

2024

SCR[®] CANDIDATE GUIDE



CONTENTS

2 Introduction

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

5 How the SCR Certificate Can Advance Your Career

Benefits of the SCR Certificate

6 Exam Development, Structure, and Content

Exam Development
Exam Structure

10 Dates and Fees

Scheduling the Exam
Deferrals
Retakes
2024 Mid-Year Curriculum Update
Study Resources
Certificate of Completion
Continuing Professional Development (CPD)
Exam Locations
Preparation

13 Study Materials

14 Frequently Asked Questions

INTRODUCTION

In a world marked by increasing climate uncertainty, knowing how to properly navigate the financial risks associated with climate change is more than a professional advantage. It's a necessity.

Developed by world-leading senior risk practitioners, climate experts, and sustainability professionals, GARP's Sustainability and Climate Risk (SCR®) Certificate provides pivotal knowledge into the complex territories of sustainability and climate risk, as well as key insights into regulatory initiatives, reporting requirements, green finance instruments, and much more. In addition, the SCR curriculum features exclusive case studies with many of the world's top financial and non-financial corporations, giving candidates an opportunity to learn how companies are tackling their own climate risk challenges.

By earning your SCR Certificate, you join a diverse, global community of professionals who understand the importance of climate risk and sustainability. The SCR Certificate also validates that an individual understands sustainability and climate risk assessment, measurement, management, and reporting, while possessing the right knowledge for meeting the critical climate issues of both today and tomorrow.

The SCR Exam covers the following topics and themes:

- Foundations of Climate Change: What Is Climate Change?
- Sustainability
- Climate Change Risk
- Sustainability and Climate Policy, Culture, and Governance
- Green and Sustainable Finance: Markets and Instruments
- Climate Risk Measurement and Management
- Climate Models and Scenario Analysis
- Net Zero



Becoming an SCR Certificate Holder

The SCR Certificate requires no prior work experience in climate change, sustainability, or risk management. However, candidates must pass a rigorous Exam to become an SCR Certificate Holder. To enroll in the SCR Program, first register for the SCR Exam online via GARP's website during the prescribed examination window. The 2024 SCR Exam will be offered in April and October.

Upon passing the SCR Exam, GARP strongly recommends SCR Certificate Holders keep their skills and knowledge up to date by participating in GARP's Continuing Professional Development (CPD) program. The CPD program offers SCR Certificate Holders a framework to stay ahead of the curve through ongoing education. GARP encourages participants to earn 20 credit hours every two years to maintain the integrity of their Certificate. Although participation in CPD is voluntary, it is considered recommended practice to participate in the program throughout one's career.

Where SCR Certificate Holders Are Working

- American Express
- Bank of England
- BDO Global
- Burberry
- Citigroup
- Comcast Corporation
- Deutsche Bank
- General Electric
- Google
- Health Equity
- Hong Kong Monetary Authority
- JPMorgan Chase
- L'Oreal
- Microsoft
- Morgan Stanley
- Nestlé
- PwC
- Royal Bank of Canada
- Shell Corporation
- State Bank of India
- U.S. Federal Reserve System
- United Nations
- Volkswagen
- World Economic Forum
- Zurich Insurance Group

Who Should Consider the SCR Certificate?

Business Professionals

The SCR Certificate enables business professionals to broaden their knowledge across sustainability and climate risk. Measurements and methodologies linked to finance and environmental, social, and governance (ESG) are increasingly intertwined, making the SCR Program 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. Established practitioners choose to become SCR Certificate Holders to ensure they are apprised of the latest relevant trends, while early-career individuals can gain a strong understanding of the strategic dimensions of climate risk management.

Government and Non-Profit Professionals

Given the widespread applicability of the risks associated with climate change, sustainability and climate risk management is relevant across many careers and professional endeavors, including government work, environmental planning, think tanks, non-profit organizations, and more. The SCR curriculum can enhance professionals' education in financial, regulatory, policymaking, and market-based areas, providing many opportunities for career expansion.

Career Changers

Whether you work in sustainability and climate risk or are interested in transitioning to a risk-related role, the SCR Certificate 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.

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 their prior coursework and help them develop a foundation of specialized knowledge that goes beyond the academic curriculum. Because the SCR Exam is practitioner-driven, students earning the SCR Certificate demonstrate to future employers they can master complex real-world challenges.

What Jobs SCR Certificate Holders Are Performing

Audit Manager

Business Analyst

Chief Executive Officer

Chief Information Officer

Chief Marketing Officer

Chief Risk Officer

Environmental Engineer

ESG Analyst

Geoscientist

Head of Innovation

Principal Data Scientist

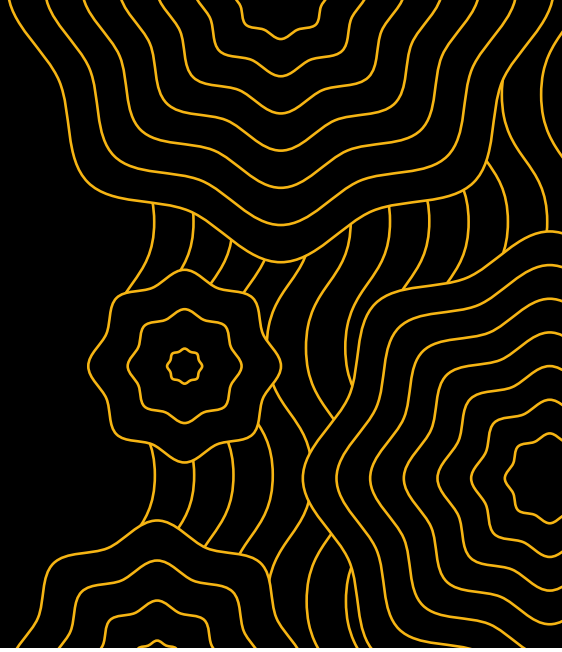
Risk Manager

Senior Legal Counsel

Senior Software Engineer

Sustainable
Finance Specialist

HOW THE **SCR** CERTIFICATE CAN ADVANCE YOUR CAREER



The SCR Certificate provides a holistic overview of the assessment and management of climate risk. Born from the growing demand across industries to incorporate sustainability standards into operations and business reporting, our cutting-edge Certificate Program symbolizes the urgency for organizations to address relevant issues driven by climate change. Passing the Exam and earning the Certificate demonstrates the knowledge and tools needed to assess and manage sustainability and climate risk challenges across many industries, putting SCR Certificate Holders, and the organizations that employ them, at a competitive advantage.

The SCR Program also provides real-world insights into how today's top companies are managing their climate risks. Each chapter features incisive case studies from organizations including the **World Wildlife Fund, ING, McKinsey & Co., Citi, HSBC, Kellogg, L'Oreal**, and many others.

Benefits of the SCR Certificate

- **Turn Risk to Resiliency**
SCR Certificate Holders truly transition from observers to active leaders. Gain the tools and expertise to help your organization fulfill its commitments to reduce its carbon footprint, support sustainable investments, and report climate risks more accurately.
- **Learn Quickly and Comprehensively**
The SCR Program offers impactful education without the need for prior risk or climate expertise, making it the go-to educational Certificate for professionals of all levels seeking to make a fast impact.
- **Join a Global Network**
Becoming an SCR Certificate Holder is your exclusive entry into a diverse community of professionals from over 100 countries across such sectors as commercial banking, asset management, fintech, oil and gas, fashion, and more.
- **Become a Catalyst for Change**
The SCR Certificate isn't just another accolade; it's a mandate for impact. Equipped with this knowledge, SCR Certificate Holders can participate in a global initiative that goes beyond individual careers and corporate objectives.



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 across sustainability, ESG, and climate risk management.

On an annual basis, the Advisory Committee establishes and revises the topic areas tested on the Exam. To remain aligned with industry needs and calibrate the demands of the global risk management community, GARP conducts formal surveys designed to highlight the knowledge, skills, and abilities required of practitioners in the SCR community. This process helps successful candidates acquire the knowledge and skills to respond effectively to sustainability and climate risk challenges within their organizations.

Exam Structure

The SCR Exam is a comprehensive assessment that covers the fundamental guidelines, methodologies, and frameworks organizations use to anticipate and manage climate risk. The Exam consists of 80 equally weighted, multiple choice questions. The majority of Exam questions stand alone, with the exception of one multi-part question case study accompanied by three-to-four multi-part questions. Candidates are allotted three hours to complete the Exam. The Exam is currently offered in American English only.

The Exam is administered as an in-person, computer-based test (CBT) at Pearson VUE test centers worldwide.



Exam Content

CHAPTER	OVERVIEW
CHAPTER 1: Foundations of Climate Change: What Is Climate Change? EXAM WEIGHT 8-12 questions	<p>Climate change is one of the most important issues of our generation and future generations. Choosing how to respond requires both a knowledge of the science as well as an understanding of our policy options. This chapter gives a brief summary of these two aspects of the climate problem.</p>
CHAPTER 2: Sustainability EXAM WEIGHT 8-12 questions	<p>This chapter discusses the broad topic of sustainability, particularly as it relates to public policies, corporate actions, and financial institutions. The broad examination of sustainability in a policy, corporate, and investment context is important background before examining climate risk analysis (Chapters 3 and 6) and policy frameworks (Chapter 4) in greater detail.</p> <p>The chapter starts by defining sustainability and differentiating it from both environmental, social, and governance (ESG) issues and climate risk. This chapter also discusses international goals on sustainability, notably UN Sustainable Development Goals (SDGs).</p> <p>The chapter takes a broad approach, touching on economic development, issues of social justice and equity (e.g., human rights), and environmental protection (e.g., biodiversity), as well as focusing primarily on concepts and general framing in preparation for later chapters that go into greater detail.</p> <p>Required online readings: “UNEPFI Principles For Responsible Banking,” United Nations Environment Programme Finance Initiative. (pages 3-38). “UNPRI Principles For Responsible Investment,” Principles for Responsible Investment, 2021.</p> <p>All required online readings can be accessed at https://www.garp.org/scr/readings/required.</p>
CHAPTER 3: Climate Change Risk EXAM WEIGHT 8-12 questions	<p>This chapter provides a comprehensive introduction to the financial risks linked to climate change that throughout this text are referred to simply as “climate risk.” It explains the two main subtypes of climate risk — physical risk (resulting from the physical weather impacts of climate change) and transition risk (resulting from the economic transformation to a net-zero carbon economy) — before delving into the causes and implications of each type.</p> <p>Chapters 6 and 7 return to, and expand on, the topic by explaining how financial institutions can measure and manage climate risk (Chapter 6) and how climate modeling is carried out, including through scenario analysis (Chapter 7).</p> <p>Required online readings: “Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures,” Task Force on Climate-related Financial Disclosures, October 2021. (pages 14-22). “Risk Management Fundamentals,” Global Association of Risk Professionals (GARP), December 2022.</p> <p>All required online readings can be accessed at https://www.garp.org/scr/readings/required.</p>

CHAPTER 4:

Sustainability and
Climate Policy, Culture,
and Governance

EXAM WEIGHT |
8-12 questions

This chapter examines the wider policy and cultural context in which the move toward sustainability and climate risk integration in the private sector has occurred. It starts by describing international sustainability and climate policy frameworks to date and the challenges inherent in attempts to reduce emissions through global agreements.

It then describes how sustainability and climate change have become part of various policy frameworks and standards in both the public and private sectors, ranging from promotion to supervision and regulation. Finally, consideration is given to potential implications, both at the micro and macro level, of how policies and other transition drivers may impact society and corporate culture.

Required online readings:

"A call for action: Climate change as a source of financial risk," Network for Greening the Financial System (NGFS), April 2019. (pages 4-9).

"The GHG Protocol: A corporate reporting and accounting standard (revised edition)," The Greenhouse Gas Protocol and World Business Council for Sustainable Development (WBCSD), March 2004. (Chapters 1, 3, 4).

All required online readings can be accessed at
<https://www.garp.org/scr/readings/required>.

CHAPTER 5:

Green and Sustainable
Finance: Markets
and Instruments

EXAM WEIGHT |
8-12 questions

This chapter focuses on financial-market developments relating to sustainability issues and climate-related risks and opportunities. The chapter begins by explaining what constitutes "green" and "sustainable" finance and covers trends and investment flows. It then includes a detailed examination of specific sustainable and green finance instruments and products, such as green bonds, green loans, and sustainability-linked bonds and loans.

The chapter considers the integration of ESG issues into investing, both through analysis and through investor engagement. It finishes with existing and emerging taxonomies and regulatory definitions, building on the policy material covered in Chapter 4.

CHAPTER 6:

Climate Risk
Measurement
and Management

EXAM WEIGHT |
12-18 questions

This chapter describes how climate risk is measured and managed, covering both types of climate risk: physical and transition (as described in Chapter 3). After an introduction, this chapter covers in detail how climate risk relates to more traditional risk categories at the company level, including operational risk, credit risk, liquidity risk, and underwriting risk. It then covers how climate risk can be a systemic risk with potential threat to financial stability, transmitting either through one of the previously mentioned channels, or through market dislocations (market risk) or effects on countries (sovereign risk).

The chapter goes on to describe available data and analytical tools for measuring both physical and transition risks, building on material from Chapter 3. Finally, this chapter examines how climate risk can be, and is being, integrated into existing enterprise risk management (ERM) processes, ranging from governance structures and strategy setting to risk evaluation and disclosure. The material in this chapter sets the stage for Chapter 7, which builds on these topics by looking specifically at the application of scenario analysis to climate risk management.

Required online reading:

"Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures," Task Force on Climate-related Financial Disclosures, October 2021. (pages 52-54).

All required online readings can be accessed at
<https://www.garp.org/scr/readings/required>.

CHAPTER 7:

Climate Models and
Scenario Analysis

EXAM WEIGHT |
8-12 questions

This chapter describes how climate change risk can be modeled and analyzed through scenarios, which can help companies and financial institutions prepare for various possible physical and transition climate-related outcomes. The chapter begins with an introduction to scenario analysis as a general planning tool for companies before reviewing reference scenarios commonly used by climate scientists, policymakers, and corporations.

Then, the chapter examines climate scenario analysis as applied to physical and transition risk, building on the material in Chapter 3. The chapter ends with a detailed look at use cases of scenario analysis both in corporations and in a financial context.

CHAPTER 8:

Net Zero

EXAM WEIGHT |
3-6 questions

This chapter provides an overview of the concept of net zero and its implications for different players in the economy. It begins with an introduction to the scientific background behind net zero and its link to global climate ambitions enshrined in the Paris Agreement. It further provides an overview of the key global initiatives that are mobilizing entities across the world to make bottom-up commitments and pushing them to begin the journey of reducing the climate impact of their own organization.

The chapter then outlines the various elements required to ensure the credibility of these targets. It explains the crucial role that transition plans can play in demonstrating that an organization is integrating decarbonization ambitions into its core strategy, emphasizing the importance of interim targets and pathways and the transparent use of metrics to measure progress. It ends with a discussion of the emerging landscape of net-zero disclosure standards.

DATES AND FEES

SCR Exams in 2024 will be offered in April and October. Registration for the April 2024 Exam opens on December 1, 2023. The cost to register for the Exam varies based on the registration period, and you must register online. All fees are subject to change.

Scheduling the Exam

Candidates may schedule their April 2024 exam date beginning December 1, 2023 and October 2024 exam date beginning May 1, 2024. All SCR Exams in 2024 will be offered via computer-based testing (CBT). Candidates must schedule their Exam at least 48 hours prior to their desired exam start time in either the April or October 2024 windows, based on the window they registered for. All Exams are reserved on a first-come, first-served basis.

Please note that due to uncertainties associated with COVID-19, exam dates and deadlines for 2024 are subject to change.

Deferrals

A deferral to the next exam window must be submitted and paid for by April 1, 2024 for the April window and October 1, 2024 for the October window. There is an administrative processing fee of USD 100 that accompanies each exam deferral, payable by credit card at the time of your deferral request or payable by wire transfer or check for an additional processing fee of USD 50.

Note: Candidates deferring into the next exam year will receive the new SCR eBook for free when it becomes available.

Retakes

Candidates who don't pass their Exam, register and don't schedule their Exam, or schedule and don't take their Exam can register to take their Exam for USD 350 once to the next two available exam administrations on any available date within the next two exam cycles. If the curriculum changes before the candidate's new exam date, updated study materials will be provided in a digital format.

2024 Mid-Year Curriculum Update

Candidates who register for an October 2024 SCR Exam should take note of the following important exam structure changes listed below. In addition, candidates who register for an October 2024 Exam will receive all curriculum updates via GARP Learning only; the SCR eBook included with registration will NOT include any of these new learnings covered on the October SCR Exam. Fees are subject to change for the October 2024 exam administration.

	April 2024 Exam	October 2024 Exam
Multiple Choice Questions	80	90
Case Studies	1	2
Exam Duration	3 hours	4 hours
SCR eBook and GARP Learning	Included	Included

April Exam Registration

Exam Dates

April 20-28, 2024

Early Registration

Dec. 1, 2023 – Jan. 31, 2024

Standard Registration

Feb. 1 – Mar. 31, 2024

October Exam Registration*

Exam Dates

Oct. 19 – Nov. 2, 2024

Early Registration

May 1 – July 31, 2024

Standard Registration

Aug. 1 – Sep. 30, 2024

Early Registration Fees

Non-Member

USD 650

FRM- or ERP-Certified Professional

USD 525

Individual Member**

USD 550

Standard Registration Fees

Non-Member

USD 750

FRM- or ERP-Certified Professional

USD 625

Individual Member**

USD 650

*Fees subject to change for October 2024 Exam

**Candidate must be in good standing at the time of registration



Study Resources

The SCR registration fee includes a copy of the SCR eBook, full-length SCR Practice Exam, and access to an exclusive, streamlined platform called GARP Learning. The eBook and the printed book can be purchased separately for USD 250 and USD 300 plus shipping, respectively. Registration for 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 upon passing the Exam.

Continuing Professional Development (CPD)

SCR Certificate Holders will have the option to continue to advance their climate risk education through the GARP CPD program. Certificate Holders will need to earn 20 CPD credits per cycle to stay current. After completing 20 credits in a two-year cycle, SCR Certificate Holders will be granted access to download a CPD Acknowledgement of Completion certificate. Although CPD is not mandatory, it is strongly encouraged.

Exam Locations

Exams are offered via computer-based testing (CBT) at Pearson VUE test centers worldwide. A complete list of locations where the Exam is offered is available on garp.org. Exam locations are subject to change.

Preparation

GARP provides the necessary study resources and information on approved third-party exam preparation providers (EPPs) to help you get ready for the Exam. Due to the amount of material covered in the Exam, a weekly study schedule is recommended. Preparing for the Exam at the last minute is strongly discouraged.

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

STUDY MATERIALS

To offer optimized learning tools for SCR Exam candidates, GARP created study materials to increase the likelihood of a successful Exam outcome. Access to the following Study Materials is complimentary for all candidates registered to take the SCR Exam in 2024:

- The **SCR Study Guide and Learning Objectives** includes a complete list of chapter topics, required online readings, and key learning objectives. The SCR Advisory Committee identified these curriculum topics as essential for professionals navigating the field of sustainability and climate risk. The Study Guide indicates how curriculum is weighted across these topics. Learning objectives appear as bullet points within each chapter description. Refer to these learning objectives throughout exam preparation. A glossary of key terms and an abbreviations list appear at the end of the book; the abbreviations list is available for reference during the Exam.
- The official **SCR eBook** includes required readings across the eight chapters of the curriculum. Each chapter begins with a set of learning objectives to guide candidates through key concepts of the chapter. Review questions at the end of each chapter provide candidates with regular knowledge checks.
- In addition to information contained in the 2024 SCR book, the SCR Exam covers a selection of **Required Online Readings** from leading academics and practitioners. These online readings are a required part of the SCR curriculum and may be reflected in the SCR Exam questions.
- The **SCR Practice Exam** is an 80-question multiple choice exam that includes sample questions similar to the ones on your actual SCR Exam. These questions broadly reflect material assigned for 2024 and represent a multiple choice question style the SCR Advisory Committee considers appropriate. Explanations are included for correct and incorrect answer choices.
- Take advantage of our dynamic **GARP Learning** platform, a streamlined outlet for multimedia content, real-world case studies, and a practice SCR Exam accessible via your candidate portal. With the flexibility to learn at your own pace from any location, candidates can also set up a study plan that optimizes their preparation schedule and accommodates work and life commitments. The interactive, multimedia-rich online environment should enhance your learning experience.
- Potential errors or discrepancies in the curriculum can be reported to GARP directly through the candidate portal and flagged as **SCR Curriculum Errata**. GARP reviews all errata submissions and posts updated errata, including appropriate corrections. Visit the GARP website regularly for the latest SCR Curriculum Errata summary.



Available on
garp.org/scr/study-materials

FREQUENTLY ASKED QUESTIONS

Q. How much work experience do I need to register for the program?

A. No work experience is required.

Q. How quantitative is the Exam?

A. The Exam is not highly quantitative. It is designed to be accessible to a wide audience. A few questions may require limited multiplication and division, an understanding of ratios or knowledge of measurement units, and the magnitude of metrics relevant to specific risk management topics. Some questions may present graphs or tables with quantitative information.

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 will the April 2024 Exam and October 2024 Exam differ?

A. April's Exam will include 80 multiple choice questions and one case study over three hours, while October's Exam will include 90 questions and two case studies over four hours. Fees are subject to change for October 2024.

Q. When can I register for the SCR Program?

A. Registration for 2024 Exams, beginning with the April exam window, opens on December 1, 2023.

Q. What will registration cost and what is included?

A. Early registration for the SCR Certificate Program will cost USD 650, USD 550 for Individual Members in good standing, and USD 525 for Certified FRMs and ERPs. Standard registration will cost USD 750, USD 650 for Individual Members in good standing, and USD 625 for FRM-Certified and ERP-Certified Professionals. Registration fees include the full curriculum in eBook form, access to GARP Learning, a full-length practice exam, the fee to sit for the Exam, and the certificate for successful candidates.



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 the leading global certification for risk managers in the Financial Risk Manager (FRM®), as well as the Sustainability and Climate Risk (SCR®) Certificate and ongoing educational opportunities through Continuing Professional Development. Through the GARP Benchmarking Initiative (GBI)® and GARP Risk Institute (GRI), GARP sponsors research in risk management and promotes collaboration among practitioners, academics, and regulators.

Founded in 1996 and governed by a Board of Trustees, GARP is headquartered in Jersey City, N.J., with offices in London and Hong Kong.

For more information, visit garp.org or follow GARP on LinkedIn, Facebook, and X (formerly Twitter).

© 2023 Global Association of Risk Professionals. All rights reserved. (01.24)

HEADQUARTERS

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

LONDON

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

HONG KONG

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