

# Third of UK's biggest companies commit to net zero

- Nearly a third of the UK's largest businesses pledge to eliminate their contribution to carbon emissions by 2050
- together these firms, including AstraZeneca, BT Group, Sainsbury's, and Unilever, represent a total market capital of £650 billion
- UK government urges more businesses to commit to net zero emissions by 2050 and build back greener ahead of UN climate conference COP26 in Glasgow

Almost 1 in 3 of the UK's largest businesses are leading the way in the world's transition to a low carbon economy, committing to align with UK government ambitions and eliminate their contribution to climate change by 2050.

As of today (Tuesday 31 March), 30 of the UK's FTSE 100 companies have signed up to the United Nation's [Race to Zero](#) campaign – the largest ever global alliance committed to achieving net zero carbon emissions by 2050 at the latest, backed with science-based targets, with many opting to go even faster. Today's milestone means pledges have doubled in the past 5 months, with companies including AstraZeneca, BT Group, Sainsbury's, and Unilever and in total representing a total market capital of £650 billion.

Globally, more than 2,000 companies of all sizes have joined the UNFCCC Race to Zero so far, and around a third of these are British businesses from across sectors such as transport, technology and finance – putting the UK at the front of the pack internationally.

With the upcoming UN Climate Summit [COP26](#) in Glasgow later this year, the government is today calling on more businesses in the UK and around the world to take urgent action on their carbon emissions by signing-up to Race to Zero and setting out clear pathways to get to net zero.

Business and Energy Secretary Kwasi Kwarteng said:

Businesses wield incredible influence to drive change across society and the economy – we need to harness this power to fight climate change.

UK businesses are already leading the way in cutting carbon emissions and building back greener – it is fantastic to see so many of our biggest companies already pledging to reach net zero.

But more can be done, and so today I am calling on more fantastic British companies to step up, follow suit and pledge to join the fight against climate change.

Businesses taking action on climate is vitally important in achieving the UK's goals to tackle climate change by 2050, from cutting emissions in their supply chains to opting for sustainable business practices. The government has put in place measures that encourage businesses to reduce their emissions, including last year appointing [Andrew Griffith](#) as Net Zero Business Champion to spur companies to make ambitious climate targets.

UK FTSE100 companies who have signed up to Race to Zero include:

- Vodafone, which has pledged to halve its carbon emissions by 2030, including the emissions emitted via the company's joint ventures, all supply chain purchases and business travel, and eliminate its contribution to emissions by 2040
- Sainsbury's, which has committed £1 billion over the next 20 years to become net zero by 2040. As part of this pledge, the company has also committed to reduce food waste, plastic packaging and water usage as well as increase recycling, biodiversity and healthy and sustainable eating
- AstraZeneca, which has committed to achieving zero carbon emissions from its global operations by 2025 and becoming carbon negative across its entire value chain by 2030. This involves doubling its energy productivity; using 100% renewable energy for power and heat and sustainable product design such as the launch of next-generation respiratory inhalers
- Rolls-Royce, which has committed to halving the greenhouse gas emissions associated with its operations and facilities by 2030. This involved establishing a circular economy approach to their manufacturing process meaning up to 95% of their jet engines can now be recycled
- Barratts, which has committed to achieving net zero by 2040 – the first major housebuilder to do so. The leading housing company has already reduced its carbon emissions by 21% and is in the process of constructing a hydroelectric turbine that will feed enough renewable energy into the national grid to supply over 250 homes annually with their energy needs
- Legal and General, UK financial services provider, which has committed to become net zero across their entire operational footprint from 2030. On top of this, they have announced they will open the UK's first net-zero carbon retirement community by 2030, located in central Bedfordshire and have pledged that all homes built by their housing services will be capable of operating at net zero carbon emissions from 2030
- Aviva, which became the first major insurer worldwide to target Net Zero carbon by 2040. Their pledge includes the commitment to invest £2.5 billion in low carbon and renewable energy infrastructure and power all their offices with 100% renewable electricity
- Severn Trent, which has committed to delivering a net zero water supply for customers by 2030, and helped publish the Net Zero 2030 roadmap, a major step for the sector. Severn Trent is also ensuring the 2022 Games in Birmingham will be the first ever carbon neutral Commonwealth Games

UK Net Zero Business Champion Andrew Griffith said:

Since firing the starting gun on the year-long road to Glasgow a few months ago, we have seen an accelerating rate of the UK's largest and most successful businesses taking action on climate.

Today's news of 30 of the FTSE100 joining the Race to Zero makes the UK a global leader on tackling emissions with British companies representing a third of those signed up globally. It shows what can be done but, in the months running up to COP26, every board should engage on this vital topic.

UK government is committed to supporting businesses transition to a clean, green economy and helping them put in place environmentally friendly operations, so they are fit for the future.

Through UK government support packages such as the recent [Industrial Decarbonisation Strategy](#) and [North Sea Transition Deal](#) to protect jobs and businesses in transitioning industries, [aligning UK international support for the shift to clean energy](#), and the expansion of the [plug-in electric vehicle grant scheme](#), the government is aiding an orderly transition to a green economy, ensuring the UK maintains its energy security of supply, supports high-value jobs, and safeguards the expertise necessary to achieve a lower carbon future.

Government actions to support businesses ahead of COP26 include the Business Leaders Roundtables chaired by COP President Alok Sharma, the work of UK Net Zero Business Champion Andrew Griffith to help the business community embrace the opportunities of the green industrial revolution, and the Together For Our Planet campaign which celebrates businesses making climate commitments and inspires more to join them.

Since his appointment in November 2020, Andrew Griffith has written to every UK FTSE100 company, engaged directly with 77 of their Chairman or CEOs and presented to thousands of businesses of all sizes at virtual events across the UK. This has contributed to British companies and investors Race to Zero pledges increasing to over 700, representing an increase of 241% in just 6 weeks.

Today's announcement comes ahead of the UK hosting the Business 7 Summit (B7) in May, as part of its G7 Presidency, where committing to action to tackle climate change will be a key focus.

UK High Level Climate Champion for COP26 Nigel Topping said:

With over 15% of the global economy – and now 30% of the FTSE100 – in the Race to Zero, we are close to a critical inflection point, with credible net zero commitments fast becoming the new normal. If they don't join soon, the companies that have so far failed to engage with climate change risk falling behind the curve.

The UK is already seizing the economic opportunities to be gained in leading

the green revolution, with 460,000 jobs already based in low carbon businesses and supply chains across the country and low carbon exports already worth billions of pounds each year.

Chief Financial Officer of RightMove Alison Dolan said:

We've put the Net Zero agenda at the heart of everything we do and we're looking forward to working with BEIS to help play our part in driving this forward. We'll be working closely with the Science Based Targets initiative to help the science guide our emission-reduction targets within our business operations, and we're committed to a 1.5C emissions-reduction agenda.

We're also exploring how we can help contribute further by using the reach of our platform to help inform people and promote a culture of emissions awareness.

CEO Rolls Royce Warren East said:

It's great to see industry support growing for the Race to Zero as achieving net zero emissions will require a broad coalition from across society. Rolls-Royce has committed to enabling the industries in which we operate – some of which are among the hardest to abate – achieve net-zero carbon emissions by 2050 and we welcome the government's continued support in helping us achieve that goal.

In the last few months alone, we've taken significant steps including successfully testing 100% sustainable aviation fuels in our current generation of aircraft engines in Derby and our own Spirit of Innovation all-electric test aircraft, which is part funded by UK government, will get into the sky within the coming weeks.

CEO of AstraZeneca Pascal Soriot said:

Climate change is an urgent threat to public health, the environment and the sustainability of the global economy. Science tells us now is the time to act faster to tackle this challenge.

Through our science-led 'Ambition Zero Carbon' strategy, we are investing up to \$1 billion to accelerate our efforts to eliminate carbon emissions from global operations by 2025 and ensure our entire value chain is carbon negative by 2030.

We are taking this bold action, together with our partners, as part of our commitment to support patients, healthcare systems and the

planet.

CEO of Vodafone Ahmed Essam said:

We are proud to be a member of The Race to Zero. At the same time as we work to maximise our positive impact on society, we are striving to minimise negative impact on the environment. We are on track for our network to be powered by 100% renewable energy by July this year, eliminating our own emissions by 2030, and achieving net-zero throughout our supply chain globally by 2040.

We're also focused on developing technology that helps others cut emissions. Industry and Government can work together to make a huge difference to the world around us, and I hope more companies join this vitally important campaign.

CEO of Sainsburys Simon Roberts, said:

This year the world will come together for the UN Climate Change Conference and commit to bold action to tackle climate change and we are proud to be a principal partner. We know that we have a vital role to play in reducing carbon emissions and that we must work together to create meaningful and lasting change.

We are starting with our own business and have committed to a bold ambition to become Net Zero in our own operations by 2040 and to reduce carbon emissions across from field to fork by 2030. We look forward to working collaboratively with others to protect the planet for future generations.

CEO of Legal & General Nigel Wilson said:

Legal & General is delighted to join Race to Zero. Climate is not only the most urgent issue but also the biggest investment opportunity of our lifetimes. We can harness the power of business and markets to ensure the transition happens.

All of us must now move from promises and commitments to action and delivery – we have already invested more than £1.4bn of assets into renewable energy and have actionable climate plans in place across our major business areas including investments, housing and commercial property.

Chief Executive of Barratt Developments David Thomas said:

Barratt has long been focused on creating a positive environmental

legacy for future generations, which is why we were the first major housebuilder to set ambitious science-based carbon reduction targets last year. So when the call came to join the Race to Zero in the run up to COP26 it was a straightforward decision for us to join.

Today's announcement forms part of the government's wider goals to support the country's business community to make credible plans to net zero by 2050 or earlier and showcase the UK's place as a global leader in tackling climate change ahead of COP26.

## **FTSE100 companies**

List of FTSE100 companies in the Race to Zero as of 23 March:

1. AstraZeneca plc
2. Aviva plc
3. Barratt Developments
4. Berkeley Group Holdings
5. British Land
6. BT Group plc
7. Burberry Group plc
8. Croda International
9. Diageo plc
10. Entain
11. GlaxoSmithKline plc
12. Intern'l Consolidated Airlines Group
13. Intertek
14. JD Sports
15. Land Securities
16. Legal & General Group plc
17. London Stock Exchange Group plc
18. Phoenix Group
19. Reckitt Benckiser
20. Rightmove
21. Rolls Royce Holdings plc
22. J Sainsbury plc
23. Schroders
24. Severn Trent
25. SSE plc
26. Tesco plc
27. Unilever plc
28. United Utilities
29. Vodafone Group plc
30. WPP plc

In November 2020, the Prime Minister appointed Andrew Griffith MP as the UK's Net Zero Business Champion to support the country's business community to make credible plans to net zero by 2050 or earlier. In his role Mr Griffith works closely with Business Secretary, Kwasi Kwarteng and COP26 President Alok Sharma to encourage as many UK businesses as possible to commit to net

zero targets, harnessing the potential of British firms as they launch new products, attract new investment and create new jobs.

The FTSE 100 is an index composed of the 100 largest companies listed on the London Stock Exchange (LSE). These are often referred to as 'blue chip' companies, and the index is seen as a good indication of the performance of major companies listed in the UK.

## **Race to Zero**

The brand '[Together for our Planet](#)' was unveiled in November 2020, marking the one year to COP26 milestone. Together for our Planet campaign aims to engage the whole country in the conversation around climate change in the run-up to COP26, inviting businesses from every corner of the UK to join us in the Race to Zero.

As well as recruiting the UK's biggest companies to join the Race to Zero, the government has also launched a new campaign to encourage small businesses across the country join the fight against climate change and go greener.

Race To Zero is a global initiative, backed by science-based targets, to commit businesses, cities, regions, investors and universities to achieve net zero emissions by 2050 at the very latest.

Spearheaded by the United Nations Framework Convention on Climate Change (UNFCCC), it rallies together leadership and support from businesses, cities, regions, investors for a healthy, resilient, zero carbon recovery.

The initiative is led by the High-Level Climate Champions for Climate Action – Nigel Topping and Gonzalo Muñoz.

To be accepted into the Race to Zero, company leaders must pledge to reach net-zero by 2050, in line with global efforts to limit warming to 1.5C. Companies are also asked to publish a 5 to 10 year plan of how they will achieve their Net Zero target, as well as to sign up to Science Based Targets as a way of monitoring and assessing progress.

UNFCCC's Race to Zero mobilizes a coalition of leading net zero initiatives, representing 23 regions, 471 cities, 569 universities, 85 investors and over 1,600 companies, alone making up over 12% of the global economy.

These 'real economy' actors join 120 countries in the largest ever alliance committed to achieving net zero carbon emissions by 2050 at the latest.

## **COP26 and G7**

The COP26 President has already brought together a set of international COP26 Business Leaders which meets quarterly to accelerate private sector commitment to the zero-carbon economy across sectors, and across supply chains.

The [B7](#) is the business side of the G7 process, representing the business world of the G7 countries. The objective of the B7 is contributing to the G7

agenda, providing the point of view of business on major economic issues, addressing recommendations and proposals.

The UK is hosting the Business 7 Summit (B7) in May 2021, as part of its G7 Presidency. Committing to action to tackle climate change will be a key focus for the May summit.