CDP Full Corporate Scoring Introduction 2024

CDP Full Corporate Scoring Introduction 2024 - Version Control

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Introduction

Principles of scoring

Scoring is closely aligned with CDP's mission – CDP works with market forces to motivate companies to disclose their impacts on the environment and natural resources and take action to reduce negative impacts, highlighting the business case to do so. Ultimately, scoring serves to incentivize 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, evaluating the responder's progress towards environmental stewardship. The scoring methodology provides a roadmap to companies to on how to achieve best practice, and by developing the scoring methodology each year to align with best practice, CDP aims to drive changes in corporate behavior to improve environmental performance.

The scoring methodology assesses the level of detail and comprehensiveness in a response, as well as the organization's awareness of environmental issues, its management methods, and progress towards environmental stewardship. CDP is committed to transparency and, as such, provides the full scoring methodology online.

Scoring of responses

The scoring of CDP's questionnaires is conducted by an accredited scoring partner trained by CDP. CDP's internal scoring team coordinate and collate all scores and run data quality checks and quality assurance processes to ensure that scoring standards are aligned between samples and scoring partners.

CDP produces scores based on the data in company responses provided to CDP by those companies. Neither CDP nor CDP's scoring partners verify the information in any individual company response. Information outside of the CDP response is not considered as part of the scoring process, unless specified in the scoring methodology. References to external sources of information, for example websites or sustainability reports, will not be considered as part of the scoring process. Any weblinks or attachments provided in the CDP response will also not be considered for scoring, unless specifically requested in the scoring methodology.

Responders are reminded that information in the CDP response is shared with requesting authorities, irrespective of whether the response is made publicly available. As such, responders are advised to provide information that is as complete, accurate and as reflective of the company's current situation as possible.

In 2024, responses will be scored if they are submitted in English, Japanese, Chinese, Spanish and Portuguese. Responses not submitted in these languages will not be eligible for scoring.

Other scoring resources

This document should be utilised in conjunction with the CDP's 2024 Full Corporate Scoring Methodology, CDP's 2024 Essential Criteria documents, CDP's 2024 Full Corporate Questionnaire overview, and CDP's 2024 Full Corporate Reporting Guidance. The reporting guidance explains the elements covered in answering the questionnaires. It is important to report data in line with the instructions provided in the reporting guidance, as the scoring methodology functions based on responders providing response data in line with this guidance.

Scoring of the full corporate questionnaire

Scoring an integrated questionnaire

In 2024, the CDP corporate questionnaires on climate change, forests and water security have been integrated into one corporate questionnaire. Through this questionnaire, organizations can provide data on multiple environmental issues in a single disclosure, encouraging more holistic and balanced reporting.

While the previously separate questionnaires have now been integrated, CDP will continue to award separate climate change, forests and water security scores in 2024. Each environmental issue area has its own separate methodology. There are 13 modules in the full corporate questionnaire. Modules 1 to 6, 12 and 13 are integrated, which means that questions in these modules cover more than one environmental issue area. As such, questions in these modules will be scored for multiple environmental issue areas, with a separate methodology for climate change, forests and water security. Conversely, modules 7-9 are specific to an environmental issue area, so will only be scored for one environmental issue. Modules 10 and 11 are specific to plastics and biodiversity issue areas, which are not scored in 2024.

All disclosers will be presented with data points on climate change, and will receive a score for climate change. Supplementary datapoints on plastics and biodiversity will also be presented to all disclosers, but these questions will not be scored in 2024. Datapoints on forests and water security will only be presented if a discloser has been requested to report or has opted in to reporting on these environmental issues. If these datapoints are presented to the discloser, then they will receive a score for forests and/or water security.

Forests scoring

Organizations that are not in the financial services sector and that are disclosing to forests are requested to report on seven forest risk commodities, of which four are considered in scoring (timber products, palm oil, cattle products, and soy). Organizations are expected to disclose on all commodities they source or produce.

In 2024, CDP has introduced a single Forests score, which replaces the individual commodity scores awarded in previous years. In some questions, the data that is requested is general to all forests-related issues. In other questions, organizations must provide data that is specific to the forest risk commodities that they are disclosing on. The scoring of commodity-specific questions makes up a combined commodity score, which in turn feeds into the single Forests score.

Representation of components of single forests score
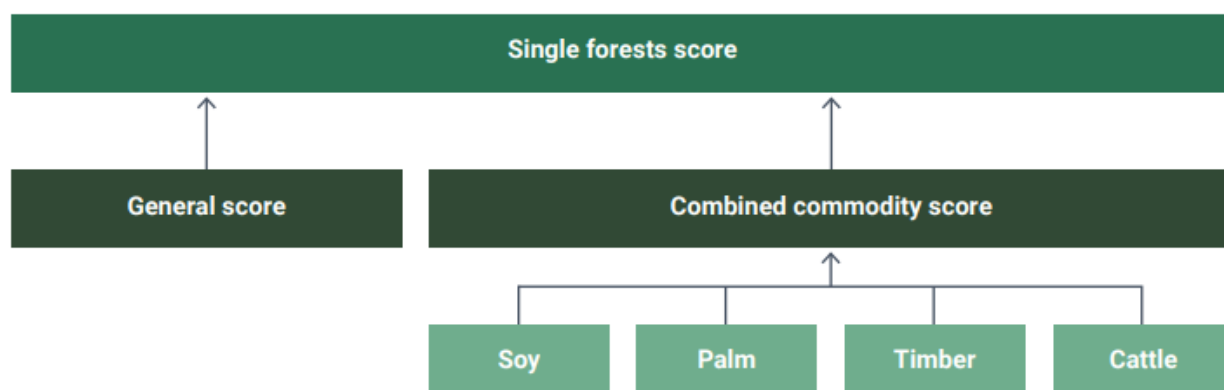
As for all environmental issue areas, the forests-related questions are divided into scoring categories. All commodity-specific questions are allocated into commodity-specific scoring categories ('Commodity Visibility and Reporting', 'DCF Status', and 'Targets'). The points awarded in these categories make up the combined commodity score for Forests. In 2024, the points awarded for each disclosed commodity (of timber products, palm oil, cattle products and soy) will contribute equally to the combined commodity score (e.g. if an organization is disclosing on palm oil and soy, then the points awarded for each commodity comprise 50% of the combined commodity score). For more information on the category weightings for Forests scoring categories, please refer to CDP's 2024 Forests Scoring Category Weightings document.

Full and SME corporate questionnaires

CDP recognizes that Small and Medium Enterprises (SMEs) may have different reporting capabilities and requirements compared to larger organizations. For this reason, CDP has two corporate questionnaires: the full questionnaire and the SME questionnaire.

The full corporate questionnaire is suitable for large organizations and includes sector-specific datapoints. Meanwhile, the SME questionnaire is tailored to the needs of SMEs and contains fewer and simplified datapoints. Only organizations that meet CDP's SME eligibility thresholds will have the option to complete the SME questionnaire.

This document provides an overview of scoring for the full corporate questionnaire only. Please refer to the SME scoring introduction for information on scoring for SMEs.

CDP questionnaire sectors and scoring

Organizations in high-impact sectors will be presented with data points and questions specific to that sector in addition to the general questions. The scoring approach and criteria may also vary according to the data points that are relevant to each sector and environmental issue area.

The sector-specific questions allocated to organizations are defined by CDP's Activity Classification System (CDP-ACS). This system categorizes organizations by focusing on the activities from which they derive revenue and associating these with potential effects on their organization regarding climate change, deforestation, and water security.

An organization may be allocated up to four questionnaire sectors (including 'General'). However, if an organization is eligible for CDP scoring, they will **only be scored on their primary questionnaire sector**.

Organizations in the financial services sector will be presented with Module 12, an integrated questionnaire module that is specific to this sector. In 2024, organizations in the financial services sector will be scored for water security for the first time, alongside climate change and forests. Both forests and water security scores for financial services organizations will be private and shared only with the disclosing organization.

Organizations who have mining projects will be presented with additional questions and datapoints on biodiversity in relation to their mining projects. These datapoints are not scored in 2024, as with all other biodiversity and plastics datapoints in the full corporate questionnaire.

Approach to scoring

Scoring levels

Responding organizations are assessed and scored across four consecutive levels which represent the steps an organization moves through as it progresses towards environmental stewardship. These four levels are Disclosure, Awareness, Management and Leadership.

Disclosure

Nearly every question in the questionnaire is scored for Disclosure (with the exception of biodiversity and plastics questions). The Disclosure score measures the completeness of an organization's reporting. The number of points allocated to each question depends on both the amount of data requested and their relative importance to data users.

Awareness

The Awareness score measures the comprehensiveness of an organization's evaluation of how environmental issues intersect with their business. The awareness score does not indicate that an organization has taken any actions to address environmental issues beyond initial screenings or assessments.

Management

Management points are awarded for answers that provide evidence of undertaking actions associated with good environmental management, based on awareness of the organization's impact on the environmental issue. The Management score measures whether organizations are managing their environmental impact, but does indicate whether they are undertaking actions that mark them out as a leader in their field.

Leadership

To earn leadership status, organizations must demonstrate best practice in the strategies they utilize and the actions they undertake. These actions represent best practice as formulated by organizations working with CDP to advance environmental stewardship and, in many cases, are already embodied by organizations leading in environmental policy and practice.

Final score allocation

Calculation of scores per scoring level

Once a responder has been assessed against the scoring methodology for a given environmental issue area, a final percentage score will be calculated for each scoring level. 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 weighted percentage is calculated.

CDP recognizes that organizations operating in different primary sectors are affected by and manage environmental issues in alternate ways. To capture this sectoral specificity in the calculation of the final score, CDP utilizes a weighting system during score calculation at the Management and Leadership levels.

All scored questions in the questionnaire are allocated to a scoring category for each scored environmental issue area. The weighting of each category reflects its relative importance for the sector in the overall score.

Weightings are applied by calculating the Management and Leadership score per scoring category: Numerator/Denominator * 100. These percentage-based scores are then translated into a category score per level by calculating the proportion of points achieved relative to the category weighting: Category weighting (%) / 100 * Management/Leadership score (%). The category scores for each level are then summed together to calculate the overall final score per level.

For more information on CDPs categories and weightings for each environmental issue area, please refer to the 2024 Categories and Weightings documents.

Calculation of a final score

Responders are allocated a final letter score for each environmental issue area on which they have been scored, ranging from A to D-. Within each level, two separate scores are available, allocated based on the percentage of points achieved within the scoring level.

To incentivize complete reporting and consistent progress across all areas of the questionnaire, minimum requirements must be met at one scoring level before a responder can be given credit for the next scoring level. This is achieved through a system of thresholds, in which a minimum score is required in one level to move to the next scoring level above it. If the minimum score threshold is not achieved, the organization's final score will remain at the previous level. Isolated areas of excellence with poor performance in other areas are disincentivized through this approach.

CDP provisionally sets the thresholds required to move between scoring levels, and these thresholds are reviewed during the scoring period to ensure that the distribution of responses among scoring levels is representative of the current level of progress in the responding population. CDP reserves the right to adjust these thresholds at any point prior to the release of scores.

Level	Climate Change	Forests	Water Security	Score band
Disclosure	1-49%	1-49%	1-49%	D-
	50-79%	50-79%	50-79%	D
Awareness	1-44%	1-44%	1-44%	C-
	45-79%	45-79%	45-79%	C
Management	1-44%	1-44%	1-44%	B-
	45-79%	45-74%	45-79%	B
Leadership	1-79%	1-79%	1-79%	A-
	80-100%	80-100%	80-100%	A
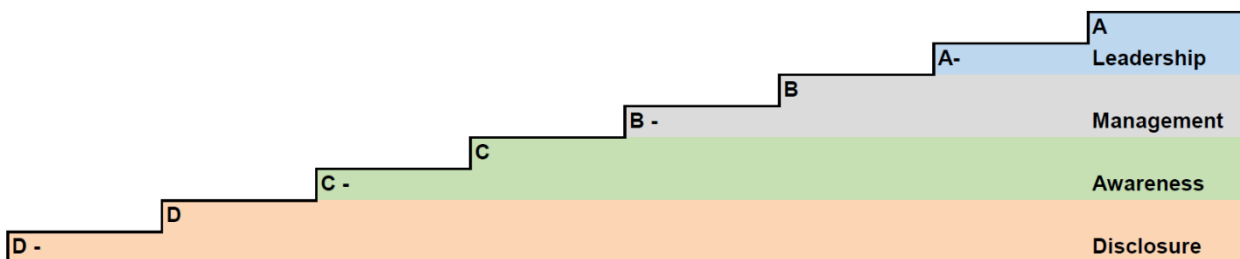
Failure to disclose and late responders

Not all organizations requested to respond to CDP do so. Organizations who are requested to disclose their data and fail to do so will be allocated a score of F, indicating they have failed to provide sufficient information with which to be evaluated by CDP. Companies who respond to CDP after the deadline for being scored has passed will not be scored and will be allocated a status of 'not scored'.

Essential criteria

As well as achieving a minimum 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.

In previous years, CDP has only applied essential criteria for achieving an 'A' score – criteria that must be met for organizations to be able to progress to CDP's A List. In 2024, CDP has introduced essential criteria for Climate change scoring at Awareness, Management and Leadership levels, as well as new requirements to be included in the A List. This will set a consistent baseline of reporting at each level for CDP Climate change scores, ensuring that critical gaps necessary for all organizations to reach a suitable disclosure baseline are filled. It will also ensure that organizations include key datapoints that are critical to understanding how they are assessing and responding to environmental issues. Full details of the 2024 essential criteria for climate change can be found in the 2024 Climate Change Essential Criteria document.

Essential criteria for Forests and Water scores are only applied for eligibility at the Leadership level. However, new criteria have been introduced for both environmental issue areas, reflecting the need for transformational urgent and collaborative change in the face of ever-increasing environmental concerns across the world. CDP expects to expand the essential criteria for these environmental issue areas in future years. Full details of the 2024 essential criteria for Forests and Water can be found in the 2024 Essential Criteria documents for Forests and Water security.

Understanding the scoring methodology

Methodology structure

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 scoring criteria detail what conditions must be met to achieve points within a scoring level. The point allocation table indicates the maximum number of points that is attainable for each scoring level.

The point allocation tables have separate 'numerator' and 'denominator' columns for each level. The numerator column indicates the number of points that can be attained out of the number of points available at each scoring level. The numerator and denominator are usually identical, except in some instances where the numerator is lower than the denominator, indicating that it is not possible for a responder to achieve all the points available even if they meet all the criteria stipulated for that level. In some cases, the numerator and denominator columns contain variations in the points that are available, indicating that the number of points that can be attained differs depending on the scoring route applied within the criteria.

Only information provided in response to a given question will be utilized for scoring each question. References made to answers provided in other questions will not be considered as part of the scoring process, except where specified in the scoring methodology.

Unanswered questions will be scored zero out of the maximum available points for that question or set of questions. In the instance of certain key data points, an unanswered question will be scored zero out of a denominator that is greater than the maximum available points for that question. These key data points will be highlighted in specific scoring routes in the methodology (labelled 'Non-disclosure routes').

Scoring approaches

Not all responders to a given environmental issue area will see the same questions, as CDP's full corporate questionnaire contains multiple routes. Selecting question routes impacts the number of questions presented to a responding organization, and therefore the denominator of their score. Organizations that respond 'Yes' to most questions will generally have a higher denominator compared to those selecting 'No'. Scores are calculated as a percentage to normalize the effect of different question routes. The final score is the number of points awarded divided by the total number of points available to the organization for the question routes selected. If an organization answers fewer questions because they are not relevant to that company, they are not penalized.

The approach by which points are awarded varies on a question-by-question basis, and responders are advised to check the scoring methodology closely when preparing responses to understand how points will be allocated.

For some questions, points or fractions of points are awarded cumulatively – per each data point provided – up to the maximum points available for that question. Other questions require all data points requested to be provided for any points to be awarded. For the latter, leaving information blank or failing to provide a required data point will lead to zero points being awarded for that question.

In instances where multiple datasets are required (such as multiple rows of data in a table), a variety of approaches to scoring are employed. All of the data provided may be scored, only certain rows may be scored, or only the best scoring row(s) may be scored.

Proportional scoring

In some instances, responses are scored in proportion to the amount of data that is disclosed. This scoring approach is used in questions in which the amount of information reported may vary between responders. Proportional scoring incentivizes complete reporting on all rows disclosed, by awarding points in proportion to the amount of information provided in a table. Points may be awarded in proportion to the number of individual cells complete within a table, or in proportion to the number of complete rows within a table.

A variety of types of proportional scoring (both by cell and by complete row) are found in the scoring methodology and are summarised in the table below.

Type of proportional scoring	Scoring criteria
Proportional scoring by the number of cells completed in a table. Only one row might be scored, or multiple rows might be scored.	Points will be awarded per completed cell in proportion to the number of cells displayed. A maximum of X points is available for this question.
Proportional scoring by the number of cells completed, against the number of rows disclosed. If a row is not complete, it will not score full points.	Points will be awarded per completed cell in proportion to the number of rows disclosed. Partially completed rows will not receive full points. A maximum of X points is available for this question.
Proportional scoring by rows, against the number of rows disclosed. If a row is not complete, it will not score any points.	Points will be awarded per completed row in proportion to the number of rows disclosed. Partially completed rows will not receive points. A maximum of X points is available for this question.

Best row scoring

In some instances, only one row of data from an organization's response is considered in the score. This scoring approach enables organizations to provide comprehensive responses to a question, even if their response is incomplete or if all actions detailed by the company do not meet the best practice as set out in the scoring criteria. As such, best row scoring is typically used in questions where a single description of an action, process or target is sufficient to be assessed.

The best row scoring approach is denoted in the scoring criteria as 'One row scored'. In these questions, points are awarded in accordance with the points achieved in the row that achieves the highest score across all scoring levels. Each scoring level is assessed consecutively – for example, a row that achieves full Disclosure and Awareness points but zero Management points is considered to have a better score than a row that achieves partial Disclosure points and full Awareness points.

Integrated scoring approaches

Although organizations can now provide data on multiple environmental issues within a single disclosure, each environmental issue area continues to be scored separately and has its own separate scoring methodology. The approach to disclosing and scoring data on multiple environmental issues differs depending on the structure of each question and the requested data.

Many questions within integrated modules require organizations to disclose data for each environmental issue area in separate rows. Unless otherwise specified, only the data provided in the relevant row is scored in these cases (for example, only data provided in the 'Climate change' row is assessed in the scoring criteria for Climate change).

In some questions, organizations must specify which rows of data are relevant to each environmental issue area by selecting the relevant environmental issues in a defined column. As above, only the data provided in the relevant rows is scored unless otherwise specified. If organizations fail to select the relevant environmental issue in the column, then their response may not be considered in scoring and they may receive a penalty for non-disclosure in the question.

In other questions within integrated modules, all of the data provided is assessed for all environmental issue areas that are being disclosed on. These are questions where an organization's response is likely to be consistent for all environmental issue areas, and therefore reduces the reporting burden from reporting to multiple issue areas simultaneously. The scoring criteria for these questions may be the same for all environmental issues, or they may differ depending on the data points that are most relevant to each environmental issue. Organizations are recommended to check CDP's Full Corporate Reporting Guidance carefully whether a question is scored for all environmental issue areas that they are disclosing on, or whether it only applies to a specific environmental issue.

The scoring approach that applies to each integrated question is specified within the scoring criteria for each question and scoring level.

Scoring routes

In some cases, the scoring criteria for a question are organized into separate scoring routes. These routes detail the different ways that an organization can be scored for a question, depending on ther response and the subsequent data points that are relevant to their response. For instance, different scoring routes may be applied if an organization answers 'Yes' or 'No' to a question. Within integrated questions, scoring routes may also be used to denote how each environmental issue is treated if the question is only responded to for certain environmental issue areas.

Cross-checking

Throughout the methodologies, scoring criteria will link back to the organization's score/response in related questions. In some instances, the achievement of points in a question will be a pre-requisite to be awarded any points in another question; whilst in other instances the achievement of points in a question will be worth a point(s) in another question. Cross-checking is used as a scoring mechanism to ensure consistency in an organization's response.

Assessment of open text answers

At the Management and Leadership scoring levels, some questions are assessed through the content of an open text answer provided by a responder. There are three key ways in which open text answers may be assessed: providing a clear rationale, providing an explanation, and providing an example with an accompanying timeline.

As a rule, open text answers will only be considered to meet the scoring criteria if they are clearly relevant to the environmental issue area(s) that is being assessed. Text answers that are duplicated (e.g. copied and pasted between questions or environmental issue areas) will only be eligible for points if they make sense in the context of each specific case, and provide the specific details requested in the scoring methodology. In general, responders should tailor text responses to fit each question, environmental issue area or row they are disclosing on and exercise caution when copying text to avoid losing points unnecessarily.

Clear Rationale

In some questions, points are awarded for providing a 'clear rationale'. These are defined as statements which provide logical reasoning for methodologies, descriptions, decisions and actions made by the responding organization.

Explanations

In some questions, points are awarded for providing an explanation surrounding a specific topic. Explanations should clearly explain 'why' an answer to a question has been provided. A statement such as "*This is not relevant for our business*" will not be considered an explanation since it does not explain why or how the topic is not relevant. A better example is: "*As a mining company, municipal water withdrawals are only relevant to Company ABC's office locations. These withdrawals are minimal compared to the direct abstraction in our mining operations and are not reported since they are not considered material.*"

Examples including timelines

In some questions, points are awarded for providing an example of an action taken, including timelines. This provides data users with confidence that a described process, commitment or strategy is reflected in actions taken by the organization.

Examples should provide a detailed description of an action or decision made in the context of the question topic. Actions can include decisions made, projects or activities that have been carried out, targets and commitments that have been set. The example must also include details on the timeframe for the action: e.g. the year in which it occurred or, if the action is still ongoing, the start date on which it commenced.

Disclaimer surrounding scores

The CDP score is based on activities and positions disclosed in the CDP response. The score is not a comprehensive metric of an organization's level of sustainability or 'green-ness', or a specific metric on the environmental footprint, but rather an indication of the level of action taken by the organization to assess and manage its impacts on, and from, environmental related issues during the reporting year.

CDP's 2024 scoring methodologies are still evolving. The methodologies have been published to indicate to responding organizations how scores will be awarded this year. CDP reserves the right to make adjustments to the criteria or weighting of questions before and throughout the scoring period, based on emerging risk management strategies and best practice, quality of response data or scoring outcomes.

Feedback and support

If you would like information about receiving feedback on your score, make suggestions about CDP's scoring methodologies, or ask a general question, please contact the CDP Help Center.

Annex I - Conflict of interest policy

Policy on conflicts of interest relating to the scoring of responses

Maintaining CDP's reputation as an independent and unbiased provider of high quality information is of paramount importance. Accordingly, CDP has adopted this policy to minimize the risk of conflicts of interest that might affect the accuracy of the scores we award to companies that respond to our questionnaires.

Development of scoring methodologies

1.   CDP's Scoring Team is responsible for developing CDP's scoring methodologies in a way which furthers CDP's mission, takes into account scientific knowledge on environmental issues, and treats responding companies fairly. The Scoring Team must balance these factors and make an independent decision on them, and to minimize the potential for conflicts of interest none of the team members are responsible for any on-going relationships with companies.

Scoring process

2.   CDP's Scoring Team oversees implementation of the scoring process, training Scoring partners (as defined in paragraph 4 below) and validating scores before their release. The Scoring Team may request input from other CDP staff (e.g. to translate an attachment to check whether it meets specific criteria) but such staff are not granted access to unpublished responses or scores and all staff remain subject to the prohibition in paragraph 7 below at all times.

3.   Questionnaire responses submitted by respondents may only be amended by them, or to their instruction by CDP staff.

4.   Organizations scoring responses on behalf of CDP ("**Scoring partners**") must be approved by CDP, and must successfully complete CDP's training programme, put in place an internal quality assurance process to ensure CDP's scoring methodology is applied consistently, and submit scores to CDP for final quality assurance before publication.

5.   Scoring partners must treat all responders equally, irrespective of whether a responder is their funder, client or competitor. Accordingly:

   a.   Before commencing scoring, Scoring partners must disclose to CDP if any clients, funders or competitors are included within the sample of companies they have been asked to score and if they have provided any companies in the sample with response preparation or 'response check' services.

   b.   Where a Scoring partner has assisted a responding company in preparing its response or has provided it a 'response check' service, such company will be scored by a different Scoring partner.

   c.   Where a Scoring partner is working with responding companies in any other capacity that could influence its objectivity, CDP will quality assure all or a proportion of such responses.

   d.   If there is any concern about a Scoring partner's impartiality, CDP will either apply additional quality assurance checks to such Scoring partner's scores, or arrange for any affected companies to be scored by a different Scoring partner.

e. If CDP discovers that a Scoring partner is not being even-handed in its approach to scoring, CDP will immediately terminate its relationship with that Scoring partner and check and correct any affected scores.

Restrictions on funding and attempts to influence scores

6. Neither CDP nor its Scoring partners will accept funding where an objective of such funding is to influence any scoring decisions. This applies equally to grants, sponsorship, sales of services or any other income.

7. Any attempt by any member of CDP's staff or board of Trustees to amend responses or influence scoring methodologies or scoring results or assist any other party in doing so for personal gain, will be regarded as gross misconduct and will result in instant dismissal without compensation.