



# CLIMATE CHANGE MANAGEMENT: Setting a MRV culture



Seventeen years ago,  
CDP set out to  
transform capital  
markets by making  
environmental  
disclosure and risk  
management a new  
business norm



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# CDP in numbers

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**20%**  
of global emissions

**100+**  
Countries

**6000**  
Companies

**800+**  
Investors

**100+**  
Purchasers



# 2017 Global Risks Report



Source: WEF, 2017

# Are businesses resilient to climate change?

▼ Question posed by investors, policymakers and regulators, customers, supply chains, and competitors



Source: WEF, 2017



**Investments must shift from high-carbon to low-carbon activities to avoid dangerous climate change**



# CDP a trigger for investment shift in the private sector

US\$23 billion of assets being professionally managed under responsible investment strategies globally, an increase of 25% since 2014.



# CDP's data is increasingly being used to create financial products

- Research
- Indexes
- Ratings
- Funds

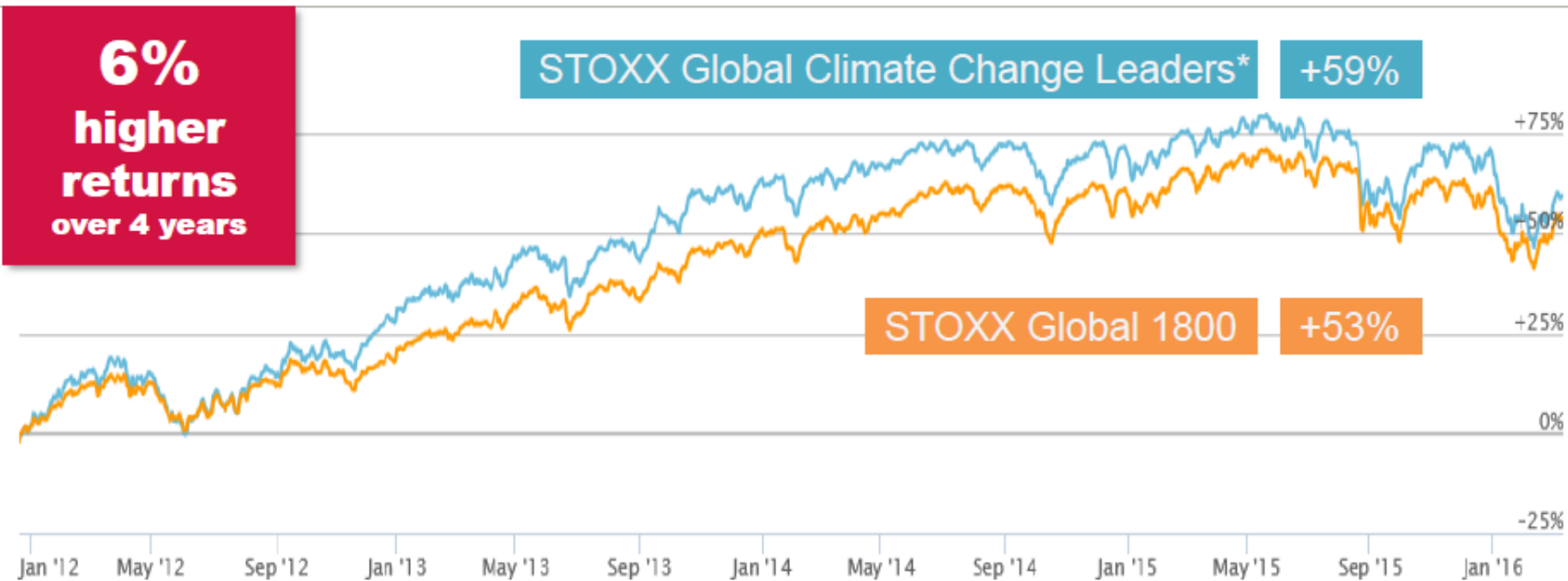




**New York State Common Retirement Fund's low-carbon index is an example. Powered by CDP data and created by Goldman Sachs, which is doubling in size from US\$2 billion to US\$4 billion**



# CDPs Global Climate A List outperforms 1.2% per year



*The STOXX Global Climate Change Leaders Index tracks CDPs Climate A List.*

# Transitioning businesses toward low and no carbon models

External environment




Carbon Pricing/ Climate  
Policies

ENABLERS

Internal environment



CDP, an environment  
instrument to enable




**"CEMEX está participando en el CDP desde hace varios años, lo que nos ha permitido preparar para los mercados de carbono. Para nosotros, el CDP nos sirve de “Benchmark” y constante motivación para seguir mejorando nuestros procesos y actividades en el área de cambio climático.**

**CEMEX**





CDP drives business through a journey to manage climate risks and integrate them into business strategy. CDP score is an indicator of business readiness to a low carbon economy

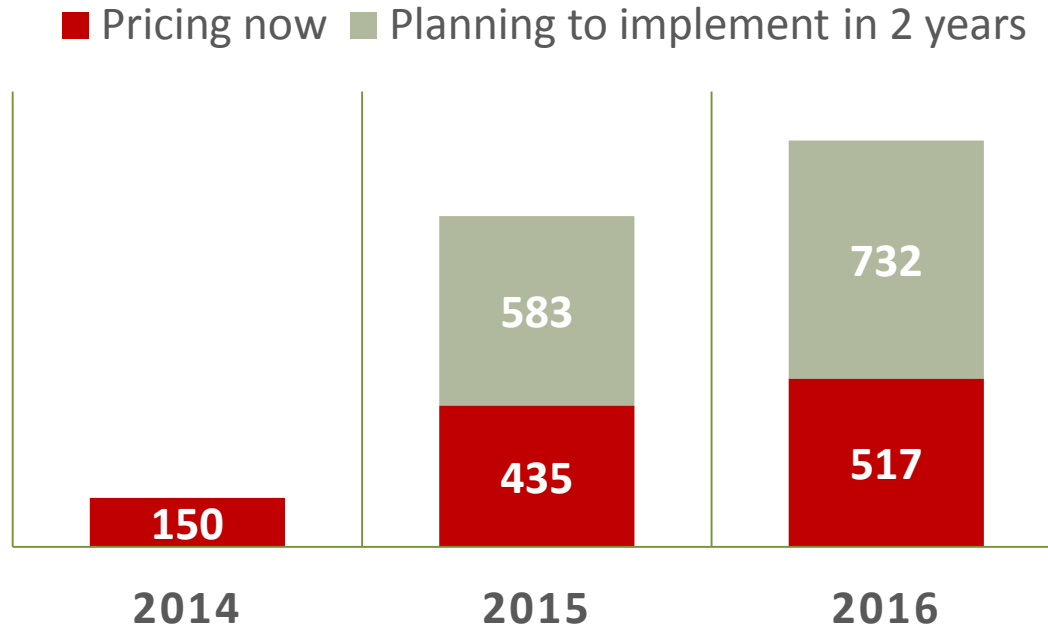


“La preparación del reporte a CDP, el análisis de riesgos y oportunidades, así como la definición de estrategias frente al cambio climático, han generado un **debate multidisciplinario y transversal al interior de la empresa.**”

Colbun

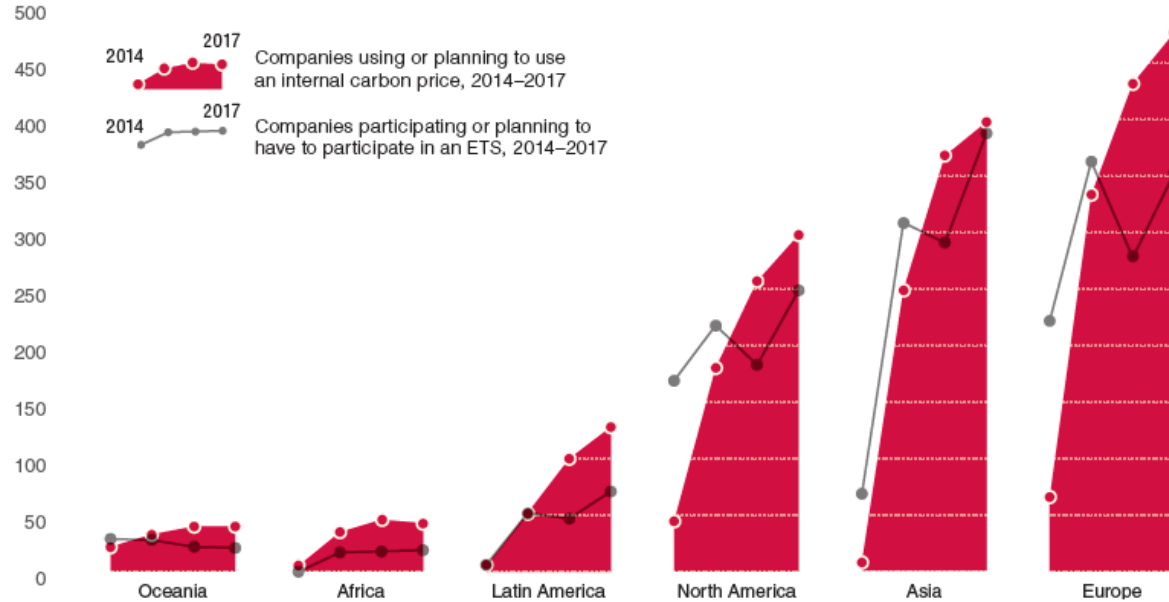


## Internal carbon pricing one of the mechanisms in this journey



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Growth of internal carbon pricing and policy expectations, by region





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## CDP helps to create a climate risks management culture, once it allows:

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- ▼ Shift investment to a low carbon economy
- ▼ Build capacity in the private sector to enable carbon markets
- ▼ Embed climate risks into enterprise risk management programs
- ▼ Undertake scenario analysis to enhance decision making around risks and opportunities
- ▼ Build climate resilience in order to gain competitive advantage
- ▼ Contribute to shift investment decision to a low carbon economy

