production and distribution processes
- Resource efficiency - Use of recycling
- Resource efficiency - Move to more efficient buildings
- Resource efficiency - Reduced water usage and consumption
- Resource efficiency - Sustainable agricultural intensification
- Resource efficiency - Agricultural expansion in degraded land
- Resource efficiency - Other, please specify
- Energy source - Use of lower-emission sources of energy
- Energy source - Use of supportive policy incentives
- Energy source - Use of new technologies
- Energy source - Participation in carbon market
- Energy source - Shift towards decentralized energy generation
- Energy source - Other, please specify
- Products and services - Development and/or expansion of low emissions financing products and solutions
- Products and services - Development and/or expansion of climate adaptation and resilience financing products and solutions
- Products and services - Development and/or expansion of financing products and solutions supporting sustainable forest risk commodity supply chains
- Products and services - Development and/or expansion of less resource-intensive methods for customers to access your services
- Products and services - Ability to diversify business activities
- Products and services - Shift in consumer preferences
- Products and services - Reputational benefits resulting in increased demand for products and services
- Products and services - Other, please specify
- Markets - Access to new markets
- Markets - Use of public sector incentives
- Markets - Access to new assets and locations needing insurance coverage
- Markets - Increased diversification of financial assets
- Markets - Increased sales of liability and other insurance to cover climate-related risks
- Markets - Reduced risk of asset stranding considered in investment decision making
- Markets - More timely preparation for investors in adhering to current and potentially stricter future regulation in relation to fiduciary duty
- Markets - Increased demand for funds that invest in companies that have positive environmental credentials
- Markets - Enhanced financial performance of investee companies as a result of being able to access new markets and develop new products to meet green consumer demand
- Markets - Improved ratings by sustainability/ESG indexes
- Markets - The development of new revenue streams from new/emerging environmental markets and products
- Markets - Increased demand for certified forest risk commodities
- Markets - Other, please specify
- Resilience - Participation in renewable energy programs and adoption of energy-efficiency measure
- Resilience - Resource substitutes/diversification
- Resilience - New products and services related to ensuring resiliency
- Resilience - Increased climate-resilience of portfolio
- Resilience - Other, please specify
Reputation – Reputational benefits of sector in which your clients operate
Reputation – Positive stakeholder feedback
Reputation – Positive media coverage related to financing of project or activities with positive impacts on the climate and/or forests

Primary potential financial impact drop-down options (column 4)

- Reduced direct costs
- Reduced indirect (operating) costs
- Reduced credit risk
- Requirement to hold reduced amounts of regulatory capital
- 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 access to capital
- More client deposits resulting in increased sources of funding
- Increased value of fixed assets
- Increased diversification of financial assets
- Increased portfolio value due to upward revaluation of assets
- Returns on investment in low-emission technology
- Other, please specify

Requested content

General

- For the purposes of this response, the opportunities identified should only be those which may pose substantive impacts in your business operations, revenue, or expenditure.
- Consider opportunities associated with financial products and services such as green bonds, green infrastructure, green loans/mortgages, green insurance products, products and services ensuring resiliency, specialty climate-related risk advisory services and others.

Where in the value chain does the opportunity occur? (column 1)

- Select where in your value chain the opportunity occurs.
- Select “… portfolio” if the opportunity has a potential substantive impact on you through a change in your portfolio – either because you are able to make returns from new products such as green bonds, green infrastructure, green loans/mortgages, green insurance products etc., or because environment-related opportunities your clients/investee companies are exploiting have a positive impact on your portfolio (e.g. clients reducing costs through energy efficiency resulting in less credit risk).
- Select “Direct operations” if the environmental opportunity occurs and the principal potential impact would fall on your operations directly.
- “Other parts of the value chain” could refer to upstream activities, products and services that are inputs to the activities of your business, sourced from third parties (e.g. your suppliers) or downstream activities, but excludes your portfolio and investment chain.

Primary opportunity driver (column 2)

- Opportunity driver describes the source of the opportunity. Select an option that best describes the primary driver of the identified opportunity from the drop-down menu.
- The primary opportunity driver drop-down options are grouped into categories by opportunity type. See explanation of terms for definitions of opportunity types.
- If the opportunity you are disclosing is not well represented by any of the drop-down options, consider which opportunity type it would be classified as using the definitions provided and select the “… Other, please specify” option for that opportunity type. Specify the opportunity driver in the “Company specific description” column 5.

Opportunity related to (column 3)
• Select whether the opportunity is related to climate change or related to forests. Some of the primary opportunity driver options are specific to one or the other; however, others could be either, therefore CDP requires you to indicate.
• As an illustrative example, if you have an opportunity to develop new revenue streams from new/emerging environmental markets and products:
  o This would be climate-related if the emerging market is renewable energy projects which require financing in a new geography.
  o This would be forests-related if the emerging market is a trade finance product specifically for trade flows in certified commodities.

**Primary potential financial impact (column 4)**
• Select the option that best describes the primary potential impact to your company due to the opportunity reported in column 2.
• If there is more than one potential impact associated with an opportunity, you should select what you consider to be the primary impact and use the “Explanation of financial impact” column 13 to describe the secondary impacts.
• If you select “Other, please specify”, specify the type of impact on your business in the “Explanation of financial impact” column 13.

**Company specific description (column 5)**
• Provide further contextual information on the opportunity driver, including more detail on the exact nature, location and/or regulation of the effect concerned, as well as any notable examples.
• Be sure to include company-specific detail, such as references to activities, portfolios, products, services or operating locations specific to your company’s business.

**Time horizon (column 6)**
• Select the time horizon the potential impact could materialize over.
• Use the definitions of short-, medium- and long-term you provided in response to FS2.1a.

**Likelihood (column 7)**
• Likelihood refers to the probability of the impact occurring within the time frame reported in column 6.
• Likelihood along with the magnitude are the building blocks for quantifying and prioritizing risk and opportunities.
• The terms used to describe likelihood are taken from the Intergovernmental Panel on Climate Change’s (IPCC) 2013 report and are consistent across all CDP information requests.
• As a guide to quantifying likelihood on a % basis, we suggest:
  o Virtually certain (greater than 99% probability);
  o Very likely (greater than 90% probability);
  o Likely (greater than 66% probability);
  o More likely than not (greater than 50% probability);
  o About as likely as not (between 33% and 66% probability);
  o Unlikely (less than 33% probability);
  o Very unlikely (less than 10%);
  o Exceptionally unlikely (less than 1% probability);
  o Unknown.

**Magnitude of impact (column 8)**
• The magnitude describes the extent to which the impact, if it occurred, would affect your business. You should consider the business as a whole. This means that the potential magnitude of the impact can be a combination of the opportunity and the extent to which it applies throughout the organization.
The ‘magnitude’ of the potential benefit arising from a financial value will vary in scale and metric from company to company, so it is not possible for CDP to accurately define the listed terms for magnitude. For example, two financial institutions may report a potential financial impact figure of $10m. For financial institution A this could represent a 0.2% increase in income, but a 2% increase in income for financial institution B.

As it is not possible for CDP to accurately define terms for magnitude of impact, companies are asked to determine and report magnitude using a qualitative 5 point scale from High to Low. Factors to consider when classifying the magnitude of the impact on your organization include:
- The proportion of business units affected;
- The size of the impact on those business units;
- The dependency of the company on those units;
- The potential for shareholder or customer concern.

An impact could have a relatively high magnitude for the company as a whole because of a large effect in one of these aspects or small effects in all four combining to create a larger impact.

If the financial impact has not been assessed by your organization, please select ‘Unknown’.

**Are you able to provide a potential financial impact figure? (column 9)**

- It is acknowledged that these figures will be estimates.
- If you are unable to provide a figure or an estimated range for financial impact, you may use column 13 “Explanation of financial impact” to provide a description of the impact in relative terms; for example, as a percentage relative to a stated or publicly available figure, or give a qualitative estimate of the financial impact.

**Potential financial impact figure (currency) (column 10)**

- This column is relevant if you selected “Yes, a single figure estimate”.
- Provide a single figure for the financial impact of the opportunity. This figure should be in the same currency that you selected in question FS0.4.

**Potential financial impact figure – minimum/maximum (currency) (columns 11, 12)**

- These columns are relevant if you selected “Yes, an estimated range”.
- Provide the estimated range for the financial impact. This figure should be in the same currency that you selected in question FS0.4.
- **Potential financial impact figure – minimum (currency):** Use this field to report the lower point of your estimated financial impact associated with the opportunity. For example, if the range is from US $5,000 to $50,000, ‘5,000’ should be reported here.
- **Potential financial impact figure – maximum (currency):** Use this field to report the upper point of your estimated financial impact associated with the opportunity. For example, if the range is from US $5,000 to $50,000, ‘50,000’ should be reported here.

**Explanation of financial impact (column 13)**

- Use this field to explain the figure(s) provided in ‘Potential financial impact’ (columns, 10, 11, 12).
- Describe how you arrived at this figure (or range), including:
  - What approach was employed to calculate the figure;
  - Any assumptions the figure is dependent on;
  - The likely timescale for the financial impact.
- If ‘No, we do not have this figure’ was selected in column 10, use this column to provide a description of the financial impact in the relative terms (for example as a percentage relative to a stated or publicly available figure) or give a qualitative estimate of the financial impact. Otherwise, if you have no information about the financial impact, please state “The impact has not been quantified financially”.

**Cost to realize opportunity (column 14)**
• Provide a quantitative figure for the cost of your strategy to realize the opportunity. If there are no costs to realizing the opportunity, enter ‘0’. If the value you have reported is an estimate, please state this in column 15 (“Description of response and explanation of cost calculation”).
• This figure should be in the same currency that you selected for all financial information disclosed throughout your response in FS0.4.

Strategy to realize opportunity and explanation of cost calculation (column 15)
• Provide details of your organization’s response to exploit the opportunity and maximize its potential realization.
• Include an example of company-specific response actions (activities, projects, products and/or services).
• Provide an explanation of how the figure for the cost to realize the opportunity (in column 14) was calculated, including the figures used in your calculation.

Explanation of terms
• Opportunity types
  o **Resource efficiency**: Opportunities related to improving resource efficiency across production and distribution processes, buildings, machinery/appliances, and transport/mobility.
  o **Energy source**: Opportunities related to shifting energy usage toward low emission energy sources.
  o **Products and services**: Opportunities related to innovation and development of new financial products and services which support clients or investors in transitioning to low-carbon, deforestation-free, sustainable business models.
  o **Markets**: Opportunities arising from shifts in supply and demand for certain assets, commodities, products, and services.
  o **Resilience**: Opportunities related to the development of adaptive capacity to respond to climate change.

(FS2.5b) Why do you not consider your organization to have climate- and/or forests-related opportunities?

Question dependencies
This question only appears if you do not select both “Yes, we have identified climate-related opportunities” and “Yes, we have identified forests-related opportunities” in response to FS2.5.

Comparison with CDP Climate Change 2021 Questionnaire
C2.4b

Rationale
Investors and other data users are interested to know whether you are aware of climate- and/or forests-related opportunities. An explanation of why your organization has concluded that it does not have opportunities is crucial for understanding your business strategy.

Response options
Complete the following table.

<table>
<thead>
<tr>
<th>Theme(s)</th>
<th>Primary reason</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate</td>
<td>Select from:</td>
<td>Text field [maximum 4,800 characters]</td>
</tr>
<tr>
<td>• Opportunities exist but we are unable to realize them</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Opportunities exist, but none with potential to have a substantive financial or strategic impact on business
- Evaluation in progress
- Judged to be unimportant
- No instruction from management to seek out opportunities
- Not yet evaluated
- Other, please specify

<table>
<thead>
<tr>
<th>Forests</th>
</tr>
</thead>
</table>

**Requested content**

**Primary reason (column 2)**
- Select the reason that best describes why you consider your organization to not have any climate- and/or forests-related risks with the potential to have a substantive financial or strategic impact on your business, given your definition of substantive as reported in FS2.1b.

**Please explain (column 3)**
- Your explanation should include company-specific details such as:
  - Your evaluation process;
  - Why you concluded there are no climate- and/or forests-related opportunities for your organization;
  - If opportunities exist but you are unable to realize them, you should explain why this is;
  - When you will next repeat an assessment of opportunities;
  - Specific reasons why you have not yet conducted an assessment of opportunities.

---

**Module 3 – Business strategy**

CDP data users are interested in financial institutions’ forward-looking strategies and financial decisions that are driven by environment-related future market opportunities, public policy objectives, and corporate responsibilities. This module allows organizations to disclose whether they have acted upon integrating climate- and forests-related issues into their business strategy. The module includes questions on scenario analysis and transition planning which are important evolutions in strategic environmental planning.

Given the importance of forward-looking assessments of climate-related risks and opportunities, scenario analysis or stress testing is an important and useful tool for financial institutions to use, both for understanding strategic implications of climate-related risks and opportunities, and for informing financial decision making such as portfolio construction.

Transition planning is also an important evolution of strategic environmental planning and includes all the relevant changes that need to be made to the company’s business model before the company can adjust to a low-carbon and deforestation-free future.

Financial institutions are asked to consider how climate- and/or forests-related risks and opportunities will affect business strategy in relation to their lending, investment and/or insurance underwriting activities, in addition to operational activities. This module also asks questions on financial products and services they are offering which help clients to mitigate or adapt to climate change and deforestation.

Responses given in this module should be relevant to the reporting period, even if revisions have been made to your strategy between the reporting period and the time of submission of your CDP response. Where this is the case, you can include more up to date information in C-FI field at the end of the questionnaire.
Business strategy

(FS3.1) Do you take climate- and/or forests-related risks and opportunities into consideration in your organization’s strategy and/or financial planning?

Comparison with CDP Climate Change 2021 Questionnaire

C3.1

Rationale

Investors and data users are interested in forward-looking strategies and financial decisions that are driven by future market opportunities, public policy objectives, and corporate responsibilities. This and the following questions allow organizations to disclose whether they have considered and then acted to integrate climate- and/or forests-related risks and opportunities into their business strategy. Developing a low-carbon transition plan and/or plans that help eliminate deforestation or that contribute to reforestation could provide certainty to investors, and other stakeholders, that a company is aligning to the long-term climate goals and that its business model will continue to be relevant in a net-zero carbon economy.

Connection to other frameworks

TCFD – Strategy recommended disclosure b)

OJK Regulation 51

Response options

Complete the following table.

<table>
<thead>
<tr>
<th>Risks and opportunities taken into consideration in strategy and/or financial planning</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select all that apply:</td>
<td>Text field [maximum 4,800 characters]</td>
</tr>
<tr>
<td>• Yes, we take climate-related risks and opportunities into consideration, and we have developed a low-carbon transition plan</td>
<td></td>
</tr>
<tr>
<td>• Yes, we take climate-related risks and opportunities into consideration</td>
<td></td>
</tr>
<tr>
<td>• Yes, we take forests-related risks and opportunities into consideration</td>
<td></td>
</tr>
<tr>
<td>• No, we do not take climate- and forests-related risks and opportunities into consideration</td>
<td></td>
</tr>
</tbody>
</table>

Requested content

General

• This question asks whether climate and/or forests-related risks and opportunities have been considered in developing your organization’s strategy and financial planning.

• For climate issues, you are also asked to indicate if you have developed a low-carbon transition plan.

Risk and opportunities taken into consideration in strategy and/or financial planning (column 1)

• You should answer “Yes … and we have developed a low-carbon transition plan” if you have developed a plan on how to transition the company to a business model compatible with a net-zero carbon economy. See “Explanation of Terms” below for more details.

• You should answer “Yes…” if climate- and/or forests-related risks and opportunities have been considered and have already impacted your strategy or financial planning. As such, climate- and/or forests-related issues are part of the “top line growth” strategy of the company, rather than being dealt with solely at the operational level.
You should answer “Yes…” when one of the following considerations have influenced your strategy and/or financial planning:

- The need to understand how climate- and forests-related risks and opportunities will impact your client relationships, financial products and services and/or operations; and/or
- The need to provide financial flows to capitalize on opportunities presented by the transition to a low-carbon, climate-resilient future.

When reporting on the influence of forests-related risks and opportunities, financial services companies should take account of potential changes to their portfolios exposure to forests-related risks including changing regulation, changing consumer tastes and climate change driven by deforestation/reforestation.

You should answer “No” if climate- and/or forests-related risks and opportunities have had no influence on your company’s overall strategy for developing your business or your financial planning.

**Explanation of terms**

- **Strategy**: In line with TCFD recommendations, refers to an organization’s desired future state. An organization’s strategy establishes a foundation against which it can monitor and measure its progress in reaching that desired state. Strategy formulation generally involves establishing the purpose and scope of the organization’s activities and the nature of its businesses, taking into account the risks and opportunities it faces and the environment in which it operates.

- **Financial planning**: In line with TCFD recommendations, refers to an organization’s consideration of how it will achieve and fund its objectives and strategic goals. Financial planning allows organizations to assess future financial positions and determine how resources can be utilized in pursuit of short- and long-term objectives. As part of financial planning, organizations often create “financial plans” that outline the specific actions, assets, and resources (including capital) necessary to achieve these objectives over a 1-5 year period. However, financial planning is broader than the development of a financial plan as it includes long-term capital allocation and other considerations that may extend beyond the typical 3-5 year financial plan (e.g., investment, research and development, manufacturing, and markets).

- **Low-carbon transition plan**: A plan on how to transition the company to a business model compatible with a net-zero carbon economy. The Oxford Martin Net Zero Carbon Investment Initiative proposes a set of principles to facilitate engagement between investors and companies on long-term climate strategies. According to these principles, companies should: (1) Commit to a timeframe to reach net-zero emissions in line with the Paris goals; (2) Demonstrate that they will be able to continue to be profitable once they reach net-zero emissions; and (3) Set quantitative mid-term targets to be able to demonstrate progress against their long-term goals. The transition plan defines how the business model, its associated products and production methods, growth strategy and capital investments need to develop over time to respond to climate-related risks and to capitalize on opportunities. A transition plan is therefore a plan that outlines how a company will transition from where it is now to where it needs to get to in order to thrive in a net-zero carbon world in the future.

**FS3.1a** Is your organization’s low-carbon transition plan a scheduled resolution item at Annual General Meetings (AGMs)?

**Question dependencies**

This question only appears if you select “No” in response to FS0.1 and “Yes, we take climate-related risks and opportunities into consideration, and we have developed a low-carbon transition plan” in response to FS3.1.

**Comparison with CDP Climate Change 2021 Questionnaire**

C3.1a
Rationale

Including the company’s low-carbon transition plan as a scheduled AGM agenda item allows shareholders to review and raise resolutions related to progress. This question allows financial institutions to demonstrate transparency over their transition plans and helps investors, and other stakeholders, to assess the extent to which a company is committed to aligning its business model for success in a net-zero carbon economy.

Connection to other frameworks

OJK Regulation 51

Response options

Complete the following table.

<table>
<thead>
<tr>
<th>Is your low-carbon transition plan a scheduled resolution item at AGMs?</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td></td>
</tr>
<tr>
<td>• Yes</td>
<td></td>
</tr>
<tr>
<td>• No, and we do not intend it to become a scheduled resolution item within the next two years</td>
<td></td>
</tr>
<tr>
<td>• No, but we intend it to become a scheduled resolution item within the next two years</td>
<td></td>
</tr>
<tr>
<td>• No, we do not hold AGMs</td>
<td></td>
</tr>
<tr>
<td>Text field [maximum 2,400 characters]</td>
<td></td>
</tr>
</tbody>
</table>

Comment (column 2) (optional)

• You may provide any additional information to clarify your selection in Column 1, for example, why you do not hold AGMs.

Explanation of terms

• Annual General Meeting (AGM): (or annual shareholder meeting) is a yearly gathering between the shareholders of a company and its board of directors. It is primarily held to enable shareholders to vote on company issues, including the selection of the company's board of directors.

(FS3.1b) Does your organization intend to publish a low-carbon transition plan in the next two years?

Question dependencies

This question only appears if you select “Yes, we take climate-related risks and opportunities into consideration” in response to FS3.1.

Comparison with CDP Climate Change 2021 Questionnaire

C3.1b

Rationale

Publishing a low-carbon transition plan helps investors, and other stakeholders, to assess whether an organization is aligning its business model for success in a net-zero carbon economy. This question allows financial institutions to demonstrate transparency over their transition plans.

Response options

Complete the following table.
<table>
<thead>
<tr>
<th>Intention to publish a low-carbon transition plan</th>
<th>Intention to include the transition plan as a scheduled resolution item at Annual General Meetings (AGMs)*</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select from:</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td>• Yes, in the next two years</td>
<td>• Yes, we intend to include it as a scheduled AGM resolution item</td>
<td></td>
</tr>
<tr>
<td>• No, we do not intend to publish a low-</td>
<td>• No, we do not intend to include it as a scheduled AGM resolution item</td>
<td></td>
</tr>
<tr>
<td>carbon transition plan in the next two</td>
<td>• No, we do not hold AGMs</td>
<td></td>
</tr>
<tr>
<td>years</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*This column applies only if you select “Yes, in the next two years” in Column 1.

**Requested content**

*Comment (column 3) (optional)*

You may provide any additional information to clarify your response; for example, why you do not intend to publish a low-carbon transition plan.

**(FS3.2) Does your organization use climate-related scenario analysis and/or stress testing to inform its strategy?**

**Question dependencies**

This question only appears if you select any option beginning “Yes, we take climate-related risks and opportunities...” in response to FS3.1.

**Comparison with CDP Climate Change 2021 Questionnaire**

C3.2

**Rationale**

Your disclosure provides data users with an indication of the extent to which your company is considering a range of possible and probable futures when considering sustainability challenges and opportunities, in line with best practices in corporate environmental management.

**Connection to other frameworks**

*TCFD – Strategy recommended disclosure c)*

*SUSBA – Sub-indicator 6.1.2*

**Response options**

Select one of the following options:

- Yes, qualitative
- Yes, quantitative
- Yes, qualitative and quantitative
- Yes, qualitative but we plan to add quantitative in the next two years
- No

**Requested content**

*General*
Please select if your organization uses climate-related scenario analysis and/or stress testing to inform its business strategy, and whether this is qualitative or quantitative.

**Explanation of terms**

- **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 impact and likelihood of occurrence. Scenarios are not forecasts or predictions, but tools to describe potential pathways that lead to a particular outcome or goal.
  - **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.
  - **2°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”. A 2°C scenario provides a reference point that is generally aligned with the objectives of the Paris Agreement.
  - **Publicly available 2°C scenarios**: There are publicly available scenarios (such as IEA 2DS, IEA 450, Deep Decarbonization Pathways Project, and International Renewable Energy Agency) organizations can use, as a direct tool, or a reference point for tailored scenarios. Taken from TCFD recommendations, “Publicly available 2°C scenarios” refer to 2°C 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.

- **Stress testing**: A stress test (using one scenario) takes a scenario (potential path of future development), defines what would happen to the path of a number of key macro-variables in that scenario, and uses mathematical modelling to model what would happen to the assets in a financial portfolio given the path of those macro-variables and a series of assumptions about how assets depend upon the macro-variables. These results can be amalgamated at portfolio-level to stress test how the financial portfolio would perform in the chosen scenario. Stress testing can be performed using multiple different scenarios (potential paths of future development) to stress test how a portfolio would perform in a range of different possible futures. Stress testing involves mathematical modelling and requires quantitative inputs for the macro-variables of the scenario chosen, so is generally a form of quantitative scenario analysis.

**Additional information**

- Further information on conducting and disclosing scenario analysis can be found in CDP’s Technical Note on Scenario Analysis.
- For an example of how banks and insurers can use stress testing to assess their portfolios see the Bank of England’s 2021 biennial exploratory scenario.

*(FS3.2a) Provide details of your organization’s use of climate-related scenario analysis and/or stress testing to assess impacts on your portfolio?*

**Question dependencies**
This question only appears if you select any option beginning “Yes…” in response to FS3.2.

**Comparison with CDP Climate Change 2021 Questionnaire**

C3.2a

**Rationale**

Scenario analysis as a planning tool has emerged as a recommended practice for businesses preparing for possible futures. Investors are interested in understanding how companies use this planning tool to guide climate-related strategy, and specifically which scenarios different organizations utilize in their planning process.

**Connection to other frameworks**

- **TCFD** – Strategy recommended disclosures b) and c)
- **SUSBA** – Sub-indicator 6.1.2

**Response options**

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Climate-related scenarios and models applied</th>
<th>Details, including assessed climate-related impacts on portfolio under scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select all that apply:</td>
<td>Text field [maximum 4,000 characters]</td>
</tr>
<tr>
<td>2DS</td>
<td></td>
</tr>
<tr>
<td>IEA 450</td>
<td></td>
</tr>
<tr>
<td>Greenpeace</td>
<td></td>
</tr>
<tr>
<td>DDPP</td>
<td></td>
</tr>
<tr>
<td>IRENA</td>
<td></td>
</tr>
<tr>
<td>RCP 1.9</td>
<td></td>
</tr>
<tr>
<td>RCP 2.6</td>
<td></td>
</tr>
<tr>
<td>RCP 3.4</td>
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</tr>
<tr>
<td>RCP 4.5</td>
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</tr>
<tr>
<td>RCP 6</td>
<td></td>
</tr>
<tr>
<td>RCP 8.5</td>
<td></td>
</tr>
<tr>
<td>IEA B2DS</td>
<td></td>
</tr>
<tr>
<td>IEA Sustainable development scenario</td>
<td></td>
</tr>
<tr>
<td>IEA NPS</td>
<td></td>
</tr>
<tr>
<td>IEA CPS</td>
<td></td>
</tr>
<tr>
<td>BNEF</td>
<td></td>
</tr>
<tr>
<td>NEAM</td>
<td></td>
</tr>
<tr>
<td>REMIND</td>
<td></td>
</tr>
<tr>
<td>MESSAGE-GLOBIOM</td>
<td></td>
</tr>
<tr>
<td>Nationally determined contributions (NDCs)</td>
<td></td>
</tr>
<tr>
<td>Other, please specify</td>
<td></td>
</tr>
</tbody>
</table>

[Add another]

**Requested content**

**General**

- State if your organization uses climate-related scenario analysis to understand the impact of climate-related issues on lending, investment and/or insurance underwriting activities, in addition to operational activities.
- Both physical and transition pathway risks should be considered in your scenario analysis.
- **Banks:**
  - Banks are encouraged to select the “REMIND” and “MESSAGE-GLOBIOM” scenarios to describe your assessment of credit risk and opportunity, as performed by 16 banks of the UNEP FI working group to pilot the TCFD recommendations.
- **Asset owners/Asset managers:**
Asset owners and asset managers should consider describing how they use climate-related scenarios, for example to better understand how climate-related issues inform relevant products or investment strategies.

- **Insurance companies:**
  - Insurance companies that perform climate-related scenario analysis on their underwriting activities should provide the following information:
    - Description of the climate-related scenarios used, including the critical input parameters, assumptions and considerations, and analytical choices;
    - 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.
  - As asset owners, insurance companies that perform scenario analysis should consider providing a discussion of how climate-related scenarios are used, such as to inform investments in specific assets.

**Climate-related scenarios and models applied (column 1)**

- Select all the scenarios and models applied in your scenario analysis.
- Using a 2°C or lower scenario in addition to two or three other scenarios most relevant to your organization’s circumstances is recommended.

**Details (column 2)**

Include in your response:

- How the selected scenario(s) were identified, with reference to the inputs, assumptions and analytical methods used;
- Time horizon(s) considered and why they are relevant to your organization;
- The areas of your organization considered as part of the scenario analysis;
- How the results of the scenario analysis conducted have informed and influenced your business objectives, strategy and financial planning.

**Explanation of terms**

- **2DS:** IEA’s WEO (World Energy Outlook) 2DS scenario is built on a projected warming limit of 2°C and is part of a separate 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. The IEA ETP 2DS 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. The IEA ETP 2DS 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 WEO 450 scenario has been updated and now 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. The IEA 450 scenario 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.

- **Greenpeace:** Refers to 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 WEO 2014 Current Policies Scenario serves as the reference point in the development of Greenpeace’s Advanced Energy Revolution scenario.

- **DDPP**: Deep Decarbonization Pathways Project (DDPP) framework is a collaboration between scientific research teams from leading research institutions in 16 of the world’s largest GHG emitting countries; and represents a clear and tangible understanding of what will be required for countries to reduce emissions, in alignment with the 2°C limit. The framework was developed sector by sector and over time, tailored for the physical infrastructure of the 16 countries, to provide decision makers with the technological and cost requirements of different options for meeting the country’s emissions reduction goal. Deep decarbonization pathways begin with a 2050 emissions target to determine the steps on how to get there.

- **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 analyses – in collaboration with country 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 driven results, REMap provides insights to policy and decision makers for areas in which action is needed.

- **RCP 2.6**: Representative Concentration Pathway (RCP) 2.6 is the IPCC’s low emissions scenario pathway. The RCP’s are time and space dependent trajectories of concentrations of GHGs and pollutants from human activities (including changes in land use). RCPs provide a quantitative description of atmospheric pollutants over time, as well as radiative forces in 2100. 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.

- **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. 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 NPS**: IEA’s New Policies Scenario (NPS) incorporates existing energy policies as well as an assessment of the results likely to stem from the implementation of announced policy intentions.

- **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.

- **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. BNEF NEO places focus on technology that is driving change in markets and business models across the sector, such as solar, wind and battery technology. NEO includes price forecasts for coal, oil and gas around the world, and assesses the impact of the energy transition on fossil fuel demand and materials.

- **REMIND**: REMIND is a global multi-regional model incorporating the economy, the climate system and a detailed representation of the energy sector. It solves for an inter-temporal Pareto optimum in economic and energy investments in the model regions, fully accounting for interregional trade in goods, energy carriers and emissions allowances. REMIND allows for the analysis of technology options and policy proposals for climate mitigation.
• **MESSAGE-GLOBIOM**: The International Institute for Applied Systems Analysis (IIASA) integrated assessment models (IAMs) framework consists of a combination of five different models or modules - the energy model MESSAGE, the land use model GLOBIOM, the air pollution and GHG model GAINS, the aggregated macro-economic model MACRO and the simple climate model MAGICC - which complement each other and are specialized in different areas. All models and modules together build the IIASA IAM framework, also referred to as MESSAGE-GLOBIOM owing to the fact that the energy model MESSAGE and the land use model GLOBIOM are its most important components.

**Additional information**

• **Choice of scenarios**: There is a wide range of forward-looking scenarios your company can choose from to inform your businesses, strategy, and/or financial planning. Many of these are 2°C scenarios, although there are of course scenarios which look at 4°C or higher, despite the Paris Agreement and intention to limit warming to 1.5°C. Since the ratification of the Paris Agreement and the ratcheting mechanisms it contains, investors are urging companies not to select 4°C scenarios but ensure they use appropriate 2°C scenarios. These include IEA 2DS, IEA 450, DDPP, and IRENA.

• **IEA Energy Technology Perspectives (ETP)**: International Energy Agency (IEA)’s comprehensive publication on energy technology focuses on the opportunities and challenges of scaling and accelerating the deployment of clean energy technologies. Additional information on this publication can be found here.

• **Critical uncertainties** Identified using a process of scaling potential impacts and uncertainties, those meeting high for both impact and uncertainty should be considered ‘critical uncertainties’ and the basis for the development of scenarios. A common process for identifying critical uncertainties is the development of an impact/uncertainty grid. Further information on critical uncertainties can be found in CDP’s technical note on Scenario Analysis.

---

**FS3.2b** Do any of the scenarios your organization applies integrate deforestation, habitat conversion or land use change, such that you can assess potential forests-related impacts on your portfolio?

**Question dependencies**

This question only appears if you select any option beginning “Yes…” in response to FS3.2.

**Comparison with CDP Climate Change 2021 Questionnaire**

**Additional question**

**Rationale**

Scenario analysis as a planning tool is a recommended practice for businesses preparing for possible futures. Investors are interested in understanding how organizations use this planning tool to guide climate-related strategy, and specifically which scenarios different organizations utilize in their planning process. Increasingly, investors are also interested in understanding how organizations use this planning tool to guide forests-related strategy.

**Response options**

Complete the following table.

<table>
<thead>
<tr>
<th>Deforestation, natural habitat conversion or land use change are integrated</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Text field [maximum 4,000 characters]</td>
</tr>
<tr>
<td>• Yes</td>
<td></td>
</tr>
<tr>
<td>• We plan to do this in the next two years</td>
<td></td>
</tr>
</tbody>
</table>
Requested content

General

• State if your organization uses scenario analysis that includes deforestation or land use change to assess forests-related impacts on your portfolio.
• If your organization does not use scenario analysis integrating deforestation or land use change then indicate if and to which extent you plan to do so in the next two years.

Please explain (column 2)

• Disclose your assumptions and inputs to the scenario(s) considered.
• Disclose the boundaries and time horizons applied.
• Provide a brief summary of the forests-related impacts on your portfolio under the chosen scenarios.

(FS3.2c) Why does your organization not use climate-related scenario analysis and/or stress testing, and do you have plans to do so in the next two years?

Question dependencies

This question only appears if you select “No” in response to FS0.1 and “No” in response to FS3.2.

Comparison with CDP Climate Change 2021 Questionnaire

C3.1c

Rationale

Companies not using climate-related scenario analysis to inform their business strategies are not in line with recommended practices in corporate climate governance. Answers to this question will provide investors with more transparency into companies’ decision-making processes regarding climate planning and strategy setting.

Response options

Complete the following table.

<table>
<thead>
<tr>
<th>We plan to introduce climate-related scenario analysis in the next two years</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td>• Yes, qualitative</td>
<td></td>
</tr>
<tr>
<td>• Yes, quantitative</td>
<td></td>
</tr>
<tr>
<td>• Yes, qualitative and quantitative</td>
<td></td>
</tr>
<tr>
<td>• We do not plan to introduce climate-related scenario analysis</td>
<td></td>
</tr>
</tbody>
</table>

Requested content

Please explain (column 2)

• Your explanation should be company-specific and include:
  o Why climate-related scenario analysis is not used to inform your business strategy, and;
  o Whether you expect it to be used in the future.

(FS3.3) Describe where and how climate- and/or forests-related risks and opportunities have influenced your strategy.
Question dependencies

This question only appears if either:

- You select "No" in response to FS0.1 and any option beginning “Yes…” in response to FS3.1; or,
- You select “Yes” in response to FS0.1 and “Yes, we take forests-related risks and opportunities into consideration” in response to FS3.1.

Comparison with CDP Climate Change 2021 Questionnaire

C3.3

Rationale

Investors and data users are interested to know how climate- and/or forests-related risks and opportunities may have affected organizations' strategies. Answers to this question may be used to inform expectations about the future performance of an organization and on how resilient its strategy is to climate- and/or forests-related risks and opportunities.

Connection to other frameworks

TCFD – Strategy recommended disclosure b)

OJK Regulation 51

Response options

Complete the following table.

<table>
<thead>
<tr>
<th>Business area</th>
<th>Have climate- and/or forests-related risks and opportunities influenced your strategy in this business area?</th>
<th>Description of influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Products and services</td>
<td>Select all that apply:</td>
<td>Text field [maximum 4,800 characters]</td>
</tr>
<tr>
<td></td>
<td>• Yes, climate-related</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Yes, forests-related</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• No, climate-related risks and opportunities have been evaluated but not considered strategically relevant</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• No, forests-related risks and opportunities have been evaluated but not considered strategically relevant</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Evaluation of climate-related risks and opportunities in progress</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Evaluation of forests-related risks and opportunities in progress</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Not evaluated</td>
<td></td>
</tr>
<tr>
<td>Supply chain and/or value chain</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment in R&amp;D</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operations</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Requested content

General

- Each row in the table corresponds to a possible area of impact in a company's business. For each row, select how climate- and/or forests-related risks and opportunities have affected your strategy in this area.
- This question is intended to focus on the group business strategy – meaning the full corporate body on which you are reporting. However, if it is more appropriate, you may wish to comment on divisional (business unit) strategies.
- The climate- and/or forests-related risks and opportunities to be considered in this question refer to lending, investment and/or insurance underwriting activities of your organization, in addition to your operational activities.
• **Banks:**
  o Describe the potential impacts of climate- and/or forests-related risks and opportunities on your core businesses, products and services, including information at the business division, sector or geography, credit quality and average tenor levels.

• **Asset owners/Asset managers:**
  o Under “Supply chain and/or value chain” describe how climate- and/or forests-related risks and opportunities are factored into your investment strategies and investee selection.
  o Also describe how each product or investment strategy may be affected by the transition to a lower-carbon, deforestation-free economy.

• **Insurance companies:**
  o Describe the potential impacts of climate- and/or forests-related risks and opportunities on your core businesses, products and services, including information at the business division, sector or geography levels;
  o As asset owners, insurance companies should describe how climate- and/or forests-related risks and opportunities are factored into relevant investment strategies – in the business’ value chain. This could be described from the perspective of the total fund or investment strategy or individual investment strategies for various asset classes.

**Description of influence (column 3)**

- Describe how your strategy in this area has been influenced by climate- and/or forests-related risks and opportunities and the time horizon(s) it covers.
- Specify if this includes any climate change adaptation and mitigation and/or reforestation activities and activities contributing to the elimination of deforestation.
- Include the most substantial strategic decision(s) in this area to date that have been influenced by the climate- and/or forests-related risks and opportunities.
- If a certain strategic decision was informed by the climate-related scenario analysis, please specify that.
- If your strategy in this area has not been influenced by climate- and/or forests-related risks and opportunities, explain why not.
- If the evaluation of influence is still in progress, include a company-specific description of the evaluation process used, and when it is expected to be completed.

**Explanation of terms**

• **Products and services:**
  o All products and services in the organization’s lending, investing and insurance underwriting business as well as other products and services including financial intermediary activities that are not part of core financing activities such as financial guarantees, M&A, securities underwriting, bond issuance, etc.
  o Therefore, if climate- and/or forests-related risks and opportunities influenced your bank lending or insurance underwriting strategy, you should select “Yes” or “Yes, for some” as appropriate for “Products and services”.

**FS3.4** Describe where and how climate- and/or forests-related risks and opportunities have influenced your financial planning.

**Question dependencies**

This question only appears if either:

- You select “No” in response to FS0.1 and any option beginning “Yes…” in response to FS3.1; or,
- You select “Yes” in response to FS0.1 and “Yes, we take forests-related risks and opportunities into consideration” in response to FS3.1.
Comparison with CDP Climate Change 2021 Questionnaire

C3.4

Rationale

This question is seeking to understand where the identified risks and opportunities may have influenced your financial statements, and how this has been incorporated into your financial planning process.

Connection to other frameworks

*TCFD – Strategy recommended disclosure b)*

Response options

Complete the following table.

<table>
<thead>
<tr>
<th>Risks and opportunities</th>
<th>Financial planning elements that have been influenced</th>
<th>Description of influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate-related risks and opportunities</td>
<td>Select all that apply:</td>
<td>Text field [maximum 9,999 characters]</td>
</tr>
<tr>
<td></td>
<td>• Revenues</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Direct costs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Indirect costs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Capital expenditures</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Capital allocation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Acquisitions and divestments</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Access to capital</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Assets</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Liabilities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Provisions or general reserves</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Claims reserves</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• None of the above</td>
<td></td>
</tr>
<tr>
<td>Forests-related risks and opportunities</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Requested content

**General**

- Environment-related issues can affect several important aspects of an organization’s financial position, both now and in the future. For example, climate- and/or forests-related issues may have implications for an organization’s capital expenditures. In turn, capital expenditures will determine the nature and amount of fixed assets, how these depreciate over time and the proportion of debt and equity to be funded on an organization’s balance sheet. Climate- and/or forests-related issues may also carry implications for future cash flows (operating, investing, and financing activities). This question seeks to establish whether climate- and/or forests-related issues have already had implications on your financial planning.

- **Banks:**
  - Briefly describe the potential financial impacts of the identified climate- and/or forests-related risks and opportunities on your core businesses, products and services. For example, you may do this by translating climate risk or land use change risk data into probability of default, total committed exposure and/or exposure at default.

- **Asset owners/Asset managers:**
  - Where appropriate, describe how climate- and/or forests-related risks and opportunities may affect the financial returns of relevant products or investment strategies.
  - Asset managers should also describe how each product or investment strategy might be affected by the transition to a lower-carbon, deforestation-free economy.

- **Insurance companies:**
Describe the potential financial impacts of climate- and/or forests-related risks and opportunities on your core businesses, products and services. For example, you may do this by translating climate risk data into probability of default and/or exposure at default.

As asset owners, insurance companies should describe how climate- and/or forests-related risks and opportunities may affect the financial returns of investment strategies. This could be described from the perspective of the total fund or investment strategy or individual investment strategies for various asset classes.

**Description of influence (column 3)**

- Provide details on how climate- and/or forests-related risks and opportunities have influenced the selected elements of your financial planning. Include a case study for at least one of the elements selected.
- Specify the time horizons this planning covers.
- If you selected "None of the above", explain if there is another element of financial planning that has been influenced; or why climate- and/or forests-related risks and opportunities have not yet influenced your financial planning.

**Explanation of terms**

- **Access to capital**: Capital investments provide sources of funding other than those resulting from a bank’s products and services. This includes equity and debt capital from investors and capital raised in the money markets.
- **Acquisition**: Obtaining ownership and control by one firm, in whole or in part, of another firm or business entity.
- **Assets**: Entities functioning as stores of value and over which ownership rights are enforced by institutional units, individually or collectively, and from which economic benefits may be derived by their owners by holding them, or using them, over a period of time (the economic benefits consist of primary incomes derived from the use of the asset and the value, including possible holding gains/losses, that could be realized by disposing of the asset or terminating it).
- **Capital Allocation**: refers to distributing and investing a company's financial resources in ways that will increase its efficiency, and maximize its profits. Some options for allocating capital could include returning cash to shareholders via dividends, repurchasing shares of stock, issuing a special dividend, or increasing a research and development (R&D) budget. Alternatively, the company may opt to invest in growth initiatives, which could include acquisitions and organic growth expenditures.
- **Capital Expenditure**: Capital expenditure is a measure of the value of purchases of fixed assets such as property, buildings, an industrial plant, technology, or equipment. Put differently, CapEx is any type of expense that a company capitalizes, or shows on its balance sheet as an investment, rather than on its income statement as an expenditure.
- **Claims reserves**: Balance sheet reserve specifically set aside by insurance companies to pay policyholders who have filed or are expected to file legitimate claims on their policies. Consider both reported but not settles (RBNS) and incurred but not reported (IBNR) reserves.
- **Direct costs**: Also known as "costs of goods or services sold". These expenses can be attributed to the manufacture of a particular product or the provision of a particular service.
- **Divestment**: A process for selling assets for financial, environmental, political or social goals. In the progression to a low-carbon economy, organizations are recognizing climate-related transition and physical risks posed to minimize exposure to stranded assets (assets that have suffered unanticipated or premature write-downs, devaluations or conversion to liabilities).
- **Indirect costs**: Also known as ‘operating cost' or ‘overheads'. This generally refers to the essential expenses incurred in order to maintain the business including wages, rent, transport, energy (electricity, fuel, etc.), maintenance, and so on. These expenses cannot be attributed to the manufacture of a particular product or the provision of a particular service - they are standard costs that apply regardless of the volume of goods produced.
• **Liabilities**: An obligation which requires one unit (the debtor) to make a payment or a series of payments to the other unit (the creditor) in certain circumstances specified in a contract between them.

• **Provisions or general reserves**: Balance sheet items representing funds set aside by the organization as assets to pay for anticipated future losses. For banks, a general provision is considered to be supplementary capital under the first Basel Accord.

• **Revenue**: Income arising in the course of an entity’s ordinary activities - before deducting costs for the goods/services sold and operating expenses to arrive at profit (based on the International Financial Reporting Standard).

(FS3.5) Why do you not take climate- and/or forests-related risks and opportunities into consideration in your strategy and/or financial planning, and do you have plans to change that in the next two years?

**Question dependencies**

This question only appears if you do not select both “Yes, we take forests-related risks and opportunities into consideration” and one of the options starting with “Yes, we take climate-related risks…” in response to FS3.1.

**Comparison with CDP Climate Change 2021 Questionnaire**

C3.5

**Rationale**

As a comprehensive business strategy which incorporates climate- and/or forests-related risks and opportunities is best practice and key to successfully managing these issues, investors are keen to learn why some organizations do not integrate climate change and/or land use change and its related effects/components into the overarching business strategy. Understanding why organizations are not in line with best practice will enable investors to evaluate those organizations’ overall approach and potential resilience to climate change and/or land use change.

**Response options**

Complete the following table.

<table>
<thead>
<tr>
<th>Theme(s)</th>
<th>We plan to take these risks and opportunities into consideration in our strategy and/or financial planning in the next two years</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate</td>
<td>Select all that apply:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• We plan to take these risks and opportunities into consideration in our strategy</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• We plan to take these risks and opportunities into consideration in our financial planning</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• We do not plan to take these risks and opportunities into consideration in our strategy and financial planning</td>
<td></td>
</tr>
<tr>
<td>Forests</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Requested content**

*Please explain (column 3)*

• Your answer should be company-specific and include:
o Why climate- and/or forests-related risks and opportunities have not been considered in your business strategy and/or financial planning, and;
  o Whether you expect to consider them in developing your strategy and plans in the future. For example, climate change and/or land use change may have little effect on your business because of the nature of your lending, investment and/or insurance portfolio. In that case, please give as complete an explanation as possible.

Products and services

(FS3.6) Do any of your products and services enable clients to mitigate and/or adapt to the effects of climate change and/or deforestation?

Comparison with CDP Climate Change 2021 Questionnaire

C4.5

Connection to other frameworks

SUSBA – Sub-indicator 5.1.2

OJK Regulation 51

Rationale

Achieving net zero emissions by 2050 will require massive investment in low carbon technologies and sustainable agricultural practices. Only the financial sector can provide this. Data users are interested in whether financial institutions are providing financial products and services to meet this investment challenge. This question is useful to investors seeking to increase their investment in organizations providing low-carbon, climate and forests resilient financial products and services.

Response options

Select all that apply:

• Yes, we have products and/or services which enable clients to mitigate or adapt to the effects of climate change
• Yes, we have products and/or services which enable clients to mitigate deforestation
• No

Requested content

General

• There are various circumstances in which a financial services company might consider that the use of its products and services by others has the potential to reduce GHG emissions and/or deforestation.
• While it is considered best practice to offer products specifically designed to support environmental goals, such as sustainability-linked loans, also regular products might enable clients to mitigate or adapt to the effects of climate change and/or contribute to eliminating deforestation. For example, a regular term loan for which the proceeds are used to finance a plantation using only sustainable methods and practices to produce palm oil can be considered a product enabling clients to mitigate deforestation, if granted only on those conditions.
• You should consider relevant low-carbon products such as green bonds, green loans/mortgages, green insurance products, specialty climate-related risk advisory services and others.
(FS3.6a) Provide details of your products and services that enable clients to mitigate and/or adapt to climate change and/or deforestation, including any taxonomy used to classify the product(s).

**Question dependencies**

This question only appears if you select any option beginning “Yes…” in response to FS3.6.

**Comparison with CDP Climate Change 2021 Questionnaire**

C4.5a

**Connection to other frameworks**

*SUSBA – Sub-indicator 5.1.2

*OJK Regulation 51

**Rationale**

This question provides valuable information to investors seeking to increase their investment in organizations providing low-carbon, climate and forests resilient products and services.

**Response options**

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

<table>
<thead>
<tr>
<th>Description of product/group of products</th>
<th>Type of product financed/insured or provided</th>
<th>Product enables clients to mitigate and/or adapt to</th>
<th>Mitigate and/or adapt</th>
<th>Taxonomy or methodology used to classify product(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Text field [maximum 2,400 characters]</td>
<td>Select all that apply:</td>
<td>Select from:</td>
<td>Select all that apply:</td>
<td>Select from:</td>
</tr>
<tr>
<td></td>
<td>• Green buildings and equipment</td>
<td>• Mitigation and adaptation</td>
<td>• Climate change</td>
<td>• Low-carbon Investment (LCI) Taxonomy</td>
</tr>
<tr>
<td></td>
<td>• Low-emission transport</td>
<td>• Mitigation</td>
<td>• Deforestation</td>
<td>• Climate Bonds Taxonomy</td>
</tr>
<tr>
<td></td>
<td>• Renewable energy</td>
<td>• Adaptation</td>
<td></td>
<td>• The EU Taxonomy for environmentally sustainable economic activities</td>
</tr>
<tr>
<td></td>
<td>• Natural carbon sequestration</td>
<td></td>
<td></td>
<td>• Evaluating the carbon-reducing impacts of ICT</td>
</tr>
<tr>
<td></td>
<td>• Artificial carbon sequestration</td>
<td></td>
<td></td>
<td>• Green Bond Principles (ICMA)</td>
</tr>
<tr>
<td></td>
<td>• Nature-based solutions</td>
<td></td>
<td></td>
<td>• ISO 14040/44 Standards</td>
</tr>
<tr>
<td></td>
<td>• Fortified buildings</td>
<td></td>
<td></td>
<td>• LMA Green Loan Principles</td>
</tr>
<tr>
<td></td>
<td>• Sustainable agriculture</td>
<td></td>
<td></td>
<td>Other external classification, please specify</td>
</tr>
<tr>
<td></td>
<td>• Risk transfer mechanisms for under-insured or uninsured</td>
<td></td>
<td></td>
<td>Internal classification as enabling avoided emissions/deforestation</td>
</tr>
<tr>
<td></td>
<td>• Paperless/ digital service</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Other, please specify</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% of total portfolio value</th>
<th>Product type/Asset class/Line of business</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Numerical field [enter a number from 0-100 using a maximum of 2 decimal places and no commas]</td>
<td>Select from: Banking • Corporate loans • Retail loans • Corporate real estate • Retail mortgages • Trade finance • Asset finance • Project finance</td>
<td>Text field [maximum 4,800 characters]</td>
</tr>
</tbody>
</table>
### Requested content

**Description of product/group of products (column 1)**

- Use this column to provide a short label for the product/s that you are disclosing in this row.

**Type of product financed/insured or provided (column 2)**

- Indicate which type of sustainable solutions your financing, investments and insurance products and services are covering

  - Green buildings and equipment: Green Buildings and Equipment are energy efficient or otherwise sustainable. Technologies identified by the IEA found under "Buildings" in the [ETP Clean Energy Technology Guide](https://www.iea.org/etp).

  - Low-emission transport: Transport modes (road, rail, shipping and aviation) which results in lower emissions, e.g. electric vehicles or increased transport efficiency. Technologies identified by the IEA found under "Transport" in the [ETP Clean Energy Technology Guide](https://www.iea.org/etp).

  - Renewable energy: Renewable energy is energy from sources that are naturally replenishing but flow-limited; renewable resources are virtually inexhaustible in duration but limited in the amount of energy that is available per unit of time. The major types of renewable energy sources are: Biomass, Wood and wood waste, Municipal solid waste, Landfill gas and biogas, Ethanol, Biodiesel, Hydropower, Geothermal, Wind, Solar.

  - Natural carbon sequestration: Sequestration of carbon via natural sources, e.g. trees, mangroves, coral reef and the ocean.

  - Artificial carbon sequestration: Sequestration of carbon via artificial methods, e.g. Carbon capture and storage (CCS). Technologies identified by the IEA found under "CO₂ storage" in the [ETP Clean Energy Technology Guide](https://www.iea.org/etp).

  - Nature-based solutions: Nature-Based Solutions harness the capabilities of natural infrastructure to mitigate against weather disasters.

  - Fortified buildings: Fortified buildings use retrofit techniques to strengthen new and existing homes, making them more resistant to storms and other severe weather events.
- Sustainable agriculture: Farming that is environmentally sound, socially responsible, and profitable for farmers. Sustainable agriculture strives for the best long-term outcomes for forests, climate stability, and water security.
- Risk transfer mechanisms for under-insured or uninsured: Innovative risk transfer mechanisms or insurance products, e.g. risk pools or catastrophe bonds, which help under-insured or uninsured communities to meet the challenges of a changing climate.
- Paperless/digital service: Providing services to customer via digital/online services as oppose to paper/posted services, e.g. online billing statements

**Taxonomy or methodology used to classify product(s) (column 4)**

- As investors seek to increase the proportion of their portfolio invested in environment-friendly products there is an effort to establish standardized methodologies. As for avoided emissions, methodologies to calculate avoided emissions are still in the infancy of their development. In the future CDP will refine the list of methodologies to best reflect those that are considered best practice.
- If you select “Other, please specify,” specify the taxonomy or methodology used to classify product(s) in the “Comment” column 7.

**% of total portfolio value (column 5)**

- Provide a percentage value for the proportion of products and/or services that you classify as low-carbon, climate and forests resilient products or that enable a third party to avoid GHG emissions and/or deforestation in relation to your total portfolio value.

**Asset class/product types (column 6)**

- Select from the dropdown list the asset classes that the products/services fall under. If there are other asset classes that are relevant to your organization but are not listed in the drop-down list, select “Other, please specify” and specify the asset class in the “Comment” column 7.

**Comment (column 7)**

- You can use this text field to enter any other information that you consider relevant. This could include how you expect to change your investments in low carbon products, the estimated emissions savings from avoided emissions, or how you expect to meet stakeholder expectations.
- Provide a description of the basis of your calculation for the % of total portfolio value.

**Explanation of terms**

- **Adaptation**: Anticipation of the adverse effects of climate change and/or land use change taking appropriate action to prevent or minimize the damage they can cause.
- **Mitigation**: Actions that limit the magnitude or rate of climate change and/or deforestation.
- **Asset finance**: Financial products and services where the company’s balance sheet assets, including short-term investments, inventory and accounts receivable are used to borrow money, typically on a short-term basis. The company borrowing the funds must provide the lender with a security interest in the assets.
- **Corporate loans**: Loans and credit facilities extended to companies. Includes both term loans and revolving credit facilities. Includes both bilateral loans and syndicated loans. Typically, corporate clients are able to negotiate more bespoke terms than retail customers.
- **Corporate real estate**: Financial products or services used by companies to finance investments in property used for commercial purposes. The company borrowing the funds must provide the lender with a security interest in the property.
- **Project finance**: Financial products and services used for the financing of long-term infrastructure and industrial projects. The debt is paid back from the cash flow generated from the project.
• **Retail loans:** Loans and credit facilities extended to individual personal banking customers, including credit cards. Typically, retail customers have to enter into facilities on pre-determined terms and conditions, rather than being able to negotiate bespoke terms.

• **Retail mortgages:** A home loan extended to individual personal banking customers secured on a specified property. Typically used by homebuyers to spread the cost of their purchase over the long-term.

• **Trade finance:** Financial products and services used by companies to facilitate international trade transactions. Includes products which make it possible or easier for exporters and importers to transact such as letters of credit and export credit.

• **Commodities:** involves buying, selling, or trading a raw product, such as oil, gold, or coffee

• **Derivatives:** refers to securities that derive their value from an underlying asset or benchmark.

• **Fixed Income:** refers to a type of investment security that pay investors fixed interest or dividend payments until its maturity date.

• **Forestry:** investment in forest lands, either directly (direct ownership of forest land) or indirectly (through e.g. a timber fund).

• **Fund of funds:** investment fund that invests in other types of funds.

• **Hedge funds:** alternative investments using pooled funds that employ different strategies to earn active returns, or alpha, for their investors.

• **Infrastructure:** a form of “real assets,” which contain physical assets we see in everyday life like bridges, roads, highways, sewage systems, or energy.

• **Listed Equity:** refers to shares of ownership issued by publicly-traded companies.

• **Mutual funds:** investment using pooled funds collected from many investors to invest in securities like stocks, bonds, money market instruments, and other assets.

• **Private Equity:** alternative form of private financing in which funds and investors invest directly in companies.

• **Real estate/Property:** refers to the purchase, purchase, ownership, management, rental and/or sale of real estate (e.g. land, buildings, infrastructure).

• **Property & Casualty:** insurance protection that provides either property protection coverage or liability coverage for property owners.

• **Construction & Engineering:** insurance protection that provides financial compensation for covered losses to a building or structure.

• **Agribusiness:** insurance protection designed to protect businesses that earn all or most of their revenue from agriculture.

• **Health:** insurance that covers the whole or a part of the risk of a person incurring medical expenses.

• **Motor:** insurance protection for cars, trucks, motorcycles, and other road vehicles.

• **Life:** insurance which guarantees the insurer pays a sum of money to named beneficiaries when the insured policyholder dies, in exchange for the premiums paid by the policyholder during their lifetime.

• **Marine:** insurance protection that covers cargo losses or damage caused to ships, cargo vessels, terminals, and any transport in which goods are transferred or acquired between different points of origin and their final destination.

---

(ES3.6b) Why do you not offer products and services which enable clients to mitigate and/or adapt to the effects of climate change and/or deforestation, and do you plan to introduce such products in the next two years?

**Question dependencies**

This question only appears if you do not select both “Yes, we have products and/or services which enable clients to mitigate or adapt to the effects of climate change” and “Yes, we have products and/or services which enable clients to mitigate deforestation” in response to FS3.6.

**Comparison with CDP Climate Change 2021 Questionnaire**
Additional question

Rationale

As offering low-carbon, climate and forests resilient products and services is considered best practice for financial services companies, investors are keen to learn why some organizations do not integrate climate change and/or deforestation into their product portfolio. Understanding why organizations are not in line with best practice will enable investors to evaluate those organizations’ overall approach and potential resilience to climate change and/or deforestation.

Response options

Complete the following table.

<table>
<thead>
<tr>
<th>We plan to introduce products in the next two years</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td></td>
</tr>
<tr>
<td>• Yes, we plan to introduce products</td>
<td>Text field [maximum 4,800 characters]</td>
</tr>
<tr>
<td>• No, we do not plan to introduce products</td>
<td></td>
</tr>
</tbody>
</table>

Requested content

General

• Your answer should be company-specific and include:
  o Why products and services which enable clients to mitigate and/or adapt to the effects of climate change and/or deforestation are not included in your offering.
  o Whether you expect to offer them in the future. For example, climate change and/or deforestation may have little effect on your business because of the nature of your lending, investment or insurance portfolio. In that case, please give as complete an explanation as possible.

(FS3.7) Are climate- and/or forests-related issues factored into your investor manager selection process?

Question dependencies

This question only appears if you selected “Investing (Asset Owner)” and/or “Investing (Asset Manager)” in response to FS0.6.

Comparison with CDP Climate Change 2021 Questionnaire

C-FS3.7 and C-FS3.7a

Connection to other frameworks

TCFD – Strategy recommended disclosure b)

Rationale

For asset owners and managers working with external funds, factoring climate- and/or forests-related issues into the selection of external asset managers ensures that the investment strategies and objectives with regard to climate- and/or forests-related issues are aligned with the organization’s business strategy. For this reason, asset owners and managers are advised to consider climate- and/or forests-related issues in their screening and selection of external asset managers, if applicable.

Response options

Complete the following table.
<table>
<thead>
<tr>
<th>Issues factored into selection process</th>
<th>Issues considered</th>
<th>Mechanisms used to factor into external asset manager selection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select all that apply:</td>
<td>Select all that apply:</td>
</tr>
<tr>
<td>• Yes, for all assets managed externally</td>
<td>• Climate</td>
<td>• Publish requirements of external investment managers in relation to environmental issues</td>
</tr>
<tr>
<td>• Yes, for the majority of assets managed externally</td>
<td>• Forests</td>
<td>• Preference for investment managers with an offering of funds with reduced environmental impact</td>
</tr>
<tr>
<td>• Yes, for a minority of assets managed externally</td>
<td></td>
<td>• Preference for investment managers with an offering of funds resilient to climate change</td>
</tr>
<tr>
<td>• No</td>
<td></td>
<td>• Review investment manager’s environment-related policies</td>
</tr>
<tr>
<td>• Not applicable, because we don’t have externally managed assets</td>
<td></td>
<td>• Review investment manager’s environmental performance (e.g. active ownership, proxy voting records, under-weighting in high impact activities)</td>
</tr>
<tr>
<td>[Add another]</td>
<td></td>
<td>• Use of external data on investment managers regarding environmental risk management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Include environmental requirements in requests for proposals</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Include environmental requirements in investment mandates</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Include environmental requirements in performance indicators and incentive structures</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Other, please specify</td>
</tr>
</tbody>
</table>

**Requested content**

**General**

State whether your organization factors climate- and/or forests-related issues into any of your external asset manager selection processes and, if applicable, which mechanisms you are using to do so.

**Explanation of terms**

- **External asset manager**: Wealth or investment manager that works independently from the reporting organization in the financial sector.

**Additional question**

**Rationale**

The World Economic Forum’s 2021 Global Risk Report ranked biodiversity loss among the top global risks currently faced by the society. Through their financing, investment and insurance activities, financial institutions have a high dependency on biodiversity and it is therefore critical for financial services companies to integrate biodiversity-related issues within their strategy. Data users are interested in understanding how responders view deforestation as part of a wider topic of biodiversity or nature.

**Response options**

Complete the following table.

<table>
<thead>
<tr>
<th>Biodiversity-related vision and/or strategy</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select all apply:</td>
<td>Text field [maximum 5,000 characters]</td>
</tr>
<tr>
<td>• Yes, we have a biodiversity-related vision</td>
<td></td>
</tr>
<tr>
<td>• Yes, we have a biodiversity-related strategy</td>
<td></td>
</tr>
<tr>
<td>• No, but we plan to introduce a vision and/or strategy within the next 2 years</td>
<td></td>
</tr>
<tr>
<td>• No, not a priority issue</td>
<td></td>
</tr>
<tr>
<td>• No, not relevant to our operations or the companies we finance/insure</td>
<td></td>
</tr>
</tbody>
</table>
Requested content

General

State whether your organization have a biodiversity-related vision and/or strategy.

Please explain (column 2)

- Provide details about your biodiversity-related vision and/or strategy.
- If you do not have a biodiversity-related vision and/or strategy, indicate why and describe any plans you have to introduce a biodiversity-related vision and/or strategy.

Explanation of terms

- **Vision**: a succinct statement that summarizes a company’s high-level ambitions and what it would like to achieve and what it expects to see happen as a result of its biodiversity work.
- **Strategy**: In line with the TCFD recommendations, refers to an organization’s desired future state. An organization’s strategy establishes a foundation against which it can monitor and measure its progress in reaching that desired state. Strategy formulation generally involves establishing the purpose and scope of the organization’s activities and the nature of its businesses, taking into account the risks and opportunities it faces and the environment in which it operates.

Module 4 – Implementation

The integration of environmental issues into policy frameworks for financing, investment and/or insurance activities signals the depth to which environment-related issues are embedded into an organization. This module provides the opportunity to disclose details of your climate- and forests-related financial policies. The module also requests data on whether financial institutions are enforcing their policies by requiring more sustainable actions from their clients and/or investee companies.

Policies

(AF4.1) Are climate- and/or forests-related issues considered in the policy framework of your organization?

Comparison with CDP Climate Change 2021 Questionnaire

C-FS3.6

Rationale

Considering climate- and/or forests-related issues in an organization’s policy framework is an important element of business strategy and a signal of how deeply climate- and/or forests-related issues are embedded in an organization’s processes. For these reasons, data users are interested in understanding whether organizations in the financial sector have integrated environment-related issues into their existing financial activity policy frameworks.

Connection to other frameworks

**SUSBA** – Sub-indicator 2.2.1

Response options

Select all that apply:

- Yes, climate-related issues are integrated into our policy framework
• Yes, forests-related issues are integrated into our policy framework
• No, these issues are not integrated

Requested content

General

• Indicate whether your organization’s financial policy frameworks include a consideration of climate and/or forests-related issues in any way. Policies could take several forms but generally set out rules that guide an organization’s decision-making processes, for example:
  o Specifying criteria clients should meet if they are to access financial services
  o Specifying certain economic activities which are excluded and will not be granted financial services
• Subsequent questions ask for more details on these policies.

Explanation of terms

Policy framework: The collection of written policies setting out rules that guide an organization’s decision-making processes in relation to its financial activities. Examples of such policies could include credit policy, risk policy, investment, underwriting policy, etc.

(FS4.1a) In which policies are climate-related issues integrated?

Question dependencies

This question only appears if you select “Yes, climate-related issues are integrated into our policy framework” in response to FS4.1. You should add at least one row for each portfolio selected in FS0.6.

Comparison with CDP Climate Change 2021 Questionnaire

C-FS3.6a

Rationale

To help manage climate-related risks, organizations should integrate climate-related issues into their existing policy framework. These policies may apply across the organization and may be based on sectors, geographies, business lines, asset classes or other. Although the wave of climate-related policies and regulations is growing, their implementation varies across organizations. This question helps data users understand how organizations integrate climate-related issues, and what proportion of a financial institution’s portfolio is covered by the policy.

Connection to other frameworks

SUSBA – Sub-indicators 2.2.2 and 6.2.6

Response options

Complete the following table.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Type of policy</th>
<th>Portfolio coverage of policy</th>
<th>Exceptions to policy based on</th>
<th>Is the policy publicly available?</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from: Banking, Investing (Asset owner), Investing (Asset manager), Insurance</td>
<td>Select all that apply: Banking, Credit/lending policy, Risk policy, Underwriting policy, Policy related to other products and services, Engagement policy, Other, please specify</td>
<td>Select from: All of portfolio, Majority of the portfolio, Minority of the portfolio, Unknown</td>
<td>Select all that apply: Geography, Subsidiaries, Line of business, Products and services, Transaction size, Other, please specify</td>
<td>Select from: Yes, No</td>
<td>Text field [maximum 5,000 characters]</td>
</tr>
</tbody>
</table>
### Requested content

#### Portfolio (column 1)
- Indicate which portfolio(s) the exclusion policy applies to.

#### Type of policy (column 2)
- Select all the policies into which climate-related issues are integrated.
- If there are policies within your organization’s financial policy framework into which climate-related issues are integrated, and which are not well represented by any of the drop-down options, select “Other, please specify”.

#### Portfolio coverage of policy (column 3)
- Select the coverage i.e. how much of your portfolio the policy applies to, based on either total or outstanding commitments, premiums, committed capital and/or other.
- Select “All of the portfolio” if the policy covers 100% of your portfolio.
- Select “Majority of the portfolio” if the policy covers more than 50% of your portfolio.
- Select “Minority of the portfolio” if the policy covers less than 50% of your portfolio.

#### Exceptions to policy based on (column 4)
- If the policy does not apply to all of your portfolio, indicate the basis for the exceptions. For example, if the policy only applies on deals above $10m, select “Deal size”.
- If your organization’s policy framework contains exceptions in which the policy does not apply on a basis which is not included in the drop-down options, select “Other, please specify” and specify within the “Please explain” column 5.
- If the policy applies to all of your portfolio, select “Policy does not have any exceptions”.

#### Is the policy publicly available? (column 5)
- The investment community and other stakeholders value transparency with regards to how climate-related issues are integrated in an organization’s policy framework. Therefore, it is considered best practice to make climate-related financing policies publicly available in full.

#### Please explain (column 6)
- Provide a brief description of the policies that embed climate-related issues.
• Explain how the coverage has been determined and whether you consider it to be substantive to your organization.
• If you selected exceptions in column 3, explain what those exceptions are, why the policy need not apply in those circumstances and the implications for climate-related risks.
• Provide a brief overview of the process for ensuring policies are updated.

Explanation of terms

• Exceptions: Defined scenarios in which a policy does not apply. For example, a policy could apply on all financing deals over $10m, in which case the exception is deals under $10m.
• Portfolio: In the context of this questionnaire your portfolio is your entire collection of the core financial activities – loans, investments and insurance policies- that you offer.
  o Banking portfolio: For bank lending, this is the entire collection of products and loans held on your balance sheet for which you own the receivable stream.
  o Investing (Asset owner) portfolio: For asset owners, this is the entire collection of products, funds and investments owned and controlled by your company.
  o Investing (Asset manager) portfolio: For asset managers, this is the entire collection of your products and investments that you hold and/or manage on behalf of your clients. Asset managers should consider discretionary investments, those where the company has discretion over investment decision.
  o Insurance portfolio: For insurance underwriting, this is the entire collection of products and insurance policies you provide to your clients.

(FS4.1b) Does your policy contain exclusions related to industries and/or activities contributing to climate-related risks?

Question dependencies

This question only appears if you select “Yes, climate-related issues are integrated into our policy framework” in response to FS4.1.

Comparison with CDP Climate Change 2021 Questionnaire

C-FS3.6b

Rationale

Exclusion policies are an element of financial sector companies’ negative screening processes to reduce portfolio exposure to climate-vulnerable projects and/or investments, and to implement climate-related commitments. Data users are interested in understanding the types of climate-related exclusions and the impact these exclusions have on the organizations’ exposure to climate-vulnerable projects and/or companies.

Connection to other frameworks

SUSBA – Sub-indicators 2.1.1 and 2.1.3

Response options

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Type of exclusion policy</th>
<th>Application</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select all that apply:</td>
<td>Select all that apply:</td>
<td>Select all that apply:</td>
<td>Text field [maximum 2,500 characters]</td>
</tr>
<tr>
<td>Banking</td>
<td>All fossil fuels</td>
<td>New business for new projects</td>
<td></td>
</tr>
<tr>
<td>Investing (Asset owner)</td>
<td>All coal</td>
<td>New business for existing projects</td>
<td></td>
</tr>
<tr>
<td>Investing (Asset manager)</td>
<td>Thermal coal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td>Fuel from liquified coal</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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**Requested content**

**Portfolio (column 1)**

- Indicate which portfolios the exclusion policy applies to.

**Type of exclusion policy (column 2)**

- If the activity excluded is not listed, select “Other, please specify” and specify what type of exclusion policy this is in the “Description” column.
- You can add multiple types of exclusion policies in the same row, however you also have the flexibility to add rows using the “Add another” button if your policies differ by portfolio and/or application.

**Application (column 3)**

- Indicate whether the exclusion applies to new projects and/or to existing projects:
  - Selecting “New business for new projects” implies that you would decline to participate in a financing, investment or insurance for a new project that was covered by the exclusion, but may still participate in business for a project in which you were already a lender, investor or insurer.
  - Selecting “New business for existing projects” implies that you would decline to participate in business for a project covered by the exclusion, even if you were already a lender, investor or insurer.
- If the application of the exclusion is not well represented by any of the drop-down issues, select “Other, please specify” and describe your approach to applying the exclusion within the “Description” column.

**Description (column 4)**

- State whether the exclusion policy has already been implemented and provide the year of implementation. If not, state when the exclusion policy is going to be implemented.
- Describe the exclusion threshold (industry classification, company exposure, revenue, production, or other), the asset classes/product types/business division the policy applies to, as well as the impact the policy has had on your exposure to the subject of the policy.
- The impact on exposure may be expressed as the change in the proportion of your portfolio exposed to the subject of the policy from the baseline (year of implementation). If the policy is to be implemented in the future, provide details of any exposure reduction or other targets to measure the effectiveness of the policy.

**Explanation of terms**
- **Exclusion policy**: A provision that eliminates bank lending and/or insurance underwriting coverage for a certain type of projects and/or companies based on a specific criterion. For investors, it means the exclusion of certain businesses from investment portfolios. Exclusion policies may be framed in the context of a financial sector company’s negative screening processes.

(1c) In which policies are forests-related issues explicitly integrated?

**Question dependencies**

This question only appears if you select “Yes, forests-related issues are integrated into our policy framework” in response to 4.1.

**Comparison with CDP Climate Change 2021 Questionnaire**

Additional question

**Rationale**

To help manage risks associated with forest risk commodities, organizations should integrate forests-related issues into their existing policy framework. These policies may apply across the organization and may be based on sectors, geographies, business lines, asset classes or other. Although the uptake of forests-related policies is increasing, their implementation varies across organizations. This question helps data users understand how organizations integrate forests-related issues, and what proportion of a financial institution’s portfolio is covered by the policy.

**Connection to other frameworks**

*SUSBA* – Sub-indicators 2.2.2 and 6.2.6

**Response options**

Complete the following table.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Type of policy</th>
<th>Portfolio coverage of policy</th>
<th>Exceptions to policy based on</th>
<th>Is the policy publicly available?</th>
<th>Please explain</th>
</tr>
</thead>
</table>
| Select from:  
- Banking  
- Investing (Asset owner)  
- Investing (Asset manager)  
- Insurance  | Select all that apply:  
**Banking**  
- Credit/lending policy  
- Risk policy  
- Underwriting policy  
- Policy related to other products and services  
- Engagement policy  
- Other, please specify  
**Investing**  
- Credit policy  
- Risk policy 
- Sustainable/Responsible Investment Policy  
- Investment policy/strategy  
- Policy related to other products and services  
- Active ownership policy  
- Other, please specify  
**Insurance**  
- Risk policy  
- Insurance underwriting policy  | Select from:  
- All of portfolio  
- Majority of the portfolio  
- Minority of the portfolio  
- Unknown  | Select all that apply:  
- Geography  
- Subsidiaries  
- Line of business  
- Products and services  
- Transaction size  
- Segment of the value chain  
- Other, please specify  | Select from:  
- Yes  
- No  | Text field [maximum 5,000 characters] |
Policy related to other products and services
- Engagement policy
- Other, please specify

[Add another]

Requested content

Portfolio (column 1)
- Indicate which portfolios the policy applies to.

Type of policy (column 2)
- Select all the policies into which forests-related issues are integrated.
- If there are policies within your organization’s policy framework into which forests-related issues are integrated, and which are not well represented by any of the drop-down options, select “Other, please specify” and specify within the “Please explain” column.

Portfolio coverage of policy (column 3)
- Select the coverage i.e. how much of your portfolio the policy applies to, based on either total or outstanding commitments, premiums, committed capital and/or other.
- Select “All of the portfolio” if the policy covers 100% of your portfolio.
- Select “Majority of the portfolio” if the policy covers more than 50% of your portfolio.
- Select “Minority of the portfolio” if the policy covers less than 50% of your portfolio.

Exceptions to policy based on (column 4)
- If the policy does not apply to all of your portfolio, indicate the basis for the exceptions. For example, if the policy only applies to producer clients/investees and not clients/investees further downstream including traders, select “Segment of the value chain”.
- If your organization’s policy framework contains exceptions in which the policy does not apply on a basis which is not included in the drop-down options, select “Other, please specify” and specify within the “Please explain” column.
- If the policy applies to all of your portfolio, select “Policy does not have any exceptions”.

Is the policy publicly available? (column 5)
- The investment community and other stakeholders value transparency with regards to what economic activities financial institutions are supporting. Therefore, it is considered best practice to make forests-related financial policies publicly available in full.

Please explain (column 6)
- Explain how the coverage has been determined and whether you consider it to be substantive to your organization.
- If you selected exceptions in column 4, explain what those exceptions are, why the policy need not apply in those circumstances and the implications for forests-related risks.
- Provide a brief overview of the process for ensuring policies are updated.

(FS4.1d) Within your policies, what criteria are required or encouraged of your clients/investees in forest risk commodity supply chains?

Question dependencies
This question only appears if you select “Yes, forests-related issues are integrated into our policy framework” in response to FS4.1.

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Comparison with CDP Climate Change 2021 Questionnaire

Additional question

**Rationale**

One method of integrating forests-related issues into an organization’s policy framework is through including requirements or expectations for clients within forest risk commodity supply chains, which are in line with best practice and international standards. Data users are interested in understanding the specific criteria applied and the impact these have on your organization’s exposure to companies potentially producing or consuming forest risk commodities in an unsustainable way.

**Connection to other frameworks**

*SU*BA – Sub-indicators 2.1.5, 2.1.7, 2.1.11, 2.1.13, 2.1.14 and 2.2.3

**Response options**

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Criteria for clients/investees in forest risk commodity supply chains</th>
<th>Implementation coverage</th>
<th>Forest risk commodity coverage</th>
<th>Forest risk commodity supply chain stage coverage</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Banking</td>
<td>Select all that apply:</td>
<td>Select from:</td>
<td>Select all that apply:</td>
<td>Select all that apply:</td>
<td></td>
</tr>
<tr>
<td>• Investing (Asset owner)</td>
<td>See drop-down options below</td>
<td>• Clients/investees are required to do this for their own operations and supply chain</td>
<td>• All agricultural commodities</td>
<td>• Production</td>
<td>Text field [maximum 5,000 characters]</td>
</tr>
<tr>
<td>• Investing (Asset manager)</td>
<td></td>
<td>• Clients/investees are required to do this for their own operations only</td>
<td>• Palm oil</td>
<td>• Processing</td>
<td></td>
</tr>
<tr>
<td>• Insurance</td>
<td></td>
<td>• Clients/investees are encouraged to this for their own operations and supply chain</td>
<td>• Timber products</td>
<td>• Trading</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Clients/investees are encouraged to do this for their own operations only</td>
<td>• Soy</td>
<td>• Manufacturing</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Cattle products</td>
<td>• Retailing</td>
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<td></td>
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<td></td>
<td>• Rubber</td>
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<td></td>
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<td>• Other, please specify</td>
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<td>[Add another]</td>
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</tr>
</tbody>
</table>

**Criteria for clients in forest risk commodity supply chains drop-down options (column 2)**

- No conversion of natural ecosystems
- Zero gross deforestation / no deforestation
- Zero net deforestation
- No development on peat regardless of depth
- Restoration and compensation to address past deforestation or conversion
- Avoidance of negative impacts on threatened and protected species and habitats
- No trade of CITES listed species
- No land clearance by burning or clearcutting
- No conversion of High Conservation Value areas
- No conversion of High Carbon Stock forests
- Conduct a Social and Environmental Impact Assessment on all new developments.

- Commit to a landscape level / jurisdictional approach
- Monitor compliance in their supply chain and engage/support their suppliers.
- No activities in UNESCO World Heritage Sites
- No activities in IUCN protected areas categories I – IV
- No activities in Ramsar sites.
- Recognition of legal and customary land tenure rights
- Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities
- Have transparent and accessible mechanisms to resolve grievances and remediate any adverse impacts on indigenous people and local communities
- Promotion of gender equality and women’s empowerment
- Adoption of the UN International Labour Organization principles
- Facilitate the inclusion of smallholders into the supply chain
- Comply with all applicable local, national and international laws and regulations
- Have a policy that prohibits all forms of bribery and corruption.

- No sourcing of illegally produced and/or traded forest risk commodities
- No sourcing of forest risk commodities from unknown/controversial sources
- Restricting the sourcing and/or trade of forest risk commodities to credible certified sources
- Other, please specify

Requested content

General

- This question asks for details on the criteria you require or actively encourage of your clients/investees within forest risk commodity supply chains.

Portfolio (column 1)

- Indicate which portfolios the policy applies to.

Criteria for clients in forest risk commodity supply chains (column 2)

- Only select options that are part of your written policy in the reporting year. To ensure your response is accurate, refer to the "Explanation of terms" section for this question.
- If different criteria apply to different specific subsets of clients/investees (for example, different requirements for palm oil clients and timber clients, or different requirements for producer clients and clients further downstream in the commodity supply chain) you are able to add rows for each subset of clients and select the criteria in the relevant rows.
- Select "Other, please specify" if a criterion within your policy is not covered by the drop-down options presented and specify in the “Please explain” column 6.

Implementation coverage (column 3)

- Select whether clients/investees are required to meet these criteria or only encouraged to meet these criteria.
- If a criterion is “required”, you are willing to decline participation in business transactions, and exit existing relationships over a period of time, if it is not met by the client/investee.
- If there are some key criteria you require, and others that you only encourage you are able to add rows and select the criteria in the relevant rows.

Forest risk commodity coverage (column 4)

- Indicate the sectors or agricultural commodities the criteria apply to, as stated in the written policy.
- You are able to select “All agricultural commodities” if either this coverage is stated explicitly in the policy or if the commodities covered by the policy encompass all agricultural commodities you have exposure to within your portfolio.

Forest risk commodity supply chain stage coverage (column 5)

- Indicate for which activities in the forest risk commodity supply chain the criteria apply to, as stated in the written policy.

Please explain (column 6)

- Provide any further information about how your policies embed forests-related issues that you believe would be useful to data users.
- Describe the impact that including forest-related issues into your policy framework has had on your exposure to the subject of the policy. This may be expressed as the change in the proportion of your portfolio exposed to the subject of the policy from the baseline (year of implementation).
• If clients are given a specific time to comply with the criteria following onboarding, provide details of your approach.

**Explanation of terms**


- **Compensation**: Actions taken and/or funds made available to remedy or counterbalance deforestation, conversion, degradation, or other harms to ecosystems and their conservation values with environmental and/or social gains at sites other than those where the harms occurred (AFi, 2019).

- **Controversial sources**: Sources involving forest risk commodities produced/harvested illegally, in violation of traditional and civil rights, threatening high conservation value forests, or from areas where natural forests are being converted to other uses.

- **Conversion**: Human-induced change of a natural ecosystem to another land use or profound change in the natural ecosystem’s species composition, structure, and/or function.
  - Deforestation is one form of conversion (conversion of natural forests)
  - Conversion includes severe degradation or the introduction of management practices that result in a substantial and sustained change in the ecosystem's former species composition, structure, or function.
  - Change to natural ecosystems that meets this definition is considered to be conversion regardless of whether or not it is legally permitted (adapted from AFi, 2019).

- **Free, Prior and Informed Consent (FPIC)**: A community right to give or withhold its consent to proposed projects that may affect the lands they customarily own, occupy or otherwise use, as recognized by several international instruments including the UN Declaration on the Rights of Indigenous Peoples (UNDRIP), International Labour Organization's (ILO) Convention 169, and the Convention on Biological Diversity (CBD) (AFi, 2019).

- **Forest risk commodities**: The following are asked about in this questionnaire:
  - **Timber products**: This includes all solid timber as well as products made from processed wood fiber such as paper, packaging, cardboard and specialty fibers (e.g., viscose). It also includes timber products used for biomass.
  - **Palm oil**: This includes crude palm oil, palm kernel oil, and all of its derivatives. Please note that palm oil used for biofuel production is also included in this category.
  - **Cattle products**: This includes all food products containing beef, all clothing, furniture and accessories that are made of leather, tallow, and all other products derived from cattle. Please note that tallow used for biofuel production is also included in this category. Dairy products are not included in this category.
  - **Soy**: This includes all meal or oil containing soy and any derivatives that are obtained from soy. Please note that soy used for biofuel production is also included in this category.
  - **Rubber**: This includes all rubber products deriving from natural rubber production. Please note that the tire industry is included in this category.

- **Forest risk commodity supply chain stage**: CDP’s forest program requests forests-related disclosures from companies with business activities corresponding to the following stages of forest risk commodity supply chains:
  - **Production**: this is the first stage of the supply chain and generally refers to the production of raw agricultural and forests products by farm owners, smallholders, and communities. Vertically integrated companies are also involved in producing activities if they own or manage land used for the production of forests risk commodities.
  - **Processing**: this encompasses the initial transformative activities that will add value to raw materials. For example, the production of crude palm oil from crushed fruit, the production of soybean oil and soybean meal from soybean, the initial processing of timber products in mills (i.e., sawmills, plywood and veneer mills, pulp and paper mills), the slaughtering of cattle and the processing of raw hide into leather. Further processing activities in the form of refining and fractionation should be considered in the manufacturing stage.
Trading: businesses that purchase and sell raw or primary processed agricultural or forestry materials to either domestic or export markets. This includes the shipment, transport and storage of the forest risk commodities.

Manufacturing: this includes the production of final ingredients for the food, feed and fuel sectors from raw or processed materials.

Retailing: businesses that sell products directly to individual consumers.

Gender equality: To end all forms of discrimination against woman by promoting women’s participation and equal opportunities for leadership in decision-making processes as well as women’s equal rights to economic resources such as ownership and control over land and other forms of property (SDG goal 5).

High Carbon Stock forests: This is the High Carbon Stock Approach (HCSA) classification of forested areas that should be protected based on high carbon stock, importance to local communities or high biodiversity value. The HCSA distinguishes high carbon stock forests from degraded lands that may be developed.

High Conservation Value: Biological, ecological, social or cultural values which are considered outstandingly significant or critically important, at the national, regional or global level, as defined by the High Conservation Values (HCV) Resource Network.

IUCN protected areas categories I – IV: IUCN protected area management categories classify protected areas according to their management objectives. The categories are recognized by international bodies such as the United Nations and by many national governments as the global standard for defining and recording protected areas. Categories I to IV includes: Ia Strict Nature Reserve, Ib Wilderness Area, II National Park, III Natural Monument or Feature, IV Habitat/Species Management Area, and V Protected Landscape/ Seascapes (IUCN, 2013).

Jurisdictional approach: A type of landscape approach that is developed within the administrative boundaries of sub-national or national governments, usually with emphasis on the roles of government in public policy, land-use planning, law enforcement, investment, or other functions (AFi, 2019).

Landscape level approach: Refers to actions taken over a large spatial scale for allocating and managing land, under conflicting use (e.g., agriculture, mining, urban, forests), to efficiently address social, economic and environmental issues (Defra, 2011; Sayer et al., 2013).

Natural ecosystem: An ecosystem that substantially resembles - in terms of species composition, structure, and ecological function - one that is or would be found in a given area in the absence of major human impacts. This includes human-managed ecosystems where much of the natural species composition, structure, and ecological function are present (AFi, 2019).

No-conversion (“or conversion-free”): Commodity production, sourcing, or financial investments in commodities that do not cause or contribute to the conversion of natural ecosystems (AFi, 2019).

No-deforestation (“or deforestation-free”): Commodity production, sourcing, or financial investments that do not cause or contribute to deforestation (AFi, 2019).

Peatland: An area with or without vegetation with a naturally accumulated peat layer at the surface, while peat is defined as accumulated material consisting of at least 30% (dry mass) of dead organic material (Joosten and Clarke, 2002).

Ramsar sites: Wetland sites designated to be of international importance under the Convention on wetlands, known as the Ramsar Convention.

Restoration: The process of assisting the recovery of an ecosystem that has been degraded, damaged, or destroyed (SER, 2002).

Social and Environmental Impact Assessment: The assessment of environmental and social impacts of a project prior to new development/planting. Environmental Impact Assessments (EIAs) and Social Impact Assessment (SIA) can be conducted separately or together.

Threatened and protected habitats: All habitats considered threatened or otherwise protected by national or subnational laws and regulation, as well as international multilateral agreements, including protected areas, World Natural Heritage Sites, Natura 2000 sites and other similar areas.
- **Threatened and protected species**: All species listed on IUCN’s Red List of Threatened Species, as well as other species considered threatened or otherwise protected by national or subnational laws and regulation.
- **UNESCO World Heritage Sites**: Sites of outstanding universal value listed on the UNESCO World Heritage List.
- **Zero gross deforestation**: Means no conversion of forest to non-forest land use, and therefore, does not allow deforestation to be compensated for by compensatory gains in forest cover made elsewhere (FAO, 2017).
- **Zero net deforestation**: No net forest loss in forest area between two points in time, taking into account both losses from deforestation and gains from forest regeneration and restoration. Zero net deforestation would typically be assessed with reference to a given geographic area (e.g., a district, state, nation, or globe) and a given timeframe (AFi, 2019).

### Additional information

- There are eight Fundamental ILO Conventions with the ILO numbers: Freedom of Association (No. 87); Right to Organize and Collective Bargaining (No. 98); No Forced Labour (No. 29 & No. 105); Minimum Age (No. 138); Worst Forms of Child Labour (No. 182); Equal Remuneration (No. 100); No Discrimination (No. 111).

### (FS4.1e) Why are climate- and/or forests-related issues not considered in the policy framework of your organization, and what are your plans to consider them in the next two years?

#### Question dependencies

This question only appears if you do not select both “Yes, climate-related issues are integrated into our policy framework” and “Yes, forests-related issues are integrated into our policy framework” in response to FS4.1.

#### Comparison with CDP Climate Change 2021 Questionnaire

C-FS3.6c

#### Rationale

Considering climate- and/or forests-related issues in an organization’s policy framework is an important element of business strategy and a signal of how deeply environmental issues are embedded in an organization’s processes. For these reasons, data users are interested in understanding the reasons why organizations in the financial sector have not integrated climate- and/or forests-related issues into their existing policy frameworks and why they have not implemented any climate-related exclusion policies.

#### Response options

Complete the following table.

<table>
<thead>
<tr>
<th>Theme(s)</th>
<th>We plan to consider issues in the policy framework of our organization in the next two years</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate</td>
<td>Select from:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- We plan to consider these issues in the next two years</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- We do not plan to consider these issues in our policy framework</td>
<td></td>
</tr>
<tr>
<td>Forests</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Requested content

Please explain (column 3)

- Your response should be company-specific and include:
  - Why these issues are not currently considered in the policy framework of your organization, and;
  - A description of any plans for the inclusion of the issues within policies in the future.

(FS4.2) Do you encourage your clients/investees to set targets for increasing sustainable production and/or consumption of forest risk commodities?

Comparison with CDP Climate Change 2021 Questionnaire

Additional question

Rationale

Setting specific company targets on sustainable production and/or consumption of forest risk commodities benefits organizations by driving the implementation of commitments and providing clear indicators of progress towards better forest stewardship. Companies in forest risk commodity supply chains rely on loans, investments and insurance provided and therefore financial institutions can be influential in promoting the adoption of targets. Data users are interested in how financial institutions are using this influence.

Connection to other frameworks

Principles for Responsible Banking – Principle 3

SUSBA – Sub-indicator 2.1.2

Response options

Complete the following table.

<table>
<thead>
<tr>
<th>We encourage clients/investees to set a target</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td></td>
</tr>
<tr>
<td>• Yes, for all relevant clients/investees</td>
<td></td>
</tr>
<tr>
<td>• Yes, for some</td>
<td></td>
</tr>
<tr>
<td>• No, but we plan to do so in the next two years</td>
<td></td>
</tr>
<tr>
<td>• No</td>
<td></td>
</tr>
<tr>
<td>Text field [maximum 2,400 characters]</td>
<td></td>
</tr>
</tbody>
</table>

Requested content

Please explain (column 2)

- If you encourage target setting for all or some relevant clients/investees, outline which types of client you see as “relevant” for setting targets in relation to forest risk commodities, and why.
- Briefly describe the methods used with clients/investees to promote the setting of targets in relation to forest risk commodities.
- If you do not encourage target setting, explain why not and describe any plans for doing so in the future.

Explanation of terms

- **Target**: A specific measurable output set by a company to be achieved within a specific timeframe. Targets are usually small steps towards a wider and long-term corporate or societal goal.
(FS4.2a) Provide details on the targets you encourage your clients/investees to set in relation to forest risk commodities.

**Question dependencies**

This question only appears if you select any option beginning “Yes…” in response to FS4.2.

**Comparison with CDP Climate Change 2021 Questionnaire**

**Additional question**

**Rationale**

Data users are interested in which types of targets financial institutions are using their influence to promote and how quickly they are pushing companies towards implementation.

**Connection to other frameworks**

*Principles for Responsible Banking – Principle 3*

**Response options**

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Type of target</th>
<th>Implementation coverage</th>
<th>Forest risk commodity coverage</th>
<th>Forest risk commodity supply chain stage coverage</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select all that apply:</td>
<td>Select from:</td>
<td>Select all that apply:</td>
<td>Select all that apply:</td>
<td>Text field [maximum 5,000 characters]</td>
</tr>
<tr>
<td>Banking</td>
<td>• Traceability</td>
<td>• Clients/investees are required to set a target covering their own operations and supply chain</td>
<td>• All agricultural commodities</td>
<td>• Production</td>
<td></td>
</tr>
<tr>
<td>Investing (Asset owner)</td>
<td>• Third-party certification</td>
<td>• Clients/investees are required to set a target covering their own operations only</td>
<td>• Palm oil</td>
<td>• Processing</td>
<td></td>
</tr>
<tr>
<td>Investing (Asset manager)</td>
<td>• Other, please specify</td>
<td>• Clients/investees are encouraged to set a target covering their own operations and supply chain</td>
<td>• Timber products</td>
<td>• Trading</td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td></td>
<td>• Clients/investees are encouraged to set a target covering their own operations only</td>
<td>• Soy</td>
<td>• Manufacturing</td>
<td></td>
</tr>
</tbody>
</table>

[Add another]

**Requested content**

**General**

- This question asks for details on the targets you require, expect or actively encourage your clients/investees within forest risk commodity supply chains to set.

**Type of target (column 2)**

- The types of target listed in this column represent common targets set by companies producing and/or consuming forest risk commodities:
Traceability targets set a goal for how much or what proportion of forest risk commodity procured is traceable to a specified level (e.g. traceable to plantation/traceable to country).

Third-party certification targets set a goal for how much or what proportion of forest risk commodity produced or procured has been certified by an independent organization (e.g. RSPO/FSC)

- If you encourage clients/investees to set third-party certification standards, use the “Please explain” column 6 to state which certification standards you promote.
- If you encourage different targets for different specific subsets of clients/investees (for example, third-party certification targets for producer clients/investees and traceability targets for clients/investees further downstream in the commodity supply chain) you are able to add rows for each subset of clients/investees and select the targets encouraged in the relevant rows.
- Select “Other, please specify” if a type of target you encourage is not covered by the drop-down options presented and specify in the “Please explain” column 6.

**Implementation coverage (column 3)**

- Select whether clients/investees are required to set these targets or only encouraged to set these targets. If a target is required, you would be willing to decline participation in financing deals/insurance contracts or to invest in the company and exit existing relationships over a period of time, if the client/investee does not set a target.

**Forest risk commodity coverage (column 4)**

- Select all the commodities for which you encourage your clients/investees to set targets in relation to sustainable production and/or consumption.
- You are able to select “All agricultural commodities” if you encourage targets in relation to all the commodities you have exposure to within your portfolio.

**Forest risk commodity supply chain stage coverage (column 5)**

- Select all stages of the supply chain for which the clients/investees that you encourage to set targets are active in.

**Please explain (column 6)**

- Provide any further description of the targets you encourage clients/investees to set in relation to forest risk commodities, if required. For example, for each target type do you track your clients’ and/or investees’ progress against the targets they have set.
- If possible, include an example of a client/investee you have encouraged to set a target, and the impact this will have on safeguarding forests.
- If clients/investees get a specific time from onboarding to set a target, provide further details of your approach.

**Explanation of terms**

- **Forest risk commodities**: The following are asked about in this questionnaire:
  - **Timber products**: This includes all solid timber as well as products made from processed wood fiber such as paper, packaging, cardboard and specialty fibers (e.g., viscose). It also includes timber products used for biomass.
  - **Palm oil**: This includes crude palm oil, palm kernel oil, and all of its derivatives. Please note that palm oil used for biofuel production is also included in this category.
  - **Cattle products**: This includes all food products containing beef, all clothing, furniture and accessories that are made of leather, tallow, and all other products derived from cattle. Please note that tallow used for biofuel production is also included in this category. Dairy products are not included in this category.
  - **Soy**: This includes all meal or oil containing soy and any derivatives that are obtained from soy. Please note that soy used for biofuel production is also included in this category.
Rubber: This includes all rubber products deriving from natural rubber production. Please note that the tire industry is included in this category.

Forest risk commodity supply chain stage: CDP’s forest program requests forests-related disclosures from companies with business activities corresponding to the following stages of forest risk commodity supply chains:

- Production: this is the first stage of the supply chain and generally refers to the production of raw agricultural and forests products by farm owners, smallholders, and communities. Vertically integrated companies are also involved in producing activities if they own or manage land used for the production of forests risk commodities.
- Processing: this encompasses the initial transformative activities that will add value to raw materials. For example, the production of crude palm oil from crushed fruit, the production of soybean oil and soybean meal from soybean, the initial processing of timber products in mills (i.e., sawmills, plywood and veneer mills, pulp and paper mills), the slaughtering of cattle and the processing of raw hide into leather. Further processing activities in the form of refining and fractionation should be considered in the manufacturing stage.
- Trading: businesses that purchase and sell raw or primary processed agricultural or forestry materials to either domestic or export markets. This includes the shipment, transport and storage of the forest risk commodities.
- Manufacturing: this includes the production of final ingredients for the food, feed and fuel sectors from raw or processed materials.
- Retailing: businesses that sell products directly to individual consumers.

Third-party certification: When a certification process is carried out by an independent organization.

Traceability: the ability to follow a product or its components through stages of the supply chain (e.g., production, processing, manufacturing, and distribution) (AFi, 2019).

Financing agreements

(FS4.3) Have you included any of the below covenants in financing agreements to reflect and enforce your climate- and/or forests-related policies?

Question dependencies

This question only appears if you select “Banking” in response to FS0.6

Comparison with CDP Climate Change 2021 Questionnaire

Additional question

Rationale

Banks can influence their clients through requirements within the terms of financing agreements, and with the option of a default being triggered should there be a failure to comply. CDP data users are interested in whether banks are using this method to promote action on environmental performance because there are potential benefits for the bank including a perceived improvement in credit profile and access to alternative pools of capital.

Connection to other frameworks

SUSBA – Sub-indicator 3.2.1

Response options

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.
### Types of covenants used (column 1)

- Select the types of covenants you have included within financing agreements. Refer to the “Additional information” for an explanation of the clauses and covenants and how they are typically implemented in financing agreements.
- Select "Other, please specify" if a type of covenant or clause you use is not covered by the options presented and specify in the “Please explain” column 4.

### Policies reflected (column 2)

- Select whether the covenants enforce your climate-related policies or your forests-related policies.
- For example, if you have included clauses linking the margin/pricing to environmental performance:
  - This would be climate-related if the criteria included emissions
  - This would be forests-related if the criteria included third-party certification levels

### Asset class/product types (column 3)

- Select the financing products these covenants and clauses are included in.
- Select "Other, please specify" if you have included a climate- or forests-related covenant or clause within the financing agreement of a product not included in the list and specify this in the “Please explain” column 4.

### Please explain (column 4)

- Provide a brief description of how the covenants and clauses you include in financing documents relate to your environmental policies.
- Outline which types of clients you use climate- and forests-related covenants with, and why.
- Provide an indication of the scale at which you are including these types of covenants, and whether the scale is substantive to your organization.

### Explanation of terms

- **Asset finance**: Financial products and services where the company’s balance sheet assets, including short-term investments, inventory and accounts receivable are used to borrow money,
typically on a short-term basis. The company borrowing the funds must provide the lender with a security interest in the assets.

- **Corporate loans**: Loans and credit facilities extended to companies. Includes both term loans and revolving credit facilities. Includes both bilateral loans and syndicated loans. Typically, corporate clients are able to negotiate more bespoke terms than retail customers.

- **Corporate real estate**: Financial products or services used by companies to finance investments in property used for commercial purposes. The company borrowing the funds must provide the lender with a security interest in the property.

- **Debt underwriting**: Financial services used by companies issuing debt securities such as bonds or syndicated loans. The underwriter commits, for a fee, to purchase the securities from the issuer with a goal of re-selling or syndicating the securities, thereby allowing the issuer to bring their securities to the marketplace.

- **Equity underwriting**: Financial services used by companies issuing equity, most often during an initial public offering. The underwriter commits, for a fee, to purchase shares from the issuer with a goal of re-selling those shares, thereby allowing the issuer to raise equity capital in return for an ownership position.

- **Financing agreements**: Legal documents defining the terms and conditions of a financing product or service between your organization, for example as lender, and your client, for example as borrower.

- **Project finance**: Financial products and services used for the financing of long-term infrastructure and industrial projects. The debt is paid back from the cash flow generated from the project.

- **Retail loans**: Loans and credit facilities extended to individual personal banking customers, including credit cards. Typically, retail customers have to enter into facilities on pre-determined terms and conditions, rather than being able to negotiate bespoke terms.

- **Retail mortgages**: A home loan extended to individual personal banking customers secured on a specified property. Typically used by homebuyers to spread the cost of their purchase over the long-term.

- **Trade finance**: Financial products and services used by companies to facilitate international trade transactions. Includes products which make it possible or easier for exporters and importers to transact such as letters of credit and export credit.

**Additional information**

- For further information on including sustainability-related covenants in financing documents, please refer to this article: [Sustainable lending: a new shade of green](#).

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**Module 5 – Portfolio impact**

This module provides the opportunity to disclose the impacts of your financial portfolio(s) on the climate and deforestation. Impact on the climate is measured through portfolio emissions and/or other carbon footprinting and exposure metrics. Respondents are able to break down these metrics by asset class, industry, country/area and/or scope. Impact on deforestation is measured through lending, investments and/or insurance to companies involved in key forest risk commodity supply chains. Respondents are asked to report on how much of this financing/insurance is sustainable, by disclosure the proportion of clients/investees that are compliant with their policy expectations.

This module also requests data on portfolio alignment to a well below 2-degree world.

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**Analysis of portfolio impact**
(FS5.1) How much financing/insurance do you provide to carbon-related assets?

Question dependencies

Rows in this question will be presented according to the organizational activities reported in FS0.6.

Comparison with CDP Climate Change 2021 Questionnaire

Additional question

Rationale

The majority of financial institutions’ emissions are driven by the activities they finance in the wider economy (financed emissions). Furthermore, exposure to climate-related risks and opportunities are determined by financial institutions’ portfolios, that is by their lending, investment and insurance underwriting activities. Therefore, investors and data users want to understand the concentrations of carbon-related assets in financial institutions’ portfolio. Without conducting analysis to understand how financial portfolios impact the climate, organizations may not be able to identify their exposure to climate-related risks. Thus, they may be unprepared for future uncertainties and liabilities related to climate change.

Connection to other frameworks

TCFD – Metrics & Targets recommended disclosure b)

SUSBA – Sub-indicator 6.2.2

Response options

Complete the following table

<table>
<thead>
<tr>
<th>Carbon-related assets</th>
<th>Providing figure</th>
<th>Portfolio exposure (CCY)</th>
<th>New loans advanced in reporting year* (CCY)</th>
<th>Total premium written** (CCY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lending to all carbon-related assets</td>
<td>Select from:</td>
<td>Numeric field [enter a number from 0-999,999,999,999 using a maximum of 3 decimal places and no commas]</td>
<td>Numeric field [enter a number from 0-999,999,999,999 using a maximum of 3 decimal places and no commas]</td>
<td>Numeric field [enter a number from 0-999,999,999,999 using a maximum of 3 decimal places and no commas]</td>
</tr>
<tr>
<td>Lending to coal</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lending to oil and gas</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investing in all carbon-related assets (Asset owner)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investing in coal (Asset owner)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investing oil and gas (Asset owner)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investing all carbon-related assets (Asset manager)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investing in coal (Asset manager)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investing oil and gas (Asset manager)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Insuring all carbon-related assets

| Insuring coal | Insuring oil and gas |

### Percentage portfolio value

<table>
<thead>
<tr>
<th>Select from:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 0%</td>
</tr>
<tr>
<td>• More than 0% but less than or equal to 10%</td>
</tr>
<tr>
<td>• More than 10% but less than or equal to 20%</td>
</tr>
<tr>
<td>• More than 20% but less than or equal to 30%</td>
</tr>
<tr>
<td>• More than 30% but less than or equal to 40%</td>
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<tr>
<td>• More than 40% but less than or equal to 50%</td>
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<tr>
<td>• More than 50% but less than or equal to 60%</td>
</tr>
<tr>
<td>• More than 60% but less than or equal to 70%</td>
</tr>
<tr>
<td>• More than 70% but less than or equal to 80%</td>
</tr>
<tr>
<td>• More than 80% but less than or equal to 90%</td>
</tr>
<tr>
<td>• More than 90% but less than or equal to 100%</td>
</tr>
<tr>
<td>• Unknown</td>
</tr>
</tbody>
</table>

### Scope of finance/insurance

<table>
<thead>
<tr>
<th>Select all that apply:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• New business for new projects</td>
</tr>
<tr>
<td>• New business for existing projects</td>
</tr>
<tr>
<td>• Existing business for existing projects</td>
</tr>
<tr>
<td>• Other, please specify</td>
</tr>
</tbody>
</table>

### Please explain

Text field [maximum 2,400 characters]

---

* Column only applies for “Lending…” rows if “Yes” is selected in column 2 “Providing figure”

** Column only applies for “Insuring…” rows if “Yes” is selected in column 2 “Providing figure”

### General

- This question seeks to understand whether you evaluate the impact of your organization’s portfolio by assessing your exposure to carbon-related assets, a metric identified by the TCFD.
- For details on methodologies to calculate your portfolio’s exposure please consult section “Exposure to carbon-related assets” in the [CDP Technical Note on Portfolio Impact Metrics for Financial Services Sector Companies](#).

### Providing figure (column 2)

- If you are not able to provide figures for the carbon-related asset select the option reflecting why this is.
- If the reason you are unable to provide figures is not listed as an option select “No – other reason, please specify” and specify why you are not able to provide figures in the “Please explain” column.

### Portfolio exposure (CCY) (column 3)

- This figure should be in the same currency that you selected in FS0.5.
- For lending and investing rows, report the total value of loans/investments outstanding in your portfolio at the end of the reporting year. For insurance rows, report the total sums insured in your portfolio for the reporting year.

### New loans advanced in reporting year (CCY) (column 4)

- This figure should be in the same currency selected in FS0.5.
- Include new loans advanced even if the loan has subsequently been removed from your portfolio. This module is asking about portfolio impact – impact on climate cannot be transferred in the same way that risk to your portfolio can.

**Total premium written** (CCY) (column 5)
- This figure should be in the same currency selected in FS0.5.
- Report the Gross Written Premium (GWP) including direct and assumed that is written (before deductions for reinsurance and ceding commission) in the reporting year.

**Percentage portfolio value** (column 6)
- Provide a percentage value for the exposure reported in column 3 in relation to your total portfolio value.

**Scope of finance/insurance** (column 7)
- Indicate whether the new financial services you provided to carbon-related assets during the reporting year applied to new projects only or also to existing projects.

**Please explain** (column 8)
- If you selected any option beginning “No..” in column 2, use this column to provide further details.
- If you plan to assess your exposure within the next 2 years provide details of how you plan to do this.
- If you wish to provide any additional context to your disclosure, including any plans or timelines your organization has for completely phasing out financing and/or insurance of carbon-related assets, you can also do that in this column.

**Explanation of terms**
- **Exposure to carbon-related assets**: The amount or percentage of carbon-related assets in the portfolio expressed in $M or percentage of the current portfolio value.
  - Carbon-related assets: the TCFD suggest defining carbon-related assets as those assets tied to the energy and utilities sectors under the Global Industry Classification Standard (GICS), excluding water utilities and independent power and renewable electricity producer industries.

(FS5.2) How much financing/insurance do you provide to companies involved in the following agricultural commodities?

**Question dependencies**
Rows in this question will be presented according to the organizational activities reported in FS0.6.

**Comparison with CDP Climate Change 2021 Questionnaire**

**Additional question**

**Rationale**
A few key agricultural commodities cause more than 60% of forest loss in Latin America and Southeast Asia; and this is usually a permanent loss. While not all forest risk commodity production is necessarily harmful, understanding the concentrations of forest risk commodity related assets in portfolios will enable financial institutions to understand where there is the potential for deforestation impacts; and where enhanced policies are needed to prevent it.

**Connection to other frameworks**
### Response options

Complete the following table. The table is displayed over several rows for readability.

<table>
<thead>
<tr>
<th>Agricultural commodity</th>
<th>Providing figure</th>
<th>Forest risk commodity supply chain stage coverage</th>
<th>Portfolio exposure (CCY)</th>
<th>New loans advanced in reporting year* (CCY)</th>
<th>Total premium written** (CC)</th>
</tr>
</thead>
</table>
| Lending to companies involved in timber products | Select from:  
- Yes  
- No – no relevant exposure to this forest risk commodity in portfolio  
- No – not a priority issue  
- No – we plan to assess our portfolio’s exposure to this commodity in the next two years  
- No – other reason, please specify | Select all that apply:  
- Production  
- Processing  
- Trading  
- Manufacturing  
- Retailing | Numeric field [enter a number from 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numeric field [enter a number from 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Numeric field [enter a number from 0-999,999,999,999 using a maximum of 3 decimal places and no commas] |
| Lending to companies involved in palm oil | | | | | |
| Lending to companies involved in cattle products | | | | | |
| Lending to companies involved in soy | | | | | |
| Lending to companies involved in rubber | | | | | |
| Lending to companies involved in other, please specify | | | | | |
| Investing in companies involved in timber products (Asset owner) | | | | | |
| Investing in companies involved in palm oil (Asset owner) | | | | | |
| Investing in companies involved in cattle products (Asset owner) | | | | | |
| Investing in companies involved in soy (Asset owner) | | | | | |
| Investing in companies involved in rubber (Asset owner) | | | | | |
| Investing in companies involved in other, please specify (Asset owner) | | | | | |
| Investing in companies involved in timber products (Asset manager) | | | | | |
| Investing in companies involved in palm oil (Asset manager) | | | | | |
| Investing in companies involved in cattle products (Asset manager) | | | | | |
| Investing in companies involved in soy (Asset manager) | | | | | |
| Investing in companies involved in other, please specify (Asset manager) | | | | | |
Investing in companies involved in rubber (Asset manager)  

<table>
<thead>
<tr>
<th>Percentage portfolio value</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td>• 0%</td>
<td></td>
</tr>
<tr>
<td>• More than 0% but less than or equal to 10%</td>
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<tr>
<td>• More than 10% but less than or equal to 20%</td>
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<td>• More than 20% but less than or equal to 30%</td>
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<td>• More than 60% but less than or equal to 70%</td>
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<td>• More than 70% but less than or equal to 80%</td>
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<tr>
<td>• More than 80% but less than or equal to 90%</td>
<td></td>
</tr>
<tr>
<td>• More than 90% but less than or equal to 100%</td>
<td></td>
</tr>
<tr>
<td>• Unknown</td>
<td></td>
</tr>
</tbody>
</table>

* Column only applies for “Lending…” rows if “Yes” is selected in column 2 “Providing figure”  
** Column only applies for “Insuring…” rows if “Yes” is selected in column 2 “Providing figure”

**Requested content**

**General**

- For each agricultural commodity listed, disclose the amount of financing/insurance you have provided or the amount invested in companies in the reporting year and the current outstanding exposure in your portfolio. If you are not able to disclose a figure, select a reason in column 2 and explain your reasoning in column 8.
- If you finance companies involved in an agricultural not listed and you wish to disclose this, use the “Other, please specify” row and specify.
- CDP recognizes that financial institutions use their own classification systems for industries and economic activities, and so are likely have their approach to identifying which clients/investees are “involved” in the value chains of various agricultural commodities. Therefore, you can use your own classification systems for which clients/investees involved in each commodity. For each agricultural commodity, please explain how you define this, which types of clients/investees fall within your classifications, and why you use this definition.

**Providing figure (column 2)**

- If you are not able to provide figures for the agricultural commodity select the option reflecting why this is.
- If the reason you are unable to provide figures is not listed as an option select “No – other reason, please specify” and specify why you are not able to provide figures in the “Please explain” column 8.
Forest risk commodity supply chain stage coverage (column 3)

- For reference only, CDP’s forest program requests forests-related disclosures from companies with business activities corresponding to the following stages of forest risk commodity supply chains:
  - **Production**: this is the first stage of the supply chain and generally refers to the production of raw agricultural and forests products by farm owners, smallholders, and communities. Vertically integrated companies are also involved in producing activities if they own or manage land used for the production of forests risk commodities.
  - **Processing**: this encompasses the initial transformative activities that will add value to raw materials. For example, the production of crude palm oil from crushed fruit, the production of soybean oil and soybean meal from soybean, the initial processing of timber products in mills (i.e., sawmills, plywood and veneer mills, pulp and paper mills), the slaughtering of cattle and the processing of raw hide into leather. Further processing activities in the form of refining and fractionation should be considered in the manufacturing stage.
  - **Trading**: businesses that purchase and sell raw or primary processed agricultural or forestry materials to either domestic or export markets. This includes the shipment, transport and storage of the forest risk commodities.
  - **Manufacturing**: this includes the production of final ingredients for the food, feed and fuel sectors from raw or processed materials.
  - **Retailing**: businesses that sell products directly to individual consumers.

Portfolio exposure (CCY) (Column 4)

- This figure should be in the same currency that you selected in FS0.5.
- For lending and investing rows, report the total value of loans/investments to companies involved in the agricultural commodity outstanding in your portfolio at the end of the reporting year. For insurance rows, report the total sums insured for companies involved in the agricultural commodity in your portfolio for the reporting year.

New loans advanced in reporting year (CCY) (column 5)

- This figure should be in the same currency selected in FS0.5.
- Include new loans advanced to companies involved in the agricultural commodity, even if the loan has subsequently been removed from your portfolio. This module is asking about portfolio impact – impact on forests cannot be transferred in the same way that risk to your portfolio can.

Total premium written (CCY) (column 6)

- This figure should be in the same currency that you selected in FS0.5.
- Report the Gross Written Premium (GWP) including direct and assumed that is written (before deductions for reinsurance and ceding commission) for companies involved in the agricultural commodity in the reporting year.

Percentage portfolio value (column 7)

- Provide a percentage value for the exposure reported in column 4 in relation to your total portfolio value

Please explain (column 8)

- If you have not disclosed figures for this agricultural commodity, explain why here.
- Explain which types of clients/investees fall within your classification system for this agricultural commodity, and your rationale for using this.
- Explain whether you consider exposure to this agricultural commodity to be substantive to your organization.
- If you wish to provide any additional context to your disclosure, including any exclusions within your portfolio, or to describe how your financing and/or insurance has decreased or increased, you can also do that in this column.
How much of the financing/insurance disclosed in FS5.2 is extended to clients/investees that meet your policy expectations on how to manage their impact on forests?

**Question dependencies**

This question only appears if you select “Yes” for at least one agricultural commodity in column 2 of FS5.2.

Rows will be presented according to the agricultural commodities reported on in response to FS5.2.

**Comparison with CDP Climate Change 2021 Questionnaire**

Additional question

**Rationale**

A few key agricultural commodities cause more than 60% of forest loss in Latin America and Southeast Asia; and this is usually a permanent loss. However, not all forest risk commodity production is necessarily harmful. Data users are interested in whether the companies involved in forest risk commodities your organization is financing are managing their impact on forests.

**Connection to other frameworks**

* **SUSBA – Sub-indicator 6.2.5**

* **Principles for Responsible Banking – Principle 2**

**Response options**

Complete the following table. The table is displayed over several rows for readability.

<table>
<thead>
<tr>
<th>Agricultural commodity</th>
<th>Are you able to say what percentage of clients/investees are compliant with your forests-related policy expectations?</th>
<th>Percentage of clients/investees compliant with forests-related policy expectations</th>
<th>Percentage of portfolio exposure compliant with forests-related policy expectations</th>
</tr>
</thead>
<tbody>
<tr>
<td>[List compiled from FS5.2]</td>
<td>Select from: • Yes • No – we have no forests-related policy • No – we have a forests-related policy but do not record if clients are compliant • No – other reason, please specify</td>
<td>Percentage field [enter a percentage from 0-100 using a maximum of 2 decimal places]</td>
<td>Percentage field [enter a percentage from 0-100 using a maximum of 2 decimal places]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Percentage of clients/investees near-compliant with forests-related policy expectations</th>
<th>Percentage of portfolio exposure near-compliant with forests-related policy expectations</th>
<th>Target year for 100% compliance</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage field [enter a percentage from 0-100 using a maximum of 2 decimal places]</td>
<td>Percentage field [enter a percentage from 0-100 using a maximum of 2 decimal places]</td>
<td>Select from: • Already met • Within the next year • Within the next 2 years • Within the next 5 years • More than 5 years • No timeframe</td>
<td>Text field [maximum 4,800 characters]</td>
</tr>
</tbody>
</table>

**Requested content**

General
• For each agricultural commodity you reported on in FS5.2, provide information about the proportion of clients/investees that meet your policy expectations relating to the management of impact on forests.
• This question asks about clients/investees which meet your policy “expectations” on how to manage impact on forests. This should cover criteria required within your policies covering forests-related issues, but should also cover criteria encouraged or expected within your policies covering forests-related issues.

Are you able to say what percentage of clients/investees are compliant with your forests-related policy expectations? (column 2)

• If you are able to provide a percentage for the agricultural commodity select “Yes”.
• If you are not able to provide a percentage for the agricultural commodity select the option reflecting why this is. If the reason you are unable to provide figures is not listed as an option select “No – other reason, please specify” and specify why you are not able to provide figures in the “Please explain” column 8.

Percentage of clients/investees compliant with forests-related policy expectations (column 3)

• Provide a percentage value for the number of clients/investees that meet all your expectations, in relation to the total number of clients/investees you finance involved in that agricultural commodity.

Percentage of portfolio exposure compliant with forests-related policy expectations (column 4)

• Provide a percentage value for the portfolio exposure to clients/investees that meet all your expectations, in relation to the total exposure to all clients/investees you finance or insure involved in that agricultural commodity.

Percentage of clients/investees / portfolio exposure near-compliant with forests-related policy expectations (columns 5 and 6)

• These columns are optional.
• If you are financing clients/investees that currently do not meet all your forests-related policy expectations, but you class as near-compliant, you are able to disclose the percentages of clients/investees and portfolio exposure here.
• To be classed as near-compliant, a client/investee should be working towards meeting your policy expectations and have plans in place to meet all policy expectations in a reasonable timeframe.
• If you are using a concept of near-compliance, explain in more detail what you class as near-compliant and the timeframe expected for working towards meeting your policy expectations in the “Please explain” column 8.

Target year for 100% compliance (column 7)

• If you have a target for achieving full compliance across 100% clients/investees, select when this might be met.

Please explain (column 8)

• If you have not disclosed percentages for this agricultural commodity, explain why here.
• For each commodity, explain briefly how you have calculated the percentage of clients and credit exposure compliant.
• If you are using a concept of near-compliance, explain in more detail what you class as near-compliant and the timeframe expected for working towards meeting your policy expectations.
• You may provide any additional context to your disclosure, including any exclusions within your portfolio, or describe how compliance within your portfolio has increased or decreased.

Explanation of terms
- **Forests related policy expectations**: This covers policy criteria clients/investees are required to meet (i.e., criteria you are willing to decline participation in financing deals and exit existing relationships over a period of time over, if not met by the client); and also covers criteria clients are only encouraged or expected to meet.

---

**FS5.3** Do you conduct analysis to understand how your portfolio impacts the climate?

**Comparison with CDP Climate Change 2021 Questionnaire**

C-FS14.1

**Rationale**

The majority of emissions associated with the financial services sector occur in the investment chain—within the financial products and services they provide and/or in their investments (financed emissions). Organizations in this sector may analyze their portfolios using specific metrics to understand how concentrations of climate-related risks and opportunities potentially impact their financial activities and the impact their financial activities have on the climate. Such metrics may include portfolio emissions or other carbon footprinting and exposure metrics as outlined by the TCFD. This question informs investors and other data users about the extent to which you understand your portfolio’s climate-related impact.

CDP recognizes that there is no single, globally accepted methodology for measuring portfolio impact that applies to all financing activities. Thus, this question allows you to choose to express your portfolio impact in several metrics, including, but not limited to Scope 3 GHG emissions accounting.

**Connection to other frameworks**

*TCFD – Metrics and targets recommended disclosure b)*

*Principles for Responsible Banking – Principle 2*

**Response options**

Complete the following table.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>We conduct analysis on our portfolio’s impact on the climate</th>
<th>Impact on climate disclosure metric</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking</td>
<td>Select from:</td>
<td>Select all that apply:</td>
</tr>
<tr>
<td></td>
<td>• Yes</td>
<td>• Portfolio emissions</td>
</tr>
<tr>
<td></td>
<td>• No</td>
<td>• Alternative carbon footprinting and/or exposure metrics (as defined by TCFD)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Other, please specify</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Not applicable</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Investing (asset owner)</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Investing (asset manager)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Requested content**

*General*

- This question seeks to understand whether you evaluate the impact of your organization’s portfolio.
- Impact on the climate is driven by emissions, thus the climate-related impact of a portfolio is broadly determined by how many emissions are embedded in that portfolio. A number of carbon footprinting metrics have been identified by the TCFD which attempt to express how many emissions are embedded in a particular portfolio. Other metrics have been identified which proxy for this by
expressing how much of the portfolio is invested in carbon-related assets. These carbon footprinting and exposure metrics are:

- Total carbon emissions (GHG emissions accounting)
- Weighted average carbon intensity
- Portfolio carbon footprint
- Carbon intensity
- Exposure to carbon-related assets (this metric does not need to be reported here, as it is requested separately in question FS5.1)

For details on methodologies to calculate these carbon footprinting and exposure metrics for your portfolio please consult the CDP Technical Note on Portfolio Impact Metrics for Financial Services Sector Companies.

We conduct analysis on our portfolio’s impact on the climate (column 2)

- Select “Yes…” if you measure how your portfolio impacts the climate. In subsequent questions you can provide more details and disclose the portfolio emissions or alternative metrics, as listed above
- Select “No…” if you don’t measure how your portfolio impacts the climate and you are not able to provide any of the emission or alternative metric figures.

Impact on climate disclosure metric (column 3)

- Select “Not applicable” here only if you do not conduct climate-related impact analysis.
- You will always be asked to disclose your portfolio total emissions if you analyze your portfolio’s impact on the climate.
- In addition to portfolio emissions, indicate if you wish to report the use of any of the other carbon footprinting and/or exposure metrics defined by the TCFD.
- If you use any alternative climate-related portfolio impact metric not included in the options, select “Other, please specify” and give the metric a label.

Explanation of terms

- **Alternative carbon footprinting and/or exposure metrics**: The primary metrics organizations in the financial sector can use to understand how their financial portfolio impacts the climate, as identified by the TCFD:
  - **Carbon intensity**: Volume of carbon emissions per million dollars of revenue (carbon efficiency of a portfolio), expressed in tons CO2e/$M revenue.
  - **Weighted average carbon intensity**: Portfolio’s exposure to carbon-intensive companies, expressed in tons CO2e/$M revenue. This is the metric recommended by the TCFD.
  - **Portfolio carbon footprint**: Total carbon emissions for a portfolio normalized by the market value of the portfolio, expressed in tons CO2e/$M invested.

- **Portfolio emissions**: The absolute greenhouse gas emissions associated with a portfolio, expressed in tons CO2e. For financial institutions, the indirect emissions caused by their financing activities are relevant and their emissions inventory would be incomplete without accounting for them. The GHG Protocol classifies these emissions in Scope 3 Category 15 Investments. They are also known as portfolio emissions or financed emissions. Put simply, they are emissions that occur at sources owned or controlled by other companies, but which are made possible because those companies are financed by the investment and lending (and insurance underwriting) of financial institutions; therefore, they can be thought of as caused indirectly by the financial institution and should be included in the financial institutions Scope 3 inventory.

- **Portfolio**: In the context of this questionnaire your portfolio is your entire collection of the core financial activities – loans, investments and insurance policies- that you offer.
  - **Banking portfolio**: For bank lending, this is the entire collection of products and loans held on your balance sheet for which you own the receivable stream.
  - **Investing (Asset owner) portfolio**: For asset owners, this is the entire collection of products, funds and investments owned and controlled by your company.
- **Investing (Asset manager) portfolio**: For asset managers, this is the entire collection of your products and investments that you hold and/or manage on behalf of your clients. Asset managers should consider discretionary investments, those where the company has discretion over investment decision.
- **Insurance portfolio**: For insurance underwriting, this is the entire collection of products and insurance policies you provide to your clients.

**(FS5.3a) What are your organization’s portfolio emissions?**

**Question dependencies**

This question only appears if you select “Yes” in response to FS5.3.

**Comparison with CDP Climate Change 2021 Questionnaire**

C-FS14.1a

**Rationale**

GHG emissions accounting is one of the primary metrics organizations in the financial sector can use to understand how their portfolio impacts the climate. In addition to highlighting risks and opportunities, portfolio emissions disclosure is a pre-requisite for financial institutions to measure improvements in the climate performance of their portfolios, and measure progress towards the net zero commitments that are increasingly being made.

**Connection to other frameworks**

*TCFD – Metrics and targets recommended disclosure b)*

*SUSBA – Sub-indicator 6.2.10*

*Principles for Responsible Banking – Principle 2*

*OJK Regulation 51*

**Response options**

Complete the following table. The table is displayed over several rows for readability.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Portfolio emissions (metric unit tons CO2e)</th>
<th>Portfolio coverage of calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Banking</td>
<td></td>
<td></td>
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<tr>
<td>• Investing (asset owner)</td>
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<tr>
<td>• Investing (asset manager)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Insurance</td>
<td>Numeric field [enter a number from 0-999,999,999,999 using a maximum of 3 decimal places and no commas]</td>
<td>Select from:</td>
</tr>
<tr>
<td></td>
<td>• 0%</td>
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<tr>
<td></td>
<td>• More than 0% but less than or equal to 10%</td>
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<td>• More than 10% but less than or equal to 20%</td>
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<td></td>
<td>• More than 20% but less than or equal to 30%</td>
<td></td>
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<tr>
<td></td>
<td>• More than 30% but less than or equal to 40%</td>
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<td>• More than 40% but less than or equal to 50%</td>
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<td>• More than 50% but less than or equal to 60%</td>
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<td>• More than 60% but less than or equal to 70%</td>
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<td>• More than 70% but less than or equal to 80%</td>
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<tr>
<td></td>
<td>• More than 80% but less than or equal to 90%</td>
<td></td>
</tr>
</tbody>
</table>
More than 90% but less than or equal to 100%

<table>
<thead>
<tr>
<th>Percentage calculated using data obtained from clients/investees</th>
<th>Emissions calculation methodology</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>[Add another] Percentage field [enter a percentage from 0-100 using a maximum of 2 decimal places]</td>
<td>Text field [maximum 5,000 characters]</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
</tbody>
</table>

**Requested content**

**General**

- In this question financial institutions are requested to disclose their portfolio emissions.

**Evaluation status (column 2)**

- The evaluation status includes two components: whether a Scope 3 source is relevant to your business and whether you have calculated the emission in that category. Relevance should be determined with reference to the GHG Protocol Scope 3 Standard – see “Additional information” for the Scope 3 relevance criteria. For each portfolio, select from:
  - **“Relevant, calculated”**: Select this option if portfolio emissions are relevant to your business and you have calculated emissions from at least part of this source.
  - **“Relevant, not yet calculated”**: Select this option if you are aware that portfolio emissions are 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 portfolio emissions are 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 portfolio emissions and have determined 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 portfolio emissions and therefore do not know whether or not it is relevant for your business.

**Portfolio emissions (metric tons CO\(_2\)e) (column 3)**

- Enter the emissions in metric tons CO\(_2\)e, entering numbers only up to 999,999,999,999 without commas and up to two decimal places. Negative numbers are not allowed as reporting needs to be in gross, not net figures. Emission figures should be for the reporting year only. Entering 0 implies that you have measured and calculated emissions from this source and they are equal to zero.

**Portfolio coverage of calculation (column 4)**

- Enter the percentage of your total portfolio that has been measured based on the portfolio value. Coverage by portfolio value can be based on either total or outstanding commitments, premiums, committed capital, and/or other. Please define this in the column “Please explain”.

**Percentage of emissions calculated using data obtained from clients/investees (column 5)**

- This column is optional.
- The percentage may be measures or estimated.
- Such data obtained from value chain partners (clients or investees) may take the form of primary activity data or emissions data calculated by value chain partners. More information on this can be found in Chapter 7, Collecting Data, of the GHG Protocol’s Corporate Value Chain (Scope 3) Accounting and Reporting Standard.
Emissions calculation methodology (column 6)

- Your response should include a short description of the types and sources of data used to calculate emissions (e.g. activity data, emission factors or GWP values), and a short description of the methodologies, assumptions and allocation methods used to calculate emissions.
- There are a number of methodologies organizations in the financial sector can use to calculate their portfolio emissions. Some resources that may help you calculate your Category 15 emissions include, but are not limited to:
  - GHG protocol: Financed emissions are included in Category 15 of Scope 3 emissions in the GHG protocol. Coverage is largely limited to debt with known use of proceeds (namely project finance and similar loans) and significant equity investments. Optional reporting can be made for generic debt instruments and small equity investments.
  - The Platform Carbon Accounting Financials (PCAF) framework.

Please explain (column 7)

- If you selected “Not relevant, explanation provided” in the “Evaluation status” column, you should explain here. You should provide details of how you have reached the conclusion that the emissions embedded in your portfolio are not relevant and include any qualitative or quantitative reasoning.
- Explain any actions you have taken in response having calculated your portfolio emissions.
- Explain how the coverage has been determined and whether you consider it to be substantive to your organization.
- You may provide any additional context to your calculation, including any exclusions within Category 15 “Investments”, or to explain why emissions have decreased or increased.

Explanation of terms

- **Scope 3 portfolio emissions**: According to the GHG Protocol, this category includes Scope 3 emissions associated with the reporting company’s investments in the reporting year, not already included in Scope 1 or Scope 2. Category 15 is designed primarily for investors and private financial institutions that provide financial services such as lending. Scope 3 portfolio emissions is equivalent to the “Total carbon emissions” metric defined by the TCFD as the absolute greenhouse gas emissions associated with a portfolio, expressed in metric tons CO₂e.

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 table below from the Corporate Value Chain (Scope 3) Accounting and Reporting Standard provides a list of criteria for determining relevance.
Scope 3 screening tool

To help facilitate the adoption of the Scope 3 Standard and assist companies in determining the relevance of Scope 3 emissions sources, the GHG Protocol, in collaboration with Quantis, have released a free Scope 3 screening tool. This tool asks a number of relatively simple questions to approximate your Scope 3 inventory, and can be used by companies of all sizes and all sectors. Please note that this tool is not a data collection tool and should only be used to make a first approximation of your Scope 3 emissions. Having used the tool to help determine the relevance of Scope 3 categories, companies should then develop more accurate approaches for categories shown to be a relevant source of emissions.

(FS5.3b) How is your portfolio impact on climate change tracked beyond absolute portfolio emissions?

Question dependencies

This question only appears if you select all of:

- “Yes” in response to FS5.3; and,
- Either “Alternative carbon footprinting and/or exposure metrics (as defined by TCFD)” or “Other, please specify” in response to column 3 of FS5.3

Comparison with CDP Climate Change 2021 Questionnaire

C-FS14.1b

Rationale

In addition to GHG emissions accounting, there are a number of other metrics organizations in the financial sector can use to understand how their portfolio impacts the climate. As CDP acknowledges that currently there is no single, globally approved methodology or metric, this question allows you to express your portfolio impact using other metrics identified by the TCFD, if you wish to.
Connection to other frameworks

**TCFD – Metrics and targets recommended disclosure b)**

**SUSBA – Sub-indicator 6.2.10**

**Principles for Responsible Banking – Principle 2**

Response options

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

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Portfolio metric type (and metric unit)</th>
<th>Metric value</th>
<th>Portfolio coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select from:</td>
<td></td>
<td>Select from:</td>
</tr>
<tr>
<td>• Banking</td>
<td>• Weighted average carbon intensity (Metric unit: tCO2e/Million CCY revenue)</td>
<td>Numeric field [enter a number from 0-999,999,999,999 using a maximum of 3 decimal places and no commas]</td>
<td>• 0%</td>
</tr>
<tr>
<td>• Investing (asset owner)</td>
<td>• Portfolio carbon footprint (Metric unit: tCO2e/Million CCY Invested)</td>
<td></td>
<td>• More than 0% but less than or equal to 10%</td>
</tr>
<tr>
<td>• Investing (asset manager)</td>
<td>• Carbon intensity (Metric unit: tCO2e/Million CCY revenue)</td>
<td></td>
<td>• More than 10% but less than or equal to 20%</td>
</tr>
<tr>
<td>• Insurance</td>
<td>• Avoided emissions financed (Metric unit: tCO2e)</td>
<td></td>
<td>• More than 20% but less than or equal to 30%</td>
</tr>
<tr>
<td></td>
<td>• Emissions removals financed (Metric unit: tCO2e)</td>
<td></td>
<td>• More than 30% but less than or equal to 40%</td>
</tr>
<tr>
<td></td>
<td>• Other, please specify</td>
<td></td>
<td>• More than 40% but less than or equal to 50%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• More than 50% but less than or equal to 60%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• More than 60% but less than or equal to 70%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• More than 70% but less than or equal to 80%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• More than 80% but less than or equal to 90%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• More than 90% but less than or equal to 100%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Unknown</td>
</tr>
</tbody>
</table>

Percentage calculated using data obtained from clients/investees

<table>
<thead>
<tr>
<th>Calculation methodology</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage field [enter a percentage from 0-100 using a maximum of 2 decimal places]</td>
<td>Text field [maximum 5,000 characters]</td>
</tr>
<tr>
<td>Text field [maximum 2,400 characters]</td>
<td></td>
</tr>
</tbody>
</table>

[Add another]

Requested content

**General**

Financial institutions may be using a variety of metrics other than emissions measurements. To make the information on metrics useful for investors, organizations should explain their approach to the use of an impact metric and outline the calculation methodology and proportion of portfolio coverage.

**Portfolio metric type (and metric unit) (column 2)**

- Select the carbon footprinting and/or exposure metric(s) and the corresponding metric unit that you use to track and report your portfolio impact, as defined in the TCFD Supplemental Guidance for the Financial Sector.
- If you use any alternative climate-related portfolio impact metric not included in the options, select “Other, please specify” and give the metric a label.
- If the appropriate metric unit for the metric type you are disclosing is denominated in US$, but you are using another currency for your CDP disclosure (as indicated in FS0.5), select “Other, please specify” and construct the appropriate metric unit denominated in your choice of currency.
  - For example, if you would like to disclose the weighted average carbon intensity of your portfolio – expressed in tCO2e/$M revenue according to the Guidance – but your CDP
response is in €, select “Other, please specify” and specify “Weighted average carbon intensity (Metric unit: tCO₂e/€M).

**Metric value (column 3)**

- Disclose the quantity of portfolio impact denominated in the metric unit you selected in column 2.

**Portfolio coverage (column 4)**

- Select the percentage of your total portfolio assessed based on the portfolio value. Coverage by portfolio value can be based on either total or outstanding commitments, premiums, committed capital and/or other. Please define this in column “Please explain”.

**Percentage calculated using data obtained from clients/investees (column 5)**

- This column is optional.
- The percentage may be measures or estimated.
- Emissions data obtained from clients/investees may take the form of primary activity data or emissions data calculated by the client/investee. More information on this can be found in Chapter 7, Collecting Data, of the GHG Protocol’s Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

**Calculation methodology (column 6)**

- Your response should include a short description of the types and sources of data used to calculate emissions (e.g. activity data, emission factors or GWP values), and a short description of the methodologies, assumptions and allocation methods used to calculate emissions.
- For details on methodologies to calculate carbon footprinting and exposure metrics please consult TCFD’s Supplemental Guidance for the Financial Sector.

**Please explain (column 7)**

- Explain why the metric was chosen and any actions you have taken in response having calculated the metric.
- Explain how the coverage has been determined and whether you consider it to be substantive to your organization.
- If you wish to provide any additional context to your calculation, including any exclusions within your portfolio, you can also do that in this column.

**Explanation of terms**

- **Carbon intensity**: Volume of carbon emissions per million dollars of revenue (carbon efficiency of a portfolio), expressed in tons CO₂e/$M revenue.
- **Weighted average carbon intensity**: Portfolio’s exposure to carbon-intensive companies, expressed in tons CO₂e/$M revenue. This is the metric recommended by the TCFD.
- **Portfolio carbon footprint**: Total carbon emissions for a portfolio normalized by the market value of the portfolio, expressed in tons CO₂e/$M invested.
- **Avoided emissions**: the reduction in emissions achieved by a project compared to a baseline of what would have been emitted in the absence of the project. Project financing for renewable energy projects such as wind or solar energy generation are common, and achieve avoided emissions compared to energy generation using fossil fuels.
- **Emissions removals**: CO₂ sequestered or removed from the atmosphere and stored, preventing its harmful global warming effect. Removals can also be relevant, particularly for projects related to afforestation and land-use.

(FS5.3c) Why do you not conduct analysis to understand how your portfolio impacts the climate?
Question dependencies

This question only appears if you select “No” in response to FS5.3.

Comparison with CDP Climate Change 2021 Questionnaire

C-FS14.1c

Rationale

For organizations in the financial sector the majority of emissions occur in the investment chain, in relation to the financial products and services they provide and/or in their investments (financed emissions). Furthermore, financial sector organizations’ exposure to climate-related risks and opportunities are determined by their portfolio, that is by their financing activities. Therefore, investors and data users want to understand the concentrations of carbon-related assets in financial services sector companies. Without conducting analysis to understand how financial portfolios impact the climate, organizations may not be able to identify their exposure to climate-related risks. Thus, they may be unprepared for future uncertainties and liabilities related to climate change.

Response options

Complete the following table.

<table>
<thead>
<tr>
<th>We plan to conduct analysis to understand the impact of our portfolio in the next two years</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Text field [maximum 4,800 characters]</td>
</tr>
<tr>
<td>• We plan to conduct analysis to understand the impact of our portfolio on the climate</td>
<td></td>
</tr>
<tr>
<td>• We do not plan to conduct portfolio analysis to understand the impact of our portfolio</td>
<td></td>
</tr>
</tbody>
</table>

Requested content

*Please explain (column 2)*

- Your response should be company-specific and include:
  - Why you do not conduct analysis to understand how your portfolio impacts the climate, and;
  - A description of any plans to calculate your portfolio impact in the future – including which metrics you plan to use.

Breakdown of Scope 3 portfolio impact

(FS5.4) Indicate which gross global Scope 3 portfolio impact breakdowns you are able to provide.

Question dependencies

This question only appears if you select “Yes” in response to FS5.3.

Comparison with CDP Climate Change 2021 Questionnaire

C-FS14.2

Rationale

By breaking down emissions and other carbon footprinting and/or exposure metrics by asset class, industry, country/regional level and scope, information and data can be made available to investors and other stakeholders to help guide the development of portfolio footprinting methodologies, global decarbonization efforts and regional legislation.
Response options

Complete the following table.

<table>
<thead>
<tr>
<th>Scope 3 breakdown</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select all that apply:</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td>• Yes, by asset class</td>
<td></td>
</tr>
<tr>
<td>• Yes, by industry</td>
<td></td>
</tr>
<tr>
<td>• Yes, by country/area</td>
<td></td>
</tr>
<tr>
<td>• Yes, by scope</td>
<td></td>
</tr>
<tr>
<td>• None of the above, but we plan to do this in the next 2 years</td>
<td></td>
</tr>
<tr>
<td>• None of the above and we don’t plan to do this</td>
<td></td>
</tr>
</tbody>
</table>

Requested content

General

- Having provided in FS5.3a the total Scope 3 portfolio emissions within your portfolio (plus any alternative metrics in FS5.3b), you are now invited to select and provide one or more breakdowns of the total emissions/metrics.
- You should identify breakdowns that are relevant to your organization.
- If you selected “None of the above and we don’t plan to do this”, comment on why you don’t do this and why you don’t plan on doing so in the future.

Explanation of terms

- **Scope 3 portfolio impact**: The impact on the climate of your portfolio measured using either Scope 3 portfolio emissions (category 15 “Investments” total emissions) or one of the other primary metrics organizations in the financial sector can use to understand how their financing portfolio impacts the climate (alternative carbon footprinting and/or exposure metrics as identified by the TCFD).

(FS5.4a) Break down your gross global Scope 3 portfolio impact by asset class.

Question dependencies

This question only appears if you select “Yes, by asset class” in response to FS5.4.

Comparison with CDP Climate Change 2021 Questionnaire

C-FS14.2a

Rationale

Most existing methodologies to quantify Scope 3 portfolio impact are determined and calculated on an asset class level. Breaking down emissions and other carbon footprinting and/or exposure metrics by asset class can give an indication of the relative GHG emissions performance and/or exposure to climate-related risks of your company’s assets. When reported over time, your organization and investors will be able to review improvements or declines in asset performance with considerations for your portfolio’s impact on the climate. This breakdown can be used alongside the financial performance of a company’s assets to understand the financial exposure and illustrate the scale of contributions to climate change. Because methodologies are more robust for some asset classes than others, providing this level of data will enable data users to identify gaps in the methodologies and lead to the expansion of coverage.

Response options

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.
<table>
<thead>
<tr>
<th>Asset class</th>
<th>Portfolio metric type (and metric unit)</th>
<th>Scope 3 portfolio emissions or alternative metric</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from: Banking • Corporate loans • Retail loans • Corporate real estate • Retail mortgages • Trade finance • Asset finance • Project finance • Other, please specify</td>
<td>Select from: • Absolute portfolio emissions (Metric unit: tCO2e) • Weighted average carbon intensity (Metric unit: tCO2e/Million CCY revenue) • Portfolio carbon footprint (Metric unit: tCO2e/Million CCY Invested) • Carbon intensity (Metric unit: tCO2e/Million CCY revenue) • Exposure to carbon-related assets (Metric unit: Million CCY portfolio value) • Avoided emissions financed (Metric unit: tCO2e) • Emissions removals financed (Metric unit: tCO2e) • Other, please specify</td>
<td>Numerical field [enter a range of 0-999,999,999,999 using a maximum of 2 decimal places and no commas]</td>
</tr>
<tr>
<td>Investing • Fixed Income • Listed Equity • Private Equity • Real estate/Property • Infrastructure • Commodities • Forestry • Hedge funds • Mutual funds • Fund of funds • Derivatives • Other, please specify</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insurance • Property &amp; Casualty • Construction &amp; Engineering • Agribusiness • Motor • Marine • Life • Health • Other, please specify</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[Add another]

**Requested content**

**General**

- Break down the metric reported in FS5.3a and/or FS5.3b by asset class.

**Asset class (column 1)**

- Select from the drop-down list the asset classes that you are able to disclose a figure for, adding one row for each asset class.
- If there are other asset classes for which you are able to disclose a figure, but which are not offered as an option, select “Other, please specify”.

**Portfolio metric type (and metric unit) (column 2)**

- Select “Absolute portfolio emissions (Metric unit: tCO2e)” if you are breaking down the total Scope 3 portfolio emissions figure you provide in FS5.3a."
- Select an alternative metric type, if you are now breaking down the total figure for an alternative metric provided in FS5.3b.
- You are welcome to provide a breakdown for more than one metric if you are able.

**Scope 3 portfolio emissions or alternative metric (column 3)**

- Disclose the quantitative portfolio impact (measured in the metric unit you selected in column 2) associated with that asset class.
Explanation of terms

- **Asset finance**: Financial products and services where the company’s balance sheet assets, including short-term investments, inventory and accounts receivable are used to borrow money, typically on a short-term basis. The company borrowing the funds must provide the lender with a security interest in the assets.

- **Corporate loans**: Loans and credit facilities extended to companies. Includes both term loans and revolving credit facilities. Includes both bilateral loans and syndicated loans. Typically, corporate clients are able to negotiate more bespoke terms than retail customers.

- **Corporate real estate**: Financial products or services used by companies to finance investments in property used for commercial purposes. The company borrowing the funds must provide the lender with a security interest in the property.

- **Project finance**: Financial products and services used for the financing of long-term infrastructure and industrial projects. The debt is paid back from the cash flow generated from the project.

- **Retail loans**: Loans and credit facilities extended to individual personal banking customers, including credit cards. Typically, retail customers have to enter into facilities on pre-determined terms and conditions, rather than being able to negotiate bespoke terms.

- **Retail mortgages**: A home loan extended to individual personal banking customers secured on a specified property. Typically used by homebuyers to spread the cost of their purchase over the long-term.

- **Trade finance**: Financial products and services used by companies to facilitate international trade transactions. Includes products which make it possible or easier for exporters and importers to transact such as letters of credit and export credit.

- **Commodities**: involves buying, selling, or trading a raw product, such as oil, gold, or coffee

- **Derivatives**: refers to securities that derive their value from an underlying asset or benchmark.

- **Fixed Income**: refers to a type of investment security that pay investors fixed interest or dividend payments until its maturity date.

- **Forestry**: investment in forest lands, either directly (direct ownership of forest land) or indirectly (through e.g. a timber fund).

- **Fund of funds**: investment fund that invests in other types of funds.

- **Hedge funds**: alternative investments using pooled funds that employ different strategies to earn active returns, or alpha, for their investors.

- **Infrastructure**: a form of “real assets," which contain physical assets we see in everyday life like bridges, roads, highways, sewage systems, or energy.

- **Listed Equity**: refers to shares of ownership issued by publicly-traded companies.

- **Mutual funds**: investment using pooled funds collected from many investors to invest in securities like stocks, bonds, money market instruments, and other assets.

- **Private Equity**: alternative form of private financing in which funds and investors invest directly in companies.

- **Real estate/Property**: refers to the purchase, purchase, ownership, management, rental and/or sale of real estate (e.g. land, buildings, infrastructure).

- **Agribusiness**: insurance protection designed to protect businesses that earn all or most of their revenue from agriculture.

- **Construction & Engineering**: insurance protection that provides financial compensation for covered losses to a building or structure.

- **Health**: insurance that covers the whole or a part of the risk of a person incurring medical expenses.

- **Life**: insurance which guarantees the insurer pays a sum of money to named beneficiaries when the insured policyholder dies, in exchange for the premiums paid by the policyholder during their lifetime.

- **Marine**: insurance protection that covers cargo losses or damage caused to ships, cargo vessels, terminals, and any transport in which goods are transferred or acquired between different points of origin and their final destination.

- **Motor**: insurance protection for cars, trucks, motorcycles, and other road vehicles.
- **Property & Casualty**: insurance protection that provides either property protection coverage or liability coverage for property owners.

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**FS5.4b Break down your gross global Scope 3 portfolio impact by industry.**

**Question dependencies**

This question only appears if you select “Yes, by industry” in response to FS5.4.

**Comparison with CDP Climate Change 2021 Questionnaire**

C-FS14.2b

**Rationale**

As sectoral decarbonization is at the center of some carbon footprinting methodologies, breaking down emissions, other carbon footprinting and/or exposure metrics on an industry level is key to identify concentrations of carbon-related assets in the financial sector and the financial system’s exposure to climate-related risks. Reporting at this level can provide a useful indicator for making comparisons between your financial activities in different industries. In some cases, particular industries may come within the scope of particular legislation, therefore, providing industry-level emissions and/or exposure figures may give data users insight into your organization’s current/potential exposure to regulation in this industry.

**Connection to other frameworks**

**SUSBA – Sub-indicator 6.2.3**

**Response options**

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Portfolio Industry</th>
<th>Industry Metric type</th>
<th>Scope 3 portfolio emissions or alternative metric</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
</tr>
<tr>
<td>Banking</td>
<td>See drop-down options below</td>
<td>Absolute portfolio emissions (Metric unit: (\text{tCO}_2\text{e}))</td>
</tr>
<tr>
<td>Investing (asset owner)</td>
<td></td>
<td>Weighted average carbon intensity (Metric unit: (\text{tCO}_2\text{e}/\text{Million CCY revenue}))</td>
</tr>
<tr>
<td>Investing (asset manager)</td>
<td></td>
<td>Portfolio carbon footprint (Metric unit: (\text{tCO}_2\text{e}/\text{Million CCY Invested}))</td>
</tr>
<tr>
<td>Insurance</td>
<td></td>
<td>Carbon intensity (Metric unit: (\text{tCO}_2\text{e}/\text{Million CCY revenue}))</td>
</tr>
<tr>
<td>Energy</td>
<td></td>
<td>Exposure to carbon-related assets (Metric unit: Million CCY portfolio value)</td>
</tr>
<tr>
<td>Materials</td>
<td></td>
<td>Avoided emissions financed (Metric unit: (\text{tCO}_2\text{e}))</td>
</tr>
<tr>
<td>Capital Goods</td>
<td></td>
<td>Emissions removals financed (Metric unit: (\text{tCO}_2\text{e}))</td>
</tr>
<tr>
<td>Commercial &amp; Professional Services</td>
<td></td>
<td>Other, please specify</td>
</tr>
<tr>
<td>Transportation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automobiles &amp; Components</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consumer Durables &amp; Apparel</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consumer Services</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[Add another]

**Industry drop-down options (column 1)**

- Energy
- Materials
- Capital Goods
- Commercial & Professional Services
- Transportation
- Automobiles & Components
- Consumer Durables & Apparel
- Consumer Services
Requested content

General

- Break down the metric reported in FS5.3a and/or FS5.3b by industry.

Industry (column 2)

- Select from the drop-down list the industries that you are able to disclose a figure for, adding one row for each industry.
- It is recommended that responders match the industries reported here with those found in company filings and financial statements if such a calculation methodology exists. (The drop-down options available are based on the Global Industry Classification Standard).

Metric type (column 3)

- Select “Absolute portfolio emissions (Metric unit: CO₂e)” if you are breaking down the total Scope 3 portfolio emissions figure you provide in FS5.3a.
- Select an alternative metric type, if you are now breaking down the total figure for an alternative metric provided in FS5.3b.
- You are welcome to provide a breakdown for more than one metric if you are able.

Scope 3 portfolio emissions or alternative metric (column 4)

- Disclose the quantitative portfolio impact (measured in the metric unit you selected in column 3) associated with that industry.

Additional information

- Definitions of the various industries as per the Global Industry Classification Standard are available here.

(FS5.4c) Break down your gross global Scope 3 portfolio impact by country/area.

Question dependencies

This question only appears if you select “Yes, by country/area” in response to FS5.4.

Comparison with CDP Climate Change 2021 Questionnaire

C-FS14.2c

Rationale

Breaking down emissions and other carbon footprinting and/or exposure metrics to the country/regional level can provide a useful indicator for making comparisons between your financial activities in different countries and regions. In some cases, particular countries/regions may fall within the scope of particular legislation, therefore, providing country/region-level emissions and/or exposure figures may give data users insight into your organization’s current/potential exposure to regulation in this country/region.
Response options

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Country/area</th>
<th>Metric type</th>
<th>Scope 3 portfolio emissions or alternative metric</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
<td>Numerical field [enter a range of 0-999,999,999,999 using a maximum of 2 decimal places and no commas]</td>
</tr>
<tr>
<td>Banking</td>
<td>[Country/area drop-down list]</td>
<td>Absolute portfolio emissions (Metric unit: tCO2e)</td>
<td></td>
</tr>
<tr>
<td>Investing (asset owner)</td>
<td></td>
<td>Weighted average carbon intensity (Metric unit: tCO2e/Million CCY revenue)</td>
<td></td>
</tr>
<tr>
<td>Investing (asset manager)</td>
<td></td>
<td>Portfolio carbon footprint (Metric unit: tCO2e/Million CCY Invested)</td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td></td>
<td>Carbon intensity (Metric unit: tCO2e/Million CCY revenue)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Exposure to carbon-related assets (Metric unit: Million CCY portfolio value)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Avoided emissions financed (Metric unit: tCO2e)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Emissions removals financed (Metric unit: tCO2e)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Other, please specify</td>
<td></td>
</tr>
</tbody>
</table>

[Add another]

Requested content

General

- Break down the metric reported in FS5.3a and/or FS5.3b by country/area.

Country/area (column 2)

- Select from the drop-down list of countries/regions that you are able to disclose a figure for. If there are other countries/regions for which you are able to disclose a figure for but is not listed in the drop-down list, select “Other, please specify” and disclose the country/region.

Metric type (column 3)

- Select “Absolute portfolio emissions (Metric unit: tCO2e)” if you are breaking down the total Scope 3 portfolio emissions figure you provide in FS5.3a.
- Select an alternative metric type, if you are now breaking down the total figure for an alternative metric provided in FS5.3b.
- You are welcome to provide a breakdown for more than one metric if you are able.

Scope 3 portfolio emissions or alternative metric (column 4)

- Disclose the quantitative portfolio impact (measured in the metric unit you selected in column 3) associated with that country/area.

(FS5.4d) Break down your gross global Scope 3 portfolio impact by scope.

Question dependencies
This question only appears if you select “Yes, by scope” in response to FS5.4.

**Comparison with CDP Climate Change 2021 Questionnaire**

Additional question

**Rationale**

Current methodologies for calculating portfolio emissions can lead to double counting across scopes. For example, what are counted as Scope 1 emissions for an electricity generation company could be the same emissions for a retailer but counted as Scope 2. There is currently no way for financial institutions to overcome this in their portfolio emission calculations, but this question allows you to report emissions by scope separately. Breaking down absolute emissions of their portfolio by scope can help financial institution identify emissions throughout the value chain of companies in their portfolio.

**Response options**

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Scope</th>
<th>Scope 3 portfolio emissions (metric tons CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select from:</td>
<td>Numerical field [enter a range of 0-999,999,999,999 using a maximum of 2 decimal places and no commas]</td>
</tr>
<tr>
<td>• Banking</td>
<td>• Scope 1</td>
<td></td>
</tr>
<tr>
<td>• Investing (asset owner)</td>
<td>• Scope 2</td>
<td></td>
</tr>
<tr>
<td>• Investing (asset manager)</td>
<td>• Scope 3</td>
<td></td>
</tr>
<tr>
<td>• Insurance</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[Add another]

**Requested content**

- Breakdown the metric reported in FS5.3a by scope.

**Scope (column 2)**

- Breaking down absolute emissions of their portfolio by scope can help financial institution identify emissions throughout the value chain of companies in their portfolio.
- Select the scope for which you are able to breakdown the emissions from companies in your portfolio.

**Scope 3 portfolio emissions (metric tons CO2e)**

- Disclose the quantitative portfolio emissions associated with that scope.

**Alignment with a well below 2-degree world**

(FS5.5) Are you taking actions to align your portfolio to a well below 2-degree world?

**Question dependencies**

This question only appears if you select “No” in response to FS0.1.

**Comparison with CDP Climate Change 2021 Questionnaire**

C-FS14.3
Rationale

Organizations in the financial sector are encouraged to align their financial portfolios with real economy emissions reductions required to achieve the 2015 Paris Agreement. Steering financial portfolios in line with the goals of the Paris Agreement to keep global warming to well below 2 degrees, and with the ambition to strive for 1.5 degrees, will make financial flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development. Since financial services sector organizations are at the core of enabling economic activities, their commitments and targets have a trickle-down effect on the real economy.

Connection to other frameworks

*Principles for Responsible Banking* – Principle 1

Response options

Complete the following table.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>We are taking actions to align our portfolio to a well below 2-degree world</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking</td>
<td>Select from:</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td></td>
<td>• Yes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• No, but we plan to do so in the next two years</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• No</td>
<td></td>
</tr>
<tr>
<td>Investing (asset owner)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investing (asset manager)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Requested content

*Please explain (column 3)*

- If you selected “Yes”, explain what actions you are taking to align your portfolio to a well below 2-degree world.
- If you selected “No, but we plan to do so in the next two years”, explain why you are not taking actions to align your portfolio to a well below 2-degree world and what your plans are for the next two years.
- If you selected “No”, explain why you are not taking actions to align your portfolio to a well below 2-degree world.

Explanation of terms

- **Well below 2-degree world**: The 2015 Paris Agreement calls for limiting global temperature rise to well below 2 degrees Celsius above the pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius.

(FS5.5a) Do you assess if your clients/investees’ strategies are aligned to a well below 2-degree world?

Question dependencies

This question only appears if you select “Yes” in response to FS5.5.

Comparison with CDP Climate Change 2021 Questionnaire

C-FS14.3a

Rationale
While the commitments and targets of financial institutions are a critical step, it is changes in business strategies amongst their clients/investees where emissions actually take place which will decarbonize the real economy. Aligning financial portfolios with a well below 2-degree world is a critical step, however it does not necessarily equate to reducing emissions in the real economy. Organizations in the financial sector are encouraged to assess whether their clients/investees' business strategies are aligned to a well below 2-degree world in order to drive change and decarbonize the real economy.

Response options

Complete the following table.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>We assess alignment</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking</td>
<td>Select from:</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td></td>
<td>• Yes, for all</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Yes, for some</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• No, but we plan to do so in the next two years</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• No</td>
<td></td>
</tr>
<tr>
<td>Investing (asset owner)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investing (asset manager)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Requested content

General

• For the purpose of this question focus on your commercial/corporate/SME clients (commercial/corporate lending).

Please explain (column 2):

• If you selected “Yes, for all" or "Yes, for some" in column 2, explain what type of clients/investees you assess, how you assess alignment and how you use this information.
• If you selected “No, but we plan to do so in the next two years”, explain why you don’t assess clients/investees business strategies and what your plans are for the next two years.
• If you selected “No”, explain why you don’t assess alignment.

(FS5.5b) Do you encourage your clients/investees to set a science-based target?

Question dependencies

This question only appears if you select “Yes” in response to FS5.5.

Comparison with CDP Climate Change 2021 Questionnaire

C-FS14.3b

Rationale

Organizations in the financial sector are in a unique position to encourage their clients and/or investee companies to align their business strategies with global climate-benchmarks and support the well below 2 degrees global warming goal. Setting science-based targets shifts the focus of a business towards the development of innovative solutions and new opportunities. Financial sector organizations that encourage their clients/investees to set science-based targets are actively taking action to align their own portfolios to a well below 2-degree world.

Connection to other frameworks

SUSBA – Sub-indicator 2.1.2
Response options

Complete the following table.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>We encourage clients/investees to set a science-based target</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking</td>
<td>Select from:</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td></td>
<td>• Yes, for all</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Yes, for some</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• No, but we plan to do so in the next two years</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• No</td>
<td></td>
</tr>
<tr>
<td>Investing (asset owner)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investing (asset manager)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Requested content

General

• For the purpose of this question focus on your commercial/corporate/SME clients (commercial/corporate lending).

Please explain (column 2)

• If you selected any option beginning “Yes…”, explain what type of clients/investees you encourage, what sectors they operate in and what actions you take to encourage them to set a science-based target.
• If you selected “No, but we plan to do so in the next two years”, explain why you don’t encourage your clients/investees to set a science-based targets and what your plans are for the next two years.
• If you selected “No”, explain why you don’t encourage your clients/investees to set a science-based target.

Explanation of terms

• **Science-based targets**: Pioneered by the Science Based Targets initiative, these are targets adopted by companies to reduce greenhouse gas emissions. Targets are considered science-based if they are in line with what the latest climate science says is necessary to meet the goals of the Paris Agreement, to limit global warming to well below 2 degrees above pre-industrial levels and pursue efforts to limit warming to 1.5 degrees. Science-based targets provide companies with transparent and credible foundations for their corporate climate action plans.

Module 6 – Engagement

In order to truly reduce global emissions and halt deforestation, financial institutions must engage with their clients/investees on climate- and forests-related issues; this is how they can have an impact on the real economy. Questions in this module examine how organizations are working with their clients and/or investees, but also with their suppliers and other partners and stakeholders.

This module provides data users with insight into the different types of activities in which organizations engage to influence public policy on climate- and forests-related issues.
The module also investigates whether organizations integrate non-financial metrics and data into mainstream financial reports which is aligned with the TCFD’s primary aim to have climate-related information disclosed in financial filings.

### Engagement with clients/investees and other value chain partners

**FS6.1** Do you engage with your value chain on climate- and/or forests-related issues?

**Comparison with CDP Climate Change 2021 Questionnaire**

C12.1

**Rationale**

Most of the environmental impact associated with financial institutions occurs outside their direct operations, primarily in the investment chain – via the activities they finance through lending, investments and insurance underwriting. In order to truly reduce global emissions, financial institutions must engage with their value chain on climate- and forests-related issues. This question seeks to ascertain which companies are engaging in the best practice of working with clients/investees and other partners to reduce negative environmental impacts.

**Connection to other frameworks**

*SUSBA* – Sub-indicator 1.1.7

*OJK Regulation 51*

**Response options**

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Engagement of value chain</th>
<th>Engagement relates to</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select all that apply:</td>
<td>Select all that apply:</td>
</tr>
<tr>
<td>• Clients</td>
<td>• Climate-related issues</td>
</tr>
<tr>
<td>• Investees</td>
<td>• Forests-related issues</td>
</tr>
<tr>
<td>• Suppliers</td>
<td></td>
</tr>
<tr>
<td>• Other partners in the value chain</td>
<td></td>
</tr>
<tr>
<td>• No, we do not engage</td>
<td></td>
</tr>
</tbody>
</table>

[Add another]

**Requested content**

**General**

- Select all options that apply for the reporting year.
- Consider your engagement activities with customers/clients and investee companies to encourage better disclosures and better practices around climate- and forests-related risks. You can provide further details in FS6.1a.
- Other partners in the value chain include investors, peers, NGOs and local communities. (Engagement with regulators is covered in a separate question).

**FS6.1a** Describe your climate- and/or forests-related engagement strategy with your clients.

**Question dependencies**

This question only appears if you select “Clients” in response to FS6.1.
Comparison with CDP Climate Change 2021 Questionnaire

C12.1b

Rationale

This question provides investors and data users with more transparency regarding banks and insurers’ client engagement processes. As the majority of most financial institutions’ environmental risks and impacts occur in the investment chain, data users are interested in understanding how banks and insurers are working with their clients to drive best practice and ameliorate climate- and forests-related issues.

Connection to other frameworks

Principles for Responsible Banking – Principle 3

OJK Regulation 51

Response options

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

<table>
<thead>
<tr>
<th>Details of engagement</th>
<th>Engagement relates to</th>
<th>Description</th>
<th>Banking portfolio coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select all that apply:</td>
<td>Select all that apply:</td>
<td>Text field [maximum 2,400 characters]</td>
<td>Select from:</td>
</tr>
<tr>
<td>See drop-down options below</td>
<td>• Climate-related issues</td>
<td></td>
<td>• 0%</td>
</tr>
<tr>
<td></td>
<td>• Forests-related issues</td>
<td></td>
<td>• More than 0% but less than or equal to 10%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• More than 10% but less than or equal to 20%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• More than 20% but less than or equal to 30%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• More than 30% but less than or equal to 40%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• More than 40% but less than or equal to 50%</td>
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<td></td>
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<td></td>
<td>• More than 50% but less than or equal to 60%</td>
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<td>• More than 60% but less than or equal to 70%</td>
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<td></td>
<td>• More than 70% but less than or equal to 80%</td>
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<td></td>
<td></td>
<td></td>
<td>• More than 80% but less than or equal to 90%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• More than 90% but less than or equal to 100%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Unknown</td>
</tr>
</tbody>
</table>

| Insurance portfolio coverage | Rationale for engaging in this way with these clients | Impact of engagement, including measures of success |
Select from:

- 0%
- More than 0% but less than or equal to 10%
- More than 10% but less than or equal to 20%
- More than 20% but less than or equal to 30%
- More than 30% but less than or equal to 40%
- More than 40% but less than or equal to 50%
- More than 50% but less than or equal to 60%
- More than 60% but less than or equal to 70%
- More than 70% but less than or equal to 80%
- More than 80% but less than or equal to 90%
- More than 90% but less than or equal to 100%
- Unknown

Select from:

- Untargeted engagement
- Engagement targeted at clients with increased climate-related risks
- Engagement targeted at clients with increased climate-related opportunities
- Engagement targeted at clients with increased forest-related risks
- Engagement targeted at clients with increased forests-related opportunities
- Engagement targeted at clients currently not meeting climate-related policy requirements
- Engagement targeted at clients not meeting forests-related policy requirements
- Other, please specify

Text field [maximum 4,800 characters]

[Add another]

Details of engagement drop-down options (column 1)

- **Education and information sharing** - Educate clients about climate- and/or forests-related issues e.g. through campaigns/workshops/capacity building
- **Education and information sharing** - Educate clients about your climate and/or forests-related performance and strategy
- **Education and information sharing** - Educate clients about your expectations of them in relation to their impact on climate change and/or forests
- **Education and information sharing** - Educate clients about how your financing products can help them access opportunities
- **Education and information sharing** - Other, please specify
- **Collaboration and innovation** - Dialogue with clients on climate- and/or forests-related issues affecting their business
- **Collaboration and innovation** - Collaborate with clients to develop their climate- and/or forests-related targets and/or action plans e.g. emissions targets, certification/traceability targets
- **Collaboration and innovation** - Run a campaign to encourage innovation to reduce impacts
- **Collaboration and innovation** - Other, please specify
- **Compliance and onboarding** - Climate- and/or forests-related considerations are integrated into customer screening/onboarding processes
- **Compliance and onboarding** - Climate- and/or forest-related considerations are integrated into client lifecycle management and risk assessment processes
- **Compliance and onboarding** - Other, please specify
- **Information collection** - Collect information from new customers as part of initial due diligence
- **Information collection** - Collect information at least annually from long-term customers
- **Information collection** - Other, please specify
- **Incentivization and changing client behavior** - Encourage better disclosure practices
- **Incentivization and changing client behavior** - Encourage customers to switch to less resource-intensive methods of accessing your services
- **Incentivization and changing client behavior** - Engage with clients on measuring exposure to climate- and/or forests-related risks
- **Incentivization and changing client behavior** - Offer clients financial incentives such as reduced interest rates for managing climate- and/or forest-related issues
- **Incentivization and changing client behavior** - Other, please specify

Requested content

**Details of engagement (column 1)**

- Select one type of engagement activity your organization participates in from the drop-down options. Add another row to provide information about additional types of engagement:
  - “**Education and information sharing**”: Engagement activities where the aim of is to educate and inform clients but not necessarily instigate any specific action.
“Collaboration and innovation”: Engagement activities where the aim is to encourage clients to take specific actions to reduce their climate change and deforestation impacts. This can include formal campaigns as well as informal opportunities to reduce negative impacts.

“Compliance & onboarding”: Climate- and forests-related considerations being integrated into formal engagement processes required as a matter of policy such as onboarding and client lifecycle reviews.

“Information collection”: Engagement activities where the aim is to gather climate- and/or forests-related data.

“Incentivization and changing client behavior”: The offering of specific incentives for your clients to meet environment-related goals or strategies.

If you select any “…Other, please specify” option, describe the engagement in the “Description” column 3.

Engagement relates to (column 2)

- Select whether your engagement activity relates to climate change or forests.
- As an illustrative example, if you collect information from new clients as part of initial due diligence:
  - This would be climate-related if it included emissions data
  - This would be forests-related if it included forest risk commodity consumption data

Description (column 3)

- Give a company-specific description of the engagement activity your organization participates in.

Banking/Insurance portfolio coverage (column 4 and 5)

- Indicate the coverage i.e. how much of your banking and/or insurance portfolio you have engaged with in this way, based on either total or outstanding commitments, premiums, and/or committed capital.

Rationale for engaging in this way with these clients (column 6)

- Client engagement can be either untargeted (undertaken generally with all clients or undertaken with a selection of clients without a basis for the selection) or targeted at specific clients, such as clients in a particular sector with increased climate-related risks relative to other sectors. There is a place for both, but targeted engagement may be more effective at driving change in the real economy.
- Select the option which reflects your rationale for undertaking this engagement activity with the clients you have engaged with in this way.
- If the rationale is not listed, select “Other, please specify” and specify why you have engaged in this way with these clients in the “Description” column 3.

Impact of engagement, including measures of success (column 7)

- Describe the impact of this engagement and how you measure its success.
- Please provide examples of positive outcomes achieved. For example, this could include clients adopting targets in relation to emissions or third-party certification thanks to your engagement with them.

Explanation of terms

- **Portfolio:** In the context of this questionnaire your portfolio is your entire collection of the core financial activities – loans, investments and insurance policies- that you offer.
  - **Banking portfolio:** For bank lending, this is the entire collection of products and loans held on your balance sheet for which you own the receivable stream.
  - **Insurance portfolio:** For insurance underwriting, this is the entire collection of products and insurance policies you provide to your clients.
(FS6.1b) Describe your climate- and/or forests-related engagement strategy with your investee companies.

Question dependencies
This question only appears if you select “Investees” in response to FS6.1.

Comparison with CDP Climate Change 2021 Questionnaire
C-FS12.1c

Rationale
This question provides investors and data users with more transparency regarding investee engagement processes. As the majority of financial sector organizations’ emissions occur outside their direct operations, data users are interested in understanding how organizations are working with their investees to drive best practice and ameliorate climate- and/or forests-related issues.

Connection to other frameworks

OJK Regulation 51

Response options
Complete the following table. The table is displayed over several rows for readability. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Details of engagement</th>
<th>Engagement relates to</th>
<th>Description</th>
<th>Investing (Asset owners) portfolio coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select all that apply: See drop-down options below</td>
<td>Select all that apply:</td>
<td>Text field [maximum 2,400 characters]</td>
<td>Select from:</td>
</tr>
<tr>
<td></td>
<td>• Climate-related issues</td>
<td></td>
<td>• 0%</td>
</tr>
<tr>
<td></td>
<td>• Forests-related issues</td>
<td></td>
<td>• More than 0% but less than or equal to 10%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• More than 10% but less than or equal to 20%</td>
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<td>• More than 20% but less than or equal to 30%</td>
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<td>• More than 80% but less than or equal to 90%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• More than 90% but less than or equal to 100%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Unknown</td>
</tr>
<tr>
<td>Investing (Asset managers) portfolio coverage</td>
<td>Rationale for engaging in this way with these investees</td>
<td>Impact of engagement, including measures of success</td>
<td></td>
</tr>
<tr>
<td>---------------------------------------------</td>
<td>--------------------------------------------------------</td>
<td>---------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Select from:</td>
<td>Select from:</td>
<td>Text field [maximum 4,800 characters]</td>
<td></td>
</tr>
<tr>
<td>• 0%</td>
<td>• Untargeted engagement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• More than 0% but less than or equal to 10%</td>
<td>• Engagement targeted at investees with increased climate-related risks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• More than 10% but less than or equal to 20%</td>
<td>• Engagement targeted at investees with increased climate-related opportunities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• More than 20% but less than or equal to 30%</td>
<td>• Engagement targeted at investees with increased forest-related risks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• More than 30% but less than or equal to 40%</td>
<td>• Engagement targeted at investees with increased forests-related opportunities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• More than 40% but less than or equal to 50%</td>
<td>• Engagement targeted at investees currently not meeting climate-related policy requirements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• More than 50% but less than or equal to 60%</td>
<td>• Engagement targeted at investees not meeting forests-related policy requirements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• More than 60% but less than or equal to 70%</td>
<td>• Other, please specify</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• More than 70% but less than or equal to 80%</td>
<td>• Incentivization and changing investee behavior – Exercise active ownership</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• More than 80% but less than or equal to 90%</td>
<td>• Incentivization and changing investee behavior – Support climate- and/or forests related shareholder resolutions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• More than 90% but less than or equal to 100%</td>
<td>• Incentivization and changing investee behavior - Support climate- and/or forests related issues in proxy voting</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Unknown</td>
<td>• Incentivization and changing investee behavior - Initiate and support dialogue with investee boards to set Paris-aligned strategies</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Incentivization and changing investee behavior - Encourage better climate- and/or forests-related disclosure practices among investees</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Incentivization and changing investee behavior - Offer investees financial incentives for managing climate- and/or forest-related issues</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Incentivization and changing investee behavior - Other, please specify</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Details of engagement drop-down options (column 1)

- Collaboration and innovation - Carry out collaborative engagements with other investors or institutions
- Collaboration and innovation - Run a campaign to encourage innovation to reduce impacts
- Collaboration and innovation - Other, please specify
- Information collection – Climate- and/or forests-related issues are considered in investee selection/management mechanism
- Information collection – Climate- and/or forests-related issues are integrated into investee evaluation processes
- Information collection - Collect information from new investees as part of initial due diligence
- Information collection - Collect information at least annual from long-term investees
- Information collection - Other, please specify

Requested content

Details of engagement (column 1)

- Select one type of engagement activity your organization participates in from the drop-down options. Add another row to provide information about additional types of engagement:
  - “Collaboration and innovation”: Engagement activities where the aim is to encourage your investees to develop new ways to reduce the climate change and deforestation impacts of the products/services that you are financing. This can include formal innovative collaboration projects, campaigns and calls for partnerships as well as informal opportunities to reduce negative impacts.
  - “Information collection”: Engagement activities where the aim is to gather climate- and/or forests-related data.
  - “Incentivization and changing investee behavior”: Engagement activities where the aim is to engage on climate-related issues in shareholder resolutions, proxy votes, or in the form
of active ownership. Also, choose this option if you offer specific incentives for your investees to meet climate-related goals or strategies. Incentives can be recognition (i.e. award schemes or special acknowledgements) or financial.

- If you select any “…Other, please specify” option, describe the engagement in the “Description” column 3.

**Description (column 3)**

- Give a company-specific description of the engagement activity your organization participates in.

**Investing (Asset owners)/Investing (Asset managers) portfolio coverage (column 4 and 5)**

- Indicate the coverage of your investment portfolio based on the portfolio value represented by investees participating in this engagement activity. Coverage can be based on total assets under management (AUM).

**Rationale for engaging in this way with these investees (column 6)**

- Investee engagement can be either untargeted (undertaken generally with all clients or undertaken with a selection of clients without a basis for the selection) or targeted at specific investee companies, such as companies in a particular sector with increased climate-related risks relative to other sectors. There is a place for both, but targeted engagement may be more effective at driving change in the real economy.
- Select the option which reflects your rationale for undertaking this engagement activity with investee companies you have engaged with in this way.
- If the rationale is not listed, select “Other, please specify” and specify why you have engaged in this way with these clients in the “Description” column 3.

**Impact of engagement, including measures of success (column 7)**

- Describe the impact of this engagement and how you measure its success.
- Please provide examples of positive outcomes achieved. For example, this could include investees adopting targets in relation to emissions or third-party certification thanks to your engagement with them.

---

**(FS6.1c) Describe your climate-related engagement strategy with your suppliers.**

**Question dependencies**

This question only appears if you select “Suppliers” in response to FS6.1.

**Comparison with CDP Climate Change 2021 Questionnaire**

C12.1a

**Rationale**

This question provides investors and data users with more transparency regarding organization’s supplier engagement processes. Data users are interested in understanding how financial services companies are working with their suppliers to drive best practice and ameliorate climate-related issues.

**Connection to other frameworks**

*OJK Regulation 51*

**Response options**

Complete the following table. The table is displayed over several rows for readability. You are able to add rows by using the “Add another” button at the bottom of the table.
Details of engagement

<table>
<thead>
<tr>
<th>Description</th>
<th>Supplier coverage</th>
<th>Rationale for engaging in this way with these suppliers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
</tr>
<tr>
<td>See drop-down options below</td>
<td>All suppliers</td>
<td>Untargeted engagement</td>
</tr>
<tr>
<td>Text field [maximum 2,400 characters]</td>
<td>Majority of suppliers</td>
<td>Engagement targeted at strategically important suppliers</td>
</tr>
<tr>
<td></td>
<td>Minority of suppliers</td>
<td>Engagement targeted at suppliers with increased climate-related risks</td>
</tr>
<tr>
<td></td>
<td>Unknown</td>
<td>Engagement targeted at suppliers with increased climate-related opportunities</td>
</tr>
</tbody>
</table>

% of procurement spend (direct and indirect) | % of scope 3 emissions reported in FS9.5 | Impact of engagement, including measures of success |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage field [enter a percentage from 0-100 using a maximum of 2 decimal places]</td>
<td>Percentage field [enter a percentage from 0-100 using a maximum of 2 decimal places]</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
</tbody>
</table>

[Add another]

Details of engagement drop-down options (column 1)

- Education and information sharing - Educate suppliers about climate-related issues e.g. through campaigns/workshops/capacity building
- Education and information sharing - Other, please specify
- Collaboration and innovation - Run a campaign to encourage innovation to reduce climate impacts
- Collaboration and innovation - Other, please specify
- Compliance and onboarding - Code of conduct featuring climate change KPIs
- Compliance and onboarding – Climate change is integrated into supplier evaluation processes
- Compliance and onboarding – Climate change is included in supplier selection/management mechanism
- Compliance and onboarding - Other, please specify
- Information collection - Collect climate change and carbon information at least annual from suppliers
- Information collection - Other, please specify
- Incentivization and changing supplier behavior - Climate change performance is featured in supplier awards scheme
- Incentivization and changing supplier behavior - Other, please specify
- Incentivization and changing supplier behavior - Offer financial incentives for suppliers who reduce your emissions
- Incentivization and changing supplier behavior - Other, please specify

Requested content

Details of engagement (column 1)

- Select one type of engagement activity your organization participates in from the drop-down options. Add another row to provide information about additional types of engagement:
  - “Education and information sharing:” Engagement activities where the aim of is to educate and inform suppliers but not necessarily instigate any specific action.
  - “Collaboration and innovation:” Engagement activities where the aim is to encourage your suppliers to develop new ways to reduce the climate change impacts of the products/services that provide for you. This can include formal campaigns and calls for partnerships as well as informal opportunities to reduce negative impacts.
  - “Compliance & onboarding:” Where you require your suppliers to adhere to specific climate-related policies and you provide onboarding, either with or without training, for those suppliers to understand and meet your expectations. Compliance requirements can be either pre-requisites to establishing a customer/supplier relationship, or be specified as metrics to achieve once onboarding is completed.
  - “Information collection:” Engagement activities where the aim is to gather climate-related data.
“Incentivization and changing supplier behavior:” The offering of specific incentives for your suppliers to meet climate-related goals or strategies. Incentives can be recognition (i.e. award schemes or special acknowledgements) or financial.

- If you select any “…Other, please specify” option, describe the engagement in the “Description” column 2.

**Description (column 2)**

- Give a company-specific description of the engagement activity your organization participates in.

**Supplier coverage (column 3)**

- Indicate the coverage i.e. how many suppliers you have engaged with in this way, in relation to all suppliers which provide you with products/services.
- Select “All suppliers” if you have engaged in this way with 100% of your suppliers.
- Select “Majority of suppliers” if you have engaged in this way with more than 50% of your suppliers.
- Select “Minority of suppliers” if you have engaged in this way with less than 50% of your suppliers.

**Rationale for engaging in this way with these suppliers (column 4)**

- Select the rationale for undertaking this engagement activity with suppliers.
- If the rationale is not listed, select “Other, please specify” and specify why you have engaged in this way with these suppliers in the “Description” column 2.

**% of procurement spend (direct and indirect) (column 5)**

- Only include the percentage of total procurement spend (for the reporting year) that the group of suppliers participating in the engagement activity detailed in this row represent, in relation to your total procurement spend. Note that total (direct and indirect) procurement spend includes all operational expenses on raw materials, goods, and services procured.
- Do not include new or potential suppliers for whom you do not have spend data.

**% of scope 3 emissions reported in FS9.5 (column 6)**

- Only include the percentage of supplier-related Scope 3 emissions reported in FS9.5 that are attributable to suppliers participating in the engagement activity selected in this row, in relation to your total supplier-related Scope 3 emissions.

**Impact of engagement, including measures of success (column 7)**

- Describe the impact of this engagement and how you measure its success.
- Please provide examples of positive outcomes achieved. For example, this could include supplier GHG emissions reductions.

---

*(FS6.1d)* Give details of your climate- and/or forests-related engagement strategy with other value chain partners and stakeholders.

**Question dependencies**

This question only appears if either:

- You select “No” in response to FS0.1 and “Other partners in the value chain” in response to FS6.1; or,
- You select “Yes” in response to FS0.1 and “Other partners in the value chain” (column 1) and “Forests-related issues” (column 2) in response to FS6.1.

**Comparison with CDP Climate Change 2021 Questionnaire**
C12.1d

**Rationale**
While environmental risks for financial institutions occur mostly in the portfolio, and therefore portfolio engagement is considered most important, some financial institutions may find it appropriate and fruitful to work with other value chain partners and stakeholders. This question provides investors and data users with more transparency into financial institutions’ engagement strategies beyond their clients, investees and suppliers.

**Connection to other frameworks**

*Principles for Responsible Banking* – Principle 4

*OJK Regulation 51*

**Response options**
Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Partner</th>
<th>Engagement relates to</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select all that apply:</td>
<td>Text field [maximum 4,800 characters]</td>
</tr>
<tr>
<td>• Investors</td>
<td>• Climate-related issues</td>
<td></td>
</tr>
<tr>
<td>• Peers</td>
<td>• Forests-related issues</td>
<td></td>
</tr>
<tr>
<td>• NGOs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Local communities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Other, please specify</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[Add another]

**Requested content**

**Partner (column 1)**

- Select the value chain partner or stakeholder your organization engages with from the drop-down options.
- If you engage with a partner or stakeholder that is not listed as an option, select “Other, please specify” and specify the partner or stakeholder in the “Please explain” column 3.
- However, note that your answer to this question should only include information not captured in FS6.1a or FS6.1b, and not related to clients or suppliers.
- Note: a subsequent question (FS6.4) asks for information about engagement with regulators/policy makers. Therefore, include information regarding public policy engagement in FS6.4 rather than in your answer to this question.

**Engagement relates to (column 2)**

- As an illustrative example, if you have selected “Peers” to describe how you are engaged in peer-to-peer learning:
  - This would be climate-related if you are learning from your peers about methodologies for calculating portfolio emissions
  - This would be forests-related if you are developing your forests-related policy with reference to a best-practice policy of a peer financial institution

**Please explain (column 3)**

- Provide a company-specific description of your climate- and/or forests-related engagement strategy for partners other than clients/investees and suppliers. Include the methods of engagement, how you prioritize engagements with different partners, and how you measure the success of these engagements.
• Your strategy for prioritizing engagements should detail how you have chosen the parts of the value chain to engage with, as well as the individual partners as a focus of your engagement.
• Provide an example or case study of your engagement with other partners in the value chain.

(FS6.1e) Why do you not engage with your clients/investees on climate- and/or forests-related issues, and what are your plans to do so in the next two years?

Question dependencies
This question only appears if you do not select both “Climate-related issues” and “Forests-related issues” for either “Clients” or “Investees” in response to FS6.1.

Comparison with CDP Climate Change 2021 Questionnaire

C12.1e

Rationale
As engaging with your portfolio clients/investees is considered best practice, investors and data users need to know why organizations are not yet working to affect positive environmental change through their portfolio.

Response options
Complete the following table.

<table>
<thead>
<tr>
<th>Clients/investees</th>
<th>Theme(s)</th>
<th>We plan to engage with our clients/investees in the next two years</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clients</td>
<td>Climate</td>
<td>Select from: • We plan to engage in the next two years</td>
<td>Text field [maximum 4,800 characters]</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• We do not plan to engage in the next two years</td>
<td></td>
</tr>
<tr>
<td>Clients</td>
<td>Forests</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investees</td>
<td>Climate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investees</td>
<td>Forests</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Requested content

*Please explain (column 4)*

• Your response should be company-specific and include:
  o Why you do not currently engage with your clients and/or investees on climate- and/or forests-related issues, and;
  o A description of any plans for engagement in the future, including which types of clients/investees you plan to engage with.

(FS6.1f) Provide details of your shareholder voting record on environmental issues.

Question dependencies
This question only appears if you select “Investing (Asset Manager)” and/or “Investing (Asset Owner)” in response to FS0.6.

Comparison with CDP Climate Change 2021 Questionnaire

Additional question
Rationale

Active ownership is a key tool for positively impacting the real economy because divestment alone leaves investors without a voice to promote sustainable practices. Alongside their investee engagement activities, investors can influence their investee companies on several issues, including environmental issues, by exercising their voting rights. Data users are interested in understanding how aligned shareholders’ voting decisions across the investment portfolio are with the overall environmental strategy and how they support environmental shareholder resolutions.

Response options

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>How do you exercise your voting rights as a shareholder?</th>
<th>How do you ensure your shareholder voting rights are exercised in line with your overall environmental strategy?</th>
<th>Percentage of voting instructions disclosed across portfolio</th>
<th>Percentage of environmental shareholder resolutions supported</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select all that apply:</td>
<td>Select from:</td>
<td>Select from:</td>
</tr>
<tr>
<td>• Exercise voting rights directly</td>
<td>• Vote tracking</td>
<td>• 0%</td>
<td>• 0%</td>
</tr>
<tr>
<td>• Exercise voting rights through an external service provider</td>
<td>• Publish requirements of external service providers in relation to environmental issues</td>
<td>• More than 0% but less than or equal to 10%</td>
<td>• More than 0% but less than or equal to 10%</td>
</tr>
<tr>
<td>• Voting rights are not exercised</td>
<td>• Review external service provider’s environmental policies</td>
<td>• More than 10% but less than or equal to 20%</td>
<td>• More than 10% but less than or equal to 20%</td>
</tr>
<tr>
<td></td>
<td>• Review external service provider’s environmental performance (e.g. active ownership, proxy voting records)</td>
<td>• More than 20% but less than or equal to 30%</td>
<td>• More than 20% but less than or equal to 30%</td>
</tr>
<tr>
<td></td>
<td>• Include environmental requirements in requests for proposals</td>
<td>• More than 30% but less than or equal to 40%</td>
<td>• More than 30% but less than or equal to 40%</td>
</tr>
<tr>
<td></td>
<td>• Include environmental requirements in service provider mandates</td>
<td>• More than 40% but less than or equal to 50%</td>
<td>• More than 40% but less than or equal to 50%</td>
</tr>
<tr>
<td></td>
<td>• Include environmental requirements in performance indicators and incentive structures</td>
<td>• More than 50% but less than or equal to 60%</td>
<td>• More than 50% but less than or equal to 60%</td>
</tr>
<tr>
<td></td>
<td>• Other, please specify</td>
<td>• More than 60% but less than or equal to 70%</td>
<td>• More than 60% but less than or equal to 70%</td>
</tr>
<tr>
<td></td>
<td>• None of the above</td>
<td>• More than 70% but less than or equal to 80%</td>
<td>• More than 70% but less than or equal to 80%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• More than 80% but less than or equal to 90%</td>
<td>• More than 80% but less than or equal to 90%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• More than 90% but less than or equal to 100%</td>
<td>• More than 90% but less than or equal to 100%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Unknown</td>
<td>• Unknown</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Not applicable</td>
<td>• Not applicable</td>
</tr>
</tbody>
</table>

Environmental issues supported in shareholder resolutions

<table>
<thead>
<tr>
<th>Do you disclose the rationale behind your voting instructions on environmental issues?</th>
<th>Please explain</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select all that apply:</td>
<td>Select from:</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td>• Low-carbon transition plans</td>
<td>• Yes, for all</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td>• Environmental disclosures</td>
<td>• Yes, for some</td>
<td></td>
</tr>
<tr>
<td>• Lobbying</td>
<td>• No</td>
<td></td>
</tr>
<tr>
<td>• Emissions reduction targets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Board oversight</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Halting deforestation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Other, please specify</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• None of the above</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Column 2 applies only if “Exercise voting rights through an external service provider” is selected in column 1 “How do you exercise your voting rights as a shareholder?”
Columns 3, 4 and 5 apply only if “Exercise voting rights directly” is selected in column 1 or “Vote tracking” is selected in column 2
Column 6 applies only if “Exercise voting rights directly” is selected in column 1 “How do you exercise your voting rights as a shareholder?”
Column 7 applies only if “Voting rights are not exercised” is selected in column 1 “How do you exercise your voting rights as a shareholder?”
Column 8 applies only if “Exercise voting rights directly” or “Exercise voting rights through an external service provider” is selected in column 1 “How do you exercise your voting rights as a shareholder?”

Requested content

How do you exercise your voting rights as a shareholder? (column 1)
- Select whether you exercise your voting rights either directly or through an external service provider.
- If you do not exercise your voting rights, select “Voting rights are not exercised”.

How do you ensure your shareholder voting rights are exercised in line with your overall environmental strategy? (column 2)
- If you exercise your voting rights through an external service provider, select which processes you use to ensure that your voting rights are exercised in line with your overall environmental strategy.
- If you select “Other, please specify”, then please specify in the “Please explain” column 7.

Percentage of voting instructions disclosed across portfolio (column 3)
- Indicate the proportion of voting instructions publicly disclosed across portfolio.

Percentage of environmental shareholder resolutions supported (column 4)
- Indicate the proportion of shareholder resolutions covering environmental issues you supported during the reporting year.

Environmental issues supported in shareholder resolutions (column 5)
- Select which environmental issues you supported in shareholder resolutions during the reporting year.
- If you select “Other, please specify”, then please specify in the “Please explain” column 7.

Do you disclose the rationale behind your voting instructions on environmental issues? (column 6)
- Indicate if you publicly disclose the rationale behind your votes in favor/against or abstentions on environmental shareholder resolutions.

Please explain (column 7)
- If you do not exercise your voting rights, please explain why and if you plan to do so.

Explanation of terms

- **Low-carbon transition plan**: A plan on how to transition the company to a business model compatible with a net-zero carbon economy. The Oxford Martin Net Zero Carbon Investment Initiative proposes a set of principles to facilitate engagement between investors and companies on long-term climate strategies. According to these principles, companies should: (1) Commit to a timeframe to reach net-zero emissions in line with the Paris goals; (2) Demonstrate that they will be able to continue to be profitable once they reach net-zero emissions; and (3) Set quantitative mid-term targets to be able to demonstrate progress against their long-term goals. The transition plan defines how the business model, its associated products and production methods, growth strategy and capital investments need to develop over time to respond to climate-related risks and to capitalize on opportunities. A transition plan is therefore a plan that outlines how a company will
transition from where it is now to where it needs to get to in order to thrive in a net-zero carbon world in the future.

Additional information

- The process and language around resolutions vary by region. At this time, CDP cannot advise on the resolution process, but companies can refer to the Say on Climate campaign website or engage with its other supporting partners As You Sow (US), Share Action (UK/EU), or ACCR (AsiaPac/Australasia) that are focused on this work.

(FS6.2) In which of the following agricultural commodity supply chains do you provide financing and/or insurance to smallholders?

Question dependencies

This question only appears if either:

- You select “Banking” in response to FS0.6; or
- You select “Insurance” and “General insurance” in response to FS0.6.

Comparison with CDP Climate Change 2021 Questionnaire

Additional question

Rationale

Access to credit/insurance for smallholder producers is a pertinent issue. In some cases, a lack of access to credit is driving behaviors that result in deforestation and/ conversion of natural ecosystems. However, CDP recognizes that not all financial institutions have the ability to finance/insure smallholders in agricultural commodity supply chains. For example, many banks lack the vast branch network in rural areas where forest risk commodities are produced required to service smallholder producers at scale. This question allows you to indicate whether you finance and/or insure smallholder producers and determines whether follow-up questions are presented.

Response options

Select all that apply from the following options:

- Timber products
- Palm oil
- Cattle products
- Soy
- Rubber
- Other, please specify
- No financing of agricultural commodity smallholders

Requested content

General

- Smallholders typically control properties such as woodlots, plantations, and agricultural land under the management of local communities, indigenous peoples, families, growers, and/or ranchers, and these will be managed for low-intensity harvesting of the forest risk commodities.
- If your organization finances/insures smallholders, select all options that apply for the reporting year.
- If you finance/insure smallholder producers of an agricultural commodity not listed, select “Other, please specify” and provide a label for the commodity.
Explanation if terms

- **Forest risk commodities**: The following are asked about in this questionnaire:
  - **Timber products**: This includes all solid timber as well as products made from processed wood fiber such as paper, packaging, cardboard and specialty fibers (e.g., viscose). It also includes timber products used for biomass.
  - **Palm oil**: This includes crude palm oil, palm kernel oil, and all of its derivatives. Please note that palm oil used for biofuel production is also included in this category.
  - **Cattle products**: This includes all food products containing beef, all clothing, furniture and accessories that are made of leather, tallow, and all other products derived from cattle. Please note that tallow used for biofuel production is also included in this category. Dairy products are not included in this category.
  - **Soy**: This includes all meal or oil containing soy and any derivatives that are obtained from soy. Please note that soy used for biofuel production is also included in this category.
  - **Rubber**: This includes all rubber products deriving from natural rubber production. Please note that the tire industry is included in this category.

- **Smallholders**: Are small-scale agricultural or forest producers with high dependence on family labor, generally having low levels of productivity, small land footprint, significant economic and information constraints and/or farmers profit being the primary source of income for the smallholder and their family (adapted from AFI, 2019).

---

**FS6.2a** Does the financing/insurance or any other support you provide enable smallholders to improve agricultural practices and reduce deforestation and/or conversion of natural ecosystems?

**Question dependencies**

This question only appears if you select any option other than “No financing/insuring of agricultural commodity smallholders” in response to FS6.2.

Rows will be presented according to the agricultural commodities selected in response to FS6.2.

**Comparison with CDP Climate Change 2021 Questionnaire**

**Additional question**

**Rationale**

Consistently low yields produced by agricultural smallholders are a common problem in developing countries. They are explained mainly by a lack of access to quality inputs, limited technical knowledge and a lack of access to credit/insurance. While global demand rises, consistently low yields put increasing pressure on remaining forests. This makes smallholder financing/insuring a pertinent issue. Data users are interested in the financing and/or insurance approaches financial institutions are taking with smallholders and any other engagement they are undertaking with smallholders.

**Connection to other frameworks**

*Principles for Responsible Banking* – Principle 3

*OJK Regulation 51*

**Response options**

Complete the following table.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Financial service provided</th>
<th>Smallholder financing/insurance approach</th>
<th>Other smallholder engagement approaches</th>
<th>Number of smallholders supported</th>
<th>Please explain</th>
</tr>
</thead>
</table>
Requested content

Smallholder financing/insurance approach (column 3)

- For each commodity, specify the financing/insurance approach(es) that best reflect those adopted by your organization:
  - Financial incentives refer to financing/insurance where the pricing is linked to sustainability-related outcomes or practices.
  - Government schemes would include those such as KUR (Kredit Usaha Rakyat).
  - To be considered long-term, financing/insurance should have a sufficient tenor to support smallholders with replanting given the yield profile of the commodity over its productive life.
- If you employ several approaches with smallholders for a selected commodity, select all that apply.
- If you support smallholders through a financing/insurance approach that is not listed as an option, select “Other, please specify” and specify your approach.

Other smallholder engagement approaches (column 4)

- Specify any other engagement approach(es) that reflect those adopted by your organization.
- If you support smallholders through an engagement approach that is not listed as an option, select “Other, please specify” and specify your approach.
- If none of the available options are suitable, leave the column blank.

Number of smallholders supported (column 5)

- Provide the estimated number of smallholders that are currently covered by your financing and/or insurance approach.

Please explain (column 6)

- Provide additional information on the details of your smallholder engagement approach, including whether you engage with individual smallholders or groups. If you are engaging with groups of smallholders, detail how those groups are chosen.
- Include one or more examples of supplier engagement and impact achieved on the ground.
- If you select “Other, please specify” in previous columns, please specify your selections here.
Additional information

- A useful review of smallholder financing approaches (in the context of Indonesian palm oil) is available [here](#).

(FS.2b) Describe the key barriers to providing financing or other support to smallholders in agricultural commodity supply chains.

**Question dependencies**

This question only appears if either:

- You select “Banking” in response to FS0.6; or
- You select “Insurance” and “General insurance” in response to FS0.6.

**Comparison with CDP Climate Change 2021 Questionnaire**

**Additional question**

**Rationale**

Consistently low yields produced by agricultural smallholders are a common problem in developing countries. One explanation for this often given is that smallholders lack access to high quality long-term credit required to invest in improving yields. This question seeks to collect data from banks and insurance companies on what barriers they face in financing/insuring smallholders, which could signpost governments and other stakeholders in their efforts to reduce barriers and promote sustainable development.

**Response options**

Complete the following table.

<table>
<thead>
<tr>
<th>Type of barrier</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select all that apply:</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td>High risk and volatile sector</td>
<td></td>
</tr>
<tr>
<td>Low yields</td>
<td></td>
</tr>
<tr>
<td>Lack of government subsidies</td>
<td></td>
</tr>
<tr>
<td>Not a strategic focus</td>
<td></td>
</tr>
<tr>
<td>No barriers</td>
<td></td>
</tr>
<tr>
<td>Other, please specify</td>
<td></td>
</tr>
</tbody>
</table>

**Requested content**

**General**

- If your organization does not currently finance/insure smallholders, select and describe the main barriers preventing you from doing so.
- If your organization does currently finance and/or insure smallholders, include any barriers preventing an expansion of your financing/insurance provision to smallholders.
- Ensure the barriers described are company-specific, and state clearly how they have affected your decisions on financial services offered in the reporting period.

**External initiatives**

(FS.3) Are you a signatory or participant in any climate- and/or forests-related collaborative industry initiatives?
Comparison with CDP Climate Change 2021 Questionnaire

C-FS12.5

Rationale

By becoming a signatory of climate and/or forests-related collaborative industry initiatives, organizations in the financial sector contribute to the development of frameworks that will help the sector and the wider real economy meet the goals of the Paris agreement. Supporting such initiatives sends a signal to investors about the organization’s commitment to taking steps to align its business to a below 2-degree world.

Connection to other frameworks

SUSBA – Sub-indicator 1.2.1

Principles for Responsible Banking – Principle 4

OJK Regulation 51

Response options

Complete the following table.

<table>
<thead>
<tr>
<th>Industry collaboration</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select all that apply:</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td>• Asia Investor Group on Climate Change (AIGCC)</td>
<td></td>
</tr>
<tr>
<td>• Asia Sustainable Finance Initiative (ASFI)</td>
<td></td>
</tr>
<tr>
<td>• Banking Environment Initiative</td>
<td></td>
</tr>
<tr>
<td>• Ceres</td>
<td></td>
</tr>
<tr>
<td>• Cerrado Manifesto</td>
<td></td>
</tr>
<tr>
<td>• Climate Action 100+</td>
<td></td>
</tr>
<tr>
<td>• Climate Bonds Initiative Partner Programme</td>
<td></td>
</tr>
<tr>
<td>• Climate Disclosure Standards Board (CDSB)</td>
<td></td>
</tr>
<tr>
<td>• ClimateWise Principles</td>
<td></td>
</tr>
<tr>
<td>• Collective Commitment of Climate Action</td>
<td></td>
</tr>
<tr>
<td>• Equator Principles</td>
<td></td>
</tr>
<tr>
<td>• Forest Stewardship Council (FSC)</td>
<td></td>
</tr>
<tr>
<td>• G7 Investors Global Initiative</td>
<td></td>
</tr>
<tr>
<td>• Global Alliance for Banking on Values (GABV)</td>
<td></td>
</tr>
<tr>
<td>• Global Roundtable for Sustainable Beef (GRSB)</td>
<td></td>
</tr>
<tr>
<td>• IIF Forum on Implementation of TCFD Recommendations</td>
<td></td>
</tr>
<tr>
<td>• Institutional Investors Group on Climate Change (IIGCC)</td>
<td></td>
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<tr>
<td>• International Corporate Governance Network (ICGN)</td>
<td></td>
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<tr>
<td>• Montreal Pledge</td>
<td></td>
</tr>
<tr>
<td>• Natural Capital Finance Alliance</td>
<td></td>
</tr>
<tr>
<td>• Net-Zero Asset Owner Alliance</td>
<td></td>
</tr>
<tr>
<td>• New York Declaration on Forests</td>
<td></td>
</tr>
<tr>
<td>• Partnership for Carbon Accounting Financials (PCAF)</td>
<td></td>
</tr>
<tr>
<td>• PRI Investor Working Group on Sustainable Palm Oil</td>
<td></td>
</tr>
<tr>
<td>• Principle for Responsible Investment</td>
<td></td>
</tr>
<tr>
<td>• Programme for the Endorsement of Forest Certification (PEFC)</td>
<td></td>
</tr>
<tr>
<td>• Positive Impact Initiative</td>
<td></td>
</tr>
<tr>
<td>• RE100</td>
<td></td>
</tr>
<tr>
<td>• Roundtable on Responsible Soy (RTRS)</td>
<td></td>
</tr>
<tr>
<td>• Roundtable on Sustainable Palm Oil (RSPO)</td>
<td></td>
</tr>
<tr>
<td>• SBTi for FIs</td>
<td></td>
</tr>
<tr>
<td>• Soft Commodities Compact</td>
<td></td>
</tr>
<tr>
<td>• Task Force on Climate-related Financial Disclosures (TCFD)</td>
<td></td>
</tr>
<tr>
<td>• Task Force on Nature-related Financial Disclosures (TNFD)</td>
<td></td>
</tr>
<tr>
<td>• The Investor Agenda</td>
<td></td>
</tr>
<tr>
<td>• Tropical Forest Alliance 2020</td>
<td></td>
</tr>
<tr>
<td>• UN Global Compact</td>
<td></td>
</tr>
<tr>
<td>• UNEP FI</td>
<td></td>
</tr>
<tr>
<td>• UNEP FI Portfolio Decarbonization Coalition</td>
<td></td>
</tr>
<tr>
<td>• UNEP FI Principles for Responsible Banking</td>
<td></td>
</tr>
</tbody>
</table>
Requested content

General

- Select all the options you are engaged with. If an initiative is not listed, select “Other, please specify” and explain what this industry collaboration is in the “Comment” column 2.

Engagement with regulators

(FS.6.4) Do you engage in activities to influence public policy on climate- and/or forests-related issues?

Comparison with CDP Climate Change 2021 Questionnaire

C12.3

Rationale

Participating in engagement activities that can directly or indirectly influence public policy on climate- and forests-related issues are of interest to CDP data users, as it is important to understand how companies' public policy activities relate to other environmental stances taken.

Connection to other frameworks

SUSBA – Sub-indicator 1.2.2

Principles for Responsible Banking – Principle 4

OJK Regulation 51

Response options

Select one of the following options:

- Yes
- No

Requested content

General

- If you engage in activities that could either directly or indirectly influence climate change or forests-related policy, select “Yes”.
- This question is focused on external engagement with policy makers, government departments, or regulatory bodies on a regional, local, national, or international level. Responses should be relevant to the reporting year only.
- There will be a wide range of activities that could be considered as engagement that influences public policy. Please select “Yes” regardless of your role in those activities or its significance.
- Only select “No” if you do not engage in any activities with policy makers, directly or indirectly.
(FS6.4a) On what issues have you been engaging, and which activities do you undertake to influence public policy, either directly or through any of the following?

**Question dependencies**

This question only appears if you select “Yes” in response to FS6.4.

**Comparison with CDP Climate Change 2021 Questionnaire**

C12.3a

**Rationale**

Participating in engagement activities that can directly or indirectly influence public policy on climate- and forests-related issues are of interest to CDP data users, as it is important to understand how companies’ public policy activities relate to other environmental stances taken. This question provides increased transparency regarding the public policy issues that organizations have been engaging on and the activities they use to influence public policy.

**Connection to other frameworks**

*SUSBA – Sub-indicator 1.2.2*

*Principles for Responsible Banking – Principle 4*

*OJK Regulation 51*

**Response options**

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Public policy issue relates to</th>
<th>Corporate position</th>
<th>Activity used to influence public policy</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select from:</td>
<td>Select all that apply:</td>
<td>Text field [maximum 4,800 characters]</td>
</tr>
<tr>
<td>• Mandatory carbon reporting</td>
<td>• Support</td>
<td>• Direct engagement with policy makers</td>
<td></td>
</tr>
<tr>
<td>• Cap and trade</td>
<td>• Support with minor exceptions</td>
<td>• Through trade associations</td>
<td></td>
</tr>
<tr>
<td>• Carbon tax</td>
<td>• Support with major exceptions</td>
<td>• By funding research organizations</td>
<td></td>
</tr>
<tr>
<td>• Energy efficiency</td>
<td>• Neutral</td>
<td>• Other, please specify</td>
<td></td>
</tr>
<tr>
<td>• Clean energy generation</td>
<td>• Oppose</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Adaptation or resilience</td>
<td>• Undecided</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Sustainable finance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Emissions</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>• Land tenure regulations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Operations permits</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• International law and bilateral agreements</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Mandatory forest private reserves</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Environmental registry</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Other, please specify</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[Add another]

**Requested content**

**Public policy issue relates to (column 1)**

- Select the option that best matches the policy area your organization seeks to influence. Note that you are able to provide specific details in column 4.
- If none of the listed options apply, select “Other, please specify” and specify the policy area in the “Please explain” column 4..
- Only provide information on policy issues you have been actively seeking to influence in the reporting year.
Corporate position (column 2)

- This should reflect your position on the policy issue you have been seeking to influence:
  - **“Support”**: Select this option if you are engaging in full support of the policy issue.
  - **“Support with minor exceptions”**: Select this option if you are engaging in support of the policy issue with minor exceptions. For example, if you support the principle of a carbon tax but oppose certain ways in which it is being applied, select this option. You will be given the chance to explain your exceptions in a subsequent column.
  - **“Support with major exceptions”**: Select this option if you are engaging in support of the policy issue with major exceptions.
  - **“Neutral”**: Select this option if you have taken part in engagement activities for this policy issue but have not put forward a view.
  - **“Oppose”**: Select this option if you have been seeking to influence against the imposition of this public policy.
  - **“Undecided”**: Select this option if you have been engaging on this public policy issue at an early stage and have yet to give an opinion or attempt to influence the policy development process in any direction.

Activity used to influence public policy (column 3)

- Select all of the activities you are engaging in to try to influence the public policy issue:
  - **“Direct engagement with policy makers”**: See “Explanation of terms”. Examples would include responding to a consultation, sitting on a working group or conducting lobbying activities directed at individuals or groups that are part of the process of developing, reviewing or amending a law or regulation. Direct engagement can take place at any stage in the policy development process, from the selection of options to final consultation comments. It does not include compliance with a new or updated requirement once in force.
  - **“Through trade associations”**: See “Explanation of terms”. Trade associations are relevant here as they present an “industry voice” to governments and many take a position on environmental matters and actively engage with policy makers on the development of policy on behalf of their members.
  - **“By funding research organizations”**: See “Explanation of terms”. Funding may take the form of membership fees paid to research organizations, for example.

- If none of the listed options apply, select “Other, please specify” and specify in the “Please explain” column 4.

Please explain (column 4)

- Provide brief details of the policy or policy area that you have sought to influence.
- If applicable, give the name of the legislation and the geographies to which it applies.
- Provide details of how you are engaging (e.g. responding to a consultation, meeting directly with policy makers, etc.) in order to influence outcomes.
- If you are engaging through a trade association or research organization, provide the name of the association(s) or organization(s) through which you are engaging.
- If you support the legislation with exceptions, you should provide details of the exceptions and what you would propose in their place.
- If you oppose the legislation, please provide details of an alternative legislative approach that you feel would more effectively reduce carbon emissions and/or deforestation.

Explanation of terms

- **Direct engagement**: This includes all activity where companies (or their representatives such as law firms or public affairs agencies engaged directly by the company) engage with policy makers or regulators.
• **Research organizations**: In this context, this include research institutions, think tanks, and other consultancies that operate in the climate change and deforestation subject areas on projects intended for public dissemination that aim to influence policy.

• **Trade associations**: (Sometimes also referred to as industry associations) are an association of people or companies in a particular business or trade, organized to promote their common interests.

**Additional information**

**Corporate engagement in climate public policy**

• For more information on best practice in engaging in climate-related public policy areas please see the *Guide for Responsible Corporate Engagement in Climate Policy* produced in 2013 by CDP alongside UN Global Compact, Ceres, The Climate Group, WWF and the World Resources Institute.

**Climate change position of trade associations:**

• To raise awareness of the climate-related positions and actions of trade associations, the Center for Science and Democracy at the Union of Concerned Scientists has conducted an analysis on the public discourse of the largest and most influential trade and business associations in the United States and globally. Areas explored include how these groups understand the science of climate change, the positions they have on climate policy, and what actions they have taken with respect to specific climate-related policy proposals in recent years.

---

**FS6.4b** What processes do you have in place to ensure that all of your direct and indirect activities that influence public policy are consistent with your overall climate change and forests strategies?

**Question dependencies**

This question only appears if you select “Yes” in response to FS6.4.

**Comparison with CDP Climate Change 2021 Questionnaire**

C12.3f

**Rationale**

It is important that companies maintain a consistent approach to issues. For example, conflicting messages about a company’s priorities and stance are given to investors and data users when it has engaged in influencing activities that discredit climate science while also working with third parties to advance solutions and adaptations to climate change. This question enables companies to disclose the processes they use to make sure that their position on environmental issues is compatible with the activities in which they partake.

**Connection to other frameworks**

*Principles for Responsible Banking* – Principle 4

*OJK Regulation* 51

**Response options**

This is an open text question with a limit of 5,000 characters.

**Requested content**

**General**

• Describe how your organization manages the multiple engagement activities around climate change and forests across business divisions and geographies to ensure that there is a common approach consistent with your climate change and forests strategies.
• Explain the processes you have in place, or if you do not have any in place currently, how you plan to address the potential for conflict in the future.

(FS6.4c) Why do you not engage with policy makers on climate- and/or forests-related issues?

Question dependencies
This question only appears if you select “No” in response to FS6.4.

Comparison with CDP Climate Change 2021 Questionnaire
C12.3g

Rationale
Not all companies choose to engage with policy makers regarding environmental issues. Investors and data users are interested in understanding why companies have made this choice, and whether there are any plans to change this stance in the future. Considering the impact that companies can have on policy, it is important for data users to know why those companies have deliberately chosen not to engage with policy makers in any way.

Response options
This is an open text question with a limit of 4,800 characters.

Requested content
General
• Please provide a company-specific explanation as to why you do not pursue activities that seek to influence climate change or forests-related public policy areas in line with your organization’s climate change and forests strategies, and state any plans you have to change that in the future.

Internal engagement

(FS6.5) Does your organization train its staff on climate- and/or forests-related issues?

Comparison with CDP Climate Change 2021 Questionnaire

Additional question

Rationale
As climate change affects our economic systems of the future, financial institutions will require expertise to manage the climate- and forests-related risks that arise, and to recognize and capitalize on new opportunities. Staff with such expertise will be more adept at navigating the landscape of developing financial regulation and disclosure norms, such as the TCFD, which relate to environmental issues. Data users are interested in whether organizations have staff equipped for these challenges.

Connection to other frameworks
SUSBA – Sub-indicator 4.2.2
Principles for Responsible Banking – Principle 5
OJK Regulation 51

Response options
Select all that apply:
- Yes, we train staff on climate-related issues
- Yes, we train staff on forests-related issues
- No, we do not train staff

**Requested content**

**General**

- Indicate whether your organization trains staff on climate- and forests-related issues. Training could take a number of forms such as mandatory online modules or in-person workshops.
- Subsequent questions ask for more details on this training.

*(FS6.5a) Provide further details on your organization’s training related to climate change and/or forests.*

**Question dependencies**

This question only appears if either you select any option beginning “Yes…” in response to FS6.5.

**Comparison with CDP Climate Change 2021 Questionnaire**

Additional question

**Rationale**

The effectiveness of organizations’ staff training will depend on several factors. If senior personnel possess expertise in environmental issues it can be beneficial in setting a “tone-at-the-top”. Environmental risks facing companies are often complex; a level of technical expertise among credit analysts is required to understand the risks and accurately assess effects on those companies’ credit profile. Data users are interested in what training financial institutions are conducting, and with which staff.

**Connection to other frameworks**

*SUSBA – Sub-indicator 4.2.2*

*Principles for Responsible Banking – Principle 5*

*OJK Regulation 51*

**Response options**

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Type of training</th>
<th>Training related to</th>
<th>Staff trained</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select all that apply:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General education about issues</td>
<td>Climate-related issues</td>
<td>All staff</td>
<td>Text field [maximum 4,800 characters]</td>
</tr>
<tr>
<td>Education about your organization’s policy in response to issues</td>
<td>Forests-related issues</td>
<td>C-suite officers</td>
<td></td>
</tr>
<tr>
<td>Training at a more technical level on environmental risks</td>
<td></td>
<td>Senior management</td>
<td></td>
</tr>
<tr>
<td>Other, please specify</td>
<td></td>
<td>Staff with roles related to sustainability</td>
<td></td>
</tr>
</tbody>
</table>

Text field [maximum 4,800 characters]
**Requested content**

**Type of training (column 1)**

- Select all the types of training you conduct with staff members.
- If you conduct different types of training for different types of staff members (for example, credit analysts assessing clients in heavy polluting sectors get more technical training on modelling climate-related risks) you are able to add rows for each type of staff and select the training in the relevant rows.
- Select "Other, please specify" if the training you conduct is not well represented by the drop-down options presented and specify.

**Training related to (column 2)**

- Select whether your training relates to climate change or forests.
- As an illustrative example, if credit analysts receive technical training on modelling environmental risks:
  - This would be climate-related if it covers including a carbon price in credit models.
  - This would be forests-related if it covers modelling the costs of purchasing more of a certified forest risk commodity.

**Staff trained (column 3)**

- Select all the staff to which you offer this training.
- You are able to select “All staff” if you train all staff employed by organization, not including contractors or staff employed by third-party suppliers which work for your organization.
- Select "Other, please specify" if you offer the training to staff not included in the drop-down options presented and specify in the “Please explain” column 4.

**Explanation of terms**

- **C-suite**: A term used to collectively refer to the most senior executive team.

---

**(FS6.5b) Why does your organization not train its staff on climate- and/or forests-related issues, and do you have plans to do so in the future?**

**Question dependencies**

This question only appears if you do not select both “Yes, we train staff on climate-related issues” and “Yes, we train staff on forests-related issues” in response to FS6.5.

**Comparison with CDP Climate Change 2021 Questionnaire**

**Additional question**

**Rationale**

As climate change affects our economic systems of the future, financial institutions will require expertise to manage the climate- and forests-related risks that arise, and to recognize and capitalize on new opportunities. Staff with such expertise will be more adept at navigating the landscape of developing financial regulation and disclosure norms, such as the TCFD, which relate to environmental issues. Data users are interested in why organizations do not train their staff on these issues and if they have plans to do so in the future.

**Response options**
Complete the following table.

<table>
<thead>
<tr>
<th>Theme(s)</th>
<th>We plan to train staff in the next two years</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate</td>
<td>Select from:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• We plan to introduce training in the next two years</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• We do not plan to introduce training in the next two years</td>
<td></td>
</tr>
<tr>
<td>Forests</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Requested content

**General**

- You will only be presented with options relevant to your selection in FS6.5.

**Please explain (column 3)**

- Your response should be company-specific and include:
  - Why you do not currently train staff on climate- and/or forests-related issues, and;
  - A description of any plans to introduce training in the future.

**Communications**

*(FS6.6)* Have you published information about your organization's response to climate change and/or forests-related risks in places other than your CDP response?

**Comparison with CDP Climate Change 2021 Questionnaire**

**C12.4**

**Rationale**

Best practice in corporate environmental reporting is to integrate non-financial metrics and data into mainstream financial reports. Investors want to understand where and how companies communicate their climate change and forests-related strategies and emissions figures, and whether these communications are in line with best practice.

**Connection to other frameworks**

*Principles for Responsible Banking – Principle 6*

**Response options**

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Publication</th>
<th>Attach the document</th>
<th>Content elements</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>[Attach the document]</td>
<td>Select all that apply:</td>
<td>Text field [maximum 4,800 characters]</td>
</tr>
</tbody>
</table>
• In a voluntary sustainability report
• No publications, but reporting is underway to publish information about our response to climate change and/or forests-related risks in the next two years
• No publications
• Other, please specify

• Portfolio emissions figures, write in page reference
• Emissions targets, write in page reference
• Financing the low carbon transition, write in page reference
• Response to forests-related risks, write in page reference
• Financing of forest risk commodities, write in page reference
• Other, please specify, write in page reference

Requested content

General

• The question invites you to upload a PDF document. Even where the relevant information is web-based, you must produce a static PDF document to attach. This is due to the need for a response that is fixed at the time of submission and can be accessed in the future; a URL is inherently dynamic and therefore cannot fulfill this requirement.

Publication (column 1)

• Select the type of publication in which your organization has published information on climate change and forests-related risks, or your GHG emissions performance for the reporting year, other than in its disclosure through CDP.
• CDP uses the CDSB Framework definition of mainstream reports, i.e. annual reporting packages in which organizations are required to deliver their audited financial results under the corporate, compliance or securities laws of the country in which they operate and are normally publicly available. It is acknowledged that, in some jurisdictions, multiple documents may meet this definition. Please attach only those which reference your organization’s response to climate change and forests-related risks.
• Other regulatory filings are reports required through regional or national legislation, but which do not fall under the definition of mainstream reports stated above.
• Voluntary communications include optional sustainability/CSR reports or any other voluntary consumer facing publications, advertising, company websites, executive speeches and/or presentations.
• If you do not publish any content regarding your organization's response to climate change and forests-related risks, select "No publications, but reporting is underway to publish information about our response to climate change and/or forests-related risks in the next two years" or "No publications", as appropriate.
• If you select “Other, please specify,” specify the publication in the “Comment” column 4.

Content elements (column 3)

• Select all content elements covered in the publication type selected in column 1.
• For each content element selected, identify the page(s) and/or section(s) of the publication where it can be found.

Explanation of terms

• Mainstream reports: In line with CDSB, this refers to the annual reporting packages in which organizations are required to deliver their audited financial results under the corporate, compliance or securities laws of the country in which they are incorporated or, if relevant, operate. Mainstream
Additional information

The Climate Disclosure Standards Board

- The Climate Disclosure Standards Board (CDSB) is a consortium of business and environmental organizations. CDSB is committed to advancing and aligning the global mainstream corporate reporting model to equate natural capital with financial capital.
- CDSB does this by offering companies a framework for reporting climate change and natural capital information with the same rigor as financial information. In turn this helps them to provide investors with decision-useful environmental information via the mainstream corporate report, enhancing the efficient allocation of capital. Regulators also benefit from compliance-ready materials.
- Recognizing that information about natural capital and financial capital is equally essential for an understanding of corporate performance, CDSB's work builds trust and transparency needed to foster resilient capital markets. Collectively, CDSB aims to contribute to more sustainable economic, social and environmental systems.
- CDSB's Mission is to create the enabling conditions for material climate change and natural capital information to be integrated into mainstream reporting. In effect, this helps create the landscape for companies to translate their sustainability information into business impacts and long-term value.
- To fulfil its mission and vision, CDSB seeks to standardize environmental information reporting through collaborating, identifying and coalescing around the most widely shared and tested reporting approaches that are emerging around the world.
- CDSB advances its mission by:
  - Helping companies interpret and better understand their data: CDSB will drive the corporate uptake in current – and future – initiatives such as the TCFD recommendations by providing technical and educational support to corporates and regulators;
  - Creating a technical architecture: CDSB will develop and provide a common language and reporting frameworks and develop technical material supporting contentious issues or market needs, spearheaded by the CDSB Framework;
  - Making connections: CDSB will engage with corporate, regulators, investors, standard-setters and non-profits to develop industry-driven reporting tools, practices and regulations, and shape regulatory developments.
- In April 2018 CDSB released an updated version of its Framework, the CDSB Framework for reporting environmental information, natural capital and associated business impacts, which is now aligned with the TCFD recommendations and other major reporting requirements. Further information on the CDSB Framework can be found on its website.

Why does CDP support the CDSB Framework?

- CDP works to transform the way the world does business to prevent dangerous climate change and protect our natural resources, particularly by providing relevant environmental information to investors. Given that an essential way that investors utilize data is through mainstream financial reports, it is integral to CDP’s mission that companies use the CDSB Framework to provide natural capital information to investors through their mainstream financial report.
- Therefore, the CDSB Framework provides an important tool for formalizing and advancing the significant progress CDP has made in developing climate change-related and natural capital reporting by bringing it into mainstream financial reporting.
- CDP acts as secretariat to CDSB, managing its work program on behalf of the Board members.

The Integrated Reporting Framework

- The primary purpose of an integrated report is to explain to providers of financial capital how an organization creates value over the short, medium and long term. An integrated report aims to
communicate a clear, concise, integrated story that explains how all of an organization's resources are creating value.

- The International <IR> Framework takes a principles-based approach. The intent is to strike an appropriate balance between flexibility and prescription that recognizes the wide variation in individual circumstances of different organizations while enabling a sufficient degree of comparability across organizations to meet relevant information needs. It does not prescribe specific key performance indicators, measurement methods, or the disclosure of individual matters, but it does include a small number of requirements that are to be applied before an integrated report can be said to be in accordance with the <IR> Framework.

**The Task Force on Climate-related Financial Disclosures (TCFD)**

- Launched in December 2015, the Financial Stability Board's (FSB) industry-led Task Force on Climate-related Financial Disclosure (TCFD) aims to develop voluntary and consistent climate-related financial risk disclosures for use by companies in providing information to investors, lenders, insurers, and other stakeholders.
- The TCFD strives to:
  - Promote more informed investment, credit (or lending), and insurance underwriting decisions;
  - Enable stakeholders to better understand the concentrations of carbon-related assets in the financial sector and the financial system’s exposures to climate-related risks;
  - Foster an early assessment of these risks, and facilitate market discipline;
  - Thus, providing a source of data that can be analyzed at a systemic level to facilitate authorities’ assessments of the materiality of any risks posed by climate change.
- The TCFD was tasked with developing a set of voluntary, financially relevant, climate disclosure recommendations that could promote informed investment, credit, and insurance underwriting decisions that could in turn enable stakeholders to better understand assets exposed to climate-related risks.
- Its aim is to enable stakeholders to allocate capital efficiently through the transition to a low-carbon economy without a potential dislocation of capital in the financial markets.
- The TCFD’s final report presents a principle-based set of recommendations for voluntary disclosure that aims to balance the needs of data users with the challenges faced by preparers. The report provides the overarching core recommendations with supporting information on climate-related risks, opportunities, financial impacts, and scenario analysis.
- Further information on TCFD can be found in [CDP technical note on the TCFD](#).

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**Module 7 – Targets and performance**

Questions in this module focus on emissions and low-carbon energy targets, additional climate-related targets and details of emission reduction initiatives.

Target setting provides direction and structure to environmental strategy. Providing information on quantitative targets and qualitative goals, and progress made against these targets, can demonstrate your organization’s commitment to improving climate-related issues management at a corporate level. This information is relevant to investors’ understanding of how your company is addressing and monitoring progress.

Questions on emission reduction initiatives allow CDP data users to understand the organization’s commitment to reducing emissions beyond business-as-usual scenario.

---

**Emissions targets**
(FS7.1) Did your organization have any active climate-related targets in the reporting year?

Comparison with CDP Climate Change 2021 Questionnaire

C4.1

Rationale

Target setting provides direction and structure to environmental strategy. CDP 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.

Connection to other frameworks

TCFD – Metrics and targets recommended disclosure c)

Response options

Select all that apply:

- Absolute target related to own operations
- Intensity target related to own operations
- Portfolio target
- No target

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 and the target is to reduce absolute emissions or emissions intensity.
  - Absolute 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.
  - 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.
  - Portfolio target: a portfolio target describes a reduction of the impact of your lending, investment and/or insurance underwriting portfolios (e.g. portfolio emissions) on the climate.

(FS7.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Question dependencies

This question only appears if you select “Absolute target related to own operations” in response to FS7.1.

Comparison with CDP Climate Change 2021 Questionnaire

C4.1a

Rationale

The question is aimed at encouraging best practice in target setting, such as the use of science-based targets where available.
Connection to other frameworks

**TCFD – Metrics and targets recommended disclosure c)**

**Response options**

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

<table>
<thead>
<tr>
<th>Year target was set</th>
<th>Target coverage</th>
<th>Scope(s) (or Scope 3 category)</th>
<th>Base year</th>
<th>Covered emissions in base year (metric tons CO₂e)</th>
</tr>
</thead>
</table>
| Numerical field [enter a number between 1900-2021] | Select from:  
- Company-wide  
- Business division  
- Business activity  
- Site/facility  
- Country/region  
- Product-level  
- Other, please specify | Select from:  
See drop-down options below | Numerical field [enter a number between 1900-2021] | Numerical field [enter a number from 0-999,999,999,999 using a maximum of 2 decimal places and no commas] |

<table>
<thead>
<tr>
<th>Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)</th>
<th>Target year</th>
<th>Targeted reduction from base year (%)</th>
<th>Covered emissions in target year (metric tons CO₂e)</th>
<th>Covered emissions in reporting year (metric tons CO₂e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage field [enter a percentage from 0-100 using a maximum of 2 decimal places]</td>
<td>Numerical field [enter a number between 2000-2100]</td>
<td>Percentage field [enter a percentage from 0-100 using a maximum of 2 decimal places]</td>
<td>Numerical field [enter a number from 0-999,999,999,999 using a maximum of 2 decimal places and no commas]</td>
<td>Numerical field [enter a number from 0-999,999,999,999 using a maximum of 2 decimal places and no commas]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% of target achieved</th>
<th>Target status in reporting year</th>
<th>Is this a science-based target?</th>
<th>Target ambition*</th>
<th>Please explain (including target coverage)</th>
</tr>
</thead>
</table>
| Percentage field [enter a percentage from -999-999 using a maximum of 2 decimal places] | Select from:  
- New  
- Underway  
- Achieved  
- Expired  
- Revised  
- Replaced  
- Retired | Select from:  
- Yes, this target has been approved by the Science-Based Targets initiative  
- Yes, we consider this a science-based target, but this target has not been approved 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 2 years  
- No, and we do not anticipate setting one in the next 2 years | Select from:  
- 1.5°C aligned  
- Well-below 2°C aligned  
- 2°C aligned  
- Other, please specify | Text field [maximum 2,400 characters] |

[Add another]

*This column applies only if you select one of the “Yes…” options in column “Is this a science-based target?”

Scope(s) (or Scope 3 category) drop-down options (column 3)
- Scope 1
- Scope 2 (location-based)
- Scope 2 (market-based)
- Scope 1+2 (location-based)
- Scope 1+2 (market-based)
- Scope 1+2 (location-based) +3 (upstream)
- Scope 1+2 (location-based) +3 (downstream)
- Scope 1+2 (location-based) +3 (upstream & downstream)
- Scope 1+2 (market-based) +3 (upstream)
- Scope 1+2 (market-based) +3 (downstream)
- Scope 1+2 (market-based) +3 (upstream & downstream)
- Scope 3 (upstream)
- Scope 3 (downstream)
- Scope 3 (upstream & downstream)
- Scope 3: Purchased goods & services
- Scope 3: Capital goods
- Scope 3: Fuel- and energy-related activities (not included in Scopes 1 or 2)
- Scope 3: Upstream transportation & distribution
- Scope 3: Waste generated in operations
- Scope 3: Business travel
- Scope 3: Employee commuting
- Scope 3: Upstream leased assets
- Scope 3: Investments
- Scope 3: Downstream transportation and distribution
- Scope 3: Processing of sold products
- Scope 3: Use of sold products
- Scope 3: End-of-life treatment of sold products
- Scope 3: Downstream leased assets
- Scope 3: Franchises
- Other, please specify

Requested content

General

- Note that CDP is requesting data on gross emissions. Gross means total emissions before any deductions or other adjustments are made to take account of offset credits, avoided emissions from the use of goods and services and/or reductions attributable to the sequestration or transfer of GHGs. If you have a target that will be met in part by offsetting (including carbon neutrality targets), only the proportion of the target that relates to emissions reductions (and not offset purchases) should be considered 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 supply chain should be captured as Scope 3 targets.
- The categories of Scope 3 emissions have been taken from the Greenhouse Gas Protocol’s Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Refer to the Standard for additional information on the sources that each category comprises and how to calculate these emissions. If you are specifying a Scope 3 source under “Other, please specify” please make it clear whether it is an upstream or downstream source.

Year target was set (column 1)

- Enter the year in which your company 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 target year.
- If you have a year-on-year rolling target, enter the year your first set the target. This can be before the base year.
- If you set the target based on financial years, enter the year that applies to the end of your financial year and specify this in the “Please explain (including target coverage)” column.

Target coverage (column 2)

- If the target applies to the whole company, select “Company-wide”. Note that “company” 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 the “Please explain (including target coverage)” column. E.g. if your target applies only to your European operations, select “Country/region” in this column and specify the country/region in the “Please explain (including target coverage)” column.

Scope(s) (or Scope 3 category) (column 3)
• This refers to the Scope(s) (or Scope 3 category) of emissions to which the target relates. Note that the target does not have to comprise all emissions within a particular Scope.
• If you choose “Other, please specify”, please specify in “Please explain (including target coverage)” (column 13)

**Base year (column 4)**

• The base year is the year against which you are comparing your emissions reduction target
• If you have a year-on-year rolling target, the base year will be the previous 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 (including target coverage)” 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 the “Please explain (including target coverage)” column.
• You cannot have a base year that is in the future.

**Covered emissions in base year (metric tons CO\textsubscript{2}e) (column 5)**

• 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.

**Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category) (column 6)**

• Enter the covered emissions in base year (reported in the previous column) as a percentage of your total company-wide base year emissions in the Scope(s) (or Scope 3 category) your target relates to.
• If the target encompasses multiple Scopes, the percentage should be based upon the total company-wide emissions in all Scopes identified.
• E.g. if your target is to reduce Scope 1 emissions arising from your European operations, and your European operations accounted for 80% of your total Scope 1 emissions in the base year, then you should enter 80 into this column.
• E.g. If you have selected a Scope 3 category (e.g. Scope 3: Business travel) you should specify the percentage of emissions in that category rather than in Scope 3 as a whole.
• Note that entering a value of 100% indicates that the target covers your company’s total, global gross emissions in the base year for the Scope(s) (or Scope 3 category) selected in column 2.

**Target year (column 7)**

• If you have a year-on-year rolling target, the target year 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 in the “Please explain (including target coverage)” 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 the “Please explain (including target coverage)” column.

**Targeted reduction from base year (%) (column 8)**

• Enter your targeted emissions reduction as a percentage reduction in emissions to be achieved in the target year, when compared to the base year.
• E.g. if your target is to reduce your Scope 1 emissions by 3000 metric tons CO\textsubscript{2}e and your base year emissions were 150,000 metric tons CO\textsubscript{2}e, you should enter 2 into this column (i.e. (3000/150000)=0.02; then multiply by 100 for percentage value).
• If your target is to stabilize emissions at the base year level, you should enter 0 in this column.
• Note that this column is intended to describe the targeted percentage reduction from the base year that is to be achieved in the target year, and not the percentage reduction from the base year observed in the reporting year.

**Covered emissions in target year (metric tons CO\textsubscript{2}e) (column 9)**

- The emissions covered by the target in your target year will be calculated from the “Covered emissions in base year” (column 5) and the “Targeted reduction from base year” (column 8) columns. Ensure that you have entered data into these columns.
- E.g. if your base year emissions were 150,000 metric tons CO\textsubscript{2}e, and your targeted reduction is 2%, this column will display 147,000.

**Covered emissions in reporting year (metric tons CO2e) (column 10)**

- 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 (column 11)**

- The target’s percentage completion (in terms of emissions) compared with the base year will be calculated from the “Covered emissions in base year” (column 5), “Targeted reduction from base year” (column 8) and the “Covered emissions in reporting year” (column 10) columns. Ensure that you have entered data into these columns.
- E.g. if 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.
- 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 12)**

- “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 a target year 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.
- “Expired”: Select this option for targets with a target year of the reporting year, that have not been achieved 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 1 to 10 in the reporting year, for example due to a recalculation of the base year emissions or a change to the target year.
- “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 company-wide target.
- “Retired”: Select this option for targets with a target year 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 the “Please explain (including target coverage)” column.

**Is this a science-based target? (column 13)**

- A brief description of science-based targets and why CDP is asking companies to set them is provided as additional information to this question.
In addition, see the Technical Note on Science-Based Targets for what qualifies as a science-based target and how to assess your target against the Science Based Targets initiative’s criteria.

- “Yes, this target has been approved as science-based by the Science Based Targets initiative”: Companies are very strongly encouraged to have their targets officially evaluated by the Science Based Targets initiative (SBTi). CDP considers 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, but this target has not been approved as science-based by the Science Based Targets initiative”: 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 had it approved by the SBTi, or it is currently being reviewed by the SBTi, please select this option. You should use the “Please explain (including target coverage)” column to explain why you believe your target to be science-based. Do not select this option if your target has been rejected by the SBTi. 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 2 years.”
- “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 FS7.1b.
- “No, but we anticipate setting one in the next 2 years”: While not necessary, it is recommended that the company publicly state this through the Call to Action commitment to set a science-based target.
- “No, and we do not anticipate setting one in the next 2 years”: No science-based targets have been set and there are no plans in place to set one in the next 2 years.

**Target ambition (column 14)**

- Select the level of ambition of your science-based target. Note that the SBTi currently requires scope 1 and 2 targets to be consistent with the level of decarbonization required to keep global temperature increase to well-below 2°C compared to preindustrial temperatures, but encourages companies to pursue greater efforts towards a 1.5°C trajectory.

**Please explain (including target coverage) (column 15)**

- If the target is not company-wide (i.e. it does not apply to the whole company in line with your definition of the reporting boundary), provide further details of your target coverage in this column. E.g. if you have selected “Country/region” in column 2, please specify which countries/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.

**Additional information**

**Science based targets**

- The world is on a trajectory leading to a 4°C temperature increase above pre-industrial levels, which will have adverse effects on the planet. Nearly 200 nations at COP21 wrote into the Paris Agreement that globally we will aim to limit warming to below 2°C and even pursue efforts to limit warming to under 1.5°C. However, there is a yawning gap between the level of ambition of the country 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 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.

**FS7.1b Provide details of your emissions intensity target(s) and progress made against those target(s).**

**Question dependencies**

This question only appears if you select “Intensity target related to own operations” in response to FS7.1.

**Comparison with CDP Climate Change 2021 Questionnaire**

C4.1b

**Rationale**

The question is aimed at encouraging best practice in target setting, such as the use of science-based targets where available.

**Connection to other frameworks**

*TCFD – Metrics and targets recommended disclosure c)*

**Response options**

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

<table>
<thead>
<tr>
<th>Year target was set</th>
<th>Target coverage</th>
<th>Scope(s) (or Scope 3 category)</th>
<th>Intensity metric</th>
<th>Base year</th>
</tr>
</thead>
</table>
| Numerical field [enter a number between 1900-2021] | Select from:  
  - Company-wide  
  - Business division  
  - Business activity  
  - Site/facility  
  - Country/region  
  - Product level  
  - Other, please specify | Select from:  
  - See drop-down options below | Select from:  
  - See drop-down options below | Numerical field [enter a number between 1900-2021] |

<table>
<thead>
<tr>
<th>Intensity figure in base year (metric tons CO2e per unit of activity)</th>
<th>% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure</th>
<th>Target year</th>
<th>Targeted reduction from base year (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Numerical field [enter a number from 0-999,999,999,999 using a maximum of 10 decimal places and no commas]</td>
<td>Percentage field [enter a percentage from 0-100 using a maximum of 2 decimal places]</td>
<td>Numerical field [enter a number between 2000-2100]</td>
<td>Percentage field [enter a percentage from 0-100 using a maximum of 2 decimal places]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Intensity figure in target year (metric tons CO2e per unit of activity)</th>
<th>% change anticipated in absolute Scope 1+2 emissions</th>
<th>% change anticipated in absolute Scope 3 emissions</th>
<th>Intensity figure in reporting year (metric tons CO2e per unit of activity)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Numerical field [enter a number from 0-999,999,999,999 using a maximum of 10 decimal places and no commas]</td>
<td>Percentage field [enter a percentage from -999-999 using a maximum of 2 decimal places]</td>
<td>Percentage field [enter a percentage from -999-999 using a maximum of 2 decimal places]</td>
<td>Numerical field [enter a number from 0-999,999,999,999 using a maximum of 10 decimal places and no commas]</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>% of target achieved</th>
<th>Target status in reporting year</th>
<th>Is this a science-based target?</th>
<th>Target ambition*</th>
<th>Please explain (including target coverage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage field [enter a percentage from -999-999 using a maximum of 2 decimal places]</td>
<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>• New</td>
<td>• Yes, this target has been approved by the Science-Based Targets initiative</td>
<td>• 1.5°C aligned</td>
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<tr>
<td></td>
<td>• Underway</td>
<td>• Yes, we consider this a science-based target, but this target has not been approved by the Science-Based Targets initiative</td>
<td>• Well-below 2°C aligned</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Achieved</td>
<td>• No, but we are reporting another target that is science-based</td>
<td>• 2°C aligned</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Expired</td>
<td>• No, but we anticipate setting one in the next 2 years</td>
<td>• Other, please specify</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Revised</td>
<td>• No, and we do not anticipate setting one in the next 2 years</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Replaced</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>• Retired</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[Add another]

*This column applies only if you select one of the “Yes…” options in column “Is this a science-based target?”*

**Scope(s) (or Scope 3 category) drop-down options (column 3)**

- Scope 1
- Scope 2 (location-based)
- Scope 2 (market-based)
- Scope 1+2 (location-based)
- Scope 1+2 (market-based)
- Scope 1+2 (location-based) +3 (upstream)
- Scope 1+2 (location-based) +3 (downstream)
- Scope 1+2 (location-based) +3 (upstream & downstream)
- Scope 1+2 (market-based) +3 (upstream)
- Scope 1+2 (market-based) +3 (downstream)
- Scope 1+2 (market-based) +3 (upstream & downstream)
- Scope 3 (upstream)
- Scope 3 (downstream)
- Scope 3 (upstream & downstream)
- Scope 3: Purchased goods & services
- Scope 3: Capital goods
- Scope 3: Fuel- and energy-related activities (not included in Scopes 1 or 2)
- Scope 3: Upstream transportation & distribution
- Scope 3: Waste generated in operations
- Scope 3: Business travel
- Scope 3: Employee commuting
- Scope 3: Upstream leased assets
- Scope 3: Investments
- Scope 3: Downstream transportation and distribution
- Scope 3: Processing of sold products
- Scope 3: Use of sold products
- Scope 3: End-of-life treatment of sold products
- Scope 3: Downstream leased assets
- Scope 3: Franchises
- Other, please specify

**Intensity metric drop-down options (column 4)**

Those with an asterisk (*) are carbon footprinting and exposure metrics, as identified by the TCFD, which can express the impact of portfolios on the climate.

- Metric tons CO$_2$e per unit revenue*
- Metric tons of CO$_2$e per billion (currency) funds under management*
- Grams CO$_2$e per revenue passenger kilometer
- Metric tons CO$_2$e per USD($) value-added
- Metric tons CO$_2$e per square meter
- Metric tons CO$_2$e per metric ton of aluminum
- Metric tons CO$_2$e per metric ton of steel
- Metric tons CO$_2$e per metric ton of cement
- Metric tons CO$_2$e per metric ton of cardboard
- Grams CO$_2$e per kilometer
- Metric tons CO$_2$e per unit FTE employee
- Metric tons CO$_2$e per unit hour worked
- Metric tons CO$_2$e per metric ton of product
- Metric tons of CO$_2$e per liter of product
- Metric tons CO$_2$e per unit of production
- Metric tons CO$_2$e per unit of service provided
- Metric tons CO$_2$e per square foot
- Metric tons CO$_2$e per kilometer
- Metric tons CO$_2$e per passenger kilometer
- Metric tons CO$_2$e per megawatt hour (MWh)
- Metric tons CO$_2$e per barrel of oil equivalent (BOE)
- Metric tons CO$_2$e per vehicle produced
- Metric tons CO$_2$e per metric ton of ore processed
- Metric tons CO$_2$e per ounce of gold
- Metric tons CO$_2$e per ounce of platinum
Requested content

General

- Note that CDP is requesting data on gross emissions. Gross means total emissions before any deductions or other adjustments are made to take account of offset credits, avoided emissions from the use of goods and services and/or reductions attributable to the sequestration or transfer of GHGs. If you have a target that will be met in part by offsetting (including carbon neutrality targets), only the proportion of the target that relates to emissions reductions (and not offset purchases) should be considered 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 supply chain should be captured as Scope 3 targets.
- The categories of Scope 3 emissions have been taken from the Greenhouse Gas Protocol’s Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Refer to the Standard for additional information on the sources that each category comprises and how to calculate these emissions. If you are specifying a Scope 3 source under “Other, please specify” please make clear whether it is an upstream or downstream source.

Year target was set (column 1)

- Enter the year in which your company 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 target year.
- If you have a year-on-year rolling target, enter the year you first set the target. This can be before the base year.
- If you set the target based on financial years, enter the year that applies to the end of your financial year and specify this in the “Please explain (including target coverage)” column.

Target coverage (column 2)

- If the target applies to the whole company, select “Company-wide”. Note that “company” 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 the “Please explain (including target coverage)” column. E.g. if your target applies only to your European operations, select “Country/region” in this column and specify the country/region in the “Please explain (including target coverage)” column.

Scope(s) (or Scope 3 category) (column 3)

- This refers to the Scope(s) (or Scope 3 category) of emissions to which the target relates. Note that this does not have to comprise all emissions within a particular Scope.

Intensity metric (column 4)

- If you select “Other, please specify,” please specify in the “Please explain (including target coverage)” column and provide a label for the metric.
- This should be in the format “mass CO$_2$ per activity,” as in the drop-down options above.

Base year (column 5)

- The base year is the year against which you are comparing your emissions reduction target.
- If you have a year-on-year rolling target, the base year will be the previous 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 (including target coverage)” 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 the “Please explain (including target coverage)” column.
• You cannot have a base year that is in the future.

Intensity figure in base year (metric tons CO₂ per unit of activity) (column 6)
• 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.

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure (column 7)
• Enter the base year emissions covered by the target as a percentage of your total company-wide base year emissions in the Scope(s) (or Scope 3 category) your intensity target relates to.
• If the target encompasses multiple Scopes, the percentage should be based upon the total company-wide emissions in all Scopes identified.
• Note that for this calculation you should use the absolute base year emissions covered by the target (i.e. metric tons CO₂e), not the intensity figure you reported in the previous column (i.e. metric tons CO₂e per unit activity).
• E.g. if your target is to reduce your Scope 1 emissions per FTE employee in your European operations only, and your European operations accounted for 80% of your total Scope 1 emissions in the base year, then you should enter 80 into this column.
• E.g. if you have selected a Scope 3 category (e.g. Scope 3: Business travel) you should specify the percentage of emissions in that category rather than in Scope 3 as a whole.
• Note that entering a value of 100% indicates that the target covers your company’s total, global gross emissions in the base year for the Scope(s) (or Scope 3 category) selected in column 3.

Target year (column 8)
• If you have a year-on-year rolling target, the target year 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 (including target coverage)” 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 the “Please explain (including target coverage)” column.

Targeted reduction from base year (%) (column 9)
• Enter your targeted emissions intensity reduction as a percentage reduction of the emissions intensity figure to be achieved in the target year, when compared to the base year.
• E.g. if your target is to reduce your Scope 1 emissions per FTE employee to 7 metric tons CO₂e per FTE employee and your base year emissions were 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 for percentage value).
• If your target is to stabilize your emissions intensity at the base year level, you should enter 0 in this column.
• Note that this column is intended to describe the targeted percentage reduction from the base year that is to be achieved in the target year, not the percentage reduction from the base year observed in the reporting year.

Intensity figure in target year (metric tons CO₂e per unit of activity) (column 10)
• The intensity figure covered by the target in your target year will be calculated from the “Intensity figure in base year” (column 6) and the “Targeted reduction from base year” (column 9) columns. Ensure that you have entered data into these columns.
• 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.

% change anticipated in absolute Scope 1+2 emissions (column 11)
• Complete this column if your target relates to Scope 1 and/or Scope 2 emissions. If your target does not relate to Scope 1 and/or Scope 2 emissions, enter 0 (zero) in this column.
• Enter the percentage change in your total absolute gross global Scope 1+2 emissions anticipated, based on the information provided in the previous columns. A positive figure indicates that you anticipate an increase in emissions.
• Note that even if your target only relates to one Scope (i.e. Scope 1 or 2), enter the change anticipated in your Scope 1+2 emissions.

% change anticipated in absolute Scope 3 emissions (column 12)
• Complete this column if your target relates to Scope 3 emissions. If your target does not include Scope 3 emissions, enter 0 (zero) in this column.
• Enter the percentage change in your total absolute global Scope 3 emissions expected, based on the information provided in the previous columns. A positive figure indicates that you anticipate an increase in emissions.

Intensity figure in reporting year (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 (column 14)
• The target’s percentage completion (in terms of emissions) compared with the base year will be calculated from the “Intensity figure in base year” (column 6), “Targeted reduction from base year” (column 9), and the “Intensity figure in reporting year” (column 13) columns. Ensure you have entered data into these columns.
• E.g. if 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.
• 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 (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 a target year 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.
• “Expired”: Select this option for targets with a target year of the reporting year, that have not been achieved 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 1 to 13 in the reporting year, for example due to a recalculation of the base year emissions intensity or a change to the target year.

• “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 company-wide target.

• “Retired”: Select this option for targets with a target year 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 the “Please explain (including target coverage)” column.

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

• A brief description of science-based targets and why CDP is asking companies to set them is provided as additional information to FS7.1a.

• In addition, see the Technical Note on Science-Based Targets for what qualifies as a science-based target and how to assess your target against the Science Based Targets initiative’s criteria.
  o “Yes, this target has been approved as science-based by the Science Based Targets initiative”: Companies are very strongly encouraged to have their targets officially evaluated by the Science Based Targets initiative (SBTi). CDP considers 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.
  o “Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science Based Targets initiative”: 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 had it approved by the SBTi, or it is currently being reviewed by the SBTi, please select this option. You should use the Please explain column to explain why you believe your target to be science-based. Do not select this option if your target has been rejected by the SBTi. 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 2 years.”
  o “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 FS7.1a.
  o “No, but we anticipate setting one in the next 2 years”: While not necessary, it is recommended that the company publicly state this through the Call to Action commitment to set a science-based target.
  o “No, and we do not anticipate setting one in the next 2 years”: No science-based targets have been set and there are no plans in place to set one in the next 2 years.

Target ambition (column 17)

• Select the level of ambition of your science-based target. Note that the SBTi currently requires scope 1 and 2 targets to be aligned with a global temperature increase well-below 2°C compared to preindustrial temperatures, but encourages companies to pursue greater efforts towards a 1.5°C trajectory.

Please explain (including target coverage) (column 18)

• If the target is not company-wide (i.e. it does not apply to the whole company in line with your definition of the reporting boundary)) provide further details of your target coverage in this column. E.g. if you have selected “Country/region” in column 3, please specify which countries/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.
• If you have selected “Other, please specify” in previous columns, please specify here.

(FS7.1c) Provide details of your target(s) related to the impact of your portfolio on the climate.

Question dependencies
This question only appears if you select “Portfolio target” in response to FS7.1.

Comparison with CDP Climate Change 2021 Questionnaire

Additional question

Rationale

Achieving net zero by 2050 will require a major redirection of capital into sustainable solutions and low-carbon technologies, which only the financial services sector can provide. This profound influence on the wider economy means financial institutions’ climate change impact occurs mostly in their portfolios, rather than through their direct operations. Thus, setting target and reporting on progress at a portfolio level is considered best practice for financial institution and can help them align their financing, investment and insurance underwriting to a well below 2 degree world.

Connection to other frameworks

TCFD – Metrics and targets recommended disclosure c)

SUSBA – Sub-indicators 6.2.7 and 6.2.8

Principles for Responsible Banking – Principle 2

OJK Regulation 51

Response options

Complete the following table. The table is displayed over several rows for readability.

<table>
<thead>
<tr>
<th>Year target was set</th>
<th>Portfolio</th>
<th>Product type/Asset class/Line of business</th>
<th>Sectors</th>
</tr>
</thead>
</table>
| Numerical field [enter a number between 1900-2021] | Select from:  
  - Banking  
  - Investing (Asset owner)  
  - Investing (Asset manager)  
  - Insurance | Select all that apply:  
  - Banking  
    - All product types  
    - Corporate loans  
    - Retail loans  
    - Corporate real estate  
    - Retail mortgages  
    - Trade finance  
    - Asset finance  
    - Project finance  
    - Debt and equity underwriting  
    - Other, please specify  
  - Investing  
    - All asset classes  
    - Fixed income  
    - Listed equity  
    - Private equity  
    - Real estate/property  
    - Infrastructure  
    - Commodities | Select all that apply:  
  - All sectors  
  - Energy  
  - Materials  
  - Capital goods  
  - Commercial and professional services  
  - Transportation  
  - Automobiles and components  
  - Consumer durables and apparel  
  - Consumer services  
  - Retailing  
  - Food and staples retailing  
  - Food, beverage and tobacco  
  - Household and personal products  
  - Health care equipment and services |
<table>
<thead>
<tr>
<th>Portfolio coverage of target</th>
<th>Target type</th>
<th>Target type: Absolute or Intensity</th>
<th>Scopes included in temperature score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
</tr>
<tr>
<td>• 0%</td>
<td>• Green financing</td>
<td>• Absolute</td>
<td>• Scope 1 + 2</td>
</tr>
<tr>
<td>• More than 0% but less than or equal to 10%</td>
<td>• Sector Decarbonization Approach (SDA)</td>
<td>• Intensity</td>
<td>• Scope 1 + 2 + 3</td>
</tr>
<tr>
<td>• More than 10% but less than or equal to 20%</td>
<td>• Portfolio coverage</td>
<td>• Other, please specify</td>
<td></td>
</tr>
<tr>
<td>• More than 20% but less than or equal to 30%</td>
<td>• Portfolio temperature alignment</td>
<td></td>
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<tr>
<td>• More than 30% but less than or equal to 40%</td>
<td>• Portfolio emissions</td>
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<td>• More than 50% but less than or equal to 60%</td>
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<tr>
<td>• More than 60% but less than or equal to 70%</td>
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<td>• Unknown</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Metric (or target numerator if intensity)</th>
<th>Target denominator</th>
<th>Base year</th>
<th>Figure in base year</th>
<th>Portfolio emissions coverage of target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select from:</td>
<td>Numerical field</td>
<td>Numerical field</td>
<td>Select from:</td>
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<tr>
<td>Green finance</td>
<td>Green finance</td>
<td>[enter a number between 1900-2021]</td>
<td>[enter a number from 0-999,999,999,999 using a maximum of 2 decimal places and no commas]</td>
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<tr>
<td>- Total green finance raised and facilitated (CCY)</td>
<td>- Total finance raised and facilitated (CCY)</td>
<td></td>
<td></td>
<td>• 0%</td>
</tr>
<tr>
<td>- Total green investments (CCY)</td>
<td>- Total investments (CCY)</td>
<td></td>
<td></td>
<td>• More than 0% but less than or equal to 10%</td>
</tr>
<tr>
<td>- Total green bonds outstanding (CCY)</td>
<td>- Total bonds outstanding (CCY)</td>
<td></td>
<td></td>
<td>• More than 10% but less than or equal to 20%</td>
</tr>
<tr>
<td>- Total green debt instruments outstanding (CCY)</td>
<td>- Total debt instruments outstanding (CCY)</td>
<td></td>
<td></td>
<td>• More than 20% but less than or equal to 30%</td>
</tr>
<tr>
<td>- Other, please specify</td>
<td>- Other, please specify</td>
<td></td>
<td></td>
<td>• More than 30% but less than or equal to 40%</td>
</tr>
<tr>
<td>Sector Decarbonization Approach (SDA)</td>
<td>Sector Decarbonization Approach (SDA)</td>
<td></td>
<td></td>
<td>• More than 40% but less than or equal to 50%</td>
</tr>
<tr>
<td>- Metric tons CO2e</td>
<td>- Meters squared</td>
<td></td>
<td></td>
<td>• More than 50% but less than or equal to 60%</td>
</tr>
<tr>
<td>- Other, please specify</td>
<td>- kWh</td>
<td></td>
<td></td>
<td>• More than 60% but less than or equal to 70%</td>
</tr>
<tr>
<td>Portfolio coverage</td>
<td>- Ton cement</td>
<td></td>
<td></td>
<td>• More than 70% but less than or equal to 80%</td>
</tr>
<tr>
<td>- % of portfolio setting a Science-Based Target</td>
<td>- Ton pulp and paper</td>
<td></td>
<td></td>
<td>• More than 80% but less than or equal to 90%</td>
</tr>
<tr>
<td>- Other, please specify</td>
<td>- km</td>
<td></td>
<td></td>
<td>• More than 90% but less than or equal to 100%</td>
</tr>
<tr>
<td>- Passenger km</td>
<td>- Ton km</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Vehicle km</td>
<td>- Ton km</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Ton iron and steel</td>
<td>- Vehicle km</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Ton aluminum</td>
<td>- Passenger km</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Other, please specify</td>
<td>- Vehicle km</td>
<td></td>
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</tr>
<tr>
<td>Portfolio temperature alignment</td>
<td>- Degrees of warming</td>
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<td>Portfolio emissions</td>
<td>- Million CCY revenue</td>
</tr>
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<td>- tCO2e</td>
<td>Other, please specify</td>
<td>Other, please specify</td>
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</tbody>
</table>

**Target year**
- Numerical field [enter a number between 2000-2100]
- Figure in target year: Numerical field [enter a number from 0-999,999,999,999 using a maximum of 10 decimal places and no commas]
- Figure in reporting year: Numerical field [enter a number from 0-999,999,999,999 using a maximum of 10 decimal places and no commas]
- % of target achieved: Percentage field [enter a percentage from -999-999 using a maximum of 2 decimal places]
- Aggregation weighting used: Select from:
  - Weighted average temperature score (WATS)
  - Total emissions weighted temperature score (TETS)
  - Market owned emissions weighted temperature score (MOTS)
  - Enterprise owned emissions weighted temperature score (EOTS)
  - EV + cash emissions weighted temperature score (ECOTS)
  - Total assets emissions weighted temperature score (AOTS)
  - Revenue owned emissions weighted temperature score (ROTS)
  - Other, please specify

| % based on asset level data (vs modelled data) | % based on company targets (vs default score) | Target status in reporting year | Is this a science-based target | Target ambition | Please explain |
| - Percentage field [enter a percentage from 0-100 using a maximum of 2 decimal places] | - Percentage field [enter a percentage from 0-100 using a maximum of 2 decimal places] | Select from:
  - New
  - Underway
  - Achieved
  - Expired
  - Revised
  - Replaced
  - Retired | Select from:
  - Yes, this target has been approved by the Science-Based Targets initiative
  - Yes, we consider this a science-based target, but this target has not been approved by the Science-Based Targets initiative
  - No, but we are reporting another | Select from:
  - 1.5°C aligned
  - Well-below 2°C aligned
  - 2°C aligned
  - Other, please specify | Text field [maximum 2,400 characters] |
Financial institutions can go further once they have calculated portfolio impact metrics by using the metrics to set targets for reducing their climate change impact and to inform actions they can take to reduce their impact. Reporting on progress through effective environmental disclosures is important at every stage of the journey.

There are a number of methodologies organizations in the financial sector can use to set portfolio targets. Some resources that may help you set a target include:

- SBTi – [Financial Sector Science-Based Targets Guidance](#)
- Net-Zero Asset Owner Alliance – [Target Setting Protocol](#)
- Net-Zero Banking Alliance – [Guidelines for Climate Target Setting](#)
- IIGCC – [Paris Aligned Investment Initiative](#)

**Year target was set (column 1)**

- Enter the year in which your company 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 target year.
- If you have a year-on-year rolling target, enter the year you first set the target. This can be before the base year.
- If you set the target based on financial years, enter the year that applies to the end of your financial year and specify this in the “Please explain (including target coverage)” column.

**Portfolio (column 2)**

- Select the portfolio for which you have set a target.

**Product type/Asset class/Line of business (column 3)**

- Select which product types/asset classes the portfolio target relates to.
- If you have a target at the portfolio-level including all your products within this portfolio, please select “All product types” / “All asset classes” / “All lines of business”.

**Sectors (column 4)**
• If your portfolio target concerns companies in specific sectors (i.e. sector decarbonization approach), please select which sector it relates to.
• Select “All sectors” if your portfolio target concerns all your clients/investee companies.

**Portfolio coverage of target (column 5)**

• Select the option that best describes the portfolio coverage of the target and provide further details of how the coverage has been determined in “Please explain” column 24.
• Coverage by portfolio value can be based on either total or outstanding commitments, premiums, and/or committed capital.

**Target type (column 6)**

• Select which type of target you have implemented for your portfolio.
  o Green financing: refers to the aim of providing loans, investments and/or other financial products and services to green projects
  o Sectoral Decarbonization Approach (SDA): a method for setting physical intensity targets that uses convergence of emissions intensity
  o Portfolio coverage: a method for setting target to drive the adoption of science-based emissions reduction targets by their borrowers and/or investees
  o Portfolio temperature alignment: a method that enables financial institutions to set targets to align their base year portfolio temperature score to a long-term temperature goal
  o Portfolio emissions: setting targets to reduce portfolio emissions or emissions intensity

**Target type: Absolute or intensity (column 7)**

• Select whether the target is an absolute target or an intensity target, e.g., targets related to tCO₂e are absolute targets, whereas targets related to tCO₂e/kWh are intensity targets.

**Scopes included in temperature score (column 8)**

• If you have set a Portfolio temperature alignment target, select which scopes are included in temperature rating.

**Metric (or target numerator if intensity) (column 9)**

• Indicate which metric your organization use to track progress toward the portfolio target.

**Target denominator (column 10)**

• If your organization has set an intensity target, please select the denominator used.

**Base year (column 11)**

• The base year is the year against which you are comparing your emissions reduction target
• If you have a year-on-year rolling target, the base year will be the previous 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 (including target coverage)” 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 the “Please explain (including target coverage)” column.
• You cannot have a base year that is in the future.

**Figure in base year (column 12)**

• Enter the figure in the base year covered by the target.
• The figure provided should be in the metric (or target numerator if intensity) provided in column 10.
• If your target is an intensity target, 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.
Portfolio emissions coverage of target (column 13)

- Select the option that best describes the portfolio emissions coverage of the target and provide further details in the “Please explain” column 24.

Target year (column 14)

- If you have a year-on-year rolling target, the target year 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 (including target coverage)” 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 the “Please explain (including target coverage)” column.

Figure in target year (column 15)

- Enter the targeted figure you expect to achieve in target year.
- The figure provided should be in the metric (or target numerator if intensity) provided in column 10.
- If your target is an intensity target, note that the intensity figure should be calculated by dividing the emissions covered by the target by the intensity metric denominator.

Figure in reporting year (column 16)

- Enter the corresponding figure in the reporting year covered by the target.
- The figure provided should be in the metric (or target numerator if intensity) provided in column 9.
- If your target is an intensity target, note that the intensity figure should be calculated by dividing the emissions covered by the target by the intensity metric denominator.

% of target achieved (column 17)

- The target’s percentage completion compared with the base year will be calculated from the “Figure in base year” (column 12), “Figure in target year” (column 15), and the “Figure in reporting year” (column 16) columns. Ensure you have entered data into these columns.
- Values greater than 100 indicate that you have exceeded your target.

Aggregation weighting used (column 18)

- If you disclose a Portfolio coverage or Portfolio temperature alignment target, select the aggregation weighting used.
  - Weighted average temperature score (WATS): Temperature scores are allocated based on portfolio weights.
  - Total emissions weighted temperature score (TETS): Temperature scores are allocated based on historical emission weights using total company emissions.
  - Markey owned emissions weighted temperature score (MOTS): Temperature scores are allocated based on an equity ownership approach.
  - Enterprise owned emissions weighted temperature score (EOTS): Temperature scores are allocated based on an enterprise ownership approach.
  - EV + cash emissions weighted temperature score (ECOTS): Temperature scores are allocated based on an enterprise value (EV) plus cash & equivalents ownership approach.
  - Total assets emissions weighted temperature score (AOTS): Temperature scores are allocated based on a total assets ownership approach
  - Revenue owned emissions weighted temperature score (ROTS): Temperature scores are allocated based on the share of revenue
  - If you select “Other, please specify”, specify the aggregation weighting used

% based on asset level data (vs modelled data) (column 19)
• If you selected “Sectoral Decarbonization Approach (SDA)” or “Portfolio emissions” in column 6 “Target type”, indicate the proportion of portfolio emissions calculated in the reporting year based on asset level data (i.e. not based on modelled data)

% based on company targets (vs default score) (column 20)

• If you selected “Portfolio temperature alignment” as target type in column 6 “Target type”, indicate the proportion of the temperature score calculated in the reporting year based on company targets (i.e. not based on a default score for the company).

Target status in reporting year (column 21)

• “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 a target year 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.
• “Expired”: Select this option for targets with a target year of the reporting year, that have not been achieved 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 14 in the reporting year, for example due to a recalculation of the base year emissions intensity or a change to the target year.
• “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 company-wide target.
• “Retired”: Select this option for targets with a target year 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 the “Please explain (including target coverage)” column.

Is this a science-based target (column 22)

• A brief description of science-based targets and why CDP is asking companies to set them is provided as additional information to FS7.1a.
• In addition, see the Financial Sector Science Based Targets Guidance for what qualifies as a science-based target and how to assess your target against the Science Based Targets initiative’s criteria.
  o “Yes, this target has been approved as science-based by the Science Based Targets initiative”: Companies are very strongly encouraged to have their targets officially evaluated by the Science Based Targets initiative (SBTi). CDP considers 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.
  o “Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science Based Targets initiative”: 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 had it approved by the SBTi, or it is currently being reviewed by the SBTi, please select this option. You should use the Please explain column to explain why you believe your target to be science-based. Do not select this option if your target has been rejected by the SBTi. 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 2 years.”
  o “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 FS7.1a/FS7.1b.
o “No, but we anticipate setting one in the next 2 years”: While not necessary, it is recommended that the company publicly state this through the Call to Action commitment to set a science-based target.

o “No, and we do not anticipate setting one in the next 2 years”: No science-based targets have been set and there are no plans in place to set one in the next 2 years.

Target ambition (column 23)

- Select the level of ambition of your science-based target. Note that the SBTi currently requires scope 1 and 2 targets to be aligned with a global temperature increase well below 2°C compared to preindustrial temperatures, but encourages companies to pursue greater efforts towards a 1.5°C trajectory.

Please explain (column 24)

- If the target is not covering the whole portfolio, provide further details of your target coverage in this column.
- You can use this column to identify where you have a financial year or average year based target.
- If you have selected “Other, please specify” in previous columns, please specify here.

(FS7.1d) Explain why you did not have an emissions target and forecast how your emissions will change over the next five years.

Question dependencies

This question only appears if you select “No target” in response to FS7.1.

Comparison with CDP Climate Change 2021 Questionnaire

C4.1c

Rationale

As setting a target is a pre-requisite for leadership in environmental practice, data users need to understand why companies do not have active targets guiding environmental strategy.

Response options

Complete the following table.

<table>
<thead>
<tr>
<th>Primary reason</th>
<th>Five-year forecast</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Text field [maximum 2,400 characters]</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td>We are planning to introduce a target in the next two years</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Important but not an immediate business priority</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Judged to be unimportant, explanation provided</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lack of internal resources</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insufficient data on operations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No instruction from management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other, please specify</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Requested content

Five-year forecast (column 2)

- Provide a qualitative and quantitative description of how you forecast your emissions will change over the next five years.
• It is acknowledged that this forecast will be an estimate, but it is expected that companies will:
  o Forecast the expected direction of change (e.g. whether their emissions will increase, decrease or experience no change overall over the next five years).
  o Provide a quantitative description of the forecasted change in emissions (e.g. Scope 1 emissions forecasted to decrease by 30 metric tons CO2e/ Scope 1 and Scope 2 emissions forecasted to increase by 10%).
  o Provide a brief description of the reasons you forecast this change, or in the unlikely event, no change, in emissions over the next five years. For example, this could be due to forecasted changes in output or expected emissions reduction activities.

Please explain (column 3)

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

Other climate-related targets

(FS7.2) Did you have any other climate-related targets that were active in the reporting year?

Question dependencies
This question only appears if you select “No” in response to FS0.1.

Comparison with CDP Climate Change 2021 Questionnaire

C4.2

Rationale
Emissions reduction targets are not the only type of relevant targets that organizations use to drive change. CDP asks this question to allow companies to report climate goals separate from emissions reductions, recognizing that there are multiple types of targets.

Connection to other frameworks

TCFD – Metrics and targets recommended disclosure a) and c)

OJK Regulation 51

Response options
Select all that apply from the following options:

• Target(s) to increase low-carbon energy consumption or production
• Net-zero target(s)
• Other climate-related target(s)
• No other climate-related targets

Requested content

• Select all the options applicable in the reporting year.

Explanation of terms

• Net-zero target: in line with SBTi’s Foundations for Science-based Net-zero Target Setting in the Corporate Sector, a net-zero target comprises two main elements:
  o a target to reduce value chain emissions by an amount consistent with net-zero in global scenarios that limit warming to 1.5C with no or limited overshoot;
- a target to neutralize the impact of residual emissions (i.e. emissions that are unfeasible for society to abate in 1.5C scenarios) by permanently removing an equivalent amount of CO2 from the atmosphere

(FS7.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Question dependencies
This question only appears if you select “Target(s) to increase low-carbon energy consumption or production” in response to FS7.2.

Comparison with CDP Climate Change 2021 Questionnaire
C4.2a

Rationale
Targets related to increasing low-carbon energy consumption or production can be an important element of organizations’ strategy to reduce their emissions.

Connection to other frameworks
TCFD – Metrics and targets recommended disclosure a) and c)
OJK Regulation 51

Response options
Complete the following table. The table is displayed over several rows for readability. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Year target was set</th>
<th>Target coverage</th>
<th>Target type: absolute or intensity</th>
<th>Target type: energy carrier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Numerical field [enter a number between 1900-2021]</td>
<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
</tr>
<tr>
<td></td>
<td>• Company-wide</td>
<td>• Absolute</td>
<td>• Electricity</td>
</tr>
<tr>
<td></td>
<td>• Business division</td>
<td>• Intensity</td>
<td>• Heat</td>
</tr>
<tr>
<td></td>
<td>• Business activity</td>
<td></td>
<td>• Steam</td>
</tr>
<tr>
<td></td>
<td>• Site/facility</td>
<td></td>
<td>• Cooling</td>
</tr>
<tr>
<td></td>
<td>• Country/region</td>
<td></td>
<td>• All energy carriers</td>
</tr>
<tr>
<td></td>
<td>• Product level</td>
<td></td>
<td>• Other, please specify</td>
</tr>
<tr>
<td></td>
<td>• Other, please specify</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Target type: activity</th>
<th>Target type: energy source</th>
<th>Metric (target numerator if reporting an intensity target)</th>
<th>Target denominator (intensity targets only)</th>
<th>Base year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
<td>Numerical field [enter a number between 1900-2021]</td>
</tr>
<tr>
<td>• Consumption</td>
<td>• Low-carbon energy source(s)</td>
<td>• kWh</td>
<td>See drop-down options below</td>
<td></td>
</tr>
<tr>
<td>• Production</td>
<td>• Renewable energy source(s) only</td>
<td>• MWh</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Percentage</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Figure or percentage in base year</th>
<th>Target year</th>
<th>Figure or percentage in target year</th>
<th>Figure or percentage in reporting year</th>
<th>% of target achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Numerical field [enter a number from 0-999,999,999,999 using a maximum of 10 decimal places and no commas]</td>
<td>Numerical field [enter a number between 2000-2100]</td>
<td>Numerical field [enter a number from 0-999,999,999,999 using a maximum of 10 decimal places and no commas]</td>
<td>Numerical field [enter a number from 0-999,999,999,999 using a maximum of 10 decimal places and no commas]</td>
<td>Percentage field [enter a percentage from 999-999 using a maximum of 2 decimal places]</td>
</tr>
<tr>
<td>Target status in reporting year</td>
<td>Is this target part of an emissions target?</td>
<td>Is this target part of an overarching initiative?</td>
<td>Please explain (including target coverage)</td>
<td></td>
</tr>
<tr>
<td>--------------------------------</td>
<td>--------------------------------------------</td>
<td>-------------------------------------------------</td>
<td>---------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Select from:</td>
<td>Text field [maximum 2,400 characters]</td>
<td>Select from:</td>
<td>Text field [maximum 2,400 characters]</td>
<td></td>
</tr>
<tr>
<td>• New</td>
<td></td>
<td>• RE100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Underway</td>
<td></td>
<td>• Science Based Targets initiative</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Achieved</td>
<td></td>
<td>• No, it’s not part of an overarching initiative</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Expired</td>
<td></td>
<td>• Other, please specify</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Revised</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Replaced</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Retired</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[Add another]

Target denominator (intensity targets only) drop-down options (column 8)

- Revenue passenger kilometer
- USD($) value-added
- Square meter
- Metric ton of aluminum
- Metric ton of steel
- Metric ton of cement
- Metric ton of cardboard
- Unit revenue
- Unit FTE employee
- Unit hour worked
- Metric ton of product
- Liter of product
- Unit of production
- Unit of service provided
- Square foot
- Kilometer
- Passenger kilometer
- Megawatt hour (MWh)
- Barrel of oil equivalent (BOE)
- Vehicle produced
- Metric ton of ore processed
- Ounce of gold
- Ounce of platinum
- Metric ton of aggregate
- Billion (currency) funds under management
- Other, please specify

Requested content

**General**

- If you are a member of the RE100 initiative, you can use this question to report on your progress towards achieving your target.

**Year target was set (column 1)**

- Enter the year in which your company 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 target year.
- For year-on-year rolling targets, enter the year that you first set the target. This can be before the base year.
- If the target was set based on financial years, enter the year that applies to the end of your financial year and specify this in the “Please explain (including target coverage)” column.

**Target coverage (column 2)**

- If the target applies to the whole company, select “Company-wide”. Note that “company” 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 the “Please explain (including target coverage)” column. E.g. if your target applies only to your European operations, select “Country/region” in this column and specify the country/region in the column “Please explain (including target coverage)”

**Target type: absolute or intensity (column 3)**

- Select whether the target is an absolute or an intensity target, regardless of whether you measure it in absolute (e.g. MWh) or relative (%) values. E.g. if your target is to increase the percentage of renewable energy in your electricity mix, select “absolute”. If your target is to increase the percentage of renewable energy consumption per metric ton of product, select “intensity”.

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Target type: energy source (column 6)

- Select whether the target relates to increasing consumption or production of low-carbon energy, or of renewable energy specifically. Definitions are provided in the explanation of terms below.

Metric (target numerator if reporting an intensity target) (column 7)

- Select the metric relevant to the target – for intensity targets this will be the target numerator.
- You should enter all energy data relating to your target in Watt-hours (either MWh or kWh). Conversion factors from other energy units are available from a variety of online calculation tools, including from IEA and OnlineConversion.com, or from conversion tables such as those in EPA AP-42 (Annex A). Further guidance on unit conversion is available in the following Technical Note: “Conversion of fuel data to MWh”.

Target denominator (intensity targets only) (column 8)

- Select the denominator of your intensity target. This column will only appear if you selected “Intensity” in column 3.

Base year (column 9)

- The base year is the year against which you are comparing your target.
- If you have a year-on-year rolling target, the base year will be the previous 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 (including target coverage)” column.
- If you have a target based on an average 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 the “Please explain (including target coverage)” column.
- You cannot have a base year that is in the future.

Figure or percentage in base year (column 10)

- Enter the base year value for your target. Note that this will be a percentage if you have selected “Percentage” as your metric in column 7.
- E.g. if your target is to achieve 100% renewable energy consumption by a target year of 2025 compared with a base year of 2015, and in 2015 your renewable energy consumption was 40%, enter 40 in this column.

Target year (column 11)

- If you have a year-on-year rolling target, the target year 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 in the “Please explain (including target coverage)” column.
- If you have a target based on an average 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 the “Please explain (including target coverage)” column.

Figure or percentage in target year (column 12)

- Enter the target year value for your target.
- E.g. if your target is to achieve 100% renewable energy consumption by a target year of 2025 compared with a base year of 2015, enter 100 in this column.

Figure or percentage in reporting year (column 13)

- Enter the reporting year value for your target.
- E.g. if your target is to achieve 100% renewable energy consumption by a target year of 2025 compared with a base year of 2015, and in the reporting year you achieved 80% renewable energy, enter 80 in this column.
% of target achieved (column 14)

- The target’s percentage completion compared with the base year will be calculated from the “Figure or percentage in base year” (column 10), “Figure or percentage in target year” (column 12), and the “Figure or percentage in reporting year” (column 13) columns. Ensure you have entered data into these columns.
- \( \frac{((\text{Figure or percentage in reporting year}) - (\text{Figure or percentage in base year}))}{((\text{Figure or percentage in target year}) - (\text{Figure or percentage in base year}))} \times 100\% \)
- E.g. if your target is to achieve 100% renewable energy consumption by 2025 compared with 40% renewable energy consumption in a base year of 2015, and in the reporting year you achieved 80% renewable energy, this column will display 66 as you have achieved 66% of your targeted increase in renewable energy compared with the base year.
- Negative values indicate a decrease in low carbon or renewable energy consumption or production 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 a target year 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.
- “Expired”: Select this option for targets with a target year of the reporting year, that have not been achieved 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 1 to 13 in the reporting year, for example due to a recalculation or a change to the target year.
- “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 company-wide target.
- “Retired”: Select this option for targets with a target year 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 the “Please explain (including target coverage)” column.

Is this target part of an emissions target? (column 16)

- If the target is part of an emissions reduction target reported in FS7.1a or FS7.1b, enter the emissions reduction target reference number here.

Is this target part of an overarching initiative? (column 17)

- If the target is part of an overarching initiative, select the initiative or select “Other, please specify” and outline the initiative in the “Please explain (including target coverage)” column.

Please explain (including target coverage) (column 18)

- If the target does not apply to the whole organization (i.e. the target coverage is not “Company-wide”), provide further details of your target coverage in this column. E.g. if you have selected “Country/region” in column 3, please specify which countries/regions your target covers.
- If you reported a renewable energy consumption or production target in FS7.2 last year and are reporting progress against the same target this year, indicate this in this column.
- 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.

**Explanation of terms**

- **Low-carbon energy**: In line with the IEA definition, low-carbon technologies are technologies that produce low – or zero – greenhouse-gas emissions while operating. In the power sector this includes fossil-fuel plants fitted with carbon capture and storage, nuclear plants and renewable-based generation technologies. Natural gas, combined cycle gas turbine and fossil fuel-based combined heat and power (cogeneration), despite being less carbon intensive than other means of electricity production like coal, are not considered low-carbon.

- **Renewable energy**: CDP follows the definition of renewable energy given in the GHG Protocol, i.e. "energy taken from sources that are inexhaustible, e.g. wind, water, solar, geothermal energy and biofuels."

---

**FS7.2b Provide details of your net-zero target(s).**

**Question dependencies**

This question only appears if you select “Net-zero target(s)” in response to FS7.2.

**Comparison with CDP Climate Change 2021 Questionnaire**

C4.2c

**Rationale**

Reaching net-zero emissions at the global level is a central goal of the climate action movement. Corporate net-zero targets are a powerful opportunity for companies to go beyond science-based emissions reductions by also contributing to CO2 removal from the atmosphere and accelerating climate action outside their value chains. This question provides investors and other data users with transparency on your organization’s commitment to achieving net-zero emissions.

**Connection to other frameworks**

*TCFD – Metrics and targets recommended disclosure c)*

*Principles for Responsible Banking – Principle 2*

*OJK Regulation 51*

**Response options**

<table>
<thead>
<tr>
<th>Target coverage</th>
<th>Absolute/intensity emission target(s) linked to this net-zero target</th>
<th>Target year for achieving net zero</th>
<th>Is this a science-based target?</th>
<th>Please explain (including target coverage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Text field [maximum 2,400 characters]</td>
<td>Numerical field [enter a number between 2000-2100]</td>
<td>Select from drop-down options below</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
</tbody>
</table>

[Add another]

**Is this a science-based target? drop-down options (column 4)**
• Yes, and this target has been approved by the Science-Based Targets initiative
• Yes, and we have committed to seek validation of this target by the Science Based Targets initiative in the next 2 years
• Yes, but we have not committed to seek validation of this target by the Science Based Targets initiative in the next 2 years
• No, but we are reporting another target that is science-based
• No, but we anticipate setting one in the next 2 years
• No, and we do not anticipate setting one in the next 2 years

Requested content

Target coverage (column 1)

• If the target applies to the whole company, select “Company-wide”. Note that “company” 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 the “Please explain (including target coverage)” column; for example, if your target applies only to your European operations, select “Country/region” in this column and specify the country/region in the column “Please explain (including target coverage)”

Absolute/intensity emission target(s) linked to this net-zero target (column 2)

• If the target is linked to emission reduction target(s) reported in FS7.1a or FS7.1b, indicate the question number and the row number of the target.
• If you have not reported any emission reduction targets in FS7.1a or FS7.1b that are linked to this net-zero target, please select “Not applicable” and explain why you are not reporting any linked emission targets in the column “Please explain (including target coverage)”.

Is this a science-based target? (column 4)

• If you self-assessed your target to be science-based but have not committed to seek validation by the SBTi, please select the option “Yes, but we have not committed to seek validation of this target by the Science Based Targets initiative in the next 2 years”. You should use the “Please explain (including target coverage)” column to explain why you believe your target to be science-based.

Please explain (including target coverage) (column 5)

• If the target does not apply to the whole organization (i.e. the target coverage is not “Company-wide”), provide further details of your target coverage in this column; for example, if you have selected “Country/region” in column 1, please specify which countries/regions your target covers.
• Indicate the magnitude of emissions that you plan to compensate or neutralize.
• Briefly explain your planned compensation and neutralization activities.

Explanation of terms

• Neutralization of emissions: neutralization of a company’s residual GHG emissions with an equivalent amount of carbon removals. An effective neutralization strategy involves removing carbon from the atmosphere and storing it for a long-enough period to fully neutralize the impact of any GHG that continues to be released into the atmosphere (Adapted from Foundations for Science-based Net-zero Target Setting in the Corporate Sector).
• Compensation of emissions: measurable climate mitigation outcomes, resulting from actions outside of the value-chain of a company, that compensate for emissions that remain unabated within the value-chain of a company (Ekstrom et al. 2015). While reaching a balance between emissions and removals is the end goal of a net-zero journey, companies should consider undertaking efforts to compensate unabated emissions in the transition to net-zero as a way to...
Contribute to the global transition to net-zero. (Foundations for Science-based Net-zero Target Setting in the Corporate Sector).

(FS7.2c) Provide details of any other climate-related targets.

Question dependencies
This question only appears if you select “Other climate-related target(s)” in response to FS7.2.

Comparison with CDP Climate Change 2021 Questionnaire
C4.2b

Rationale
Other climate-related targets can be an important element of organizations’ strategy to reduce their emissions. This question increases transparency of corporate environmental commitments.

Connection to other frameworks

TCFD – Metrics and targets recommended disclosure a) and c)

Principles for Responsible Banking – Principle 5

OJK Regulation 51

Response options
Complete the following table. The table is displayed over several rows for readability. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Year target was set</th>
<th>Target coverage</th>
<th>Target type: absolute or intensity</th>
<th>Target type: category</th>
</tr>
</thead>
</table>
| Numerical field [enter a number between 1900-2020] | Select from:  
  - Company-wide  
  - Business division  
  - Business activity  
  - Site facility  
  - Country/region  
  - Product level  
  - Other, please specify | Select from:  
  - Absolute  
  - Intensity | Select from:  
  - Energy productivity  
  - Energy consumption or efficiency  
  - Renewable fuel production  
  - Renewable fuel consumption  
  - Waste management  
  - Resource consumption or efficiency  
  - Low carbon vehicles  
  - Low carbon buildings  
  - Land use change  
  - Fossil fuel reduction target  
  - Engagement with suppliers  
  - Engagement with customers  
  - R&D investments  
  - Green finance  
  - Other, please specify |

Metric (target numerator if reporting an intensity target)  
Target denominator (intensity targets only)  
Base year  
Figure or percentage in base year

<table>
<thead>
<tr>
<th>Metric (target numerator if reporting an intensity target)</th>
<th>Target denominator (intensity targets only)</th>
<th>Base year</th>
<th>Figure or percentage in base year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select from:</td>
<td>Numerical field [enter a number between 1900-2020]</td>
<td>Numerical field [enter a number from 0-999,999,999,999 using a maximum of 10 decimal places and no commas]</td>
</tr>
<tr>
<td>See drop-down options below</td>
<td>See drop-down options below</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Target year</td>
<td>Figure or percentage in target year</td>
<td>Figure or percentage in reporting year</td>
<td>% of target achieved</td>
</tr>
<tr>
<td>-------------</td>
<td>-------------------------------------</td>
<td>---------------------------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>Numerical field [enter a number between 2000-2100]</td>
<td>Numerical field [enter a number from 0-999,999,999,999 using a maximum of 10 decimal places and no commas]</td>
<td>Numerical field [enter a number from 0-999,999,999,999 using a maximum of 10 decimal places and no commas]</td>
<td>Percentage field [enter a percentage from -999-999 using a maximum of 2 decimal places]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Target status in reporting year</th>
<th>Is this target part of an emissions target?</th>
<th>Is this target part of an overarching initiative?</th>
<th>Please explain (including target coverage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Text field [maximum 2,400 characters]</td>
<td>Select from:</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td>New</td>
<td></td>
<td>EP100</td>
<td></td>
</tr>
<tr>
<td>Underway</td>
<td></td>
<td>EV100</td>
<td></td>
</tr>
<tr>
<td>Achieved</td>
<td></td>
<td>Below50 – sustainable fuels</td>
<td></td>
</tr>
<tr>
<td>Expired</td>
<td></td>
<td>Science Based Targets initiative</td>
<td></td>
</tr>
<tr>
<td>Revised</td>
<td></td>
<td>Reduce short-lived climate pollutants</td>
<td></td>
</tr>
<tr>
<td>Replaced</td>
<td></td>
<td>Remove deforestation</td>
<td></td>
</tr>
<tr>
<td>Retired</td>
<td></td>
<td>Low-Carbon Technology Partnerships initiative</td>
<td></td>
</tr>
<tr>
<td>No, it’s not part of an overarching initiative</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other, please specify</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[Add another]

**Metric (target numerator if reporting an intensity target) drop-down options (column 5)**

**Energy productivity**
- GDP
- USD($) value-added
- units of revenue
- ounces of gold
- ounces of platinum
- metric tons of aggregate
- metric tons of aluminum
- metric tons of steel
- metric tons of cement
- metric tons of cardboard
- metric tons of product
- metric tons of ore processed
- square meters
- kilometers
- passenger kilometers
- revenue passenger kilometers
- liters of product
- units of production
- units of service provided
- square feet
- megawatt hours (MWh)
- barrel of oil equivalents (BOE)
- ton of oil equivalents (TOE)
- ton of coal equivalents (TCE)
- Other, please specify

Energy consumption or efficiency
- kWh
- MWh
- GJ
- million Btu

- boe
- toe
- tce
- Gcal
- Other, please specify

**Renewable fuel production**
- metric tons of solid biomass
- liters of liquid biofuel
- cubic meters of biogas
- cubic meters of hydrogen
- Other, please specify

**Renewable fuel consumption**
- metric tons of solid biomass
- liters of liquid biofuel
- cubic meters of biogas
- cubic meters of hydrogen
- Percentage of total fuel consumption that is from renewable sources
- Other, please specify

**Waste management**
- 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
<table>
<thead>
<tr>
<th>Resource consumption or efficiency</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Percentage of paper from recycled or certified sustainable sources</td>
<td></td>
</tr>
<tr>
<td>• metric tons of paper consumed</td>
<td></td>
</tr>
<tr>
<td>• Percentage of plastic from recycled or certified sustainable sources</td>
<td></td>
</tr>
<tr>
<td>• metric tons of plastic consumed</td>
<td></td>
</tr>
<tr>
<td>• Percentage of packaging from recycled or certified sustainable sources</td>
<td></td>
</tr>
<tr>
<td>• metric tons of packaging consumed</td>
<td></td>
</tr>
<tr>
<td>• Other, please specify</td>
<td></td>
</tr>
<tr>
<td><strong>Low-carbon vehicles</strong></td>
<td></td>
</tr>
<tr>
<td>• Percentage of low-carbon vehicles in company fleet</td>
<td></td>
</tr>
<tr>
<td>• Percentage of low-carbon vehicles sold</td>
<td></td>
</tr>
<tr>
<td>• Percentage of company fleet using biofuel</td>
<td></td>
</tr>
<tr>
<td>• Percentage of battery electric vehicles in company fleet</td>
<td></td>
</tr>
<tr>
<td>• Percentage of conventional hybrids in company fleet</td>
<td></td>
</tr>
<tr>
<td>• Percentage of plug-in hybrids in company fleet</td>
<td></td>
</tr>
<tr>
<td>• Percentage of fuel cell electric vehicles in company fleet</td>
<td></td>
</tr>
<tr>
<td>• Percentage of company facilities with electric vehicle infrastructure</td>
<td></td>
</tr>
<tr>
<td>• Other, please specify</td>
<td></td>
</tr>
<tr>
<td><strong>Low-carbon buildings</strong></td>
<td></td>
</tr>
<tr>
<td>• Percentage of net zero carbon buildings</td>
<td></td>
</tr>
<tr>
<td>• Percentage of net zero energy buildings</td>
<td></td>
</tr>
<tr>
<td>• Percentage of buildings with a green building certificate</td>
<td></td>
</tr>
<tr>
<td>• Other, please specify</td>
<td></td>
</tr>
<tr>
<td><strong>Land use change</strong></td>
<td></td>
</tr>
<tr>
<td>• hectares reforested</td>
<td></td>
</tr>
<tr>
<td>• hectares afforested</td>
<td></td>
</tr>
<tr>
<td>• hectares restored</td>
<td></td>
</tr>
<tr>
<td>• Percent of supply chain compliant with zero gross deforestation</td>
<td></td>
</tr>
<tr>
<td>• Other, please specify</td>
<td></td>
</tr>
<tr>
<td><strong>Fossil fuel reduction target</strong></td>
<td></td>
</tr>
<tr>
<td>• cubic meters of natural gas consumed</td>
<td></td>
</tr>
<tr>
<td>• metric tons of coal consumed</td>
<td></td>
</tr>
<tr>
<td>• barrels of oil consumed</td>
<td></td>
</tr>
<tr>
<td><strong>Target denominator (intensity target only) drop-down options (column 6)</strong></td>
<td></td>
</tr>
<tr>
<td>• KWh</td>
<td></td>
</tr>
<tr>
<td>• MWh</td>
<td></td>
</tr>
<tr>
<td>• GJ</td>
<td></td>
</tr>
<tr>
<td>• Btu</td>
<td></td>
</tr>
<tr>
<td>• boe</td>
<td></td>
</tr>
<tr>
<td>• toe</td>
<td></td>
</tr>
<tr>
<td>• Ice</td>
<td></td>
</tr>
<tr>
<td>• Gcal</td>
<td></td>
</tr>
<tr>
<td>• Revenue passenger kilometer</td>
<td></td>
</tr>
<tr>
<td>• USD($) value-added</td>
<td></td>
</tr>
<tr>
<td>• Square meter</td>
<td></td>
</tr>
<tr>
<td>• Metric ton of aluminum</td>
<td></td>
</tr>
<tr>
<td>• Metric ton of steel</td>
<td></td>
</tr>
<tr>
<td>• Metric ton of cement</td>
<td></td>
</tr>
<tr>
<td>• Metric ton of cardboard</td>
<td></td>
</tr>
<tr>
<td>• Unit revenue</td>
<td></td>
</tr>
<tr>
<td>• Unit FTE employee</td>
<td></td>
</tr>
<tr>
<td>• Percentage of fossil fuels in the fuel mix</td>
<td></td>
</tr>
<tr>
<td>• Other, please specify</td>
<td></td>
</tr>
<tr>
<td><strong>Engagement with suppliers</strong></td>
<td></td>
</tr>
<tr>
<td>• Percentage of suppliers disclosing their GHG emissions</td>
<td></td>
</tr>
<tr>
<td>• Percentage of suppliers setting emissions reduction targets</td>
<td></td>
</tr>
<tr>
<td>• Percentage of suppliers with a science-based target</td>
<td></td>
</tr>
<tr>
<td>• Percentage of suppliers actively engaged on climate-related issues</td>
<td></td>
</tr>
<tr>
<td>• Other, please specify</td>
<td></td>
</tr>
<tr>
<td><strong>Engagement with customers</strong></td>
<td></td>
</tr>
<tr>
<td>• Percentage of customers disclosing their GHG emissions</td>
<td></td>
</tr>
<tr>
<td>• Percentage of customers setting emissions reduction targets</td>
<td></td>
</tr>
<tr>
<td>• Percentage of customers with a science-based target</td>
<td></td>
</tr>
<tr>
<td>• Percentage of customers actively engaged on climate-related issues</td>
<td></td>
</tr>
<tr>
<td>• Other, please specify</td>
<td></td>
</tr>
<tr>
<td><strong>R&amp;D investments</strong></td>
<td></td>
</tr>
<tr>
<td>• Percentage of annual revenue invested in R&amp;D of low-carbon products/services</td>
<td></td>
</tr>
<tr>
<td>• US$ invested in R&amp;D of low-carbon products/services</td>
<td></td>
</tr>
<tr>
<td>• Percentage of R&amp;D budget/portfolio dedicated to low-carbon products/services</td>
<td></td>
</tr>
<tr>
<td>• Other, please specify</td>
<td></td>
</tr>
<tr>
<td><strong>Green finance</strong></td>
<td></td>
</tr>
<tr>
<td>• Total amount of green bonds outstanding (green bond ratio)</td>
<td></td>
</tr>
<tr>
<td>• Percentage of green bonds</td>
<td></td>
</tr>
<tr>
<td>• Total amount of green debt instruments outstanding (green debt ratio)</td>
<td></td>
</tr>
<tr>
<td>• Percentage of green debt instruments</td>
<td></td>
</tr>
<tr>
<td>• Green finance raised and facilitated (denominated in currency)</td>
<td></td>
</tr>
<tr>
<td>• Green investments (denominated in currency)</td>
<td></td>
</tr>
<tr>
<td>• Percentage of green investments</td>
<td></td>
</tr>
<tr>
<td>• Other, please specify</td>
<td></td>
</tr>
</tbody>
</table>
• Metric ton of waste
• Liter of fuel
• Year
• Total amount of bonds outstanding at the end of the reporting period

• Total amount of debt outstanding at the end of the reporting period
• Other, please specify

Requested content

General

• If you are a member of the EP100 and/or EV100 initiative, you can use this question to report on your progress towards achieving your target.

Year target was set (column 1)

• Enter the year in which your company has 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 base year.
• For year-on-year rolling targets, enter the year that you first set the target. This can be before the base year.
• If the target was set based on financial years, enter the year that applies to the end of your financial year and specify this in the “Please explain (including target coverage)” column.

Target coverage (column 2)

• If your target applies to the whole organization, select “Company-wide”. Note that “company” refers collectively to all the companies, businesses, organizations, other entities or groups that fall within your definition of the reporting boundary.
• If your target does not relate to the whole organization, select the option that best describes the coverage of the target, and provide further details in the “Please explain (including target coverage)” column.
• E.g. if your target relates applies only to your office-based operations, select “Business activity”.

Target type: absolute or intensity (column 3)

• Select whether the target is an absolute or an intensity target, regardless of whether you measure it in absolute (e.g. MWh) or relative (%) values. E.g. if your target is to increase the percentage of low-carbon vehicles in the company fleet, select “absolute”.

Metric (target numerator if reporting an intensity target) (column 5)

• Select the metric relevant to the target – for intensity targets this will be the target numerator.

Target denominator (intensity targets only) (column 6)

• This column is only relevant if you selected “Intensity” in column 4. Otherwise leave blank.
• Select the metric denominator of your climate-related intensity target.

Base year (column 7)

• The base year is the year against which you are comparing your target
• If you have a year-on-year rolling target, your base year will be the previous 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 (including target coverage)” 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 the “Please explain (including target coverage)” column.
• You cannot have a base year that is in the future.

Figure or percentage in base year (column 8)
• Enter the base year value for your target. Note that this will be a percentage if you have selected any percentage option as your metric in column 6.
• E.g. if your target is to increase the percentage of low-carbon vehicles in the company fleet to 60% by a target year of 2021, compared with 40% low-carbon vehicles in the company fleet in a base year of 2016, enter 40 in this column.

**Target year (column 9)**

• If you have a year-on-year rolling target, your target year 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 in the “Please explain (including target coverage)” column.
• If you have a target based on an average over a period of time (e.g. 5-year average), enter the year that applies to the end of the average period and specify in the Please explain column.

**Figure or percentage in target year (column 10)**

• Enter the target year value for your target.
• E.g. if your target is to increase the percentage of low-carbon vehicles in your company fleet to 60% by a target year of 2021, compared with 40% low-carbon vehicles in the company fleet in a base year of 2016, enter 60 in this column.

**Figure or percentage in reporting year (column 11)**

• Enter the target year value for your target.
• E.g. if your target is to increase the percentage of low-carbon vehicles in your company fleet to 60% by a target year of 2021, compared with 40% low-carbon vehicles in the company fleet in a base year of 2016, and in the reporting year you have achieved 55% low-carbon vehicles in the company fleet, enter 55 in this column.

**% of target achieved (column 12)**

• The target’s percentage completion compared with the base year will be calculated from the “Figure or percentage in base year” (column 9), “Figure or percentage in target year” (column 11), and the “Figure or percentage in reporting year” (column 12) columns. Ensure you have entered data into these columns.
• ((Figure or percentage in reporting year)-(Figure or percentage in base year))/(Figure or percentage in target year)-(Figure or percentage in base year))*100%
• E.g. if your target is to increase the percentage of low-carbon vehicles in your company fleet to 60% by a target year of 2021, compared with 40% low-carbon vehicles in the company fleet in a base year of 2016, and in the reporting year you have achieved 55% low-carbon vehicles in the company fleet, this column will display 75, as you have achieved 75% of your targeted % increase in low-carbon vehicles compared with the base year.
• Negative values indicate that you have made negative progress towards your target. E.g. in the above example, that you have reduced the percentage of low-carbon vehicles in the company fleet, when compared with the base year.
• Values greater than 100% indicate that you have exceeded your target.

**Target status in reporting year (column 13)**

• “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 a target year in the future, that have not been achieved and continue to be pursued.
• “Achieved”: Select this option for targets which have been achieved or exceeded in the reporting year.
• “Expired”: Select this option for targets with a target year of the reporting year, that have not been achieved 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 in the reporting year, for example due to a recalculation or a change to the target year.
• “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 company-wide target.
• “Retired”: Select this option for targets with a target year 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 the Please explain column.

Is this part of emissions target? (column 14)

• If the target is part of an emissions reduction target reported in FS7.1a or FS7.1b, please enter the emissions reduction target reference number here.

Is this target part of an overarching initiative? (column 15)

• If the climate-related target is part of an overarching initiative, select the initiative or select “Other, please specify” to outline the initiative in the “Please explain (including target coverage)” column.

Please explain (column 16)

• If the target does not apply to the whole organization (i.e. the target coverage is not “Company-wide”, provide further details of your target coverage in this column. E.g. if you have selected “Country/region” in column 3, please specify which countries/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 is part of a wider carbon neutrality goal, a regulatory requirement, or a longer term target, you can also explain this here.
• If you have selected “Other, please specify” in previous columns, please specify here.

Emissions reduction initiatives

(FS7.3) 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.

Question dependencies

This question only appears if you select “No” in response to FS0.1.

Comparison with CDP Climate Change 2021 Questionnaire

C4.3

Rationale

The answer to this question enables CDP data users to understand your organization’s commitment to reducing emissions beyond business-as-usual scenario (beyond standard maintenance/replacement activities).

Connection to other frameworks

OJK Regulation 51

Response options

Select one of the following options:

• Yes
• No


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 FS7.1a/b.

(FS7.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO₂e savings.

Question dependencies

This question only appears if you select “Yes” in response to FS7.3.

Comparison with CDP Climate Change 2021 Questionnaire

C4.3a

Rationale

This question demonstrates to CDP data users your organization’s progress towards reducing emissions through implementing emissions reduction initiatives.

Connection to other frameworks

OJK Regulation 51

Response options

Complete the following table.

<table>
<thead>
<tr>
<th>Stage of development</th>
<th>Number of initiatives</th>
<th>Total estimated annual CO₂e savings in metric tons CO₂e (only for rows marked *)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under investigation</td>
<td>Numerical field [enter a number from 0-999,999,999,999 using a maximum of 2 decimal places and no commas]</td>
<td>N/A</td>
</tr>
<tr>
<td>To be implemented*</td>
<td>Numerical field [enter a number from 0-999,999,999,999 using a maximum of 2 decimal places and no commas]</td>
<td></td>
</tr>
<tr>
<td>Implementation commenced*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Implemented*</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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Requested content

Stage of development (column 1)

- Report the initiatives in the following stages of development:
  - "Under investigation": A potential initiative to reduce emissions that is being evaluated but not yet approved by your company during the reporting year.
  - "To be implemented": An initiative to reduce emissions that has been approved for implementation by your company but its implementation has not yet commenced during the reporting year.
  - "Implementation commenced": An initiative to reduce emissions was started/activated in the reporting year, but by the end of the reporting period it was not yet fully active/functional in realizing emissions reductions.
  - "Implemented": An initiative that has fully come into effect in the reporting year e.g. it has become fully operational/functional in realizing CO₂e savings.
  - "Not to be implemented": A potential initiative to reduce emissions that was evaluated but not pursued by your company during the reporting year.

- Companies should report on these stages of development in the context of the reporting year. Unless the project was new to one of the stages of development in the reporting year, it should not be reported.

Number of initiatives (column 2)

- Where there are no projects in a stage of development, state 0 (zero). This column should be completed for all rows.

Total estimated annual CO₂e savings in metric tons CO₂e (column 3)

- Enter the aggregated estimated annual emissions savings in metric tons CO₂e in column 3 for all initiatives in those stages marked with an * (to be implemented, implementation commenced, and implemented).

- It is acknowledged that the CO₂e savings will be an estimate. More detail is requested on individual initiatives (or programs of activity) that have been implemented in the reporting year in FS7.3b. Initiatives do not need to relate to specific targets disclosed in the questionnaire.

(FS7.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Question dependencies

This question only appears if you select “Yes” in response to FS7.3.

Comparison with CDP Climate Change 2021 Questionnaire

C4.3b

Rationale

CDP 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.

Connection to other frameworks

OJK Regulation 51

Response options
Complete the following table. The table is displayed over several rows for readability. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Initiative type</th>
<th>Estimated annual CO₂e savings (metric tons CO₂e)</th>
<th>Scope(s)</th>
<th>Voluntary/ Mandatory</th>
<th>Annual monetary savings (unit currency)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Numerical field [enter a number from 0-999,999,999,999 using a maximum of 2 decimal places and no commas]</td>
<td>Select all that apply:</td>
<td>Select from:</td>
<td>Numerical field [enter a number from 0-999,999,999,999 using no decimal places, and no commas]</td>
</tr>
</tbody>
</table>

**Investment required (unit currency)**

<table>
<thead>
<tr>
<th>Investment required (unit currency)</th>
<th>Payback period</th>
<th>Estimated lifetime of the initiative</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Numerical field [enter a number from 0-999,999,999,999 using no decimal places, and no commas]</td>
<td>Select from:</td>
<td>Select from:</td>
<td>Text field [maximum 1,500 characters]</td>
</tr>
<tr>
<td></td>
<td>&lt;1 year</td>
<td>&lt;1 year</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1-3 years</td>
<td>1-2 years</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4-10 years</td>
<td>3-5 years</td>
<td></td>
</tr>
<tr>
<td></td>
<td>11-15 years</td>
<td>6-10 years</td>
<td></td>
</tr>
<tr>
<td></td>
<td>16-20 years</td>
<td>11-15 years</td>
<td></td>
</tr>
<tr>
<td></td>
<td>21-25 years</td>
<td>16-20 years</td>
<td></td>
</tr>
<tr>
<td></td>
<td>&gt;25 years</td>
<td>21-30 years</td>
<td></td>
</tr>
<tr>
<td></td>
<td>No payback</td>
<td>&gt;30 years</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ongoing</td>
<td></td>
</tr>
</tbody>
</table>

**Initiative type drop-down options (column 1)**

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

### Requested content

#### General

- Companies 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 type (column 1)

- Select the type of initiative you have undertaken from the drop-down options provided.
- If none of the provided options are applicable to your initiative, select “Other, please specify” and provide details of the initiative type.
• Note that a selection must be made for both column 1 and column 2. Your data will not be saved if either column is left blank.

**Estimated annual CO$_2$e savings (metric tons CO$_2$e) (column 2)**

• Enter the expected annual CO$_2$e 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.

**Scope(s) (column 3)**

• Select the Scope(s) where the emission reductions are expected to occur.
• If the initiative covers multiple Scopes, select all Scopes where emissions reductions are expected to occur.
• If you select Scope 3, specify the Scope 3 category(-ies) in the “Comment” column.

**Voluntary/Mandatory (column 4)**

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

**Annual monetary savings (unit currency – as specified in FS0.5) (column 5)**

• 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 FS0.5.
• Where savings occur on a non-annual basis, please average out so that an annual figure can be provided.

**Investment required (unit currency – as specified in FS0.5) (column 6)**

• Enter the total investment required for the initiative over its lifetime.
• The number entered should be appropriate to the currency selected in question FS0.5.

**Payback period (column 7)**

• 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:
  o the initiative does not require any investment and you have entered 0 (zero) in column 6 (Investment required (unit currency, as specified in FS0.5)) AND/OR
  o the initiative does not bring any monetary savings and you have entered 0 (zero) in column 5 (Annual monetary savings (unit currency – as specified in FS0.5))

**Estimated lifetime of the initiative (column 8)**

• 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 9)**

• If you have selected “Other, please specify” in previous columns, please specify here.

**Explanation of terms**
• **Building energy management system (BEMS):** An integrated system comprising hardware, software, and services that leverage information and communication technology for monitoring, automating, and controlling energy consumption. Examples include smart meters and smart billing, data analytics, performance optimization and others.

• **Low-carbon energy:** In line with the IEA definition, low-carbon technologies are technologies that produce low – or zero – greenhouse-gas emissions while operating. In the power sector this includes fossil-fuel plants fitted with carbon capture and storage, nuclear plants and renewable-based generation technologies. Natural gas, combined cycle gas turbine and fossil fuel-based combined heat and power (cogeneration), despite being less carbon intensive than other means of electricity production like coal, are not considered low-carbon.

• **Renewable energy:** CDP follows the definition of renewable energy given in the GHG Protocol, i.e. “energy taken from sources that are inexhaustible, e.g. wind, water, solar, geothermal energy and biofuels.”

• **Process emissions:** emissions from industrial production processes which chemically or physically transform materials (e.g. CO$_2$ from the calcinations step in cement manufacturing, CO$_2$ from catalytic cracking in petrochemical processing, PFC emissions from aluminum smelting, etc.)

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**FS7.3c** What methods do you use to drive investment in emissions reduction activities?

**Question dependencies**

This question only appears if you select “Yes” in response to FS7.3.

**Comparison with CDP Climate Change 2021 Questionnaire**

C4.3c

**Rationale**

This question provides data users with more transparency into your organization’s approach to realizing emissions reductions and progress towards targets.

**Response options**

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Method</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td>• Compliance with regulatory requirements/standards</td>
<td></td>
</tr>
<tr>
<td>• Dedicated budget for energy efficiency</td>
<td></td>
</tr>
<tr>
<td>• Dedicated budget for low-carbon product R&amp;D</td>
<td></td>
</tr>
<tr>
<td>• Dedicated budget for other emissions reduction activities</td>
<td></td>
</tr>
<tr>
<td>• Employee engagement</td>
<td></td>
</tr>
<tr>
<td>• Financial optimization calculations</td>
<td></td>
</tr>
<tr>
<td>• Internal price on carbon</td>
<td></td>
</tr>
<tr>
<td>• Internal incentives/recognition programs</td>
<td></td>
</tr>
<tr>
<td>• Internal finance mechanisms</td>
<td></td>
</tr>
<tr>
<td>• Lower return on investment (ROI) specification</td>
<td></td>
</tr>
<tr>
<td>• Marginal abatement cost curve</td>
<td></td>
</tr>
<tr>
<td>• Partnering with governments on technology development</td>
<td></td>
</tr>
<tr>
<td>• Other</td>
<td></td>
</tr>
</tbody>
</table>

[Add another]

**Requested content**

*General*
This question is intended to gather information on the ways in which capital is directed towards emissions reduction activities within your company, and/or the way in which initiatives are identified. If your company uses an internal carbon price you are encouraged to report this here in addition to in FS12.2.

**Method (column 1)**
- Select the types of methods that you employ to help to channel funds towards emissions reduction initiatives.
- If you select “Other”, please specify in the “Comment” column.

**Comment (column 2) (optional)**
- Provide additional details or examples as necessary.

**(FS7.3d) Why did you not have any emissions reduction initiatives active during the reporting year?**

**Question dependencies**
This question only appears if you select “No” in response to FS7.3.

**Comparison with CDP Climate Change 2021 Questionnaire**
C4.3d

**Rationale**
Emissions reduction initiatives are crucial to meeting emissions targets and reducing negative environmental impacts. CDP data users need to know why you do not engage in the best practice of actively reducing your emissions.

**Response options**
This is an open text question with a limit of 5,000 characters.

**Requested content**

**General**
- Provide a company-specific explanation as to why you do not have any emissions reduction initiatives active in the reporting year, and if you have any plans to implement them in the future. If you plan to implement emissions reduction initiatives in the future, estimate a timeframe of when you will begin to implement them.
- If you do not have emissions reduction initiatives active in the reporting year because you have not identified any, provide more information regarding your process for identifying potential initiatives. E.g. if you investigated an area of organizational activities but the investigation did not result in potential initiatives, provide information on your investigations and explain why emissions reduction initiatives did not come to fruition.

**Module 8 – Emissions methodology**

A meaningful and consistent comparison of emissions over time is essential for managing climate-related issues. This module allows companies to provide the base year and base year emissions figure and provide details of the standard, protocol, or methodology used to collect activity data and calculate emissions.
Base year emissions

(FS8.1) Provide your base year and base year emissions (Scopes 1 and 2).

Question dependencies
This question only appears if you select “No” in response to FS0.1.

Comparison with CDP Climate Change 2021 Questionnaire
C5.1

Rationale
A meaningful and consistent comparison of emissions over time requires that companies set a performance datum with which to compare current emissions.

Response options
Complete the following table.

<table>
<thead>
<tr>
<th>Scope</th>
<th>Base year start</th>
<th>Base year end</th>
<th>Base year emissions (metric tons CO₂e)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1</td>
<td>From: [DD/MM/YYYY]</td>
<td>To: [DD/MM/YYYY]</td>
<td>Numerical field [enter a number from 0-999,999,999,999 using a maximum of 3 decimal places and no commas]</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td>Scope 2 (location-based)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scope 2 (market-based)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Requested content

General

- This question requests a base year for your greenhouse gas inventory. This may be the same as the base year for your targets, but not necessarily. If your organization has changed structurally through acquisitions and/or divestments, the methodology or boundary used to calculate your emissions has changed, you have found significant errors in previous calculations, or if there have been changes to your excluded sources, you should recalculate your base year emissions so that they can be directly compared with your current/reporting year emissions.
- If your company has measured its emissions in the past, you can use the oldest year for which it has available emissions information – preferably verified or assured – as your base year. If your company is measuring its emissions for the first time, you may choose the current reporting year as the base year.
- The GHG Protocol Corporate Standard suggests that structural changes in an organization should trigger a recalculation of base year emissions. A company may, however, decide not to do this if the new emissions are not material or significant. It is up to each company to determine the threshold for what is considered significant or material.
- Companies should ensure that the base year inventory includes both a location-based and market-based Scope 2 total, if applicable and feasible. This ensures “like with like” comparisons over time. If the Scope 2 base year chosen was calculated only according to the location-based method, you should also recalculate and report a market-based total if contractual information or residual mix totals are available for the base year. If not, you should state in the comment field that the location-based result has been used as a proxy since a market-based figure cannot be calculated.
Additional information

- **Setting a base year**: Setting a base year is an essential GHG accounting step that a company must take to be able to observe trends in its emissions information. According to the GHG Protocol Corporate Standard, a base year is “a historic datum (a specific year or an average over multiple years) against which a company’s emissions are tracked over time.” See Chapter 5 of the GHG Protocol Corporate Standard for more information on setting and recalculating a base year.

**(FS8.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

**Question dependencies**

This question only appears if you select “No” in response to FS0.1.

**Comparison with CDP Climate Change 2021 Questionnaire**

C5.2

**Rationale**

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

**Response options**

Select all that apply from the following options:

- ABI Energia Linee Guida
- Act on the Rational Use of Energy
- Australia - National Greenhouse and Energy Reporting Act
- Bilan Carbone
- Brazil GHG Protocol Programme
- China Corporate Energy Conservation and GHG Management Programme
- Defra Voluntary Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019
- ENCORDER: Construction CO2e Measurement Protocol
- Energy Information Administration 1605(b)
- Environment Canada, Sulphur hexafluoride (SF6) Emission Estimation and Reporting Protocol for Electric Utilities
• 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)
• 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
• 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
• 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 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 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
There are a variety of standards, methodologies, and protocols available for collecting and reporting GHG data, but the large majority of companies 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. CDP makes no judgments on standards or methodologies applied by companies 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. CDP encourages companies to use the GHG Protocol Corporate Standard when national standards are not specified. If the methodology you have used is not listed, or if you have used a combination of methodologies, select “Other, please specify”. You may provide more details FS8.2a.

(FS8.2a) Provide details of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Question dependencies
This question only appears if you select “Other, please specify” in response to FS8.2.

Comparison with CDP Climate Change 2021 Questionnaire
C5.2a

Rationale
CDP data users need to understand what methods have been used to calculate emissions.

Response options
This is an open text question with a limit of 5,000 characters.

Requested content
General
- Describe the methodology(ies) you used to collect activity data and calculate your emissions, including any not listed in FS8.2.

(FS8.3) Select the option that describes your chosen approach for consolidating GHG emissions.
Question dependencies

This question only appears if you select “No” in response to FS0.1.

Comparison with CDP Climate Change 2021 Questionnaire

C0.5

Rationale

This will help data users interpret your responses.

Response options

Select one of the following options:

- Financial control
- Operational control
- Equity share
- Other, please specify

Requested content

General

- Use a consolidated approach when determining reporting boundaries. CDP recommends that you consult your legal or accounting advisors when doing so.
- The “consolidated approach” identifies which entities are included within the reporting boundary. Unless stated otherwise, the information you provide in response to the CDP climate change questionnaire should be presented as one “consolidated” result covering all of the companies, entities, businesses, etc., within your reporting boundary.

Further clarification of options

- The options in the drop-down for this question are based on the GHG Protocol Corporate Standard, and are described in more detail below (text adapted from the GHG Protocol Corporate Standard):
  - **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.
    - Companies using the CDSB framework should select this option.
  - **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.
  - **Equity share**: Under the equity share approach, a company 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 a company 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 company’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.
  - In the case of leasing arrangements, please see the GHG Appendix: Categorizing GHG Emissions from Leased Assets and the International Accounting Standard (IAS) 17 on Leases, published by
the International Financial Reporting Standards (IFRS) to determine the appropriate scope for those emissions.

- 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, outlined in more detail in Chapter 3 of the Standard.

Module 9 – Emissions data

Reporting emissions is best practice and a prerequisite to understanding and reducing negative environmental impacts.

This module examines emissions data details and is aligned with TCFD Metrics & Targets recommended disclosure b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

Scope 1 emissions data

(FS9.1) What were your organization’s gross global Scope 1 emissions in metric tons CO\textsubscript{2}e?

Question dependencies

This question only appears if you select “No” in response to FS0.1.

Rows will be presented according to the number of past years you will be providing emissions data for indicated in response to FS0.3.

Comparison with CDP Climate Change 2021 Questionnaire

C6.1

Rationale

Reporting emissions is best practice and a prerequisite to understanding and reducing negative environmental impacts. CDP asks this question to ensure companies are measuring their carbon footprints from direct emissions.

Connection to other frameworks

TCFD – Metrics and targets recommended disclosure b)

OJK Regulation 51

Response options

Complete the following table.

<table>
<thead>
<tr>
<th>Year</th>
<th>Gross global Scope 1 emissions (metric tons CO\textsubscript{2}e)</th>
<th>Start date (only for past years)</th>
<th>End date (only for past years)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reporting year</td>
<td>Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas]</td>
<td>N/A</td>
<td>N/A</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td>[List compiled from FS0.3]</td>
<td>From: [DD/MM/YYYY]</td>
<td>To: [DD/MM/YYYY]</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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 CO\textsubscript{2}e. Common conversion factors are included in the Technical Note “Units of Measure Conversions”.
- Special requirements for carbon sequestration, captured & stored and transferred CO\textsubscript{2}, transfer in – transfer out, and enhanced oil recovery are explained in the Technical Note “Special conditions for reporting Scope 1 emissions”.
- 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, please outline this in the comment column.
- Please provide gross global Scope 1 emissions data for the current reporting year and the three years prior to the current reporting year.
- Please 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.
- Please 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 report relevant information regarding your organization’s past Scope 1 emissions data.

Scope 2 emissions data

(FS9.2) Describe your organization’s approach to reporting Scope 2 emissions.

Question dependencies

This question only appears if you select “No” in response to FS0.1.

Comparison with CDP Climate Change 2021 Questionnaire

C6.2

Rationale

The purpose of this question is to allow companies to disclose their approach to calculating their Scope 2 emissions. This is particularly relevant when considering market-based Scope 2 emissions, as it is important to differentiate between companies that have not reported a market-based figure as they do not have operations where there are those contractual instruments, and those companies that do have operations where there are contractual instruments but have chosen not to disclose a market-based figure. CDP asks this question to enable accurate comparability across companies.

Connection to other frameworks

OJK Regulation 51
Response options

Complete the following table.

<table>
<thead>
<tr>
<th>Scope 2, location-based</th>
<th>Scope 2, market-based</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select from:</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td>• We are reporting a Scope 2, location-based figure</td>
<td>• We are reporting a Scope 2, market-based figure</td>
<td></td>
</tr>
<tr>
<td>• We are not reporting a Scope 2, location-based figure</td>
<td>• 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</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• 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</td>
<td></td>
</tr>
</tbody>
</table>

Requested content

General

• The GHG Protocol Scope 2 Guidance was published in January 2015. Part of the requirements of the guidance is that companies shall account for their Scope 2 emissions using two methodologies: a location-based method and a market-based method. The market-based method is for those companies who have any operations in markets providing product- or supplier-specific data in the form of contractual instruments. If this is not applicable to your company, you only need to provide one location-based figure.

• Per the GHG Protocol Corporate Standard, a contractual instrument is “any type of contract between two parties for the sale and purchase of energy bundled with attributes about the energy generation, or for unbundled attribute claims.” Different markets will have different contractual instruments, which can include energy attribute certificates, direct contracts such as PPAs, and supplier-specific emission rates.

• It is important to consider the definition of contractual instruments when determining whether your company needs to calculate a market-based figure. If your company can access emissions factors from your energy supplier for any of your operations, you are required to calculate and report a market-based figure. Therefore, when responding to this question, if you do 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 – then you should not select “We have no operations where we are able to access electricity supplier emissions factors or residual emissions factors and are unable to report a Scope 2, market-based figure”. For full details please view the GHG Protocol Scope 2 Guidance. You can also reference CDP’s Technical Note on Accounting of Scope 2 emissions.

(FS9.3) What were your organization’s gross global Scope 2 emissions in metric tons CO₂e?

Question dependencies

This question only appears if you select “No” in response to FS0.1.

Rows will be presented according to the number of past years you will be providing emissions data for indicated in response to FS0.3.

Comparison with CDP Climate Change 2021 Questionnaire

C6.3
**Rationale**

Reporting emissions is best practice and a pre-requisite to understanding and reducing negative environmental impacts. CDP asks this question to ensure companies are measuring emissions from purchased or acquired electricity, steam, heat, and cooling.

**Connection to other frameworks**

*TCFD – Metrics and targets recommended disclosure b)*

*OJK Regulation 51*

**Response options**

Complete the following table.

<table>
<thead>
<tr>
<th>Year</th>
<th>Scope 2, location-based</th>
<th>Scope 2, market-based (if applicable)</th>
<th>Start date (only for past years)</th>
<th>End date (only for past years)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reporting year</td>
<td>Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas]</td>
<td>Numerical field [enter a range of 0-999,999,999,999 using a maximum of 3 decimal places and no commas]</td>
<td>N/A</td>
<td>N/A</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
</tbody>
</table>

[List compiled from FS0.3]

<table>
<thead>
<tr>
<th>Start date</th>
<th>To:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>[DD/MM/YYYY]</td>
<td>[DD/MM/YYYY]</td>
<td></td>
</tr>
</tbody>
</table>

**Requested content**

**General**

- Negative numbers are not allowed as reporting needs to be gross, not net figures. If you answered in FS9.2 that you are not reporting a Scope 2 location-based figure and/or you answered that you are unable to report a Scope 2 market-based figure, please leave the corresponding column(s) in FS9.3 blank.
- 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 more 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." Please also note that electricity produced by either CH₄ and/or N₂O is to be included in the emission factor.
- For further information, please also see GHG Protocol 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.
- Please provide gross global Scope 2 emissions data for the current reporting year and the three years prior to the current reporting year.
- Please 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.
- Please 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 report relevant information regarding your organization’s past Scope 2 emissions data.
Exclusions

(FS9.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Question dependencies

This question only appears if you select “No” in response to FS0.1.

Comparison with CDP Climate Change 2021 Questionnaire

C6.4

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 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.

Response options

Select one of the following options:

- Yes
- No

Requested content

General

- Identify sources that would normally be within the consolidation boundary you have identified for your disclosure in FS8.3 (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 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 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.”

(FS9.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Question dependencies

This question only appears if you select “Yes” in response to FS9.4.

Comparison with CDP Climate Change 2021 Questionnaire
**C6.4a**

**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 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.

**Response options**

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Source</th>
<th>Relevance of Scope 1 emissions from this source</th>
<th>Relevance of location-based Scope 2 emissions from this source</th>
<th>Relevance of market-based Scope 2 emissions from this source (if applicable)</th>
<th>Explain why this source is excluded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Text field [maximum 2,400 characters]</td>
<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td></td>
<td>• No emissions excluded</td>
<td>• No emissions excluded</td>
<td>• No emissions excluded</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• No emissions from this source</td>
<td>• No emissions from this source</td>
<td>• No emissions from this source</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Emissions are not relevant</td>
<td>• Emissions are not relevant</td>
<td>• Emissions are not relevant</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Emissions are relevant but not yet calculated</td>
<td>• Emissions are relevant but not yet calculated</td>
<td>• Emissions are relevant but not yet calculated</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Emissions are relevant and calculated, but not disclosed</td>
<td>• Emissions are relevant and calculated, but not disclosed</td>
<td>• Emissions are relevant and calculated, but not disclosed</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Emissions excluded due to recent acquisition</td>
<td>• Emissions excluded due to a recent acquisition</td>
<td>• Emissions excluded due to a recent acquisition</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Emissions are not evaluated</td>
<td>• Emissions are not evaluated</td>
<td>• Emissions are not evaluated</td>
<td></td>
</tr>
</tbody>
</table>

[Add another]

**Requested content**

**Source (column 1)**

- Use this text field to name and briefly describe the source you are excluding. E.g. a geographic region, business activity, or type of facility.

**Relevance of Scope 1 emissions from this source (column 2)**

- **No emissions excluded** – select this option if you have excluded Scope 2 emissions from this source and reported this exclusion in the relevant column of this table (column 3 or column 4), but you have not excluded Scope 1 emissions from this source.
- **No emissions from this source** – select this option if you have excluded Scope 2 emissions from this source and reported this exclusion in the relevant column of this table (column 2 or column 3), but you do not have Scope 1 emissions from this source.
- **Emissions are not relevant** – select this option if you have excluded Scope 1 emissions which you have identified as not relevant from this source.
- **Emissions are relevant but not yet calculated** – select this option if you have excluded Scope 1 emissions from this source, you have identified these emissions as relevant, but you have not calculated them.
- **Emissions from this source are relevant and have been calculated, but are not disclosed** – select this option if you have excluded from your CDP response Scope 1 emissions from this source that you have calculated and identified as relevant.
- **Emissions excluded due to a recent acquisition** – select this option if you have excluded Scope 1 emissions from this source due to an acquisition that has taken place in the last 12 months prior to the submission date of your response to CDP.
- **Emissions are not evaluated** – select this option if you have excluded Scope 1 emissions from this source but have not evaluated the relevance of these emissions.

**Relevance of Scope 2 (location-based or market-based) emissions from this source (column 3 and 4)**

- **No emissions excluded** – select this option if you have excluded Scope 1 emissions from this source and reported this exclusion in column 2 of this table, but you have not excluded Scope 2 emissions from this source.
- **No emissions from this source** – select this option if you have excluded Scope 1 emissions from this source and reported this exclusion in column 2 of this table, but you do not have Scope 2 emissions from this source.
- **Emissions are not relevant** – select this option if you have excluded Scope 2 emissions which you have identified as not relevant from this source.
- **Emissions are relevant but not yet calculated** – select this option if you have excluded Scope 2 emissions from this source, you have identified these emissions as relevant, but you have not calculated them.
- **Emissions from this source are relevant and have been calculated, but are not disclosed** – select this option if you have excluded from your CDP response Scope 2 emissions from this source that you have calculated and identified as relevant.
- **Emissions excluded due to a recent acquisition** – select this option if you have excluded Scope 2 emissions from this source due to an acquisition that has taken place in the last 12 months prior to the submission date of your response to CDP.
- **Emissions are not evaluated** – select this option if you have excluded Scope 2 emissions from this source but have not evaluated the relevance of these emissions.

**Explain why this source is excluded (column 5)**

- Use this text field to describe why the source is excluded and its significance. If possible, provide an estimate of the percentage of total emissions contained within the reported boundary that the exclusion represents. If a recent acquisition has taken place, please include the time of acquisition in this text field.
- Note that this question asks you to report only excluded sources of emissions. If you select “No emissions excluded” or “No emissions from this source” for every column in every row indicating that there are no sources of emissions that have been excluded from your reported Scope 1 or Scope 2 figures in FS9.1 and FS9.3, you should review your answer to FS9.4 and select “No.”

---

**Scope 3 emissions data**

**FS9.5** Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

**Question dependencies**

This question only appears if you select “No” in response to FS0.1.

**Comparison with CDP Climate Change 2021 Questionnaire**

C6.5
### Rationale

For most companies (with the exception of financial services companies), the majority of emissions occur in the supply chain. CDP asks this question to gauge the thoroughness of companies’ accounting processes and to understand how companies are analyzing their emissions footprints.

### Connection to other frameworks

**TCFD – Metrics and targets recommended disclosure b)**

**OJK Regulation 51**

### Response options

Complete the following table.

<table>
<thead>
<tr>
<th>Scope 3 category</th>
<th>Evaluation status</th>
<th>Metric tons CO₂e</th>
<th>Emissions calculation methodology</th>
<th>Percentage of emissions calculated using data obtained from suppliers or value chain partners</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchased goods and services</td>
<td>Select from:</td>
<td></td>
<td>Text field [maximum 2,400 characters]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital goods</td>
<td>Relevance, calculated</td>
<td></td>
<td>Text field [maximum 2,400 characters]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fuel-and-energy-related activities (not included in Scope 1 or 2)</td>
<td>Relevance, not yet calculated</td>
<td></td>
<td>Text field [maximum 2,400 characters]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Upstream transportation and distribution</td>
<td>Not relevant, calculated</td>
<td></td>
<td>Text field [maximum 2,400 characters]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waste generated in operations</td>
<td>Not relevant, explanation provided</td>
<td></td>
<td>Text field [maximum 2,400 characters]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business travel</td>
<td>Not evaluated</td>
<td></td>
<td>Text field [maximum 2,400 characters]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee commuting</td>
<td></td>
<td></td>
<td>Text field [maximum 2,400 characters]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Upstream leased assets</td>
<td></td>
<td></td>
<td>Text field [maximum 2,400 characters]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Downstream transportation and distribution</td>
<td></td>
<td></td>
<td>Text field [maximum 2,400 characters]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Processing of sold products</td>
<td></td>
<td></td>
<td>Text field [maximum 2,400 characters]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Use of sold products</td>
<td></td>
<td></td>
<td>Text field [maximum 2,400 characters]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>End of life treatment of sold products</td>
<td></td>
<td></td>
<td>Text field [maximum 2,400 characters]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Downstream leased assets</td>
<td></td>
<td></td>
<td>Text field [maximum 2,400 characters]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Franchises</td>
<td></td>
<td></td>
<td>Text field [maximum 2,400 characters]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (upstream)</td>
<td></td>
<td></td>
<td>Text field [maximum 2,400 characters]</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Requested content

**General**

- For financial services sector companies, Scope 3 Category 15 “Investments” emissions has been pulled out of this question (FS9.5) and is requested to be disclosed in FS5.1a. As the majority of emissions occur in relation to financial products and services and/or investments, financed emissions, or Scope 3 Category 15 “Investments” emissions as defined by the GHG Protocol, is the most relevant category to financial services organizations. Thus, “Investments” are excluded from this question, please disclose this in FS5.1a.

- According to the GHG Protocol’s Corporate Value Chain (Scope 3) Accounting and Reporting Standard (page 107): “Any estimates of avoided emissions must be reported separately from a company’s Scope 1, Scope 2, and Scope 3 emissions, rather than included or deducted from the Scope 3 inventory”. In the context of your CDP response, you can provide information on actions you take to reduce your Scope 3 emissions in question FS7.3b on emissions reduction initiatives.

- You should complete every row of the table (with the exception of the last two rows “Other (upstream)” and “Other (downstream)” which are optional), but not necessarily all columns.

- The columns that you need to complete in response to question FS9.5 will depend on your selection made in the “Evaluation status” column and are summarized in the guidance below for column 2 “Evaluation status”.

**Scope 3 category (column 1)**

- The categories of Scope 3 emissions have been taken from the Greenhouse Gas Protocol’s Corporate Value Chain (Scope 3) Accounting and Reporting Standard, published in September 2011. Companies should refer to the standard for information on the emissions sources that each category comprises and additional information on how to calculate these emissions.

**Evaluation status (column 2)**

- 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 companies 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 – 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 emissions from at least part of this source.
  - **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 source 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 source of Scope 3 emissions 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 source and therefore do not know whether or not it is relevant for your business.

**Metric tons CO₂e (column 3)**

- Complete this column for all sources that you have identified as “Relevant, calculated” or “Not relevant, calculated” in the “Evaluation status” column. Enter the emissions appropriate to each

<table>
<thead>
<tr>
<th>Other (downstream)</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
</table>
source identified in metric tons CO$_2$e, entering numbers only up to 999,999,999,999 without commas and up to two decimal places. 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 emissions from this source and they are equal to zero.

**Emissions calculation methodology (column 4)**

- Complete this column for all sources that you have identified as “Relevant, calculated” or “Not relevant, calculated” in the “Evaluation status” column. Your response should include a short description of the types and sources of data used to calculate emissions (e.g. activity data, emission factors and GWP values), and a short description of the methodologies, assumptions and allocation methods used to calculate emissions.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners (column 5)**

- This column is optional for all sources that you have identified as “Relevant, calculated” or “Not relevant, calculated” in the “Evaluation status” column.
- Such data obtained from suppliers or value chain partners may take the form of primary activity data, or emissions data calculated by suppliers that are specific to suppliers’ activities. More information on this can be found in Chapter 7, Collecting Data, of the GHG Protocol’s Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

**Please explain (column 6)**

- Complete this column for all sources that you have identified as “Not relevant, explanation provided” in the “Evaluation status” column. You should 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 other rows in the table, including any exclusions within a source, or to explain why emissions have decreased or increased, you can also do that in this column.

---

**Emissions intensities**

**(FS9.6)** Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO$_2$e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

**Question dependencies**

This question only appears if you select “No” in response to FS0.1.

**Comparison with CDP Climate Change 2021 Questionnaire**

C6.10

**Rationale**

Intensity measures describe an organization’s CO$_2$e emissions in the context of another business metric. In this way, the emissions are normalized to account for growth etc. Many companies and investors have historically tracked environmental performance with intensity ratios.

**Connection to other frameworks**

**OJK Regulation 51**

**Response options**
Complete the following table. The table is displayed over several rows for readability. It is requested that you first report your emissions intensity figure per unit of currency total revenue. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Intensity figure</th>
<th>Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO₂e)</th>
<th>Metric denominator</th>
<th>Metric denominator: Unit total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Numerical field [enter a number from 0-999,999,999,999 using a maximum of 10 decimal places and no commas]</td>
<td>Numerical field [enter a number from 0-999,999,999,999 using a maximum of 2 decimal places and no commas]</td>
<td>Select from: See drop-down options below</td>
<td>Numerical field [enter a number from 0-999,999,999,999,999 using a maximum of 2 decimal places and no commas]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Scope 2 figure used</th>
<th>% change from previous year</th>
<th>Direction of change</th>
<th>Reason for change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Numerical field [enter a number from 0-999 using a maximum of 2 decimal places]</td>
<td>Select from:</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td>Location-based</td>
<td></td>
<td>Increased</td>
<td></td>
</tr>
<tr>
<td>Market-based</td>
<td></td>
<td>Decreased</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>No change</td>
<td></td>
</tr>
</tbody>
</table>

**Metric denominator drop-down options (column 3)**

- Unit total revenue
- Barrel of oil equivalent (BOE)
- Billion (currency) funds under management
- Full time equivalent (FTE) employee
- Kilometer
- Liter of product
- Megawatt hour generated (MWh)
- Megawatt hour transmitted (MWh)
- Metric ton of product
- Ounce of gold
- Ounce of platinum
- Passenger kilometer
- Room night produced
- Square foot
- Square meter
- Metric ton of aggregate
- Metric ton of aluminum
- Metric ton of coal
- Metric ton of ore processed
- Metric ton of steel
- Unit hour worked
- Unit of production
- Unit of service provided
- Vehicle produced
- Other, please specify

**Requested content**

**General**

- It is requested that you first report your emissions intensity figure per unit of currency total revenue and if applicable provide any additional intensity metrics that are appropriate to your business operations. The currency reported here should be the same one selected in module 0. Emissions intensity per unit of revenue is one the most common and easy means to calculate emissions intensity, which is why it is requested that you provide this figure. However, this is not necessarily always the most appropriate to individual businesses and therefore you can also report an additional intensity or normalized metric that is most appropriate to your organization’s own operations.
- If you are a privately held organization, you may report whichever intensity is relevant for you. Please note that per unit of revenue is the preferred disclosure.
- If you did not disclose to CDP last year, or did not use this data point, please use last year’s inventory and financial data to provide a calculation of percentage change. If you did not measure your emissions last year, complete column 1 and explain why you do not have the data available in column 8.

**Intensity figure (column 1)**
• Intensity ratios express GHG impact per unit of physical activity or unit of economic output.
• Your intensity figure per unit of currency total revenue is calculated by dividing total Scope 1 and 2 emissions by unit revenue, making sure that the revenue figure used applies to the same organizational boundary as your emissions data.
• Important points to remember when calculating intensity are:
  o **Intensity** = Emissions (metric tons CO$_2$e) (Numerator) / Business metric (e.g. revenue) (Denominator)
  o **Numerator units**: the intensity metrics requested in question C6.10 should have emissions in metric tons CO$_2$e as the numerator. They should include Scope 1 and Scope 2 emissions combined. This figure can be obtained by summing the figures given in answer to questions FS9.1 and FS9.3.
  o **Denominator units**: When calculating your intensity, you should ensure that the units of your data match those specified in the intensity metric. For example, question FS9.10 requests for intensity in metric tons CO$_2$e per unit currency revenue. This means that your revenue figure (the denominator) should be in the currency you specified in module 0 and in single units, i.e. if your revenue is 5 Million US$ your unit revenue is 5000000. Another example would be metric tons CO$_2$e per MWh – if your data is in kWh you must convert it to MWh before using it in the calculation.
  o **Boundary and Exclusions**: You should ensure that the organizational boundary and any exclusions specified for your numerator is the same as for your denominator. For example, when entering your emissions per FTE employee you should ensure that you only include those FTE employees that are within the sections of the organization covered by the organizational boundary of your emissions and take into account any exclusions (as specified in question FS9.4a).

**Metric numerator (column 2)**

• This column is fixed and specifies that the emissions should be in metric tons CO$_2$e, derived from your gross global Scope 1 emissions figure (question FS9.1) plus your gross global Scope 2 emissions figure (question FS9.3).

**Metric denominator (column 3)**

• To report your organization’s emissions intensity per unit currency total revenue, select “unit total revenue” in column 3 (metric denominator) for this figure.
• Please note that the denominator in the selection “unit total revenue” is per single unit (1) of the currency specified in module 0. Please do not report your revenue emissions intensity based on multiples of your selected currency (e.g. do not report in multiples of Yen). It is understood that this will likely result in your intensity figure being quite small (less than 0.01).
• If you select “Other, please specify”, please specify and provide a label for the Metric denominator in the “Reason for change” column (column 8).

**Metric denominator: Unit total (column 4)**

• Ensure that the metric denominator figure provided in this column is the same unit that was chosen in column 3.
• For example, if your chosen metric in the previous column was FTE, you should input here how many FTE you had during the reporting year.

**Scope 2 figure used (column 5)**

• Indicate which Scope 2 figure has been used in your metric numerator.

**% change from previous year (column 6)**

• If you have experienced no change, please enter 0 (zero) in this column.
• If the previous year’s figure has been reported but recalculated since, please use the recalculated figure for the calculation of percentage change and note this in the last column (8). The previous
Direction of change (column 7)

- A declining intensity ratio reflects a positive performance (improvement), while an increasing intensity ratio reflects a negative performance (decline).
- If the percentage change from last year is 0 (zero) select “No change”.

Reason for change (column 8)

- Describe why your emissions intensity has changed. Explain the primary reasons behind the change and the degree to which different factors have influenced the figures.
- Specify if this change is due to emission reduction initiatives, including those reported in FS7.3b.
- If you selected “Other, please specify” in column 3, please specify here in the “Reason for change” column.

Explanation of terms

- **Intensity metrics**: Intensity metrics describe an organization’s CO₂e emissions in the context of another business metric. In this way, the emissions are normalized to account for growth. Intensity is calculated by dividing the CO₂e emissions figure (the numerator) by an alternative business metric (the denominator), such as the number of full time equivalent employees, the revenue or tons of aggregate produced.

Emissions performance

(FS9.7) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Question dependencies

This question only appears if you select “No” in response to FS0.1.

Comparison with CDP Climate Change 2021 Questionnaire

C7.9

Rationale

Investors and data users are interested in understanding whether companies are successfully reducing their emissions year over year.

Connection to other frameworks

OJK Regulation 51

Response options

Select one of the following options:

- Increased
- Decreased
- Remained the same overall
- This is our first year of reporting, so we cannot compare to last year
- We don’t have any emissions data

Requested content
This question requires you to select the option from the drop-down menu that best describes how your combined Scope 1 and 2 emissions have changed compared with the previous year.

The change in emissions can be calculated using the following formula:

\[
\text{Total gross Scope 1+2 emissions for the current reporting year} - \text{previous year’s total gross Scope 1+2 emissions} = \text{total change in emissions}
\]

If the resulting figure is negative, then your company’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 emissions are the figure supplied in response to question FS9.1, and your Scope 2 emissions are the figure supplied in response to question FS9.3.

If the previous year’s figures have been restated, please refer to CDP’s Technical Note on “Restatements” on whether to use the emissions figures originally reported to CDP or the restated figures for the calculation. The previous year compared should apply to the 12-month period directly prior to the reporting period, even if it does not completely overlap with the period previously reported to CDP.

(FS9.7a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

**Question dependencies**

This question only appears if you select either “Increased”, “Decreased” or “Remained the same overall” in response to FS9.7.

**Comparison with CDP Climate Change 2021 Questionnaire**

C7.9a

**Rationale**

When investigating how year-on-year gross global emissions (Scope 1 + 2 combined) have changed, CDP and its investors are interested in changes at a granular level; thus allowing CDP’s data users to gain an insight into factors than have contributed to these changes.

**Connection to other frameworks**

OJK Regulation 51

**Response options**

Complete the following table.

<table>
<thead>
<tr>
<th>Reason</th>
<th>Change in emissions (metric tons CO₂e)</th>
<th>Direction of change</th>
<th>Emissions value (percentage)</th>
<th>Please explain calculation</th>
</tr>
</thead>
</table>
| Change in renewable energy consumption | Numerical field [enter a number from 0-999,999,999,999 using a maximum of 3 decimal places and no commas] | Select from:  
- Increased  
- Decreased  
- No change | Numerical field [enter a number from 0-999 using a maximum of 2 decimal places and no commas] | Text field [maximum 2,400 characters] |

Other emissions reduction activities
Divestment
Acquisitions
Mergers
Change in output
Change in methodology
Change in boundary
Change in physical operating conditions
Unidentified
Other

Requested content

General

- Categorize the changes that have occurred in your gross global emissions. You are asked to break down all the different factors that have influenced any overall change in Scope 1+2 emissions; whether increasing or decreasing factors.
- Break down each applicable factor, describe each in a separate row, and provide the value for the change in overall emissions that is attributed to each of the factors.
- Even if companies have experienced no change overall or an increase in absolute emissions for Scopes 1 and 2, companies should still disclose reduction activities.
- In the unlikely event that companies have genuinely not experienced any change in any of the categories, they should complete the row “Other”, specifying “No change” in the text box provided and then enter 0 in column 2 “Emissions value (percentage)”.
- Emissions reduction activities could arise from a number of different sources, including reductions in energy consumption or lower emission equipment/processes. If your emissions have changed compared to the previous reporting year due to several emissions reduction activities, you should aggregate the emissions change that occurred due to these activities and provide this information in row 2 in FS9.7a.

Reason (column 1)

- This column is fixed; however, if a row does not apply to you, for e.g. your company did not experience any mergers or acquisitions during the reporting year, leave that row blank.
- Further details on each of the options are provided below:
  - Change in renewable energy consumption (row 2)
    - Report the change in your organization’s emissions because of the consumption of self-generated or purchased renewable energy.
    - In cases where you have purchased 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 FS9.3 and the purchases reported here were additional purchases in the reporting year. Please refer to the Example 3 in FS7.3b for the clarification of how to account for low carbon purchases as an emissions reduction activity.
    - 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 under “Change in methodology” (see below).
    - CDP requires disclosure of gross emissions. Gross means total emissions before any deductions or other adjustments are made to take account of offset credits, avoided emissions from the use of goods and services, and/or reductions attributable to the sequestration or transfer of GHGs.
  - Other emissions reduction activities (row 3)
    - This refers to changes in emissions that have occurred because of proactive emissions reduction initiatives or activities, for example those listed in question FS7.3b, other than those caused by a change in renewable energy consumption (which should be reported in the row “Change in renewable energy consumption”).
  - Divestment (row 4)
This refers to changes that occur as a result of selling off certain aspects of the businesses.

- **Acquisitions (row 5)**
  - This refers to changes that occur as a result of purchasing or obtaining another company/subsidiary/facility.

- **Mergers (row 6)**
  - This refers to changes that occur as a result of business mergers.

- **Change in output (row 7)**
  - 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, purchases of additional facilities due to business expansion, declines in sales due to a global recession, or release of a new product.

- **Change in methodology (row 8)**
  - This refers to changes that occur due to modifications in the way that the inventory is calculated, for e.g. 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 (row 9)**
  - 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 (row 10)**
  - 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 (row 11)**
  - Complete this row if you are not able to identify the reason for the change in emissions from year to year.

- **Other (row 12)**
  - Complete this row if there is an 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.

**Direction of change (column 3)**

- Enter the direction of change of gross global (Scope 1 + Scope 2) emissions due to the reason specified, i.e. increased; decreased, or; No change.

**Emissions value (percentage) (column 4)**

- Enter the change in emissions attributed to the reason (factor) provided in column 1 as a percentage of the Scope 1 and 2 combined emissions. This value should not be greater than 999 and should not have more than two decimal places. There is no need to enter the % symbol, and direction of change will be indicated in column 3. This value should be calculated as follows:
  
  "Change in Scope 1+2 emissions attributed to the reason described in column 1" /"Previous year Scope 1+2 emissions" ×100

**Please explain calculation (column 5)**

- Report the figures used in the calculation for the figure in the “emissions value %” column.
- You may also use this text box to provide any additional explanation that is relevant to capture the full complexity of the emissions changes.
(FS9.7b) Are your emissions performance calculations in FS9.7 and FS9.7a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

**Question dependencies**

This question only appears if you select either “Increased”, “Decreased” or “Remained the same overall” in response to FS9.7.

**Comparison with CDP Climate Change 2021 Questionnaire**

C7.9b

**Rationale**

This question provides more transparency on how your organization’s emissions performance figures are derived.

**Response options**

Select one of the following options:

- Location-based
- Market-based
- Don’t know

**Requested content**

**General**

- In alignment with the GHG Protocol Scope 2 Guidance, companies are only required to compare their Scope 2 emissions for either their location-based or market-based figure, but are required to be transparent about which figure they use.
- You should only select one option, as your market-based figure may inherently be a combination of location-based and market-based calculations if you have operations in regions where there are contractual instruments, and other operations in regions where there are not contractual instruments.

---

**Module 10 – Energy**

Energy related activities represent a significant GHG emission sources. This module provides transparency on the consumption and generation of energy by organizations.

Accurate emissions accounting depends on a comprehensive account of energy. It is expected that organizations have already collected the necessary energy data for the disclosure of emissions in previous modules. The requested data on purchased or acquired energy is in alignment with Scope 2 emissions reporting.

**Energy spend**

(FS10.1) What percentage of your total operational spend in the reporting year was on energy?

**Question dependencies**

This question only appears if you select “No” in response to FS0.1.
Comparison with CDP Climate Change 2021 Questionnaire

C8.1

Rationale

The aim of this question is to identify the degree to which your organization’s activities are sensitive to energy costs and energy supply.

Response options

Select one of the following options:

- 0%
- More than 0% but less than or equal to 5%
- More than 5% but less than or equal to 10%
- More than 10% but less than or equal to 15%
- More than 15% but less than or equal to 20%
- More than 20% but less than or equal to 25%
- More than 25% but less than or equal to 30%
- More than 30% but less than or equal to 35%
- More than 35% but less than or equal to 40%
- More than 40% but less than or equal to 45%
- More than 45% but less than or equal to 50%
- More than 50% but less than or equal to 55%
- More than 55% but less than or equal to 60%
- More than 60% but less than or equal to 65%
- More than 65% but less than or equal to 70%
- More than 70% but less than or equal to 75%
- More than 75% but less than or equal to 80%
- More than 80% but less than or equal to 85%
- More than 85% but less than or equal to 90%
- More than 90% but less than or equal to 95%
- More than 95% but less than or equal to 100%
- Don’t know

Requested content

General

- Ensure that the boundary used for calculating your operational spend is the same as that for your energy spend (i.e. it includes the same facilities, geographies, etc.).
- “Operational spend” should exclude extraordinary expenses such as gains or losses on the sale of assets. The calculation should also exclude the cost of interest or taxes on profits.

Explanation of terms

- **Operational spend**: Operational spend should be the sum of the costs for the following two types of costs to the business:
  - **Cost of goods sold** - also known as ‘direct costs’. This generally refers to the raw material, energy and labor costs directly identified in the cost of the end product. These costs fluctuate and vary depending on the number or volume of goods sold.
  - **Operating costs** - also known as ‘indirect costs’ or ‘overheads’. This generally refers to the essential expenses incurred in order to maintain the business including wages, rent, transport, energy (electricity, fuel, etc.), maintenance, and so on. These expenses cannot be attributed to the manufacture of a particular job or the provision of a particular service - they are standard costs that apply regardless of the volume of goods produced.
Energy-related activities

(FS10.2) Select which energy-related activities your organization has undertaken.

Question dependencies
This question only appears if you select “No” in response to FS0.1.

Comparison with CDP Climate Change 2021 Questionnaire
C8.2

Rationale
This question provides data users with information on the organization’s consumption of energy forms relating to Scope 1 and Scope 2 emissions, and transparency on the generation of energy.

Connection to other frameworks
OJK Regulation 51

Response options
Complete the following table.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Indicate whether your organization undertook this energy-related activity in the reporting year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of fuel (excluding feedstocks)</td>
<td>Select from:</td>
</tr>
<tr>
<td></td>
<td>• Yes</td>
</tr>
<tr>
<td></td>
<td>• No</td>
</tr>
<tr>
<td>Consumption of purchased or acquired electricity</td>
<td></td>
</tr>
<tr>
<td>Consumption of purchased or acquired heat</td>
<td></td>
</tr>
<tr>
<td>Consumption of purchased or acquired steam</td>
<td></td>
</tr>
<tr>
<td>Consumption of purchased or acquired cooling</td>
<td></td>
</tr>
<tr>
<td>Generation of electricity, heat, steam, or cooling</td>
<td></td>
</tr>
</tbody>
</table>

Requested content

General

- Consumption of fuel (excluding feedstocks) (Row 1)
  - You should select ‘Yes’ in row 1 ‘Consumption of fuel (excluding feedstocks)’ if fuel was consumed inside your organizational boundary in the reporting year. All fuels accounted for in the calculation of Scope 1 emissions (FS9.1) and fuels accounted for in the calculation of emissions from biogenic carbon (FS9.7a) are included. Consumption of nuclear fuel is not included.

- Consumption of purchased or acquired electricity heat, steam and/or cooling (Rows 2-5)
  - You should select ‘Yes’ in rows 2-5 according to whether your organization has consumed electricity, heat, steam, and/or cooling that was purchased or acquired, i.e. brought into the organizational boundary. This excludes consumption of electricity, heat, steam or cooling that was produced by the organization, i.e. from inside the organizational boundary. It also excludes purchased or acquired electricity, heat, steam or cooling that is not consumed inside the organizational boundary.
  - Purchased or acquired electricity, heat, steam or cooling that is wasted should still be counted as consumption.
  - The activities of rows 2-5 are aligned with the boundary for Scope 2 emissions.
• **Generation of electricity, heat, steam, or cooling (Row 6)**
  o You should select ‘Yes’ in row 6 if your organization generated electricity, heat, steam, or cooling in the reporting year, regardless of whether this generation was consumed, exported, or wasted.

**Explanation of terms**

- **Excluding feedstocks**: Fuels consumed as feedstocks are fuels that are not combusted for energy purposes. For example, naphtha and ethane are feedstocks that may be converted into petrochemical products such as ethylene, and should not be included. The steel industry is a special case because coke and fuel injectants consumed at the blast furnace serve as feedstocks and a source of energy. These fuels are considered feedstocks and should not be counted. However, all fuels consumed that are derived from fuel feedstocks, e.g. blast furnace gas, should be counted. Companies that consume fuel as feedstocks will have the opportunity to disclose these fuels in sector specific questions.

- **Purchased or acquired electricity, steam, heat, cooling**: Specific information on these energy carriers can be found in section 5.3.1 and Appendix A of the GHG Protocol Scope 2 Guidance. The terms ‘purchased’ and ‘acquired’ are used when your organization has received the energy from a third party. This rules out energy that is sourced from within the organizational/sector boundary. It should be noted that purchased or acquired heat does not include the heat content, or calorific value, of fuels that are purchased or acquired by the organization. This is accounted for at the point of fuel consumption, which falls inside the Scope 1 boundary. You should also be aware that steam, heat or cooling received via direct line as ‘waste’ from an industrial process, should still be accounted for if it is consumed.

(FS10.2a) **Report your organization’s energy consumption totals (excluding feedstocks) in MWh.**

**Question dependencies**

This question only appears if you select “Yes” for any of the activities listed in FS10.2. A row will appear in this table for each energy-related activity selected in FS10.2. The “Total energy consumption” row will always appear.

**Comparison with CDP Climate Change 2021 Questionnaire**

C8.2a

**Rationale**

Given the importance of energy consumption in emissions accounting, this question attempts to provide transparency to data users on the consumption of energy by the organization. The question provides the opportunity for organizations to disclose their total energy consumption and distinguish renewable and non-renewable forms of energy.

**Connection to other frameworks**

*OJK Regulation 51*

**Response options**

Complete the following table.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Heating value</th>
<th>MWh from renewable sources</th>
<th>MWh from non-renewable sources</th>
<th>Total (renewable + non-renewable) MWh</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Consumption of fuel (excluding feedstock) | Select from: | Numerical field [enter a number from 0 to 999,999,999,999 using up to 2 decimal places and no commas] | Numerical field [enter a number from 0 to 999,999,999,999 using up to 2 decimal places and no commas] | Numerical field [enter a number from 0 to 999,999,999,999 using up to 2 decimal places and no commas] |
---|---|---|---|---|
Consumption of purchased or acquired electricity | N/A | | | |
Consumption of purchased or acquired heat | N/A | | | |
Consumption of purchased or acquired steam | N/A | | | |
Consumption of purchased or acquired cooling | N/A | | | |
Consumption of self-generated non-fuel renewable energy | N/A | N/A | | |
Total energy consumption | N/A | | | |

**Requested content**

**General**

- Figures you provide should be for the reporting year only.
- If you do not consume an energy carrier, then you should enter zero (0) in the relevant field.
- This table is for gross energy consumption data only. You should not provide net consumption nor deduct for energy produced or exported from the organizational boundary. Because feedstock fuels are excluded from this question, this approach should not lead to double counting.
- You should enter all energy data in Mega-Watt-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 and OnlineConversion.com, or from conversion tables such as those in EPA AP-42 (Annex A).
- 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, some of which are listed below:
  - IPCC Guidelines for National GHG Inventories (Volume 2, Table 1.2, p1.18-1.19)
  - EPA AP-42 (Annex A)
  - API Compendium (Table 3-8, p3.20-3.21)
- Further guidance on unit conversion is available in the following Technical Note: “Conversion of fuel data to MWh”.

**Activity (column 1)**

- This column is driven by the activities for which you selected ‘Yes’ in response to FS10.2.
- **Consumption of fuel (excluding feedstock)**
  - All fuel consumed for energy purposes inside the organizational boundary should be included, regardless of whether the fuel was purchased or produced by the organization. If a fuel is consumed as a feedstock for the production of another fuel, then the feedstock should not be included, but combustion of the produced fuel should be included. Ultimately, if a fuel
is combusted, i.e. consumed for energy purposes and not as a feedstock, then it should be included (see 'Explanation of terms' for more detail).
- Consumption of renewable fuels should be accounted for here. This includes biomass (solid and liquid biofuels and biogas), biomass-derived wastes and renewably derived hydrogen.
- If you do not have exact consumption data, you may alternatively estimate your company’s consumption by reviewing fuel and energy purchasing orders.

- **Consumption of purchased or acquired electricity, heat, steam, cooling**
  - If your raw data for steam is in physical units, e.g. pounds (lb) or kilograms (kg), then you should convert to energy units. The energy content of steam varies with temperature and pressure. Organizations can refer to The Climate Registry’s General Reporting Protocol, Chapter 15, section 15.2, step 1, which explains how to calculate the energy content of steam.
  - Cooling is frequently purchased in refrigeration-ton hours; 1 ton-hour is equal to 12,000 Btu, which is equal to 0.003516 MWh.

- **Consumption of self-generated non-fuel renewable energy**
  - If your organization produces renewable energy that is not based on fuel (such as solar, wind, hydro, geothermal, marine), then any consumption of this energy should be entered here.
  - Consumption of renewable fuels (such as solid and liquid biofuels and biogas) should be excluded because these should be accounted for in the row “Consumption of fuel (excluding feedstock)”.
  - All forms of non-fuel renewable energy - electricity, heat, steam, or cooling – shall be included.

- **Total energy consumption**
  - Enter the total energy consumption by your organization in this row, alongside total energy from renewable sources and non-renewable sources.
  - The sum of renewable and non-renewable energy consumption should equal the total MWh entered in the last column.
  - The data entered in each column of this row should also equal the sum of all the above rows (if the above rows have been fully disclosed for).
  - If you do not disclose data for specific energy carriers in the rows above, but you are able to enter the total energy consumed by your organization, then you should do so.

**Heating value (column 2)**
- This column is only applicable to the consumption of fuels because it is a measure of combustion energy.
- Energy from fuel combustion can be measured by the higher heating value (HHV) or lower heating value (LHV) of the combusted fuel.
- Higher heating value (HHV) is also known as gross calorific value (GCV), and lower heating value (LHV) is also known as net calorific value (NCV). Typically, LHV/HHV ratio is 0.95 for solid and liquid hydrocarbon fuels, such as coal and oil, and 0.9 for gaseous hydrocarbon fuels, such as natural gas.
- Fuel energy data in HHV is typically used in the United States and Canada, whereas LHV is more commonly the unit used in other countries and by international bodies. If you do not know the unit applicable to your raw data, you may wish to infer it based on the location from which the data is sourced, i.e. if the fuel related data is sourced from outside of the United States and Canada, then it is likely that LHV is applicable.

**MWh from renewable sources (column 3)**
- 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.
Blended fuels deriving from both renewable and non-renewable sources should be split by the proportion contained from each source. For municipal waste and refuse-derived fuel, only the fraction of the fuel that is derived from biomass can be included as renewable energy, when calculating renewable energy consumption totals. Further explanations of municipal waste and a glossary of fuel definitions is provided in the CDP Technical Note: “Fuel Definitions.”

**MWh from non-renewable sources (column 4)**

- All energy not identified as deriving from renewable sources should be entered, e.g. coal, oil, natural gas, etc.
- Direct consumption of nuclear fuel should not be included, as this is covered in more detail in questions for electric utilities. Consumption of purchased or acquired electricity, steam, heat and/or cooling from nuclear sources, however, should be included.

**Total (renewable + non-renewable) MWh (column 5)**

- Total MWh is equal to the sum of MWh from renewable sources (column 3) and MWh from non-renewable sources (column 4). If you have entered data in column 3 and column 4, then you should ensure that the sum of this data is equal to the data in column 5.

**Explanation of terms**

- **Renewable energy**: CDP follows the definition of renewable energy given in the GHG Protocol, i.e. “energy taken from sources that are inexhaustible, e.g. wind, water, solar, geothermal energy and biofuels.”

- **Excluding feedstocks**: Fuels consumed as feedstocks are fuels that are not combusted for energy purposes. For example, naphtha and ethane are feedstocks that may be converted into petrochemical products such as ethylene, and should not be included. The steel industry is a special case because coke and fuel injectants consumed at the blast furnace serve as feedstocks and a source of energy. These fuels are considered feedstocks and should not be counted. However, all fuels consumed for energy, i.e. combusted, that are derived from fuel feedstocks, e.g. blast furnace gas, should be counted. Companies that consume fuel as feedstocks will have the opportunity to disclose these fuels in sector specific questions.

- **Purchased or acquired electricity, steam, heat, cooling**: Specific information on these energy carriers can be found in section 5.3.1 and Appendix A of the GHG Protocol Scope 2 Guidance. The terms ‘purchased’ and ‘acquired’ are used when your organization has received the energy from a third party. This rules out energy that is sourced from within the organizational boundary. It should be noted that purchased or acquired heat does not include the heat content, or calorific value, of fuels that are purchased or acquired by the organization. This is accounted for at the point of fuel consumption, which falls inside the Scope 1 boundary. You should also be aware that steam, heat or cooling received via direct line as ‘waste’ from a third party’s industrial processes, should still be accounted for if it is consumed.

- **Heating Value**: Lower heating value (LHV) and Higher heating value (HHV), also known as net calorific value (NCV) and gross calorific value (GCV) respectively, are different measures of heat energy released from fuel combustion. Figures measured in HHV are larger because HHV includes the latent heat of water vaporization from combustion, whereas LHV does not. The difference between LHV and HHV is related to the fuel’s hydrogen content.

**Module 11 – Additional metrics**

This module requests reporting organizations to present any other relevant climate-related metrics that may indirectly or directly impact their emissions or energy use.
Other climate-related metrics

(FS11.1) Provide any additional climate-related metrics relevant to your business.

Question dependencies

This question only appears if you select “No” in response to FS0.1.

Comparison with CDP Climate Change 2021 Questionnaire

C9.1

Rationale

CDP data users seek to understand in which areas, beyond GHG emissions, companies are trying to reduce their environmental impacts.

Connection to other frameworks

TCFD – Metrics and targets recommended disclosure a)

Response options

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

<table>
<thead>
<tr>
<th>Description</th>
<th>Metric value</th>
<th>Metric numerator</th>
<th>Metric denominator (intensity metric only)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Numerical field [enter a number from 0-999,999,999,999 using a maximum of 2 decimal places and no commas]</td>
<td>Text field [maximum 50 characters]</td>
<td>Text field [maximum 50 characters]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% change from previous year</th>
<th>Direction of change</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Numerical field [enter a number from 0 to 999 using up to 2 decimal places and no commas]</td>
<td>Select from: • Increased • Decreased • No change</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
</tbody>
</table>

[Add another]

Requested content

General

- Complete the table to report any additional climate-related metrics your business tracks beyond emissions reductions and renewable energy-related activities.
- If you track more than one additional climate-related metric, describe them each in a separate row.

Description (column 1)

- Select the type of metric applicable to your business. If none of the listed drop-downs apply, select “Other, please specify” and specify in the “Please explain” column 7.

Metric value (column 2)

- Enter the quantity of the unit tracked and reported in column 3. E.g. if your company tracks kilograms of waste, enter the kilograms measured during the reporting year.
• When providing an intensity metric, provide the value of the intensity. E.g. if your company tracks kilograms of waste per FTE, enter the kilograms measured during the reporting year normalized to the number of FTE in the reporting year.

**Metric numerator (column 3)**

• Enter the unit of the metric that your company tracks. This unit corresponds to the value entered in column 2.

**Metric denominator (column 4)**

• This column is only applicable for companies tracking an intensity metric (e.g., kilograms of waste per FTE). If you do not track an intensity metric, leave this column blank.

**% Change from previous year (column 5)**

• If you have experienced no change, please enter 0 (zero) in this column.
• The previous year compared should apply to the 12-month period directly prior to the reporting period, even if it does not completely overlap with the period previously reported to CDP. It is understood that this metric has not been reported to CDP before and thus the reporting year for this metric may not directly overlap with other metrics reported to CDP.
• Leave the column blank if this is the first year you have tracked this metric.

**Direction of change (column 6)**

• Use this column to outline the direction of change from the previous year.
• A declining intensity ratio reflects a positive direction of change. E.g. your waste last reporting year was 10 metric tons/FTE and this year is 5 metric tons/FTE. This indicates a 50% decrease compared to the previous year.
• If the percentage change from last year is 0 (zero) or you do not have sufficient data to calculate the change then select “no change.”

**Please explain (column 7)**

• Use this column to provide any additional context relevant to the metric you are reporting and to the direction of change. Additional information could include projects or initiatives implemented to achieve progress on this metric, or any timeframes included in these goals.

**Explanation of terms**

• **Land use:** Land use is based on the functional dimension of land for different human purposes or economic activities. Typical categories for land use are dwellings, industrial use, transport, recreational use or nature protection areas. Additional land use metrics can relate to the climate-related arrangements, activities, and inputs regarding these categories that organizations engage in, and can include land use change and land use management metrics.

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**Module 12 – Carbon pricing**

Carbon pricing has emerged as a key policy mechanism to drive greenhouse gas emissions reductions and mitigate the dangerous impacts of climate change. As the number of jurisdictions with carbon pricing policies has doubled over the last decade, CDP data users are interested in understanding how companies are affected by these schemes.

This module examines details on the operations or activities regulated by carbon pricing systems, carbon credits and internal prices on carbon.
Project-based carbon credits

(FS12.1) Has your organization originated or purchased any project-based carbon credits within the reporting period?

**Question dependencies**

This question only appears if you select “No” in response to FS0.1.

**Comparison with CDP Climate Change 2021 Questionnaire**

C11.2

**Rationale**

Carbon credits are used by organizations for the purposes of compliance or as voluntary carbon offsets and can support the transition to a low carbon future. Data users are interested in learning about organizations who have utilized carbon credits either by originating or purchasing.

**Response options**

Select one of the following options:

- Yes
- No

**Requested content**

*General*

- This question only applies to companies that have originated carbon credits or who have purchased them for the purposes of compliance or as voluntary carbon offsets.
- It is not intended to capture trading desk activity and therefore if your only reason for purchasing credits is to re-sell them, you should answer “No” to this question.

(FS12.1a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

**Question dependencies**

This question only appears if you select “Yes” in response to FS12.1.

**Comparison with CDP Climate Change 2021 Questionnaire**

C11.2a

**Rationale**

Carbon credits can be originated from a variety of projects and are verified to a number of standards, data users are interested in learning about the scope of project types that are contributing to credit origination and purchase. Data users are also requesting information on the objectives of organizations who have originated or purchased carbon credits and the extent to which they are used to achieve these objectives.

**Response options**

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

| Credit origination or credit purchase | Project type | Project identification | Verified to which standard |
Select from:
- Credit origination
- Credit purchase

Select from:
- Agriculture
- Biomass energy
- Cement
- CO2 usage
- Coal mine/bed CH4
- Energy distribution
- Energy efficiency: households
- Energy efficiency: industry
- Energy efficiency: own generation
- Energy efficiency: service
- Energy efficiency: supply side
- Forests
- Fossil fuel switch
- Fugitive
- Geothermal
- HFCs
- Hydro
- Landfill gas
- Methane avoidance
- N2O
- PFCs and SF6
- Solar
- Tidal
- Transport
- Wind
- Other, please specify

Text field [maximum 2,400 characters]

Select from:
- CDM (Clean Development Mechanism)
- JI (Joint Implementation)
- Gold Standard
- VCS (Verified Carbon Standard)
- VER+ (TÜV SÜD standard)
- CAR (The Climate Action Reserve)
- ACR (American Carbon Registry)
- CCBS (developed by the Climate, Community and Biodiversity Alliance, CCBA)
- Plan Vivo
- Emissions Reduction Fund of the Australian Government
- Not yet verified
- Other, please specify

<table>
<thead>
<tr>
<th>Number of credits (metric tons CO₂e)</th>
<th>Number of credits (metric tons CO₂e): Risk adjusted volume</th>
<th>Credits cancelled</th>
<th>Purpose, e.g. compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Numerical field [enter a number from 0-99,999,999,999 using a maximum of 2 decimal places and no commas]</td>
<td>Numerical field [enter a number from 0-99,999,999,999 using a maximum of 2 decimal places and no commas]</td>
<td>Select from: • Yes • No • Not relevant</td>
<td>Select from: • Compliance • Voluntary Offsetting • Not applicable • Other, please specify</td>
</tr>
</tbody>
</table>

[Add another]

Requested content

General

- If you select “Other, please specify,” provide a label for the Project type, Verified to which standard or Purpose, e.g. compliance.

Project-based carbon credit types

- Credits can be originated by a variety of projects and for several markets, which configures several project-based carbon credit types.
- Examples of project-based carbon credits include:
  - Certified Emission Reductions (CERs) generated by activities under the Clean Development Mechanism (CDM);
  - Emission Reduction Units (ERUs) generated by activities under the Joint Implementation mechanism; and
  - Voluntary Emission Reductions (VERs) generated by activities that reduce emissions, but do not result in the creation of compliance-grade carbon units.

Credit origination or credit purchase (column 1)
• **Credit origination** - Select this option if you are the company to which the credits are originally issued (e.g. you are one of the participating entities of a Clean Development Mechanism (CDM) project and you are entitled to a share of the credits issued by the CDM registry).

• **Credit purchase** - Select this option if you bought the credits from another company.

**Project type (column 2)**

• If you select “Other, please specify”, please specify this in column 3.

**Verified to which standard (column 4)**

• If you select “Other, please specify”, please specify this in column 3.

**Number of credits (metric tons CO2e) (column 5)**

- Enter the total number of annual credits that you have originated or purchased in metric tons CO2e based on the figures supplied in the agreements.
- The number of credits reported should be the credits that were originated in the reporting period, irrespective of whether you have already sold them and of whether they have been canceled or not.

**Number of credits (metric tons CO2e): Risk-adjusted volume (column 6)**

- Credits are sold at different stages in the life cycle of a project and therefore the volume of credits predicted will be adjusted according to different criteria, such as sector of project, stage of project, etc.
- Use this column to enter the number of annual credits that you are originating (in the pipeline), or, when you have purchased projects/credits that are still in the pipeline, provide a risk-adjusted figure (in metric tons CO2e) according to the level of risk.
- For the most part, this column applies to CDM projects that are in the pipeline and are not yet approved. Often the actual GHG reductions from a project are lower than initially forecasted, largely due to the materialization of risks associated with the project. This uncertainty means that these credits can usually be purchased at a significantly lower price than credits pertaining to more advanced stages of a project. Credits that are not yet produced in the CDM register, or in other words those that pertain to a project that is in its initial stages, are adjusted according to the risk factors and measured in “risk-adjusted volume.” If companies have no risks associated with their credit portfolio, then risk-adjusted volume can be equal to “number of credits.”

**Credits cancelled (column 7)**

- “Cancelled” means that the certificate cannot be used again.
- For further information, please check the Technical Note “Retirement vs. cancellation of instruments.”

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**Internal price on carbon**

**(FS12.2) Does your organization use an internal price on carbon?**

**Question dependencies**

This question only appears if you select “No” in response to FS0.1.

**Comparison with CDP Climate Change 2021 Questionnaire**

C11.3

**Rationale**
Internal carbon pricing has emerged as a multifaceted tool that supports companies in assessing climate-related risks and opportunities. Investors want to know more about organizations who attribute a monetary value to these risks and translate them into a uniform metric.

Response options
Select one of the following options:

- Yes
- No, but we anticipate doing so in the next two years
- No, and we don’t anticipate doing so in the next two years

Additional information

- **Internal carbon price**: Over the past few years, CDP has been tracking a steady increase in the number of companies embedding an internal carbon price into their business strategies. From 150 global companies in 2014, the number has steadily grown to nearly 1,400 companies in 2017—including more than 100 Fortune Global 500 companies with collective annual revenues of about US$7 trillion—disclosing that they are using an internal carbon price or are planning to do so within the next two years.
- This growth is steady across all sectors and regions; largely driven by the parallel development of regulations that directly or indirectly price carbon and the increasing pressure from shareholders and customers for companies to adequately manage their climate-related risks. The three main reasons for internal carbon pricing are outlined below:
  - **Managing risks**: Companies internalize the existing, expected or potential price of carbon—from an ETS, carbon tax, or implicit carbon pricing policy—to assess its risk exposure to regulations that affect the cost of emitting CO2e.
  - **Identifying opportunities**: Companies also use an internal carbon price as a tool to reveal potential opportunities that may emerge in the transition to the low-carbon economy. As policy and legal, market, technological and reputational factors shift, they also present opportunities for companies to seize. When used as a generic proxy in this way, an internal carbon price can help guide strategic decisions, such as low-carbon R&D to create the products and services of the future.
  - **Transitioning to low-carbon activities**: A smaller number of organizations deliberately use an internal carbon price to drive emissions reductions and incentivize low-carbon activities—such as energy efficiency investments, clean energy, development of green products/services—in order to facilitate a company-wide low-carbon transition. This includes companies who utilize voluntary carbon markets to offset their emissions, although increasingly the focus has been on driving down emissions within the company.

- For more information, please read the following documents:
  - **CDP’s Carbon Pricing web page**

*(FS12.2a) Provide details of how your organization uses an internal price on carbon.*

**Question dependencies**
This question only appears if you select “Yes” in response to FS12.2.

**Comparison with CDP Climate Change 2021 Questionnaire**
C11.3a

**Rationale**
Investors have requested data on why and how internal carbon pricing is used as a tool to assess and manage carbon-related risks and opportunities within a business' operations, supply chain, and investments. This information can help an investor gauge the efficacy of a company’s application of the carbon price in terms of meeting its objectives.

**Response options**

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

<table>
<thead>
<tr>
<th>Objective for implementing an internal carbon price</th>
<th>GHG Scope</th>
<th>Application</th>
<th>Actual price(s) used (Currency/metric ton)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select all that apply:</td>
<td>Select all that apply:</td>
<td>Text field [maximum 1,000 characters]</td>
<td>Numerical field [enter a number from 0-99,999,999,999 using a maximum of 2 decimal places and no commas]</td>
</tr>
<tr>
<td>• Navigate GHG regulations</td>
<td>• Scope 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Stakeholder expectations</td>
<td>• Scope 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Change internal behavior</td>
<td>• Scope 3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Drive energy efficiency</td>
<td>• Other, please specify</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Drive low-carbon investment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Stress test investments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Identify and seize low-carbon opportunities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Supplier engagement</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Other, please specify</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Variance of price(s) used</th>
<th>Type of internal carbon price</th>
<th>Impact &amp; implication</th>
</tr>
</thead>
<tbody>
<tr>
<td>Text field [maximum 2,400 characters]</td>
<td>Select all that apply:</td>
<td>Text field [maximum 2,400 characters]</td>
</tr>
<tr>
<td>• Shadow price</td>
<td>• Shadow price</td>
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<tr>
<td>• Internal fee</td>
<td>• Internal fee</td>
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</tr>
<tr>
<td>• Internal trading</td>
<td>• Internal trading</td>
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<tr>
<td>• Implicit price</td>
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<tr>
<td>• Offsets</td>
<td>• Offsets</td>
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</tr>
<tr>
<td>• Other, please specify</td>
<td>• Other, please specify</td>
<td></td>
</tr>
</tbody>
</table>

**Requested content**

**Objective for implementing an internal carbon price (column 1)**

- Select your company’s objective(s) for implementing an internal carbon price. In many cases, companies report multiple objectives – particularly as developments occur that require a readjustment of their pricing approach to maximize its effectiveness.
- The available options reflect the most common objectives that companies disclose to CDP; this list is not exhaustive and you can specify other objectives by selecting “Other, please specify.”
- If you select “Other, please specify,” provide a label for the Objective for implementing an internal carbon price in column “Application” (column 3).

**GHG Scope (column 2)**

- Identify the Scope(s) of emissions covered by the internal carbon pricing mechanism. An effective internal carbon price is one that incentivizes a company to reduce greenhouse gas emissions throughout their value chain and to integrate low-carbon activities into their operations.
- Ideally companies will consider their impact beyond just Scope 1 and 2 emissions to address risks and opportunities associated with their Scope 3 emissions as well, such as in sourcing and procurement decisions (upstream) and R&D decisions regarding innovation in the market (downstream).

**Application (column 3)**
Disclose the part(s) of the business decision-making process that the internal carbon pricing mechanism applies to, and the degree of influence it has on business decisions (i.e. to what degree does a company enforce the use of the price?). The steps and depth at which an internal carbon price will be applied in the business decision-making process will vary by company.

Commonly disclosed applications include decisions regarding capital expenditure, operations, procurement, product and R&D, and remuneration.

**Actual price(s) used (Currency/metric ton) (column 4)**

- Disclose the carbon price level(s).
- The currency used here should match the currency selected in module 0.

**Variance of price(s) used (column 5)**

- For companies using internal carbon pricing in stress-testing or scenario analysis, it is particularly important to disclose assumptions made about how price(s) would develop over time; the geographic and economic scope of application; whether the price is applied across the entire company or to specific business units or decisions, and whether a uniform or differentiated price is used.
- Common approaches to pricing are outlined below:
  - **Uniform pricing**: a single price that is applied throughout the company independent of geography, business unit, or type of decision
  - **Differentiated pricing**: a price that varies by region, business unit or type of decision
  - **Static pricing**: a price that is constant over time
  - **Evolutionary pricing**: a price that develops over time

**Type of internal carbon price (column 6)**

- Identify the type(s) of internal carbon pricing mechanism your companies utilize. Common ‘types’ of internal carbon pricing approaches have emerged in recent years and are commonly referenced in corporate disclosure. Definitions are outlined below and with illustrative examples of application approaches.
- Most companies utilize a shadow price – attaching a hypothetical cost of carbon to each ton of CO2e – as a tool to reveal hidden risks and opportunities throughout its operations and supply chain and to support strategic decision-making related to future capital investments.
- Some companies with emissions reduction or renewable energy targets calculate their ‘implicit carbon price’ by dividing the cost of abatement/procurement by the tons of CO2e abated. This calculation helps quantify the capital investments required to meet climate-related targets and is frequently used as a benchmark for implementing a more strategic internal carbon price.
- Internal fee mechanisms take this approach a step further by charging responsible business units for their carbon emissions. These programs frequently reinvest the collected revenue back into clean technologies and other activities that help transition the entire company towards lower-carbon operations and investments. Some companies establish an internal trading mechanism – allowing the business units to trade allocated carbon credits.
- Some companies utilize the voluntary carbon markets to offset their emissions – internalizing this cost per ton of CO2e.
- If you select “Other, please specify,” provide a label for the Type of internal carbon price in column “Impact & implication” (column 7).

**Impact & implication (column 7)**

- Provide a company-specific description of how your organization uses internal price on carbon:
  - Disclose how/if the internal carbon price has impacted your business (i.e. has it revealed material risk or impacted business decisions?) Upon implementing a carbon price, it is important for a company to review its impact against its original intentions to refine its approach to better meet future goals.
For companies deliberately implementing an internal carbon price as a tool to achieve a climate-related goal: has there been a tangible impact? Has the tool shifted investments toward energy efficiency measures, low-carbon initiatives, energy purchases, or product offerings?

If the internal carbon price has not impacted your business in any way, it is equally important to explain why – are there specific challenges associated with your current mechanism? Are carbon-related risks immaterial or already managed?

Module 13 – Verification

Verification and assurance is good practice in environmental reporting as it ensures the quality of data and processes disclosed.

This module requests details on the verification status that applies to organizations’ reported Scope 1, 2 and 3 emissions, as well as on the verification of other climate- and forests-related information reported in the CDP disclosure.

Verification

(FS13.1) Indicate the verification/assurance status that applies to your reported emissions.

Question dependencies

This question only appears if you select “No” in response to FS0.1.

Comparison with CDP Climate Change 2021 Questionnaire

C10.1

Rationale

CDP supports 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

Complete the following table.

<table>
<thead>
<tr>
<th>Scope</th>
<th>Verification/assurance status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1</td>
<td>Select from:</td>
</tr>
<tr>
<td></td>
<td>• No emissions data provided</td>
</tr>
<tr>
<td></td>
<td>• No third-party verification or assurance</td>
</tr>
<tr>
<td></td>
<td>• Third-party verification or assurance process in place</td>
</tr>
<tr>
<td>Scope 2 (location-based or market-based)</td>
<td></td>
</tr>
<tr>
<td>Scope 3</td>
<td></td>
</tr>
</tbody>
</table>

Requested content

General

- Please provide the verification/assurance status that applies to your Scope 1, Scope 2, and Scope 3 emissions. If you have had a proportion of your Scope 1, 2, and/or 3 emissions verified, please select the option that applies to these emissions; you will be given an opportunity to provide further details in the following questions.
• If verification/assurance is underway, or part of a biennial or triennial process: It is recognized that for some companies, the verification/assurance schedule is out of synchronization with the CDP disclosure process and therefore it is difficult to complete the verification/assurance process before the CDP deadline. 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 “Verification or assurance process in place” and provide further information in the following questions.

• In the following questions you will be asked to provide evidence of any third-party verification that you have reported in this question. Companies are advised to verify that their evidence can demonstrate all of the requirements set by CDP before answering this question (e.g. by consulting with their verifier/assurer). Full details are provided in the guidance for questions FS13.1a, FS13.1b and FS13.1c. If certain information requirements set by CDP are not met in the standard assurance statement provided by your verifier, CDP has produced a template that can be used in conjunction with the original assurance statement.

Scope 2 (location-based or market-based)

• If you operate in a region where you need to calculate both a location-based and a market-based figure to meet Scope 2 requirements, at this stage CDP only requires for you to verify one of these figures. However, in the interest of transparency, you are asked to disclose which of the two figures you have verified. If you are verifying your market-based Scope 2 emissions figure, and your verification engagements cover >70% of your Scope 2 activity (energy purchased or acquired and consumed by the reporting company (MWh)), but less than 70% of your Scope 2 emissions, this will be acceptable for full points provided you attach the relevant statement.

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 where full points will be awarded if attachments in line with CDP criteria are provided. Graph of this situation provided for clarity below:

Annual processes

• Not all processes taking place over three years will be considered a triennial process. The graphs below illustrate annual processes, which should not be confused with triennial.
If in the year the verification is completed (for example, Year 3) only the data for that year is verified (for example, only Year 3 is verified for 1/3 of the sources, the second third was verified in year 2 and the remaining third in year 1), then the company should report only 33% verified. This is a yearly process for which 1/3 of the sources are verified every year. Partial points will be awarded every year:

Likewise, where a company has 1/3 of that year’s emissions verified every year this is an annual process and will be awarded partial points every year:

Verification/assurance service providers

CDP regards 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. CDP does not prescribe companies’ choice of specific verification/assurance providers. However, companies searching for a provider may want to consult our list of accredited verification partners: Learn more about CDP solution providers offering third party verification services here.

(FS13.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions and attach the relevant statements.
Question dependencies

This question only appears if you select “Third-party verification or assurance process in place” for Scope 1 emissions in response to FS13.1.

Comparison with CDP Climate Change 2021 Questionnaire

C10.1a

Rationale

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

Connection to other frameworks

SUSBA – Sub-indicator 6.2.9

OJK Regulation 51

Response options

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

<table>
<thead>
<tr>
<th>Verification or assurance cycle in place</th>
<th>Status in the current reporting year</th>
<th>Type of verification or assurance</th>
<th>Attach the statement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td></td>
<td>Select from:</td>
<td>[Attach the document]</td>
</tr>
<tr>
<td>• Annual process</td>
<td></td>
<td>• No verification or assurance of current reporting year</td>
<td></td>
</tr>
<tr>
<td>• Biennial process</td>
<td></td>
<td>• Underway but not complete for current reporting year – first year it has taken place</td>
<td></td>
</tr>
<tr>
<td>• Triennial process</td>
<td></td>
<td>• Underway but not complete for reporting year – previous statement of process attached</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Complete</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Select from:</td>
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</tr>
<tr>
<td></td>
<td></td>
<td>• Not applicable</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Limited assurance</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Moderate assurance</td>
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<td>• Reasonable assurance</td>
<td></td>
</tr>
<tr>
<td></td>
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<td>• High assurance</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Third party verification/assurance underway</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Page/section reference</th>
<th>Relevant standard</th>
<th>Proportion of reported emissions verified (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Text field [maximum 500 characters]</td>
<td>Select from: See drop-down options below</td>
<td>Numerical field [enter a number from 0-100 using no decimals]</td>
</tr>
</tbody>
</table>

[Add another]

Relevant standard drop-down options (column 6)

- CA1000AS
- Advanced technologies promotion Subsidy Scheme with Emission reduction Target (ASSET)
- Airport Carbon Accreditation (ACA) des Airports Council International Europe
- Alberta Carbon Competitiveness Incentive Regulation (CCIR)
- ATKP3000
- Attestation standards established by AICPA (AT105)
- Austrian National GHG emission regulation (NGER)
- California Mandatory GHG Reporting Regulations (CARB)
- Canadian Institute of Chartered Accountants (CICA) Handbook: Assurance Section 5025
- Certified emissions measurement and reduction scheme (CEMARS)
- Chicago Climate Exchange (CCX) verification standard
- Compagnie Nationale des Commissaires aux Comptes (CNCC)
- Corporate GHG verification guidelines from ERT
- DNV Verisustain Protocol/ Verification Protocol for Sustainability Reporting
- Earthcheck Certification
- ERM GHG Performance Data Assurance Methodology
- European Union Emissions Trading System (EU ETS)
- IDW PS 821: IDW Prüfungsstandard: Grundsätze ordnungsmäßiger Prüfung oder prüferischer Durchsicht von Berichten im Bereich der Nachhaltigkeit
- IDW AsS 821: IDW Assurance Standard: Generally Accepted Assurance Principles for the Audit or Review of Reports on Sustainability Issues
- ISAE3000
- ISAE 3410
Requested content

General

- If you are reporting third party verification or assurance underway, your entries into the table should reflect the emissions that are being subject to verification/assurance for the current reporting year, with the exception of the attached statement, which will relate to a previous year.
- CDP understands that you may seek verification for reasons other than reporting to CDP and that confidential information may be included within your detailed verification statement. In this case, it is sufficient for your verifier/assurer to attest to the Scope and level of assurance/verification through correspondence such as an abbreviated statement as long as this covers the data points outlined below (see guidance for column 4 ‘Attach your statement here’).
- If you have attained verification covering all your reported Scope 1 emissions (for example GHG emissions reported in your sustainability report) and also other verification covering smaller proportion of your business (for example only Californian operations or facilities under EU ETS regulation), you only should report the verification in place covering all reported Scope 1 emissions. If you have multiple verification practices covering different business divisions (for example Californian operations and facilities under EU ETS), you should report all of them by adding rows to the table, completing all columns, and attaching the appropriate documents for each verification practice.

Verification or assurance cycle in place (column 1)

- A biennial verification/assurance process is where emissions are verified once every two years and a triennial verification/assurance process is where emissions are verified once every three years.
- You may refer to the additional information provided on annual, biennial and triennial processes in FS13.1 for further information.

Status in the current reporting year (column 2)

- Please select the option that is most appropriate to your company.

Type of verification or assurance (column 3)

- This column relates to the type of verification or assurance that has been awarded.
- The option that is relevant will depend on the verification standard to which the verification process has been completed and the level of assurance agreed between the verifier and the company.
- Companies can select from the following options:
  - “Not applicable”: In very few cases, usually in program-based compliance, the verification standard does not include a level of assurance; in this case select this option.
  - “Limited assurance”: This is one of the most common levels of assurance and, for e.g., is appropriate to verification undertaken in accordance with ISO14064-3, ISAE3000, ASAE3000 and The Climate Registry.
  - “Moderate assurance”: For example, this level of assurance is appropriate to verification undertaken in accordance with AA1000 and AT105.
o “Reasonable assurance”: For example, this is appropriate to verification undertaken under ISO14064-3, ISAE3000, ASAE3000 and The Climate Registry; all verification undertaken for EU ETS compliance is to a level of “reasonable assurance” (according to the requirements of EA-6/03).

o “High assurance”: For example, this is appropriate to verification undertaken in accordance with AA1000 and AT105.

o “Third party verification/assurance underway”: Select this option if verification/assurance is underway and you do not yet know the level of assurance that you are intending to achieve.

Attach the statement (column 4)

- Note the requirements for the statement detailed below and the option to use the CDP template.
- All companies should attach a verification statement here unless they have selected “No verification or assurance of current reporting year” or “Underway but not complete for current reporting year – first year it has taken place” in column 2 “Status in the current reporting year”. The statement should:
  - Clearly state that GHG emissions have been verified or assured as part of the process. If the statement refers to other documents that have been verified (such as Sustainability Report, Financial Report, GRI etc.) where items verified are specified, please attach those to the question as well;
  - Relate to the relevant Scope;
  - Clearly state the opinion and type of verification/assurance that has been given and the verification standard used. Assurers/verifiers must define the finding in their opinion, simply stating “limited assurance” is not sufficient to fulfill this criterion. These should match the selections made in columns 1 and 3; and
  - Covers the current reporting year, or covers the 12-months prior for annual processes, 12-24 months prior for biennial processes, or 12-36 months prior for triennial processes if “Underway but not complete for reporting year – previous statement of process attached” is selected in “Status in the current reporting year” column.

Page/section reference (column 5)

- Please identify the page and the section that contains details of your verification/assurance of Scope 1 emissions.

Relevant standard (column 6)

- This column captures the verification standard against which the verification process has been undertaken.
- It does not refer to the reporting or calculation standard. CDP has produced criteria for what constitutes an acceptable verification standard. All accepted verification standards, and exceptions to their use, are listed here. If you are using a verification standard that is not listed in the “accepted standards” nor the “non-verification standards,” please email respond@cdp.net in order to have your verification standard reviewed. If you do not have your standard reviewed by contacting us and your response is submitted before the official CDP deadline, CDP will then review the standard used and add it to the website under “accepted” or “not accepted” depending on the outcome of the standard review. If the response is submitted after the official deadline, CDP cannot commit to review the standard used in time for scoring.
- Select from the accepted standards listed or use “Other, please specify” if the standard you are using is not included.
- If you select “Other, please specify”, provide a label for the relevant standard in column 5 (Page/section reference).
- The verification standard should be stated on the verification statement.

Proportion of reported emissions verified (%) (column 7)
• It may be the case that only a sub-section of your emissions has been verified/assured due to, for e.g., regulatory requirements.
• Please identify what proportion of your total reported emissions for Scope 1 has been subject to the verification/assurance process described.
• Note that this question refers to the proportion of your total reported gross global Scope 1 emissions over which you have sought verification, not the sampling regime that the verifier employed. For example, if you have only sought verification over your US operations then you should report the percentage of your total reported gross global Scope 1 emissions that these US facilities represent. Alternatively, if you have sought organization-wide verification, then you should enter 100%. If you have reported your full GHG inventory in your corporate communications material which has been verified, please enter 100%. If you are reporting third party verification or assurance underway, your answer should reflect the proportion of emissions that are being subject to verification/assurance for the current reporting year.

(FS13.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Question dependencies
This question only appears if you select “Third-party verification or assurance process in place” for Scope 2 emissions in response to FS13.1.

Comparison with CDP Climate Change 2021 Questionnaire
C10.1b

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

Connection to other frameworks
SUSBA – Sub-indicator 6.2.9
OJK Regulation 51

Response options
Complete the following table. The table is displayed over several rows for readability. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Scope 2 approach</th>
<th>Verification or assurance cycle in place</th>
<th>Status in the current reporting year</th>
<th>Type of verification or assurance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
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<tr>
<td>• Scope 2 location-based</td>
<td>• Annual process</td>
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<td>• Not applicable</td>
</tr>
<tr>
<td>• Scope 2 market-based</td>
<td>• Biennial process</td>
<td>• Underway but not complete for current reporting year – first year it has taken place</td>
<td>• Limited assurance</td>
</tr>
<tr>
<td></td>
<td>• Triennial process</td>
<td>• Underway but not complete for reporting year – previous statement of process attached</td>
<td>• Moderate assurance</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Complete</td>
<td>• Reasonable assurance</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• High assurance</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Third party verification/assurance underway</td>
</tr>
</tbody>
</table>

| Attach the statement | Page/section reference | Relevant standard | Proportion of reported emissions verified (%) |
### Relevant standard drop-down options (column 7)

- AA1000AS
- Advanced technologies promotion Subsidy Scheme with Emission reduction Target (ASSET)
- Airport Carbon Accreditation (ACA) des Airports Council International Europe
- Alberta Carbon Competitiveness Incentive Regulation (CCIR)
- ASAE3000
- Attestation standards established by AICPA (AT105)
- Australian National GHG emission regulation (NGER)
- California Mandatory GHG Reporting Regulations (CARB)
- Canadian Institute of Chartered Accountants (CICA) Handbook: Assurance Section 5025
- Certified emissions measurement and reduction scheme (CEMARS)
- Chicago Climate Exchange (CCX) verification standard
- Compagnie Nationale des Commissaires aux Comptes (CNCC)
- Corporate GHG verification guidelines from ERT
- DNV Verisustain Protocol/ Verification Protocol for Sustainability Reporting
- Earthcheck Certification
- ERM GHG Performance Data Assurance Methodology
- European Union Emissions Trading System (EU ETS)
- IDW PS 821: IDW Prüfungsstandard: Grundsätze ordnungsmäßiger Prüfung oder prüferischer Durchsicht von Berichten im Bereich der Nachhaltigkeit
- IDW AsS 821: IDW Assurance Standard: Generally Accepted Assurance Principles for the Audit or Review of Reports on Sustainability Issues
- ISAE3000
- ISAE 3410
- ISO14064-3
- Japan voluntary emissions trading scheme (JVETS) guideline for verification
- Korean GHG and energy target management system
- NMX-SAA-14064-3-IMNC: Instituto Mexicano de Normalización y Certificación A.C
- RevR6 procedure for assurance of sustainability report
- Saitama Prefecture Target-Setting Emissions Trading Program
- SGS Sustainability Report Assurance
- Spanish Institute of Registered Auditors (ICJCE)
- Standard 3810N Assurance engagements relating to sustainability reports of the Royal Netherlands Institute of Registered Accountants
- State of Israel Ministry of Environmental Protection, Verification of GHG and emissions reduction in Israel Guidance Document
- Swiss Climate CO2 Label for Businesses
- The Climate Registry’s General Verification Protocol
- Tokyo cap-and-trade guideline for verification
- Verification as part of Carbon Trust standard certification
- Other, please specify

### Requested content

#### General

- If you are reporting third party verification or assurance underway, your entries into the table should reflect the emissions that are being subject to verification/assurance for the current reporting year, with the exception of the attached statement, which will relate to a previous year.
- CDP understands that you may seek verification for reasons other than reporting to CDP and that confidential information may be included within your detailed verification statement. In this case, it is sufficient for your verifier/assurer to attest to the Scope and level of assurance/verification through correspondence such as an abbreviated statement as long as this covers the data points outlined below (see guidance for column 4 ‘Attach your statement here’).

#### Scope 2 approach (column 1)

- Select the Scope 2 calculation approach to which your verification/assurance statement applies.
- If you operate in a region where you need to calculate both a location-based and a market-based figure to meet Scope 2 requirements, at this stage CDP only requires for you to verify one of these figures.
- However, in the interest of transparency, you are asked to disclose which of the two figures you have verified.
- If you are verifying your market-based Scope 2 emissions figure and your verification engagements cover >70% of your Scope 2 activity, but less than 70% of your Scope 2 emissions, this will be acceptable for full points provided you attach the relevant statement.

#### Verification or assurance cycle in place (column 2)
• A biennial verification/assurance process is where emissions are verified once every two years and a triennial verification/assurance process is where emissions are verified once every three years.
• You may refer to the additional information provided on annual, biennial and triennial processes in FS13.1 for further information.

**Status in the current reporting year (column 3)**
• Please select the option that is most appropriate to your company.

**Type of verification or assurance (column 4)**
• This column relates to the type of verification or assurance that has been awarded.
• The option that is relevant will depend on the verification standard to which the verification process has been completed and the level of assurance agreed between the verifier and the company.
• Companies can select from the following options:
  o “Not applicable”: In very few cases, usually in program-based compliance, the verification standard does not include a level of assurance; in this case select this option.
  o “Limited assurance”: This is one of the most common levels of assurance and, for e.g., is appropriate to verification undertaken in accordance with ISO14064-3, ISAE3000, ASAE3000 and The Climate Registry.
  o “Moderate assurance”: For example, this level of assurance is appropriate to verification undertaken in accordance with AA1000 and AT105.
  o “Reasonable assurance”: For example, this is appropriate to verification undertaken under ISO14064-3, ISAE3000, ASAE3000 and The Climate Registry; all verification undertaken for EU ETS compliance is to a level of “reasonable assurance” (according to the requirements of EA-6/03).
  o “High assurance”: For example, this is appropriate to verification undertaken in accordance with AA1000 and AT105.
  o “Third party verification/assurance underway”: Select this option if verification/assurance is underway and you do not yet know the level of assurance that you are intending to achieve.

**Attach the statement (column 5)**
• Note the requirements for the statement detailed below and the option to use the CDP template.
• All companies should attach a verification statement here unless they have selected “No verification or assurance of current reporting year” or “Underway but not complete for current reporting year – first year it has taken place” in column 3 “Status in the current reporting year”. The statement should:
  o Clearly state that GHG emissions have been verified or assured as part of the process. If the statement refers to other documents that have been verified (such as Sustainability Report, Financial Report, GRI etc.) where items verified are specified, please attach those to the question as well;
  o Relate to the relevant Scope;
  o Clearly state the opinion and type of verification/assurance that has been given and the verification standard used. Assurers/verifiers must define the finding in their opinion, simply stating “limited assurance” is not sufficient to fulfill this criterion. These should match the selections made in columns 1 and 3; and
  o Covers the current reporting year, or covers the 12-months prior for annual processes, 12-24 months prior for biennial processes, or 12-36 months prior for triennial processes if “Underway but not complete for reporting year – previous statement of process attached” is selected in “Status in the current reporting year” column.

**Page/section reference (column 6)**
• Please identify the page and the section that contains details of your verification/assurance of Scope 2 emissions.
Relevant standard (column 7)

- This column captures the verification standard against which the verification process has been undertaken.
- It does not refer to the reporting or calculation standard. CDP has produced criteria for what constitutes an acceptable verification standard. All accepted verification standards, and exceptions to their use, are listed here. If you are using a verification standard that is not listed in the “accepted standards” nor the “non-verification standards,” please email respond@cdp.net in order to have your verification standard reviewed. If you do not have your standard reviewed by contacting us and your response is submitted before the official CDP deadline, CDP will then review the standard used and add it to the website under “accepted” or “not accepted” depending on the outcome of the standard review. If the response is submitted after the official deadline, CDP cannot commit to review the standard used in time for scoring.
- Select from the accepted standards listed or use “Other, please specify” if the standard you are using is not included.
- If you select “Other, please specify”, provide a label for the relevant standard in column 6 (Page/section reference).
- The verification standard should be stated on the verification statement.

Proportion of reported emissions verified (%) (column 8)

- It may be the case that only a sub-section of your emissions has been verified/assured due to, for e.g., regulatory requirements.
- Please identify what proportion of your total reported emissions for Scope 2 has been subject to the verification/assurance process described.

(FS13.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Question dependencies

This question only appears if you select “Third-party verification or assurance process in place” for Scope 3 emissions in response to FS13.1.

Comparison with CDP Climate Change 2021 Questionnaire

C10.1c

Connection to other frameworks

SUSBA – Sub-indicator 6.2.9

OJK Regulation 51

Rationale

CDP supports 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

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

<table>
<thead>
<tr>
<th>Scope 3 category</th>
<th>Verification or assurance cycle in place</th>
<th>Status in the current reporting year</th>
<th>Type of verification or assurance</th>
</tr>
</thead>
<tbody>
<tr>
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<td>Select from:</td>
<td>Select from:</td>
<td>Select from:</td>
</tr>
<tr>
<td>● Scope 3 (upstream)</td>
<td>● Annual process</td>
<td>● Not applicable</td>
<td></td>
</tr>
<tr>
<td>● Scope 3 (downstream)</td>
<td>● Biennial process</td>
<td>● Limited assurance</td>
<td></td>
</tr>
</tbody>
</table>
- Scope 3: Purchased goods and services
- Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
- Scope 3: Upstream transportation and distribution
- Scope 3: Waste generated in operations
- Scope 3: Business travel
- Scope 3: Employee commuting
- Scope 3: Upstream leased assets
- Scope 3: Investments
- Scope 3: Downstream transportation and distribution
- Scope 3: Processing of sold products
- Scope 3: Use of sold products
- Scope 3: End-of-life treatment of sold products
- Scope 3: Downstream leased assets
- Scope 3: Franchises

- Triennial process

- No verification or assurance of current reporting year
- Underway but not complete for current reporting year – first year it has taken place
- Underway but not complete for reporting year – previous statement of process attached
- Complete

<table>
<thead>
<tr>
<th>Attach the statement</th>
<th>Page/section reference</th>
<th>Relevant standard</th>
<th>Proportion of reported emissions verified (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>[Attach the document]</td>
<td>Text field [maximum 500 characters]</td>
<td>Select from: See drop-down options below</td>
<td>Numerical field [enter a number from 0-100 using no decimals]</td>
</tr>
</tbody>
</table>

[Add another]

Relevant standard drop-down options (column 7)

- AA1000AS
- Advanced technologies promotion Subsidy Scheme with Emission reduction Target (ASSET)
- Airport Carbon Accreditation (AOA) des Airports Council International Europe
- Alberta Carbon Competitiveness Incentive Regulation (CCIR)
- ASAE3000
- Attestation standards established by AICPA (AT105)
- Australian National GHG emission regulation (NGER)
- California Mandatory GHG Reporting Regulations (CARB)
- Canadian Institute of Chartered Accountants (CICA) Handbook: Assurance Section 5025
- Certified emissions measurement and reduction scheme (CEMARS)
- Chicago Climate Exchange (CCX) verification standard
- Compagnie Nationale des Commissaires aux Comptes (CNCC)
- Corporate GHG verification guidelines from ERT
- DNV Verisustain Protocol/ Verification Protocol for Sustainability Reporting
- Earthcheck Certification
- ERM GHG Performance Data Assurance Methodology
- European Union Emissions Trading System (EU ETS)
- IDW PS 821: IDW Prüfungsstandard: Grundsätze ordnungsmäßiger Prüfung oder prüferischer Durchsicht von Berichten im Bereich der Nachhaltigkeit

- IDW AsS 821: IDW Assurance Standard: Generally Accepted Assurance Principles for the Audit or Review of Reports on Sustainability Issues
- ISAE3000
- ISAE 3410
- ISO14064-3
- Japan voluntary emissions trading scheme (JVETS) guideline for verification
- Korean GHG and energy target management system
- NMX-SAA-14064-3-IMNC: Instituto Mexicano de Normalización y Certificación A.C
- RevR6 procedure for assurance of sustainability report
- Saitama Prefecture Target-Setting Emissions Trading Program
- SGS Sustainability Report Assurance
- Spanish Institute of Registered Auditors (ICJCE)
- Standard 3810N Assurance engagements relating to sustainability reports of the Royal Netherlands Institute of Registered Accountants
- State of Israel Ministry of Environmental Protection, Verification of GHG and emissions reduction in Israel Guidance Document
- Swiss Climate CO2 Label for Businesses
- The Climate Registry’s General Verification Protocol
- Tokyo cap-and-trade guideline for verification
**Requested content**

**General**

- If you are reporting third party verification or assurance underway, your entries into the table should reflect the emissions that are being subject to verification/assurance for the current reporting year, with the exception of the attached statement, which will relate to a previous year.
- CDP understands that you may seek verification for reasons other than reporting to CDP and that confidential information may be included within your detailed verification statement. In this case, it is sufficient for your verifier/assurer to attest to the Scope and level of assurance/verification through correspondence such as an abbreviated statement as long as this covers the data points outlined below (see guidance for column 4 ‘Attach your statement here’).

**Scope 3 category (column 1)**

- Select the Scope 3 category to which your verification/assurance statement applies. Organizations can report the verification/assurance of all relevant categories by adding rows.
- For more information on Scope 3 categories, refer to the Greenhouse Gas Protocol’s Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

**Verification or assurance cycle in place (column 2)**

- A biennial verification/assurance process is where emissions are verified once every two years and a triennial verification/assurance process is where emissions are verified once every three years.
- You may refer to the additional information provided on annual, biennial and triennial processes in FS13.1 for further information.

**Status in the current reporting year (column 3)**

- Please select the option that is most appropriate to your company.

**Type of verification or assurance (column 4)**

- This column relates to the type of verification or assurance that has been awarded.
- The option that is relevant will depend on the verification standard to which the verification process has been completed and the level of assurance agreed between the verifier and the company.
- Companies can select from the following options:
  - “Not applicable”: In very few cases, usually in program-based compliance, the verification standard does not include a level of assurance; in this case select this option.
  - “Limited assurance”: This is one of the most common levels of assurance and, for example, is appropriate to verification undertaken in accordance with ISO14064-3, ISAE3000, ASAE3000 and The Climate Registry.
  - “Moderate assurance”: For example, this level of assurance is appropriate to verification undertaken in accordance with AA1000 and AT105.
  - “Reasonable assurance”: For example, this is appropriate to verification undertaken under ISO14064-3, ISAE3000, ASAE3000 and The Climate Registry; all verification undertaken for EU ETS compliance is to a level of “reasonable assurance” (according to the requirements of EA-6/03).
  - “High assurance”: For example, this is appropriate to verification undertaken in accordance with AA1000 and AT105.
  - “Third party verification/assurance underway”: Select this option if verification/assurance is underway and you do not yet know the level of assurance that you are intending to achieve.

**Attach the statement (column 5)**
• Note the requirements for the statement detailed below and the option to use the CDP template.
• All companies should attach a verification statement here unless they have selected “No verification or assurance of current reporting year” or “Underway but not complete for current reporting year – first year it has taken place” in column 3 “Status in the current reporting year”. The statement should:
  o Clearly state that GHG emissions have been verified or assured as part of the process. If the statement refers to other documents that have been verified (such as Sustainability Report, Financial Report, GRI etc.) where items verified are specified, please attach those to the question as well;
  o Relate to the relevant Scope 3 category;
  o Clearly state the opinion and type of verification/assurance that has been given and the verification standard used. Assurers/verifiers must define the finding in their opinion, simply stating “limited assurance” is not sufficient to fulfill this criterion. These should match the selections made in columns 1 and 3; and
  o Covers the current reporting year, or covers the 12-months prior for annual processes, 12-24 months prior for biennial processes, or 12-36 months prior for triennial processes if “Underway but not complete for reporting year – previous statement of process attached” is selected in “Status in the current reporting year” column.

Page/section reference (column 6)
• Please identify the page and the section that contains details of your verification/assurance of Scope 3 emissions.

Relevant standard (column 7)
• This column captures the verification standard against which the verification process has been undertaken.
• It does not refer to the reporting or calculation standard. CDP has produced criteria for what constitutes an acceptable verification standard. All accepted verification standards, and exceptions to their use, are listed here. If you are using a verification standard that is not listed in the “accepted standards” nor the “non-verification standards,” please email respond@cdp.net in order to have your verification standard reviewed. If you do not have your standard reviewed by contacting us and your response is submitted before the official CDP deadline, CDP will then review the standard used and add it to the website under “accepted” or “not accepted” depending on the outcome of the standard review. If the response is submitted after the official deadline, CDP cannot commit to review the standard used in time for scoring.
• Select from the accepted standards listed or use “Other, please specify” if the standard you are using is not included.
• If you select “Other, please specify”, provide a label for the relevant standard in column 6 (Page/section reference).
• The verification standard should be stated on the verification statement.

Proportion of reported emissions verified (%) (column 8)
• It may be the case that only a sub-section of your emissions has been verified/assured due to, for e.g., regulatory requirements.
• Please identify what proportion of your total reported emissions for the relevant Scope 3 category has been subject to the verification/assurance process described.

(FS13.2) Do you verify any information reported in your CDP disclosure other than the emissions figures reported in FS5.3a, FS9.1, FS9.3 and FS9.5?

Comparison with CDP Climate Change 2021 Questionnaire
C10.2
Rationale

Data users often ask about the credibility/quality of the information disclosed. CDP supports verification and assurance as good practice in environmental reporting as it ensures the quality of data and information disclosed. This question allows leading companies to report their efforts on this, and to highlight trends that CDP data users might anticipate being good practice among companies in the future.

Response options

Select one of the following options:

- Yes
- In progress
- No, but we are actively considering verifying within the next two years
- No, we are waiting for more mature verification standards and/or processes
- No, we do not verify any other information reported in our CDP disclosure

Requested content

General

- Select the appropriate option.

(FS13.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Question dependencies

This question only appears if you select “Yes” in response to FS13.2.

Comparison with CDP Climate Change 2021 Questionnaire

C10.2a

Rationale

This information gives data users further confidence in the information provided in your organization’s response. Data users often ask about the credibility/quality of the information disclosed. CDP supports verification and assurance as good practice in environmental reporting as it ensures the quality of data and information disclosed. This question allows leading companies to report their efforts on this, and to highlight trends that CDP data users might anticipate being good practice among companies in the future.

Response options

Complete the following table. You are able to add rows by using the “Add another” button at the bottom of the table.

<table>
<thead>
<tr>
<th>Disclosure module</th>
<th>Data verified</th>
<th>Verification standard</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select from:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Module 0 – Introduction</td>
<td>• Change in emissions (Scope 1) vs previous year/base year</td>
<td>Text field [maximum 1,500 characters]</td>
<td></td>
</tr>
<tr>
<td>• Module 1 – Governance</td>
<td>• Change in emissions (Scope 2) vs previous year/base year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Module 2 – Risks and opportunities</td>
<td>• Change in emissions (Scope 3) vs previous year/base year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Module 3 – Business strategy</td>
<td>• Change in emissions intensity vs previous year/base year</td>
<td></td>
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<tr>
<td>• Module 4 – Implementation</td>
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<tr>
<td>• Module 5 – Portfolio impact</td>
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<tr>
<td>• Module 6 – Engagement</td>
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<tr>
<td>• Module 7 – Targets and performance</td>
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</tr>
<tr>
<td>• Module 8 – Emissions methodology</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
Disclosure module verification relates to (column 1)

- Select the questionnaire module that the verification standard applies to.

Data verified (column 2)

- Select from the data points provided or use “Other, please specify” if the data you have verified is not included.
- If you select “Other, please specify”, specify in the “Please explain” column 4.

Verification standard (column 3)

- This column captures the verification standard against which the verification process has been undertaken. It does not refer to the reporting or calculation standard.
- Clearly state the type of verification/assurance that has been given and the name of the verification standard used.
- CDP has produced criteria for what constitutes an acceptable verification standard. All accepted verification standards, and exceptions to their use, are listed [here].

Please explain (column 4)

- Explain here why your company has chosen to verify the selected data points with each given standard.
- Where possible, reference specific question numbers.
- You can also describe here the frequency with which you complete this verification and the scope it encompasses.
- Outline if you have sought organization wide verification or if you have only sought verification over a certain proportion of your operations.

Module 14 – Signoff

(FS-FI) Use this field to provide any additional information or context that you feel is relevant to your organization’s response. Please note that this field is optional and is not scored.

Comparison with CDP Climate Change 2021 Questionnaire

C-FI

Response options

This is an open text question with a limit of 9,999 characters.
(FS14.1) Provide details for the person that has signed off (approved) your response to the CDP Financial Services Questionnaire: Climate Change & Forests Pilot 2021.

Comparison with CDP Climate Change 2021 Questionnaire

C15.1

Rationale

CDP asks companies to identify the job title and corresponding job category of the person signing off (approving) the CDP 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

Complete the following table.

<table>
<thead>
<tr>
<th>Job title</th>
<th>Corresponding job category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Text field [maximum 200 characters]</td>
<td>Select from:</td>
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<tr>
<td></td>
<td>• Board chair</td>
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<td>• Board/Executive board</td>
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<td>• Director on board</td>
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<td>• Chief Executive Officer (CEO)</td>
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<td>• Chief Financial Officer (CFO)</td>
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<td>• Chief Operating Officer (COO)</td>
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<td>• Chief Procurement Officer (CPO)</td>
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<td>• Chief Risk Officer (CRO)</td>
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<td>• Chief Sustainability Officer (CSO)</td>
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<td>• Chief Investment Officer (CIO)</td>
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<td>• Chief Underwriting Officer (CUO)</td>
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<tr>
<td></td>
<td>• Other C-Suite Officer</td>
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<td>• President</td>
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<td>• Business unit manager</td>
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<td>• Energy manager</td>
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<tr>
<td></td>
<td>• Environmental, health and safety manager</td>
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<tr>
<td></td>
<td>• Environment/Sustainability manager</td>
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<td>• Facilities manager</td>
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<td>• Process operation manager</td>
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<td>• Procurement manager</td>
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<td></td>
<td>• Public affairs manager</td>
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<tr>
<td></td>
<td>• Risk manager</td>
</tr>
<tr>
<td></td>
<td>• Other, please specify</td>
</tr>
</tbody>
</table>

Requested content

**Job title (column 1)**

- Enter the title of the person who has signed off on this CDP 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)**

- If you select “Other, please specify”, provide a specification in column 1 “Job title”.

Explanation of terms

- **Board:** Or “Board of Directors” refers to a body of elected or appointed members who jointly oversee the activities of a company or organization. Some countries use a two-tiered system where “board” refers to the “supervisory board” while “key executives” refers to the “management board”.
- **C-suite:** A term used to collectively refer to the most senior executive team.