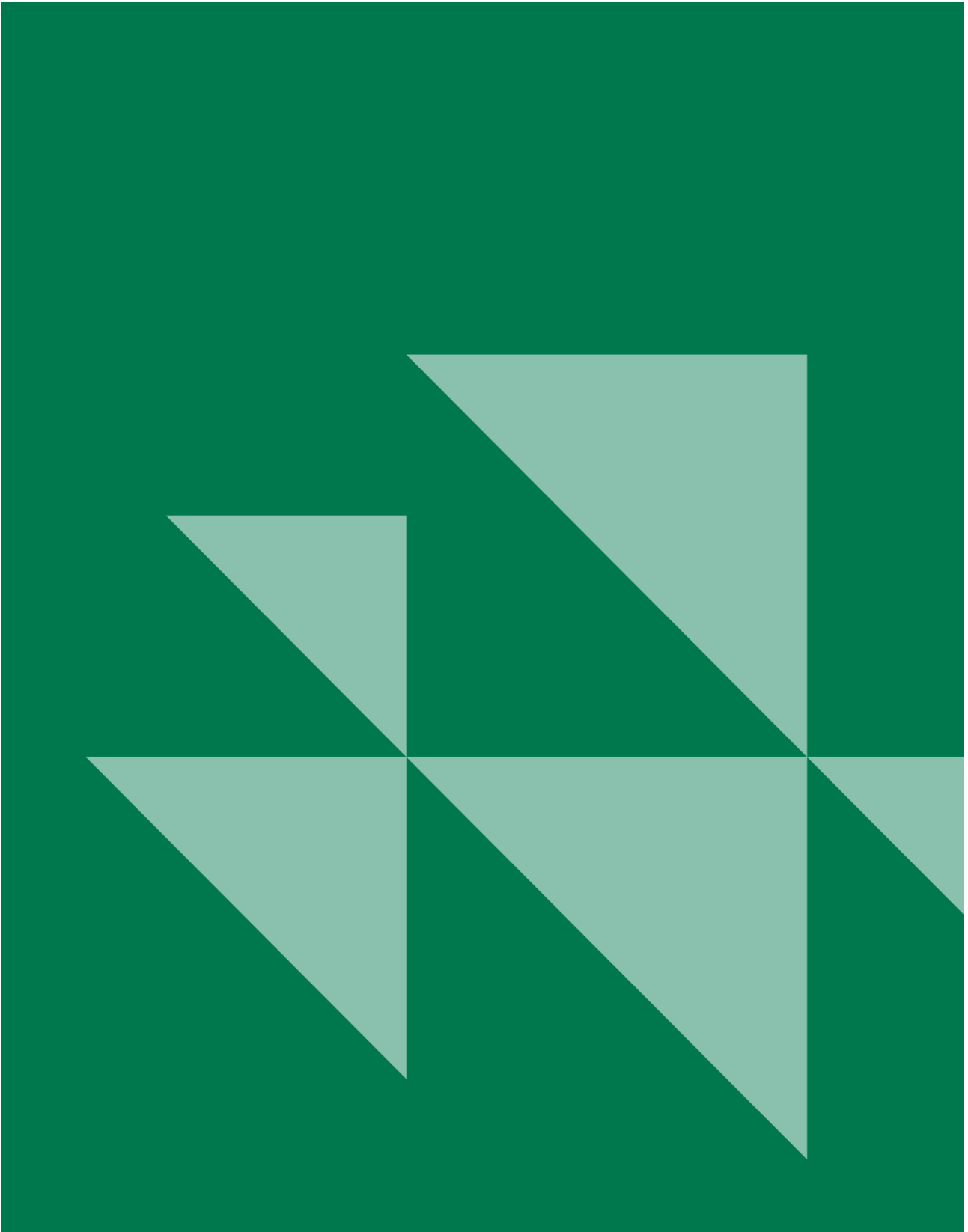

CDP Scoring Methodology Changes: 2021 to 2022

CDP Forests 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 the 2022 scoring methodology reflect CDP's strategic priorities to track organizations' transition to align with a 1.5 degree, nature-positive world.

In the 2022 Forests scoring methodology, there have been 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 throughout the Forests methodology. This does not mean there have been criterion changes in every case.

This document aims to indicate where the way questions are scored in the 2022 Forests methodology differs from how they were scored in 2021, 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 2022 Forests Scoring Methodology, including 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 Forests scoring methodology has been revised based on the 2021 scoring methodology.

2022 Question no.	2022 Question text	Revisions from 2021	Details of revisions
General	n/a	Rewording	<p>For all questions, the structure and wording has been changed. The meaning of scoring criteria has only changed for the questions listed below. This is to:</p> <ul style="list-style-type: none"> Align phrasing across the corporate scoring methodologies, Ensure consistency of wording throughout the Forests methodology.
Introduction - Leadership	n/a	Change in A-list criteria	<p>Changes to eligibility requirements to qualify for the 2022 Forests A-list:</p> <ul style="list-style-type: none"> Requirement to achieve F4.6b, Leadership criterion ii) removed, New requirements regarding the content of policies and commitments (F4.5a, F4.6b), New requirements regarding minimum traceable or certified volumes (F6.2a, F6.3).
F0 Introduction			
F0.5a	Identify the parts of your direct operations or supply chain that are not included in your disclosure.	Minor change	<p>Leadership</p> <ul style="list-style-type: none"> Clarification to route A, criterion iii) Points available decreased from 2 to 1.5
F0.6	Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.?)	New question	<ul style="list-style-type: none"> New question, not scored at any level
F1 Current state			
F1.2	Indicate the percentage of your organization's revenue that was dependent on your disclosed forest risk commodity(ies) in the reporting year.	Modified scoring (due to modified question)	<ul style="list-style-type: none"> Modified question with change to criteria at Awareness level to account for new selection options

2022 Question no.	2022 Question text	Revisions from 2021	Details of revisions
F1.3	Provide details on the land area you control and/or manage that is used for the production of your disclosed commodity(ies).	Modified scoring	Disclosure <ul style="list-style-type: none"> All disclosed rows are now scored proportionally Awareness <ul style="list-style-type: none"> Modified question – change to criteria to reflect modified columns At least 7 Disclosure points now required to receive Awareness points All disclosed rows are now scored proportionally Management <ul style="list-style-type: none"> Modified question – change to criterion iv) to reflect modified columns All disclosed rows are now scored proportionally
F1.4	Provide details on the land you control and/or manage that was not used for the production of your disclosed commodity(ies) in the reporting year.	Modified scoring	<ul style="list-style-type: none"> Change to scoring approach at Disclosure, Awareness and Management levels – all disclosed rows are now scored proportionally
F1.5a	Disclose your production and/or consumption figure, and the percentage of commodity volumes verified as deforestation- and/or conversion-free.	Modified scoring	Disclosure <ul style="list-style-type: none"> Modified question – Points available increased from 4 to 6 Awareness <ul style="list-style-type: none"> Modified question – new criterion (iv) introduced to incentivize disclosure on volumes verified as deforestation- and/or conversion-free At least 4 Disclosure points now required to receive Awareness points Points available increased from 3 to 4 Management <ul style="list-style-type: none"> At least 3 Awareness points now required to receive Management points New eligibility criterion introduced, requiring both production and consumption data to be disclosed (if applicable) Clarification and change to points awarded for Management route B criteria
F1.5b	For your disclosed commodity(ies), indicate the percentage of the production/consumption volume sourced by national and/or sub-national jurisdiction of origin.	Modified scoring	Management <ul style="list-style-type: none"> New eligibility criterion at Management level, requiring information on all forest risk countries that are sourced from to be disclosed Leadership <ul style="list-style-type: none"> Scoring has been introduced at the Leadership level
F1.7	Indicate whether you have assessed the deforestation or conversion footprint for your disclosed commodities over the past 5 years, or since a specified cutoff date, and provide details.	New question	<ul style="list-style-type: none"> New question, scored at Disclosure, Awareness and Management levels

2022 Question no.	2022 Question text	Revisions from 2021	Details of revisions
F2 Procedures			
F2.1a	Select the options that best describe your procedures for identifying and assessing forests-related risks.	Modified scoring	<p>Disclosure</p> <ul style="list-style-type: none"> Modified question - Points available increased from 7 to 9 <p>Management</p> <ul style="list-style-type: none"> Modified question – new criteria vi) and vii) introduced to reflect questions removed in 2022 (F2.1b, F2.1c) Clarification to criterion viii) (previously criterion vi) Points available increased from 6 to 8 <p>Leadership</p> <ul style="list-style-type: none"> At least 6 Management points now required to receive Leadership points Fully revised Leadership criteria to reflect best-practice and questions removed in 2022 (F2.1b, F2.1c) Points available increased from 2 to 3
F2.2	For each of your disclosed commodity(ies), has your organization mapped its value chains?	New question	<ul style="list-style-type: none"> New question, scored at Disclosure and Awareness levels
F2.2a	Provide details of your organization's value chain mapping for its disclosed commodity(ies).	New question	<ul style="list-style-type: none"> New question, scored at Disclosure, Awareness and Management levels
F3 Risks and opportunities			
F3.1a	How does your organization define substantive financial or strategic impact on your business?	Modified scoring	<p>Awareness</p> <ul style="list-style-type: none"> Awareness scoring has been removed, in line with scoring in other corporate themes <p>Management</p> <ul style="list-style-type: none"> Management criteria have been revised in line with scoring in other corporate themes Points available decreased from 4 to 2
F3.1b	For your disclosed forest risk commodity(ies), provide details of risks identified with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.	Modified scoring	<p>Management</p> <ul style="list-style-type: none"> Criteria ii) and iii) replaced to focus more holistically on financial impacts and response strategies to risk <p>Leadership</p> <ul style="list-style-type: none"> Criterion i) split into two criteria (i and ii) Criterion ii) (now criterion iii) clarified Points available increased from 2 to 3
F3.1c	Why does your organization not consider itself to be exposed to forests-related risks with the potential to have a substantive financial or strategic impact?	Minor change	<ul style="list-style-type: none"> Change to Management, route A criteria to account for modified questions in module F2

2022 Question no.	2022 Question text	Revisions from 2021	Details of revisions
F3.2a	For your selected forest risk commodity(ies), provide details of the identified opportunities with the potential to have a substantive financial or strategic impact on your business.	Modified scoring	<p>Awareness</p> <ul style="list-style-type: none"> • Change to criterion ii) in line with scoring in other corporate themes <p>Management</p> <ul style="list-style-type: none"> • Full Awareness points now required to receive Management points • Clarification to criterion i) <p>Leadership</p> <ul style="list-style-type: none"> • Criterion i) removed • Criterion ii) (now criterion i) clarified • Criterion iii) split into two criteria (now criterion ii and iii)
F4 Governance			
F4.1a	Identify the position(s) of the individual(s) (do not include any names) on the board with responsibility for forests-related issues.	Minor change	<ul style="list-style-type: none"> • Clarification to Leadership criterion ii)
F4.1d	Does your organization have at least one board member with competence on forests-related issues?	New question	<ul style="list-style-type: none"> • New question, scored at Disclosure, Awareness and Management levels
F4.2	Provide the highest management-level position(s) or committee(s) with responsibility for forests-related issues (do not include the names of individuals).	Modified scoring	<p>Management</p> <ul style="list-style-type: none"> • Management criterion ii) removed • Management criterion iii) (now criterion ii) clarified • Points available decreased from 4 to 3
F4.5	Does your organization have a policy that includes forests-related issues?	Minor change	<ul style="list-style-type: none"> • Partial Awareness points now awarded for planning to develop a policy in the next two years
F4.5a	Select the options to describe the scope and content of your policy.	Modified scoring	<p>Management</p> <ul style="list-style-type: none"> • New criterion (ii) at Management level: an additional point awarded for policies containing a 'no land clearance by burning or clearcutting' commitment • Points available increased from 7 to 8 <p>Leadership</p> <ul style="list-style-type: none"> • At least 6 Management points now required to receive Leadership points • Additional eligibility criteria introduced at Leadership level • Fully revised Leadership scoring to reflect best practice in policy content

2022 Question no.	2022 Question text	Revisions from 2021	Details of revisions
F4.5b	Do you have commodity specific sustainability policy(ies)? If yes, select the options that best describe their scope and content.	Modified scoring	Management <ul style="list-style-type: none"> • New criterion (ii) at Management level: an additional point awarded for policies containing a 'no land clearance by burning or clearcutting' commitment • Points available increased from 7 to 8 Leadership <ul style="list-style-type: none"> • At least 6 Management points now required to receive Leadership points • Additional eligibility criteria introduced at Leadership level • Fully revised Leadership scoring to reflect best practice in policy content
F4.6a	Has your organization endorsed any of the following initiatives as part of its public commitment to reduce or remove deforestation and/or forest degradation?	Modified scoring (due to modified question)	<ul style="list-style-type: none"> • Modified question – change to criteria at Management level to account for new selection options
F4.6b	Provide details on your public commitment(s), including the description of specific criteria, coverage, and actions.	Modified scoring	Awareness <ul style="list-style-type: none"> • Criterion i) split into two criteria (i and ii) to reflect importance of specific forests-related commitments • Points available decreased from 6 to 5 Management <ul style="list-style-type: none"> • Management criteria restructured to reflect importance of specific forests-related commitments • Criterion iv) removed Leadership <ul style="list-style-type: none"> • At least 6 Management points now required to receive Leadership points
F5 Business strategy			
F5.1	Are forests-related issues integrated into any aspects of your long-term strategic business plan, and if so how?	Minor change	<ul style="list-style-type: none"> • Clarification to Management criteria i) and ii)
F6 Implementation			

2022 Question no.	2022 Question text	Revisions from 2021	Details of revisions
F6.1a	Provide details of your timebound and quantifiable target(s) for increasing sustainable production and/or consumption of the disclosed commodity(ies), and progress made.	Modified scoring	<p>Disclosure</p> <ul style="list-style-type: none"> All disclosed rows are now scored proportionally <p>Awareness</p> <ul style="list-style-type: none"> All disclosed rows are now scored proportionally <p>Management</p> <ul style="list-style-type: none"> Full Awareness points (per row) now required to receive Management points Management criteria ii) and iii) removed – these are now eligibility criteria at Leadership level Up to three rows are now scored Points available increased from 4 to 6 (2 points per row) <p>Leadership</p> <ul style="list-style-type: none"> Eligibility criteria modified, including new criteria from previous Management criteria (see above) Up to three rows, with different types of targets, are now scored Points available increased from 2 to 3 (1 point per row)
F6.2a	Provide details on the level of traceability your organization has for its disclosed commodity(ies).	Modified scoring	<ul style="list-style-type: none"> Change to Leadership criteria: all forest risk commodities are now scored according to the same criteria
F6.3	Have you adopted any third-party certification scheme(s) for your disclosed commodity(ies)?	Modified scoring (due to modified question)	<p>Awareness</p> <ul style="list-style-type: none"> Modified question – change to criteria to account for new selection options Points available increased from 1 to 2
F6.4	For your disclosed commodity(ies), do you have a system to control, monitor, or verify compliance with no conversion and/or no deforestation commitments?	Minor change	<ul style="list-style-type: none"> Partial Awareness points now awarded for having systems to control other commitments or for planning to develop systems in the next two years
F6.5	For your disclosed commodity(ies), indicate if you collect data regarding your own compliance and/or the compliance of your suppliers with the Brazilian Forest Code.	Modified scoring	<p>Management</p> <ul style="list-style-type: none"> Previous text-based scoring has been removed. Points are now awarded for achieving the previous eligibility criteria Points available decreased from 2 to 1
F6.6a	For your disclosed commodity(ies), indicate how you ensure legal compliance with forest regulations and/or mandatory standards.	Modified scoring	<p>Management</p> <ul style="list-style-type: none"> Clarification to criterion i) <p>Leadership</p> <ul style="list-style-type: none"> Previous text-based scoring has been removed. Full points will now be awarded if legal compliance procedures cover all forest risk countries that companies source from

2022 Question no.	2022 Question text	Revisions from 2021	Details of revisions
F6.7	Are you working with smallholders to support good agricultural practices and reduce deforestation and/or conversion of natural ecosystems?	Modified scoring	Awareness <ul style="list-style-type: none"> Scoring introduced at the Awareness level Management <ul style="list-style-type: none"> Change to route A, criterion ii) – additional selections that qualify for points added Leadership <ul style="list-style-type: none"> Points available in route B changed to 0/0 (no penalty for companies on this route)
F6.8	Are you working with your direct suppliers to support and improve their capacity to comply with your forests-related policies, commitments, and other requirements?	Modified scoring	Awareness <ul style="list-style-type: none"> Scoring introduced at the Awareness level Management <ul style="list-style-type: none"> Modified question – change to route A, criterion i) to account for new selection options Leadership <ul style="list-style-type: none"> Modified question – change to route A, criterion i) to account for new selection options Points available in route B changed to 0/0 (no penalty for companies on this route)
F6.9	Are you working beyond your first-tier supplier(s) to manage and mitigate deforestation risks?	Modified scoring	Awareness <ul style="list-style-type: none"> Scoring introduced at the Awareness level Management <ul style="list-style-type: none"> Points available increased from 1 to 1.5 Leadership <ul style="list-style-type: none"> Points available in route B changed to 0/0 (no penalty for companies on this route)
F6.10	Do you engage in landscape (including jurisdictional) approaches to progress shared sustainable land use goals?	New question	<ul style="list-style-type: none"> New question, scored at Disclosure and Awareness levels
F6.10a	Indicate the criteria you consider when prioritizing landscapes and jurisdictions for engagement in collaborative approaches to sustainable land use and provide an explanation.	New question	<ul style="list-style-type: none"> New question, scored at Disclosure and Awareness levels
F6.10b	Provide details of your engagement with landscape/jurisdictional approaches to sustainable land use during the reporting year.	New question	<ul style="list-style-type: none"> New question, scored at Disclosure, Awareness, Management and Leadership levels

2022 Question no.	2022 Question text	Revisions from 2021	Details of revisions
F6.11	Do you participate in any other external activities and/or initiatives to promote the implementation of your forests-related policies and commitments?	Modified scoring	<p>Disclosure</p> <ul style="list-style-type: none"> Modified question – points available increased from 4 to 6 <p>Awareness</p> <ul style="list-style-type: none"> Points available decreased from 3.5 to 2 <p>Management</p> <ul style="list-style-type: none"> Full Awareness points (per row) now required to receive Management points Modified question – change to criterion ii), as jurisdictional approaches are covered in new questions F6.10, F6.10a, F6.10b <p>Leadership</p> <ul style="list-style-type: none"> Full Management points (per row) now required to receive Leadership points Clarification to criterion i) New criterion ii) - Leadership points can now be achieved for up to two rows, similar to Management level