

Press release
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Exponential Roadmap Initiative

Nestlé, Telefónica and Ragn-Sells join “1.5 °C Supply Chain Leaders”.

Global corporations Nestlé, Telefónica and Ragn-Sells announce today - on the 5th anniversary of the Paris Agreement - that they have joined forces with Ericsson, IKEA, Telia, BT Group and Unilever, in the '[1.5 °C Supply Chain Leaders](#)' group, committing to reducing their greenhouse gas emissions across their value chain, in line with the 1.5 °C ambition.

The 1.5 °C Supply Chain Leaders have made a firm commitment to reduce their greenhouse gas emissions across the value chain in line with the 1.5 °C ambition, and to integrate climate in their business strategy and drive climate action as part of a wider role in society. The initiative is hosted by the Exponential Roadmap Initiative and supported by the International Chambers of Commerce and the We Mean Business coalition.

The 1.5 °C Supply Chain Leaders represent a combined turnover of 284 Billion Euros. They will encourage their suppliers to take action aiming to halve greenhouse gas emissions before 2030, reaching net-zero before 2050 and communicate progress annually. Many of the 1.5 °C Supply Chain Leaders have already reached out to their suppliers and urged them to take climate action. Small and medium-sized suppliers are encouraged to make the SME Climate Commitment through the [SME Climate Hub](#). This will contribute to reaching a critical mass and accelerating momentum for climate action across supply chains.

The 1.5 °C Supply Chain Leaders will work together with their suppliers and business partners to develop concrete tools, help remove blockers and provide the resources required to support suppliers.

One of the most challenging aspects for large corporations in achieving their science-based emission reduction targets, is addressing the emissions in their supply chains. An average of [5.5 times a company's direct emissions is located in a company's supply chains](#). Ensuring that suppliers are aligned with the climate targets of their supply chain leaders and are supported in the transition to a net-zero economy is key to achieving net-zero across the full value chain.

“We are thrilled to welcome Nestlé, Telefónica and Ragn-Sells to continue to build this initiative, as we have recently kicked-off the 1.5 °C Supply Chain Leaders together with five front runners in climate action; Ericsson, IKEA, Telia, BT Group and Unilever. Working together with suppliers is an absolute necessity for large corporations with net-zero ambitions,” says Johan Falk, Head of Exponential Roadmap Initiative.

“The 1.5 °C Supply Chain Leaders demonstrate the vital role that multinationals can play in accelerating climate action across their value chain by supporting and encouraging their suppliers to align with 1.5 °C targets. Given the amount of suppliers multinational companies have, and with their huge purchasing value, this will be an exciting turning point - and we look forward to seeing exponential growth in corporate net zero commitments as we work towards COP26,” said Nigel Topping, UK High Level Climate Action Champion for COP26.

“The message is clear: taking action on climate will help suppliers win and retain business - especially from the growing array of multinationals that are trying to decarbonize. The 1.5°C Supply Chain Leaders are paving the way by creating an ecosystem to enable their suppliers to leverage climate action in line with science,” said **Gonzalo Munoz, Chilean High Level Climate Action Champion for COP25.**

“Nestlé is proud to become a 1.5°C Supply Chain Leader. More than 90% of our carbon emissions come from our supply chain, so working with suppliers is critical for achieving net zero emissions by 2050. We look forward to collaborating with others on this journey” said **Magdi Batato, Nestlé’s Global Head of Operations.**

“At Telefonica we are deeply engaged towards the reduction of CO2 emissions. Having set an ambitious target of reducing our value chain CO2 emissions of 39% by 2025, and of achieving net zero by 2040 in our Scope 3; we believe that joining the 1.5°C Supply Chain Leaders will be crucial towards reaching this goal by working together with our suppliers and partners within the telco and other sectors. At Telefónica, 60% of our scope 3 carbon emissions come from our supply chain; with the help of digitalization, and joining forces with our SMEs will allow us to cocreate in order to become part of the solution while supporting the Paris Agreement and limiting global warming to 1.5°C,” said **Elena Valderrábano, Corporate Ethics and Sustainability Global Director, Telefónica.**

“IKEA is committed to working closely together with our supply chain partners to reduce absolute greenhouse gas emissions from production by 80% by 2030. We are proud to be a 1.5°C Supply Chain Leader and to contribute to facilitating the climate journey for small and medium enterprises (SMEs). We will not be able to limit climate change by working alone. Only by working together will we show that it is possible,” said **Henrik Elm, Global Supply Manager, IKEA.**

“To help us become a net-zero emissions business by 2045, [we’re asking our suppliers to commit to climate action](#) and we’re working with them to substantially reduce their carbon emissions by 2030. At BT, over two-thirds of our end-to-end carbon emissions come from our supply chain, and by working together, we’ll be able to curb emissions and help pave the way for others to follow,” said **Cyril Pourrat, Chief Procurement Officer, BT Group.**

“To be able to reach the goals set in the Paris agreement, we need to both create circular material flows and reduce carbon emissions. Ragn-Sells are committed to be a driving force in transforming society from a linear to a circular economy, and we commit ourselves to actively work with our value circle in order to: 1) Reduce carbon emission up- and downstream in the value circle with at least 50% by 2030, 2) Develop circular solutions in collaboration with business partners and society, 3) Create a market for circular materials with procurement as an enabler”, said **Ragn-Sells Group Executive Leadership Team sponsors;**

Massimo Forti, Denmark - Sustainability goal: Recycled material in procurement
Vidar Svenning Olsen, Norway - Sustainability goal: Circular solutions in partnership
Magnus Uvhagen, Sweden - Sustainability goal: Reduce carbon emissions.

“Collaboration is crucial to speed up action. By learning from each other, taking advantage of each other's strengths and collaborating to innovate together we can move faster. More re-use of good ideas and focus of resources to get magnitude rather than search for uniqueness will be key to gain momentum. We are proud to be part of this collaboration and applaud more companies stepping in and joining us. There are ten years left until 2030, together we will fill them with action!” said **Sara Gorton, Head of Environmental Strategy, Telia Company.**

“For Ericsson, supporting the Paris Agreement and limiting global warming to 1.5°C is the only way forward. Supply chain emission reduction measures are crucial in this transformational shift of value chains. Ericsson Sourcing is working with its suppliers to halve supply chain emissions by 2030. The 1.5°C Supply Chain Leader, working along the same lines cross-industry, will support this cause. We are very happy to see this group expand, to join us in transforming global supply chains,” said **Louise Rehbinder, Responsible Sourcing Program Manager, Group Sourcing, Ericsson.**

“Every business in our supply chain has the potential to be a climate leader. That’s why in June we launched our new climate strategy with a commitment to prioritise partnerships with suppliers who have set their own science-based targets. Today’s launch of the 1.5°C Supply Chain Leaders initiative brings additional scale and synergy to the work that many companies are doing to support value chain partners to accelerate their decarbonisation journey. Through this spirit of collaboration and ambition, we increase our chances of limiting global temperature rise to 1.5° above preindustrial levels and preventing the worst effects of climate change. This is an urgent and important initiative,” said **Marc Engel, Chief Supply Chain Officer, Unilever.**

The 1.5°C Supply Chain Leaders have made the following commitment:

1. We have all committed to reducing our greenhouse gas emissions across our value chain in line with the 1.5°C ambition. We integrate climate in our business strategy and drive climate action as part of our wider role in society (as members of the Exponential Roadmap Initiative and/or Business Ambition for 1.5°C)
2. We will work together with our suppliers and business partners to join us on this journey by taking action aiming to halve greenhouse gas emissions before 2030, reaching net-zero before 2050 and communicate progress annually, e.g. as outlined in the SME Climate Commitment. To promote, reward and inspire action, we plan to make climate related targets and performance a key supplier purchasing criteria within one year.
3. We recognize the challenge this poses for our suppliers and we will support them, working together to reach our shared goals. In addition, we will support SMEs globally through the SME Climate Hub with tools, knowledge and best practice for implementing a robust climate strategy, to support broad action.

About 1.5°C Supply Chain Leaders

The 1.5°C Supply Chain Leaders will work together to drive climate action throughout global supply chains and support small and medium-sized enterprises (SMEs) through the SME Climate Hub, understanding the need to work with and support suppliers to halve emissions before 2030 and achieve net zero emissions before 2050. The 1.5°C Supply Chain Leaders was founded by the Exponential Roadmap Initiative together with Ericsson, IKEA, Telia, BT Group and Unilever and is supported by the International Chamber of Commerce (ICC) and the We Mean Business Coalition. Find out more at: <https://exponentialroadmap.org/supply-chain-leaders/>.

About the SME Climate Hub:

The SME Climate Hub is an initiative of the International Chamber of Commerce, the Exponential Roadmap Initiative, the We Mean Business coalition and the United Nations Race to Zero campaign. This partnership is an exercise in radical collaboration that opens the doors for SMEs to join the United Nations Race to Zero campaign – an international campaign that brings together an unprecedented coalition of real economy actors and 120 governments committed to achieve net-zero emissions by no later than 2050. Find out more at: www.smeclimatehub.org.

About the Exponential Roadmap Initiative

The Exponential Roadmap Initiative brings together technology innovators, scientists, companies and NGOs, with the mission to accelerate climate action exponentially. The initiative has released the Exponential Roadmap, highlighting the 36 solutions with exponential scaling potential to halve greenhouse gas emissions before 2030 worldwide, and the 1.5°C Business Playbook, a guideline for companies and organisations of all sizes to set a 1.5°C aligned strategy and move to action. Official partners of the United Nations' Race to Zero campaign and TED Countdown. Find out more at: www.exponentialroadmap.org.

About the UNFCCC Race to Zero Campaign:

The UNFCCC Race to Zero campaign is an international campaign that brings together an unprecedented coalition of real economy actors and 120 governments committed to achieve net zero carbon emission by no later than 2050. These real economy actors include: 1,128 companies, 452 cities, 22 regions, 549 universities, 45 of the biggest investors and 2,100 chambers of commerce - creating the largest ever alliance committed to achieving net zero carbon emissions by no later than 2050: the "Climate Ambition Alliance." Find out more at: <https://racetozero.unfccc.int>.

For more information or interviews, please contact:

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