

APPAREL AND ACCESSORIES

Gucci CEO Marco Bizzarri issues carbon neutral challenge to peers

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Gucci is taking the lead in encouraging top-down changes to companies' practices toward enduring sustainability. Image credit: Gucci

By STAFF REPORTS

Following Climate Week NYC 2019, Gucci boss Marco Bizzarri issued an open letter to CEOs across all sectors to come together in the CEO Carbon Neutral Challenge.

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The move comes after Gucci parent Kering said Sept. 24 that the entire group will become carbon neutral within its own operations and across the entire supply chain. In its commitment to sustainability, Kering will offset the group's annual greenhouse gas (GHG) emissions from 2018 on top of all efforts to first avoid and then reduce them.

The latest **salvo** from Mr. Bizzarri seeks to take the commitment across industry and, to some extent, almost shame fellow CEOs into taking bold steps toward sustainability.

The other green

The CEO Carbon Neutral Challenge underlines the call for companies to take urgent action and implement a 360-degree climate strategy to create positive outcomes in the immediate, Gucci said.

A key part of this action must be based on companies taking full responsibility and accountability for the total GHG emissions generated by their business activities.

There has been a focus on meeting carbon neutral and net-zero targets in the future. However, this does not solve the problem right now, according to Gucci.

The majority of GHG emissions are generated in a company's supply chain and current avoidance and reduction efforts, and the innovation creation needed to support them, are not coming close to mitigating these emissions. Nor will they in the near or mid-term future.

As a solution to address these emissions immediately, Gucci's CEO Carbon Neutral Challenge proposes that companies must adopt an annual approach to first avoid, reduce and restore and then, as a final measure, offset the total remaining emissions within their operations and across the entire supply chain Scopes 1, 2 and 3 of the Greenhouse Gas Protocol through nature-based solutions, which will support the protection of critical ecosystems

and help mitigate climate change.

Kering, among its peers, has been quite aggressive in staking ground in sustainability measures. Fashion has come under tremendous pressure to clean up its act, hence the rapid action on Kering's part, affecting houses under its control such as Gucci, Bottega Veneta, Saint Laurent, Boucheron, Pomellato, Brioni, Ulysse Nardin, DoDo, Qeelin, Girard-Perregaux and Alexander McQueen.

In his letter, Mr. Bizzarri welcomed all companies to join him in the CEO Carbon Neutral Challenge. He also outlined a set of guiding principles required to join. Below is what Mr. Bizzarri's letter said in its entirety:



Gucci's Marco Bizzarri. Image credit: Gucci

Open letter to CEOs from Gucci president/CEO Marco Bizzarri

We are entering a new decade of corporate accountability. As businesses, we all have a responsibility to meet the reality of our global climate and biodiversity crises head on and find solutions that can amplify efforts to conserve and restore nature, while mitigating climate change. The recent events during Climate Week in New York and at the UN Climate Action Summit clearly showed that there is a demand for companies to urgently act, and not to solely focus our climate objectives on the years to come. At the core of this was a call to adopt nature-based solutions and the acknowledgement that they represent 30 percent of the climate solution.

There have been many commendable commitments made by individual companies and through industry coalitions to align with the Paris Agreement and push even further towards a 1.5 C trajectory. However, I believe that we can take another straightforward step in the right direction and deliver rapid and concrete positive impacts right now for our natural world and for our climate.

Leading companies with net-zero ambitions and those with a net-zero 2050 pathway need to build in climate strategies with a 360 approach. One that not only focuses on reducing our GHG emissions over the next decades but also immediately translates the unavoidable emissions we are generating right now into nature-based offsets. The reality is that the majority of the GHG emissions linked to day-to-day business activities are created upstream in the supply chain. I firmly believe that we must all be accountable for these emissions and redefine corporate carbon neutrality to encompass the entire supply chain. This can be achieved through a logical and clear strategy to ensure that a company accounts for all the GHG emissions within its own operations and across the supply chain, prioritizes actions to first avoid, reduce and restore, and then offsets all the remaining emissions as a final measure. These offsets can be achieved through important nature-based solutions like REDD+. Supporting verified REDD+ offsetting projects not only contributes to reversing the curves of biodiversity loss and climate change through the protection and restoration of critically important forests around the world but also simultaneously benefits the livelihoods of local communities.

Given the scientific evidence from the recent IPBES and IPCC reports, we don't have the leisure to just work to avoid and reduce our impacts on climate and biodiversity over the long-term. Nor can we wait for technology and climate smart solutions to catch up, and to scale up, to meet the sustainability challenges we all face. This could take years that we don't actually have. Today we need to be responsible and accountable for the full scope of our GHG emissions and deliver nature-based climate solutions that mitigate these and drive positive change.

I am therefore inviting CEOs across all sectors to come together in the CEO Carbon Neutral Challenge. I believe that collective action is imperative if we are to help create a future in which society can thrive and business can succeed, while nature is restored and protected. I sincerely hope you will join us.

Marco Bizzarri

Gucci President & CEO

For CEOs interested in joining the CEO Carbon Neutral Challenge, please contact: ceochallenge@gucci.com

The CEO Carbon Neutral Challenge Guiding Principles

To participate in the CEO Carbon Neutral Challenge companies need to adhere to the following six guiding principles:

1. Acknowledge that companies must account for their entire Greenhouse Gas (GHG) emissions associated with their business activities and recognize that additional measures, over and above direct reduction targets, are required immediately given the urgent need for climate action.
2. Have an internationally recognized objective measurement of their GHG emissions that encompasses the supply chain, or, if not already in place, commit to adopting one within 12 months from accepting the CEO Carbon Neutral Challenge.
3. Have a publicly declared timeline and plan of action for the avoidance and reduction of GHG emissions in place, such as a science-based target, or commit to having one, which includes the supply chain and/or other operational activities according to the nature of their business.
4. Implement verified and certified nature-based solutions, such as REDD+, that will mitigate and offset the near-term unavoidable GHG emissions associated with a company's entire business activities and/or as a complement to any other offsetting strategy a company may already have in place to cover additional offsets that are necessary to adhere to the CEO Carbon Neutral Challenge. Purchase offsets within 12 months of joining the Challenge and offset on an annual basis following efforts to first reduce and avoid emissions. Ensure that they deliver measurable and direct benefits to biodiversity as well as provide fair and equitable benefits to local communities.
5. Commit to providing annual reporting on the impact and outcomes of offsetting projects, their progress towards the reduction of their GHG emissions and third party verification of the investment made to the offset projects to ensure efficacy.
6. Commit to collaborate with stakeholders to raise awareness for solutions that can amplify efforts to conserve and restore nature, while mitigating climate change, and outreach to other CEOs to join the CEO Carbon Neutral Challenge in order to continue positive momentum.

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