Introduction to CDP Scoring and Essential Criteria July 2nd 2025



Webinar Hosts



Rosie Rust

Senior Engagement Manager, UK & MEA



Carlota García Fernández

Senior Engagement Manager, Europe

Contents

- 1. Basics of CDP Scoring
- 2. Calculation of the Final Score
 - Step 1: Final Score Allocation
 - Step 2: Application of Essential Criteria
- 3. Essential Criteria Examples
- 4. What to expect in 2025?
- 5. Recommendations
- 6. Where to find resources?
- 7. Q&A



Basics of CDP Scoring

Principles of Scoring

Scoring is closely aligned with CDP's mission of incentivizing companies to measure and manage environmental impacts through disclosing to CDP.

CDP undertakes scoring by assessing responders against a scoring methodology, which details how each question in the questionnaire will be scored, providing a roadmap to companies on how to achieve best practice.





Full details on our Scoring process are outlined in CDP's 2025 Scoring Introduction Document

About CDP scores

A CDP score provides a snapshot of a company's disclosure and environmental performance.

Scores indicate the level of action reported by the company to assess and manage its environmental impacts during the reporting year.

D

D-

environmental impacts

A List criteria Α Best-practice transparency and performance Leadership **A-**Implementing current best practices B Management Taking coordinated action Bon environmental issues С Awareness Knowledge of impacts Con/of environment Disclosure Starting to disclose

Scoring thresholds





Disclaimer: Each year, provisional scoring thresholds applied to each CDP scoring level for each scored environmental issue area. The thresholds shown here were applied to calculate the scores released for the 2024 disclosure cycle. CDP reserves the right to adjust these thresholds at any point prior to the release of scores. 8

2025 Full corporate questionnaire Streamlined, holistic reporting



Scoring Categories

Scoring categories are groupings of questions by topic.

They are sub-groups of the 2025 questionnaire modules and are consistent across all sectors.



Category mapping: Climate change

CDP Water Security Scoring Category Mapping 2025



CDP Forests Scoring Category Mapping 2025



Scoring Categories

ALL ISSUES

- Governance
- Business strategy
- Targets
- Context
- Dependencies, Impacts, Risks and Opportunities Process
- Risk Disclosure
- Opportunity Disclosure
- Environmental Policies
- Value chain engagement
- ▼ Verification (incl. Emissions)
- Public policy engagement & industry collaboration

CLIMATE CHANGE

- Pricing environmental externalities
- Emissions reductions initiatives and low carbon products
- Scope 1 & 2 emissions
- Scope 3 emissions
- Energy

- Additional climaterelated metrics
- Portfolio Impact [FS only]

WATER SECURITY

- Pricing environmental externalities
- Water pollution management [excl. FS]
- Water accounting [excl. FS]
- Portfolio Impact [FS only]

- Commodity Visibility and Reporting [excl. FS]
- DCF Status [excl. FS]

FOREST

- Engagement in Activities and Initiatives [excl. FS]
- Portfolio Impact [FS only]



Category Weightings

On management and leadership level, scoring categories are weighted differently depending on their significance generally and for certain sectors.

The weightings for categories can be found in CDP's 2025 Scoring Category Weightings Documents:

CDP Climate Change Scoring Category Ĭ Weiahtinas 2025

CDP Water Security Scoring Category Weiahtinas 2025



Forests Scoring Category Weightings



The bar chart above shows the % weighting applied to each of the scoring categories at Management and Leadership levels for the general 2024 Full corporate scoring methodology - Climate change.

Essential Criteria

Essential criteria are additional eligibility conditions to ensure companies meet mandatory requirements for what is considered best practice across all disclosure levels.



Climate Essential Criteria

Essential Criteria were expanded in 2024 to Awareness, Management & Leadership level as well as the A List.

Criteria on each level reflect the respective ambition for corporate action on climate change:

- Essential criteria on Awareness and Management level focus mostly on robust disclosure of risks & opportunities and fundamental governance mechanisms.
- Essential criteria on Leadership levels focuses on Climate Transition Plans and thirdparty verification and ambitious climate targets (among others).

Find the full list of Essential Criteria for Climate Change (incl. sector-specific criteria) here:



CDP Climate Change Scoring Essential Criteria 2025



Water and Forests Essential Criteria

Water & Forests Essential Criteria were introduced for the first time in 2024 for the A-list only

Criteria reflect leadership ambition for corporate action on water security and deforestation.

Find the full list of Essential Criteria for Water and Forests (incl. sector-specific criteria) here:





Scoring Approaches

Proportional scoring

"Points will be awarded per completed cell in proportion to the number of cells displayed." (e.g., reporting boundaries, time horizons, and governance processes)

"Points will be awarded per completed row in proportion to the number of rows disclosed." (e.g., value chain engagement, electricity generation activities, etc.)

Score Progression logic

To earn points in higher scoring bands, lower-level scores must be fully achieved



Full details on our Scoring approaches are outlined in CDP's 2025 Scoring Introduction Document

Scoring Approaches

Cross-checking: conditional logic

"If 'Risks' and 'Opportunities' are disclosed in the same row, then all of the following criteria must be met in that one row."

"If 'Risks' and 'Opportunities' are disclosed in separate rows, then all of the following criteria must be met in both rows." (e.g., Q2.2.2)

Cross-checking: question dependencies

"Column 'Base year emissions (metric tons CO₂e)' must be completed in all corresponding rows in question 7.5 where either 'Relevant, calculated' OR 'Not relevant, calculated' is selected in question 7.8."

Best Row Scoring

"Best row(s) scored." (e.g., multiple entries, only the highest-scoring row may count toward points) The best row scoring approach is denoted in the scoring criteria as 'One row scored'



Calculation of the Final Score



Calculation of the Final Score



Step 2 Application of the Essential Criteria



Full details on our Scoring process are outlined in CDP's 2025 Scoring Introduction Document



Final Score Allocation

The scoring methodology provides the specific scoring criteria for each question at each of the four scoring levels, and a table that details the point allocation for the question.

The point allocation tables have separate 'numerator' and 'denominator' columns for each level.

	Leadership numerator	Management denominator	Management numerator	Awareness denominator	Awareness numerator	Disclosure denominator	Disclosure numerator
0	0 0	0	0	3	3	3	3



Final Score Allocation

The response is evaluated against the scoring methodology and a **final percentage score at each level** is allocated.

- For the Disclosure and Awareness scoring levels, a simple percentage of the number of **points awarded out of the number of points available** is calculated.
- For Management and Leadership scoring levels, a <u>weighted</u> percentage is calculated:



1. The score per scoring category and level is calculated: Numerator/Denominator * 100

2. Weightings are applied to obtain a <u>weighted</u> score per scoring category and level: Category weighting (%) / 100 * Management/Leadership score (%)

3. The category scores for each level are then summed together to calculate the **overall final** percentage score per level.



Final Score Allocation

Thresholds are applied and these final percentage scores translate into a final letter score ranging from D- to A:

Level	Climate Change	Forests	Water Security	Score band
Disclosure	1-49%	1-49%	1-49%	D-
	50-80%	50-80%	50-80%	D
Awareness	1-44%	1-44%	1-44%	C-
	45-80%	45-80%	45-80%	С
Management	1-44%	1-44%	1-44%	B-
	45-75%	45-75%	45-75%	B
Leadership	1-69%	1-69%	1-69%	A-
	70-100%	70-100%	70-100%	A

Table 1 – Provisional scoring thresholds applied to each CDP scoring level for each scored environmental issue area. The thresholds shown here were applied to calculate the scores released for the 2024 disclosure cycle.

Application of Essential Criteria

- As well as achieving a minimum percentage score in a level to be able to move to the next level, CDP also utilizes a system of essential criteria.
- To be able to achieve a score within a given score level, these criteria must be met within the response.

Even if a responder has passed the threshold to be scored within a scoring level, they will not be eligible to be scored for that level if they do not pass all of the essential criteria associated with it.



Application of Essential Criteria

Category scores are NOT impacted by essential criteria

If an organizations category scores are relatively higher than their final score, this is an indicator that not all the required essential criteria have been met.

Final score: C

Despite being eligible for a B, they did not meet all required essential criteria.

cdp_disclosing	disclosing_	category	environmen	score
_org_number	organisation		tal_issue	
123456	Company A	Energy	Climate	В
123456	Company A	Risk Disclosure	Climate	В
123456	Company A	Emissions Reduction Initiatives and Low Carbon Products	Climate	В
123456	Company A	Verification (Incl. Emissions)	Climate	В
123456	Company A	Scope 1 & 2 Emissions	Climate	D
123456	Company A	Targets	Climate	В
123456	Company A	Environmental Policies	Climate	В
123456	Company A	Business Strategy	Climate	В
123456	Company A	Context	Climate	В
123456	Company A	Governance	Climate	В
123456	Company A	Value Chain Engagement	Climate	В
123456	Company A	Opportunity Disclosure	Climate	В
123456	Company A	Dependencies, Impacts, Risks and Opportunities Process	Climate	В

Essential Criteria Examples



EC-CC17: Verification



Companies disclosing to CDP must verify the environmental data they report in order to receive a Leadership and A-List scores and demonstrate their environmental leadership to stakeholders.



Third-party verification of Scope 1 and Scope 2 emissions, with the proportion of reported emissions verified for both is \geq 95%.

Third-party verification in place for at least one Scope 3 category.

Fulfilling Management level criteria in questions 7.9.1 and 7.9.2, and Management level eligibility criteria and criteria i) to iv) in question 7.9.3, in line with common terms.



Third-party verification of Scope 1 and Scope 2 emissions, with 100% of reported emissions verified for both.

Third-party verification of ≥70% reported emissions verified in at least one Scope 3 category.

Fulfilling Leadership level criteria in questions 7.9.1, 7.9.2 and 7.9.3, in line with common terms.





8.1, 8.1.1





27

EC-F12: Exclusions

The following types of exclusions are NOT considered to be significant:

- Exclusions where the volume excluded is less than 5% of the total produced and/or sourced volume for that commodity.
- Recent mergers or acquisitions, that occurred within the reporting year and will be included in disclosure in the following year
- Divestitures
- Embedded commodities
- Recycled commodities
- The commodity volume originates entirely from products owned and branded by third parties.

Example: Company A sources 50,000 mt of direct soy and 50,000 mt of embedded soy. They exclude all embedded soy and 5,000 mt of direct soy from the disclosure.

The % of direct soy volume excluded is counted as 5,000/50,000 = 10%. EC-F12 is not met.



EC-W17: Targets



The organization has set a target(s) in **at least two** of the following categories in question 9.15.1:

- Water withdrawals
 - Water pollution
- Water, Sanitation, and Hygiene (WASH) services
- Water withdrawals, Water pollution and WASH services are three pillars of the fair water footprint and key components of TNFD's drivers of change, SBTN and the CEO Water Mandate.



What to expect in 2025?



Corporate scores in 2025



CDP will continue to **score companies individually** for climate change, forests, and water security in 2025.

Plastics and biodiversity will remain unscored as we empower more companies to begin disclosing on these environmental issues.

No changes to questionnaires' content. **Minimal Questionnaire or Scoring Changes**, designed to remove ambiguity. 31

Scoring for Financial Services companies

Climate for FS will be scored publicly

Forests

for FS will be scored publicly (new for 2025)

Water

for FS will be scored publicly (new for 2025)









Essential Criteria in 2025

New EC identifier number in 2025 for better distinction between criteria and easier reference Please read the 2025 Essential Criteria documents available on the CDP website

EC-CC14 Disclosure of Scope 1 and Scope 2 emissions

Essential criteria level	Question	Scored data points
Awareness	Not applicable	No essential criteria applied.
Management	Not applicable	No essential criteria applied.
Leadership	7.6	 The organization discloses Scope 1 emissions figures for the reporting year.
	7.7	 The organization discloses Scope 2 emissions figures for the reporting year, including Scope 2 location- based emissions figures and, if applicable to the organization, Scope 2 market-based figures.
	Additional guidance	 Please note, applicability of Scope 2 market-based emissions is determined as per disclosure of the reporting approach outlined by the organization in guestion 7.3.
A List	Not applicable	No essential criteria applied.

Additional guidance updated for 2025 to provide clarification

Recommendations



Best Practice Reporting

CDP performance bands							
Disclosure	Awareness Management		Leadership				
Common pitfalls at each performance band							
Leaving columns/rows blank	Not understanding environmental impacts	Not demonstrating implementation of management practices	Not representing best practice				
Did not fulfill Essential Criteria	Leaving columns/rows blank	Responding with generic language	Responding with generic language				
	Did not fulfill Essential Criteria	Neglecting to include criteria from scoring methodology	Neglecting to include criteria from scoring methodology				
		Did not fulfill Essential Criteria	Inconsistent data across questions in questionnaire				
			Did not fulfill Essential Criteria				

General recommendations

- Reporting year alignment: Ensure that disclosed information pertains to the reporting year unless the question or column specifies a different timeframe.
- Do not leave cells blank: Non-disclosed information cannot be evaluated and will result in a penalization.
- Assessment and calculation of figures: Initial estimates may not be perfect. Start with approximations, clearly explaining the assumptions behind them. Input "0" only when the actual value is zero, not as a placeholder for uncalculated figures.
- Ensure consistency: Consistency should be maintained not only within individual question-level responses but also throughout the entire questionnaire. This is evaluated both at the question level and through criteria that promote consistency across questions.



Where to find resources?



Navigating 2025 cycle information





Updates to 2025 cycle



Contacting Help Center



Resources Summary

2025 Questionnaire & Guidance

Modules 1-6: Integrated questions;

Module 7: Climate Change;

Modules 8 to 13:

Water Security, Forests, Biodiversity, Plastics and Financial Services

- 2025 CDP Scoring Introduction
- <u>CDP Corporate Scoring Changes 2025</u>
- CDP 2025 Scoring Methodology

Climate Change, Water Security, Forests

- 2025 Full Essential Criteria
 <u>Climate Change, Water Security, Forests</u>
- Category Weightings Documents
 <u>Climate Change, Water Security, Forests</u>
- Category Mapping Documents
 <u>Climate Change. Water Security, Forests</u>



Upcoming Webinars

What Financial Institutions need to know in 2025

Thursday 3 July 2025, 11:00-12:00 (BST)

Disclosing on Nature

Thursday 17 July 2025, 15:00-16:00 (BST)

Regulation and Framework Alignment (Europe)

Monday 21 July 2025, 10:00-11:00 (CET)

Regulation and Framework Alignment (UK & MEA)

Tuesday 22 July 2025, 10:00-11:00 (BST)

Top tips for submitting your questionnaire - TBD



Registration and previous webinar recordings here: https://cdp.net/en/events/emea-2025-disclosure-webinars

THANK YOU!



CDP Europe

Address: c/o WeWork, Potsdamer Platz - Kemperplatz 1 10785 Berlin



CDP Europe acknowledges the EU's financial support.

The contents of this presentation are the sole responsibility of CDP Europe and should in no way be taken to reflect the views of the European Union.

