

Scorecard

CDP Climate Change Scoring Methodology

About CDP

COVERAGE OF COMPANIES

**Over 23,000 companies
disclose through the
CDP platform**

LAUNCH DATE

2000

FOCUS

Climate-related disclosures

LINK:

<https://guidance.cdp.net/en/guidance?cid=46&c-type=theme&idtype=ThemeID&incchild=1µsite=0&otype=ScoringMethodology&page=1&tags=TAG-605%2CTAG-13071>

CDP Climate Change Scoring Methodology Score

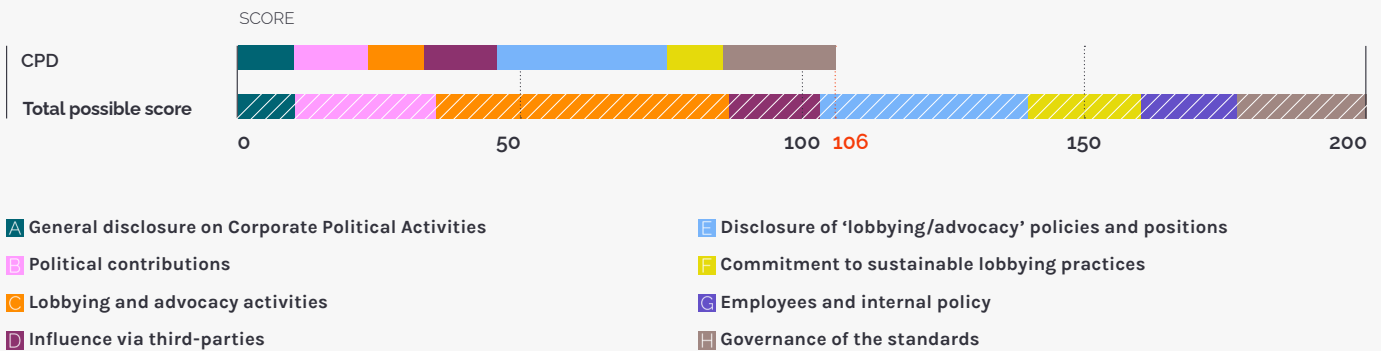


Rank 4 /27

Tracker Rank and Score for CPD

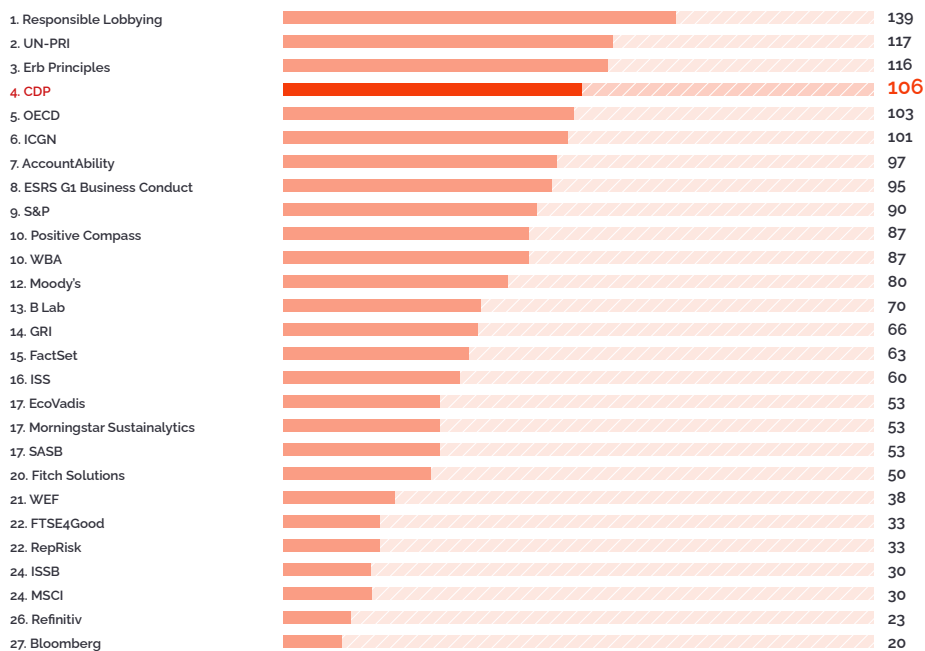
The score is out of a total of 200 and the rank describes the standards position in the 27 standards assessed by the Tracker.

Category scores of CPD



*Categories where the standard received no points do not appear in the colour-coded graph

Rank and scores for all standards



Description

CDP was established as the ‘Carbon Disclosure Project’ in 2000, as a then unique NGO-led exercise asking companies to disclose their climate impact via emissions since reporting. Since then, the organisation has broadened the scope of its environmental disclosure requests to incorporate deforestation and water security, while also engaging cities, states and regions on similar disclosure and reporting issues. According to CDP, their reporting platform and annual process supports thousands of companies, cities, states and regions to measure and manage their risks and opportunities on climate change, water security and deforestation.¹ Demand for CDP reporting by companies is led by investors, purchasers of company goods and services, and city-level stakeholders.

A record 75,000 companies asked to disclose environmental data through CDP. CDP’s new corporate questionnaire aligns with the ISSB (IFRS S2) climate standard as the foundational global baseline and brings forests, water, biodiversity and plastics issues together in one questionnaire and dataset. New CDP analysis released today shows that most disclosing companies are already well prepared, with nearly 60% of listed companies already responding to the vast majority of questions in CDP’s questionnaire aligned with IFRS S2. Majority of companies say disclosure through CDP enables them to understand environmental impacts, drive climate action, increase ambition, reduce risk, meet regulatory requirements and implement best practice.²

In a move set to kickstart a new era of more efficient disclosure and faster action, CDP Countries covering nearly 55% of global GDP are seeking mandatory full alignment with ISSB Standards and CDP’s alignment is intended to make it easier to comply.

Score summary

The CDP score almost doubled, from 53 to 103, a reflection of extensive CDP May 2024 methodology update. This reflects a number of areas that touch on corporate political activities, and the questionnaire’s evolution in responding to changing investor expectations for corporate disclosures in this area. The CDP framework is climate-focused, but the Tracker score reflects its treatment of corporate lobbying issues.

The Governance section of the new questionnaire scores points under Tracker Category D, ‘Influence via third parties’. Section 4.11.2 of the CDP questionnaire asks companies to provide details of their indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organisations or individuals in the reporting year.³ The guidance explains “organisations have many potential avenues for engagement activities. Trade associations are a tool through which organisations can shape policy and interact with legislators and industry peers. Engaging with, or providing support to, other intermediary organisations or individuals can play an important role in the development and adoption of environmental policy. As such, data users expect organisations to be transparent about the full range of their engagement and funding activities as well as their relationship and responsibilities with intermediary organisations that are likely to take a position on legislation or that could influence policy, law, or regulation that may impact the environment.”

This new questionnaire section asks companies to consider how the policy engagement activity relates to the organisation’s environmental dependencies, impacts, risks, and opportunities, and asks reporting companies to explain the monetary value of direct and indirect financial and in-kind political contributions and where estimates were used, how these were estimated (such as total monetary amount of such internal and external expenses and/or the total amount paid for membership to lobbying associations, for its contributions).

Opportunities for improvement

The CDP Climate Change 2024 Reporting Guidance explains how the framework expects respondents to explain their lobbying practices,⁴ and has benefited from enhancements in the updated methodology and questionnaire. As the role of corporate political activities continues to grow in the climate arena, an updated CDP questionnaire which draws on the Tracker methodology could help to improve investor access to this information.

Endnotes

- 1 <https://www.cdp.net/en/info/about-us/what-we-do>
- 2 ‘Jurisdictions representing over half the global economy by GDP take steps towards ISSB Standards’ (28.05.2024): <https://www.ifrs.org/news-and-events/news/2024/05/jurisdictions-representing-over-half-the-global-economy-by-gdp-take-steps-towards-issb-standards/>
- 3 <https://myportal.cdp.net/guidance/questionnaire?tags=2e537eb4-9abf-471d-b5de-5921e10d001a%2C3de456d0-5173-4d99-9d94-1ad612da80ae%2Ca391d875-9eb5-e711-90fd-0050569c58ee&outputType=REPORTING&type=CORPORATE&locale=en>
- 4 ‘CDP Climate Change 2023 Reporting Guidance:” <https://guidance.cdp.net/en/guidance?ctype=ExternalRef&idtype=RecordExternalRef&cid=C12.3&otype=Guidance&inc-child=0&site=0&gettags=0>

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