



DRIVING SUSTAINABLE ECONOMIES

2013 CDP Verification

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Agenda

- What is verification
- What are the benefits of verification
- What is the process
- Why CDP is doing it
- What are the requirements

Overview

Why third party verification:

As GHG emissions become increasingly material to a number of sectors, climate data collected by CDP is of growing importance for decision making. Data quality is therefore paramount for data users. The growing demand for reliable data drives the importance of verification

What is third party verification:

The verification is a process - an external independent assessment that reviews both the climate data provided and the systems, models and controls in place for collecting and managing it

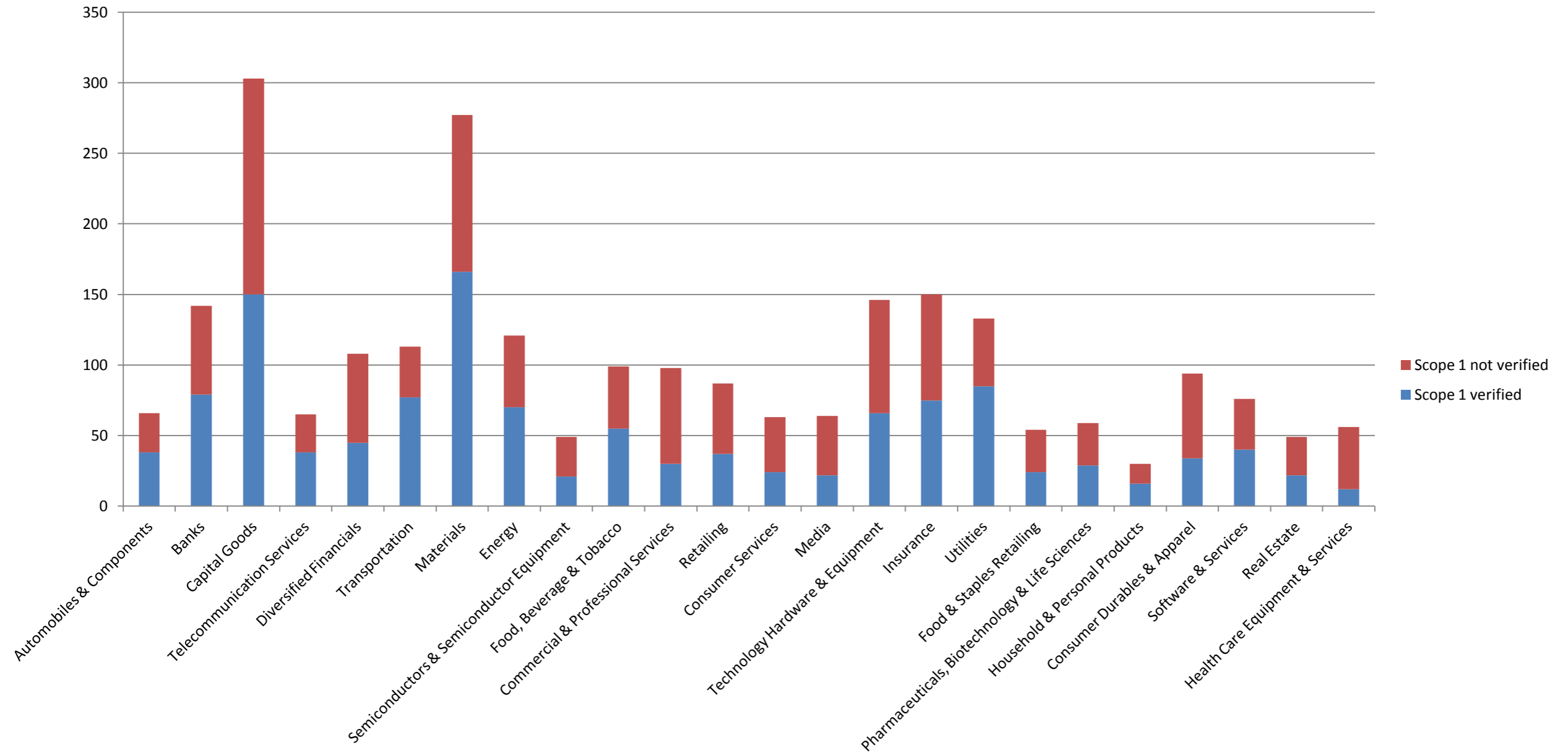
Benefits of verification:

Independent verifiers are able to bring objectivity and experience to the data review, enabling inefficiencies and errors to be identified. This assists in the continual improvement of the processes used and the accuracy and usefulness of the data to feed into internal development and cost saving programs



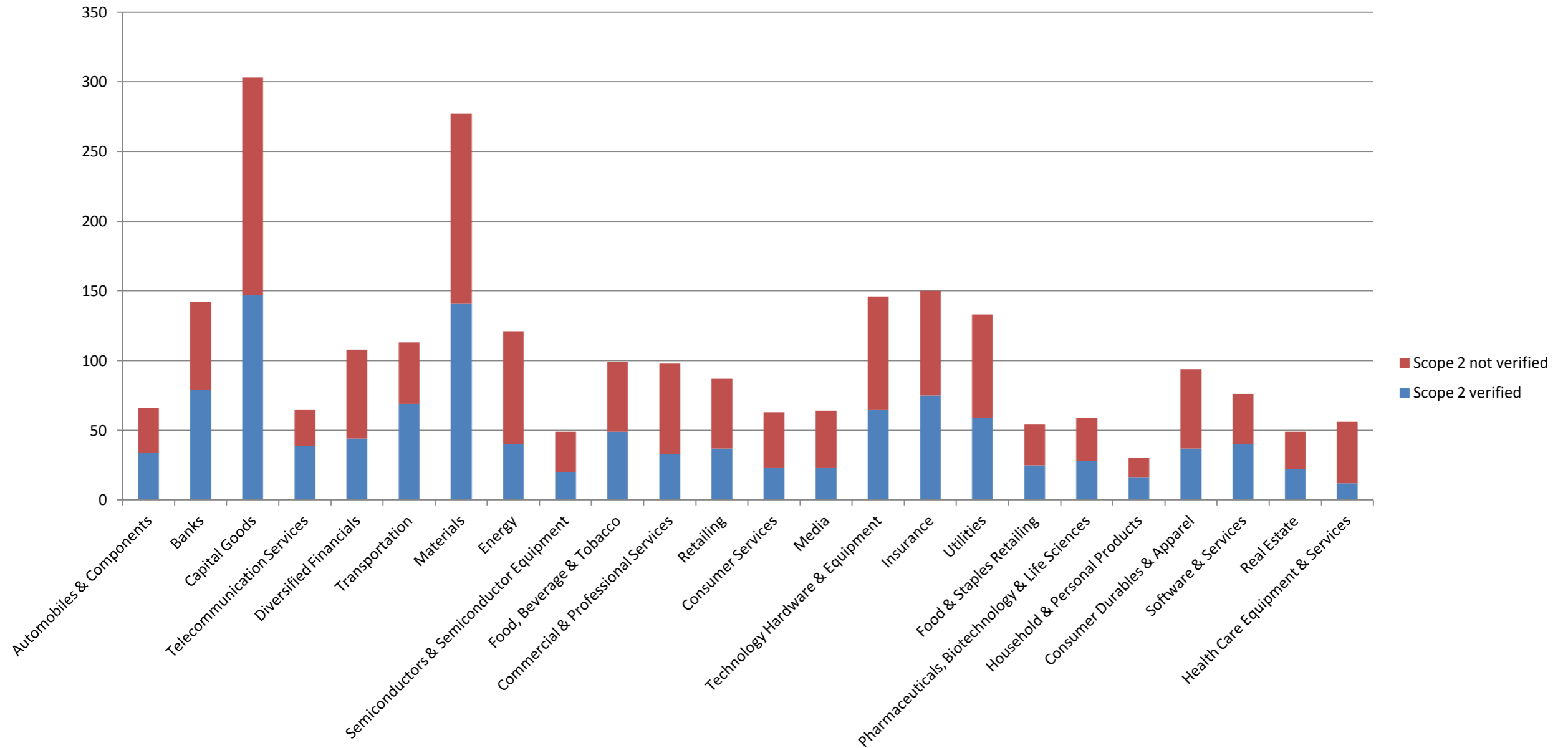
Overview

Scope 1 verification status in 2012



Overview

Scope 2 verification status in 2012



Requirements

Third party verification/assurance statement attached to the relevant section, the document must:

- ▼ Clearly relate to GHG emissions
- ▼ Relate to the relevant scope
- ▼ Relate to the correct reporting year
- ▼ Contain a verification opinion or finding
- ▼ State the verification standard used



Scoring

CDP encourages companies to verify data that is submitted. Whilst verification is not currently a requirement, the CDP scoring methodology allocates a noteworthy percentage of the scores to verification of all three scopes:

- ▼ **9-13% for disclosure**
- ▼ **15-17% for performance**

In addition, companies must gain full points on the Scope 1 and 2 verification questions (8.6 and 8.7) to qualify for entry to the Carbon Performance Leadership Index (CPLI)

CDP Verification Template:

CDP produced a CDP verification template to be completed by the verifiers as a replacement for the standard verification statement as evidence of verification completed. This is not mandatory to use

Addition from 2012 to 2013:

Companies that are required to use CEMS (continuous emissions monitoring systems) for regulatory purposes can also achieve full points where they can provide appropriate evidence. Companies for whom this is relevant should select “no third party verification – regulatory CEMS required” and complete the necessary details in accordance with the guidance

Frequently Asked Questions

- ▼ **Does CDP give different points according to the level of verification?** Not in 2013
- ▼ **Does CDP give different points according to the proportion of emissions verified?** Not in 2013
- ▼ **We have internal audit process, can I get credit for this?**
No
- ▼ **The standard I am using is not on CDP's list, what do I do?** Please contact us at verification@cdp.net
- ▼ **Does CDP give equal points for verification statements in different languages?** Yes.

Future development:

CDP is committed to giving significant advance warning of changes in its position on verification, to reflect the long lead in times associated with verification contracts

We are currently reviewing our approach to third party verification for 2014 and hope to publish something in Spring/Summer 2013

Verification Support

Where to find out more:

- CDP paper on “Verification of climate change”
- Additional information on verification, webinars:
<https://www.cdp.net/en-US/Respond/Pages/verification.aspx>
- E-mail verification@cdp.net

Verification Partnerships:

Accredited verification and assurance services that are operating under internationally recognized standards and are accredited to perform certification under schemes such as the EU ETS and Western Climate Initiative





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