DECARBONIZATION

GUIDE

How to Build an Effective Climate Strategy and Transition Plan?

August 2025

ClimateSeed

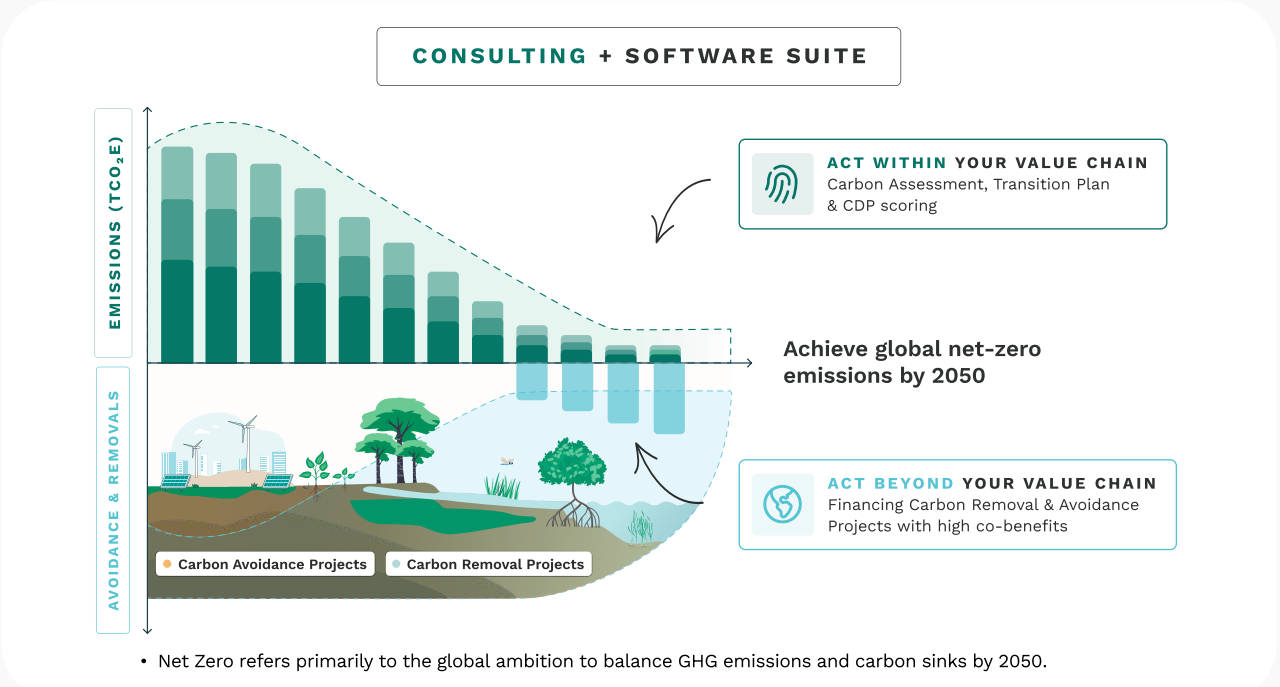
About ClimateSeed

Founded in 2018 as an intrapreneurial project within **BNP Paribas** and supported by **AXA Investment Managers** since 2021, ClimateSeed is an impact driven company that offers consulting services backed by digital tools to assist organizations in developing and implementing their climate strategy.

Our mission is to accelerate the fight against climate change and support global carbon neutrality (Net Zero*).

To achieve this, we help companies:

- **Act within their value chain,** by conducting greenhouse gas (GHG) assessments, developing transition plans, and assisting with CDP reporting.
- **Act beyond their value chain,** by creating high-integrity portfolios of carbon sequestration and avoidance projects.



• Net Zero refers primarily to the global ambition to balance GHG emissions and carbon sinks by 2050.

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Introduction

As businesses are faced with the climate emergency and an increasingly demanding regulatory framework, decarbonisation no longer remains an option. It is now a strategic imperative, essential to their sustainability, competitiveness and compliance.

The Paris Agreement, which sets the goal of carbon neutrality by 2050, and new European regulations such as the CSRD, makes it clear that organisations must significantly reduce their greenhouse gas (GHG) emissions.

However, it is not just a matter of complying with constraints. The low-carbon transition also represents a major opportunity: to innovate, strengthen resilience and differentiate oneself in a rapidly changing market, as many economic experts point out [1].

One key question remains: how can we move from a general ambition to a concrete and effective roadmap?

This guide has been designed to provide step-by-step support to companies in developing their climate strategy: from initial assessment to reporting, including the definition of an operational and credible transition plan.

Why has a climate strategy become essential? The regulatory and standards framework

Defining a climate strategy is no longer a simple communication exercise, but a structuring process, framed by commitments and regulations at several levels.

International and European commitments

At the global level, the Paris Agreement set the goal of limiting global warming to 1.5°C above pre-industrial levels. This commitment is being implemented at European level through the European Green Deal and its 'Fit for 55' legislative package, which aims to reduce the EU's net GHG emissions by at least 55% by 2030. For businesses, this translates into increased pressure to align their activities with this trajectory.

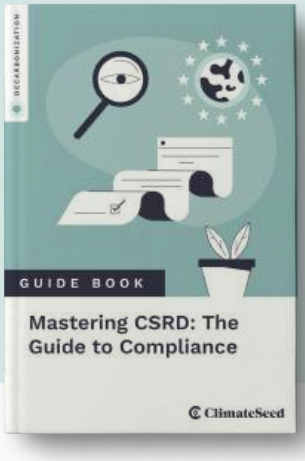
CSRD: the new backbone of climate reporting

The Corporate Sustainability Reporting Directive (CSRD) is the new European regulation that succeeds the NFRD (Non-Financial Reporting Directive). It aims to improve the quality, reliability and comparability of sustainability information published by companies.

Through the ESRS E1 standard on climate change, it requires companies to publish their transition plan to make their business model compatible with the 1.5°C target [2]. This plan must be supported by a rigorous analysis of climate risks and opportunities.

Its deployment is gradual:

- **From 2025** (based on 2024 data), it will apply to large companies with more than 500 employees that are already subject to the NFRD.
- **From 2026** (based on 2025 data), it will apply to other large European companies.
- **From 2027** (based on 2026 data), it will be the turn of listed SMEs.



The CSRD Guide

To learn more about the details and timeline of this crucial regulation, check out our guide: Mastering CSRD: The Guide to Compliance

Explore ↗

The French national framework

In France, the **National Low-Carbon Strategy (SNBC)** is the roadmap for achieving carbon neutrality by 2050 [3]. It sets 'carbon budgets' for major sectors of activity and its guidelines are legally binding for public actors.

The **Energy and Climate Law** reinforces this framework by enshrining the goal of carbon neutrality in law. These national regulations create an incentive-based and mandatory environment that encourages companies to actively engage in decarbonisation.

Example

The obligation to carry out a Greenhouse Gas Emissions Assessment (BEGES) has been extended, notably with the introduction of a simplified format for SMEs with more than 50 employees [4].

Step 1: Assess your footprint to build on a solid foundation

You cannot manage what you cannot measure. The first step is to establish an accurate picture of the company's emissions and climate-related dependencies.

The Greenhouse Gas (GHG) Emissions Report, an essential prerequisite

The carbon footprint assessment is a snapshot of your organisation's environmental impact.

Reference methodologies

It must comply with international standards such as the GHG Protocol or ISO 14069, or national standards such as the BEGES Réglementaire method or Bilan Carbone®.

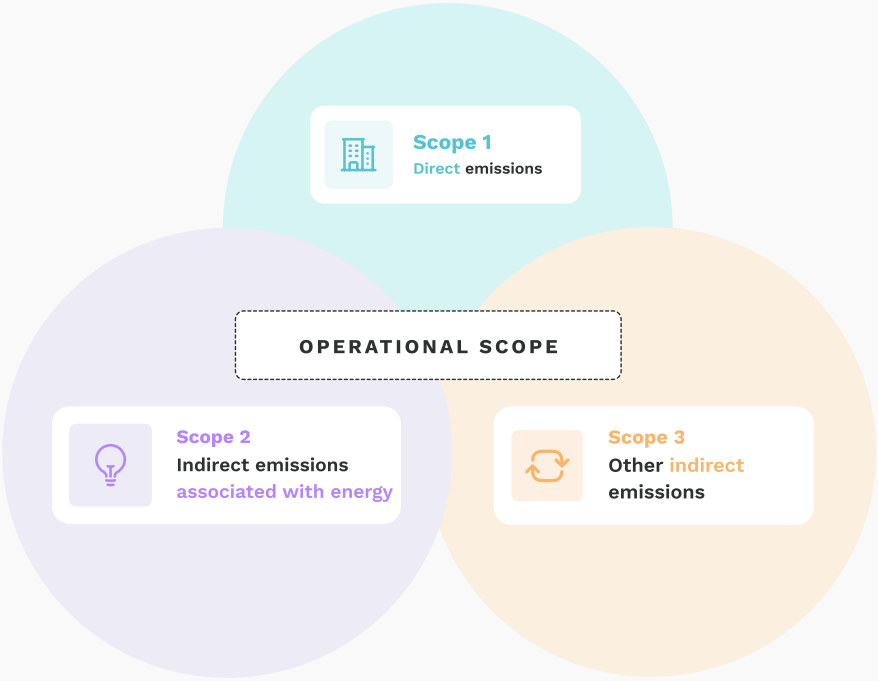
Flow mapping

- The company must map all the flows necessary for its activity (according to a principle of responsibility and dependencies) that are likely to generate greenhouse gas emissions.
- There are four main types of flows: **people, materials, energy and waste.**
- How do you know whether or not to take a flow into account? The question is simple: will removing this flow impact my company's business?

Positions or scopes

Emissions are then classified into three scopes:

- **Scope 1** : Direct emissions from sources owned or controlled by the company (e.g. boilers, company vehicles).
- **Scope 2** : Indirect emissions linked to the consumption of electricity, heat or steam.
- **Scope 3** : All other indirect emissions that occur in the company's value chain (e.g. purchases of goods and services, upstream and downstream transport, employee travel, use of products sold, end of life, investments).



Crucial importance of Scope 3

For most sectors, Scope 3 is the most important. Analysing it is essential to understanding the most effective risks and levers.

Scope 3 Guide

To learn more, check out our dedicated guide: How to calculate your company's Scope 3?

Explore

Data collection

Collecting data for a comprehensive GHG assessment, particularly for Scope 3, can be complex and time-consuming. Specialised software tools such as ClimateSeed's GEMS (GHG Emissions Management Software) platform automate data collection, ensure reliable calculations based on standard methodologies, and provide easy visualisation of key emission sources for effective management.

This is a complex exercise where **support from expert consultants** trained in the Bilan Carbone® methodology and the GHG Protocol is often crucial in order to accurately map the company's flows and value chain and identify critical dependencies on fossil fuels.

To learn more: Talk to one of our experts.

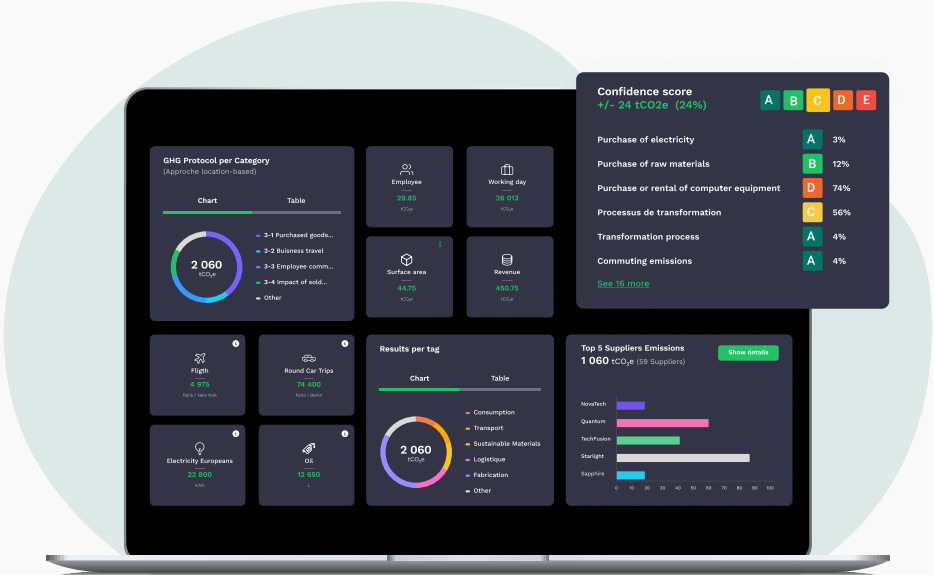
Materiality analysis to prioritise actions

Once the GHG emissions assessment has been completed, a materiality analysis is used to identify and prioritise the most critical emission sources (the ‘hot spots’).

This analysis helps you focus your efforts and resources where the impact will be most significant, ensuring a more effective reduction strategy.

Risk, dependency, and opportunity analysis

Beyond emissions, it is vital to analyze the impact of climate change on the company: physical risks (floods, droughts), transition risks (regulatory changes, new carbon taxes, shifting customer expectations) [5]. This analysis helps identify priority actions to strengthen resilience.



Step 2: Set an ambitious, science-based trajectory

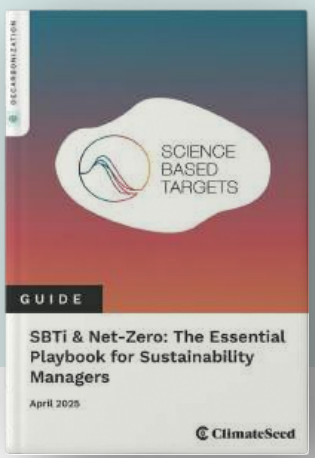
Once the diagnosis is established, the next step is to set a clear direction. The objective is not to define targets arbitrarily, but to design a reduction pathway that is both ambitious and achievable, while maintaining credibility.

Setting SMART goals aligned with the Science Based Targets initiative (SBTi)

The Science Based Targets initiative (SBTi) is the global reference for setting emission reduction targets aligned with climate science. Committing to the SBTi ensures that your pathway is compatible with the Paris Agreement's objective of limiting global warming to 1.5°C.

- **Levels of ambition:** the SBTi offers different pathways, including short-term trajectories (5–10 years) and a long-term Net-Zero standard, which requires deep decarbonization of the value chain (at least a 90% emissions reduction) before any action to "offset" residual emissions.

- **The validation process:** companies submit their targets to the SBTi for independent validation, which provides external credibility to their commitment. Defining these targets requires methodological rigor; this is why ClimateSeed's experts support companies in developing their SBTi trajectory, ensuring both compliance and future validation.



SBTi Net-Zero Standard Guide

To understand in detail how to align your ambitions, explore our guide.

Explore ↗

Aligning climate objectives with financial strategy

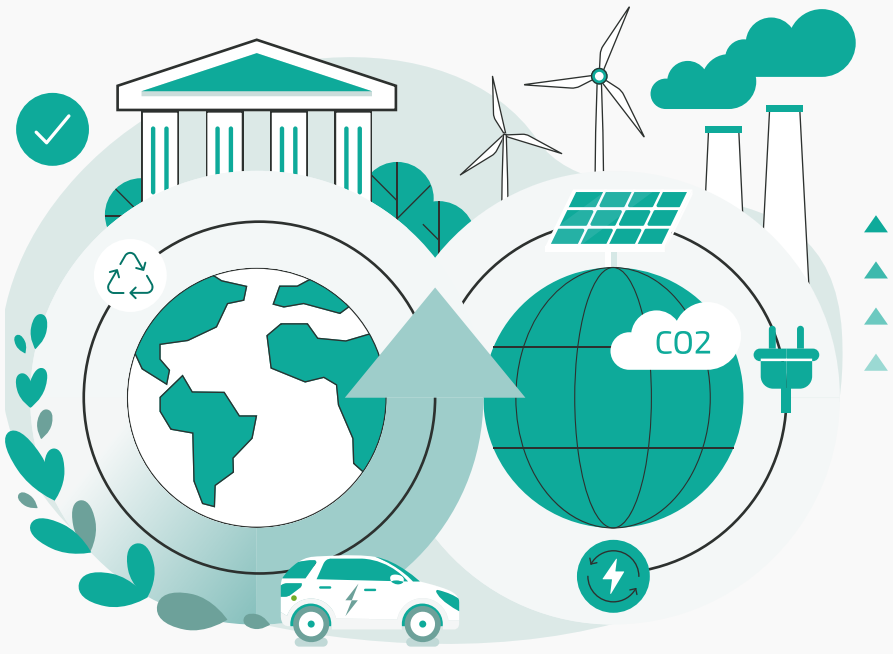
A transition plan is only credible if it is integrated into financial planning. The CSRD also requires companies to publish the amounts of their capital expenditure (CapEx) and operating expenditure (OpEx) related to their climate plan [6].

The necessary investments are not costs, but investments in the company's resilience, protecting it from the volatility of fossil fuel prices and ensuring its future competitiveness (energy efficiency, renewable energies, innovation, etc.).

Do you know ?

Companies that perform well in ESG have easier access to capital.
Banks and investors perceive companies with a solid climate strategy as less risky. This confidence translates into more favourable financing terms.

According to a study by MSCI (2024) [7], companies with the best ESG ratings benefit from consistently lower capital costs, whether for bank loans or fundraising. This financial advantage makes future investments in the transition more accessible and less costly.



Step 3: Develop an operational transition plan

Once the strategy has been defined, it is time to translate it into a concrete action plan. To ensure a structured approach, clear frameworks can be used as a guide. MEDEF, for example, summarises adaptation in five key steps: 'Diagnose, Define a vision, Establish a plan, Implement, Monitor' [8].

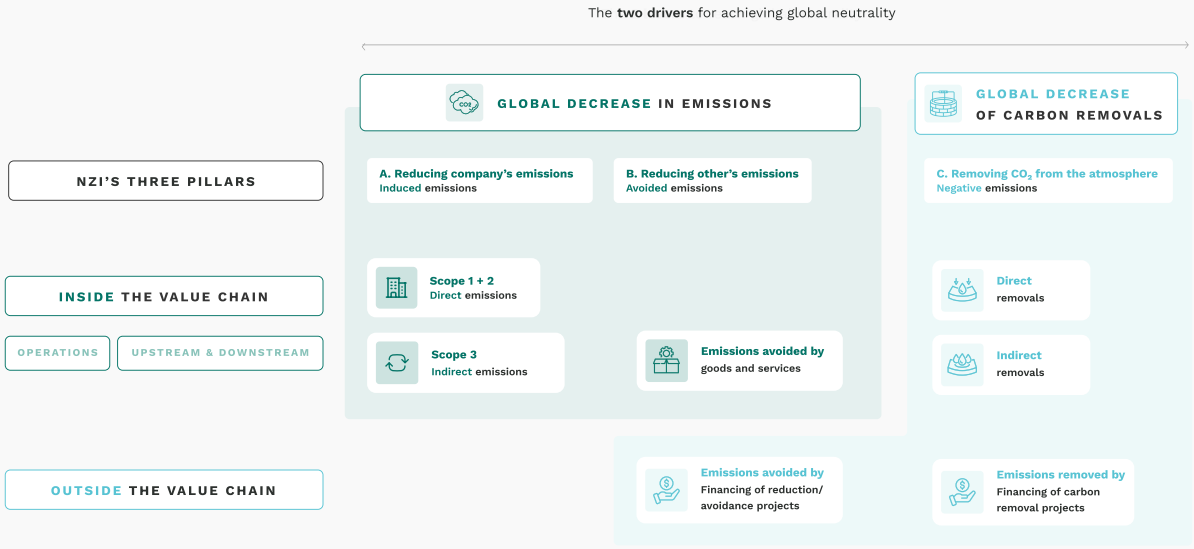
The structure of a robust climate action plan

The action plan outlines the decarbonisation levers the company will activate, prioritising projects based on their reduction potential and feasibility.

- **Prioritisation of projects:** the actions may involve multiple areas:
    - **Energy:** improving the energy efficiency of buildings and processes, switching to a green electricity supplier, investing in self-production (solar panels), reusing waste heat.
    - **Mobility:** electrify the vehicle fleet, optimise delivery routes, develop a mobility plan for employees (teleworking, public transport, cycling), implement a low-carbon business travel charter.
    - **Supply chain:** as Scope 3 is often the main source of emissions, engaging the value chain is a major lever. Involving suppliers in the process, encouraging them to measure and reduce their emissions, and integrating ESG criteria into purchasing policies, favouring local purchases and recycled materials (eco-design strategy) are fundamental actions for in-depth decarbonisation.
- **Selecting solutions:** for each project, the technical solutions and innovative processes to be implemented must be identified. ADEME offers numerous guides and can help finance feasibility studies for the electrification of processes or the use of waste heat.

Beyond reduction: the role of carbon contribution

To achieve global carbon neutrality (or Net-Zero), any climate strategy must be based on two levers: drastically reducing its own emissions and contributing to global decarbonisation beyond its value chain.



The top priority, as highlighted by the Net-Zero Initiative, is **reducing one's own footprint (Pillar A).** This is an urgent effort that must be measured across the entire value chain and with targets aligned with science. As a participant in the co-construction of this framework, ClimateSeed is committed to promoting this highest level of requirement.

However, the action does not stop there. A comprehensive Net Zero strategy aims to contribute to the global effort. For emissions that cannot be reduced and to accelerate the transition, companies must take action through carbon contribution.

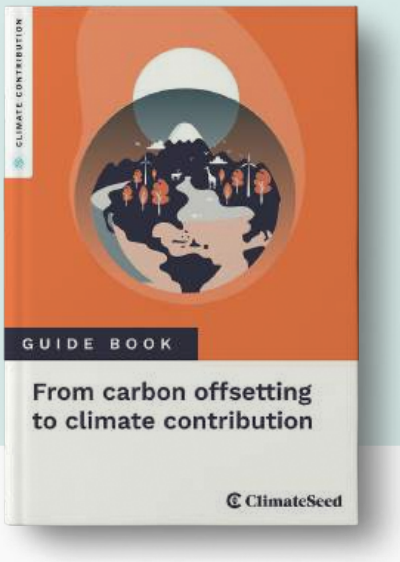
The latter is based on two distinct and complementary pillars:

. **Pillar B:** helping others reduce their emissions. This is done by selling low-carbon products and services or by financing avoidance projects (e.g. supporting renewable energy projects that replace coal-fired power plants).

. **Pillar C:** removing carbon from the atmosphere. This involves financing sequestration projects (e.g. reforestation, biochar) that increase carbon sinks.

This **‘carbon contribution’** approach (which replaces the term ‘offsetting’) is therefore an essential complement to reduction efforts. The quality and integrity of the projects financed are crucial to ensuring real impact.

ClimateSeed's portfolio of over 40 rigorously selected projects enables companies to support high-impact initiatives.



Discover our guide “From carbon offsetting to climate contribution”

To learn more about this topic, we invite you to browse our guide dedicated to climate contribution.

Explore ↗

Step 4: Establish governance, management and reporting

An action plan, however good it may be, will only bear fruit if it is properly managed and monitored.

Governance: who is steering climate strategy?

The success of the transition plan depends on clear climate governance. This involves defining roles and responsibilities at all levels of the organisation [9].

- **The Board of Directors** is responsible for defining the strategic vision, approving objectives and ensuring that the company allocates the necessary resources.
- **The management bodies (Comex)** are responsible for overseeing the operational roll-out of the plan, monitoring its performance and making adjustments where necessary.
- **Dedicated committees (Climate Committee, CSR Committee)** may be set up to steer the process across the board.
- **Business representatives** are responsible for implementing actions in the field.

Governance does not stop at structure. For the transition to be effective, it is crucial to establish a culture of sustainability at all levels of the company.

Mobilising teams and raising awareness

The success of a climate strategy also depends on the commitment of the entire company. Training and raising awareness among teams is therefore essential to maintaining momentum over the long term. This transforms simple compliance into an opportunity for innovation and collective ownership. Here are two key points:

Train and equip: every department, from finance to operations, must understand its role and contribution to decarbonisation objectives. By training teams and providing them with the right tools, you empower them to become active participants in the transition rather than mere executors.

In its study “ECOTAF: Employee Environmental Engagement” [10], ADEME highlights that employee environmental engagement is emerging as a “major driving force for business transformation.” The study shows that employee commitment is a key lever for the ecological transition. It also emphasizes that the main challenge lies in maintaining the motivation of participants and that it is crucial for management to perceive these initiatives as both an opportunity and a source of collective intelligence for the company.

- **Communicate and Encourage:** Regular and transparent communication about progress, challenges, and successes helps maintain motivation. By sharing results and recognizing efforts, you demonstrate that the company is committed for the long term and that sustainable performance is a shared priority.

This transparent approach also has a direct and positive impact on employer branding, making climate strategy a powerful lever for attracting and retaining talent, a major challenge for the future of the company. According to a study by the CSA Institute for LinkedIn and ADEME, 78% of employees would choose to join a company committed to ecological transition if offered equivalent positions [11].

In short, climate transition governance is not limited to financial objectives; it must also incorporate training, awareness-raising and incentives for action in order to transform the strategy into a collective and sustainable approach.

From steering to communication: tools and frameworks for tracking your trajectory

To effectively steer its climate trajectory, a company must rely on a coherent ecosystem of tools, ranging from setting objectives to communicating results.

The first step is to define precise indicators, such as the evolution of emissions (overall and by scope), energy consumption, the share of energy from renewable sources, or the amount of waste generated.

However, for monitoring to be effective, each indicator must be linked to SMART objectives (Specific, Measurable, Achievable, Realistic, and Time-bound).

This forms the foundation that transforms simple measurement into a concrete action plan.

To implement this management and prepare communications, several tools are useful:

- **Reporting software:** specialised platforms such as ClimateSeed's GEMS are designed to centralise KPI monitoring, compare performance against set targets, facilitate data collection and generate reliable reports that comply with CSRD or CDP requirements.

- **Assessment methodologies:** tools such as ADEME's ACT (Assessing Low-Carbon Transition) method can be used to assess the maturity and performance of the decarbonisation strategy as a whole.

Once the strategy has been structured and the data collected, the final step is transparent communication, which is mainly carried out via two recognised external frameworks:

- **CSRD (Corporate Sustainability Reporting Directive) :** This is the regulatory requirement in Europe governing sustainability reporting.

- **CDP (Carbon Disclosure Project) :** This voluntary market initiative has become an essential standard for investors. A good CDP score is a guarantee of transparency and maturity.

Preparing these publications is a complex strategic exercise. Support from experts, such as that offered by ClimateSeed consultants, can bring significant added value in structuring your climate strategy or assessing and improving your CDP score.

Read our guide “How to improve your CDP Score?”

We have designed a practical guide to help you understand the criteria and identify key actions to improve your CDP.

Explore ↗

Best practices, feedback & success factors, and reporting

Developing a climate strategy is a journey of continuous improvement.

- **Draw inspiration from best practices:** It is essential to rely on robust methodological frameworks, such as the Net Zero Initiative or the Bilan Carbone® methodology, which emphasise prioritising reduction, comprehensive measurement of Scope 1, 2 and 3 emissions, and alignment of corporate strategy with climate objectives.
- **Anticipate obstacles:** There are many challenges, including a lack of reliable data, internal resistance to change, and difficulties in securing funding. It is crucial to anticipate these challenges and implement effective change management.
- **Long-term commitment:** The success of a climate strategy depends on the commitment of the entire company. Team training, awareness-raising and regular communication on progress are essential to maintaining momentum.

Conclusion

Far from being a mere regulatory constraint, developing a climate strategy and transition plan is a powerful lever for transformation within a company.

It is an opportunity to rethink its business model, stimulate innovation, rally its teams around a meaningful project and, ultimately, strengthen its sustainable performance and long-term value.

The path is divided into four major interdependent stages:

- **Diagnose** your footprint in detail,
- **Aim for an ambitious trajectory** aligned with science,
- **Taking action** through a funded operational action plan,
- **Steering the ship** with robust governance and transparent reporting.

By resolutely committing to this path, your company is not only fulfilling its obligations: it is actively preparing to thrive in tomorrow's economy.

How can ClimateSeed support you?

With the **support of our consultants** and backed by our **digital tools,** we help you develop an **ambitious climate strategy:** measuring your emissions, creating a concrete transition plan, ensuring reliable and comprehensive CDP reporting, and contributing to high-integrity carbon projects.

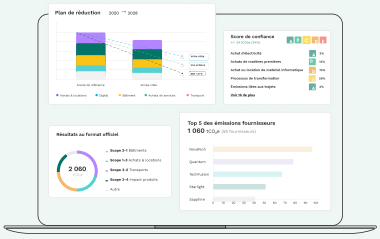
Our offer

1. GHG assessment
2. GHG reduction
3. CDP Reporting
4. Climate contribution

Discuss with an expert

CONSULTING + SOFTWARE SUITE

Drive your low-carbon strategy

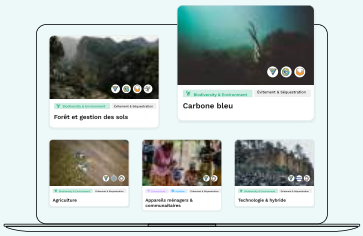


Carbon footprint assessment | Emissions reduction | SBTi targets | CDP score simulation

Compliant with the most widely recognized standards and methodologies

GHG Protocol | BC Bilan Carbone | ISO 14064 | Science Based Targets | CDP

Invest in high quality carbon credits



Sourcing high-quality projects | Carbon Project Portfolio support | Transparent contribution

Climate, Community & Biodiversity Standards | Plastic Waste Reduction Standard | Verified Carbon Standard | Gold Standard for the Global Goals | Plan Vivo | Climate Action Reserve | puro.earth | CERCARBONO | riverse

Why trust us?

- An **expert fully committed** to your project
- **Tailored** to your maturity and unique challenges
- **Proven expertise** with **200+ clients** supported
- **+ 250 carbon assessments** completed
- **+ 5 millions carbon credits** sold
- Data security: **ISO 27001** certified and **GDPR compliant**

References

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For further information, please contact our experts.

Contact us

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