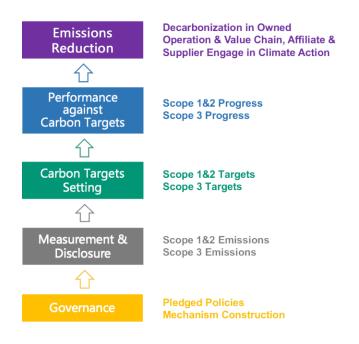


### **Corporate Climate Action Transparency Index (CATI)**

Developed by the Institute of Public & Environmental Affairs (IPE) in 2021 with the technical support from the Chinese Research Academy of Environmental Sciences, CATI dynamically evaluates a corporate's climate action in 5 aspects:



### **Key Performance Indicators:**

- Whether companies have established greenhouse gas inventories, identified emission hotspots across Scope 1, 2 and 3, set emission reduction targets, and developed targeted action plans.
- Whether companies track progress and implement emissions reduction actions both within their own operations and across the value chain.
- Whether industrial companies have broken down their emission reduction targets to emission hotspots within their operational boundaries.
- Whether companies that outsource production to supply chains prioritize the efforts to reduce emissions from their supply chains, targeting "hotspots" that are often located with material suppliers several steps up the supply chain from the final assembly plant; work with these suppliers to implement emission reduction initiatives, and track and publicly disclose the progress toward the GHG reduction targets.

# CATI aligned with: SUSTAINABLE GOALS

CATI Evaluation Dimensions	CATI Evaluation Objectives	The UN Sustainable Development Goals (SDGs)
Governance	Guiding companies to develop strategic roadmaps for low-carbon transition and identify climate risks and opportunities	7   AFFORMANELAND CLAN DREADY     8   DECENT WORK AND ECONOMIC GROWTH COMOMIC GROWTH     11   SISTEMANEL CITIES CONSIMPTION COMO     12   RESPONSIBLE CONSIMPTION AD PRODUCTION     13   CLIMATE ACTION
Measurement & Disclosure	Guiding companies to measure and disclose Scope 1, 2 and 3 GHG emissions and product carbon footprints to establish their emissions baselines	7 AFFORDABLE AND CLEAR BREROY 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE 17 PARTNERSHIPS FOR THE GOALS   ••••••••••••••••••••••••••••••••••••
Carbon Targets Setting	Guiding companies to set and disclose measurable and trackable climate targets and to extend targets to the full value chain	7   AFFORDABLE AND CILAM DEROY   13   CIIMATE Action   17   FARTNERSHIPS FOR THE DAILS     Image: Comparison of the comp
Performance Towards Carbon Targets	Guiding companies to continuously track performance against targets to ensure that the progress is aligned with decarbonization pathways	7 CHERRABLE AND CALEND BERROY 13 CLIMATE 17 PARTNERSHIPS FOR THE GOALS COMPANY 17 PARTNERSHIPS COMPANY
Climate Action	Guiding companies to implement emission reduction projects targeting emission hotspots in their own operations and supply chains, and to disclose the associated emission reduction performance	7 AFFORMABLE AND



## **CATI** aligned with:

- **GHG Protocol Corporate Accounting and Reporting Standard** (GHG Protocol)
- GRI Standards (GRI)
- International Financial Reporting Standards (IFRS) : IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information & IFRS S2 Climate-related Disclosures (International Sustainability Standards Board)
- Corporate Sustainability Reporting Directive (European Union)
- ISO 14067:2018 Greenhouse gases Carbon footprint of products (ISO)
- ISO 14025:2006 Environmental labels and declarations Type III environmental declarations (ISO)
- ISO 14068:2023 Climate change management—Transition to net zero—Part 1: Carbon neutrality (ISO)
- PAS 2060 Specification for the demonstration of carbon neutrality (BSI)
- Listed Company Self-discipline Supervision Guidelines -Sustainable Development Report (Trial) (Shanghai, Shenzhen and Beijing Stock Exchange)

- *The Environmental, Social and Governance Reporting Guide* (Hong Kong Exchanges and Clearing Limited)
- Enterprise Sustainability Disclosure Standards—Basic Standards (Trial) (Finance and Accounting [2024] No. 17)
- China's climate policies, including:
  - Measures for the Administration of Information Disclosure by Listed Companies (CSRC, 2025)
  - Interim Regulations on Carbon Emission Rights Trading Management (State Council, 2024)
  - The Guiding Opinion by the Supreme People's Court aims to provide robust judicial protection to achieve the 'dual carbon' goals in response to climate change (Supreme People's Court, 2023)
  - Implementation Plan for Carbon Dioxide Peaking in the Industrial Sector (MIIT, NDRC and MEE, 2022)
  - Implementation Plan for Synergizing Reduction of Pollution and Carbon Emission (MEE and 6 other Ministries, 2022)
  - Measures for the Administration of Legal Disclosure of Enterprise Environmental Information (MEE, 2021)
  - Guiding Opinions on Coordinating and Strengthening the Work related to Climate Change and Ecological Environmental Protection (MEE, 2021)
  - Action Plan for Carbon Dioxide Peaking before 2030 (State Council, 2021)

### FAQ:

#### Who does CATI evaluate?

CATI primarily evaluates consumer-facing companies, listed companies and large corporations.

#### What is the basis of the CATI evaluation?

- Information obtained from companies' annual reports, corporate social responsibility reports, ESG reports, and other regular reports;
- Information published on companies' websites, social media, product and logistics packaging, and in-store, etc.;
- Information published by companies on third-party websites, including press coverage, the IPE website, and the CDP Climate Change Questionnaire, etc.

### • What is the connection between CATI and CITI evaluations?

CATI is designed to evaluate a company's climate action performance, whereas <u>CITI</u> evaluates a company's overall supply chain environmental management performance. The total score of a company's CATI evaluation is converted by a factor of 20% into CITI evaluation.



- What is the frequency and process of CATI evaluation?
- $\circ~$  The evaluation is conducted on a DYNAMIC basis.
- At the beginning of each year, IPE updates the CATI evaluation guidelines and publishes reports towards the end of the year, illustrating the progress and gaps in the evaluation.
- Prior to the publication of the annual evaluation report, IPE will attempt to inform the companies of the preliminary results and provide the opportunity to review the evaluation results.

### • Where can I find the CATI evaluation results?

The results are available on the <u>IPE website</u> and the <u>Blue Map APP</u>. Read the <u>2021</u>, <u>2022 Supply Chain</u>, <u>2022 Listed Company</u>, <u>2023</u> <u>Supply Chain</u>, <u>2023 Listed Company</u>, <u>2024 Supply Chain</u> CATI reports.

How can companies join the CATI evaluation?
Email us at gsc@ipe.org.cn.