

ACT Sector Methodologies and Assessments

Organization

ADEME (French Agency for Ecological Transition) and CDP

Partner organizations

The World Benchmarking Alliance

Summary

ACT (Assessing low-Carbon Transition) sector methodologies allow a standardized assessment of company alignment with, and progress toward, the low-carbon economy as defined with science-based benchmarks.

In an ACT assessment, a trained analyst combines a range of quantitative and qualitative inputs covering ambition for emissions reductions, past and projected performance, and investment, strategy, and value chain indicators, as well as policy engagement. The result is a three-part rating and a set of company recommendations, taking into account the company's wider context. ACT assessments or ratings can be used by anyone seeking a credible view of where a company stands in terms of alignment with the Paris Agreement.

Climate Focus

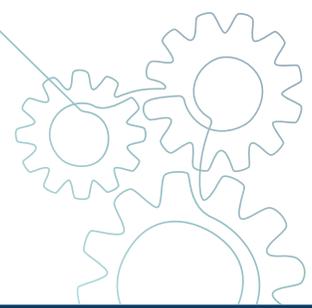


Resource Type



Intended Users





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WHO	<ul style="list-style-type: none"> • Companies seeking to benchmark and improve their own performance • Investors seeking to engage productively with companies • Asset managers seeking to understand their climate exposure to specific companies • Governments wishing to compare companies within a sector
WHAT	<p>ACT ratings allow financial institutions to measure and benchmark the climate progress of companies in high-impact sectors and compare companies within and between sectors through a standardized assessment process</p>
WHEN	<p>When a user requires a scientifically rigorous deep dive assessment of a company’s current performance and future strategy toward net zero with a long-term orientation</p>
WHERE	<p>ACT sector methodologies and assessments are available for high-climate impact sectors, including electricity generation, auto manufacturing, retail, construction, real estate, cement, oil and gas, transport, iron and steel, agriculture and agro-food, aluminum, chemicals, glass, and pulp and paper</p>
WHY	<ul style="list-style-type: none"> • ACT methodologies and assessments can give a credible view of company alignment with Paris goals and thus support regulatory compliance • Methodologies are aligned with the TCFD framework and EU taxonomies where relevant for the sector • Investors can request an ACT assessment of a specific company to reveal company-specific issues for further focused engagement • ACT methodologies can also be used as a reference for KPIs on a full range of climate performance aspects to incorporate in other assessments
HOW	<p>More information can be found by visitin actinitiative.org</p>