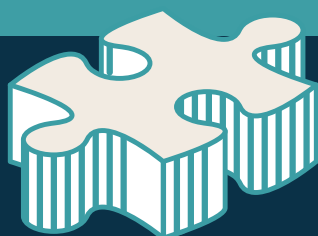




ACT Step-by-Step CSRD

a shared objective?

Mapping synergies between the two frameworks



The European CSRD directive, often perceived as a stringent reporting framework, was implemented for an essential reason: to encourage companies to transform their business models. Far from being a new bureaucratic requirement, it primarily responds to scientific realities about the environmental and social impact of economic activities. Therefore, the CSRD is not merely an exercise in FORM, but rather a substantive work on the CONTENT of companies' strategies.

The ACT Step-by-Step methodology, on the other hand, aims to guide companies in building a robust climate strategy

and implementing the necessary means to meet the set trajectories. The question of compatibility between these two frameworks then arose, and to address it, a detailed mapping of existing links was carried out.

What if ACT Step-by-Step were an effective way to work on the CONTENT of your climate roadmap while meeting the CSRD requirements and subsequently facilitating reporting (the FORM)? Don't ACT Step-by-Step and the CSRD share the same objective?



Two frameworks, one goal

ACT Step-by-Step allows for building a long-term climate strategy that aligns with the ambitions of the Paris Agreement. Throughout the process, the company naturally integrates a significant portion of the climate-related data points of the CSRD (ESRS E1). Those not covered by ACT pertain to topics outside the Initiative's scope (e.g., carbon sinks, carbon pricing). However, this does not prevent the company from including them in its strategy!

ACT Step-by-Step to prepare for the CSRD

In light of this clear connection, the ACT Initiative has conducted a **detailed mapping** that clarifies the overlaps between CSRD reporting obligations and the elements to address in an ACT Step-by-Step approach. Although the actual development of content and form depends on the company's journey with its consultant, this mapping aims to facilitate the dual effort required by the CSRD:

THE 5 STEPS OF THE ACT STEP-BY-STEP APPROACH

1 INITIAL DIAGNOSTIC	2 ISSUES & CHALLENGES	3 VISION	4 NEW STRATEGY	5 ACTION PLAN
OBJECTIVE Conduct an initial diagnostic of the company's maturity in terms of strategy and decarbonization practices.	OBJECTIVE Analyze the risks and opportunities for the company in the face of climate change and the low-carbon transition.	OBJECTIVE Build a collective vision for the company's trajectory towards a low-carbon world.	OBJECTIVE Commit to implementing a strategic decarbonization plan, including carbon performance goals.	OBJECTIVE Translate the detailed strategic plan into concrete actions.
VERIFY		PLAN		ACT

CONTENT

THE OBJECTIVES OF THE CSRD

Show how the company plans to align with the EU's strategic directions with a forward-looking vision, in contrast to the previous "static" approach to non-financial reporting.

L'APPORT DU MAPPING

Show which steps in the ACT Step-by-Step approach help build a robust climate strategy that meets the ambitions of the CSRD.

FORM

Adhere to a very strict and detailed reporting format to "narrate" how the company plans to align with the EU's strategic directions.

Highlight the qualitative and quantitative indicators common to both the CSRD and ACT Step-by-Step to simplify the reporting process.

9 DR¹ out of 12 integrated into ACT Step-by-Step

83% of the datapoints from the 7 priority² DRs for ACT Step-by-Step cross-referenced

38% of the datapoints from ESRS E-1 are integrated into ACT Step-by-Step. The remaining percentage primarily corresponds to indicators or issues outside the scope of ACT (see table p.3)

1 - DR = disclosure requirement
DP = datapoint

2 - E1 - 2 - 3 - 4, IRO-1, SBM-1, GOV-3. They encompass 78 data points out of the 219 in ESRS E1.



ACT Initiative

ACT is an international initiative that establishes a framework for "climate accountability" to accelerate the economic world's transition towards the goals of the Paris Agreement. The initiative offers methods to support companies in defining and implementing their climate strategy (ACT Step-by-Step) and in evaluating their ambition (ACT Evaluation).



CSRD & climate change

For most ESRS, the analysis of double materiality guides reporting choices. However, for ESRS E1, the situation is different. The company must demonstrate that the issue does not concern it if it chooses not to report on this topic. ESRS E1 allows little room for exemption, except in cases where irrefutable evidence of the company's absence of climate impact is provided.

THE MAPPING ANSWERS TWO QUESTIONS FOR EACH DATA POINT:

• At which ACT Step-by-Step stage will I address this issue?

• In which deliverables will I be able to find these indicators?

DR	DESCRIPTION	SYNERGIES ACT/ CSRD	NUMBER OF DP	% OF DATA POINTS INTEGRATED (TOTALLY OR PARTIALLY)	% OF DP NOT INTEGRATED
E1-1	Develop a transition plan for CC ³ mitigation	High	16	63%	38%
E1-2	Establish and demonstrate mitigation and adaptation policies for CC ³	High	2	100%	0%
E1-3	Publish actions and resources related to these policies	High	10	80%	20%
E1-4	Set CC ³ mitigation and adaptation objectives	High	25	92%	8%
E1-5	Monitor energy consumption and the energy mix	Low	23	26%	74%
E1-6	Measure gross GHG ⁴	ACT prerequisites	38	34%	66%
E1-7	Promote GHG ⁴ absorption and mitigation projects with carbon credits	Out of scope for ACT	27	0%	100%
E1-8	Implement carbon pricing	Out of scope for ACT	9	0%	100%
E1-9	Evaluate the financial effects of climate-related risks and opportunities	Out of scope for ACT	44	0%	100%
E1.GOV-3	Integrate climate strategy into governance	High	3	100%	0%
E1.SBM-3	Ensure the resilience of the business model to climate challenges	High	7	100%	0%
E1.IRO-1	Analyze climate-related impacts, risks, and opportunities	High	15	80%	20%
			219	84	135

3 - CC: climate change
4 - GHG: greenhouse gases

Practical guide: what steps for companies?

“The CSRD requires us to transform; this is not just a formal exercise. The ACT Step-by-Step approach has allowed us to provide evidence because it has led us to initiate this transformation.”

Lionel Fournier, Director of Health & Ecologies and ACT Sponsor, and **Eva Bergier**, Health & Ecologies Project Manager and ACT Coordinator at Harmonie Mutuelle



* **EXISTING FUNDINGS**

ADEME helps French companies finance their initiatives.

[Visit the ACT Initiative website.](#)