

Mapping of datasets against NZIF's alignment criteria for listed corporates

Dataset	Ambition	Targets	Emissions Performance	Disclosure	Decarbonisation plan	Capital allocation alignment	Climate Policy Engagement	Climate Governance	Just Transition	Climate Risk and Accounts
Climate Action 100+ disclosure framework	1	2, 3, 4	11	10, 11	5	6	7	8	9	10
TPI: 'MQ scores' (Q=question)¹ and 'carbon performance'	Q3	Q4, Q7, Q13, carbon performance assessment	Carbon performance assessment	Q5, Q8, Q9 Q12	Q18, Q19, Q20	Q21, Q22	Q10, Q23	Q1, Q6, Q11, Q14,	-	Q2, Q11, Q15, Q16
SBTi	-	Yes	Yes ²	Yes ³	-	-	-	-	-	-
CDP Climate Change Questionnaire⁴	C4.2, C4.2c	C4.1, C4.1a, C4.1b	C4.1a, C4.1b, C6.10	C6.1, C6.3, C6.5	C3.1 ⁵ , C3.5, C3.5a, C3.5b, C3.5c, C4.5a	C3.5, 3.5a, C3.5b, C3.5c	C12.3, C12.3a, C12.3b, C12.3c	C1.1, C1.1a, C1.1b, C1.3, C1.3a	No	C2.1, C2.3, C2.3a, C3.3, C3.4
Carbon Tracker	-	-	-	-	-	Yes	-	-	-	-
Net Zero Standards	Yes	Yes	Yes	Yes	Yes	Yes ⁶	Yes	Yes	Yes	Yes

1 See [Appendix A](#) for a detailing of the TPI MQ Questions

2 See SBTi section above for more detail on applying SBTi data to the alignment criteria.

3 See SBTi section above for more detail on applying SBTi data to the alignment criteria.

4 See [Appendix A](#) for a detailing of the CDP Climate Change Questionnaire Questions

5 CDP details the KPIs associated with a credible climate transition plan (including quantitative and qualitative indicators) in [this technical note](#) (June 2024). [This report](#) (June 2024), outlines the assessment methodology used against each of these indicators in the appendix.

6 Note for the Net Zero Standard and Assessment Framework for Banks, the 'capital allocation alignment criterion' is amended to 'climate solutions'. To fulfil this criterion, investors are also recommended to consider indicator 5.2 of the Assessment Framework, 'Capital allocation to misaligned activities'

Data

As noted in Box 19 in [Section 5](#), data coverage and quality remain a challenge to setting comprehensive targets at the asset level. However, there are public sources providing granular data across an increasing number of companies.

It is recommended that the data sources and methodologies set out below are prioritised to assess asset alignment, and can be supplemented by data from third party vendors as part of a data hierarchy.

An overview of some of the available public datasets investors are recommended to use and a mapping of the datasets against NZIF's alignment criteria is detailed below.

Climate Action 100+ Net Zero Company Benchmark

The Climate Action 100+ Net Zero Company Benchmark⁷ is used by investors to assess the climate performance of the highest emitting publicly listed companies. Around 170 companies are assessed by TPI against the Benchmark's disclosure framework, with results released in October annually. The disclosure framework is made up of 11 indicators, which can be mapped against NZIF's alignment criteria. Investors are recommended to use the benchmark assessments to assess the alignment of the Climate Action 100+ focus companies, which fall within the NZIF's definition of high impact companies.

Transition Pathway Initiative (TPI)

TPI⁸ uses publicly disclosed data to assess the progress companies are making on the transition to a lower carbon economy and provides underlying data for some of the Climate Action 100+ Benchmark disclosure framework indicators. Data from TPI is open-access and can be downloaded from the TPI website. TPI assesses companies' alignment to net zero using two approaches:⁹

- Management quality – Assessment covers companies' governance of GHG emissions and the risks and opportunities arising from the low-carbon transition.
- Carbon performance – Assessment involves quantitative benchmarking of companies' emissions pathways against different climate scenarios consistent with the Paris Agreement.

The Carbon Performance assessment is based on the Sectoral Decarbonisation Approach (SDA), which translates GHG emissions targets made at the international level (i.e. the Paris Agreement) into appropriate sectoral benchmarks. Companies' emissions targets can then be compared against these benchmarks. The SDA recognises that different sectors of the economy are likely to decarbonise at different rates. This analysis also underpins the Climate Action 100+ disclosure framework target indicators.

Science Based Targets Initiative

SBTi¹⁰ provides information for investors to assess corporates against alignment criteria: targets, disclosures and emissions performance.

Investors should note that SBTi requires disclosure through standardised and comparable data platforms such as CDP's climate change annual questionnaire, rather than through annual disclosures published on its own website.

At the time of writing, SBTi do not have, but are developing, a monitoring, reporting, and verification system to track how well corporates are performing relative to their submitted and validated science-based targets. This system is currently being developed and expected in the short term. The view that a verified science-based target (SBT) fulfils the emissions performance criteria is ideally dependent on this system becoming operational. In the interim, investors may wish to use additional data to determine whether NZIF's emissions performance criteria is being fulfilled. However, previous empirical evidence suggested that corporates with verified SBTs were delivering on their targets.¹¹

Also of note is the current lack of corporates in high impact material sectors with validated SBTs and that, currently, transition plans needed to achieve SBTs are yet to be incorporated into SBTi's work.

7 Climate Action 100+ (2024), [Climate Action 100+ Net Zero Company Benchmark](#)

8 TPI (2024), [Transition Pathway Initiative](#)

9 TPI (2023), [TPI's Methodology Report: Management Quality and Carbon Performance](#)

10 SBTi (2024), [Science Based Target initiative](#)

11 SBTi (2020), [How companies are cutting emissions at scale with science-based targets](#)

CDP Climate Change Questionnaire

The CDP¹² Climate Change Questionnaire overlaps with certain NZIF alignment criteria and can be used to assess a corporate's alignment.

When responding to the CDP Climate Change Questionnaire, companies are rated based on their transparency and climate performance and receive a CDP score. Companies are graded by their answers to both sector-agnostic and specific questions, normalised to 100 and classified into bands from A to D- (8 bands, 4 levels: leadership, management, awareness, disclosure). A score of A indicates the highest quality of disclosure.

Carbon Tracker

Carbon Tracker¹³ performs analysis on the impact of the energy transition on capital markets and the potential investment in high-cost, carbon-intensive fossil fuels. Carbon Tracker's company profiles provide analysts, portfolio managers, and other stakeholders with key information to assess an asset's performance against NZIF's capital allocation alignment criteria and companies' transition plans more broadly.

Net Zero Standards

IIGCC, in collaboration with various partners, develops sector-specific Net Zero Standards. These standards are developed in alignment with NZIF, and support investors in assessing the robustness of companies' transition plans in emissions intensive sectors and support investor engagement efforts.

The sector standards map onto the Climate Action 100+ disclosure framework indicators and support assessments of disclosure, alignment and climate solutions.

TPI assesses companies against the standards and the information is made publicly available on the TPI and Climate Action 100+ websites. Investors can utilise the results to support asset alignment assessment.

Net Zero Standards

Read Net Zero Standards for banks,⁸ oil & gas,⁹ and mining.¹⁰

Standards will continue to be developed across the global value chain.

Private providers

Investors can also use third party data providers to assess company alignment. A multitude of providers in the market are assessing companies against varying performance indicators underpinned by different methodologies and models. Investors are therefore recommended be transparent about the data sources used and ensure a good understanding of the providers' methodologies.

Investors can also use IIGCC's Net Zero Data Catalogue to understand the extent to which the products and datasets offered by third party data vendors are in line with the criteria and parameters set out in NZIF.

To represent best practice, data vendors providing assessments consistent with NZIF criteria are encouraged to ensure alignment with the latest detailed guidance on indicators from Climate Action 100+.

IIGCC's Net Zero Data Catalogue

IIGCC's Net Zero Data Catalogue¹¹ assesses 16 data vendors' products/datasets against NZIF's recommended datapoints for corporates, real estate and sovereigns.

The catalogue details the data needs to implement NZIF and provides a comprehensive and comparable assessment of the vendors' products and datasets against NZIF's alignment criteria.

Version 1 of the catalogue is exclusively for IIGCC members and is up to date as of September 2022. IIGCC aims to update the data catalogue so investors have access to the most up to date product offerings.

14 IIGCC, TPI (2023), Net Zero Standard for Banks and Assessment Framework for Banks

15 IIGCC (2023), Net Zero standard for Oil & Gas

16 IIGCC (2023), Net Zero Standard for Diversified Mining

12 CDP (2024), CDP

13 Carbon Tracker (2024), Carbon Tracker

17 IIGCC (2022), Net Zero Data Catalogue

Data limitations

In the near term, investors may wish to identify the companies where there is insufficient disclosure or data to assess alignment. Box 24 presents an example baseline and example target, showing the intended increase in alignment across an investor's portfolio. This includes a grey section where there is insufficient data to assess alignment.

IIGCC encourages investors to help accelerate improvements to data quality and coverage by engaging with companies to disclose the required information for assessing alignment and with data providers to provide products and services that are aligned to the alignment criteria set out in NZIF.

Engaging with data vendors

IIGCC's Six Asks of Data Vendors¹² supports investor engagements with data vendors to help increase the overall quality and usability of net zero data used in alignment assessments and target setting. Specifically, the six expectations focus on:

- 1. Multidimensional data** – Offer data that allows a multidimensional assessment of an asset, to establish its net zero alignment beyond current GHG emissions and decarbonisation targets.
- 2. Data granularity** – Deliver granular data as part of alignment assessments to facilitate investor action, such as engagement and target setting, monitoring and reporting.
- 3. Converging methodologies** – Build climate and net zero alignment methodologies in line with guidance, recognised best practice and available standards where relevant to ensure the highest data quality.
- 4. Data quality and regular updates** – Update approaches regularly to ensure that the latest science is considered.
- 5. Increasing coverage** – Increase coverage through time, especially on additional asset classes such as sovereigns, real estate, infrastructure, private equity and private debt, without compromising on quality.
- 6. Robust monitoring frameworks** – Assist investors in attributing year-on-year climate and alignment performance changes by developing robust monitoring frameworks and tools

Case studies: Approaches to assessing alignment

A growing number of alignment assessment frameworks have been developed by investors, working from NZIF's alignment criteria and maturity scale to enhance robustness of assessment approaches and alignment targets. This includes:

- ❑ Setting asset level targets using the Net Zero Investment Framework: Comgest
- ❑ [An alignment methodology using publicly available data: AP7](#)

¹² IIGCC (2023), [Six Asks of Data Vendors](#)

Appendix A: Dataset questions mapping to NZIF's alignment criteria

TPI Management Quality questions

Ambition

Q3 – Does the company have a policy (or equivalent) commitment to action on climate change?

Targets

Q4 – Has the company set greenhouse gas emission reduction targets?

Q7 – Has the company set quantitative targets for reducing its greenhouse gas emissions?

Q13 – Has the company set long-term quantitative targets for reducing its greenhouse gas emissions?

Emissions Performance

N/A

Disclosure

Q5 – Has the company published information on its operational (Scope 1 and 2) greenhouse gas emissions?

Q8 – Does the company report on Scope 3 emissions?

Q9 – Has the company had its operational (Scope 1 and/or 2) greenhouse gas emissions data verified?

Q12 – Does the company disclose materially important Scope 3 emissions?

Decarbonisation plan

Q18 – Does the company disclose the actions planned to meet its emissions reduction targets?

Q19 – Does the company quantify the key elements of its emissions reduction strategy and the proportional impact of each action in achieving its targets?

Q20 – Does the company's transition plan clarify the role that will be played by offsets and/or negative emissions technologies?

Capital allocation alignment

Q21 – Does the company commit to phasing out capital expenditure in carbon intensive assets or products?

Q22 – Does the company align future capital expenditures with its long-term decarbonisation goals and disclose how the alignment is determined?

Climate policy engagement

Q10 – Does the company support domestic and international efforts to mitigate climate change?

Q23 – Does the company ensure consistency between its climate change policy and the positions taken by trade associations of which it is a member?

Climate governance

Q1 – Does the company acknowledge climate change as a significant issue for the business?

Q6 – Has the company nominated a board member or board committee with explicit responsibility for oversight of the climate change policy?

Q11 – Does the company have a process to manage climate-related risks?

Q14 – Does the company's remuneration for senior executives incorporate climate change performance?

Just transition

N/A

Climate risks and account

Q2 – Does the company recognise climate change as a relevant risk and/or opportunity for the business?

Q11 – Does the company have a process to manage climate-related risks?

Q15 – Does the company incorporate climate change risks and opportunities in their strategy?

Q16 – Does the company undertake climate scenario planning?

CDP climate change questionnaire questions

Ambition

C4.2 – Did you have any other climate-related targets that were active in the reporting year?

C4.2c – Provide details of your net-zero target(s).

Targets

C4.1 – Did you have an emissions target that was active in the reporting year?

C4.1a – Provide details of your absolute emissions target(s) and progress made against those targets.

C4.1b – Provide details of your emissions intensity target(s) and progress made against those target(s).

Emissions performance

C4.1a – Provide details of your absolute emissions target(s) and progress made against those targets.

C4.1b – Provide details of your emissions intensity target(s) and progress made against those target(s).

C6.10 – Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO₂e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Disclosure

C6.1 – What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

C6.3 – What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

C6.5 – Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Decarbonisation plan

C3.1 – Does your organisation's strategy include a climate transition plan that aligns with a 1.5°C world?

C3.5 – In your organisation's financial accounting, do you identify spending/revenue that is aligned with your organisation's climate transition?

C3.5a – Quantify the percentage share of your spending/revenue that is aligned with your organisation's climate transition.

C4.5a – Provide details of your products and/or services that you classify as low-carbon products.

C3.5b – Quantify the percentage share of your spending/revenue that was associated with eligible and aligned activities under the sustainable finance taxonomy in the reporting year.

C3.5c – Provide any additional contextual and/or verification/assurance information relevant to your organisation's taxonomy alignment.

Capital allocation alignment

C3.5 – In your organisation's financial accounting, do you identify spending/revenue that is aligned with your organisation's climate transition?

C3.5a – Quantify the percentage share of your spending/revenue that is aligned with your organisation's climate transition.

C3.5b – Quantify the percentage share of your spending/revenue that was associated with eligible and aligned activities under the sustainable finance taxonomy in the reporting year.

C3.5c – Provide any additional contextual and/or verification/assurance information relevant to your organisation's taxonomy alignment.

Climate Policy Engagement

C12.3 – Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

C12.3a – On what policy, law, or regulation that may impact the climate has your organisation been engaging directly with policy makers in the reporting year?

C12.3b – Provide details of the trade associations your organisation is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

C12.3c – Provide details of the funding you provided to other organisations or individuals in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Climate Governance

C1.1 – Is there board-level oversight of climate-related issues within your organization?

C1.1a – Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

C1.1b – Provide further details on the board's oversight of climate-related issues.

C1.3 – Do you provide incentives for the management of climate-related issues, including the attainment of targets?

C1.3a – Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Just Transition

N/A

Climate risk and accounts

C2.1 – Does your organisation have a process for identifying, assessing, and responding to climate-related risks and opportunities?

C2.3 – Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

C2.3a – Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

C3.3 – Describe where and how climate-related risks and opportunities have influenced your strategy.

C3.4 – Describe where and how climate-related risks and opportunities have influenced your financial planning.