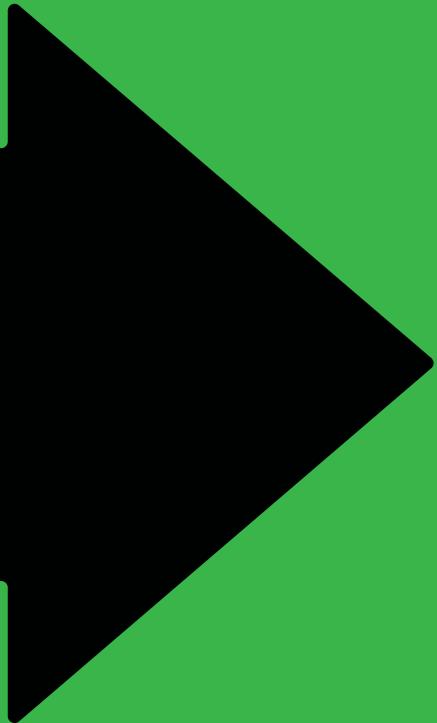


THE CLIMATE ACTION PLAYBOOK

**FROM CO2 TARGETS
TO CLIMATE LEADERSHIP**

A how-to-guide for business and investors



**SUSTAINABILITY IS NOT A BURDEN.
IT WILL GIVE YOU AN EDGE TODAY
AND SUCCESS TOMORROW.**

“WE HAVE TO RECOGNIZE THAT EVERY BREATH OF AIR WE TAKE, EVERY MOUTHFUL OF FOOD WE TAKE, COMES FROM THE NATURAL WORLD. IF WE DAMAGE THE NATURAL WORLD, WE DAMAGE OURSELVES. WE ARE ONE COHERENT ECO-SYSTEM. IT’S NOT JUST A QUESTION OF BEAUTY, OR INTEREST, OR WONDER – THE ESSENTIAL INGREDIENT OF HUMAN LIFE IS A HEALTHY PLANET.”

Sir David Attenborough, Davos, 2019

INTRODUCTION

It is common cause that business is a central actor in tackling the climate crisis. But how do we do it? We frequently hear business leaders saying, “Everybody tells us what we need to do, but not how to do it.” We also hear investors ask, “How do we know if the businesses we invest in are taking the steps needed to be relevant in the future, and are therefore good investments?” What we know for sure is that we are not altering our direction of travel at the speed or scale required.

To address these problems, we have combined climate science, strategic communications and systemic change to create a Climate Leadership Playbook which we are delighted to launch at Davos.

It is both a call to action and a practical guide on what to do in order to go from Co2 targets to Climate Leadership.

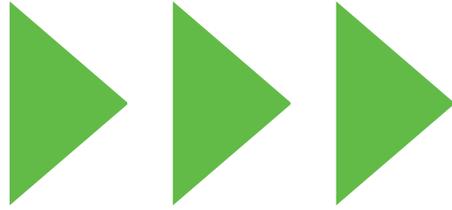
- The Climate Action Playbook is inspired by THE 1.5°C BUSINESS PLAYBOOK, The Exponential Roadmap and The Carbon Law: A roadmap for rapid decarbonization (Science, 2017), which says that if we are to achieve climate safety, we need, at minimum, to halve emissions in the global economic system every decade, starting now.

- It has been designed to make a complex issue understandable and actionable by anyone from the CEO of the largest global corporation to the smallest family business.

- It uses the action methodology of entrepreneurial change to provide a step-by-step guide for leadership.

This free resource is our joint contribution to human survival. It is not to be seen as in competition with the many powerful approaches to emissions reduction that are being used around the world. Its purpose is to take such work amongst business leaders and investors to a new level.

Jakob Trollbäck, Björn Larsson & Mark Drewell



WHO IS THIS PLAYBOOK FOR?

This playbook is for Business Leaders and Investors. It is for CEOs, Directors of Strategy, Chief Sustainability Officers & Sustainability Strategists, other employees and Non-executive board members. In particular, we have designed it to offer entrepreneurial approaches to Climate Leadership:

- to equip organisations with well advanced climate strategies with new approaches to increase their impact.
- to support larger companies in their supplier engagement and requirement setting.
- to help small and medium sized companies engage fully with the climate agenda.

We have designed the Climate Playbook to add a powerful new dynamic over and above existing standards and initiatives, for example Greenhouse Gas Protocol (GHG), Science Based Targets Initiative (SBTi) and the Carbon Disclosure Project.

It is built on insights developed and road-tested over many years by experts on intrapreneurial change - the process of creating new momentum for value creation inside established organisations.

A WORD ABOUT SUCCESS

In the past, when companies achieved emission reductions, they did this even while emissions in the overall economic system increased. The Climate Action Playbook recognises that while individual reductions are encouraging, they cannot be the measure of success.

There is only one measure of success, net zero emissions on a planetary scale.

History will not thank our generation of business leadership if the best we can say is “well, we made our reductions, but climate collapse still happened”. The issue is larger than that. We hope that The Climate Action Playbook will inspire to a journey from *Climate Leadership* focused on self-interest to rising to the challenge of statesmanship for the common good.



BECOMING A CLIMATE LEADER

THINK BIG, ACT SMALL, START NOW!

The Climate Action Playbook comprises five steps to create the first push on “an entrepreneurial flywheel of change”. It future proofs your business and make it a positive force for the climate.

The playbook is an iterative action-learning process. It is built on some of the main principles of entrepreneurship.

It is about managing the input variables which create the conditions to make it more likely to reduce emissions faster:

1. **Your commitment to climate leadership**
2. **The level of climate literacy in your organisation and amongst its stakeholders**
3. **The opportunities for engagement amongst your employees**
4. **The alliances you create with others**
5. **The mechanisms you put in place to learn from your actions.**

Throughout the process, Goals and Targets (the output variables) can be used to inspire and track performance.

A single cycle through the playbook usually takes one year. At the end of each cycle of the five steps you start again. This allows you to learn and recalibrate. Each time you act, you push the flywheel of change and it spins a little faster. As you become more active in Climate Leadership and more skilled in working this way, new possibilities will emerge that you could not see at the beginning.

CLIMATE MANIFESTO

A TEMPLATE

- 1. WE HAVE A SHRINKING WINDOW OF TIME TO AVERT A CLIMATE CATASTROPHE. THIS COMING DECADE WILL DECIDE THE FUTURE OF ALL HUMANITY.**
- 2. THIS IS WHY WE COMMIT TO CREATING A NET ZERO EMISSIONS ECONOMIC SYSTEM. WE WILL DO EVERYTHING IN OUR POWER TO MAKE IT HAPPEN AS FAST AS POSSIBLE.**
- 3. STARTING TODAY, WE RESOLVE TO HALVE OUR EMISSIONS EVERY TEN YEARS.**
- 4. TO DO THIS WE NEED EVERYONE TO GET INVOLVED. OUR PEOPLE, OUR CUSTOMERS, OUR SUPPLIERS, THE CITIZENS, POLICY MAKERS, POLITICIANS. ALL OF US.**
- 5. WE ARE COMMITTED TO MAKING IT HAPPEN AND SPECIFICALLY TO TWO THINGS:**
 - WE WILL MAKE OUR COMPANY AS CLIMATE FRIENDLY AS WE CAN.**
 - WE WILL COLLABORATE WITH OTHERS TO SOLVE THE THINGS WE CAN'T FIX ON OUR OWN.**
- 6. SUSTAINABILITY IS NOT A BURDEN. IT WILL GIVE US AN EDGE TODAY AND SUCCESS TOMORROW.**
- 7. WE WILL ACT TO PRESERVE OUR CLIMATE FOR FUTURE GENERATIONS, EVEN IF THOSE ACTIONS WORK AGAINST OUR SHORT TERM INTERESTS.**
- 8. WE WILL DEPLOY OUR CREATIVITY AND RESOURCES TO MAKE NET ZERO EMISSIONS THE BEDROCK OF OUR ECONOMIC SYSTEM.**
- 9. WE WILL THINK BIG, ACT SMALL AND START NOW!**

STEP 1

COMMIT TO CLIMATE LEADERSHIP

The decision to pursue a path of climate leadership can be hugely inspiring. Knowing that you and your organization are meaningfully committed to tackling something that really matters to every human being can be an injection of positive energy – especially when so much that we read is so negative. For some companies it can be a catalyst for rebirth or renewal.

The journey starts with a transparent declaration of intent through a Climate Manifesto.

The Climate Manifesto is your statement of intent, a call to action and a commitment to be held to account by your stakeholders.

The words of the Manifesto can be changed to fit your organisational culture.

It always has three key principles:

1. A statement of the goal to achieve Net Zero Emissions across the economic system.
2. An unambiguous commitment to that goal.
3. A recognition that this requires internal action and collaboration with others.

Actions

- ➔ Commit to Climate Leadership
- ➔ Create your own Climate Manifesto

Knowledge sidebar:

The Entrepreneurial Approach of Action Learning

“Think big, act small, start now”, is the credo of the Entrepreneur.

A bold vision inspires.

Change is then created by taking immediate small steps testing your assumptions.

In other words, “we act our way into new thinking.”

An entrepreneurial approach on climate action can unleash creative potential which delivers value in many other and often unexpected areas.

STEP 2

BUILD CLIMATE LITERACY

Once you have made a commitment through a Climate Manifesto, change begins with knowledge.

Everyone inside your organisation has to know about and understand the climate crisis and the role your organisation plays both directly, and indirectly.

- What is the climate crisis?
- Where and how do we create emissions?
- Where do other people create emissions that are part of our wider context?
- What about our suppliers?
- Our Customers?
- Our employees and their families?
- The communities in which we operate?

Actions

→ Design a Climate Literacy Process

→ Educate everyone internally

This can be as simple as a series of meetings involving all staff to discuss the questions above.

We especially recommend studying THE EXPONENTIAL ROADMAP and reading the 1.5°C BUSINESS PLAYBOOK.

Knowledge sidebar: Setting Goals and Targets

Targets are what you know how to achieve when you start within a precise (and usually short) timeframe.

Goals are ambitions that inspire which, when you start, you don't have the capability to achieve.

To stabilise temperature rise to a maximum of 1.5°C above pre industrial temperatures, we need both Goals and Targets and they must be updated continually in a dynamic process.

STEP 3

CREATE COMPANY-WIDE ENGAGEMENT

The Climate Manifesto shows leadership commitment. Knowledge creates the will to act. Systems, processes and resources convert that will into action.

While there are many different ways to invite and achieve the engagement of all staff in climate action, the most impactful strategies use the well documented *First who, then what* approach:

- Empower first those who both have the energy and interest plus hold a strong track-record as doers, to take action as prime movers (internal entrepreneurs).
- Support them to further action-test their assumptions until they achieve results.
- Communicate their work across the organisation to encourage and inspire others to follow with their actions.

Actions

→ Empower internal entrepreneurs to drive your climate agenda

→ Build on the momentum they create

In some companies the most effective solution is to make implementing the Climate Manifesto an agenda item in every team. In others a separate work stream is more functional. However, what is most important is to design the work around entrepreneurial principles, i.e. starting with first empowering - the self-motivated with a track-record as doers - (internal entrepreneurs) and letting their actions inspire everyone else to contribute.

Knowledge sidebar: The four pillars of Climate Action

Pillar 1 – Reduce your own emissions
Reduce emissions in your internal processes and operations (Internal Impact).

Pillar 2 – Reduce your value chain emissions
Reduce upstream emissions (supplier activities) and downstream emissions (from the use of your products and services).

Pillar 3 – Integrate climate in business strategy
Consider the impact of your

products and services. Align your value proposition and portfolio with 1.5C.

Pillar 4 – Influence climate action in society
Use your network and wider sphere of influence to accelerate climate action. Work with customers and suppliers, employees, industry, government, cities, research organisations and NGOs beyond your own business interests.

Learn about THE 1,5C BUSINESS PLAYBOOK at www.exponentialbusiness.org

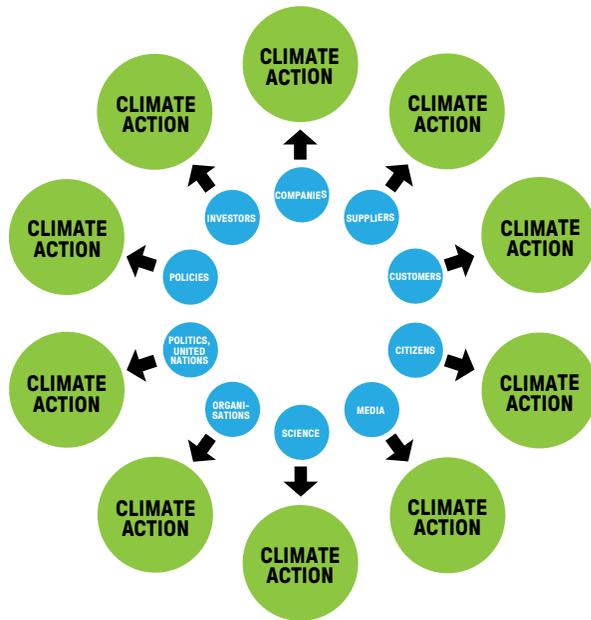
STEP 4

FORM ALLIANCES

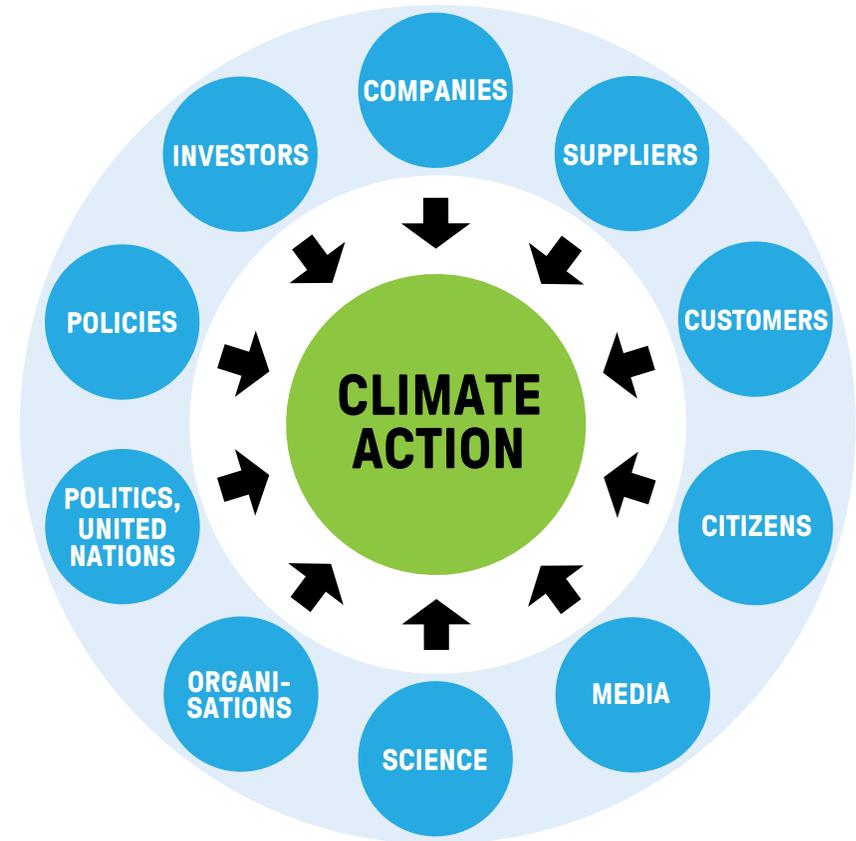
There are many issues around reducing emissions that a company cannot tackle on its own. Few, if any companies have, for example, the ability to eradicate fossil fuels from the transport system. This, as well as many other issues, require collaboration with others.

The scope of such collaboration may range from simple new arrangements with suppliers to participation in coalitions to work with

governments to change policies, legislation and international agreements. No issue or area is beyond the scope for potential involvement when you are committed to Climate Leadership because you are defining a successful outcome as the transformation of every part of the system. The key to collaboration is not to put your organisation at the centre, it is to put the issue at the centre and invite others to join you in solving it.



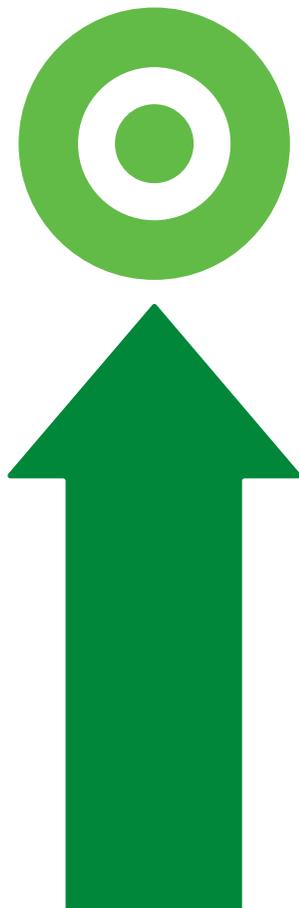
Pre 2020: Organisation-centred



Post 2020: Issue-centred

Actions

- ➔ Identify issues that you cannot tackle alone
- ➔ Join with others to address them



STEP 5

RECALIBRATE PRIORITIES + ACTIONS

After a first cycle of building knowledge, engagement and collaboration you take stock of all your actions. Build on what has worked. Press the reset button where needed.

- Revisit and update your Manifesto
 - Set specific time-bound targets for short-term success
 - Create goals with more stretch and ambition
- Deepen the level of climate literacy and expand it beyond your own employees to other stakeholders
- Identify arenas internally where the pace of change can be speeded up
- Create new and expand existing collaborations with external partners
- Review and enhance communications with all your stakeholders

Actions

- Reflect on what you have learnt
- Identify new opportunities
- Take more action

Knowledge sidebar:

Measurement and Reporting

Your employees, value chain, investors, other stakeholders as well as the world around you, will want to know about your efforts and progress.

Internally, measuring and sharing information on progress will catalyse and inspire further action.

Externally, including your efforts in your communication is not just good for

your company image, it is also an effective way to influence the world around you to promote the Carbon Law.

Companies are increasingly expected to transparently disclose their carbon emissions, targets and results.

The standardised way to do this is using the Greenhouse

Gas Standard Protocol www.ghgprotocol.org.

COMMUNICATE YOUR PROGRESS

Communication is a continuous two-way process of speaking and listening.

It starts with sharing your manifesto with your stakeholders and even inviting them to work with you to develop both it (the Manifesto), and the actions that stem from it.

It continues through the creation of Climate Literacy and Internal Engagement and on into setting up and developing External Alliances.

Internally the journey towards Climate Leadership can unite and inspire. It creates a sense of pride and excitement that “we are doing our part” to address one of the most important issues of our times.

Externally it is the basis for new kinds of conversations with suppliers, customers, investors and the communities in which you operate.

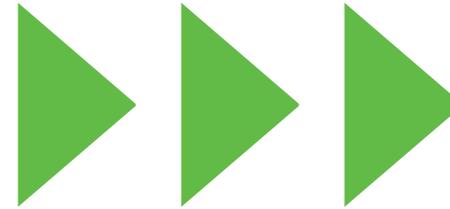
It is especially exciting to be able to stand alongside stakeholders and look at a problem that affects us all and the solutions to which, we all have a part to play.

Transparently share challenges as well as achievements.

Climate leadership acknowledges that this is challenging, none of us are perfect and we don't know all the answers. Being honest about this reality increases the potential for meaningful progress.

Communication sits at the heart of Recalibrating Priorities and Actions.

- What do people think and feel about what we are doing?
- How can they contribute?



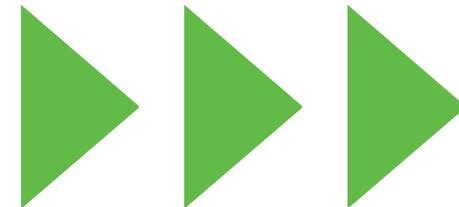
Actions

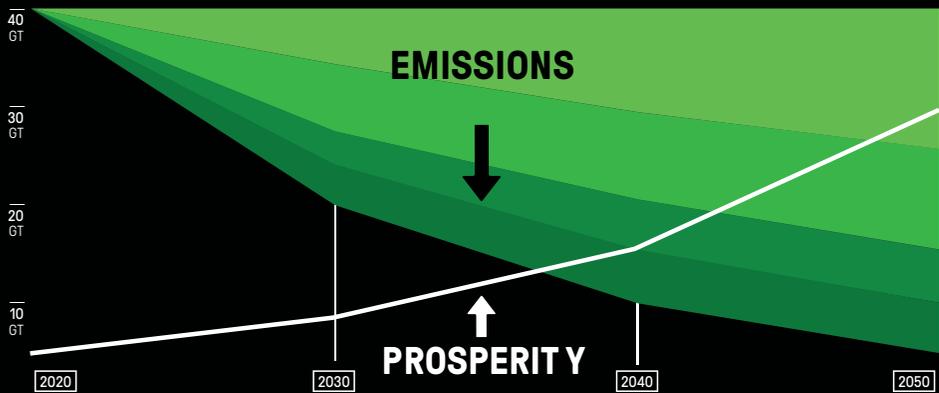
→ Integrate reporting of greenhouse gas emissions, targets, activities and results in the annual reporting following the steps above, in accordance with the Greenhouse Gas Protocol

→ As a larger company, consider to get your targets approved by the Science Based Target Initiative (SBTi) and report carbon emissions and progress on the Carbon Disclosure Project (CDP) platform.

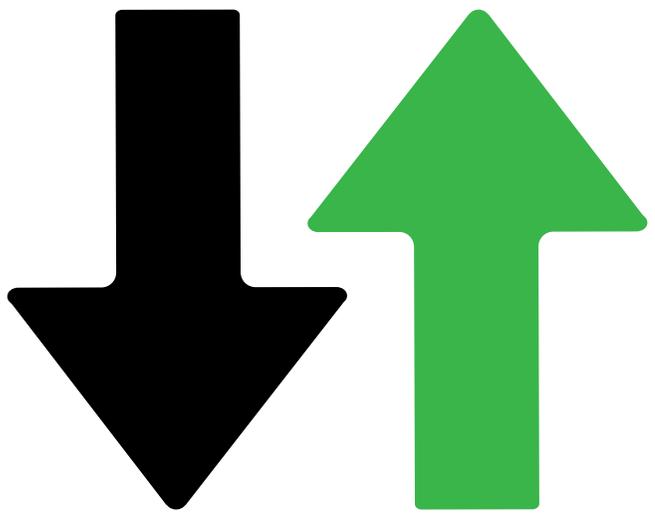
→ Educate your board, management and employees regularly on climate and the impacts of your company.

→ Communicate your targets, strategies and results transparently, both internally and externally.





**HALF
THE EMISSIONS**



**DOUBLE
THE PROSPERITY**

IT IS A HUGE CHALLENGE TO CREATE
A NET-ZERO EMISSIONS ECONOMY,
BUT THIS CHALLENGE IS ALSO AN
ENORMOUS OPPORTUNITY.

REDUCING EMISSIONS GOES HAND IN
HAND WITH PROSPERITY FOR EVERY-
BODY. IT DRIVES INNOVATION AND
THE CREATIVE POTENTIAL FOR NEW
BUSINESS, IMPROVES HEALTH AND
ENRICHES LIFE ON LAND AND SEA.



THE GLOBAL GOALS
For Sustainable Development

CREATED AND PRODUCED BY

The New Division by Trollbäck+Company
Strategy, Concept, Copywriting and Design

The ForeSight Group
*Entrepreneurial Strategic Development and
Copywriting*

Björn Larsson and **Mark Drewell** lead
The ForeSight Group which has forty
years of expertise in using entrepreneurial
processes to create systemic change, both
within organisations and in global collabora-
tions between organisations.

the**foresight**group

Jakob Trollbäck created the Sustainable
Development Goals platform for the United
Nations, making the SDG's accessible to all.
He is the Founder of **The New Division**, which
is creating strategies and communication
for sustainability.

THE NEW DIVISION

by TROLLBÄCK+COMPANY



THE GLOBAL GOALS
For Sustainable Development