



# Disclosing on nature through CDP

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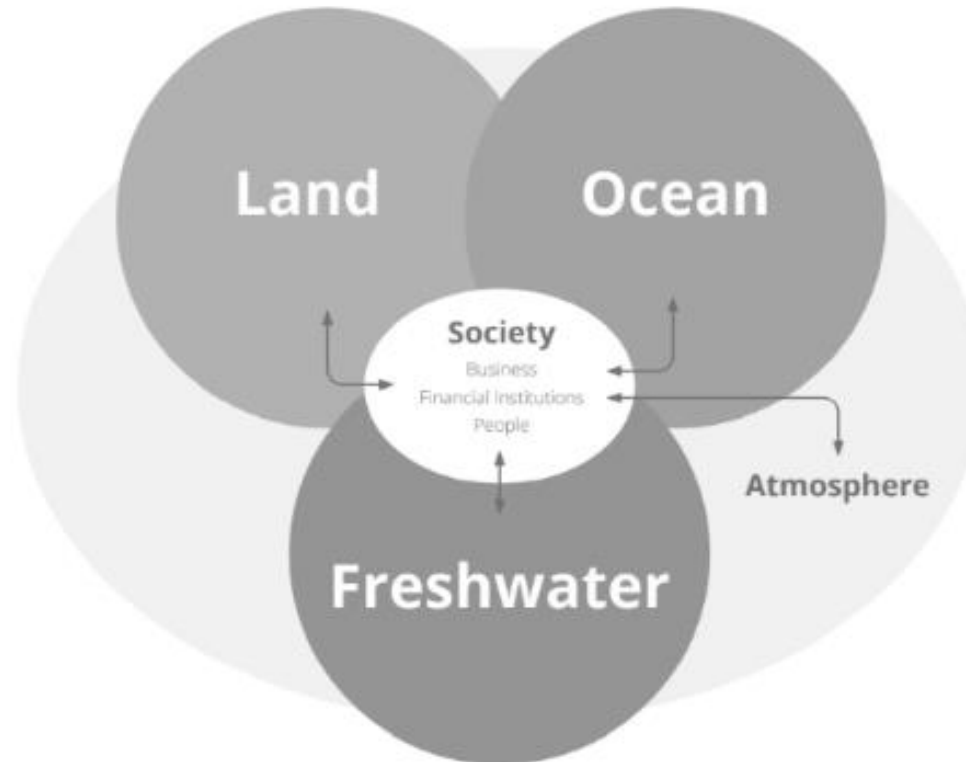
Nicole Hardiman, Ph.D.  
Nature Standards Manager

# Today's Agenda

- ▼ **Nature terminology overview**
- ▼ **CDP's new questionnaire**
- ▼ **Standards and frameworks alignment**

# What is nature?

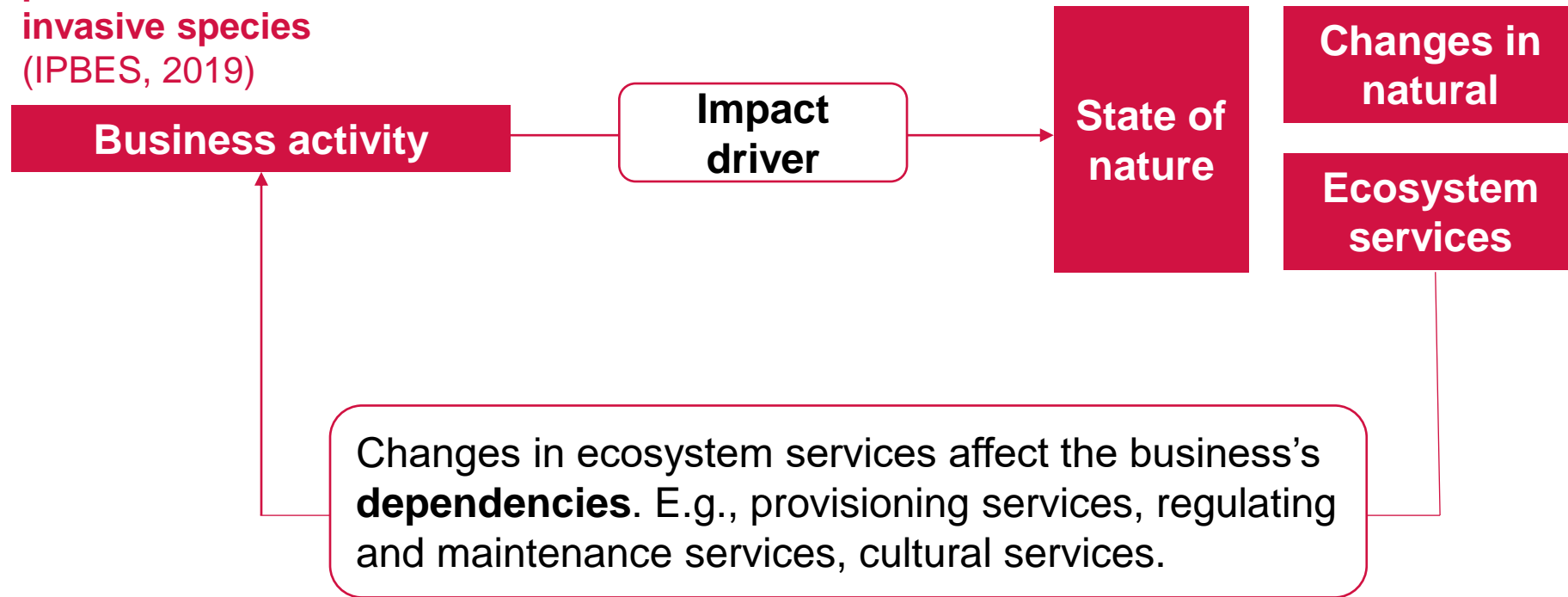
“the natural world, with an emphasis on the diversity of living organisms (including people) and their interactions among themselves and with their environment.” (IPBES, 2015).



- ▼ Four realms
- ▼ Living (biotic) and non-living (abiotic) components to each

# What are impacts and dependencies?

Five human-induced **pressures** to nature:  
**land/sea use and change, direct exploitation, climate change, pollution and invasive species** (IPBES, 2019)

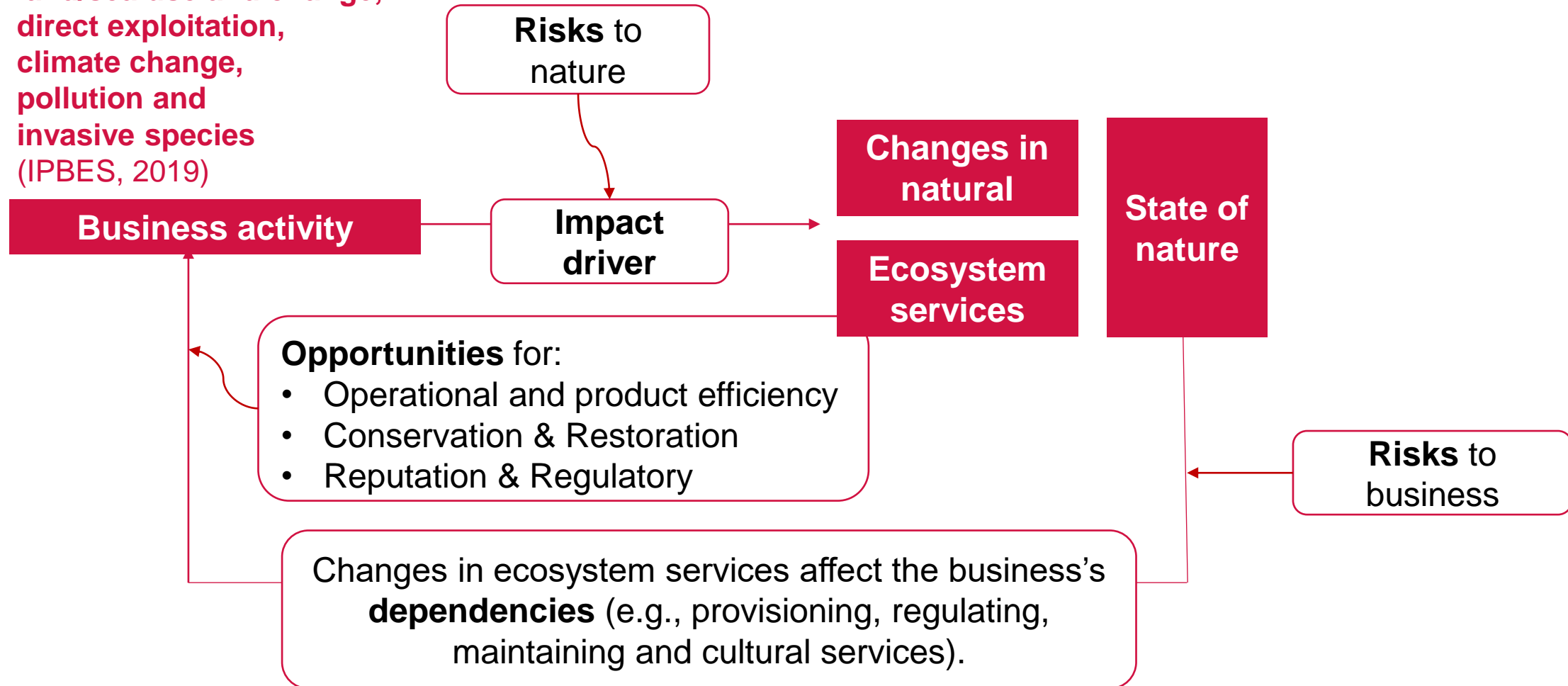


Changes measured as:

- ▶ Abiotic:
  - ▶ Pollutants
  - ▶ Water availability
  - ▶ Soil carbon
- ▶ Biotic:
  - ▶ Biodiversity (Mean Species Abundance)
  - ▶ Extinction risk
  - ▶ Population size(s)

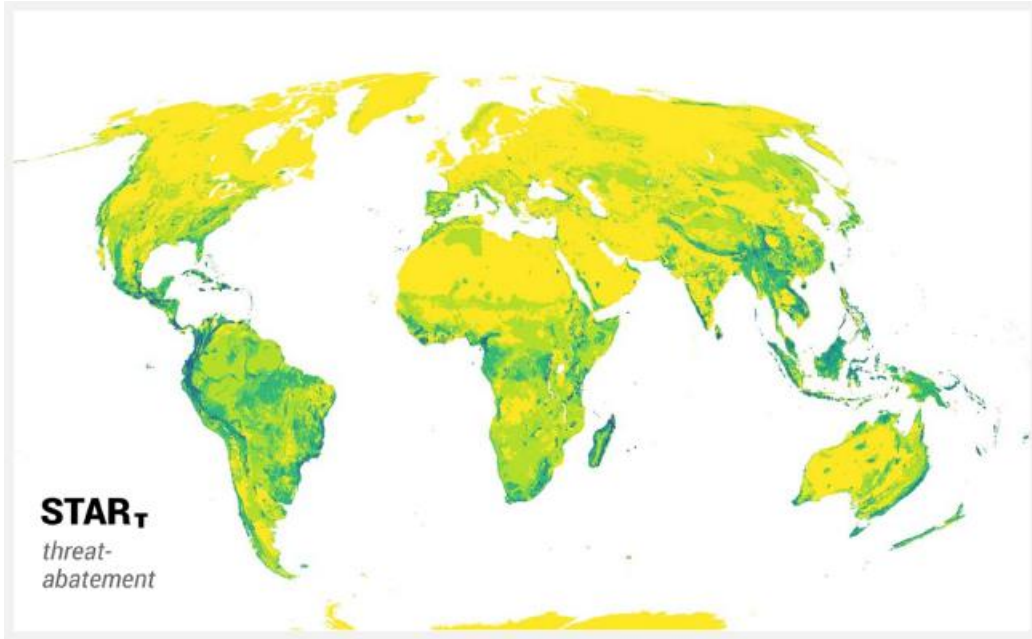
# What are risks and opportunities?

Five human-induced pressures to nature: land/sea use and change, direct exploitation, climate change, pollution and invasive species (IPBES, 2019)





# Defining State of Nature (SoN) and priority locations



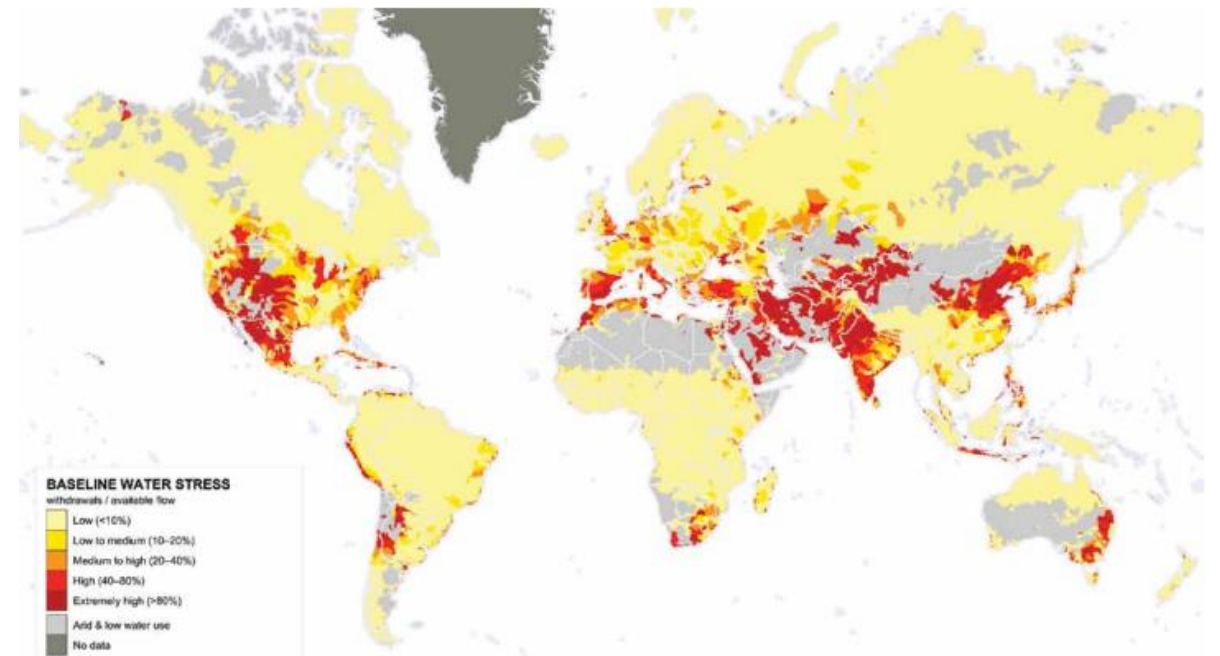
Biodiversity: IBAT's Species Threat Abatement Index

Can use local data sources or global models.

One SoN data source per pressure.

Recommended resource: [TNFD Tools Catalogue](#)

**Definition:** Condition of nature at the location of the pressure.



Water Stress: WRI's Aqueduct

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# CDP aims to drive the most impactful disclosure in 2024



We've made exciting changes to further streamline reporting for organizations and generate the most comparable, comprehensive, decision-useful data.



A single **integrated** corporate questionnaire.



Increased **alignment** with standards and frameworks.



A new questionnaire for **Small and Medium-sized Enterprises**.



A **new, efficient** disclosure Portal.

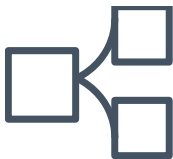


# Key changes for more thorough disclosure



## Beyond risk assessment

- Shift from risk assessment focused on business risks & opportunities, to assessment of environmental **impacts** and **dependencies**.



## Value chain mapping

- Disclosers must demonstrate visibility and knowledge of entities across their value chain.



## Supply chain

- Supply chain questions now spread throughout the corporate questionnaire

## Priority locations

- Identification of priority locations for forests, water and biodiversity.



## Plastics disclosure

- Expanding from production to waste and water management, and financial services for plastics-related activities.

## Forests and land disclosure

- Forests questions reframed - previously commodity-based, now in transition to land use-based. Scoring methodology facilitates a single score (previously one per commodity).

# 2024 disclosure timeline



Prepare

Disclose

Access insights

Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb

MAY 1  
2024 CDP corporate  
questionnaire  
published

JUN 4  
The **questionnaire**  
**opens** for disclosers  
to respond

SEPT 18  
**Scoring submission**  
**deadline** for  
corporates



# Expanding to nature

# From sequential disclosure on environmental issues...

- CDP has committed to expanding the scope of its disclosure framework to cover all of the environmental issues that matter in line with the key reporting frameworks, standards and regulations.

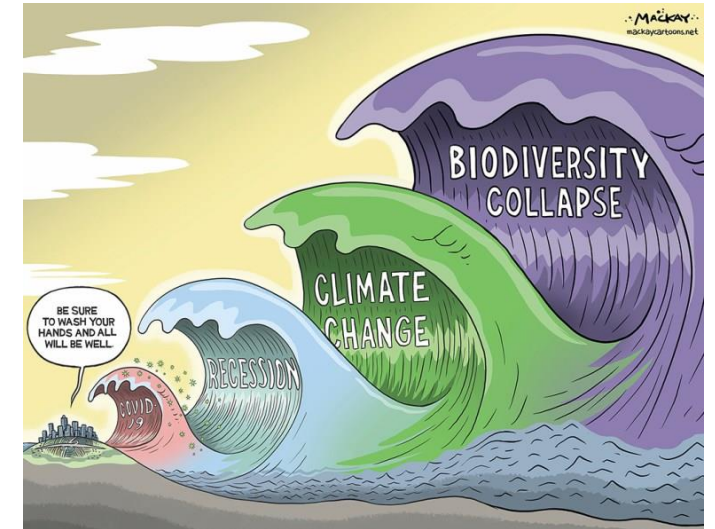
- Previous expansions have happened in a stepwise manner.

Climate – Water – Forests – Biodiversity – Plastic

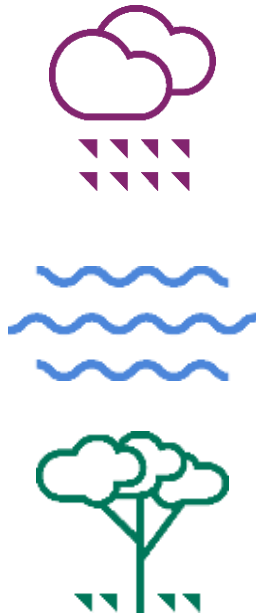
- This reflects the way environmental issues are often perceived as a succession of challenges.

- But dealing with environmental challenges sequentially is at best inefficient and at worst counterproductive.

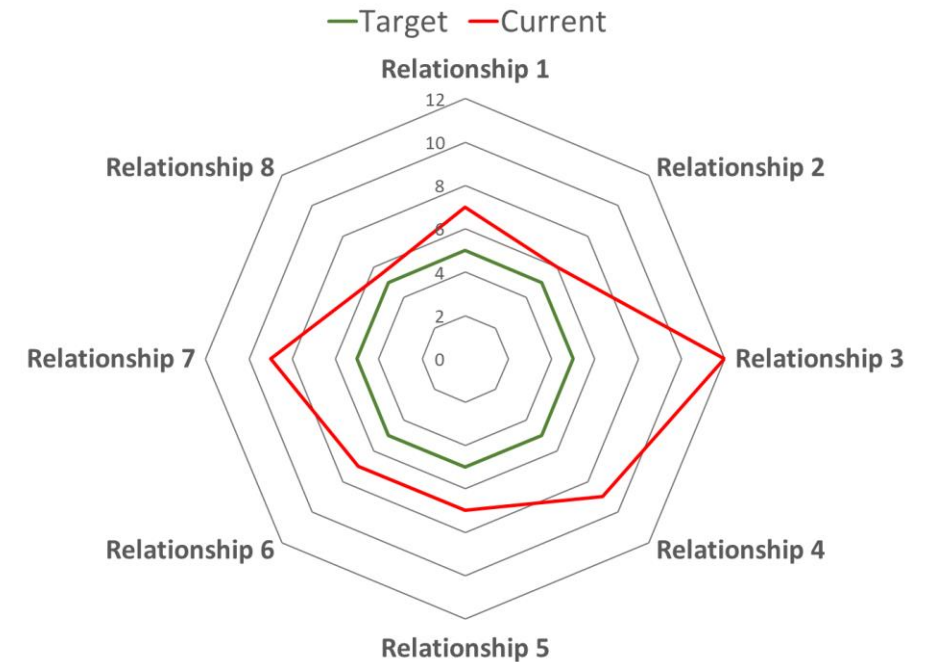
- **Expanding the scope of CDP's disclosure framework requires a re-framing of the environmental challenge to a more holistic approach**



# ...to holistic disclosure on environmental relationships



- ▼ **Scope** – asking the right actors the right questions on the right issues
- ▼ **Practicality** – minimising reporting burden and maximising alignment
- ▼ **Rigour** - ensuring the results we generate drive the change needed





# Disclosure Key Resources



- ▼ [Information on 2024 Disclosure](#) incl. overview on key changes
- ▼ [FAQ for the integrated questionnaire](#)
- ▼ [Guidance for companies](#) incl. document on CDP question level changes
- ▼ [2024 Questionnaire & Reporting Guidance](#)
- ▼ [Guidance on the questionnaire set-up](#)
- ▼ [2024 Sample Setting Methodology](#) (incl. assignment of environmental themes).
- ▼ First version of 2024 Scoring methodology ([Climate](#) / [Water](#) / [Forests](#))
- ▼ [Scoring FAQ](#)
- ▼ [HelpCenter Knowledge Articles](#)



# Standards and Frameworks Alignment

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# Enabling standards-aligned disclosure globally



## Aligned

## Expanding alignment

-  **TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES**  
since 2018
-   
Reflected since 2023
-   
S2 since 2024
-  **GREENHOUSE GAS PROTOCOL**



Approx. 75% aligned with the Proposed US SEC rule, further alignment ongoing



Furthering alignment with European Sustainability Reporting Standards (ESRS) ongoing via an official partnership



Partially aligned with TNFD disclosure recommendations, working towards full alignment

# Write once, read many



23,200 companies worth 66% of global market capitalization

By aligning its platform, CDP enables organizations to disclose against market and regulatory requirements while ensuring global capital markets and procurement teams have the **most robust, decision-useful environmental data.**

- Access to capital
- Competitive advantage
- Access to buyers
- Compliance / navigating regulation



- Access to specific investment/lending products
- Access to preferential interest rates



- Cost savings, business opportunities, company value alignment
- Public perception, market reputation

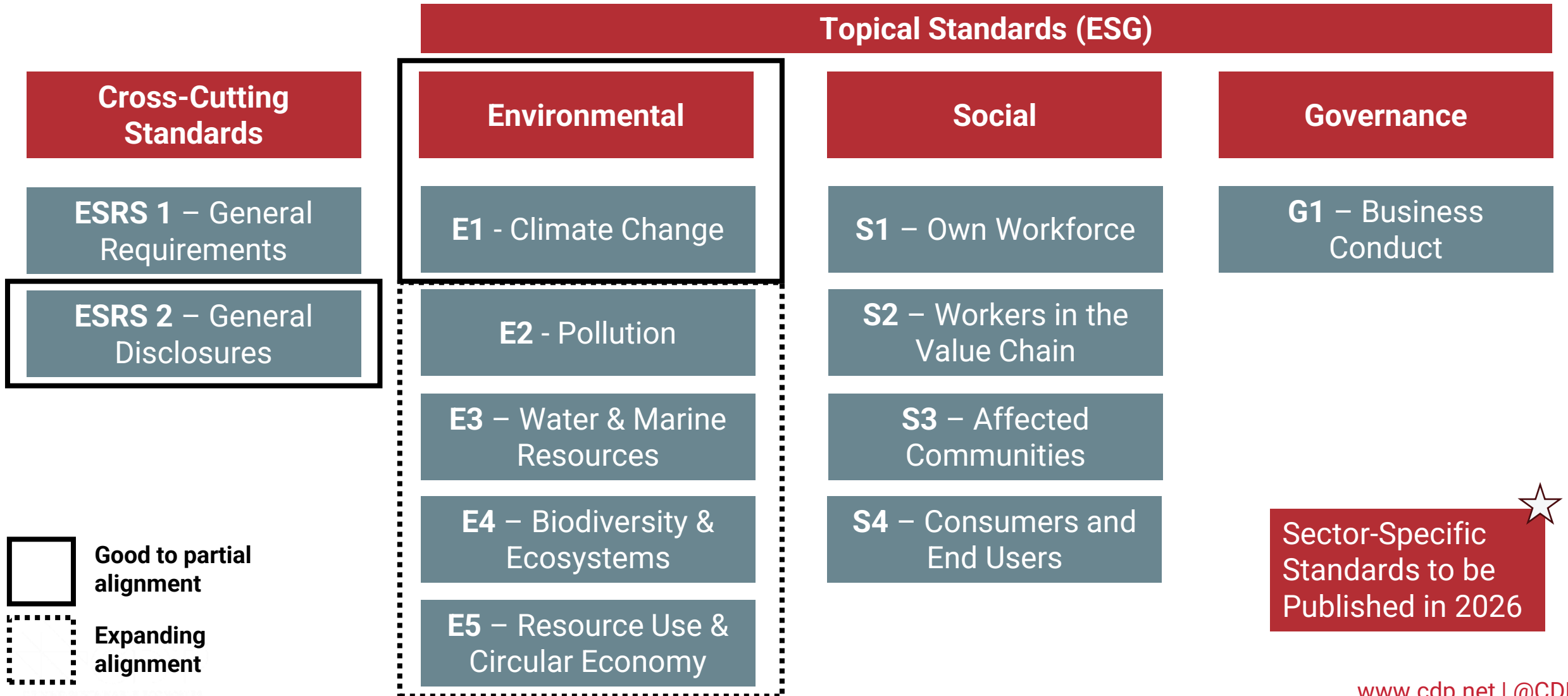


- Procurement requirements, winning procurement bids



- Prepare for regulatory / compliance requirements
- Manage risk of litigation from public and private sector actors

# European Sustainability Reporting Standards - ESRS





# Taskforce for Nature-related Financial Disclosures (TNFD)

▼ Based on TCFD pillars





▼ DIRO = Dependencies, Impacts, Risks, and Opportunities

▼ In general:

1. Engage local stakeholders
2. Describe the DIRO process
3. Results of the DIRO process
4. Methods of DIRO management

TNFD recommended disclosures			
Governance	Strategy	Risk & impact management	Metrics & targets
<p>Disclose the organisation's governance of nature-related dependencies, impacts, risks and opportunities.</p>	<p>Disclose the effects of nature-related dependencies, impacts, risks and opportunities on the organisation's business model, strategy and financial planning where such information is material.</p>	<p>Describe the processes used by the organisation to identify, assess, prioritise and monitor nature-related dependencies, impacts, risk and opportunities.</p>	<p>Disclose the metrics and targets used to assess and manage material nature-related dependencies, impacts, risks and opportunities.</p>
<p><b>Recommended disclosures</b></p> <p><b>A.</b> Describe the board's oversight of nature-related dependencies, impacts, risks and opportunities.</p> <p><b>B.</b> Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities.</p> <p><b>C.</b> Describe the organisation's human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organisation's assessment of, and response to, nature-related dependencies, impacts, risks and opportunities.</p>	<p><b>Recommended disclosures</b></p> <p><b>A.</b> Describe the nature-related dependencies, impacts, risks and opportunities the organisation has identified over the short, medium and long term.</p> <p><b>B.</b> Describe the effect nature-related dependencies, impacts, risks and opportunities have had on the organisation's business model, value chain, strategy and financial planning, as well as any transition plans or analysis in place.</p> <p><b>C.</b> Describe the resilience of the organisation's strategy to nature-related risks and opportunities, taking into consideration different scenarios.</p> <p><b>D.</b> Disclose the locations of assets and/or activities in the organisation's direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations.</p>	<p><b>Recommended disclosures</b></p> <p><b>A(i)</b> Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its direct operations.</p> <p><b>A(ii)</b> Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s).</p> <p><b>B.</b> Describe the organisation's processes for managing nature-related dependencies, impacts, risks and opportunities.</p> <p><b>C.</b> Describe how processes for identifying, assessing, prioritising and monitoring nature-related risks are integrated into and inform the organisation's overall risk management processes.</p>	<p><b>Recommended disclosures</b></p> <p><b>A.</b> Disclose the metrics used by the organisation to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process.</p> <p><b>B.</b> Disclose the metrics used by the organisation to assess and manage dependencies and impacts on nature.</p> <p><b>C.</b> Describe the targets and goals used by the organisation to manage nature-related dependencies, impacts, risks and opportunities and its performance against these.</p>

# TNFD alignment in 2024

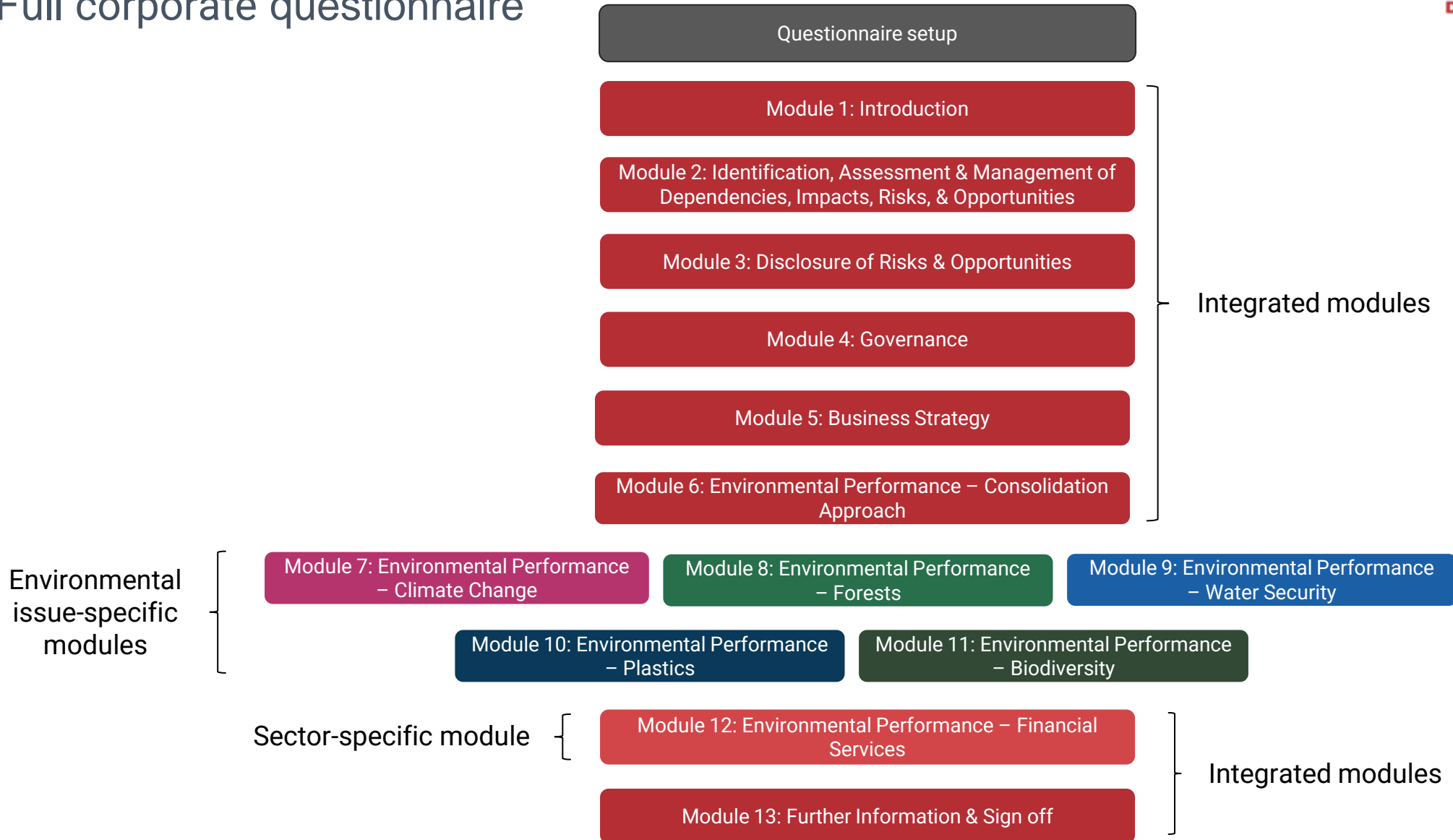
-  Full alignment
-  Good alignment
-  Partial alignment
-  Little or no alignment

## TNFD recommended disclosures

Governance	Strategy	Risk & impact management	Metrics & targets
<p>Disclose the organisation's governance of nature-related dependencies, impacts, risks and opportunities.</p>	<p>Disclose the effects of nature-related dependencies, impacts, risks and opportunities on the organisation's business model, strategy and financial planning where such information is material.</p>	<p>Describe the processes used by the organisation to identify, assess, prioritise and monitor nature-related dependencies, impacts, risk and opportunities.</p>	<p>Disclose the metrics and targets used to assess and manage material nature-related dependencies, impacts, risks and opportunities.</p>
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# 2024 Questionnaire layout and structure

## Full corporate questionnaire

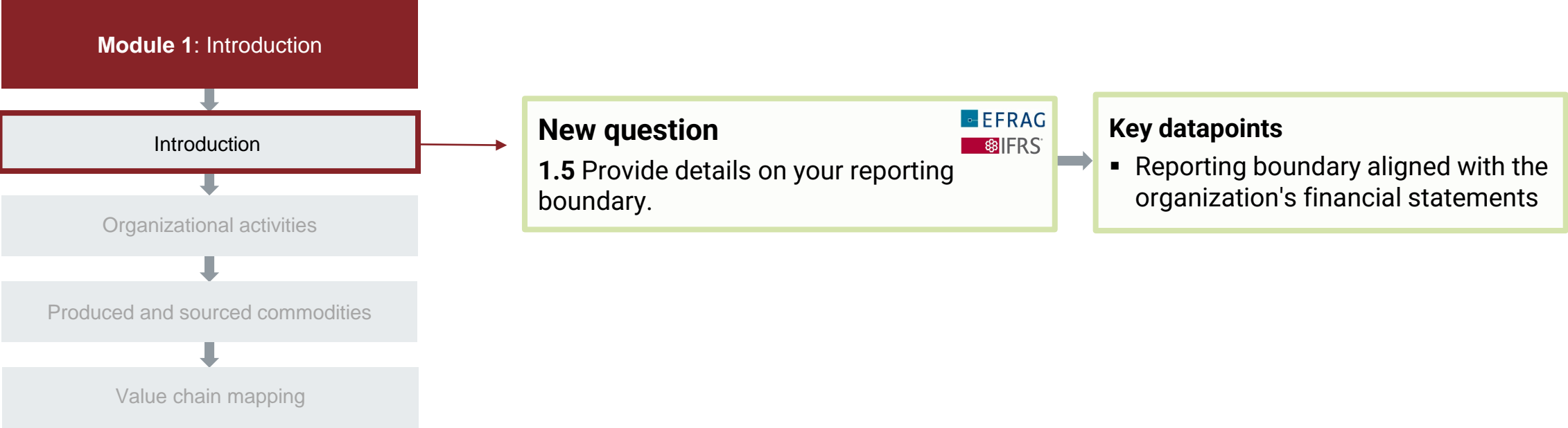


# CDP questions after standards alignment

This is an example of a question that has added as a result of alignment with the IFRS S2 and ESRS



## Module 1 – Introduction



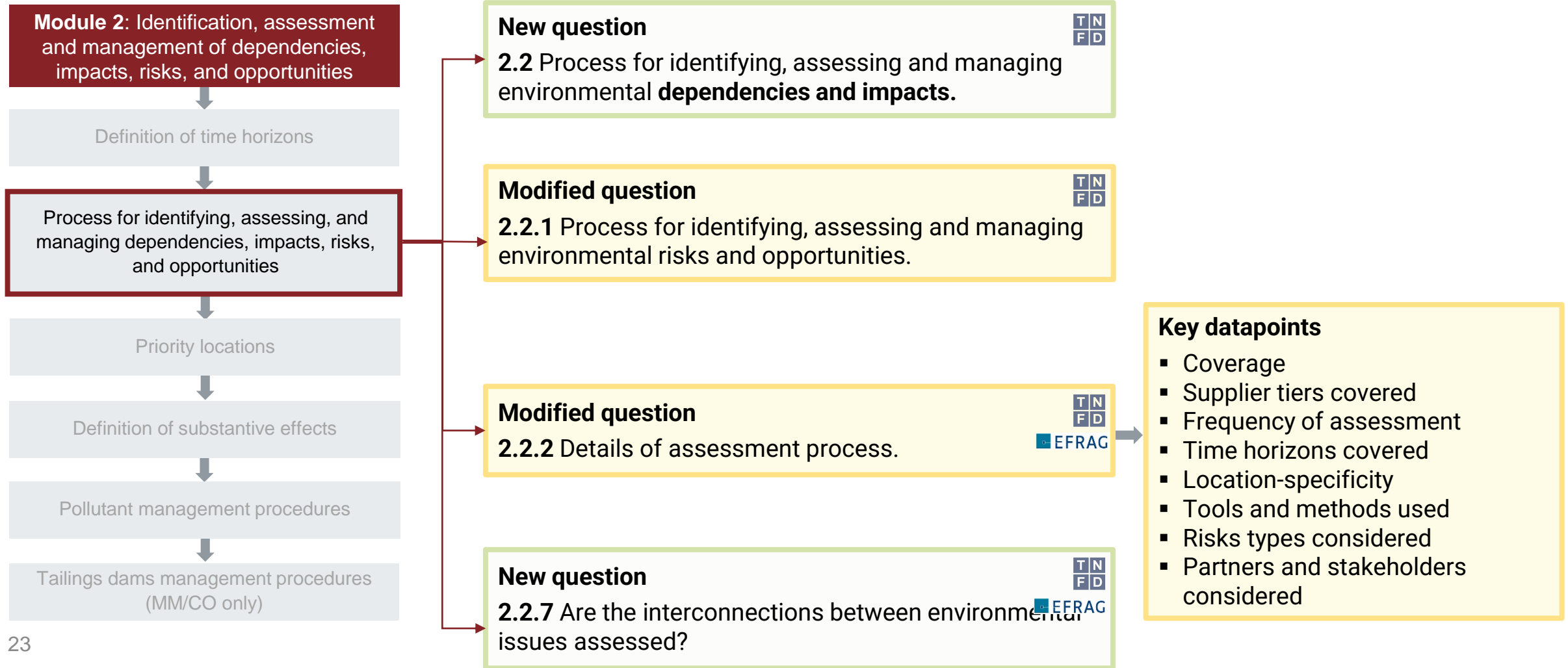


# CDP questions after standards alignment

This is an example of modules that have been modified as a result of alignment with the TNFD and ESRS



## Module 2 – Assessment process



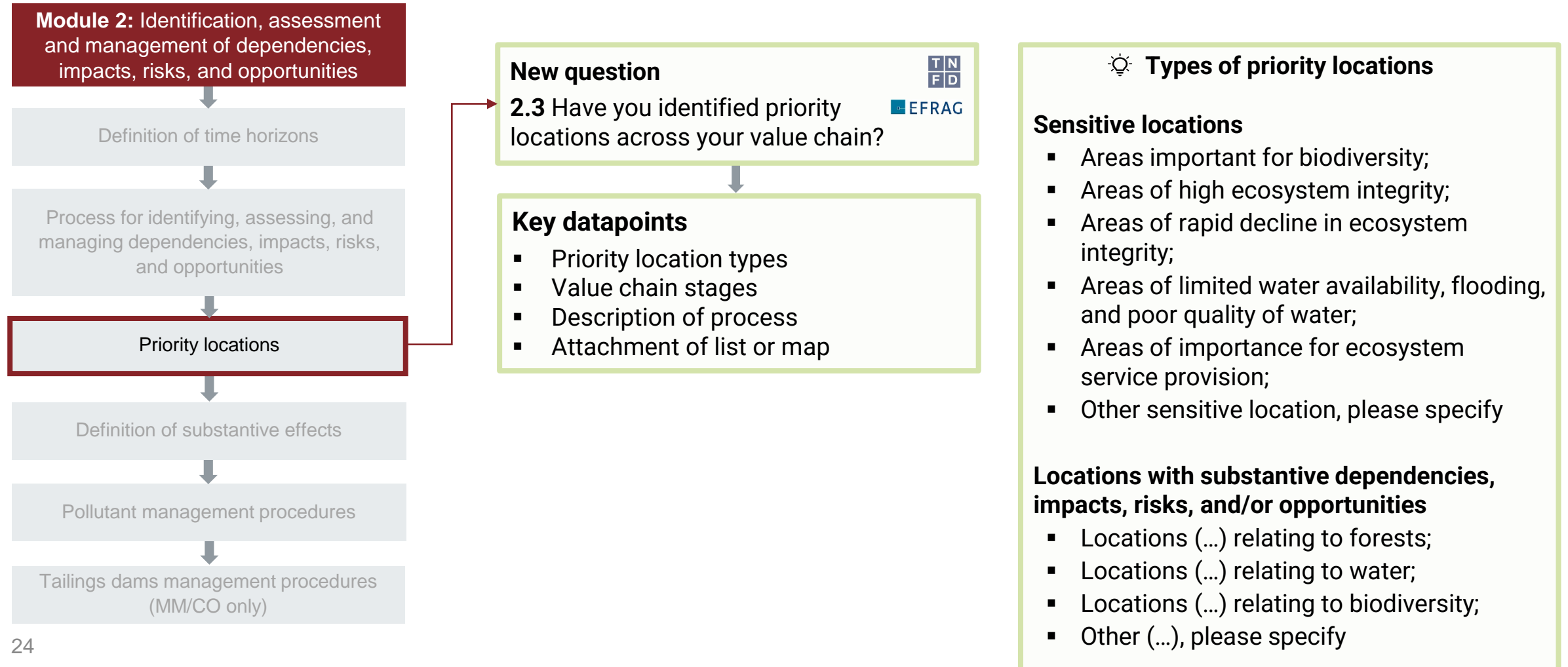


# CDP questions after standards alignment

This is an example of a new question that has been added as a result of alignment with the TNFD and ESRS



## Module 2 – Priority locations



# TNFD disclosure metrics and extent of CDP alignment

## Core Cross-Sector Metrics on impacts and dependencies



Metric #	Indicator	Metric
	GHG emissions	Refer to ISSB's IFRS-S2 Climate-related Disclosures Standard
C1.0	Total spatial footprint	Total spatial footprint (km2) (sum of): <ul style="list-style-type: none"> <li>• Total surface area controlled/managed by the organisation, where the organisation has control (km2);</li> <li>• Total disturbed area (km2); and</li> <li>• Total rehabilitated/restored area (km2).</li> </ul>
C1.1	Extent of land/freshwater/ocean-use change	Extent of land/freshwater/ocean ecosystem use change (km2) by: <ul style="list-style-type: none"> <li>• Type of ecosystem; and</li> <li>• Type of business activity.</li> </ul> Extent of land/freshwater/ocean ecosystem conserved or restored (km2), split into: <ul style="list-style-type: none"> <li>• Voluntary; and</li> <li>• Required by statutes or regulations.</li> </ul> Extent of land/freshwater/ocean ecosystem that is sustainably managed (km2) by: <ul style="list-style-type: none"> <li>• Type of ecosystem; and</li> <li>• Type of business activity.</li> </ul>
C2.0	Total pollutants released to soil split by type	Pollutants released to soil (tonnes) by type, referring to sector-specific guidance on types of pollutants.
C2.1	Wastewater discharged	Volume of water discharged (m3), split into: <ul style="list-style-type: none"> <li>• Total;</li> <li>• Freshwater; and</li> <li>• Other.</li> </ul> Including: <ul style="list-style-type: none"> <li>• Concentrations of key pollutants in the wastewater discharged, by type of pollutant, referring to sector-specific guidance for types of pollutants; and</li> <li>• Temperature of water discharged, where relevant.</li> </ul>

Metric #	Indicator	Metric
C2.2	Waste generation and disposal	Weight of hazardous and non-hazardous waste generated by type (tonnes), referring to sector-specific guidance for types of waste. Weight of hazardous and non-hazardous waste (tonnes) disposed of, split into: <ul style="list-style-type: none"> <li>• Waste incinerated (with and without energy recovery);</li> <li>• Waste sent to landfill; and</li> <li>• Other disposal methods.</li> </ul> Weight of hazardous and non-hazardous waste (tonnes) diverted from landfill, split into waste: <ul style="list-style-type: none"> <li>• Reused;</li> <li>• Recycled; and</li> <li>• Other recovery operations.</li> </ul>
C2.3	Plastic pollution	Plastic footprint as measured by total weight (tonnes) of plastics (polymers, durable goods and packaging) used or sold broken down into the raw material content. For plastic packaging, percentage of plastics that is: <ul style="list-style-type: none"> <li>• Re-usable;</li> <li>• Compostable;</li> <li>• Technically recyclable; and</li> <li>• Recyclable in practice and at scale.</li> </ul>
C2.4	Non-GHG air pollutants	Total non-GHG air pollutants (tonnes) by type: <ul style="list-style-type: none"> <li>• Particulate matter (PM2.5 and/or PM10)</li> <li>• Nitrogen oxides (NO2, NO and NO3)</li> <li>• Volatile organic compounds (VOC or NMVOC)</li> <li>• Sulphur oxides (SO2, SO, SO3, SOX)</li> <li>• Ammonia (NH3)</li> </ul>
C3.0	Water withdrawal and consumption from areas of water scarcity	Water withdrawal and consumption (m3) from areas of water scarcity, including identification of water source.
C3.1	Quantity of high-risk natural commodities sourced from land/ocean/freshwater	Quantity of high-risk natural commodities (tonnes) sourced from land/ocean/freshwater, split into types, including proportion of total natural commodities. Quantity of high-risk natural commodities (tonnes) sourced under a sustainable management plan or certification programme, including proportion of total high-risk natural commodities.

  Already largely covered in CDP questionnaires

  Partial coverage in CDP questionnaires

  Minimal coverage in CDP questionnaires

# TNFD Disclosure Metrics and extent of CDP alignment

## Core Cross-Sector Metrics on Risks and Opportunities



Metric no.	Category	Metric
C7.0	Risk <sup>75</sup>	Value of assets, liabilities, revenue and expenses that are assessed as vulnerable to nature-related transition risks (total and proportion of total).
C7.1		Value of assets, liabilities, revenue and expenses that are assessed as vulnerable to nature-related physical risks (total and proportion of total).
C7.2		Description and value of significant fines/penalties received/litigation action in the year due to negative nature-related impacts.
C7.3	Opportunity	Amount of capital expenditure, financing or investment deployed towards nature-related opportunities, by type of opportunity, with reference to a government or regulator green investment taxonomy or third-party industry or NGO taxonomy, where relevant.
C7.4		Increase and proportion of revenue from products and services producing demonstrable positive impacts on nature with a description of impacts. <sup>76</sup>

→ Partial as only covered for 'Water'

- Fully aligned in 2024 questionnaire
- Partially aligned in 2024 questionnaire
- Not aligned in 2024 questionnaire



# Alignment Resources

- ▼ [TNFD-ESRS Correspondence Table](#)
- ▼ [ESRS-ISSB Interoperability Guidance](#)
- ▼ [ESRS-GRI Data Point Mapping](#)
- ▼ [ESRS-GRI Interoperability Index](#)  
(at the level of each GRI standard)
- ▼ Coming soon:
  - ▼ TNFD to CDP mapping





# Questions?

Relevant CDP blogs

[Where does biodiversity fit amongst the range of environmental challenges?](#)

[Catching up with climate – the development of nature frameworks](#)

**Thank you!**

Nicole Hardiman  
Nature Standards Lead