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Climate disclosure gaining momentum across Australia, but more needs to be done

December 12th 2017 marked the two year anniversary of the Paris Agreement, the global convention – now signed by 197 countries – to mitigate climate change and adapt to its effects.

In the run up to this significant event, [CDP](#), in collaboration with [Sustainable Business Australia](#) (SBA), hosted the ***Australian Climate, Water and Forests Leadership Forum*** in November. Taking place in Sydney, the forum marked the release of CDP’s [Australia and New Zealand Report 2017](#) and celebrated environmental leadership in the region.

“In 2017, more than 200 companies based or listed in Australia were invited to respond to CDP’s environmental information requests, made on behalf of over 800 institutional investor signatories with assets of US\$100 trillion. In response, 81 companies disclosed environmental data,” says CDP Asia Pacific Manager, Rosalind Keller-Liang.

Key findings from the regional report include:

- **Two Australian companies are among the 160 companies ranked on CDP’s A List this year (out of more than 2,400 companies worldwide)**
- **More companies are mapping out their low-carbon future: 64%** of responding companies in the region reported emissions reduction targets this year.
- **Momentum is building towards a low-carbon future: 27%** of responding companies in the region are now using an internal price of carbon.
- **Climate is now a board-level topic: 98%** of responding companies in the region now have Board- or senior management-level responsibility for climate change.

“As the recent statements¹ from Geoff Summerhayes, executive board member of the Australian Prudential Regulation Authority (APRA), attest, the transition to a low-carbon economy is not only ongoing, but fast-moving. His comments encourage Australian businesses to plan ahead, rather than fight against the rising tide,” notes Jeremy Burke, CDP Worldwide Trustee.

“While the regulator has no immediate plans to introduce new standards related to climate risks, Australia’s financial sector should expect more emphasis on disclosure around climate risk exposure and management in the future. For companies, disclosure offers tangible benefits, equipping them to respond to regulatory and policy changes, as well as be identified as corporate leaders in the low-carbon transition,” says Burke.

“Although significant work still needs to be done, the CDP report clearly shows that corporate Australia is taking action on climate-related risks and opportunities, and will continue to be an essential component in the transition to the low-carbon economy,” says Andrew Petersen, CEO, Sustainable Business Australia.

Background

On November 21st, in collaboration with Sustainable Business Australia, CDP hosted the Australian Climate, Water and Forests Leadership Forum in Sydney. The event marked the release of CDP's 2017 corporate disclosure analysis and results and celebrated environmental leadership in the region.

Through presentations and panel sessions, the current and future role of environmental reporting was discussed in a regional context. Speakers offered insights on scenario analysis related to environmental risks and opportunities, science-based targets, responsible investments, the implications of the Taskforce on Climate-related Financial Disclosures' (TCFD) recommendations, as well as local government policies and strategies. In addition to corporate, investor, city and NGO representatives, speakers included Professor Kate Auty, the ACT Government's Commissioner for Sustainability and the Environment, Andrew Petersen, CEO of SBA, and Jeremy Burke, CDP Worldwide Trustee. CDP Asia Pacific Manager, Rosalind Keller-Liang, presented on key findings from CDP's global and regional analysis and shared updates on CDP's 2018 questionnaires, which will be sector specific and incorporate the TCFD's recommendations.

Alongside the Forum, CDP also launched its [2017 regional report](#) for Australia and New Zealand to complement the [global climate change analysis](#) that was released in October. In addition to a regional analysis, the report showcases leading companies and their approaches to measuring and managing impacts related to climate change, water security and deforestation.

Key findings from the regional report include:

- **Two Australian companies are among the 160 companies ranked on CDP's A List this year (out of more 2,400 companies worldwide):** **Stockland** received an A score for the climate change program for the second consecutive year, and **Brambles** was one of only six companies globally that scored an A for the forests program.
- **More companies in Australia and New Zealand are mapping out their low-carbon future:** 64% of responding companies reported emissions reduction targets in 2017. This year, **Auckland International Airport** became the first company in the region to have a science-based target officially validated by the Science Based Targets Initiative (SBTi), ensuring that its target is in line with the level of decarbonization required to keep global temperature increase below 2 degrees Celsius, the central aim of the Paris Agreement,
- **Momentum is building towards a low-carbon future:**
 - 27% of reporting companies in the region are now using an internal price of carbon, and a further 23% plan to implement this within the next two years.

- The number of companies in the region reporting renewable energy consumption targets increased more than threefold in the past year, from two in 2016, to nine this year.
- **Climate is now a board-level topic: 98%** of reporting companies in Australia and New Zealand now have Board- or senior management-level responsibility for climate change.

About CDP

CDP is an international non-profit that drives companies and governments to reduce their greenhouse gas emissions, safeguard water resources and protect forests. CDP has been driving environmental disclosure globally since 2000, and in Australia since 2006. Voted number one climate research provider by investors and working with institutional investors with assets of US\$100 trillion, we leverage investor and buyer power to motivate companies to disclose and manage their environmental impacts. Over 6,300 companies with some 55% of global market capitalization disclosed environmental data through CDP in 2017. This is in addition to the over 500 cities and 100 states and regions who disclosed, making CDP's platform one of the richest sources of information globally on how companies and governments are driving environmental change. CDP, formerly Carbon Disclosure Project, is a founding member of the We Mean Business Coalition. Please visit <http://www.cdp.net> or follow us [@CDP](#) to find out more.

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About SBA

SBA was established in Australia in 1991, and is the leading body for support and advocacy for sustainable business activities in Australia. In 2014 SBA was appointed Australia's Global Partner for World Business Council for Sustainable Development (WBCSD).

SBA's members include leading Australian businesses from all sectors, who share a commitment to economic, environmental and social development. SBA represents member companies, public sector enterprises and institutions, BINGOs and community organisations, which in turn represent 100,000+ Australian employees. www.sba.asn.au.

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¹ <http://www.apra.gov.au/Speeches/Documents/CPD%20Speech%2029Nov2017.pdf>