Business Declares

The Business Declares Manifesto

Governing principles for businesses in the polycrisis

Background and context

Since Business Declares was launched in September 2019[1], it is clear that the combined efforts of businesses, governments and citizens have fallen well short of making any real impact on the climate, nature and social crisis and of delivering a just transition.

> *"Earth is issuing a distress call. The latest State of the Global Climate report shows a planet on the brink... Fossil fuel pollution is sending climate chaos off the charts... The impact on sustainable development is devastating. Every fraction of a degree of global heating impacts the future of life on Earth.*
>
> *There's still time to throw out a lifeline to people and planet. But leaders must step up and act now.[2]"*
>
> **António Guterres**, Secretary-General of the United Nations

Indeed, all of the indicators show that the crisis is worse now than in 2019 when Business Declares was launched; and the trajectory of climate warming fuelled by the continued prioritisation of broadly defined economic growth (in the global minority) suggests that the current situation will worsen considerably. This report by the World Economic Forum provides a useful summary of the global risks for 2024 and beyond.

Business Declares feels it's critically important to acknowledge this worsening situation by issuing, as set out in this document, a renewed set of commitments which we ask our members to take on as we enter our fifth year of operations.

We continue to celebrate our members who are already working within these new principles and commitments. We know this is challenging in the current economic system, but believe that the more clearly we can articulate the current challenges and their implications, and galvanise the progressive business call for change, the sooner we will see real progress.

We do this not just to reflect reality, but because we believe in the progressive nature of our members, the power of the network and the opportunity for Business Declares and its members to be pathfinders. We want to increase awareness across the business community of our common predicament and move to informed action, helping and inspiring each other on the way.

This document incorporates input from over 40 members, and is divided into 4 sections:

- **Our fundamental beliefs.** This summarises 3 concerns we have about the gap between progress and need;

- **Best practice principles.** 5 areas of best practice and the principles that underlie them that we ask our members to openly acknowledge;

- **The Business Declares Commitments.** The threshold for becoming part of the Business Declares network with its agenda for change; and

- **Working together.** The characteristics of this network that help deliver the outcomes we need.

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Business Declares asks for stronger commitments from business in the face of the worsening polycrisis

01 FUNDAMENTAL BELIEFS

Over emphasis on financial returns and growth

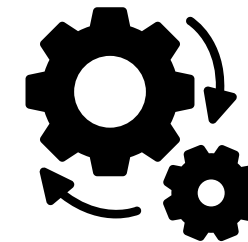Problematic language around the climate emergency

Lack of recognition for social/racial justice and systemic change
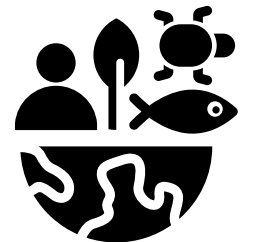
02 BEST PRACTICE PRINCIPLES

Recognize and speak about the polycrisis
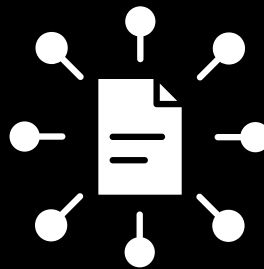
Address social and systemic components

Plan and act to restore nature and biodiversity

Measure and reduce emissions by 50% by 2030
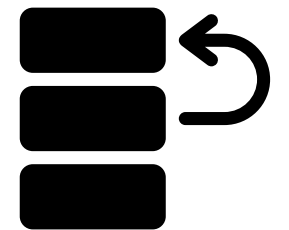
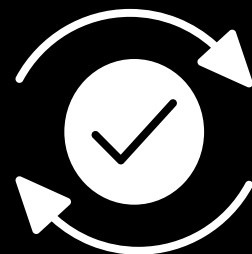Prioritize most impactful business aspects

03 COMMITMENTS
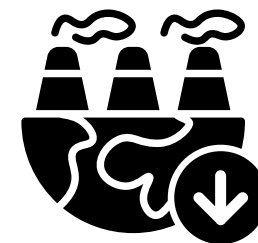
Declare a climate, ecological, and social emergency

Publish a science-based transition plan

Advocate for change and support aligned campaigns

04 BUILD A STRONG AND COLLABORATIVE NETWORK

Emphasising shared beliefs, support, accountability, and solidarity

Business Declares calls for businesses to adopt these principles and commitments to drive meaningful change.

Our fundamental beliefs

These beliefs summarise our concerns about progress in tackling the polycrisis[3] and provide the backdrop to the best practice principles and commitments. We ask members to reflect on them, debate them and incorporate them into their own narratives.

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**Our
fundamental
beliefs**

01

There is currently too great a focus on "traditional" business as usual (BAU)

Many businesses have been undertaking some level of carbon/ GHG measurement and climate risk assessment e.g. with the Task Force on Climate-related Financial Disclosures (TCFD), and have been making plans and embarking on implementation. Initiatives like the International Sustainability Standards Board (ISSB) and Transition Plan Taskforce (TPT) are helping develop and standardise reporting requirements. And recently, a recognition of the importance of nature and our natural ecosystems to business longevity has started to gain traction e.g. the Taskforce on Nature-related Financial Disclosures (TNFD).

Whilst there have been some positives from this, we believe the business world is still largely engaged in "business as usual" operations and there must be a far greater, authentic, recognition of six main areas:

1. **The need to recognise the true cost of doing business** and therefore view business activities through the lens of planetary boundaries, cost-in negative externalities, and address the direct and indirect impact of business activities on society and nature;

2. **The need to own a narrative about where the future is heading** through the development of a perspective on, and by speaking out truthfully about, the depth and scale of the challenges faced between now and 2030 by the world, the sector, and the organisation;

3. **The need to prioritise areas of most material impact**, honestly identifying and addressing these areas (for example it may be that the emissions indirectly related to the consumption of an organisation's products or services[4] are far greater than their scope 1, 2, and 3 emissions);

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**Our
fundamental
beliefs**

4. **The need to recognise the reluctance to impact traditional business metrics** when it comes to taking action on the climate, ecological and social crisis - specifically the need to highlight the general unwillingness to take action which affects profit, growth and market share; and the need to be honest about the trade-offs which businesses make between traditional business metrics and climate/ ecological/ social measures and how these trade-offs are framed;

5. **The need to speak out forcefully for regulatory change** through advocating for mechanisms such as policy and regulatory changes to create a level playing field where businesses can accelerate plans to a just transition. This may include:

   • Participation in industry improvement initiatives that align with these beliefs and drive sector-wide ambition beyond business-as-usual;

   • Engagement with parliamentary representatives, civil servants and policymakers that calls for greater ambition and communicates the strong desire of business leaders for policy and regulation that protects and restores the natural world;

   • Challenging trade associations and other influential industry bodies to align with the above goals and desist from activity that seeks to delay or derail progress; and

   • Educating the public on wider environmental and societal issues that go beyond traditional marketing, inviting and encouraging everyone to act in a planet-positive way; and

6. **The need to pair the changes above with a change in governance and culture** both within individual businesses and through initiatives that contribute to a change in broader business norms.

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**Our
fundamental
beliefs**

02

The language around the climate emergency is problematic and too narrow

The language and narrative which has grown up around the climate emergency are both problematic and too narrow. For example:

- **The "net" of the net zero narrative.** This can be interpreted to imply that it is acceptable to continue with destructive practices in terms of emissions/ nature depletion in one part of the business as long as some "good" is financed elsewhere (for example, but not exclusively through "off-setting");

- **Reference to 2050.** Targets that emphasise a 2050 end date without meaningful interim targets are not fit for purpose. They do not communicate the deep sense of urgency and accountability required. Very few, if any, leaders who sign up to this timeline on behalf of their organisations will be accountable for it and indeed few organisations have been able to translate these long-term ambitions into action or sufficiently ambitious shorter term plans;

- **Reference to limiting warming to 1.5 degrees.** The "keep 1.5 alive" narrative is misleading because it's unrealistic to expect that we won't exceed this limit if indeed we haven't already;

- In addition to the above, **the focus on mitigation and CO2 has been at the expense of other GHGs, adaptation, social implications and nature/ ecosystems** – although we acknowledge the nature perspective is now gaining traction.

However, we also recognise that the terms "net" zero, the narrative around 1.5 and to some extent the 2050/ 2030 targets are embedded in the broader sustainability narrative and have played a part in galvanising action. The journey ahead must be about building unity and solidarity and overcoming any fractures that dilute influence and reduce momentum. As such we don't intend to publicly denounce these terms, but do recognise that businesses need to ensure that they are not deluding themselves.

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**Our
fundamental
beliefs**

03

The important dimensions of social/ racial justice, systemic change and adaptation lack recognition

We believe there is a lack of overt and clear recognition within the sustainability movement of uncomfortable truths such as:

- Colonisation, racism, social justice and reparation;

- The need for systemic change of the economic principles which govern our system; and

- The role of businesses in building community resilience and adaptation.

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Best practice principles

As a result of these fundamental beliefs, we would like to offer up 5 best practice principles which we ask our members to subscribe to.

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**Best
practice
principles**

01 Formally recognise and speak about the polycrisis

The polycrisis can be defined across the following 3 dimensions:

- **Climate** - global warming of both atmosphere, land and sea;
- **Nature/ biodiversity** - biodiversity loss and damage to the natural environment in its broadest form; and
- **Social/ racial justice** - including aspects such as human rights, gender equity, anti-racism, LGBTQ+, disability (visible and invisible), colonialism, peace and a global just transition, food/ water/ energy security, health and education, air pollution, citizenship, and political engagement.

In recognition of the polycrisis and its multiple dimensions, we ask businesses to publish and make publicly available, an honest narrative to articulate the worsening of things over recent years and recognise the huge challenges we are going to face between now and 2030. We believe this narrative needs to cover both a view of the world and the implications for the business and be understood and accepted by the organisation's governing board.

02 Call out the social and systemic components within the polycrisis

Recognise the social/ racial justice, systemic change and adaptation components of the polycrisis and the need for businesses to have a greater focus on building community resilience.

Businesses should recognise the harms of colonialism that has enabled industrialised economies to grow, to the detriment of the global majority. As such, businesses must act in a way that promotes and supports developing nations, rather than participating in exploitative practices which may include overlooking poor health and safety practices, preventing unionisation, or maintaining low wages. And learn from, and amplify, marginalised voices.

Correspondingly, companies should seek to improve the lives of workers and communities, including secure employment, quality education, opportunities for advancement, and a workplace and community in which people can thrive[5].

And call out the contribution that the current system, through its prioritisation of broadly defined economic growth, makes to the polycrisis; and support the drive for systemic change.

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**Best
practice
principles**

03 Articulate a plan and act to restore/ dramatically reduce impact on nature and biodiversity

The plan should identify species, habitats and ecosystems that are currently, and/ or have historically been, negatively impacted by the organisation's activities. Action must be taken to immediately reduce negative impacts and aim to restore these systems to health, or be significantly underway with restoration activity, by a target date of 2030.

04 Measure and act to address emissions

Businesses need to work to a credible target of 50% emissions reduction, in absolute terms, by 2030 from a baseline of no earlier than 2015. This must include scopes 1,2 and 3 emissions, a suppliers' checklist / policy, not include any form of off-setting and at least provide a commentary/ acknowledgement of the emissions caused by the consumption of the products/ services being provided[6]. With reference to "net zero", we expect businesses to adopt "real net zero" by which we mean the official definition of 90% reduction of GHGs by no later than 2050, no off-setting[7], and the remaining 10% to be achieved via genuine GHG removal without dependency on unproven technology.

Beyond organisation-specific targets, businesses should align with the principles of the Fossil Fuel Non-Proliferation Treaty which calls for a concrete, binding plan to end the expansion of new coal, oil and gas projects and manage a global transition away from fossil fuels.

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**Best
practice
principles**

05 Prioritise aspects of the business that have/ could have the greatest impact

Ensure that the aspects of the business model that offer the greatest leverage/ make the most impact are prioritised in planning, action and reporting (for example it may be that the products or services usage has more impact than scope 1,2 and 3 emissions).

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The Business Declares commitments

Following on from these beliefs and proposed best practice principles, we ask our members to commit to.[8]

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**The Business
Declares
commitments**

01 Publicly and prominently declare

there is a climate, ecological and social emergency reflecting the ethos/ wording of this manifesto set out by Business Declares in your statement, and state that you are joining Business Declares[9].

02 Publish your science-based transition/ impact plan

(and update annually thereafter highlighting progress) within 6 months of joining Business Declares. This should include:

- interim actions to reduce your emissions by 50% by 2030, in absolute terms, (scopes 1,2,3) from a baseline of no earlier than 2015 and longer-term plans to achieve real net zero GHGs by 2050 or before, without offsetting in line with Race To Zero criteria, with the results of these actions published annually through an appropriate reporting tool;

- actions to positively impact nature/ biodiversity with a focus on where your business can have the most material impact; and

- actions to positively impact the social/ racial justice dimension with a focus on where your business can have the most material impact[10].

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**The Business
Declares
commitments**

03 Advocate
for change,
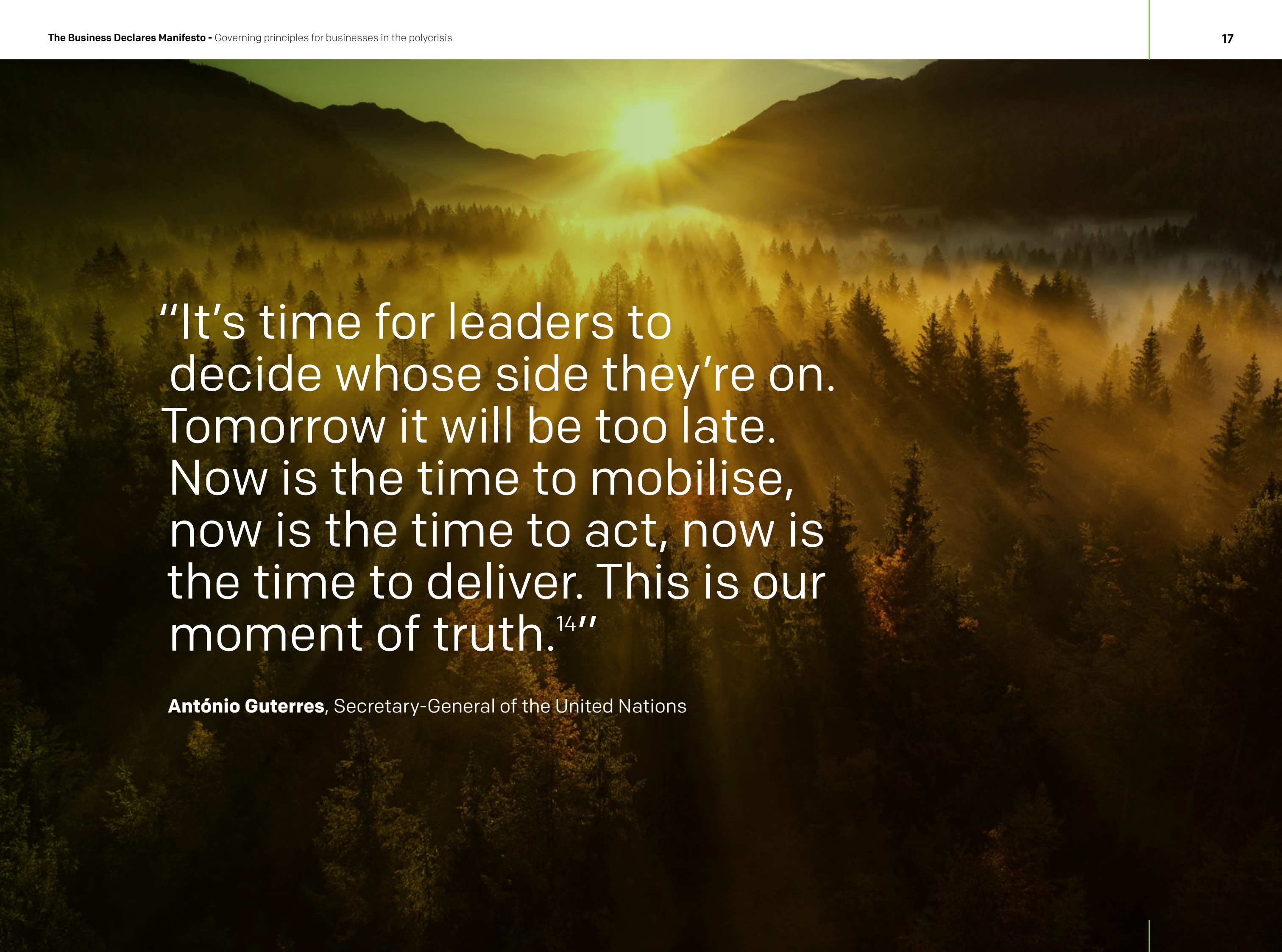## supporting aligned
campaigns:[11]

- Business Declares advocacy efforts, by engaging with the Business Declares' network;

- other advocacy campaigns that promote action and change in line with the ethos and sentiment of your declaration, and sectoral transition pathways (e.g. 2030 Climate Solutions; and

- by not supporting campaigns or campaigning bodies that are misaligned.

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Working together

Business Declares exists to build awareness of the polycrisis within the business community and to catalyse action[12]. We think working together is not just a catalyst, but a precondition for effective action. The context for the collaboration we seek to foster can be described in terms of:

- **Shared beliefs and open dialogue:** whilst we share perspectives both on the polycrisis and how business can help, we also recognise complexity and uncertainty and so promote active and challenging dialogue both within the network and between the network and external entities;

- **Support and guidance:** every member has something to offer, and some need for support as they work on their transition. We need to facilitate this exchange, helping build relationships, trust and cohesion in the network[13];

- **Expectations and accountability:** as the first 3 sections of this document lay out, there are expectations of all members, and these need to be matched with accountability to the commitments, to each other and to the network; and

- **Responsibility and solidarity:** we want Business Declares to be a network where everyone is responsible not just for their own actions but also for helping others succeed. We want to embody solidarity.

"It's time for leaders to decide whose side they're on. Tomorrow it will be too late. Now is the time to mobilise, now is the time to act, now is the time to deliver. This is our moment of truth.[14]"

António Guterres, Secretary-General of the United Nations

Endnotes

1 Business Declares was formed to campaign for businesses to declare a climate, ecological and social emergency and having declared, formulate their plans to take action to address this crisis. The intent was to disband after COP 26 with the rationale being "by then all businesses will be on a path to net zero". We have remained true to our mission but developed our language, strategy and activities over time. We have continued to operate given the yawning gap between action and need, assessing our position annually

2 Leaders 'Must Step Up and Act — Now' to Address Climate Change, Says Secretary-General, in Message on Launch of Global Report | Meetings Coverage and Press Releases

3 We define the polycrisis as the combined crises of climate change, biodiversity loss and social/ racial inequity

4 beyond those currently identified in Scope 3, Category 11 of the GHG Protocol sometimes described as enabled or facilitated

5 This may for instance be based on forms of deliberative democracy e.g. people's assemblies which could be split across two levels – the first to include immediate and direct stakeholders and the second to include a focus on change at the systemic level

6 Commentary/ acknowledgement of substantive indirect emissions beyond the minimum GHG Protocol Boundary which is already covered in Scope 3 - for example The role of professional service providers in realizing a net-zero future

7 Support for sequestration projects, particularly when nature-based, and the associated acquisition of carbon credits is encouraged, but organisations should be clear that progress against emissions targets does not include these credits nor avoided (product-level) emissions

8 We ask all members to adhere to the commitments within 6 months or demonstrate significant progress; some members may be compliant already

9 Supporting notes to commitment one:
- Potential members go through an onboarding process ahead of being approved
- The declaration is posted in a prominent position on your website and supported by your social media channels. Business Declares will also promote your organisation through its website and social media channels

10 Supporting notes to commitment two:
- For medium to large companies we recommend one of the following frameworks to ensure that verified science based plans are in place: Science Based Targets initiative, Exponential Roadmap Initiative Transition Plan Taskforce
- Publish means publicly available online
- "real net zero": we expect businesses to adopt "real net zero" by which we mean the official definition of 90% reduction of GHGs by no later than 2050, no off-setting, and the remaining 10% to be achieved via genuine carbon dioxide/ GHG removal without dependency on unproven technology
- We recognise newly formed businesses and businesses that need to grow to fulfil their societal impact may find these targets challenging. Whilst emissions reductions should always be a focus, there may be cases where necessary growth is incompatible with these targets. We will work with these (potential) members on a case by case basis
- "Appropriate reporting tool" i.e. appropriate for the size of your business. For large organisations with over 500 staff, this is typically reporting with Carbon Disclosure Project (CDP) tools. For smaller businesses, this could be tools such as the SME climate hub CDP tool. For very small businesses this could be tools such as Small99; we are not specifying a specific tool, only that a carbon measurement tool needs to be used
- For specific actions on nature/ biodiversity and the social/ justice dimension, we will require credible references to be made e.g. Nature Positive for Climate Action - Climate Champions (unfccc.int)

11 Supporting notes to commitment three:

Levels of activity are expected to be broadly in line with the size of the organisation

Supporting Business Declares may include (but are not limited to) actions such as:
- Attend at least one members' event per annum
- Regular input to BD social media
- Send an email to all employees and stakeholders announcing/ reconfirming joining BD and why
- Nominate one or more sector experts (organisations under 10 employees exempt unless they want to do this)
- Introduce BD to at least one new potential member per annum
- Campaigning, advocacy
- Donations and sponsorship for ad campaigns

Advocacy groups and campaigns may include but are not limited to:
- Stop Ecocide International
- Fossil Fuel Non-proliferation Treaty
- Campaign for True and Fair Accounts
- Climate and Nature Bill
- Better Business Act
- Make My Money Matter - Pensions
- Positive Money
- Living Wage Foundation
- Fair tax Foundation
- Business For Nature
- Sustainable web manifesto
- Doughnut Economics Action Lab

12 See more detail on our strategy here: What we do

13 We recognise that it's likely smaller organisations will need more support

14 Secretary-General's special address on climate action "A Moment of Truth" | United Nations Secretary-General