

→ IT'S TIME TO ACT

Support the companies who **ACT on climate change**



ACT INITIATIVE is

- ✓ the only international initiative that provides an accountability framework
- ✓ a scientific based approach incorporating the latest research
- ✓ focused on high climate impact sectors and companies with high climate ambitions
- ✓ transition planning guidance that incorporates both business and climate change challenges
- ✓ a 360° forward-looking approach to align companies' strategies and actions with a well below 2°C compatible pathway



ACT INITIATIVE is not only

- ✗ another way to demonstrate best climate practice
- ✗ a rating
- ✗ a reporting tool

ACT HELPS COMPANIES JOIN THE RACE TO GLOBAL NET ZERO

ACT STEP BY STEP

Companies can be assisted by a trained advisor

GOAL

Effectively engage companies to implement a transition plan.

FOR

Early-stage companies that wish to develop a low carbon strategy.

ACT ASSESSMENT

Companies can be assisted by a trained assessor

GOAL

Credibly measure progress towards Net Zero and against sectoral low-carbon pathways.

FOR

Companies that have science based targets or a transition plan ready to be tested.

ACT

Assessing low-Carbon Transition

ACT Step-by-Step: Methodology

Version 1 - February 2021

SECTOR-BASED METHODOLOGY



4 PRACTICAL TOOLS



3 CHECKPOINTS TO VALIDATE PROGRESS

20



PERFORMANCE SCORE

Transition alignment metrics

A



NARRATIVE SCORE

Holistic overview

+



TREND SCORE

Forecast of future changes

Companies should complete a standardized GHG inventory covering all significant emissions sources before using ACT

ACT STEP BY STEP

ACT ASSESSMENT

BOTH APPROACHES

Assists financial institutions

- Identify companies engaged in decarbonization
- Engage with clients about climate change
- Suggest a transition planning tool to companies
- Anticipate regulatory evolutions applicable to issuers



- Compare scores of companies climate strategies
- Identify companies performance against strategic levers
- Reduce investments risks from climate change
- Support shareholders engagement and impact investment

JOIN THE NEXT INVESTORS TRAINING



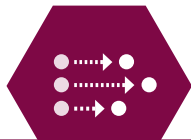
Assist advisors & assessors

- Show leadership and technical expertise on a topical issue
- Learn how to evaluate companies' transition plans
- Make credible financial and science based recommendations

JOIN THE NEXT ADVISORS AND ASSESSORS TRAININGS



Q FOCUS : ACT STEP BY STEP, METHOD & TOOLKIT



THE PROCESS GRID

Guiding questions with a set of predefined answers for self-diagnosis and progress tracking



THE STRATEGY TOOLBOX

- A Low-Carbon Transition Matrix for company's SWOT analysis
- a Catalogue of Creativity Techniques to develop the company's vision
- a Strategy Design Tool to identify the company's strategic levers
- an Action Plan Tool to plan the company's low-carbon transition



THE CARBON PERFORMANCE TOOLBOX

To set decarbonization targets on relevant metrics and assess carbon performance against a relevant benchmark



GOVERNANCE

To ensure climate concern is embedded in the business strategy

1

CURRENT SITUATION

Self-diagnose the current position of the company's decarbonization strategy and practices.

2

ISSUES & CHALLENGES

Strategic analysis of the opportunities and challenges the low-carbon transition presents to the company.

3

VISION

Setting a vision for the company in the low-carbon world.

4

NEW STRATEGY

Develop a detailed decarbonization strategy, which defines targets, corporate direction and required resources.

5

ACTION PLAN

Develop, implement and monitor the action plan to support the strategy.

2C. Strategic analysis

2A. Carbon perf. metrics
2B. Carbon perf assessment

2D. Board training

3A. Long-term vision
3B. Transition roadmap

3C. Board engagement

4B. Strategic plan

4A. Carbon performance targets

4C. Board commitment

5A. Definition
5B. Implementation
5C. Monitoring

~1 year

~2 years

BENEFITS



PLAN YOUR TRANSITION TO NET ZERO

- **Unlock long-term ambition** | Climate strategy requires commitment to face its challenges. ACT Step by Step helps businesses to develop a structured plan and support implementation.
- **Resources** | A trained coordinator enables the project to run smoothly and involve all relevant stakeholders.
- **Community** | Companies can join an extensive network to share common challenges and successes.
- **Legitimacy** | The approach was developed by a leading state environmental agency, ADEME, through a multi-stakeholders process including businesses.



GET SUPPORT

- **ACT training:** 2 effective days (remote or in person)
- **ACT online Q&A**
- **ACT methodology:** freely accessible
- **ACT tools:** to guide businesses from current policy to transition plans



RESULTS

- **Build** your climate strategy to comply with and anticipate new financial rules and ESG requirements
- **Reduce** your climate and financial risks.
- **Benchmark** your company's performance on climate change.
- **Improve** your financial and sustainability performance.
- **Quantify** your actions costs to implement an effective climate strategy.



STEP UP TO AN ACT ASSESSMENT AND YOUR COMPANY COULD

- **Be identified** as a climate transition-ready company.
- **Demonstrate** your transition strategy through a rating methodology known to investors.

MOTIVATE



“The ACT methodology is an effective tool for initiating a continuous improvement process with a global approach on the subject of climate change mitigation”.

Paco Vadillo, Engineer, Sustainable Real Estate Project Manager



“ACT assessment provides a framework to understand what type of information to seek in order to position the level of advancement of our clients”.

Thuy-Tien Gluck, Head of Corporate Sustainability
HSBC Continental Europe

KEY FACTS



+180 international companies

from auto manufacturing, oil & gas and electric utilities have been assessed using ACT methodologies and publicly available data.

+100 consultants trained

3 ACT programs

France, Brazil & Mexico, Québec

HOW TO RESPOND TO COMPANY CONCERNS ?

ACT requires knowledge about how climate change will affect companies

ACT Step by Step builds on ACT Assessment sector specific indicators to guide companies from all sectors.

ACT Assessment methodologies are sector specific that address key areas for transition-planning including low-carbon business models.

I don't have enough people to work on it

ACT Step by Step provides strategic and operational development, trained advisors are available to guide companies through this process too.

An ACT Assessment provides a thorough corporate strategy analysis, trained assessors are available to guide companies through this process.

I will have a bad score with an ACT Assessment

Measuring progress drives faster transition! Companies don't have to communicate their scores but it shows commitment to their transition ambitions.

Not another climate initiative! We already have TCFD, SBT, CDP...

- ACT is consistent with TCFD, Bilan Carbone, ISO 14064 and SBT.
- ACT is tested by volunteer companies.
- ACT goes further than these approaches.

It's a long and difficult process

According to the last IPCC report, decarbonization is not an option anymore: companies must build corporate resilience to face the climate emergency.

The ACT Initiative aligns with international standards requirements. It assists companies anticipate upcoming mandatory schemes such as CSRD in Europe.

Companies need to have completed a GHG inventory before they can use ACT – this aligns with disclosure regulations and is required for robust sustainability policies.

IF PARIS AGREEMENT'S MITIGATION GOAL WAS A MARATHON ?



CONTACT



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ACT - Assessing low-Carbon Transition Initiative®



JOIN THE ACT COMMUNITY