The Carbon Disclosure Project

OECD Presentation 1st July 2010

Paul Simpson – Chief Operating Officer
The evidence is clear. It makes economic sense to act **now and not later**
Background to CDP

Mission

“To accelerate solutions to climate change by putting relevant information at the heart of business, policy and investment decisions.”

CDP has become the global standard for measurement and reporting of climate change information

Annual climate change Information Request:
- Investors
- Purchasing organizations
- Governments

“The Carbon Disclosure Project has been visionary in helping businesses understand the risks and opportunities posed by climate change.”

News Corp Chairman Rupert Murdoch
Climate Change Governance

- Risks and opportunities
- Strategy including reduction targets and achievements
- GHG Accounting, energy & fuel use, & trading
- Communications
Investor Support of CDP

YEAR: CDP 1, CDP 2, CDP 3, CDP4, CDP 5, CDP 6, CDP 2009, CDP 2010

TRILLIONS

SIGNATORIES

CDP 1: 4.5
CDP 2: 10
CDP 3: 21
CDP4: 31
CDP 5: 41
CDP 6: 57
CDP 2009: 55
CDP 2010: 64

CARBON DISCLOSURE PROJECT
Number of companies responding to CDP over time

- 2003: 235
- 2004: 295
- 2005: 355
- 2006: 922
- 2007: 1449
- 2008: 2204
- 2009: 2562
Total number of responses has increased to 409 (82%)

<table>
<thead>
<tr>
<th>Category</th>
<th>Count (Percentage)</th>
<th>Description</th>
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<tbody>
<tr>
<td>Responses</td>
<td>409 (82%)</td>
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<tr>
<td>Publicly available</td>
<td>345 (69%)</td>
<td>Report on GHG emissions in annual corporate reporting</td>
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<tr>
<td>Disclose GHG emissions</td>
<td>339 (68%)</td>
<td>Disclose emissions reduction targets</td>
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<tr>
<td>Verify emissions</td>
<td>247 (49%)</td>
<td>Disclose forecasts</td>
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Total population 500 (100%)
% of Global 500 CDP responders with reduction targets

- 2003: 30%
- 2004: 40%
- 2005: 50%
- 2006: 60%
- 2007: 70%
- 2008: 80%
- 2009: 90%
CDSB’s Mission

• “…to promote and advance climate change related disclosure in mainstream reports through the development of a global framework for corporate reporting on climate change…….”

• “Mainstream financial reports” means the annual reporting packages in which certain companies are required to deliver their audited financial results under the corporate, compliance or securities laws of the territory or territories in which they operate. Mainstream financial reports are normally publicly available. They provide information to existing and prospective investors and are distinct from material published on a voluntary basis, such as corporate social responsibility reports.
Why?

- major policy developments introduced in 6 months

A patchwork of schemes

Calls for action

Demand for

An internationally consistent framework tied to listing requirements integrating carbon to the bottom line
Consultation response

flexibility

prescription

uncertainty

Performance metrics

Reductions and offsets

boundaries

Relevance, materiality

Regulation

Forward looking information
“I’m proud to announce a new partnership between Wal-Mart and the CDP. Using CDP’s carbon reporting expertise and our own experience with supply chain efficiency we are working together to measure our global supply chain footprint and to encourage our suppliers to reduce greenhouse gas emissions.” John Fleming, Chief Merchandising Officer, Wal-Mart
Corporations using CDP to obtain data from suppliers
The US and UK Governments use the CDP system to issue policy to their suppliers

“Understanding the carbon emissions and policies of our suppliers through our collaboration with CDP will help to embed the sustainability agenda within our procurement decision making”

Former UK Foreign Secretary David Miliband
CDP supporters in the political community

“The Carbon Disclosure Project’s detailed reporting is helping persuade companies throughout the world to measure, manage, disclose and ultimately reduce their greenhouse gas emissions. No other organization is gathering this type of corporate climate change data and providing it to the marketplace.”

UN Secretary General Ban Ki-moon
Thank you

Paul Simpson
Chief Operating Officer
Carbon Disclosure Project
Paul.simpson@cdproject.net