

NationSwell Trend Report

June 2023



The state of play: corporate sustainability in 2023

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As climate change creates a growing risk to companies' financial stability, sustainability programs offer a competitive advantage for businesses across size and sector. Those who are ahead of the curve are making bold commitments, deepening expertise, collaborating effectively, and greening their workforces. The most resolute business leaders will continue to push forward their strategies against political backlash. For them, it is a moment of opportunity, not hesitancy.

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Trends and pulse checks

Understanding where the market is heading
and diagnosing your preparedness



Policy and regulatory movement

Practitioner spotlight

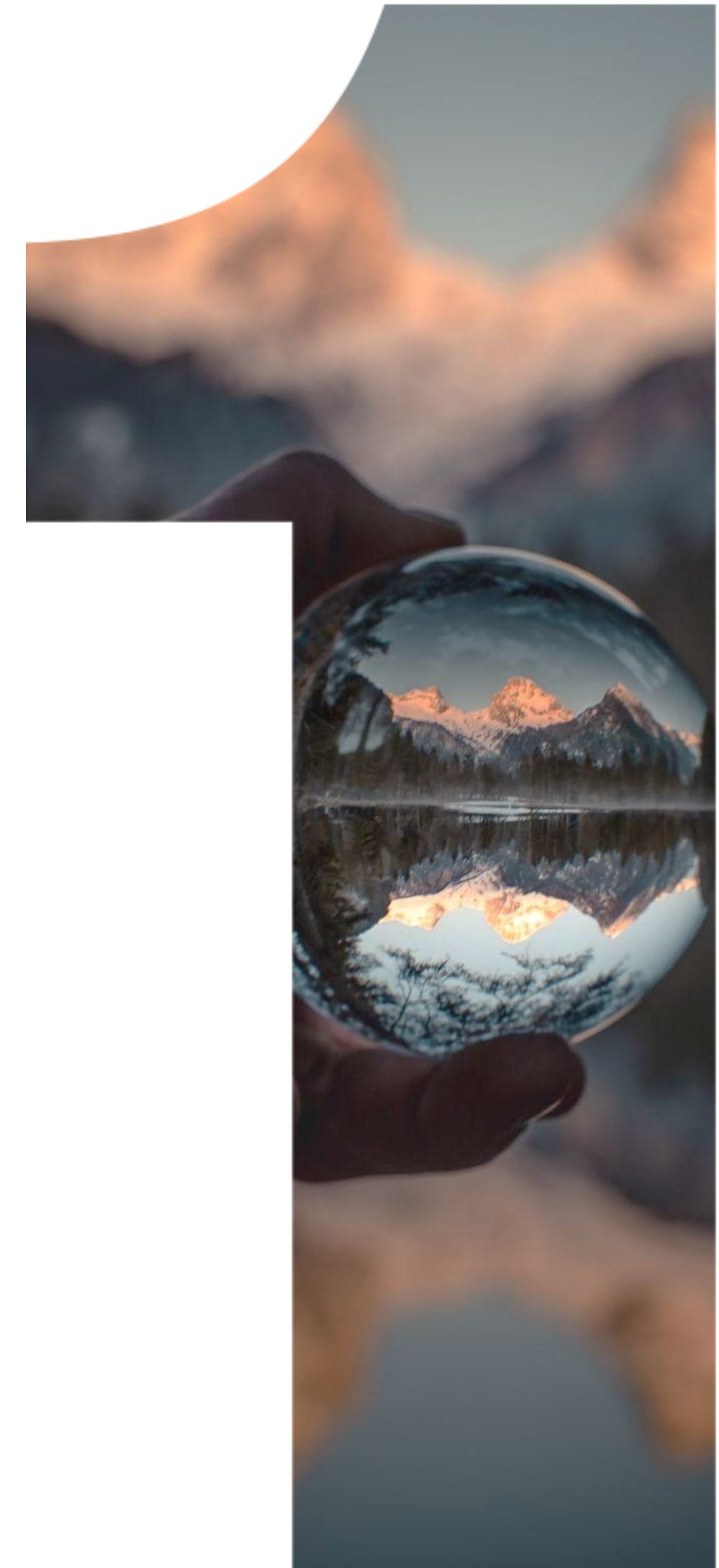
Definitions

Further reading

TREND ONE

Corporate climate commitments and leadership accountability are on the rise

But the rate of progress remains well behind what's needed to achieve 2050 goals



Corporate momentum continues to build, but not yet at the necessary rate

Setting net-zero goals, adopting science-based targets, and increasing philanthropic investment

- As of June 2023, 934 of the largest public companies had set net zero targets, more than double the number since December 2020 ([Net Zero Tracker](#)).
- As of June 2023, nearly 2,800 companies have science-based targets approved by SBTi, up from just 423 at the end of 2020 ([Science-based targets initiative](#)).
- In 2023, 45 leading organizations, including The Rockefeller Foundation, ClimateWorks Foundation, McKinsey, Salesforce, and Workday Foundation committed to the Giving to Amplify Earth Action Initiative to unlock the 3 trillion dollars needed each year to meet 2050 climate goals ([World Economic Forum](#)).

Aligning leadership, board structure, and expertise with sustainability

- Among Fortune 500 companies, 25% of board appointees in 2022 had previous experience on sustainability committees, up from 14% in 2021 ([Wall Street Journal, 2023](#)).
- The 2022 Sustainability Board Report found a 27% increase in the number of ESG-engaged directors on relevant committees since 2021, with a 24% increase in the number of female directors alone ([EgonZehnder, 2022](#)).
- In 2023, the number of U.S.-based publicly traded companies with CSO titles grew to 183 from 95 in 2021. 76% of these titles sit on senior leadership teams compared to 46% in 2021 ([Weinreb Group, 2023](#)).
- The CSO presence at Davos tripled from 20 in 2019 to 60 in 2023, with 60% of attending CSOs being women leaders ([Fortune, 2023](#)).

Bolder action needed to meet 2050 goals

“Philanthropy needs to break through the 2% funding barrier if it is to do its part to keep the world aiming for a 1.5° C future.” ([Helen Mountford, President and CEO of ClimateWorks Foundation](#)).

- While 34% of Global 2000 companies have set net-zero emissions targets by around 2050, a 2022 Accenture report found that 93% of those companies are not on track to meet their targets, indicating a need to significantly increase the rate of decarbonization ([Accenture, 2022](#)).

On our radar: “greenhushing”

Of 1,220 companies interviewed globally, 22% report that they are “going green and then going dark” ([SouthPole, 2022](#)). Companies greenhush their sustainability commitments and strategies for a number of reasons including fear behind public commitments, being scrutinized for greenwashing, public perception issues around timing, viewing their work as increasingly expected rather than exceptional, and mitigating political backlash ([World Economic Forum, 2022](#)).

How we're doing: accountability to commitments

	YES	NO	NO, BUT WE HAVE A PLAN	ACTION ITEMS
We have set near-term and long-term science-based targets for achieving net-zero emissions				
We have relevant sustainability expertise on our board of directors and an ESG or sustainability committee with a clear mandate for oversight				
We have a Chief Sustainability Officer or equivalent leader with the expertise and accountability to oversee our sustainability strategy				

Explore:

1. [Science-Based Targets Initiative \(SBTi\) Resources](#) | SBTi
2. [Navigating America's Net-zero Frontier: A Guide for Business Leaders](#) | McKinsey
3. [The Evolving Role of Chief Sustainability Officers](#) | HBR
4. [50 Sustainability and Climate Leaders Project](#) | 50climateleaders
5. [Outrage + Optimism Podcast](#) | Global Optimism

For additional resources, click [here](#)

TREND TWO

Political and legislative activity are creating cross-pressures on sustainability work

But stakeholder activism remains a strong tailwind



Amid political swirl, pro-sustainability stakeholder activism persists

Federal legislation and rules are providing new funding, incentives for green shift

- In 2022, the IRA designated \$369B to climate change mitigation, ([The Washington Post, 2022](#)), and an historic amount (\$100M) toward environmental justice ([United States Environmental Protection Agency, 2023](#)). The Bill supplements the [2021 Bipartisan Infrastructure Law \(BIL\)](#) (\$138.5B committed) and the [2022 CHIPS and Science Act](#) (\$67B).
- Benefits of the IRA include: **30%** federal tax credits for solar businesses; **20%** tax benefit for solar projects on affordable housing projects; energy earthshot [initiative](#); US Federal [45Q tax credit](#).
- In April 2023, the Environmental Protection Agency (EPA) proposed federal vehicle emissions standards that would avoid nearly 10B tons of CO₂ emissions and reduce reliance on 20B barrels of oil imports ([EPA, 2023](#)). In May 2023, the EPA initiated the [Clean Ports Program](#), and increased funding to Brownfields using Multipurpose, Assessment, Revolving Loan Fund, and Cleanup (MARC) grant programs ([EPA, 2023](#)).
- In June 2023, the federal debt ceiling bill was finalized and did not incur any budget cuts on climate ([AP News, 2023](#)).

Mounting anti-ESG rhetoric and some state-level legislation keen on protecting fossil fuel industries

- In February 2023, Governor Ron DeSantis of Florida announced an 18 state alliance aimed against ESG investment at the state and local level ([Fintech Global, 2023](#)). Part of this action included Florida pulling \$2 billion in assets from BlackRock to protest its support for ESG, climate action, and stakeholder capitalism ([Harvard Business Review, 2022](#)).
- In 2022, Texas moved to bar state contracts with banks that are reducing investments in fossil fuel companies or gun manufacturers ([Harvard Business Review, 2022](#)). In 2023, Texas and more than 20 other states sued the Biden Administration to halt a Department of Labor rule they allege prioritizes ESG concepts into ERISA regulations ([Bloomberg Law, 2023](#)).
- West Virginia barred five major financial firms, including BlackRock and JPMorgan Chase, from new state business after concluding they were boycotting the fossil fuel industry ([Axios, 2022](#)).

Good faith stakeholder scrutiny of climate action remains strong, effective

- In May 2022, shareholders voted to replace at least two members of ExxonMobil's board with people nominated by an activist investor group over concerns the company is not moving fast enough to address climate change ([S&P Global, 2022](#)).
- While 2021 saw a decrease in ESG related investor activism campaigns relative to 2020, in 2022, they increased. Across the past 5 years, ESG campaigns have consistently been the focus of activists relative to non-ESG campaigns ([S&P Global, 2022](#)).
- At least 14 companies in 2023 cited greenwashing as a business risk when filing their 10-Ks, compared to 5 companies in 2022 ([Bloomberg Law, 2023](#)).

On our radar: oil drilling and pipeline projects

While 2022 and 2023 saw some political embrace of climate change, [Willow Project](#) and [Mountain Valley Pipeline](#) could create major setbacks.

How we're doing: stakeholder capitalism

	YES	NO	NO, BUT WE HAVE A PLAN	ACTION ITEMS
We stay abreast of federal and legislative activity that could incentivize or require new or adjusted sustainability strategies				
We conduct regular materiality assessments to understand the most important ESG and sustainability issues for our stakeholders				
We are committed to sustainability as a means of creating long-term value for our stakeholders despite anti-ESG legislative activity and rhetoric				

Explore:

1. [Economic Implications of the Climate Provisions of the Inflation Reduction Act](#) | Brookings Institution
2. [Making Stakeholder Capitalism Actionable](#) | World Business Council for Sustainable Development
3. [Measuring Stakeholder Capitalism: Toward Common Metrics and Consistent Reporting of Sustainable Value Creation](#) | World Economic Forum
4. [5 Steps to Conducting a Materiality Assessment for ESG Risk](#) | Thomson Reuters
5. [Return on Sustainability Investment Methodology](#) | NYU Stern Center for Sustainable Business

For additional resources, click [here](#)



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Stakeholder engagement has been the connecting thread of my career. I make a dedicated effort to actively listen. Great leaders are excellent communicators, and communication starts with listening. That, for me, is probably my connecting thread and belief.

CAITLIN MORRIS

Vice President, Social + Community Impact
Nike

from NationSwell's [ESG Next: an interview with Nike's Caitlin Morris](#)

TREND THREE

New innovations and collaborations reflect a growing supply chain playbook

Companies know that Scope 3 impact cannot be ignored



Growing emphasis and scrutiny on Scope 3 is being met with innovation and collaboration around supply chain impacts

Corporate sustainability leaders are under mounting pressures to report on and green their value chains

- Supply chain emissions (Scope 3) account for more than 90% of a business's climate impact ([U.S. Environmental Protection Agency, 2023](#)).
- In 2022, a coalition of 700 investors with nearly \$70T in assets signed a declaration that would require enhanced corporate disclosure in line with the Task Force on Climate-Related Financial Disclosures, which include Scope 3 reporting ([Climate Action 100, 2022](#)).
- A new study by Accenture and The United Nations Global Compact, featuring 2,600 CEOs from 128 countries and 18 industries, found that 49% of CEOs are transitioning to circular business models, 54% of CEOs are improving the visibility of social impact in their supply chains, and 98% of CEOs now see making their business more sustainable as part of their role ([Accenture, 2023](#)).

“Across most major value chains, the market share of downstream players with science-based value chain decarbonization commitments far surpasses the share of upstream players who would need to supply green materials to achieve these commitments. In some cases, this market share gap is more than 20 percentage points. As a result, green markets for materials like plastics, chemicals, aluminium, glass, concrete and steel will likely be short [in the next decade]” ([World Economic Forum, 2023](#)).

Those ahead of the curve are using innovative models and collaboration to shift from commitments to practice

- There is currently no universal playbook for measuring and reducing Scope 3 environmental impacts, but large companies are designing, testing, and proving the concept through innovative approaches, including:
 - **Material waste diversion:** Cisco suppliers partner with TRUE Zero Waste certification to verify their zero-waste diversion rate and maximize resource efficiency at manufacturing sites ([Cisco](#)).
 - **Green procurement:** ZF will procure 250,000 tons of steel between 2025-2032 from Green Steel, a plant that uses end-to-end digitization, electricity from renewables and uses green hydrogen instead of coal ([ZF](#)).
 - **Circularity:** Philips Circular Edition by Royal Philips refurbishes old medical equipment and offers pre-owned systems to customers. Philips also started [Capital Equipment Coalition](#) to share best practices ([Philips](#)).
 - **Responsible partner policy:** Unilever requires all partners (i.e., suppliers that invoice Unilever, companies that do the work that Unilever contracts from their suppliers, distributors, retailers, digital commerce sellers, customers, charities/NGOs/social enterprises that receive funding or product donations from Unilever) meet the minimum mandatory requirements of their sustainable agriculture code ([Unilever](#)).
- **Several new collaborations** to address supply chain issues like sustainable sourcing, diffusion of environmental friendly technology, and Scope 3 data sharing were introduced in 2022: [Global Impact Sourcing Coalition](#), [UN Global Compact](#), [Partnership for Carbon Transparency](#).

How we're doing: sustainable supply chain

	YES	NO	NO, BUT WE HAVE A PLAN	ACTION ITEMS
We currently take a best practice approach to estimating our Scope 3 emissions and are regularly evaluating opportunities to increase the accuracy of our measurements				
We communicate emissions reductions expectations to our suppliers and value chain partners, and have a process for sourcing suppliers that are aligned with our sustainability goals				
We are integrating principles of circular innovation in our supply chain, including: eliminating waste, prioritizing regenerative resources, and growing product lifespans				

Explore:

1. [Carbon Heatmap: Supplier Decarbonization Journey](#) | EcoVadis
2. [A Guide to Scope 3 Emissions Reporting](#) | IBM
3. [The 1.5 Degrees Celsius Business Playbook](#) | Exponential Roadmap
4. [Circular Economy Principles: Regenerate Nature](#) | Ellen MacArthur Foundation
5. [Responsible Environment Initiative](#) | Responsible Business Alliance

For additional resources, click [here](#)



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It is important to move from individual efforts to collective impact and find ways to capture this progress. When a company thinks on a wider scale, it unlocks opportunities to collaborate for the benefit of society. And collaboration is the only way we can enlist others to help restore ecosystems because, ultimately, success lies in contributing to the restoration of landscapes, which is what matters most to the planet.

MICHAEL KOBORI

Chief Sustainability Officer
Starbucks

from NationSwell's [ESG Next: an Interview with Starbuck's Michael Kobori](#)

TREND FOUR

Jobs – both existing and new – are becoming greener

Employers and workers are both driving the transition



The supply of – and demand for – green skills are on the rise

Employers are seeking more green skills in their workforce, for traditional roles and for newly created positions

“Renewables and environment sector jobs will outnumber oil and gas sector jobs in 2023.” (Peggy Brannigan, Director of Global Environmental Sustainability, LinkedIn)

- The transition to clean energy is expected to generate 10.3 million net new jobs globally by 2030 ([World Economic Forum, 2022](#)).
- As of 2022, ~875,000 Americans already worked in “green jobs,” those related to sustainability, renewable energy, and conservation. This is expected to grow at a rate of 8.6% in the next decade ([PromoLeaf, 2022](#)).
- About 10% of job postings on LinkedIn in 2021 required at least one green skill, even for roles not in the environmental sector ([LinkedIn, 2022](#)).
 - In agriculture, corporate services, design, energy and mining, manufacturing and public administration sectors, workers are leading transitions into green/greening jobs ([LinkedIn, 2022](#)).
 - In sectors like art, retail, transportation and logistics, healthcare, and finance, which traditionally don’t require sustainability expertise, workers are making the switch to sustainability focused roles at a faster rate than the average rate of transition into these types of roles ([LinkedIn, 2022](#)).
- From 2016 to 2021, jobs requiring green skills grew at roughly 8% annually ([LinkedIn, 2022](#)).
- Since summer of 2020, there’s been an over 2x increase in the number of mentions of the keywords “sustainability, climate impact and climate corporate responsibility” in job descriptions ([Handshake, 2022](#)).

Workers are signaling growing interest, readiness for green jobs

- The 2023 Net Positive Employee Barometer found: ([Paul Polman, 2023](#))
 - Employees are concerned about the state of the world, with two thirds saying they feel anxious about the future of the planet and society (73%).
 - 73% of employees consider commitment to the environment when taking a job
- Since the climate jobs website [Climatebase](#) launched in June 2020, more than 600,000 people have used it, pouring over more than 40,000 job listings from more than 3,000 climate tech companies and environmental organizations ([CNBC, 2022](#)).
- Based on LinkedIn’s 2022 study of over 774M members around the world, they found that a greater share of members (13.3%) than in 2015 (9.6%) have “explicitly added green skills to their profile and/or are occupied in an occupation that cannot be performed without green skills.” This increase in green talent reflects a growth rate of 38.5% ([LinkedIn, 2022](#)).
- Climate Draft, [a coalition of climate-tech companies and venture capitalists](#), which launched in 2022 to attract more talent to the sector, saw a big spike in interest during the first wave of tech layoffs in November 2022, with more than 3,000 people joining the network ([Insider, 2023](#)).

“More than 800 million jobs worldwide—around one quarter of the global workforce today—are highly vulnerable to climate extremes and economic transition impacts.” ([Deloitte, 2022](#))

How we're doing: green jobs

	YES	NO	NO, BUT WE HAVE A PLAN	ACTION ITEMS
We consciously integrate sustainability expertise into new and evolving roles across our organization's ecosystem (procurement, product, accounting, etc.)				
We partner with organizations that provide the necessary skills and expertise for workers to succeed in green jobs				
We keep up to date on latest green job market data and routinely update our hiring and skilling practices				

Explore:

1. [Green Jobs Hub](#) | Environmental Defense Fund
2. [Skills for a Greener Future](#) | International Labor Organization
3. [Green Skills Innovation Challenge](#) | Ashoka, HSBC
4. [Greening Education Partnership](#) | UNESCO
5. [Youth X Change: Greenskills and Lifestyles Guidebook](#) | UNESCO, ILO, UNEP

For additional resources, click [here](#)

TREND FIVE

Water and biodiversity are making big moves toward the center of corporate interest

Pending emissions disclosure rules remain top of mind



Pressure and ambitions march higher across multiple key dimensions of climate change mitigation and adaptation

Focus on water and biodiversity are on the rise

- 196 parties committed to halting biodiversity loss by 2030 in signing the [Kunming-Montréal Global Biodiversity Framework](#) (GBF) at the UN Biodiversity Conference (December 2022). The GBF sets ambitious goals with 23 targets for the conservation and sustainable use of nature ([World Economic Forum, 2023](#)).
- According to World Economic Forum's [Global Risk Report 2022](#), climate action failure, extreme weather, and biodiversity loss are the top three environmental global threats over the next decade ([World Economic Forum, 2023](#)).
- The Biden administration issued an executive order called “30 x 30” in 2021 with the mission to conserve 30% of the U.S’s land and water by 2030 ([National Resource Defense Council, 2021](#)).
- The U.S. government and private sector surfaced as leaders in the 2023 UN Water Conference.
 - The U.S. announced a commitment of up to \$49 billion in investments to support climate-resilient water and sanitation infrastructure and services ([United Nations, 2023](#)).
 - Starbucks, Ecolab, Gap Inc., Reckitt, and DuPont joined forces with the U.S. government to invest nearly \$140 million in the Water Access Fund with the goal of reaching 5 million people with access to water, sanitation, and hygiene ([United Nations, 2023](#)).
- The Task Force on Nature Related Financial Disclosures has garnered support from over 1,000 organizations since 2021, with [200 of them in 2023](#) pilot testing aspects of the framework around the world and across sectors ([Introducing the TNFD Framework, 2023](#)).

Companies are preparing for new climate reporting standards

- In a survey of 300 executives at U.S. public companies, at least 70% of respondents said that a reasonable timeline for filing SEC mandated climate reporting is at least two years after the rule goes into effect ([PwC and Workiva, 2023](#)).
- The same percentage of respondents said that their companies will “proceed with compliance” regardless of when the SEC rule becomes a law ([PwC and Workiva, 2023](#)).
- The [Federal Supplier Climate Risks and Resilience Rule](#) proposed in November 2022 would require public disclosure by major federal contractors on their greenhouse gas emissions, climate-related financial risks, and to set science-based emissions reduction targets ([U.S. Green Building Council, 2023](#)).

“Many business activities, especially activities related to resource extraction and cultivation, contribute to the pressures driving biodiversity loss. The operations of four major value chains—food, energy, infrastructure, and fashion—currently drive more than 90% of man-made pressure on biodiversity.” ([BCG, 2021](#))

How we're doing: holistic approaches

	YES	NO	NO, BUT WE HAVE A PLAN	ACTION ITEMS
We understand our company's impact on biodiversity, natural ecosystems, water supply, and other nature-related impacts				
We have specific strategies and targets in place to address our greatest areas of opportunity around biodiversity, ecosystem preservation, water supply, and other nature-related impacts				
We are closely monitoring the SEC's pending climate disclosures rule and have started planning for our compliance				

Explore:

- 1. [Beyond Science-Based Targets: A Blueprint for Corporate Action on Climate and Nature](#) | WWF, BCG
- 2. [Nature and Biodiversity: Measuring your Impact for a Stronger Business and Better World](#) | PwC
- 3. [Nature Benchmark](#) | World Benchmarking Alliance
- 4. [InVEST](#) | Stanford Natural Capital Project
- 5. [Climate and ESG Risks and Opportunities](#) | SEC

For additional resources, click [here](#)

Policy and regulatory movement

The rules that matter



Tracking major 2023 updates to climate-related disclosures

U.S. Securities Exchange Commission (SEC)

Since [The Enhancement and Standardization of Climate-Related Disclosures for Investors](#) rule was proposed in March 2022, the SEC has provided the following updates:

- June 13, 2023: SEC announced that it will issue a final rule by October 2023 ([U.S. SEC, 2023](#)).
- It remains unclear what the phase-in period for all registrants is. The compliance date will vary depending when the rule is finalized, and will vary by registrants' filer status with Scope 3 being phased in after Scopes 1 and 2 reporting is filed ([U.S. SEC, 2022](#)).

International Sustainability Standards Board (ISSB)

In April 2023, the ISSB decided to provide transitional reliefs to companies applying for climate relief standards. This relief allows companies to prioritize their initial efforts toward meeting investor information needs and provide full reporting on sustainability-related risks and opportunities beyond climate in the second year.

The relief is put in place to support companies in building their reporting systems while preparing to report on Scope 3. A full description of the reliefs are available by the International Financial Reporting Standards (IFRS) ([IFRS, 2023](#)).

Taskforce on Nature-related Financial Disclosure (TNFD)

The final draft of the TNFD framework was issued in March 2023, with a final version expected in September 2023. The framework is intended to drive alignment with emerging global reporting standards (ISSB). It provides adaptability and flexibility across approaches to materiality assessment for organizations in varying size and sector. Its holistic approach to climate change moves beyond net carbon neutrality toward understanding biodiversity risks and opportunities to “halt and reverse nature loss, achieve nature-positive outcomes and mitigate and manage nature-related risks” ([Introducing the TNFD Framework, 2023](#)).

Corporate Sustainability Reporting Directive (CSRD)

The CSRD went into effect in January of 2023. It is designated for use by companies who report on sustainability according to European Sustainability Reporting Standards to harmonise information for investors and reduce reporting costs. First companies will report in FY 2024 for reports published in 2025 ([European Commission, 2023](#)). On June 9, 2023 the [European Commission](#) proposed the use of materiality to determine required disclosures for companies on indicators previously designated as mandatory, a shift that would likely reduce the reporting burden on some companies.

On our radar: “Double materiality”

An emergent concept in the European regulatory context, double materiality refers to the risks a company's activities have on its own financial performance as well as society and the environment at large. While not currently a standard in the United States, we're paying attention to if/how it informs the SEC's final climate disclosure rule. And regardless of the SEC, the relevance of double materiality is growing for companies with operations in the EU ([Washington Post, 2022](#)).

Practitioner spotlight

Organizations helping to set the pace



Atlassian, Salesforce, & Walmart

Atlassian

Commitments ([Atlassian](#))

- **Carbon:** Net-zero emissions by 2040
- **Science-Based Targets Initiative:** limit warming to 1.5 degrees celsius by 2040
 - “Atlassian Corporation commits to reduce absolute scope 1 and 2 GHG emissions 50% by FY2025 from a FY2019 base year. In addition, Atlassian commits to increase annual sourcing of renewable electricity from 15% in FY2019 to 100% by FY2025. Atlassian also commits to reduce absolute scope 3 GHG emissions from business travel 25% over the same target period. Atlassian further commits that 65% of its suppliers by emissions covering purchased goods and services and capital goods will have science-based targets by FY2025” ([SBTi](#)).

Achievements

- Ahead of scope 1 and 2 emissions reductions goals; running operations on 100% renewable electricity since FY2020 ([Atlassian](#)).
- Addressing scope 3 reductions by urging top 10 suppliers to set their own SBTs ([Atlassian](#)).
- Reduced emissions from business travel by 85% since 2019 ([Atlassian](#)).
- Won the World Architecture Award and Holcim Awards in 2021 for “design of the world’s tallest timber tower with a reduction in embodied carbon of up to 50%.” ([Ecoengineers](#)).

Noteworthy Strategies ([Atlassian](#))

- **Work-from-home emissions reduction:** Atlassian’s [Team Anywhere](#) hybrid working environment poses environmental implications, leading to in-office emissions reduction and work-from-home (wfh) scope 3 emissions growth. To address wfh emissions reduction, the company has purchased energy attribute certificates (EAC) for office electricity and wfh electricity and gas.
- **Additionality:** To increase impact beyond achieving 100% renewable electricity, Atlassian is contributing to the development of additional renewables. They are taking an equitable approach to moving beyond CO₂ to:
 - Benefit the community the project will operate in
 - Benefit people’s health
 - Support a just transition
 - Incorporate wildlife, land use, and material impact considerations

“ESG (environmental, social, and governance) is often mistaken as a climate conversation, with the ‘S’ and the ‘G’ becoming an afterthought. The irony here is each issue is interconnected. Separating them is as good as taking one step forward, then two steps back. It’s why at its core our Sustainability program comes back to being human; socially, sustainably – in every way we can be. If Atlassian is to achieve our goal of being a 100-year company, we need to better define the connections between people, customers, communities, and planet.” ([Mike Cannon-Brookes and Scott Farquhar, Co-Founders and Co-CEOs, Atlassian](#)).

Salesforce

Commitments

- **Carbon:** Net-zero emissions by 2050
- **Nature:** ([Salesforce](#))
 - Co-founder of [It.org](#), the global movement to conserve, restore, and grow 1 trillion trees by 2030. Committed to goal of 100M trees.
 - Ocean sustainability program launched to protect, restore, and invest in mangroves, kelp, sea grass, and reefs to help build climate resilience in coastal communities.
- **Science-Based Targets Initiative:** “Salesforce.com, Inc. commits to reduce absolute scope 1 and scope 2 GHG emissions by 50% and reduce absolute scope 3 GHG emissions from fuel and energy related activities by 50% by 2030 from a 2018 base year; commits that 60% of its suppliers covering purchased goods and services, capital goods, upstream transportation and distribution, waste generated in operations, and upstream leased assets will set science-based targets by 2024 ([SBTi](#)).

Achievements

- Salesforce achieved net-zero residual emissions for scope 1 and 2 in 2017, and for scope 3 in 2021. Additionally, the company continues to invest in high quality carbon credits to offset remaining emissions ([Salesforce](#)).
- Salesforce has planted 45M of 100M trees committed ([Salesforce](#)).
- The company conducts voluntary sustainability reporting according to the SASB, TCFD, GRI, UNGC, and SCM metrics ([Salesforce](#)).
- As a member of the UN Global Compact, Salesforce is helping to lead the global movement to align business practices around the UN Sustainable Development Goals (SDGs) to build a safer, more equal, and sustainable future ([Salesforce](#)).

Noteworthy Strategies

- **Salesforce accelerator for nature:** helps non-profits innovate and scale urgently needed climate solutions ([Salesforce](#)).
- **\$100M ecosystem restoration and climate justice fund:** provides grantmaking to support solutions to advance climate and community resilience ([Salesforce](#)).
- **Compensating for residual emissions:** Salesforce invests in a portfolio of emissions reduction and removal solutions to compensate for residual scope 1, 2, and 3 emissions. Investments are directed both toward existing solutions (in wind, solar, and carbon credits and nature-based solutions) as well as maturing carbon removal technologies ([Salesforce](#)).
- **Education and mobilization:** Salesforce is working to “raise awareness and enable behavior change for diverse groups of people to embrace low carbon solutions,” including employees, suppliers, individuals, and industry peers. Select tools include [Trailhead](#) (learning platform), enablement tools (white papers and webinars), global events, and [Earthforce](#) (employee resource group) ([Salesforce](#)).

“Capitalism as we have known it is dead ... This obsession that we have with maximizing profits for shareholders alone has led to incredible inequality and a planetary emergency” ([Marc Benioff, Salesforce Chairman and Co-CEO](#))

Walmart

Commitments

- **Carbon:** Net-zero emissions by 2040
- **Nature:** protect, manage, or restore at least 50M acres of land and 1M square miles of ocean by 2030 ([Walmart](#)).
- **Science Based Targets Initiative:** “Walmart commits to reduce absolute scopes 1 and 2 GHG emissions 35% by 2025 and 65% by 2030 from a 2015 base year. Walmart will also work to reduce CO2e emissions from upstream and downstream scope 3 sources by one billion tonnes between by 2030 from a 2015 base year” ([SBTi](#)).

“As these commitments were absorbed by different facets of the company, they generated inquiry. Inquiry generated innovation. Innovation generated implementation, and implementation generated knowledge, savings and profitability. As a few leaders in the company leaned in and showed that we could become more sustainable and deliver on our other objectives, including our financial performance, a broad-based momentum kicked in inside and outside the company. Walmart began to generate a wide wake of good work like a ship cutting through the ocean” ([Doug McMillan, President, CEO, Walmart](#)).

Achievements ([Walmart](#))

- 23% reduction in Scopes 1 and 2 emissions between 2021 and 2015.
- >4.5k suppliers participated in Project Gigaton since 2017, reporting a cumulative >574M metric tons of CO2e reduced or avoided
- 58% global private brand packaging estimated to be recyclable, reusable, or industrially compostable.

Noteworthy Strategies ([Walmart](#))

- **Project Gigaton:** Walmart has asked their suppliers across energy, waste, packaging, agriculture, deforestation, and product use to join their commitment to reduce 1 billion metric tons (Gigaton) of GHG from their value chain by 2030.
- **Support and promote transformation technologies:** Walmart is one of the first retailers to use skylights and LED lighting, solar installations, water efficient bathroom fixtures, smart cooling towers, and other transformational technologies.
- **Forests policy:**
 - Protect high conservation value (HCV) areas and high carbon stock (HCS) forests
 - Involve no burning in the preparation of new plantings, re-plantings, or any other developments, including the management of existing plantation.
 - Avoid new developments on peatlands regardless of depth
 - No illegal harvesting of any commodity, or in violation of basic human rights as defined by the country of operation
 - Encourage agroforestry and forest management best practices.



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If we want to be able to solve the climate problem, we have to go where the emissions are, which means place-based solutions and justice. We need to understand the labor transition for workers in high emitting sectors. We need to understand the intersection of climate with gender and race.

NILI GILBERT

Vice Chairwoman
Carbon Direct

From NationSwell's [ESG Next: an interview with Nili Gilbert, Vice Chairwoman of Carbon Direct](#)

Definitions

Clarifying our terms



Clarifying our terms



Definitions

Circularity is a business model that reduces or eliminates waste that emerges from extraction, use, and disposal by regenerating existing resources for new products.

Double materiality refers to the addition of external impact (social and environmental) to financial impact when defining the materiality of information about a company.

Greenhushing is the tendency of corporations to refrain from publicly disclosing their climate commitments and corporate sustainability strategies to mitigate public and investor scrutiny and backlash.

Greenwashing is the tendency of corporations to mislead or provide false or incomplete information to stakeholders and the public intended to persuade them of the positive environmental impact of their company's products, services, and operations.

Materiality refers to the relevancy of information about a company as it pertains to investor decision-making. Generally speaking, material information relates to potential impacts on the cash flow or value creation of a company.

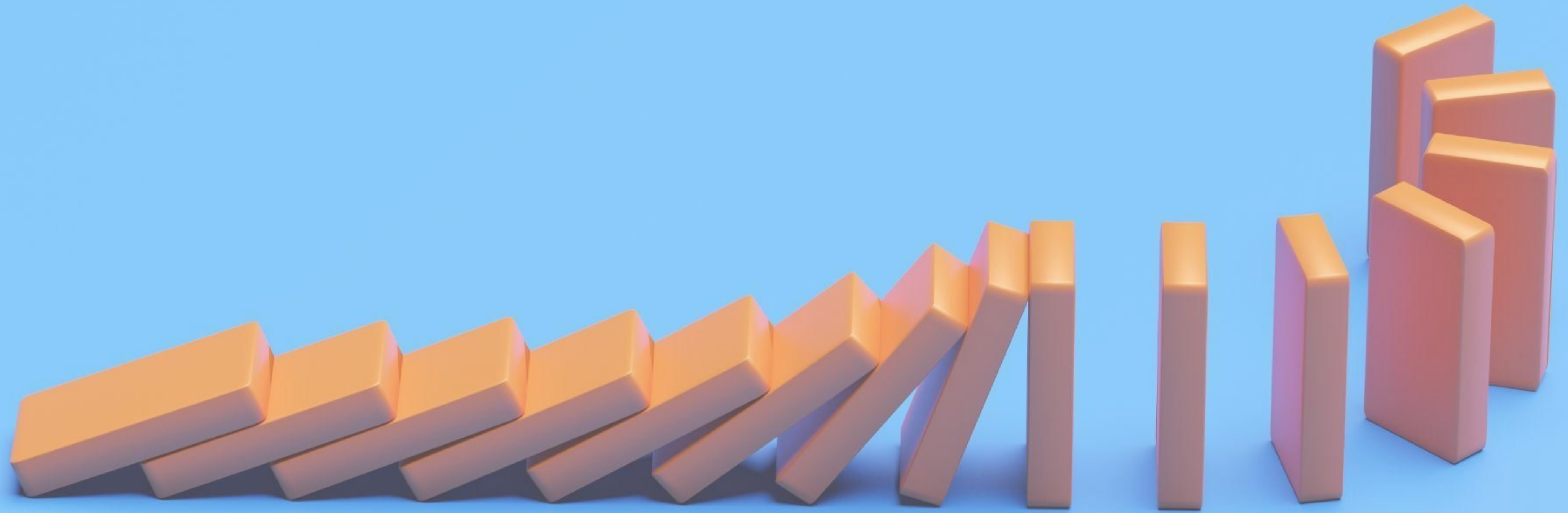
Net-zero emissions refers to the reduction of greenhouse gas (GHG) emissions to as close to zero as possible, and balancing any remaining emissions by removing GHG from the atmosphere.

Science-based targets initiative provides guidance and resources to companies to support the reduction of their emissions in line with climate science and the goals of the [Paris Agreement](#).

Stakeholder capitalism is a system of practicing business that holds companies responsible to the entire ecosystem of stakeholders it engages with (i.e. people, communities, societies, planet) and not just its shareholders for long-term value creation.

Further reading

From our library to yours



Supplemental resources



1. [Integrity Matters: Net-Zero Commitments by Businesses, Financial Institutions, Cities and Regions](#) | United Nations High Level Expert Group on the Net-Zero Emissions Commitments of Non-State Entities
2. [Corporate Climate Responsibility Monitor](#) | New Climate
3. [Net Zero Company Benchmark 2.0](#) | Climate100
4. [Why Biodiversity may be More Important to your Business than you Realize](#) | EY
5. [Comparison of ESG Reporting Frameworks](#) | Bloomberg
6. [Supply Chain Sustainability: A Practical Guide for Continuous Improvement](#) | BSR
7. [Invested in Climate](#) | Podcast

NationSwell would appreciate your feedback on this resource so that we can continue providing valuable insights to you and your organization. Please consider taking 30 seconds to complete this [brief questionnaire](#). For more information about this project, please contact Sreya Belbase at sreyabelbase@nationswell.com.