

Introduction to CDP

Scoring Methodology



February 2024

Agenda

Disclosure in 2024

Introduction to CDP Scoring

Deep Dive into CDP Scoring

Q&A



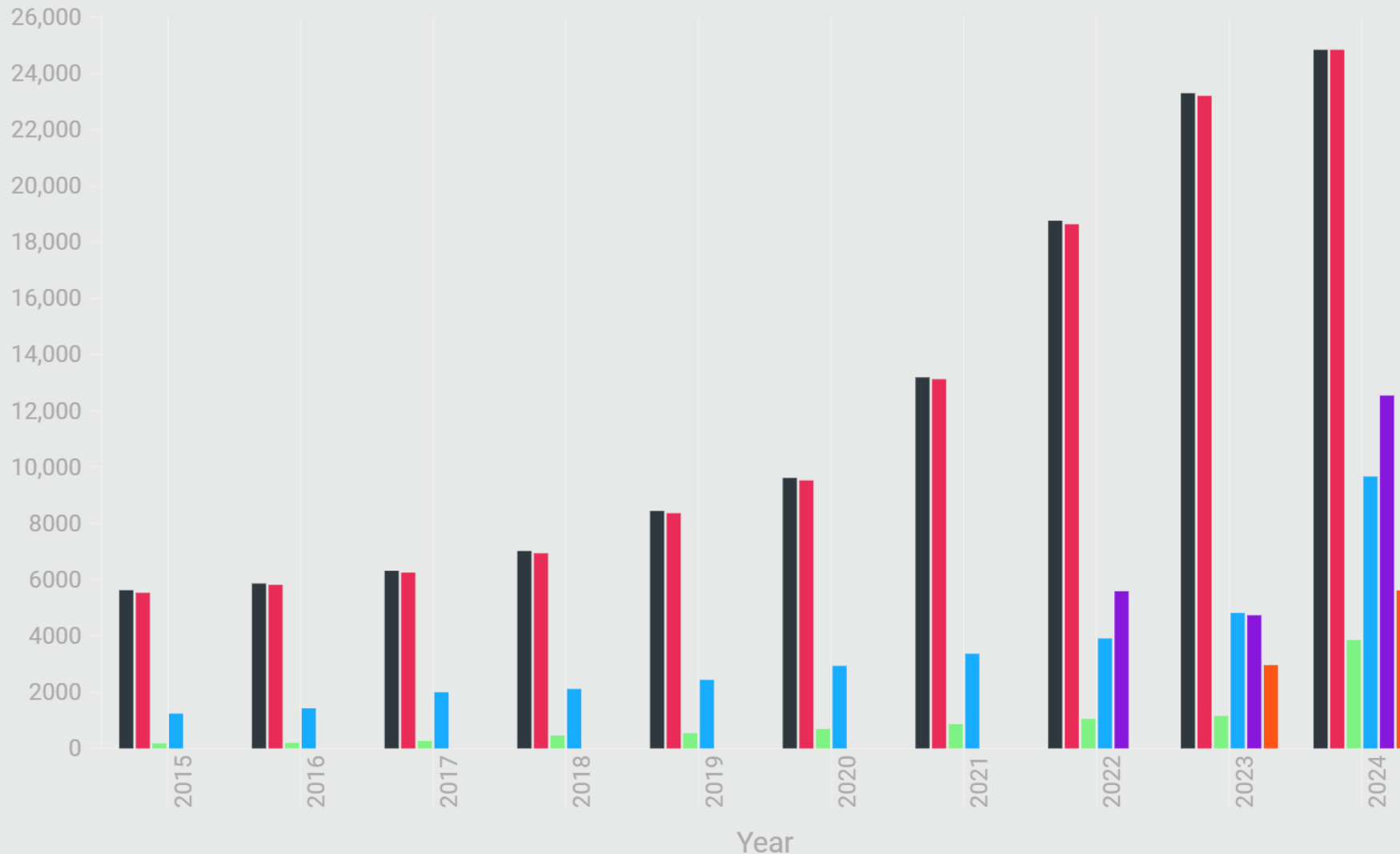
Disclosure in 2024



CDP has made disclosure a business norm



■ Total disclosing companies ■ Climate change ■ Forests ■ Water security ■ Biodiversity ■ Plastics



24,800+ companies worth two-thirds of global market cap disclosed in 2024

33% increase since 2022 and a 6.5% increase from 2023

7,550+ companies started their disclosure journey for the first time in 2023

Introduction to CDP Scoring



HOW IS A RESPONSE SCORED?



We will not cover questions around individual scores



Report on **Climate Change**

Improving corporate awareness through measurement and disclosure is essential to the effective management of carbon and climate change risk.

[EXPLORE MORE](#)



Report on **Water Security**

The world faces a water crisis impacting the stability of the global economy – a major financial risk to companies that also serves as a significant opportunity.

[EXPLORE MORE](#)



Report on **Forests**

CDP provides companies, financial institutions, states and regions with opportunities to measure and manage their forest-related dependencies, impacts, risks and opportunities.

[EXPLORE MORE](#)



CDP Full Corporate Scoring Introduction 2024

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.



Corporate scores in 2024



CDP will continue to **score companies individually** for climate change, forests, and water security in 2024.



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



Scoring for Financial Services companies

Climate

for FS will be scored **publicly**



Forests

for FS will be scored **privately**

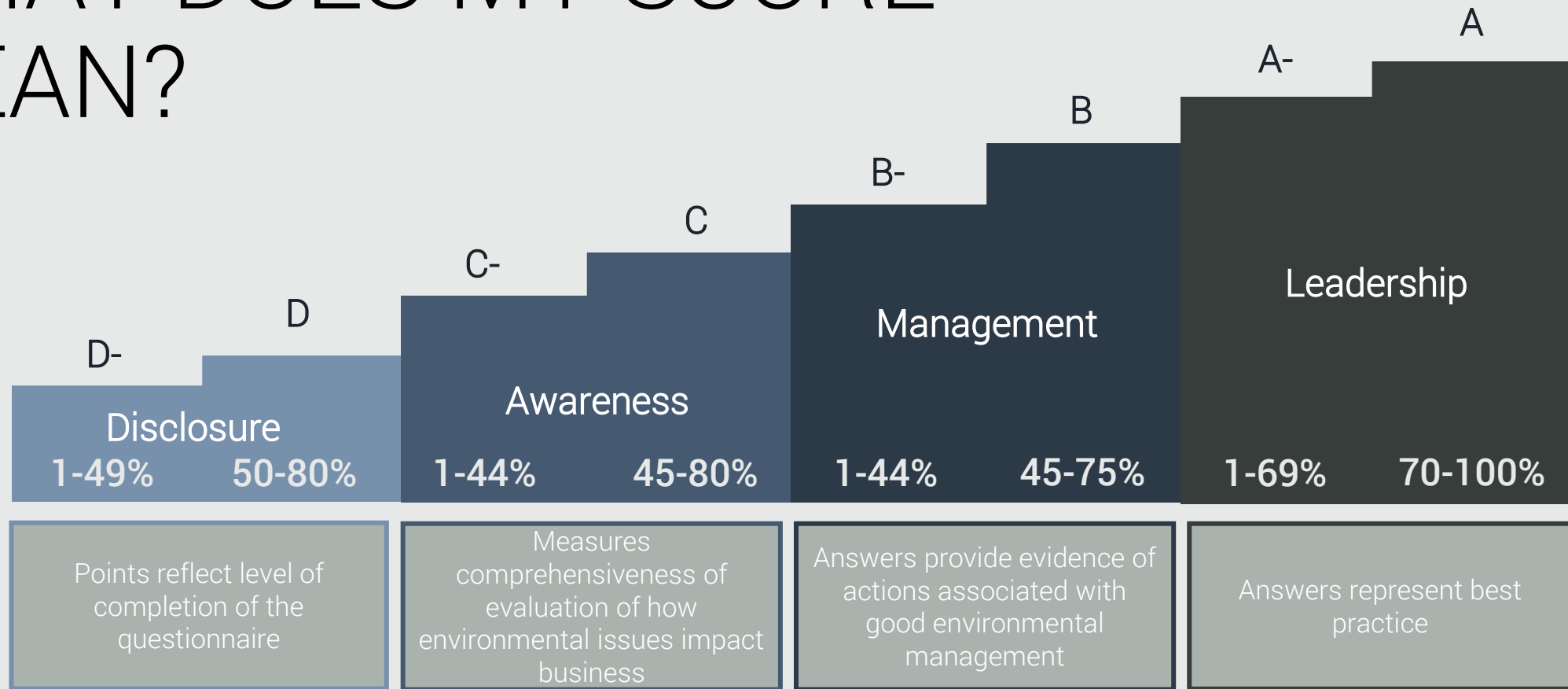


Water

for FS will be scored **privately (new)**



WHAT DOES MY SCORE MEAN?



Move to the Awareness level with 80% of disclosure points and above,

And meet the **Awareness** Essential Criteria

Move to the Management level with 80% of awareness points and above,

And meet **Management** Essential Criteria

Move to the Leadership level with 75% of Management points and above,

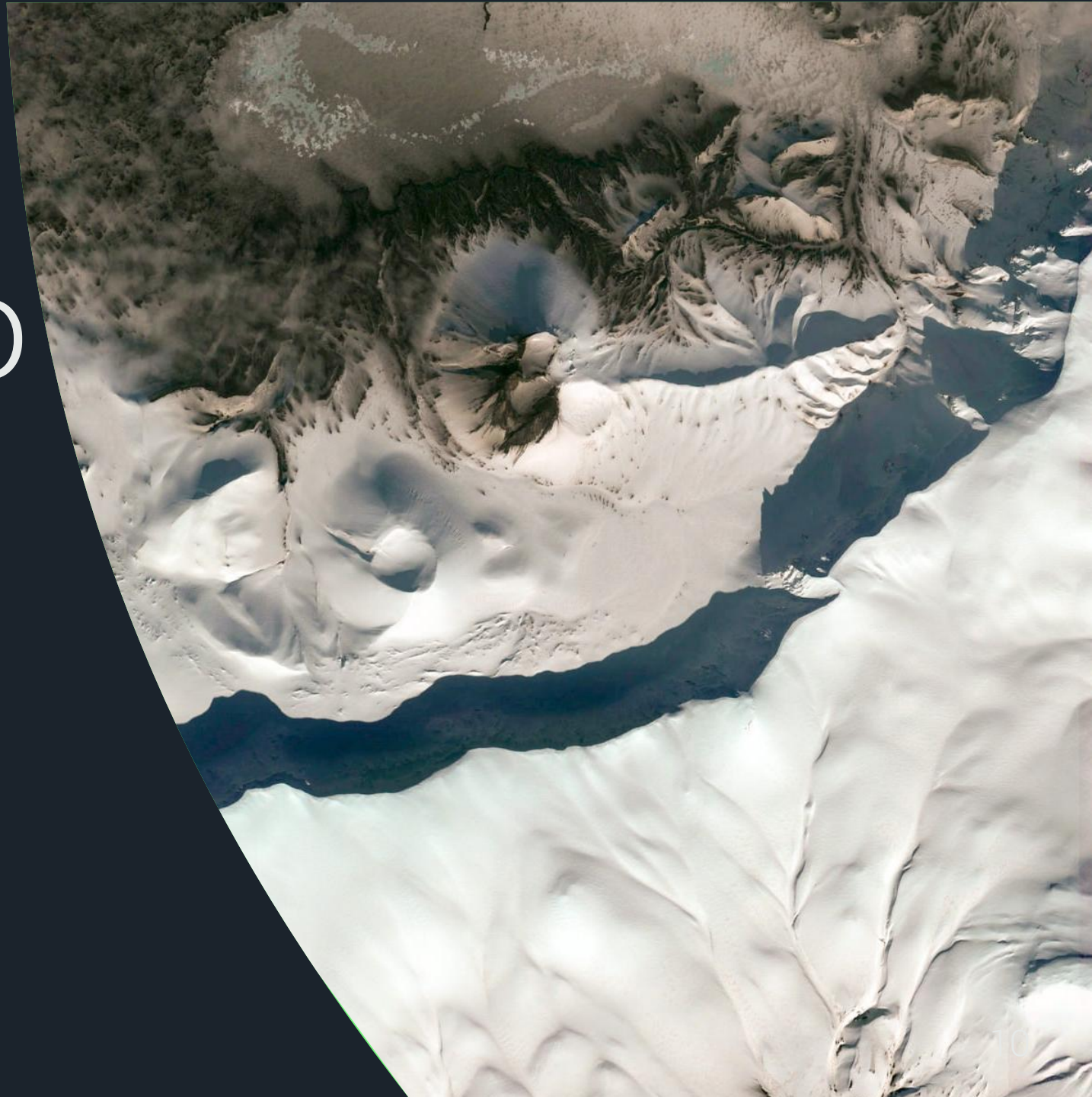
And meet **Leadership** Essential Criteria

Move to the A-list with 70% of the Leadership points and above,

And meet **A-list** Essential Criteria



Deep Dive into CDP Scoring



CDP Scoring Categories



Scoring Categories

Scoring categories are groupings of questions by topic.

They are sub-groups of the 2024 questionnaire modules and are consistent across all sectors.

You can find a full mapping document that outlines which questions correspond to a given category on our website.



CDP SCORING CATEGORIES

ALL ISSUES

CLIMATE CHANGE

WATER SECURITY

FOREST

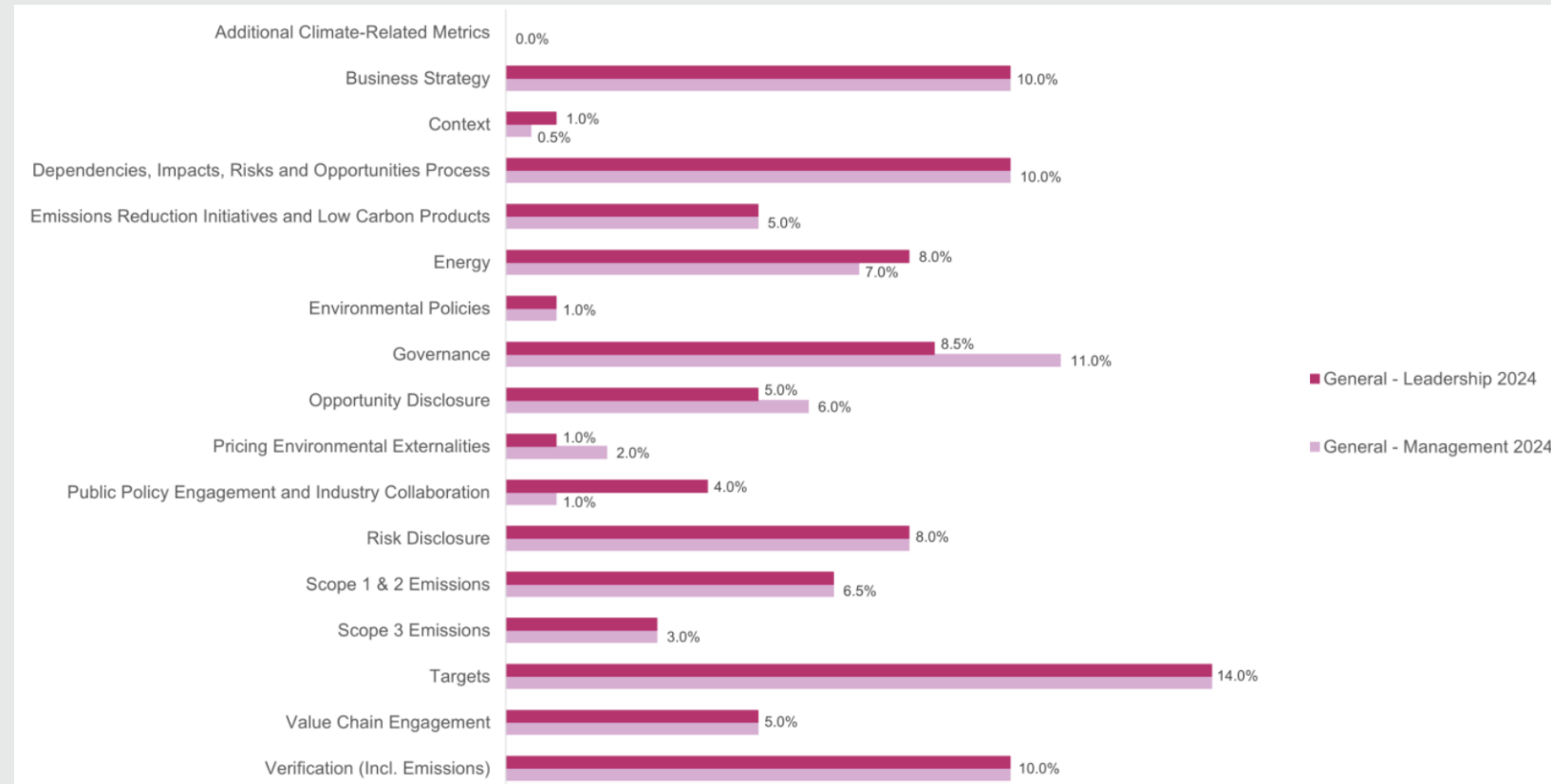
<ul style="list-style-type: none"> ▼ Governance ▼ Business strategy ▼ Targets ▼ Context ▼ Dependencies, Impacts, Risks and Opportunities Process ▼ Risk Disclosure ▼ Opportunity Disclosure ▼ Environmental Policies ▼ Value chain engagement ▼ Verification (incl. Emissions) ▼ Public policy engagement & industry collaboration 	<ul style="list-style-type: none"> ▼ Pricing environmental externalities ▼ Emissions reductions initiatives and low carbon products ▼ Scope 1 & 2 emissions ▼ Scope 3 emissions ▼ Energy ▼ Additional climate-related metrics ▼ <i>Portfolio Impact [FS only]</i> 	<ul style="list-style-type: none"> ▼ Pricing environmental externalities ▼ Water pollution management [excl. FS] ▼ Water accounting [excl. FS] ▼ <i>Portfolio Impact [FS only]</i> 	<ul style="list-style-type: none"> ▼ Commodity Visibility and Reporting [excl. FS] ▼ DCF Status [excl. FS] ▼ Engagement in Activities and Initiatives [excl. FS] ▼ <i>Portfolio Impact [FS only]</i>
---	--	--	--



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 Scoring Category Weightings Document



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.



New Developments to CDP's Climate Change Scoring Framework in 2024

Climate Change



Essential Criteria expanded for 2024



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



Essential criteria are applied on Awareness, Management & Leadership level as well as the A List. Criteria on each level reflect the respective ambition for corporate action on climate change.



New Developments to CDP's Climate Change Scoring Framework in 2024

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 third-party 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 2024**](#)



New Developments to CDP's Forest and Water Security Scoring Framework in 2024

Forests



Companies receive **one overall forest score** rather than scores for individual commodities.



Organizations are **expected to disclose on all commodities they source or produce** (timber products, palm oil, soy, and cattle products).



There will be no further essential criteria below the A List

Water Security



There will be **no further essential criteria** below the A List



New Developments to CDP's Scoring Framework in 2024

Scoring Changes per Module

CDP provides a **summary of the changes to the 2024 scoring methodology** at a module level for the full corporate questionnaire.

Find the full document here: [CDP scoring resources: "CDP scoring changes 2024"](#)

The scoring methodology aims to guide companies toward best practices.

By evolving annually, CDP drives corporate ambition to enhance environmental performance.



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



Score Feedback Call

- Receive high-level feedback on 2024 response and recommendations ahead of the 2025 disclosure cycle
- Insight on score categories to begin focusing on early in the year
- Forward looking suggestions to support longer-term planning efforts
- Disclosure resources & insights
- Opportunity to ask questions

China	¥7,150.00
Europe	€ 1,600.00
HK China	\$1,475.00
India	₹52,500.00
Japan	¥250,000.00
LATAM	\$1,120.00
NA	\$1,730.00
SEA OC	\$1,475.00
UK	£1,100.00
(UK) WW	\$1,475.00

No change to corporate SFC pricing from 2023 to promote stability.



Reporter Services

Strategic disclosure support

- One-on-one account management
- Disclosure onboarding
- Questionnaire walkthrough
- Gap analysis
- Final review
- Additional support, including advice and materials

Data and analytics

- Comparative analysis report
- Tailored data cuts of data disclosed publicly
- Provision of best practice response examples

Events and insights

- Curated virtual and in-person events
- Member-exclusive webinars
- Global networking opportunities
- Priority access to speaker panels

For more information contact reportservices@cdp.net



Resources

- [2024 CDP Scoring Introduction](#)
- [2024 Full Essential Criteria](#)
[Climate Change](#), [Water Security](#), [Forests](#)
- [Scoring Categories and Weightings](#)
[Climate Change](#), [Water Security](#), [Forests](#)
- [CDP 2024 Scoring Methodology](#)
Climate Change, Water Security, Forests can be found under [CDP 2024 Questionnaire and Guidance](#)
- [Full overview of available scoring resources](#)
The above and other resources, incl. the category mapping document, can be found on our website [under “Scoring Materials for Corporates”](#)



Q&A



Thank you!

Any questions please visit cdp.net

