

The State of Play

2023 Climate Transition Plan Disclosure

June 2024



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Key findings



1

Over 1 in 4 companies (5906) disclosed through CDP that they have a 1.5°C-aligned climate transition plan in place – an increase of 44% since last year.



2

Nearly 40% of companies that report having a climate transition plan are already disclosing against most (at least two thirds) of the climate transition plan key indicators.



3

In 2023, 36% of all disclosing companies (over 8,600) disclosed the intention to develop a climate transition plan in two years. Of the companies that committed to developing a plan in 2021, 44% had set one by 2023, with 25 disclosing plans credibly.



4

Organizations listed on the FTSEurofirst 300 and KOSPI 200 indices are ahead of their market peers. 77% and 74% of organizations listed disclosed to at least two thirds of the indicators that make up a credible plan.



5

But there's still a way to go: just 2% of companies that report having a transition plan are currently disclosing to all 21 indicators to judge credibility – key barriers include complete strategy, target setting and financial planning.



6

Japan retained its lead position in regional assessments, with 32 organizations credibly disclosing their climate transition plans, 16 more organizations than 2022



7

Power generation, financial services, and infrastructure industries had the most sufficient disclosure as 32%, 30%, and 24% disclosing to 'all' or 'many' of the key indicators in 2023. Conversely, the fossil fuel industry continued to perform the worst.

Introduction

We are in the most critical decade of environmental action. Despite progress through historic pledges and commitments, rapid, ambitious, and credible action by non-state actors and governments is crucial to accelerate the transition to a 1.5°C, nature-positive global economy.

The first test of the Paris “ratchet mechanism” culminated at COP28 with the Global Stocktake: a collective assessment of progress on the Paris Agreement goals. Despite reaching a historic agreement to transition away from fossil fuels, the Stocktake failed to provide a crystal clear, actionable roadmap for implementation by all actors, although the critical role of companies is recognized. With increased focus on clearer and tighter standards for companies to achieve global environmental goals, particularly where critical signals and evidence gaps remain, there is a pressing need to further define credible actions and support progress, particularly in transition planning.

The landscape of climate transition planning has progressed rapidly over the past twelve months. Climate transition plan disclosure is now required by several standards including the [IFRS S2](#) developed by the International Sustainability Standards Board (ISSB) and the European Sustainability Reporting Standards (ESRS) under the European Union’s [Corporate Sustainability Reporting Standards \(CSRD\)](#). In addition to this the UK Transition Plan Taskforce (TPT) published its final [Disclosure Framework](#) with the [UK Financial Conduct Authority](#) (FCA) exploring how this guidance can support organizations disclosing transition plans under IFRS S2. These frameworks are now converging around consistent indicators of credible climate transition plans, as shown in the mapping to CDP’s Key Transition Plan Indicators in this report. In an evolving landscape with a need for continued acceleration and alignment, CDP is a crucial tool to support organizations across jurisdictions looking to develop, implement and disclose standardized credible climate transition plans in line with current and future global reporting standards.

This year’s report assesses the disclosure of over 23,200 organizations from 14 industries across 129 countries against CDP’s 21 key climate transition plan indicators. This assessment will establish that the current state of climate transition plan disclosure is accelerating in some areas, industries and regions. However, in analyzing these perspectives, the report will reflect the wide-reaching need for greater guidance on credible climate transition plans. In response to this, this report introduces the concept of CDP’s Transition Plan Journey to support disclosers in preparing credible plans and data users in assessing progress.



Transition Plan Elements












2

Transition Plan Elements

There is an emerging convergence around the key disclosure indicators of a credible climate transition plan. This can support regulators in their critical role of mandating disclosure and providing effective guidance on credible climate transition plans. The table below illustrates CDP's alignment across other frameworks, standards and initiatives¹.

Figure 1: Mapping climate transition plan key indicators to existing frameworks, standards and initiative.

| CDP Climate transition plan element | CDP Climate Transition Plan sub-elements | Standards/Frameworks/Initiatives | | | | | |
|---|--|----------------------------------|--------------|---------|---------|---------|---------|
| | | IFRS S2 | EFRAG (ESRS) | SEC | TPT | GRI | GFANZ |
| Governance  | Board level oversight | Full | Full | Full | Full | Full | Full |
| | Executive incentives linked to climate performance indicators | Full | Full | Partial | Full | Full | Full |
| Scenario analysis  | Details of scenario analysis | Full | Full | Full | Full | Partial | Full |
| Risk & opportunities  | Climate-related risks – risks, potential financial impact and response strategy | Full | Partial | Partial | Partial | Full | Full |
| | Climate-related opportunities – opportunities, potential financial impact and response strategy | Full | Full | Full | Full | Full | Full |
| Strategy  | Link between identified (and potential) climate related risks, opportunities & company strategy | Full | Full | Full | Full | Full | Partial |
| | Existence of a 1.5°C world-aligned transition plan within business strategy & shareholder feedback mechanism | Full | Full | Full | Full | Partial | Full |
| Financial planning  | Link between identified (and potential) climate related risks, opportunities & financial planning | Full | Full | Full | Full | Full | Full |
| | Financial planning details associated with a 1.5°C world | Full | Full | Partial | Full | Full | Full |
| Targets  | Emission reduction targets – absolute and/or intensity | Full | Partial | Partial | Full | Partial | Full |
| | Net-zero targets | Full | Full | Full | Full | Full | Full |
| Scope 1,2 & 3 accounting with verification  | Comprehensive and third-party verified emissions accounting | Full | Full | Full | Full | Full | Full |
| Policy engagement  | Alignment of public policy engagement with climate ambition & strategy | Full | Full | Full | Full | Full | Full |
| Value chain engagement  | Value chain engagement | Full | Full | Full | Full | Full | Full |
| | Details of low-carbon products and/or service | Full | Full | Full | Full | Full | Full |

Full coverage: There is at least full coverage between disclosures from the CDP questionnaire included in the key indicators and the disclosure requirements set by the framework/standard - including where CDP exceeds the requirements of the standard/framework/initiative.

Partial coverage: The disclosure requirements of the standard/framework/initiative exceed the disclosures from the CDP questionnaire included in the key indicators.

Standard does not cover: The mapped standard/framework/initiative does not require the disclosure of this information - whereas CDP's questionnaire does.

¹ CDP recognizes this is a rapidly evolving field with many more frameworks developed by other initiatives. This is a sample of those we consider most present in the field. For other standards, see for example: [CDP-Technical-Note-FS-Transition-Plans-and-Net-Zero-Commitments.pdf](#)



Disclosure of climate transition plans

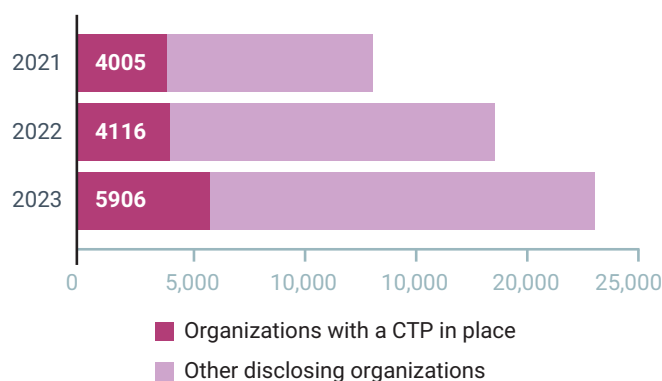
CDP has been collecting data on climate transition plans since 2021. The relevant questions and the response indicating the presence of a climate transition plan from 2021 to 2023 are shown in Figure 2 below.

Figure 2. Number of climate transition plans disclosed in 2021, 2022, 2023

| Year | Question | Response | # | % |
|------|---|--|--------------------|-----|
| 2021 | Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning? | Yes, and we have developed a low-carbon transition plan | 4,005 | 30% |
| 2022 | Does your organization's strategy include a transition plan that aligns with a 1.5°C world? | Yes, we have a transition plan which aligns with a 1.5°C world | 4,116 | 22% |
| 2023 | Does your organization's strategy include a transition plan that aligns with a 1.5°C world? | Yes, we have a transition plan which aligns with a 1.5°C world | 5,900 ² | 26% |

The number of organizations disclosing that they have a climate transition plan has increased year-on-year since 2021. This number has not increased at the same rate as the total number of organizations disclosing through CDP, so the proportion of organizations disclosing that they have a climate transition plan in place has declined. This reflects the natural process of mainstreaming the concept of transition plans and the associated accountability within it.

Figure 3. Number of disclosing organizations and the number of organizations disclosing a climate transition plan from 2021 to 2023.

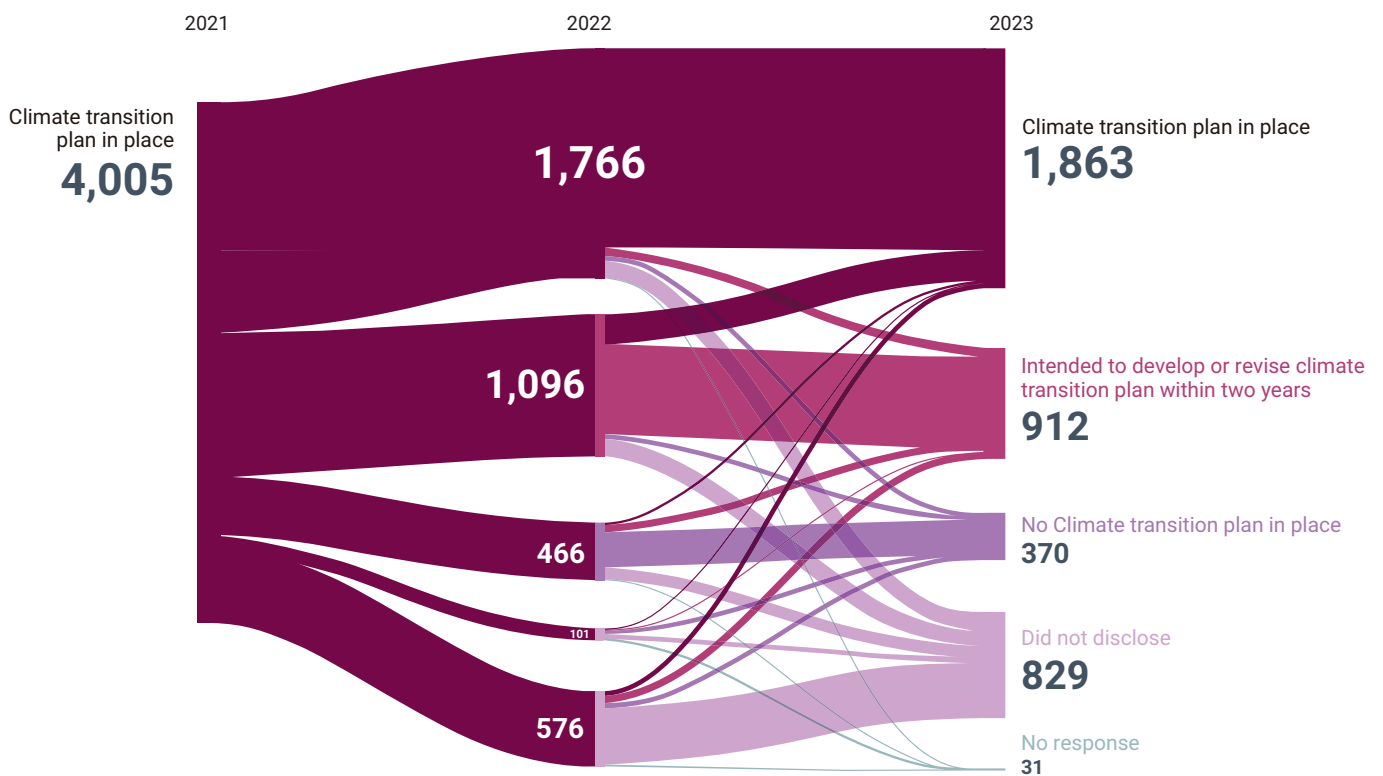


² This statistic references data which was extracted from the CDP platform, as of 14 November 2023.

Several factors can account for this trend, such as CDP refining its criteria for climate transition plans from a “low-carbon” transition plan to a climate transition plan that aligns with a 1.5°C-aligned world, and varying guidance and methodologies on what constitutes credible transition plans.

Assessing the consistency of climate transition plan disclosure over three years can help establish the degree of understanding and confidence in climate transition plan disclosure. In 2021, 4,005 organizations disclosed having a climate transition plan in place, their climate transition plan disclosure from 2021 to 2023 is shown in Figure 4.

Figure 4. Consistency of climate transition plan disclosure from 2021 to 2023



Although there is not yet enough data to establish multi-year trends, the data shows an increase in consistency in 2023, which suggests an emerging understanding and confidence within disclosing organizations of the requirements of climate transition plans, increasing the likelihood of their adoption and implementation.

Despite this, the rate of change is still too slow, suggesting organizations need improved guidance supported by robust frameworks and policies. CDP’s Transition Plan Journey can help establish best-practice guidance for disclosing organizations to formulate and implement credible climate transition plans. Before assessing progress along CDP’s Transition Journey, it is necessary to assess the quality of transition-relevant disclosures.

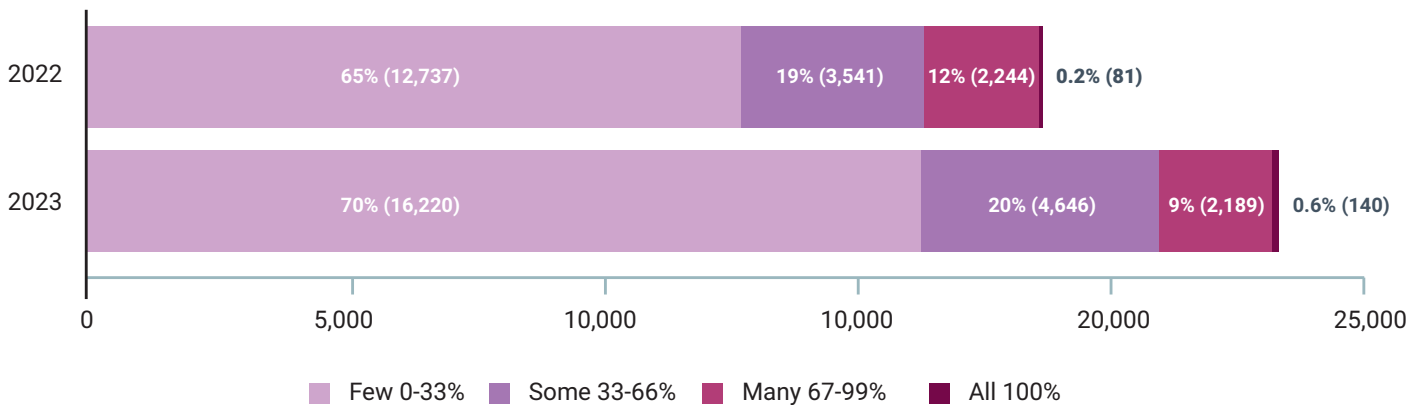
Disclosure to 21 key transition indicators and thresholds

This section examines how organizations have performed by climate transition plan disclosure threshold in 2022 and 2023.

CDP Credible climate transition plan thresholds.

| Tier | % key indicators disclosed against | # of key indicators disclosed against |
|------|------------------------------------|---------------------------------------|
| Few | 0%-33% | 0 – 7 |
| Some | 34%-66% | 7 – 14 |
| Many | 67%-99% | 14 – 20 |
| All | 100% | 21 |

Figure 5. 2022 & 2023 disclosure to climate transition plan indicators – by disclosure tier



Organizations that continually disclose through CDP year-on-year are more likely to provide sufficient details on their climate transition plan.



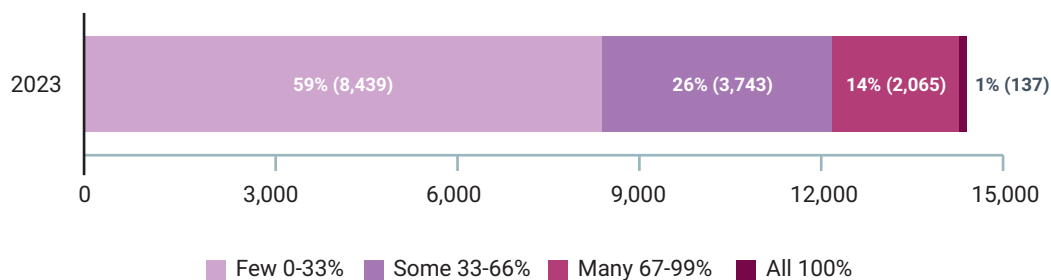
Although remaining at less than 1% of the total, the number of organizations disclosing against “all” key climate transition plan indicators increased from 81 to 140. Of these 140 organizations, 33 disclosed against all indicators in both years, 48 dropped a threshold, and 107 disclosed against all indicators in 2023 for the first time.

Organizations disclosing against “many” key indicators decreased from 12% to 9%. However, within this group, a subset disclosing that they have a public 1.5°C-aligned climate transition plan incorporating a shareholder feedback mechanism increased from 949 (26%) of that tier to 1,379 (63%) in 2023. **This suggests a growing number of organizations that disclose to “many” of the key indicators have confidence in their transition plans due to strong accountability mechanisms**, a requirement for credible climate transition planning from CDP.

Organizations that continually disclose through CDP year-on-year are more likely to provide sufficient details on their climate transition plan.

Figure 6 below shows that 41% of all repeat disclosers sit in either the “Some”, “Many”, or “All” tiers as opposed to 30% of the entire disclosure sample. In addition to this, almost all “All” tier disclosers are repeat disclosers.

Figure 6. 2023 repeat disclosers by disclosure tier



While key indicators of credible climate transition plans may be converging and the understanding of credible planning increasing, so too is the legal and financial significance of these plans. Therefore, the number of organizations credibly disclosing plans may plateau or decline while the quality of adoption increases. CDP plays a critical role by providing a consistent and comparable platform for plans to be disclosed. Additionally, the disparity in quality and quantity reinforces the need for a clear assessment of challenges and barriers for organizations attempting to develop and disclose credible climate transition plans.

Trends in Climate Transition Plan Disclosure

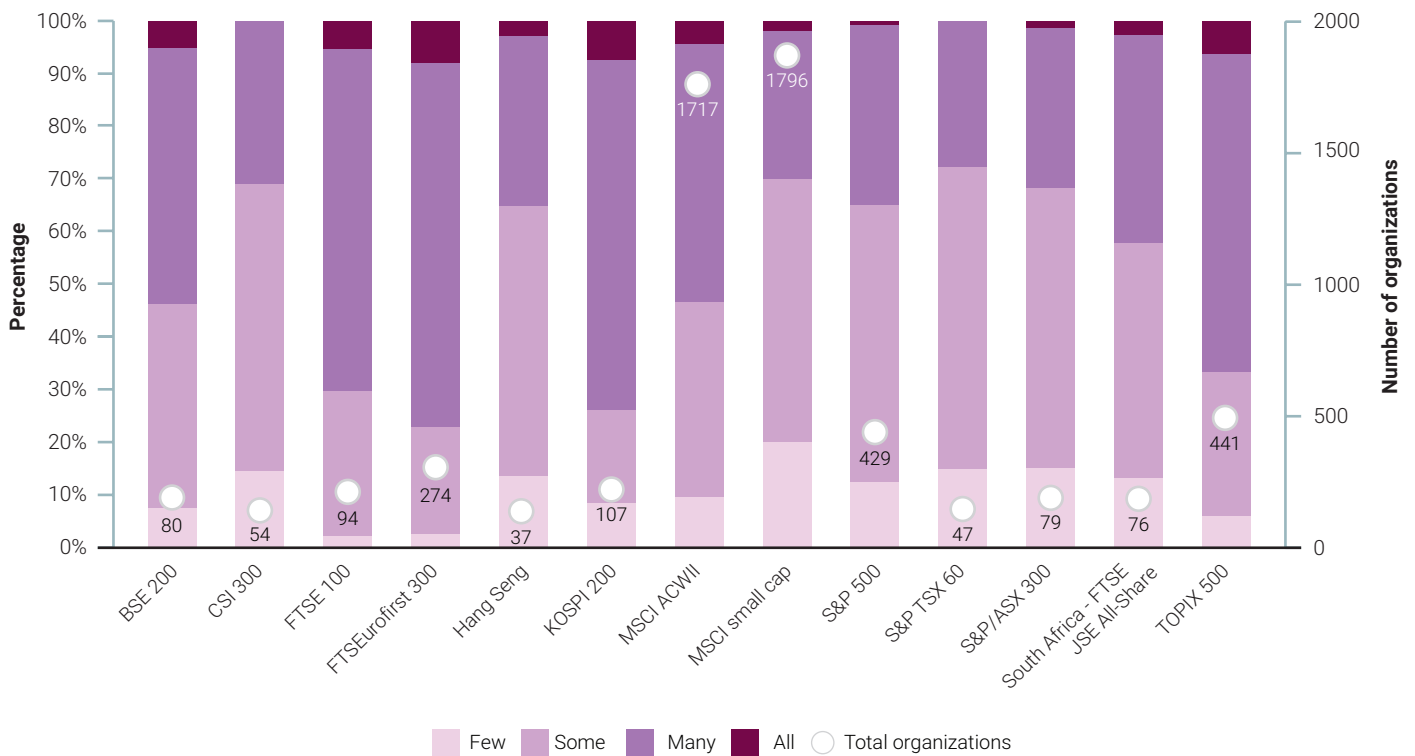


3

Index trends

Key global indexes contain some of the most influential organizations expected to drive the climate transition. In addition to this, many of these jurisdictions are developing or have already implemented climate-related disclosure requirements that may now be impacting the level of credible climate transition plan disclosure³. Figure 7 how some key indexes performed by disclosure threshold in 2023⁴.

Figure 7. Credible climate transition disclosure performance, by index



Most organizations listed on these markets are situated within the 'some' (41%) or 'many' (42%) threshold tiers. In contrast, the entire disclosure sample in 2023 had 20% of disclosing organizations situated within the 'some' tier and 9% in the 'many' tier. **This disparity suggests that transition plans appear to be a higher priority for organizations that are publicly listed. This is expected given the increased level of scrutiny and development of disclosure requirements that public companies are subject to.**

³ CDP, 2023, [Shaping high-quality mandatory disclosure](#).

⁴ The mapping of disclosers to their respective index was conducted in December 2023. There may be additional organizations that disclosed via CDP in 2023 that have not been mapped in this report.

Best performing indexes:

FTSEurofirst 300

KOSPI 200



FTSEurofirst 300 and KOSPI 200, were the best-performing indexes with 77% and 74% of its organizations situated within both the 'many' and 'all' tiers.

FTSE 100, was the third-best performing index with 70% of its organizations situated within the 'many' (65%) and 'all' (5%) tier.

This is encouraging as regulation within the United Kingdom (UK) and the European Union (EU), will require companies in these markets to disclose transition plans.

S&P TSX60, and, CSI 300 were the poorest performing members of the G20 with 72% and 71% of organizations situated within the 'few' and 'some' tiers respectively. Both indexes were the only indexes with zero organizations disclosing sufficient details of their climate transition plan, showing a clear lag within these regions.

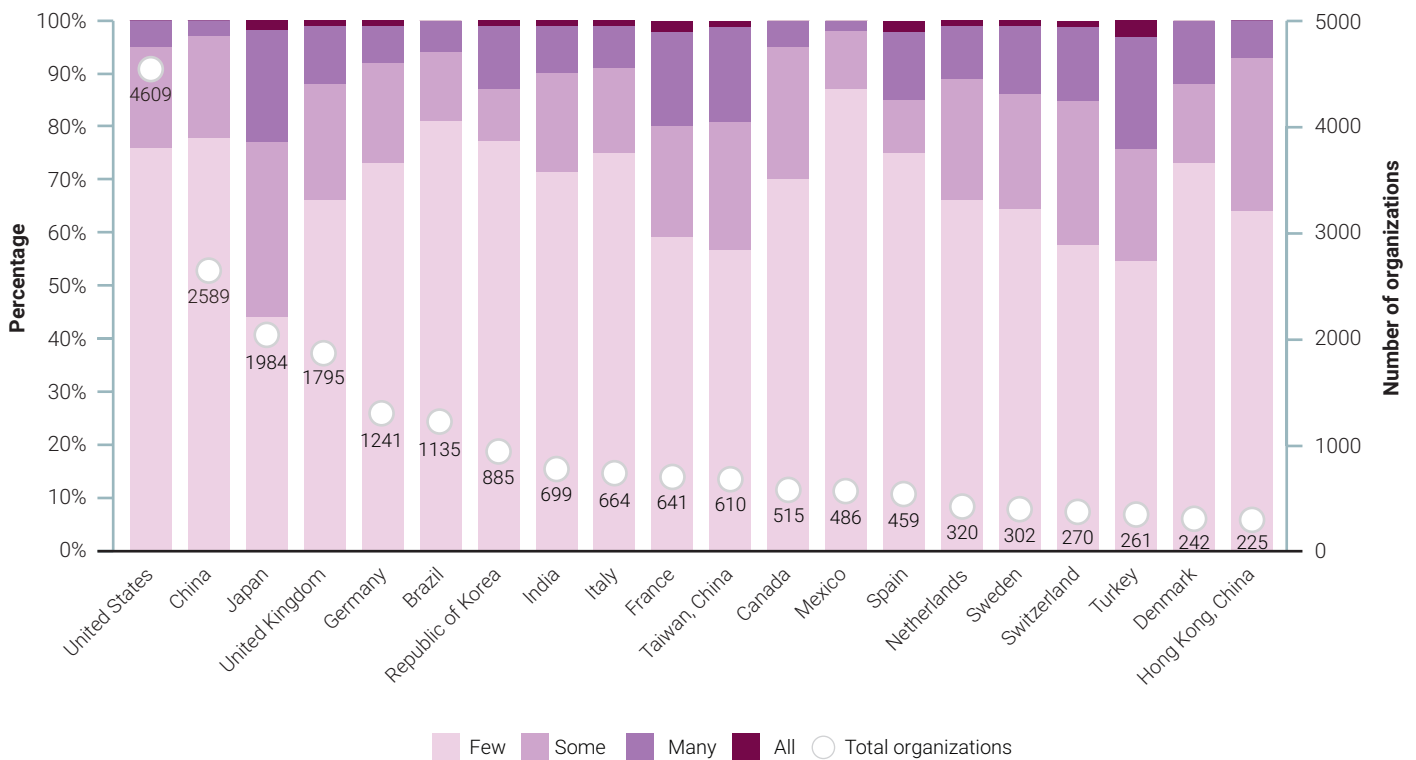
While some public markets are lagging, generally global indexes stand to be well prepared for credible climate transition plan disclosure. While climate-related disclosure requirements are on the rise, as seen in the United Kingdom (UK), the European Union (EU), and the United States, some regions will require a greater steer from regulating to mandate transition plan disclosure.



Geographic trends

Organizations from 129 countries disclosed through CDP in 2023.

Figure 8. Disclosure performance, by country/region (Top 20)



When assessed for credible climate transition plan disclosure Japan was the leader for the third year in a row, with 32 organizations situated within the 'all' tier – double the number of disclosures from last year. This contrasts with Japan's TOPIX index which had the 5th highest number of organizations situated within the 'all' tier.

While a high degree of climate transition plan preparedness has been observed within publicly listed organizations in the EU and UK, this readiness is not uniform across the entire region. The UK had 88% of its disclosers situated within the 'few' and some 'tier' and EU nations represented in the top 20 countries per disclosure numbers had on average 88% situated within these tiers also.

In the EU, organizations from Germany, Italy, France, Spain, the Netherlands, Sweden, and Denmark are represented in the top 20 countries per total disclosures. **Out of these, Germany and France have the largest increases in the number of organizations disclosing to the 'all' tier, with Germany going from one organization in 2022 to 10 in 2023, and France going from five to 12.**

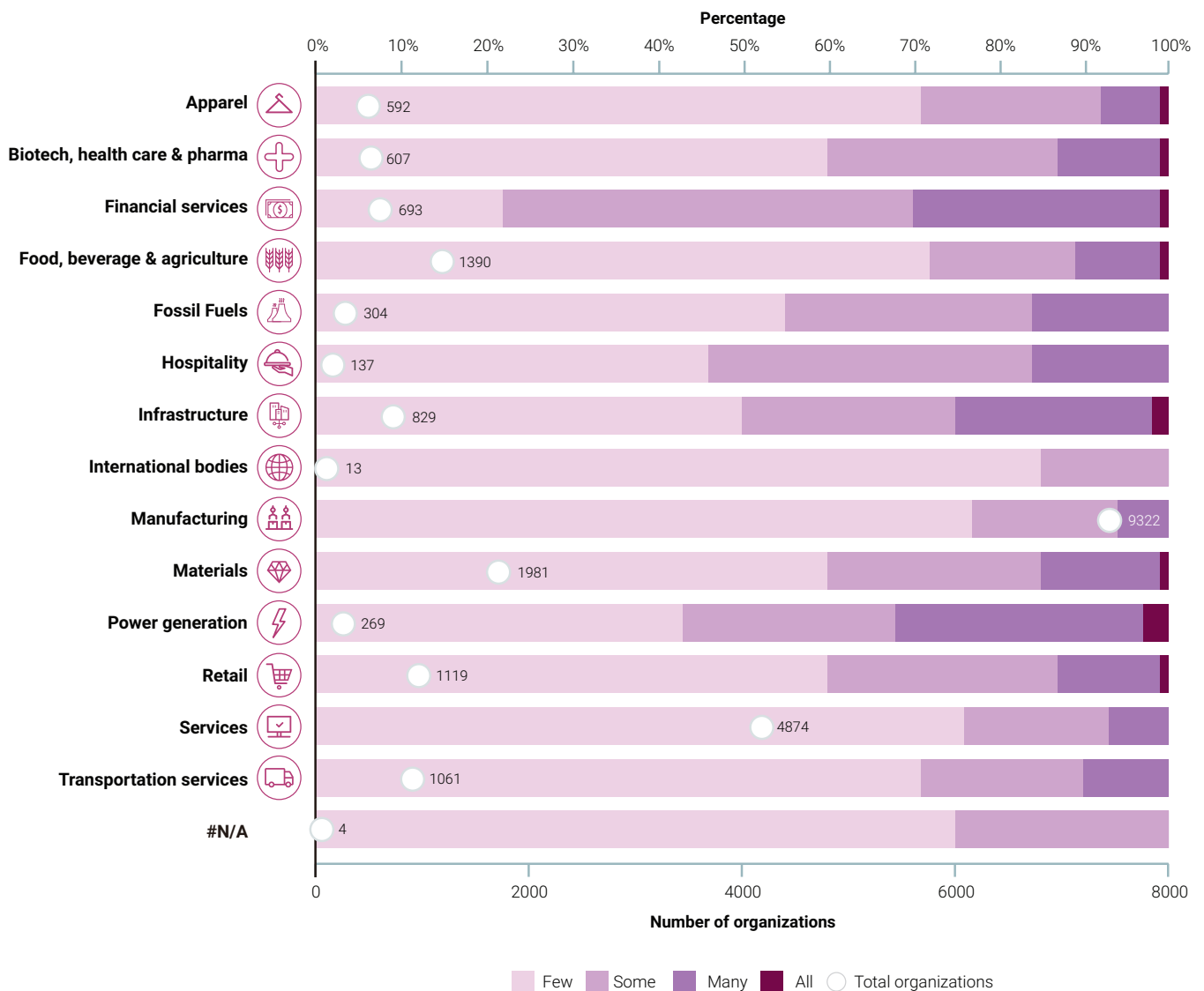
While the lack of sufficient progress across geographies indicates that steps taken are not being implemented rapidly or widely enough, it is anticipated that disclosure mandates regionally and for publicly listed companies will begin to

impact supply and value chains globally. For an effective economy-wide transition, both public and private organizations must align their ambition, collaborate, and disclose, utilizing necessary guidance and tools on transition plans to drive the transition across economies.

Industry trends – by disclosure threshold tier


CDP has analyzed disclosure performance across various industries.

Figure 9. Credible climate transition disclosure performance, by industry





Industries continuing to demonstrate high rates of disclosure across 'all' and 'many' tiers:

32% 
Power generation

30% 
Financial services

24% 
Infrastructure

While year-on-year improvements are encouraging, action on credible climate transition planning is not moving fast enough as many industries continue to lag, such as the key industry of fossil fuels.

Industries that are prone to long term planning such as power generation, financial services, and infrastructure continue to demonstrate high rates of disclosure across 'all' and 'many' tiers with 32%, 30%, and 24% situated within these tiers respectively.

The apparel industry has seen an increase in the number of organizations situated within the 'all' tier, rising from one in 2023 to four in 2023. However, it remains among the industries with the lowest number of organizations disclosing sufficient detail across key indicators for climate transition planning. **Alongside apparel, the hospitality and transportation services industries have minimal representation in the 'all' tier, with zero hospitality organizations (one less than 2022) and only one transportation services organization (one less than 2022) disclosing sufficient details across all key climate transition plan indicators.**

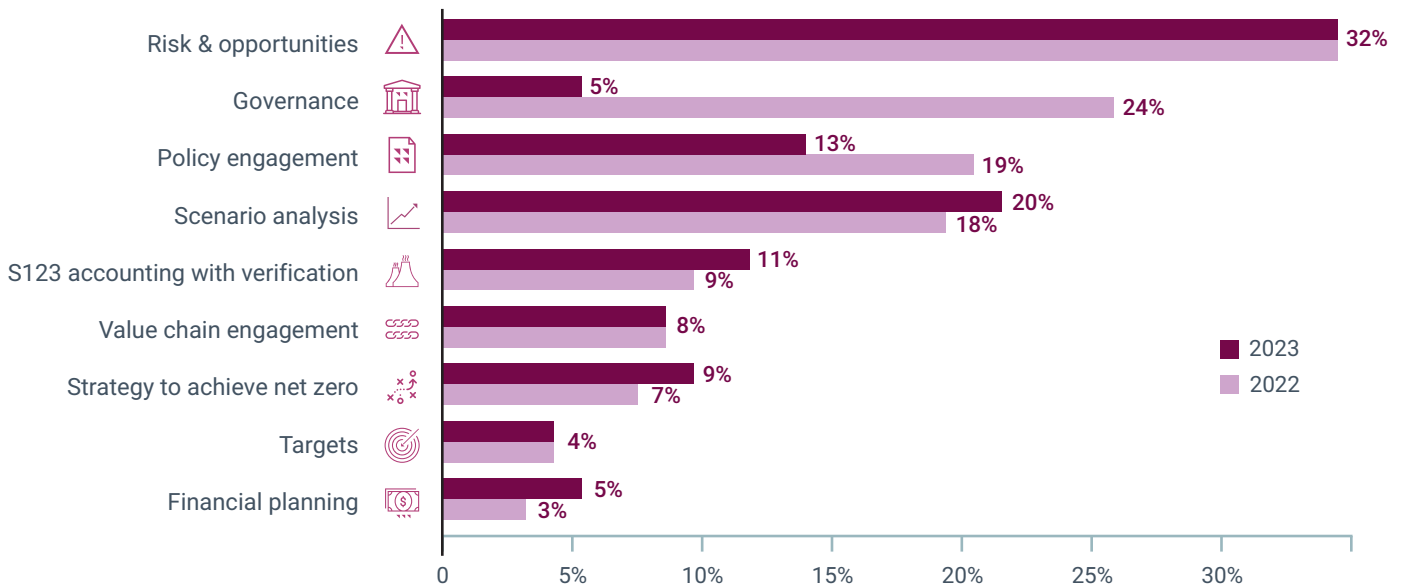
Fossil fuel organizations continue to lag across all indicators, a stark contrast to 2021 when the industry led in credible climate transition plan disclosure. There has been no increase in organizations situated in the 'all' tier since last year. **Fossil fuel organizations should prioritize embedding sufficient disclosure of climate-related risks and opportunities and utilize sustainable finance taxonomies to navigate and support their climate transition.** Taxonomies help align organizations with stakeholder expectations, particularly in the financial services and fossil fuel industries, potentially increasing access to capital through prioritizing sustainable activities. These actions are crucial for meeting the transition needs of a low-carbon economy and fulfilling commitments under the COP28 agreement to shift away from fossil fuels in energy systems.

Element-level trends

CDP's assessment of sufficient disclosure against the elements of a credible climate transition plan helps to establish where organizations lack clarity or are facing barriers to developing and implementing a credible climate transition plan.

Figure 10. Percentage of organizations that disclosed sufficient details to each element of a credible climate transition plan in 2022 and 2023

- **Group 1:** Entire 2023 disclosure group - the 23,200+ organizations who disclosed through the climate change questionnaire in 2023
- **Group 2:** Entire 2022 disclosure group - the 18,600+ organizations who disclosed through the climate change questionnaire in 2022



The only elements that have a proportional decrease in organizations disclosing sufficient details are policy engagement and governance.

Changes in CDP's assessment criteria for the elements of governance⁵ and policy engagement⁶ have resulted in a significant drop in the number of disclosers providing sufficient details about these elements. CDP always provides information on updates to our questionnaire and would recommend that organizations consult the [Guidance for Companies webpage](#) to remain aware of increased scoring criteria.

⁵ In 2023 CDP increased the stringency of sufficient governance disclosure of credible climate transition plans, organizations should now demonstrate that at least one member of their senior management team is incentivized for specific transition planning actions. See appendix for more details.

⁶ In 2023 CDP increased the stringency of sufficient policy engagement disclosure of credible climate transition plans, organizations should now ensure that it has a public commitment or position statement to conduct their engagement activities in line with the goals of the Paris Agreement. See appendix for more details.

Credible climate-related risk and opportunities disclosure remained at 32%. This reflects the external pressures organizations face due to the further development of climate-related disclosures, such as those recommended by the TCFD and ISSB.

Financial planning which had the lowest proportion of organizations providing sufficient details in 2022 increased by 2% in 2023 moving above the element of targets. Still, more needs to be done concerning sufficient financial planning disclosure and utilizing taxonomies can support organizations in overcoming some of these challenges.



Of the
5%
of organizations that
disclosed sufficient
details of their financial
planning in 2023

18%
disclosed utilizing a
taxonomy to classify their
financial planning as aligned
with their transition plan or a
net-zero carbon economy.

This contrasts with the 2% of organizations outside this group who disclosed utilizing a taxonomy. As recommended in [CDP's recent report](#) on the EU taxonomy, organizations should strive to adopt taxonomies as a tool to demonstrate and support the alignment of expenditure with transition targets and gain access to capital.

Both targets and value chain engagement have remained consistent across 2022 and 2023 with 4% and 8% of disclosing organizations providing sufficient details on each element respectively. In each case, this is an increase in just 180 organizations that are disclosing sufficient details of each element in 2023.

Climate transition plan elements where proportional growth has stagnated or decreased suggests a lack of urgency and required speed, however, the number of organizations disclosing sufficient information for many elements has increased in line with CDP's growth of disclosures. This growth signals and reflects the increasing pressure and awareness among organizations regarding broad climate-related disclosure. However, as is the case in all societal changes which increase legal and financial significance, a plateau can be observed where the threat of legal and financial reprove balances with the benefits of being first movers. The journey CDP outlines below aims to address this and serves two purposes: to indicate the sustained efforts and directions of an organization and to help identify where wider challenges may be delaying action.

CDP's Climate Transition Plan Journey

4

CDP's Climate Transition Plan Journey

CDP's Transition Plan Journey offers a structured pathway for organizations, guiding them in developing and disclosing their climate transition plan. Each step is drawn from the experience of a huge section of organizations and outlines a series of actions and disclosures that should be taken by organizations during the development and disclosure of their climate transition plan. These actions are mapped to CDP's key climate transition plan indicators⁷.

This journey provides transition plan preparers with a suggestive procedural roadmap and data users with a useful visualization of progress.

The following section of the report will assess how organizations have progressed along CDP's Transition Plan Journey in 2022 and 2023. The sample assessed in this section is organizations that disclosed that they would develop a climate transition plan in 2021 and continued to disclose in 2022 and 2023⁸.

Figure 11. Steps of the CDP's Climate Transition Plan Journey



⁷ Refer to the appendix to see the mapping of the climate transition plan key indicators to each stage of the CDP Transition Plan Journey.

⁸ CDP has assessed progress along the transition plan journey in 2022 and 2023 due to the consistency in indicators between these two years, due to substantial changes to the indicators after 2021 an assessment was not possible for that year.

⁹ In 2023 for all CDP corporate questionnaires, there were two versions: full and minimum. The full version contains all questions relevant to a company, including sector-specific questions and data points. The minimum version contains fewer of those questions, and no sector-specific questions or data points. Find out more here: [Guidance for companies - CDP](#)



44%

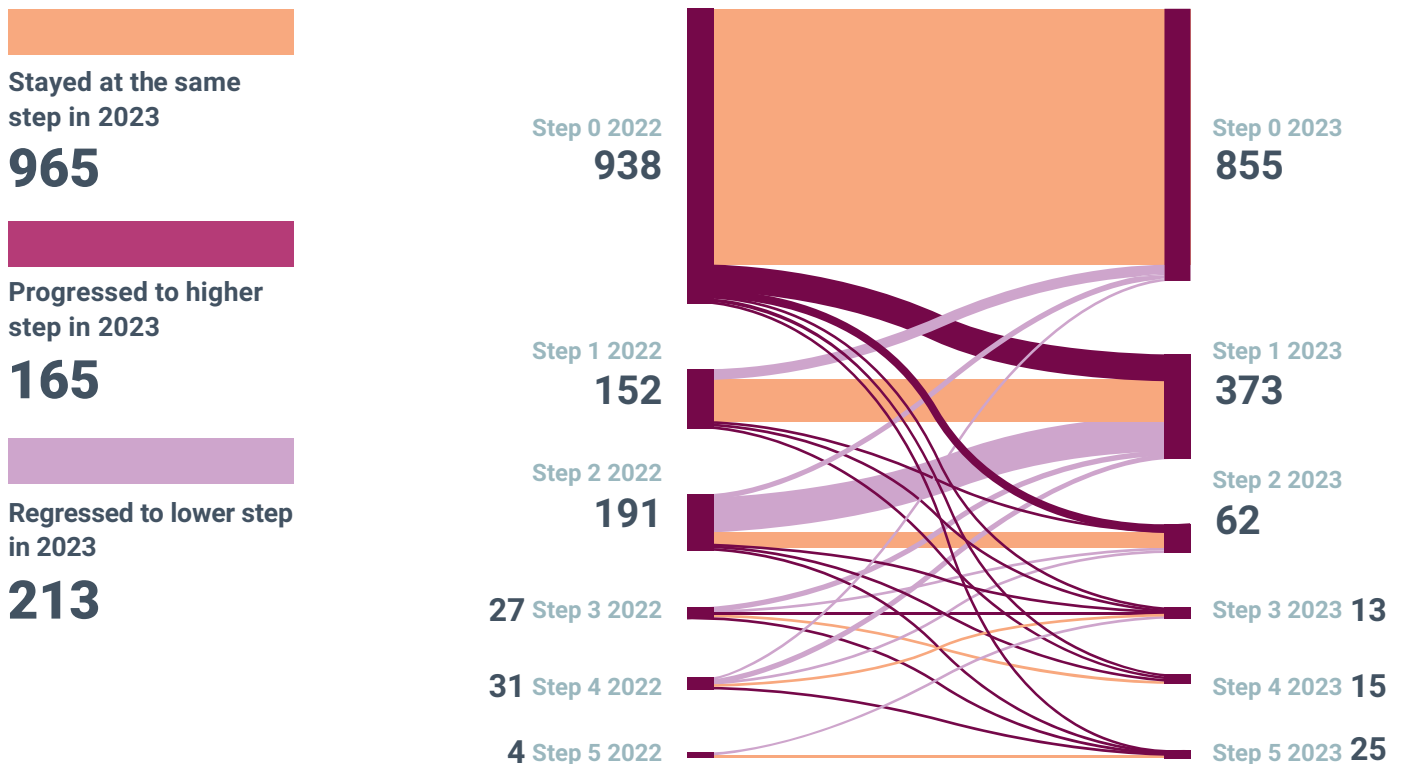
of the group that disclosed that they would develop a climate transition plan in two years have delivered on their commitment by 2023.

CDP's Transition Plan Journey – Organizations that disclosed that they would develop a plan in two years in 2021

In 2021, 1,569 organizations disclosed they would develop a climate transition plan within two years, of these, CDP has assessed 1,343 organizations that continually in 2022 and 2023¹⁰. **44% of the group that disclosed that they would develop a climate transition plan in two years have delivered on their commitment by 2023.**

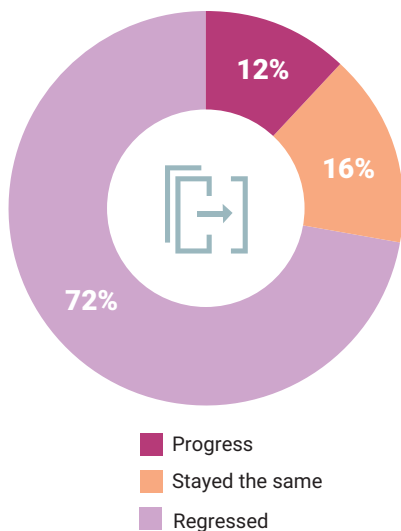
To assess how the 1,343 organizations have progressed toward credibly disclosing their climate transition plan, disclosures to CDP's climate transition plan key indicators at each step of the journey across 2022 and 2023 will be assessed. To progress to a step, an organization must have disclosed sufficient details to all key indicators making up the previous step.

Figure 14. Progress along CDP's Transition Plan Journey in 2022 & 2023



¹⁰ There were more organizations that disclosed that they would develop a climate transition plan in 2021 and continued to disclose in 2022 and 2023. However, CDP cannot assess the disclosure of all of these organizations over the two years due to late disclosures in 2022.

Figure 13. Net change in Transition Journey progression from 2022 to 2023



While there are clear challenges to progression, disclosers are mainly progressing along the transition journey at two key steps, from zero to one and from various steps to five. Organizations at step zero decreased by 83 (4%) in 2023 and organizations at step 5 increased by 21 (a fivefold increase). It is noteworthy **out of the initial 1,343 organizations, 25 organizations have delivered on their commitment to develop a climate transition plan and aligned with best practice climate transition plan disclosure.**

The net change along the transition plan journey between 2022 and 2023 is highlighted in Figure 13.

Most organizations within this group remained at the same step between 2022 and 2023, comprising 72% of the sample. Additionally, 16% of the 1,343 organizations regressed by at least one step in 2023.

As demonstrated in Figure 12 above the step that experienced the largest increase in 2023 was Step One, partially attributable to the migration of 125 organizations from Step Two to One in 2023. This regression underscores the heightened stringency of governance criteria applied to organizations within Step 2 in 2023.

Encouragingly, despite the increased stringency of this criterion, 12% of the group progressed to a higher step in 2023. **The staggered progress in an indication of the continuing fragmentation in the field, however, it is also evident that there is a move toward convergence and mainstreaming of actions and we can expect further improvement in the future.**



The table below summarizes the most significant challenges per climate transition plan key indicator for organizations progressing from one step to another.

Figure 14. Progressing of organizations by key climate transition indicator disclosure along CDP's Transition Plan Journey in 2022 and 2023

| Step | CDP 2023 question number | Key Climate Transition Plan indicator | 2022 % of organizations at step satisfying indicator criteria | 2023 % of organizations at step satisfying indicator criteria | Change |
|------------------|--------------------------|--|---|---|--------|
| Step 0 Step 1 | | Respond to the Full tier questionnaire | 94% | 93% | -1% |
| | C6.1 | Accounts for Scope 1 emissions | 96% | 95% | -1% |
| | C6.3 | Accounts for Scope 2 emissions | 99% | 99% | 0% |
| | C6.5 | Accounts for Scope 3 emissions | 33% | 38% | 5% |
| | C10.1 | Verification of emissions inventory | 20% | 22% | 2% |
| Step 1 Step 2 | C1.1b | Board level oversight of climate transition plan | 97% | 53% | -44% |
| | C1.3a | Senior Management incentives linked to transition plan performance indicators | 82% | 8% | -74%* |
| | C2.3a/2.3b | Identified climate-related risks | 57% | 81% | 23% |
| | C2.4a/2.4b | Identified climate-related opportunities | 56% | 79% | 23% |
| | C3.2a | Conducted scenario analysis | 35% | 76% | 41% |
| Step 2 Step 3 | C4.1a/4.1b | Set short-term science-based targets | 44% | 55% | 11% |
| | C4.2c | Set long-term science-based targets | 17% | 19% | 3% |
| Step 3 Step 4 | C3.3 | Identified areas where climate-related risk & opportunities have influenced strategy | 48% | 60% | 12% |
| | C3.4 | Identified areas where climate-related risk & opportunities have influenced financial planning | 100% | 100% | 0% |
| | C12.1a | Create value chain engagement plan | 78% | 73% | -4% |
| | C4.5a | Conducts policy engagement | 19% | 27% | 8%* |
| | C12.3 | Developed low carbon products or services | 89% | 73% | -16% |
| Step 4 Step 5 | C3.5a | Identified spending/revenue that is aligned with climate transition plan | 13% | 15% | 2% |
| | C3.1 | Has a publicly available climate transition plan | 42% | 77% | 35% |

Step 0

1

Impact metrics & disclosure (CDP)

Step 1

2

Climate risk & governance (TCFD / ISSB)

Step 2

3

Set target (SBTi)

Step 3

4

Business strategy and action plan

Step Zero to One

The transition from Step Zero to One in 2023 reveals that the most significant barrier for organizations is accounting for Scope 3 emissions and completing verifications of emissions inventory.

Step One to Two

The primary barrier to advancement from Step One was the lack of senior management incentives linked to transition plan performance indicators, primarily due to the change in assessment criteria. **Notably, there was a 44% decline in organizations disclosing board-level oversight of their climate transition plan at Step One. Considering this indicator's consistency across frameworks and CDP's climate transition plan assessment, organizations should prioritize establishing effective governance mechanisms moving into the next CDP disclosure cycle.**

Conversely, there were significant increases in organizations disclosing sufficient details in climate-related risk and opportunities assessment and the utilization of scenario analysis. Familiarity with TCFD and now ISSB-relevant disclosures, along with CDP's alignment with these frameworks, can aid organizations in advancing these transition-relevant disclosures.

Step Two to Three

A consistent increase in sufficient target disclosure was observed across short-term and long-term targets, which is promising. However, 14 organizations still regressed from Step Three in 2023, indicating a failure to set and disclose sufficient details of short and long-term science-based targets.

Step Three to Four

Progression from Step Three to Four over two years exhibits a slightly more nuanced picture. **Climate-related risk and opportunities influencing financial planning and strategy remain familiar areas for organizations advancing along this journey. This, coupled with substantial progress in identifying climate-related risks and opportunities, underscores the value of these processes working in conjunction.**

An essential aspect of any action plan and implementation of a credible climate transition plan is robust engagement plans and scaling of low-carbon products and/or services. These areas require significant attention from organizations progressing to Step Four, particularly in policy engagement.

Step 4

5

Disclosure and
plan performance

Step Four to Five

Although the number of organizations situated at Step Four and Five is low, as reflected in figure 12, a high degree of organizations at Step Four and Five are disclosing a publicly available climate transition plan, indicating a high level of confidence in their climate transition plans.

Organizations at Step Four must increase their disclosure of aligned spending/revenue with their climate transition plan to demonstrate that their climate transition plan is sufficiently resourced.

Some specific indicators are presenting challenges for organization's progression. For example, for example, Scope 3 emissions accounting with verification. Organizations must prioritize this fundamental exercise, particularly as the IFRS S2 and ESRS E1 cover the disclosure of scope 3 emissions and that CDP recommends in its high-quality mandatory disclosure principles that disclosure policies should also require external verification. Additional challenges included effective governance, setting both short and long-term science-based targets, policy engagement, and aligning spending and/or revenue with a climate transition plan.

While methodologies are still converging, the action associated with some of the barriers to progression should be supported by mandatory reporting policies, robust disclosure guidance, and tools. **It is essential that organizations on a climate transition plan development journey, utilize their CDP disclosure to reflect on their location along this journey, explore guidance associated with common barriers and relevant tools such as those provided by CDP's Accredited Solution Providers, and leverage their disclosure to provide all relevant information when disclosing details a climate transition plan.**





Conclusion

While the convergence of credible climate transition plan indicators is now occurring across key standards, frameworks and initiatives, the number of organizations disclosing sufficient details of their climate transition plan through CDP is not increasing at the required pace. In 2023 the percentage of organizations disclosing a credible climate transition plan increased by just 0.2% to reach a total of 0.6%.

However, organizations that maintain their disclosure year-on-year are better positioned to develop and disclose credible climate transition plans. For instance, repeat disclosers are more prevalent across the 'some,' 'many,' and 'all' climate transition disclosure threshold tiers. Additionally, 44% of the group that committed to developing a climate transition plan within two years in 2021 have fulfilled their pledge by 2023 and among them, 25 organizations have credibly disclosed details of their climate transition plan. Clarity of guidance and transparency of planning will serve to support this increase.

Public markets are beginning to lead the way in credible climate transition plan disclosure, notably in the EU, South Korea, and the UK.

There remain significant barriers for organizations. These include but are not limited to, financial planning, targets, Scope 3 accounting with verification, governance, policy engagement and science-based target setting. **These issues are not uniform and will be unique for each disclosing organization. It is therefore essential that disclosers utilize their disclosure, and CDP's Transition Plan Journey to assess and identify their barriers and seek solutions.**

Despite the barriers and challenges, indicator convergence and disclosure requirements are creating a level playing field, particularly through increasing the understanding of climate-related risk disclosure. However, approaches are still patchy and there remains critical gaps. It is important to adopt an integrated perspective towards environmental issues, which are interconnected and mutually reinforcing. **CDP is committed to ensuring that current and future regulation is impactful as possible, and in line with our clarion call towards high quality mandatory disclosure, we recommend governments include expectations on transition plans in their own disclosure requirements.**

Transition planning is crucial for the global economies' pivot to a 1.5°C-aligned world. Credible transition plans are a mechanism for organizations to demonstrate how they intend to pivot their entire business model to reduce their impact on the environment. It is crucial that organizations are supported by policies and tools that enable consistent climate transition planning that is reflective of best practices.






Disclosing through CDP allows organisations to develop standardised and comparable transition plans that align with incoming regulation.


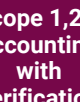

Appendices

6



Appendix 1: Assessment methodology & key transition indicators in 2023 climate change questionnaire

| Climate transition plan element | CDP 2023 climate change question and question code | Relevance to climate transition plans | Assessment methodology |
|---|---|---|--|
|  Governance | (C1.1b) Provide further details on the board's oversight of climate transition plan. | An organization should have board-level oversight of its climate transition plan with defined governance mechanisms in place to ensure delivery of the plan. Climate issues should be a scheduled item at all or some board meetings. | Organizations disclose the frequency with which transition plan-related issues are a scheduled agenda item, such as monitoring the implementation of a transition plan, and the mechanism into which these issues are integrated and elaborate with an explanation. |
| | (C1.3a) Provide further details on the incentives provided for the management of climate-related issues. | To incentivize conscious action and commitment in realizing the plan's goals, it is recommended that executive management incentives are aligned with the organization's climate transition plan goals. | Organization discloses at least one member of the management team who is entitled to incentives that are tied to transition-related performance indicators and elaborates with a comment. |
|  Scenario analysis | (C3.2a) Provide details of your organization's use of climate-related scenario analysis. | Robust scenario analysis is an important strategic planning tool that can be used to inform the development of a climate transition plan. | Organization discloses on its use of climate-related scenario analysis, scenario analysis coverage, temperature alignment of scenario, parameters, assumptions, and analytical choices. |
|  Financial planning | (3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning. | Financial planning is crucial when demonstrating that an organization is aligning with climate goals (as elaborated in its climate transition plan), and that it will be relevant (i.e., profitable) in a 1.5°C-aligned world. Climate transition plans should include a demonstration of how they have aligned/intend to align their financial planning with their climate transition plan in the reporting year and at milestone years '2025' and '2030'. Financial details may describe revenue, CAPEX, and/or OPEX projections which are crucial for realizing the plan's ambition. | Organization reports on at least one area of its financial planning that has been influenced by climate and describes its influences. |
| | (C3.5a) Quantify the percentage share of your spending/revenue that is aligned with your organization's climate transition. | | Organization must select at least one financial metric and disclose the percentage share of the selected financial metric which is aligned with a 1.5°C world in the reporting year, 2025, 2030 and description of methodology used to identify spending/revenue that is aligned with a 1.5°C world. |
|  Strategy | (C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world? | Developing a climate transition plan provides certainty to data users that a company is aligning to long- and short-term climate goals and that its business model will continue to be relevant in a net-zero carbon economy. Collecting feedback on the transition plan allows shareholders and/or stakeholders to review and raise resolutions related to progress. | Organization discloses that it has a publicly available 1.5°C climate transition plan with a well-defined feedback mechanism in place, to track progress. |
| | (C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy. | A climate transition plan should outline how an organization will achieve its strategy to pivot its products and services, supply/value chain, investment in R&D, and operations to a 1.5°C-aligned world. | Organization describes how climate has influenced or has not influenced, or how they are considering climate's influence to their strategy regarding products and services, investment in R&D, operations, and supply/value chain. |
|  Risks & opportunities | (C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business. | Disclosing details of material climate risks posed to an organization, including the potential financial impact and the cost to respond to these risks, indicates a robust climate transition plan is in place. | Organization reports details of at least one climate-related risk identified, including the potential financial impact and cost to respond to the risk. |
| | (2.3b) Why do you not consider your organization to be exposed to climate-related risks with the potential to have a substantive financial or strategic impact on your business? | | However, if an organization has not disclosed to C2.3a, it must have disclosed to C2.3b, by providing an explanation why it does not consider itself to be exposed to climate-related risks with the potential to have a substantive financial or strategic impact on its business. |
| | (C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business. | Disclosing details of material climate opportunities posed to an organization, including the potential financial impact and the cost to realize these opportunities, indicates a robust transition plan is in place. | Organization reports details of at least one climate-related opportunity identified, including the potential financial impact and cost to realize the opportunity. |
| (C2.4b) Why do you not consider your organization to have climate-related opportunities? | However, if an organization has not disclosed to C2.4a, it must have disclosed to C2.4b, by providing an explanation why it does not consider itself to be exposed to climate-related risks with the potential to have a substantive financial or strategic impact on its business. | | |

| Climate transition plan element | CDP 2023 climate change question and question code | Relevance to climate transition plans | Assessment methodology |
|---|---|---|--|
|  Targets | <p>(C4.1a) Provide details of your absolute emissions target(s) and progress made against those target(s).</p> <p>(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).</p> | <p>A climate transition plan should be underpinned by ambitious near-and long-term science-based targets which are in line with the latest climate science to achieve a 1.5°C-aligned world.</p> | <p>The criteria for credible targets disclosure within a credible climate transition plan require an organization to disclose:</p> <ol style="list-style-type: none"> 1. is target to have a science-based status; 2. details on intensity or absolute emissions targets; 3. that it has a 1.5°C-aligned target. <p>For this year's assessment, we leveraged the CDP scoring methodology and resultantly, 2,429 organizations could not be assessed for several operational reasons such as: Late submissions, minimum tier responses with Investor request only, HQ in Russian Federation/Belarus, Forests only - Coal OR Metals & mining companies, Forests only - didn't respond to any commodity, Unpaid administration fees.</p> |
| | <p>(C4.2c) Provide details of your net-zero target(s).</p> | <p>A climate transition plan should aim to achieve science-based net-zero targets in line with the latest climate science to achieve a 1.5°C-aligned world by 2050 at the latest.</p> | <p>Organization reports on whether it is reporting a net-zero target, whether it is science based – and if so, it also reports details on its net-zero target.</p> |
| | <p>(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?</p> <p>(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?</p> <p>(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.</p> | <p>A climate transition plan should be accompanied by a complete, accurate, transparent, consistent, and relevant inventory of all three scopes of emissions.</p> <p>Organizations should calculate and disclose all material categories of Scope 3 and provide an explanation for categories that are not relevant.</p> | <p>Organization discloses a figure for its Scope 1 emissions.</p> <p>Organization discloses a figure for its Scope 2 location-based or market-based emissions</p> <p>For each category of Scope 3 emissions, the organization discloses a figure for any "relevant, calculated" or "not relevant, calculated" categories, or provides an explanation for any categories "not relevant, explanation provided".</p> |
|  Scope 1,2,3 accounting with verification | <p>(C10.1) Indicate the verification/assurance status that applies to your reported emissions.</p> | <p>A climate transition plan should be accompanied by a complete annual inventory Scope 1, 2, & 3 emissions that is verified by a third party.</p> | <p>Organization reports verification is in place for its Scope 1, 2, and 3 emissions.</p> |
| | <p>(12.1a) Provide details of your climate-related supplier engagement strategy</p> | <p>Organizations are facing resiliency risks in the value chain that have material environmental and financial implications; hence, value chain engagement plays a significant role in realizing a climate transition plan. Organizations with significant emissions in their supply chain can leverage their buyer power and engage their suppliers towards a 1.5°C-aligned transition. A climate transition plan should include time-bound actions to decarbonize business processes within the value chain, including supply chain engagement that covers at least 25% of its suppliers by procurement spend or Scope 3 emissions.</p> | <p>Organization discloses the type of supplier engagement, details of the engagement, a description of the impact of the engagement, including measures of success, a figure in both the % of suppliers by number and % of procurement spend, and a rationale for the cover of its engagement.</p> |
|  Value chain engagement & low carbon initiatives | <p>(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.</p> | <p>A climate transition plan should include time-bound actions to decarbonize business processes, such as growing the revenue earned from its products and services portfolio.</p> | <p>Organization discloses details of its low-carbon products and services, as well as a non-zero figure for the % revenue from that product in the reporting year and elaborate with a comment.</p> |
| | <p>(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?</p> | <p>For many organizations, a successful climate transition will depend on an accommodative policy landscape, thus organizations should advocate for climate-positive policies that impact their relevant industry(s). A climate transition plan should demonstrate that an organization's public policy engagement aligns with its climate ambitions and strategy.</p> | <p>Organization should disclose whether it has a direct or indirect engagement that could influence policy, law, or regulation that may impact climate, and that it has a public commitment or position statement to conduct its engagement activities in line with the goals of the Paris Agreement, describe the process(es) it has in place to ensure that its engagement activities are consistent with its overall climate change strategy.</p> |

Appendix 2















Total index disclosure (and threshold breakdown)

| | Sum of bottom tier | Sum of lower mid-tier | Sum of upper mid-tier | Sum of top tier | Sum of grand total |
|-------------------------------------|--------------------|-----------------------|-----------------------|-----------------|--------------------|
| BSE 200 | 6 | 31 | 39 | 4 | 80 |
| CSI 300 | 8 | 30 | 17 | | 54 |
| FTSE 100 | 2 | 26 | 61 | 5 | 94 |
| FTSE Eurofirst 300 | 7 | 56 | 189 | 22 | 274 |
| Hang Seng | 5 | 19 | 12 | 1 | 37 |
| KOSPI 200 | 9 | 19 | 71 | 8 | 107 |
| MSCI ACWII | 166 | 635 | 843 | 73 | 1717 |
| MSCI small cap | 361 | 896 | 505 | 34 | 1796 |
| S&P 500 | 53 | 226 | 147 | 3 | 429 |
| S&P TSX 60 | 7 | 27 | 13 | | 47 |
| S&P/ASX 300 | 12 | 42 | 24 | 1 | 79 |
| South Africa - FTSE JSE All - Share | 10 | 34 | 30 | 2 | 76 |
| TOPIX 500 | 26 | 121 | 267 | 27 | 441 |
| Grand Total | 672 | 2162 | 2218 | 180 | 5231 |



Appendix 3

Total industry disclosure (and threshold breakdown)

| Industry | Few # | Some # | Many # | All # |
|---|--------------|-------------|-------------|------------|
| Apparel  | 423 | 125 | 40 | 4 |
| Biotech, health care & pharma  | 367 | 162 | 72 | 6 |
| Financial services  | 152 | 332 | 201 | 8 |
| Food, beverage & agriculture  | 1007 | 242 | 132 | 9 |
| Fossil Fuels  | 168 | 87 | 48 | 1 |
| Hospitality  | 63 | 52 | 22 | |
| Infrastructure  | 414 | 210 | 185 | 20 |
| International bodies  | 11 | 2 | | |
| Manufacturing  | 7181 | 1554 | 554 | 33 |
| Materials  | 1181 | 495 | 284 | 21 |
| Power generation  | 115 | 68 | 78 | 8 |
| Retail  | 674 | 302 | 137 | 6 |
| Services  | 3706 | 812 | 333 | 23 |
| Transportation services  | 754 | 202 | 104 | 1 |
| #N/A | 3 | 1 | | |
| Grand Total | 16219 | 4646 | 2190 | 140 |

Appendix 4

Total country/region disclosure (and threshold breakdown)

| | Few | Some | Many | All | Total |
|----------------------|--------------|-------------|-------------|------------|--------------|
| Country/Region | # | # | # | # | # |
| Grand total | 16219 | 4646 | 2190 | 140 | 23195 |
| United States | 3457 | 896 | 249 | 7 | 4609 |
| China | 1999 | 500 | 90 | 0 | 2589 |
| Japan | 874 | 660 | 418 | 32 | 1984 |
| United Kingdom | 1189 | 393 | 203 | 10 | 1795 |
| Germany | 907 | 235 | 89 | 10 | 1241 |
| Brazil | 914 | 149 | 67 | 5 | 1135 |
| Republic of Korea | 687 | 85 | 104 | 9 | 885 |
| India | 500 | 130 | 64 | 5 | 699 |
| Italy | 500 | 106 | 52 | 6 | 664 |
| France | 380 | 133 | 116 | 12 | 641 |
| Taiwan, China | 344 | 147 | 112 | 7 | 610 |
| Canada | 363 | 127 | 25 | | 515 |
| Mexico | 422 | 53 | 10 | 1 | 486 |
| Spain | 344 | 48 | 60 | 7 | 459 |
| Netherlands | 211 | 72 | 33 | 4 | 320 |
| Sweden | 197 | 65 | 38 | 2 | 302 |
| Switzerland | 154 | 74 | 39 | 3 | 270 |
| Turkey | 141 | 56 | 56 | 8 | 261 |
| Denmark | 177 | 37 | 28 | | 242 |
| China, Hong Kong | 144 | 65 | 16 | | 225 |
| Finland | 143 | 36 | 31 | | 210 |
| Australia | 126 | 44 | 22 | | 192 |
| Poland | 155 | 24 | 3 | | 182 |
| Singapore | 131 | 25 | 18 | | 174 |
| Norway | 93 | 32 | 30 | 3 | 158 |
| Ireland | 75 | 42 | 32 | 1 | 150 |
| Belgium | 77 | 26 | 24 | 2 | 129 |
| Austria | 78 | 24 | 24 | 1 | 127 |
| Thailand | 86 | 19 | 18 | 2 | 125 |
| Malaysia | 96 | 23 | 4 | | 123 |
| South Africa | 58 | 34 | 25 | 1 | 118 |
| Portugal | 64 | 16 | 10 | 2 | 92 |
| Indonesia | 56 | 29 | 5 | | 90 |
| United Arab Emirates | 64 | 21 | 3 | | 88 |
| Argentina | 67 | 7 | 1 | | 75 |
| Viet Nam | 65 | 8 | | | 73 |
| Saudi Arabia | 59 | 6 | | | 65 |
| Colombia | 36 | 19 | 4 | | 59 |
| Hungary | 49 | 8 | 2 | | 59 |
| Romania | 51 | 5 | 1 | | 57 |
| Chile | 36 | 7 | 8 | | 51 |
| Czechia | 44 | 3 | 3 | | 50 |

| | Few | Some | Many | All | Total |
|--|-----|------|------|-----|-------|
| Country/Region | # | # | # | # | # |
| Greece | 23 | 12 | 10 | | 45 |
| Philippines | 28 | 9 | 6 | | 43 |
| Israel | 26 | 14 | 2 | | 42 |
| New Zealand | 17 | 15 | 7 | | 39 |
| Luxembourg | 16 | 9 | 10 | | 35 |
| Ecuador | 30 | 3 | 1 | | 34 |
| Bangladesh | 28 | 4 | 1 | | 33 |
| Pakistan | 20 | 8 | | | 28 |
| Slovenia | 22 | 4 | 1 | | 27 |
| Kuwait | 24 | 1 | 1 | | 26 |
| Russian Federation | 11 | 12 | 1 | | 24 |
| Slovakia | 20 | 1 | 1 | | 22 |
| Costa Rica | 18 | 2 | | | 20 |
| Egypt | 15 | 4 | 1 | | 20 |
| Nigeria | 15 | 3 | | | 18 |
| Oman | 18 | | | | 18 |
| Lithuania | 10 | 3 | 2 | | 15 |
| Peru | 11 | 4 | | | 15 |
| Croatia | 14 | | | | 14 |
| Panama | 12 | 1 | | | 13 |
| Guatemala | 12 | | | | 12 |
| Iraq | 12 | | | | 12 |
| Qatar | 11 | 1 | | | 12 |
| Bermuda | 3 | 7 | 1 | | 11 |
| Cambodia | 11 | | | | 11 |
| Estonia | 8 | 3 | | | 11 |
| Serbia | 11 | | | | 11 |
| Bulgaria | 9 | 1 | | | 10 |
| China, Macao Special Administrative Region | 9 | 1 | | | 10 |
| Trinidad and Tobago | 10 | | | | 10 |
| Uruguay | 9 | 1 | | | 10 |
| Algeria | 9 | | | | 9 |
| Cayman Islands | 4 | 2 | 2 | | 8 |
| Iceland | 2 | 3 | 3 | | 8 |
| Sri Lanka | 7 | 1 | | | 8 |
| Ukraine | 6 | 2 | | | 8 |
| Kenya | 6 | | 1 | | 7 |
| Kazakhstan | 2 | 4 | | | 6 |
| Ghana | 4 | 1 | | | 5 |
| Honduras | 4 | 1 | | | 5 |
| Lebanon | 4 | 1 | | | 5 |

| | Few | Some | Many | All | Total |
|--------------------------------------|-----|------|------|-----|-------|
| Country/Region | # | # | # | # | # |
| Tunisia | 5 | | | | 5 |
| Bolivia (Plurinational State of) | 4 | | | | 4 |
| Guyana | 3 | 1 | | | 4 |
| Malta | 2 | 2 | | | 4 |
| Mauritius | 3 | 1 | | | 4 |
| Morocco | 3 | | 1 | | 4 |
| Paraguay | 4 | | | | 4 |
| Venezuela (Bolivarian Republic of) | 4 | | | | 4 |
| Angola | 3 | | | | 3 |
| Bosnia & Herzegovina | 3 | | | | 3 |
| Dominican Republic | 2 | 1 | | | 3 |
| El Salvador | 3 | | | | 3 |
| Jersey | 1 | 2 | | | 3 |
| Jordan | 2 | 1 | | | 3 |
| Monaco | 1 | 2 | | | 3 |
| North Macedonia | 3 | | | | 3 |
| Puerto Rico | 3 | | | | 3 |
| United States Minor Outlying Islands | 2 | 1 | | | 3 |
| Bahrain | 2 | | | | 2 |
| Cocos (Keeling) Islands | 2 | | | | 2 |
| Cyprus | 1 | 1 | | | 2 |
| Guernsey | | 1 | 1 | | 2 |
| Latvia | 2 | | | | 2 |
| Armenia | 1 | | | | 1 |
| Azerbaijan | 1 | | | | 1 |
| Barbados | 1 | | | | 1 |
| British Virgin Islands | | 1 | | | 1 |
| Brunei Darussalam | 1 | | | | 1 |
| Equatorial Guinea | 1 | | | | 1 |
| Eritrea | 1 | | | | 1 |
| Ethiopia | 1 | | | | 1 |
| Faroe Islands | 1 | | | | 1 |
| Fiji | 1 | | | | 1 |
| Georgia | 1 | | | | 1 |
| Greenland | 1 | | | | 1 |
| Jamaica | 1 | | | | 1 |

| | Few | Some | Many | All | Total |
|-----------------------------|-----|------|------|-----|-------|
| Country/Region | # | # | # | # | # |
| Libya | 1 | | | | 1 |
| Liechtenstein | | 1 | | | 1 |
| Marshall Islands | | 1 | | | 1 |
| Mongolia | | 1 | | | 1 |
| Mozambique | 1 | | | | 1 |
| Myanmar | 1 | | | | 1 |
| South Sudan | 1 | | | | 1 |
| Uganda | | 1 | | | 1 |
| United Republic of Tanzania | 1 | | | | 1 |
| Uzbekistan | | 1 | | | 1 |

Appendix 5

CDP Transition plan journey climate transition plan key indicator mapping

| Respond to the Full tier questionnaire | |
|--|--|
| Step 1: Impact metrics & disclosure | C6.1 What were your organization's gross global Scope 1 emissions in metric tons CO₂e? |
| | C6.3 What were your organization's gross global Scope 2 emissions in metric tons CO₂e? |
| | C6.5 Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions. |
| | C10.1 Indicate the verification/assurance status that applies to your reported emissions. |
| Step 2: Climate risk and governance | C1.1b Provide further details on the board's oversight of climate transition plan |
| | C1.3a Provide further details on the incentives provided for the management of climate-related issues |
| | C2.3a/ 2.3b (C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business. OR (2.3b) Why do you not consider your organization to be exposed to climate-related risks with the potential to have a substantive financial or strategic impact on your business? |
| | C2.4a/ 2.4b (C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business. OR (C2.4b) Why do you not consider your organization to have climate-related opportunities? |
| | C3.2a Provide details of your organization's use of climate-related scenario analysis |
| Step 3: Setting science-based targets | C4.1a/ 4.1b (C4.1a) Provide details of your absolute emissions target(s) and progress made against those target(s). OR (C4.2b) (C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s) |
| | C4.2c Provide details of your net-zero target(s) |
| Step 4: Business strategy and action plan | C3.3 Describe where and how climate-related risks and opportunities have influenced your strategy. |
| | C3.4 Describe where and how climate-related risks and opportunities have influenced your financial planning. |
| | C12.1a Provide details of your climate-related supplier engagement strategy |
| | C4.5a Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate? |
| | C12.3 Provide details of your products and/or services that you classify as low-carbon products. |
| Step 5: Disclosure and plan performance | C3.5a Quantify the percentage share of your spending/revenue that is aligned with your organization's climate transition. |
| | C3.1 Does your organization's strategy include a transition plan that aligns with a 1.5°C world? |

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About CDP

CDP is 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 700 financial institutions representing more than US\$142 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 24,000 organizations around the world disclosed data through CDP in 2023, including more than 23,000 companies worth two thirds global market capitalization, and over 1,100 cities, states, and regions. 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.

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