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Climate Pledge Research:

**How are organisations responding to climate change?**

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Executive Summary

Uptake of climate pledges	• Just over half of organisations (53%) are currently signed up or committed to a climate pledge. • Of those who are not, 84% intend to do so in the next year or two. This means by 2023, 94% of organisations expect to have signed up or committed to a pledge.
Which pledges?	• A wide variety of pledges are made, with Pledge to Net Zero and Race to Zero mentioned most.
Carbon reduction commitments?	• Organisations have made ambitious commitments - three-quarters have committed to achieving net zero or carbon neutral emissions.
Target year ?	• The median target year is **2030** – although target year dates vary widely (from 2023 to 2050).
Is a formal plan in place?	• Only a third of organisations have a formal plan in place to achieve emission targets. Most are currently developing a plan or have one in progress.
Progress?	• A majority of organisations are on target to meet their pledges - and nearly one in five believe they are ahead of target. • However, a quarter of respondents say that they are currently behind target.
Confidence?	• Most (67%) are confident they will ultimately meet their targets and nearly one in ten (8%) are very confident. • However, 17% are not sure whether they will be able to meet their targets.
Main challenges to achieving targets.	• Developing productive Board relationships • Effective strategy development • Gaining authority and credibility • Internal and external collaboration • Measurement and reporting • Scope 3 emissions

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Uptake of climate pledges

Have you signed up for or committed to a Climate Pledge?

- Yes
- No

47%

53%
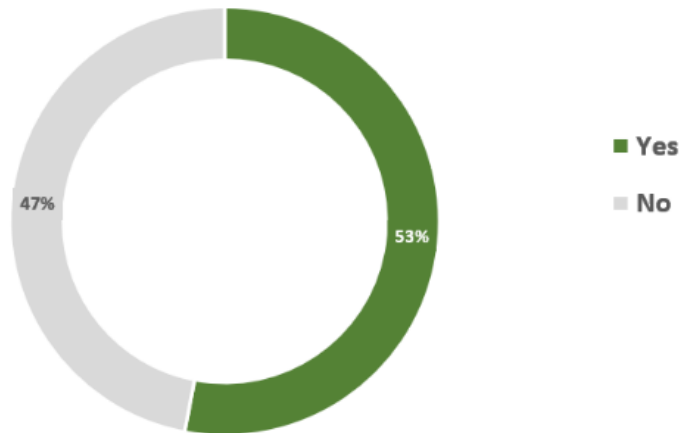
A majority of organisations (just over half - 53%) are already signed up to, or have committed to, a climate pledge.

47%

84%
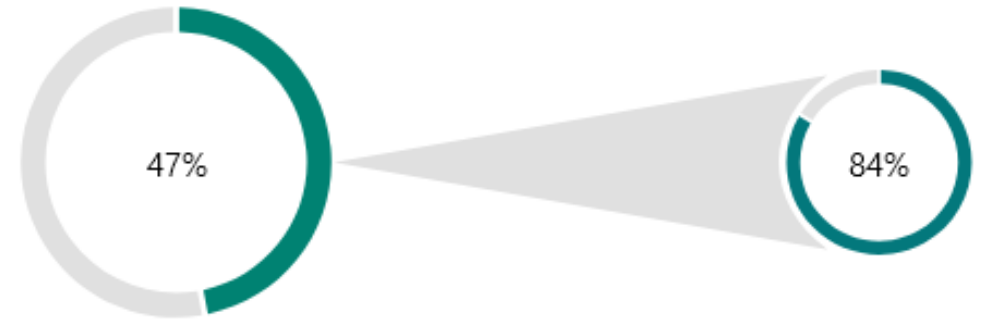
Of the 47% of organisations who have not yet signed up, 84% intend to do so in the next year or two.

➡ **This means that by 2023, 94% of organisations expect to have either signed up or committed to a climate change pledge.**

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Pledges signed up to

- **Pledge to Net Zero**

- **Race to Zero**

- **Clean Skies for Tomorrow**

- **LEP initiative in the Forest of Dean**

- **Methane Guiding Principles/OGMP**

- **MRS Net Zero Pledge**

- **Science Based Targets initiative (SBTi)**

- **TCFD (Task Force on Climate-Related Financial Disclosures 2050)**

- **UN Climate Change secretariat**

- **UNFCCC Sports for Climate Action**

➢ Learn more about the pledge marketplace: Winmark guide to Climate Pledges.

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Carbon reduction commitments

**Which type of carbon reduction commitment?**
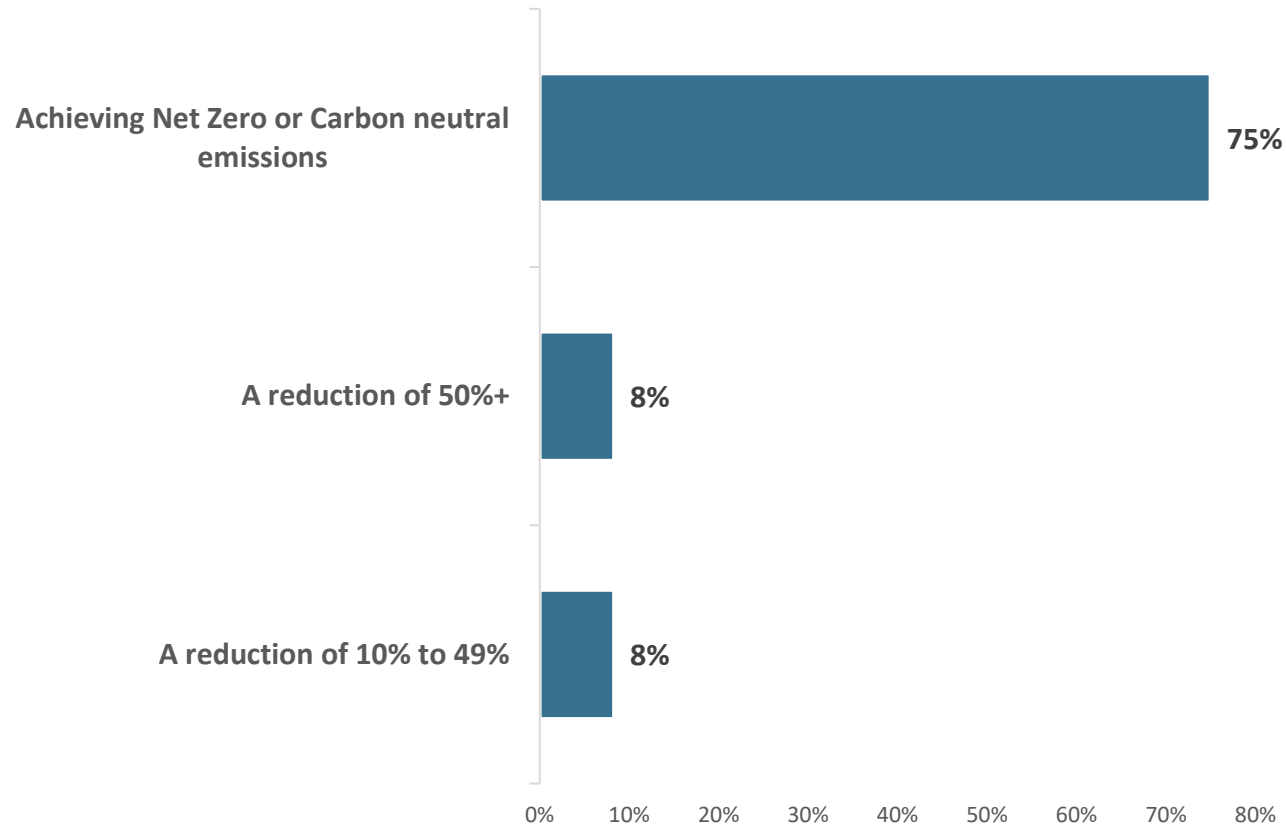
- The majority of organisations have made ambitious commitments: three-quarters have committed to achieving net zero or carbon neutral emissions.

- The remaining quarter of organisations are roughly evenly split between those committing to a 50% reduction and those committing to a carbon reduction of between 10% and 49%.
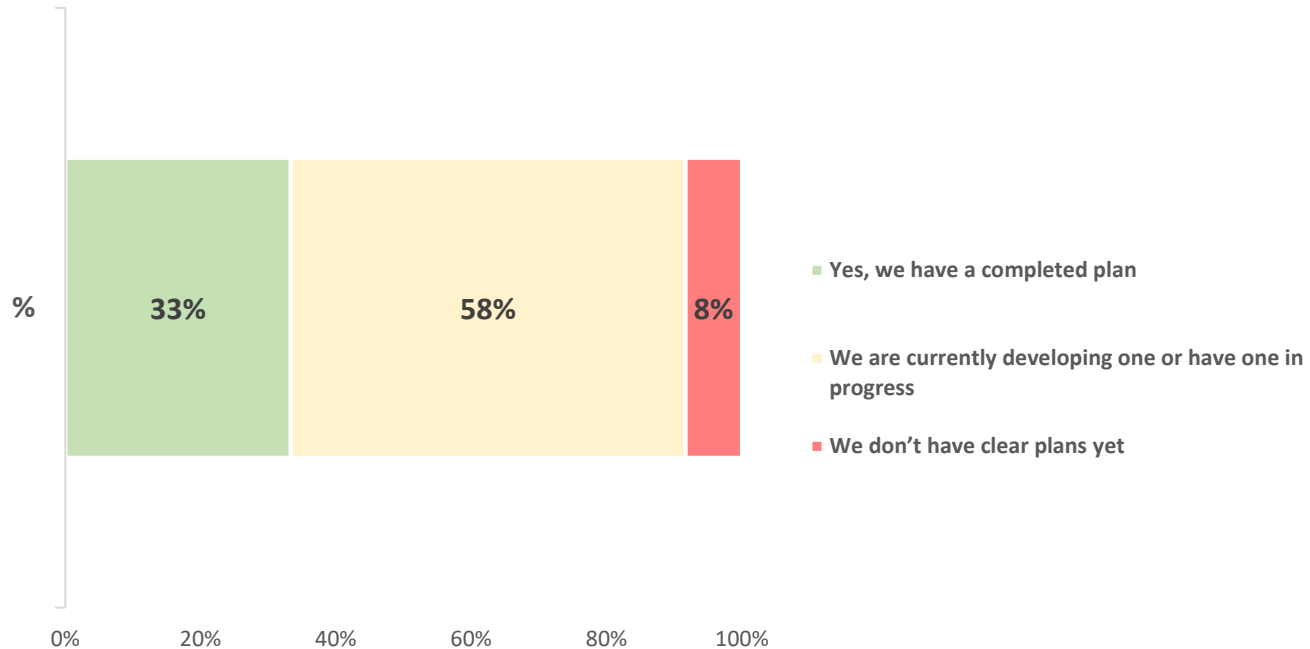
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Target year

What is your earliest target year date?
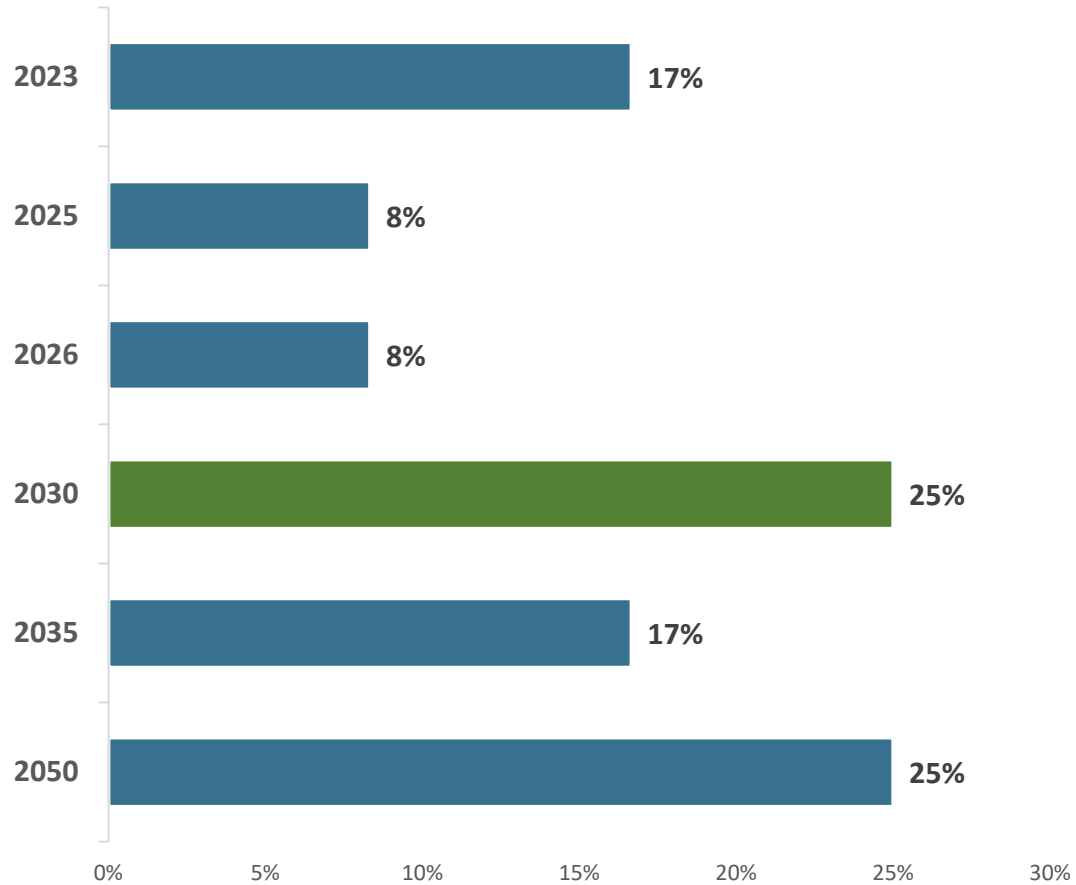
- Target year dates vary widely, ranging from between two and 29 years' time (i.e. from 2023 to 2050).
- The median target year is **2030.**

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Status of formal plans

Do you have a plan to achieve your target and date?

33%	58%	8%

0% 20% 40% 60% 80% 100%

- Yes, we have a completed plan
- We are currently developing one or have one in progress
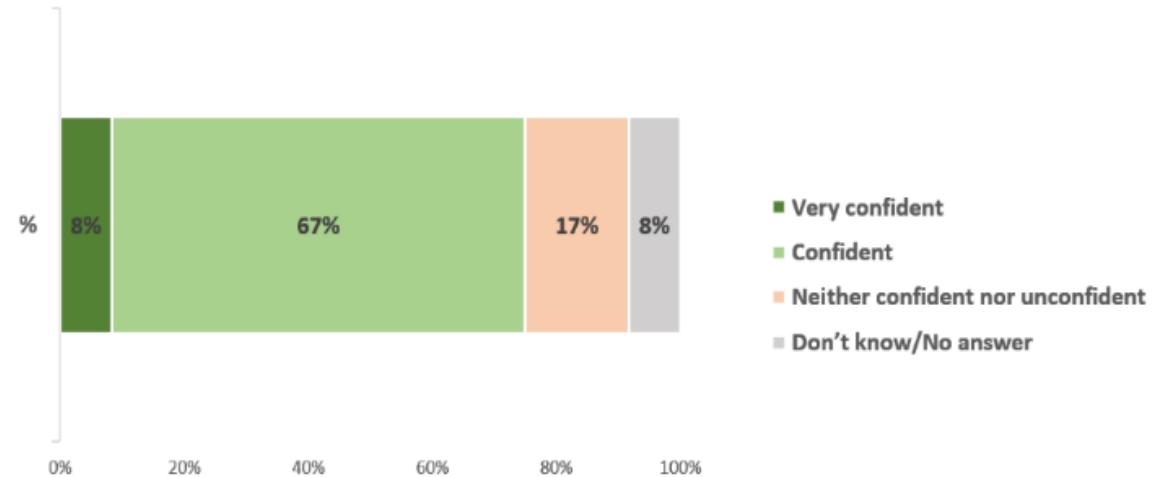- We don't have clear plans yet

- Only a third of organisations have a formal plan in place to achieve their specified target and date.

- Most (58%) are currently developing a plan.

- Just under one in ten don't have any plans at all.

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Confidence in progressing against targets

How is Climate Pledge implementation progressing?

- ■ Ahead of target
- □ On target
- □ Behind target

17% | 58% | 25%

0% 20% 40% 60% 80% 100%
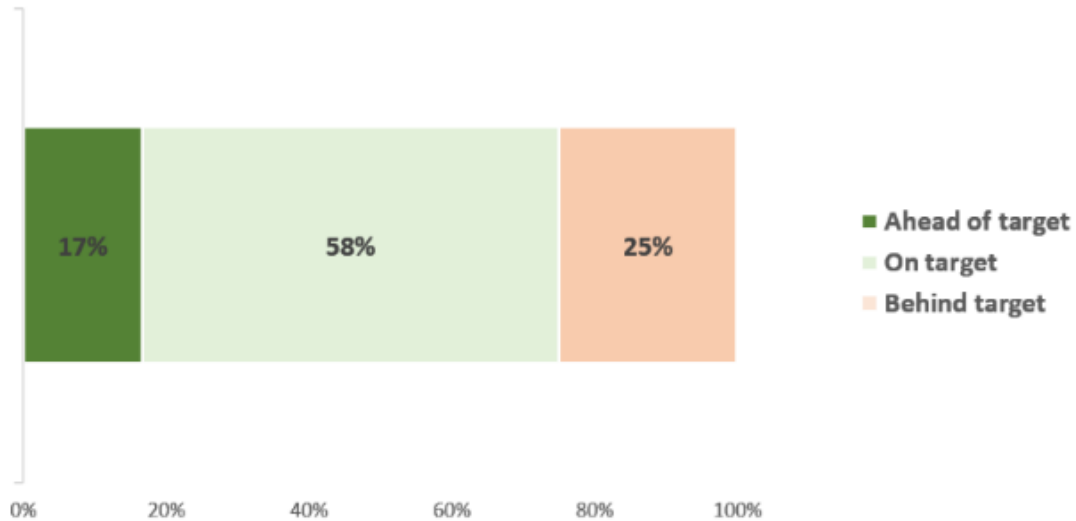
How confident you will meet targets?

% | 8% | 67% | 17% | 8%

- ■ Very confident
- ■ Confident
- ■ Neither confident nor unconfident
- ■ Don't know/No answer

0% 20% 40% 60% 80% 100%

A quarter of organisations say that they are currently behind target.
The majority (58%) say they are on target to meet their pledges, and nearly one in five (17%) believe they are ahead of target.

17% of organisations are not sure whether they will be able to meet their targets.
A majority (67%) are confident they will ultimately meet their targets and nearly one in ten (8%) are very confident.

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Components of an effective carbon reduction strategy

Setting clear short and mid-term strategic targets.

Careful supply chain management and encouragement, including effective utilisation of purchasing power.

Energetic employee engagement to foster cultural change (including staff training).

Having carbon targets linked to renumeration.

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Main challenges 1

- **Financial control and credibility**

  Balancing sustainability and profitability, managing costs to the business and costs to be passed on to customers.

  "We need to balance our capacity to make sustainable changes to carbon emissions whilst undergoing wider organisational transformation."

- **Measurement and reporting**

  Identifying rigorous and meaningful targets and metrics, and having an accurate and compelling reporting format and structure.

  "There are no clear guidelines from central government, no carbon footprint information about the materials and services we buy, confusing and conflicting information around initiatives and too many pledges to choose from."

- **Scope 3 emissions**

  It is a particular challenge to manage emissions from purchased goods and services, travel and distribution, leased assets etc. (relative to managing emissions from direct fuel and energy usage).

  "Reducing emissions in offices/data centres that we don't own is a challenge to reducing our carbon footprint. We have to rely on the cooperation of landlords and service providers."

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Main challenges 2

- **Effective strategy development**

  How to prioritise and focus on what really matters.

- **Developing productive Board relationships, achieving buy-in and influence.**

- **Gaining authority and credibility within the organization**

  Engagement, influence and persuasion, at both senior and non-senior levels.

- **Internal and external collaboration**

  Team integration, Integrating external expertise etc.

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- **Winmark has created the world's first global FREE community of Chief Sustainability Officers to bridge the gap between making a pledge and making a difference.**

- **We are heading towards 500 members and aim to have 1,000 by mid-2022. These include Amazon, Arup, AIB, Arm, AstraZenica, Swiss Re, BBC, Waterman, Go Ahead, Heathrow Airport, Petrofac, Pernard Ricardo, IHG, IOD, Bank of China, McKinsey, Mondi, Manroy and Conde Nast.**
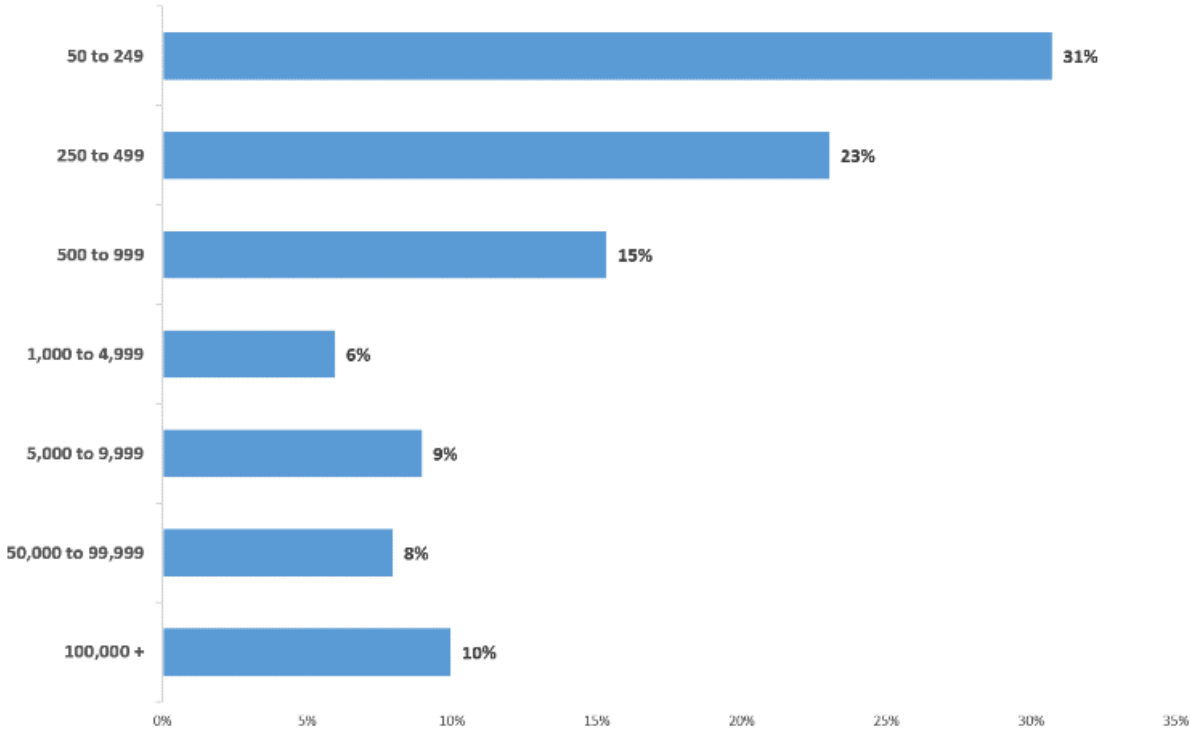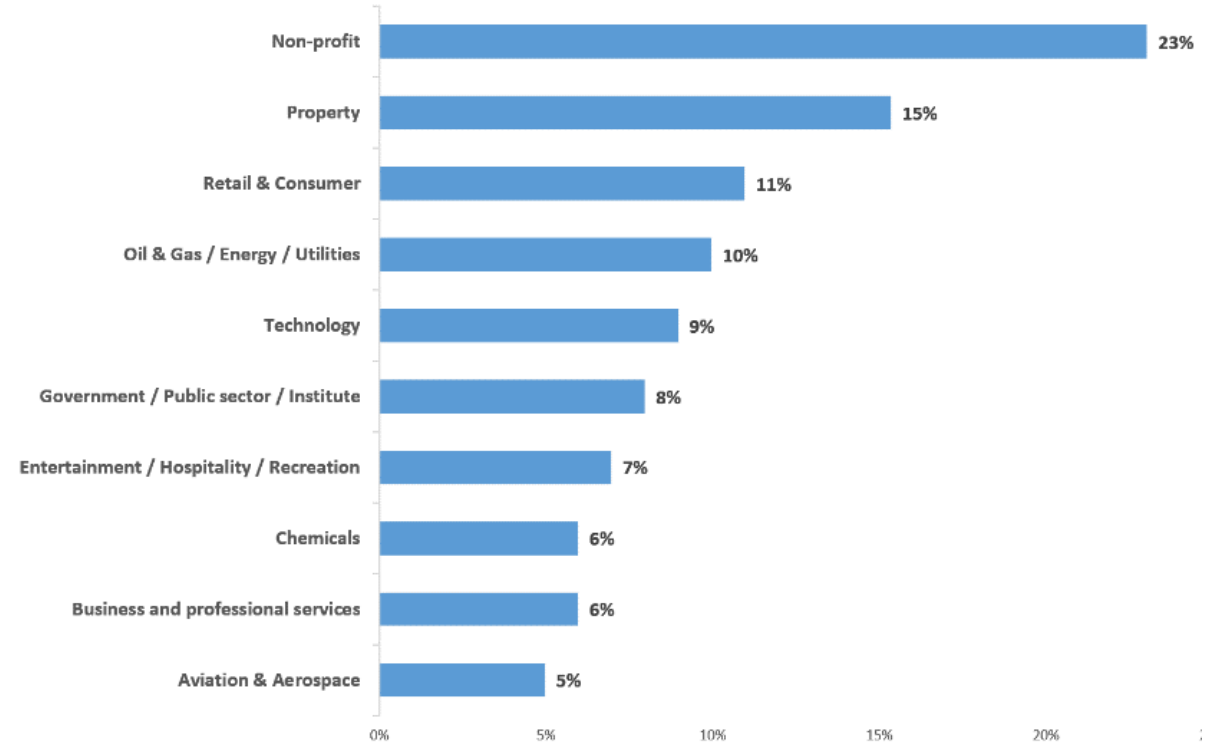
As a member you will:

- Become part of a vibrant network of sustainability leads, sharing your experiences, ideas and ambitions.

- Be invited to participate in a webinar programme with top Sustainability leaders in the UK and around the world.

- Be invited to meet with members of Winmark's 12 other networks of executive and non-executive leaders to discuss their role in driving the Sustainability agenda.

- Have access to Winmark's members-only digital platform where you can access recordings of webinars and podcasts on-demand as well as make contact with other members.

For more information visit:
www.winmarkglobal.com/networks-cso

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Appendix: Sample profile

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Number of employees in your organisation

Category	Percentage
50 to 249	31%
250 to 499	23%
500 to 999	15%
1,000 to 4,999	6%
5,000 to 9,999	9%
50,000 to 99,999	8%
100,000 +	10%

Primary sector

Sector	Percentage
Non-profit	23%
Property	15%
Retail & Consumer	11%
Oil & Gas / Energy / Utilities	10%
Technology	9%
Government / Public sector / Institute	8%
Entertainment / Hospitality / Recreation	7%
Chemicals	6%
Business and professional services	6%
Aviation & Aerospace	5%

Research is based on survey of senior sustainability leaders across 20 organisations conducted in December 2021

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