

# Seeking integrity in accountability

*Nothing happens without someone taking responsibility for it. Could this be at the crux of inaction?*

Accountability is the obvious starting point for an organisation's net zero declaration, whether public or private sector.

In working with local government and businesses we often see accountability shifted down. Leaders lean into "Our new head of sustainability" as leading action on climate change.

This is a daunting task for the 'head of', unless the position comes with a sizable budget and mandate to make transformational change at the speed of which a net zero target needs.

Organisations need to ensure they have a system of accountability within, starting at the top.

It requires leaders at the very top to define their role in transparency. Accountability sits in the job description of the CEO, CFO and COOs. It ultimately requires an independent role to also be created through the appointment of a Chief Transparency and Integrity Officer, if a Chief Sustainability Officer is not in place already.

## The variations in Forbes 2000 companies commitments to net zero (stocktake-2022)



● Corporations with no target ● Corporations with a target but no plan

● Corporations with a target and plan but no accountability ● Corporations with a target, plan and accountability

Not explaining how the board is being held accountable, other than signing off policies and annual reports, shows little integrity. On the other hand, defining a director's performance and remuneration to the rate of decarbonisation, rather than just growth, would show meaningful integrity in net zero plans. This can easily be done by pegging responsibility to net zero to each role at the board room.

This is now baked into ISO Net Zero Guidance, indicating that 20% of leadership's remuneration should be held against action.

It will be interesting to see whether there will be immediate backsliding by C-Suites and Directors once they've realised that they may be out of pocket because of their fine words.

ISO AW46 Net Zero could be the fundamental differentiator between businesses.

Businesses and individuals that are 'on it' will not balk at signing up their remuneration to delivery. In particular, Chief Sustainability Officers or Chief Climate Change Officers have no reason not to be putting a large proportion of their remuneration up as collateral for action.

Those CSO's who know what they're doing should be doubling down on their ability to deliver change.

Those organisations that don't publicly declare how they have set their senior leadership accountable will only show their lack of integrity made to their declaration in the first place.

It will become a simple metric for greenwashing.

