

Water 2018 CDP SCORE REPORT



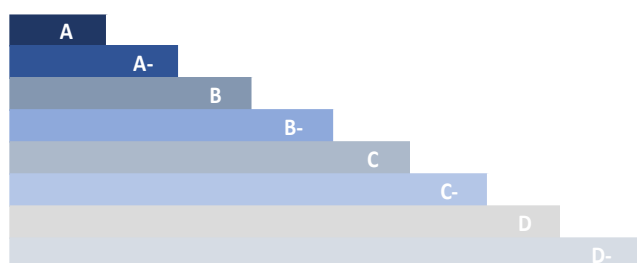
OVERVIEW

The CDP Score Report allows companies to benchmark and compare their progress towards water security against peers, in order to continuously improve their water governance and stewardship. The score achieved by each company is comparable to companies from its region and sector, and investors will additionally receive a copy of the CDP Score Report.

COMPANY PROFILE

Formosa Chemicals & Fibre Corporation

Region	Asia
Country	Taiwan, Greater China
CDP Program	Investor
Sector	Chemicals
Questionnaire	Chemicals



YOUR CDP WATER SCORE MANAGEMENT B

Sector average: C

Regional average: C

Understanding your CDP score. Your Scoring Level (Disclosure, Awareness, Management, Leadership) demonstrates your company's level of water stewardship, and your actions and approaches in managing water.

Formosa Chemicals & Fibre Corporation has received a score of B which is within the MANAGEMENT band. This is HIGHER than the Chemicals average of C, and HIGHER than the Asia regional average of C.

CATEGORY SCORES

Scoring categories are groupings of questions and are subgroups of the 2018 questionnaire. Weightings are applied to scoring to reflect the relative importance of each category to progress water stewardship. The weighting applied to each category varies across sectors to highlight the areas most important to environmental stewardship in specific sectors. Please note that it is not possible for a category score to be higher than a final score. To find out more about category weightings for each sector, download the 'CDP Scoring Categories and Weighting' documents [here](#).

The Introduction and Verification categories have not been included for category score breakdown as they are not scored at Management and Leadership levels.

CATEGORY	SCORE
Water accounting	B-
Value chain engagement	B-
Business impacts	B
Water risk assessment	B-
Water-related risk exposure	B-
Water-related opportunities	B
Water policies	B
Governance	B
Business strategy	B
Integrated approaches	B
Targets & goals	B

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FEEDBACK FOR Formosa Chemicals & Fibre Corporation

BASED ON YOUR CATEGORY SCORE

- **WATER ACCOUNTING:** *Next steps - set a robust method to monitor at least 75% of sites, facilities, operations for each applicable water aspect and track how the figures have changed over the years.*
- **RISK ASSESSMENT:** *Next steps - ensure to carry out a robust and comprehensive water risk assessment at relevant stages of the value chain, by combining multiple tools and methods and by including relevant stakeholders and contextual issues.*
- **TARGETS AND GOALS:** *Ambitious mid- and long-term water targets and goals are set, and significant progress has been demonstrated against them.*
- **GOVERNANCE:** *Water-related issues are in the agenda of at least some meetings and they are integrated to the organizational strategy and business plans, capital expenditures, risk management policies, or acquisitions and divestiture.*
- **WATER POLICIES:** *There is a company-wide public water policy that comprises company water targets and goals, commitment with public policy initiatives, such as the SDGs, reference to international standards and widely-recognized water initiatives, commitment to water stewardship and/or collective action.*
- **VALUE CHAIN ENGAGEMENT:**
 - *Next steps - have a robust engagement procedure that includes the outcomes and measure of success of the engagement with the most relevant partners of your value chain.*

TRENDS IN WATER STEWARDSHIP

ACHIEVING A WATER SECURE FUTURE

- *Verify and assure your water security data;*
- *Explore water valuation options, e.g. setting an internal price for water;*
- *Actively consider water-related issues in the development of possible future scenarios and in the use of scenario analysis.*

ADDITIONAL RESOURCES

1. **Disclosure support, benchmarking and data analytics**
2. **Reporting to CDP's Water Program**
3. **Water Scoring Methodology and Reporting Guidance 2018**
4. **Introduction to CDP Scoring**
5. **WRI Aqueduct**