Caring for Climate Reporting Guidance

Endorsed by nearly 400 companies in 65 countries, Caring for Climate is the UN Global Compact and UN Environment Programme's initiative aimed at advancing the role of business in addressing climate change.

Caring for Climate signatories commit to communicate on an annual basis on progress made in implementing the five areas of commitments as outlined in the Caring for Climate Statement ("The Statement").[1] As such, the Caring for Climate "Communication on Progress" (COP-Climate) is an important demonstration of a participant's endorsement to the initiative and its objectives. Failure to prepare a publicly available COP-Climate report will result in the change of status (to "non-communicating") and eventually in the delisting of a signatory from Caring for Climate – a necessary measure to protect the integrity of the initiative.

This document offers guidance to signatories on how to develop a COP-Climate and outlines the initiative's policy on reporting. The approach is to establish an efficient process for companies to report on progress and align COP-Climate with existing reporting guidelines and tools.

Developing a Caring for Climate Communication on Progress (COP-Climate)

While there is no specific format for reporting, each COP-Climate must include the following three elements:

- *Statement of continued support* for Caring for Climate in relevant climate sections of the company's sustainability report
- *Description of implemented actions* (i.e., disclosure of any relevant policies, procedures, activities) that the company has taken to implement the commitments outlined in the Statement. It is expected that the COP-Climate will address concrete activities and, if applicable, policies, that reflect the company's implementation of all five of the Caring for Climate commitments. Signatories are encouraged to report on established annual climate-related goals and targets including on GHG emissions reduction.
- *Measurement of outcomes* using, as much as possible, broadly accepted climate-related indicators or metrics, for example those in the Carbon Disclosure Project (CDP) and GRI G3.1 Guidelines. It is encouraged that at minimum, the COPs-Climate contain a definition of performance indicators and basic measurements (qualitative and/or quantitative) of outcomes.

Caring for Climate recommends utilizing the Carbon Disclosure Project (CDP) reporting process to develop the COP-Climate, as the CDP currently stands as a more rigorous tool in reporting GHG emissions and climate change strategies on an annual basis. The Global Reporting Initiative (GRI) and the Global Compact Advanced Communication on Progress (COP) can also be used to fulfill the COP-Climate requirements.

Publicized CDP Questionnaires, GRI G3.1 Guidelines or GC Advanced COPs allow companies to completely fulfill the aforementioned criteria of the COP-Climate[2].

Signatories who do not report through the CDP, GRI or GC COP are recommended to report on the three elements outlined above using a stand-alone basic COP-Climate template[3].

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[1] Caring for Climate Leadership Statement can be found at: http://unglobalcompact.org/docs/issues_doc/Environment/climate/CARING_FOR_CLIMATE_STATEMENT_2010.pdf
[2] See *Appendix A* for how signatories can report on Caring for Climate by using existing reporting tools.
[3] See *Appendix B* for a sample template.

COP-Climate: Submission Process, Deadlines and Delisting Policy

The COP-Climate requirement serves to advance transparency and accountability, drive continuous performance improvement, safeguard the integrity of the initiative, and help build a growing repository of corporate practices to promote dialogue and learning.

All signatories are required to post a first COP-Climate to the Caring for Climate website via caring4climate@un.org and to share it widely with their stakeholders within one year from the date of joining the initiative. All subsequent COPs-Climate are due within one year following the previous COP-Climate posting. Signatories who are submitting CDP questionnaires or GRI reports as their COP-Climates are also suggested to send a PDF document or an active link to the publicized report to the Caring for Climate Secretariat at caring4climate@un.org.

Should a company fail to meet their COP-Climate deadline, they will be marked as "non-communicating" on the Caring for Climate website. If a **non-communicating** participant fails to submit a COP-Climate within a year of becoming "non-communicating", the participant will be **expelled from the Caring for Climate initiative.** To return to active signatory status, a company must post a COP-Climate that meets the requirements of the initiative's transparency-disclosure policy.

Signatories can adjust their COP submission deadlines to their reporting cycles by submitting an *adjustment request* to caring4climate@un.org, indicating the timing of the participant's reporting cycle. Such a request will result in a **one-time** deadline deferral of up to 11 months.

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APPENDIX A: Reporting Tools to Fulfill a COP-Climate Requirement

Caring for Climate recommends the Carbon Disclosure Project (CDP), which currently stands as a more rigorous tool in reporting GHG emissions and climate change strategies on an annual basis to develop the COP-Climate.

For Signatories responding to the CDP questionnaire:

- A completed CDP Questionnaire made public with an active link/attachment of the questionnaire posted on the Caring for Climate website **fully meets the requirements of the COP-Climate.**
- CDP has developed mapping guidance which describes how specific progress on each of the five commitments of the Statement is fully met by responding to the CDP questionnaire. This guidance is posted on the Caring for Climate website.

The Global Reporting Initiative (GRI) and the Global Compact Advanced Communication on Progress (COP) can also be used to fulfill the COP-Climate requirements.

For Signatories using the GRI G3.1 Guidelines:

- A completed report using GRI G3.1 made public and posted on the Caring for Climate website **fully meets the requirements of the COP-Climate provided that it addresses the following GRI Disclosure elements and performance indicators:**
    - Disclosure sections on Strategy and Analysis (GRI Profile Disclosure 1.1-1.2)
    - Governance, Commitments and Engagement (GRI Profile Disclosure 4.1-4.17)
    - Management Approach and Performance Indicators for the following categories:
        - Economic (GRI Performance Indicator EC2)
        - Environment (GRI Performance Indicators EN1-EN30)
        - Product Responsibility (GRI Performance Indicators PR1, PR3 and PR4)

For Signatories issuing "GC Advanced COP":

- A completed GC Advanced COP with a link posted on the Caring for Climate website **fully meets the requirements of the COP-Climate**

If none of the above reporting tools are utilized, signatories are recommended to develop a stand-alone basic COP-Climate.

For Signatories not utilizing the above reporting tools:

- The stand-alone basic COP-Climate can be developed using the template in ***Appendix B***
- The stand-alone basic COP-Climate should be posted on the Caring for Climate website

Additional Reporting Resources:

- ***CDP/GRI:*** Linking up GRI and CDP: How do the Global Reporting Initiative Reporting Guidelines match with the Carbon Disclosure Project questions?
- ***UNEP:*** Common Carbon Metric -Protocol for Measuring Energy Use and Reporting Greenhouse Gas Emissions from Building Operations

Appendix B: Basic COP-Climate template

Signatories are required to publicly disclose GHG emissions and report progress on the five commitments of the Statement.

The completed template is made public and posted on the Caring for Climate website.

Caring for Climate Commitments	Description of implementation actions	Measurement of outcomes or expected future outcomes
Take further practical actions to improve continuously the efficiency of energy usage and to reduce the carbon footprint of our products, services and processes, to set voluntary targets for doing so, and to report publicly and annually on the achievement of those targets in the Global Compact's Communication on Progress (COP).	▪ [Insert description]	▪ [Outline current or future outcomes]
Build significant capacity within the organizations to understand fully the implications of climate change for business and to develop a coherent business strategy for minimizing risks and identifying opportunities.	▪ [Insert description]	▪ [Outline current or future outcomes]
Engage more actively with own national governments, inter-governmental organizations and civil society to develop policies and measures to provide an enabling framework for business to contribute effectively to building a low-carbon and climate-resilient economy.	▪ [Insert description]	▪ [Outline current or future outcomes]
Continue to work collaboratively with other enterprises both nationally and sectorally, and along the value-chains, to set standards and take joint initiatives aimed at reducing climate risks, assisting with adaptation to climate change and enhancing climate-related opportunities.	▪ [Insert description]	▪ [Outline current or future outcomes]
Become an active business champion for rapid and extensive climate action, working with peers, employees, customers, investors and the broader public.	▪ [Insert description]	▪ [Outline current or future outcomes]