

CDP Asia Pacific Disclosure Workshops

2024 SME Disclosure Workshop

4 July 2024

Please note:

- All attendees are muted upon entry
- Please ensure you have connected your device's audio
- Please raise questions in the Q&A box
- Slides and recording of this webinar will be shared with all registrants

Today's Agenda

- Overview

- Brief introduction to CDP – why disclose?
- New SME questionnaire, 2024 scoring approach and eligibility criteria

- Portal & Questionnaire Walkthrough

- Structure of SME questionnaire – all about 5W1H
- Navigating the CDP portal
- The WHEN: Company details
- The WHY: Risks & Opportunities
- The WHAT and WHERE: Environmental Performance
- The WHO: Governance
- The HOW: Strategy

- Resources & Next Steps

- Q&A

Introduction to CDP

Why companies disclose their environmental performance

About us

CDP is a global non-profit that runs the world's environmental disclosure system for companies, cities, states and regions.



**What you can measure,
you can manage.**



700+

financial institutions with US\$142 trillion in assets



330+

purchasing organizations with an annual spend of US\$6.4 trillion



23,000+

disclosing companies



1,100+

disclosing cities, states & regions

SMEs are an integral part of our economy



Significant economic actors

SMEs account for **70-90% of all firms** and rely heavily on financing from banks. However, they are largely excluded from mainstream environmental reporting practices and regulation



Major players in global value chains

With SMEs largely omitted from mainstream environmental reporting, many capital markets and purchasers **lack sufficient insight** into **the full extent** of risks, opportunities and impacts across portfolios and supply chains



Future-proofed against future requirements

By building a tailored disclosure experience, CDP will scale this rapidly over the coming years and support SMEs to prepare for future regulatory and market requirements.



Disclosure benefits to SMEs



Access to capital

Quantifying risk and opportunity



Business competitiveness and access to buyers

Procurement and building business



Compliance

Mandatory or voluntary



New SME questionnaire tailored to your needs



- ▼ Alignment doesn't mean CDP is taking a 'one-size-fits-all' approach.
- ▼ CDP is introducing a **dedicated questionnaire for SMEs** in 2024. This will make it easier to understand where SMEs should focus their attention, build capacity and act.
- ▼ With fewer questions, a simplified format and enhanced guidance, CDP's climate-focused SME questionnaire is well-matched to the resources of SMEs.



Approach to scoring in 2024



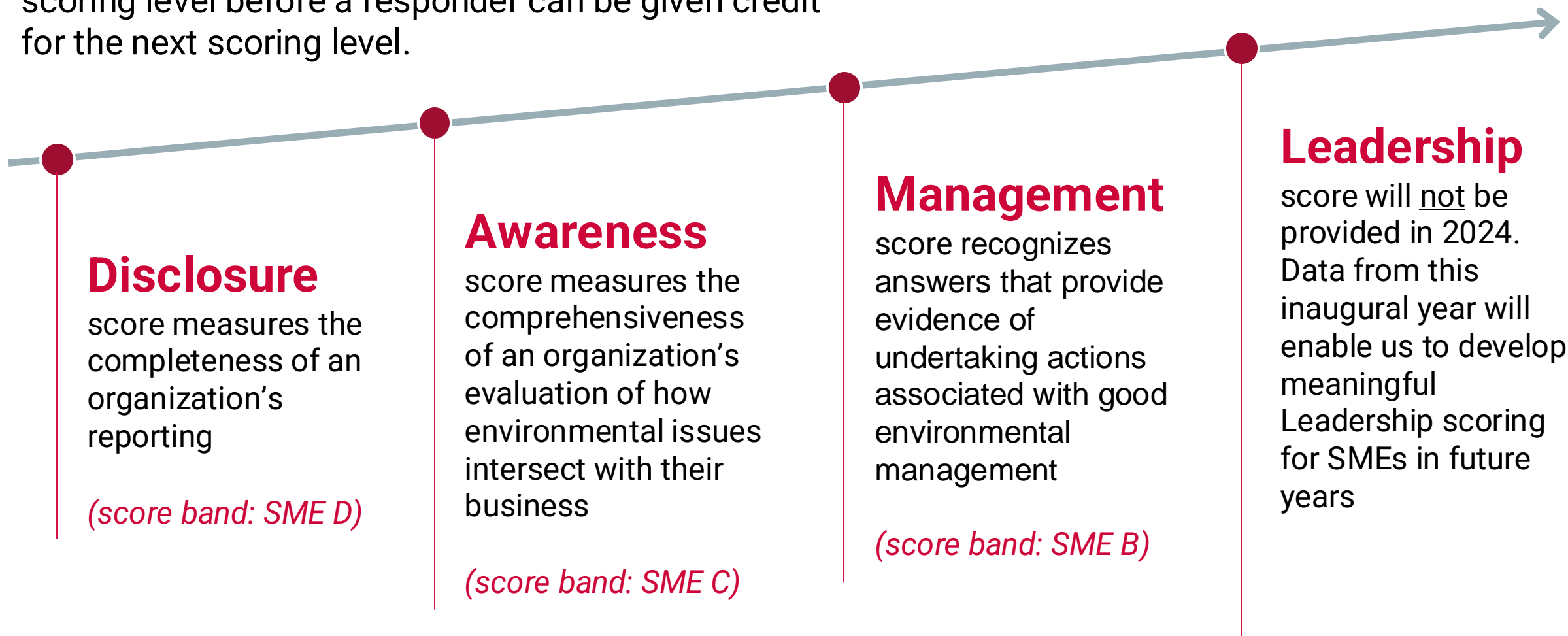
- ▼ For 2024 the SME questionnaire is only scored for Climate change; Forests and Water are not scored. (Datapoints on Forests and Water will only be presented if a discloser has been requested to report or has opted in to report on these environmental issues.)
- ▼ Disclosers are assessed across 4 levels that represent the steps an organization moves through towards environmental stewardship. These 4 levels are: SME Disclosure, SME Awareness, SME Management and SME Leadership. In 2024, SMEs will be scored at the Disclosure, Awareness and Management levels.



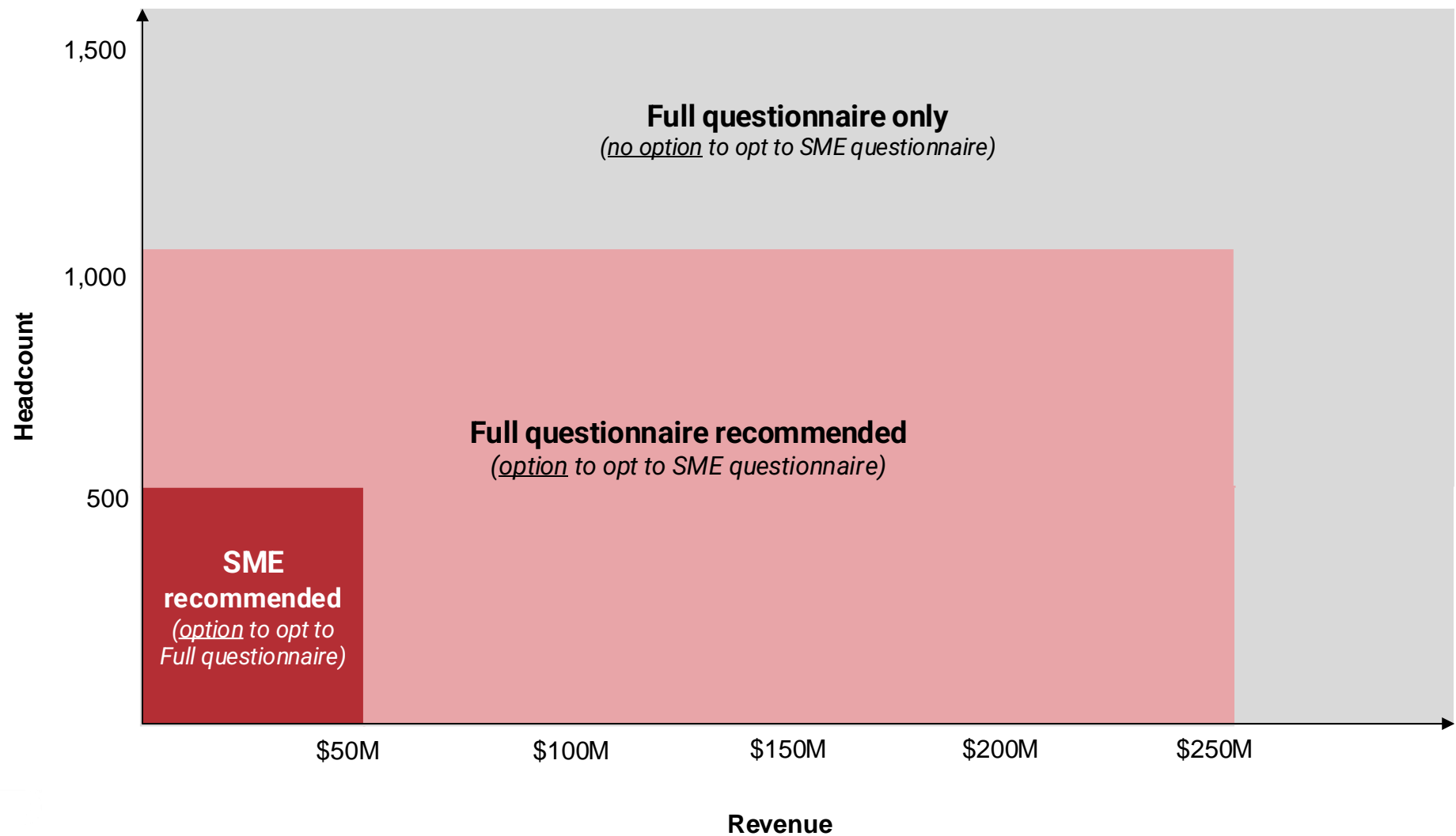
Progressing towards environmental stewardship



Minimum score requirements must be met at one scoring level before a responder can be given credit for the next scoring level.



SME disclosure eligibility and options



Setting up your questionnaire with CDP



About your organization	Annual revenue (in USD) in reporting year
	Total employees (staff headcount)
	Full or SME questionnaire eligibility
Activity classification	Business activities according to CDP-ACS*
	Request to disclose on climate change
Intent to submit	Request to disclose on additional environmental issues
	Intent to submit

* **ACS** stands for Activity Classification System – This system categorizes organizations by focusing on the activities from which they derive revenue

Questionnaire Setup

Navigating your CDP Materials and Dashboard

Navigating your CDP Dashboard

A screenshot of a CDP dashboard banner. The banner has a blue background with a mountain range silhouette. It contains the text 'Complete these steps to disclose through CDP' in white, followed by 'The disclosure cycle is now open and all steps can be completed.' in a smaller white font. A 'Start questionnaire >' button is in the top right. Below is a progress bar with four steps: 'Choose fee', 'Confirm Lead', 'Confirm your participation', and 'Set up questionnaire', each with a radio button and a chevron arrow pointing right. The 'Confirm Lead' step is currently selected.

Complete these steps to disclose through CDP

The disclosure cycle is now open and all steps can be completed.

Start questionnaire >

– ☐ Choose fee — ☐ Confirm Lead > — ☐ Confirm your participation > — ☐ Set up questionnaire > —

- ▼ Confirm lead, Confirm Participation; Set up Questionnaire
- ▼ Complete 'Questionnaire Setup' to start populating questionnaire

Dashboard – Homepage



Disclosure...

Home

Questionnaire

Requests 2

Reset

Support

Share your fee...

Settings

Log out

Disclosure APAC Test1 [Show organization details](#)

Respond

75 days left

Closing date: 18 Sep 24

Phase 2 of 3

Available products

Please choose an option for your engagement with CDP.

For over 15 years, CDP has worked to help companies and cities assess their environmental impact and take urgent action to build a truly sustainable economy. As a not-for-profit organization, we rely on funding from a range of sources including philanthropic and government grants, sponsorships and fees. To keep delivering our services at a global scale, we also require a small contribution towards our costs from those participating in our system. The fee is payable once per cycle. [Discover more about our fees.](#)

Foundation

Our most popular option, chosen by the majority of disclosing organizations.

(Event benefits may vary by region, confirm details with your regional office)

Benefits:

- Report through the CDP Portal.

Enhanced

Our highest level of membership offers extra benefits for organizations taking a proactive approach to disclosure and improvement.

(Event benefits may vary by region, confirm details with your regional office)

Benefits:

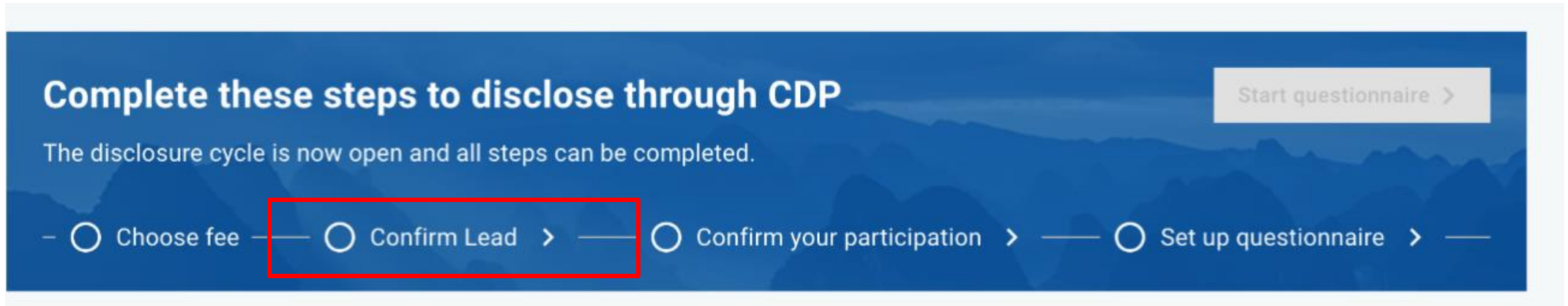
Skip >

If you are unsure of which fees to select, Skip this step first.

You will be presented with your fee options here, **fees vary depending on who requested your company to disclose.**

17

Select Submission Lead



Complete these steps to disclose through CDP

The disclosure cycle is now open and all steps can be completed.

Start questionnaire >

– ☐ Choose fee — ☐ Confirm Lead > — ☐ Confirm your participation > — ☐ Set up questionnaire > —

The screenshot shows a blue banner with white text. The title 'Complete these steps to disclose through CDP' is in bold. Below it, a subtitle states 'The disclosure cycle is now open and all steps can be completed.' A 'Start questionnaire >' button is in the top right. A progress bar at the bottom shows four steps: 'Choose fee', 'Confirm Lead', 'Confirm your participation', and 'Set up questionnaire'. Each step has a radio button. The 'Confirm Lead' step is highlighted with a red rectangular box.

- ▼ The Submission lead has the following privileges:
 - ▼ Select fee
 - ▼ Set up Questionnaire
 - ▼ Submit Questionnaire
 - ▼ Can only be assigned by the user themselves

Invite team members/Select Lead



Discloser

Disclosure APAC Tes...

Invite team members

Home

Questionnaire

Requests2

Reset

Support

Manage software providers

your disclosure response.

Email address	Discloser role	Requester role
disclosure_apac1@cdptest.net	Discloser Submission Lead	>

Rows per page: 100 1-1 of 1 < >

Select Submission Lead

User details

First name

Disclosure APAC

Last name

Test1

Email address

disclosure_apac1@cdptest.net

[Contact CDP](#) for help changing your email address.

Role and visibility

Disclosure role

Discloser Submission Lead ▲


Requester role


▼

☒ Discloser Submission Lead

☐ Discloser Contributor

I accept CDP's Website Terms of Use in addition to CDP's [Terms of Disclosure](#). By accepting, I indicate that I have read and understood these terms, and that I agree to abide by them. If I do not agree to these terms, I will not use the CDP website, or the CDP Portal.

Save updates 

Deactivate user 

Questionnaire Set up



Complete these steps to disclose through CDP

Start questionnaire >

The disclosure cycle is now open and all steps can be completed.

– ☐ Choose fee — ☐ Confirm Lead > — ☐ Confirm your participation > — ☐ Set up questionnaire > —

Questionnaire Set up – first page



Set up your CDP questionnaire

These introductory questions help us customize the questionnaire for your organization.

Note:

- Your answers here will not be publicly disclosed, even if you choose to make the rest of your CDP response public;
- These questions are not part of your final submission;
- You can change your answers at any time until you submit your final CDP response;
- If you change your answers, the sections in your CDP questionnaire may change too.

The questions cover the following topics. Some may not be presented to your organization:

About your organization

Activity classification

Assessment of environmental issues

Intent to submit

Additional information

[Start questionnaire setup](#)

Selecting the SME Questionnaire



About your organization

Your organization's questionnaire

CDP acknowledges that Small and Medium-sized Enterprises (SMEs) may have different reporting capabilities and requirements compared to larger companies. For this reason, CDP has two corporate questionnaires:

- The **full corporate questionnaire** is suitable for large companies and organizations, and includes sector-specific data points.
- The **SME corporate questionnaire** is tailored to the needs of SMEs and contains fewer, simplified data points. Only organizations which meet CDP's SME [eligibility thresholds](#) may complete the SME questionnaire.

Based on your responses to the previous revenue and FTE questions, you are eligible to complete the SME version questionnaire. However, it is recommended to complete the full version questionnaire.

- ☒ We intend to complete the SME questionnaire.
- ☐ We intend to complete the full corporate questionnaire, as recommended.

SME Questionnaire Dashboard



Discloser

Disclosure APAC Tes...

Invite team members

Home

Questionnaire

Requests2

Reset

Support

CDP Corporate Questionnaire 2024

Respond

75 days left

Closing date: 18 Sep 24

Phase 2 of 3

6%
Completed questions

Submit questionnaire

Reviewed 0

Answered 2

In progress 1

Skipped 0

Unanswered 34

C.14
SME Introduction

Start

C.15
SME Identification, As...

Start

C.16
SME Disclosure of Ris...

Start

C.17
SME Governance

Start

SME Questionnaire – Module Focus



< Back to overview

CDP Corporate Questionnaire 202415 SME Identification, Assessment an... ▾

14

15

16

17

18

19

20

21

15.1

○ Unanswered

15.1

Does your organization have a process for identifying, assessing, and managing environmental risks and opportunities?

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

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

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

≡ Density

↗ Expand

Process in place	Risks and/or opportunities evaluated in this process	Frequency of assessment	Please explain the process
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SME Questionnaire – Question Level Guidance



CDP Corporate Questionnaire 2024

15 SME Identification, Assessment and Management

14

15

16

17

18

19

20

21

15.1

Unanswered

15.1

Does your organization have a process for identifying, assessing, and managing environmental risks and opportunities?

SMEs are often especially vulnerable to risks, including environmental risks, as they often do not have robust risk management processes. They also increasingly requesting information on a company's environmental risks to make financing decisions. As a result, managing risks is key to building business resilience and has never been more important for SMEs.

Additionally, SMEs' flexibility and capability to innovate makes them well placed and crucial for providing environmental opportunities, SMEs may risk facing competitive disadvantages and losing out on the ability to capitalize on it.

This question establishes whether the organization has a process for identifying, assessing, and managing environmental risks and opportunities. This links closely to clear business benefits including a company is futureproofing its growth ahead of future environmental policy.

Density

Expand

Process in place	Risks and/or opportunities evaluated

>>

15.1

Does your organization have a process for identifying, assessing, and managing environmental risks and opportunities?

1. [Change From Last Year](#)

2. [SME Alignment with full questionnaire](#)

3. [Ambition](#)

4. [Requested Content](#)

5. [Explanation of Terms](#)

[See reporting guidance for the entire questionnaire](#)

1. Change From Last Year

New question

2. SME Alignment with full questionnaire

Modified question (2.2.1)

3. Ambition

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

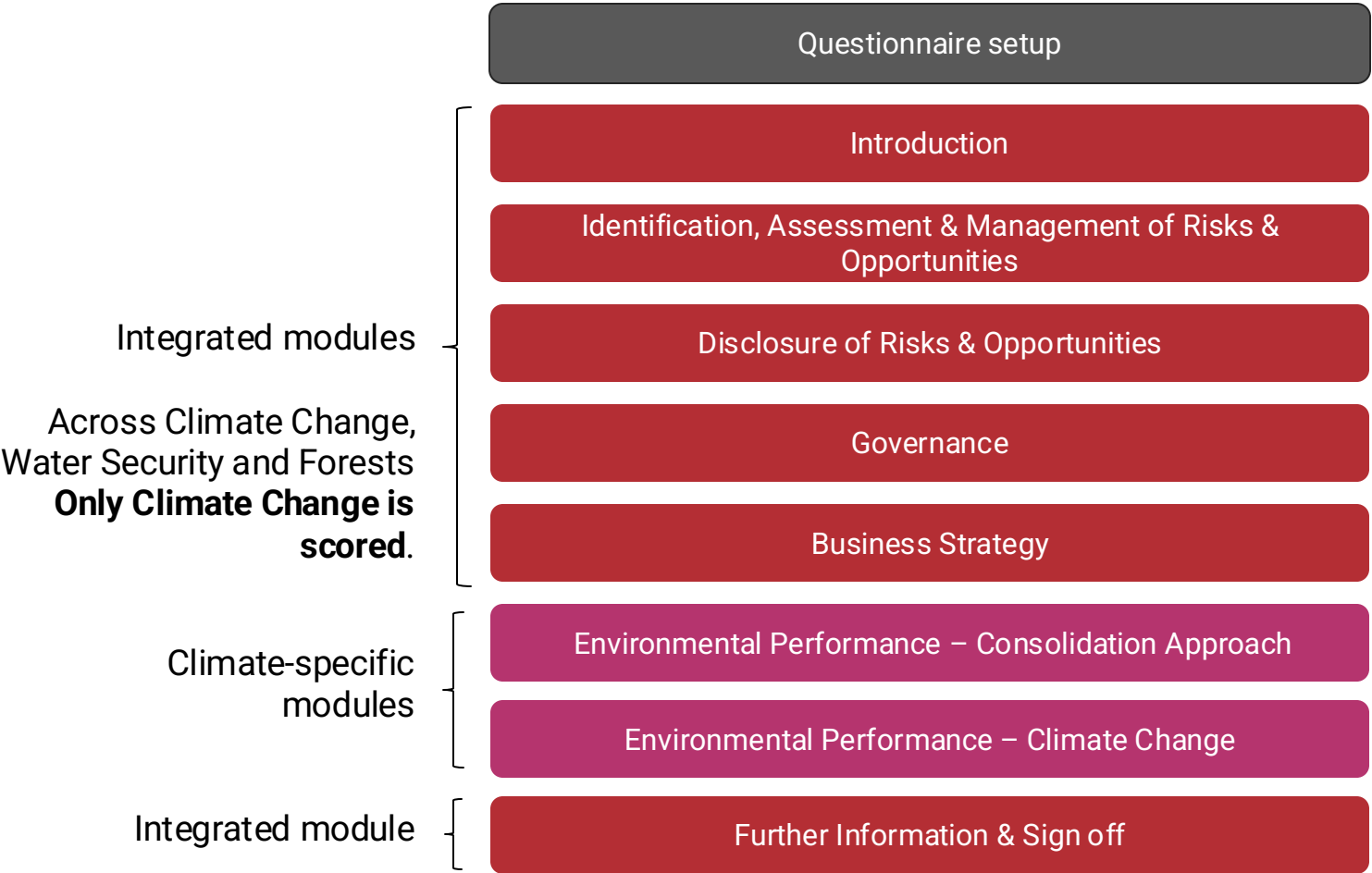
4. Requested Content

Overview of SME Questionnaire

Requested Content & Scope

2024 Questionnaire layout and structure

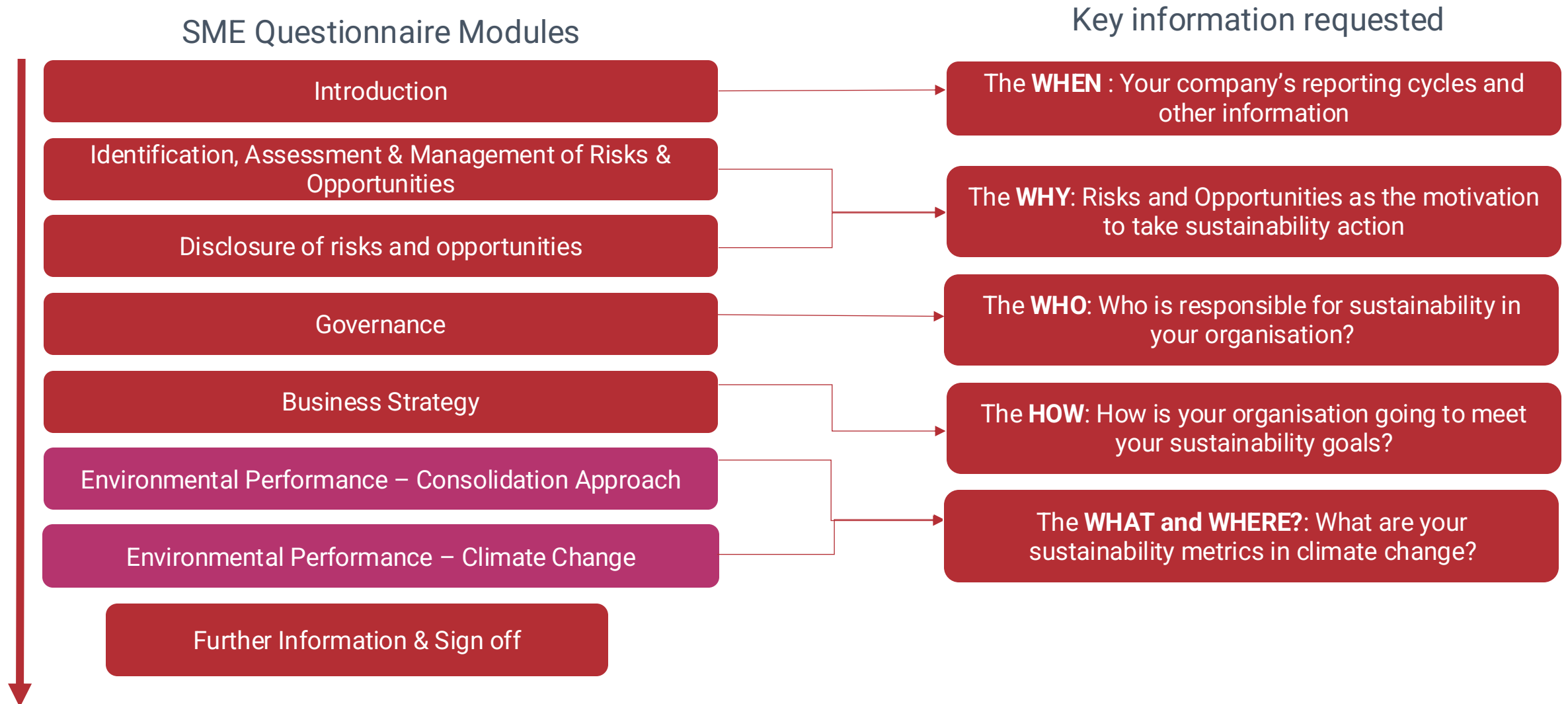
SME corporate questionnaire



Information required is much less than the full version

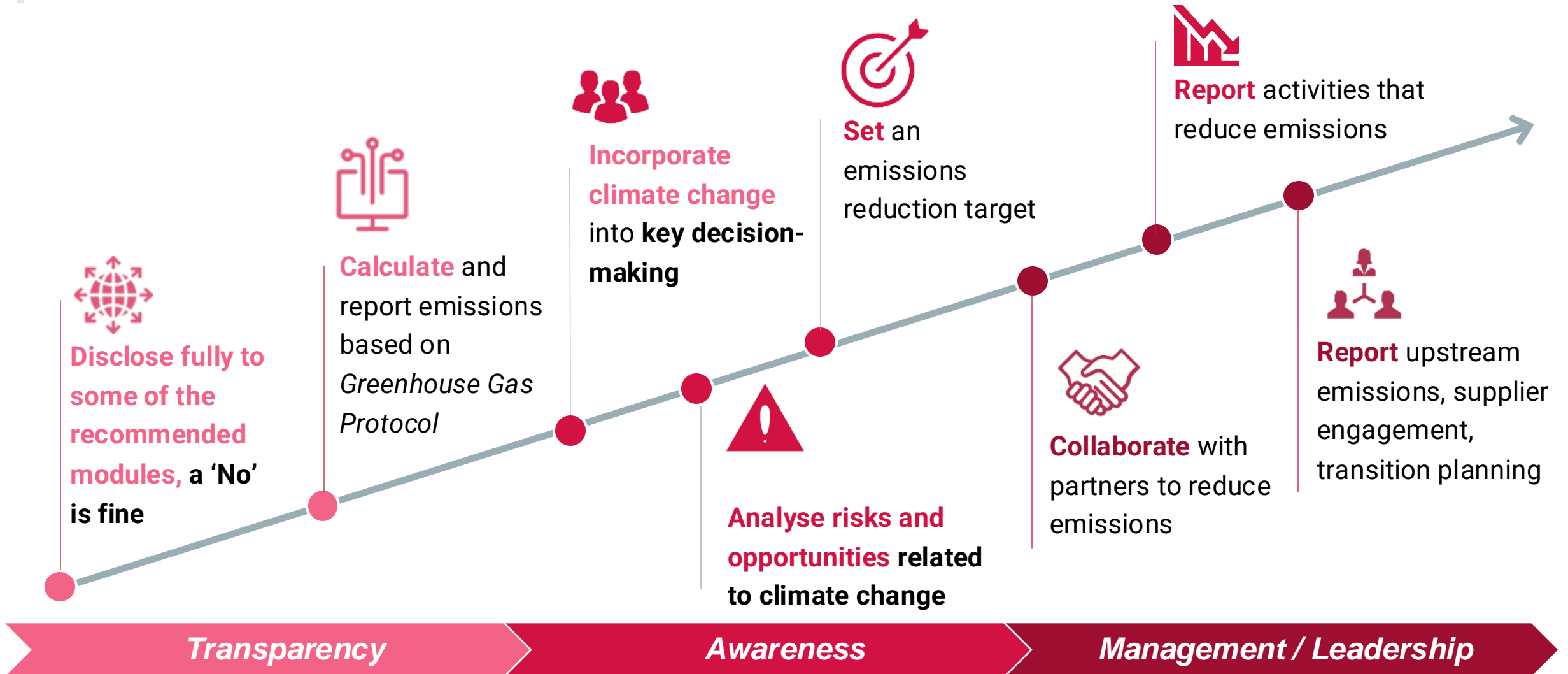
What kind of information is required?

The 5W1H in reporting for your company



What is the pathway for my company?

A single company's journey to environmental stewardship



Introductory Module

Reporting Period and General
information

Start & End Date of Accounting

○ Unanswered 14.4



State the end date of the year for which you are reporting data.

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



What **period** should I be accounting for?

The best practice for carbon accounting typically **follows** that of **the financial year, e.g. FY2023**

Rationale: There are certain metrics such as intensity – that requires input of financial data **of the same period** to determine your emissions efficiency – e.g. emissions intensity.

This also follows best practice according to ISSB standards and the GHG protocol.

The WHY

Environmental Risks and
Opportunities

Why Risks and Opportunities?



Risks

SMEs are especially vulnerable to risks, which includes **environmental risks** borne from environmental issues.

Having robust risk assessment and management builds **business resilience**. It is **increasingly important to banks and lenders**.



Opportunities

SMEs are small and flexible, capable to **innovate towards providing environmental solutions**.

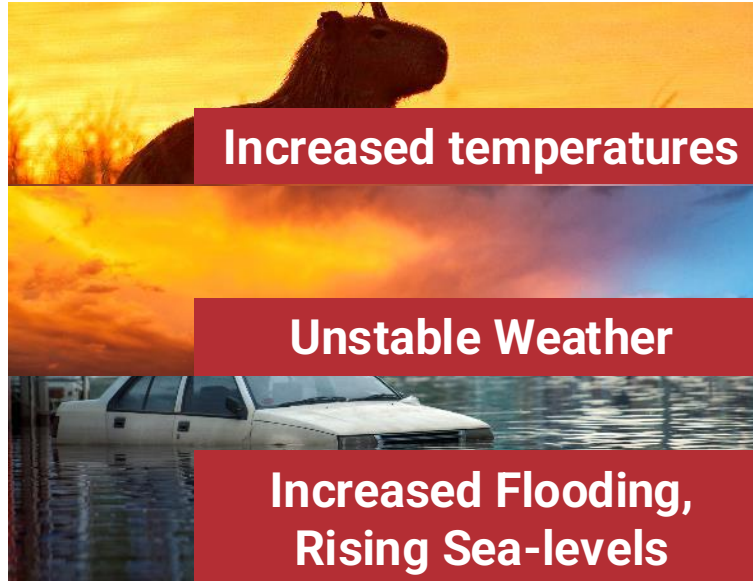
Having robust opportunities identification and management will allow you **to have a competitive edge and capitalise on opportunities**.



How does climate change affect my business?

What are some impacts of climate change?

Direct



Indirect



How might climate change impact your company?

Physical Risks

- Short-term : More natural disasters
- Long-term : Temperature increase

Transition Risks

- **Regulations**
 - Carbon Tax, etc.
- **Technological**
 - New greener technologies, etc.
- **Market**
 - Change in consumer preferences, etc.



Climate Change

Poll

Which of the following could be categorized as a physical risk?

- a. New Green Technology
- b. Climate policies
- c. Heat waves and wildfires

Types of Opportunities

Leveraging on activities that can combat climate change and its impacts



Resource Efficiency

Improve **resource efficiency**,
Such as energy or material efficiency



Market

diversify their activities and better position for
the transition to a low-carbon economy



Energy Source

shift energy usage **toward low emission** energy sources



Resilience

develop adaptive capacity to
respond to climate change

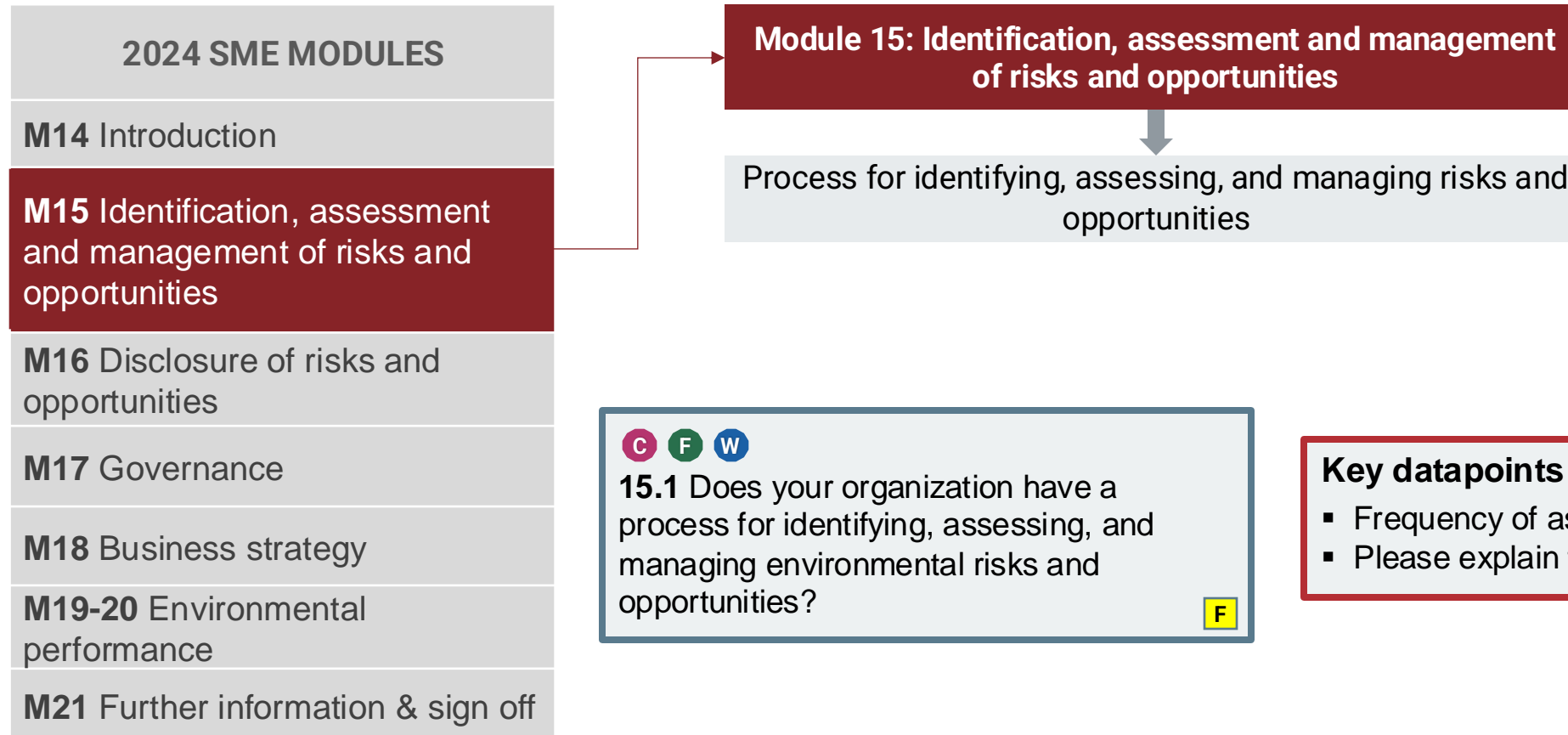


Product and Services

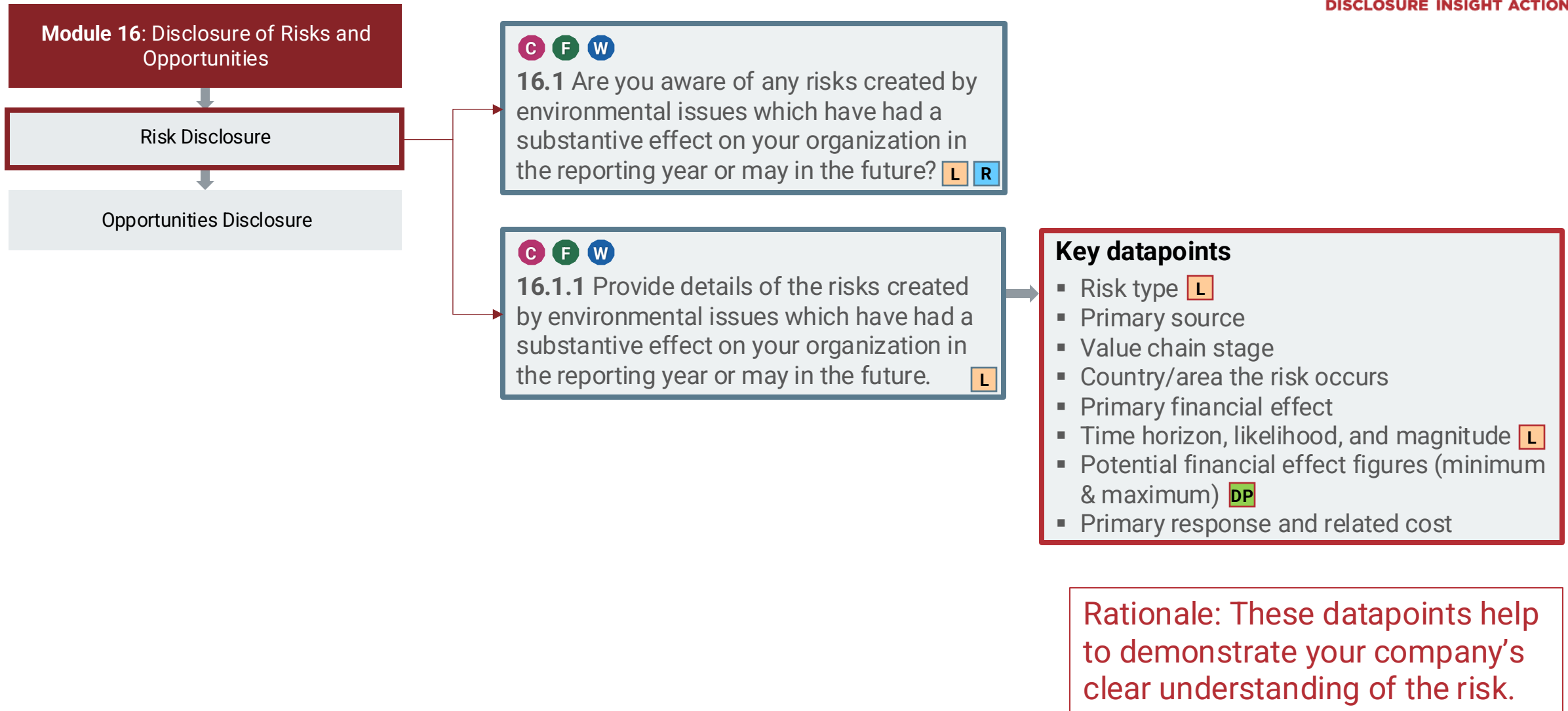
innovate and **develop new low-emission**
and climate adaptation products & services



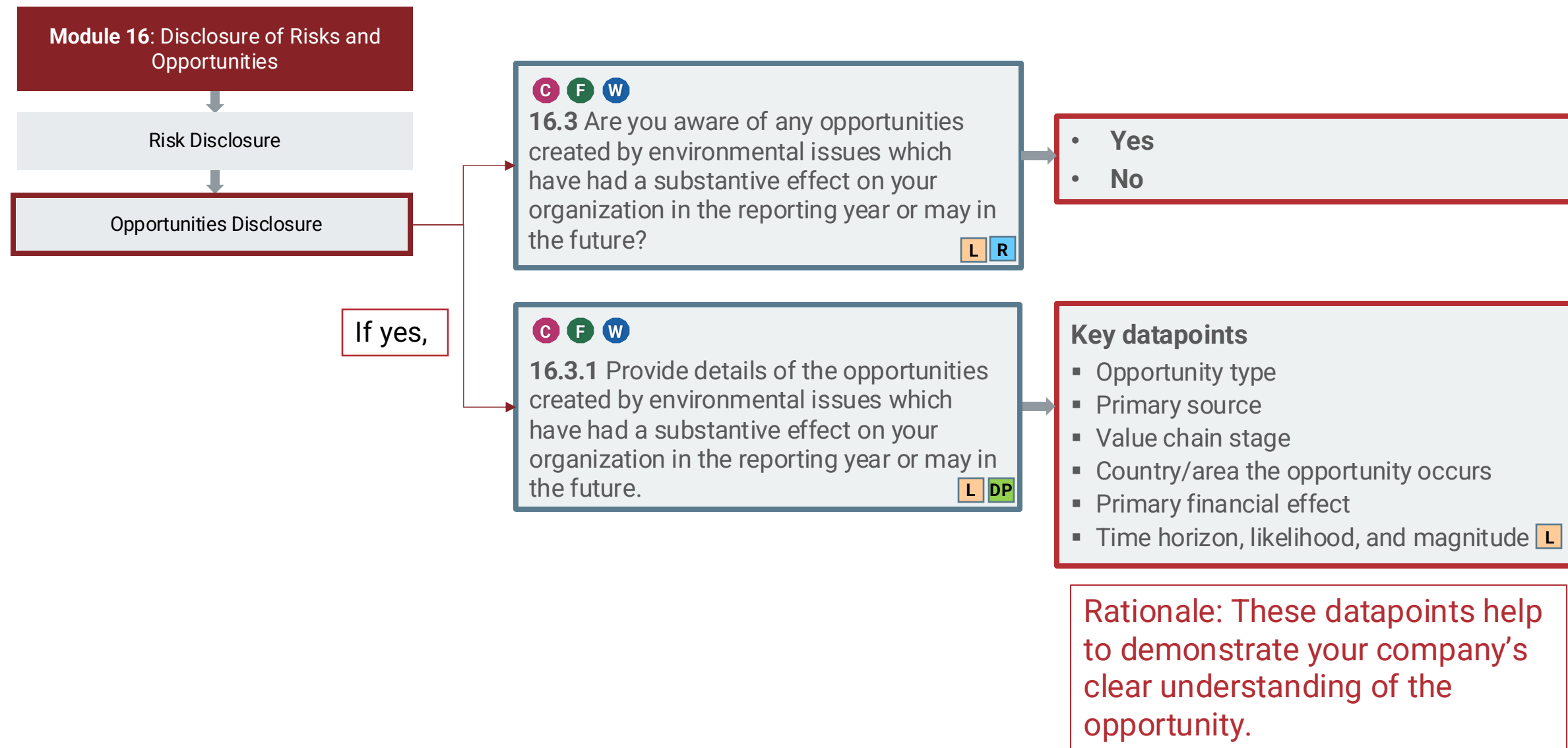
Risks and Opportunities - Processes



Risks and Opportunities– Risk disclosure



Module 16 – Opportunity disclosure



The WHAT

Climate Change Metrics
And Targets –
performance indicators for
climate change

Emissions data – Foundation of reporting



Carbon emissions

Measuring and reporting this data is **the key measure of your company's climate impact** – direct or indirect

This is calculated **using data from company consumption data**, such as e.g. company vehicles, manufacturing processes, etc.

Rationale: Carbon Emissions is the key metric of a company's impact, the foundation and basis of climate reporting. Should be accounted by business units (if > 1).



How to account Greenhouse Gases?

Scope 1, 2 and 3

Scope 1 - Direct Emissions

- GHG emissions from **sources** you own or control

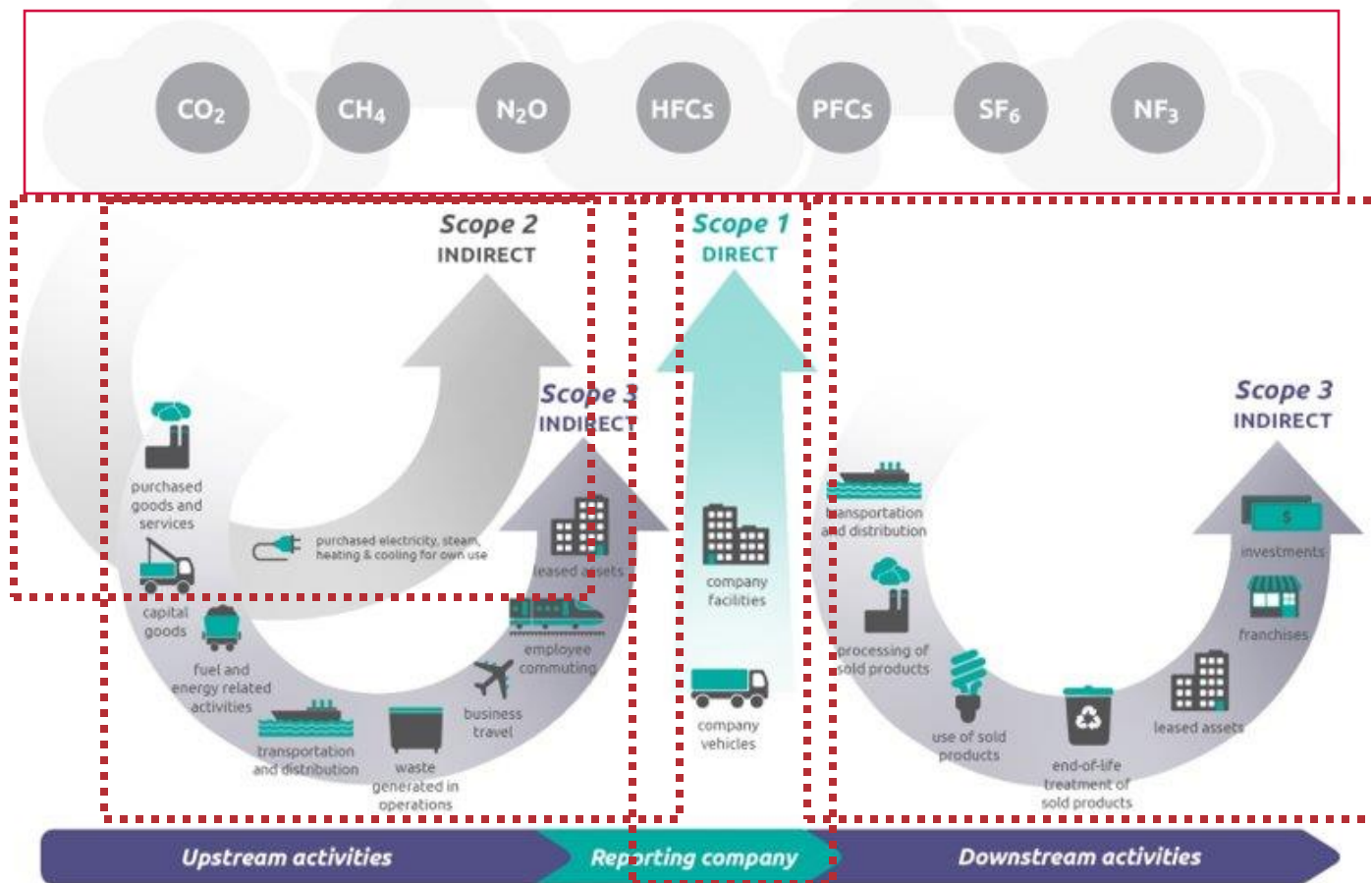
Scope 2 – Indirect Emissions from Energy

- GHG emissions from **electricity**, steam, heating or cooling consumption

Scope 3 – Indirect Emissions from processes of value chain

- GHG emissions from other **upstream** and **downstream** activities in your value chain
- 15 Categories – based on the GHG protocol – but you can start by focusing on key emissions that are **more relevant** to your company

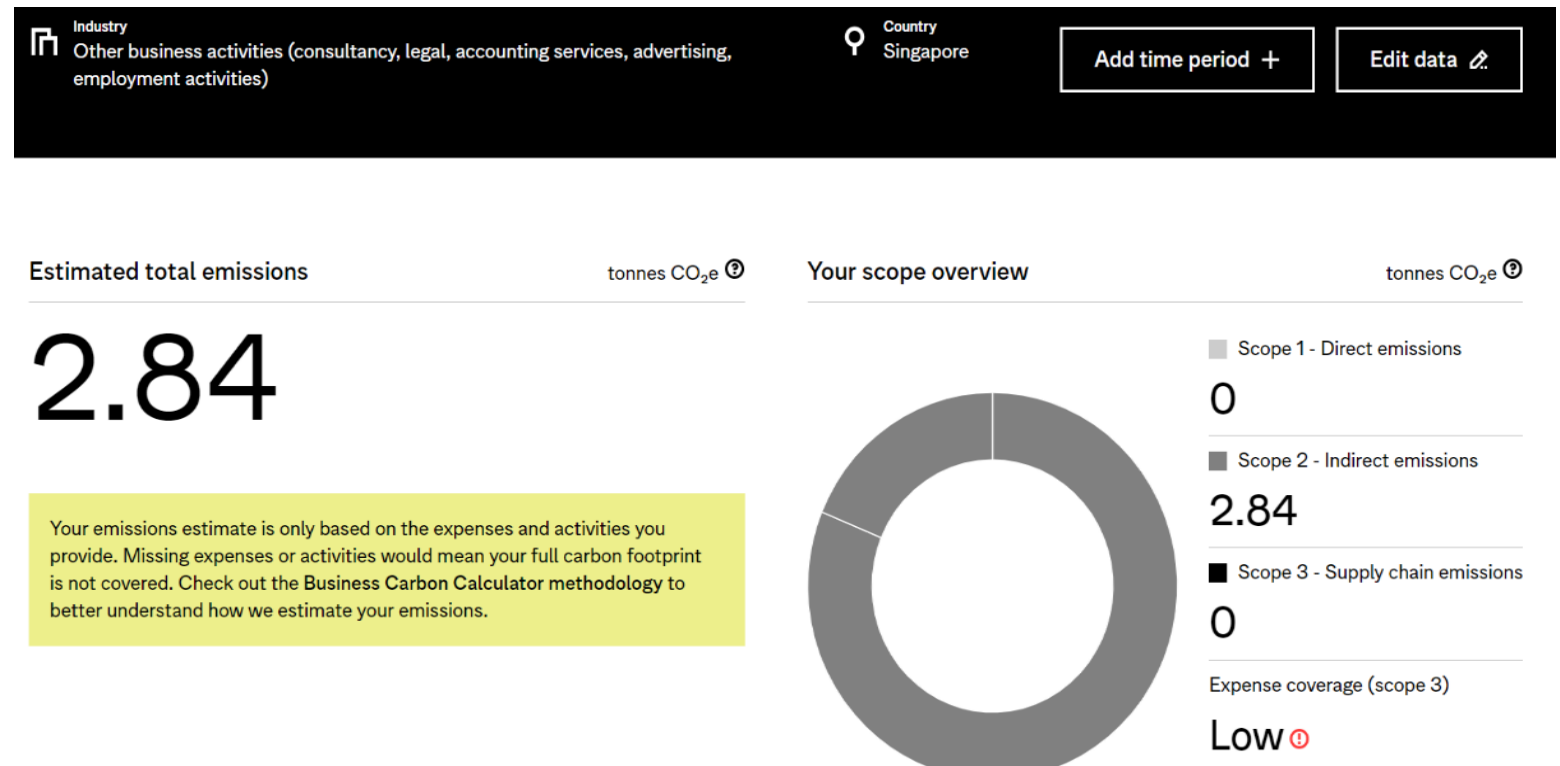
Types of greenhouse gases



Business Carbon Calculator on SME Climate Hub

[Click here](#) to check out the
calculator

- Free to use
- Easy to navigate with step-by-step data input
- Able to calculate Scope 1, 2 and 3
- Every calculator **should specify its calculation methodology**



What is an Emissions Calculation methodology?

- These protocols or methodologies include the specific guidelines and recommendations on how you should do your emissions reporting.



GREENHOUSE
GAS PROTOCOL

Check out the GHG
Protocol [here](#)



Poll

Which of the following should be categorized as Scope 3 emissions?

- A. Direct emissions
- B. Indirect emissions from electricity, steam, heating/cooling consumption
- C. Indirect emissions from processes of value chain

Emissions inventory & methodology

Module 20: Environmental Performance – Climate Change

Emissions Methodology and Exclusions

Scope 1, 2, and 3 Emissions Inventory

Emissions Breakdown

Energy-Related Activities

Targets

Emissions Reduction Initiatives

C

20.1 Do you evaluate your organization's greenhouse gas (GHG) emissions? Note that you can measure your emissions or estimate them using the assistance of a carbon accounting tool.

F R

C

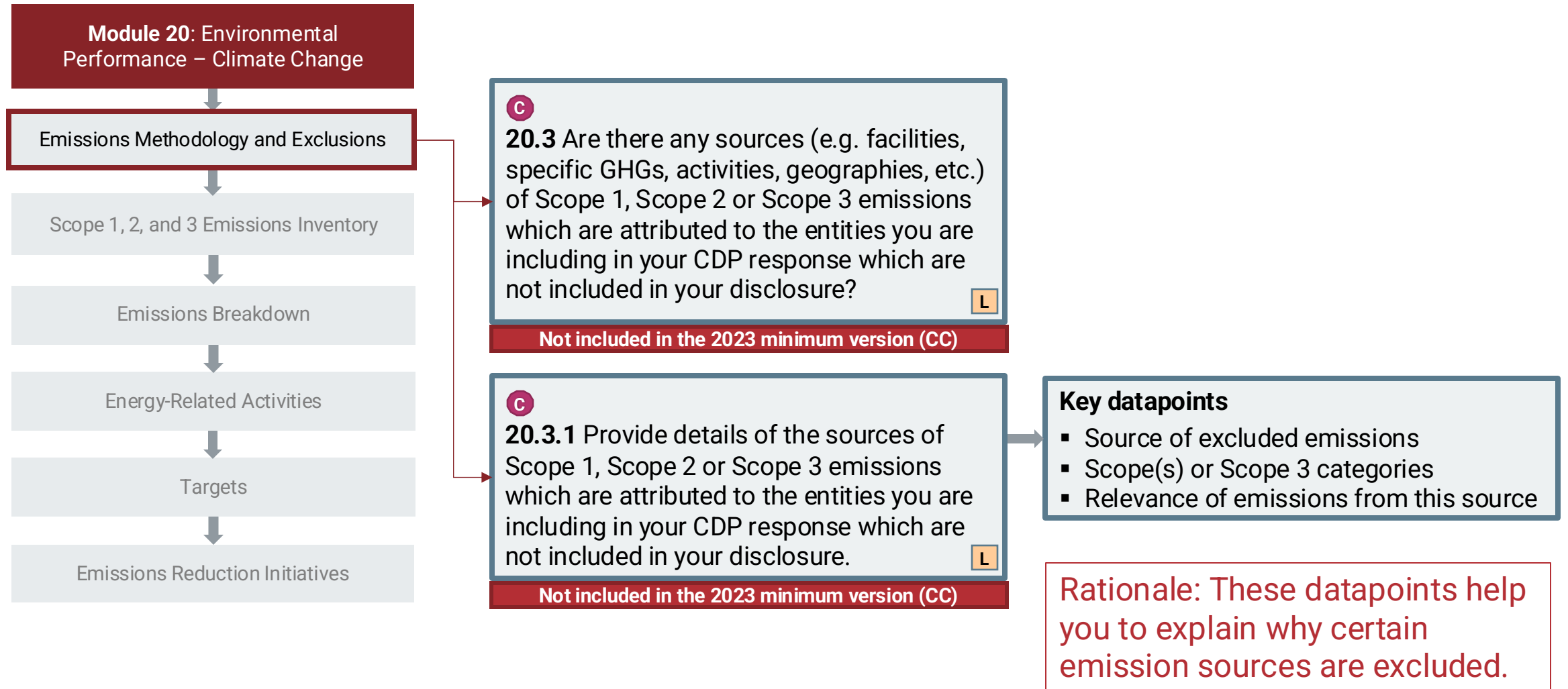
20.2 Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Key datapoints

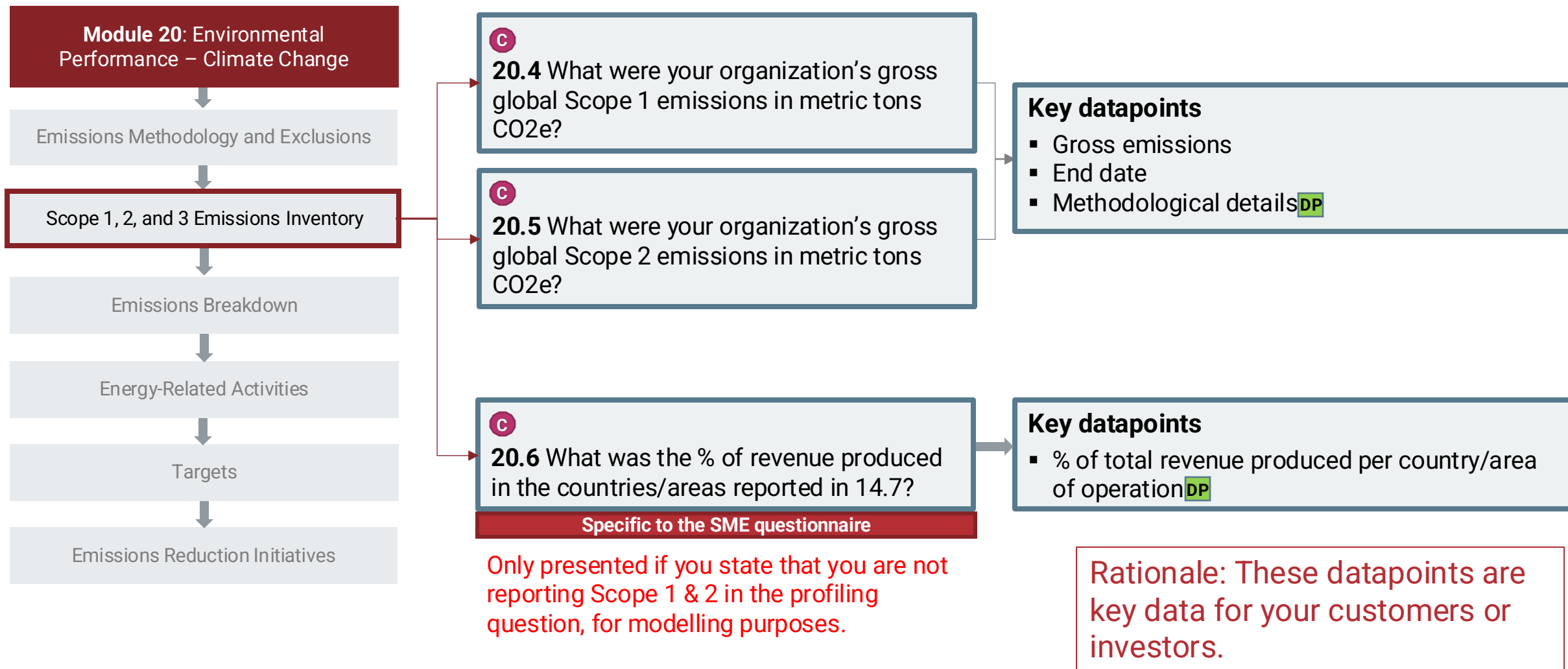
- Evaluation of Scope 1, 2, and 3 GHG emissions L DP
- Scope 2 approach DP
- Major barriers or challenges DP
- Main measures to manage/resolve challenges DP
- Emissions data for past reporting years

Rationale: These datapoints help to profile your emissions inventory.

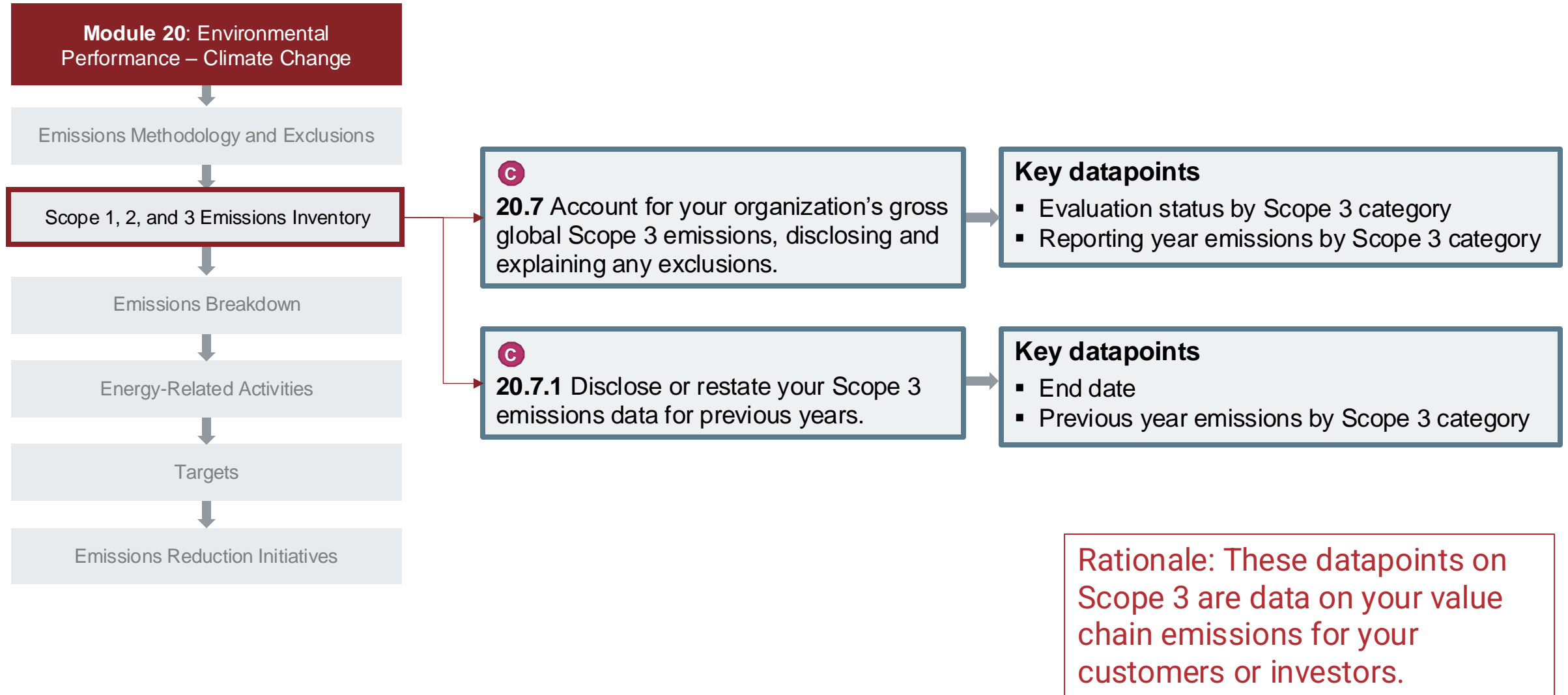
Emissions methodology & Exclusions



Module 20 – Emissions inventory

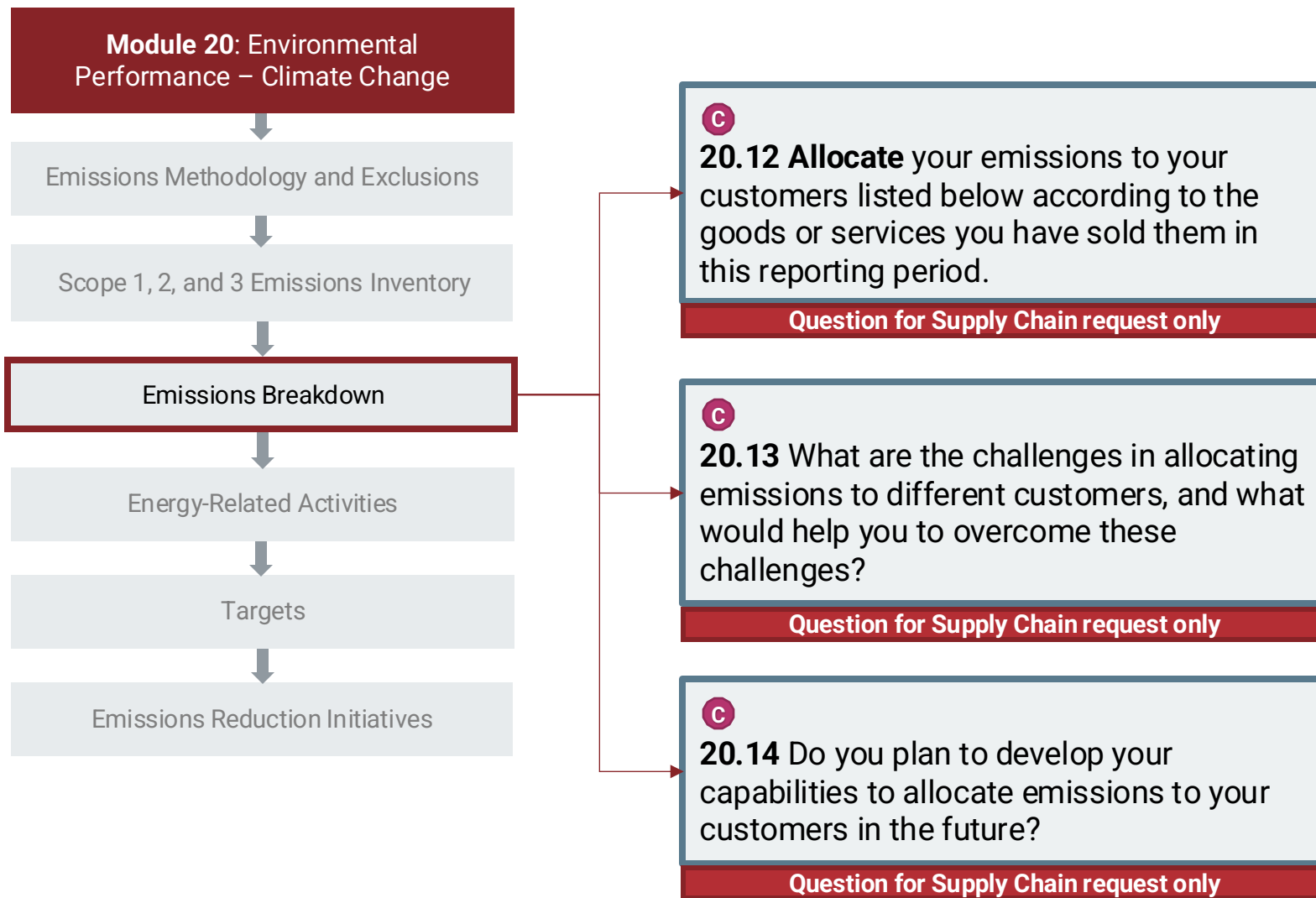


Module 20 – Emissions inventory



Module 20 – Emissions breakdown

CDP Supply Chain requested companies*



Rationale: For Supply Chain requested companies, these are key datapoints that they will need from you.

Energy data – activity metric



Energy use - Electricity

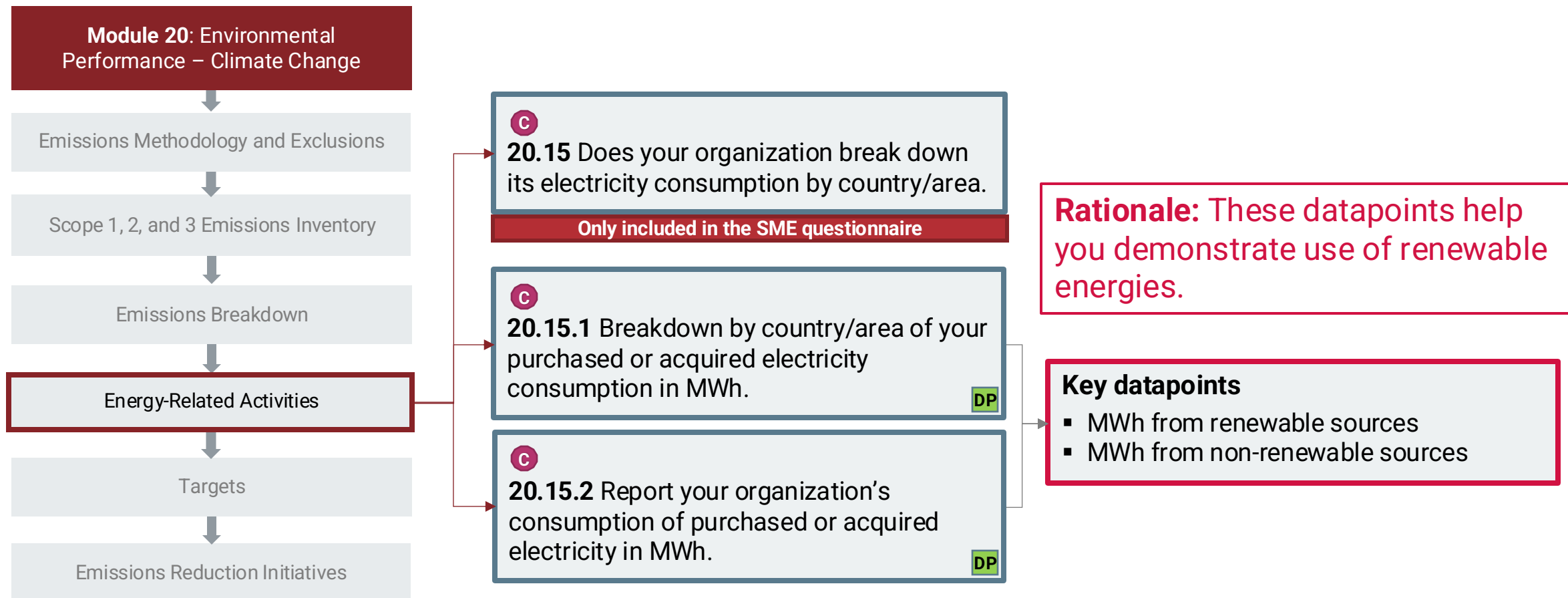
Electricity use typically the **biggest contributor to most companies' emissions**. This datapoint is essential to track energy use and efficiency for companies.

This is calculated by adding all your electricity usage across your operations, and account if you are using **renewable energy**.

Rationale: Electricity use data provides transparency on a key component of energy use; and allows companies to report best practice if **they are using renewable energy**.



Energy-related activities



Emissions Targets

Commitments to reductions in carbon



Targets

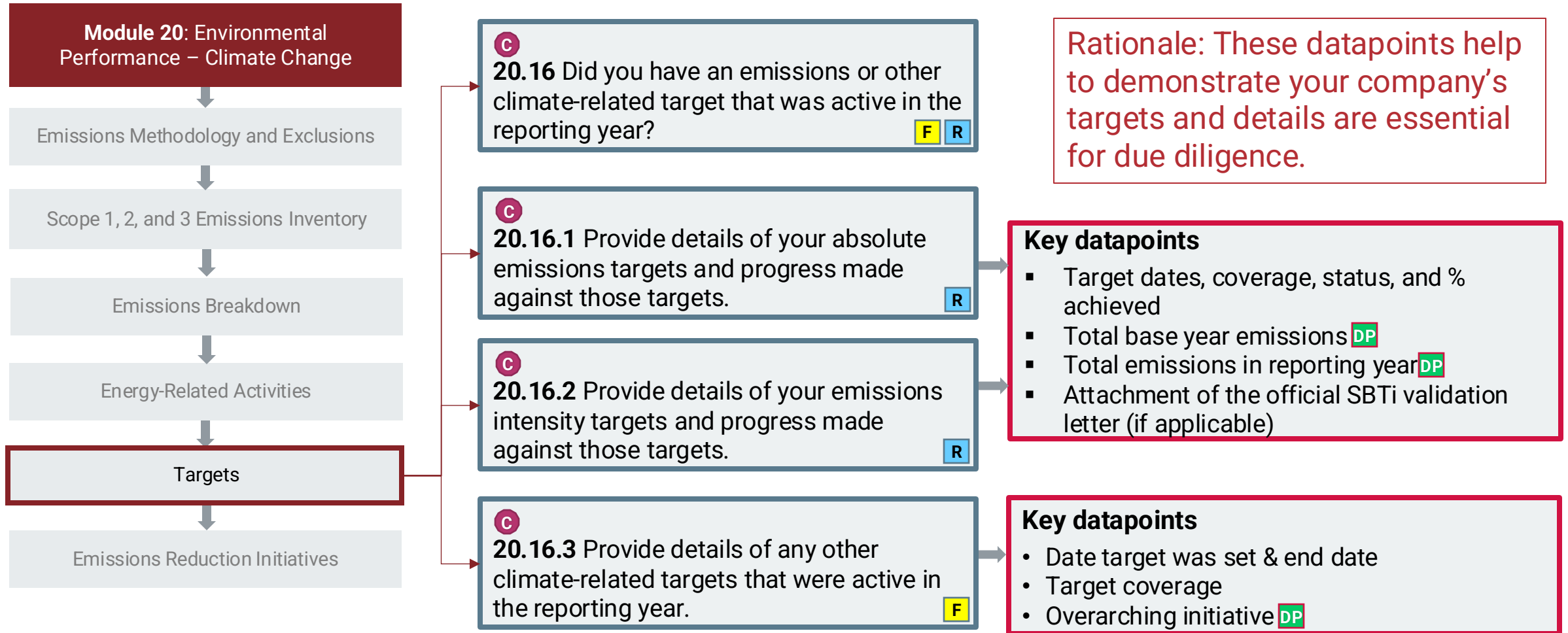
Targets **are a company's commitment to reduce carbon** in their operations.

Targets should be **set, reviewed and tracked year-on-year** to ensure there is **commitment and integrity** of a company's climate change targets.

Rationale: Carbon Targets are key metric for data users to **understand a company's commitment, and the progress** in tackling climate change within their operations, or across their value chain.



Climate-related targets



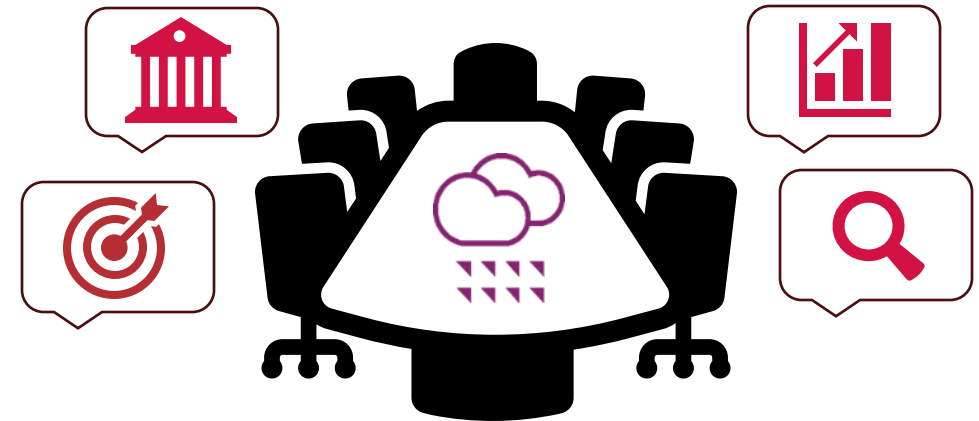
The WHO

Governance Structures on Environmental Issues

Governance

What is climate governance in my company?

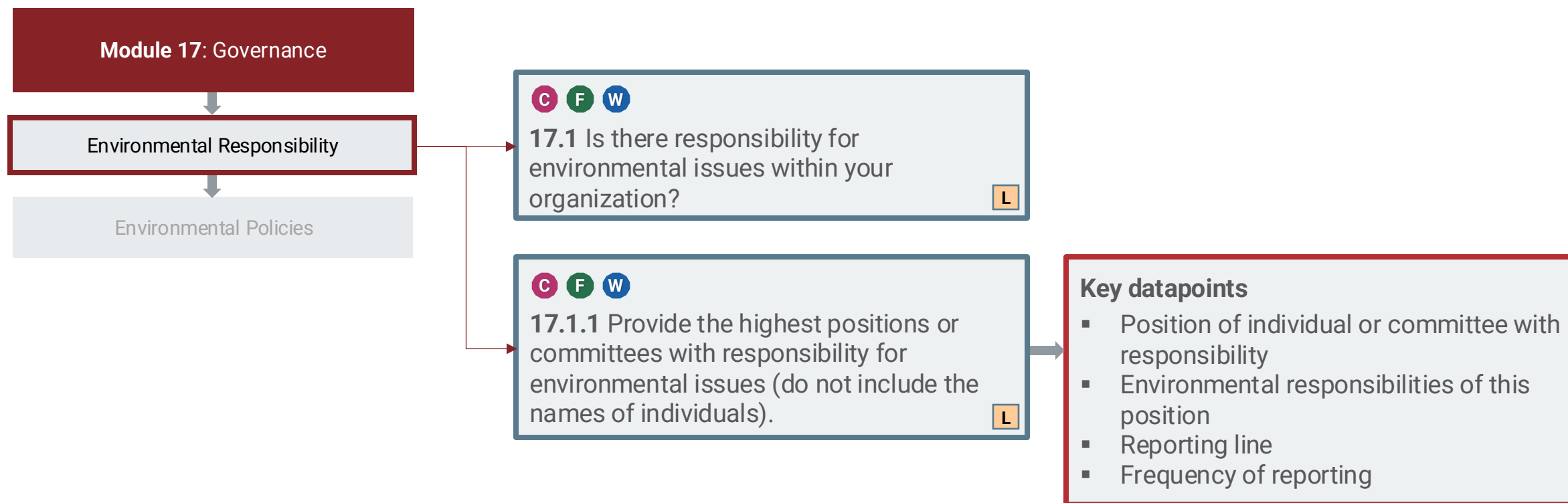
- ▼ Governance refers to the **board-level oversight and decision making on climate-related issues**.
- ▼ The questions in this section help to **capture governance structure and mechanisms in place**
- ▼ Data on governance is important as it provides an **indication of the importance of climate** to the organization.



Rationale:

This section is for data users to **understand your high-level approach** to climate issues at board and management level.

Governance – Environmental Responsibility

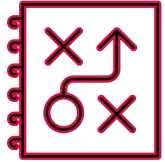


Rationale: These datapoints show that someone is monitoring and keeping an eye on climate-related issues in your company.

The HOW

Transition plans, Financial
Planning to show your actions

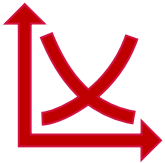
Climate Change Strategy



Climate Transition Plans

A climate transition plan shows how your company will align your business model to a 1.5 -2.0 degree world.

It should include **the actions the company will take**; to serve as a **mechanism for accountability and transparency**.



Financial planning

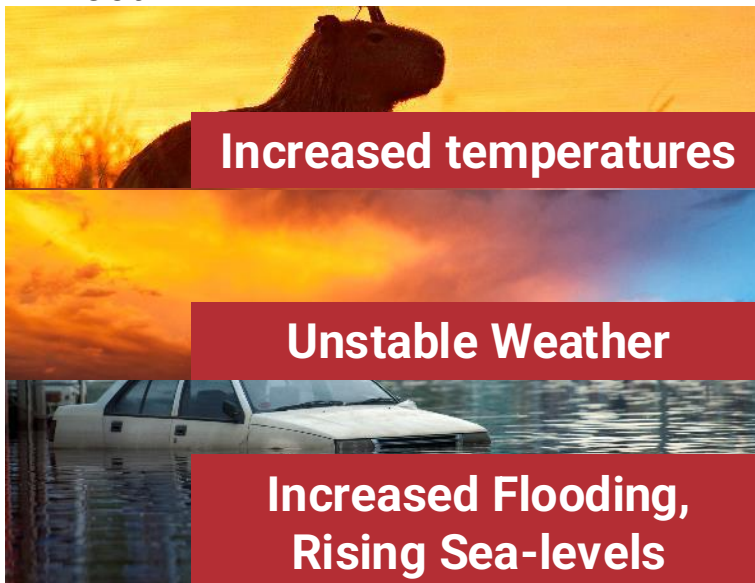
For companies that have identified your risks and opportunities with climate change, this knowledge **might influence your future financial planning**.



How does climate change affect my business?

What are some impacts of climate change?

Direct



Climate Change

Indirect



How might climate change impact your company?

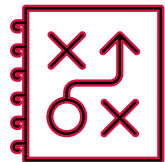
Physical Risks

- Short-term : More natural disasters
- Long-term : Temperature increase

Transition Risks

- Regulations
 - Carbon Tax, etc.
- Technological
 - New greener technologies, etc.
- Market
 - Change in consumer preferences, etc.

Climate Change Strategy



Climate Transition Plans

A climate transition plan is a sum of all your company's efforts to align your business model to a 1.5 -2.0 degree world.

It should include **the all actions the company will take**; to serve as a **mechanism for accountability and transparency**.



Financial planning

For companies that have identified your risks and opportunities with climate change, this knowledge **might influence your future financial planning**.



Climate Change Strategy - VCE



Value Chain Engagement and Action

Engaging with value chain stakeholders can be especially valuable **for sharing learnings, building expertise, enhancing risk management**, and taking action to address environmental impacts.

Examples include: education within your company; environmentally responsible sourcing with suppliers; educating customers of sustainable practices and products, etc.

Rationale: Value Chain engagement data is crucial for users to **understand how your company is dealing with Scope 3 emissions**, and an opportunity to collaborate with your value chain on climate change.

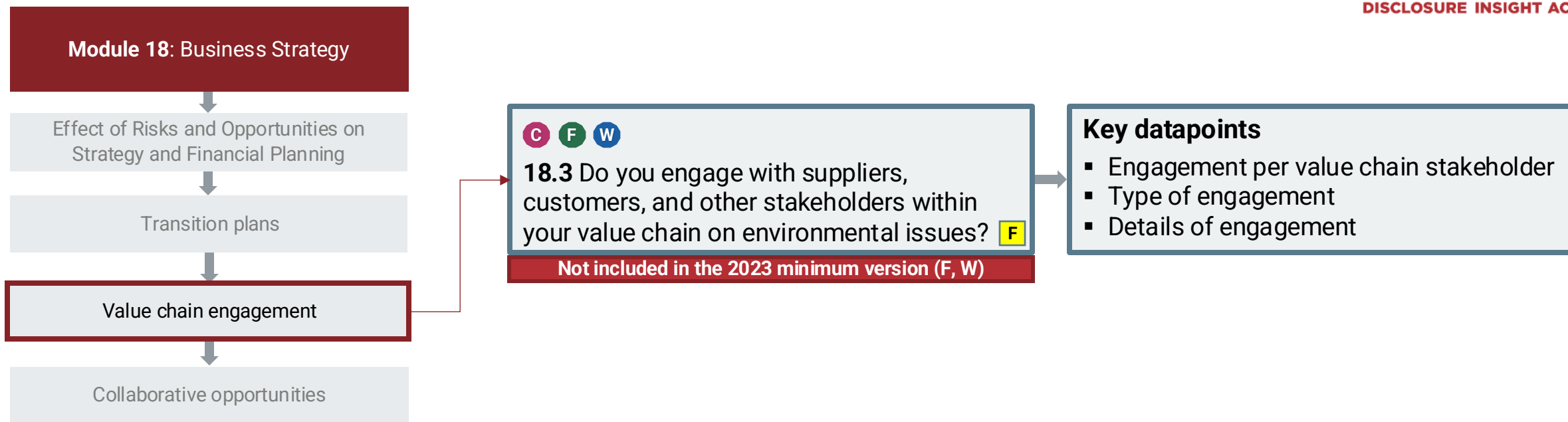


What is my value chain?

Your value chain **is the entire chain of business**, from resource extraction to the end of consumption. Current **actions typically involve Tier 1 relationships** (direct contacts) but ambitions are moving beyond that.



Module 18 – Value chain engagement

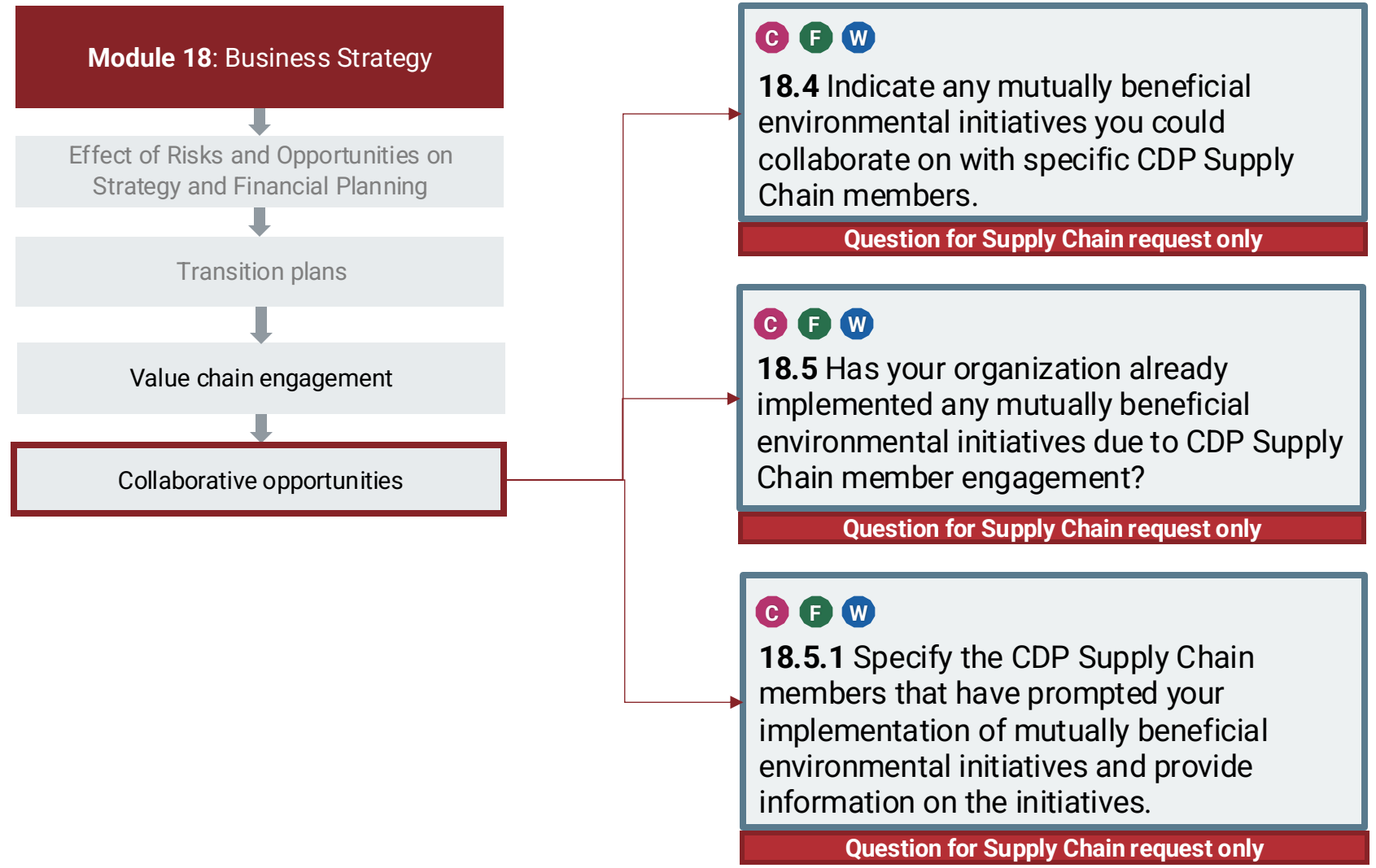


Rationale: These datapoints help to demonstrate your company's **maturity if you are engaging your value chain on environmental issues.**



Module 18 – Value chain engagement

CDP Supply Chain requested companies*

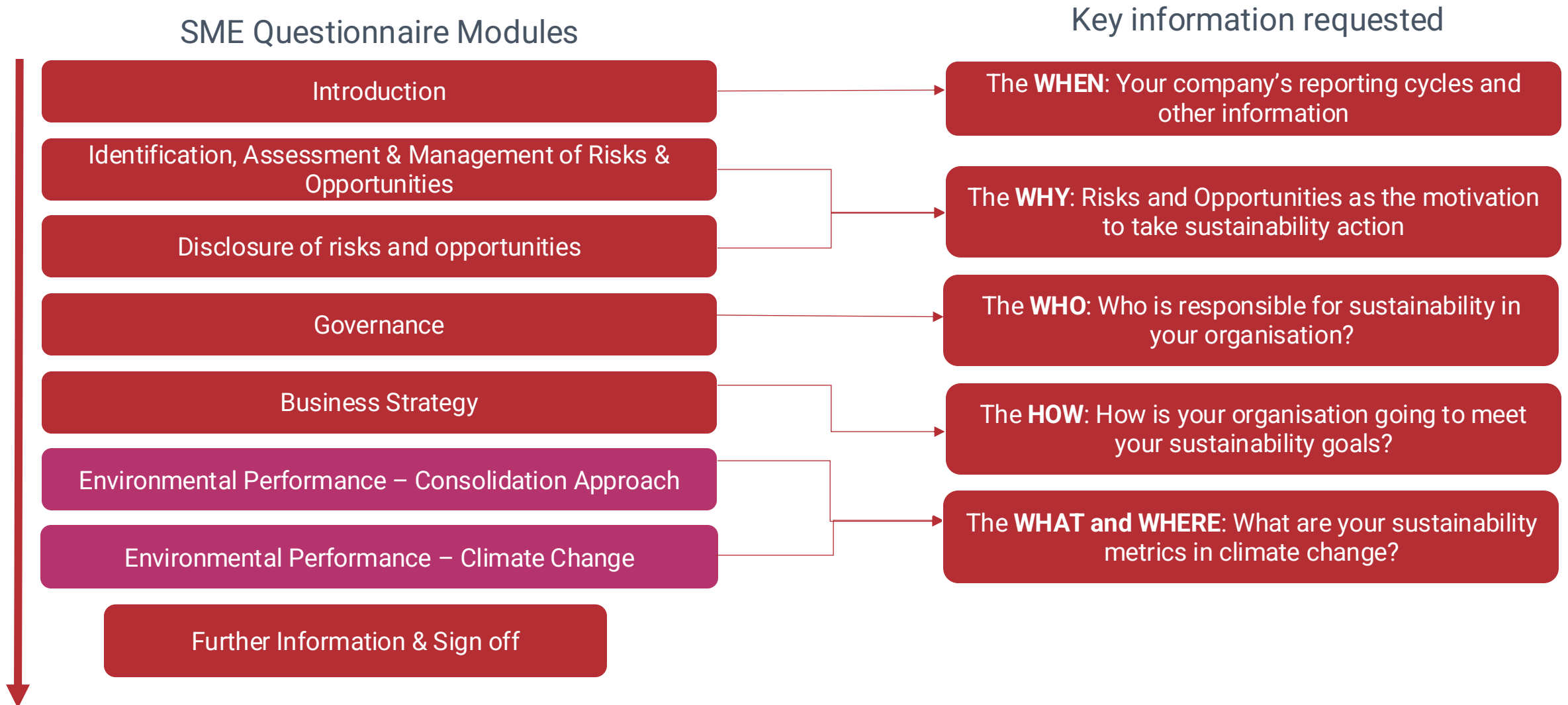


These are key datapoints for supply chain requested companies, as they want to look for opportunities of collaboration.

*If you have received a supply chain request from your customers through CDP


Recap: What kind of information is required?

The 5W1H in reporting for your company



Resources

Resources: 2024 disclosure materials



DISCLOSURE INSIGHT ACTION

Guidance & questionnaires


Cor



About us

Our work

Why disclose?

Become a member





Companies

Small and Medium-Sized Enterprises (SMEs)

Note, please select 'corporates' on the first screen to view SME questionnaire and guidance.

CDP Full corporate questionnaire

All guidance for companies

CDP SME questionnaire

All guidance for companies

Small and Medium-sized Enterprises (SMEs)



CDP SME corporate questionnaire and reporting guidance

View the SME corporate questionnaire and reporting guidance for 2024. Note, please select 'corporates' on the first screen to view SME guidance.**

CDP SME questionnaire – Overview

Learn more about the structure of the SME questionnaire, the environmental issues covered, as well as high-level guidance for disclosers to facilitate consistent and accurate reporting.

CDP SME Question-level Map 2024

[to be published soon]


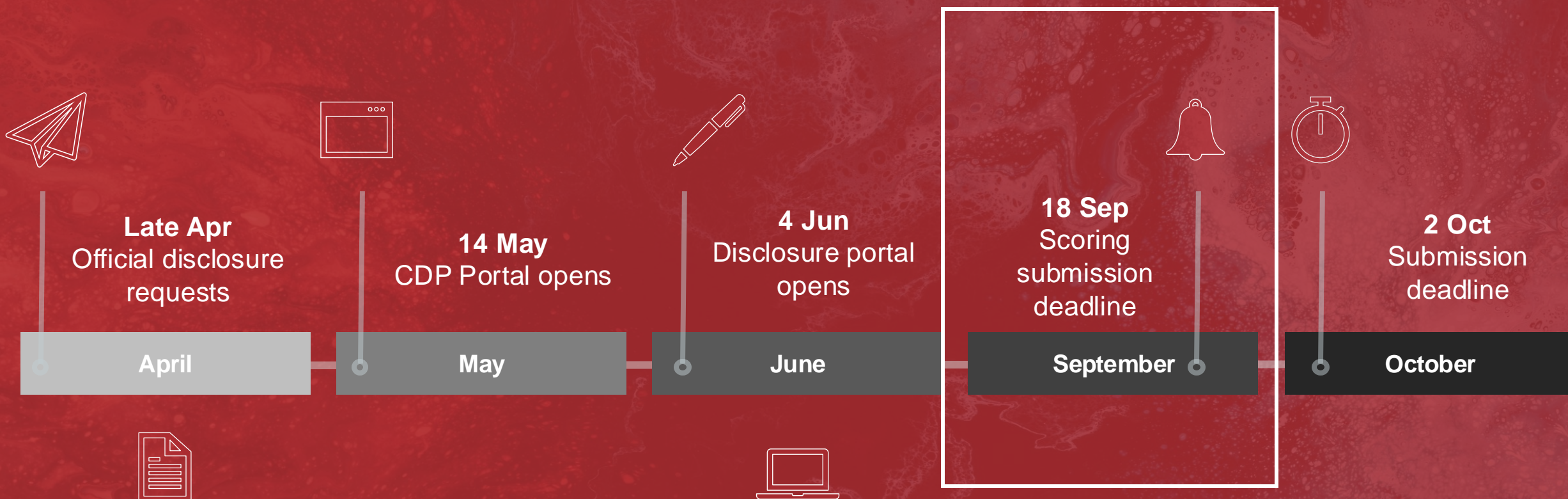
** You can download a [static PDF copy of CDP's 2024 SME questionnaire and guidance](#) to your device too. However, for the best user experience, we recommend accessing these through the [CDP Portal](#) wherever possible.

Available Resources for SMEs


Resources	Link to Resource
Portal	myportal.cdp.net
Questionnaire Previews, CDP Scoring Methodology for SMEs	Guidance for companies - CDP
Disclosure Workshops (under Southeast Asia and Oceania)	CDP workshops and webinars - CDP
GHGs emissions calculations	SME Climate Hub Calculator: https://smeclimatehub.org/start-measuring/ Accounting Methodologies: Greenhouse Gas Protocol
SME Climate Hub Academy	https://academy.smeclimatehub.org/home
CDP Help Center for Platform Issues	Home - CDP Help Center

Next Steps

2024 | Timeline for disclosers



2 May
2024 Questionnaires
available



Disclosure webinars
2nd July – Integrated questionnaire
3rd July – Forests disclosure
4th July – SME questionnaire
10th July - Financial Services questionnaire

Admin Fee

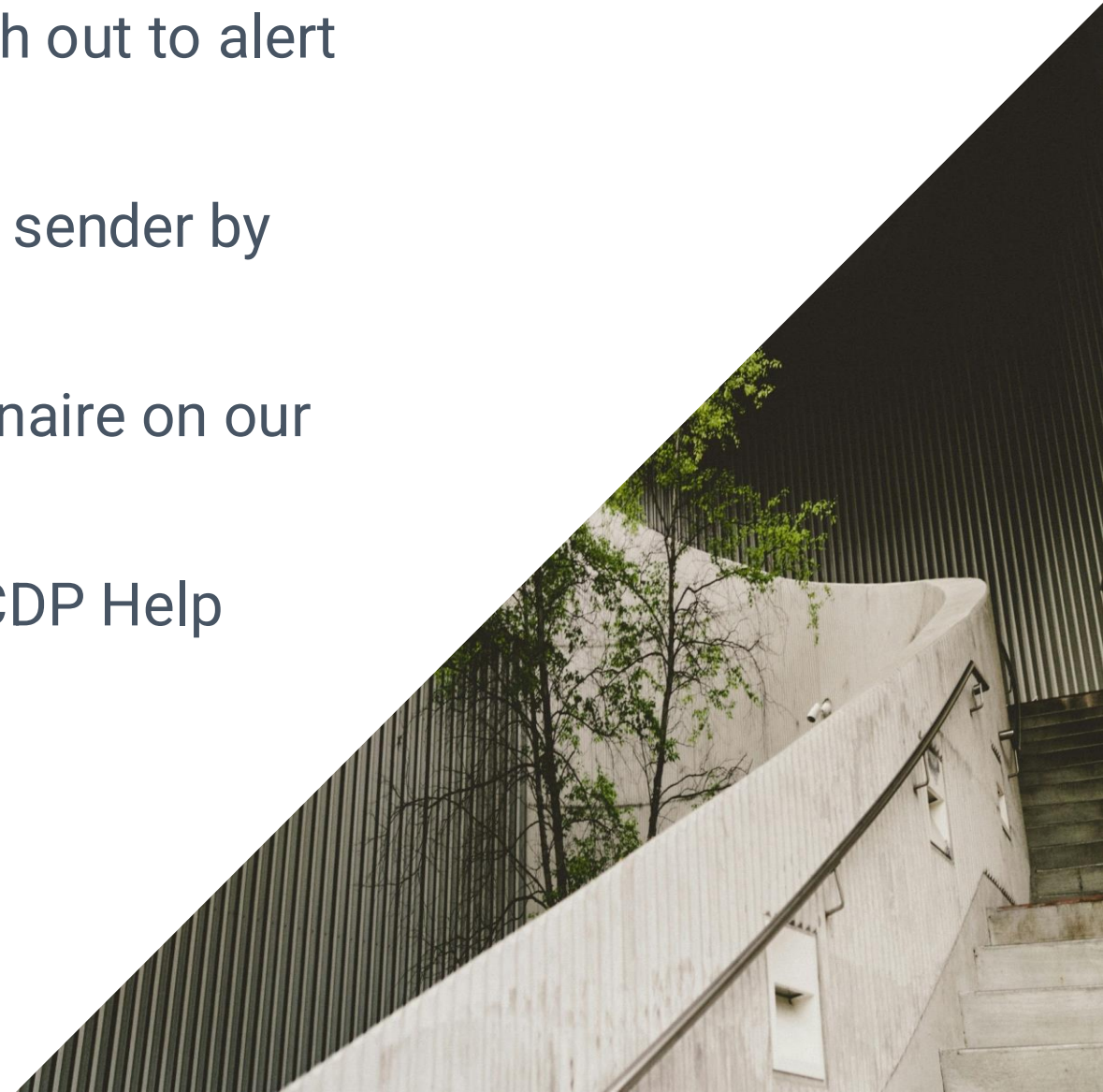
- ▼ The admin fee applies to companies requested to disclose by CDP's Capital Market Signatories, as well as self-selected disclosers
- ▼ Disclosers requested by a Supply Chain member, and/or a Banks program member, and/or the RE100 initiative **are exempt** from paying the admin fee

Organization Headquarters	Enhanced Fee	Foundation Fee	Essential Fee
<ul style="list-style-type: none">• Australia• New Zealand• Southeast Asia• South Korea• Hong Kong, China	US\$7,300	US\$3,100	n/a
<ul style="list-style-type: none">• India	₹5,70,000	₹2,27,500	₹91,000

 More information can be found on our website: [Admin fee FAQ - CDP](#)

Next Steps

- ▼ Keep an eye on your inbox – CDP will reach out to alert you with updates.
- ▼ Make sure "@cdp.net" is marked as a safe sender by your IT team.
- ▼ You can view the 2024 CDP SME questionnaire on our [Guidance for Companies](#) page.
- ▼ Reach out to your point of contact or the CDP Help Center with questions.



Questions?

Thank you
