

# Code Zero

A 10(+1) point code for board directors to guide their companies towards a sustainable and low-carbon future.

1 Take proactive measures (e.g. training, field trips, scenario analysis, readings, films, etc.) to ensure that the **Chair, CEO and Board members are well informed and fully committed** to allocating resources to sufficiently prioritize sustainability.

2 **Engage with stakeholders** (e.g. customers, employees, investors, suppliers, regulators) to understand their expectations of the company in the context of climate change and to influence their own climate action.

3 Focus on the **short-to-medium term greening** of the company and its supply chains, using credible carbon offsets only for any remaining emissions.

4 Challenge management to shape **sustainable business opportunities** that delight customers in new ways

5 Review **climate strategy progress updates** at least quarterly, and discuss with the full board at least annually

6 Review a **double materiality assessment** of climate-related risks and opportunities, annually

7 Ensure the **annual reporting and disclosure** of current and forecast Scope 1, 2, and 3 GHG emissions and science-based reduction targets

8 Use a (challenging) **internal carbon price** to adjust P&Ls, investment cases, and procurement decisions

9 Link **management incentives** for climate-related targets and initiatives

10 Apply a **climate lens** to each proposed Board decision: does it make sense in a world with a rapidly evolving climate and stakeholder expectations? Consider any tradeoffs between environmental, social and financial priorities.

+1 **Role-model sustainable practices as a board**  
(e.g. balance of virtual/physical meetings, modes of transport, location of offsites, catering)