Are companies and cities in Asia Pacific doing enough to prepare for a low-carbon economy?

CDP
Asia Pacific Office

Insights from 2019 Environmental Disclosure

2511 COMPANIES

The highest numbers of corporate responders

31.9%	China
30.8%	Japan
11.1%	Taiwan
6.5%	India
5.5%	Republic of Korea
3.9%	Australia
2.7%	Hong Kong SAR, China
1.6%	Thailand
1.4%	Singapore
1.1%	Indonesia

100 Cities

Overview of corporate responses by theme

Number of companies in Asia Pacific with:

Climate Change	Board-level oversight	59%	40% Companies that meet all criteria
	Climate-related issues integrated into business strategy	74%	
	Integrated into overall risk assessment	54%	
Forests	Board-level oversight	62%	29% Companies that meet all criteria
	Forest-related issues integrated into business strategy	50%	
	Publicly available Forest policy	60%	
Water Security	Board-level oversight	67%	27% Companies that meet all criteria
	Water-related issues integrated into business strategy	57%	
	Publicly available Water policy	52%	

Governance

Governance, Incentives and Best Practices

Q: Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Mayoral/Council level commitment to climate action

77% of Mayors and City Councils have committed to city-wide climate action

Risks and Opportunities

Companies integrating processes for identifying, assessing, and managing climate-related issues in their overall risk management.

- Climate-related issues are integrated into multi-disciplinary company-wide risk identification, assessment, and management processes
- We have a specific climate change risk identification, assessment, and management process
- We do not have a documented processes for identifying, assessing, and managing climate-related issues
- Did not answer

Climate-related risks and opportunities

Opportunity breakdown

City climate risk and vulnerability assessments, hazards and plans

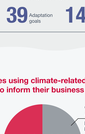
77% of cities incorporate sustainability goals and targets (e.g. GHG reductions) into their cities' master planning

Types of goals & targets

1063 Total reported | **39** Adaptation goals | **140** Mitigation targets

Strategy

Companies using climate-related scenario analysis to inform their business stategies



73% Nearly 2 quarters of those who have yet to use scenario analysis anticipate conducting one by 2021

*Includes companies doing qualitative, quantitive, and both scenario analyses

Has a climate change risk and vulnerability assessment been undertaken for the city area?

More than 2/3 of local authorities have conducted climate risks and vulnerability assessment

Most significant climate hazards faced by cities

TOP 5

Published adaptation plan

35% of disclosing cities have not planned how their city is going to prepare for future climate impacts

Metrics & Targets

Gross global emissions (Scope 1 and 2 combined) for 2019 (In comparison to 2018)

36% of companies in APAC reported a decrease of scope 1 and 2 combined emissions from 2018. Only 25% of them have their emissions audited through third party verification

- Decreased
- Increased
- 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
- Did not answer / N/A

Measuring Scope 3 Emissions

Supply chain emissions are on average **5.5 times higher than** a corporation's direct emissions. In 2019, only 18% of companies in APAC report having a third party verification or assurance process in place for their scope 3 emissions

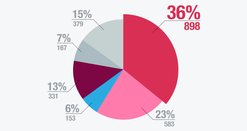
34% engage with their upstream & downstream on climate-related issues

71% Yes engage their value chain | **29% No**

Science-based targets (SBTs) in Asia Pacific

	2018	2019	
Number of SBTs validated by the SBTi*	24	48	↑100%
Companies committed to setting a SBT within the next two years	31	43	↑38%

* The Science-based Targets Initiative



Most cities are aware of their GHG emissions and are setting reduction targets

Does your city have a city-wide emissions inventory to report?

YES 73% | **11%** in progress | **4%** intending to undertake

Do you have a GHG emissions reduction target in place at the city-wide level?

YES 80%

11 OUT OF 100 CITIES reported alignment with a 1.5-2°C pathway as set out in the Paris Agreement