

GUIDE

Understanding CDP

What CDP is, who asks for it, and what a typical disclosure process looks like.

What Is CDP?

CDP (formerly the Carbon Disclosure Project) is a global disclosure system through which companies report environmental data — primarily on climate change, but also water security and forests — for investors, customers, and other stakeholders.

Who Requests CDP Disclosures?

- Large customers seeking supply-chain emissions visibility (CDP Supply Chain)
- Institutional investors assessing climate risk in their portfolios
- Stock exchanges and regulators in some markets

Benefits of Participating

- Strengthens standing with customers who request CDP data from suppliers
- Builds internal discipline around emissions and climate-risk data
- Creates a structured foundation for future target-setting (including SBTi)

Information Typically Required

- Governance — board and management oversight of climate issues
- GHG inventory — Scope 1, 2, and relevant Scope 3 emissions
- Risks and opportunities — physical and transition climate risks
- Targets and performance — reduction targets and progress against them

A Typical Disclosure Process

1. Confirm which questionnaire applies (Climate Change, Supply Chain, etc.).
2. Gather governance, emissions, and risk information.
3. Draft responses against the current year's question set.
4. Internal review and sign-off.
5. Submit through the CDP platform ahead of the deadline.

Common Mistakes

- Starting the response process too close to the deadline
- Reporting incomplete Scope 3 categories without explanation
- Treating it as a one-time exercise rather than a repeatable annual process