

2020

# Sustainability and Climate Risk (SCR™) Certificate Candidate Guide





# Contents

## **01 Introduction**

- Becoming an SCR Certificate Holder
- Who Should Consider the SCR Certificate

## **04 Using the SCR to Advance Your Career**

- Benefits of the SCR Certificate

## **05 Exam Development, Structure, and Content**

- Exam Development
- Exam Structure
- Exam Content

## **08 Registration and Fees**

- 2020 Exam Windows
- SCR Fees
- Scheduling the Exam
- Retakes
- Study Materials
- Certificate of Completion
- Optional Continuing Professional Development
- Exam Locations

## **10 Preparation**

- Study Materials

## **11 Frequently Asked Questions**

# Introduction

GARP's new Sustainability and Climate Risk (SCR) certificate teaches the essential skills and knowledge areas necessary to assist individuals and organizations in succeeding within today's rapidly-changing risk-laden landscape. The SCR curriculum, developed by world-leading practitioners in climate risk, constitutes an increasingly referenced, and ever-expanding spectrum of risk planning standards from which practitioners can learn and understand the intricate nature of the sustainability and climate risk space. SCR standards and mechanisms are becoming more sought after as financial-based and other entities plan for a future filled with greater risk. Therefore, the SCR certificate constitutes an invaluable professional credential to those individuals and companies proactively planning for the future.

The SCR Program challenges candidates to understand and apply a range of knowledge and skills necessary to function effectively as a sustainability and climate risk specialist. Its curriculum is updated annually by a group of distinguished sustainability and climate risk professionals to keep pace with the fast-changing nature of SCR-related topics.

By achieving your SCR certificate, you will be among the first of a growing network of professionals around the globe, giving you a foothold and path forward in your profession as you continue to grow and expand within your career. Employers know that SCR certificate holders will have the unique knowledge needed to anticipate and respond to critical issues, providing certificate holders with an edge in their careers and professional development.



## **The SCR Exam covers the following climate risk related topics and themes:**

- Foundations of Climate Change: Science and Global Response
- Policy, Regulations, and Implications
- Green and Sustainable Finance: Instruments and Markets
- Climate Risk Measurement and Management
- Climate Scenario Analysis
- Current Issues in Sustainability and Climate Risk



THE CERTIFICATE IS ONE OF  
**GARP'S FLAGSHIP CERTIFICATIONS  
AND EDUCATIONAL PROGRAMS**  
RECOGNIZED BY FIRMS WORLDWIDE

## BECOMING AN SCR CERTIFICATE HOLDER

The first step to becoming an SCR certificate holder is passing a rigorous exam. To enroll in the SCR Program, first register for the SCR Exam online via the GARP website during the prescribed examination window periods. The 2020 SCR Exam will be offered during two-week exam windows in September and November 2020. From 2021 onwards, the SCR Exam will be offered in nine-day windows in April and October.

Upon passing the SCR Exam, GARP strongly recommends that SCR certificate holders keep their skills and knowledge up to date by participating in GARP's Continuing Professional Development Program. The CPD Program offers SCR certificate holders a framework to stay ahead of the curve through ongoing education. We encourage participants to earn 20 credit hours every year to maintain the integrity of their certificate. Although participation in CPD is voluntary, it is considered best practice to participate in the program throughout one's career.





# WHO SHOULD CONSIDER THE SCR CERTIFICATE

## FINANCE PROFESSIONALS

The SCR helps professionals in sustainability management, climate risk management, and other critical areas of financial and environmental-related service industries to broaden their knowledge of the different types of sustainability and climate risk to enhance their current skillset. Finance and ESG-linked measurements and methods are increasingly intertwined, making the SCR a vital link to existing risk management practices. Those who are just beginning their careers benefit from the breadth of the curriculum, which exposes candidates to the major strategic aspects of sustainability and climate risk management. More established practitioners choose to become SCR certificate holders to ensure that they are apprised of the latest trends in sustainability and climate risk management.

## ENVIRONMENTAL, PUBLIC ADMINISTRATION, AND SOCIAL SCIENCE PROFESSIONALS

The concepts of sustainability and climate risk span a wide swath of professional endeavors. Those experienced and astute in environmental, planning, and government-related enterprises may come to the program with a unique set of assets and education. The SCR curriculum can both add to and augment professionals' education with more financial, regulatory, policymaking, and market-based scholarship. The data and knowledge areas that certificate holders learn and experience in the SCR Program are designed to dovetail with their existing paradigms to provide career expansion and niche establishment.

## STUDENTS

Students with an interest in sustainability and climate risk may elect to sit for the SCR Exam during or after completing their studies. The SCR curriculum can complement students' prior coursework as well as help them develop a foundation of specialized knowledge that goes beyond their academic curriculum. Since the SCR is practitioner-driven, students earning the SCR credential demonstrates to future employers that they are able to master complex real-world challenges.

## CAREER CHANGERS

Whether you work in the realm of sustainability and climate risk or you are interested in transitioning to a risk-related role, becoming an SCR certificate holder can help accelerate your career. Professionals from non-finance or non-risk roles become SCR certificate holders to develop specialized, practical knowledge that can be applied in the global market. Undertaking the rigorous SCR curriculum of study signals a commitment to the increasingly important areas of sustainability and climate risk.

# Using the SCR to Advance Your Career

The SCR certificate is the first of its kind. This revolutionary program prides itself in providing a holistic overview of the assessment and management of climate risks. Born from the growing demand for financial and non-financial firms to incorporate sustainability standards in their operations, the certificate symbolizes the urgency for institutions to effectively address the relevant sustainability issues primarily driven by climate change. Achieving the certificate will signify that you can contribute to these sustainability and climate risk driven objectives, giving certificate holders a competitive advantage. Upon passing the Exam and earning your certificate, you'll demonstrate that you possess the knowledge and tools necessary to assess and manage sustainability and climate risk challenges associated with the many industries affected by SCR.

## BENEFITS OF THE SCR CERTIFICATE

- **Critical Knowledge**  
Candidates enrolled in the certificate program will gain knowledge that is critical to managing sustainability and climate risk.
- **Rigorous Assessment**  
The quality of this certificate is supported by a peer-reviewed, rigorous program developed by subject matter experts and updated regularly to ensure timeliness and relevance.
- **Global Recognition**  
The certificate is one of GARP's flagship certifications and educational programs, recognized by firms worldwide.
- **Empowering Change**  
Certificate holders benefit from engaging with global networks and are empowered to navigate broader international perspectives — inviting opportunity for collaboration, innovation, and value creation.





# Exam Development, Structure, and Content

## EXAM DEVELOPMENT

The SCR Certificate Program is developed under the guidance of GARP's SCR Advisory Committee, which is comprised of prominent global industry leaders in the sustainability, ESG, and climate risk spaces.

The Advisory Committee establishes and revises the topic areas tested on the Exam on an annual basis. To remain aligned with industry needs and calibrate our understanding of the demands of the global risk management community, we also conduct formal surveys designed to highlight the knowledge, skills, and abilities required of practitioners in the sustainability and climate risk space. This process helps ensure that successful candidates have the necessary knowledge and skills to effectively respond to sustainability and climate risk challenges within their organizations.

## EXAM STRUCTURE

The SCR Exam is a comprehensive, standard-oriented assessment that covers the fundamental guidelines, methodologies, and frameworks used in anticipating and managing climate risk. It consists of 80 equally-weighted multiple-choice questions. Candidates are allotted three (3) hours to complete the Exam. The Exam is currently offered in American English only.

For the September 2020 and November 2020 exam windows, the Exam will be administered as an in-person computer-based test (CBT) Exam at a Pearson VUE test center or at a remote location with a high-speed internet connection. Beginning with the April 2021 exam window, registered candidates can schedule an in-person CBT Exam at a Pearson VUE test center only.

# EXAM CONTENT

## **MODULE 1:** **Foundations of Climate Change:** **Science and Global Response | 20%**

This module focuses on the foundational concepts of climate change, including the underlying science and global responses. It explains various scientific and environmental processes to make them accessible to readers with and without scientific backgrounds, and includes:

- Earth science systems: the greenhouse effect, global warming, and climate change
- Carbon emissions, sequestration, greenhouse gas (GHG) scenarios, and tipping points
- History and evolution of past and present climate agreements
- Integrated Assessment Models (IAMs)

---

## **MODULE 2:** **Policy, Regulations, and** **Implications | 20%**

This module focuses on the contextualization of climate risk within the broader setting of sustainability. It presents the responses of financial institutions, regulators, and international bodies to emerging climate risks. These responses include key frameworks, formulated policies, recommended best practices, and guiding principles such as:

- Sustainable Development Goals (SDGs)
- Environmental, Social, and Governance (ESG) reporting frameworks, scoring, and ratings
- Principles for Responsible Investment
- Principles for Responsible Banking
- Climate-related financial disclosures
- Network for Greening the Financial System (NGFS) best practices
- Greenhouse gas (GHG) emissions accounting and reporting principles
- Carbon pricing: taxes, trading, credits, and leakage

---

## **MODULE 3:** **Green and Sustainable Finance:** **Instruments and Markets | 15%**

This area focuses on the emergence of financial sector tools and markets born out of the global response to climate change. The module tests your knowledge of what constitutes “green” finance, existing taxonomies, and the range of financial products and instruments for financing sustainability and climate projects. The knowledge points in Green and Sustainable Finance: Instruments and Markets include the following:

- Defining what is “green”
- Existing and emerging global taxonomies
- Green bonds, green loans, and other products
- Climate finance trends, instruments, and sources



# EXAM CONTENT (CONTINUED)

## **MODULE 4:** **Climate Risk Measurement and Management | 20%**

This module focuses on the risks from climate change and the approaches to measuring and managing climate-related risks, including:

- Climate risk transmission channels
  - Physical risks and opportunities
    - Acute
    - Chronic
  - Transition risks and opportunities
    - Policy and legal
    - Technology
    - Market
    - Reputational
- Manifestation in traditional risk types
- Climate change risk governance
- Risk management: ESG and sustainability
- Approaches to measuring climate-related risks
  - Credit risk assessment and measurement
- Climate-related metrics and tools

---

## **MODULE 5:** **Climate Scenario Analysis | 15%**

This module focuses on the development and application of climate scenario analysis, the types of scenarios that exist, and what information they can provide. This includes:

- Climate scenario development
- Developing and applying scenario analysis
- Transition and physical climate scenarios

---

## **MODULE 6:** **Current Issues in Sustainability and Climate Risk | 10%**

This module highlights the current and emerging issues in sustainability and climate risk. It shares current and up-and-coming issues that are increasingly becoming part of the sustainability and climate risk landscape. Topics covered include:

- Health effects, disease, and vector migration
- Renewable energy finance
- Natural capital
- Sea-level rise: adaptation and sovereignty
- Economic impacts of Arctic change
- Geoengineering

# Registration and Fees

The 2020 SCR Exam will be offered during two-week exam windows in September and November 2020. From 2021 onwards, the SCR Exam will be offered in nine-day windows in April and October.

For 2020, candidates can register through November 12, 2020. Registration for 2021 Exams, beginning with the April exam window, opens on December 1, 2020.

## 2020 EXAM WINDOWS

Window 1	September 1 - 14
Window 2	November 1 - 14

## 2021 EXAM WINDOWS

Window 1	April 17 - 25*
Window 2	October 23 - 31*

## SCR FEES

Exam fee	USD 650
Certified FRM/ERP	USD 525
Individual Members**	USD 550
Option to purchase GARP Membership + the SCR	USD 195 + USD 550

\*Administered via CBT only

\*\*Must be in good standing at the time of their registration

## SCHEDULING THE EXAM

The deadline to schedule for the 2020 exam windows is November 12, 2020. If candidates do not schedule by the deadline, they will automatically be opted into the April 2021 window. Candidates may then schedule their 2021 exam date beginning December 1, 2020.

September and November 2020 SCR candidates can schedule an in-person computer-based test (CBT) Exam at a Pearson VUE test center or a remotely proctored Exam using the Pearson VUE scheduling website. SCR Exams will only be offered via CBT beginning with the April 2021 exam window.

In all cases, candidates must schedule an Exam at least 48 hours prior to their desired Exam start time. All Exams are reserved on a first-come, first-served basis. Candidates who do not schedule or reschedule an Exam within the 12-month period following initial registration, or schedule and do not take their Exam, must register again and pay all applicable fees.

## RETAKES

Candidates who do not pass the Exam may register again within 12 months after receiving exam results at a reduced price of USD 350. After 12 months, candidates must re-register for the program and pay all applicable fees.

If the curriculum changes before the candidate retakes the Exam, an updated version of the curriculum will be made available to the candidate free of charge (via eBook only).

## STUDY MATERIALS

The SCR registration fee includes the cost of the eBook.

The eBook and the printed book can be purchased separately for USD 250 and USD 300 plus shipping, respectively. Registration in the SCR Program is not required for either eBook or printed book purchases.

## CERTIFICATE OF COMPLETION

Candidates will receive an electronic certificate of completion and a complimentary digital badge will be granted for free to those who passed the Exam.

## OPTIONAL CPD

SCR certificate holders will have opportunities to continue to advance their climate risk education through the GARP Continuing Professional Development Program. Certificate holders will need to earn 20 CPD credits per cycle to stay current. After completing 20 credits in a 2-year cycle, SCR certificate holders will be granted access to download a CPD Acknowledgement of Completion certificate. While CPD is not mandatory, it is strongly encouraged.

## EXAM LOCATIONS

For the September 2020 and November 2020 exam windows, the Exam will be administered as an in-person computer-based test (CBT) Exam at a Pearson VUE test center or at a remote location with a high-speed internet connection. Beginning with the April 2021 exam window, registered candidates can schedule an in-person CBT Exam at a Pearson VUE test center only.



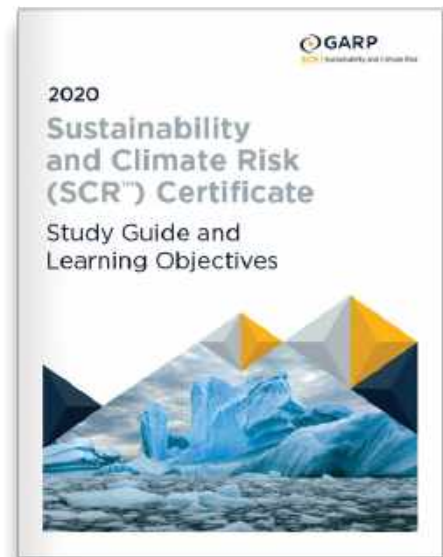
# Preparation

GARP provides the necessary study resources and information on approved third-party Exam Preparation Providers to help you get ready for the Exam. Due to the sizable amount of material covered in the Exam, we suggest that you use a weekly study schedule. Preparing for the Exam at the last minute is strongly discouraged.

Exam preparation and study time is estimated to be about 100-130 hours. This will vary based on your prior professional experience, academic background, and familiarity with the concepts covered in the curriculum.

## STUDY MATERIALS

- The **2020 SCR Certificate Study Guide and Learning Objectives** sets forth primary topics and readings for exam preparation. The SCR curriculum will be regularly revised under the direction of the GARP SCR Advisory Committee to ensure that it remains a valid assessment of the knowledge and skills necessary to manage sustainability and climate risk.
- The document provides a comprehensive framework to guide candidates in their self-study preparation for the SCR Exam. It contains information and approximate weightings for each of the broad knowledge areas (modules) covered by the Exam, the specific readings associated with each module, and the individual learning objectives for each reading. Since every SCR Exam question maps to at least one learning objective, the SCR Learning Objectives document is an important study resource and should be referred to regularly during exam preparation.



AVAILABLE ON  
**GARP.ORG/SCR**



# Frequently Asked Questions

**Q. How is the Exam structured?**

**A.** The SCR Exam consists of 80 multiple-choice questions over three hours.

**Q. How much work experience do I need to sit for the Exam?**

**A.** No work experience is required to sit for the Exam.

**Q. How quantitative is the Exam?**

**A.** The Exam is not highly quantitative. It is designed to be accessible to a wide audience.

**Q. In what language can I take the Exam?**

**A.** Currently the SCR Exam is offered in American English only.

**Q. How much time do I need to prepare to sit for the Exam?**

**A.** Preparation time will vary by candidate. Our expectation is that the average preparation time will be in the range of 100-130 hours.

**Q. How is the Exam administered?**


**A.** For the September 2020 and November 2020 exam windows, the Exam will be administered as an in-person computer-based test (CBT) Exam at a Pearson VUE test center or at a remote location with a high-speed internet connection. Beginning with the April 2021 exam window, registered candidates can schedule an in-person CBT Exam at a Pearson VUE test center only.

**Q. When can I register for the SCR Program?**

**A.** For 2020, candidates can register through November 12, 2020. Registration for 2021 Exams, beginning with the April exam window, opens on December 1, 2020.

**Q. What will registration cost and what is included?**

**A.** Initial registration for the SCR Certificate Program costs USD 650, USD 550 for Individual Members in good standing, and USD 525 for Certified FRMs and ERPs. Cost includes the full curriculum in eBook form, the fee to sit for the Exam, and the Certificate for successful candidates.



“Sustainability and climate risk issues are rapidly becoming a key concern for businesses, regulators, and the public at large. This certificate provides a bedrock of knowledge that will enable professionals to navigate the complex nexus of issues involved, and play a role in setting their organization’s future path.”

**-JO PAISLEY**  
CO-PRESIDENT,  
GARP RISK INSTITUTE

 **GARP**  
**SCR** | Sustainability and Climate Risk

[garp.org/scr](https://garp.org/scr)





**Creating a culture of risk awareness®**

**garp.org**

**ABOUT GARP** | The Global Association of Risk Professionals is a non-partisan, not-for-profit membership organization focused on elevating the practice of risk management. GARP offers role-based risk certification – the Financial Risk Manager® and Energy Risk Professional® – as well as the Sustainability and Climate Risk™ certificate and on-going educational opportunities through Continuing Professional Development. Through the GARP Benchmarking Initiative and GARP Risk Institute, GARP sponsors research in risk management and promotes collaboration among practitioners, academics and regulators.

Founded in 1996, governed by a Board of Trustees, GARP is headquartered in Jersey City, NJ, with offices in London, Washington, D.C., Beijing, and Hong Kong. Find more information on [garp.org](http://garp.org) or follow GARP on LinkedIn, Facebook, and Twitter.

**HEADQUARTERS**

111 Town Square Place  
14<sup>th</sup> Floor  
Jersey City, New Jersey  
07310 USA  
+1 (201) 719.7210

**LONDON**

17 Devonshire Square  
4<sup>th</sup> Floor  
London, EC2M 4SQ UK  
+44 (0) 20 7397.9630

**WASHINGTON, D.C.**

1001 19<sup>th</sup> Street North, #1200  
Arlington, Virginia  
22209 USA  
+1 (703) 420.0920

**BEIJING**

1205E, Regus Excel Centre  
No. 6, Wudinghou Road  
Xicheng District,  
Beijing 100011, China  
+86 (010) 5661.7016

**HONG KONG**

The Center  
99 Queen's Road Central  
Office No. 5510  
55<sup>th</sup> Floor  
Central, Hong Kong SAR, China  
+852 3168.1532