

# Australia & New Zealand Report 2017

On behalf of 803 investors responsible for assets of over US\$100 trillion.



## CDP 2017 scoring partners

CDP works with a number of partners to deliver the scores for all our responding companies. These partners are listed below along with the geographical regions in which they provide the scoring. All scoring partners complete training to ensure the methodology and guidance are applied correctly, and the scoring results go through a comprehensive quality assurance process before being published. In some regions there is more than one scoring partner

and the responsibilities are shared between multiple partners.

In 2017, CDP worked with RepRisk, a business intelligence provider specializing in ESG risks ([www.reprisk.com](http://www.reprisk.com)), who provided additional risk research and data into the proposed A-List companies to assess whether there were severe reputational issues that could put their leadership status into question.



Global climate change scoring partner



Global water and forest scoring partner



Japan



France



Japan, Latin America, Turkey



Japan, Korea



Brazil



Korea



Japan



Japan



Iberia (Spain & Portugal)



Our Knowledge, Your Value.

Japan



Japan



Japan



All regions

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## CEO foreword



**The transition to a low-carbon economy will create winners and losers within and across sectors. As new businesses and technologies emerge and scale up, billions of dollars of value are waiting to be unlocked, even as many more are at risk.**

A changing climate is becoming more evident. This year has brought intense Atlantic hurricanes, severe wild fires in California, an exceptional monsoon across South Asia, a stifling heatwave across Europe, and record-low wintertime sea ice in the Arctic. These changes threaten ecosystems, communities and our economic well-being, with significant assets at risk from climate change.

This evidence is not going unnoticed. Public concern is growing; and policy makers and regulators are responding. The Chinese government, for example, is set to launch a national carbon emissions trading scheme by the end of this year. Companies around the world, from all sectors, have begun transitioning their business models away from a dependence on fossil fuels and towards the low-carbon economy of the future.

In this year's CDP analysis, which is based on the climate data disclosed to us by over 1,000 of the world's largest, highest-emitting companies, we reveal that a growing number are setting longer-term emissions reduction targets, planning for low-carbon into their business models out to 2030 and beyond. The number of companies in our sample that have committed to set emissions reduction targets in line with or well below a 2 degrees Celsius pathway, via the Science Based Targets initiative, has increased from 94 to 151 in the space of a year. Continuing this momentum, an additional 317 companies plan to commit to a science-based target within two years. EDP and Unilever are two of those companies sharing their story of how and why they decided to set a science-based target in our analysis. Aligned to these targets, the significant increase in companies from our sample that are setting targets to consume renewable energy including through the RE100 initiative, or produce their own, shows how companies are embracing the cheaper, more secure supply of clean energy to meet their low-carbon goals.

Regulators have begun to respond to the risks, notably with the Task Force on Climate-related Financial Disclosures. Established by the Financial Stability Board, the Task Force has moved the climate disclosure agenda forward by emphasizing the link between climate risk and financial stability. The Task Force has recommended that both companies and investors disclose climate change information, including conducting scenario analysis in line with a 2 degrees Celsius pathway and setting out the impacts on their strategy of those scenarios. This amplifies the longstanding call from CDP's investor signatories for companies to disclose comprehensive, comparable environmental data in their mainstream reports, driving climate risk management further into the boardroom.

This year, more than 6,300 companies, accounting for around 55% of the total value of global listed equity markets, have disclosed information on

climate change, water and deforestation through our reporting platform. This request from CDP was made on behalf of more than 800 investors with assets of US\$100 trillion.

To meet the growing needs of these investors, we are evolving our disclosure platform to introduce sector-based reporting and align our information request with the recommendations of the Task Force for 2018. This will help to further illuminate to company boards and their shareholders the risks and opportunities presented by the low-carbon transition, so they can act swiftly to shift their business models accordingly.

The environmental disclosures that leading companies are making through CDP are providing data across capital markets to inform better decisions and drive action. Companies are reporting how science-based carbon emission reduction targets can drive business and sustainability improvements. They are showing how renewable energy purchases are helping companies to cut emissions and how setting an internal carbon price can drive efficiency and shift investment decisions. They are revealing how their products and services directly enable third parties to avoid greenhouse gas emissions. They are collaborating with cities, states, regions and other companies to drive positive impact in their own operations and through value chains.

This report tracks the progress of corporate action on climate change. Last year, in the wake of the Paris Agreement, we established a baseline for corporate climate action. This year, we measure progress to date. As we show, there are some encouraging trends emerging, with more companies setting further reaching carbon emissions reduction targets, and greater accountability for climate change issues within the boardroom. But, there is no doubt that more companies need to act quickly and the pace of change needs to accelerate if we are to meet the goals of the Paris Agreement and ensure long term financial and climate stability.

Disclosure of quality data is crucial to support this progress. It leads to smarter decisions and informs companies and governments of the actions they need to take. It's encouraging to see more companies setting longer-term targets; data will be key to seeing how they are performing against these over time.

Make no mistake: we are at a tipping point in the low-carbon transition. There are enormous opportunities to be had for the companies that are positioning themselves at the leading edge of this tipping point; and enormous risks for those that haven't yet taken action.

**Paul Simpson**  
CEO, CDP

## Investor perspective

Steve Waygood, Aviva Investors



As investors, the TCFD has given us a very powerful mandate, it has shifted the burden of proof to companies to explain why climate risk isn't an issue. The new norm is that companies should be considering climate risk at the board level. It's created a new concept of climate risk governance.

**For an insurance giant like Aviva, failing to successfully halt climate change is unthinkable. “Our sector has an existential issue with warming above 4 degrees,” says Steve Waygood, Aviva Investors’ chief responsible investment officer. “It simply won’t be possible to price insurance products at a premium we can sustain, and which economies can afford”.**

“That’s a profound macroeconomic problem, given the role of insurance in pricing and redistributing risk.”

On the asset side of its balance sheet, meanwhile, Aviva faces challenges relating to the climate risks to which its investments are exposed. He cites a study carried out by Aviva with the Economist<sup>1</sup>, which found that 6 degrees of warming would wipe US\$43 trillion off the value of global capital markets. “The entire value of the MSCI World equity index is only US\$38 trillion – that’s obviously a clear and present danger.”

For that reason, Aviva has been a prominent voice in the climate change debate: disclosing on climate risk since 2004, incorporating climate risk into strategy and governance, engaging with investee companies, and playing an important role on the Task Force for Climate-Related Financial Disclosures (TCFD), on which Waygood sits.

“As investors, the TCFD has given us a very powerful mandate,” he says. “It has shifted the burden of proof to companies to explain why climate risk isn’t an issue.” And, for those that recognize climate exposures, the “new norm is that companies should be considering climate risk at the board level. It’s created a new concept of climate risk governance.”

The TCFD recommends that companies disclose how they are likely to perform against various climate scenarios – which Waygood says will provide additional insight, but which are unlikely to tell the whole story. “A good scenario, that has been properly considered by the board, that looks at the downside risk is evidence of good quality management.”

But he notes there is, as yet, no standardized way for each sector to produce scenarios, nor sector reference scenarios against which a company’s scenario reporting might be compared – although he suggests there may be a role for the TCFD to produce these benchmarks.

Waygood also acknowledges that climate disclosure poses challenges for financial services groups such as his, noting that it is still not yet clear what the most appropriate metrics are for investors to disclose against. “We haven’t got it cracked – I’m not happy with the state of the art,” he says, noting that simply disclosing the carbon footprinting of a portfolio “doesn’t cut it”, as emissions can rise and fall for reasons not linked to climate risk management.

“We need a reference scenario for fund management,” he suggests, that sketches out what a transition pathway to 2 degrees looks like, allowing investors to disclose how close their portfolio is to matching it.

Aviva will continue to encourage the companies in which it invests to use the TCFD guidance, but Waygood adds that more system-wide pressure needs to be brought to bear.

“It’s as important that we use our influence in the political process to encourage those in Brussels, Westminster or Washington to use the TCFD in important international processes such as the International Accounting Standards Board, and the International Organization of Securities Commissions (IOSCO),” he says.

“We need to encourage the system to use this guidance and make it more than voluntary,” he says, adding that he would also like to see the proxy voting firms and credit rating agencies explicitly referencing TCFD data, as well as the regulations that govern the financial sector – Basel III for banks and Solvency II for insurers – take climate risk into account.

“We have a role as investors, in terms of influencing the companies we own, as well as in terms of advocating how the financial system evolves,” he concludes.

<sup>1</sup> [https://www.eiuperspectives.economist.com/sites/default/files/The%20cost%20of%20inaction\\_0.pdf](https://www.eiuperspectives.economist.com/sites/default/files/The%20cost%20of%20inaction_0.pdf)

## Climate Change

### Australia & New Zealand towards the 2020 tipping point

## CDP's second stock-take of the corporate response to the Paris Agreement finds companies increasingly taking the steps needed to prepare for the low-carbon transition.

### Global insights

Last year, CDP selected a global sample of 1,839 companies to track the corporate response to the Paris Agreement. This sample is representative of the global economy, although it is weighted towards higher emitters and bigger companies. Each year to 2020, we will analyse the disclosures from this 'High Impact' sample, to assess the progress they are making towards the low-carbon transition. This year, 1,073 companies from the sample responded to the request for climate disclosure from CDP, representing 12% of total global greenhouse gas emissions, and 47% of global market capitalization.

Spurred by the Paris Agreement, more companies are setting emissions reduction targets, and these targets are increasingly long-term. Within the 'High Impact' sample, 89% of responding companies reported emissions reduction targets in 2017, up from 85% last year. More than two-thirds of those are setting targets to at least 2020 and a fifth are mapping out sustainability actions to 2030 and beyond, up from 55% and 14%, respectively, last year. Crucially, a growing number are adopting Science Based Targets (SBTs). A quarter of respondents have either committed to setting these targets through the SBT initiative (SBTi), have set an SBT confirmed by the SBTi, or have set a self-declared SBT. These targets provide frameworks within which companies can plan for the reductions needed to meet the goals of the Paris Agreement.

To deliver against their targets, companies are increasingly turning to clean energy, cutting emissions while increasing their energy security and reducing their exposure to fluctuating energy prices. 19% of respondents have set a renewable energy consumption target, while 7% have set a renewable energy production target.

Internal carbon pricing has emerged as an important mechanism to help companies manage risks and capitalize on emerging opportunities in the transition to a low-carbon economy. From 150 global companies in 2014, the number has steadily grown to over 1,300 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 plan to do so within the next two years<sup>1</sup>.

Without a doubt, climate change is now an issue at the very top of corporate decision-making: 97% of responding companies report that climate change is integrated into their business strategy. Almost

all respondents (98%) report that responsibility for climate change rests with the board, a board-level individual, or a committee appointed by the board

### Australia & New Zealand Insights

This year, more than 250 companies based or listed in Australia and New Zealand were requested to respond to CDP's climate change questionnaire on behalf of investors representing more than US\$100 trillion in assets. In response to this, 95 companies in the region disclosed environmental data through the climate change program - of which 81 were from Australia, and the remaining 14 from New Zealand. 87 of these companies, or 92%, have been responding to the program for multiple years, and eight disclosed environmental data for the first time in 2017.

Every year, to recognize companies around the world who have been identified as leading in their efforts and actions to combat environmental risk, CDP releases the global A List. In 2017, the Climate A List is released alongside the Water A List and Forests A List. This is the first year that company scores across all three areas are released simultaneously, reflecting a holistic approach to corporate sustainability. For the climate change program, only 114<sup>1</sup> companies of nearly 2,500 who responded globally made it to the A list this year.

As illustrated in Figure 1, only one company in the region received a score of A for the climate change program in 2017. This company is the diversified property group, **Stockland**. Examples of Stockland's leadership initiatives include an absolute reduction target to reduce the market-based Scope 1 and 2 emissions of their Sydney CBD office assets by 70% by 2030, using 2006 as a base year. Stockland also engages directly with suppliers and other members in the value chain to review their environmental management in order to ensure that environmental standards and requirements are met.

Moreover, Stockland carries out annual risk workshops with leaders across the business, to identify emerging risks, including climate risks. Some of the key climate-related risks identified by the property group are related to the changing climate, and extreme weather events that may impact their assets. Stockland has also identified several climate related opportunities from these risks. For example, with more extreme weather and higher mean temperatures in Australia, market demand for climate resilience and efficient building design is increasing.

# 98%

**of companies in Australia and New Zealand report board or senior management oversight for climate change.**

The company reported over US\$2.5 million saved in energy bills in 2016 as a result of energy efficiency improvements across their commercial property portfolio. Ensuring climate resilience safeguards Stockland's brand value and also has a positive reputational benefit for the company.

Through environmental disclosure, more companies are able to identify climate risks and opportunities, and more importantly, companies are enabled to take action, implement appropriate governance, and capitalize on these identified risks and opportunities.

In 2017, 56 responding companies in the region, or 64%<sup>2</sup>, reported having set emissions reduction targets. Of these 56 companies, 32 have both absolute and intensity targets, two have absolute targets, and the remaining 22 reported intensity targets. Although the proportion of companies in the region with emissions targets is relatively low compared to the global 'High Impact' sample, it is encouraging that 36 of the 56 companies have either done so using the SBTi methodology, committed to doing so through the SBTi, or have ambitions to do so within the next two years.

This year, **Auckland International Airport**, who has been disclosing climate change information through CDP's questionnaire for the past 11 years, became the first company in the region to have an SBT officially validated by the SBTi, to reduce Scope 1 and 2 emissions by 45% by 2025 from a baseline year of 2012.

Also in 2017, Auckland-based **Kiwi Property Group**, who has been disclosing for the past 12 years, committed to setting an SBT. Kiwi Property Group has a 55% absolute emissions reduction target by 2050, with 2012 being the base year. To meet its commitment to set a SBT, Kiwi Property Group will have to submit these targets for validation to the SBTi within two years, to have them officially approved.

With their commitment, Kiwi Property Group join other companies in the region, such as **Infigen Energy, Investa, Westpac Banking Corporation, and Origin Energy** who have committed to setting an SBT through the SBTi.

The number of companies in the region with renewable consumption targets also grew from two companies in 2016, to nine this year. Moreover, four companies reported having set renewable production targets, compared to none in 2016.

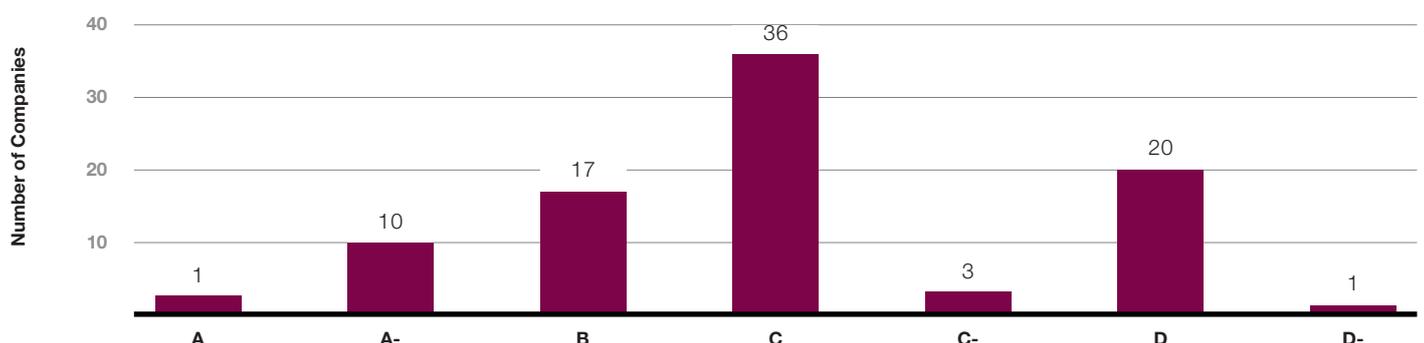
While carbon pricing has not yet been widely adopted in the region, its popularity is increasing. 27% of responding companies in the region reported having a price on carbon, a 2% increase since 2016. In addition, 23% of companies who currently do not have an internal price of carbon, reported plans to implement this within the next two years<sup>3</sup>. **Investa Office Fund** embeds a cost of carbon into their projects by modelling scenarios which considers both the potential risks and opportunities as they relate to emissions. Importantly, Scope 1, 2 and 3 emissions are all considered in these scenarios.

Another example is **AMP**, which applies a carbon levy to all business air travel and then uses the accumulated funds to purchase offsets or allocate it to specific environmental initiatives. From an investment management perspective, AMP will typically consider a range of carbon regulations and CO<sub>2</sub> pricing scenarios when conducting research on potential climate change risks of companies in which they may invest. This involves assessments of different CO<sub>2</sub> prices and associated impacts on companies' business models and strategies.

As reflected by the global CDP data, corporate environmental reporting has become a global business norm, and climate change is now a mainstream boardroom topic. With 98% of responders reporting board or other senior management oversight for climate change, the Australia and New Zealand region is no exception.

1. CDP A List as of 13 November 2017  
 2. This percentage is calculated based on an analysis of the 88 companies that submitted responses by July 8th 2017.  
 3. <https://tinyurl.com/ybwb2fv9>  
 4. Please refer to Appendix II on page 21 and Appendix IV on page 26 to see which companies have not responded to certain programs and which companies have not responded at all. Non-response are indicated by F scores.

**Figure 1: Regional Climate Change Score Distribution**



### Looking Ahead

This global and regional progress notwithstanding, a large number of companies still ignore the request from their investors for financially material climate data. Just over 40% of companies in the 'High Impact' sample failed to disclose, including **Amazon**, **Facebook** and the **Alibaba Group Holding Ltd**. CDP will continue to track non-disclosing companies<sup>4</sup>, and work to persuade them of the merits of transparency regarding their response to climate change.

Similarly, while the number of companies with SBTs is growing, three-quarters of responding companies in the global 'High Impact' sample have yet to commit to emissions reduction goals that are equal to the climate threat we face. Setting long-term targets can help ensure that corporate strategy is aligned with decarbonisation, and can drive the innovation needed to transform the global economy away from fossil fuels.

While the quality of disclosure by companies that respond to CDP's climate change questionnaire has improved, there is much potential for companies to expand their scope of disclosure to include the water and forests questionnaires. Sound management of water security and deforestation risks is crucial to mitigating climate change, and responding to these questionnaires will help companies more holistically access their environmental impact management.

#### Australian & New Zealand companies who received a score in the leadership band for the climate change program in 2017:

- ▼ Stockland (A)
- ▼ Amcor (A-)
- ▼ AMP (A-)
- ▼ Dexus Property Group (A-)
- ▼ Investa Office Fund (A-)
- ▼ Kiwi Property Group (A-)
- ▼ National Australia Bank (A-)
- ▼ Telstra Corporation (A-)
- ▼ Vicinity Centres (A-)
- ▼ Westfield Corporation (A-)
- ▼ Westpac Banking Corporation (A-)



## Water

# Taking meaningful action on water-related risks & opportunities

There has never been a better time for companies to start the journey towards improved water management. Below are 5 steps a company can take to mitigate potential water risks, build resilience, and become a better water steward:

- ▶ Disclose water-related information via CDP's annual questionnaire;
- ▶ Measure and monitor water withdrawals, discharge and consumption;
- ▶ Conduct a robust, company-wide water risk assessment covering direct operations and the supply chain;
- ▶ Set ambitious targets and goals that account for the local water context;
- ▶ Secure board-level engagement on water issues.

## Australian companies are reaching a tipping point on water stewardship. Water security underpins the success of businesses, economies, and climate change mitigation, and the case for ambitious corporate action has never been clearer.

This past September was the driest on record for the Murray-Darling basin in Australia, exacerbating water availability in Eastern Australia<sup>1</sup>. Overall, this summer in Australia has been dubbed the 'angry summer' by climate scientists: between heatwaves in New South Wales and Queensland and extreme rainfall records in Perth and Kimberley, 205 weather records were broken in a 90 day period<sup>2</sup>. Climate change projections portend higher temperatures, rising sea levels and more extreme weather events in the region. In Australia, the extreme climate patterns leave businesses struggling to predict how water issues will affect them in the short and long term<sup>3</sup>. Better water management is equally critical for New Zealand, where 80% of water is used for irrigation purposes despite agriculture representing only 4% of its gross domestic product<sup>4</sup>.

To take meaningful action on water, we need measurement and transparency. 23 companies responded to CDP's water program in the region this year, up 15% from 2016. CDP's water questionnaire provides a framework for companies to identify and manage water risk, capitalize on opportunities, and implement appropriate governance.

Companies in Australia and New Zealand are facing considerable water risks, with 11 risks reported in the region in 2017. However, numerous companies are making the necessary investments to mitigate potential constraints to future growth. **Alcoa** invested US\$115 million in technology and infrastructure improvements, including reducing the water needed for bauxite production, minimising bauxite residue and reducing freshwater use at the Kwinana refinery by 317 million gallons per year. When **Boral's** Stoneyfell Quarry in South Australia was subject to extreme rainfall in September 2016, the company responded by maximising their water reuse rates whilst minimising environmental impacts.

In 2017, almost two-thirds (64%) of companies in the region reporting to CDP on water identified opportunities for their business. For example, **Origin Energy** identified an opportunity to improve community relations by implementing a large-scale agricultural irrigation system in collaboration with local landholders at the Curtis Island river basin. The scheme treats coal seam gas water at the Australia Pacific LNG project using reverse osmosis. In 2016, the irrigation system enabled more than half the produced coal steam gas water to be treated and reused. Similarly, **Amcor** saw a cost-saving

opportunity in water, and set a target to reduce their water intensity by 30%. This year, the company exceeded this target, reporting an overall reduction in water intensity by 39%.

Sustainable management of water resources can also complement company action on other environmental issues. In 2017, 74% of responding companies in the region recognised a linkage between water and other environmental issues. For example, **Oil Search's** climate change policy aims to ensure that operations, investments and communities are resilient to the physical impacts of climate change, including maintaining access to clean water during periods of extreme weather such as storm events and drought.

Australian companies are reaching a tipping point on water stewardship, with three companies receiving a score of A- in 2017: **BHP Billiton, Fortescue Metals Group, and PanAust**.

**Fortescue Metals Group** demonstrates leadership by investing US\$15 million annually to mitigate the risk of seasonal flooding in the Fortescue river basin that may force operation closure. Additionally, Fortescue Metals Group projects future expenditure of US\$40 million across operations to mitigate the risk of water scarcity and environmental impact stemming from inadequate management of water sources and increased water demand. This includes capital expenditure increases for Fortescue's Managed Aquifer Recharge scheme, allowing for efficient and resilient groundwater supply, even without sufficient quantities of water present in the natural aquifers, as well as investments in new technologies. Investments like these are a critical component in creating a sustainable water supply system with minimal environmental impact and are likely to be cost positive in the future.

1. <http://www.bom.gov.au/climate/drought/>

2. <http://www.abc.net.au/news/2017-03-08/summer-heat-part-of-ongoing-extreme-weather-climate-council-says/8332740>

3. <http://origins.osu.edu/article/dry-days-down-under-australia-and-world-water-crisis/page/0/1#update>

4. [https://nzier.org.nz/static/media/filer\\_public/d2/ce/d2cef6fa-3b58-4f11-bb0b-7b2a684ac181/nzier\\_public\\_discussion\\_paper\\_2014-01\\_-\\_water\\_management\\_in\\_nz.pdf](https://nzier.org.nz/static/media/filer_public/d2/ce/d2cef6fa-3b58-4f11-bb0b-7b2a684ac181/nzier_public_discussion_paper_2014-01_-_water_management_in_nz.pdf)

# Forests

## Unlocking opportunities by stopping deforestation

For companies looking to start efforts to halt deforestation:

- ▼ Make a public commitment to remove commodity driven deforestation from global supply chains.
- ▼ Identify your exposure to deforestation risk through a robust risk assessment.
- ▼ Effectively implement your commitment through a series of specific, interim targets.
- ▼ Continue this implementation through certification, traceability and supply chain engagement.
- ▼ Strive for leadership and unlock the multitude of opportunities which accompanies removing commodity-driven deforestation.

### Halting deforestation is inextricably linked to realizing business opportunities, staying ahead of the regulatory curve, and mitigating financial risk.

Although it is one of the most developed countries in the world, Australia is ranked among 11 deforestation hotspots globally, and is the only advanced economy to fall within this list. Eastern Australia joins other critical deforestation zones such as the Amazon, the Atlantic Forest, Borneo and the Cerrado, which together, could account for as much as 80% of global forest loss by 2030<sup>1</sup>. A recent spike in deforestation in Queensland has resulted in nearly one million hectares of forest being felled in just one year<sup>2</sup>.

Australia is a consumer of all four forest-risk commodities that are the primary drivers of deforestation: palm oil, soy, timber and cattle products. To promote transparency within the timber supply chain, the Australian government issued the Australia Illegal Logging Prohibition Act in 2012, which supports the trade of legal timber into the Australian market. Although this is amongst other positive regulatory changes in timber trade including the EU's Timber Regulation and the United States' Lacey Act, there is still a long way to go.

The impending pressure for transparency has resulted in an urgent need for companies who produce and source timber amongst other forest risk commodities to protect their supply chains from financial, regulatory and reputational risk by ensuring its sustainable procurement. In 2016, US\$906 billion of annual turnover was at risk among publicly listed companies reporting through CDP with forest-risk commodities in their supply chain. Given the sum at stake, future growth is in jeopardy if companies do not establish a clear, long term plan for the secure and sustainable sourcing of forest-risk commodities.

Mitigating deforestation does not only make sound business sense – it is vital for the transition to a low-carbon economy. There has been a significant increase in political momentum since the signing of the Paris Agreement; and as stopping tropical deforestation can provide a staggering 30% of the required mitigation of greenhouse gas emissions to keep global average temperature well below 2°C above pre-industrial levels, urgent action is needed<sup>2</sup>.

Companies are seeing increasing encouragement from governments to protect their natural forest assets to achieve a sustainable economy. For example, more than 60 governments have signed the New York Declaration on Forests committing to support the private sector in removing deforestation from their supply chains by 2020.

Companies in Australia have unlocked business opportunities from stopping deforestation. For

example, **Boral Ltd.** has noted increased brand value when using sustainably certified timber. CDP's 2017 Forests leader, **Brambles**, has experienced new market opportunities through customer demand for sustainable products: between 2015 and 2016, customers using its carbon neutral products offset 8,114 tonnes of CO<sub>2</sub>, representing an increase of 30%. The Australian supply chain logistics company was the only company in the region, and one of only six companies globally who received a score of A for the forests program in 2017.

Other examples of Brambles leadership actions include monitoring all timber suppliers' sustainability credentials through on-going reporting and analysis. This helps to minimise the environmental footprint, ensures that standards are being followed, and it improves Brambles' competitiveness by creating a reliable supply of high quality raw materials. To reduce demand on timber resources, Brambles also recovers and repairs their pallets. In FY16, they reported 4,610 tonnes of reclaimed and reused timber.

Supplier disclosure also provides the building blocks for organisations to manage and reduce their exposure to deforestation risk at scale. Through CDP's supply chain program, companies have the opportunity to gather supply information in a standardised and comparable format on the risks of producing or sourcing timber production, palm oil, soy, and cattle products.

CDP, building on its critical climate change work, works with Australian companies participating in the Forests program. In 2017, 14 companies, whose business activities are dependent on forests risk commodities were asked to report on their efforts to better assess, measure and mitigate risks and capitalise on opportunities. Only six responded.

We are excited to work further with companies and investors to take action on tackling this urgent and important issue.

1. <https://www.theguardian.com/environment/2015/apr/27/east-australia-one-of-11-areas-account-for-80-of-world-forest-loss-by-2030>

2. <https://www.euractiv.com/section/climate-environment/news/figueres-calls-for-eu-action-plan-on-imported-deforestation/>

## 2017 Key Trends

**The statistics presented in this key trends table may differ from those in other CDP reports for two reasons: (1) the data in this table is based on all responses received by 1 September 2017; (2) it is based on binary data (e.g. Yes/No or other drop down menu selection) reported to CDP and does not incorporate any validation of the follow up information provided or reflect the scoring methodology. The latter, in particular, is likely to lead to an over-reporting of data in this key trends table.**

Statistic	Hong Kong & SE Asia	Australia ASX 200	Benelux	Brazil	Canada	Central Eastern Europe	China	DACH (DE, AU, CH)	Emerging Markets
Number of companies in the sample	170	199	150	120	200	100	100	350	800
Number of companies answering CDP 2017 <sup>1</sup>	69	75	62	52	99	17	12	151	282
% sample answering CDP 2017 <sup>1</sup>	41	38	41	43	50	17	12	43	35
% of sample market capitalization answering CDP 2017 <sup>6</sup>	57	82	86	71	73	26	28	85	44
% of responders reporting Board or other senior management responsibility for climate change	98	100	98	98	93	50	92	96	98
% of responders with incentives for the management of climate change issues	78	77	80	74	77	38	58	76	85
% of responders reporting climate change as being integrated into their business strategy	98	89	93	92	91	88	100	87	98
% of responders reporting engagement with policymakers on climate issues to encourage mitigation or adaptation	95	91	82	96	90	63	83	85	96
% of responders with emissions reduction targets <sup>2</sup>	80	65	82	76	63	50	50	79	84
% of responders reporting absolute emissions reduction <sup>2</sup>	56	39	50	50	35	38	25	47	48
% of responders reporting intensity emissions reduction <sup>2</sup>	45	36	50	44	38	38	25	52	57
% of responders reporting active emissions reduction initiatives in the reporting year	97	93	91	88	88	63	83	92	96
% of responders indicating that their products and services directly enable third parties to avoid GHG emissions	64	65	79	72	59	50	75	65	75
% of responders whose absolute emissions (Scope 1 and 2) have decreased compared to last year due to emissions reduction	47	61	66	44	57	38	17	66	62
% of responders seeing regulatory risks	86	88	82	90	85	88	75	77	94
% of responders seeing regulatory opportunities	84	85	79	90	77	63	83	81	91
% of responders seeing physical risks	88	87	79	90	79	75	50	74	92
% of responders seeing physical opportunities	70	77	61	78	58	63	33	67	81
% of responders independently verifying any portion of Scope 1 emissions data <sup>3</sup>	58	59	57	66	46	38	17	57	73
% of responders independently verifying any portion of Scope 2 emissions data <sup>3</sup>	58	60	50	68	35	25	17	51	72
% of responders independently verifying least 70% of Scope 1 emissions data <sup>3</sup>	48	51	48	64	36	25	17	54	67
% of responders independently verifying least 70% of Scope 2 emissions data <sup>3</sup>	50	51	46	60	30	25	17	49	62
% of responders reporting Scope 2 location-based emissions data	88	99	84	90	93	100	50	85	93
% of responders reporting Scope 2 market-based emissions data	20	36	64	44	34	50	17	64	35
% of responders reporting emissions data for 2 or more named Scope 3 categories <sup>4</sup>	42	68	64	86	51	38	33	68	73
% of responders using CDSB framework to report climate change data in mainstream financial report	9	19	18	18	9	0	17	13	19

- 1 This statistic includes those companies that respond by referencing a parent or holding company's response. However the remaining statistics presented do not include these responses.
- 2 Companies may report multiple targets. However, in these statistics a company will only be counted once.
- 3 This takes into account companies reporting that verification is complete or underway, but does not include any evaluation of the verification statement provided.
- 4 Only companies reporting Scope 3 emissions using the Greenhouse Gas Protocol Scope 3 Standard named categories have been included below. Whilst in some cases "Other upstream" or "Other downstream" are legitimate selections, in most circumstances the data contained in these categories should be allocated to one of the named categories. In addition, only those categories for which emissions figures have been provided have been included.
- 5 Includes responses across all samples as well as responses submitted by companies not included in specific geographic or industry samples in 2017.
- 6 This refers to the total market capitalization of that sample group of companies, as of Q2 2017. Market cap data sourced from Bloomberg.

Euro 300	France	Iberia (ES, PT)	India	Ireland	Italy	Japan	Korea	Latin America	New Zealand NZX 50	Nordic	Portugal	Russia	South Africa	Spain	Turkey	United Kingdom	US S&P 500	Overall Figure <sup>5</sup>
300	250	125	200	30	100	500	200	80	50	260	40	40	100	85	100	304	500	N/A
258	100	58	46	11	44	281	52	27	14	151	8	12	74	50	41	202	338	2235
86	40	46	23	37	44	56	26	34	28	58	20	30	74	59	41	66	68	N/A
91	82	93	39	75	70	77	63	48	82	79	73	38	83	94	54	90	78	51
100	97	100	100	100	98	97	96	100	93	97	100	92	99	100	95	99	94	97
92	84	91	83	73	86	88	96	76	71	70	86	75	87	92	82	85	85	81
97	98	95	98	100	98	96	96	92	93	91	100	83	99	94	89	93	93	93
94	88	95	95	100	93	94	94	92	86	82	100	75	96	94	84	87	88	89
96	88	93	85	73	86	96	94	64	79	80	100	58	82	92	76	81	82	81
58	44	73	22	36	74	62	69	32	64	38	71	25	44	73	34	41	51	48
71	67	59	76	36	60	72	52	40	29	63	71	42	50	57	63	59	45	55
98	98	96	100	100	100	97	94	100	86	89	100	83	96	96	82	95	96	93
79	81	77	68	64	81	80	75	64	36	71	71	67	57	78	61	57	61	67
82	72	82	49	73	86	78	77	52	71	64	86	33	78	82	66	72	74	87
93	87	96	95	91	95	95	96	92	93	89	100	67	99	96	89	95	85	89
96	89	93	95	91	95	93	96	80	86	87	100	42	94	92	82	92	84	87
93	88	88	93	100	86	91	88	96	93	83	100	75	97	86	87	90	84	85
85	71	82	85	91	76	87	87	60	79	77	86	42	90	82	74	79	68	74
89	92	80	71	82	81	57	83	64	43	60	100	8	85	78	61	71	61	64
87	91	77	71	82	76	57	83	64	36	55	100	8	84	73	58	70	58	61
86	82	80	68	73	76	48	75	56	36	57	100	8	79	78	61	67	57	57
84	76	71	61	82	76	44	63	40	21	51	100	8	75	67	58	65	55	53
94	97	84	95	91	95	70	92	92	79	88	100	67	100	82	82	98	96	89
72	44	61	27	64	64	64	31	44	29	66	100	8	62	55	42	55	61	51
88	83	82	71	73	71	82	81	80	64	69	100	8	91	80	68	70	68	69
25	21	23	24	0	5	10	35	24	14	17	29	0	32	22	5	27	6	15

# Reimagining Disclosure

Tony Rooke, Director of Technical Reporting



**Our 2017-2020 Tipping Point strategy<sup>1</sup> is to build on the momentum of the Paris Agreement and fulfil our mission to mainstream environmental stewardship and action into the economic system. We have been the catalyst for global disclosure over the past 15 years. We want to continue to drive the future of meaningful disclosure to help companies and investors better understand environmental risk and opportunities. This will accelerate the transition to a more sustainable economy and future.**

We set up our Reimagining Disclosure initiative to work in consultation with you and our other key stakeholders to evolve our corporate questionnaires. Our goals of this initiative are to:

- ▼ Provide investors and stakeholders with increased relevant information now and into the future; and
- ▼ Optimise the reporting burden for companies.

To deliver this, we have focussed development of our questionnaires on the high impact areas through the following three pillars.

**1. Introduction of sector-specific questionnaires.** We have listened to the feedback from both companies and investors that we need to focus on sector-specific disclosures.

**2. Integration of the recommendations of the Task-Force on Climate-Related Financial Disclosures (TCFD).** These recommendations align closely with existing CDP disclosures and will be incorporated principally into our climate change questionnaire, with water- and forest-specific TCFD recommendations also included in these respective questionnaires.

**3. Continued evolution into more forward-looking metrics and reporting harmonisation.** We are building upon forward-looking metrics in carbon pricing and science based targets to include reporting on scenario analyses, carbon price corridors, and transition pathway planning as key indicators of where companies are and the progress they are making.

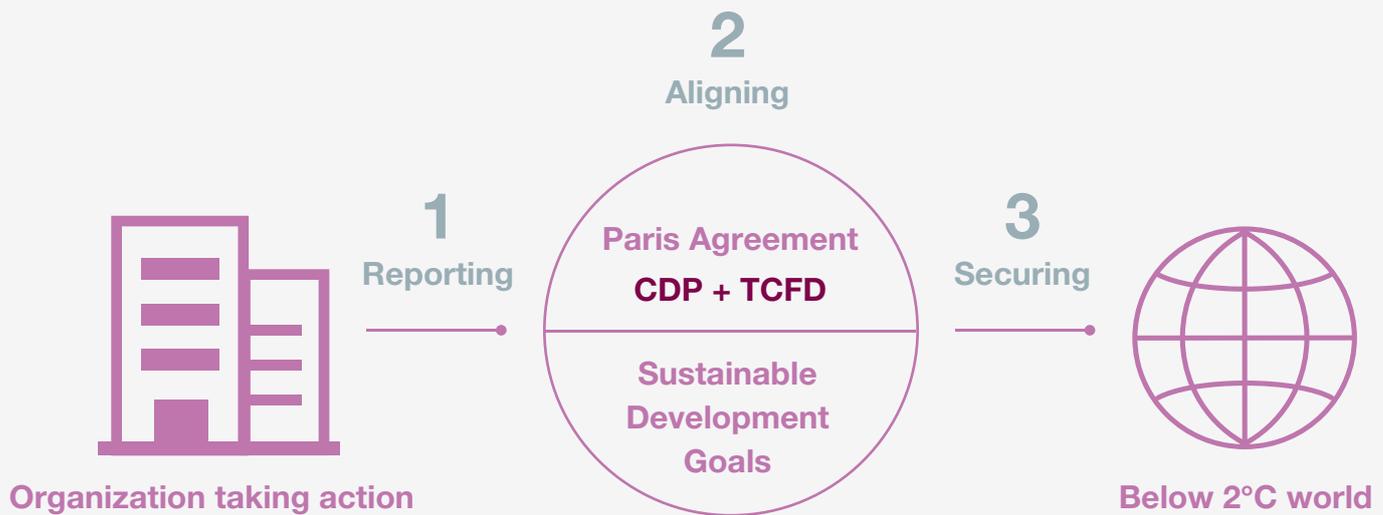
## What's new for 2018?

We are launching 18 new sector-specific questionnaires across our three themes in 2018, with all other sectors answering the "general" questionnaire for the relevant theme(s):

Cluster	Climate change	Forests	Water
<b>General</b>	All other companies without sector specific questionnaires	All other companies without sector specific questionnaires	All other companies without sector specific questionnaires
<b>Energy</b>	Oil & gas Coal Electric utilities		Oil & gas Electric utilities
<b>Transport</b>	Vehicle manufacturers Service providers		
<b>Materials</b>	Cement Steel Metals & mining Chemicals		Metals & mining Chemicals
<b>Agriculture</b>	Food, beverage & tobacco Agricultural commodities Paper & forestry	Paper & forestry	Food, beverage & tobacco

<sup>1</sup> <https://b8f65cb373b1b7b15feb-c70d8ead6ced550b4d987d7c03fcd1d.ssl.cf3.rackcdn.com/cms/reports/documents/000/002/292/original/CDP-Strategic-Plan.pdf?1501603727>

## How it all fits together:



For climate change, in addition to the inclusion of sector-specific metrics, the majority of changes introduced align both structure and flow with the recommendations of the TCFD. This means an increased focus on financial impacts, and the inclusion of scenario analysis and transition planning. This is designed to help companies in preparing to include TCFD recommended disclosures in their mainstream reporting and accounts, and to provide a place for companies to reference from their reports in providing more detail.

For water, the structure and flow has been retained to maintain alignment with the CEO water mandate. Some questions have had wording and options

changed following consultation (e.g. move from supply chain to value chain), and to align with TCFD recommendations.

For forests, the main changes have been to include disclosures from our 2016-17 supply chain pilot, consolidation of questions, and better alignment with climate change and water questionnaires. We have also introduced differentiation between sustainable forestry management for paper & forestry companies, land use change, and differentiation between afforestation, reforestation and restoration projects.

### Outreach this year

We have reached over 2000 companies and other stakeholders on our reimagining plans this year through webinars, conferences, meetings, industry groups, and two consultations this year:

1. Over 170 organisations responded to our first consultation on sector-specific disclosures and evolution;
2. We published 6 months earlier than usual our draft sector-specific questionnaires for feedback from organisations in our second consultation.

The feedback was processed to look for common responses, agreement/disagreement between stakeholders, and then assessed to see if the feedback would help add to achieving our goals for reimagining disclosure. The final questionnaires will be published in December as a result of this feedback and our own development work.

The consultation is now closed but the results, supporting documents and draft sector-specific questionnaires can still be viewed at <https://www.cdp.net/en/companies/consultation>

## Climetrics launched: CDP's award-winning new finance tool now available to all fund investors

More than 2,800 equity funds covered, representing about €2 trillion in fund investments.

Climetrics is a missing link between individual investment choices and the global problem of climate change, and will move the needle in incentivising both investors and companies to contribute to the low-carbon transition.

Paul Dickinson,  
CDP

## CDP and ISS-Ethix Climate Solutions launched the world's first climate rating for equity funds in July 2017 – top rating results available online.

The screenshot shows the Climetrics website interface. At the top, there is a navigation bar with 'Fund Search', 'Methodology', 'Press', and 'About us' links, along with the CDP logo. Below this is a search bar with the placeholder text 'Enter fund name' and a 'Search' button. Underneath the search bar, there are filters for '4 leaf' and '5 leaf' ratings, and a 'Reset Filter' button. A 'Sort by:' dropdown menu is also visible. The main content area displays a list of equity funds, each with a green leaf rating icon, the fund name, and its ISIN number. A link for 'Further fund information on yourSRI.com' is provided for each fund.

Rating	Fund Name	ISIN	Further fund information on yourSRI.com
4 leaf	Amundi Fds CPR Global Lifestyles - AU (C)	LU0568611650	<a href="#">Further fund information on yourSRI.com</a>
5 leaf	Aviva Investors European Equity SC A Acc	GB0032494246	<a href="#">Further fund information on yourSRI.com</a>
5 leaf	Aviva Investors European Equity Income A	LU0274935054	<a href="#">Further fund information on yourSRI.com</a>
5 leaf	db x-trackers EurStoxxSctDiv 30 UCITSETF (DR) 1D	LU0292095535	<a href="#">Further fund information on yourSRI.com</a>

Adding a new level of transparency to the fund industry, Climetrics aims to turn the equity fund market – worth more than €3 trillion in Europe – into a significant lever for mitigating climate change and transitioning to a low carbon economy. Climetrics is the world's first independent and publicly available tool that rates equity funds for their climate impact.

Symbolized by green leaves issued on a scale of 1 to 5, the rating enables investors to easily assess and compare the climate impact of their fund investments, encouraging the growth in climate-responsible fund products.

While Climetrics has a unique and exclusive focus on the climate impact of funds, the rating goes far beyond a standard carbon footprint, also scoring funds on forward-looking indicators. The combination of these indicators into a robust and transparent methodology (3 layers of analysis: asset manager, fund and holdings) is unique in the market.

Top-rated funds can be found for free on [www.climetrics-rating.org](http://www.climetrics-rating.org), with a detailed breakdown of a fund's rating available on a paid factsheet. Commercial use of the rating by funds is licensed, allowing asset managers and banks to promote the sale of funds which outrank peers on climate-related impact.

At present, Climetrics covers approximately 2,800 equity funds and ETFs, representing about €2 trillion in fund investments and more than 55% of the total assets invested in equity funds for sale in Europe.

To-date no other rating system allows investors to compare climate-related impacts of thousands of funds on a publicly available platform.

For more information please contact:  
[climetrics@cdp.net](mailto:climetrics@cdp.net) or

Nico Fettes  
Project Lead Fund Ratings  
[nico.fettes@cdp.net](mailto:nico.fettes@cdp.net)  
T +49 30 629 033 121

**Climetrics**  
The Climate Impact Rating

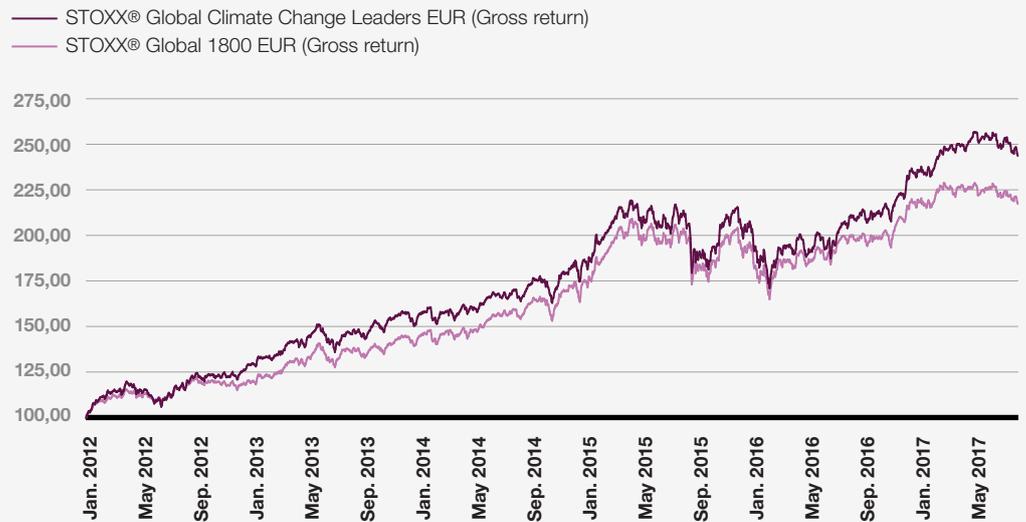


## Investing in CDP's Climate Change Leaders made easy: CDP and STOXX® continue collaboration on Low Carbon Index Family

**26%**  
**outperformance**  
**over past five years\***

**STOXX® Low Carbon Index family now expanded based on CDP's forward-looking scoring methodology.**

From 19/12/2011 to 11/8/2017, The STOXX® Global Climate Change Leaders index outperforms the STOXX® Global 1800 index by 26%



Data from Dec. 19, 2011 to Aug. 11, 2017



**The Climate A List comprises a strong set of companies who lead on climate change mitigation today and in the future. It is exciting to see the rising investor interest in the STOXX® Global Climate Change Leaders Index.**

**Willem John Keogh,**  
 Senior Product Development  
 Manager, Director, STOXX® Ltd.



Building on last year's successful collaboration with STOXX® and South Pole Group (now ISS Ethix Climate Solutions), this year CDP has again provided data and expertise for the continuation and expansion of the STOXX® Low Carbon index family.

As the first index to track CDP's Climate A List available to all market participants, the STOXX® Global Climate Change Leaders Index has made investing in CDP's Climate A List easier than ever before.

Being based on the CDP A List, this unique index includes carbon leaders who are publicly committed to reducing their carbon footprint<sup>1</sup>, offering investors a fully transparent and tailored solution to address long-term climate risks, while participating in the sustainable growth of a low-carbon economy.

The index has outperformed a global benchmark by 26% over 5 years.

### **New generation of low carbon indices based on CDP data**

This year, STOXX® has expanded its Low Carbon Index family by introducing the STOXX® Climate Impact and STOXX® Climate Awareness Indices. The new indices now include the first three levels of the CDP climate change scoring methodology: Leadership, Management and Awareness.

Investors are showing great interest: STOXX® has recently licensed one of its Global Climate Impact indices to the Varma Mutual Pension Insurance Company, the largest private investor in Finland.

CDP is looking forward to contributing to innovative solutions that can add real value for investors in the future.

For more information please contact:  
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 Director Investor Engagement CDP Europe  
[laurent.babikian@cdp.net](mailto:laurent.babikian@cdp.net)  
 T +33 658 66 60 13

**STOXX**

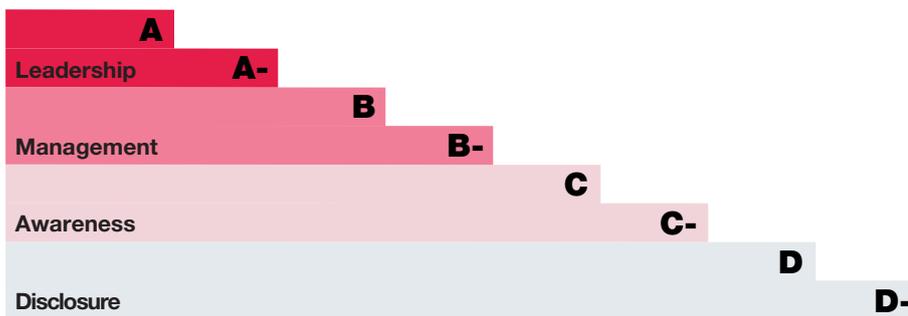
<sup>1</sup> The index is price weighted with a weight factor based on the free-float market cap multiplied by the corresponding Z-score carbon intensity factor of each constituent. Components with lower carbon intensities are overweighted, while those with higher carbon emission are underweighted.

\* Compared to the STOXX Global 1800 Index in the period from 11/12/2011 to 11/08/2017.

# Scoring: a measure of a company's environmental performance

Scoring at CDP is mission-driven, focusing on CDP's principles and values for a sustainable economy and as such scores are a tool to communicate the progress companies have made in addressing environmental issues, and highlighting where risks may be unmanaged. CDP has developed an intuitive approach to presenting scores that highlight a company's progress towards leadership using a 4 step approach: **Disclosure** which measures the completeness of the company's

response; **Awareness** which intends to measure the extent to which the company has assessed environmental issues, risks and impacts in relation to its business; **Management** which is a measure of the extent to which the company has implemented actions, policies and strategies to address environmental issues; and **Leadership** which looks for particular steps a company has taken which represent best practice in the field of environmental management.



<b>Leadership</b>	80-100%	A
	0-79%	A-
<b>Management</b>	45-79%	B
	0-44%	B-
<b>Awareness</b>	45-79%	C
	0-44%	C-
<b>Disclosure</b>	45-79%	D
	0-44%	D-

F = Failure to provide sufficient information to CDP to be evaluated for this purpose<sup>1</sup>

<sup>1</sup> Not all companies requested to respond to CDP do so. Companies who are requested to disclose their data and fail to do so, or fail to provide sufficient information to CDP to be evaluated will receive an F. An F does not indicate a failure in environmental stewardship.

<sup>2</sup> CDP's methodology aims to incentivize continuous improvements as reflected by the state of the market and the improvement of scientific knowledge around the environmental issues it evaluates. The methodology thus evolves over time and the weight of some questions might change or some previously unscored questions might start being scored. As part of these improvements for 2017 scoring, CDP has modified the thresholds from last year.

The scoring methodology clearly outlines how many points are allocated for each question and at the end of scoring, the number of points a company has been awarded per level is divided by the maximum number that could have been awarded. The fraction is then converted to a percentage by multiplying by 100. A minimum score of 80%<sup>2</sup>, and/or the presence of a minimum number of indicators on one level will be required in order to be assessed on the next level. If the minimum score threshold is not achieved, the company will not be scored on the next level.

The final letter grade is awarded based on the score obtained in the highest achieved level. For example, Company XYZ achieved 88% in Disclosure level, 82% in Awareness and 65% in Management will receive a B. If a company obtains less than 44% in its highest achieved level (with the exception of Leadership), its letter score will have a minus. For example, Company 123 achieved 81% in Disclosure level and 42% in Awareness level resulting in a C-. However, a company must achieve over 80% in Leadership to be eligible for an A and thus be part of the A List. Furthermore, in order for a company to be eligible for inclusion in the A List it must not have reported any significant exclusions in emissions and have at least 70% of its scope 1 and scope 2 emissions verified by a third party verifier using one of the accepted verification standards as outlined in the scoring methodology.

Public scores are available in CDP reports, through Bloomberg terminals, Google Finance and Deutsche Boerse's website. CDP operates a strict conflict of interest policy with regards to scoring and this can be viewed at <https://www.cdp.net/scoring-conflict-of-interest>

## Future of Scoring

As part of its 'Reimagining Disclosure' initiative, CDP developed a series of sector-specific questionnaires integrating the recommendations by the Financial Stability Board's Task Force on Climate-related Financial Disclosure (TCFD) and stakeholder feedback collected via two rounds of consultations. Each sector questionnaire will have a corresponding sector-specific scoring methodology which will be released in the first quarter of 2018.

# CDP 2017 Awards

## Australia & New Zealand

1. CDP A List as of 13 November 2017

The winners of these awards have been selected from the companies based or listed in Australia and New Zealand who responded to one or more of CDP's questionnaires by the scoring deadline, as requested by CDP's investor signatories.

### CDP A List companies in Australia and New Zealand

Stockland (Climate change)

Brambles (Forests)

The CDP A List comprises companies from around the world that have been identified as leading in their efforts and actions to combat environmental risk in the past CDP reporting year. This year, CDP's A List consists of 160 companies. Of these companies, 114 are on the A-List for climate change, 74 for water, and 6 for forests<sup>1</sup>.

From the Australia and New Zealand region, Stockland and Brambles made the 2017 A List. Stockland has received a score of A for climate change for the second consecutive year, and Brambles is on the A List for the first time, having received an A score for forests.

CDP's 2017 A List can be viewed at <https://www.cdp.net/en/scores-2017>.

### Best performance across programs

Amcor

This award recognises the company that has responded to CDP's climate change, water and forests questionnaires in 2017 and achieved the best scores across the three programs. The winner, Amcor, has received an A- for climate change, B for water, and B for forests (timber).

### Most improved performance (Climate change)

Westfield Corporation

This award recognises the company with the biggest year-on-year improvement in performance for the climate change program. The winner, Westfield Corporation, has received a score of A- in 2017, improving on a score of C in 2016.

### Most improved performance (Water)

Origin Energy

This award recognises the company with the biggest year-on-year improvement in performance for the water program. The winner, Origin Energy, has received a score of B in 2017, improving on a score of D in 2016.

### Best first-time performance

Boral

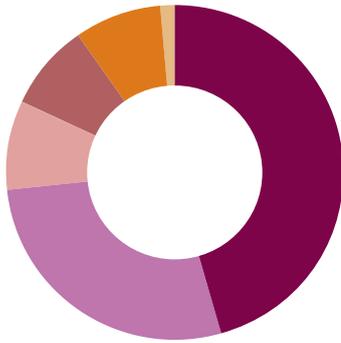
This award recognises the company that responded to either the climate change, water, or forests programs for the first time and achieved the highest score. The winner, Boral, received a B score for forests in its first year of disclosing to this program.

Congratulations to all the winners!

# Appendix I

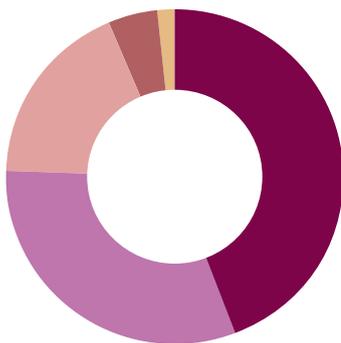
## Investor signatories and members

### 1. Investor signatories by location



- ▼ **Europe**  
 - 366 = 46%
- ▼ **North America**  
 - 224 = 28%
- ▼ **Latin America & Caribbean**  
 - 70 = 9%
- ▼ **Asia**  
 - 67 = 8%
- ▼ **Australia and NZ**  
 - 65 = 8%
- ▼ **Africa**  
 - 11 = 1%

### 2. Investor signatories by type



- ▼ **Asset Managers**  
 - 355 = 44%
- ▼ **Asset Owners**  
 - 253 = 32%
- ▼ **Banks**  
 - 144 = 18%
- ▼ **Insurance**  
 - 38 = 5%
- ▼ **Others**  
 - 13 = 2%

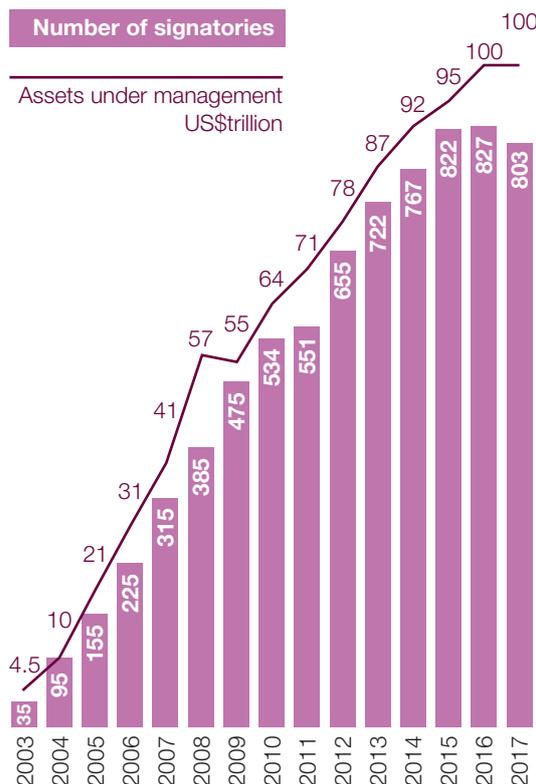
## CDP's investor program - backed in 2017 by 803 institutional investor signatories representing in excess of US\$100 trillion in assets - works with investors to understand their data and analysis requirements and offers tools and solutions to help them.

Our global data from companies and cities in response to climate change, water insecurity and deforestation and our award-winning investor research series is driving investor decision-making. Our analysis helps investors understand the risks they run in their portfolios. Our insights shape engagement and add value not only in financial returns but by building a more sustainable future.

**For more information about the CDP investor program, including the benefits of becoming a signatory or member please visit: <http://bit.ly/2vvsrhp>**

**To view the full list of investor signatories please visit: <http://bit.ly/2uW3336>**

### 3. Investor signatories over time



#### Investor members

ACTIAM
Aegon
Allianz Global Investors
ATP Group
Aviva Investors
Aviva plc
AXA Group
Bank of America
Bendigo and Adelaide Bank
BlackRock
Boston Common Asset Management LLC
BP Investment Management Limited
British Columbia Investment Management Corporation
California Public Employees' Retirement System
California State Teachers' Retirement System
Calvert Investment Management, Inc
Capricorn Investment Group
Catholic Super
CCLA Investment Management Ltd
ClearBridge Investments
Environment Agency Pension fund
Ethos Foundation
Etica SGR
Eurizon Capital SGR S.p.A.
Fundação Chesf de Assistência e Seguridade Social
Fundação de Assistência e Previdência Social do BNDES
FUNDAÇÃO ITAUBANCO
Generation Investment Management
Goldman Sachs Asset Management
Henderson Global Investors
Hermes Fund Managers
HSBC Global Asset Management
Instituto Infraero de Seguridade Social
KLP
Legal and General Investment Management
Legg Mason, Inc.
London Pensions Fund Authority
Morgan Stanley
National Australia Bank
Neuberger Berman
New York State Common Retirement Fund
Nordea Investment Management
Norges Bank Investment Management
ÖKOWORLD LUX S.A.
Overlook Investments Limited
PFA Pension
PREVI Caixa de Previdência dos Funcionários do Banco do Brasil
Rathbone Greenbank Investments
RBC Global Asset Management
Real Grandeza Fundação de Previdência e Assistência Social
Robeco
RobecoSAM AG
Rockefeller Asset Management
Sampension KP Livsforsikring A/S
Schroders
Skandinaviska Enskilda Banken AB
Sompo Holdings, Inc
Sustainable Insight Capital Management
TIAA
Terra Alpha Investments LLC
The Sustainability Group
The Wellcome Trust
UBS
University of California
University of Toronto Asset Management Corporation (UTAM)
Whitley Asset Management

## Appendix II

### Responding companies based or listed in Australia & New Zealand

This list shows the scores of companies based or listed in Australia and New Zealand who responded to one or more of CDP's questionnaires as requested by CDP's investor signatories. Due to the more established nature of CDP's climate change program, it has proportionately more responding companies. A significantly smaller pool of organizations are asked to respond to the forests and water programs.



Climate



Water



Forests



Cattle  
Products



Palm Oil



Soy



Timber

Company	Country	Climate	Water	Cattle Products	Palm Oil	Soy	Timber
<b>Consumer Discretionary</b>							
Crown Resorts	Australia	C	F^				
JB Hi-Fi	Australia	C-	F				
Kathmandu Holdings	New Zealand	C					
News Corp	Australia	B					A-
Super Retail Group	Australia	C					
Tabcorp Holdings	Australia	D	C				
Tatts Group	Australia	Not Scored	F^				
Village Roadshow	Australia	D*					
Warehouse Group	New Zealand	B					
<b>Consumer Staples</b>							
Coca-Cola Amatil	Australia	D	B				
Fonterra Co-operative Group	New Zealand	C					
Metcash	Australia	C		D-	C	D	D
Wesfarmers	Australia	B	F^		F^		
Woolworths Limited	Australia	B	F		F^		
<b>Energy</b>							
Beach Energy	Australia	D					
Oil Search	Australia	C	B				
Origin Energy	Australia	C	B				
Woodside Petroleum	Australia	C	F				
WorleyParsons	Australia	B	B-*				
<b>Financials</b>							
AMP	Australia	A-					
ASX	Australia	Not Scored					
Australia and New Zealand Banking Group	Australia	B					
Bendigo and Adelaide Bank	Australia	C					
BT Investment Management	Australia	D					
Challenger	Australia	D					
Commonwealth Bank of Australia	Australia	B					

**Key:**

 The company was not requested to respond to this program as their business activities were not deemed material for that theme or the company did not meet the sample setting criteria.

\* This company has voluntarily responded to this CDP questionnaire.

**Not scored** Companies who responded after the official deadline did not have their questionnaires scored.



**Company**

**Country**

**Climate**

**Water**

**Forests**



**Cattle Products**

**Palm Oil**

**Soy**

**Timber**

Company	Country	Climate	Water	Cattle Products	Palm Oil	Soy	Timber
Henderson Group	United Kingdom	B					
Insurance Australia Group	Australia	B					
Macquarie Group	Australia	C					
Magellan Financial Group	Australia	C					
Medibank Private	Australia	D					
National Australia Bank	Australia	A-					
Perpetual Investments	Australia	D					
Platinum Asset Management	Australia	C					
QBE Insurance Group	Australia	D					
Suncorp Group	Australia	C					
Westpac Banking Corporation	Australia	A-					

**Health Care**

Company	Country	Climate	Water	Cattle Products	Palm Oil	Soy	Timber
Ansell	Australia	D	C				
CSL	Australia	C	B				
Ebos Group	New Zealand	D					
Fisher & Paykel Healthcare Corporation	Australia	B	F				

**Industrials**

Company	Country	Climate	Water	Cattle Products	Palm Oil	Soy	Timber
Auckland International Airport	New Zealand	C					
Aurizon Holdings	Australia	B					
Australia Post	Australia	B*					
Brambles	Australia	B					A
CIMIC Group	Australia	C	B			F	
Cleanaway Waste Management	Australia	C					
Downer EDI	Australia	C					
Freightways	New Zealand	D-					
Mineral Resources	Australia	D					
New Zealand Post Group	New Zealand	C*					

**Information Technology**

Company	Country	Climate	Water	Cattle Products	Palm Oil	Soy	Timber
Computershare	Australia	D					

**Key:**

- SA** “See Another” – this company’s data is covered by their parent company’s response.
- F** This stands for failure to provide sufficient information to CDP to be evaluated for this purpose. It does not stand for failure of environmental stewardship.
- ^** The company declined to participate and has provided a reason for not responding to this program.



**Company**

**Country**

**Climate**

**Water**

**Forests**



**Cattle Products**



**Palm Oil**



**Soy**



**Timber**

Materials							
Company	Country	Climate	Water	Cattle Products	Palm Oil	Soy	Timber
Alumina	Australia	D	D				
Amcor	Australia	A-	B				B
BHP Billiton	United Kingdom	B	A-				
Boral	Australia	C	B				B
Fletcher Building	New Zealand	D	C			F	
Fortescue Metals Group	Australia	C	A-				
Incitec Pivot	Australia	C	C				
Independence Group	Australia	D	F				
James Hardie Industries	Ireland	C-	C				
Newcrest Mining	Australia	Not Scored	Not Scored				
Northern Star Resources	Australia	D					
Orica	Australia	C	F^				
Orora	Australia	C	B				B
OZ Minerals	Australia	D					
PanAust	Australia	C	A-*				
Rio Tinto	United Kingdom	B	F^				
Sandfire Resources NL	Australia	D	B				
Saracen Mineral Holdings	Australia	Not Scored	Not Scored				
Sims Metal Management	Australia	C	B*				
South32	Australia	C	B				
Western Areas	Australia	C-					

Real Estate							
Company	Country	Climate	Water	Cattle Products	Palm Oil	Soy	Timber
BWP Trust	Australia	D					
Charter Hall Group	Australia	C					
Dexus Property Group	Australia	A-					
Gateway Lifestyle	Australia	Not Scored					
Goodman Property Trust	New Zealand	C					
GPT Group	Australia	C					
Growthpoint Properties Australia	Australia	B					
Investa Office Fund	Australia	A-					
Iron Mountain Inc.	USA	C					



Company

Country

Climate

Water

Forests



Cattle Products

Palm Oil

Soy

Timber

Company	Country	Climate	Water	Cattle Products	Palm Oil	Soy	Timber
Kiwi Property Group	New Zealand	A-					
Scentre Group	Australia	C					
Stockland	Australia	A					
Vicinity Centres	Australia	A-					
Westfield Corporation	Australia	A-					

### Telecommunication Services

Company	Country	Climate	Water	Cattle Products	Palm Oil	Soy	Timber
Chorus	New Zealand	C					
Spark New Zealand	New Zealand	C					
Telstra Corporation	Australia	A-					

### Utilities

Company	Country	Climate	Water	Cattle Products	Palm Oil	Soy	Timber
AGL Energy	Australia	B	F				
APA Group	Australia	C	F				
Infigen Energy	Australia	Not Scored					
Mercury NZ Limited	New Zealand	Not Scored					
Spark Infrastructure Group	Australia	C	F				

## Appendix III

### Responding companies in Australia & New Zealand – supply chain program

This list shows the companies in Australia and New Zealand who responded publicly to CDP's supply chain questionnaire as requested by members of CDP's supply chain program. The members are companies looking to address environmental risks and opportunities in their supply chains.

<b>Consumer Discretionary</b>	<b>Country</b>
Village Roadshow	Australia
<b>Consumer Staples</b>	<b>Country</b>
Fonterra Co-operative Group	New Zealand
Defiance Mills /Corson Grains	New Zealand
Blue Lake Milling PTY LTD	Australia
PAX Australia	Australia
<b>Industrials</b>	<b>Country</b>
Brambles	Australia
<b>Materials</b>	<b>Country</b>
Sims Metal Management	Australia
<b>Telecommunication Services</b>	<b>Country</b>
Chorus	New Zealand
Spark New Zealand	New Zealand

## Appendix IV

### Non-responding companies in Australia & New Zealand

This list shows the companies based or listed in Australia and New Zealand who were requested by CDP's investor signatories to respond to one or more of CDP's questionnaires but did not do so. They have thus received a score of "F" for every program to which they have been requested to respond but have not done so. The "F" score stands for failure to provide sufficient information to CDP to be evaluated for this purpose. It does not indicate failure of environmental stewardship.

Consumer Discretionary	Score	Country
APN News & Media	F	Australia
APN Outdoor Group	F	Australia
Arb Corp	F	Australia
Ardent Leisure Group	F	Australia
Aristocrat Leisure	F	Australia
Automotive Holdings Group	F	Australia
Bapcor Ltd	F	Australia
Breville Group	F	Australia
Corporate Travel Management	F	Australia
Domino's Pizza Enterprises	F	Australia
Fairfax Media	F	Australia
Flight Centre	F	Australia
G8 Education	F	Australia
GUD Holdings	F	Australia
Harvey Norman Holdings*	F	Australia
InvoCare	F	Australia
Mantra Group	F	Australia
Myer Holdings*	F	Australia
Navitas	F	Australia
Nine Entertainment	F	Australia
Premier Investments	F	Australia
REA Group	F	Australia
Restaurant Brands New Zealand	F	New Zealand
Retail Food Group	F	Australia
Seven West Media	F	Australia
Sky City Entertainment Group	F	New Zealand
Sky Network Television	F	New Zealand
Southern Cross Media Group	F	Australia
Star Entertainment Group	F	Australia
Trade Me	F	New Zealand
Webjet Ltd	F	Australia
Consumer Staples	Score	Country
A2 Milk Company	F	New Zealand
Asaleo Care	F	Australia
Australian Agricultural Company	F	Australia
Bega Cheese	F	Australia
Bellamy's Australia	F	Australia
Blackmores	F	Australia
Comvita	F	New Zealand
Costa Group Holdings	F	Australia
GrainCorp	F	Australia
Scales Corporation	F	New Zealand

Tassal Group	F	Australia
Tegel Group	F	New Zealand
Treasury Wine Estates	F	Australia
Energy	Score	Country
AWE*	F	Australia
Baralaba Coal Company	F	Australia
Caltex Australia*	F	Australia
Carnarvon Petroleum	F	Australia
Coal of Africa	F	Australia
Freedom Oil & Gas	F	Australia
New Hope	F	Australia
New Zealand Oil & Gas	F	New Zealand
New Zealand Refining Company	F	New Zealand
Pan Pacific Petroleum NL	F	Australia
Resource Generation*	F	Australia
Santos*	F	Australia
Senex Energy	F	Australia
Stanmore Coal	F	Australia
Washington H Soul Pattinson Corp	F	Australia
White Energy Company	F	Australia
Whitehaven Coal*	F	Australia
Yancoal Australia	F	Australia
Z Energy*	F	New Zealand
Financials	Score	Country
Bank of Queensland*	F	Australia
CYBG Plc	F	United Kingdom
Eclixp Group*	F	Australia
Flexigroup	F	Australia
Genworth Mortgage Insurance	F	Australia
Heartland Bank	F	New Zealand
IOOF Holdings	F	Australia
NZX	F	New Zealand
Ozforex Group	F	Australia
Reliance Worldwide Corp	F	Australia
Steadfast Group	F	Australia
Health Care	Score	Country
Australian Pharmaceutical Industries	F	Australia
Cochlear	F	Australia
Estia Health	F	Australia
Greencross	F	Australia
Healthscope	F	Australia
Japara Healthcare	F	Australia
Mayne Pharma Group	F	Australia

To see which program(s) these companies have been requested to respond to, please refer to our website. Some companies declined to participate and have provided a reason for not responding. These companies are indicated with asterisks (\*) beside their names. CDP will continue to engage these companies on the merits of responding.

Metlifecare	F	New Zealand
Orion Health Group	F	New Zealand
Primary Health Care	F	Australia
Ramsay Health Care	F	Australia
Regis Healthcare	F	Australia
ResMed*	F	USA
Ryman Healthcare	F	New Zealand
Sigma Pharmaceuticals	F	Australia
Sirtex Medical	F	Australia
Sonic Healthcare*	F	Australia
Summerset Group Holdings*	F	New Zealand
Virtus Health	F	Australia
<b>Industrials</b>	<b>Score</b>	<b>Country</b>
Air New Zealand	F	Australia
ALS*	F	Australia
Asciano Group	F	Australia
Ausdrill	F	Australia
Credit Corp Group	F	Australia
GWA Group	F	Australia
IPH	F	Australia
Macquarie Atlas Roads Group	F	Australia
Mainfreight*	F	New Zealand
McMillan Shakespeare	F	Australia
Metro Performance Glass	F	New Zealand
Monadelphous Group	F	Australia
Port Of Tauranga	F	New Zealand
Qantas Airways*	F	Australia
Qube Holdings*	F	Australia
SAI Global*	F	Australia
SEEK	F	Australia
Seven Group Holdings	F	Australia
Spotless Group Holdings	F	Australia
Sydney Airport*	F	Australia
Transurban Group*	F	Australia
Virgin Australia Holdings	F	Australia
<b>Information Technology</b>	<b>Score</b>	<b>Country</b>
Aconex	F	Australia
Altium	F	Australia
Carsales.com	F	Australia
IRESS	F	Australia
Isentia	F	Australia
Link Administration Holdings*	F	Australia
MYOB Group	F	Australia

Nextdc	F	Australia
Technology One	F	Australia
Vista Group International	F	New Zealand
Xero	F	New Zealand
<b>Materials</b>	<b>Score</b>	<b>Country</b>
Adelaide Brighton	F	Australia
Aspire Mining Ltd	F	Australia
BlueScope Steel	F	Australia
Brickworks	F	Australia
CSR	F	Australia
DuluxGroup*	F	Australia
Evolution Mining*	F	Australia
Galaxy Resources	F	Australia
Iluka Resources*	F	Australia
Kingsgate Consolidated	F	Australia
Lynas Corporation	F	Australia
Medusa Mining	F	Australia
Orocobre	F	Australia
Pact Group Holdings*	F	Australia
Ramelius Resources	F	Australia
Regis Resources	F	Australia
Resolute Mining	F	Australia
Silver Lake Resources	F	Australia
St Barbara*	F	Australia
Syrah Resources	F	Australia
Tronox	F	Australia
Troy Resources*	F	Australia
<b>Real Estate</b>	<b>Score</b>	<b>Country</b>
Abacus Property Group*	F	Australia
Argosy Property	F	New Zealand
Aveo Group	F	Australia
Charter Hall Retail REIT	F	Australia
Cromwell Property Group	F	Australia
Federation Centres	F	Australia
Goodman Group*	F	Australia
Investore Property	F	New Zealand
Lend Lease Group	F	Australia
Mirvac Group*	F	Australia
National Storage REIT*	F	Australia
Novion Property Group	F	Australia
Precinct Properties New Zealand*	F	New Zealand
Property For Industry*	F	New Zealand
Shopping Centres Australasia	F	Australia

Stride Property Group	F	New Zealand
Vital Healthcare Property Trust	F	New Zealand
<b>Telecommunication Services</b>	<b>Score</b>	<b>Country</b>
TPG Telecom	F	Australia
Vocus Communications	F	Australia
<b>Utilities</b>	<b>Score</b>	<b>Country</b>
AusNet Services*	F	Australia
Contact Energy	F	New Zealand
Duet Group*	F	Australia
Genesis Energy	F	New Zealand
Infratil	F	New Zealand
Meridian Energy	F	New Zealand
ReNu Energy	F	Australia
Tilt Renewables	F	New Zealand
TrustPower	F	New Zealand
Vector	F	New Zealand



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