



right°

Ensuring Appropriate Sector Benchmarking

Specialist: Dr. Jacopo Pellegrino (CTO)

Competence Jour Fixe | XDC Direct Access


Relevant Case Resources in the XDC Academy

Your Resources | Client Pain Point | The XDC Solution | Impact


Solving this case
can be supported by
the following resource
in our digital
XDC Academy:

Videokurse


Alle Kurse



Dr. Sebastian Müller, LL.M.
**Klimawirkung als
Entscheidungskriterium für den
Einkauf**



Hannah Helmke
**Einführung in den XDC Climate
Impact Report**
Der XDC Climate Impact Report ist das Einstiegsprodukt von
right® und zeigt die Klimawirkung des Unternehmens an.



Hannah Helmke
**XDC vs. SBT - Gemeinsamkeiten und
Unterschiede bei der Berechnung der
Klimawirkung**
... Gemeinsamkeiten und
... der Klimawirkung mit dem
... Science Based Targets

XDC Grundlagen

**Klimawirkung und
Pariskonformität - Eine
Einführung in das XDC
Modell**

Hannah Helmke, Gründerin & CEO

In diesem Video erklärt Hannah Helmke das XDC Modell, das Unternehmen dabei unterstützt, ihre Klimawirkung zu verstehen und Pariskonformität zu erreichen. Die Mitgründerin und Geschäftsführerin von right® zeigt Beispiele von Unternehmen und erklärt, wie das Modell die ökonomische Emissionsintensität berechnet und die Klimawirkung in Grad Celsius darstellt. Außerdem erläutert sie, wie das Modell verschiedene Szenarien berücksichtigt und wie Unternehmen ihre Klimastrategie entwickeln können.

right®

Einführung in das XDC Modell

**Klimawirkung und
Pariskonformität**

right°

The Company

right°

right on target 1.5°C

Right° provides transparency on the climate impact of economic activities - plain & simple in °C. Our software and metrics enable stakeholders from the real economy, finance, and real estate to plot pathways to 1.5°C alignment.

Our pioneering X-Degree Compatibility (XDC) Model creates science-based 'temperature alignment' metrics that correspond directly to the goal of the Paris Agreement. That means, we guide your climate-related decisions with the best, most relevant science and data.

Selected Clients: Real Economy



Selected Clients: Finance



Selected Clients: Real Estate



right° Presence in the Media

Extraordinary Attention for our Systematic Approach

Business Insider



Calculate the Climate Impact of a Business Model

"It's not about making companies look bad, but (...) calculating how strongly the respective business model influences the climate."

ZDF



Consider Emissions in Relation to Solutions

"The new analysis model looks at CO₂ emissions in relation to possible solutions for the 1.5 degree target."

brand eins



Measure Climate Impact According to the Paris Agreement

"The Frankfurt-based start-up right° enables companies to measure their climate impact according to the logic of the Paris Agreement: in degrees Celsius."

FAZ



Transform Climate Issues into a Competitive Advantage

"If approached correctly, Europe's credibility on climate issues could become a competitive advantage for companies."

Handelsblatt



CO₂ Emissions Shouldn't be the Only Indicator

"The carbon footprint alone (cannot) be a yardstick for assessing sustainability efforts."

Die Zeit



The Sector Must Be Considered in the Climate Impact

"When evaluating the respective climate efforts, it is taken into account that not all sectors are able to reduce emissions to the same extent."

Nominierungen & Preise

Extraordinary Attention for our Systematic Approach

Digital Female Leader 2023

Menschen des Jahres 2023

Female Founders Award 2023

Female Finance Award 2023



Next Economy Award | Change 2020

Portfolio Institutionell | Vordenker Award 2022

Stage Presence

Market Access through Large Stages

SEPT. 2023	Handelsblatt Tagung ESG-Reporting und -Steuerung
	Maschinenraum Momentum
	ZEIT WISSEN Kongress
JUL. 2023	Forum Bellevue zur Transformation der Gesellschaft
JUN. 2023	Deutscher Immobiliientag (IVD)
	Konferenz ESG & Holzbau
MÄR. 2023	Süddeutsche Zeitung Nachhaltigkeitskongress
	Fachtagung Digitalisierung (VDW)



right°

XDC Solutions

Our Model and Software

right°

Software Solutions by right°

Your Resources | Client Pain Point | The XDC Solution | Impact

1

XDC Climate Impact Report: Status Quo.



Understand where your customer stands today.
Help them grasp the 1.5°C ambition and
develop a vision.

2

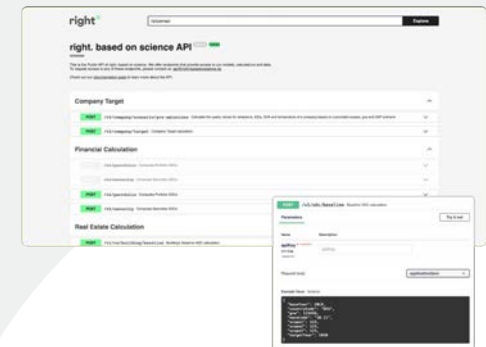
XDC Scenario Explorer: Scenario Analysis.



Apply your know-how of the XDC scenario
analysis to develop a Paris-compliant strategy
for your client.

3

XDC Public API: Integration.



Develop a verifiable controlling model
for your client's transition pathway by
making complexity manageable.

The XDC Member Platform enables a completely **new collaboration model between right°** as an innovative climate tech company **and established consulting experts** to offer strong solutions.

Transitionspioniere in den besten Händen.

Nutzen Sie unsere einfachen Such- und Filterfunktionen, um den richtigen Berater für Ihre Transition zu finden.

Filter

Q Suche nach branche, Leistung, ...

Leistungen

Projektmanagement Materialitätsanalyse
Emissionsdatenerhebung Datenbankstrukturen
Digitale Dashboards Klimazielssetzung
Dekarbonisierungsmaßnahmen Steuerungssysteme
Strategieentwicklung Change Management
Reporting Kommunikation

Filter zurücksetzen


Consultancy

Projektmanagement Datenbankstrukturen Digitale Dashboards Steuerungssysteme Strategieentwicklung
Change Management Reporting

[XDC Direct Access Member Portal \(right-basedonscience.de\)](https://right-basedonscience.de)


The XDC Academy is a **Toolbox for XDC users** to acquire knowledge and skills about the right° XDC model and learn to tackle climate-related challenges directly.

Ressourcen



Glossar


Finden Sie Definitionen zu wiederkehrenden Begrifflichkeiten, rund um right°, die XDC und unsere Produkte.



right° Brand Hub

Finden Sie Ressourcen bezüglich unserer Corporate Identity, wie Logos und markenspezifische Farbwerte sowie ein Tool zur Erstellung der XDC-Abbildungen


Videokurse



Dr. Sebastian Müller, LL.M.

Klimawirkung als Entscheidungskriterium für den Einkauf


Durch die Quantifizierung der Klimaziele und die Berechnung des Szenario-XDC lässt sich die Klimawirkung von Herstellern vergleichen und so ein echtes Entscheidungskriterium für den Einkauf schaffen.



Hannah Helmke

Einführung in den XDC Climate Impact Report

Der XDC Climate Impact Report ist das Einstiegsprodukt von right° und zeigt die Klimawirkung des Unternehmens im Status Quo sowie unter unternehmensspezifischen Szenarien.



Hannah Helmke

XDC vs. SBT - Gemeinsamkeiten und Unterschiede bei der Berechnung der Klimawirkung

In diesem Video geht es um die Gemeinsamkeiten und Unterschiede bei der Berechnung der Klimawirkung mit dem XDC Modell und den Methoden der Science Based Targets Initiative.

[Alle Kurse](#)

[XDC Academy \(right-basedonscience.de\)](https://right-basedonscience.de)

Understanding the Client Pain Point

Ensuring Appropriate
Sector Benchmarking



Relevance of Competency: Ensuring Fair Benchmarks

Your Resources | [Client Pain Point](#) | The XDC Solution | Impact

Client Pain Point

Struggling to operationalize
XDC results due to the **lack of
fair climate performance
benchmarks** .

Relevance

**Setting climate targets that take
company structure and activity**
into consideration.

**Communicating results based on
fair benchmarks** for evidence of
Paris-alignment.

The XDC Solution

Enabling comparability against
more representative entities in
the NACE sector.

Facilitating fairer XDC analyses
that reflect multiple sectors.

Relevance of Competency: Ensuring Fair Benchmarks

Your Resources | [Client Pain Point](#) | The XDC Solution | Impact

Client Pain Point

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Relevance of Competency: Ensuring Fair Benchmarks

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The XDC Solution

Enabling comparability against more representative entities in the NACE sector.

Facilitating fairer XDC analyses that reflect multiple sectors.

Case 1: Issue Faced by Niche Companies

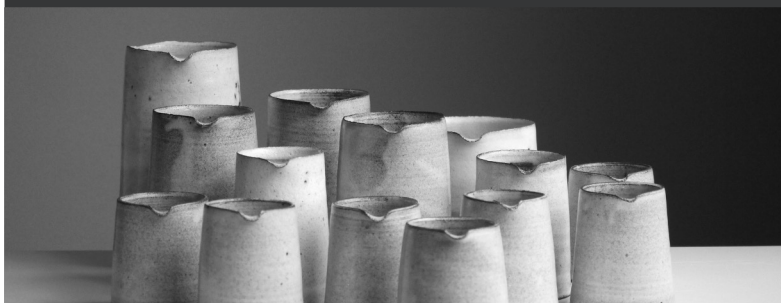
Your Resources | [Client Pain Point](#) | The XDC Solution | Impact

Different Companies

NACE C23

Circula Ceramics

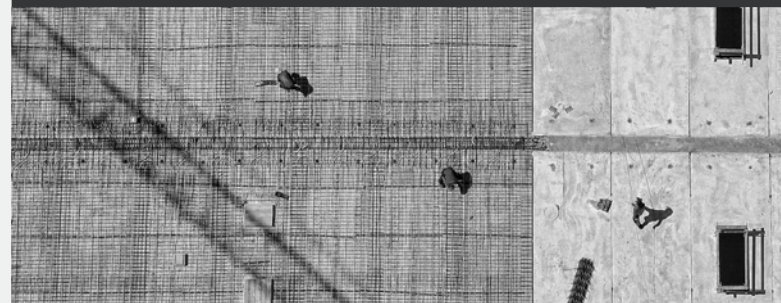
Specialized in household & ornamental products



Sector 23.41 has a lower EEI* profile

Cement Construct

Specialized in concrete building products



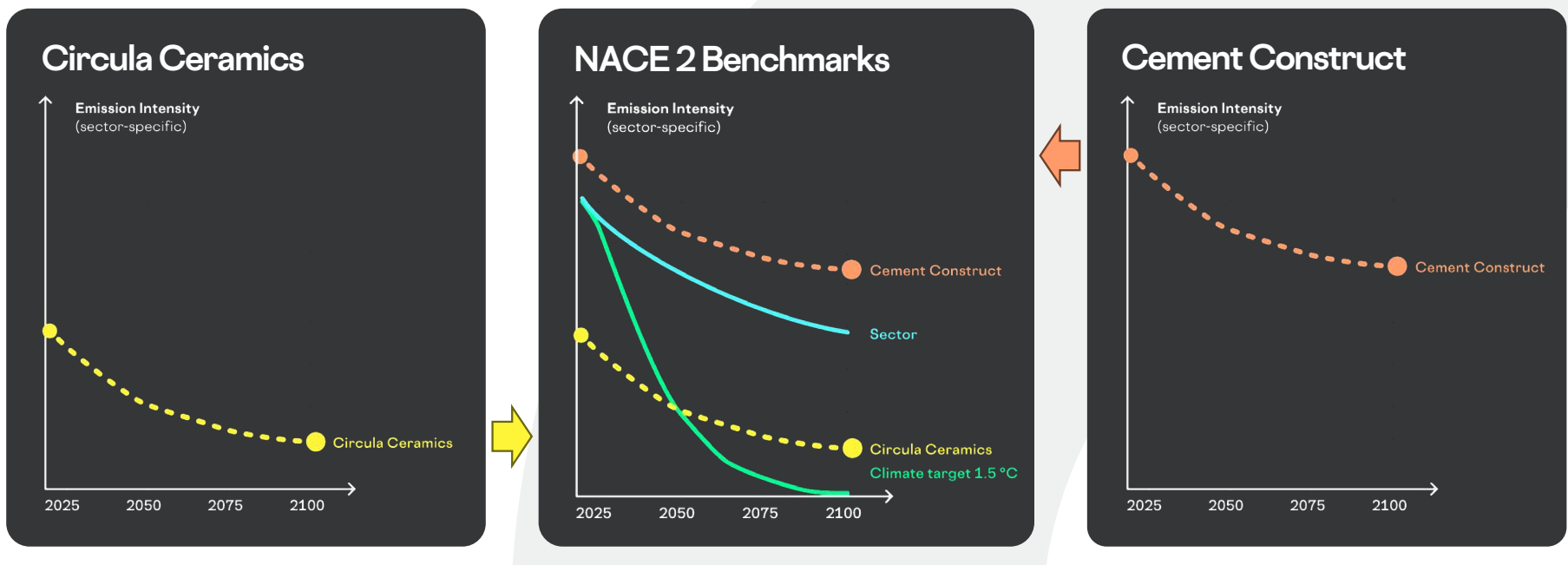
Sector 23.61 has a higher EEI* profile

Case 1: Issue Faced by Niche Companies

Your Resources | [Client Pain Point](#) | The XDC Solution | Impact

NACE C23

Different EEI Profiles



Case 2: Issue Faced by Multi-Sector Companies

Your Resources | [Client Pain Point](#) | The XDC Solution | Impact

Different Companies

NACE 07

Cepha (Mining)

Specialized in mining of metal ores



Sector 07 has a higher EEl* profile

NACE 64

Cepha (Finance)

Specialized in financial services activities



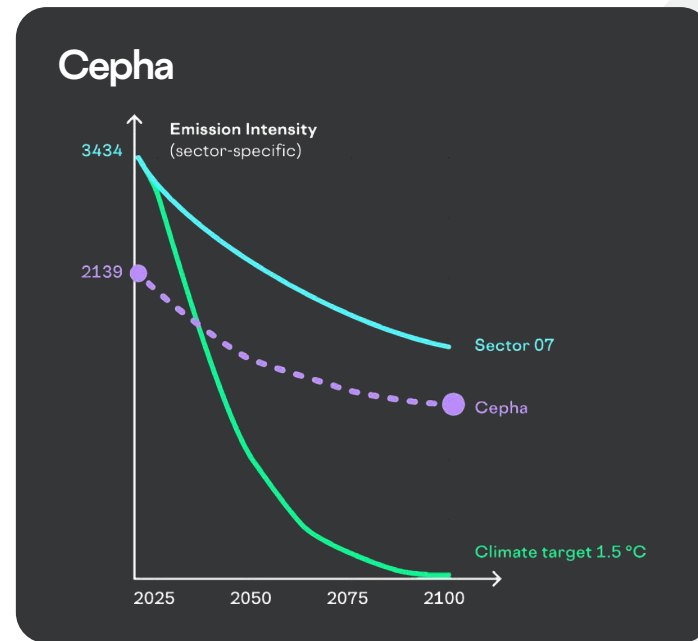
Sector 64 has a lower EEl* profile

Case 2: Issue Faced by Multi-Sector Companies

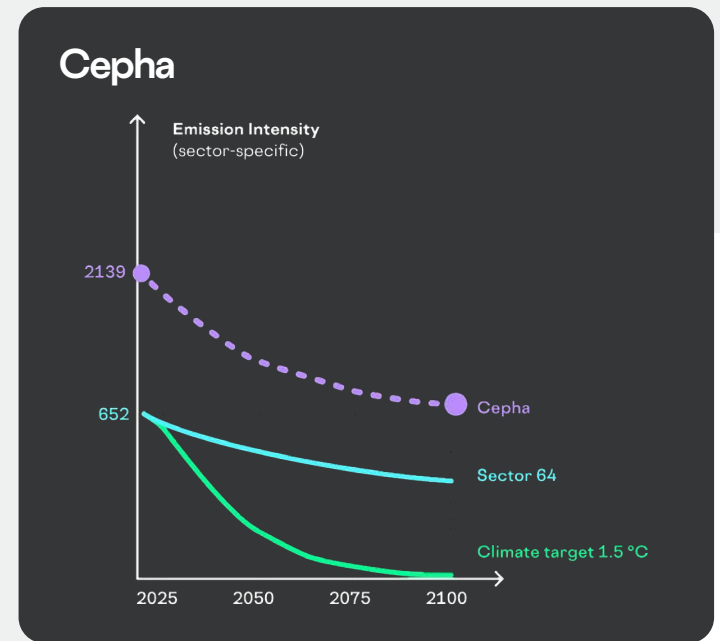
Your Resources | [Client Pain Point](#) | The XDC Solution | Impact

Different Departments

NACE 07

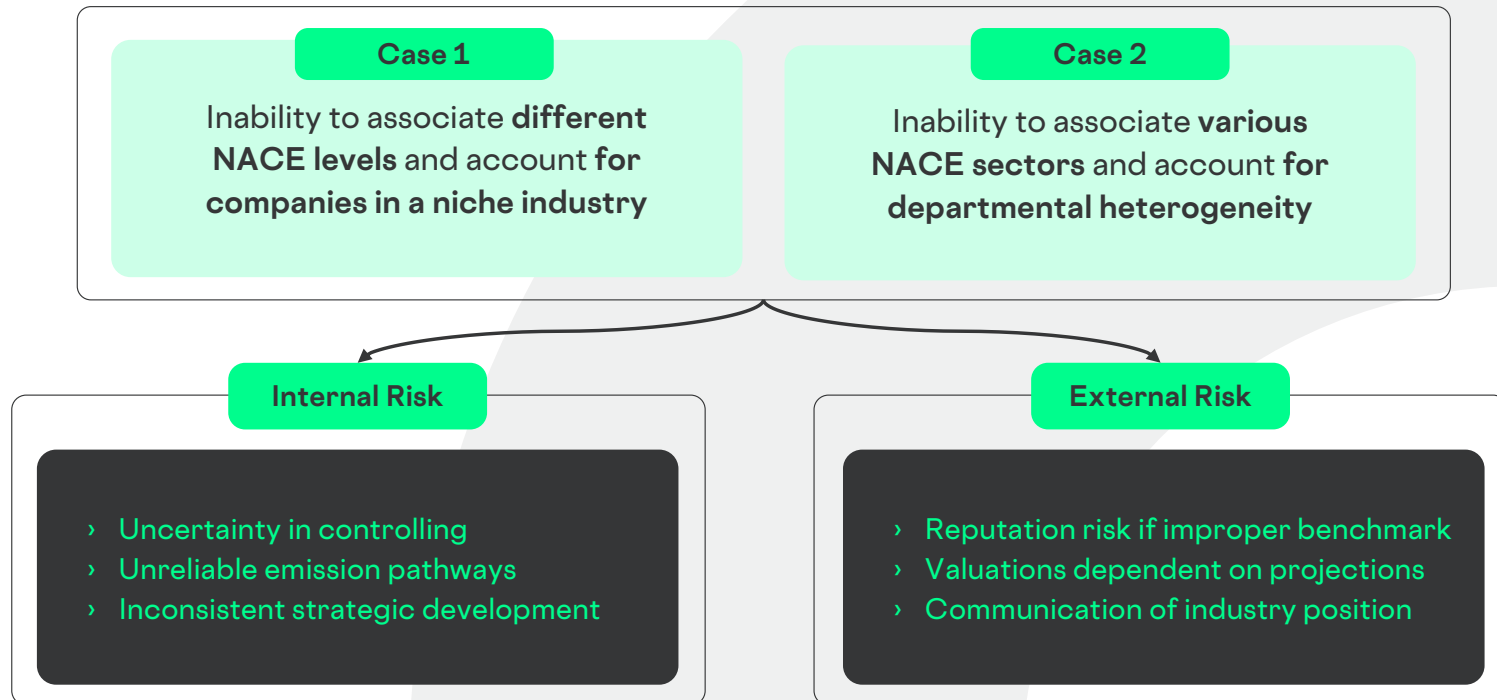


NACE 64



The Corporate Challenge of Appropriate Benchmarking

Your Resources | [Client Pain Point](#) | The XDC Solution | Impact





right°

The XDC Solution

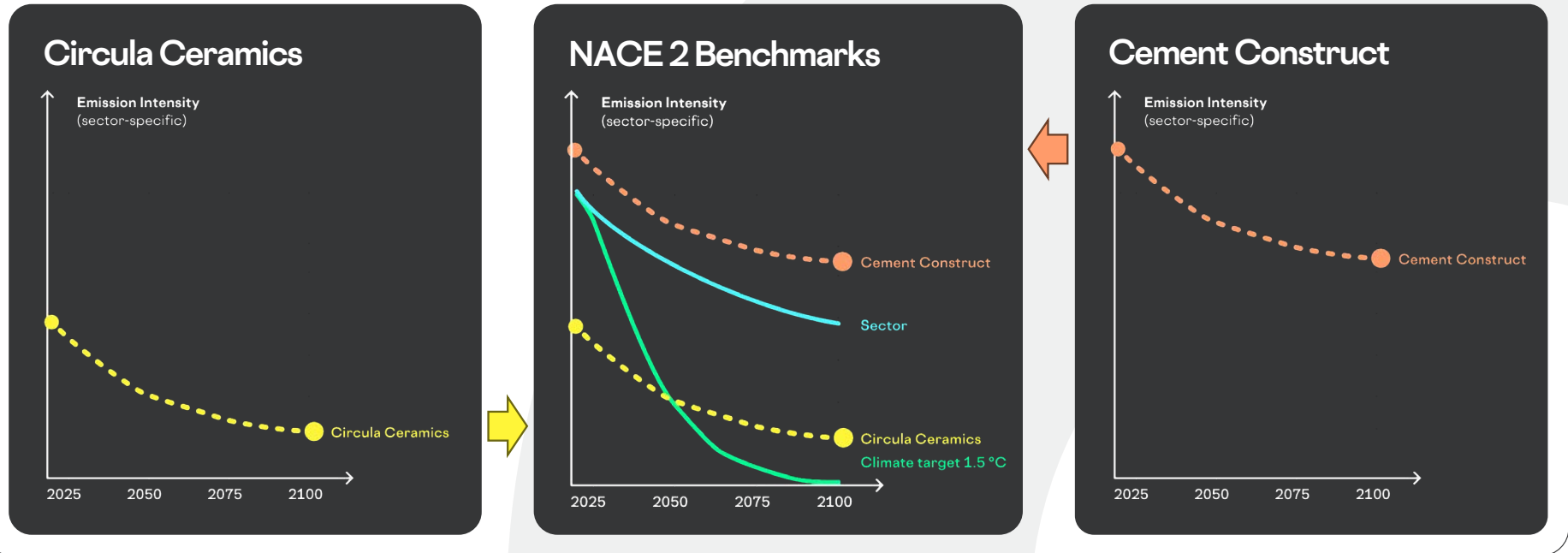
Ensuring Appropriate
Sector Benchmarking

Case 1: Issue Faced by Niche Companies

Your Resources | Client Pain Point | [The XDC Solution](#) | Impact

Different EEI Profiles

NACE C23



Case 1: Proper Benchmarking for Circula Ceramics

Your Resources | Client Pain Point | [The XDC Solution](#) | Impact

✓

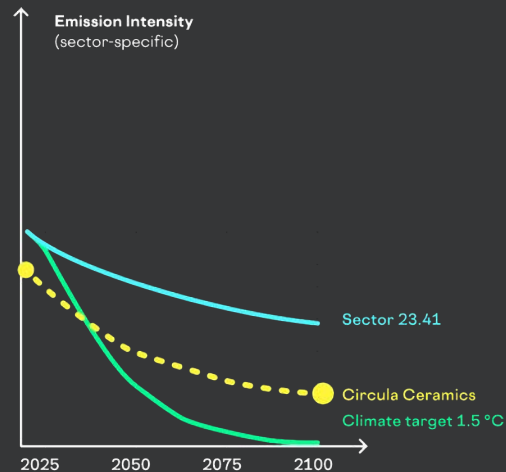
The Solution

Apply niche NACE level
(3 / 4) benchmarks for
Circula Ceramic's
XDC analysis.

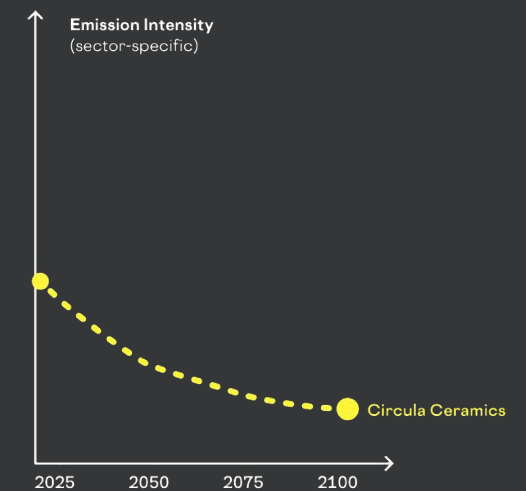
Different EEI Profile

NACE C23.41

NACE 3/4 Benchmarks



Circula Ceramics



Case 1: Proper Benchmarking for Cement Construct

Your Resources | Client Pain Point | [The XDC Solution](#) | Impact

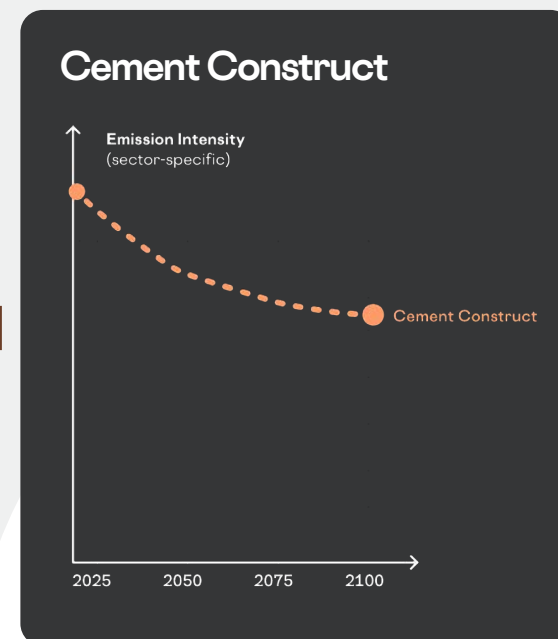
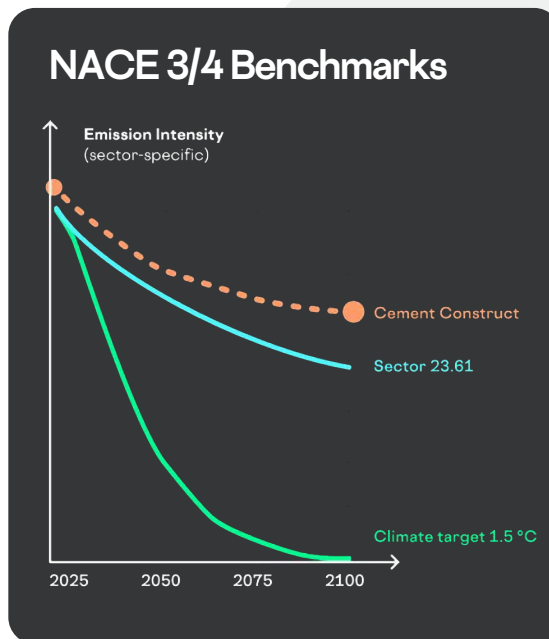
✓

The Solution

Apply niche NACE level
(3 / 4) benchmarks for
Cement Construct's
XDC analysis.

Different EEI Profile

NACE C23.61



Case 2: Issue Faced by Multi-Sector Companies

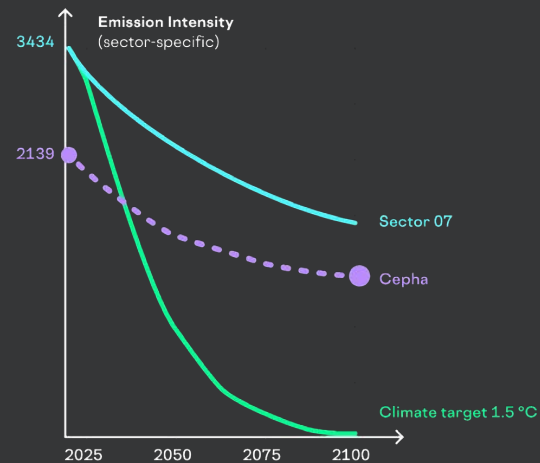
Your Resources | Client Pain Point | [The XDC Solution](#) | Impact

Different Departments

NACE 07

Cepha

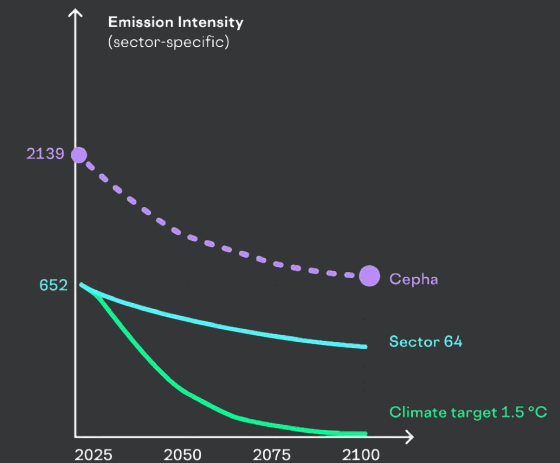
specialized in mining of metal ores



NACE 64

Cepha

specialized in financial services activities



Case 2: Proper Benchmarking for Cepha

Your Resources | Client Pain Point | [The XDC Solution](#) | Impact

NACE 07

NACE 64

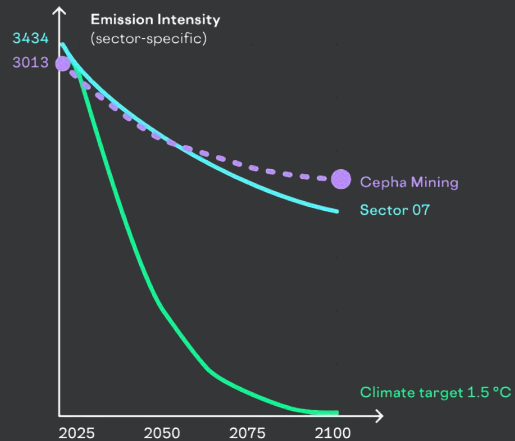
✓

The Solution

Apply specific
NACE sector
benchmarks
for each
department.

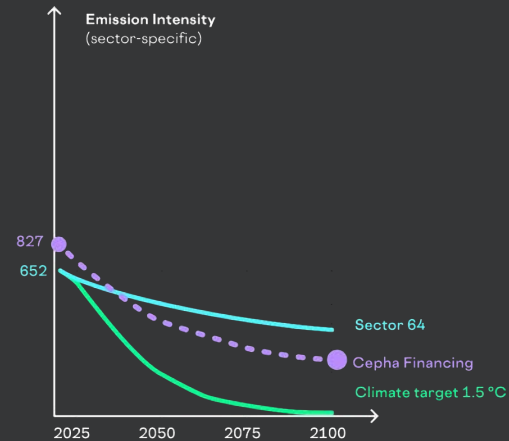
Cepha (Mining)

specialized in mining of metal ores

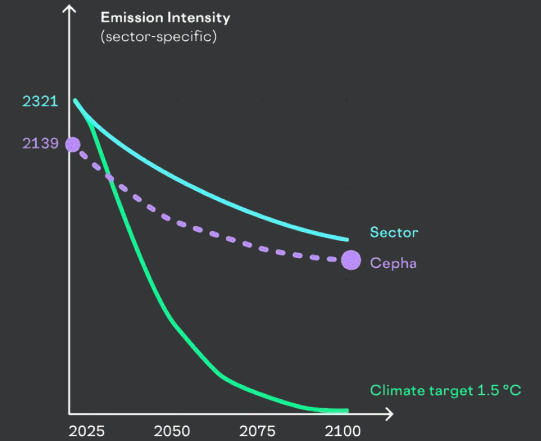


Cepha (Finance)

specialized in financial services activities



Cepha



Our Recommended Approach: Finding the Ideal Benchmark

Your Resources | Client Pain Point | [The XDC Solution](#) | Impact

Context: You have generated a **Climate Impact Report** for your client. The XDC result has made them **sceptical**: „the target pathways do not seem attainable, **we need to better understand them**“.

- 1** Ensure that your client has access to the API.
- 2** Introduce the **potential dilemma** to them. Could an incorrect benchmark have been used?
- 3a** Determine whether there is a **more specific NACE code** that the company can be classified in.
 - ↳ If this proves to be true, support the client in making use of the **new API endpoints**, which offer connections to NACE-Level 3 and 4 codes.
- 3b** Determine whether the company has **multiple sectors** due to heterogenous departments. In this case, check the client's data availability (emissions, GVA) for each department in question.
 - ↳ If this proves to be true, support the client in retrieving the **corrected XDCs** based on the department-specific input data.
- 4** Check API results to determine whether the **XDC has changed**. If it has remained the same, the problem is not associated with the selected benchmark and diagnostics should be continued.

Solving the Pain Point with XDC

Your Resources | Client Pain Point | [The XDC Solution](#) | Impact

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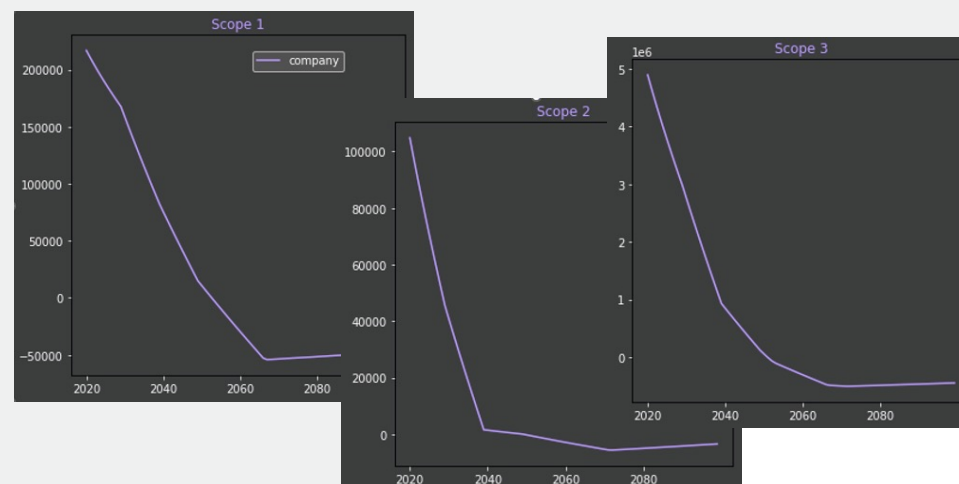
Data (collect for CIR)

API (call endpoints)

Visualizations (build emission pathway curves)

Company Data	
Base Year	2021
Country	CAN
GVA (EUR)	268316491
NACE Sector	07
Scope 1 Emissions (tCO ₂ e)	216855
Scope 2 Emissions (tCO ₂ e)	104833
Scope 3 Emissions (tCO ₂ e)	4895158
Target XDC	1.5

```
input_dict = {
    "baseYear": 2021,
    "countryCode": "CAN",
    "provider": "IEA",
    "gva": 268316491,
    "naceCode": "07",
    "scope1": 216855,
    "scope2": 104833,
    "scope3": 4895158,
    "sspCode": "SSP2_RCP60",
    "targetXDC": {
        "scope1": 1.5,
        "scope2": 1.5,
        "totalScope": 1.5
    },
    "targetYear": 2100
}
```



Solving the Pain Point with XDC

Your Resources | Client Pain Point | [The XDC Solution](#) | Impact

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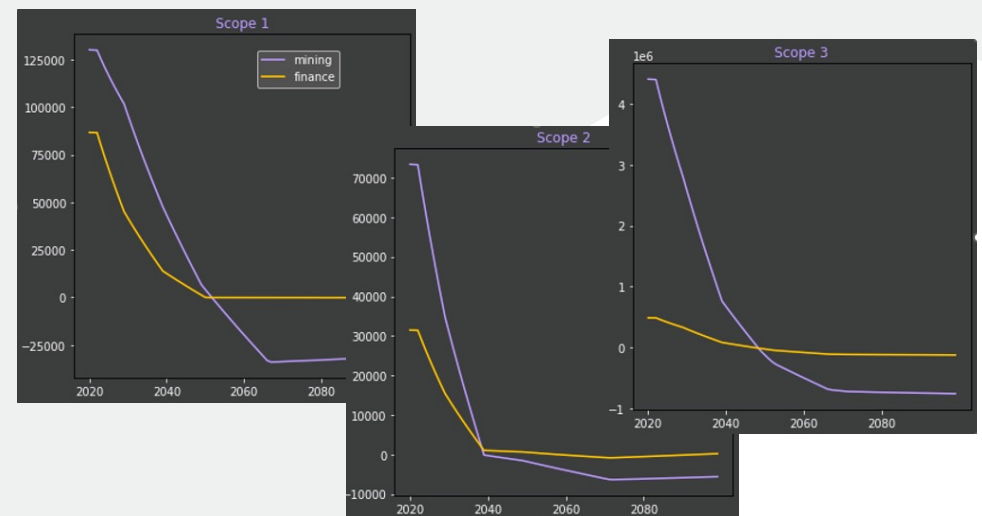
Data (collect for CIR)

Department Data		
	Mining	Finance
Base Year	2021	
Country	CAN	
GVA (EUR)	160989895	107326596
NACE Sector	07.21	64
Scope 1 Emissions (tCO ₂ e)	130113	86742
Scope 2 Emissions (tCO ₂ e)	73383	31450
Scope 3 Emissions (tCO ₂ e)	4405642	489516
Target XDC	1.5	

API (call endpoints)

```
input_dict = {
  "baseYear": 2021,
  "departments": [
    {
      "countryCode": "CAN",
      "departmentId": "mining",
      "gva": 160989895,
      "naceCode": "07.21",
      "scope1": 130113,
      "scope2": 73383,
      "scope3": 4405642,
    },
    {
      "countryCode": "CAN",
      "departmentId": "finance",
      "gva": 107326596,
      "naceCode": "64",
      "scope1": 86742,
      "scope2": 31450,
      "scope3": 489516,
    }
  ],
  "provider": "IEA",
  "reductionStartYear": 2023,
  "sspCode": "SSP2_RCP60",
  "targetXDC": {
    "scope1": 1.5,
    "scope2": 1.5,
    "totalScope": 1.5
  }
}
```

Visualizations (build emission pathway curves)



Takeaways

Ensuring Appropriate
Sector Benchmarking



Using the Ideal Benchmark with XDC

Your Resources | Client Pain Point | The XDC Solution | **Impact**

Pain Point

- › Lacking fair climate performance benchmarks.
- › Internal difficulties for reliable controlling and strategic planning.
- › Risk of external backlash due to misrepresentative impact communication.

Takeaways

- › Variations in the sector definition used for benchmarking can lead to different XDC results.
- › It is possible for multiple NACE sectors to have the same growth/reduction curves.
- › Emission pathways data can provide evidence of appropriate benchmarking.

Best Practice

- › Sense-check the NACE sector and level selection to confirm precision of the XDC.
- › NACE4 sectors are not yet exhaustively covered by the API, this should be communicated.
- › Focus on appropriate benchmarking as a means to set representative climate targets.

Q&A

to support your understanding



Contact

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<https://right-basedonscience.de>

<https://right-basedonscience.de/en/rightontarget>

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