

Climate Action 100+ Net Zero Company Benchmark Disclosure Framework Assessment Methodology V2.3 – 2026

October 2026

This document contains detailed Indicator guidance on how company disclosures were assessed using the Climate Action 100+ Net Zero Company Benchmark¹ (henceforth referred to as the ‘Benchmark’) Disclosure Framework. The document also contains a summary of how company assessments are presented (via a ‘traffic light system’) and the contingencies between Indicators. This document does not cover the remaining Benchmark Assessments. These are assessed by different data providers that use their own assessment methodologies. Please see [here](#) for other Benchmark methodologies. This document should be read and used in conjunction with the other supporting materials relating to the Benchmark Version 2.3 (October 2026) available on the [Climate Action 100+ website](#). These include:

- Information on the [background and future development](#) of the Benchmark.
- Overview of the [Benchmark framework and methodologies](#) used.
- [Frequently Asked Questions](#) (FAQs).
- Terms and conditions regarding [data usage](#) and the [company review and redress process](#).

Please also refer to the Climate Action 100+ disclaimer, available [here](#). The company assessments can be accessed on the Climate Action 100+ website via individual [company profiles](#). This includes the complete set of all company assessments, which are accessible via a publicly available Excel file. Any additional questions or feedback can be directed to benchmark@climateaction100.org.

¹ The data referenced in this document is not intended to be used as a “benchmark” as defined in Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the European Benchmark Regulation) and The Benchmarks (Amendment and Transitional Provision) (EU Exit) Regulations 2019 (the UK Benchmark Regulation). The Disclosure Framework Indicators draw on public and self-disclosed data from companies. These are collected from sources such as company annual reports, sustainability reports, press releases and CDP disclosures. Overall, the Climate Action 100+ Net Zero Company Benchmark is not a disclosure mechanism or a database itself. Rather, it is an assessment tool for investor engagement that can be used by investors, all of whom will have differing mandates and starting points together with considerations of jurisdiction, regulation and best practice, from which they make their own decisions. Investors always act independently, including with respect to investment decisions and voting.

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The Transition Pathway Initiative (TPI) is a global initiative led by asset owners and supported by asset managers, aimed at helping investors assess companies' preparedness for the transition to a low-carbon economy and supporting efforts to address climate change.



The TPI Global Climate Transition Centre (TPI Centre) is an independent source of rigorous research and data on the progress of corporate and sovereign entities in transitioning to a low-carbon economy. It is based at the London School of Economics and Political Science (LSE). The TPI Centre is the academic partner of the Transition Pathway Initiative (TPI) and FTSE Russell – an LSEG business, is TPI's data partner.



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Terminology

The Benchmark was updated in 2023 following a [public consultation](#). Please see [here](#) for the Version 2.0 Disclosure Framework Indicators.

8 Disclosure Framework Indicators – Version 2.3 (2026)
(1) Net Zero GHG Emissions by 2050 (or sooner) Ambition
(2) Long-Term (2036-2050) GHG Reduction Target(s)
(3) Medium-Term (2031-2035) GHG Reduction Target(s)
(4) Short-Term (2026-2030) GHG Reduction Target(s)
(5) Decarbonisation Strategy
(6) Capital Allocation
(9) Just Transition
(10) Historical GHG Emissions Reductions

The Disclosure Framework is structured into the following units of assessments, listed below in order of granularity:

- **Indicator:** Specific area the company is being assessed on (e.g., Indicator 5 evaluates companies on their decarbonisation strategy).
- **Sub-indicator:** Component of an Indicator that divides it into specific areas of interest (e.g., Sub-indicator 5.2 evaluates climate solutions).
- **Metric:** Highest resolution assessment that separates Sub-indicators into components, creating the opportunity for evaluation across the subject of attention (e.g., Metric 5.2.a focuses on a company's disclosure on revenue from OR production volumes of climate solutions in the last year and share of overall revenue or production volumes).

Assessment Methodology and Indicator Guidance

Indicator 1 – Net Zero GHG Emissions by 2050 (or sooner) Ambition

1.1 – Net Zero Ambition

Sub-indicator Text

The company has set an ambition to achieve net zero GHG emissions by 2050 or sooner.

- a. The company has made a qualitative net zero GHG emissions ambition statement that explicitly includes at least 95% of its Scope 1 and 2 emissions.
- b. The company's net zero GHG emissions ambition covers the most relevant Scope 3 GHG emissions categories for the company's sector (where assessed).

Detailed Guidance

- a. The company has made a qualitative net zero GHG emissions ambition statement that explicitly includes at least 95% of its Scope 1 and 2 emissions.

Net zero commitments represent a special case of GHG emissions targets in which companies pledge to achieve a 100% reduction in net carbon emissions. A company is considered to have made a net zero commitment if it has publicly disclosed ambition to reach net zero, for example by stating that the company will 'reach', 'achieve' or 'become' 'net zero by', 'carbon neutral by' or 'eliminate all emissions by' a stated year - by 2050 or earlier. Companies that have set a GHG reduction target to cut emissions by 100% by 2050 or earlier are also positively assessed on this Metric.

- b. The company's net zero GHG emissions ambition covers the most relevant Scope 3 GHG emissions categories for the company's sector (where assessed).

As above, a company can make net zero commitments on its Scope 3 emissions through disclosing a net zero target that explicitly includes the Scope 3 categories deemed to be the most material for the company's sector.

If the company has disclosed a net zero commitment on its Scope 3 emissions, the following details are captured:

- Whether the Scope 3 ambition is part of or separate from any Scope 1 and/or 2 net zero ambitions.
- The Scope 3 category (as categorised by the GHG Protocol) that the ambition covers. The assessment focuses on the following categories: purchased goods and services (Category 1 - upstream), fuel- and energy-related activities (Category 3 - upstream), processing of sold products (Category 10 - downstream) and the use of sold products (Category 11 - downstream).
- Percentage share of the most relevant Scope 3 GHG emissions categories covered by the ambition.

Metric 1.1.b is contingent on the result of Metric 1.1.a; a company cannot score 'Yes' on Metric 1.1.b if it does not score 'Yes' on Metric 1.1.a.

Companies for which Scope 3 emissions are not assessed in the Climate Action 100+ Disclosure Framework will be marked as 'Not Assessed' on Metric 1.1.b, regardless of whether they have set a net zero Scope 3 ambition.

Indicator 2 to 4 – Long-, Medium- and Short-Term Emissions Targets

Indicator 2 to 4 – Long-, Medium- and Short-Term Emissions Targets

Indicator Text

These Indicators are captured over three different timeframes:

- Indicator 2: Long-term (2036 to 2050)
- Indicator 3: Medium-term (2031 to 2035)
- Indicator 4: Short-term (up to 2030)

Emissions reduction targets that have expired before the year of assessment are not considered. However, if a company has achieved net zero emissions by the year of assessment on its most material emissions, it will be assessed on the below Metrics. For each timeframe, each Indicator is composed of three Sub-indicators:

- ‘.1’ The company has set a target to reduce its GHG emissions.
- ‘.2’ which is separated into Metric ‘.2.a’ (The company has specified that this target covers at least 95% of its total Scope 1 and 2 emissions) and Metric ‘.2.b’ (Where assessed, the company’s Scope 3 GHG emissions target covers at least the most relevant Scope 3 emissions categories for the sector, and the company has published the methodology used to establish the Scope 3 target).
- ‘.3’ The company’s last disclosed carbon intensity OR targeted carbon intensity OR the company’s expected carbon intensity derived from its GHG target is aligned with or below the relevant sector trajectory needed to achieve the Paris Agreement goal of limiting global temperature increase to 1.5°C.

Metrics .2.a and .2.b are contingent on the results of Sub-indicator .1. Sub-indicator .3 is assessed independently of Sub-indicator .1 and .2.

Detailed Guidance

- .1 The company has set a target to reduce its GHG emissions.

For each company, the following target details are captured:

- Scope of emissions (Scope 1 and/or Scope 2 and/or Scope 3)
- Base year
- Percentage reduction targeted (%)
- Target year
- Unit of the target (tCO₂e, kgCO₂e/\$, ...)
- Year in which target was set
- Percentage of emissions covered by target
- Source document
- Source text

A GHG reduction commitment will be captured as a target if the disclosure clearly identifies, at a minimum, a target year and a percentage reduction (in terms of either absolute GHG emissions or GHG intensity). If a company states that it is aiming to maintain carbon emissions at current levels (e.g., at the levels specified in its

current or most recent sustainability report), this is recorded as a 0% reduction target.

The assessment focuses only on GHG reduction targets. Renewable energy targets or other sustainability targets are not considered. Individual methane and flaring targets are not considered, unless the percentage of emissions covered by the targets is clearly disclosed.

If the company discloses multiple targets, these are all captured. For the assessment, the target covering the largest share of the company's emissions is prioritised (i.e., a target covering all emissions is prioritised for the assessment over targets covering a subset of emissions). If there are multiple targets covering all emissions (or the same subset of emissions) the target that has been set most recently is assessed.

If the company has set a separate long-term Scope 3 target, or includes Scope 3 emissions in its target, the following details are captured:

- Whether the Scope 3 target is part of or separate from any Scope 1 or 2 targets.
- The Scope 3 category (as categorised by the GHG Protocol) that the target covers. The assessment focuses on the following categories: purchased goods and services (Category 1 - upstream), fuel- and energy-related activities (Category 3 - upstream), processing of sold products (Category 10 - downstream) and the use of sold products (Category 11 - downstream).
- The percentage share of Scope 3 emissions covered by the target in the targeted categories.
- The methodology used to establish any Scope 3 target, if disclosed. If the target methodology is not available, the emissions calculation methodology used to assess Scope 3 emissions in the targeted categories is captured as far as is available.

If a company has a target that is a net zero target, this is captured both here and in Indicator 1.

If a company is assessed as having a net zero emissions target by 2035 (assessed under Sub-indicator 3.1), this target will be automatically accepted on Sub-indicator 2.1. Similarly, if a company is assessed as having a net zero emissions target by 2030 (assessed under Sub-indicator 4.1), this target will be automatically accepted on Sub-indicators 3.1 and 2.1.

.2.a The company has specified that this GHG reduction target covers at least 95% of its total Scope 1 and 2 emissions.

Metric .2.a is met if the information captured under Sub-indicator .1 identifies a target that:

- Covers over 95% of the company's Scope 1 and 2 emissions.
- Note that this can also be met if the company respectively only targets Scope 1 emissions or only Scope 2 emissions, as long as the company discloses that these account for over 95% of the company's combined Scope 1 and 2 emissions.

If a company is assessed as having a net zero emissions target by 2035, covering at least 95% of Scope 1 and 2 emissions (assessed under Metric 3.2.a), this will be automatically accepted on Metric 2.2.a. Similarly, if a company is assessed as having a net zero emissions

target by 2030 (assessed under Metric 4.2.a), this will be automatically accepted on Metrics 3.2.a and 2.2.a.

.2.b The company's Scope 3 GHG reduction target covers at least the most relevant Scope 3 emissions categories for its sector, and the company has published the methodology used to establish its Scope 3 target (where assessed).

In applicable sectors, to score on this Metric, a company should set a target that:

- Covers the most relevant Scope 3 emissions categories assessed for the company's sector; AND
- The methodology used to establish the Scope 3 target or to calculate Scope 3 emissions of the targeted Scope 3 categories are available.

If a company is assessed as having a net zero emissions target covering its assessed Scope 3 emissions by 2035 (assessed under Metric 3.2.b), this will be automatically accepted on Metric 2.2.b. Similarly, if a company is assessed as having a net zero target covering its assessed Scope 3 emissions by 2030 (assessed under Metric 4.2.b), this will be automatically accepted on Metrics 3.2.b and 2.2.b.

Note that all companies for which Scope 3 emissions are not assessed will be marked as 'Not Assessed' on Metric .2.b, regardless of whether they have set a Scope 3 target.

2.3 – Long-Term Alignment with 1.5°C

Sub-indicator Text

The company's last disclosed carbon intensity OR its short-term or medium-term targeted carbon intensity OR the company's expected carbon intensity derived from its long-term GHG reduction target is aligned with or below the relevant sector trajectory in 2050, needed to achieve the Paris Agreement goal of limiting global temperature increase to 1.5°C.

Detailed Guidance

Sub-indicator 2.3 uses the [Carbon Performance methodology](#) to measure companies' carbon intensities in 2050. There are three ways to meet the conditions of this Sub-indicator:

- 1) If at the last year of disclosure (and without a long-term GHG target), the company's carbon intensity is aligned with or below its respective sector's benchmarked carbon intensity for 2050, it meets the conditions of this Sub-indicator.

OR

- 2) If the company's short-term or medium-term targeted carbon intensities are aligned with or below its respective sector's benchmarked carbon intensity for 2050, it meets the conditions of the Sub-indicator.

OR

- 3) If the company discloses a long-term GHG target that extends to 2050 and the company's aimed carbon intensity at that time is aligned with or below its respective sector's benchmarked carbon intensity for 2050, it meets the conditions of the Sub-indicator.

Therefore, even if a company has not set a long-term target (and therefore scores 'No' on 2.1, 2.2.a and 2.2.b), it can score 'Yes' on Sub-indicator 2.3 if its expected intensity at 2050 is aligned with or below the trajectory (for the company's respective sector) to achieve the Paris Agreement goal of limiting global temperature increase to 1.5°C. In the case of Electric Utility companies, the relevant year of long-term alignment is 2040.

In the absence of a 1.5°C-consistent scenario in the Paper sector, companies in this sector will be measured against a best-available below 2°C scenario. Company assessments will be adjusted when a credible 1.5°C scenario becomes available. All other sectors are assessed against a 1.5°C scenario. Currently, the companies within sectors that do not have a Carbon Performance methodology are marked as 'Not Assessed'².

² The sectors that do not yet have a Carbon Performance Methodology are Chemicals, Household and Consumer Products, Retailers, Oil and Gas Distribution, Other Industrials and Other Transport.

3.3 – Medium-Term Alignment with 1.5°C

Sub-indicator Text

The company's last disclosed carbon intensity OR its short-term targeted carbon intensity target OR the company's expected carbon intensity derived from its medium-term GHG reduction target is aligned with or below the relevant sector trajectory in 2035, needed to achieve the Paris Agreement goal of limiting global temperature increase to 1.5°C.

Detailed Guidance

Sub-indicator 3.3 uses the [Carbon Performance methodology](#) to measure companies' carbon intensities in 2035. There are three ways to meet the conditions of this Sub-indicator:

- 1) If at the last year of disclosure (and without a medium-term GHG target), the company's carbon intensity is aligned with or below its respective sector's benchmarked carbon intensity for 2035, it meets the conditions of the Sub-indicator.

OR

- 2) If the company's short-term targeted carbon intensity is aligned with or below its respective sector's benchmarked carbon intensity for 2035, it meets the conditions of the Sub-indicator.

OR

- 3) If the company discloses a GHG target that extends to 2035 and the company's aimed carbon intensity at that time is aligned with or below its respective sector's benchmarked carbon intensity for 2035, it meets the conditions of the Sub-indicator.

Therefore, even if a company has not set a medium-term target (and therefore scores 'No' on 3.1, 3.2.a and 3.2.b), it can score 'Yes' on Sub-indicator 3.3 if its expected intensity at 2035 is aligned with or below the trajectory (for the company's respective sector) to achieve the Paris Agreement goal of limiting global temperature increase to 1.5°C.

In the absence of a 1.5°C-consistent scenario in the Paper sector, companies in this sector will be measured against a best-available below 2°C scenario. Company assessments will be adjusted when a credible 1.5°C scenario becomes available. All other sectors are assessed against a 1.5°C scenario. Currently, the companies within sectors that do not have a Carbon Performance methodology are marked as 'Not Assessed'. For further details, please refer to footnote 2.

4.3 – Short-Term Alignment with 1.5°C

Sub-indicator Text

The company's last disclosed carbon intensity OR the company's expected carbon intensity derived from its short-term GHG reduction target is aligned with or below the relevant sector trajectory in 2030, needed to achieve the Paris Agreement goal of limiting global temperature increase to 1.5°C.

Detailed Guidance

Sub-indicator 4.3 uses the [Carbon Performance methodology](#) to measure companies' carbon intensities in 2030. There are two ways to meet the conditions of this Sub-indicator:

- 1) If at the last year of disclosure (and without a short-term GHG target), the company's carbon intensity is aligned with or below its respective sector's benchmarked carbon intensity for 2030, it meets the conditions of this Sub-indicator.

OR

- 2) If the company discloses a GHG target that extends to 2030 and the company's aimed carbon intensity at that time is aligned with or below its respective sector's benchmarked carbon intensity for 2030, it meets the conditions of the Sub-indicator.

Therefore, even if a company has not set a short-term target (and therefore scores 'No' on 4.1, 4.2.a and 4.2.b), it can score 'Yes' on Sub-indicator 4.3 if its expected intensity at 2030 is aligned with or below the trajectory (for the company's respective sector) to achieve the Paris Agreement goal of limiting global temperature increase to 1.5°C.

In the absence of a 1.5°C-consistent scenario in the Paper sector, companies in this sector will be measured against a best-available below 2°C scenario. Company assessments will be adjusted when a credible 1.5°C scenario becomes available. All other sectors are assessed against a 1.5°C scenario. Currently, the companies within sectors that do not have a Carbon Performance methodology are marked as 'Not Assessed'. For further details, please refer to footnote 2.

Indicator 5 – Decarbonisation Strategy

5.1 – Strategy to Meet GHG Reduction Targets

Sub-indicator Text

The company has a decarbonisation strategy that explains how it intends to meet its GHG reduction targets.

- a. The company identifies the set of actions it intends to take to achieve its Scope 1 and 2 GHG reduction targets over the targeted timeframes. These actions clearly refer to the main sources of the company's GHG emissions.
- b. The company identifies the set of actions it intends to take to achieve its Scope 3 GHG reduction targets over the targeted timeframes (where assessed). These actions clearly refer to the main sources of the company's GHG emissions.
- c. The company quantifies the contribution of individual decarbonisation levers to achieving its Scope 1 and 2 GHG reduction targets.
- d. The company quantifies the contribution of individual decarbonisation levers to achieving its Scope 3 GHG reduction targets where assessed (e.g., changing technology or product mix, supply chain measures).
- e. If the company chooses to employ offsetting and negative emissions technologies to meet its GHG reduction targets over the targeted timeframes, it discloses the quantity of offsets, type of offsets, offset certification and the negative emissions technologies it is planning to use.

Detailed Guidance

- a. The company identifies the set of actions it intends to take to achieve its Scope 1 and 2 GHG reduction targets over the targeted timeframes. These actions clearly refer to the main sources of the company's GHG emissions.

For companies that have targets meeting Metrics 2.2.a, and 3.2.a or 4.2.a, any disclosures about concrete actions to achieve these Scope 1 and 2 targets are assessed. To be assessed as 'Yes' on this Metric, the company should disclose a set of actions that meet three key criteria:

 - 1) **Specifically relate to the company's GHG reduction targets.** The set of actions should be explicitly framed as aiming to achieve the GHG reduction targets the company has set. An account of broader emissions reductions efforts that do not clearly relate to achieving these targets is insufficient.
 - 2) **Clearly address the main sources of the company's GHG emissions.** The set of actions should clearly relate to the most material sources of GHG emissions. For example, it would be insufficient if the bulk of emissions a company generates consisted of Scope 1 emissions, but the actions described were mainly related to Scope 2 emissions (e.g., 'use 100% renewables for our headquarters').
 - 3) **Lay out a concrete set of measures.** The strategy should clearly identify the set of actions the company will implement to achieve its decarbonisation targets (such as phasing out carbon-intensive products or assets, developing or deploying low carbon technologies, or using offsets). The measures should be concrete and specific to the company's operations. Vague descriptions such as 'accelerate our transition to cleaner energy solutions', 'modernise our operations' or 'leverage green solutions' without a

description of how emissions reductions will be achieved are not eligible.

Decarbonisation strategies are separately captured in relation to each target timeframe (short- or medium-term, and long-term).

To be assessed as 'Yes' on this Metric, a company's decarbonisation strategy meeting the above criteria should be disclosed in relation to both its long- and short- or medium-term targets. Alternatively, a company is also assessed as 'Yes' on this Metric if it discloses a decarbonisation strategy in relation to a short- or medium-term net-zero target. To avoid any assumptions regarding the current strategy adopted by the company, the company should disclose its strategy on an annual basis and in its latest disclosures. These criteria can also be met if the company refers to its past disclosure in its latest disclosure.

Metric 5.1.a is contingent on Metrics 2.2.a, and 3.2.a or 4.2.a; a company cannot score 'Yes' on Metric 5.1.a if it does not score 'Yes' on Metrics 2.2.a, and 3.2.a or 4.2.a.

- b. The company identifies the set of actions it intends to take to achieve its Scope 3 GHG reduction targets over the targeted timeframes (where assessed). These actions clearly refer to the main sources of the company's GHG emissions.

For companies that have targets meeting Metrics 2.2.b, and 3.2.b or 4.2.b, and are assessed on Scope 3 emissions, any disclosures about concrete actions to achieve these Scope 3 targets are assessed. Companies that are not assessed on Scope 3 emissions are scored as 'Not Assessed' on this Metric. To be assessed as 'Yes' on this Metric, the company should disclose a set of actions that meet three key criteria:

- 1) **Specifically relate to the company's GHG reduction targets.** The set of actions should be explicitly framed as aiming to achieve the GHG reduction targets the company has set. An account of broader emissions reductions efforts that do not clearly relate to achieving these targets is insufficient.
- 2) **Clearly address the main sources of the company's GHG emissions.** The set of actions should clearly relate to the most material sources of GHG emissions. For example, it would be insufficient if the bulk of emissions a company generates consisted of Scope 3 Category 11 emissions, but the actions described were mainly related to Scope 3 Category 1 emissions (e.g., 'requiring suppliers to use renewable energy within manufacturing processes').
- 3) **Lay out a concrete set of measures.** The strategy should clearly identify the set of actions the company will implement to achieve its decarbonisation targets (such as engaging suppliers to decarbonise, selling lower-carbon products or using offsets). The measures should be concrete and specific to the company's operations. Vague descriptions such as 'accelerate our transition to cleaner energy solutions', 'modernise our operations' or 'leverage green solutions' without a description of how emissions reductions will be achieved are not eligible.

Decarbonisation strategies are separately captured in relation to each target timeframe (short- or medium-term, and long-term).

To be assessed as 'Yes' on this Metric, a company's decarbonisation strategy meeting the above criteria should be disclosed in relation to both its long- and short- or medium-term targets. Alternatively, a company is also assessed as 'Yes' on this Metric if it discloses a decarbonisation strategy in relation to a short- or medium-term net-

	<p>zero target. To avoid any assumptions regarding the current strategy adopted by the company, the company should disclose its strategy on an annual basis and in its latest disclosures. These criteria can also be met if the company refers to its past disclosure in its latest disclosure.</p> <p>Metric 5.1.b is contingent on Metrics 2.2.b, and 3.2.b or 4.2.b; a company cannot score 'Yes' on Metric 5.1.b if it does not score 'Yes' on Metrics 2.2.b, and 3.2.b or 4.2.b.</p>
c. The company quantifies the contribution of individual decarbonisation levers to achieving its Scope 1 and 2 GHG reduction targets.	<p>This Metric assesses whether key actions of the decarbonisation (i.e., target delivery) strategy have been quantified in the corporate disclosures. The contribution of each action should be quantified in terms of the approximate proportion of the overall Scope 1 and 2 GHG targets that the action will account for.</p> <p>Metric 5.1.c is contingent on Metric 5.1.a; a company cannot score 'Yes' on Metric 5.1.c if it does not score 'Yes' on Metric 5.1.a.</p>
d. The company quantifies the contribution of individual decarbonisation levers to achieving its Scope 3 GHG reduction targets where assessed (e.g., changing technology or product mix, supply chain measures).	<p>This Metric assesses whether key actions of the decarbonisation (i.e., target delivery) strategy have been quantified in the corporate disclosures. The contribution of each action should be quantified in terms of the approximate proportion of the overall Scope 3 GHG target that the action will account for.</p> <p>Metric 5.1.d is contingent on Metric 5.1.b; a company cannot score 'Yes' on Metric 5.1.d if it does not score 'Yes' on Metric 5.1.b.</p>
e. If the company chooses to employ offsetting and negative emissions to meet its GHG reduction targets over the targeted timeframes, it discloses the quantity of offsets, type of offsets, offset certification and the negative emission technologies it is planning to use.	<p>If the company explicitly states that it does not plan on using carbon offsetting and negative emissions technologies to meet its GHG reduction targets, it will not be assessed against this Metric, receiving a 'Not Applicable' label.</p> <p>If the company chooses to employ offsetting and negative emissions technologies, it should publicly disclose the following to score on this Metric:</p> <ul style="list-style-type: none"> • The approximate proportion of the overall GHG target that the offsets and negative emissions technologies will account for (i.e., quantity of offsets and negative emissions technologies employed); • The type of offsets and negative emission technologies it is planning to use; • A clear description of how the offsets it is planning to use will be certified. To meet this criterion, the company should: <ul style="list-style-type: none"> ○ Provide an indicative list of offset certification mechanisms/ suppliers it is currently planning to purchase offsets from, OR ○ Provide an offset quality policy ensuring that high quality offsets are used beyond the current practical time horizon and when new suppliers get online (e.g., Integrity Council for the Voluntary Carbon Market (ICVCM) meta certification). ○ If the company is using negative emissions technologies, it should publicly disclose the quantity and the type. <p>Please note that if the company plans to use carbon offsetting for residual emissions, the company should still quantify/provide a range</p>

of the role these residual emissions play in the company's decarbonisation.

Companies disclosing that offsets will only be considered for residual emissions are also expected to meet these criteria to score on Metric 5.1.e.

Metric 5.1.e is contingent on Metrics 5.1.c or 5.1.d; a company cannot score 'Yes' on Metric 5.1.e if it does not score 'Yes' on either Metric 5.1.c or 5.1.d.

5.2 – Climate Solutions Commitment

Sub-indicator Text

The company's decarbonisation strategy specifies the role of climate solutions (i.e., technologies and products that will enable the economy to decarbonise).

- a. The company discloses revenue from OR production volumes of climate solutions in the last year and discloses their share of overall revenue or production volumes.
- b. The company has set a future-looking target for revenue generated from OR production volumes of climate solutions as a share of overall revenue or production volumes.

Detailed Guidance

- a. The company discloses revenue from OR production volumes of climate solutions in the last year and discloses their share of overall revenue or production volumes.

The purpose of this Metric is to evaluate a company's current deployment of climate solutions.

To score on this Metric, the company should:

- Publicly disclose revenues generated from (or production volumes of) climate solutions in the company's most recent reporting year.

To be eligible, revenue (or production volumes) should be disclosed in a manner that allows the computation of their share in the company's total revenues (or production). This could include disclosing the percentage of total revenues, revenues in a reported segment, the absolute revenues or the share of products in a specific product category (e.g., EVs as a share of total vehicle output).

Note that climate solutions reporting should be clearly tied to the company's broader revenue or production reporting. Solutions can either be disclosed as individual business lines (e.g., separately for 'wind' or 'solar') or aggregated in a segment which contains only climate solutions (e.g., a 'Renewable Energy' segment). Aggregated revenue or production data is not sufficient either a) where it is difficult to clearly establish what type of products or services are included in the reported revenue or production segment; or b) where it contains a mix of climate solutions and other activities.

To be eligible, disclosed revenues or production volumes should correspond to climate solutions as defined by an established framework. Specifically, disclosure is accepted where:

- The company's disclosed climate solutions align with an established taxonomy (e.g., EU taxonomy or equivalent regional standard)

OR

- One or more of a company's disclosed business lines or product categories correspond to technologies listed in the IEA Energy Technology Perspectives (ETP) Clean Energy Technology Guide, or to key energy minerals identified in the IEA Global Critical Minerals Outlook.

Disclosure of total revenue generated from or production volumes of climate solutions are accepted where all constituent activities are included in the listed frameworks. Companies cannot score on this Metric where their definitions (internal or external) are vague or appear to include activities that are not included in the listed frameworks.

Note that disclosures of EU Taxonomy-aligned turnover are valid against this Metric. EU Taxonomy-eligible turnover disclosures are not specific enough to identify investment in climate solutions and are not eligible for scoring against this Metric.

Where a company clearly states in its disclosures that it has not produced or derived revenue from climate solutions in the last reporting year, this Metric will be assessed as 'Not Applicable'.

Companies for which Sub-indicator 5.2 is not assessed in the Climate Action 100+ Disclosure Framework will be marked as 'Not Assessed' on Metric 5.2.a, regardless of whether they disclose revenues generated from (or production volumes of) climate solutions.

- b.** The company has set a future-looking target for revenue generated from OR production volumes of climate solutions as a share of overall revenue or production volumes.

To score on this Metric, a company should publicly disclose a target for revenue or production volumes from climate solutions with a clear timeline for when the company intends to achieve this target (e.g., 2028 or 2030).

Note that while the target should be clearly quantified and time-bound, it can be expressed either in terms of revenue (e.g., 'increasing EV sales to 20% of total car sales by 2028'), production (e.g., 'In 2030, Renewable Energy will reach 50% of power generation') or output (e.g., 'one in five cars produced will be electric by 2028').

To be eligible, future-looking revenue (or production volumes) should be disclosed in a manner that allows the computation of their share in the company's total revenues (or production) in the target year. This could include disclosing the percentage of total revenues, revenues in a reported segment, the absolute revenues or the share of products in a specific product category (e.g., EVs as a share of total vehicle output).

The same requirements laid out in 5.2.a in terms of the definition of climate solutions and capital expenditures apply.

Where a company clearly states in its disclosures that it is not intending to produce or derive revenue from climate solutions in the future, this Metric will be assessed as 'Not Applicable'.

Companies for which Sub-indicator 5.2 is not assessed in the Climate Action 100+ Disclosure Framework will be marked as 'Not Assessed' on Metric 5.2.b, regardless of whether they disclose revenues generated from (or production volumes of) climate solutions.

Indicator 6 – Capital Allocation

6.1 – Capex Allocation

Sub-indicator Text

The company is working to decarbonise its capital expenditures.

- a. The company explicitly states that it has phased out or is planning to phase out capital expenditure in new unabated carbon-intensive assets or products by a specified year.
- b. The company discloses the stated value of its capital expenditure that is going towards unabated carbon-intensive assets or products.

Detailed Guidance

- a. The company explicitly states that it has phased out or is planning to phase out capital expenditure in new unabated carbon-intensive assets or products by a specified year.

To score on this Metric, the company's public disclosures should explicitly state that it has phased out or is committed to phasing out capital expenditure in new unabated carbon-intensive assets or products by a specified year. 'Unabated carbon-intensive assets' here refer to assets or products with a high carbon footprint relative to their output that do not use any carbon removal technologies. The company should clearly describe how it defines carbon-intensive assets or products in its own particular case.

Note that statements on phasing out unabated carbon-intensive assets or products are not, on their own, sufficient to score on this Metric; the company's commitment should apply to all of its capital expenditures.

Note further that a company's commitments to 'align' capital expenditure decisions and plans with its long-term GHG reduction target or a 1.5°C pathway is not sufficient to meet this Metric.

Finally, simply listing or detailing green or low-carbon capital expenditure plans or projects (including large-scale plans or projects) is not sufficient to meet this Metric, even in cases where it can be reasonably presumed that much or all of the company's capital expenditures are already aligned with the low carbon transition.

- b. The company discloses the stated value of its capital expenditure that is going towards unabated carbon-intensive assets or products.

To score on this Metric, the company should publicly disclose the amount of capital expenditures that is going towards carbon-intensive assets or products. 'Unabated carbon-intensive assets' here refer to assets or products with a high carbon footprint relative to their output that do not use any carbon removal technologies. The company should clearly describe how it defines carbon-intensive assets or products in its own particular case.

The company should disclose this information in a manner that allows for the calculation of the absolute value of capital expenditure allocated to unabated carbon-intensive assets or products. This could include disclosing the absolute amount (dollar value) or the percentage share of total capital expenditures, as long as the latter is disclosed in absolute terms.

Where a company clearly states in its public disclosures that it has not allocated any capital expenditures towards unabated carbon-intensive assets or products, this Metric will be assessed as 'Yes'.

Where companies disclose against the EU Taxonomy, they should clearly break out capital expenditures that are non-aligned as part of capital expenditures into eligible activities.

6.2 – Climate Solutions Allocation

Sub-indicator Text

The company explains how it intends to invest in climate solutions (i.e., technologies and products that will enable the economy to decarbonise).

- a. The company discloses the stated value of its capital expenditure allocated towards climate solutions in the last reporting year.
- b. The company discloses the stated value of its capital expenditure that it intends to allocate towards climate solutions in the future.

Detailed Guidance

- a. The company discloses the value of its capital expenditure allocated towards climate solutions in the last reporting year.

To score on this Metric, the company should:

- Publicly disclose capital expenditures towards producing or developing climate solutions in the most recent reporting year.

To be eligible, the disclosure should allow for the calculation of the absolute value of capital expenditures towards producing or developing climate solutions in the last fiscal year. This could include disclosing the percentage share of total capital expenditures disclosed in absolute terms; the absolute amount; or the share of climate-focused capital expenditures in a specific product category (e.g., EVs as a share of total vehicle investment), disclosed as an absolute amount.

Note that climate solutions reporting should be clearly tied to the company's capital expenditure reporting. Solutions can either be disclosed as individual business lines (e.g., separately for 'wind' or 'solar') or aggregated in a segment which contains only investment in climate solutions (e.g., a 'Renewable Energy' segment). Aggregated capital expenditure data is not sufficient either a) where it is difficult to clearly establish what type of products or services are included in the reported capital expenditure; or b) where it contains a mix of climate and other activities.

The eligibility criteria governing the definition of climate solutions under Sub-indicator 5.2 apply equally to Sub-indicator 6.2. Capital expenditure should correspond to climate solutions as defined by an established framework. Specifically, disclosure is accepted where:

- The company's disclosed climate solutions align with an established taxonomy (e.g., EU taxonomy or equivalent regional standard)

OR

- One or more of a company's disclosed business lines or product categories correspond to technologies listed in the IEA Energy Technology Perspectives (ETP) Clean Energy Technology Guide, or to key energy minerals identified in the IEA Global Critical Minerals Outlook.

Disclosure of total capital allocated to climate solutions is accepted where all substituent activities are included in the listed frameworks. Companies cannot score on this Metric where their definitions (internal or external) are vague or appear to include activities that are not included in the listed frameworks.

Note that disclosures of EU Taxonomy-aligned capital expenditure are valid against this Metric. Taxonomy-eligible capital expenditure

disclosures are not specific enough to identify investment in climate solutions, and so they will not count against this Metric.

Where a company clearly states in its public disclosures that it has not allocated capital towards climate solutions in the most recent reporting year, this Metric will be assessed as 'Not Applicable'.

Companies for which Sub-indicator 6.2 is not assessed in the Climate Action 100+ Disclosure Framework will be marked as 'Not Assessed' on Metric 6.2.a, regardless of whether they disclose capital allocated to climate solutions in the most recent reporting year.

- b.** The company discloses the stated value of its capital expenditure that it intends to allocate towards climate solutions in the future.

To score on this Metric, a company should publicly disclose the capital expenditure that it intends to allocate towards climate solutions within a clear timeframe (e.g., 'in 2024-2027' or 'by 2030'). Note that while the target should be clearly quantified and time-bound, it can be expressed either as an absolute value (e.g., '\$3B by 2030') or as a share of total capital expenditure (e.g., '50% of our total \$10B investments'), as long as the latter is disclosed in absolute terms.

The same conditions laid out in 6.2.a in terms of the definition of climate solutions and capital expenditures apply.

Where a company clearly states in its public disclosures that it is not intending to allocate capital expenditure to climate solutions in the future, this Metric will be assessed as 'Not Applicable'.

Companies for which Sub-indicator 6.2 is not assessed in the Climate Action 100+ Disclosure Framework will be marked as 'Not Assessed' on Metric 6.2.b, regardless of whether they disclose future-looking capital expenditure for climate solutions.

Indicator 9 – Just Transition

9.1 – Commitment to Just Transition Principles

Sub-indicator Text

The company has committed to the principles of a Just Transition.

- a. The company has committed to decarbonise in line with defined Just Transition principles, recognising the social impacts of its decarbonisation efforts.
- b. The company has committed to retain, retrain, redeploy and/or compensate workers affected by its decarbonisation efforts.
- c. The company has committed that new projects associated with its decarbonisation efforts are developed in consultation with affected communities and, where relevant, with their Free, Prior and Informed Consent.

Detailed Guidance

- a. The company has committed to decarbonise in line with defined Just Transition principles, recognising the social impacts of its decarbonisation efforts.

This Metric evaluates whether the company has committed to decarbonise its operations in line with Just Transition principles (i.e., in a way that respects the rights and needs of workers, communities and other key stakeholders who may be affected by this transition).

To score 'Yes' on this Metric, the company should explicitly commit to decarbonise in line with Just Transition principles and clearly define these principles. A company can do this either in reference to official taxonomies or by clearly laying out in its disclosures its own comprehensive definition of Just Transition. At a minimum, these principles should cover the company's workers and affected communities.

Simply acknowledging external frameworks or a general social need for a Just Transition is not sufficient to score 'Yes' on this Metric. The company's understanding of Just Transition should demonstrate a holistic approach, covering a range of stakeholders and issues relevant to its business.

- b. The company has committed to retain, retrain, redeploy and/or compensate workers affected by its decarbonisation efforts.

This Metric assesses whether companies provide active support to workers negatively affected by the transition away from high-carbon activities. To score 'Yes' on this Metric, companies should explicitly commit to specific forms of support (i.e., job retention, training, reskilling and upskilling, redeployment, compensation, retirement packages, access to job search and/or similar); or commit to external frameworks with similar commitments (i.e., the Council for Inclusive Capitalism's Just Energy Transition framework). The commitment should be company-wide, link explicitly to decarbonisation and apply to the current employees of the company.

If a company merely acknowledges the impact of decarbonisation on workers, it will not score 'Yes' on this Metric. References to asset-specific cases, interactions with labour unions or job creation for the future or the wider community are not on their own sufficient to score 'Yes' on this Metric.

- c. The company has committed that new projects associated with its decarbonisation efforts are developed in consultation with affected communities and, where

This Metric evaluates whether companies have a company-wide commitment to engage with and, where relevant, seek consent from the communities that are affected by their decarbonisation activities.

To score 'Yes' on this Metric, the company should:

relevant, with their Free, Prior and Informed Consent.

- 1) Make an explicit commitment to engage, consult or work with affected communities

AND

- 2) Make an explicit commitment to seek their Free, Prior and Informed Consent (FPIC) as part of this consultation process.

To be assessed as 'Yes' on (1), the company should provide details on how they have implemented this commitment, such as who they are consulting with, what issues they are addressing and what outcomes they seek to achieve.

If a company only acknowledges the impact of decarbonisation on communities, only informs communities of its decarbonisation plans or does not specify affected communities amongst its stakeholders, it cannot score 'Yes' on this Metric. Companies that do not operate in countries in which Indigenous peoples are present will not be assessed on criterion (2) to commit to seek FPIC.

Companies in certain sectors are assessed on this Metric according to the commitments they are making with regards to communities that sit upstream in their supply chain. This approach is set out in more detail in [this explainer](#).

9.2 – Just Transition Planning and Monitoring

Sub-indicator Text

The company has disclosed how it is planning for and monitoring progress towards a Just Transition.

- a. The company has developed a Just Transition plan for how it aims to support workers and communities negatively affected by its decarbonisation efforts.
- b. The company's Just Transition plan was developed in consultation with workers, communities and other key stakeholders affected by its decarbonisation efforts.
- c. The company discloses the quantified Key Performance Indicators it uses to track its progress towards the objectives of its Just Transition plan.

Detailed Guidance

- a. The company has developed a Just Transition plan for how it aims to support workers and communities negatively affected by its decarbonisation efforts.

This Metric assesses whether the company has developed a concrete plan to implement the commitments evaluated in Sub-indicator 9.1. To score 'Yes' on this Metric, the company, within its Just Transition plan, should clearly:

- 1) Set forth a set of actions it will implement to achieve its Just Transition commitments

AND

- 2) At minimum, link the set of actions to workers and communities.

The plan should be company-wide and clearly relate to the company's decarbonisation efforts.

If the company has conducted a case study or developed an asset level plan in the past, it can score 'Yes' if it explicitly mentions that it will develop similar plans for all other relevant assets.

Companies in certain sectors are assessed on this Metric according to the plans they are developing with regards to communities that sit upstream in their supply chain. This approach is set out in more detail in [this explainer](#).

- b. The company's Just Transition plan was developed in consultation with workers, communities and other key stakeholders affected by its decarbonisation efforts.

This Metric evaluates whether a company has engaged with and incorporated feedback from affected stakeholders, such as workers and communities, in the development of its Just Transition plan. To be assessed as 'Yes' on this Metric, the company should:

- 1) State which stakeholders were consulted (e.g., relevant union representatives or other employee representatives, general community members)

AND

- 2) How the consultation process was conducted (e.g., one in-person meeting, ongoing consultations).

Metric 9.2.b is contingent on Metric 9.2.a; a company cannot score 'Yes' on Metric 9.2.b if it does not score 'Yes' on Metric 9.2.a.

- c. The company discloses the quantified Key Performance Indicators it uses to track its

This Metric assesses whether the company has developed Key Performance Indicators (KPIs) to track its progress towards achieving the objectives of its Just Transition Plan. To score 'Yes' on this Metric, the company should have a measurable quantitative KPI explicitly

progress towards the objectives of its Just Transition plan.

relating to the company's Just Transition plan. Disclosure of data points on jobs lost, jobs created or wage metrics are ineligible to score 'Yes' on this Metric. The KPI should be disclosed each year as a measurement of ongoing performance.

Metric 9.2.c is contingent on Metric 9.2.a; a company cannot score 'Yes' on Metric 9.2.c if it does not score 'Yes' on Metric 9.2.a.

Indicator 10 – Historical GHG Emissions Reductions

10.1 – Decrease in Historical GHG Emissions Intensity

Sub-indicator Text

The company's historical emissions intensity is decreasing.

- a. The company's GHG emissions intensity has decreased in the past year relative to the previous year.
- b. The company's GHG emissions intensity has decreased over the past three years
- c. The company's GHG emissions intensity is currently aligned or converging with a credible 1.5°C pathway for its sector, based on its rate of reduction across the past three years.

Detailed Guidance

- a. The company's GHG emissions intensity has decreased in the past year relative to the previous year.

This Metric uses the [Carbon Performance methodology](#) to measure companies' historical carbon intensity. Metric 10.1.a is met if the company's emission intensity has decreased in the most recent year of company reporting relative to the previous year.

The company would score 'No' on this Metric if this is not the case; or if it is assessed to have insufficient emissions data; or if the last usable data was published more than two years ago.

Companies that are part of a sector where the Carbon performance methodology is yet to be published will be scored as 'Not Assessed'.

- b. The company's GHG emissions intensity has decreased over the past three years.

This Metric uses the [Carbon Performance methodology](#) to measure companies' carbon intensities in the past three years. This includes the current year of data, or the most recent year of data available, and three historic values to obtain the variation over a three-year period. The Metric is met if the company's emission intensity has decreased over the last three years of company reporting.

The company would score 'No' on this Metric if this is not the case; or if it is assessed to have insufficient emissions data; or if the last usable data was published more than two years ago.

Companies that are part of a sector where the Carbon performance methodology is yet to be published will be scored as 'Not Assessed'.

- c. The company's GHG emissions intensity is currently aligned or converging with a credible 1.5°C pathway for its sector, based on its rate of reduction across the past three years.

This Metric uses the [Carbon Performance methodology](#) to measure companies' carbon intensities in the past three years. This includes the current year of data, or the most recent year of data available, and three historic values to obtain the variation over a three-year period. Carbon intensities are measured against a relevant sector trajectory needed to achieve the Paris Agreement goal of limiting global temperature increase to 1.5°C in 2050. Historic sector benchmarks are used for this comparison, which reflect the estimated decrease in carbon intensities needed for the given sector at the beginning of the three-year period being assessed. There are two possibilities for how a company can meet the conditions of this Metric:

- 1) If the company's carbon intensity has been declining faster than the respective sector's benchmark carbon intensity for the same three-year period.

OR

-
- 2) If at the last year of disclosure, the company's carbon intensity is aligned with or below its respective sectoral benchmarked carbon intensity for the current year.

The company cannot score on this Metric if it is assessed to have insufficient emissions data or if the last usable data was published more than two years ago.

Companies that are part of a sector where the Carbon performance methodology is yet to be published will be scored as 'Not Assessed'.

Traffic light system: Yes / No / Partial

Each Metric is assessed with a binary Yes / No (or Not Assessed or Not Applicable; see next paragraph), based on information and evidence published by the company. Aggregation at the Sub-indicator and Indicator levels then use the following system:

- **Yes** = When all Metrics for a Sub-indicator or Indicator are ‘Yes’.
- **No** = When all Metrics for a Sub-indicator or Indicator are ‘No’.
- **Partial** = When at least one Metric for a Sub-indicator or Indicator is ‘Yes’.

Any Sub-indicator has between one and five Metrics (a, b, c, d and e). Indicators can have multiple Sub-indicators and Metrics (e.g., Indicator 9 has three Sub-indicators and six Metrics). Metrics can also be ‘Not Assessed’ or ‘Not Applicable’. When this is the case, the Metric is not included as part of the threshold for Yes / No / Partial. See Indicator combinations for more specifics.

Sub-indicator combinations

Below is a summary of possible combinations of Metric scores on any one Sub-indicator.

Metric score combination		Sub-indicator assessment
Metric x.x.a	Metric x.x.b	Sub-indicator x.x
Y	Y	Y
Y	Not Assessed	Y
Y	N	Partial
N	Not Assessed	N
N	N	N

Indicator Contingencies

Some Metrics require positive ‘Yes’ scores on one or more other Metrics in order to be considered for scoring. The table below lists these Metrics and the Metrics they are contingent on.

Metric(s)	Contingent on
1.1. b	1.1.a
2.2.a, 2.2.b	2.1
3.2.a, 3.2.b	3.1
4.2.a, 4.2.b	4.1
5.1.a	2.2.a AND EITHER 3.2.a OR 4.2.a
5.1.b	2.2.b AND EITHER 3.2.b OR 4.2.b
5.1.c	5.1.a
5.1.d	5.1.b
5.1.e	5.1.c OR 5.1.d
9.2.b, 9.2.c	9.2.a

Scope 3 Assessed Companies

Cluster	Sector	Scope 3 emissions assessed
Energy	Oil & Gas	Yes (use of sold products – Category 11 of the GHG Protocol).
	Oil & Gas Distribution	Yes (use of sold products – Category 11 of the GHG Protocol).
	Electric Utilities	Yes – for electric utilities with oil and gas distribution businesses (use of sold products – Category 11 of the GHG Protocol).
	Coal Mining	Yes (use of sold products – Category 11 of the GHG Protocol).
Transport	Autos	Yes (use of sold products – Category 11 of the GHG Protocol).
	Airlines	Yes (fuel- and energy-related activities – Category 3 of the GHG Protocol).
	Shipping	No.
	Other Transport	Yes (use of sold products – Category 11 of the GHG Protocol).
Industrials	Aluminium	No.
	Cement	No.
	Steel	No.
	Chemicals	Yes (purchased goods and services – Category 1 of the GHG Protocol; for primary chemical producers, also processing of sold products – Category 10 of the GHG Protocol; for manufacturers of ammonia-based products, also use of sold products – Category 11 of the GHG Protocol).
	Paper	No.
	Diversified Mining	Yes (processing of sold products – Category 10 of the GHG Protocol; for coal manufacturers, also use of sold products – Category 11 of the GHG Protocol).
	Other Industrials	On a case-by-case basis. Either purchased goods and services – Category 1 of the GHG Protocol, use of sold products – Category 11 of the GHG Protocol or non-electricity use of sold products.
Consumer Goods and Services	Food Producers	Yes (purchased goods and services – Category 1 of the GHG Protocol).
	Household & Consumer Products	Yes (use of sold products – Category 11 of the GHG Protocol).
	Retailers	Yes – on a case-by-case basis, depending on the types of goods sold. Either purchased goods and services – Category 1 of the GHG Protocol, or use of sold products – Category 11 of the GHG Protocol.

Sectors Assessed on Climate Solutions Sub-indicators 5.2 and 6.2

Assessed: 5.2 and 6.2	Assessed: 6.2 Not Assessed: 5.2	Not Assessed: 5.2 and 6.2
Autos Cement Chemicals Coal Mining Diversified Mining Electric Utilities Oil & Gas Other Industrials Other Transport Steel	Airlines Oil & Gas Distribution Paper Shipping	Food Producers Household & Consumer Products Retailers