Climate Action 100+ Net Zero Company Benchmark

DISCLOSURE INDICATORS – ASSESSMENT METHODOLOGY

This document contains detailed indicator-by-indicator guidance on how company disclosures were assessed using the Climate Action 100+ Net Zero Company Benchmark[1] (referred to as the '*Benchmark*'). The document also contains a summary of how company assessments are presented (via a 'traffic light system'), as well as contingencies between indicators.

This document[2] should be read and used in conjunction with the other supporting materials relating to the Benchmark available on the Climate Action 100+ website. These include:

- *Information on the background and future development of the Benchmark.*
- *Overview of the framework and methodologies used. This includes the full framework, TPI's Carbon Performance methodology and an investor guide on how the Benchmark and TPI tools can be used together.*
- *Frequently Asked Questions (FAQs).*
- *Disclaimers and terms and conditions regarding data usage and the company review and redress process.*

The company assessments themselves can also be accessed on the website via individual company profiles. This also includes the complete set of all company assessments available via an excel download.

Any additional questions or feedback can be directed to benchmark@climateaction100.org.

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[1] The data referenced in this document is not intended to be used as a "benchmark" as defined in Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the European Benchmark Regulation) and The Benchmarks (Amendment and Transitional Provision) (EU Exit) Regulations 2019 (the UK Benchmark Regulation).

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The Disclosure Indicators covered in this document were assessed by TPI, supported by its research and data partners (see below).

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The Transition Pathway Initiative (TPI) is a global initiative led by asset owners and supported by asset managers. Aimed at investors and free to use, TPI's insights and data assess companies' preparedness for the transition to a low-carbon economy, supporting efforts to address climate change. Transition Pathway Initiative is supported by its research and data partners Grantham Research Institute on Climate Change and the Environment at the London School of Economics (LSE), FTSE Russell, and Chronos Sustainability.

FTSE Russell is a global index leader that provides innovative benchmarking, analytics and data solutions for investors worldwide. FTSE Russell calculates thousands of indexes that measure and benchmark markets and asset classes in more than 70 countries, covering 98% of the investable market globally. FTSE Russell has pioneered sustainable investment index solutions for over two decades and its products based on transparent, rules-based methodologies are used by investors around world. FTSE Russell is part of the London Stock Exchange Group (LSEG).

The Grantham Research Institute on Climate Change and the Environment at the London School of Economics and Political Science (LSE) is the Transition Pathway Initiative's academic partner. Established in 2008, it is a world-leading centre for policy-relevant research on climate change and its impact on the environment. Its purpose is to increase knowledge and understanding in this area, promote better informed decision-making on the topic, and educate and train new generations of researchers through its undergraduate and postgraduate programmes.

Chronos Sustainability was established in 2017 with the objective of delivering transformative, systemic change in the social and environmental performance of key industry sectors through expert analysis of complex systems and effective multi-stakeholder partnerships. Chronos works extensively with global investors and global investor networks to build their understanding of the investment implications of sustainability related issues, developing tools and strategies to enable them to build sustainability into their investment research and engagement. For more information visit www.chronossustainability.com and @ChronosSustain.

Terminology

The full framework wording can be found on the Climate Action 100+ website.

DISCLOSURE INDICATORS	
1	NET-ZERO GHG EMISSIONS BY 2050 (OR SOONER) AMBITION
2	LONG-TERM (2036 - 2050) GHG REDUCTION TARGET
3	MEDIUM-TERM (2026 - 2035) GHG REDUCTION TARGET
4	SHORT-TERM (2020 - 2025) GHG REDUCTION TARGET
5	DECARBONIZATION STRATEGY
6	CAPITAL STOCK ALIGNMENT
7	CLIMATE POLICY ENGAGEMENT
8	CLIMATE GOVERNANCE
9	JUST TRANSITION [not assessed in Q1 2021]
10	TCFD DISCLOSURE

Indicator: Specific area the company is being assessed on (e.g. Indicator 8 evaluates companies on climate governance).

Sub-indicator: Component of indicator that divides it into specific areas of interest (e.g. Sub-indicator 8.2 evaluates executive remuneration).

Metric: Highest resolution assessment that separates sub-indicators into components, creating the opportunity for evaluation across the subject of attention (e.g. Metric 8.2b focuses on progress of climate change targets as KPI to renumeration).

Assessment methodology and indicator guidance

INDICATOR 1 – NET-ZERO GHG EMISSIONS BY 2050

1.1 – Net zero commitment

Sub-Indicator Text

The company has set an ambition to achieve net-zero GHG emissions by 2050 or sooner.

- **a.** The company has made a qualitative net-zero GHG emissions ambition statement that explicitly includes at least 95% of Scope 1 and 2 emissions.
- **b.** The company's net-zero GHG emissions target covers the most relevant Scope 3 GHG emissions categories for the company's sector, where applicable.

Detailed Guidance

a. The company has made a qualitative net-zero GHG emissions ambition statement that explicitly includes at least 95% of scope 1 and 2

Net zero commitments are effectively a special case of GHG emissions targets where companies are aiming for a 100% reduction in net carbon emissions. Companies can make net zero commitments in two ways:

- A disclosure that explicitly commits the company to a net zero target (e.g. stating that the company will "reach", "achieve" or "become" "net-zero by" or "carbon-neutral by" or "eliminate all emissions by").
- A GHG emissions target with "100%" as the targeted percentage reduction in emissions.

b. The company's net-zero GHG emissions target covers the most relevant Scope 3 GHG emissions categories for the company's sector, where applicable.

As above, companies can make net zero Scope 3 commitments in two ways:

- A disclosure that commits the company to a net zero target that explicitly includes the most relevant Scope 3 emissions categories.
- A GHG emissions target with "100%" as the targeted percentage reduction in emissions, which also includes the most relevant Scope 3 emissions categories.

If the company has set a separate net-zero Scope 3 target, or includes Scope 3 emissions in its net-zero target, the following details are captured:

- Whether the Scope 3 target is part of or separate from any Scope 1 and/or 2 net-zero targets.
- The Scope 3 category (as categorised by the GHG Protocol) that the target covers. The assessment focuses on the following the categories: purchased good and services (cat 1 - upstream), processing of sold products (cat 10 - downstream), and the use of sold products (cat 11 - downstream). If all upstream Scope 3 categories and/or all downstream Scope 3 are covered by the target, this is also captured. If the covered category is not included in the categories cited above, the Scope 3 emissions category is captured as "other".
- Percentage share of the most relevant Scope 3 GHG emissions categories covered by the target.

If a company discloses a Scope 3 target even though Scope 3 emissions are not assessed by CA100+ in the sector in question, the target detail is nonetheless captured. Metric 1.1.b is contingent on the result of 1.1.a: a company cannot be assessed as yes on 1.1.b if was not assessed as yes on 1.1.a.

Companies for which Scope 3 emissions are not applicable in the CA100+ Net Zero Benchmark will be assessed as 'Na' on 1.1.b, regardless of whether they have set a net zero Scope 3 target.

INDICATOR 2 to 4 – Long, medium, and short-term emissions targets

Indicator 2 to 4 – Long, medium, and short-term emissions targets	
Indicator Text	These indicators are captured over three different timeframes: • Indicator 2: Long-term (2036 to 2050) • Indicator 3: Medium-term (2026 to 2035) • Indicator 4: Short-term (2021 to 2025) Emissions reduction targets with a 2020 targeted year are not considered in this assessment. However, if a company has achieved a net-zero target in 2020 on its most material scope of emissions, it will be assessed on the below metrics. For each timeframe, each indicator is composed of three sub-indicators: • ".1" The company has set a target for reducing its GHG emissions • ".2" which is separated into metric ".2a" (The company has specified that this target covers at least 95% of total Scope 1 and 2 emissions; and metric ".2b" where applicable, the company's Scope 3 GHG emissions target covers at least the most relevant Scope 3 emissions categories for the sector, and the company has published the methodology used to establish the Scope 3 target. • ".3" The company's last disclosed carbon intensity OR targeted carbon intensity. OR the company's expected carbon intensity derived from its GHG target is aligned with or below the relevant sector trajectory needed to achieve the Paris Agreement goal of limiting global temperature increase to 1.5°C with low or no overshoot. This trajectory is equivalent to IPCC Special Report on 1.5° Celsius pathway P1 or net-zero emissions by 2050. Metrics 2.a and 2.b are contingent on the results of sub-indicator .1. Sub-indicator .3 can be independent from sub-indicator .1.

Detailed Guidance	
.1 The company has set a target for reducing its GHG emissions.	For each company, the following target details are captured: • Scope of emissions (scope 1 and/or scope 2 and/or scope 3) • Base year • Percentage reduction targeted (%) • Target year • Unit of the target (tCO2e, kgCO2e/$, …) • Year in which target was set • Percentage of emissions covered by target • Source document • Source text A GHG reduction commitment will be captured as a target if the disclosures at minimum clearly identify a target year and a percentage reduction (in terms of either absolute GHG emissions or GHG intensity). If a company states that it is aiming to maintain carbon emissions at YYYY levels, this is recorded as a 0% reduction target. The assessment focuses only on GHG reduction targets. Renewable energy targets or other sustainability targets are not considered. Individual methane and flaring targets are not considered, unless the percentage of emissions covered by the targets is clearly disclosed. If the company discloses multiple targets, they are all captured. For the assessment, the target covering the largest share of the company's emissions is prioritised (i.e. a target covering all emissions is prioritised for the assessment over targets covering a subset of emissions). If there are multiple targets covering all emissions (or the same subset of emissions) the target that has been set most recently is assessed.

	If the company has set a separate long-term Scope 3 target, or includes Scope 3 emissions in its target the following details are captured: • Whether the Scope 3 target is part of or separate from any Scope 1 or 2 targets. • The Scope 3 Category (as categorised by the GHG Protocol) that the target covers. The assessment focuses on the following the categories: purchased good and services (cat 1 - upstream), processing of sold products (cat 10 - downstream), and the use of sold products (cat 11 - downstream). If all upstream Scope 3 categories and/or all downstream Scope 3 are covered by the target, this is also captured. If the covered category is not included in the categories cited above, the Scope 3 emissions category is captured as "other". • The percentage share of Scope 3 emissions covered by the target in the targeted categories. • The methodology used to establish any Scope 3 target, if disclosed. If the target methodology is not available, the emissions calculation methodology used to assess Scope 3 emissions in the targeted categories is captured as far as available. If a company discloses a Scope 3 target even though Scope 3 emissions are not assessed by CA100+ in the sector in question, the target detail is nonetheless captured. If a company has a target that is a net-zero target, this is captured both here and in indicator 1.1. If a company is assessed to target net-zero emissions before 2036 (assessed under Sub-indicator 3.1), this will be automatically accepted on sub-indicator 2.1. Similarly, if a company is assessed to target net-zero emissions before 2026 (Sub-indicator 4.1), this will be automatically accepted on sub-indicator 3.1 and 2.1.
.2.a. The company has specified that the target covers at least 95% of total scope 1 and 2 emissions	Metric .2a is met if the information captured under sub-indicator .1 identifies a target that: • Covers over 95% of the companies Scope 1 and 2 emissions • Note that this can also be met if the company respectively only targets Scope 1 emissions or only Scope 2 emissions, but the company in questions discloses that these account for over 95% of the company's combined Scope 1 and 2 emissions. If a company is assessed to target net-zero emissions before 2036 with a target covering >95% of Scope 1 and 2 emissions (assessed under metric 3.2a), this will be automatically accepted on metric 2.2a. Similarly, if a company is assessed to target net-zero emissions before 2026 (metric 4.2a), this will be automatically accepted on metrics 3.2a and 2.2a.
.2.b. Where applicable, the company's Scope 3 GHG emissions target covers at least the most relevant scope 3 emissions categories for the sector, and the company has published the methodology used to establish the scope 3 target.	In applicable sectors, metric .2b is met if the information captured under sub-indicator .1 identifies a target that: • Covers the most relevant Scope 3 emissions categories in the company's sector, AND • The methodology used to establish the Scope 3 target or to calculate Scope 3 emissions of the targeted Scope 3 categories are available. If a company is assessed to target net-zero emissions before 2036 with a target covering its applicable Scope 3 emissions (assessed under Metric 3.2b), this will be automatically accepted on metric 2.2b. Similarly, if a company is assessed to target net-zero its applicable Scope 3 emissions before 2026 (metric 4.2b), this will be automatically accepted on metrics 3.2b and 2.2b. Note that all companies for which Scope 3 emissions are not applicable will receive assessed as 'Na' on metric .2b, regardless of whether they have set a Scope 3 target or not.

2.3 – Long-term alignment to B2DS	
Sub-Indicator Text	The company's last disclosed carbon intensity OR its short-term or medium-term targeted carbon intensity OR the company's expected carbon intensity derived from their long-term GHG target is aligned with or below the relevant sector trajectory needed to achieve the Paris Agreement goal of limiting global temperature increase to 1.5°C with low or no overshoot. This is equivalent to IPCC Special Report on 1.5° Celsius pathway P1 or net-zero emissions by 2050.
Detailed Guidance	
	Sub-indicator 2.3 uses the Transition Pathway Initiative methodology to measure companies' carbon intensity in 2050. There are three possibilities on how to meet the conditions of this sub-indicator. 1) If at the last year of disclosure (and without a long-term GHG target), the company's carbon intensity is aligned with or below their respective sector's benchmarked carbon intensity for 2050, they meet the conditions of the sub-indicator. OR 2) If the company's short-term or medium-term targeted carbon intensities are aligned with or below their respective sector's benchmarked carbon intensity for 2050, they meet the conditions of the sub-indicator. OR 3) If the company discloses a long-term GHG target that extends to 2050 and the company's aimed carbon intensity at that time is aligned with or below their respective sector's benchmarked carbon intensity for 2050, they meet the conditions of the sub-indicator. Therefore, even if companies have not set a long-term target (and therefore score 'N' on 2.1, 2.2.a, and 2.2.b), they can score 'Y' on sub-indicator 2.3 if their expected intensity at 2050 is aligned with or below the trajectory (for the company's respective sector) to achieve the Paris Agreement goal of limiting global temperature increase to 1.5°C with low or no overshoot (equivalent to IPCC Special Report on 1.5° Celsius pathway P1 or net-zero emissions by 2050).

3.3 – Medium-term alignment to B2DS

Sub-Indicator Text	The company's last disclosed carbon intensity or its short-term targeted carbon intensity target OR the company's expected carbon intensity derived from their medium-term GHG target is aligned with or below the relevant sector trajectory needed to achieve the Paris Agreement goal of limiting global temperature increase to 1.5°C with low or no overshoot. This is equivalent to IPCC Special Report on 1.5° Celsius pathway P1 or net-zero emissions by 2050.

Detailed Guidance

Sub-indicator 3.3 uses the Transition Pathway Initiative methodology to measure companies' carbon intensity in 2035. There are three possibilities on how to meet the conditions of this sub-indicator.

1) If at the last year of disclosure (and without a medium-term GHG target), the company's carbon intensity is aligned with or below their respective sector's benchmarked carbon intensity for 2035, they meet the conditions of the sub-indicator.

OR

2) If the company's short-term targeted carbon intensity is aligned with or below their respective sector's benchmarked carbon intensity for 2035, they meet the conditions of the sub-indicator.

OR

3) If the company discloses a GHG target that extends to 2035 and the company's aimed carbon intensity at that time is aligned with or below their respective sector's benchmarked carbon intensity for 2035, they meet the conditions of the sub-indicator.

Therefore, even if companies have not set a medium-term target (and therefore score 'N' on 3.1, 3.2.a, and 3.2.b), they can score 'Y' on sub-indicator 3.3 if their expected intensity at 2035 is aligned with or below the trajectory (for the company's respective sector) to achieve the Paris Agreement goal of limiting global temperature increase to 1.5°C with low or no overshoot (equivalent to IPCC Special Report on 1.5° Celsius pathway P1 or net-zero emissions by 2050).

4.3 – Short-term alignment to B2DS	
Sub-Indicator Text	The company's last disclosed carbon intensity OR the company's expected carbon intensity derived from their short-term GHG target is aligned with or below the trajectory (for its respective sector) to achieve the Paris Agreement goal of limiting global temperature increase to 1.5°C with low or no overshoot (equivalent to IPCC Special Report on 1.5° Celsius pathway P1 or net-zero emissions by 2050).
Detailed Guidance	
	Sub-indicator 4.3 uses the Transition Pathway Initiative methodology to measure companies' carbon intensity in 2025. There are two possibilities on how to meet the conditions of this sub-indicator. 1) If at the last year of disclosure (and without a short-term GHG target), the company's carbon intensity is aligned with or below their respective sector's benchmarked carbon intensity for 2025, they meet the conditions of the sub-indicator. OR 2) If the company discloses a GHG target that extends to 2025 and the company's aimed carbon intensity at that time is aligned with or below their respective sector's benchmarked carbon intensity for 2025, they meet the conditions of the sub-indicator. Therefore, even if companies have not set a short-term target (and therefore score 'N' on 4.1, 4.2.a, and 4.2.b), they can score 'Y' on sub-indicator 4.3 if their expected intensity at 2025 is aligned with or below the trajectory (for the company's respective sector) to achieve the Paris Agreement goal of limiting global temperature increase to 1.5°C with low or no overshoot (equivalent to IPCC Special Report on 1.5° Celsius pathway P1 or net-zero emissions by 2050).

Indicator 5 – Decarbonization Strategy

5.1 – Strategy to meet GHG reduction targets

Sub-Indicator Text	The company has a decarbonisation strategy to meet its long and medium-term GHG reduction targets: **a.** The company identifies the set of actions it intends to take to achieve its GHG reduction targets over the targeted timeframe. These measures clearly refer to the main sources of its GHG emissions, including Scope 3 emissions where applicable **b.** The company quantifies key elements of this strategy with respect to the major sources of its emissions, including Scope 3 emissions where applicable (e.g. changing technology or product mix, supply chain measures, R&D spending).

Detailed Guidance	
a. The company identifies the set of actions it intends to take to achieve its GHG reduction targets over the targeted timeframe. These measures clearly refer to the main sources of its GHG emissions, including Scope 3 emissions where applicable	Metric 5.1a is contingent on sub-indicators 2.1 and 3.1. For companies that have targets meeting sub-indicators 2.1 and/or 3.1, any disclosures about concrete actions to achieve these targets are assessed. To be assessed as ‘yes’ on this metric, the company needs to disclose a set of actions that meet three key criteria: 1. **Specifically relate to the company’s GHG reduction targets**. The set of actions needs to be explicitly framed as aiming to achieve the GHG reduction targets the company has set. An account of broader emissions reductions efforts that don’t clearly relate to achieving these targets is insufficient. 2. **Clearly address the main sources of the company’s GHG emissions.** The set of actions must clearly relate to the most material sources of GHG emissions. For example, it would be insufficient if the bulk of emissions a company generates consist of Scope 1 emissions, but the actions described are mainly related to Scope 2 emissions (e.g. “use 100% renewables for our headquarters”). 3. **Lay out a concrete set of measures.** Vague descriptions such as “Accelerate our transition to cleaner energy solutions”, “modernize our operations” or “leverage green solutions” without a description of how emissions reductions will be achieved are not eligible. Decarbonization strategies are separately captured in relation to each target timeframe (medium, or long-term). To be assessed as ‘yes’ on this metric, a decarbonisation strategy meeting the above criteria must be disclosed in relation to both, its long- and medium-term targets. Alternatively, a company is also assessed as ‘yes’ on this metric if it has a long- or medium-term net zero target (including Scope 3 emissions where applicable) and discloses a corresponding decarbonisation strategy that meets the above criteria.
b. The company quantifies key elements of this strategy with respect to the major sources of its emissions, including Scope 3 emissions where applicable (e.g. changing technology or product mix, supply chain measures, R&D spending).	Metric 5.1b is contingent on metric 5.1a. Where metric 5.1a is met, this metric assesses whether key elements of the decarbonisation strategy have been quantified in the corporate disclosures. This can for example include a numeric breakdown of what share of the overall emissions reductions the company plans to achieve through different elements of the decarbonisation strategy; or quantifying what numbers in the energy, product or revenue mix are to be achieved at what point in time.

5.2 – Green revenues commitment	
Sub-Indicator Text	The company's decarbonisation strategy includes a commitment to 'green revenues' from low carbon products and services. **a.** The company already generates 'green revenues' and discloses their share in overall sales **b.** The company has set a target to increase the share of green revenues in its overall sales

Detailed Guidance	
a. The company already generates 'green revenues' and discloses their share in overall sales	To meet this metric, the company needs to: • Disclose that it generates revenues from green products and services and detail the nature of these products and services ("green revenues"). • Clearly report on the revenue that is generated from these green products and services in its public disclosures. To be eligible, this can be either disclosed in a manner that allows to compute the share of these revenues in the company's total revenues (e.g. as absolute revenues or as share of revenues in a reported segment); or through directly reporting a share of the company's total revenues that is generated through green products and services. Note that green revenues can either be disclosed as individual business lines (e.g. separately for "wind" or "solar"); or as the aggregated revenue from a reported revenue/business segment that contains only eligible green products and services (for example a "Renewable Energy" segment). Such aggregated revenue data is not acceptable where the reported segment either a) contains a mix of green and non-green products and services; or b) where it is difficult to clearly establish what type products or services are included in the reported revenue segment. Only externally generated revenues are considered, intersegment revenues within the company are not assessed. Data for a broad set of green products and services that are recognized under the FTSE Russell Green Revenues Classification System (GRCS) is captured for this metric. ***Note that in the CA100+ Benchmark this metric is currently only assessed for companies that are headquartered in Europe. Further, only revenues from those green activities under GRCS that are aligned with the EU Taxonomy are eligible.***
b. The company has set a target to increase the share of green revenues in its overall sales	This metric can be met in two manners: • Through publicly disclosing a target for revenues from green products and services with a clear timeline on when the company intends to achieve this target (e.g. 2025 or 2030), Note that while the target needs to be clearly quantifiable and time bound, it can be expressed either in terms of revenue (e.g. "increasing electric vehicle sales to 20% of total car sales by 2025") or output (e.g. "making one in five cars produced electric by 2025"). • Alternatively, this metric can be met by companies through disclosing EU Taxonomy-aligned green revenue that is above the average EU Taxonomy-aligned green revenues in the sector.

Indicator 6 – Capital stock alignment

6.1 – Future capex alignment

Sub-Indicator Text	The company is working to decarbonise its capital stock: **a.** The company explicitly commits to align future capital expenditure with its long-term GHG reduction target. **b.** The company explicitly commits to align future capital expenditure with the Paris Agreement's objective of limiting global warming to 1.5 degrees Celsius.

Detailed Guidance

a. The company explicitly commits to align future capital expenditure with its **long-term** GHG reduction target.	To be assessed as yes on this metric, the company's public disclosures need to contain an explicit statement that commits the company to aligning its capital expenditure decisions and plans with its long-term GHG reduction target. Note that simply listing or detailing (even large-scale) green or low-carbon capital expenditure plans or projects is not sufficient to meet this indicator, even in cases where it can be reasonably assumed that much or all of the company's capital expenditures are aligned with the low carbon transition. For each company, the analyst should capture all commitments to align future capital expenditure details focusing on: • OPEX/CAPEX expenditure: Commitments to align of any future capital allocation to improve its operations or products with its long-term GHG target. • M&A strategy: Commitments to align any future M&A activities with the ambition of its long-term target. • R&D expenditures: Commitments to align of any R&D expenditures to improve its operations or product to the long-term target.
b. The company explicitly commits to align future capital expenditure with the Paris Agreement's objective of limiting global warming to 1.5 degrees Celsius.	The requirement for meeting metric 6.1b are similar to those for meeting 6.1a. However, the company is required to explicitly commit to aligning its capital expenditures decisions and plans with a 1.5 degrees Celsius pathway.

6.2 – Methodology for alignment

Sub-Indicator Text	The company discloses the methodology used to determine the Paris Agreement alignment of its future capital expenditures **a.** The company discloses the methodology it uses to align its capital expenditure with decarbonisation goals, including key assumptions and KPIs **b.** The methodology quantifies key outcomes, including the share of its capital expenditures that are aligned with a 1.5 degree Celsius scenario, and the year in which capital expenditures in carbon intensive assets will peak.

Detailed Guidance

a. The company discloses the methodology it uses to align its capital expenditure with decarbonisation goals, including key assumptions and KPIs	To meet metric 6.2a, the company is required to be assessed as yes on metric 6.1.a (or 6.1a and 6.1.b). In addition, the company needs to disclose detail on how it evaluates the alignment of individual capital expenditure decisions, projects and plans with achieving its carbon reduction targets or a 1.5 degree target.
b. The methodology quantifies key outcomes, including the share of its capital expenditures that are aligned with a 1.5 degree Celsius scenario, and the year in which capital expenditures in carbon intensive assets will peak.	To meet metric 6.2b, the company is required to be assessed as yes on metric 6.2a. In addition, the company needs to quantify • the key outcomes of the capital alignment assessments (e.g. the thresholds that it defines for assessing alignment, projections on how the company's capital expenditure pipeline will shape its future emissions profile etc); • disclose the percentage share of its planned or committed total capital expenditures that is aligned with a 1.5 degree Celsius scenario; and • disclose the year in which capital expenditures in carbon intensive assets will peak.

Indicator 7 – Climate policy engagement

7.1 – Lobbying position aligned with Paris Agreement

Sub-Indicator Text	The company has a Paris Agreement-aligned climate lobbying position and all direct lobbying activities are aligned with this. **a.** The company has a specific commitment/position statement to conduct its lobbying in line with the goals of the Paris Agreement. **b.** The company lists climate-related lobbying activities, e.g. meetings, policy submissions, etc

Detailed Guidance

a. The company has a specific commitment/position statement to conduct its lobbying in line with the goals of the Paris Agreement.	This metric requires a clear statement that the company will ensure its direct lobbying activities and advocacy activities are aligned with the goals of the Paris Agreement. This commitment should refer to direct lobbying activities, rather those of trade associations and refer to the Paris Agreement specifically (rather than the company's climate policy or the like). Statements including vague language or caveats on aligning direct lobbying activities (e.g. 'where possible' or 'aim to ensure direct lobbying positions are aligned with Paris Agreement') are not sufficient to meet this metric.
b. The company lists climate-related lobbying activities, e.g. meetings, policy submissions, etc.	This metric requires the company to disclose the climate-related lobbying activities it has carried out in the latest reporting year. This can include activities such as holding meetings with policymakers or regulators, presenting policy submissions, or making political donations. The disclosure must be clearly signposted as climate-related (lists of lobbying activities for a broader set of issues are not accepted) and include specific details of the stakeholders engaged and focus of engagement; select case study examples cannot be accepted. Only lobbying carried out directly by the company can be accepted; lobbying activities carried out via trade associations or other interest groups are not covered by this metric (see sub-indicator 7.2).

7.2 – Trade association lobbying consistency	
Sub-Indicator Text	The company has Paris Agreement-aligned lobbying expectations for trade associations, discloses trade association memberships. **a.** The company has a specific commitment to ensure that the trade associations the company is a member of lobby in line with the goals of the Paris Agreement. **b.** The company discloses its trade associations memberships.

Detailed Guidance	
a. The company has a specific commitment to ensure that the trade associations the company is a member of lobby in line with the goals of the Paris Agreement.	This metric requires a clear and unequivocal statement in public disclosures that the company will ensure its trade associations and their lobbying activities are aligned with the goals of the Paris Agreement. This commitment should refer directly to trade association policy positions, rather than the company's direct lobbying activities and make reference to the Paris Agreement specifically (rather than for example the trade associations published policy positions or the company's climate policy). Statements including vague language or caveats on aligning trade associations involvement (e.g. 'where possible' or 'aim to ensure direct lobbying positions are aligned with Paris Agreement') are not sufficient to meet this metric. This commitment may appear as part of annual disclosures or within a review of trade association alignment on the Paris Agreement (see metric 7.3a).
b. The company discloses its trade associations memberships.	This metric captures whether a company has disclosed its trade associations memberships. To meet this metric, the company should clearly signpost that it is disclosing its trade associations. The company may use alternative terms for trade associations including 'trade groups', 'business associations'. 'industry associations'. 'business groups', 'trade bodies', and 'industry trade group'. Listings of trade associations that contain indications that the disclosure is selective ('Our most material trade associations are…'; 'Our trade associations include…') are not acceptable for meeting this indicator. However, if the company states it has included all associations that take positions on climate-related issues, this can be considered exhaustive disclosure for the purpose of this metric. Note that disclosure against CDP Climate Change C12.3a are generally not accepted as a proxy for disclosure of list of trade associations.

7.3 – Process to ensure trade association Paris Agreement alignment	
Sub-Indicator Text	The company has a process to ensure its trade associations lobby in accordance with the Paris Agreement. **a.** The company conducts AND published a review of its trade associations' climate positions/alignment with the Paris Agreement. **b.** The company explains what actions it took as a result of this review.

Detailed Guidance	
a. The company conducts AND published a review of its trade associations' climate positions/alignment with the Paris Agreement.	To meet this metric, a company must review its trade associations and their lobbying activities for alignment with the goals of the Paris Agreement (reviewing alignment with the company‘s own climate policy is generally not accepted). This review or assessment must be published with clear outcomes and findings; vague generalised findings are not acceptable. The review or assessment could have been conducted by a third party. Note that disclosure against CDP Climate Change C12.3c_C2 on its own is not accepted as a proxy for a published review of trade association's alignment with the Paris Agreement.
b. The company explains what actions it took as a result of this review.	To meet this metric, the company must meet metric 7.3a. Additionally, the company must indicate what actions, if any, the company took as a result of its review of its trade associations' alignment with the Paris Agreement. This might include a commitment to engage with a trade association found to be misaligned, or withdrawal from a trade association found to be misaligned.

Indicator 8 – Climate governance

8.1 – Board oversight	
Sub-Indicator Text	Board oversight of climate change: **a.** Evidence of board or board committee oversight of the management of climate change risks **b.** Named position responsible at board level

Detailed Guidance	
a. Evidence of board or board committee oversight of the management of climate change risks	For the purposes of this metric, “board oversight” can take multiple forms: 1. The company states that responsibility for climate change lies with the board or a specific board committee. 2. There is an executive such as a head of sustainability with explicit responsibility for climate change, (not just ‘sustainability performance’) AND there is evidence that the individual reports on this directly to the board or to a board-level committee. 3. The CEO is responsible for climate change AND there is evidence that CEO reports to the board or a board-level committee on climate change issues specifically. 4. There is a (not necessarily a board-level) committee responsible for climate change (not just ‘sustainability performance’) AND that committee reports directly to the board or a board-level committee. A company will not meet the requirements of this metric if there is no evidence of a responsible CEO having reported to the board on climate issues in the latest reporting year. Further, reference to board responsibility for ‘sustainability’ or ‘environment’ more broadly is not sufficient; clear mention of ‘climate change’ is required.
b. Named position responsible at board level	There are multiple scenarios / models that qualify as “a named position” for the purposes of this metric: 1. There is a board position (e.g. Board Director) with explicit responsibility for climate change. 2. There is a named individual (rather than position) on the board responsible for climate change. 3. The CEO is responsible for Climate Change AND the CEO sits on the board. 4. In a two-tier board structure, a named management board member/position has explicit responsibility for climate change AND reports to the supervisory board on climate. A company will not meet the requirements of this metric by proxy of having a committee responsible for climate change. Unless specifically identified as being individually responsible, the chair of such a committee does not meet the requirements of this metric. A named position or individual responsible for ‘sustainability’ or ‘environment’ at board level does not meet requirements. Note that for German and Norwegian companies only, where it is unlikely for CEO to sit on the Supervisory board, companies whose CEO is individually responsible for climate change and sits on the Executive Board will be assessed to meet this metric.

8.2 – Remuneration arrangements

Sub-Indicator Text	The company's executive remuneration arrangements incorporate climate change performance elements **a.** The company's CEO and/or at least one other senior executive's remuneration arrangements specifically incorporate climate change performance as a KPI determining performance-linked compensation (reference to 'ESG' or 'sustainability performance' are insufficient). **b.** The company's CEO and/or at least one other senior executive's remuneration arrangements incorporate progress towards achieving the company's GHG reduction targets as a KPI determining performance-linked compensation

Detailed Guidance	
a. The company's CEO and/or at least one other senior executive's remuneration arrangements specifically incorporate climate change performance as a KPI determining performance-linked compensation (reference to 'ESG' or 'sustainability performance' are insufficient).	A company will be assessed as meeting the requirements of this metric if the CEO and/or at least one other senior executive's remuneration arrangements are determined by the company's performance against a climate change-related KPI. This KPI must be concrete and measurable, and must specifically focus on the company's climate change-related performance (e.g. meeting GHG emissions reduction targets). KPIs that measure broader 'ESG' or 'sustainability' targets or objectives, energy efficiency targets, CDP scores or the like do not meet the requirements of this metric. Any CEO/ExCo objectives that are not directly incentivised by monetary reward do not meet the requirements. Further, an incentivised position at a lower level than ExCo (e.g. a Head of Sustainability that is not a member of ExCo) does not meet the requirements.
b. The company's CEO and/or at least one other senior executive's remuneration arrangements incorporate progress towards achieving the company's GHG reduction targets as a KPI determining performance-linked compensation	To meet the requirements of this metric, the company needs to be assessed as yes on metric 8.2a and at one of sub-indicators 2.1, 3.1 or 4.1. In addition, the CEO and/or at least one other senior executive's remuneration arrangements must be determined by the company's performance against its disclosed company-wide emissions targets. This could be any of the targets captured as part of sub-indicators 2.1, 3.1 or 4.1. Similar to metric 8.2a, any CEO/ExCo objectives that are not incentivised by monetary reward do not meet the requirements. Further, an incentivised position at lower level than ExCo (e.g. a Head of Sustainability that is not a member of ExCo) does not meet requirements.

8.3 – Board climate-related capabilities/competencies	
Sub-Indicator Text	The board has sufficient capabilities/competencies to assess and manage climate related risks and opportunities. **a.** The company has assessed its board competencies with respect to managing climate risks and discloses the results of the assessment. **b.** The company provides details on the criteria it uses to assess the board competencies with respect to managing climate risks and/or the measures it is taking to enhance these competencies.

Detailed Guidance	
a. The company has assessed its board competencies with respect to managing climate risks and discloses the results of the assessment.	Meeting this indicator requires clear disclosure that the company has assessed to what extent its board is competent specifically with respect to managing climate change risks AND has disclosed the results of this assessment. This could include disclosure of a board skills assessment that has included consideration of climate change knowledge or expertise. Inclusion of climate change in a skills matrix meets the requirements of this metric where the results/mapping have been disclosed. An indication of which members, or which proportion of, the board provides competencies related to climate risks is required. A company will not meet the requirements of this metric if only 'sustainability' or 'environment' or 'ESG' is covered in relation to board competency assessments. Further, existence of a climate expert on the board cannot be used as a proxy for having conducted a board climate competency assessment.
b. The company provides details on the criteria it uses to assess the board competencies with respect to managing climate risks and/or the measures it is taking to enhance these competencies.	Meeting metric 8.3b is contingent on meeting metric 8.3a. In addition, the company needs to disclose detail on what specific criteria have been used to assess the board's climate-related competencies. Alternatively, the metric can also be met if, in addition to meeting 8.3a, the company explicitly discloses measures it has implemented to enhance the climate competencies of the board. This could include board trainings on climate issues, either external or internal, or the appointment of "climate expert" to the board. Conversely, measures to enhance board 'sustainability' or 'environment' or 'ESG' competencies do not meet the requirements of this metric.

Indicator 10 – TCFD alignment

10.1 – Support for TCFD recommendations	
Sub-Indicator Text	The company has publicly committed its support to the TCFD: **a.** The company is listed as a supporter on the TCFD website OR explicitly commits to align its disclosures with the TCFD recommendations. **b.** The company explicitly sign-posts TCFD aligned disclosures in its annual reporting OR publishes them in a TCFD report.

Detailed Guidance	
a. The company is listed as a supporter on the TCFD website OR explicitly commits to align its disclosures with the TCFD recommendations.	A company will be assessed as meeting the requirements of this question if: • The company is a listed supporter on the TCFD website, https://www.fsb-tcfd.org/tcfd-supporters/; OR • The company has explicitly committed to align its disclosures with the TCFD recommendations in its public disclosures; OR • The company explicitly and clearly indicates that it has aligned its disclosures with the recommendations. A company will not meet the requirements of this question if there is ambiguity about its commitment to TCFD. For example, a company that states that its climate report is 'informed by' or 'takes into account' the TCFD recommendations would not have provided sufficient clarity on its commitments. Similarly, 'recognising' or 'acknowledging' are insufficient as they are not the same as making a formal commitment to aligning with TCFD.
b. The company explicitly sign-posts TCFD aligned disclosures in its annual reporting OR publishes them in a TCFD report.	The aim of this question is to understand if the company is reporting against the TCFD recommendations. A company will be assessed as meeting the requirements of this question if: • The company explicitly includes or sign-posts TCFD aligned disclosures in its annual reporting (i.e. in Annual Reports, in sustainability-related reports, or on the company's website); OR • The company publishes TCFD aligned disclosures in a TCFD report. This question assesses whether the company in its disclosures clearly directs investors to its TCFD disclosures (either through clear signposting throughout its existing disclosures, or by summarising them in a standalone report). It does not assess whether the company discloses against all of the TCFD requirements, nor the content or the quality of the disclosures being provided. A company will not meet the requirements of this question if states that it has disclosed in line with the TCFD requirements but does not sign-post where these disclosures are to be found. Furthermore, disclosures must be provided on the company's own website (pointing to a third-party website, e.g. CDP does not meet the intent of this question). Finally, a commitment to report against the TCFD recommendations in the future is not sufficient.

10.2 – Scenario analysis

Sub-Indicator Text	The company employs climate-scenario planning to test its strategic and operational resilience. **a.** The company has conducted a climate-related scenario analysis including quantitative elements and disclosed its results. **b.** The quantitative scenario analysis explicitly includes a 1.5° Celsius scenario, covers the entire company, discloses key assumptions and variables used, and reports on the key risks and opportunities identified.

Detailed Guidance

a. The company has conducted a climate-related scenario analysis including quantitative elements and disclosed its results.	The aim of this question is to understand the company's approach to climate-related scenario analysis. A company will be assessed as meeting the requirements of this question if: • The company has conducted climate-related scenario analysis including quantitative elements, i.e. where it uses numerical data – which may be in the form of tables or figures, or explicit reference to external scenarios or models (e.g. IEA Sustainable Development Scenario, RCP 2.6) – to describe possible futures; AND • The company has disclosed the results of its quantitative scenario analysis. This can include a qualitative description of the results or findings or the presentation of quantitative results or findings. A company will not meet the requirements of this question if it only uses narrative text to describe the scenarios used. A company will not meet the requirements of this question if it does not publicly disclose the results (e.g. statements that an analysis has been conducted but that the results are under review by company management would not be sufficient to meet the requirements of this metric).
b. The quantitative scenario analysis explicitly includes a 1.5° Celsius scenario, covers the entire company, discloses key assumptions and variables used, and reports on the key risks and opportunities identified.	The aim of this question is to assess the completeness of the information the company provides about its quantitative scenario analysis. Meeting this metric is contingent on meeting metric 10.2a. To meet 10.2b the company in addition is required to: • explicitly include a 1.5° Celsius scenario in its scenario analysis. Note for this iteration of the CA100+ Net Zero Company Benchmark, given the absence of an IEA 1.5 degree scenario, companies that use the IEA's B2DS scenario are currently considered to meet the intent of this question; AND • The company's quantitative scenario analysis explicitly covers the entire company (rather than a specific product, business line or geography); AND • The company discloses key assumptions and variables used in its scenario analysis; AND • The company reports on key risks and opportunities that have been identified in the scenario analysis. A company will not meet the requirements of this question if the analysis only covers selected operations, commodities, countries, etc, or if the company states that 'most but not all' operations were covered. A company will also not meet the requirements of this question if its disclosure of risks and opportunities is not related to the scenario analysis that has been conducted. For example, generic discussions of climate-related risks and opportunities do not meet the intent of this question. In addition, the company must discussion both risks (downsides) and opportunities (upsides).

Traffic light system: Yes / No / Partial

Each metric is assessed with a binary Yes / No (or not applicable, see next paragraph), based on information and evidence published by the company. Aggregation at the sub-indicator and indicator levels then use the following system:

- **Yes** = When all metrics for a sub-indicator or indicator are Yes
- **No** = When all metrics for a sub-indicator or indicator are No
- **Partial** = When at least **one** metric for a sub-indicator or indicator is Yes

Any sub-indicator only has two metrics (a + b). Indicators can have multiple sub-indicators and metrics (e.g. indicator 7 = three sub-indicators and six metrics). Metrics can also be *Not Applicable* and *Not Assessed*. Where this is the case, the metric is not included as part of the threshold for Yes / No / Partial. See indicator combinations for more specifics.

Sub-indicator combinations

Any sub-indicator only has two metrics (a + b). Below is a summary of the possible combination on any one sub-indicator.

Metric Score Combinations			**Sub-indicator assessment**
x.x.a	x.x.b		Sub-indicator x.x
Y	Y		Y
Y	Not applicable		Y
Y	N	→	Partial
N	Not applicable		N
N	N		N

Assessment combinations by indicator and contingencies

The following illustrates various metric combinations by indicator. Note it does not necessarily show every combination of metrics to receive a yes, no or partial at the indicator level.

INDICATOR 1 – NET-ZERO TARGETS

Indicator text
Sub-indicator 1.1 – ...ambition to achieve net-zero Green House Gas (GHG) emissions by 2050 or sooner.

- Metric a): ...includes at least 95% of scope 1 and 2 emissions.
- Metric b): ...covers the most relevant scope 3 GHG emissions categories...

Contingency: *Metric 1.1b cannot be 'Yes' unless 1.1a is also 'Yes'.*

Not applicable = *Company does not have material Scope 3 emissions*

Metric Score Combinations			Indicator Assessment
1.1.a	1.1.b		Indicator 1
Y	Y	→	Y
Y	Not applicable		Y
Y	N		Partial
N	N		N

INDICATOR 2 – LONG-TERM TARGETS

Indicator text
Sub-indicator 2.1 - ...target for reducing its GHG emissions by between 2036 and 2050...

Sub-indicator 2.2

- Metric a): ...covers at least 95% of scope 1 and 2 emissions.
- Metric b): ...covers the most relevant scope 3 emissions categories...

Sub-indicator 2.3 - ...target or the company's latest disclosed GHG emissions intensity is aligned with the goal of limiting global warming to 1.5°C.

Contingency*: Metrics 2.2a and 2.2b cannot be 'Yes' unless sub-indicator 2.1 is also 'Yes'. Sub-indicator 2.3 is not currently conditional on 2.1 or 2.2. Therefore, it is possible to be 'No' on 2.1 but 'Yes' on 2.3. Metrics 2.1/2.2a/2.2b respectively will be 'Yes' if 3.1/3.2a/3.2b are 'Yes' and are net zero targets (i.e. net zero will be achieved already in the medium term).*

Not applicable = *Company does not have material Scope 3 emissions.*

Not assessed *= TPI lacks a relevant sectoral benchmark so could not assess the company*

2.1	2.2.a	2.2.b	2.3		Indicator assessment
Y	Y	Y	Y		Y
Y	Y	Y	N		Partial
Y	Y	Y	Not assessed		Y
Y	Y	Not applicable	Y		Y
Y	Y	Not applicable	N		Partial
Y	Y	Not applicable	Not assessed		Y
Y	Y	N	Y		Partial
Y	Y	N	N	→	Partial
Y	Y	N	Not assessed		Partial
Y	N	N	Y		Partial
Y	N	N	N		Partial
Y	N	N	Not assessed		Partial
N	N	N	Y		Partial
N	N	N	N		N
N	N	N	Not assessed		N

Partial requirements
Need 1/4 metrics to = 'Y' for indicator = 'Partial'
When 2.2b = Na, need 1/3 metrics to = 'Y' for indicator = 'Partial'
When 2.3 = Na, need 1/3 metrics to = 'Y' for indicator = 'Partial'

INDICATOR 3 – MEDIUM-TERM TARGETS

Indicator text
Sub-indicator 3.1 - …target for reducing its GHG emissions by between 2026 and 2035…

Sub-indicator 3.2
- Metric a): …covers at least 95% of scope 1 and 2 emissions.
- Metric b): …covers the most relevant scope 3 emissions categories…

Sub-indicator 3.3 - …target or the company's latest disclosed GHG emissions intensity is aligned with the goal of limiting global warming to 1.5°C.

***Contingency**: Metrics 3.2a and 3.2b cannot be 'Yes' unless sub-indicator 3.1 is also 'Yes'. Sub-indicator 3.3 is not currently conditional on 3.1 or 3.2. Therefore, it is possible to be 'No' on 3.1 but 'Yes' on 3.3. Metrics 3.1/3.2a/3.2b respectively will be 'Yes' if 4.1/4.2a/4.2b are 'Yes' and are net zero targets (i.e. net zero will be achieved already in the short term).*

***Not applicable** = Company does not have material Scope 3 emissions.*

***Not assessed** = TPI lacks a relevant sectoral benchmark so could not assess the company*

3.1	3.2.a	3.2.b	3.3		Indicator assessment
Y	Y	Y	Y		Y
Y	Y	Y	N		Partial
Y	Y	Y	Not assessed		Y
Y	Y	Not applicable	Y		Y
Y	Y	Not applicable	N		Partial
Y	Y	Not applicable	Not assessed		Y
Y	Y	N	Y		Partial
Y	Y	N	N	→	Partial
Y	Y	N	Not assessed		Partial
Y	N	N	Y		Partial
Y	N	N	N		Partial
Y	N	N	Not assessed		Partial
N	N	N	Y		Partial
N	N	N	N		N
N	N	N	Not assessed		N

Partial requirements
Need 1/4 metrics to = 'Y' for indicator = 'Partial'
When 3.2b = Na, need 1/3 metrics to = 'Y' for indicator = 'Partial'
When 3.3 = Na, need 1/3 metrics to = 'Y' for indicator = 'Partial'

INDICATOR 4 – SHORT-TERM TARGETS

Indicator text
Sub-indicator 4.1 - …target for reducing its GHG emissions up to 2025…

Sub-indicator 4.2
- Metric a): …covers at least 95% of scope 1 and 2 emissions.
- Metric b): …covers the most relevant scope 3 emissions categories…

Sub-indicator 4.3 - …target or the company's latest disclosed GHG emissions intensity is aligned with the goal of limiting global warming to 1.5°C.

***Contingency**: Metrics 4.2a and 4.2b cannot be 'Yes' unless sub-indicator 4.1 is also 'Yes'. Sub-indicator 4.3 is not currently conditional on 4.1 or 4.2. Therefore, it is possible to be 'No' on 4.1 but 'Yes' on 4.3.*

***Not applicable** = Company does not have material Scope 3 emissions.*

***Not assessed** = TPI lacks a relevant sectoral benchmark so could not assess the company*

4.1	4.2.a	4.2.b	4.3		Indicator assessment
Y	Y	Y	Y		Y
Y	Y	Y	N		Partial
Y	Y	Y	Not assessed		Y
Y	Y	Not applicable	Y		Y
Y	Y	Not applicable	N		Partial
Y	Y	Not applicable	Not assessed		Y
Y	Y	N	Y		Partial
Y	Y	N	N	→	Partial
Y	Y	N	Not assessed		Partial
Y	N	N	Y		Partial
Y	N	N	N		Partial
Y	N	N	Not assessed		Partial
N	N	N	Y		Partial
N	N	N	N		N
N	N	N	Not assessed		N

Partial requirements
Need 1/4 metrics to = 'Y' for indicator = 'Partial'
When 4.2b = Na, need 1/3 metrics to = 'Y' for indicator = 'Partial'
When 4.3 = Na, need 1/3 metrics to = 'Y' for indicator = 'Partial'

INDICATOR 5 – DECARBONISATION STRATEGY

Indicator text
Sub-indicator 5.1 - …has a decarbonisation strategy to meet its long and medium-term GHG reduction targets.

- Metric a): …company identifies the set of actions it intends to take…
- Metric b): …company quantifies key elements of this strategy…

Sub-indicator 5.2 -…decarbonisation strategy includes a commitment to 'green revenues'…

- Metric a): …company already generates 'green revenues'…
- Metric b): …company has set a target to increase the share of green revenues…

Contingency*: Sub-indicator 5.1 is contingent on sub-indicators 2.1, 2.2 (long-term targets) and 3.1, 3.2 (medium-term targets) being 'Yes'. Sub-indicator 5.1 is not conditional on 2.3 and/or 3.3 (net-zero alignment), i.e. 5.1 can be 'Yes' and 2.3/3.3 'No'.*

5.1.a	5.1.b	5.2.a	5.2.b		Indicator assessment
Y	Y	Y	Y		Y
Y	Y	Y	N		Partial
Y	Y	N	Y		Partial
Y	Y	N	N		Partial
Y	N	Y	Y		Partial
Y	N	Y	N		Partial
Y	N	N	Y		Partial
Y	N	N	N	→	Partial
N	Y	Y	Y		Partial
N	Y	Y	N		Partial
N	Y	N	N		Partial
N	N	Y	Y		Partial
N	N	Y	N		Partial
N	N	N	Y		Partial
N	N	N	N		N

Partial requirements
Need 1/4 metrics to = 'Y' for indicator = 'Partial'

INDICATOR 6 – CAPITAL ALLOCATION ALIGNMENT

Indicator text
Sub-indicator 6.1 - …company is working to decarbonise its future capital expenditures.

- Metric a): …commits to align future capital expenditures with its long-term GHG reduction target(s).
- Metric b): …commits to align future capital expenditures with the Paris Agreement…

Sub-indicator 6.2 - …discloses the methodology used to determine the Paris alignment…

- Metric a): …discloses the methodology it uses to align its future capital expenditure with its decarbonisation goals…
- Metric b): The methodology quantifies key outcomes…

Contingency*: Metric 6.2a cannot be 'Yes' if either 6.1a or 6.1b are not 'Yes'.*

6.1.a	6.1.b	6.2.a	6.2.b		Indicator assessment
Y	Y	Y	Y		Y
Y	Y	Y	N		Partial
Y	Y	N	Y		Partial
Y	Y	N	N		Partial
Y	N	Y	Y		Partial
Y	N	Y	N		Partial
Y	N	N	Y		Partial
Y	N	N	N	→	Partial
N	N	N	Y		Partial
N	Y	N	Y		Partial
N	Y	Y	N		Partial
N	Y	Y	Y		Partial
N	N	N	Y		Partial
N	N	N	N		N

Partial requirements
Need 1/4 metrics to = 'Y' for indicator = 'Partial'

INDICATOR 7 – CLIMATE POLICY ENGAGEMENT

Indicator text

Sub-indicator 7.1 - …climate lobbying position…

- Metric a): …lobbying in line with the goals of the Paris Agreement.
- Metric b): …company lists its climate-related lobbying activities…

Sub-indicator 7.2 - …expectations for its trade associations…

- Metric a): …commitment to ensure that the trade associations the company is a member of lobby in line with the goals of the Paris Agreement.
- Metric b): …company discloses its trade associations memberships.

Sub-indicator 7.3 - …process to ensure its trade associations lobby in accordance with the Paris Agreement.

- Metric a): …publishes a review of its trade associations' climate positions/alignment…
- Metric b): …explains what actions it took as a result of this review.

***Contingency**: Metric 7.3b cannot be 'Yes' unless metric 7.3a is also 'Yes'.*

7.1.a	7.1.b	7.2.a	7.2.b	7.3.a	7.3.b	Indicator assessment
Y	Y	Y	Y	Y	Y	Y
Y	Y	Y	Y	Y	N	Partial
Y	Y	Y	Y	N	N	Partial
Y	Y	Y	N	N	N	Partial
Y	Y	N	N	N	N	Partial
Y	N	N	N	N	N	Partial
N	N	N	N	Y	Y	Partial
N	N	N	N	Y	N	Partial
N	N	N	Y	Y	N	Partial
N	N	Y	Y	Y	N	Partial
N	Y	Y	Y	Y	N	Partial
N	Y	N	N	Y	Y	Partial
N	N	Y	N	Y	N	Partial
N	N	Y	Y	N	N	Partial
N	N	Y	N	Y	Y	Partial
N	N	N	N	N	N	N

Partial requirements

Need 1/6 metrics to = 'Y' for indicator = 'Partial'

Note this table does not illustrate every metric combination of 'Y' or 'N'

INDICATOR 8 – CLIMATE GOVERNANCE

Indicator text

Sub-indicator 8.1 - …board has clear oversight of climate change.

- Metric a): …evidence of board or board committee oversight…
- Metric b): …position at the board level with responsibility for climate change…

Sub-indicator 8.2 - …executive remuneration scheme incorporates climate change…

- Metric a): …senior executive's remuneration arrangements specifically incorporate climate change…
- Metric b): …executive's remuneration arrangements incorporate progress towards achieving the company's GHG reduction targets…

***Contingency**: Metric 8.2b cannot be 'Yes' unless sub-indicators 2.1 or 3.1 or 4.1 are also 'Yes'.*

*Sub-indicator 8.3 (**not assessed in 2021**) - …competencies to assess and manage climate related risks and opportunities.*

- *Metric a): …assessed its board competencies with respect to managing climate risks …*
- *Metric b): …details on the criteria it uses to assess the board competencies…*

8.1.a	8.1.b	8.2.a	8.2.b	Indicator assessment
Y	Y	Y	Y	Y
Y	Y	Y	N	Partial
Y	N	Y	Y	Partial
Y	Y	N	N	Partial
Y	Y	N	Y	Partial
Y	N	Y	N	Partial
Y	N	N	Y	Partial
N	Y	Y	Y	Partial
N	N	Y	Y	Partial
Y	N	N	N	Partial
N	N	Y	N	Partial
N	Y	N	N	Partial
N	N	N	Y	Partial
N	Y	N	Y	Partial
N	N	N	N	N

Partial requirements

Need 1/4 metrics to = 'Y' for indicator = 'Partial'

INDICATOR 9 – JUST TRANSITION

This indicator will be further developed, and companies will not be assessed using the 2021 benchmark

INDICATOR 10 – TCFD DISCLOSURE

Indicator text

Sub-indicator 10.1 - …implement the recommendations of the TCFD…

- Metric a): …commits to align its disclosures with the TCFD recommendations…
- Metric b): …sign-posts Taskforce on Climate Related Disclosures (TCFD) aligned disclosures…

Sub-indicator 10.2 - …employs climate-scenario planning…

- Metric a): …conducted a climate-related scenario analysis…
- Metric b): …scenario analysis explicitly includes a 1.5° Celsius scenario…

***Contingency**: Metric 10.2b cannot be 'Yes' unless metric 10.2a is also 'Yes'.*

10.1.a	10.1.b	10.2.a	10.2.b		Indicator assessment
Y	Y	Y	Y		Y
Y	Y	Y	N		Partial
Y	Y	N	N		Partial
Y	N	Y	Y		Partial
Y	N	Y	N		Partial
Y	N	N	N	→	Partial
N	N	Y	Y		Partial
N	N	Y	N		Partial
N	Y	Y	N		Partial
N	Y	N	N		Partial
N	N	N	N		N

Partial requirements

Need 1/4 metrics to = 'Y' for indicator = 'Partial'