

Europe's Climate Leaders 2024

Content

| | |
|--|---|
| Methodology of "Europe's Climate Leaders 2024" | 2 |
| Step 1: Application and research phase | 3 |
| Admission criteria..... | 3 |
| Application and research..... | 3 |
| Step 2: Data analysis and scoring phase | 4 |
| Calculation of compound annual reduction rate..... | 4 |
| Note..... | 4 |

Methodology of “Europe’s Climate Leaders 2024”

For the fourth time, the Financial Times and Statista compiled a list of “Europe’s Climate Leaders”. It comprises European companies that achieved the greatest reduction in their core emissions intensity between 2017 and 2022 – that is, their Scope 1 and 2 greenhouse gas emissions in relation to revenue – and fulfilled further climate-related criteria (such as transparency of Scope 3 reporting, reduction of absolute emissions and further collaborations and commitments). Please find a detailed overview about the reviewed criteria below:

| Scoring criteria | |
|--|---|
| <p>Compound Annual Reduction Rate (CARR) 80 points</p> <ul style="list-style-type: none"> ▪ Annualised reduction of core (Scope 1 and Scope 2) emissions intensity ▪ Emissions intensity: core emissions relative to revenue ▪ Observation period: 2017 - 2022 ▪ A CARR of more than 3% is mandatory | <p>Additional criteria 20 points</p> <ul style="list-style-type: none"> Transparency of Scope 3 reporting <ul style="list-style-type: none"> ▪ Disclosure of Scope 3 emissions ▪ Disclosure of different Scope 3 categories Reduction of absolute emissions <ul style="list-style-type: none"> ▪ Reduction of absolute emissions (Scope 1 and Scope 2) Further collaborations and commitments <ul style="list-style-type: none"> ▪ CDP ▪ Commitment to net zero ▪ Science Based Targets initiative (SBTi) |

The top list will be created in a two-step process:

- 1) Application and research phase
- 2) Data analysis and scoring phase

On the following pages, the two phases are described in more detail.

Step 1: Application and research phase

Admission criteria

To be considered for Europe's Climate Leaders 2024, a company had to meet the following criteria:

- The company is headquartered in one of 33 European countries¹
- The company had revenues of at least €40 million in 2022^{2, 3}
- The company reports emissions data independently
- The company provides the following data:
 - emissions for Scope 1 and Scope 2 for the years 2017 and 2022⁴
 - revenues for 2017 and 2022^{2, 3}
- In case a CDP⁵ score is available, a score of at least B- is mandatory⁶

¹ All companies with operating headquarters in the following countries were eligible to participate: Austria, Belgium, Bosnia & Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Monaco, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, UK.

² Non-euro countries: currency value equivalent according to year-end 2022.

³ For banks and insurance companies that do not report revenues, net banking revenue (if not available, net interest income) or gross premiums written are considered instead of revenue.

⁴ In case the reporting period does not correspond to the calendar year, the reporting period which has most months in the stated year is considered.

⁵ CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.

⁶ For companies with emissions of over 2 million tonnes CO₂-equivalent in 2022, a CDP score of at least A- is mandatory.

Application and Research

Companies had the possibility to be included on the list by applying online or by having the necessary data publicly available.

Statista compiled a list of several thousand European companies and invited them via email to submit their emissions and revenue data via an online questionnaire created by Statista and the Financial Times. The application phase ran from October 16th 2023 to December 22nd 2023.

In addition, Statista scrutinized publicly available data on approximately 2,000 European companies. The main sources of data were financial and non-financial reports as well as CDP's database. Following the research phase, a second survey was sent out to all candidates for the list to give them the opportunity to validate their data.

To ensure that the data is comparable, only emissions reported following the emissions categories of the Greenhouse Gas Protocol (Scopes 1, 2 and 3) were considered. As there is a high degree of freedom for reporting Scope 3 emissions, these were not considered when calculating the reduction in emissions intensity. However, transparency on Scope 3 emissions is an additional criterion in arriving at a company's score. If location-based and market-based

values have been reported for Scope 2 emissions in both years, then the market-based calculation was used in the analysis (as it reflects the choices a company has made regarding its electricity suppliers).

Step 2: Data analysis and scoring phase

Calculation of compound annual reduction rate

For all companies meeting the inclusion criteria, the year-over-year reduction in emissions intensity (compound annual reduction rate) was calculated. The emissions intensity is defined as core emissions (Scope 1 and Scope 2 emissions in tonnes of CO₂-equivalent) per million euros revenue. For companies reporting their revenue in currencies other than the euro, the CARR was calculated with the reporting currency. The compound annual reduction of emissions intensity was calculated with the following formula:

$$1 - \left(\frac{\text{Emissions intensity 2022}}{\text{Emissions intensity 2017}} \right)^{\frac{1}{2022-2017}}$$

The CARR accounts for up to 80 points out of the maximum score of 100 points.

Scoring

For all companies with a CARR of at least 3%, the score for the additional criteria was calculated. The additional criteria account for up to 20 points out of the maximum score of 100 points.

The top 600 companies with the best overall score were included in the list "Europe's Climate Leaders 2024". Companies whose broader GHG-related or environmental record — e. g. oil exploration, non-GHG pollution or deforestation - is sufficiently disputed to undermine any claim to be a "climate leader" were excluded from the list.

Note

The selection of the companies and the definition of the evaluation criteria were carried out according to independent journalistic criteria of The Financial Times and Statista. The evaluation was carried out by the statistics and market research company Statista. The Financial Times and Statista make no claim to the completeness of the companies examined.

The ranking is comprised exclusively of companies that are eligible regarding the criteria described in this document. A position in the ranking is a positive recognition based on the information provided by registering with Statista or answering the validation survey or by having publicly available data at the time of research. The research and the analysis phase ran from September 2023 to January 2024. The ranking is the result of an elaborate process and due to the interval of data collection, data which was published during that time might not have been considered. Furthermore, data which was published after that time and events following February 15th, 2024, were not included in the metrics. As such, the results of this ranking should not be used as the sole source of information for future deliberations. The

information provided in this ranking should be considered in conjunction with other available information.

The quality of companies that are not included in the ranking is not disputed.