



# ACT Retail update Public consultation

strateone





# Instructions

- The next slides present the **main updates propositions** for the ACT Retail methodology
- The first part of the presentation briefly presents the ACT initiative and its main features. No feedback is expected on these elements.
- The **online form**, available [on this link](#), asks **specific questions** on the content to collect your feedback.
- Every time a question is related to the content in the presentation, it will be flagged with the following symbol:





# ACT Assessment and objectives of the mission

# Helping companies move from commitments to the transition plan: the purpose of the ACT Initiative



## OUR PURPOSE

In the face of the climate emergency, ambition is no longer enough, companies must deliver on their promises. Yet, many lack the tools to turn climate targets into credible action.

### ACT bridges this gap.

It is the only international initiative that both **assesses** the alignment of corporate strategies with the Paris Agreement, and **supports** companies in building robust, science-based transition plans.

**Because climate ambition means nothing without accountability and a plan.**



Focus for the consultation on ACT Assessment for the Retail sector



For more information: [www.actinitiative.org](http://www.actinitiative.org)

## THE ACT SCORE IS BASED ON THE ANSWERS TO THE 5 QUESTIONS AND IS COMPOSED OF 3 SCORES

Performance Scores (1-100)	
1	Targets
2	Material Investment
3	Immaterial Investment
4	Products Performance
5	Management
6	Supplier Engagement
7	Client Engagement
8	Policy Engagement
9	Business Model



Performance



Narrative



Trend



Declined by sector :  
Common and specific indicators, weighting of indicators/modules according to sector's decarbonization levers

### Narrative Score (E-A)

- 1 Business Model and strategy
- 2 Business risks
- 3 Data quality
- 4 Reputation
- 5 Consistency and credibility

### Trend Score

- + Improvement
- = Stable
- Degradation

# Initial version of ACT Retail: list of indicators

Modules	Indicators
<b>1. Targets</b>	Alignment of Scope 1+2 inclusive emissions reduction targets
	Alignment of Scope 3 emissions reduction targets
	Achievement of previous targets
<b>2. Material investments</b>	Trend in past emissions intensity
<b>3. Intangible investments</b>	-
<b>4. Sold product performance</b>	Product-specific intervention
<b>5. Management</b>	Oversight of climate change issues
	Climate change oversight capability
	Low carbon transition plan
	Climate change management incentives
<b>6. Supplier engagement</b>	Waste reduction strategy
	Strategy to influence suppliers
<b>7. Client engagement</b>	Activities to influence suppliers
	Strategy to influence customer engagement
<b>8. Policy engagement</b>	Activities to influence customer engagement
	Company policy on engagement with trade associations
	Trade associations supported do not have climate-negative activities or positions
	Position on significant climate policies
<b>9. Business models</b>	Collaboration with local public authorities
	Low carbon business models and activities

Note: the Modules are the same across all ACT assessment methodologies



For further information: see [initial ACT Retail methodology](#)

# Revised version of ACT Retail: proposed list of indicators



Modules	Indicators
<b>1. Targets</b>	Alignment of Scope 1+2 inclusive emissions reduction targets
	Alignment of Scope 3 emissions reduction targets
	Time horizon of targets
	Achievement of previous targets
<b>2. Material investments</b>	Trend in past emissions intensity
	Trend in future emissions intensity
<b>3. Intangible investments</b>	Training of employees
<b>4. Sold product performance</b>	Product-specific intervention
	Trend in past emissions
	Transport performance
	Waste reduction strategy
	Land artificialisation
<b>5. Management</b>	Oversight of climate change issues
	Climate change oversight capability
	Low carbon transition plan
	Climate change management incentives
	Climate change scenario testing

Modules	Indicators
<b>6. Supplier engagement</b>	Strategy to influence suppliers
	Activities to influence suppliers
<b>7. Client engagement</b>	Strategy to influence customer engagement
	Activities to influence customer engagement
<b>8. Policy engagement</b>	Company policy on engagement with trade associations
	Trade associations supported do not have climate-negative activities or positions
	Position on significant climate policies
<b>9. Business models</b>	Collaboration with local public authorities
	Low carbon business models and activities
	Volume reduction strategy
	Business models shifting from animal-based proteins to vegetal-based proteins

Existing indicator
New indicator



**Focus on the main updates  
propositions**

# Scope and boundaries



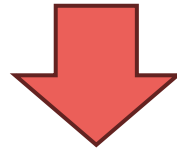
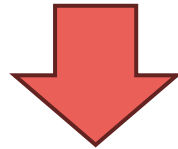
# Scope of the ACT Retail methodology

Former version

Retailers  
-> ACT Retail

## Info

Retailers selling only fashion products (i.e. more than 90% of total turnover) and operating only on Agri and Agro value chains are assessed using specific methodologies other than ACT Retail



New version

Fashion retailers  
→ ACT Fashion



Pure retailers  
→ ACT Retail



Agrifood activities  
→ ACT Agri & Agro

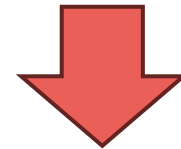
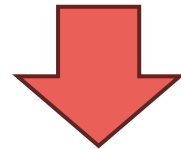
Possible combinations for companies operating on several sectors



# Scope of the ACT Retail methodology

## Former version

Retailers  
-> ACT Retail



**Non-food retailers**  
DIY stores, fashion products retail (if fashion is less than 90% of total turnover), electronics, cosmetics, etc.

## New version

Fashion retailers  
→ ACT Fashion



Pure retailers  
→ ACT Retail



Food retailers

Non-food retailers

E-commerce retailers



*Possible combination of food, e-commerce, and non-food retail*

### Info

While several other subcategories can be defined, these 3 groups are chosen to reflect the different challenges to decarbonize the activity (ex: levers on food products)



# ACT Retail boundaries

## Scope 3

Upstream transportation and distribution

Purchased goods and services

Capital goods

Fuel- and energy-related activities outside of Scope 1 and 2

Business travel

Employee commuting

Waste generated in operations

Upstream leased assets

## Scope 1 & 2

Company facilities

Company vehicles

Purchased electricity, steam, heating and cooling for own use

## Scope 3

Customers transportation

Downstream transportation and distribution

Processing of sold products

Use of sold products

End-of-life treatment of sold products

Downstream leased assets

Investments

Franchises

Data

Minimal reporting requirement

Data

Optional requirement

Data

Qualitative assessment

### Info

Purpose: ACT focuses on the main emissions sources  
Requirement that 66% of Scope 3 emissions must be covered



# Question online form

## **Do you agree with the proposed choices of emissions sources inclusion/exclusion along the value chain?**

1. Yes, I think it reflects well the main emissions sources for the Retail sector
2. Some excluded emissions sources might be significant in certain cases
3. No, there is one or several emissions sources that are omitted (including for specific cases) and that must be included
4. I am not sure

## **Comment/justification**

1. *Free text*

# Organized distribution network



# Organized distribution networks: climate strategy

## Info

The following content shows the solutions and challenges to extend the head of network's climate strategy to all the legal entities

- **3 main groups identified for the Retail sector:**

- **Integrated retail:** the climate strategy can be applied to the whole group without legal constraints.
- **Franchised retail/organized retail:** depends on the contract and the form of organization. In brief:
  - Franchise/management lease: CSR clauses can be added (BUT legal risk: **franchised companies must remain independent**)
  - Consignment agreement: CSR clauses can be added (more easily than for franchises as **the stock belongs to the head of the network**)
  - Trademark licence (exclusive or not): more limited to the aspects related to the protection of the brand image, but **no know-how transfer** and **cannot impose internal processes nor CSR strategy**
- **Cooperative/associated retail:** All the members can collectively decide to have a common climate strategy. **Voluntary and collective agreement.**



# Strategy for organized distribution network: Target (module 1)



1.1 Alignment of Scope 1+2 emissions reduction targets  
& 1.2 Alignment of Scope 3 emissions reduction targets

Dimension looking at the target ambition

+ Additional dimension looking at the target coverage over the global distribution network (i.e. including all franchises, trademark licences, etc.)

***Score = % of target coverage over the distribution network***



# Strategy for organized distribution network: emissions reporting (module 4)

On the indicator 4.2 looking at past Scope 3 emissions (see slide 26), add an additional assessment focusing on company's actions to extend emissions reporting to the whole network (i.e. franchises, management leased stores, trademark licence, etc.)

		BASIC	STANDARD	ADVANCED	NEXT PRACTICE	LOW CARBON ALIGNED
	<i>Associated score</i>	<b>0%</b>	<b>25%</b>	<b>50%</b>	<b>75%</b>	<b>100%</b>
<b>25%</b>	<b><i>Reporting of Scope 1+2 emissions from distribution network other than the head of network</i></b>	Scope 1+2 emissions from distribution network are not reported, unknown or are known for less than 20% of total distribution network	Scope 1+2 emissions from distribution network are known for 20% to 39% of total distribution network	Scope 1+2 emissions from distribution network are known for 40% to 59% of total distribution network	Scope 1+2 emissions from distribution network are known for 60% to 79% of total distribution network	Scope 1+2 emissions from distribution network are known for more than 80% of total distribution network
<b>25%</b>	<b><i>Reporting of Scope 3 emissions from distribution network other than the head of network</i></b>	Scope 3 emissions from distribution network are not reported, unknown or are known for less than 20% of total distribution network	Scope 3 emissions from distribution network are known for 20% to 39% of total distribution network	Scope 3 emissions from distribution network are known for 40% to 59% of total distribution network	Scope 3 emissions from distribution network are known for 60% to 79% of total distribution network	Scope 3 emissions from distribution network are known for more than 80% of total distribution network

(Continued on the next slide)



# Strategy for organized distribution network: emissions reporting (module 4)

(Continued from the previous slide)

		BASIC	STANDARD	ADVANCED	NEXT PRACTICE	LOW CARBON ALIGNED
	<i>Associated score</i>	<b>0%</b>	<b>25%</b>	<b>50%</b>	<b>75%</b>	<b>100%</b>
<b>25%</b>	<b><i>Actions from the head of network to incentivize managed (i.e., franchised, licensed, etc.) stores to <u>report</u> emissions</i></b>	No actions in place	The head of network partially reports Scope 1&2 emissions from the managed network	The head of network fully reports Scope 1&2 emissions from the managed network		The head of network includes clauses on managed contracts requiring stores to report Scope 1, 2 and 3 emissions
<b>25%</b>	<b><i>Actions from the head of network to incentivize managed stores to <u>decrease</u> emissions</i></b>	No actions or requirements in place	Head of network provides information and recommendations on emission reduction, participation voluntary	Head of network provides tools, training and financial incentives to help network reduce emissions	Head of network sets emission reduction requirements for network and provides support	Network members must meet mandatory GHG reduction targets with consequences for non-compliance



# Question online form

**Do you agree with the proposed way of assessment: decrease the target alignment score depending on the coverage of distribution network included in the target?**

1. Agree
2. Somewhat agree
3. Somewhat disagree
4. Disagree
5. I am not sure

**Comment/justification (especially if you disagree):**

*Free text*

**Do you agree with the proposed way of assessment: a maturity matrix to assess reporting and actions to incentivize distribution network to reduce emissions?**

1. Agree
2. Somewhat agree
3. Somewhat disagree
4. Disagree
5. I am not sure

**Comment/justification (especially if you disagree):**

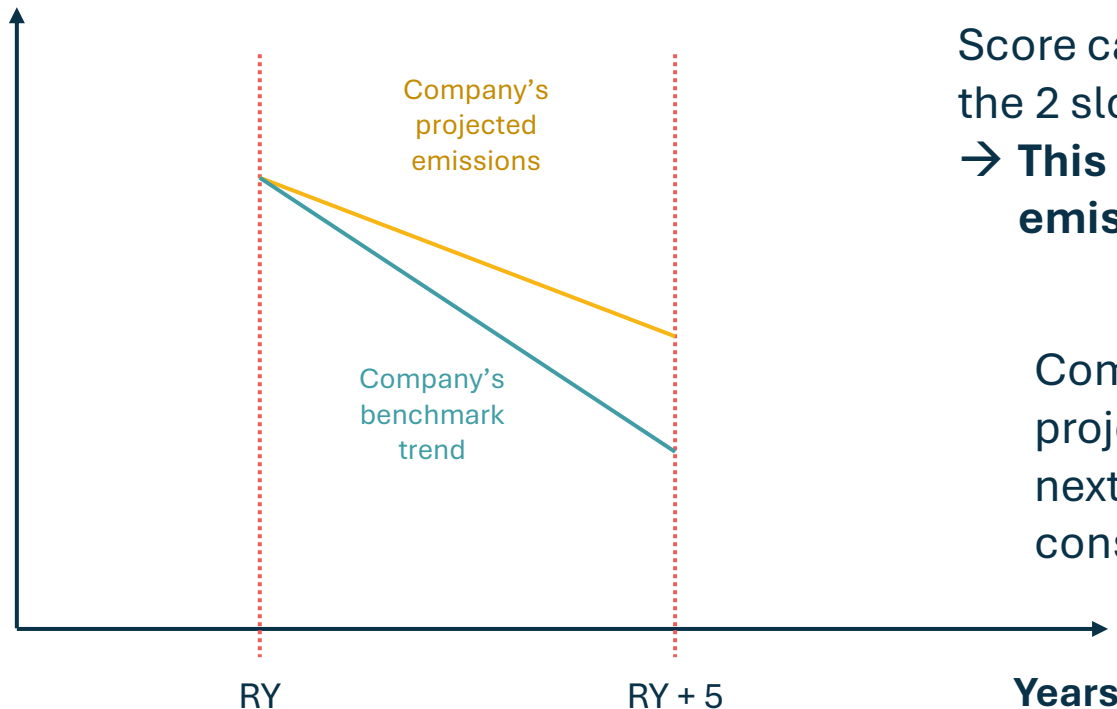
*Free text*



# Module 2: Trend in future Scope 1+2 emissions



Absolute  
emissions  
(kgCO<sub>2</sub>e)



## Assessment based on absolute emissions

Score calculated based on the ratio between the 2 slopes

→ **This indicator is focusing on Scope 1+2 emissions**

Company's projected emissions require a projection of Scope 1+2 emissions for the 5 next years → if not available, emissions are considered as constant



# Question online form

## **Do companies have estimates of Scope 1+2 emissions projections in the next 5 years?**

1. Yes, comprehensive and modelled projections: companies have a robust model that allows to project Scope 1+2 emissions over 5 years, with documented assumptions.
2. Partial projections: companies can project certain components but not all Scope 1+2 emissions.
3. Exploratory projections only: companies produce very preliminary estimates without a stabilized methodology.
4. No projections planned: companies are not currently producing projections for Scope 1+2 emissions.
5. I am not sure

### **Comment/justification:**

*Free text*



# Question online form

**Former ACT Retail methodology assessed separately emissions coming from buildings and transport, based on intensity metrics.**

**The updated version will only assess total absolute scope 1+2 emissions (rationale: scope 1+2 is not the main stake for Retail companies and specific building and transport data are not fully available)**

**Do you agree with this change?**

1. Agree
2. Somewhat agree
3. Somewhat disagree
4. Disagree
5. I am not sure

**Comment/justification:**

*Free text*

**If intensity metrics are used, please disclose the unit (e.g. kgCO<sub>2</sub>e/m<sup>2</sup> ; kg CO<sub>2</sub>e/t.km...)**

*Free text*

# **Agriculture and food challenges**

Food challenges



# Integration of food challenges



For food retailers only

- **Target on Scope 3 emissions**

Include upstream Scope 3  
AFOLU emissions



- **Past Scope 3 emissions,**  
including AFOLU emissions



- **Food wastage**

- **Specific indicator**

Shift from animal-based  
proteins to vegetal-based  
proteins



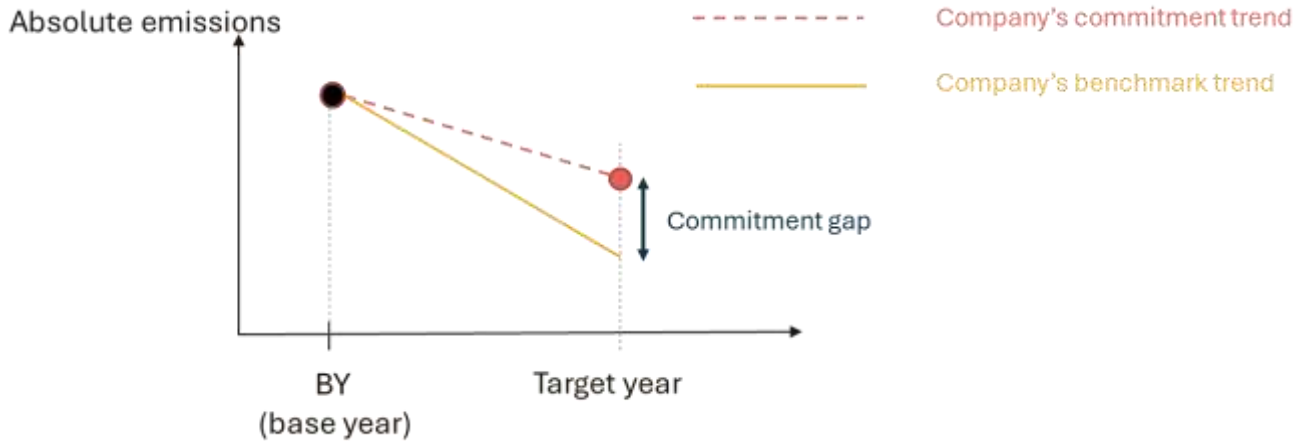
Module 1	Targets
Module 2	Material investments
Module 3	Intangible investments
Module 4	Sold product performance
Module 5	Management
Module 6	Supplier engagement
Module 7	Client engagement
Module 8	Policy engagement
Module 9	Business models

Food challenges



# Module 1: updated indicator 1.2 (Target on Scope 3 emissions)

## Subdimension 1



## New version

### Subdimension 2

Optional

**Target on upstream AFOLU emissions**  
Using SBTi FLAG cross sector pathway

**Boundaries:**  
**Scope 3 emissions**

**Unit of emissions:**  
**Absolute emissions**  
(tCO<sub>2</sub>eq)

### Info

The target on upstream AFOLU emissions would not be required  
BUT if the company has significant AFOLU emissions for which no target has been specifically dedicated, it shall be included in the general Scope 3 emissions target



# Question online form

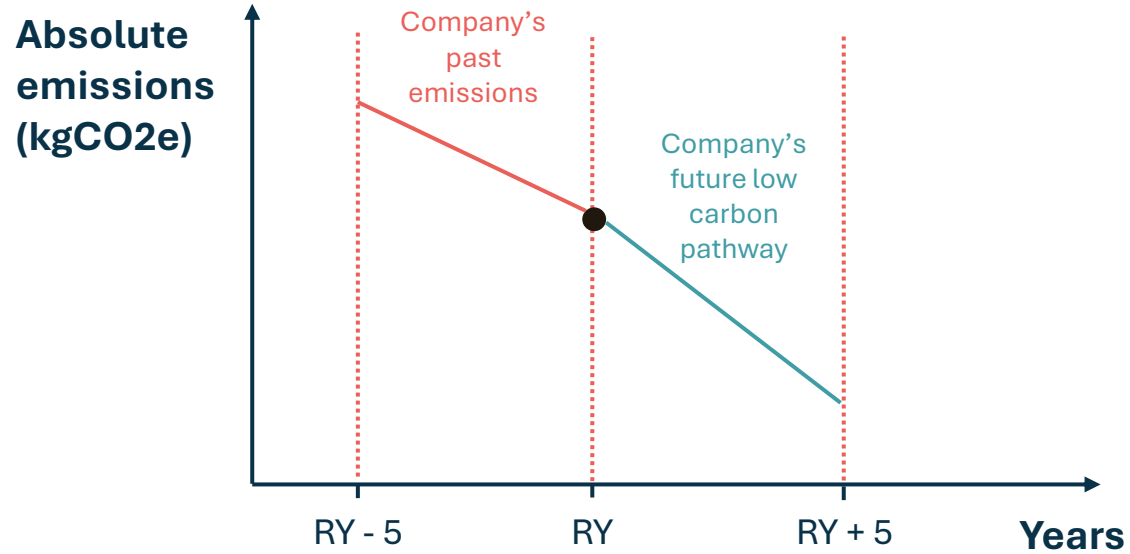
## **In your opinion, is it meaningful to add this option Scope 3 AFOLU target?**

1. Yes, as these emissions are significant and affected companies will report it anyway under SBTi FLAG
2. Yes, even if most companies won't have defined it
3. No, very few companies will have defined a target on this scope
4. I am not sure

## **Comment/justification:**

*Free text*

# Module 4: Trend in past Scope 3 emissions



Score calculated based on the ratio between the 2 slopes

→ This indicator is focusing on Scope 3 emissions (main emissions sources)

**Shall** cover Scope 3 AFOLU emissions + Scope 3 Transport emissions



# Question online form

## **How accurate are reported Scope 3 data?**

1. High accuracy : Data are based on supplier-specific information and robust methodologies.
2. Moderate accuracy : Data combine some supplier information with estimated or industry-average values.
3. Limited accuracy : Data rely mostly on generic emission factors and high-level assumptions.
4. Low accuracy : Data are largely estimated with significant uncertainty.
5. Scope 3 emissions are not reported.
6. I am not sure

## **Comment/justification:**

*Free text*



# Module 4: include a specific feature on food waste? (1/4)



So far, the expectations in the Waste reduction strategy indicator are as followed:

		BASIC	STANDARD	ADVANCED	NEXT PRACTICE	LOW CARBON ALIGNED
<i>Weighting of the row</i>	<b>Associated score</b>	<b>0%</b>	<b>25%</b>	<b>50%</b>	<b>75%</b>	<b>100%</b>
<b>25%</b>	Scope	Limited scope to one part of the value chain which is not the major source of waste	Limited scope but has identified the largest source of losses and acts on it	covers multiple parts of the value chain that include the major sources of waste	Includes both operational boundary, upstream parts and downstream parts of the value chain. Upstream engagement goes beyond first tier towards biggest waste generator.	Includes all levels from next practice level and also includes a post-consumer recovery element through recycling and upcycling
<b>25%</b>	Commitments	No defined commitments on a defined timescale		Timescale for implementation is mentioned but no clear target, or target is mentioned but no clear timescale		Strategy includes both a clear quantitative target and includes a timescale for its implementation
<b>25%</b>	Method	Strategy implementation has no clear focus or prioritization (e.g., only targets low-hanging fruit) and has no clear quantification on the cost of waste	Strategy implementation focuses on the largest sources of waste but has no robust method of quantification and verification for this implementation	Company quantifies the value of waste through a costing exercise, but does not have clear prioritization or verification process.	Quantifies the value of waste through a verifiable costing exercise and is linked to circular economy business models	Company has costed the value of waste, links this to circular economy in the core business strategy, and has applied a waste hierarchy approach to prioritise prevention.
<b>25%</b>	Monitoring	No clear monitoring approach in place	Responsibility at high level in the organisation, but no clear monitoring approach in place.	Monitoring systems in place for own operations to track progress but not for the parts of the value chain outside of control boundary	Monitoring systems in place for own operations and the value chain elements under the strategy to track progress	Includes next practice monitoring, and It is clear that there is an organizational learning process in place to continuously improve the strategy after interim evaluation of results



# Module 4: include a specific feature on food waste? (2/4)



1

## Qualitative proposition on food waste, **additional dimension of Waste reduction strategy:**

		BASIC	STANDARD	ADVANCED	NEXT PRACTICE	LOW CARBON ALIGNED
<i>Weighting of the row</i>	<b>Associated score</b>	<b>0%</b>	<b>25%</b>	<b>50%</b>	<b>75%</b>	<b>100%</b>
<b>20%</b>	Data on food waste	Food waste is not quantified.		The company just started to quantify food waste (less than 5 years).		Food waste is quantified since at least 5 years.
<b>20%</b>	<u>Strategy to reduce food waste in the future: scope of impacts targeted</u>	No strategy defined to reduce food waste.		The strategy defined affects 50% or less food products.		The strategy defined affects more than 50% of food products.
<b>20%</b>	<u>Strategy to reduce food waste in the future: type of actions targeted</u>	No strategy defined to reduce food waste.	The strategy targets ONE or TWO of the 6 actions* is implemented	The strategy targets THREE of the 6 actions* is implemented	The strategy targets FOUR to FIVE of the 6 actions* is implemented	The strategy targets ALL the actions*
<b>20%</b>	<u>Actions currently in place to reduce food waste: scope of actions</u>	No actions in place to reduce food waste.		The actions deployed affects 50% or less food products.		The actions deployed affects more than 50% of food products.
<b>20%</b>	<u>Actions currently in place to reduce food waste: type of actions implemented</u>	No evidence that one the listed actions* in place to reduce food waste	Evidence that ONE or TWO of the 6 actions* is implemented	Evidence that THREE of the 6 actions* is implemented	Evidence that FOUR to FIVE of the 6 actions* is implemented	Evidence that ALL the actions* is implemented

\* See following slide for the list of actions



## Module 4: include a specific feature on food waste? (3/4)



### List of actions categories (and non-exhaustive list of examples):

- **Stock and order management:** Improve sales forecasting, adapt order volumes to actual sales, reduce stock-outs
- **Pricing and promotion strategies:** Progressive discounts near expiration dates, anti-waste zones with reduced prices, sell imperfect produce at lower cost
- **Donation and redistribution:** Partner with food banks, organize daily collection of unsold items, donate products close to expiration
- **Consumer awareness:** Educate on date labels difference, inform on proper storage, share anti-waste recipes (objective: incentivize to sell more near expiration dates products)
- **Staff training and organization:** Train on handling best practices, set waste reduction targets, improve inter-department communication
- **In-store transformation:** Transform unsold items into soups, salads or prepared meals, create juices from damaged fruits



# Question online form

**Do you agree with the proposition of having a full dimension on food wastage for food retailers?**

1. Agree
2. Somewhat agree
3. Somewhat disagree
4. Disagree
5. I am not sure

**Comment/justification:**

*Free text*

**Do you agree with the content of the maturity matrix (1)?**

1. Agree
2. Somewhat agree
3. Somewhat disagree
4. Disagree
5. I am not sure

**Comment/justification:**

*Free text*

**Food challenges**



# Module 4: include a specific feature on food waste? (4/4)



## Quantitative aspects on food waste:

**2**

		BASIC	STANDARD	ADVANCED	NEXT PRACTICE	LOW CARBON ALIGNED
<i>Weighting of the row</i>	<b>Associated score</b>	<b>0%</b>	<b>25%</b>	<b>50%</b>	<b>75%</b>	<b>100%</b>
<b>40%</b>	Target for the next 5 years (or more) to reduce food waste	No target defined on food waste	The company only defined a long-term target (+25yrs)	The company defined a medium-term target (+10yrs)	The company defined a short-term target (+5yrs)	The company defined an ambitious short-term target to reduce food waste by at least 30%
<b>60%</b>	Food waste reduction over the past 5 years	No data or no evidence that food waste has decreased over the past 5 years	Evidence that food waste decreased by less than 5%	Evidence that food waste decreased from 5 to 7%	Evidence that food waste decreased from 7 to 10%	Evidence that food waste decreased by at least 10%



# Question online form

**Do you agree with the content of the maturity matrix (2)?**

1. Agree
2. Somewhat agree
3. Somewhat disagree
4. Disagree
5. I am not sure

**Comment/justification:**

*Free text*

**Do you think both maturity matrices (1) and (2) shall be used to assess food wastage?**

1. Maturity matrix (1) is sufficient
2. Maturity matrix (2) is sufficient
3. Both maturity matrices (1) and (2) shall be used
4. No opinion

# Transport challenges

Transport  
challenges



# Clarifying strategy and data reporting on transport emissions



Transport emissions

Former version

**Module 2**  
Scope 1+2+3 emissions  
(operated and  
subcontracted)

New version

**Module 2**  
Scope 1+2  
emissions

**Module 4**  
Scope 3  
emissions

**Remark:**  
Emissions from  
customers transport will  
be assessed separately  
in a qualitative indicator

Transport  
challenges

# Clarifying strategy and data reporting on transport emissions



Transport emissions

Module 2  
Scope 1+2  
emissions

*No specific indicator*

**Quantitative** assessment with other Scope 1+2 emissions  
ABSOLUTE emissions

Transport challenges

# Clarifying strategy and data reporting on transport emissions



Transport emissions

Module 4  
Scope 3  
emissions



1st indicator: quantitative

*No specific indicator*

One indicator requiring **all the past Scope 3 emissions**

Quantitative indicator

Qualitative indicator

Next slide

Transport challenges



# Clarifying strategy and data reporting on transport emissions

Transport emissions

Module 4  
Scope 3  
emissions

2nd indicator: qualitative

One specific indicator : Transport performance

Qualitative assessment on all transport emissions

### Dimension 1

Maturity matrix on actions to reduce Scope 3 transport emissions  
For **DIRECT subcontracted transport**

### Dimension 2 (for E-COMMERCE only)

Maturity matrix on specific actions to **reduce delivery transport emissions** to the customers

### Dimension 3

Maturity matrix on specific actions to **reduce customers transport emissions**

Proposed weightings

	Retail companies	E-commerce companies
Dimension 1	70%	40%
Dimension 2	0%	40%
Dimension 3	30%	10%

## Transport challenges

### Dimension 1: direct subcontracted transport



Evaluation level	Basic	Advanced	Low-carbon practice	
Score	0%	50%	100%	Weighting of the row
<p>GHG emissions reporting</p> <p>Is the company able to determine with a high certainty GHG emissions due to outsourced inbound/outbound transport related to Fashion activities? (reporting year)</p>	<p>The company requires and obtains from less than 50% of its transportation subcontractors a precise GHG emissions reporting linked to its Retail activities on the reporting year.</p>	<p>The company requires and obtains from at least 50% of its transportation subcontractors a precise GHG emissions reporting linked to its Retail activities on the reporting year.</p>	<p>Robust and third-part certified GHG emissions data on 100% of subcontracted activity on the reporting year.</p>	20%
<p>Past and present actions to reduce GHG emissions</p> <p>What actions is the company currently requiring to its subcontractors, or has required in the last 5yrs, to lower the GHG emissions due to outsourced transportation? (list of actions described <b>see next slide</b>)</p>	<p>No action has been implemented.</p>	<p>3 to 4 actions at most have been implemented in the last 5 years or planned for this year.</p>	<p>6 actions at least have been implemented in the last 5 years or planned for this year.</p>	60%
<p>Targets</p> <p>Does the company include transportation in another global GHG emissions reduction target (like scope 3) or has it defined a specific one for transportation?</p>	<p>Transportation is not included in the scope of a GHG emissions reduction target.</p>	<p>GHG emissions due to inbound/outbound transportation are included in the scope of a global GHG emissions reduction target.</p>	<p>A specific target has been defined regarding GHG emissions due to inbound/outbound transportation as well as other specific and ambitious targets on transportation.</p>	20%

## Transport challenges

### Dimension 1: direct subcontracted transport



Actions eligible for GHG emissions reduction on material are:

- Use/purchase of low-carbon vehicles (using 100% electricity supplied by rather a low-carbon source, using low-carbon hydrogen, using Bio-NGV, or using sustainable biofuels)
- Fuel efficiency devices
- Preventive maintenance
- Speed limitation devices
- Predictive cruise control devices
- Real-time fuel economy monitors (linked to driving methods)
- Tire pressure monitoring systems o Low rolling resistance tires

Other actions than the ones listed above may be eligible, if judged relevant (significant climate impact) by the assessors.



# Question online form

**Do you agree with the assessment and the content of the maturity matrix?**

1. Agree
2. Somewhat agree
3. Somewhat disagree
4. Disagree
5. I am not sure

**Comment/justification:**

*Free text*

## Transport challenges

## Dimension 2: for E-COMMERCE ONLY (1/2)



(Continued on the next slide)



		BASIC	STANDARD	ADVANCED	NEXT PRACTICE	LOW CARBON ALIGNED
<i>Weighting of the row</i>	<i>Associated score</i>	<b>0%</b>	<b>25%</b>	<b>50%</b>	<b>75%</b>	<b>100%</b>
<b>25%</b>	Limit return rate	No strategy or actions on this aspect OR the company clearly facilitates massive deliveries and returns through commercial actions: no anticipated payment before the product is delivered, etc.		The company has no clear strategy to limit return but has implemented certain virtuous actions: clear product information, online advisor, etc.		The company has a clear strategy to limit return and has implemented concrete actions: full product information (3D visualization), online advisor, specific discount encouraging low return, etc.
<b>25%</b>	Limit delivery failure	No strategy, full reliance on third-party carriers with no oversight		The company has contractual delivery performance requirements with carriers, performance monitoring and reporting, address validation, flexible delivery options		The company owns delivery fleet in key areas or maintains tight operational control over carriers, real-time performance management, systematic emissions tracking in delivery decisions

## Transport challenges

## Dimension 2: for E-COMMERCE ONLY (2/2)



(Continued from previous slide)

		BASIC	STANDARD	ADVANCED	NEXT PRACTICE	LOW CARBON ALIGNED
<i>Weighting of the row</i>	<i>Associated score</i>	<b>0%</b>	<b>25%</b>	<b>50%</b>	<b>75%</b>	<b>100%</b>
<b>25%</b>	Inform the consumer about environmental performance of the delivery option chosen	No information provided on this aspect.		The company flags the least emissive delivery option, without quantitative information	Quantitative and comparable data is available for certain delivery options	Quantitative and comparable data is available for ALL delivery options
<b>25%</b>	Foster grouped delivery	No strategy on this aspect.		Customers offered option to wait for full order consolidation, default remains split shipments		All orders systematically consolidated and shipped together



# Question online form

**Do you agree with the assessment and the content of the maturity matrix?**

1. Agree
2. Somewhat agree
3. Somewhat disagree
4. Disagree
5. I am not sure

**Comment/justification:**

*Free text*

## Transport challenges

### Dimension 3: customers transport emissions (NOT for wholesalers)



	BASIC	STANDARD	ADVANCED	NEXT PRACTICE	LOW CARBON ALIGNED
<i>Associated score</i>	<b>0%</b>	<b>25%</b>	<b>50%</b>	<b>75%</b>	<b>100%</b>
Induced transport <b>(Not for wholesalers)</b>	No strategy regarding low-carbon transport		Public transport accessibility considered in location decisions (but not mandatory), certain stores provide infrastructure for eco-friendly transport (bike parking, EV charging)		Stores only developed in places that are easily accessible by public transport, or all stores provide infrastructures facilitating eco-friendly transport mode (bike parking, EV charging)



# Question online form

**Do you agree with the assessment and the content of the maturity matrix?**

1. Agree
2. Somewhat agree
3. Somewhat disagree
4. Disagree
5. I am not sure

**Comment/justification:**

*Free text*

# Other qualitative aspects



# Include an indicator about the staff training?

- This aspect is included on certain ACT methodologies only, when its relevant.
- The purpose is to valorize the fact that companies implement internal trainings on climate topics, and distinguish simple awareness trainings with technical and strategic trainings.
- Rationale for the Retail sector: internal staff shall be trained on the topic to favor **a shared understanding of climate challenges at the company level**

		BASIC	STANDARD	ADVANCED	NEXT PRACTICE	LOW CARBON ALIGNED
<i>Weighting of the row</i>	<i>Associated score</i>	<b>0%</b>	<b>25%</b>	<b>50%</b>	<b>75%</b>	<b>100%</b>
<b>50%</b>	Nature of the trainings	No climate training provided		Climate trainings mostly consist in awareness trainings		Climate trainings mostly consist in technical and strategic aspects related to climate and the company's business
<b>50%</b>	Internal staff covered by climate specific trainings	No climate training provided	CSR/climate team or headquarters teams only	Mainly for teams in the headquarters, and partly for local teams in the stores (i.e., less than 30% of local teams covered)	Mainly for teams in the headquarters, and between 30% and 70% for local teams in the stores are covered	All teams are offered



# Question online form

**Do you agree with the assessment and the content of the maturity matrix?**

1. Agree
2. Somewhat agree
3. Somewhat disagree
4. Disagree
5. I am not sure

**Comment/justification:**

*Free text*



# Land artificialisation

Proposition: assess land artificialization with the following **maturity matrix**

	BASIC	STANDARD	ADVANCED	NEXT PRACTICE	LOW CARBON ALIGNED
<b>Associated score</b>	<b>0%</b>	<b>25%</b>	<b>50%</b>	<b>75%</b>	<b>100%</b>
Land artificialisation (retail buildings, warehouses, parking)	No strategy to stop land artificialisation		Prioritizes renovation of existing buildings over new construction when possible		No land artificialisation (no new buildings, use of brownfields, additional height to existing buildings)



# Question online form

**Do you agree with the assessment and the content of the maturity matrix?**

1. Agree
2. Somewhat agree
3. Somewhat disagree
4. Disagree
5. I am not sure

**Comment/justification:**

*Free text*



# Packaging (1/2)



No specific indicator on packaging, but packaging challenges shall be considered in several indicators:

Packaging performance included in 2 indicators:

- Product specific intervention (all the listed actions to reduce the product impact must be reported, including actions on packaging)
- Waste reduction strategy



Packaging performance included in Supplier engagement, especially for private brand (*see following slide for the detailed maturity matrix*)



Module 1	Targets
Module 2	Material investments
Module 3	Intangible investments
Module 4	Sold product performance
Module 5	Management
Module 6	Supplier engagement
Module 7	Client engagement
Module 8	Policy engagement
Module 9	Business models



# Packaging (2/2)



Illustration from **Supplier engagement / Additional dimension** to general supplier engagement assessment:

		BASIC	STANDARD	ADVANCED	NEXT PRACTICE	LOW CARBON ALIGNED
	<i>Associated score</i>	<b>0%</b>	<b>25%</b>	<b>50%</b>	<b>75%</b>	<b>100%</b>
<b>50%</b>	<b>For companies with private labels only</b> Packaging eco-design	No packaging optimization considerations	Packaging reduction or recycled materials used on some products, no systematic approach	Company-wide packaging reduction and recycled content targets in place	Comprehensive packaging standards applied across all private label products (reduction, recyclability, low-carbon materials)	Minimal or zero packaging systematically prioritized, closed-loop recovery systems implemented
<b>50%</b>	<b>For companies with private brands only</b> Responsible sourcing	Private label sourcing based solely on price and quality	Carbon footprint assessed for some private label products	Private label range includes dedicated low-carbon product lines	Majority of private label products sourced with carbon footprint criteria, preference for local/regional sourcing to reduce transport emissions	Private label carbon footprint systematically lower than national brands, full carbon transparency on products



# Question online form

**What is your opinion on the proposed assessment of packaging over the global ACT assessment?**

1. The assessment through several indicators is relevant and complete
2. The assessment through several indicators is relevant but should be done differently
3. Packaging challenges are so high that they should be assessed in a dedicated indicator
4. I am not sure

**Comment/justification:**

*Free text*

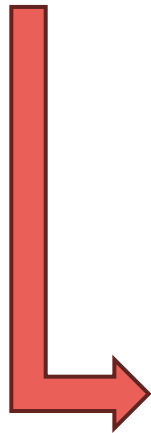
# **Business models challenges**



Former  
version

9.1 Integration of the low-carbon economy in current and future business models

New  
version



**9.1 Low-carbon business models and activities**

**9.2 Volumes reduction strategy**

**& 9.3 Shift from animal-based proteins to vegetal-based proteins**

*For relevant products*



# Module 9: Low-carbon business models and activities (1/2)

**Product design** for the circular economy and/or low-carbon economy

Materials selection including **reduced toxicity, enhanced purity** (from a reuse perspective) and **bio-based materials**, reduced lifecycle GHG impacts  
**Standardisation and modularisation** of components  
 Design for **disassembly**, repair and remanufacturing  
 Design for “tighter circles” i.e. efficient reuse/recycling with minimal downcycling  
 New product firmware to enhance care, repair and reuse e.g. repair diagnostics, service reminders  
 Firmware updates to enhance longevity of products  
 Design for **longevity and durability**  
 Design for **resilience**: multi-purpose, multifunction and modular design

Circular economy and reduced GHG impact **consumption models**

Service-based **non-ownership consumption** models with “win-win” contracts for consumer and provider  
**“Dematerialised” consumption** of digital products  
 Developing **financial incentives** for consumers to return product at end of life (deposit schemes, leasing)  
 Developing incentives for repair or remanufacture of product  
 Providing **repair services** to the consumer  
**Selling refurbished and remanufactured products** to the consumer



## Module 9: Low-carbon business models and activities (2/2)

Establishing the “**reverse circle**” **infrastructure** for the circular economy

Establishing **take-back and collection infrastructure**

Establishing repair or refurbishment plant infrastructure at the appropriate scale for cost savings

Enables manufacturer-controlled collection schemes

Developing **structural enablers** for the circular economy

Contributes to the **development of relevant industry standards**

Provides **access to financing**

**Education** of consumers to enhance their participation in circular consumption

Development of the **skills base** for the circular economy

Appropriate **marketing** of alternative and service-based consumption models to encourage uptake

**Industry cross-collaborations** to align incentives

Provision of low-cost or free **extended warranties** to encourage sale of long-lived products



# Question online form

## **Is there any business model category that shall be added?**

1. No, the list is sufficiently broad and clear.
2. No, but some clarifications shall be added.
3. Yes, certain business models are significant and key for the sector and should be added.
4. I am not sure

## **Comment/justification:**

*Free text*



# Module 9: Volume reduction strategy

		BASIC	STANDARD	ADVANCED	NEXT PRACTICE	LOW CARBON ALIGNED
<i>Weighting of the row</i>	<i>Associated score</i>	<b>0%</b>	<b>25%</b>	<b>50%</b>	<b>75%</b>	<b>100%</b>
<b>25%</b>	<b><i>Are volumes integrated in the company's strategy?</i></b>	Growth elements are not included into the company's strategy OR the company plans to increase its growth in the future	The company plans to maintain constant volumes	The company plans to limit its growth in the future but there is no clear strategy or quantified volumes target.		The company has adopted a strategy to reduce its volumes in the future AND The strategy contains quantitative elements (projected volumes).
<b>25%</b>	<b><i>Is there a timeline for the implementation of such strategy?</i></b>	The timeline is not mentioned	The timeline expands over RY+20 years or more	The timeline expands over 10 to 19 years		The timeline expands over 0 to 9 years
<b>25%</b>	<b><i>Promotional practices</i></b>	Systematic use of volume-based promotions (multi-buy offers, bulk discounts, quantity rewards in loyalty programs)		Very limited volume promotions, focus shifted to value-based or sustainable product promotions		No volume-based promotions, loyalty programs exclusively reward sustainable behaviors
<b>25%</b>	<b><i>Marketing campaigns &amp; events</i></b>	Active participation in high-consumption events (Black Friday, flash sales, aggressive promotional campaigns)		Medium participation in high-consumption events (Black Friday, etc.)		No participation in consumption-driven events, marketing exclusively promotes durability, reparability and conscious consumption



# Question online form

**Do you agree with the assessment and the content of the maturity matrix?**

1. Agree
2. Somewhat agree
3. Somewhat disagree
4. Disagree
5. I am not sure

**Comment/justification:**

*Free text*



# Weightings

Modules	Assessment of...	Former weightings	New weightings (draft)
<b>1 Targets</b>	Company's commitment to reduce GHG emissions	10%	15%
<b>2 Material Investment</b>	Company's actions to reduce scope 1+2 emissions	5%	5%
<b>3 Immaterial Investment</b>	Company's investment in intangible assets (R&D, training)	0%	3%
<b>4 Sold product Performance</b>	Company's actions to reduce scope 3 emissions, contributing to the overall decarbonisation of its services and products	40%	30%
<b>5 Management</b>	Expertise, strategy, incentives and plans in place to manage the company's low-carbon transition	12%	10%
<b>6 Supplier Engagement</b>	Company's strategy and actions to engage with its suppliers to reduce GHG emissions	10%	11%
<b>7 Client Engagement</b>	Company's strategy and actions to engage with its clients to reduce GHG emissions	10%	11%
<b>8 Policy Engagement</b>	Influence of the company on the policy agenda	3%	5%
<b>9 Business Model</b>	Company's business model shift to remain profitable in a low-carbon economy	10%	10%



## Question online form

**In your opinion, do you think this weighting distribution reflects well the main challenges of the Retail sector to properly assess a company?**

1. Yes, it aligns well to the main levers and challenges.
2. Certain adjustments could be made.
3. Significant adjustments should be made.
4. I am not sure

**Comment/justification:**

*Free text*



**Thank you !**