

2024 HIGHLIGHTS

A year of trust, collaboration,
and growth

A message to you from Arc

2024 has been a year of highs and lows with global elections and the harsh reality of a changing climate. For many working in the climate space it's been an emotional rollercoaster. But these peaks and troughs have reinforced the importance of working together and the strength we can gain from collaborating with so many climate action doers.

At Climate Arc (Arc), the incredible conversations and collaborations we've had with so many of you this year have reinforced two powerful truths:

- 1 . The climate action community has already accomplished so much through the power of trust and shared goals.
- 2 . This same community is determined to do more — move faster, do better, and be even more powerful through close collaboration.

Having only launched in September 2022, we're still a toddler in the grand scheme of things. But since then, we've taken strong strides forward in funding and supporting non-profit organizations to build their capacity in corporate transition analysis, while working together to generate powerful data and insights that can unlock the financing needed for climate solutions. This report highlights our proudest moments in this journey and showcases the new phase we entered in 2024 – from laying the foundations to building tangible solutions.

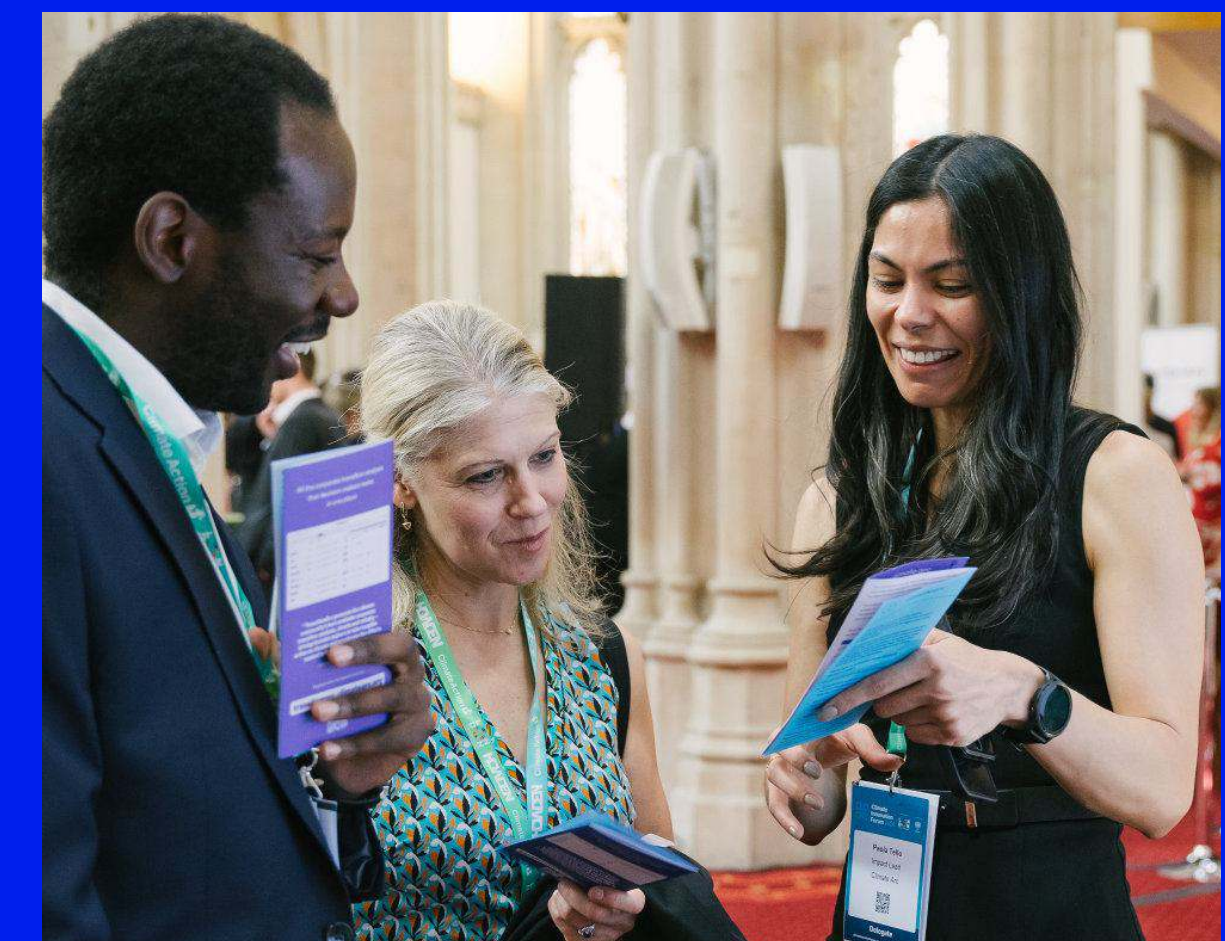
None of this would be possible without our partner organizations' incredible work and support. They are at the heart of everything we've achieved. Their passion and dedication continue to drive solutions and shape the future of climate action every day.

To facilitate this co-creation, the Arc team has grown from 29 to 41 people across Europe, Africa, South, and North America. Their hard work and dedication are essential to achieving Arc's vision.

We're incredibly grateful to our partners, our team, and everyone else who has shared their time, resources, and expertise with us this year. Without your help, we could not achieve what we believe is a crucial piece to the climate solution puzzle. Thank you for working with us, encouraging us, pushing us to grow, and being part of our shared journey toward a better future.

Wishing you a restful holiday season, and we look forward to collaborating with you again in 2025!

Warmly,
Meryam Omi and the Arc team



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Our strategic pillars

Arc's work focuses on interventions in three critical areas, based on the gaps identified in our landscape analysis of climate finance.

PATHWAYS

We establish science-aligned frameworks, methodologies, and standards so that financial decision making can be aligned to climate goals.

ANALYSIS

We make analysis of corporate climate transition available and accessible to decision makers.

CAPACITY

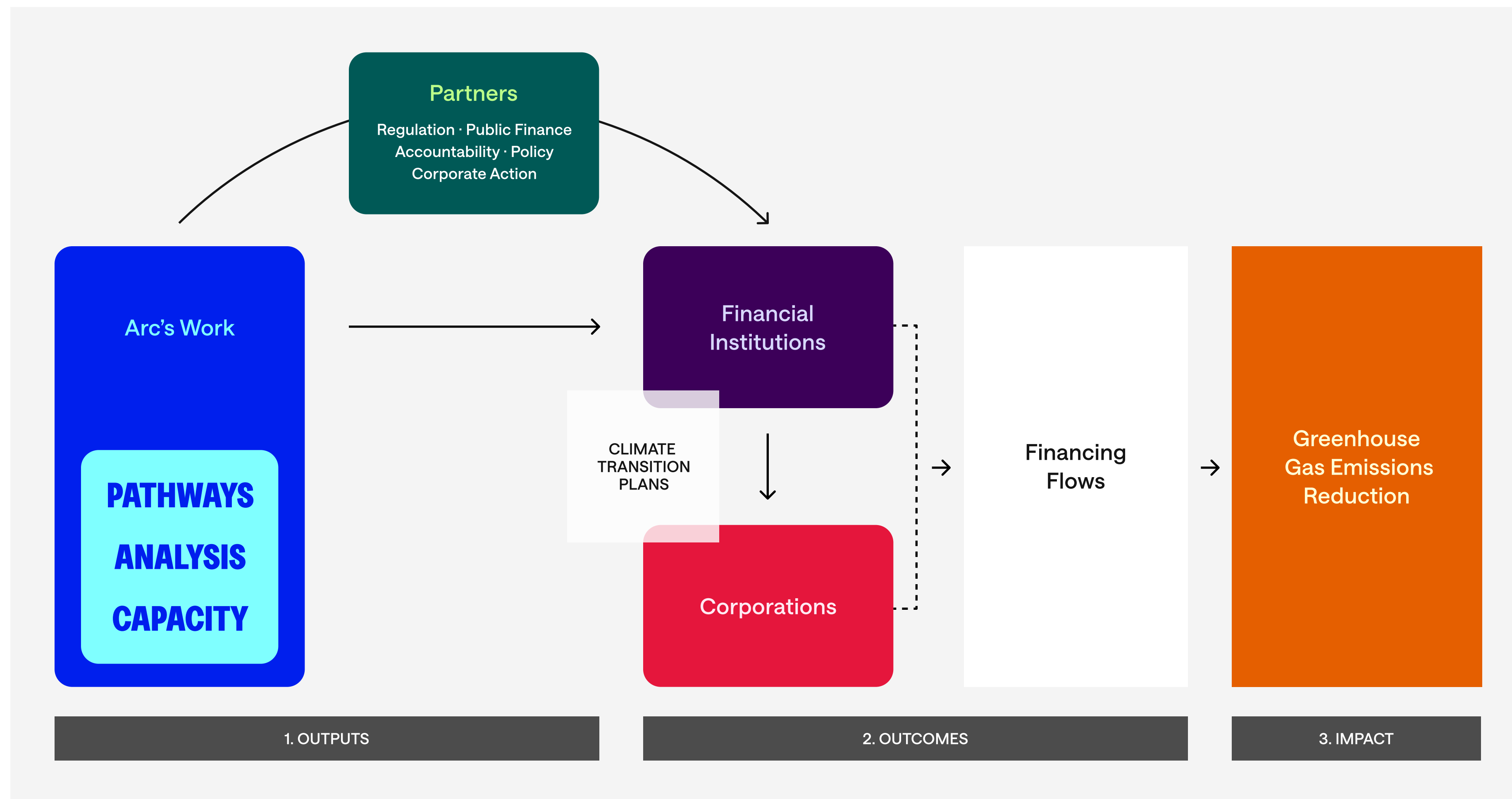
We equip financial decision makers, in all regions critical to the climate transition, with essential knowledge and skills.

Our theory of change

Outputs from our three strategic pillars will provide financial decision makers with the tools and skills they need to assess corporate transitions and allocate assets accordingly, as shown.

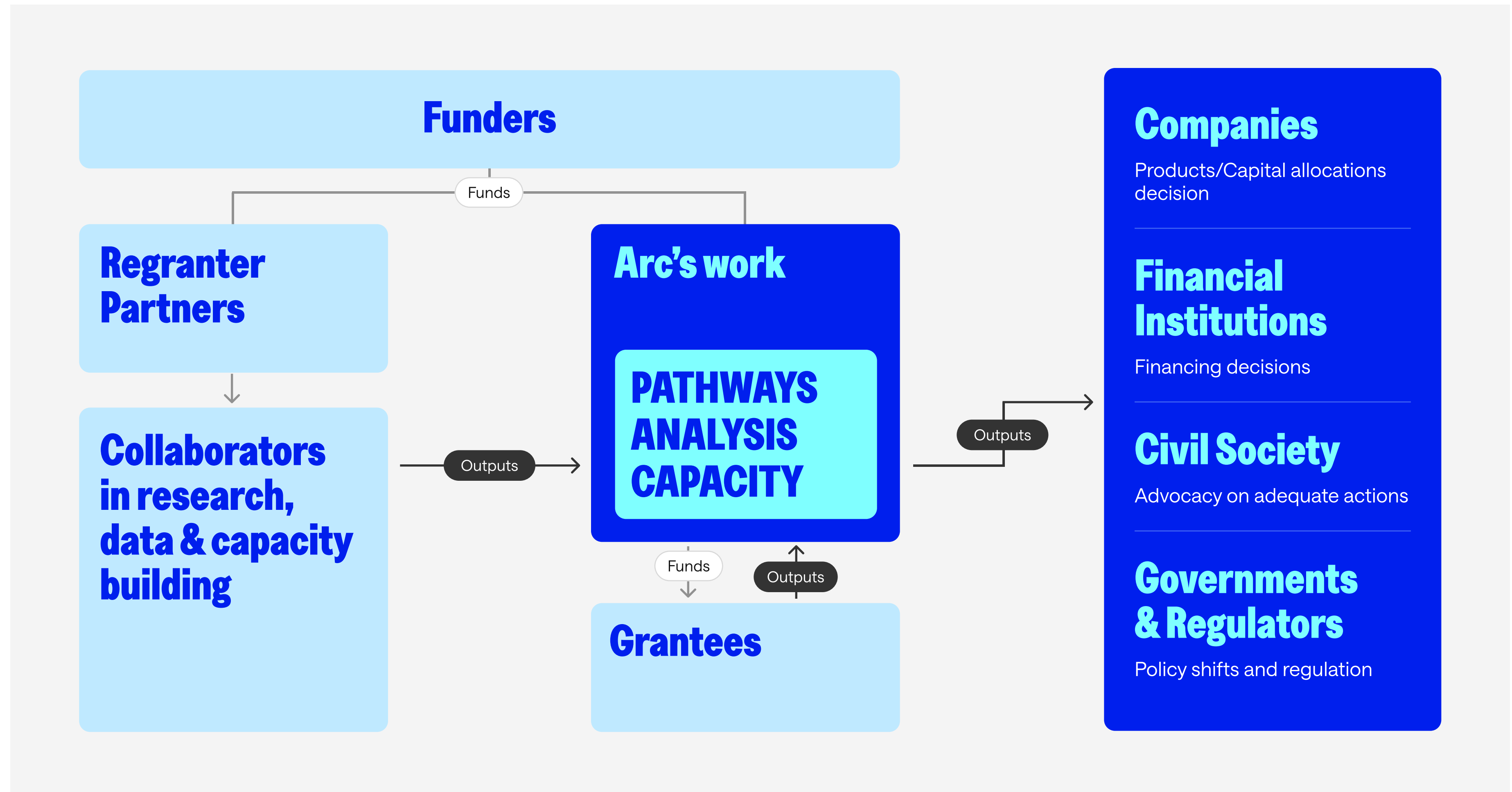
Creating financial incentives for corporate climate action – or penalties for lack of action – is the ultimate goal. Companies that set adequate climate goals and shift their businesses accordingly (i.e. car manufacturers moving to 100% electric vehicles) should attract more and favorable finance.

Our strategy recognizes that tools and skills alone cannot shift financial decision makers to make climate-aligned decisions. Our model is based on partnerships with the wider climate finance and corporate communities, working together to tackle key activities essential to systemic change, including regulation, advocacy, accountability, and corporate leadership.



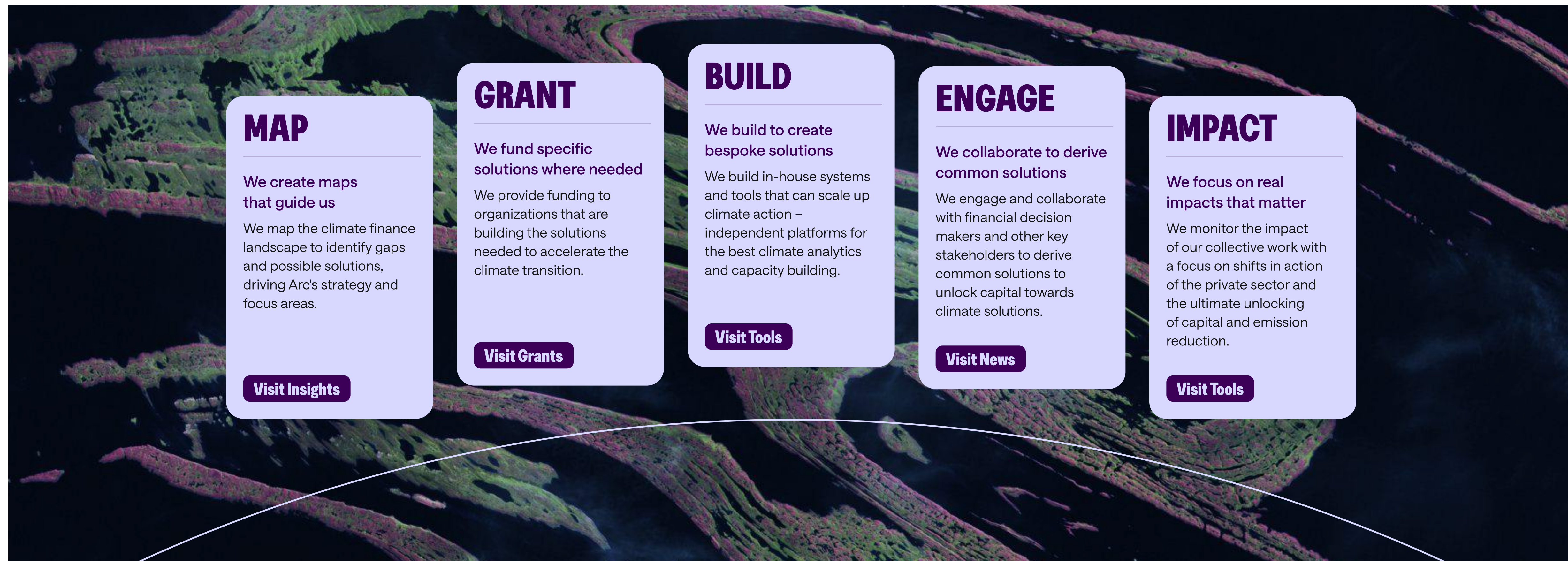
Partnerships that power change

Arc's partnership strategy is essential in delivering the climate transition as envisioned in our theory of change. This connects philanthropic funding, data, and information that strengthen ecosystem coordination and the generation of solutions. Through deep collaboration, transition pathways, analysis, and capacity are built. Together these inform capital allocation, financing decisions, advocacy, and policy making. These collective efforts work to unlock the climate transition.



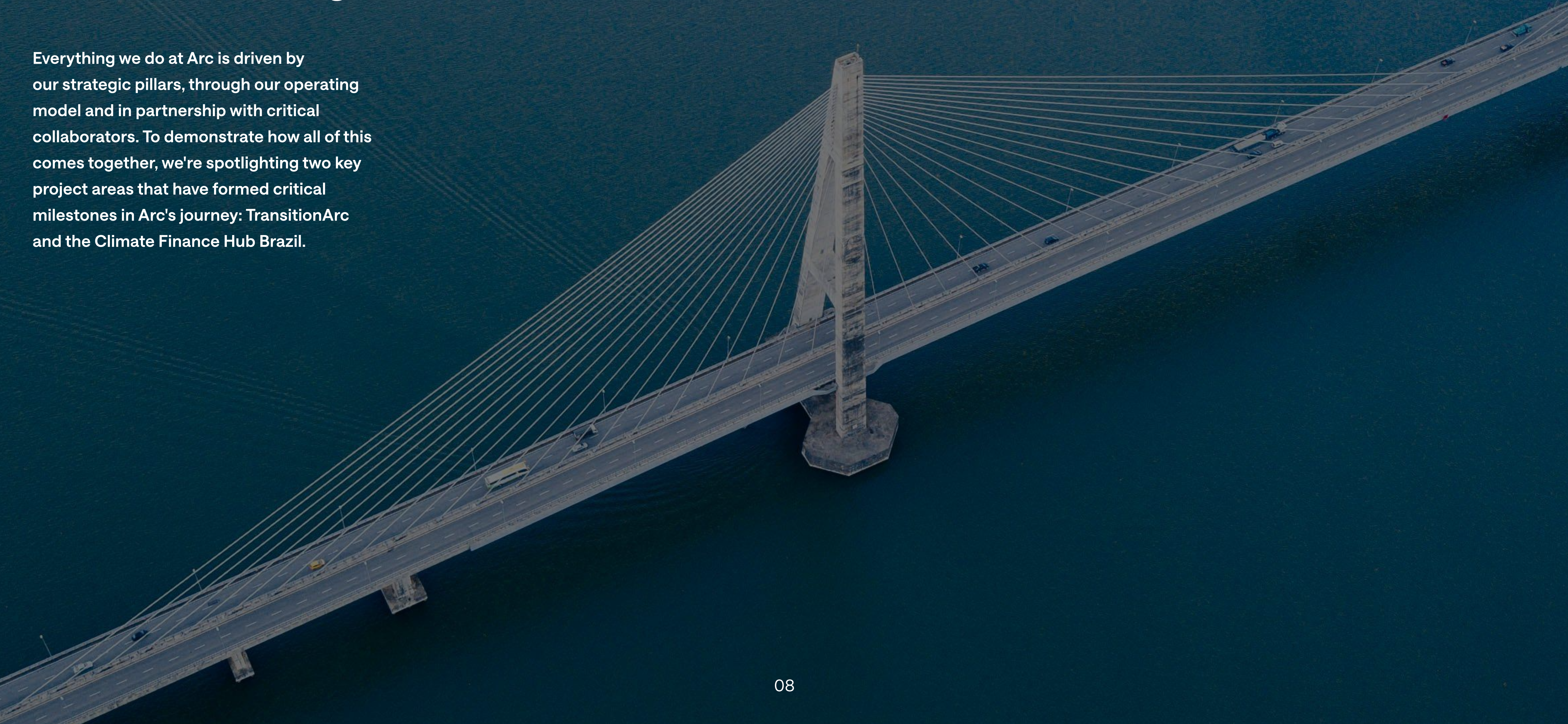
How we operate

Arc's three strategic pillars are implemented through defined stages — Map, Grant, Build, Engage, Impact — with each pillar supporting all components across our operations.



How this all comes together

Everything we do at Arc is driven by our strategic pillars, through our operating model and in partnership with critical collaborators. To demonstrate how all of this comes together, we're spotlighting two key project areas that have formed critical milestones in Arc's journey: TransitionArc and the Climate Finance Hub Brazil.

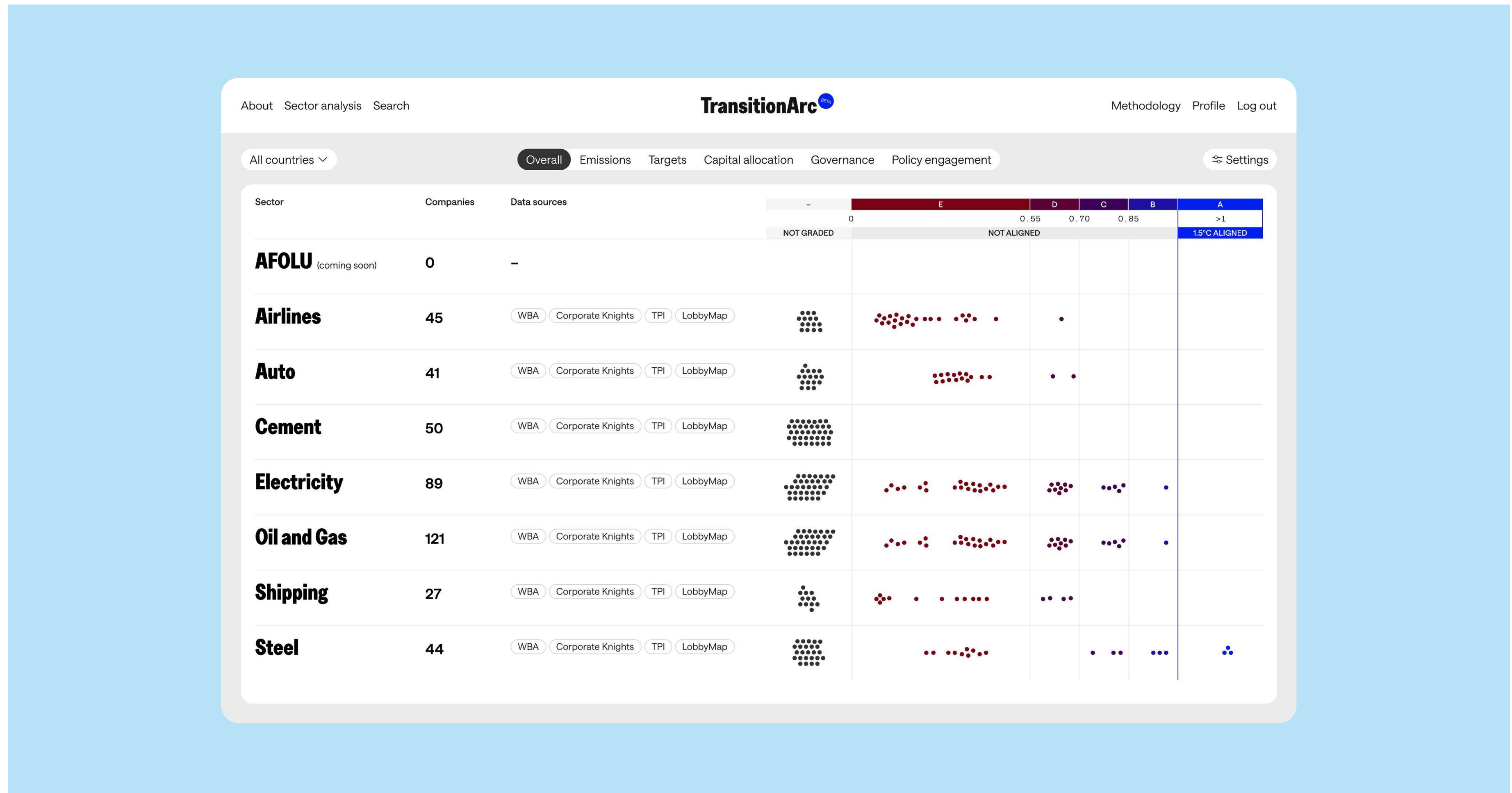


Introducing TransitionArc

Understanding where a company is on the path to transition is complex. To guide their work and drive capital to climate solutions, financial institutions, companies, regulators, and civil societies are calling for clearer, science-aligned, and more accessible corporate climate data and analysis.

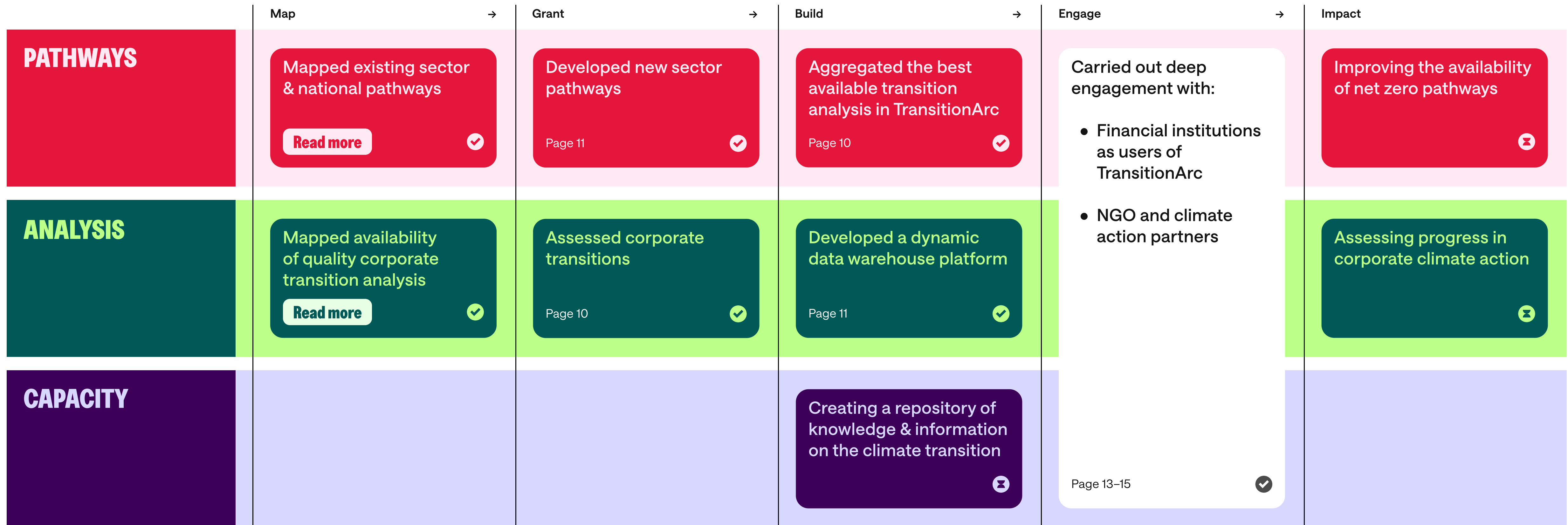
To answer the call, this year we launched TransitionArc: a one-stop tool to assess corporate climate transitions.

TransitionArc aggregates the best transition data and analysis available on the market, giving decision makers all the information they need in one place. It illustrates what ‘good’ looks like, and the gaps that must be closed. Decisions can be made more efficiently, finance can flow to where it’s needed, and together we can accelerate the transition to a safer, more sustainable future.



How TransitionArc enables our strategy

This section looks at TransitionArc through the lens of our strategic pillars. Building upon the foundations of our previous work, our efforts this year have moved us from concept to launch.



Made possible with our partners

- Carbon Tracker
- Corporate Knights
- CDP
- Global Canopy
- ICCT
- InfluenceMap
- SBTi
- TPI
- WBA

Pathways

Pathways are a crucial element of assessing transition progress for each corporation. They tell you whether a company is 'on track' to net-zero transitions by assessing the company against what good looks like in each sector. TransitionArc does this for all key metrics per company – greenhouse gas (GHG) emissions targets, governance, capital allocation, policy advocacy, and green solutions.

Arc has supported the work of our partners to surface existing metrics for each of these components and coordinated to provide a credible new approach where there were gaps. A particular focus was the coordinated work on the pathway needed for capital allocation. Working with partners such as the Transition Pathway Initiative, World Benchmarking Alliance, Rocky Mountain Institute, and Carbon Tracker Initiative, we helped to build consensus on what good looks like in assessing corporate investment against sectorial investment needs.

Analysis

Arc has worked with partners to bring about access to granular and consistent data on corporate action. As a result, the transition assessment compared against the pathways set, can be linked to specific disclosure and sources articulated by the corporate in question. In a world of multiple aggregate scores and ratings, this focus on transparency and traceability of analysis sources can be game changing.

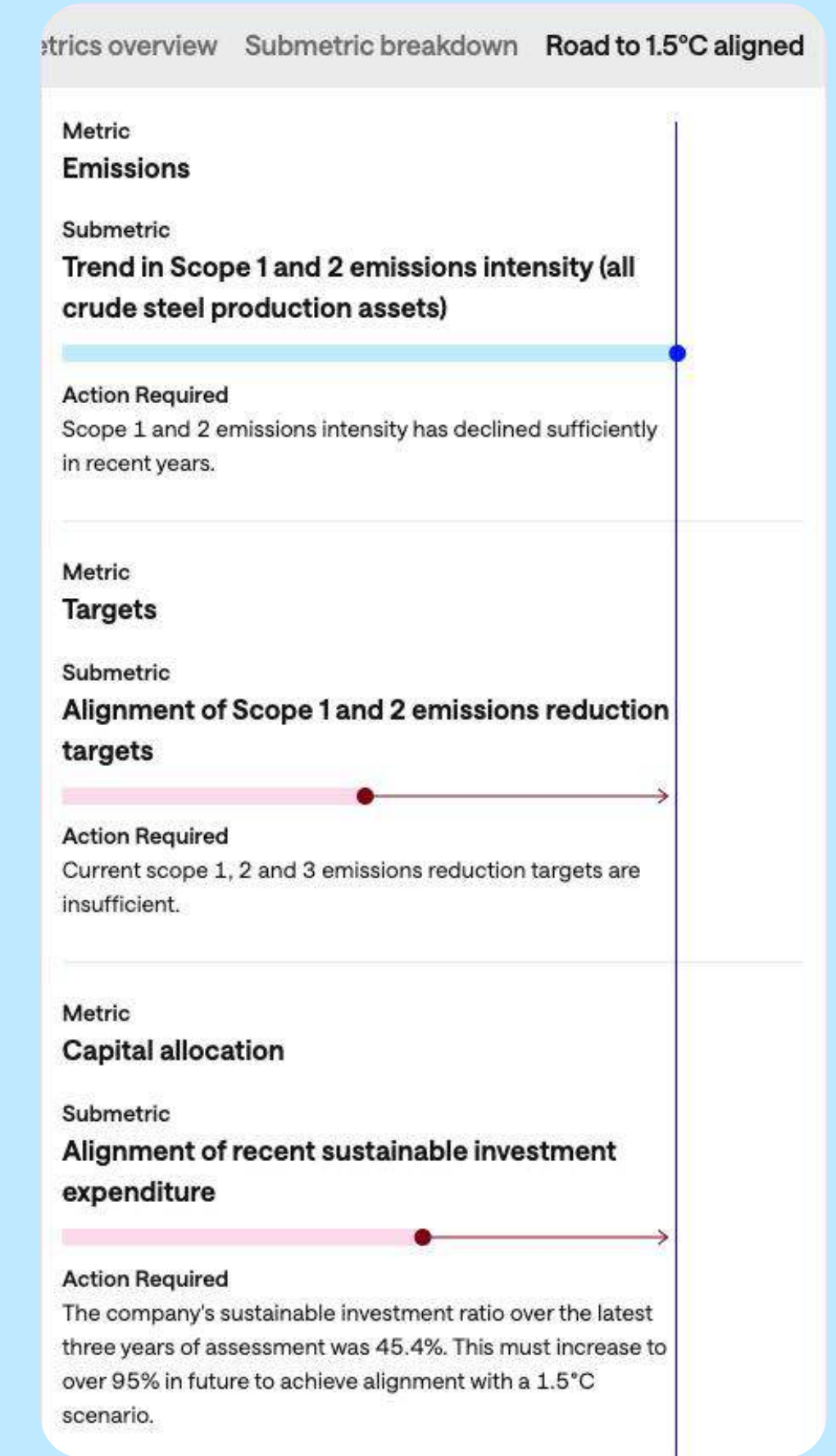
When making a decision on the back of transition assessment, it is crucial to know which disclosure led to that decision and whether another type of disclosure would lead to a different conclusion.

TransitionArc leverages this granularity and disclosure to bring the data to next-level 'so what?' analysis.

ROAD TO A

TransitionArc is not another tool that tells you private action is simply not good enough to meet climate goals. It's a tool that tells you what it takes to be on track. It turns the 'so what?' from the analysis into a tangible action. The road to A is a feature within TransitionArc that achieves this.

As data sources become more transparent and structured, we'll continue to enhance this section, providing more granularity and specificity. We're also working to expand partnerships in this area, particularly with organizations that have extensive touchpoints with corporations and insight to key measures that businesses can and should implement.

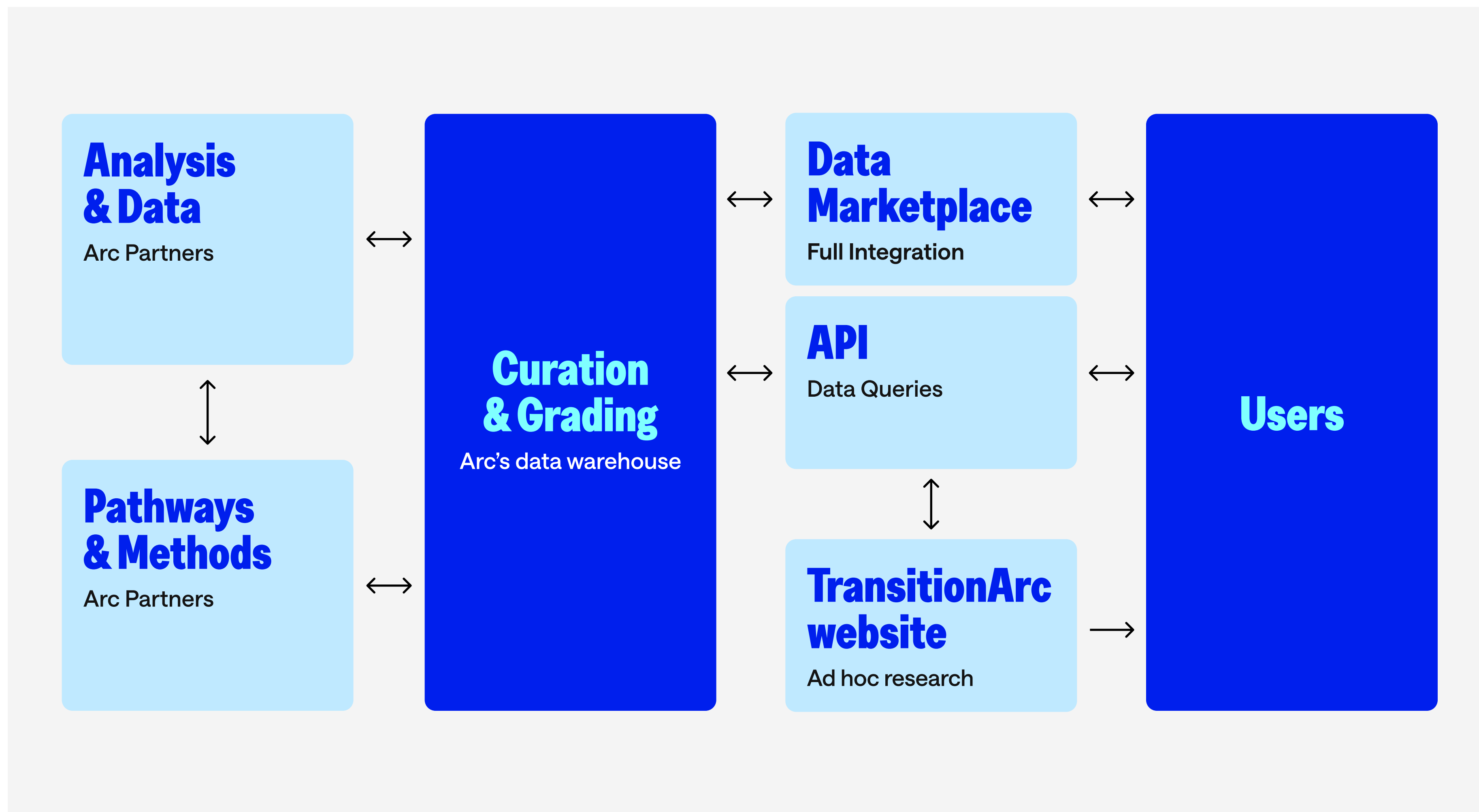


Building a ground-breaking assessment tool

TransitionArc is built on a robust technology platform and data architecture, allowing dynamic data sharing and information automation. Every data point featured on TransitionArc is modelled and formatted for repeatable data processing and integration, enabling the platform to showcase different analyses on the same company year on year across various data sources.

The foundation data warehouse, hosted in a safe cloud infrastructure, has been API-enabled to power the TransitionArc web interface and dynamic data sharing with partners. A sample of this data is now live and discoverable on Snowflake Marketplace. Institutions using Snowflake can find the data and trial the full data model within a context of one sector and few data providers.

Arc has built this infrastructure following green software best practices and is working to adopt the Green Software Foundation Impact Framework.



Engaging partners for co-creation and scale

The strength of TransitionArc lies in, and relies on, dynamic partnerships with entities working for the same goal of enhancing corporate disclosure, accountability, corporate, and regulatory action.

From the beginning, Arc set out to ensure the climate transition assessment surfaced on TransitionArc is anchored on the framework developed by the Transition Pathways Taskforce, and disclosure standards specified by the International Sustainability Standards Board (ISSB) and Carbon Disclosure Project (CDP). Furthermore, Arc has worked closely with the Net Zero Data Public Utility to provide data interoperability and user-friendliness for the users of this data. Additionally, we collaborated with organizations offering transition methodologies, such as the Glasgow Financial Alliance for Net Zero (GFANZ) and regional investor climate groups, to align with best practices and guidance.

Arc has also intentionally engaged with financial decision makers, such as banks, investors, and insurers, to gauge on the usefulness, additionality, and data compatibility of TransitionArc. So far, we have engaged with 45 financial institutions, with a combined \$30tn Assets Under Management (AUM) and \$1.5tn revenue, providing us with feedback on improvement and development areas, which have already shaped TransitionArc and will continue to do so in our future activities.

Effective cross-NGO coordination on data is essential but has been challenging at times. However, we have learned through co-creation that we can refine processes together, create a foundation for smoother data collaboration, and scale impact.

STATS

45

Engaged Financial Institutions, with...

\$30tn

...assets under management and...

\$1.5tn

of combined revenue



The world has a climate data challenge that needs to be solved in order for us to accelerate the transition toward a net-zero economy. This collective problem requires collaborative solutions.”

**Simone Kramer,
Global Head of Product,
Net Zero Data Public Utility (NZDPU)**

Launching a one-stop tool to assess corporate transitions

TransitionArc was launched at the London Climate Innovation Forum during London Climate Action Week in June 2024. It was presented to a packed room of over 200 people, demonstrating the strength of our partnerships.

[Read the launch article](#)

Between the launch in June and November 2024, TransitionArc gained 700 active users with roughly 25% of these being from financial institutions. Several financial institutions are already actively trialing our technology stack to make use of our data warehouse.



Transition Arc fills a real gap for us: it's easy to navigate and integrate into in-house data systems. With TransitionArc, we can assess companies' net-zero journeys much more easily."

Dr Udo Riese,
Head of Sustainable Investing, Allianz



What I love about TransitionArc – it's about trust and transparency and getting decision-useful information into the hands of the right people."

Mardi McBrien,
Chief of Strategic Affairs and Capacity Building, IFRS Foundation



Investors are looking for data, for sources of truth on climate. It can be like putting a puzzle together, but different puzzles and all with missing pieces... TransitionArc does this work for them."

Jaako Kooroshy,
Global Head of Sustainable Investment Research, LSEG



TransitionArc provides a first-of-its kind tool by bringing together accessible, transparent data that is required for Paris-aligned financial decision-making – a necessary condition for capital to drive real economy net-zero transitions."

Lise Pretorius,
Chief Sustainability Analysis Officer, Matter

Engaging to shift global to local

In September, Arc set out to tackle the next frontier in advancing the goal of TransitionArc – making the transition assessment a lot more locally relevant. We know that we need richer, more context-specific analysis for effective national and regional decision making which relies on understanding how best to transition at local, not just global levels.

During New York Climate Week, Arc and the ClimateWorks Foundation co-hosted a workshop with 80 participants to address this.

Together we looked at:

- The use of country-specific pathways
- Methods based on asset-level and value chain data
- Benchmarking the deployment of climate solutions
- Integration of physical risk, adaptation, and natural capital analysis

These discussions were held in collaboration with key thematic partners, resulting in priority actions being identified to drive the development of localized, context-specific analysis.



WHAT'S NEXT?

Arc will continue to drive efforts to close gaps around the critical areas identified through the Climate Week discussions.

[Read the outcome report](#)

Made possible by partnerships with

Climateworks Centre

Climateworks Foundation

Climate TRACE

GFANZ

TransitionZero

WBA

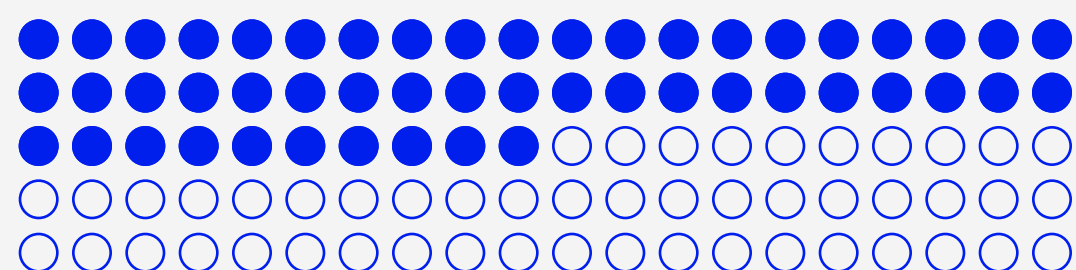
ECF

The Resilient Planet Finance Lab

UNGC

What's next?

500 → 1000 COMPANIES



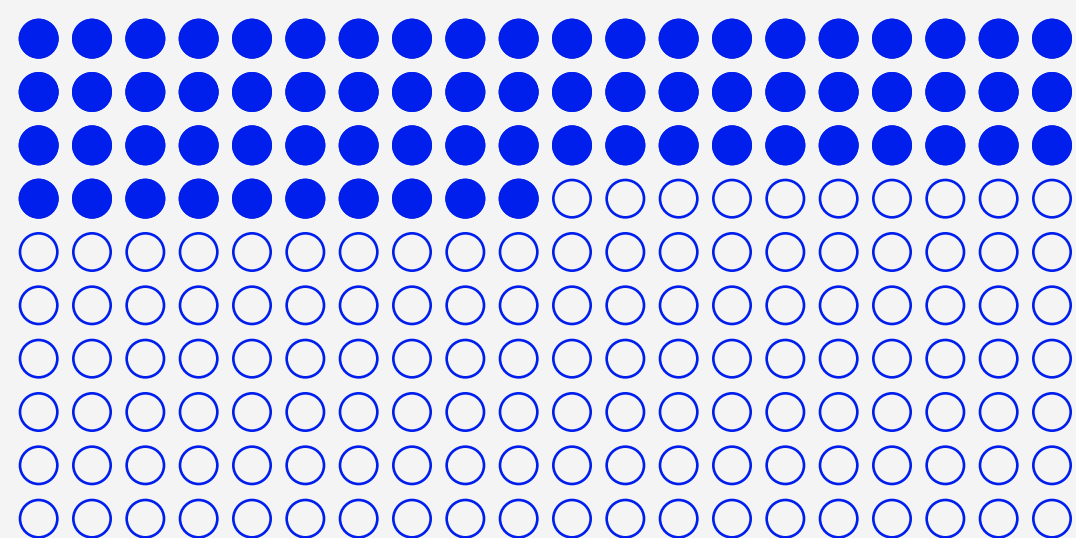
7 → 11 INDUSTRY SECTORS

- Airlines
- Auto
- Cement
- Electricity
- Oil and Gas
- Shipping
- Steel
- Food
- Financial Institutions
- Mining
- Real Estate

5 → 6 TRANSITION METRICS

- Emissions
- Targets
- Capital allocation
- Governance
- Policy engagement
- Solutions (beta)

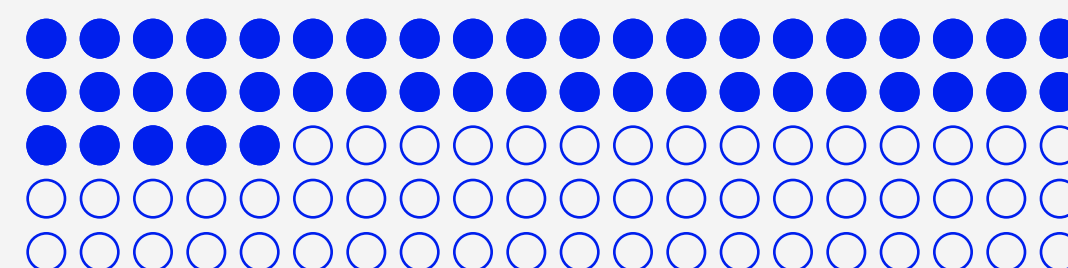
700 → 2000 ACTIVE USERS



5 → 10+ DATA SOURCES

- Carbon Tracker
- Corporate Knights
- InfluenceMap
- TPI
- WBA
- CDP
- Global Canopy
- ICCT
- SBTi
- Others

45 → 100 ENGAGED FI'S



Built through unique collaboration with world-leading corporate climate data and analysis providers, TransitionArc will constantly evolve and expand to increase its decision-usefulness for a range of stakeholders.

The first partnership in this evolution will consider how we can bring adaptation and physical risk analysis into the tool.

LEARN MORE

Learn more about this collaboration with XDI (Cross Dependency Initiative) and the Environmental Change Institute (ECI), University of Oxford through the link below.

[Read the article](#)

Introducing Climate Finance Hub Brazil

The Climate Finance Hub Brazil is the first of Arc’s localized coalitions to upskill the community in climate transition hotspots and scale-up context-specific transition finance.

Created in partnership between Arc, Instituto Clima e Sociedade (iCS), the Federal University of Rio de Janeiro (UFRJ), Cooperaclima and the Brazilian Foundation for Sustainable Development (FBDS), the Climate Finance Hub Brazil (Hub) aims to play a key role in upskilling the local financial community and producing in-depth analyses of Brazilian companies' climate transitions.

Launched in São Paulo in October 2024, the Hub operates as an independent entity that Arc is proud to partner with and fund.

[Read the article](#)



Brazil has made progress in socio-environmental regulation for banks, and companies need to be prepared. The financial system must act as a facilitator of the net zero route.

Joaquim Levy,
Former Finance Minister for Brazil & Climate Council Finance Hub Brazil President



The Climate Finance Hub has the potential to identify sectors that are still in development in their climate transition journey and help formulate public policies that promote significant progress, including for small and medium-sized companies.

Linda Murasawa,
Climate Council Finance Hub Brazil Financial Sector Engagement Leader

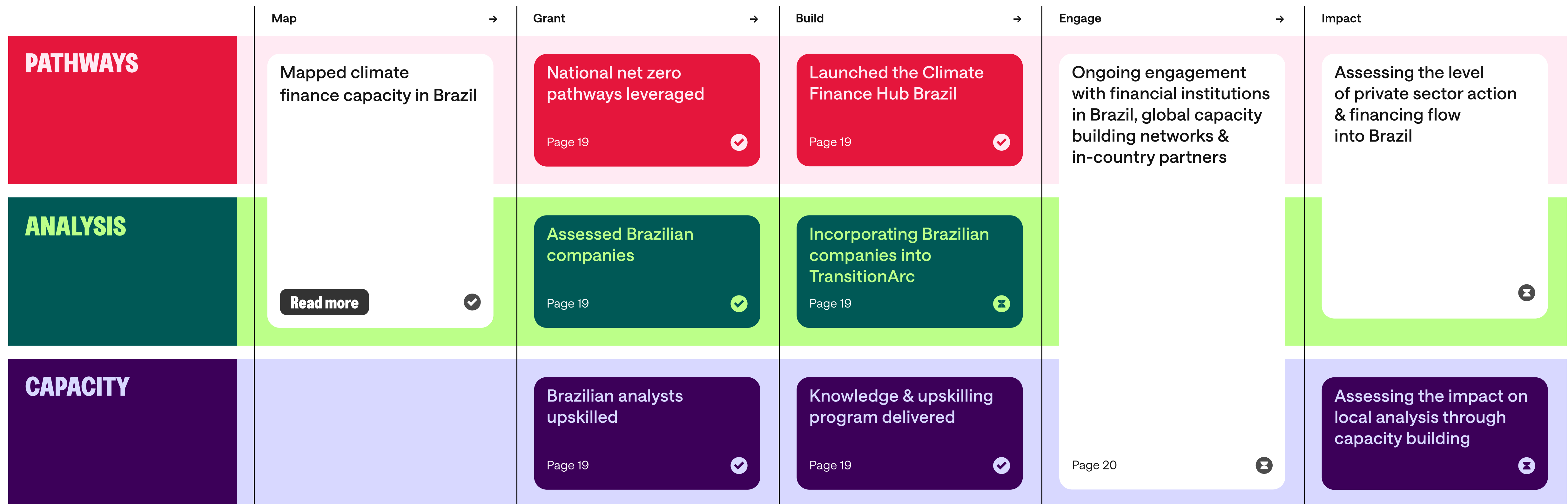


The Hub seeks to provide methodologies and tools to develop climate transition strategies in a clearer and more objective manner.

Maria Netto,
CEO, iCS

How the Brazil Hub enables our strategy

Together with several partners, we've worked hard to advance this key capacity building project across our strategic pillars and operating model. This section of our report dives into key project areas as outlined in the diagram below.



Made possible by partnerships with

- ADEME
- CDP
- Cooperaclima
- Corporate Knights
- FBDS
- iCS
- InfluenceMap
- TPI
- UFRJ
- WBA

Pathways

The Hub will initially use global sectoral assessment frameworks to assess Brazilian companies, leveraging the existing methodologies that have been surfaced by other partners of TransitionArc, such as the ACT initiative by the French Agency for Ecological Transition (ADEME), CDP, and the World Benchmarking Alliance.

We are conscious that the true benefit of carrying out research is to tap into the resources that allow for more nuanced and country-specific dynamics. As such, we have started to work with partners to develop sectoral pathways that are specific to Brazil and that can enable the country to meet its net-zero goal. We will continue to develop the methodologies for assessing the energy and agricultural impacts of Brazilian companies.

Analysis

Assessment of individual Brazilian companies has started with coverage in Electric Utilities, Heavy Industry, and Oil & Gas. The goal will be to eventually cover all key private sectors in Brazil, based on available data and insight in the market.

The analysis produced in the Hub will be incorporated into TransitionArc, enhancing access to Brazilian companies' transition to global decision makers, through the Arc-curated platform. In this way, Brazilian corporate transitions will become more visible and actionable for financial institutions, policymakers, regulators, and the broader climate action community, both in Brazil and globally.

Capacity

The intention of the Hub in developing research and analysis skills is to increase the knowledge and human capacity necessary to accelerate the local decision-making process for climate finance. To this end, a first cohort of senior and junior analysts have been hired within Brazil from a diverse set of backgrounds. This team has undergone an intensive 10-week climate transition analysis training. Modules covered include climate science, regulations, decarbonization pathways, greenhouse gas (GHG) accounting, life cycle assessment, and the Assessing low-Carbon Transition (ACT) initiative. Additionally, Arc has coordinated with the World Benchmarking Alliance to equip the new analysts to be able to carry out specific transition assessments, with Corporate Knights, InfluenceMap, and the Transition Pathway Initiative connecting the dots to TransitionArc by sharing insights into how their data is integrated.



Engaging local stakeholders to maximize impact

The Hub's success depends on how its outputs of insights, analysis, and skills developed reach and benefit the right stakeholders. Together with our new partners, we will be engaging with financial institutions, real economy companies, and the broader climate action community in Brazil to maximize impact and gain valuable insight to continuously improve the process.

As Global Capacity Building Coalition members, we'll amplify the reach of our analysts' training by sharing insights and materials with leading networks working to increase capacity in this area globally.



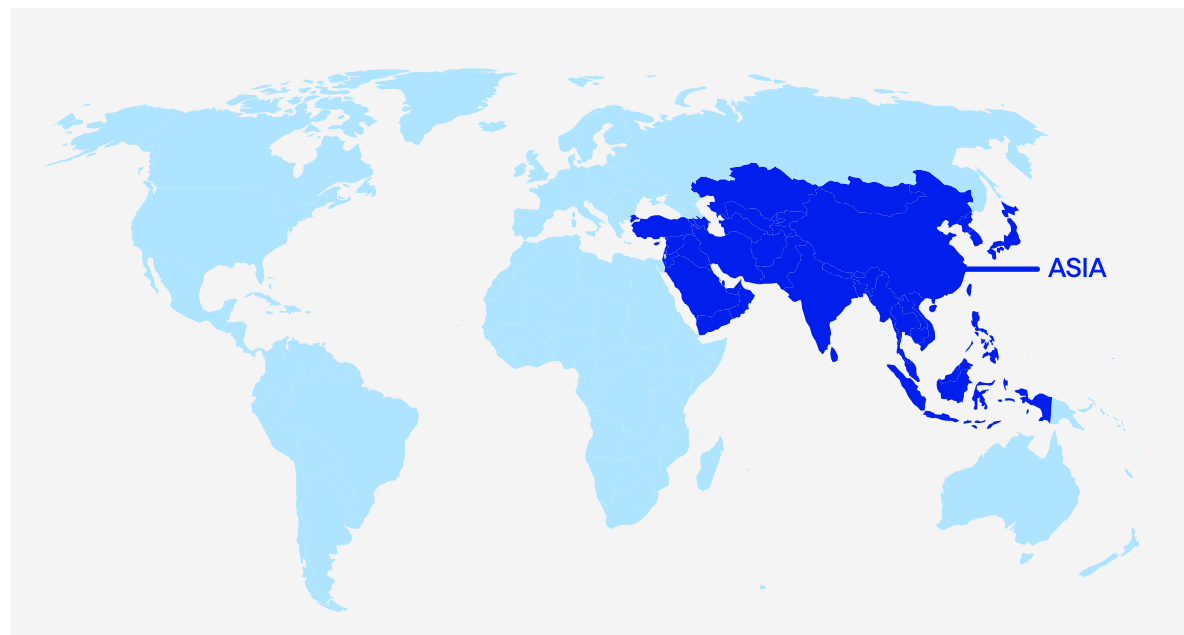
WHAT'S NEXT?

With COP30 in Belém on the horizon, Arc continues to work closely with the Brazil Hub to generate the best available analysis and insight to advance national and global progress.

Getting local in Asia

Building on our success and learnings from the Hub in Brazil, our ambition is to create similar hubs in other markets. We have already held multiple workshops and bilateral meetings in different parts of Asia – namely Singapore and Indonesia, and have learned that many face similar challenges but that these can only be solved locally.

In all markets, our model will be the same. We want to build partnerships and empower local solutions. We will continue our conversations and hope to announce hubs in new countries in 2025. Watch this space!



Diving deeper

As extreme climate events affect progressively more regions, we need increased granularity in transition analysis to drive local-level action. We are focusing on the following key areas of analysis in 2025:

- Developing national transition pathways
- The access and transparency of asset-level data
- Physical risk and adaptation strategies
- Creating a framework for sustainable food and agriculture transitions

The outputs of all these elements will be incorporated into TransitionArc in due course.

From building to strengthening relationships

We are delighted with the partnerships we have built during 2024.

Our network of allies has shown that they are committed to moving beyond outdated practices by investing in dynamic and adaptable processes and providing input to drive transition forward together. They have gone above and beyond to meet our requests when needed, and we are very grateful for their continued support.

All relationships need consistent and intentional work, and in the coming years we would like to actively nurture the trust our collaborators have placed in us in a way that benefits everyone. We believe our work can elevate and enhance climate action overall, but we recognize that it can only be achieved when we provide time and space to discuss, shape, explain, and build a consensus.

SHARE YOUR FEEDBACK

Everything we do is built on feedback and collaboration. We are keen to continually iterate our approaches to have the most impact. Please feel free to share your feedback with us so that we can continuously improve our contribution to the overall effort and maximize our collective efforts.

[Get in touch](#)

Our team

2024 has been a big year for the Arc team. The organization has almost doubled in size, with nineteen new starters being onboarded over the past few months.

Early in the year, we came together for a collaborative workshop to better understand each other's strengths across the team. As a remote-first organization, the most valuable outcome of meeting in person was getting to know our team members better and deepening the connection between colleagues.

A significant addition to Arc and our Leadership Team in 2024 is Partnerships Director, Marta Guglielmetti. Marta leads our grantmaking program, our fundraising efforts, and the critical strategic partnerships that are fundamental to Arc's success.



Staying connected

Arc's remote-first approach promotes flexibility and inclusiveness, enabling us to attract top talent, reducing our environmental impact, and fostering a healthy work-life balance. To stay connected to each other when working together virtually, our "Chief Fun Officers" organize sporting sweepstakes, photo competitions, and other creative initiatives that help to build team spirit and strengthen our sense of community.

Read more about our team and new opportunities at Arc.

[Meet the team](#)

THANK YOU!

Everything we do is designed to be additive and collaborative. Interested in working with us? We're looking for data providers, climate action partners, funders, and best-in-class team members to join our mission.

[Get in touch](#)

[Subscribe to our newsletter](#)