

## Business Ambition for 1.5°C – Pledge

*Version 1.0*

**Instructions:** Please review this document and complete all relevant sections (Part I through Part V). Guidelines and Frequently Asked Questions are provided in Annex I

### Part I. About this pledge

The next decade is critical. The recent report from the Intergovernmental Panel on Climate Change (IPCC) warned of severe consequences of a failure to prevent global warming exceeding 1.5°C. To limit temperature increase to 1.5°C, emissions need to halve by 2030, and drop to net-zero by the middle of the century for the best chance of avoiding the worst impacts of climate change. By taking this pledge you are formalizing your increased ambition and signalling your commitment to a zero emissions future to your peers, investors, policy makers, customers, suppliers, civil society organizations, and other stakeholders.

Recognizing the urgency of the climate challenge, I am pleased to confirm that my organization, \_\_\_\_\_ is joining the global movement of leading companies aligning their businesses with the most ambitious aim of the Paris Agreement, to limit global temperature rise to 1.5°C above pre-industrial levels.

### Part II. Commit to align to 1.5°C

In signing this pledge, I confirm that, within the next 24 months, my company intends to calibrate our decarbonisation plans with the ambition required to limit warming to 1.5°C through any of the two options outlined below, or through a combination of them:

- Option 1 – 1.5°C science-based targets:** By aligning our GHG emission reduction targets, across all relevant scopes<sup>1</sup>, with 1.5°C emissions scenarios;
- Option 2 – Net-zero commitment:** By setting a public goal to reach net-zero emissions by no later than 2050 in line with 1.5°C scenarios and interim quantitative targets, consistent with this ambition, and in line with the criteria and recommendations of the Science Based Targets initiative;

Companies signing the pledge are expected to formally commit, if they have not already done so, to set science-based targets through the Science Based Targets initiative (SBTi), and to subsequently submit their targets for validation by the SBTi.

---

<sup>1</sup> In line with the criteria of the Science Based Targets initiative, scope 3 targets are required whenever scope 3 emissions represent 40% or more of total emissions generated by the company

**Part III. Showcase your commitment**

The campaign partners would like to showcase the leadership of companies signing this pledge and use their voices to spur greater action. Please indicate below if your organisation is interested in communications opportunities in the run up to the UN Secretary General's Climate Action Summit and beyond.

- My company is interested in communications opportunities around our commitment to align to 1.5°C;
- My company is planning to have CEO representation at the UN Secretary General's Climate Action Summit this September, and is interested in speaking opportunities around our 1.5°C commitment;

Please provide contact details for the right person within your organisation to follow-up on communications opportunities:

<b>Name</b>	
<b>Job title</b>	
<b>E-mail address</b>	
<b>Telephone</b>	

**Part IV. Amplify your leadership**

Transitioning towards a net-zero economy requires coordinated action across key sectors of the economy and enabling policy frameworks. Companies signing this pledge are encouraged to advocate for supportive government policy and goals that will deliver a net-zero emissions economy in relevant countries they operate in, and at key international moments. Please confirm below if your company is interested in taking part in joint policy advocacy and influencing opportunities along with other signatories of the pledge:

- My company is interested in policy influencing and advocacy opportunities to accelerate the transition towards a net-zero economy;

Please provide contact details for the right person within your organisation to follow-up on policy influencing and advocacy opportunities;

<b>Name</b>	
<b>Job title</b>	
<b>E-mail address</b>	
<b>Telephone</b>	



## **Business Ambition for 1.5°C – ANNEX I**

### *Guidelines and Frequently Asked Questions*

#### **1. What does setting 1.5°C-aligned targets mean?**

According to the IPCC's Special Report on 1.5°C ([IPCC SR15](#)), limiting global warming to 1.5°C requires halving anthropogenic CO<sub>2</sub> emissions by 2030 from 2010 levels, and reaching net-zero emissions by 2050. The Science Based Targets initiative (SBTi) has translated the scenarios and pathways underlying the IPCC SR15 into a set of resources that companies can use to model 1.5°C-aligned targets. This includes a technical [paper](#) providing details about how IPCC SR15 pathways are being used by the SBTi to inform our target-setting criteria and validations protocols, and a science-based target setting [tool](#).

#### **2. What does net-zero mean in the context of this pledge?**

According to the definitions included in the IPCC SR15, “Net zero emissions are achieved when anthropogenic emissions of greenhouse gases to the atmosphere are balanced by anthropogenic removals over a specified period.”

Based on this definition, the SBTi is using the following working definition for net-zero in the context of this pledge “Reaching net-zero emissions for companies involves achieving a balance between emissions and removals for all GHGs within the company’s value chain over a specific period of time”. Avoided emissions and offsets are not counted towards the attainment of net-zero commitments.

The SBTi intends to refine this working definition by COP 25, and to develop guidance and recommendations for net-zero targets in the corporate sector. We will seek feedback from stakeholders throughout this process. We encourage companies taking this pledge to be part of that process

#### **3. What is the timeframe required to reach net-zero emissions in line with 1.5°C scenarios?**

In order to limit warming to 1.5°C, compared to pre-industrial levels, global greenhouse gas emissions need to reach-net zero by 2050. While this is a commonly accepted timeframe to align ambition to 1.5°C, some activities, sectors (e.g. power generation) and regions may need to reach net-zero emissions sooner. The SBTi intends to develop additional guidance on this.

**4. Why are companies expected to set interim targets in addition to setting net-zero commitments?**

Companies that commit to reach net-zero emissions by 2050 are expected to set interim targets due to the following reasons:

- a) **To incentivise short-term reductions:** Pathways that limit warming to 1.5°C, assume peaking of emissions before 2020, followed by a deep decarbonisation phase, until net-zero emissions are reached around 2050. Decarbonisation trajectories in the earlier years (e.g. between 2020 and 2030) are typically steeper than decarbonisation trajectories in the later years (e.g. between 2040 and 2050);
- b) **To maximise accountability:** According to [research](#) conducted by Harvard University, the average tenure amongst CEOs in companies with large capitalisation (S&P 500) was around 7 years in 2017. According to this research, less than 15% of S&P companies have had their CEOs for 15 years or more. Considering this mismatch, it is expected that companies setting long-term net-zero goals will also set quantitative medium-term goals that gives certainty to investors, customers, and other stakeholders that companies are progressing towards their goal to reach net-zero emissions.

**5. What are the expectations around scope 1 and scope 2 for companies signing this pledge?**

Companies are expected to align ambition for scope 1 and scope 2 emissions to 1.5°C through any of the following options:

- a) By setting scope 1 and scope 2 emission reduction targets consistent with the ambition required to limit warming to 1.5°C (e.g. linear annual reduction rate of 4.2% per year for absolute reduction targets), following relevant criteria and recommendations by the SBTi;
- b) By setting a goal to reach net-zero GHG emissions by 2050 and interim quantitative targets, consistent with this ambition, following the criteria and recommendations developed by the SBTi.

**6. What are the expectations around scope 3 for companies signing this pledge?**

In line with the SBTi [criteria](#), companies are expected to set scope 3 targets when scope 3 represents 40%, or more, of the total emissions of the company (scope 1, scope 2 and scope 3). When this is the case, companies can align their scope 3 ambition to 1.5°C through any of the following options:

- c) By setting scope 3 reduction targets that are consistent with the ambition required to limit warming to 1.5°C (e.g. linear annual reduction rate of 4.2% per year), following other relevant criteria and recommendations developed by the SBTi for scope 3 targets;
- d) By setting a goal to reach net-zero value-chain emissions by 2050 and interim scope 3 targets in line with the SBTi criteria and recommendations.

The SBTi will conduct additional research to develop methods to set and assess scope 3 targets against long-term temperature goals.

**7. I have already 1.5°C targets across all relevant scopes. Do I need to sign the pledge?**

Companies that have already aligned ambition to 1.5°C are encouraged to join the group of first signatories to this pledge, and to use their influence to incentivise other companies to follow suit.

**8. I have already a public commitment to reach net-zero emissions. Do I need to sign the pledge?**

Companies that have already aligned ambition to 1.5°C are encouraged to join the group of first signatories to this pledge, and to use their influence to incentivise other companies to follow suit. If one or more expectations, outlined in this document, are not met (e.g. interim targets), then, companies have up to 24 months to fulfil these expectations.

**9. Which are the organisations behind this pledge?**

This 1.5°C call to action and pledge are supported by a broad range of organisations, including the SBTi partners, the We Mean Business Coalition, and a number of UN agencies, amongst others. A full list of signatories to the call to action can be found on the United Nations [website](#).



---

## Science Based Targets Call to Action Commitment Letter

*CET-FOR-001 | Version 1.5.*

*Nov 2017*

### Introduction

Science Based Targets is a joint initiative by CDP, the UN Global Compact, the World Resources Institute and WWF that aims to raise corporate ambition and help businesses pursue bolder solutions to climate change. The initiative supports companies to set emission reduction targets in line with the level of decarbonization required to keep global temperature increase below 2°C compared to pre-industrial temperatures, as described in the latest Assessment Reports of the Intergovernmental Panel on Climate Change (IPCC).

### The Call to Action

We are calling on companies to demonstrate their leadership on climate action by publicly committing to adopt science-based emissions reduction targets, accelerating take-up of these targets as a business norm. Those companies willing to lead the way will be recognized through events and media opportunities, as well as through sciencebasedtargets.org, the We Mean Business website, and other partner websites. To join the movement companies need to complete the following steps:

#### Step 1. Sign and submit the commitment letter

Signing the commitment letter below indicates that your company will work to set a science-based emission reduction target aligned with the Science Based Targets Initiative's [eligibility criteria](#). If your company already has an emissions reduction target, this letter confirms your interest in joining the Call to Action and having your existing target independently tested against the Science Based Targets Initiative's [eligibility criteria](#). After submitting your commitment letter to [info@sciencebasedtargets.org](mailto:info@sciencebasedtargets.org), your company will be recognized as "committed" at [sciencebasedtargets.org](http://sciencebasedtargets.org) as well as on our partner websites at We Mean Business and CDP.

#### Step 2. Develop a target

Once your company has signed the commitment letter you will have up to 24 months to develop a science-based target. We encourage your company to submit proposed targets to the Science Based Targets initiative for a preliminary target check, using the '[Target Submission Form](#)' in order to receive feedback from our technical team prior to securing final executive sign off.

#### Step 3. Submit your target for a Quality Check

Once a target has been developed, your company must complete the '[Target Submission Form](#)' for an official check and submit it via email to [info@sciencebasedtargets.org](mailto:info@sciencebasedtargets.org). The Science Based Targets team will then verify the target against the [eligibility criteria](#) and inform you whether the target has been officially approved or whether it may need some further work.

#### Step 4. Announce the target

On confirmation that your target meets the Science Based Targets [eligibility criteria](#) your company and its target will be showcased on the Science Based Targets website and possibly in other communications. The SBT initiative may also work with your nominated communications contact on further opportunities to profile the leadership position that your company has taken.



SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

info@sciencebasedtargets.org  
www.sciencebasedtargets.org



www.facebook.com/ScienceBasedTargets



www.twitter.com/sciencetargets

## Science Based Targets Call to Action Commitment Letter

Our company wishes to join the growing group of leading companies that are setting emissions reduction targets in line with what climate science says is necessary. By doing so, we recognize the crucial part the business community can play in minimizing the risk climate change poses to the future of our planet.

We commit to develop a science-based emission reduction target within the next 24 months in line with the definition and criteria as stated on <http://sciencebasedtargets.org/commit-to-setting-science-based-targets/>.

We acknowledge that our commitment will be recognized on the Science Based Targets initiative website as well as on the websites of We Mean Business and CDP.

<b>Company information</b>	
<b>Company name</b> (Please indicate correct spelling, capitalization and punctuation to be used in public communications)	
<b>Website</b>	
<b>Country where company is headquartered</b>	
<b>Ticker symbol (if applicable)</b>	
<b>Social media links</b>	
<b>Sector(s) or sectoral activities your company operates within</b>	
<b>Primary contact information</b>	
<b>First and last name</b>	
<b>Email address</b>	
<b>Job title</b>	
<b>Communications contact information</b>	
<b>First and last name</b>	
<b>Email address</b>	
<b>Job title</b>	

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Name in Print: \_\_\_\_\_

Position: \_\_\_\_\_