



S&P Dow Jones Indices
ESG Analysis

Assurance Statement: AA1000

Trucost was engaged by **Dover Corporation** to assure data held within its 2017 CDP Climate Change Questionnaire Response

Intended users

The intended users of this assurance statement are the management and stakeholders of Dover Corporation.

Responsibilities of Dover and assurance provider

The management of Dover has sole responsibility for the preparation and content of its CDP Climate Change Questionnaire Response (hereafter, CDP Response). Trucost's statement represents its independent and balanced opinion on the content and accuracy of the information and environmental data held within.

Assurance standard

Trucost undertook the assurance in accordance with AA1000AS (2008) Type 2 moderate-level assurance, to review:

- ✓ Adherence to the AA1000 Principles of Inclusivity, Materiality and Responsiveness (the Principles)
- ✓ Reliability of greenhouse gas (GHG) emissions from natural gas (scope 1) and electricity (scope 2)

Trucost used the Global Reporting Initiative (GRI) and the Greenhouse Gas Protocol to evaluate Dover's performance information and adherence to the AA1000 Principles.

Scope and limitations

Trucost was engaged to assure the data and claims in Dover's 2017 CDP Response. This submission covered the period January 1 – December 31, 2016. Dover took an operational control approach. This statement relates specifically to the information disclosed in the CDP Response and cannot be interpreted as validating other reporting of environmental data.

Trucost verified the environmental impacts (as calculated by Dover) listed within the table in the next column, including a review of scope 2 location-based emissions compared to scope 2 market-based emissions associated with Dover's use of renewable energy at certain facilities.

Description of methodology

Trucost's assurance activities included the following:

- Review of the processes by which Dover defines the sustainability issues that are relevant and material to its operations and stakeholders

GHG Emissions	Source	Unit	Quantity
Scope 1	Natural gas	Metric tons CO ₂ e	41,381
Scope 2	Electricity & heat/steam, location-based		153,857
	Electricity & heat/steam, market-based		147,123
Scope 3	Business travel, air travel [category 6]		5,658
	Business travel, automotive use [category 6]		2,498
	Employee commuting [category 7]		33,533

Description of methodology (continued)

- Interviews with managers responsible for sustainability performance and data collection
- Assessment of the extent to which Dover's sustainability activities adhere to the Principles
- Limited assessment of evidence provided to support key claims in its CDP Response
- Review of processes and systems used to gather and consolidate environmental data
- Verification of data accuracy for a selection of sites, including auditing emissions factors and calculations

Findings, conclusions and recommendations

The Principles: Nothing came to Trucost's attention to suggest that Dover's CDP Response does not adhere to the AA1000 Principles.

Data Reliability: Trucost's review included an audit of Dover's data collection and calculation methodologies. Trucost found Dover's approach to be comprehensive and accurate. Dover works with external consultants to collect utility bills and data for emissions sources, apply emissions factors, and calculate emissions. Only minor corrections to the calculations were needed, which Dover made.

Trucost reviewed Dover's raw data, applied emissions factors and calculated emissions for its worldwide natural gas and electricity use. Trucost also reviewed utility bills for individual Dover facilities during the assurance process.

Trucost recommends that Dover and its consultants work to expand the percentage of emissions sources and facility data recorded within the online tool Resource Advisor, to enhance the reliability of emissions calculations and reporting. In addition, Dover should confirm that all energy bills are collected for each facility and differentiate among bills that



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Principle	Comments
<p>Inclusivity: the participation of stakeholders in developing and achieving an accountable and strategic response to sustainability</p>	<p>Dover continues to expand the range of internal and external stakeholders with whom it interacts on sustainability topics. For example, investors and shareholders have been valuable partners for Dover and also have helped raise attention around more sustainable operations and products. In addition, Dover's customers have requested greater disclosure and information about products' sustainability attributes. In response, Dover is enhancing its measurement of product attributes (such as reduced energy consumption and GHG emissions), as well as improving its communication of such benefits to the marketplace. Dover's employees are an important stakeholder group, by both sharing ideas and enabling sustainability improvements within the company's operations. The company employs a Knowledge Exchange Forum among its facilities to promote the sharing of best practices for on-the-ground sustainability improvements.</p>
<p>Materiality: determining the relevance and significance of an issue to an organization and its stakeholders</p>	<p>Dover focuses on energy consumption and GHG emissions as material issues related to corporate sustainability. Emerging issues include waste generation, water use and resource use within the supply chain, such as metals for product manufacturing. Dover has identified critical material issues through its interaction with investors and customers, as well as external standards for corporate reporting, such as CDP. Dover has an approach of continuous improvement in order to address material sustainability concerns, improve operating efficiencies and reduce costs. Trucost recommends that Dover conduct a formal materiality assessment in the future, in order to better understand the various environmental and social issues related to its business.</p>
<p>Responsiveness: an organization's response to stakeholder issues that affect its sustainability performance and is realized through decisions, actions and performance, as well as communication with stakeholders</p>	<p>Dover responds to stakeholder feedback via its operational divisions and investor relations teams, as input is received. The company also has worked to expand its reporting on material sustainability issues over the past several years, including further disclosure via its public website. Dover will continue to work with key stakeholders and explore sustainability issues that are material to its business in order to best respond to such considerations and improve its sustainability performance over time.</p>

Findings, conclusions and recommendations (continued)

report direct energy consumption from those that report energy distribution, to specify the quantities of actual fuel use. Trucost encourages Dover to continue reviewing and updating GHG emissions factors annually or as available.

For calculating emissions from business travel, Trucost recommends that Dover explore other potential emissions factors for airline flights, including the USEPA. Dover also should ensure that it consistently applies the appropriate emissions factors for methane and nitrous oxide based on the automobile type, such as SUV, passenger van, truck or crossover, to enhance measurement accuracy. Furthermore, Dover and its consultants should collect documentation from travel agencies or similar data sources to provide individual flight details. Similarly, Dover should assemble any available supporting documentation for car travel, including miles traveled by each vehicle type.

Assurance provider

Trucost has been researching, standardizing and validating corporate environmental performance data since 2000. Trucost's research team has the relevant professional and technical competencies and experience to conduct an assurance to the AA1000 standard. Trucost did not provide any services to Dover during FY2016 that could conflict with the independence of this work.

S&P Trucost Limited
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Libby Bernick
Global Head of Corporate Business



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