
CDP Scoring Methodology Changes: 2021 to 2022

CDP Water Security 2022



1. Introduction

Developments to our questionnaires and scoring methodologies reflect and drive best practice and improve both data quality and the disclosure experience. In line with CDP's 2021-2025 strategy, developments in scoring methodology in 2022 reflect CDP's strategic priorities to track organizations transition to align with a 1.5 degree, nature-positive world.

In the 2022 Water Security scoring methodologies, there have been some changes to the structure and wording of many questions. These changes have been undertaken to make the methodologies easier to use by aligning phrasing and structure with CDP's other corporate scoring methodologies, and to ensure consistency of wording through the Water Security methodologies. While these changes have been implemented in most questions, this does not mean there has been criteria changes in every case.

This document aims to indicate where the way questions are scored in the 2022 Water Security methodology differ from how they were scored in the 2021 Water Security methodology, and where new questions have been introduced and are being scored. Some questions have modified scoring as a result of the question being modified in 2022, and it is noted where this is the case.

The table below includes a table detailing where the 2022 Water Security Scoring Methodology differs from the 2021 methodology, due to clarifications (no change to scoring criteria), minor/major changes, modifications in the scoring criteria or the addition of new criteria.

The 2022 Water Scoring Methodology, including sector-specific criteria and the Minimum Version of the scoring methodology can be viewed at <https://www.cdp.net/en/guidance/guidance-for-companies>.

2. 2021 to 2022 changes

This table indicates where the water scoring methodology has been revised based on the 2021 scoring methodology.

2022 Question no.	2022 Question text	Revisions from 2021	Details of revisions
General		Revisions to structure & wording	For all questions, the structure and wording has been changed. However, the criteria meaning has only changed for the questions listed below. This is to: <ul style="list-style-type: none"> Align phrasing with the other corporate themes Ensure consistency of wording throughout the methodology
W0 Introduction			
W0.6a	Please report the exclusions	Minor change	Leadership <ul style="list-style-type: none"> Clarification to route A, criterion ii)
W0.7	Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?	New question	<ul style="list-style-type: none"> This question is not scored.
W1 Current state			
W1.1	Rate the importance (current and future) of water quality and water quantity to the success of your business.	Minor change	Management <ul style="list-style-type: none"> If 'Not important' or 'Not important at all' selected in column 'Indirect use importance rating' then a company-specific explanation of why water is unimportant must be provided to meet criteria iv). Criteria iv) is cross-checked in question W1.4 if company is not on route for Value-chain engagement questions.
W1.2	Across all your operations, what proportion of the following water aspects are regularly measured and monitored?	Minor change	Awareness <ul style="list-style-type: none"> Row 'Water discharge quality - by standard effluent parameters' now scored at Awareness level to incentivise the monitoring of this water aspect The number of points available has increased from 3 to 4 (for General) and from 4 to 5 (for OG & MM). Leadership <ul style="list-style-type: none"> Clarification that full points must be awarded in a row to receive points at Leadership level.
W1.2b	What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?	Minor change	Leadership <ul style="list-style-type: none"> Minor change to criteria i) to ask for a valid explanation in the instance that volumes reported do not balance (C=W-D).
W1.2d	Indicate whether water is withdrawn from areas with water stress and provide the proportion.	Minor change	Management <ul style="list-style-type: none"> Company-specific request removed from Route A criteria i). Example data points provided in brackets for guidance to companies of the type of information they may supply. For further guidance for this question please refer to the 2022 Reporting Guidance.
W1.2h	Provide total water withdrawal data by source.	Modified scoring	Management <ul style="list-style-type: none"> 2021 Route A) criteria i) removed 'About the same' no longer a valid response in column 'Comparison with previous reporting year' for row 'Groundwater - non-renewable'. Row will no longer be eligible for points in this instance to incentivise companies to withdraw less from this source.
W1.2i	Provide total water discharge data by destination.	Modified scoring	Management <ul style="list-style-type: none"> 2021 Route A) criteria i) removed

W1.2j	Within your direct operations, indicate the highest level(s) to which you treat your discharge.	Modified scoring	<ul style="list-style-type: none"> Scoring has been introduced at Management level
W1.3	Provide a figure for your organization's total water withdrawal efficiency.	New question	<ul style="list-style-type: none"> New question, scored at Disclosure and Awareness level.
W-CH1.3a	For your top five products by production weight/volume, provide the following water intensity information associated with your activities in the chemical sector.	Minor change	Management <ul style="list-style-type: none"> Full Awareness points are now required to be eligible to receive Management points.
W-EU1.3a	Provide the following intensity information associated with your electricity generation activities.	Minor change	Management <ul style="list-style-type: none"> Full Awareness points are now required to be eligible to receive Management points.
W-FB1.3a	Provide water intensity information for each of the agricultural commodities identified in W-FB1.3 that you produce.	Minor change	Management <ul style="list-style-type: none"> Full Awareness points are now required to be eligible to receive Management points.
W-MM1.3a	For your top five products by revenue, provide the following intensity information associated with your metals and mining activities.	Minor change	Management <ul style="list-style-type: none"> Full Awareness points are now required to be eligible to receive Management points.
W-OG1.3a	Provide water intensity information associated with your activities in the oil & gas sector.	Minor change	Management <ul style="list-style-type: none"> Full Awareness points are now required to be eligible to receive Management points.
W1.4	Do you engage with your value chain on water-related issues?	Modified scoring	Disclosure <ul style="list-style-type: none"> Scoring Route B) introduced for companies who indicated water was not important for their indirect operations in question W1.1 and therefore do not see questions in the Value-chain engagement category. There is a cross check with question W1.1. Awareness <ul style="list-style-type: none"> Scoring Route B) introduced for companies who indicated water was not important for their indirect operations in question W1.1 and therefore do not see questions in the Value-chain engagement category. There is a cross check with question W1.1 criteria iv). Management <ul style="list-style-type: none"> Scoring Route B) introduced for companies who indicated water was not important for their indirect operations in question W1.1 and therefore do not see questions in the Value-chain engagement category. There is a cross check with question W1.1 criteria iv). Leadership <ul style="list-style-type: none"> Scoring Route B) introduced for companies who indicated water was not important for their indirect operations in question W1.1 and therefore do not see questions in the Value-chain engagement category. There is a cross check with question W1.1 criteria iv).
W1.4a	What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?	Minor change	Management <ul style="list-style-type: none"> Full Awareness points are now required to be eligible to receive Management points. Leadership <ul style="list-style-type: none"> Full Management points are now required to be eligible to receive Leadership points. This replaces the 2021 eligibility criteria which contained a cross-check W3.3c (deleted 2021 question). 2021 criteria i) deleted Companies selecting option '26-50' in column '% total procurement spend' will no longer be eligible for points in criteria i) (criteria ii in 2021). The number of points available has decreased from 1.5 to 1.
W1.4b	Provide details of any other water-related supplier engagement activity.	Minor change	Management <ul style="list-style-type: none"> Clarification of criteria ii) to focus on the beneficial 'water-related' outcomes Leadership

			<ul style="list-style-type: none"> Companies selecting option '26-50' in column '% total procurement spend' will no longer be eligible for points in criteria i).
W1.4d	Why do you not engage with any stages of your value chain on water-related issues and what are your plans?	Minor change	Management <ul style="list-style-type: none"> Clarification to criteria for readability
W2 Business impacts			
W2.1a	Describe the water-related detrimental impacts experienced by your organization, your response, and the total financial impact.	Minor change	Leadership <ul style="list-style-type: none"> Clarification of criteria
W3 Procedures			
W3.3a	Select the options that best describe your procedures for identifying and assessing water-related risks.	Modified scoring (due to modified question)	Disclosure <ul style="list-style-type: none"> The number of points available has increased from 6 to 9 to reflect the additional columns in the question. Awareness <ul style="list-style-type: none"> Minor change to criteria to reflect question structure changes Management <ul style="list-style-type: none"> Minor change to criteria to reflect question structure changes Leadership <ul style="list-style-type: none"> Criteria i) and ii) added to incorporate the new columns 'Contextual issues considered' and 'Stakeholders considered'. Criteria iii) and iv) are equivalent to 2021 criteria i) and ii). The number of points available has increased from 1 to 3
W3.3b	Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.	Modified scoring	<ul style="list-style-type: none"> Criteria iii) and iv) changed to reflect new additional guidance which references stakeholders and contextual issues. These data points were previously requested within 2021 question W3.3b & W3.3c (deleted in 2022).
W4 Risks and opportunities			
W4.1a	How does your organization define substantive financial or strategic impact on your business?	Modified scoring	Disclosure <ul style="list-style-type: none"> The number of points available has decreased from 5 to 1 Awareness <ul style="list-style-type: none"> This question is no longer scored at Awareness level Management <ul style="list-style-type: none"> Criteria changed to align with other corporate themes (Forests and Climate Change) The number of points available has decreased from 5 to 2 Leadership <ul style="list-style-type: none"> This question is no longer scored at Awareness level
W4.2	Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.	Modified scoring	Management <ul style="list-style-type: none"> Full Awareness points are now required to be eligible to receive Management points. Clarification of criteria iii) Only one risk will be scored at Management level in 2022 (scored best row). This is instead of proportionally scoring every risk reported as in 2021. Leadership <ul style="list-style-type: none"> Clarification of criteria i) Only one risk will be scored at Leadership level in 2022 (scored best row). This is instead of proportionally scoring every risk reported as in 2021.
W4.2a	Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.	Modified scoring	Management <ul style="list-style-type: none"> Full Awareness points are now required to be eligible to receive Management points. Clarification of criteria iii)

			<ul style="list-style-type: none"> Only one risk will be scored at Management level in 2022 (scored best row). This is instead of proportionally scoring every risk reported as in 2021. Leadership <ul style="list-style-type: none"> Clarification of criteria i) Only one risk will be scored at Leadership level in 2022 (scored best row). This is instead of proportionally scoring every risk reported as in 2021.
W4.3a	Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.	Modified scoring	Management <ul style="list-style-type: none"> Full Awareness points are now required to be eligible to receive Management points. Clarification of criteria iii) Only one opportunity will be scored at Management level in 2022 (scored best row). This is instead of proportionally scoring every risk reported as in 2021. Leadership <ul style="list-style-type: none"> Clarification of criteria i) Only one risk will be scored at Leadership level in 2022 (scored best row). This is instead of proportionally scoring every risk reported as in 2021.
W5 Facility level water accounting			
W5.1	For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.	Minor change	Management <ul style="list-style-type: none"> Clarification of criteria in the instance when the number of facilities reported in W5.1 does not match the number reported in W4.1c
W5.1a	For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?	Modified scoring	Disclosure <ul style="list-style-type: none"> The number of points available has decreased from 5 to 4 to reflect the additional columns in the question. Awareness <ul style="list-style-type: none"> The number of points available has decreased from 5 to 4 to reflect the additional columns in the question. Management <ul style="list-style-type: none"> Scoring introduced to assess verification at Management level
W6 Governance			
W6.1a	Select the options that best describe the scope and content of your water policy.	Minor change	Management <ul style="list-style-type: none"> The number of points available has decreased from 8 to 5. Clarification of criteria ii) Leadership <ul style="list-style-type: none"> Full Management points are now required to be eligible to receive Leadership points.
W6.2a	Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.	Minor change	Management <ul style="list-style-type: none"> Clarification of criteria i) Leadership <ul style="list-style-type: none"> Clarification of criteria ii) to request an example of a water-related decision made by the individual/committee within the last two years.
W6.2d	Does your organization have at least one board member with competence on water-related issues?	New question	<ul style="list-style-type: none"> New question, scored at Disclosure, Awareness and Management levels
W6.3	Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).	Modified scoring	Management <ul style="list-style-type: none"> 2021 criteria i) removed 2022 criteria i) edited to reflect a change in drop-down options. Clarification of criteria ii) to request a description of the water-related topics that are reported to the board. The number of points available has decreased from 4 to 3.

			Leadership <ul style="list-style-type: none"> New criteria ii) introduced to incentivise companies to assess future trends in their water demand. This is in line with new drop-down options in 2022. The number of points available has increased from 1 to 1.5.
W6.5a	What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?	Minor change	Management <ul style="list-style-type: none"> Clarification of criteria
W7 Business strategy			
W7.1	Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?	Modified scoring	Management <ul style="list-style-type: none"> 2021 criteria i) removed Clarification of 2022 criteria ii) The number of points available has decreased from 6 to 3. Leadership <ul style="list-style-type: none"> Full Management points are now required to be eligible to receive Leadership points. 2021 criteria A) removed
W7.3a	Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.	Minor change	Disclosure <ul style="list-style-type: none"> The number of points available has increased from 3 to 4 to reflect change to the structure of the question Leadership <ul style="list-style-type: none"> Clarification of criteria to reflect change in column headers
W7.5	Do you classify any of your current products and/or services as low water impact?	New question	<ul style="list-style-type: none"> New question, scored at Disclosure and Awareness
W8 Targets			
W8.1	Describe your approach to setting and monitoring water-related targets and/or goals.	Clarification	Management <ul style="list-style-type: none"> Clarification of criteria iii) to include example data points (in brackets) for guidance to companies of the type of information they may supply. For further guidance for this question please refer to the 2022 Reporting Guidance.
W8.1a	Provide details of your water targets that are monitored at the corporate level, and the progress made.	Clarification	Management <ul style="list-style-type: none"> Clarification of eligibility criteria for a 'valid target'. Leadership <ul style="list-style-type: none"> Clarification of the formula in criteria i).
W8.1b	Provide details of your water goal(s) that are monitored at the corporate level and the progress made.	Clarification	Management <ul style="list-style-type: none"> Clarification of eligibility criteria for a 'valid goal'