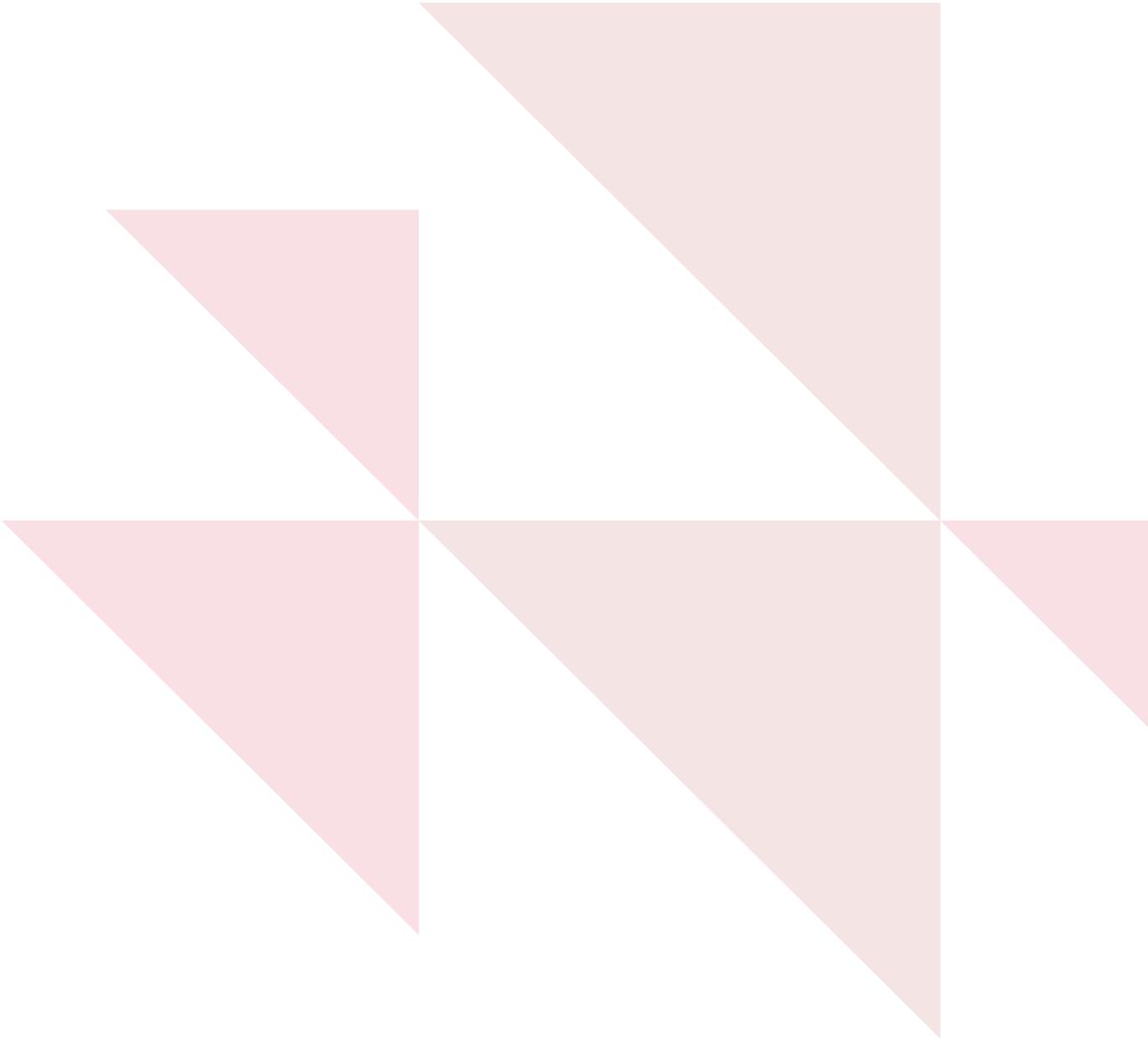


EUROPEAN COMMISSION PROPOSAL FOR AN INITIATIVE ON SUSTAINABLE CORPORATE GOVERNANCE

Comment from CDP Europe



Introductory remarks

CDP supports the European Commission's proposal to develop an EU legal framework for supply chain due diligence to address adverse impacts on environmental issues.

EU action in the area of sustainable corporate governance provides an opportunity to address global environmental issues recognizing the significance of corporate decision-making and its impact on global supply-chains. Policymakers should focus on strengthening the role of directors in pursuing their company's long-term interests and improving the accountability of directors concerning the sustainability of their business conduct.

The EU's legal framework should clearly direct companies towards integrating long-term environmental risks into corporate decision-making and providing analysis of the risks embedded in company supply chains. Establishing a single standard on mandatory due-diligence at EU level with cross-sectoral impact and which applies to all companies placing products on the EU market would help to mitigate 'imported emissions', also referred to as carbon-leakage and deforestation.

See CDP's response to the public consultation of the European Commission [here](#).

KEY RECOMMENDATIONS

- ▼ The Director's duty of care should be linked to and be guided by corporate sustainability reporting, notably by information covering all sustainability matters and required by the Accounting and the Corporate Sustainability Reporting Directive, as well as the Sustainable Finance Disclosure Regulation. Articles 18 and 20 of the Accounting Directive should be extended/revisted to include specific references to internal control and governance systems addressing sustainability factors.
- ▼ Short-termism should generally and broadly be replaced by long-term risk management along with long-term investment strategies embedded in the fiduciary duties of asset owners and managers to support directors' duties to implement sustainable business models over longer time-horizons. European investors should explicitly integrate climate and environmental risks into their legal fiduciary duties and consider risks over the timeframes of their clients' assets.
- ▼ To mitigate 'imported emissions' (also referred to as carbon leakage and 'imported deforestation') all companies based anywhere in the world, but that are placing products in the EU market, should need to comply with the due diligence rules as a condition of their access to the EU single market.
- ▼ Corporate directors should be required to set up adequate procedures and to set measurable, science-based targets to ensure that possible risks and adverse impacts on climate and the environment can be identified and mitigated, including company-wide risk-assessments of the risks deforestation poses to the company, as well as a commodity-specific, public forest-related corporate policy.
- ▼ A legislative proposal for mandatory due diligence should take a horizontal approach across climate change, forests, biodiversity, and water to reflect the dependencies between environmental issues.
- ▼ EU policymakers should encourage the harmonization of measures for deforestation-free value chains among consumer countries to prevent the shift of the trade of forest-risk commodities (FRCs) from Europe to other markets and further develop public-private partnerships in producing countries to monitor no-deforestation commitments and to unlock sustainable finance for forests.

Need for an EU legal framework for supply chain due diligence to address adverse impacts on environmental issues

Sustainable sourcing and supply chain transparency are increasingly recognized not only as an important part of a company's environmental strategy, but also as a fundamental part of a sound overall business strategy.

For instance, during 2019 CDP surveyed supply chain members to better understand how they manage their relationships with their suppliers. The [survey](#) found that 95% of responding members believe suppliers showing environmental leadership are better value companies to partner with long-term, with only 5% stating that, in their experience, those suppliers are more costly.

Benefits of an EU legal framework for supply chain due diligence

CDP agrees with several benefits that an EU legal framework would provide.

- ▼ Ensuring that the company is aware of its adverse environmental impacts and risks related to the environment and that it is in a better position to mitigate these risks and impacts.
- ▼ Contribute effectively to a more sustainable development, including in non-EU countries.
- ▼ Levelling the playing field, avoiding a freeride effect of companies on the efforts of others.
- ▼ Increasing legal certainty about how companies should tackle their impacts, including in their value chain.
- ▼ A non-negotiable standard would help companies increase their leverage in the value chain.
- ▼ Harmonization of regulations to avoid fragmentation in the EU, as emerging national laws differ.
- ▼ Mitigate competitive disadvantage vis-à-vis third country companies not subject to a similar duty.
- ▼ Reduce difficulty for buyers to find suitable suppliers which may cause lock-in effects (e.g., exclusivity period/no shop clause) and have also negative impact on business performance of suppliers.
- ▼ Mitigate disengagement from 'risky' markets, which might be detrimental for local economies.

To mitigate 'imported emissions' (also referred to as carbon leakage and 'imported deforestation') all companies based anywhere in the world, but that are placing products in the EU market, should comply with the due diligence rules as a condition of their access to the EU single market. The European Parliament's [report](#) calling on an EU legal framework to halt and reverse EU-driven global deforestation provides a meaningful pathway on how to devise such a regulation.

A new law on corporate governance should align with the scope of the developing framework comprised of the [EU Taxonomy Regulation](#), the [EU Corporate Sustainability Reporting Directive](#) and the [EU Sustainable Finance Disclosure Regulation](#), which set out reporting requirements for companies and financial market institutions not only from within but also from outside the EU and with operations or products and services traded in the EU.

To drive more action throughout their supply chains, companies are starting to integrate environmental data into the way they manage suppliers on a day-to-day basis. Also, by putting environmental data at the heart of procurement practices, companies are ensuring that sustainable purchasing becomes business as usual.

Companies using the CDP Supply Chain program integrate their environmental data into a combination of procurement tools and processes to ensure their purchasing practice is sustainable. Other companies have set clear expectations by including specific language around environmental performance in their contracting and tendering documents.

Disclosure helps companies get ahead of regulatory and policy changes, identify and tackle growing risks, and find new opportunities for action that their investors and customers worldwide are demanding.

There are tangible business benefits to be gained from responding to investor and purchaser requests for disclosure:

- ▼ Protect and improve a company's reputation – build trust through transparency and respond to rising environmental concern among the public.
- ▼ Boost competitive advantage – gain a competitive edge when it comes to performance on the stock market, access to capital, and winning tenders.
- ▼ Get ahead of regulation – preparedness for mandatory environmental reporting rules.
- ▼ Uncover risks and opportunities – identifying emerging environmental risks and opportunities that would otherwise be overlooked to inform data-driven strategy.
- ▼ Track and benchmark progress – benchmark environmental performance against industry peers.

CDP has identified \$33.7bn worth of monetary savings associated with emission reduction activities by companies that respond to the climate change questionnaire through the supply chain program, achieving 619mt CO2e in emission reductions.

AN EU LEGAL FRAMEWORK CAN BE A LEADING STANDARD IN SUPPLY CHAIN DUE DILLIGENCE

In 2018 sustainability emerged as a boardroom issue among 95% of CDP respondents reporting board-level oversight on climate change issues, 88% on forests, and 90% on water. The question of whether these environmental challenges are being sufficiently factored into strategic decision-making on supply chains or acted upon swiftly enough will be answered with enhanced supply chain due diligence. An EU legal framework will help deliver decision-useful information on climate change, water security and deforestation risks to financial markets and throughout entire supply chains.

- ▼ Multinational companies have been encouraged to take responsibility for their supply chains through a combination of sector-specific EU mandatory frameworks and for other industries a voluntary approach guided by several international frameworks.
- ▼ The voluntary approach is not enough; this is evidenced by academic research, the work of civil society organisations, and studies commissioned by the EU institutions.

Directors' duty of care – stakeholders' interests

Corporate directors should consider the interests of all stakeholders and should be incentivized respectively and provided with the legislative level-playing field to do so. However, we see a risk with the naturally occurring trade-offs between stakeholder interests. This could hinder the action directors are able to take on the biggest environmental and societal challenge of this decade – climate change and biodiversity loss – at the level and pace needed.

Balancing the interests of all stakeholders could make every single business decision very complex and time consuming. A judicious approach to EU law making would establish links between existing EU laws, notably the EU Taxonomy, the Corporate Sustainability Reporting Directive, and the new corporate governance law to create a coherent approach on how to 'balance' stakeholder interests. In particular, the materiality assessment under the Accounting and Corporate Sustainability Reporting Directive as well as the sector-specific EU Taxonomy of sustainable business activities, should be connected to and inform directors' duty of care.

By requiring corporate directors to: (1) identify the company's stakeholders and their interests; (2) to manage the risks for the company in relation to stakeholders and their interests, including in the long run; and (3) to identify the opportunities arising from promoting

stakeholders' interests, capital market actors will be enabled to direct their long-term investment and lending into companies whose activities are in line with the European Green Deal and the Paris Agreement.

- ▼ Evaluating exposure to climate-related risks and opportunities over a range of time horizons enables companies to build a strategy for the transition to a low-carbon economy, as recognized in the Paris Agreement and UN SDGs. CDP disclosed climate risks and opportunities data which focuses on processes for identifying, assessing, and responding to climate-related issues, as well as on the climate-related risks and opportunities identified by companies. This information helps investors to assess the potential impacts to valuations and the adequacy of a company's risk response.
- ▼ For many companies, climate change poses significant financial challenges as well as opportunities, now and in the future. CDP asks companies about their process for identifying, assessing, and responding to climate-related risks and opportunities so that data users may gauge the thoroughness of a company's understanding of its exposure to climate-related issues. Target setting provides direction and structure to environmental strategy.
- ▼ Providing information on quantitative targets and qualitative goals, as well as progress made against these targets, can demonstrate an organization's commitment to managing climate-related issues at a corporate level. This information is relevant to investors' understanding of how a company is addressing and monitoring progress regarding the risks and opportunities disclosed.
- ▼ About 49% of European companies reported having set monetary or non-monetary internal incentives for the management of climate issues and 20% do not currently have them in place but plan to introduce them in the next two years.

SHAREHOLDERS ARE POWERFUL ACTORS TO ENFORCE DIRECTOR'S DUTY OF CARE

Since 2017, CDP has coordinated a global, investor-led engagement campaign to drive enhanced corporate environmental disclosure. CDP investor signatories can sign up to participate in the campaign from February to March, but in 2020 as the global pandemic took hold it was uncertain how many investors would be able to participate or in what position companies may be to disclose in such a volatile economic climate.

Encouragingly, we saw a record number of investors sign up to the [Non-Disclosure Campaign](#) wishing to engage a record number of companies, demonstrating the commitment of investors in prioritizing the growing climate emergency and expecting the same from their investee companies.

We saw the highest overall positive response rate from companies in the campaign so far, demonstrating that some companies are also committed to prioritizing transparency. [In 2020](#), 108 institutional investors from 24 countries, representing USD 12 trillion in assets, signed up to this campaign and selected to engage 1,025 companies on CDP disclosure. The companies, based across 49 countries, represent USD 21 trillion in market capitalization and almost 5 billion tCO₂e in emissions. This is a 23% increase in participating investors and a 59% increase in the number of companies they engaged from 2019.

Since its inception in 2017, the campaign has seen an average of 25% YoY increase in both investors and companies as ESG moves into the mainstream and the need for comprehensive, comparable environmental data becomes ever more necessary. Out of the 1,025 companies engaged in the campaign in 2020, 206 submitted responses to their targeted questionnaires – 156 for climate change, 20 for forests and 43 for water security. These companies represent USD 2.7 trillion in market capitalization (roughly 3% of global market cap) and include names such as Enbridge (climate change), Nestlé (forests) and Richemont (water security). The disclosing companies have combined scope 1 and 2 emissions of 670 million tCO₂e.

Directors' duty of care – long-term company risk and opportunity management and long-term investment strategies of capital market actors

Short-termism should generally and broadly be replaced by long-term risk management along with long-term investment strategies embedded in the fiduciary duties of asset owners and managers to support directors' duties to implement sustainable business models over longer time-horizons.

Policymakers should focus on strengthening the role of directors in pursuing their company's long-term interests and improve the director's accountability for the sustainability of their business conduct. European investors should explicitly integrate climate risks into their legal fiduciary duties and consider risks over the timeframes of their clients' assets – just as France's Article 173 law has done.

Regulating long-term environmental risks into decision making to give forward looking analysis will be critical for our financial system at the time of supporting 1.5C-degree pathways. Therefore, bringing environmental risks into focus allows investors to better price and manage them and enables companies to make long-term investments without fearing share price dips.

Article 18 and 20 of the Accounting Directive should be extended and/or revised to include specific references to internal control and governance systems addressing sustainability factors on the level of a company's corporate governance; also, the expertise of board members in relation to sustainability issues should be clarified. Moreover, it is important to strengthen 'outside-in' governance disclosures by incorporating TCFD recommended disclosures on Governance (such as describing the board's oversight of climate (and natural capital) related risks and opportunities; as well as describing management's role in assessing and managing climate (and natural capital) related risks and opportunities into the 'corporate governance statement' in Article 20 and in the non-financial statement in 19a and 29a of the Accounting Directive.

- ▶ In 2020, 73% of European companies responding to CDP's investor and/or supply chain request for climate reported that the responsibility for climate change oversight lays with the senior management. In 57% of companies, the top-level management (CEO, COO or CFO) bears responsibility for climate-related issues.

MANAGING CLIMATE-RELATED RISKS AND OPPORTUNITIES

Evaluating exposure to climate-related risks and opportunities over a range of time horizons provides the information needed to devise a strategy for the transition to a low-carbon economy as recognized in the European Green Deal and the Paris Agreement. CDP disclosed climate risks and opportunities data by companies focused on processes for identifying, assessing, and responding to climate-related issues, as well as on the climate-related risks and opportunities identified by companies.

One aspect of risk management is the anticipation of regulatory changes. About 37% of European companies responding to CDP's investor or supply chain requests in 2020 face climate-related regulatory risks. This outcome relates to current, as well as expected future regulations. Companies report carbon pricing mechanisms as key drivers of risk, which includes enhanced emissions-reporting obligations or regulation of existing products and services. Additionally, 5% of European companies, responding to CDP's investor or supply chain requests in 2020, report legal risks. This involves, for instance, an exposure to litigation, as well as drivers related to the regulation and supervision of climate related risk in the financial sector.

Further, companies report on market, technology, and other risks from climate related developments, while also acknowledging the potential of arising opportunities.

- ▶ More than 30% of European companies responding to CDP's investor or supply chain requests in 2020 disclose improved resource efficiency as an opportunity deriving from climate-related developments. For instance, they name more efficient production and distribution processes, recycling, or more efficient modes of transport or buildings.
- ▶ Also, more than 45% of those European companies assess climate-related opportunities in terms of new products and services. These are reportedly driven by new products or services through R&D and innovation, or shifts in consumer preferences, among other factors.
- ▶ Moreover, 7% of respondents anticipate strengthened resilience as another climate-related opportunity. According to the responding companies, this is driven by the participation in renewable energy programs, the adoption of energy-efficiency measures or resource substitutes and diversification.
- ▶ Furthermore, about 26% of companies report being exposed to market risk, driven generally by changing customer behavior, as well as the increased cost of raw materials, among other factors.
- ▶ Thirty-nine percent of European companies indicate that climate-related risks and opportunities have already influenced their organization's strategy and/or financial planning, and 44% report to have developed a low-carbon transition plan.

Directors' duty of care – Science-based targets are a powerful tool to measure and manage environmental impact

Corporate directors should be required to set up adequate procedures and to set measurable and – to the extent possible – science-based targets to ensure that possible risks and adverse impacts on the environment can be identified and mitigated. In a keynote speech entitled 'What does the European Commission want to achieve with the Sustainable Corporate Governance initiative' Didier Reynders, Commissioner for Justice said:

*"It is important that directors have a clear obligation to identify sustainability risks and opportunities and to integrate this in the corporate strategy. Directors would also need to set science based and measurable sustainability targets. They would need to set a trajectory or transition plan to reach those targets. They would also need to ensure that such a strategy is implemented with the necessary risk assessments and due diligence procedures. We want to ensure that corporate decision-making changes to a sustainability mindset at all levels."
(February,2021)*

Companies must set emissions reduction targets that cover at least two thirds of scope 3 emissions. For many companies, most of their scope 3 emissions will be concentrated in their supply chain and so being able to track and reduce emissions in the supply chain is often key to enabling a company to meet their Science Based emissions reduction target.

Almost 500 companies (as of October 2020) have already pledged to align their emissions reduction targets with the goals of the Paris Agreement (so-called Science-Based Targets) – out of which around 50% have already had these targets checked and verified by the Science Based Targets Initiative.

The CDP Science-Based Targets (SBTs) Campaign offers CDP investor signatories the opportunity to play a key role in accelerating the adoption of science-based climate targets in the corporate sector by collaboratively engaging companies on this matter. In 2020, over 130 financial institutions, with \$20 trillion in assets, asked over 1800 companies, representing 25% of global emissions, globally to set an SBT.

Regarding forest-related issues, companies should implement several actions addressed to eliminating deforestation from direct operations and supply chains:

- ▶ Companies must perform a company-wide thorough risk-assessment to understand the risks posed to business by deforestation. This understanding must be incorporated into the governance mechanisms of the company at the board-level and regularly updates.
- ▶ Forest-related issues and relevant information should be included into the business strategy, also when planning long-term strategic visions. Companies must have a company-wide, commodity-specific public forest-related policy.
- ▶ Additionally, companies must have a company-wide, time-bound, forest-related public commitment to zero-deforestation, with a cut-off date aligned with the best practices highlighted by the Accountability Framework initiative.
- ▶ Companies should also set measurable and time-bound targets related to certification, traceability, and legal compliance of the forest-risk commodities they directly produce or use.
- ▶ The most committed companies should also take part in or contribute to ecosystem-restoration projects or nature-based solution to achieve a forest-positive impact. This will not only benefit forests but contribute to the achievement of the goals of the Paris agreement and contribute to reducing the loss of the world's biodiversity.

See CDP Europe policy brief "The EU's forest footprint" for more information.

EXCURSE: CDP WORK ON JURISDICTION-LEVEL APPROACH

Decoupling production of forest-risk commodities from deforestation, forest degradation and land conversion while maintaining corporate profitability is a cornerstone of CDP's Forest Strategy. In recognizing that commitments made in 2014 to halt deforestation under the NYDF by 2020 have largely been unmet by corporations and governments, the 2020 NYDF assessment report calls for a paradigm shift in its approach to achieve the renewed commitment to a Forest Positive future by 2030.

CDP's project on "**Enabling Jurisdictional Approaches to halt deforestation**" launched in 2020 with funding from the Walmart Foundation is based on: (1) a realization that companies cannot deliver the 'no deforestation' and 'no conversion' ambitions at the pace and scale required by working through individual supply chains; (2) a realization that government leadership, particularly at the subnational level*, is an important catalyst to ensuring alignment with local policies providing the resiliency and scale needed to achieve long term impact; (3) collective action of all stakeholders in a jurisdiction is the only way forward to ensure that corporate commitments can be met while ensuring a positive impact on communities and forests where they operate.

The key challenges of implementing these initiatives are: (1) lack of financial incentives or market signals for sub-national governments to prioritize sustainable resource management and multistakeholder engagement; (2) lack of consistent, reliable information for companies and potential investors; (3) lack of capacity at the sub-national level to develop and implement interventions; and (4) lack of understanding by companies on the concepts and modalities of engagement with these initiatives.

CDP's platform is uniquely positioned as it bridges disclosure from both states and regions as well as corporates on their forest, water, and climate commitments. The project has three distinct outcomes: (1) creating the data and insights needed to form a positive feedback loop between the market actors and the sub-national governments through corporate and subnational disclosure on jurisdictional initiatives (we will achieve this through the development of new metrics in 2022 corporate and states and regions questionnaires on Jurisdictional Approaches); (2) increase market confidence in jurisdictional approaches and readiness and willingness of companies to incorporate jurisdictional approaches in their responsible sourcing strategy (we will achieve this through direct engagement with companies through one to one meetings and through local and global webinars); (3) improved understanding of the states and regions of the business case to implement jurisdictional approaches and report on them (we will achieve that through direct engagement with jurisdictions one to one meetings, publication of policy briefs to support our engagement, development of a business case based on leading jurisdictions, local and global webinars on the topic as well as training workshops). CDP is closely collaborating with other organizations, namely ISEAL alliance, to align with their guidance on jurisdictional monitoring and claims. CDP is also collaborating with Proforest as landscape implementation partners for corporates, as well as Tropical Forest Alliance convening the Forest Positive Coalition of Action of the Consumer Goods Forum.

CDP looks forward to supporting and implementing our strategy through engagement on jurisdictional approaches beyond 2021.

**applicable particularly in countries where subnational governments are empowered to create and implement local environmental directives based on national level policies (Brazil and Indonesia as a current example)*

Due diligence duty – a ‘principles-based’ approach

A general due diligence duty based on key process requirements (such as identification and assessment of risks; evaluation of the operations and of the supply chain; risk and impact mitigation actions; alert mechanism and evaluation of the effectiveness of measures, grievance mechanism, etc.) should be defined at EU level and encompass identification, both prevention and mitigation of environmental risks, and negative impact. These factors should be applied across all sectors. These requirements should be complemented by EU-level general or sector specific guidance or rules, where necessary. A legislative proposal for mandatory due diligence should take a horizontal approach across climate change, forests, biodiversity, and water to reflect the dependencies between environmental issues.

Forest-risk commodities (FRCs) imported into the EU market should:

- ▶ Include binding definitions of what constitutes deforestation and forest degradation, as well as the scope of FRCs in line with the Accountability Framework.
- ▶ Ensure a level playing field between companies, where smaller businesses are not disproportionately impacted by high costs associated with due diligence.
- ▶ Integrate criteria and requirements already included in the Accountability Framework.
- ▶ Ensure enforcement of the due diligence law, including civil liability and cooperation between Member State supervisory authorities.
- ▶ Consistency with the World Trade Organization rules – the due diligence regulation should apply to FRCs produced both inside the EU and those imported from other jurisdictions.
- ▶ During the transition towards enforcing the due diligence law, impose lower import duties for FRCs which comply with certain sustainable production and/or the no-deforestation criteria.



Due diligence duty – accompanying measures to foster more level playing field between EU and third country companies

Engage governments of producing countries to stimulate a stronger enforcement of existing laws by local governments.

Verifying the compliance of products with national law is challenging for companies and in some cases not a guarantee of legality due to potential corruption. European companies ask for stronger enforcement of national legislation in producing countries to ensure that the commodities they purchase are not illegally produced.

Recommended actions:

- Further develop public-private partnerships in producing countries to monitor no-deforestation commitments and to unlock sustainable finance for forests.
- For example, companies and governments can monitor producers' compliance with no-deforestation policies by using satellite monitoring systems.

Ratchet up ambition to promote deforestation-free value chains in key global environmental governance platforms.

In 2021, international policy efforts to promote sustainable development has reached a tipping point. Multiple windows of opportunity are open to innovative integrated solutions to climate change, biodiversity loss, and human development, which include the second cycle of the Nationally Determined Contributions (NDCs) under the Paris Agreement; the negotiations of the Convention for Biological Diversity (CBD) Post-2020 Global Biodiversity Framework; and the start of the decade-of-action to achieving the 2030 Sustainable Development Agenda and the Sustainable Development Goals.

Recommended actions:

- Include forest and nature-based solutions for climate targets at UNFCCC COP26.
- Include companies' supply chains in FRCs in the Post-2020 Biodiversity Framework.
- Develop policy for deforestation-free value chains and preventing the shift of the trade of FRCs from Europe to other markets with other consumer countries encouraging the adoption of similar criteria to EU legal frameworks.

STRENGTHEN SUPPLY CHAIN DUE DILLIGENCE DUTY TO LEVEL THE PLAYING FIELD

We need greater engagement and collaboration between companies throughout supply chains that source and produce commodities in high-risk regions. Transparency must increase among both customers and suppliers to drive greater coordination and collaboration, to meet shared goals, and to manage risks and capitalise on opportunities.

- If the companies disclosing through CDP took action to protect forests by applying due-diligence procedures within their supply chain management 37 million hectares of forests and agricultural land could be preserved or managed sustainably without further deforestation.
- In 2020, nineteen major purchasing companies including L'Oréal, Walmart and McDonald's leveraged CDP's disclosure platform to request over 700 suppliers across 53 countries to report on their awareness and management of [deforestation risk](#).
- Suppliers require support on certification. Almost a quarter of suppliers (21%) recognised that stringent third-party certification helps achieve sustainability standards when adopted within a broader due diligence approach.

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CDP Europe and the CDP global system

CDP Europe is a charitable organization registered in Brussels and Berlin and on the EU Transparency Register since 2012. It is part of the CDP Global System, a global non-profit that runs the world's environmental disclosure system for companies, cities, states and regions. Founded in 2000 and working with over 590 investors with \$110 trillion in assets, CDP pioneered using capital markets and corporate procurement to motivate companies to disclose their environmental impacts, and to reduce greenhouse gas emissions, safeguard water resources and protect forests. Over 10,000 organizations around the world disclosed data through CDP in 2020, including more than 9,600 companies worth over 50% of global market capitalization, and over 940 cities, states and regions, representing a combined population of over 2.6 billion. Fully TCFD aligned, CDP holds the largest environmental database in the world, and CDP scores are widely used to drive investment and procurement decisions towards a zero carbon, sustainable and resilient economy. CDP is a founding member of the Science Based Targets initiative, We Mean Business Coalition, The Investor Agenda and the Net Zero Asset Managers initiative. Visit [cdp.net](https://www.cdp.net) or follow us [@CDP](#) and on [LinkedIn](#) to find out more.

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CDP Europe's annual report is available [here](#) and its regular policy newsletter can be joined [here](#).

CDP Government Partnerships

CDP Government Partnerships are designed to help governments analyse the impact of policies and regulation to achieve carbon-neutrality and resource efficiency by 2050. CDP's global disclosure system equips national, EU and international policymakers and governmental bodies with the data they need to track and measure the impact of policies, identify gaps, trends and best market practice that can be tackled and incentivized through policymaking to create positive impact and drive the transition.

By endorsing the CDP disclosure system, governments can actively drive the increase in quantity and quality of climate and environmental data of corporates and local governments as well as action on climate change, water insecurity and deforestation.

CDP Europe in European and international media

LesEchos

FINANCIAL TIMES

Bloomberg

euronews.

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