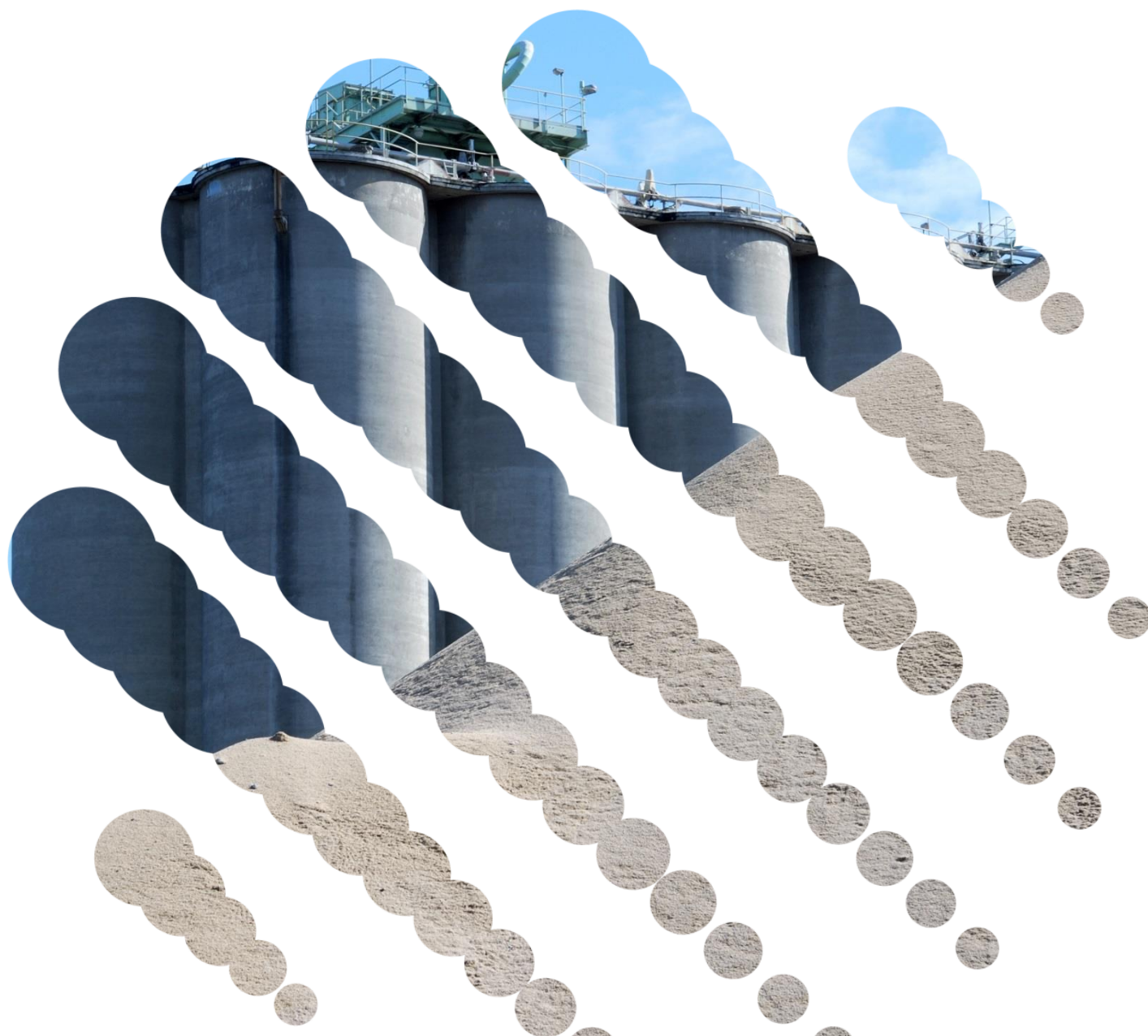
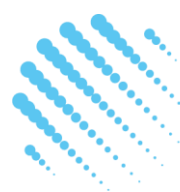


# Carbon Performance Assessment of Cement Producers Methodology Note

November 2021



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**Transition  
Pathway  
Initiative**

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## 1. INTRODUCTION

The purpose of this note is to provide an overview of the methodology followed by the Transition Pathway Initiative (TPI) in its assessment of the carbon performance of cement producers.

TPI is a global initiative led by asset owners and supported by asset managers. Established in January 2017, TPI investors now collectively represent more than 110 supporters with over US\$39 trillion of assets under management.<sup>1</sup>

On an annual basis, TPI assesses how companies are preparing for the transition to a low-carbon economy in terms of their:

- *Management Quality* – all companies are assessed on the quality of their governance/management of greenhouse gas emissions and of risks and opportunities related to the low-carbon transition;
- *Carbon Performance* – in selected sectors, TPI quantitatively benchmarks companies' carbon emissions against the international targets and national pledges made as part of the 2015 UN Paris Agreement.

TPI publishes the results of its analysis through an open access online tool hosted by the Grantham Research Institute on Climate Change and the Environment at the London School of Economics (LSE): [www.transitionpathwayinitiative.org](http://www.transitionpathwayinitiative.org).

Investors are encouraged to use the data, indicators and online tool to inform their investment research, decision making, engagement with companies, proxy voting and dialogue with fund managers and policy makers, bearing in mind the Disclaimer that can be found in section 6. Further details of how investors can use TPI assessments can be found on our website.

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<sup>1</sup> As of 8<sup>th</sup> November 2021.

## 2. THE BASIS FOR TPI'S CARBON PERFORMANCE ASSESSMENT: THE SECTORAL DECARBONIZATION APPROACH

TPI's Carbon Performance assessment is based on the Sectoral Decarbonization Approach (SDA).[1] The SDA translates greenhouse gas emissions targets made at the international level (e.g. under the Paris Agreement to the UN Framework Convention on Climate Change) into appropriate benchmarks, against which the performance of individual companies can be compared.<sup>2</sup>

The SDA is built on the principle of recognising that different sectors of the economy (e.g. oil and gas production, electricity generation and automobile manufacturing) face different challenges arising from the low-carbon transition, including where emissions are concentrated in the value chain, and how costly it is to reduce emissions. Other approaches to translating international emissions targets into company benchmarks have applied the same decarbonization pathway to all sectors, regardless of these differences.[2]

Therefore the SDA takes a sector-by-sector approach, comparing companies within each sector against each other and against sector-specific benchmarks, which establish the performance of an average company that is aligned with international emissions targets.

Applying the SDA can be broken down into the following steps:

- A global carbon budget is established, which is consistent with international emissions targets, for example keeping global warming below 2°C. To do this rigorously, some input from a climate model is required.
- The global carbon budget is allocated across time and to different regions and industrial sectors. This typically requires an integrated economy-energy model, and these models usually allocate emissions reductions by region and by sector according to where it is cheapest to reduce emissions and when (i.e. the allocation is cost-effective). Cost-effectiveness is, however, subject to some constraints, such as political and public preferences, and the availability of capital. This step is therefore driven primarily by economic and engineering considerations, but with some awareness of political and social factors.
- In order to compare companies of different sizes, sectoral emissions are normalised by a relevant measure of sectoral activity (e.g. physical production, economic activity). This results in a benchmark pathway for emissions intensity in each sector:

$$\text{Emissions intensity} = \frac{\text{Emissions}}{\text{Activity}}$$

Assumptions about sectoral activity need to be consistent with the emissions modelled and therefore should be taken from the same economy-energy modelling, where possible.

- Companies' recent and current emissions intensity is calculated and their future emissions intensity can be estimated based on emissions targets they have set (i.e.

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<sup>2</sup> Another initiative that is also using the SDA is the Science Based Targets Initiative. [3]

this assumes companies exactly meet their targets).<sup>3</sup> Together these establish emissions intensity pathways for companies.

- Companies' emissions intensity pathways are compared with each other and with the relevant sectoral benchmark pathway.

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<sup>3</sup> Alternatively, future emissions intensity could be calculated based on other data provided by companies on their business strategy and capital expenditure plans.

### 3. HOW TPI IS APPLYING THE SDA

#### 3.1. Deriving the benchmark paths

The key inputs to calculating the benchmark paths are:

- A time path for carbon emissions, which is consistent with the delivery of a particular climate target (e.g. limiting global warming to 1.5°C). Consistency requires that cumulative carbon emissions are within the associated carbon budget.
- A breakdown of this economy-wide emissions path into emissions from key sectors (the numerator of sectoral emissions intensity).
- Consistent estimates of the time path of physical production from, or economic activity in, these key sectors (the denominator of sectoral emissions intensity).

For the cement sector, TPI obtains all three of these inputs from the International Energy Agency (IEA), via its *Energy Technology Perspectives 2020* [4], *Net Zero by 2050* [5] and *World Economic Outlook 2021* [6] reports. The IEA has established expertise in modelling the cost of achieving international emissions targets. It also provides unprecedented access to the modelling inputs and outputs in a form suitable for applying the SDA.

The IEA's economy-energy model simulates the supply of energy and the path of emissions in different sectors burning fossil fuels, or consuming energy generated by burning fossil fuels, given assumptions about key inputs, such as economic and population growth.

In low-carbon scenarios, the IEA model minimises the cost of adhering to a carbon budget by always allocating emissions reductions to sectors where they can be made most cheaply, subject to some constraints as mentioned above. These scenarios are therefore cost-effective, within some limits of economic, political, social and technological feasibility.

The IEA's work can be used to derive three benchmark emissions paths, against which companies are evaluated by TPI:

1. A **1.5 Degrees** scenario, which is consistent with the overall aim of the Paris Agreement to hold "the increase in the global average temperature to well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels". [7] This scenario gives a probability of 50% of holding the global temperature increase to 1.5°C. [6]
2. A **Below 2 Degrees** scenario, which is also consistent with the overall aim of the Paris Agreement to limit warming, albeit at the lower end of the range of ambition. This scenario gives a probability of 50% of holding the global temperature increase to 1.65°C. [6]
3. A **National Pledges** scenario, which is consistent with the global aggregate of emissions reductions related to policies introduced or under development as of mid-2021. According to the IEA, this aggregate is currently insufficient to put the world on a path to limit warming to 2°C, even if it will constitute a departure from a business-as-usual trend. This scenario is expected to lead to a global temperature increase of 2.6°C by 2100 with a probability of 50%. [6]

For each scenario, IEA modelling output provides sector-specific emissions paths. It also provides associated estimates of production in each sector. Alternatively input assumptions on overall economic growth can be used as a measure of sectoral activity (under the

assumption that the sector grows at the same rate as the overall economy). Emissions are then divided by activity to derive sectoral pathways for emissions intensity.

For the cement sector, TPI uses the metric of “specific net CO<sub>2</sub> emissions per tonne of cementitious product” in its company assessments. This is one of the main CO<sub>2</sub> accounting metrics put forward by the Global Cement and Concrete Association (GCCA, formerly the Cement Sustainability Initiative).[8] [9]

Net emissions are direct (i.e. Scope 1) emissions from cement production, including from burning fossil fuels to heat kilns, from the calcination process and from on-site use of the company’s vehicles, but excluding CO<sub>2</sub> emissions from on-site power generation<sup>4</sup>, emissions from alternative fuels and raw materials<sup>5</sup>, and emissions from off-site use of the company’s vehicles.

CO<sub>2</sub> emissions from on-site power generation (outside the kiln system) are excluded from the GCCA’s measures of Scope 1 emissions, because some cement producers purchase their power from electricity utilities (therefore creating Scope 2 emissions), whereas others generate it themselves, making comparisons difficult.

The argument for excluding alternative fuels and raw materials is that their use leads to equivalent emissions reductions in the waste management industry.

The production measure, cementitious product, consists of all clinker produced by the reporting company for the purposes of making cement or direct clinker sale, plus gypsum, limestone, cement kiln dust, all clinker substitutes consumed for blending, and all cement substitutes. It excludes clinker bought from third parties.

Three adjustments are necessary to make the total cement output and total Scope 1 emissions data from the IEA model comparable to the emissions intensity as defined by the GCCA.

- *Conversion of total cement output into cementitious product:* TPI adjusted the IEA’s activity output with an average cementitious/cement ratio of 101.38%, calculated with data for the period 2005-2019 from the GCCA ‘Getting the Numbers Right (GNR)’-project. [10]
- *Subtraction of CO<sub>2</sub> emissions from on-site power generation:* The GNR database includes data on the total on-site power generation world-wide and a split by countries. The data shows that most on-site power generation in the cement sector happens in Non-OECD countries. TPI assumes that the emissions intensity of self-generated electricity is comparable to the Non-OECD grid intensity in the three considered scenarios. The 2019 total on-site power generation is multiplied by the Non-OECD grid intensity which changes over time. Resulting emissions from on-site power generation are then subtracted from the total Scope 1 cement CO<sub>2</sub> emissions.
- *Subtraction of CO<sub>2</sub> emissions from the use of alternative fuels:* According to GCCA definitions, ‘gross’ emissions in the cement sector exclude emissions from on-site

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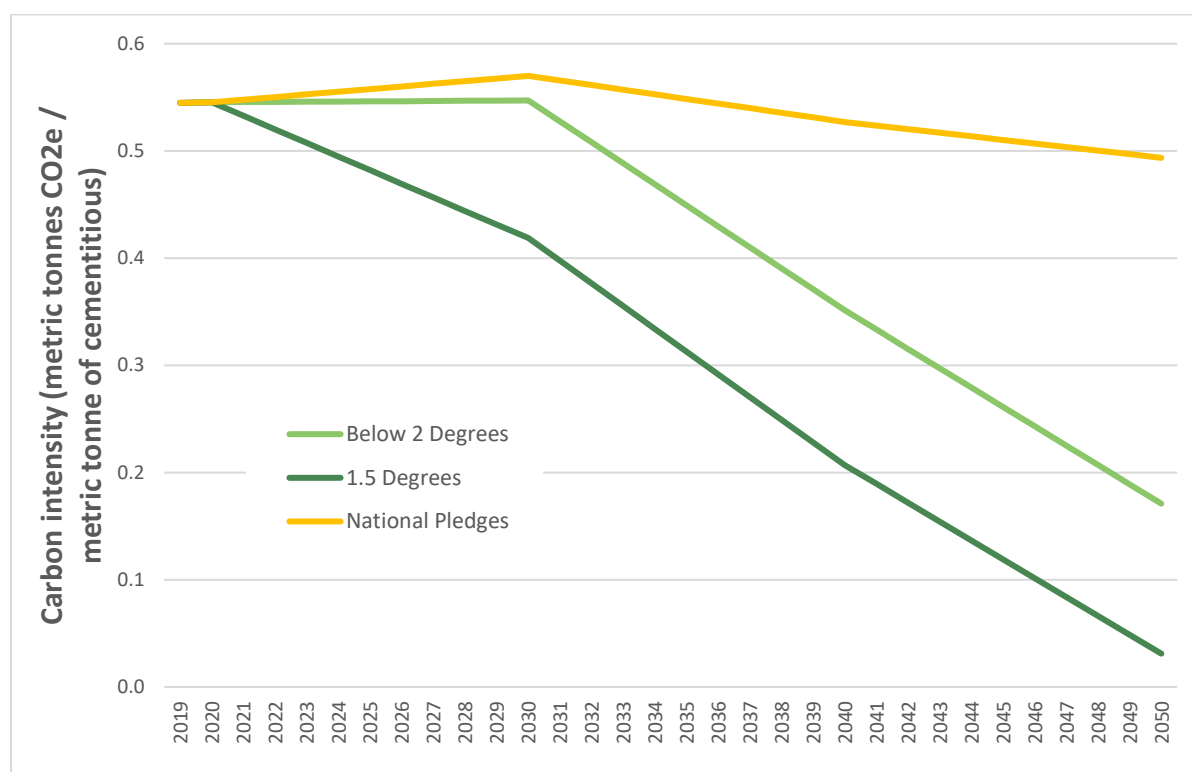
<sup>4</sup> Specifically, these are CO<sub>2</sub> emissions from on-site power generation, which is separate from the kiln system and which uses fuel energy other than waste heat from the kiln system.

<sup>5</sup> Alternative fuels and raw materials that can be burnt in kilns include solvents, paint residues, sewage sludge, filter cake, fly ash and slag. This class of fuel does not include biofuels. When emissions from alternative fuels and raw materials burned in kilns are included, the resulting intensity measure is referred to by the GCCA as *gross* emissions. Emissions from burning biofuels are not included in either the gross or net measure.

power generation but include emissions from the use of alternative fuels as opposed to 'net' emissions. GNR data shows that net intensities were on average 4.4% lower than gross intensities in 2019. TPI adjusted Scope 1 emissions accordingly by a factor of 95.6% for all years.

Figure 1 shows the benchmark emissions intensity paths for the cement sector, while Table 1 provides the underlying data on emissions and cement production. For example, under the National Pledges scenario in 2030, global specific 'net' emissions from the cement sector are projected to be 2,633 million metric tonnes or megatonnes of CO<sub>2</sub>. Under the same scenario in 2030, cementitious production is projected to be 4,619 megatonnes. Therefore, the average carbon intensity of a cement producer aligned with the Paris Pledges path is  $2,633 / 4,619 = 0.57$  tonnes of CO<sub>2</sub> per tonne of cementitious material produced.

**Figure 1 Benchmark global carbon intensity paths for the cement sector**





**Table 1 Projections of emissions and cement production used to calculate intensity paths (Source: IEA)**

	2019	2020	2030	2040	2050
National Pledges scenario					
Specific 'net' CO <sub>2</sub> emissions from cement production (Mt)	<b>2,322</b>	<b>2,398</b>	<b>2,633</b>	<b>2,634</b>	<b>2,502</b>
Cementitious production (Mt)	<b>4,263</b>	<b>4,400</b>	<b>4,619</b>	<b>4,998</b>	<b>5,069</b>
Carbon intensity (tCO <sub>2</sub> / tonne)	<b>0.55</b>	<b>0.55</b>	<b>0.57</b>	<b>0.53</b>	<b>0.49</b>
Below 2 Degrees scenario					
Specific 'net' CO <sub>2</sub> emissions from cement production (Mt)	<b>2,322</b>	<b>2,398</b>	<b>2,427</b>	<b>1,559</b>	<b>722</b>
Cementitious production (Mt)	<b>4,263</b>	<b>4,400</b>	<b>4,437</b>	<b>4,437</b>	<b>4,222</b>
Carbon intensity (tCO <sub>2</sub> / tonne)	<b>0.55</b>	<b>0.55</b>	<b>0.55</b>	<b>0.35</b>	<b>0.17</b>
1.5 Degrees scenario					
Specific 'net' CO <sub>2</sub> emissions from cement production (Mt)	<b>2,322</b>	<b>2,398</b>	<b>1,807</b>	<b>866</b>	<b>127</b>
Cementitious production (Mt)	<b>4,263</b>	<b>4,400</b>	<b>4,317</b>	<b>4,186</b>	<b>4,088</b>
Carbon intensity (tCO <sub>2</sub> / tonne)	<b>0.55</b>	<b>0.55</b>	<b>0.42</b>	<b>0.2</b>	<b>0.03</b>

### 3.2. Calculating company emissions intensities

TPI is based on public disclosures by companies. In any given sector, disclosures that are useful to TPI's carbon performance assessment tend to come in one of three forms:

1. **Emissions intensity.** Some companies disclose their recent and current emissions intensity and some companies have also set future emissions targets in intensity terms. Provided these are measured in a way that can be compared with the benchmark scenarios and with other companies (e.g. in terms of scope of emissions covered and measure of activity chosen), these disclosures can be used directly. In some cases, adjustments need to be made to obtain estimates of emissions intensity on a consistent basis. The necessary adjustments will generally involve sector-specific issues (see below).
2. **Absolute emissions.** Some companies disclose their recent and current emissions on an absolute (i.e. un-normalised) basis. Provided emissions are appropriately measured, and an accompanying disclosure of the company's activity can be found that is also in the appropriate metric, recent and current emissions intensity can be calculated by TPI.
3. **Absolute emissions targets.** Some companies set future emissions targets in terms of absolute emissions. This raises the particular question of what to assume about those companies' future activity levels. The approach taken in the TPI is to assume company activity increases at the same rate as the sector as a whole (i.e. this amounts to an assumption of constant market share), using sectoral growth rates from the IEA in order to be consistent with the benchmark paths. While companies' market shares

are unlikely to remain constant, there is no obvious alternative assumption that can be made, which treats all companies consistently. Sectoral growth rates from the National Pledges (IEA STEPS) scenario are used.

The length of companies' emissions intensity paths will vary depending on how much information companies provide on their emissions since 2014, as well as the time horizon for their emissions targets.

### 3.3. Emissions reporting boundaries

Company emissions disclosures vary in terms of the organisation boundary that a company sets. There are two high-level approaches: the equity share approach and the control approach, and within the control approach there is a choice of financial or operational control. Companies are free to choose which organisation boundary to set in their voluntary disclosures and there is variation between companies assessed by TPI.

TPI accepts emissions reported using any of the above approaches to setting organisation boundaries, as long as:

1. The boundary that has been set appears to allow a representative assessment of the company's emissions intensity;
2. The same boundary is used for reporting company emissions and activity, so that a consistent estimate of emissions intensity is obtained.

At this point in time, limiting the assessment to one particular type of organisation boundary would severely restrict the breadth of companies TPI can assess.

When companies report historical emissions or emission intensity under *both* the equity share and control approaches, as is sometimes the case, TPI chooses the reporting boundary that seems most appropriate, based on the criteria of consistency with the reporting of activity, consistency with the target, and the length of the available time series of disclosures.

### 3.4. Data sources and validation

All company data in TPI come from companies' own disclosures. The sources for the carbon performance assessment include responses to the annual CDP questionnaire, as well as companies' own reports, e.g. sustainability reports.

Given that TPI's carbon performance assessment is both comparative and quantitative, it is essential to understand exactly what the data in company disclosures refer to. Company reporting varies not only in terms of what is reported, but also in terms of the level of detail and explanation provided. The following cases can be distinguished:

- Some companies provide data in a suitable form and they provide enough detail on those data for analysts to be confident appropriate measures can be calculated or used.
- Some companies also provide enough detail, but from the detail it is clear that their disclosures are not in a suitable form for TPI's carbon performance assessment (e.g. they do not report the measure of company activity needed). These companies cannot be included in the assessment.

- Some companies do not provide enough detail on the data disclosed and these companies are also excluded from the assessment (e.g. the company reports an emissions intensity estimate, but does not explain precisely what it refers to).
- Some companies do not disclose their carbon emissions and/or activity.

Once a company's preliminary performance assessment has been made based on the principles and procedures described above, it is subject to the following quality assurance:

- *Internal findings review*: the preliminary assessment is reviewed by analysts who were not originally involved in making it.
- *Company review*: once the initial findings review is complete, TPI writes to companies with their assessment and requests companies to review it and confirm the accuracy of the company disclosures being used. The company review includes all companies, i.e. it also includes those who provide unsuitable or insufficiently detailed disclosures.
- *Final assessment*: company assessments are reviewed and, if it is considered appropriate, revised.

### 3.5. Responding to companies

Allowing companies the opportunity to review and, if necessary, correct their assessments is an integral part of TPI's quality assurance process. We send each company its draft TPI assessment and the data that underpin the assessment, offering them the opportunity to review and comment on the data and assessment. We also allow companies to contact us at any point to discuss their assessment.

If a company seeks to challenge its result/representation, our process is as follows:

- TPI reviews the information provided by the company. At this point, additional information may be requested.
- If it is concluded that the company's challenge has merit, the assessment is updated and the company is informed.
- If it is concluded that there are insufficient grounds to change the assessment, TPI publishes its original assessment.
- If the company requests an explanation regarding its feedback after the publication of its assessment, TPI explains the decisions taken.
- If a company requests an update of its assessment based on data publicly disclosed after the research cut-off date communicated to the company, TPI can note the new disclosure on the company's profile on the TPI website.
- If a company chooses to further contest the assessment and reverts to legal means to do so, the company's assessment is withheld from the TPI website and the company is identified as having challenged its assessment.

### 3.6. Presentation of assessment on TPI website

The results of the carbon performance assessment will be posted on the TPI website, within the TPI tool (<https://www.transitionpathwayinitiative.org/sectors>). On each company page, its emissions intensity path will be plotted on the same chart as the benchmark paths for the

relevant sector. Different companies can also be compared on the toolkit main page, with the user free to choose which companies to include in the comparison.

## 4. SPECIFIC CONSIDERATIONS IN THE ASSESSMENT OF CEMENT PRODUCERS

### 4.1. Measure of emissions intensity

As explained in the previous section, the specific measure of emissions intensity is:

- Specific “net” CO<sub>2</sub> emissions per unit of cementitious product, in units of (metric) tonnes of CO<sub>2</sub> per tonne of cementitious product.

The vast majority of cement producers considered by TPI, who report any information whatsoever on their emissions intensity, include this metric in their reporting. This is also the metric in which companies tend to express their targets.

Cement producers’ Scope 2 emissions from heat and power purchases are excluded. According to IEA modelling that underpins the benchmark paths, as well as company disclosures, Scope 1 emissions from cement production amount to around 90% of combined Scope 1 and 2 emissions. Therefore Scope 2 emissions are a relatively small share of the sector’s overall direct and indirect contribution to climate change, although not entirely trivial. The main practical reason for omitting Scope 2 emissions is that companies in the sector generally do not disclose the intensity of their combined Scope 1 and 2 emissions.

### 4.2. Coverage of target

Compared with other sectors such as electricity, and steel production, there is unusual uniformity in the cement sector in terms of how companies state their emissions targets. This is attributable to the coordinating role of the GCCA. Almost all targets are in intensity terms and cover specific net CO<sub>2</sub> emissions, as described above.

One aspect of companies’ emissions targets, which does vary within the cement sector, is the percentage of specific net emissions covered by the target. In most cases it is 100% of specific net emissions in the target base year, but in some cases it is less than 100%, usually due to acquisitions after the target was set. When coverage is less than 100%, we assume that any specific net emissions, which are not covered by the target, remain unchanged, either from the base year, where the company set a partial target to begin with, or from the date at which an acquisition took place, if the target originally had 100% coverage.

### 4.3. Worked examples<sup>6</sup>

*Company A: a simple case*

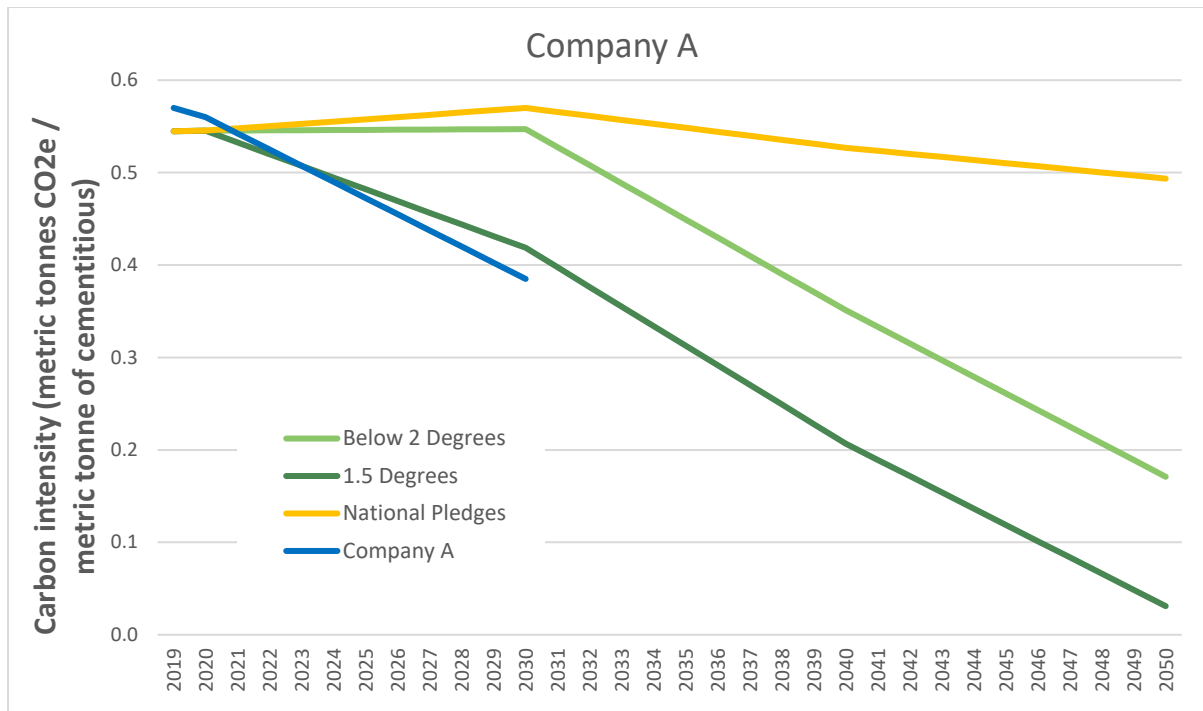
Company A reports its specific net emissions intensity for 2019 and 2020. For example, in 2020 it was 0.56 tonnes CO<sub>2</sub> per tonne cementitious product. Since Company A has aligned its reporting with the GCCA methodology, we accept its disclosures.

Company A has also set a target to reduce the intensity of its specific net emissions by 50% below the 1990 level by 2030. This target is stated to cover 100% of the company’s specific net emissions.

In 1990, the company’s emissions intensity was 0.77 tCO<sub>2</sub> / t. Therefore in 2030 the target is to reduce its emissions intensity to  $(1-50\%) \times 0.77 = 0.39 \text{ tCO}_2 / \text{t}$ .

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<sup>6</sup> In the following examples various numbers are rounded for ease of presentation.

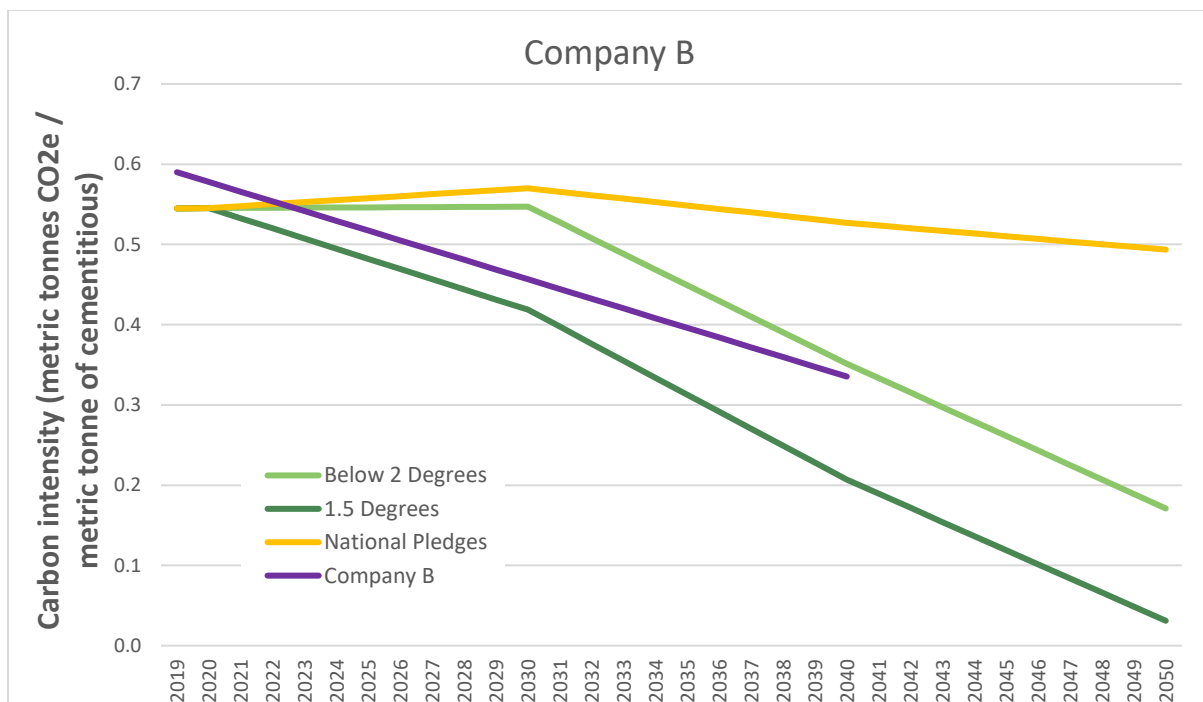


*Company B: less than 100% target coverage*

Company B reports its specific net emissions intensity for 2019, 0.58 tCO<sub>2</sub> / t. Since Company B has also aligned its reporting with the GCCA methodology, we accept its disclosures.

Company B has also set a target to reduce the intensity of its specific net emissions by 60% below the 1990 level by 2040. This target is stated to apply to 95% of the company's specific net emissions, so TPI assumes the 5% of base year emissions that are not covered by the target remain constant in intensity terms up to the target year.

In 1990, the company's emissions intensity was 0.78 tCO<sub>2</sub> / t. The company's 2040 emissions intensity is therefore  $0.78 \times (1-60\%) \times 95\% + 0.78 \times 5\% = 0.34 \text{ tCO}_2 / \text{t}$ .



## 5. DISCUSSION

This note has described the methodology followed by TPI in carrying out carbon performance assessment of companies, with a particular focus on cement producers.

TPI's carbon performance assessment is designed to be easy to understand and use, while robust. There are inevitably many nuances surrounding each company's individual performance, how it relates to the benchmarks and why. Investors may wish to dig deeper to understand these.

### 5.1. General issues

The assessment follows the Sectoral Decarbonization Approach (SDA), which involves comparing companies' emissions intensity with sector-specific benchmark emissions intensities that are consistent with international targets (i.e. limiting global warming to 1,5°C, well below 2°C, and the sum of National Pledges).

TPI uses the modelling of the International Energy Agency (IEA) to calculate the benchmark paths. The IEA modelling has a number of advantages, but it is also subject to limitations, like all other economy-energy modelling. In particular, model projections often turn out to be wrong. The comparison between companies and the benchmark paths might then be inaccurate. However, there is no way to escape the need to make a projection of the future in forward-looking exercises like this. IEA updates its modelling every two years with the aim of improving the accuracy of its projections and TPI plans to update its benchmark paths accordingly.

TPI uses companies' self-reported emissions and activity data to derive emissions intensity paths. Therefore companies' paths are only as accurate as the underlying disclosures.

Estimating the recent, current and especially the future emissions intensity of companies involves a number of assumptions. Therefore it is important to bear in mind that, except in a very few cases, the emissions path drawn for each company is an estimate made by TPI, based on information disclosed by companies, rather than the companies' own estimate or target. In a very few cases, the information disclosed by companies is sufficient on its own to completely characterise the emissions intensity path.

### 5.2. Issues specific to cement producers

The work of the GCCA and formerly the CSI means that there is a great deal of uniformity among leading cement producers in the type of emissions disclosures made and the form which emissions targets take. Conversely, those cement producers looked at by TPI, who do not follow the GCCA methodology, tend not to report enough information on their emissions, certainly in a metric consistent with those used by GCCA companies, for their carbon performance to be quantified, either today or in the future.

In other sectors such as electricity production, TPI has sought to independently verify any emissions intensities stated by companies using companies' stand-alone disclosures of emissions and production. However, this is not a viable approach in the cement sector. It is rare to find specific net CO<sub>2</sub> emissions explicitly disclosed on an absolute basis, and the production measure, cementitious product, is also rarely disclosed. This is due to the fact that cementitious product is not a relevant measure of companies' final product for the purposes

of financial accounting and reporting to investors. Therefore stated intensities are taken at face value, as long as there is enough confidence in the measure.

In principle, TPI aims to evaluate companies' carbon footprint in the most holistic way possible. In the cement sector, we chose the GCCA specific 'net' emissions intensity metric for our analysis, even though this metric excludes companies' CO<sub>2</sub> emissions from on-site power generation and from the use of alternative fuel. The reasons for choosing specific 'net' emissions are pragmatic. Companies very rarely report their emissions intensity including CO<sub>2</sub> emissions from on-site power generation. Moreover, emissions targets are almost always stated in specific 'net' emissions as opposed to specific 'gross' emissions which include emissions from burning alternative fuels and raw materials in kilns. However, TPI acknowledges that it is debatable whether emissions produced by burning alternative fuels and raw materials in cement kilns are always avoided one-for-one in the waste management industry. Overall, fewer assumptions are necessary to calculate cement producers' emissions pathways when using specific 'net' emissions.



## 6. DISCLAIMER

1. Data and information published in this paper and on the TPI website is intended principally for investor use but, before any such use, you should read the [TPI website](#) terms and conditions to ensure you are complying with some basic requirements which are designed to safeguard the TPI whilst allowing sensible and open use of TPI data. References in these terms and conditions to “data” or “information” on the website shall include the carbon performance data, the management quality indicators or scores, and all related information.
2. By accessing the data and information published in the report and on this website, you acknowledge that you understand and agree to these website terms and conditions. In particular, please read paragraphs 4 and 5 below which details certain data use restrictions
3. The data and information provided by the TPI can be used by you in a variety of ways – such as to inform your investment research, your corporate engagement and proxy-voting, to analyse your portfolios and publish the outcomes to demonstrate to your stakeholders your delivery of climate policy objectives and to support the TPI in its initiative. However, you must make your own decisions on how to use TPI data as the TPI cannot guarantee the accuracy of any data made available, the data and information on the website is not intended to constitute or form the basis of any advice (investment, professional or otherwise), and the TPI does not accept any liability for any claim or loss arising from any use of, or reliance on, the data or information. Furthermore, the TPI does not impose any obligations on supporting organisations to use TPI data in any particular way. It is for individual organisations to determine the most appropriate ways in which TPI can be helpful to their internal processes.
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6. The data and information on the website may not be used in any way other than as permitted above. If you would like to use any such data or information in a manner that is not permitted above, you will need TPI’s written permission. In this regard, please email all inquiries to [tpi@unpri.org](mailto:tpi@unpri.org).

## 7. BIBLIOGRAPHY

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