

INTERNATIONAL AWARDS FOR CLIMATE-RELATED DISCLOSURES BY FINANCIAL INSTITUTIONS

Webinar
July 8, 2019



MINISTÈRE
DE LA TRANSITION
ÉCOLOGIQUE
ET SOLIDAIRE



SPEAKERS



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Some housekeeping points first:

- You will receive a copy of the slides
- A recording of the webinar will be made available on request
- You can ask questions as we go along: please use the messaging function
- In case we do not have time to answer all queries, please send your questions to info@climatereportingawards.org

AGENDA

1. Background
2. 2019 Awards... goals and reasons to apply
3. Governance & Jury
4. Eligibility & Award Categories
5. Evaluation Criteria & Scoring Approach
6. Application Process & key dates
7. Questions

1. BACKGROUND

BACKGROUND

2016 AWARDS

- Officially launched by the French Government in June 2016 during the 4th session of the High Level Business Dialogue on Climate (Paris) following the commitments of COP21 and the Paris Accord.
- Inspired by the requirement for climate-related disclosure for institutional investors in France (Article 173-VI of the Law on Energy Transition for Green Growth - LTECV). Main goals of the disclosure requirement:
 - Making investors more aware of the emissions associated with their investments and of the associated risks
 - Encourage investors gradually align their portfolios with a 2 degrees' pathway
 - Enhance transparency of climate action by investors

2. 2019 AWARDS... GOALS AND REASONS TO APPLY

2019 AWARDS

2019 AWARDS

- Launched by Brune Poirson - Secretary of State to the French's Minister for the Ecological and Inclusive Transition during the second High-level Conference of Sustainable Finance in Brussels (March 2019)
- Disclosures requirements enhanced by the Taskforce on Climate-related Financial Disclosures (TCFD) Recommendations, the EU Non-Financial Reporting Directive and wider global reporting requirements and initiatives
- Restructured to include broader scope of financial institutions and emerging climate reporting practices
- Will be organised annually between 2019-2021

2019 AWARDS

Primary goals:



To increase awareness and promote best practices and innovation in climate reporting and disclosures



To highlight ongoing progress in reporting, build capacity, share expertise and identify remaining challenges



To provide the opportunity for applicants to receive feedback on their current reporting

WHY APPLY?

Demonstrate
climate
leadership and
transparency

Showcase
innovation and
commitment

Support the
implementation of
the TCFD
recommendations

Help turn the
ambition of the
Paris Accord into
tangible progress

Help your
institution
improve climate
disclosures

3. GOVERNANCE & JURY

GOVERNANCE

Organisers:



The General Commissioner for Sustainable Development (CGDD) of the French Ministry



The French Energy and Environmental Management Agency (ADEME)

Partners:



The EC DG for Financial Stability, Financial Services and Capital Markets Union (DG FISMA)

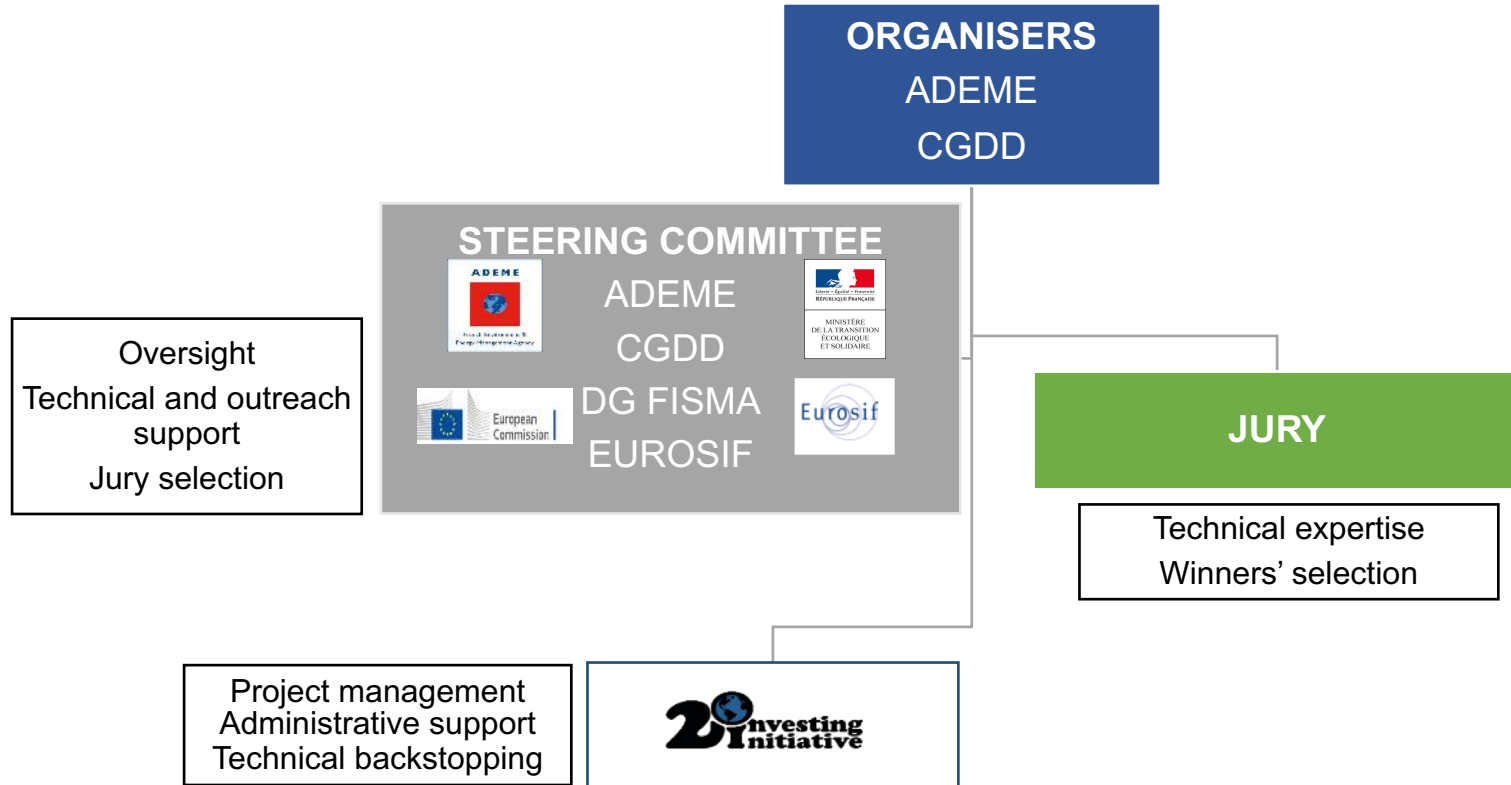


The European Sustainable Investment Forum (EuroSIF)



The global think-tank 2 Degrees Investing Initiative (2°II)

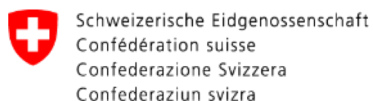
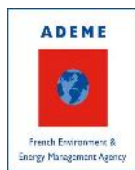
GOVERNANCE



Public institutions



MINISTÈRE
DE LA TRANSITION
ÉCOLOGIQUE
ET SOLIDAIRE



Investor coalitions and industry experts



NGOs and standard setters



Academics








Universität
Zürich^{UZH}

4. ELIGIBILITY & AWARD CATEGORIES

ELIGIBILITY & AWARD CATEGORIES

Eligible institutions:

-  Lenders/ Private Sector Banks
-  Asset owners*
-  Asset managers
-  Development Banks
-  Central Banks



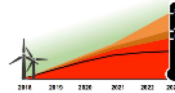
4 Awards categories + 1:



Climate-related integration into overall strategy, governance and engagement practices



Climate risk exposure assessment and management



Alignment and contribution to the Paris Agreement Goals



Climate-related communication plan to clients and beneficiaries



Jury's Prize

*Asset owners (i.e. pension funds, endowments, sovereign wealth funds, foundations and insurance companies)

5. EVALUATION CRITERIA & SCORING APPROACH

BACKGROUND

Evaluation Criteria Guidelines

- ✓ Key references: 2016 evaluation criteria, enhanced by FSB-TCFD recommendations, international reporting and accounting frameworks and EC ongoing policy work
- ✓ Public Consultation: 17 April to 15 May 2019
- ✓ 25 criteria divided into 4 categories (thematic pillars)




Based on existing reporting frameworks and standards and setting ambitious benchmarks

EVALUATION CRITERIA

- Disclosures assessed by pillar:

I. CLIMATE-RELATED INTEGRATION INTO OVERALL STRATEGY, GOVERNANCE AND ENGAGEMENT PRACTICES	II. CLIMATE RISK EXPOSURE ASSESSMENT AND RISK MANAGEMENT	III. ALIGNEMENT AND CONTRIBUTION TO THE PARIS AGREEMENT GOALS	IV. CLIMATE-RELATED COMMUNICATION PLAN TO CLIENTS AND BENEFICIARIES
6 criteria	9 criteria	7 criteria	3 criteria

- 
- 1.1. Governance and board oversight on climate-related issues
 - 1.2. Management role in climate-related issues
 - 1.3. Integration of climate-related risks into products, mandates and services
 - 1.4. Integration of climate-related opportunities into products, mandates and services
 - 1.5. Consistency between the climate change strategy and the business objectives
 - 1.6. Building long-term internal expertise

EVALUATION CRITERIA

- Scoring approach:

Criterion 1.1. Governance and board oversight on climate-related issues

This criterion focuses on the governance bodies' commitment to climate-related issues via the disclosure of processes demonstrating where the executive management and board are involved in climate-related decisions.

The submission discloses: (i) the executive, officer, board committee or highest governing body in the organisation responsible for defining and implementing climate strategy; (ii) how this person/entity monitors and oversees progress against goals and targets around climate risks and opportunities; (iii) the number of senior meetings or board committees per year dedicated to climate topics, and key outcomes of those meetings.	100 %
Sub-criteria (i) and (ii) are fully disclosed, but (iii) is only partially addressed.	66%
Only sub-criterion (i) is fully disclosed.	33%
No sub-criterion is fully disclosed and/or sub-criterion (i) is not disclosed.	0%

EVALUATION CRITERIA

- Scoring approach:

Criterion 2.8. Sector coverage for risk assessment

The following sectors are among those generally accepted as climate-relevant – whether because they are carbon and GHG emissions intensive, or highly dependent of the energy sector: power, coal mining, oil and gas upstream, auto manufacturing, steel, cement, aviation, shipping, agriculture and real estate⁹.

<p>The report provides:</p> <ul style="list-style-type: none"> (i) a risk assessment covering all climate-relevant sectors in their portfolios. (ii) the scope of data from companies in the universe/sector analyzed (e.g. which organizational boundaries were considered for the estimation of GHG emissions). (iii) a justification for excluding certain sectors from the analysis. 	<p>100 %</p>
<p>The report provides a risk assessment covering only some climate-relevant sectors and technologies. Some relevant sectors are not included but reasons for exclusion are provided.</p>	<p>66%</p>
<p>The report provides a risk assessment covering only some climate-relevant sectors. However, no justification is provided for the gap.</p>	<p>33%</p>
<p>No information regarding sector coverage is provided.</p>	<p>0%</p>

EVALUATION CRITERIA

- Scoring outcome:
 - Score for each of the 25 criteria and overall score for each pillar
 - No weighting will be applied to obtain a total aggregated score i.e. the presentation of results will be done by pillar (to the independent jury and as feedback to applicants)
 - Customized qualitative and quantitative feedback

CATEGORY	SCORE
I. CLIMATE-RELATED INTEGRATION INTO OVERALL STRATEGY, GOVERNANCE AND ENGAGEMENT PRACTICES	66 %
II. CLIMATE RISK EXPOSURE ASSESSMENT AND RISK MANAGEMENT	47 %
III. ALIGNEMENT AND CONTRIBUTION TO THE PARIS AGREEMENT GOALS	80 %
IV. CLIMATE-RELATED COMMUNICATION PLAN TO CLIENTS AND BENEFICIARIES	15 %

Example dashboard score

EVALUATION CRITERIA

Strong applications are about ...

- ✓ Transparency and complete information
- ✓ Climate disclosure integrated into the narrative of the organization's annual report

... and not about

- ❖ « Pure » communication exercise
- ❖ The number of pages of report(s) submitted
- ❖ The climate performance of investments itself



6. APPLICATION PROCESS & KEY DATES

APPLICATION PROCESS

1

Download and complete Applicant's Form (excel) as comprehensively as possible

➤ Each applicant to provide information regarding all 4 pillars

2

Provide evidence supporting your answers (e.g. annual report/responsible investment/sustainability report or equivalent)

3

Send file to : reportingawards@climatereportingawards.org

✓ Format & languages accepted: pdf. or doc. , in EN or FR

✓ For questions please email: info@climatereportingawards.org.

Apply before the 31st of July at 11:59 p.m. (CET)

APPLICATION FORM

International Awards on Investor Climate-related Disclosures 2019

By filling in this form you confirm that you have read, understood and accepted the Awards bylaws, available on www.climate reporting awards.org

Organisation Name:
 Address:
 City:
 Postcode:
 Country:

The name of the entity applying (not the whole Group or parent company)

Country of the entity

	Primary contact	Alternate contact
Name (first name & surname)	<input type="text"/>	<input type="text"/>
Position	<input type="text"/>	<input type="text"/>
Email	<input type="text"/>	<input type="text"/>
Tel./Mobile	<input type="text"/>	<input type="text"/>

My organisation is :
 Please specify the key business activities :
 Reporting year/period for the application :

Reporting year accepted: 2018

Where applicable, please state the asset classes covered in your reporting and their percentage as a total of your Assets under Management

Asset Classes Covered	Assets under Management (EUR millions)	% of total Assets under Management
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

When applicable, indicate the assets covered by the report broken out by type of asset class

APPLICATION FORM

Please indicate which documents should be considered in the review of your application (and respective link, when available).

When the document is not publicly available, please indicate:

- The reasons why the information is not public;
- When applicable, the expected publication date.

Document Name	Attached / Link Provided	Link (if applicable)	If not publicly available, additional information:



When the documents are not publicly available please provide additional information (e.g. private standardized communication to beneficiaries to support your submission to pillar IV)

APPLICATION FORM

Pillar 3: Alignment and contribution to the Paris Agreement goals

Please indicate:

1. The main section of the report/documents submitted and relevant pages where the information can be found;
2. An overall commentary explaining your organisation's status against each sub-criteria (e.g. a brief overview of your justification for any absence of information, or any other information you consider relevant in the context of the Awz
3. Please make specific references to criteria/sub-criteria if this supports your application (see illustrative examples of your answers);
4. Please limit your answers in the commentary boxes to 150 words.

Criteria	Relevant Document	Relevant Sections/ Pages	Comments
Example	<i>Climate-related Report</i>	<i>Page 15</i>	<i>Our organisation has not yet conducted page 15 indicate our initial assessment future.</i>
3.1.			
3.2.			
3.3.			
3.4.			

Please indicate the exact name of document mentioned in sheet « Applicant's Information »

Please indicate which documents should be considered in the review of your application (and respective link, when available).

When the document is not publicly available, please indicate:

- The reasons why the information is not public;
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Document Name	Attached / Link Provided	Link (if applicable)	If not publicly available, additional information:

APPLICATION FORM

Pillar 3: Alignment and contribution to the Paris Agreement goals

Please indicate:

1. The main section of the report/documents submitted and relevant pages where the information can be found;
2. An overall commentary explaining your organisation's status against each sub-criteria (e.g. a brief overview of your organisation's approach, key strengths, justification for any absence of information, or any other information you consider relevant in the context of the Awards);
3. Please make specific references to criteria/sub-criteria if this supports your application (see illustrative examples presented in grey, to be erased when filling your answers);
4. Please limit your answers in the commentary boxes to 150 words.

Criteria	Relevant Document	Relevant Sections/ Pages	Commentary (150 words max)
Example	<i>Climate-related Report</i>	<i>Page 15</i>	<i>Our organisation has not yet conducted a target setting assessment. However, page 15 indicate our initial assessment and action plan to address this in the future.</i>
3.1.			
3.2.			
3.3.			
3.4.			

Please indicate the pages or section where the information is presented

APPLICATION FORM

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1. The main section of the report/documents submitted and relevant pages where the information can be found;
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3.1.			
3.2.			
3.3.			
3.4.			

Please summarize the key information that will support your submission in each criteria

KEY DATES

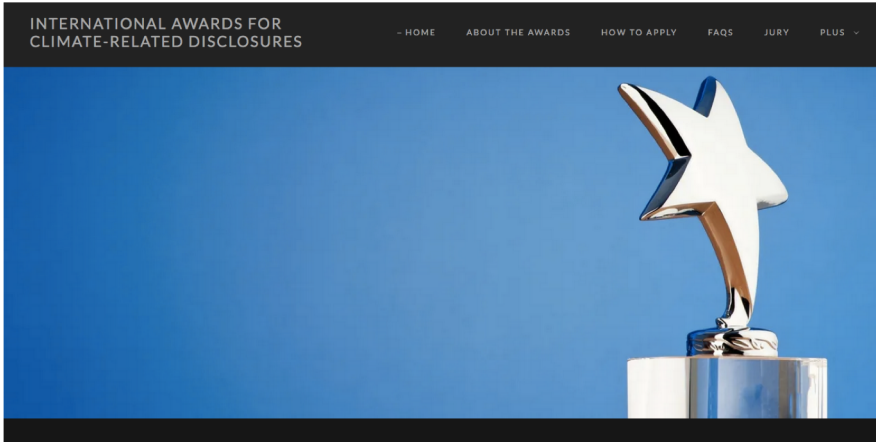
- **July 31st at 11:59 p.m. (CET):** Entry deadline
- **Mid-end October :** Finalists announcement on the website
- **Early November:** Jury deliberation meetings
- **November 28th (evening):** Winners announcement at the Awards ceremony in Paris



7. QUESTIONS



THANK YOU !



Website: www.climatereportingawards.org

Contact: info@climatereportingawards.org

Useful links:

Awards Rules:

<https://climatereportingawards.org/rules>

Evaluation Criteria Guidelines:

<https://climatereportingawards.org/criteria>

Application Process:

<https://climatereportingawards.org/how-to-apply>

Jury:

<https://climatereportingawards.org/jury>