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ACT Buildings Update Public Consultation

Monday 29 June to Friday 29 July 2026

Instructions

- The next slides present the **main updates propositions** for the ACT Buildings methodology.
- The first part of the presentation briefly presents the ACT initiative and its main features. No feedback is expected on these slides.
- The **online form,** available on this link, asks **specific questions** on the content to collect your feedback.
- Every time a question is related to the content in the presentation, it will be flagged with the following symbol: ?
- This presentation is intended to be a standalone consultation document. You do not need to read the draft methodology to answer the consultation questions. For further background and methodological details, the full draft methodology is available here.

About the ACT Initiative

OUR PURPOSE

In the face of the climate emergency, ambition is no longer enough, companies must deliver on their promises. Yet, many lack the tools to turn climate targets into credible action.

ACT bridges this gap.

It is the only international initiative that both **assesses** the alignment of corporate strategies with the Paris Agreement, and **supports** companies in building robust, science-based transition plans.

Because climate ambition means nothing without accountability and a plan.

For more information: www.actinitiative.org

The ACT Assessment

THE ACT SCORE IS COMPOSED OF 3 DIFFERENT ELEMENTS

100 /100

A

+

- The weighting of the modules differs by sector.
- Indicators under modules 1, 2, 3, 4 and 9 are sector-specific.
- Modules 5 to 8 are sector agnostic.

Performance Scores (1-100)	
1	Targets
2	Material Investment
3	Immaterial Investment
4	Products Performance
5	Management
6	Supplier Engagement
7	Client Engagement
8	Policy Engagement
9	Business Model

Narrative Score (E-A)	
1	Business Model and strategy
2	Consistency and credibility
3	Data quality
4	Reputation
5	Business risks

Trend Score (+/=/-)	
+	Improvement
=	Stable
-	Degradation

! The focus of this consultation is on Modules 1 to 4 and 9 under Performance. Modules 5 to 8 have been carried over from the latest ACT methodologies without substantive changes and are therefore not a primary focus of the consultation.

Major Update

Contextual background driving the merge

- Companies operate across multiple roles, making the distinction between methodologies difficult in practice.
- Significant overlap between ACT Construction and ACT Property Developer methodologies creating unnecessary duplication.
  - ✓ **A single framework improves consistency, comparability and ease of implementation.**
- The updated single methodology reflects the latest developments in sectoral decarbonization pathways and emissions accounting.
  - ✓ **Shift from actor-based to building life-cycle approach.**

Changes Proposed to Sector-specific Modules

MODULE 1: TARGETS

LIST OF PERFORMANCE INDICATORS UNDER MODULE 1 - TARGETS			MODULE 1
ACT Construction	**ACT Property Developer**	**ACT Real Estate**	***ACT Buildings Proposal***
1.1. Alignment of owned buildings reduction targets	1.1. Alignment of owned buildings reduction targets	1.1. Alignment of owned buildings reduction targets	1.1 Alignment of operational emissions of buildings **managed and/or leased** reduction targets
1.2. Alignment of new buildings delivered (use phase) reduction targets	1.2. Alignment of new buildings delivered (use phase) reduction targets	1.2. Alignment of buildings managed (use phase) reduction targets	1.2 Alignment of operational emissions of buildings **sold** reduction targets
1.3. Alignment of renovated buildings (use phase) reduction targets	1.3. Alignment of renovated buildings (use phase) reduction targets	1.3. Alignment of new buildings integrated (use phase) reduction targets	1.3 Alignment of **upfront embodied emissions** of buildings reduction targets
1.4. Alignment of new buildings (materials) reduction targets	1.4. Alignment of new buildings (materials) reduction targets	1.4. Alignment of new buildings integrated (materials) reduction targets	1.4 Alignment of **in-use embodied emissions** of buildings reduction targets
1.5. Time horizon of targets	1.5. Time horizon of targets	1.5. Time horizon of targets	1.5 Time horizon of targets
1.6. Achievement of past and current targets	1.6. Achievement of past and current targets	1.6. Achievement of past and current targets	1.6 Achievement of past and current targets

Excluded indicator | Modified indicator | New indicator | Existing indicator

Changes Proposed to Sector-specific Modules

MODULE 2: MATERIAL INVESTMENTS

LIST OF PERFORMANCE INDICATORS UNDER MODULE 2 – MATERIAL INVESTMENTS		
ACT Construction	**ACT Property Developer**	**ACT Real Estate**
Module 2 was not included in ACT Construction	Module 2 was not included in ACT property developer	2.1. Trend in past emissions for buildings managed (use phase) RY-5 to RY Managed/leased or sold
		2.2. Emissions lock-in
		2.3. Trend in future emissions for buildings managed (use phase) RY to RY+5
		2.4. Low-carbon capex

MODULE 2
ACT Buildings Proposal
2.1. Share of low-carbon CAPEX investments

Excluded indicator

Existing indicator

MODULE 3: INTANGIBLE INVESTMENTS

LIST OF PERFORMANCE INDICATORS UNDER MODULE 3 – INTABGIBLE INVESTMENTS		
ACT Construction	**ACT Property Developer**	**ACT Real Estate**
3.1. R&D spending on low-carbon technologies	Module 3 was not included in ACT Property Developer	Module 3 was not included in ACT Real Estate

MODULE 3
ACT Buildings Proposal
3.1. R&D spending on low-carbon technologies

**3.2. Company low-carbon patenting activity – Not applicable*

Existing indicator

Changes Proposed to Sector-specific Modules

MODULE 4: SOLD PRODUCT PERFORMANCE

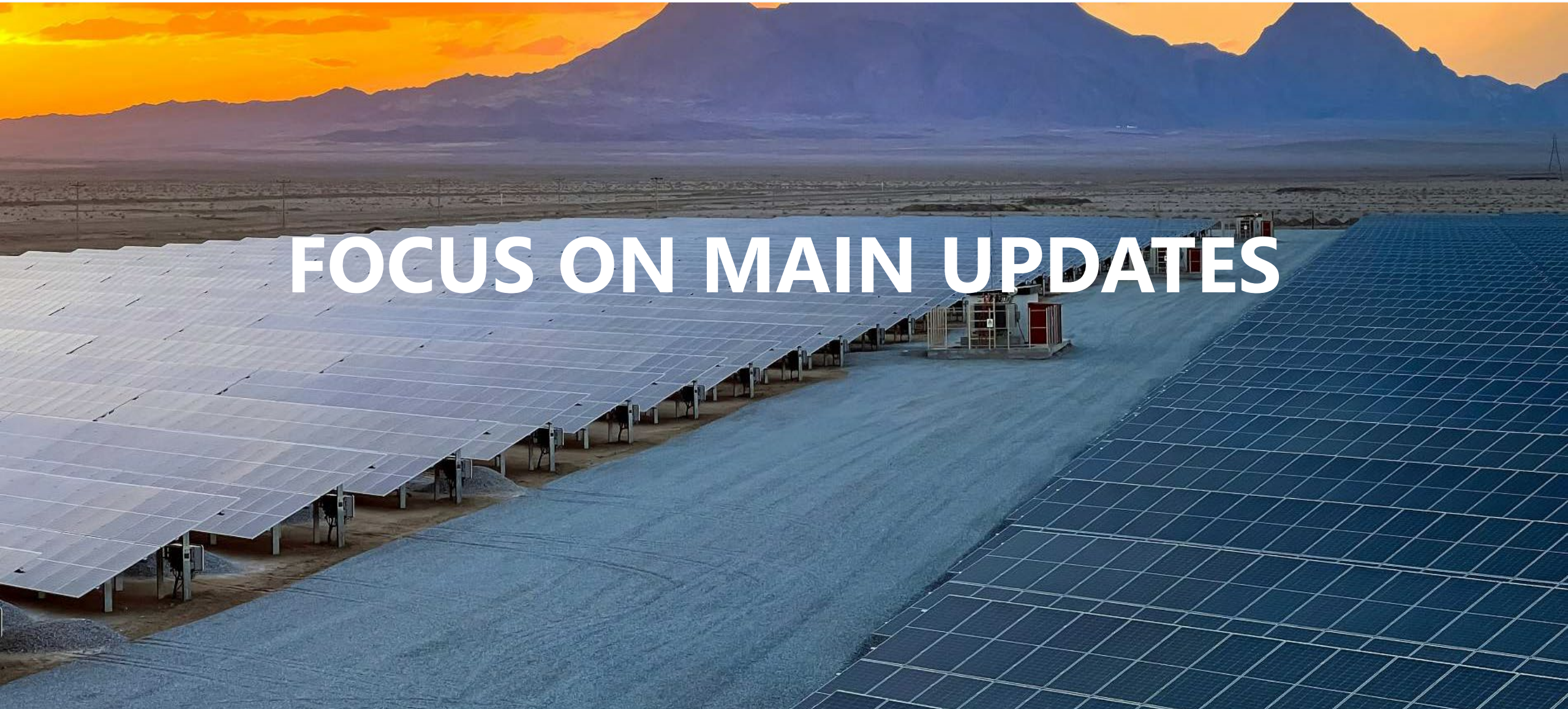
LIST OF PERFORMANCE INDICATORS UNDER MODULE 4 – SOLD PRODUCT PERFORMANCE		
ACT Construction	**ACT Property Developer**	**ACT Real Estate**
4.1. Alignment of carbon performance trend of new buildings (use phase)	4.1. Alignment of carbon performance trend of new buildings (use phase)	Module 4 was not included in ACT Real Estate
4.2. Low-carbon buildings share	4.2. Low-carbon buildings share	
4.3. Renovated buildings subject to thermal renovation share	4.3. Renovated buildings subject to thermal renovation share	
4.4. Emissions lock-in	4.4. Emissions lock-in	

Excluded indicator

MODULE 4
ACT Buildings Proposal
4.1. Product/Service-specific interventions*
4.2. Trend in past emissions intensity for operational emissions
4.3. Trend in past emissions intensity for upfront embodied emissions
4.4. Trend in future emissions intensity for operational emissions of buildings
4.5. Trend in future emissions intensity for upfront embodied emissions
4.6. Share of low-carbon buildings
4.7. Share of renovations towards low-carbon buildings
4.8. Locked-in emissions from sold products

Existing indicator | New indicator

**Indicator added following a general update of Module 4*



FOCUS ON MAIN UPDATES

Sector Definition

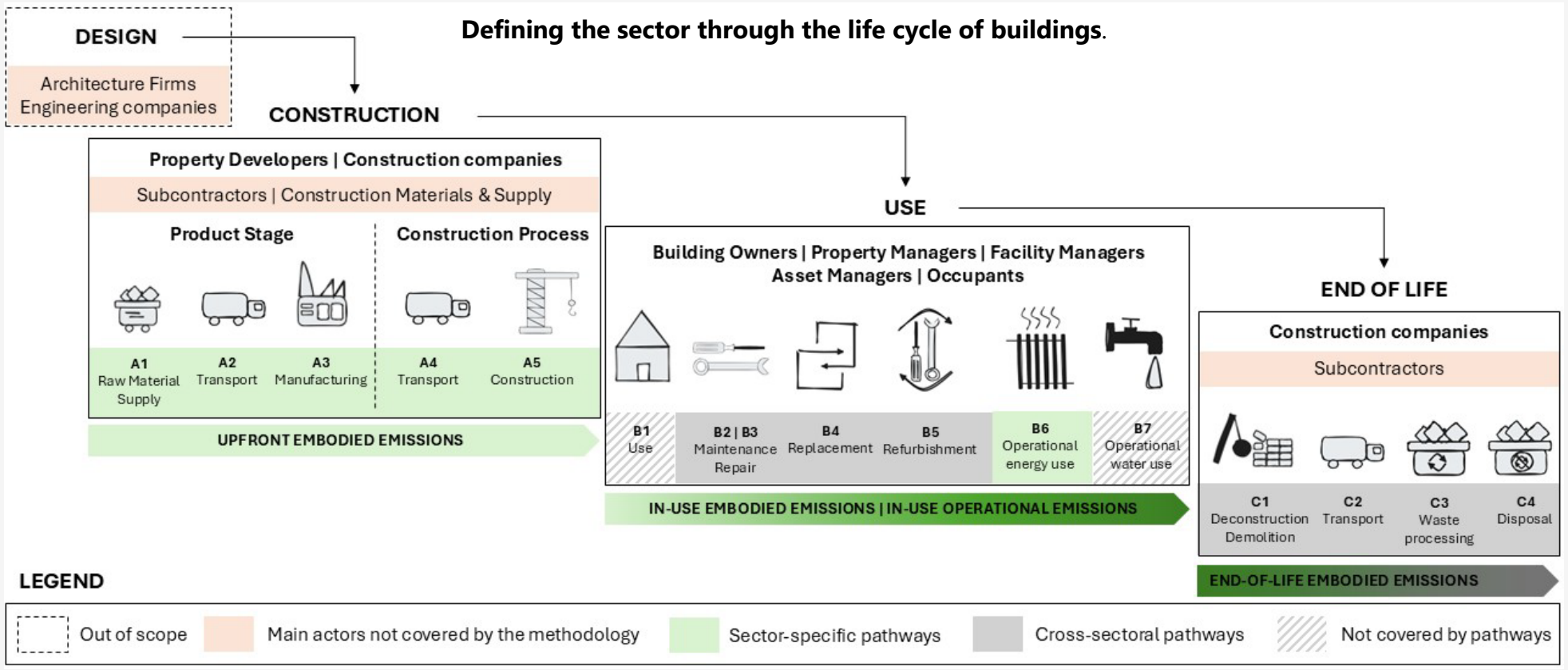
The methodology focuses on actors that have **direct influence over building-related emissions across the life cycle**, including both **embodied emissions** from construction and renovation, and **operational emissions** from the use of buildings.

A company is considered within the scope of the building sector if its core business model involves **generating revenue from buildings or building-related services**, including through:

- Development,
- Construction,
- Renovation,
- Ownership,
- Leasing,
- Management, or
- Operation of property portfolios.

Emissions Boundaries

Moving beyond the Construction – Property Development – Real Estate distinction.



Defining the sector through the life cycle of buildings.

Four different categories of emissions are adopted:

- Upfront embodied emissions : **A1 to A5**
- In-use embodied emissions: **B1 to B5**
- In-use operational emissions: **B6**
- End-of-life embodied emissions: **C1 to C4**

As per the EN 15978:2011 standard, including emissions from the product, the construction, use and end of life stages of buildings.

Main actors included
Property developer, Construction companies acting as Main contractors, Building owners, Property Managers, Facility managers, Asset Managers and Occupants.

Main actors not included
Architecture firms, Engineering companies, Subcontractors, Construction Materials & Supply.

QUESTION 1

Do you agree with the revised sector definition and the life cycle of buildings approach?

- Yes, I think this approach reflects well the main emissions sources coming from Buildings.
- No, there is one or several emissions sources that are omitted in this approach and that must be included.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

QUESTION 2

In addition to reporting emissions based on the GHG protocol (Scope 1+2, Scope 3), do companies also distinguish between operational and upfront embodied emissions of their buildings?

- Yes, companies normally have this breakdown and they do disclose it.
- Yes, companies normally have this breakdown but do not disclose it.
- No, most companies do not make this distinction and only report based on the GHG protocol (Scope 1+2, Scope 3).
- I am not sure.
- Not applicable.

Please explain your answer.

[Free text]

Physical Boundaries

Focusing strictly on buildings by covering both residential and non-residential buildings consistently and maintaining a clear boundary by excluding infrastructure and civil engineering projects.

INCLUDED	EXCLUDED
Building construction: Residential and Commercial buildings New construction Major renovations	Civil engineering works and infrastructure Specialised construction activities Routine maintenance Minor renovations

	OPERATIONAL EMISSIONS	EMBODIED EMISSIONS
RESIDENTIAL	- Single-family property - Multi-family property	ONE type

COMMERCIAL	- Office
	- Retail
	  - High street
	  - Shopping center
	  - Warehouse
	  - Hotel
	  - Industrial distribution warehouse – Cold
	  - Industrial distribution warehouse - Warm
	- Healthcare
	- Medical office
	- Lodges/Leisure and recreation
		- Office
		- Retail
		- Other

QUESTION 3

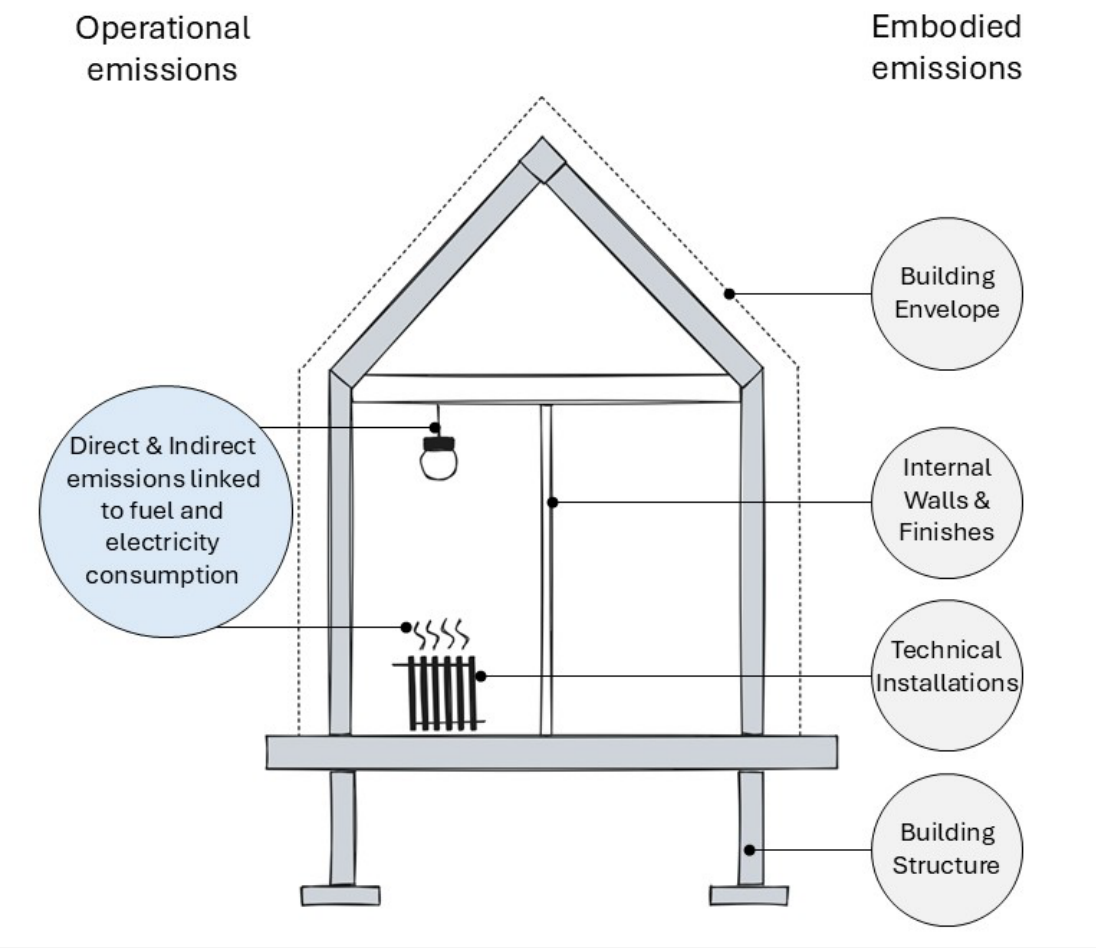
Do you agree with the physical boundaries defined in the methodology that distinguish building construction from infrastructure and civil engineering works and excludes the latter?

- Yes, it is important to distinguish building construction from infrastructure and civil engineering works and emissions from buildings should be assessed separately.
- Partially, while it is important to distinguish building construction from infrastructure and civil engineering works, companies do not/cannot make this distinction in their emissions disclosure.
- No, emissions from infrastructure and civil engineering works should be included in the physical boundaries of the sector as it is a relevant source of emissions.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

Whole Building Approach



- **Disclosure of whole building operational emissions is required**: No distinction between landlord and tenant-controlled spaces.
- **Disclosure of upfront embodied emissions of new buildings delivered at reporting year is required**: Completed project-based emissions disclosure takes precedence over yearly emissions disclosure from on-going construction activities.

QUESTION 4

Do you agree with the whole-building approach that merges emissions from landlord and tenant-controlled spaces?

- Yes, I think the whole building approach better captures the overall impact of the asset and improves consistency in emissions accounting.
- No, I think it is important to maintain the distinction between landlord and tenant-controlled spaces.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

QUESTION 5

Do you agree with the whole-building approach that requests companies to disclose upfront embodied emissions of new buildings delivered at reporting year instead of disclosing emissions annually from ongoing construction activities?

- Yes, I think the whole-building approach provides a more accurate and complete representation of embodied emissions by accounting for the full upfront embodied emissions at project completion.
- No, I think reporting yearly emissions from ongoing construction activities better reflects actual emissions occurring during the reporting period.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

Company Profiles

PROFILE	ACTOR ROLE	BUILDING CONSTRUCTION	BUILDING OPERATION	COMPANY DESCRIPTION	EMISSIONS DISTRIBUTION
Lessor - Contractor	Lessor	Direct	Indirect	A company that owns and builds but does not manage buildings	Embodied emissions from new construction and operational emissions
Lessor - Manager	Lessor	Indirect	Direct	A company that owns and manages buildings but outsources maintenance	Operational emissions
Lessor - Developer	Lessor	Indirect	Indirect	A company that owns and develops buildings	Embodied emissions from new construction and operational emissions
Seller - Contractor	Seller	Direct	Indirect	A company that directly builds and sells buildings	Embodied emissions from new construction and lifetime operational emissions
Seller - Developer	Seller	Indirect	Indirect	A company that develops (through a contractor) and sells buildings	Embodied emissions from new construction and lifetime operational emissions
Manager	Manager	Indirect	Direct	A company that manages buildings but outsources maintenance	Operational emissions
Contractor	NA	Direct	NA	A company that strictly builds buildings	Embodied emissions from new construction

Company profiling approach

Emissions allocation depends on a company's role in the value chain

Profiles defined using **three** variables:

- **Actor role:** Lessor, Seller, Manager
- **Building construction involvement**: Direct / Indirect
- **Building operation involvement**: Direct / Indirect

QUESTION 6

Do you agree that the company profiles identified in the methodology adequately capture the main actors present in the sector?

- Yes, the profiles adequately capture the main actors in the sector.
- Partially, the profiles are broadly appropriate, but some definitions or distinctions could be clarified.
- No, the profiles do not adequately capture the diversity of actors in the sector.
- No strong opinion/I am not sure.

If you are not sure, please explain why.

[Free text]

QUESTION 7

Are there any profiles or combinations that you believe are missing from the methodology?

- Yes, some profiles/combinations are missing.
- No, the methodology includes the main profiles/combinations.
- No strong opinion/I am not sure.

If yes, please list which one(s). If you are not sure, please explain why.

[Free text]

QUESTION 8

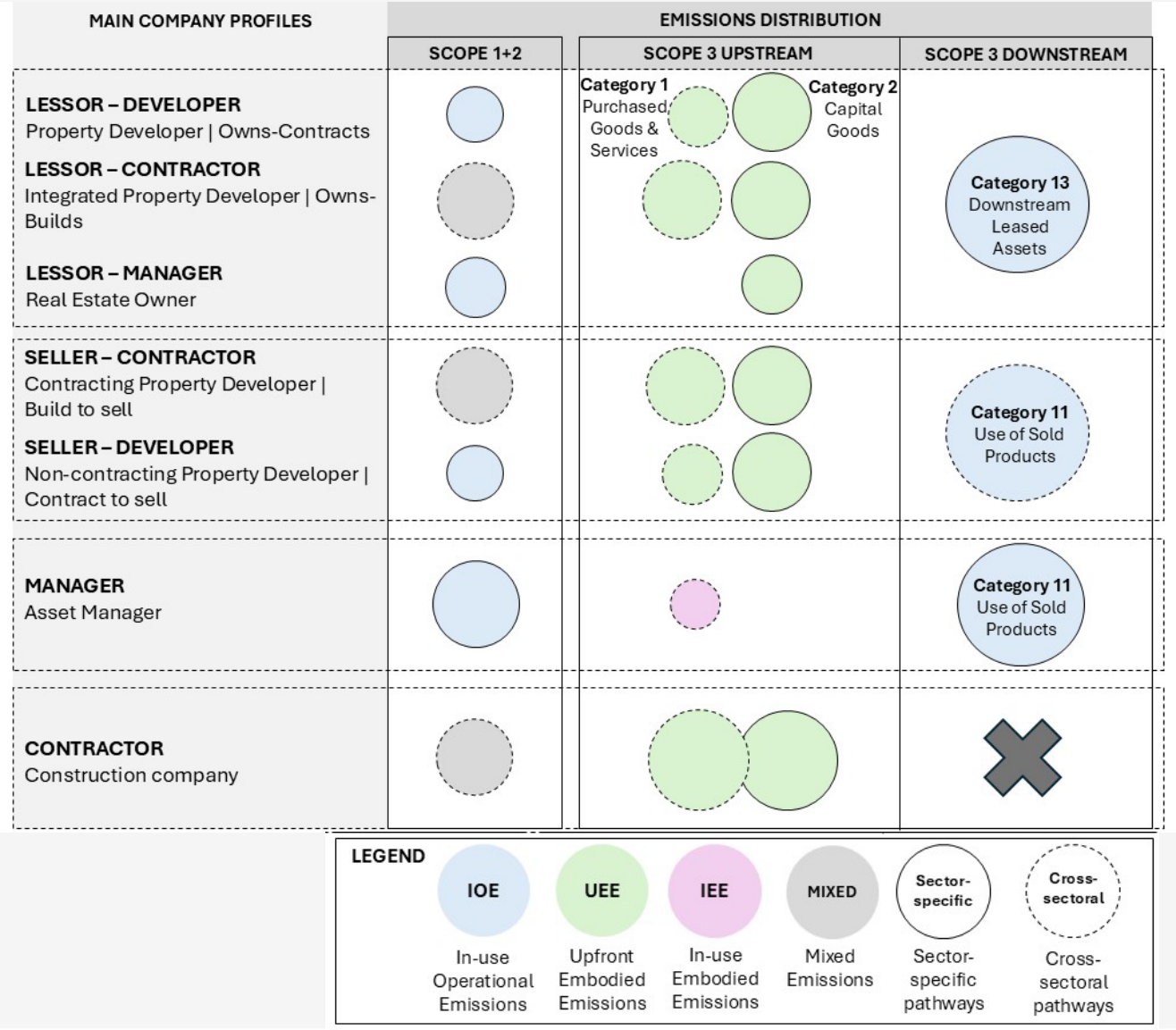
Are there any profiles that you find redundant?

- Yes, some profiles are redundant.
- No, all profiles identified are relevant.
- No strong opinion/I am not sure.

If yes, please list which one(s). If you are not sure, please explain why.

[Free text]

Emissions Distribution



- Largest share of emissions comes from construction and operation activities.
- Most significant emissions fall under **Scope 3.**
- Emissions distribution depends on the company's role in the value chain.
- Distinction between buildings **managed, leased and/or sold.**
- No distinction made between buildings occupied versus buildings not occupied by companies.

QUESTION 9

Do you agree with the distinction between buildings managed, leased and/or sold?

- Yes, I think it is important to make this distinction as it highlights the different types of involvement and indicates where emissions would fall within the GHG protocol emissions categories.
- No, I don’t see the added value of making this distinction.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

QUESTION 10

In your opinion, does this emissions distribution accurately reflect companies' emissions disclosure?

- Yes.
- No.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

Pathway Allocation

Building Life Cycle EN15978	PRODUCT STAGE A1: Raw material supply A2: Transport A3: Manufacturing	CONSTRUCTION STAGE A4: Transport A5: Construction	USE STAGE B1: Use B2: Maintenance B3: Repair B4: Replacement B5: Refurbishment	 B6: Operational energy use B7: Operational water use	END OF LIFE STAGE C1: Deconstruction/Demolition C2: Transport C3: Waste processing C4: Disposal
Value Chain Actors	Upfront embodied emissions		In-use embodied emissions	In-use operational emissions	End-of-life embodied emissions
Reference Pathways	SDA Upfront embodied OR ACA Upfront embodied		Absolute reduction 1.5℃ OR Physical intensity	SDA In-use operational emissions OR Absolute reduction 1.5℃ OR Physical intensity	Absolute reduction 1.5℃ OR Physical intensity
Lessor – Developer	SDA Upfront embodied OR ACA Upfront embodied		Absolute reduction 1.5℃ OR Physical intensity	SDA In-use operational emissions	Out of scope
Lessor – Contractor	SDA Upfront embodied OR ACA Upfront embodied		Absolute reduction 1.5℃ OR Physical intensity	SDA In-use operational emissions	Out of scope
Lessor – Manager	SDA Upfront embodied OR ACA Upfront embodied		Absolute reduction 1.5℃ OR Physical intensity	SDA In-use operational emissions	Out of scope
Seller – Developer	SDA Upfront embodied OR ACA Upfront embodied		Absolute reduction 1.5℃ OR Physical intensity	Absolute reduction 1.5℃ OR Physical intensity	Absolute reduction 1.5℃ OR Physical intensity
Seller – Contractor	SDA Upfront embodied OR ACA Upfront embodied		Absolute reduction 1.5℃ OR Physical intensity	Absolute reduction 1.5℃ OR Physical intensity	Absolute reduction 1.5℃ OR Physical intensity
Contractor	SDA Upfront embodied OR ACA Upfront embodied		Absolute reduction 1.5℃ OR Physical intensity	Out of scope	Out of scope
Manager	Out of scope	Out of scope	Absolute reduction 1.5℃ OR Physical intensity	SDA In-use operational emissions	Out of scope

GHG Protocol emissions	Scope 3 Category 1	Scope 3 Category 2	Scope 3 Category 11	Scope 3 Category 12	Scope 3 Category 13	Out of Scope

QUESTION 11

This methodology integrates CRREM/SBTi sector-specific pathways for operational and upfront embodied emissions.

The visual presented on the previous slide is derived accordingly.

In your opinion, is the pathway allocation visual clear and does it accurately reflect the emissions distribution per profile?

- Yes, the pathway allocation visual is clear and accurately reflects the emissions distribution per profile.
- Partially, the pathway allocation visual is clear, but some adjustments are needed to better reflect emissions distribution per profile.
- Partially, the pathway allocation visual is not clear even though the emissions distribution is accurately reflected.
- No, the pathway allocation visual is not clear and does not accurately reflect the emissions distribution per profile.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

Module 1: Targets

OLD			→	NEW
ACT Construction	**ACT Property Developer**	**ACT Real Estate**		**ACT Buildings Proposal**
1.1. Alignment of owned buildings reduction targets	Same as ACT Construction	1.1. Alignment of owned buildings reduction targets		1.1 Alignment of operational emissions of buildings **managed and/or leased** reduction targets
1.2. Alignment of new buildings delivered (use phase) reduction targets		1.2. Alignment of buildings managed (use phase) reduction targets		1.2 Alignment of operational emissions of buildings **sold** reduction targets
1.3. Alignment of renovated buildings (use phase) reduction targets		1.3. Alignment of new buildings integrated (use phase) reduction targets		

- Explicit distinction of **operational emissions** instead of emissions from the “use phase”.
- No distinction between new buildings delivered and renovated buildings for the use phase.
- Distinction between buildings **managed, leased and/or sold** following emissions distribution outlined in **slide 23.**
- Exclusion of indicator 1.1 isolating buildings “owned” by companies. In the updated methodology, ownership is implied through leasing and selling activities.

QUESTION 12

In the former ACT methodologies, operational emissions were referred to as emissions from the “use phase” of buildings and a distinction was made between the operational emissions of new buildings versus renovated buildings as well as owned buildings. In the new ACT Buildings proposal, ownership is implied and the only distinction made is between buildings managed, leased and/or sold.

Do you agree with the changes made and the revised way of assessing operational emissions from buildings?

- Yes, I agree with the changes made and the revised way of assessing operational emissions.
- Partially, I agree with some aspects of the changes made and the revised way of assessing operational emissions, but I have concerns about others.
- No, I do not agree with the changes made and the revised way of assessing operational emissions.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

Module 1: Targets

OLD			NEW
ACT Construction	**ACT Property Developer**	**ACT Real Estate**	**ACT Buildings Proposal**
1.4. Alignment of new buildings (materials) reduction targets	Same as ACT Construction	1.4. Alignment of new buildings integrated (materials) reduction targets	1.3 Alignment of **upfront embodied emissions** of buildings reduction targets
			1.4 Alignment of **in-use embodied emissions** of buildings reduction targets

- Explicit distinction of **embodied emissions** instead of “materials” emissions.
- Further distinction made between upfront embodied emissions and in-use embodied emissions as per the EN standard outlined on **slide 11**.

QUESTION 13

In the former ACT methodologies, embodied emissions were referred to as “materials” emissions, and only new buildings delivered were considered. In the new ACT Buildings proposal, a distinction is made between upfront and in-use embodied emissions to account for emissions from both new construction and renovations towards low-carbon buildings.

Do you agree with the revised way of assessing embodied emissions and the distinction between upfront and in-use embodied emissions from buildings?

- Yes, I agree with the revised way of assessing embodied emissions and the distinction between upfront and in-use embodied emissions.
- Partially, I agree with the revised way of assessing operational emissions, but I do not see the added value of distinguishing between upfront and in-use embodied emissions.
- No, I do not agree with the revised way of assessing embodied emissions and the distinction between upfront and in-use embodied emissions.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

Module 3: Intangible Investments

OLD			NEW
ACT Construction	**ACT Property Developer**	**ACT Real Estate**	**ACT Buildings Proposal**
3.1. R&D spending on low-carbon technologies	Module 3 was not included in ACT Property Developer	Module 3 was not included in ACT Real Estate	3.1. R&D spending on low-carbon technologies

- The old ACT sectoral methodologies did not consider research and development spending to be significant for Property Developers and Real Estate companies.
- The new ACT Buildings considers this Module to be applicable to all profiles.

QUESTION 14

In the former ACT methodologies, R&D spending was assessed for actors involved in Construction but not in Real Estate and Property Development. In the new ACT Buildings proposal, this indicator is assessed for all profiles in the sector.

Do you agree with the revised way of assessing intangible investments and considering R&D spending applicable for all profiles?

- Yes, I agree with the revised way of assessing R&D spending for all profiles.
- No, I do not agree with the revised approach and R&D should be excluded for Real Estate profiles.
- No, I do not agree with the revised approach and R&D should be excluded for Property Development profiles.
- No, I do not agree with the revised approach as R&D spending may not be equally applicable or relevant across all profiles and should be excluded for both Real Estate and Property Development profiles.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

Module 4: Sold Product Performance

4.1. Product/Service-specific interventions

The methodology presents two approaches for assessing product/service-specific interventions:

Sufficiency – Efficiency – Renewables vs. **Building Life Cycle**.

In the following slides and four consultation questions, we introduce both approaches and seek your feedback on:

- Whether each approach provides a sufficiently accurate and comprehensive assessment of decarbonization interventions.
- How the two approaches compare to each other.
- Whether one approach is preferred to the other; or
- Whether both approaches should be retained as alternative assessment options.

Module 4: Sold Product Performance

4.1. Product/Service-specific interventions: Sufficiency – Efficiency – Renewables framework

SUFFICIENCY	EFFICIENCY	RENEWABLES
Avoiding the demand for energy and materials over the life cycle of buildings	**Improving energy and materials intensity**	**Reducing environmental impacts of the demand for energy and materials**
♦ Prioritise renovations over demolition and new construction ♦ Use of unoccupied or underoccupied buildings ♦ Design and renovate buildings to be adaptable to different functions and future uses ♦ Increase the average space use intensity in office and residential buildings	♦ Achieve zero emissions standards in new buildings ♦ Improve the energy performance of existing buildings through ambitious renovation rates and depths while also considering low embodied carbon solutions ♦ Implement material efficiency and circularity principles that allow for the same functional results but with less material use	♦ Phase-out fossil fuels in heating and cooling systems ♦ Switch to renewable energy sources in material production ♦ Use of low-carbon and carbon storing materials

QUESTION 15

Do you agree with the proposed way of assessing product/service-specific interventions under the Sufficiency-Efficiency-Renewables framework and the listed decarbonization levers?

- Yes, I agree with the proposed way of *assessing product/service-specific interventions under the Sufficiency-Efficiency-Renewables framework and the listed decarbonization levers.*
- Partially, I agree with the framework, but I believe the list of decarbonization levers is incomplete.
- No, I do not agree with the proposed way of *assessing product/service-specific interventions under the Sufficiency-Efficiency-Renewables framework and the listed decarbonization levers.*
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

Module 4: Sold Product Performance

4.1. Product/Service-specific interventions*: Building life cycle stage framework

DESIGN	PRODUCT	CONSTRUCTION	USE	END OF LIFE
Building envelope technologies	Building envelope technologies for wall, roof and facade	Reduction of material losses	Building level thermal storage	Prioritization of reuse over demolition
Fenestration technologies	Locally sourced materials and products only		Building energy management systems	Maximization of recycling materials
Solar thermal technologies for walls, roof and facades	Transportation optimization efficiency of routes		Heating, cooling and ventilation technologies	Responsible waste disposal
Reduction of material losses	Use of Electric vehicles		Solar thermal technologies	
Building design optimization tools		Waste avoidance and reduction	Lighting technologies	
Lightweight building envelope materials		Use of construction site inspection tools	Electricity-based, renewable-based or biofuel-based cooking technologies	

*Refer to Table 13 page 57 for the detailed list of decarbonization levers under each building lifecycle stage.

QUESTION 16

Do you agree with the proposed way of assessing product/service-specific interventions under the building life cycle framework and the listed decarbonization levers?

- Yes, I agree with the proposed way of *assessing product/service-specific interventions under the building life cycle framework and the listed decarbonization levers.*
- Partially, I agree with the framework, but I believe the list of decarbonization levers is incomplete.
- No, I do not agree with the proposed way of *assessing product/service-specific interventions under the building life cycle framework and the listed decarbonization levers.*
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

Module 4: Sold Product Performance

4.1. Product/Service-specific interventions

Sufficiency – Efficiency – Renewables

- Principle-based approach following the IPCC framework.
- Organises interventions according to the decarbonisation principle they address.
- Groups actions into three broad categories: Sufficiency, Efficiency, and Renewables.
- Provides a high-level strategic view of decarbonisation efforts.
- Allows companies flexibility in demonstrating how they contribute to each principle.

Building Life Cycle Stage

- Life cycle-based approach based on the EN standard definition.
- Organises interventions according to the building life-cycle stage where they occur.
- Groups actions into Design, Product, Construction, Use, and End-of-Life stages.
- Provides a detailed operational view of decarbonisation actions.
- Relies on a specific list of building-sector interventions associated with each life cycle stage.

QUESTION 17

Which framework is best suited to assess product/service-specific decarbonization levers?

- Sufficiency – Efficiency – Renewables framework.
- Building life cycle stage framework.
- Both frameworks.
- Neither framework.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

QUESTION 18

In your opinion, do these frameworks sufficiently capture the decarbonization levers companies could implement?

- Yes, the proposed frameworks sufficiently capture the potential decarbonization levers in the sector.
- No, there are significant decarbonization levers that are left out.
- No strong opinion/I am not sure.

If no, please list which one(s) are missing. If not sure, please explain why.

[Free text]

Module 4: Sold Product Performance

OLD

Module	ACT Construction	ACT Real Estate	ACT Property Developer
2. MATERIAL INVESTMENTS	✗	✓	✗
4. SOLD PRODUCT PERFORMANCE	✓	✗	✓

LEGEND ✗ Not applicable ✓ Applicable

NEW

ACT Buildings Proposal
✓
✓

- Company performance was assessed under Modules 2 or 4 depending on the company profile which is why these modules were not applicable to all.
- The new methodology considers most significant emissions in the sector to fall under Scope 3.
- Following the whole-building approach, this also includes companies in the Real estate sector.

Module 4: Sold Product Performance

OLD

ACT Construction	ACT Property Developer	ACT Real Estate
4.1. Alignment of carbon performance trend of new buildings (use phase)	4.1. Alignment of carbon performance trend of new buildings (use phase)	Module 4 was not included in ACT Real Estate
4.2. Low-carbon buildings share	4.2. Low-carbon buildings share	
4.3. Renovated buildings subject to thermal renovation share	4.3. Renovated buildings subject to thermal renovation share	
4.4. Emissions lock-in	4.4. Emissions lock-in	

NEW

ACT Buildings Proposal
4.1. Product/Service-specific interventions*
4.2. Trend in past emissions intensity for operational emissions
4.3. Trend in past emissions intensity for upfront embodied emissions
4.4. Trend in future emissions intensity for operational emissions of buildings
4.5. Trend in future emissions intensity for upfront embodied emissions
4.6. Share of low-carbon buildings**
4.7. Share of renovations towards low-carbon buildings**
4.8. Locked-in emissions from sold products**

- Company performance is assessed under Module 4 indicators 4.2 to 4.5.
- The distinction between operational emissions and upfront embodied emissions introduced in Module 1: Targets, is maintained in Module 4.

* Indicator 4.1 was introduced in an update across all ACT sectoral methodologies.

** Indicators 4.6 to 4.8 were maintained and updated.

Existing indicator | New indicator

QUESTION 19

In the former ACT methodologies, a company's performance was assessed either under Module 2 (Scope 1+2 emissions) or under Module 4 (Scope 3 emissions), depending on its role in the sector. The new ACT Buildings is now proposing to assess all companies' profiles under Module 4 given the adoption of the whole-building approach.

Do you agree with the revised approach of assessing a company's performance under Module 4?

- Yes, I agree with the revised approach of assessing a company's performance under Module 4 as most significant emissions fall under Scope 3 regardless of the company profile.
- Yes, I agree but for other reasons.
- No, I do not agree with the revised approach of assessing a company's performance under Module 4 as it puts companies at a disadvantage considering they have less influence on Scope 3 emissions.
- No, I disagree but for other reasons.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

Module 4: Sold Product Performance

4.6. Share of low-carbon buildings: Definition & Benchmark

This methodology adopts the definition of a zero-carbon-ready building as established by the IEA reflecting a forward-looking approach making sure that buildings developed or built today are designed to be compatible with the expected decarbonization of the built environment.

"Highly energy-efficient building that either relies on renewable energy directly or on an energy supply that can be fully decarbonized by 2050."

2022	2023	2024	2025	2026	2027	2028	2029	2030
1%	13.4%	25.8%	38.1%	50.5%	62.9%	75.3%	87.6%	100%

The percentages above relate to the projected benchmark share of zero-carbon-ready buildings needed to reach 100% by 2030 as defined by the IEA.

- The methodology aligns with the **IEA benchmark scenario** for the projected shares of zero-carbon-ready buildings.
- Key milestone requiring that **100%** of all new construction to be zero-carbon-ready by **2030**.
- Considering that the share of zero-carbon-ready buildings in **2022** was at **1%**, there is a significant gap that needs to be compensated for in the coming years to reach the 100% target.
- The assessment is a measure of the company's share of zero-carbon-ready new buildings acquired, constructed and/or developed from RY-3 to RY (ratio) and expected growth from RY to RY+3 (trend analysis) as compared with the expectations required in the sector under a 1.5℃ degree scenario.

QUESTION 20

This methodology adopts the definition of zero-carbon-ready buildings as established by the IEA to replace the previously used term of “low-carbon buildings”. According to the IEA, a zero-carbon-ready building is a “highly energy-efficient building that either relies on renewable energy directly or on an energy supply that can be fully decarbonized by 2050”.

Do you agree with the adopted definition of zero-carbon-ready buildings as low-carbon buildings?

- Yes, the zero-carbon-ready building definition accurately reflects what would be considered as a low-carbon building.
- No, there are other definitions in the sectoral landscape that better reflect what could be considered as a low-carbon building.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

Module 4: Sold Product Performance

4.6. Share of low-carbon buildings: Assessment Method

This indicator is a measure of the company's share of zero-carbon-ready (ZCR) new buildings acquired, constructed and/or developed from reporting year -3 until reporting year and expected growth for the next 3 years as compared with the expectations required in the sector under a 1.5C degree scenario.

Dimension 1 is based on the ratio between the company's share of zero-carbon-ready buildings in the reporting year and the three years preceding and the sector benchmark for the same period.

Dimension 2 is a trend analysis based on the comparison between the gradient of the company's projected share of ZCR buildings from RY to RY+3 and the gradient of the company's benchmark share of ZCR buildings during that same period.

QUESTION 21

Do you agree with the assessment method for the share of low-carbon buildings?

- Yes, I agree.
- No, I think there are alternative assessment methods that are better suited.
- No strong opinion/I am not sure.

If you do not agree or are not sure, please explain why.

[Free text]

Module 4: Sold Product Performance

4.7. Share of renovations towards low-carbon buildings: Definition & Benchmark

This methodology focuses on sustainability-driven renovations and defines them as interventions aimed primarily at improving the energy performance of buildings and reducing associated emissions.

2022	2030	2035	2050
5%	20%	35%	80%

The percentages above relate to the projected benchmark share of renovations towards low-carbon buildings needed to reach 80% by 2050 as defined by the IEA.

- This methodology aligns with the **IEA projections** for the share of major renovations.
- Key milestone requiring **20%** of the existing building stock to be retrofitted to **a zero-carbon-ready level** by **2030**.
- Beyond 2035, most existing buildings need to be renovated, with **more than 85%** being zero-carbon-ready by **2050.**
- Considering that the share of renovations was **5%** in **2022**, this benchmark requires annual renovations rates to at least double to achieve the 20% level set for 2030.
- The assessment is a measure of the company's growth in renovated buildings as compared with a benchmark renovation pathway.

QUESTION 22

IEA sets a benchmark of renovations towards low-carbon buildings to increase from 5% in 2022 to 20% in 2030, 35% in 2035 and 80% in 2050.

Do you agree with the benchmark adopted for renovations towards low-carbon buildings?

- Yes, the benchmark adopted accurately reflects the renovation growth needed globally.
- No, there are other benchmarks in the sectoral landscape that better reflect global renovation growth.
- No strong opinion/I am not sure.

If you do not agree or are not sure, please explain why.

[Free text]

Module 4: Sold Product Performance

4.7. Share of renovations towards low-carbon buildings: Assessment Method

A measure of the company's renovation share of existing buildings from reporting year -3 until reporting year and expected growth for the next 3 years as compared with the expectations required in the sector under a 1.5℃ degree scenario.

Dimension 1 is based on the ratio between the company's share of renovated buildings in the reporting year and the three years preceding and the sector benchmark for the same period.

Dimension 2 is a trend analysis based on the comparison between the gradient of the company's projected share of renovated buildings from RY to RY+3 and the gradient of the company's benchmark share of renovated buildings during that same period.

QUESTION 23

Do you agree with the assessment method for the share of renovations towards low-carbon buildings?

- Yes, I agree.
- No, I think there are other alternative assessment methods that are better suited.
- No strong opinion/I am not sure.

If you do not agree or are not sure, please explain your answer.

[Free text]

Module 9: Low-carbon Business Models (1/2)

Energy performance guarantees:

- Offer low-carbon buildings with energy performance guarantees (high importance)
- Offer renovation services with guaranteed energy performance savings (high importance)
- Offer low-carbon buildings with energy services (renewable production, electricity storage, …) over 10-15 years (high importance)

Production and storage of low-carbon energy:

- Monetise the production of low-carbon energy in real estate assets through direct sales, tenant energy services, or virtual power plants (medium importance)
- Storage of energy and sales of peak hours (medium importance)

Revenue increase via the adoption of circular economy:

- Cost reduction via the reduction of primary material use (medium importance)
- Upcycle construction materials and waste to optimize construction costs (low importance)

Module 9: Low-carbon Business Models (2/2)

Shared economy business models:

- Design of multi-purpose buildings (medium importance)
- Design of buildings for collaborative use (coworking, co-living, etc.) (medium importance)
- Flexible space monetization platform (use underutilized real estate and redistributing access dynamically to multiple users, maximizing revenue per square meter) (medium importance)
- Sublet parcels of rooftop or ground-level green space to individuals, restaurants, or schools on seasonal subscriptions (low importance)
- Offer vehicle sharing model for tenants (car-pooling platform, bicycle-sharing systems, maintenance) (low importance)
- Offer electric vehicle re-charging services (low importance)

Over property technology models:

- Provide sensor networks and software that track real-time space utilisation, e.g., room occupancy, foot traffic and feed dashboards to facilities managers (low importance)

QUESTION 24

*Are there any low-carbon business **models** that should be added?*

- No, the listed models are sufficiently broad and clear.
- No, but some clarifications shall be added.
- Yes, certain business models are significant and key for the sector and should be added.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

Module 9: Low-carbon Business Activities (1/2)

Activities to decarbonise building use:

- Integrating solar PV, heat pumps, battery storage, or district energy into building assets (high importance)
- Foster deep-energy renovation in existing building (high importance)
- Integrate vehicle to grid technology in building assets (low importance)
- Install battery storage in building assets (medium importance)
- Deployment of green roofs to improve thermal comfort and reduce energy needs indoors (medium importance)
- Use of passive-architecture techniques/strategies to reduce energy consumptions and increase the building energy efficiency, such as (medium importance):
    - Use of double glass windows and adjustable summer shading to avoid overheating through windows' heat transfer.
    - Use of insulating materials on external walls, floors and ceilings (eg. wool and/or fiberglass, foam) preventing unwanted gains or losses of energy/heat.
    - Improve natural cross-ventilation of indoors spaces to remove moist and excess of heat.
    - For new buildings, choose orientations that maximize natural light during winter seasons while minimizing it on summer periods.

Module 9: Low-carbon Business Activities (2/2)

Activities to decarbonise building construction:

- Material shift to reduce the use of carbon-intensive materials: natural fibres replace fossil-based chemicals, timber substitutes cement (medium importance)
- Increase the shares of green steel and low/zero clinker cement for construction of buildings (medium importance)

Activities to optimise the shared use of buildings:

- Leasing space from and sub-letting it flexibly to multiple tenants — daily, weekly, or monthly (medium importance)
- Rent of unused spaces at specific schedule (on the weekend for offices) or on a temporary basis (low importance)
- Rent of green spaces dedicated to urban agriculture (low importance)

Activities to increase circularity:

- Reduction of primary raw material in construction operation through expanding the use of secondary raw materials (medium importance)
- Developments of construction designs/techniques to support circularity via the incorporation of concepts for design for adaptability and deconstruction (medium importance)
- Storage of pluvial waters for systems' maintenance (low importance)

QUESTION 25

*Are there any low-carbon business **activities** that should be added?*

- No, the listed activities are sufficiently broad and clear.
- No, but some clarifications shall be added.
- Yes, certain business activities are significant and key for the sector and should be added.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

Modules 4 & 9: Product Interventions vs. Business Model Activities

4.1. Product/Service-specific Interventions

Some overlap exists between interventions considered under indicator 4.1 and activities contributing to low-carbon businesses in indicator 9.2 (refer to slides 56/57).

SUFFICIENCY	EFFICIENCY	RENEWABLES
Avoiding the demand for energy and materials over the life cycle of buildings	**Improving energy and materials intensity**	**Reducing environmental impacts of the demand for energy and materials**
◆ Prioritise renovations over demolition and new construction ◆ Use of unoccupied or underoccupied buildings ◆ Design and renovate buildings to be adaptable to different functions and future uses ◆ Increase the average space use intensity in office and residential buildings	◆ Achieve zero emissions standards in new buildings ◆ Improve the energy performance of existing buildings through ambitious renovation rates and depths while also considering low embodied carbon solutions ◆ Implement material efficiency and circularity principles that allow for the same functional results but with less material use	◆ Phase-out fossil fuels in heating and cooling systems ◆ Switch to renewable energy sources in material production ◆ Use of low-carbon and carbon storing materials

QUESTION 26

In your opinion, is there a need to minimise the overlap between product interventions in Indicator 4.1 and business model activities assessed under Indicator 9.2?

- No, the overlap is acceptable as each indicator captures distinct aspects of company performance.
- Yes, the overlap should be minimised to avoid double counting the same activities.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

QUESTION 27

In your opinion, which of the following options is best suited to minimise the overlap between product interventions in Indicator 4.1 and business model activities assessed under Indicator 9.2?

- Scoring adjustments (e.g., indicator weighting) to prevent companies from being double-penalised/rewarded.
- Additional guidance to split the actions to the most relevant indicators based on the company's overall disclosure.
- I don't think there is a need to minimize this overlap.
- No strong opinion/I am not sure.
- Other.

Please explain your answer.

[Free text]

Overall Weighting - Overview

	RATIONALE	ALL PROFILES
Targets	Fixed weight across all profiles	20%
Sold Product Performance		30%
Management		10%
Policy Engagement		5%
Business Model		10%
TOTAL		**75%**

+

	LESSOR - CONTRACTOR	LESSOR - MANAGER	LESSOR - DEVELOPER	SELLER - CONTRACTOR	SELLER - DEVELOPER	MANAGER	CONTRACTOR
	WEIGHT	WEIGHT	WEIGHT	WEIGHT	WEIGHT	WEIGHT	WEIGHT
Material Investments	3%	3%	3%	3%	3%	3%	**5%**
Intangible Investment	2%	2%	2%	2%	2%	2%	**5%**
Supplier Engagement	10%	**5%**	10%	10%	10%	**5%**	**15%**
Client Engagement	10%	**15%**	10%	10%	10%	**15%**	**0%**
TOTAL	**25%**						

QUESTION 28

Do you agree with the overall weighting distribution having 75% of the score common to all profiles and 25% reserved for profile variations?

- Yes, I agree.
- No, I disagree.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

QUESTION 29

In other ACT methodologies, Module 1 (Targets) is allocated the weight of 15% across all sectors. The new ACT Buildings is proposing to increase this weight to 20% because it has more indicators compared to the former ACT Methodologies.

Do you agree with increasing the weight of Module 1 (Targets) from 15% to 20% of the final score?

- Yes, I agree.
- No, I disagree.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

Overall Weighting – Breakdown per Profile

	RATIONALE	ALL PROFILES
Targets	Fixed weight across all profiles	20%
Sold Product Performance		30%
Management		10%
Policy Engagement		5%
Business Model		10%
TOTAL		75%

	LESSOR - CONTRACTOR		LESSOR - MANAGER		LESSOR - DEVELOPER	
	WEIGHT	RATIONALE	WEIGHT	RATIONALE	WEIGHT	RATIONALE
Material Investments	3%	Low-carbon Capex exists but not crucial	3%	Low-carbon Capex exists but not crucial	3%	Low-carbon Capex exists but not crucial
Intangible Investment	2%	Low-carbon R&D exists but not crucial	2%	Low-carbon R&D exists but not crucial	2%	Low-carbon R&D exists but not crucial
Supplier Engagement	10%	High level of influence across the value chain	5%	Lower level of influence upstream	10%	High level of influence upstream
Client Engagement	10%	High level of influence across the value chain	15%	Client contact and higher level of influence downstream	10%	Client contact and higher level of influence downstream

QUESTION 30

Do you agree with the Lessor-Manager profile having less weight (5%) allocated to Supplier engagement and more weight (15%) allocated to Client engagement given the variable level of influence compared with the other two profiles?

- Yes, I agree.
- No, I disagree.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

Overall Weighting – Breakdown Per Profile

	RATIONALE	ALL PROFILES
Targets	Fixed weight across all profiles	20%
Sold Product Performance		30%
Management		10%
Policy Engagement		5%
Business Model		10%
TOTAL		75%

	SELLER -CONTRACTOR		SELLER - DEVELOPER	
	WEIGHT	RATIONALE	WEIGHT	RATIONALE
Material Investments	3%	Low-carbon Capex exists but not crucial	3%	Low-carbon Capex exists but not crucial
Intangible Investment	2%	Low-carbon R&D exists but not crucial	2%	Low-carbon R&D exists but not crucial
Supplier Engagement	10%	High level of influence across the value chain	10%	High level of influence upstream
Client Engagement	10%	High level of influence across the value chain	10%	Client contact and higher level of influence downstream

QUESTION 31

Do you agree with allocating the same weightings for the Seller-Developer vs. Seller-Contractor profiles?

- Yes, I agree.
- No, I disagree.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

Overall Weighting – Breakdown Per Profile

	RATIONALE	ALL PROFILES
Targets	Fixed weight across all profiles	20%
Sold Product Performance		30%
Management		10%
Policy Engagement		5%
Business Model		10%
TOTAL		75%

+

	MANAGER		CONTRACTOR	
	WEIGHT	RATIONALE	WEIGHT	RATIONALE
Material Investments	3%	Low-carbon Capex exists but not crucial	5%	Low-carbon Capex exists and is more relevant
Intangible Investment	2%	Low-carbon R&D exists but not crucial	5%	Low-carbon R&D exists and is more relevant
Supplier Engagement	5%	Lower level of influence upstream	15%	Supplier contract and higher level of influence upstream
Client Engagement	15%	Client contact and higher level of influence downstream	0%	Low level of influence downstream

QUESTION 32

Do you agree with the Contractor profile having no weight allocated to Client Engagement due to the lower level of influence downstream?

- Yes, I agree. The level of influence of contractors downstream is not relevant enough to be included.
- Partially. Even though contractors have less influence downstream, Client Engagement should still be accounted for with a minimum weight.
- No, I disagree. The level of influence of contractors downstream is relevant enough to be included.
- No strong opinion/I am not sure.

Please explain your answer specifically if you partially agree or disagree. What weight would you allocate to this module? From which other module(s) would you compensate this weight increase?

[Free text]

QUESTION 33

Overall, what do you think of the weight allocations per profile?

- I think the weights allocated represent a fair distribution per profile as it accurately reflects their level of influence across the value chain.
- I think some allocations represent a fair distribution per profile, but others need significant adjustments.
- I think the weights allocated do not represent a fair distribution per profile and all need major adjustments.
- No strong opinion/I am not sure.

Please explain your answer.

[Free text]

QUESTION 34

Are there any important topics that were not covered by this questionnaire?

- Yes.
- No.
- I am not sure.

Please feel free to add any other comment or feedback you have on this consultation.

[Free text]

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Any questions?

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