

# → IT'S TIME TO ACT

Beyond mitigation, ACT guides companies to **plan their climate transition**



**ACT**  
INITIATIVE  
is

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



**ACT**  
INITIATIVE  
is not only

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

## 2 COMPLEMENTARY APPROACHES

### ACT STEP BY STEP

Companies can be assisted by a trained advisor

#### GOAL

Effectively engage companies to implement a low-carbon climate transition plan.

#### FOR

Early-stage companies with no decarbonisation strategy or targets.

### ACT ASSESSMENT

Companies can be assisted by a trained assessor

#### GOAL

Credibly measure progress towards Net Zero, measure the consistency of climate actions against sectoral low-carbon pathways.

#### FOR

Companies that have science based targets or a transition plan in place 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**

**A**

**+**

**PERFORMANCE  
SCORE**

Transition alignment metrics

**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**

# CLIMATE: REGULATORY DEMANDS ARE INCREASING



## INTERNATIONAL CLIMATE STANDARDS AND FRAMEWORKS:

- ISO 14060 family
- GHG Protocol
- TCFD recommendations

## EUROPEAN CLIMATE REPORTING:

- Corporate Sustainability Reporting Directive proposal
- Disclosure of non-financial and diversity information by large companies and groups
- Directives on the annual and consolidated accounts of certain types of companies, banks and other financial institutions and insurance undertakings

# ACT EFFECTIVELY ASSISTS COMPANIES TO

**IDENTIFY AND MANAGE** climate transition risks

**PROGRESS** from GHG reduction actions to low-carbon transition planning

**COMPARE** your transition progress against other companies in your sector

**ENGAGE** your supply chain to support your low-carbon transition

**COMMUNICATE** to stakeholders your actions to decarbonise

**GIVE CONFIDENCE** to investors

**ANTICIPATE** climate regulatory requirements



## WHICH COMPANIES ?

- Companies from all sectors
- SMEs to large corporations
- Early-stage companies to companies with a well-developed climate change strategy



## COMPANIES NEED BUY-IN FROM

- A committed board/ C-Suite
- An engaged and motivated team



## ACT SUPPORT FOR COMPANIES

- 1.** Technical support from ACT trainings, pool of trained consultants, online Q&A
- 2.** Network to share best practice and raise the ambition
- 3. Financial support** by public bodies (subject to conditions)

**JOIN THE NEXT COMPANIES TRAINING**



# ACT SUPPORTS POLICYMAKERS TO

**ASK FOR A TAILORED TRAINING**



**Identify** companies readiness for future climate change regulations



**Guide** public incentives to companies credibly reducing climate impact



**Highlight** sectoral climate challenges through open-source methodologies



**Respond** to citizens concerns about climate change with action

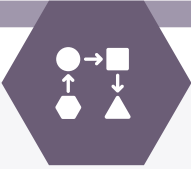


**Support** companies contributing to national or sectoral low-carbon goals



**Establish** national programmes to support companies contributing to Net Zero

# BENEFITS



## WITH ACT STEP BY STEP YOU GET

- A strategy aligned with international standards and regulatory trends
- A strategy that links economic, climate and governance concerns
- An opportunity to reduce your climate and financial risks
- A quantification of your climate actions related costs to engage an effective climate strategy



## EXPERIENCE LONG TERM BENEFITS

- Adapt your strategy to new financial and ESG rules
- Benchmark your company's low-carbon transition plan and performance
- Improve your financial and sustainability performance
- Align with and future-proof against regulatory and international standards



## STEP UP TO AN ACT ASSESSMENT AND YOU COULD

- Be identified as a climate transition-ready company
- Demonstrate your transition plan performance thanks to a rating methodology trusted by investors

# COMPANIES INVOLVED



**BNP PARIBAS**  
ASSET MANAGEMENT

**“ACT is one of the few to care about SMEs, nationwide, with such a thorough sectoral approach”.**

Thibaud Clisson, ESG Senior Analyst,  
BNP PARIBAS ASSET MANAGEMENT



**RENAULT**

**“...the quantitative assessment of emission reduction targets is a valuable input in our ongoing process of defining a new low-carbon strategy and management process”.**

Jean-Philippe Hermine, Environment,  
Strategy and Planification Director, RENAULT

## ACT STEP BY STEP



## ACT ASSESSMENT

**DECATHLON**

updated its first ACT Assessment conducted in 2016 and achieved a high rating of 15B-



**KIABI**

**+180 international companies**

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

**+50 companies trained**

benefiting from tailored training material and case studies.

**ACT website**



# STILL NOT CONVINCED?

***I don't have a clue about ACT!?***

- ACT is two complementary approaches (ACT Step by Step and ACT Assessment) to help your business decarbonize depending on the maturity level of the company.
- An ACT advisor or assessor can guide your company through the implementation of both processes.

***My company is multi-sectoral***

- Perfect! Multi-sectoral assessments are possible thanks to a combination of various sectoral methodologies.

***I don't know enough about how climate change will affect my company***

- ACT methodologies can be used as guidance around low-carbon business models.

***What if I have a bad score?***

- ACT Assessment looks at transition planning and helps you to understand where you are compared to where you should be if you were to achieve your science based targets.
- Measuring progress drives faster transition! Companies don't have to communicate their score, but it shows commitment towards transition ambitions.

***I don't have enough people to work on it / it's a long and difficult process***

- According to the last IPCC report, decarbonization is no longer optional: companies must build corporate resilience to face the climate emergency.
- The ACT Initiative aligns with international standards requirements, it will assist companies anticipate upcoming regulatory schemes.
- ACT is also intended to be used by policymakers to identify companies based on their contribution to Net Zero.
- ACT advisors and assessors are available to help companies taking their first steps in the process or requiring a thorough corporate strategy analysis.

***There are too many different initiatives (GHG Protocol, Bilan Carbone, SBT, TCFD, CDP...). What is different with ACT?***

- ACT uses corporate GHG inventories as input data. ACT is aligned with other initiatives encouraging transparent climate disclosure. ACT allows companies to demonstrate credibly that they are on track to meet the Paris Agreement mitigation goal. Companies tested and helped develop ACT methodologies as part of a multi-stakeholder process.

CONTACT



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ACT - Assessing low-Carbon Transition Initiative®



**JOIN THE ACT COMMUNITY**