



DRIVING SUSTAINABLE ECONOMIES

Scoring

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Agenda

- Scoring Overview
- Disclosure score and Performance band
- Scoring Methodology
- Leadership Indices
- Changes to Scoring in 2013

Scoring Overview

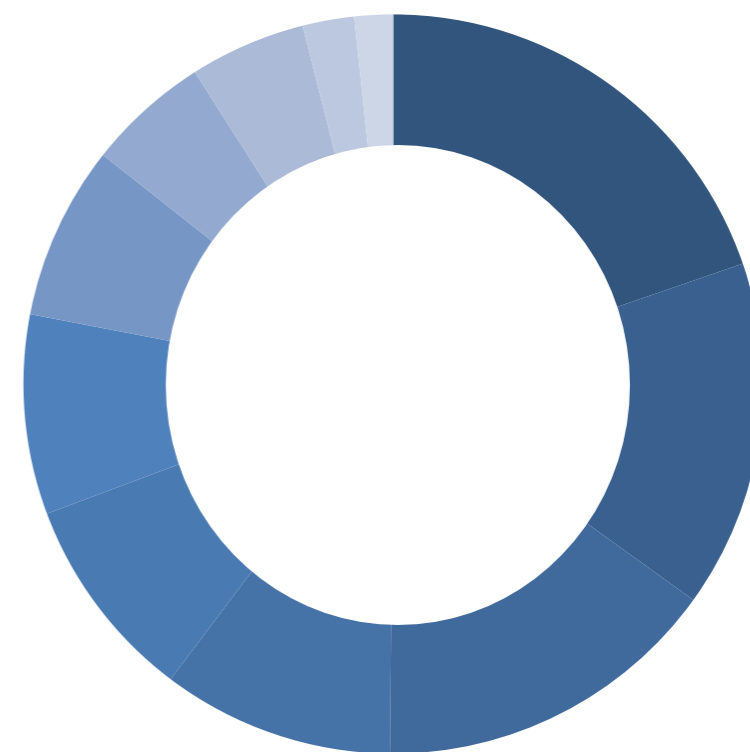
- The scoring methodology synthesises detailed responses into a single number and a single letter – a common language that everyone can understand
- CDP methodology is the same across sectors and countries – the same key actions need to be demonstrated & same information provided
- The full guidance and methodology is available online, alongside webinars and explanations
- Scoring was developed by CDP's Global Advisor PwC in 2009 as a metric measuring the quality of disclosure. Performance scoring was introduced in 2010 to evaluate companies actions. In 2012, over 3800 companies were scored for disclosure and performance using CDP's scoring methodology
- Scoring is done by partner organisations who are trained by CDP. Scores are subject to rigorous quality assurance checks
- Public scores are released each year in CDP reports and website, Bloomberg terminals, Google Finance and Deutsche Börse as well as shared directly with investors



Disclosure Score Weighting

Disclosure score:

Expressed as a number (out of 100) and reflects the completeness and the quality of the response, and hence its usefulness to data users



- | | |
|------------------------------------|----------------------------|
| ■ 20% Scope 1 and 2 emissions data | ■ 15% Risks |
| ■ 15% Opportunities | ■ 10% Scope 3 |
| ■ 9% Scope 1 & 2 verification | ■ 9% Targets & Initiatives |
| ■ 8% Energy and emissions trading | ■ 5% Emissions performance |
| ■ 5% Strategy | ■ 2% Governance |

Performance Score Weighting

Performance score:

Expressed as a band (A, A-, B, C, D, E) and points are awarded for actions in the reporting year that contribute to climate change mitigation, adaptation and transparency



- 21% Emissions performance
- 19% Targets & Initiatives
- 12% Strategy
- 12% Scope 1 & 2 verification
- 10% Governance
- 9% Scope 3
- 5% Communications
- 5% Risks
- 5% Opportunities
- 2% Energy and emissions trading

Scoring Methodology and Tips

- Read the question carefully and choose the most appropriate answer from the drop down menu. Then read the follow on question, the relevant section in the guidance document and scoring methodology. It will outline the data points needed to support your original response
- Leaving questions blank will reduce a score significantly. Blank questions will be scored zero out of the maximum available points
- Scores are based solely on information provided in the CDP response
- Cross references not scored, nor are links to external websites
- Some questions request attachments – these will only be checked if attached to the right part of the response. Please check that the attached document covers the data points requested. Regards verification, you can also refer to CDP website which will give more details on accepted criteria

Communications							
Number	Question	Disclosure Score		Disclosure scoring criteria	Performance Score		Performance scoring criteria
		Numerator	Denominator		Numerator	Denominator	
Communications							
4.1 "In mainstream financial reports (complete/ underway - previous year attached)" route							
4.1	Have you published information about your company's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response, please attach the publication(s)			3 Drop-down menu options: a) In mainstream financial reports* (complete); b) In mainstream financial reports* (underway) – previous year attached Selection made of one of the above plus document attached (not hyperlinked to an external website), page/section reference given and attachment identified. * The term mainstream financial reports refers to annual mandatory financial reportings published to meet regulatory obligations. CDP adopts the Climate Change Reporting Framework (CCRF) definition of mainstream financial reportings. Please see CDP's guidance or the CCRF for further details. Scorers will confirm that a document is attached, that it meets the description in terms of the reporting year and the nature of the document.			3 If 3 points scored for disclosure, then 3 points scored for performance.
Total denominator for this route			3			3	

Leadership Indices

To get into either the Carbon Disclosure Leadership Index (CDLI) or the Carbon Performance Leadership Index (CPLI), a company's response must be publically available and submitted via CDP's ORS

To enter the CDLI, a company must have:

- A top disclosure score (usually top 10%)

To enter the CPLI, a company must have:

- A top performance score (bands are set after the response are received and scored)
- A top performance score (bands are set after the response are received and scored)
- Maximum points for 12.1a – absolute emissions reduction
- Scope 1 & 2 figures disclosed and maximum performance points for verification/assurance of Scopes 1 & 2



CDP reserves the right to exclude a company from the CPLI or CDLI if there is anything in its response or other information publicly available that calls into question its suitability for inclusion

Changes to Scoring Methodology

Disclosure score:

- Introducing new scoring to reflect changes in questionnaire around engaging with policy makers, scope 3, renewable energy accounting and engaging with the value chain

Performance score:

- Recognising incentives for higher levels of management/whole company in performance
- Scoring methodology will align with CDP's new guidance on renewable energy accounting, but greater transparency will be required around low carbon energy claims
- Performance bands and scaling for 12.1a and 14.3a (change in scope 1, 2 and 3 carbon emissions from previous reporting year) will be set once the majority of responses have been received





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