

Climate Action 100+ Overview

- Launched in late 2017 following the Paris Agreement.
- The world's leading **investor engagement initiative** with 167 focus companies that are some of the world's most significant greenhouse gas emitters*.
- Currently have 570+ signatories representing \$54 trillion USD in AUM.
- Sectors represented include: industrials (eg. chemicals, cement, explosives), mining and metals, food, beverage and consumer products, oil and gas and transportation.
- 33 Asian companies in markets including: China, Japan, India, S. Korea, Indonesia, Taiwan, Thailand
- Investors meet with companies as part of collaborative engagement groups with one or more 'lead' investors.



* Identified using CDP reported and modelled data

Goals of Climate Action 100+

The Engagement Agenda – What companies need to do

- Implement a **strong governance framework** which clearly articulates the board’s accountability and oversight of climate change risk and opportunities.
- **Take action** to reduce greenhouse gas emissions across their value chain, consistent with the Paris Agreement’s goals.
- Provide enhanced corporate disclosure in line with the **Task Force on Climate-related Financial Disclosures (“TCFD”)**



1. GOVERNANCE



2. ACTION



3. DISCLOSURE

Benchmark assessments published on 22 March

THE STRAITS TIMES

World's top carbon-emitting firms a long way from aligning with climate goals: Report

REUTERS

World's top emitters a long way from aligning with climate goals



BT

COMPANIES & MARKETS



Companies have more work ahead in climate push: study



Bloomberg Green



Finance

Investors With \$54 Trillion Say Net Zero Requires Drastic Action



FINANCIAL TIMES

myFT

Powerful investor group finds net zero pledges distant and hollow

Resources now available on CA100+ website

- Translations underway for Assessment methodology and indicator guide
- Feedback appreciated on investor guide for Asian engagements



Disclosure Assessment Resources	Description
Select your language below to download the Climate Action 100+ Net-Zero Company Benchmark Framework. <ul style="list-style-type: none">▪ English▪ Japanese▪ Chinese▪ Korean	Summary of the indicators, sub-indicators and metrics that comprise the framework.
Climate Action 100+ Disclosure Indicators: assessment methodology and indicator guide	Detailed indicator-by-indicator guidance used to collect company data and assess disclosures. It also contains a summary of how assessments are presented ('traffic light system'), as well as contingencies between indicators.
Transition Pathway Initiative Carbon Performance methodology	How TPI assess emissions targets/intensities' alignment against reference climate scenarios (Benchmark indicators 2.3, 3.3 and 4.3). Relevant sector-specific methodological notes can also be found on their publications page.
Investor Guide to support Climate Action 100+ engagement in Asia	Investor guide on how the Benchmark and TPI tools can be used together. Although the guide has a focus on supporting engagement in Asia, it is generally applicable across regions.

*In addition to the Benchmark, InfluenceMap provides [detailed Paris-aligned analyses of corporate climate lobbying](#). These are referenced in the Benchmark company assessments.

The Net Zero Company Benchmark

<https://www.climateaction100.org/progress/net-zero-company-benchmark/>

- 1 Net-zero GHG emissions by 2050 (or sooner) ambition ✔
- 2 Long-term (2036-2050) GHG reduction target(s) -
- 3 Medium-term (2026-2035) GHG reduction target(s) ✔
- 4 Short-term (up to 2025) GHG reduction target(s) -
- 5 Decarbonisation strategy -
- 6 Capital allocation alignment ✖
- 7 Climate policy engagement ✖
- 8 Climate Governance -
- 9 Just Transition ○
- 10 TCFD Disclosure -

NOTES

*In the absence of a credible 15°C scenario, companies have been measured against a best-available below 2°C scenario. Company assessments will be adjusted when a credible 15°C scenario becomes available.

NO. DOES NOT MEET ANY CRITERIA

PARTIAL. MEETS SOME CRITERIA

YES. MEETS ALL CRITERIA

NOT CURRENTLY ASSESSED

NOT APPLICABLE

SCOPE 3 APPLICATION

APPLICATION

No

Applicability of scope 3 emissions (indirect emissions that are produced in a company's value chain) varies by sector. Relevance of scope 3 emissions affects the assessment of the following disclosure metrics: 11b, 2.2b, 3.2b, 4.2b, 5.1a, and 5.1b.

DOWNLOAD THE ASSESSMENTS

DOWNLOAD THE COMPLETE SET OF FOCUS COMPANY ASSESSMENTS IN EXCEL FORMAT

DOWNLOAD

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Net-zero GHG Emissions by 2050 (or sooner) ambition	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial
Long-term (2036-2050) GHG reduction target(s)	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial
Medium-term (2026-2035) GHG reduction target(s)	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial
Short-term (up to 2025) GHG reduction target(s)	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial
Decarbonisation strategy	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial
Capital allocation alignment	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial
Climate policy engagement	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial
Climate Governance	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial
Just transition	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial
TCFD Disclosure	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial	Partial

The Climate Action 100+ Net-Zero Company Benchmark (referred to as the Benchmark) assesses the performance of focus companies against the initiative's three **high-level goals**: emissions reduction, governance, and disclosure. The benchmark helps investor signatories evaluate company ambition and action in tackling climate change.

The Benchmark draws on distinct analytical methodologies and data-sets, to provide investors and other stakeholders with a robust tool to facilitate focus company engagement and action.

159 focus list companies are included in the first set of assessments (published in March 2021). Eight companies (Grupo Argos SA, Grupo México, Incitec Pivot, Oil Search, Orica, Petróleos Mexicanos – PEMEX, Saudi Arabian Oil Company (Aramco), and UltraTech Cement Ltd) have not been assessed in the first iteration of the benchmark given they were added to the Climate Action 100+ **focus list in November 2020**. These companies will be included in the next assessment cycle.

Individual company assessments **are accessible here**. In addition, the complete set of assessments in Excel format is **available for download here**.

IN THIS SECTION

- NET-ZERO COMPANY BENCHMARK
- BACKGROUND AND FUTURE DEVELOPMENT
- FRAMEWORK AND METHODOLOGIES
- FREQUENTLY ASKED QUESTIONS
- PROGRESS REPORT
- SUCCESSES

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Summary

1. The CA 100+ Net Zero Company Benchmark **establishes a high ambition for companies across all sectors and regions** around the world — no focus company is YET delivering what is needed to stabilize the climate at relatively safe levels for all of humanity.
2. Increasingly, companies are setting net zero by 2050 (or sooner) commitments, however, **many more lack the short-and medium-term GHG reduction targets required** for them to be on track.
3. Very few of the CA 100+ companies – which comprise the highest carbon emitting corporations – have defined the **strategies, new business models and capital investment plans** necessary to decarbonize.
4. CA 100+ is deliberately (and urgently) **moving the conversation** from a focus on corporate emissions target setting to an emphasis on companies' decarbonization strategies, low-carbon business models and related capital expenditures required to build the net zero company of the future.
5. Companies are starting to strengthen and align their climate governance, lobbying (both direct and indirect) and TCFD disclosure, but **much more is required for corporates to refocus their operations** to succeed in a low-carbon future.
6. Over the next 12 months, the CA 100+ Net Zero Company Benchmark **will continue to evolve and companies will be reassessed** to determine the individual progress on each of the specific indicators.

Climate Action 100+ Net Zero Company Benchmark: Disclosure Indicators *(assessed by TPI)*

10 DISCLOSURE INDICATORS

- 1 NET-ZERO GHG EMISSIONS BY 2050 (OR SOONER) AMBITION
- 2 LONG-TERM (2036 - 2050) GHG REDUCTION TARGET
- 3 MEDIUM-TERM (2026 - 2035) GHG REDUCTION TARGET
- 4 SHORT-TERM (2020 - 2025) GHG REDUCTION TARGET
- 5 DECARBONIZATION STRATEGY
- 6 CAPITAL ALLOCATION ALIGNMENT
- 7 CLIMATE POLICY ENGAGEMENT
- 8 CLIMATE GOVERNANCE
- 9 JUST TRANSITION [not assessed in Q1 2021]
- 10 TCFD DISCLOSURE

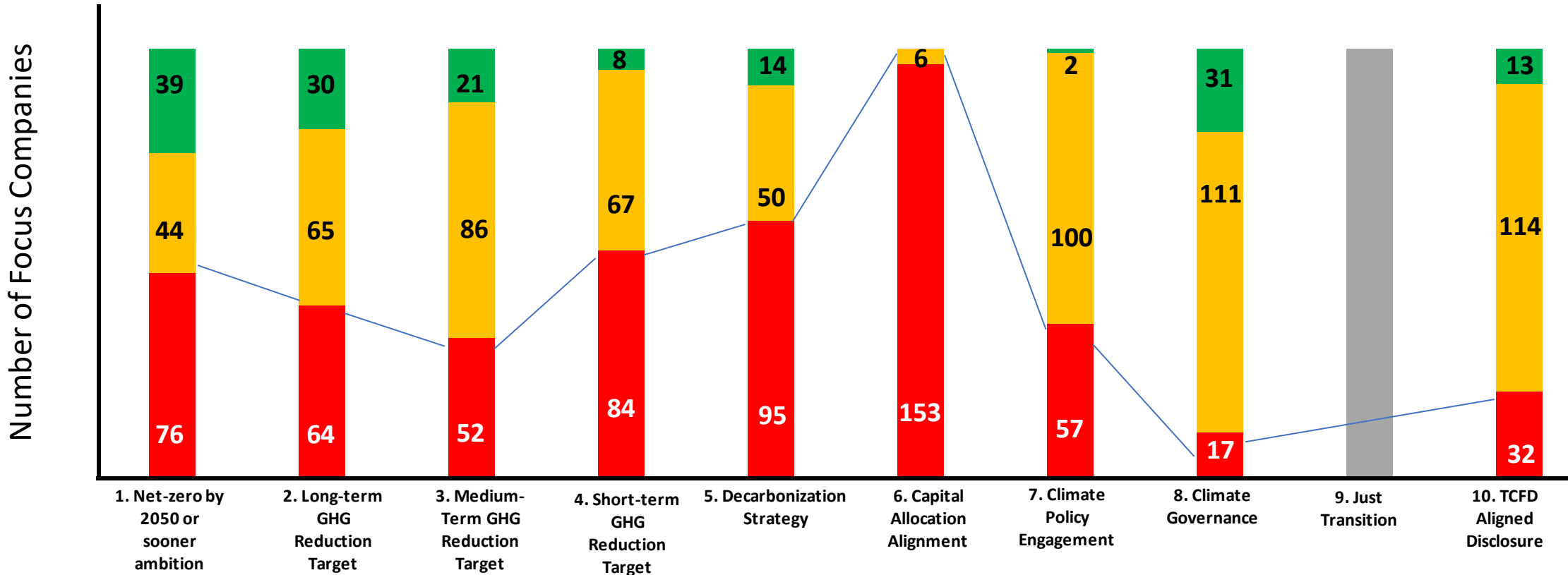
- 10 Indicators
- Indicators have 1-3 Sub-indicators
- Sub-indicators have 1-2 Metrics

Progress against original high-level CA100+ goals, but detail still to come

- The benchmark builds on the original three high level goals of CA100+ and **raises the bar** by codifying what companies should disclose, so **investors can have confidence** they have developed a **comprehensive net zero transition plan**.
- Looking at the indicators/sub-indicators that most closely reflect original high-level goals, we observe a **good foundation of progress**:
 1. **Aligning emissions: 52%** of the world's largest GHG emitters are now committed to achieve net zero across all or some of their emissions footprint
 2. **Climate governance: 87%** of companies now have a board level committee or have nominated an individual director to hold oversight of the climate change strategy
 3. **TCFD reporting: 82%** of world's largest GHG emitters are now committed to or already have produced a TCFD report

Company Assessment Results by Indicator

Note: Companies scored 'partial' if they received a 'YES' for at least one, but not all, of the indicators' metrics.

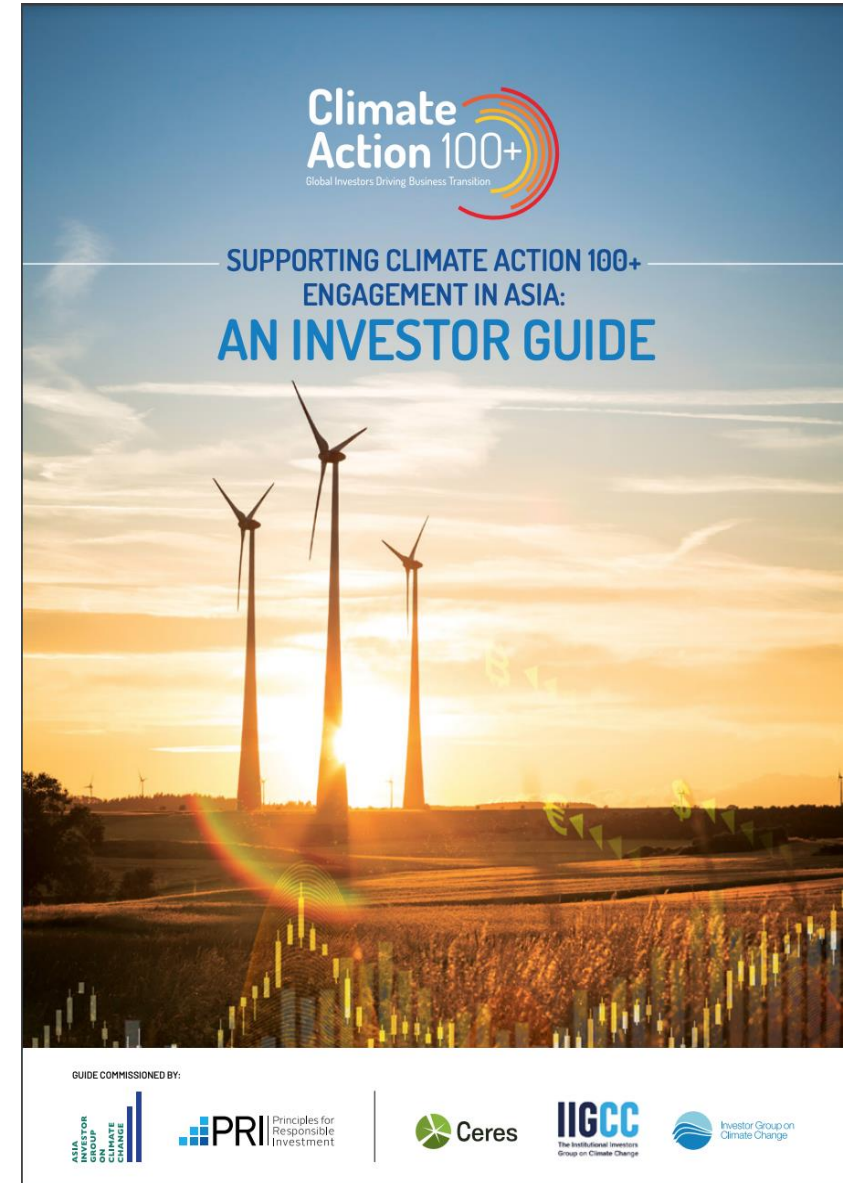


■ Yes, assessment criteria met
 ■ No, assessment criteria not met
■ Assessment criteria partially met
 ■ Not assessed

Engaging in Asia

A guide on how the TPI tool and the CA100+ Benchmark can be used together.

- References the larger Asia universe in TPI's existing methodology for peer comparison purposes
- Explains TPI tool's key assessment outputs: Management Quality and Carbon Performance, how this is interpreted for comparative analysis
- Suggestions to engagers to harness TPI's assessment in supporting CA100+ engagement for companies at different levels:
 - Companies that have yet to recognise climate change as a business issue and will need to build capacity to effectively manage associated risks and opportunities (TPI levels 0 – 2)
 - Companies that have started a process to integrate climate change into operational decision making but yet to raise it as a strategic priority (TPI level 3)



Future developments

- **1.5°C Scenario:** In the absence of a credible 1.5°C scenario, companies are currently assessed against best-available below 2°C scenarios. For its next iteration the Benchmark will seek to incorporate the International Energy Agency (IEA)'s forthcoming 1.5°C scenario once published ([The World's Roadmap to Net Zero by 2050](#) is due for release in May 2021).
- **Expanded sector alignment methodologies:** At present there are not sufficient methodologies available to assess greenhouse gas (GHG) target alignment for companies in certain sectors, including chemicals, consumer goods, other industrials and services. Climate Action 100+ investor network partners and TPI will seek to develop these for future iterations of the Benchmark.
- **Climate accounting:** In line with opinions from [IASB](#) and [IAASB](#), the Benchmark will seek to incorporate an indicator to assess whether a company's accounting practices and related disclosures reflect consideration of transition risk relative to a range of possible climate scenarios.
- **Just transition:** Climate Action 100+ is working with leading experts to develop 'just transition' related indicators, which will be introduced in the next assessment cycle.
- **Expanded green revenue indicator:** The current framework uses a 'green revenues' [definition](#) that aligns with the European Union's (EU) Green Taxonomy criteria on 'turnover' (or revenues) for companies headquartered in the EU (as well as the UK, Switzerland and Norway). Companies headquartered outside of these regions are not being assessed in the 2021 iteration of the Benchmark. Future iterations of this indicator will assess non-EU companies using appropriate green revenue classification systems and/or regional taxonomies where available.

Thank you