# HOW TO INTEGRATE CLIMATE INTO YOUR PHILANTHROPIC PROGRAMMES

What foundations need to know, and where to begin



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Philanthropy Europe Association

#### 2 EXECUTIVE SUMMARY

#### **4** INTRODUCTION

#### **6 WHY ACT ON CLIMATE?**

- 7 Risks of not acting
- 8 Co-benefits: How acting on climate advances other philanthropic causes

#### 9 WHAT DOES IT MEAN TO INTEGRATE CLIMATE INTO YOUR PROGRAMMATIC WORK?

- **10** Thinking about climate when making decisions
- 11 Approaches to climate action

#### 12 WHERE ARE THE ENTRY POINTS FOR INTEGRATION?

- 14 Purpose
- 16 Strategy
- **18** Programme creation or review
- 20 Project decisions
- 22 Support for partners

#### 24 HOW ARE OTHER FOUNDATIONS INTEGRATING CLIMATE?

#### 25 Allianz Foundation

Beyond net zero: Embracing climate responsibility to champion justice and systemic transformation

#### 28 Community Foundation Ireland

Embedding climate action to ensure equality for all in thriving communities

#### 31 Foundation S

Integrating climate and health to champion local leadership and shape global policies

#### 34 Laudes Foundation

A systems approach to climate integration

#### 37 National Lottery Community Fund

On a journey from inspire to require: Embedding climate action into community funding

#### 40 HOW CAN PHILANTHROPY FOR CLIMATE HELP YOUR FOUNDATION DEEPEN INTEGRATION?

- 41 Join this global movement of foundations
- 41 A multi-pillar approach
- 42 How integration is woven into all pillars
- 43 Further reading and resources
- 45 Endnotes
- 47 About Philea Philanthropy Europe Association

### **Executive summary**

Does your foundation want to take more action on climate, but just isn't sure about where to start? This guide offers philanthropic organisations a roadmap to integrating climate action into their programmatic work – from purpose and strategy, to designing and implementing programmes, to working with grantees and partners.

his publication is a companion to the <u>Philan-</u> <u>thropy For Climate</u> commitments, which is built around 7 key pillars – one of which is **integration** and the focus of this guide. Throughout this publication, you'll find advice and pointers on the various aspects of integrating climate, along with many concrete examples of foundations that have embarked on this journey.

Also included are more in-depth case studies on five foundations that have travelled a long way down this road. These pathfinders offer inspiration and practical guidance on how your foundation can get started on – or grow existing efforts around – climate integration.

At the end of the guide, you'll find a detailed section on the Philanthropy For Climate movement, and how it can support your own climate integration journey.

#### **Reasons to act on climate**

Most foundations are not set up with the purpose of acting on climate. So, why should they take this step?

#### RISKS

Climate change is an existential global risk. Intertwined with local issues, it directly threatens philanthropic progress. If not addressed, poorly designed climate solutions could further deepen social inequality.

#### **CO-BENEFITS**

Every foundation, no matter its focus area, can support its mission through taking action on climate. Grantees and partners also benefit from foundations supporting them to integrate climate thinking.

# Integrating climate into your programmatic work

Integration essentially means thinking about climate when making decisions. Some decisions come along only once in a foundation's lifetime. Others are made every day. A climate lens can be integrated at any or all levels. The more we can bring climate into our thinking, the better our integration. As philanthropic organisations we can integrate climate in a way that leverages our unique organisational values, assets, relationships, experience and expertise.

#### Approaches to climate action

#### ADAPTATION AND RESILIENCE

Understanding the risks of climate change for the places and people that you support, and helping them adapt to cope with impacts now and in the future.

#### JUST TRANSITION

Acknowledging costs and benefits in the transition away from fossil fuels and towards systems that keep us within planetary boundaries, and ensuring that these are fairly shared.

#### **CUTTING EMISSIONS**

Finding ways to cut emissions of greenhouse gases and help to limit global heating.

**KEY CONSIDERATIONS** 

#### Entry points for climate integration

PURPOSE	Make addressing climate change, or the intersection between it and other philanthropic goals, a core purpose of your philanthropy or philanthropic organisation, or one aspect of it.	<ul> <li>Your motivation, available resources and what you hope to achieve through your foundation</li> <li>The impacts of climate change on any other philanthropic purpose that you wish to pursue</li> </ul>
STRATEGY	Explore, understand and define how climate relates to your overall purpose and explicitly include climate within your organisational strategy, as a priority area and/or a cross-cutting theme. Consider approaches like intersectionality, multi- solving, futures thinking and foresight.	<ul> <li>The impacts of climate change on funded places, communities and issues; and risks to philanthropic goals, activities and partners</li> <li>Alignment with organisational values, assets and expertise</li> <li>Stakeholder expectations and reputational implications</li> </ul>
PROGRAMME CREATION OR REVIEW	Explore ways to promote a just transition and co-benefits; incorporate climate risks; and cut emissions through the overall goals of the programme and/or how it is delivered.	<ul> <li>Opportunities to meet climate and other philanthropic goals together and to address particular aspects of the climate challenge, building on existing expertise and experience</li> <li>Evidence, including testing with experts, partners and communities</li> <li>Capabilities of your team and existing processes to deliver climate integration</li> </ul>
PROJECT DECISIONS	Factor climate into day-to-day decisions when making grants or delivering programmes of activity, particularly through your assessment processes.	<ul> <li>Integration of adaptation and resilience to current or future climate risks</li> <li>Opportunities to bring in new voices and insights to drive a more just transition</li> <li>Opportunities to minimise climate emissions linked to project delivery</li> </ul>
SUPPORT FOR PARTNERS	Support your partners and grantees to integrate climate risks and opportunities into their work, for example through training, expert advice and additional targeted funds.	<ul> <li>Partner insights, ideally based on existing information, to inform relevant engagement and support</li> <li>Ongoing improvement through continuous learning</li> </ul>

#### **Getting started**

To get started on your own climate integration journey, see the section <u>"How can Philanthropy For Climate help</u> your foundation deepen integration?". This global movement of more than 900 foundations in 25 countries offers tailored resources and opportunities for peer-learning and capacity-building – whatever your foundation's thematic focus, size, geographic area or starting point on this journey. At the end of this guide, you'll also find a section listing further resources broken down by thematic areas of philanthropic activity.

# Introduction

# Calls for action on climate are growing

The effects of climate change are being felt in every region of the world: Temperature records are being shattered; storms and wildfires are increasing in frequency and intensity; and inequalities are being reinforced as vulnerable populations suffer disproportionately. Despite some recent political developments attacking climate science and policies, people across the world are increasingly concerned: In fact, **four out of five people around the world want more climate action from their country.**<sup>1</sup>

And yet, with so many other urgent global challenges, philanthropy is under pressure. While addressing immediate needs is critical, it's crucial that foundations don't lose sight of the long-term, systemic nature of climate change, and that they understand that climate is connected to and impacts nearly every other issue they aim to tackle.

# Every foundation has the power to act on climate

For most foundations, climate change is not at the core of their mission. The reality, however, is that no foundation's work is untouched by climate change, which is already exacerbating existing challenges in health, education, social justice and security; driving up food prices; accelerating forced migration; and fuelling conflict. Climate change is a gender equality issue; a racial and social justice issue; an educational issue; an economic issue; a cultural issue; a human rights issue; and a local community issue. As such, all philanthropic activity and assets are at risk if we do not transition rapidly to a more sustainable, cleaner economy and society.

Every foundation, whatever its mission, has both the opportunity and responsibility to be part of the solution. Whether through programmes, investments, convening power or operations, every foundation has levers it can pull to make a difference.

The question is not whether to act, but how.

# About this guide: Helping foundations to integrate climate into their planning

This guide for philanthropy practitioners – whether they are founders, board members, CEOs or staff – focuses on how climate can be integrated into the programmes of foundations, whatever their location, mission or focus areas.

There is a growing movement of foundations committed to playing their part in accelerating a just transition to a fairer, cleaner, safer future. Globally, more than 900 foundations have joined <u>Philanthropy For Climate</u> through either a national or regional commitment, or through the International Philanthropy Commitment on Climate Change. This framework is built around **7 pillars**:

- 1. EDUCATION AND LEARNING
- 2. COMMITMENT OF RESOURCES
- 3. INTEGRATION
- 4. ENDOWMENT AND ASSETS
- 5. OPERATIONS
- 6. INFLUENCING AND ADVOCACY
- 7. TRANSPARENCY

This publication focuses on **Pillar 3: Integration**, which is expressed in the International Commitment as follows:

"Within the design and implementation of our programmes, we will seek opportunities to contribute to a fair and lasting transition to a net-zero world, and to support adaptation to climate change impacts, especially in the most affected communities."

This pillar goes to the heart of the business of philanthropy: using private funds for public good. This makes it one of the most important but also one of the most challenging pillars. Rethinking our core business requires imagination and persistence. This guide cannot provide all the answers, but it offers frameworks, questions and tools to help you rise to this challenge.

For more details on Philanthropy For Climate and how to join, see the section further in this guide, "How can Philanthropy For Climate help your foundation deepen integration?"

# 4 out of 5 people around the world vant more climate action from their country

# ACTION CLIMATES

The majority of foundations are not set up with the purpose of acting on climate.<sup>2</sup> So why should they take this step? The answers to this fall into two main categories: risks and co-benefits of taking climate action.

# **Risks of not acting**

apid climate change presents an existential risk to human civilisation. The <u>World</u> <u>Economic Forum's 2025 Global Risks Re-</u> <u>port</u> identified "Extreme Weather Events" as the second greatest global risk in the

next two years. Over the next decade, the climate and nature crises underlie the four greatest risks according to the report. Or, as UN Secretary-General António Guterres has said, "Climate change is here. It is terrifying. And it is just the beginning."

In this context, there is a strong moral case for every organisation to play its part. Value-driven, philanthropic bodies, with their independence and long-term perspective, are particularly well placed to show leadership on this issue. In addition to general risk, climate change diClimate change directly threatens progress on many philanthropic causes. Along with extreme weather, secondary climate impacts include high food prices, forced migration, insecurity and conflict.

temperatures are causing acute health problems such as heatstroke, and are exacerbating chronic heart, lung, kidney and mental health conditions, as well as causing problems for medical infrastructure.<sup>3</sup> For a foundation focused on preserving heritage buildings, there are

> climate-related threats from extreme weather, floods, rising sea level, changing water tables and subsidence, as well as new pests.<sup>4</sup> People in poverty, whom many foundations seek to support and empower, are often on the frontline of climate impacts.

> There is also the risk that poorly designed or implemented climate solutions can exacerbate social inequality, discrimination or division. Examples of this might include the public not being informed or engaged in decision-making, or cases where only wealthy people have access to clean

rectly threatens progress on many philanthropic causes. Along with extreme weather, secondary climate impacts include high food prices, forced migration, insecurity and conflict. Climate change is interconnected with an array of global and local challenges. For example, for a foundation focused on public health, increasingly high technologies. So foundations, particularly those that work with vulnerable groups, advocate for social equality, or work to strengthen democracy, also need to be alert to risks in this area.

## **Co-benefits: How acting on climate** advances other philanthropic causes

he climate movement often speaks of "co-benefits", as climate action can also benefit mental and physical health, save money, support local economies, bring new jobs

or

transforming travel for the public good. Similarly, there is strong evidence that consuming less red meat is good for health, but messages around the benefits of reducing meat production for the climate may be more per-

strengthen communities. In addition, for those foundations whose primary purposes are to support health, strong communities, employment, arts and culture, or local places, climate action can be seen as a source of energy bringing new possibilities to tap into and harness. In these cases, the primary mission is progressed, while there is a "co-benefit" of also cutting emissions and/or increasing climate resilience.

Every foundation, no matter its focus area, can support its mission through taking action on climate. For example, say you are a health foundation. Your mission would be supported by making it easier for people to walk and cycle safely around cities, and by shifting away from

For those foundations whose primary purposes are to support health, strong communities, employment, arts and culture, or local places, climate action can be seen as a source of energy bringing new possibilities to tap into and harness.

suasive than traditional health guidance, for young people especially. In the arts and culture space, engaging with climate questions can produce work that is profound, relevant and new. So, a foundation that focuses on arts and culture could use climate action as a way to engage new audiences with arts and culture, or to attract new streams of co-funding from resources or partners dedicated to climate funding.

Many grantees and partners can also benefit from foundations supporting them to act on climate change, adapt to its effects, and strengthen resilience. For example, funding and/or technical support to add insulation and solar panels to a community building can cut running costs as well as emis-

petrol and diesel towards electric vehicles, as these efforts would bring multiple benefits for public health through increased exercise and better local air quality. The health advantages of active travel and cleaner air have been known for many years, but implementation is patchy across different countries. The additional imperative of cutting emissions brings more potential for

sions, while also increasing the community's self-reliance by reducing their dependence on external providers. Climate training for grantee staff could give them greater capability, for example, in responding to climate anxiety among young people, or opening up new areas of work. Foundations have the opportunity to be proactive in responding to these changing needs.

THINK YOUR MISSION HAS NOTHING TO DO WITH CLIMATE?

THINK AGAIN...

Climate action will benefit your mission, no matter what area your foundation works in, including:

HEALTH EDUCATION MIGRATION

EMPLOYMENT

- DEVELOPMENT ENVIRONMENTAL PROTECTION **ARTS & CULTURE**
- GENDER POVERTY LOCAL ECONOMIES

# <text>

# Thinking about climate when making decisions

ntegration essentially means **thinking about climate when making decisions.** The more we can bring climate into our thinking, across all the work of our foundations, the better our integration. Climate can be embedded as a core principle in evIn this guide, we focus primarily on integrating climate thinking into foundation programmes, whether these are delivered by making grants, or directly. Integrating a climate lens into the design and implementation of programmes is one way in which foundations can mit-

erything you do as a philanthropic organisation - from far-reaching, strategic decisions to your day-to-day activities. The scale and interconnectedness of the climate crisis requires us to transform our mindsets, our practices and our processes - but you do not have to start from scratch. This is an opportunity to integrate climate in a way that reflects your unique organisational values, assets, relationships, experience and expertise.

Climate can be embedded as a core principle in everything you do as a philanthropic organisation – from far-reaching, strategic decisions to your dayto-day activities. igate the risks that climate change presents – to their philanthropic aims; their grantees and partners; and societies at large. This approach also has the potential to create co-benefits and strengthen the overall impact of a foundation's work.



# **Approaches to climate action**

#### ADAPTATION AND RESILIENCE

We are already seeing significant climate impacts, both locally and globally, such as high temperatures, and more extreme and frequent floods and storms, with consequences for public safety, health, food production, infrastructure and other aspects of the public good. There are also incremental but severe risks such as sea level rise. Often countries and communities that have the fewest financial resources, and who have the least responsibility for causing climate change, are on the frontline facing higher risks. We need to understand the risks for the places and people that we support, and consider how we can help them adapt to cope with impacts now and in the future. This can include more resilient physical infrastructure, stronger social safety nets, nature-based solutions (e.g. to slow flood waters), redesigning services, and emergency planning.

#### JUST TRANSITION

As with any social and economic change, there are both short- and long-term costs and benefits in the transition away from fossil fuels and towards systems that keep us within planetary boundaries, and we need to ensure that these are shared fairly. This might include supporting workers in fossil fuel extraction to reskill for new work; supporting people on low incomes to access new green technologies or green jobs; designing climate policies to promote greater equality; or ensuring that transition policies are inclusive of the needs and views of more vulnerable groups.

#### CUTTING EMISSIONS

If we wish to limit harmful global heating, we need to dramatically cut emissions of carbon dioxide, methane and other greenhouse gases. Key priorities include rapidly phasing out the use of fossil fuels in energy generation, buildings and transport; and working towards a more sustainable food system. This requires changes to public policy and subsidies, practical implementation, and social changes (for example a shift towards lower meat consumption or alternative proteins). Alongside cutting emissions, we can also support nature's ability to absorb carbon dioxide, for example through preventing deforestation or funding peat or saltmarsh restoration.



For more on integration and other levers foundations have at their disposal, see the section further in this guide,

"How can Philanthropy For Climate help your foundation deepen integration?"

# WHERE ARE THE ENTRY POINTS FOR INTEGRATION?

KING

hen we consider the basic definition of climate integration – "thinking about climate when making decisions" – it's clear that the more we can bring climate

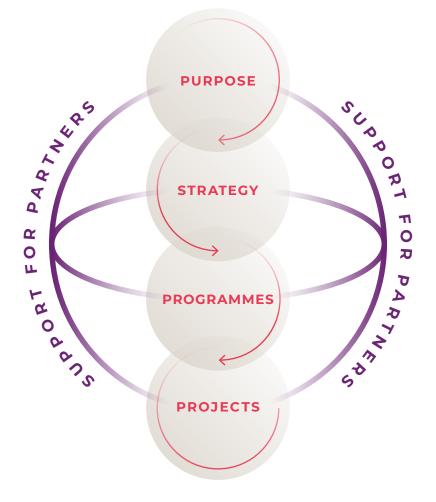
into our thinking, and the bigger and more long-lasting the decisions we make, the bigger the potential impact of our climate integration.

Some decisions that shape a foundation's work and programmes come along only once in an organisation's lifetime. Some decisions are made or reviewed every few years. And some decisions are made every day. A climate lens can be integrated at any or all levels of decision-making.

While decision-making in every philanthropic organisation is different, the most far-reaching choices are likely to be made by founders or governing bodies, while staff will be typically involved in making operational choices. Below we consider four levels of decision-making, plus the complementary dimension of "Support for partners", and the rationale and opportunities for climate integration at each level.

# OPPORTUNITIES FOR CLIMATE INTEGRATION

#### at every level of decision-making



#### DECISION-MAKING LEVEL 1 Purpose

#### Why

ackling climate change and coping with its impacts is one of the leading challenges for this century. It is a vital and exciting area in which to work, and furthermore, there is a powerful moral case to act on this issue.

The decisions made when a new foundation or other philanthropic initiative are established can have profound influence for many years, perhaps for decades, or even centuries in some cases. Building climate explicitly into the overall philanthropic purpose is the highest degree of integration possible.

Some foundations do not start out with a focus on climate change but make this a primary purpose as their thinking evolves.

#### Who

Typically, an organisation's founders, governing bodies.

#### How

Make addressing climate change, or the intersection between it and other philanthropic goals, a core purpose of your philanthropy or philanthropic organisation, or one aspect of it.

This could be formally enshrined in governing documents or be strongly signalled by the founder or governing body in other ways. If an existing foundation needs to change its governing document to focus on or include climate, this may not be easy, but it should be possible in many cases.

If using purpose as an entry point proves difficult or undesirable, existing foundations might find it more feasible to focus on other entry points for integration. If you are looking to explore the interconnection between your existing purpose and addressing climate change, the next section on strategy should offer valuable guidance.



#### QUESTIONS TO CONSIDER FOR FOUNDERS AND GOVERNING BODIES

- > What motivates, excites or engages you most about this topic?
- ▶ Are you being bold enough for the urgency and scale of the climate crisis?
- If you imagine looking back from the future, what do you hope to achieve through your foundation?
- How will climate change impact any other philanthropic purposes that you wish to pursue?
- Where do you think your niche could be, relative to the resources you have available?
- Are there examples in your country, or similar jurisdictions, which give inspiration for action on climate, or the intersection of climate and other goals, as a philanthropic purpose?
- Are you drawing on suitable advice, including legal support if needed, and expertise from the climate philanthropy sector?<sup>5</sup>

#### **EXAMPLES**

Quadrature Climate Foundation was established in 2019 by the founders of Quadrature Capital, Greg Skinner and Suneil Setiya. Initially, the founders were passionate about supporting causes that addressed poverty, inequality and human suffering. In 2018, they came to understand the way the climate crisis superimposed onto these challenges, undermining efforts to combat famine, support refugees, and manage natural disasters. This realisation led them to focus all the work of the foundation on efforts to combat climate change. Today, the foundation takes a science-led approach to building climate resilience – supporting solutions that reduce climate impacts, lift people out of vulnerability, and help communities adapt to a changing world.

Rheda-Wiedenbrück Community Foundation, based in a town of 50,000 in North Rhine-Westphalia, Germany, began its climate journey in 2023. Prompted by a period of extreme heat and draught in the region, staff and local citizens agreed that climate action deserved higher priority. Initially a vague idea, the shift gained momentum until the foundation took the bold step of amending its statutes to include climate action as an additional core objective. Securing this formal change required time and dialogue with the Board, the Supervisory Committee, and the Advisory bodies. Although nobody was strongly opposed, many felt other issues were more urgent. Through open discussions, the organisation's team reframed climate as a cross-cutting concern rather than a competitor for limited resources. By highlighting how climate action affects all areas of community well-being, they succeeded in embedding it formally into the foundation's mission and ensuring an organisational commitment that endures even as leaders and team members change.

IKEA For many vears. Foundation's mission has been to improve the living conditions of children in poverty. While this was initially interpreted more narrowly focusing on the improvement of children's lives through education, women's empowerment, and child protection - from the 2010s, climate change and poverty emerged for the foundation as the biggest threats that jeopardise these efforts. This led to the foundation's heightened focus and strategic realignment towards climate action. which is now considered a core aspect of the foundation's mission. As of 2024, IKEA Foundation has committed over €1.5 billion in grants for climate action, supporting food and energy system transformation among other climate-related areas of work.

#### DECISION-MAKING LEVEL 2 Strategy

#### Why

t is rare for philanthropic organisations to change their overall purpose, so the development of new strategic plans will often be the most important opportunity to consider bringing climate into the heart of what you do.

Climate change risks, impacts and solutions are having a profound effect on our society. At the very least, this is essential context to consider when setting your organisational strategy.

Foundations can and should go further by considering how they can contribute to adaptation and resilience, a just transition and/or lower emissions in the places, communities and sectors in which they work. Expert input on climate, drawing on climate philanthropy networks, consultation with relevant stakeholders, and connecting with peer foundations working in your field who may have already embarked on this journey could all be helpful (see Climate Change and Philanthropy Infrastructure: Supporting the Ecosystem to Act).

#### Who

Typically governing bodies, CEOs, leadership teams.

#### How

Explore, understand and define how climate relates to your overall purpose and explicitly include climate within your organisational strategy, as a priority area and/ or a cross-cutting theme. Consider approaches like intersectionality, multi-solving, futures thinking and foresight.

Organisations often review strategy on three-, five- or ten-year cycles, or sometimes on the appointment of a new Chair or CEO or other significant leadership change.

Organisations that have climate action within their overall purpose will naturally include it within their strategy. For all other organisations, integration will involve setting out how climate relates to their overall purpose and making a conscious decision to explicitly include climate within their organisational strategy. This could be as a priority area and/or a cross-cutting theme.

Consulting with internal and external stakeholders is vital to inform the development of effective and relevant strategy. Approaches such as <u>multi-solving</u> and <u>intersectionality</u> offer frameworks for foundations to analyse climate in a more holistic, multidimensional way, identifying the connections between climate and existing and/ or emerging priorities – whether health, education, social justice, or economic development – and supporting systemic solutions that deliver multiple benefits. <u>Foresight and futures thinking tools</u> (e.g. scenario planning and horizon scanning) allow foundation governance, staff, grantees and partners to introduce a longer-term perspective.



#### QUESTIONS TO CONSIDER FOR GOVERNING BODIES, CEOS AND LEADERSHIP TEAMS

- How will the place or the issues you are funding be affected by climate change in the next five to ten years? And in the longer term?
- What risks does this pose to your philanthropic goals and activities, or the people and organisations you are seeking to support?
- ► How can you engage with climate in a way that reflects your organisational values, and builds on your organisational assets, relationships, profile and expertise?
- What do your internal and external stakeholders expect or hope that you will do in terms of acting on climate? Where might there be reputational risks from acting, or not acting?
- ► How can you capitalise on the opportunities offered by the energy transition, new green jobs and industries, public concern about climate, or other climate action?

#### **EXAMPLES**

Since 1936, the <u>Wellcome Trust</u> has worked to improve health by supporting a broad range of science and cultural activities. Alongside its long-standing commitment to discovery research, in 2020, Wellcome identified three urgent and global health challenges – mental health, infectious disease, and climate and health – that it would seek to address through dedicated programmes. Its climate and health programme generates evidence and advocates for climate solutions that protect and improve health. In line with Wellcome's vision of a healthier future for everyone, it focuses on having the most impact in communities whose health is most affected by climate change.

The Calouste Gulbenkian Foundation works across a range of social and environmental issues and, in recent years, has strengthened its focus on environmental and climate-related causes, reflecting its commitment to intergenerational justice. In 2023, the foundation launched a new strategy focused on equality and sustainability which encompasses all of its work - its grantmaking as well as its cultural centre, museum, and science centres both in Portugal and the UK. With sustainability now at the core of the foundation's strategy, it endeavours to take a joined up and holistic approach to tackling climate change through grantmaking, internal operations and direct engagement with audiences. While the foundation has a dedicated sustainability funding stream, it is also looking at how it can meaningfully embed sustainability across its work. For example, in its work to promote arts and culture, the foundation considers sustainability both in the operation of (for example, tracking the life cycle of an exhibition and seeking to reduce its carbon footprint) and curation of its programmes.

Staying true to its mission of community-led development and building on its longstanding work to increase self-reliance and local leadership, climate is both a strategic priority and a cross-cutting theme for the Aga Khan Foundation. Acrossall thematic areas and geographies, it supports communities by enhancing their climate resilience and adaptive capacity. The foundation draws on research and expertise from across the Aga Khan Development Network and engages on climate-related issues with communities and partners in a way that is contextually relevant. The foundation takes an approach of sustained engagement and is deeply embedded within communities to ensure such climate solutions are community-driven, supported by the resources and capacity the foundation brings. For example, the foundation co-developed an organic method for rice cultivation with local farmers in Madagascar, which has improved productivity and enabled crop diversification, thereby increasing food security and incomes (up to threefold) for smallholder farmers. Reducing chemical inputs not only reduces costs for farmers, but restores soil and water quality, which in turn, leads to improved biodiversity and reduced vulnerability to extreme weather events.

# Programme creation or review

#### Why

ost philanthropic organisations devote the majority of their expenditure to programmes, so integrating climate into programmes is likely to be one of the greatest opportunities for impact. For some foundations, programmes are mainly delivered through grantmaking to non-profit organisations or other third parties, whereas other foundations directly run programmes of charitable activity themselves.

For foundations that are at an earlier stage in their climate journey, developing a programme of funding or partnership can be a great way to test the water, to start having an impact, and to learn by doing. Other foundations will wish to integrate a climate lens into existing programmes.

#### Who

Typically CEO and leadership team, programme leads, other relevant staff.

#### How

Explore ways to promote a just transition and co-benefits; incorporate climate risks; and cut emissions through the overall goals of the programme and/or how it is delivered.

The process of programme creation and review will vary between foundations. Some may have a fixed cycle to review programmes, sometimes in conjunction with strategic reviews. Others may take more flexible approaches, creating or changing programmes in response to external events or opportunities, consultation with communities, or the interests and ideas of founders, boards or staff.

Organisations with climate action in their overall purpose or strategy are likely to include it within programme design or review. However, if climate is only one factor among several strategic priorities, attention and care will be needed to ensure this integration happens in practice.

All other organisations can and should also think about how climate is relevant when designing or reviewing programmes. This can include considering opportunities to cut emissions, incorporating climate risks (e.g. to particular groups, places, buildings or systems), and/or exploring opportunities to promote a just transition and/or co-benefits. Climate can be considered in both the overall goals of the programme, and how it is delivered.

#### QUESTIONS TO CONSIDER FOR CEOS AND PROGRAMME LEADS

- Are there opportunities to establish or redesign a programme to meet climate and other philanthropic goals together, maximising the co-benefits?
- Is there a particular aspect of the climate challenge which your foundation would be well placed to address, building on your existing expertise or experience?
- Are your ideas for integrating climate based on evidence of what is needed, and have you tested them with expert advisors, potential partners and affected communities?
- What opportunities are there for using your programme to catalyse wider action, perhaps influencing governments, the private sector, other funders or citizens? This could be by proving solutions, pooling resources with others, or effective communication or advocacy.
- Are there new skills that your team needs in order to deliver your climate integration?
   This could be met through training, recruiting knowledgeable staff or drawing on advice.
- Do you need to develop new criteria or policies which will help shape individual project decisions (see next section)?
- ► How could you use monitoring, evaluation and learning to understand the climaterelated aspects of the programme and to support future programme design?

#### **EXAMPLES**

Impact on Urban Health is an independent foundation working in the South London boroughs of Lambeth and Southwark that backs ideas to make urban places healthier. It has committed to apply a climate lens across its grantmaking programmes. In 2022, Impact on Urban Health launched the Climate, Health and Community Fund to support 17 Black- and Brown-led organisations in Lambeth and Southwark working at the intersection of climate, environment and health. Using insights from the programme, Impact on Urban Health advocates for other funders, policymakers and climate campaigners to broaden their understanding of what climate activism is – and to centre voices of people from minoritised communities.

In 2023, Fondazione Cariplo, Fondazione Compagnia di San Paolo, Fondazione CRC and Fondazione CRT worked in partnership with the European Cultural Foundation to launch a "Culture of Solidarity" fund focused on the theme of just transition and environmental sustainability from an inter-regional and cultural angle. In 2023, the focus was on transnational collaborative initiatives and highlighted what "culture can do to further a just transition". Through this call, 14 art and cultural organisations received funding to engage with the complexities of Just Transition agendas in their local context in partnership with peer organisations from other regions across Europe.

Stuttgart Community Foundation launched "Supp\_Optimal - Food for All" as a response to the pandemic, when citizens in need were struggling to find warm meals. Over time, it has evolved into one of the foundation's largest programmes, dedicated to providing high-quality meals to those in need while tackling food waste – a major source of CO<sub>2</sub> emissions. All ingredients come from surplus sources, such as donations from the weekly farmers' market, and corporate volunteering teams prepare and cook the meals. In the process, volunteers gain a deeper understanding of both food poverty and the impact of food waste. The TIMA Charitable Foundation with partners, the Bodossaki Foundation, John S Latsis Public Benefit Foundation, and the Hellenic Initiative Canada launched "Net-Zero Energy Care," a programme in Greece to address the high energy demands of care homes and to set a precedent for sustainable practices in the care sector. Working in partnership with other philanthropic organisations, TIMA supported the net-zero energy conversion of the Diamantidion Care Home in Thessaloniki as a pilot to illustrate the numerous benefits of transitioning care homes to net-zero-energy buildings. The energy cost savings will be reinvested into improved services, such as hiring additional healthcare staff. This pilot's success offers robust evidence and encourages the inclusion of care homes - along with other facilities for vulnerable groups like orphaned or disabled children – in national subsidy programmes.

The Mercator Foundation strives for a society characterised by openness to the world, solidarity and equal opportunities. Since 2008, it has had a dedicated climate grantmaking programme through which it approaches climate as a cross-cutting and societal challenge. In recent years, the foundation has been increasingly considering how it can integrate climate action into its other thematic focuses (Digital Society, Europe in the World, and Participation and Cohesion). For example, the foundation's Digital Society programme highlights the relevance of digital transformation for democracy and aims to contribute to a pluralistic, informed and nuanced discourse. To achieve this, one approach is to support academia and civil society from other policy fields to take a closer look at digital transformation, particularly at the interface with the foundation's other working areas including climate action, and to communicate these connections to the outside world. This has led the foundation to support initiatives like Bits and Bäume, a community of organisations from the fields of environmental, climate, digital and development policy and science, dedicated to promoting a socially just and sustainable digital future. Additionally, to ensure that processes are as sustainable as possible, the foundation also systematically provides grantees with ecological sustainability guidelines across all of its programmes. These recommendations cover office supplies, events and travel.

# Project decisions

#### Why

oundations can bring climate thinking into dayto-day decisions when making grants or delivering programmes of activity. This is possible even in programmes that do not have any specific climate goals.

#### Who

Typically grant panels, programme or grant staff.

#### How

Factor climate into dayto-day decisions when making grants or delivering programmes of activity, particularly through your assessment processes.

In most foundations, decisions on individual projects will primarily be guided by organisational policies, such as programme plans or grant criteria. Climate considerations can be explicitly included as factors to consider. This can include encouraging and prioritising projects that are designed with energy efficiency, future resilience and sustainability in mind.

As well as having thematic priorities, most foundations also exclude certain types of grants or activity from their support or operations. Foundations could integrate climate thinking into this exclusion list, for example by not funding or designing projects that involve extensive international travel; the purchase of petrol or diesel vehicles; or the construction or renovation of buildings without suitable energy efficiency measures.

While those making resource decisions may have a lesser or greater degree of discretion, if staff and other decision-makers have a good understanding of climate change, they will be more able to develop appropriate policies, and to integrate climate thinking into individual decisions.

#### ASSESSMENT PROCESSES

Some foundations have added climate questions to their grant application or partnership processes to help integrate climate into their decision-making at the project level. As well as gathering information, this also signals that the foundation pays attention to climate when making decisions, and provides an incentive for civil society organisations to develop their understanding, policies and action on climate. However, there is also a risk that this will incentivise relatively superficial action (e.g. developing policies on paper that are not implemented).

Before adding additional requirements, foundations should consider carefully what information is useful, how it will be used, and what is reasonable and proportionate. In particular, small organisations should not be burdened with additional barriers to access funding. At the other end of the scale, large institutions, such as universities or local government bodies, can be expected to be able to demonstrate significant commitment and action on climate.

Tools like access to expert advice and additional targeted funds, discussed in the following section on support for partners, are valuable in supporting the integration of climate across partners' own work. When incorporating climate recommendations and/or requirements for their partners, foundations should be mindful to lead by example in their own internal practices.



#### QUESTIONS TO CONSIDER FOR PROGRAMME STAFF, GRANT PANELS AND OTHER ASSESSORS

- Does the project consider adaptation and resilience to current or future climate risks, particularly to vulnerable groups, places and infrastructure?
- Are there opportunities to bring new voices, audiences and insights into climate action, helping to drive a more just transition?
- Will the project create significant emissions such as from travel, events, or fossil fuel infrastructure (e.g. petrol or diesel vehicles, oil or gas heating systems)? Are there more sustainable ways that the same work could be delivered?
- Are there plans or opportunities in the project to cut emissions, sequester carbon (e.g. woodland or wetland restoration), develop low carbon infrastructure (e.g. micro renewables, improved insulation), or knowledge and skills (e.g. retrofitting, general climate literacy)?

#### **EXAMPLES**

Foundation Scotland has undertaken a number of measures to integrate climate thinking into its grantmaking processes. It provides advice and signposting for applicants to encourage them to consider how their project can be climate smart and nature friendly. It has also introduced a question into its application process: "What measures have you taken to maximise the positive environmental impacts and minimise any negative environmental elements from your project?" Applicants are not judged on their responses, but this question helps the foundation understand the state of the sector, and "nudges" applicants to consider how they can contribute to a fair and sustainable transition in Scotland. For building grants, Foundation Scotland expects applicants to have undertaken an energy assessment and considered energy efficiency in their plans.

Following a strategic review, the Flotilla Foundation's board concluded that no marine conservation efforts are effective unless they address the bigger-picture challenge of climate change. The foundation now evaluates every grant request by assessing whether: 1) The project will help protect the marine environment from the effects of climate change or will help it adapt; or 2) Whether the ocean can play a role in the mitigation of climate change as a nature-based solution.

In its programme "Daylight and Fresh Air," mainly focused on encouraging outdoor play, work and study, the <u>Villum</u> <u>Foundation</u> seeks projects that actively incorporate environmental and sustainability considerations to minimise its climate footprint. Therefore, the foundation prioritises projects that can demonstrate responsible climate choices in the overall project. Additionally, within construction and infrastructure, the foundation prioritises projects that can easily account for how they consciously work with material choices. Decisions on individual grants or projects are rarely made publicly, but here are some **hypothetical examples** of how staff can take climate into account at the project level:

► A grant panel is considering two good quality applications for a programme of international learning and exchange. One proposal is based around a large-scale physical conference, with flights from all parts of the globe. The other primarily uses virtual networking, with a small number of international placements in participating organisations. The latter will have a much lower footprint and so is prioritised. This second option is also more cost effective, more accessible to participants with disabilities and inclusive of participants who would otherwise have to travel long distances.

A foundation has a programme in its city in partnership with local businesses to help people who are leaving prison to gain skills and stable work as part of rehabilitation. In seeking out new business partners, the foundation prioritises partners in the growing green economy, including retrofitting of buildings, installation of low carbon technology such as heat pumps and solar panels, and active transport such as bicycle maintenance and repair. This makes good sense in terms of future employment prospects but also makes a contribution to reducing emissions and increasing community resilience.

#### COMPLEMENTARY DIMENSION

# Support for partners

This additional path for further climate integration can easily complement any of the four entry points described above.

#### Why

any civil society organisations would like to play their part in tackling climate change, but may face barriers in doing so. While some climate measures also save money (e.g. virtual meetings reducing travel costs, insulation reducing energy bills) there is often a need for investment. Some climate actions, particularly such as building energy efficiency measures, also need technical expertise. Foundations are well placed to provide support to their partners and grantees.

#### Who

Typically programme or grant staff, specialist grantee support staff, and/or external advisors.

#### How

Support your partners and grantees to integrate climate risks and opportunities into their work, for example through training, expert advice and additional targeted funds.

Many foundations already provide <u>organisation-</u> <u>al development support</u> to their partners and grantees over and above money, such as training, mentoring, capacity building, networking opportunities and so forth. Foundations can provide support for partners to take action on climate alongside these other supports.

#### TRAINING AND EXPERT ADVICE

Some foundations provide free or subsidised training to their grantees or partners. There are a number of well developed introductory climate training frameworks, such as <u>Climate Fresk</u> (available in multiple languages) and the <u>Carbon Literacy</u> project. More in-depth organisational development on climate, or external expert advice such as providing building energy audits can also be useful, perhaps combined with additional funding for implementation, as outlined in the next section.

<u>Fondation de France</u> is the leading philanthropy network in France, bringing together donors, volunteers and project leaders across the country, helping everyone to provide effective support to their favourite charitable cause. Climate action features indirectly but consistently in much of the foundation's approach, be it in fostering innovation to support the transition of our food systems or bringing sustainable solutions (for example, on forestry) to scale with the active support and participation of relevant stakeholders. With its "E+" initiative the foundation supports the "upskilling" of grantees who can seek out support and advice to improve their environmental impact, regardless of their field of intervention.

#### ADDITIONAL TARGETED FUNDS

Foundations can make additional resources available to their grantees and partners to support their climate action and sustainability efforts. This proves most effective when coupled with additional organisational development support and advice.

► The <u>Schöpflin Foundation</u>, committed to raising critical awareness and to building a vibrant democracy and diverse society, offers financial support for capacity building to its grantees. Over the past two years, the foundation added a specific strand on capacity building around climate. Grantees can choose where this funding is best spent depending on their needs, in conversation with the foundation.

► The <u>National Lottery Community Fund</u> piloted a Climate Action Top-Up scheme designed to encourage environmental action among its grantees in Wales. In collaboration with expert local partners, the initiative provided charities and community groups with additional funding to develop and implement environmental action plans in response to the climate emergency. The scheme specifically targeted groups not typically engaged in environmental activities, broadening participation in sustainability efforts. An evaluation of the pilot highlighted that access to reliable expert advice was just as crucial as the financial support in ensuring successful implementation.

#### CLIMATE FOOTPRINT MEASUREMENT

Measurement of greenhouse gas emissions from an organisation, programme or activity can help identify where emissions can be reduced, prioritise the most effective changes, and help make progress towards decarbonisation goals. Some larger organisations now have a legal responsibility to report their operational emissions. This public accountability is important.

However, measurement takes resources to do well, and there is a risk that it can focus attention on those things which are easier to measure, such as operations, at the expense of important but hard-to-measure areas such as building policy influence or community resilience.

Foundations can measure their own carbon footprint as a step towards understanding their impact, and to inform their priorities. For foundations, any footprint exercise should certainly include emissions associated with their endowment and assets, as well as operations.

Foundations can also support or require some or all of their grantees or partners to measure their emissions, to help those organisations make informed decisions and demonstrate progress, and potentially to inform the foundation's own footprint calculations, future strategy or decision-making. This is likely to be most appropriate for larger grantees or partners. Particular care must be taken with the administrative burden measurement involves for smaller organisations, who are likely to have small operational footprints. Some funders may choose to offset emissions associated with their programmes, though the offset market suffers from persistent problems, and philanthropic funds are likely to be better spent elsewhere.<sup>6</sup> The case study about Allianz Foundation later in this publication explores measurement more deeply.

• Kone Foundation, a Finnish funder of academic research and artistic work, assessed the carbon footprint of all of its operations, including emissions resulting from the commutes and work-related travel of Kone Foundation's grantees, residents and staff, as well as the emissions from the foundation's properties, events and acquisitions. According to the study, grantees' travel for work purposes accounted for a total of 62% of the foundation's carbon footprint. The emissions from travelling mainly came from flights. During this survey, the foundation also asked grantees for suggestions on how it can support them in reducing emissions from commuting. Many of the responses emphasised encouraging people to organise meetings online and providing funding for environmentally friendly forms of travel.

# Questions to consider when thinking about supporting grantees or partners with climate action:

- Is there any existing data or information about what support our grantees or partners are likely to want or need?
- How can we best engage our grantees or partners in a way that is relevant to them?
- Can we signpost to existing support or resources?
- Can we draw on skills or expertise from existing partners, or elsewhere in civil society networks?
- Can we learn from the experience of other similar foundations? Could we collaborate with other foundations when providing support?
- How do we check that our grantees and partners are getting the right support? How do we learn as we go along, and improve what we offer?

# HOW ARE OTHER FOUNDATIONS INTEGRATING CLIMATE?

#### **Allianz Foundation**

Beyond net zero: Embracing climate responsibility to champion justice and systemic transformation – 25

#### **Community Foundation Ireland**

Embedding climate action to ensure equality for all in thriving communities — 28

#### **Foundation S**

Integrating climate and health to champion local leadership and shape global policies — 31

#### Laudes Foundation

A systems approach to climate integration — 34

#### National Lottery Community Fund

On a journey from inspire to require: Embedding climate action into community funding — 37

# **Allianz Foundation**

Beyond Net Zero: Embracing climate responsibility to champion justice and systemic transformation

#### www.allianzfoundation.org

COU	NTR			
Germany				

TYPE Grantmaking and operating philanthropic organisation

MISSION Enabling better living conditions for the next generations

#### FOCUS AREAS

Social justice, democracy, climate, environment, culture

ANNUAL EXPENDITURE €8.6 million (2023)

democratic backsliding and social fragmentation - are

deeply interconnected and demand systemic, collective solutions. At the heart of its approach lies a belief

in the need for a new culture of solidarity; a renewed relationship between humans and nature; and a trans-

Signatory to the International Philanthropy Commitment on Climate Change since 2025

#### About the organisation

Formally launched in 2022 through the merger of its predecessor foundations, Allianz Umweltstiftung and Allianz Kulturstiftung, the new Allianz Foundation reflects a

response to the profound shifts that have taken place globally since the turn of the millennium. Its integrated mission brings together environmental protection, social justice, democratic empowerment, and cultural expression. These commitments are embodied in its three strategic priorities:

- Empowered people
- Open societies
- A liveable planet

#### Motivation and approach

An organisationwide approach to climate responsibility We knew from the start that addressing our own climate impact couldn't stop at reducing office emissions or greening our events. As a foundation, our influence extends through every euro we invest and every partner we support."

Gesa Schöneberg, Head of Climate and Environment, Allianz Foundation formation that extends beyond technological fixes.

Through the activities in its "liveable planet" strategic pillar, the foundation advocates for bold, inclusive and imaginative responses to the narrowing window for preventing catastrophic climate change. The foundation seeks to transformative support climate protection efforts, championing initiatives that not only reduce emissions but also address the structural inequalities that can undermine a fair and equitable transition. The foundation combines support for legislative and policy engagement with investment in creative ex-

The Allianz Foundation's approach to climate action in its grantmaking is rooted in the understanding that the world's most pressing challenges – such as the climate crisis, loss of biodiversity, rising nationalism,

pression, biodiversity protection and grass-roots empowerment, underscoring the belief that meaningful climate action must be both systemic and socially integrated.

#### Allianz Foundation's Climate Responsibility Strategy: Beyond Net Zero

In 2024, the Allianz Foundation took a decisive step towards full organisational accountability on climate by developing a comprehensive Climate Responsibility Strategy, titled "<u>Beyond Net Zero</u>." This strategy, separate from its climate-focused grantmaking, aims to embed climate considerations across all decision-making processes.

At the core of the strategy is a commitment to full transparency in measuring and reporting greenhouse gas emissions, and a clear emphasis on actively reducing emissions across the foundation's operational, programmatic and investment activities. The foundation explic-

itly rejects conventional carbon offsetting, citing strong evidence that it often fails to deliver meaningful reductions and risks delaying essential cuts in actual emissions. Instead, it adopts a "climate contributions" approach – making direct, measurable contributions to global climate goals, as outlined in guidance from the NewClimate Institute.

Though still in the early stages of implementation, the foundation has laid out an ambitious 5-step plan to be tested in a 2-year pilot phase and completed by the end of 2026. This strategy is intended not only as a roadmap for Allianz Foundation itself, but also as a model for other foundations and partner organisations: Foundation is focusing not on numerical climate neutrality, but on climate responsibility. In this way, we want to make our best possible contribution to achieving both global net zero and the sustainability goals in a way that is transparent and in line with the goals of the Paris Climate Agreement and the 2030 Agenda."

Allianz Foundation's Climate Responsibility Strategy: Beyond Net Zero

(Scope 3), including investments. The foundation has no Scope 1 emissions. Work is ongoing to include emissions from the foundation's programmes, with efforts focused on enabling partner organisations to measure and report their own impacts efficiently. By prioritising the main drivers of emissions from its operations – such as travel and events – the foundation aims to capture most Scope 3 emissions linked to its funding activities.

#### **STEP 2** — AVOID AND REDUCE EMISSIONS AS FAR AS POSSIBLE

Allianz Foundation has developed annual action plans that target operational emissions including energy use, travel and procurement. For a grantmaking foundation with substantial endowment assets, investments ac-

> count for the vast majority of emissions, potentially undermining other funding objectives. Mitigating the climate impact of capital is both a significant challenge and a tremendous opportunity for real climate impact. Therefore, the foundation is reviewing its investment portfolio to shift more capital towards impact investments that drive ecological and social change. Grant partners are also encouraged to incorporate emission reduction goals into their work, helping to build a broader culture of climate responsibility.

**STEP 3** — APPLY AN INTERNAL CARBON FEE ON ONGOING EMISSIONS TO REFLECT THE TRUE COST OF CLIMATE DAMAGE

# **STEP 1** — UNDERSTAND THE FOUNDATION'S FULL CLIMATE IMPACT

The foundation has already made good progress in this area. Each year, it calculates its greenhouse gas emissions in line with the globally recognised <u>GHG Protocol</u>, covering indirect emissions from purchased energy (Scope 2), and indirect emissions across the value chain

In 2023, the foundation set this fee at  $\in$ 254 per ton of CO<sub>2</sub>, based on the latest scientific assessments from the German Environment Agency. This internal price is reviewed and updated annually, serving as a financial incentive to reduce emissions and a tool to reinforce climate accountability within the organisation.

#### **STEP 4** — USE INTERNAL CARBON FEE FUNDS TO SUPPORT PROJECTS THAT DELIVER DEEP, SYSTEMIC CHANGE

With its carbon fees, the foundation focuses on areas that are often underfunded, such as policy advocacy, behavioural change, innovation and long-term transformation. The third and fourth steps shape the concept that is commonly referred to as "climate contributions". A

key challenge – currently explored through the Coalition for Climate Responsibility, co-initiated with the <u>NewClimate Institute</u> – is how to ensure that these climate contributions are "additional" and clearly distinct from the foundation's existing climate grantmaking.

#### **STEP 5** — SHARE PROGRESS TRANSPARENTLY AND FOSTER OPEN DIALOGUE

The foundation will publish an annual climate report detailing its emissions, internal carbon fees and use of funds.

#### Success factors

This strategy is about owning that responsibility – not through offsets, but through real, systemic change. It's our way of aligning what we stand for with how we operate, and we hope it encourages others in the sector to do the same."

Gesa Schöneberg, Head of Climate and Environment, Allianz Foundation

To support further implementation and encourage other organisations to adopt this model, the Allianz Foundation set up the Coalition for Climate Responsibility with the NewClimate Institute. Experts are examining the challenges of implementation in more detail – especially for foundations – and developing support and guidance. The project includes dialogue formats with experts from other organisations, foundations and civil society

organisations.

#### Motivated core team, supportive stakeholders

To implement the necessary steps in its ambitious Climate Responsibility Strategy, the foundation must involve all relevant stakeholders. This is the only way that the foundation can implement the strategy robustly and coherently, and communicate it credibly to the outside world.

#### Aiming for transparency and sector leadership

Transparency is a core ambition of the strategy. The foundation plans to publish an annual climate report

While still at the beginning of its journey, Allianz Foundation is aiming for rigour, ambition, impact and accountability by adopting the following principles in the implementation of its Climate Responsibility Strategy:

# Pioneering an alternative model with experts, partners and peers

The Allianz Foundation's climate responsibility strategy is based on the "Climate Contribution" model, developed by a number of organisations, including the NewClimate Institute, as an alternative to carbon offsetting. The institute has already done extensive work to promote the concept across different sectors. that discloses its emissions data, explains the use of the internal carbon fee, tracks how climate contribution funds are allocated, and shares the lessons learned along the way. Beyond accountability, the foundation seeks to lead by example, sharing its model and its learnings to encourage more foundations to take up climate responsibility in an impactful and measurable way.

#### Resources

- Allianz Foundation, <u>Beyond Net Zero:</u> Climate Responsibility Strategy
- NewClimate Institute, <u>A Guide to Climate</u> <u>Contributions: Taking Responsibility</u> for Emissions Without Offsetting
- www.climateresponsibility.org (available from October 2025)

# **Community Foundation Ireland**

Embedding climate action to ensure equality for all in thriving communities

#### www.communityfoundation.ie

COUNTRY Ireland

Grantmaking foundation Equality for all in thriving communities

#### FOCUS AREAS

Sustainable futures, inclusive communities, empowering generations

ANNUAL EXPENDITURE €23 million (2023)

Signatory to the International Philanthropy Commitment on Climate Change since 2021

#### About the organisation

As a philanthropic hub with 5,000 voluntary, community and charitable partners, Community Foundation Ireland understands that its mission of "Equality for all in thriv-

ing communities" cannot be achieved without addressing the climate crisis. Climate change and its impacts are threat multipliers for vulnerable populations in Ireland, such as senior citizens, migrant communities and low-income families.

Thriving communities require clean air, warm homes and accessible green spaces while ensuring that development remains within planetary boundaries. By embedding climate considerations into much of its  $\leq$ 23 million annual grantmaking, the foundation ensures that climate justice and social justice go hand in hand.

Its partnerships respond to both immediate community needs and long-term sysWe realise that the climate and nature crisis forms the backdrop and is the landscape in which all our other work with 5,000 voluntary, community and charitable partners takes place. To put it simply, the equality we all strive for cannot be achieved without addressing this crisis."

> Denise Charlton, CEO, Community Foundation Ireland

temic change, ensuring that efforts to break intergenerational cycles of inequality are sustainable.

#### **Motivation and approach**

In line with its mission, Community Foundation Ireland views climate change as a fundamental equality issue. The foundation recognises that many marginalised

> consumption patterns often contribute the least to Ireland's CO2 emissions are often most affected by its consequences. Ensuring clean air, warm homes and access to green spaces is central to the foundation's vision of thriving communities, and addressing climate justice is essential to achieving long-term social equity.
>  Community Foundation

Community Foundation Ireland takes a dual approach to tackling the climate crisis: immediate action to support vulnerable communities and systemic change through advocacy, research, and policy interventions. Direct climate and nature grantmaking fall under the foundation's "Sustainable Futures" programme, one of

community groups whose

four pillars which support the overall equality mission. By embedding climate considerations more broadly across its annual grantmaking, the foundation ensures that a large part of its funded initiatives, even those that fall under the other thematic pillars, also contribute to the vision of a sustainable and just Ireland.

# An integrated approach to funding climate

The foundation is a national leader in promoting the circular economy, funding initiatives that move away from a throwaway society – from ending fast fashion to giving old furniture new life to developing carbon-neutral areas. The circular economy projects supported by the foundation not only generate tangible climate benefits but also provide economic opportunities, shared wealth and job opportunities for disadvantaged communities.

Additionally, Community Foundation Ireland has become a strategic partner for climate advocacy, working with leading organisations to hold the Irish Government accountable for its climate policies. In collaboration with Friends of the Earth, the foundation supports an annual report card that tracks the government's progress on climate commitments, highlighting delays and shortfalls.

Community Law & Mediation's Centre for Environmental Justice is a key partner in the foundation's efforts to integrate climate justice into its broader mission of social equity. The centre provides legal support, advocacy and education to individuals and communities facing environmental injustices, ensuring that vulnerable populations have access to legal remedies and policy influence in climate-related matters.

# Integrating climate into the foundation's work with marginalised communities

As Ireland's community foundation, serving communities is at the heart of the foundation's work. Community Foundation Ireland integrates climate considerations into its work with vulnerable communities across Ireland, ensuring that environmental action supports social equity, resilience and long-term well-being.

#### EMPOWERING GENERATIONS AROUND CLIMATE CHANGE

Older populations are particularly vulnerable to climate-related challenges, from poorly insulated homes and rising energy costs to the health risks posed by extreme weather. In response, Community Foundation Ireland partnered with Alone, a charity supporting older people, to fund home retrofitting and energy efficiency improvements. By creating warmer and more comfortable living spaces, the initiative reduces energy consumption, lowers household bills, and improves respiratory health by addressing damp and cold-related illnesses. While these measures may not be perceived as explicitly climate-driven, they effectively cut emissions while enhancing quality of life for senior citizens.

At the same time, the foundation invests in climate education and youth engagement, ensuring that younger generations are empowered to act. The foundation supports climate literacy programmes in schools, providing students with the knowledge and tools they need to understand environmental challenges. It also funds climate action workshops that encourage young people to develop local solutions and advocate for sustainability. In addition, the foundation supports climate activism by young people, offering practical support for future community leaders on climate.

#### MIGRANT COMMUNITIES AND CLIMATE RESILIENCE

Migrant communities often face economic instability and are over-represented in low-paid, high-carbon industries. Community Foundation Ireland takes a progressive approach by supporting projects that create sustainable employment while addressing climate challenges. One such initiative is the Great Care Coop, a cooperatively managed home care service owned and operated by migrant women. By investing in the care economy, which is inherently low-carbon, the foundation promotes a model of fair, sustainable job creation. The initiative provides stable and dignified employment; offers an alternative to exploitative, high-carbon industries; and fosters a community-driven, cooperative business model that aligns economic opportunity with climate-conscious development.

#### LOW-INCOME FAMILIES AND CLIMATE EQUITY

Ireland's high proportion of poorly insulated homes leaves many low-income families struggling with energy poverty, forcing them to spend more on heating while living in unhealthy conditions. Community Foundation Ireland addresses this issue by funding retrofit projects that improve home insulation and energy efficiency, helping to lower energy consumption, reduce carbon footprints, and create healthier indoor environments. By easing the financial strain of high energy costs, these initiatives enhance both household well-being and environmental sustainability. Ensuring clean

air, warm homes

and access to green

spaces is central to the

foundation's vision of

thriving communities,

and addressing climate

iustice is essential to

achieving long-term

social equity.

Beyond housing, the foundation also tackles food insecurity and waste through its support of FoodCloud, a social enterprise that redistributes surplus food to charities and community groups. By preventing food waste, this initiative reduces greenhouse gas emissions while ensuring that nutritious food reaches those who need it most.

#### Success factors

# Strategic support for climate awareness among donors

Up to 20% of the foundation's expenditure comes from its own funds. The rest comes from donor-advised funds which often have their own grantmaking programmes but can be aligned with foundation's the priority programmes. Community Foundation Ireland is working actively to support donor interest in climate solutions, resulting in a significant increase in donations for the Sustainable Futures Pillar, which now accounts for 15% of the foundation's grant-

making. In June 2024, the foundation hosted "Invest in our Planet", a climate-themed donor convening that brought together philanthropists to exchange insights and explore strategies for addressing the climate crisis. The event featured a special message from global climate champion and former President of Ireland Mary <u>Robinson</u> in which she highlighted the important role of climate philanthropy. To further connect donors with climate-focused projects, the foundation developed an opportunity booklet, inviting 50 applicants to submit ideas for potential funding.

#### **Climate and Biodiversity Advisory Panel**

A key success factor in the foundation's climate strategy is the establishment of the Climate and Biodiversity Advisory Panel in 2022. This group includes researchers, activists, grantee representatives and the foundation's CEO and Director of Grants. The panel plays a crucial role in identifying emerging trends, challenges and opportunities in climate action, advising on policies, technologies and best practices, and strengthening partnerships and collaborations in the climate sector. The overall mandate of the panel is to advise Community Foundation Ireland on how to effectively contribute to the achievement of Ireland's national climate goals and commitments.

# Fostering an internal culture of learning and development

Community Foundation Ireland prioritises learning and development to ensure that climate action is deep-

ly embedded across the organisation. By fostering climate literacy among staff, the foundation strengthens its ability to make informed, impactful decisions. A mix of structured and non-structured learning approaches has been implemented, including carbon literacy training and mandatory participation in donor and grantee convenings to deepen understanding of climate-related challenges and solutions. To assess and refine its own practices, Community Foundation Ireland conducted a peer re-

view with Foundation Scotland. This process highlighted the need to define success metrics and deliverables, with ongoing learning and development identified as key to enhancing climate integration within the foundation's operations.

#### Resources

Community Foundation Ireland:

- Climate philanthropy message by global climate champion and former
   President of Ireland Mary Robinson
- Invest In Our Planet: We Make Climate
   Philanthropy Happen, Video Case Study
- Investing in Our Planet: An analysis of climate and biodiversity grantmaking
- Philanthropy Promoting Nature: Video Case Study
- Protecting Ireland's Dark Sky: Video Case Study
- Protecting Ireland's Natural Heritage: Video Case Study

# **Foundation S**

#### Integrating climate and health to champion local leadership and shape global policies

#### www.foundation-s.sanofi.com

COUNTRY	TYPE	MISSION
France	Grantmaking and operating philanthropic organisation	To catalyse collective philanthropic action to exten access to medicine, strengthen community health capabilities, and empower healthcare workers – building healthier futures for generations to come
		FOCUS AREAS
		Healthcare, rare diseases, childhood cancer, aid, climate action, community resilience

#### Signatory to the Coalition Française des Fondations pour le Climat since 2022

#### About the organisation

Foundation S was launched in 2022 by the global healthcare company Sanofi with the aim of creating a healthier future for underserved communities. The foundation takes a bold "think-and-do" approach to address some of the biggest global health crises. Given the scale of these

#### **Motivation and approach**

Climate change represents one of the biggest current and future threats to under-resourced communities in low- and middle-income countries, which Foundation S seeks to serve through its work. In many of these countries, the impacts of global warming threaten the pro-

challenges, the foundation aims to catalyse collective action and work alongside local and global stakeholders to identify innovative solutions and, crucially, to translate those solutions into lasting, real-world impact. It structures its work around three missions:

- Increasing access to medicine
- 2. Strengthening health capabilities
- Empowering healthcare workers

Our foundation is dedicated to serving underresourced communities by expanding access to life-saving medicine and strengthening the resilience of health systems – because in low- and middle-income countries, climate change lies at the heart of the greatest threats to people's health."

> Daouda Diouf, Head of Climate Action and Health Resilience, Foundation S

vision, accessibility and availability of essential health services, especially for disadvantaged populations. According to the WHO, between 2030 and 2050 climate change is expected to cause approximately 250,000 additional deaths per year from malnutrition, malaria, diarrhoea and heat stress. It is also expected to impose a financial burden of \$1.1 trillion on health systems by mid-century. In 2023, Foundation S pledged €40 million by 2030 to locally led adaptation and health resilience programmes for communities impacted by climate change.

end :h While climate action is a distinct area of focus for the foundation, it is also deeply interconnected with its broader mission and other programmatic priorities. For example, most health and humanitarian crises in low-and middle-income countries are caused by extreme weather events exacerbated by climate change.

and catalysing innovation, Foundation S pursues climate change resilience objectives while supporting vulnerable populations in a more holistic and comprehensive way, empowering local communities and their resilience.

The foundation works in partnership with local actors to deliver solutions that are context-specific and cross-cut-

The health impacts from climate change vary significantly across geographies and are experienced differently depending on the unique characteristics of different local communities. Local actors have the best knowledge and a direct appreciation of what is changing, and the specific climate-related health risks that impact them. Far from passively enduring the effects of climate change, local communities demonstrate a remarkable capacity for innovation and resilience, thereby developing and implementing solutions adapted to their specific realities at family, community and territorial levels. By building on communities' own resources, local solutions can be sustained over time and scaled up, thus amplify-

As Foundation S, defining our priorities begins with truly listening to the communities we serve and organisations working for them. It means aligning our support with their needs, learning from their lived experiences and remarkable creativity, and backing the innovative solutions they're already developing to tackle the impacts of climate change on health."

> Daouda Diouf, Head of Climate Action and Health Resilience, Foundation S

ting, ranging from building the capacity of local community health workers to respond to climate-driven health challenges, to supporting early warning systems and community preparedness to predict outbreaks and surges of climate-sensitive diseases, to enabling smart agriculture food security. In 2024, the foundation included women-centred climate adaptation and resilience among its priorities in recognition of the fact that marginalised groups - including women and girls - often face disproportionate climate-related health risks, and more limited access to resources, economic opportunities and decision-making processes, and yet are often leading

ing their impact on climate change resilience. As such, Foundation S champions locally led adaptation across its climate and health programme to create and scale-up sustainable and resilient impact.

#### Bridging action and insight: A thinkand-do approach to climate and health

As a "think-and-do tank," Foundation S connects community insights with global expertise to both inform policy and implement real-world solutions – ensuring that climate and health are addressed in an integrated, evidence-based way. Aware that philanthropy's greatest strength is its strategic ability to act by breaking silos climate adaptations and health resilience efforts within their communities.

Through its think tank, Collective MindS Climate x Health Council, Foundation S convenes experts from industry, academia, civil society, philanthropy and government. Given the urgency of climate action, the foundation has a particular focus on unlocking more climate and health catalytic finance for local adaptation. Incorporating local knowledge, evidence and science is key to ensuring the sustainability of the solutions implemented in countries in need and at various levels.

# Influencing systems through research, collaborations and advocacy

Through the combination of hands-on support for locally led initiatives and cutting-edge research on global health challenges, the foundation is uniquely positioned to influence global policymakers and advocate for placing health at the centre of climate action. This think-and-do approach, particularly the evidence gathered by the foundation, strengthens the case for significantly increasing funding at the climate-health nexus in ways that prioritise locally led adaptation. Because the impacts of climate change cut across sectors, pol-

icymakers must move beyond traditional siloed interventions. Encouragingly, in recent years, momentum is growing: Recent global milestones, such as Health Day at COP28 and COP29, reflect increasing policy recognition of the links between climate and health.

With less than 5% of climate-related corporate philanthropy funding allocated to health, Foundation S aims to leverage the agile and innovative nature of philanthropic capital. Given the current context of resource scarcity, the most effective approach is to prioritise greater investment in financing mechanisms and co-funding partnerShaping international policy is key to driving transformative change, but it must centre the voices of those most affected to truly make an impact."

Daouda Diouf, Head of Climate Action and Health Resilience, Foundation S

on larger, local NGOs to act as regional accelerators to provide technical assistance and to document the most significant outcomes and successes. By enabling local communities to drive change, Foundation S ensures the long-term sustainability of its work.

#### Combining implementation support, research development and policy advocacy

The foundation's hands-on support for context-specific responses that work for under-resourced communities is key to allowing it to put forwards proven solutions which inform its research and guide its policy engagement.

> This knowledge demonstrates the transformative shifts that policy change and investment can create and supports policymakers to prioritise climate and health.

# Partnering up for greater impact

Given the systemic and cross-sectoral shifts which its vision requires, Foundation S joins forces on critical challenges with like-minded philanthropic, public and private actors including other health and climate funders; Agence Française de Development; Grand Challenges Network; the One Sustainable

ships with global stakeholders and the private sector that are catalytic and tailored to local contexts, capacities and needs. This is why Foundation S committed to launching the Climate x Health Catalytic Fund. Co-financed with the Gates Foundation and implemented by the Global Fund, this \$50 million initiative provides adapted support to countries and vulnerable communities to tackle the health impacts of climate change while building climate-resilient health systems.

#### Success factors

# Locally led adaptation as a guiding principle

The foundation centres the experience and knowledge of local communities across its work – from its funding portfolio to its policy advocacy work. The foundation's climate and health portfolio spans 26 countries and it relies Health Forum; and the Galien Forum. Joined-up, public-private-philanthropic partnership is key for creating lasting impact and continuing to break down silos.

#### Resources

Foundation S:

- From risk to resilience: Unlocking climate and health finance for local health adaptation
- Resourcing climate and health priorities: Mapping of international finance flows 2018-2022
- Time to adapt: Accelerating climate adaptation for health equity

# **Laudes Foundation**

#### A systems approach to climate integration

#### www.laudesfoundation.org

#### COUNTRY

Switzerland (with offices in the UK, the Netherlands, Bangladesh and India)



#### ΤΥΡΕ

Grantmaking philanthropic organisation

#### MISSION

To support brave action to inspire and challenge industry to transition to a green, fair and inclusive economy

#### FOCUS AREAS

Built environment; fashion; finance and capital markets; food and agriculture; labour rights; narratives

#### ANNUAL EXPENDITURE €74 million (2024)

Signatory to the International Philanthropy Commitment on Climate Change since 2021

#### About the organisation

Laudes Foundation was launched in 2020 by the Brenninkmeijer family and builds on 200 years of entrepreneurial and philanthropic efforts. It seeks to address climate change, biodiversity loss and inequality by driving systemic change across high-emitting industries – fashion, food, the built environment and finance. Its mission to foster a green, fair and inclusive economy is amplified by supporting innovation and working with partners to create positive systems change.

Rooted in the belief that markets alone cannot deliver positive outcomes for climate, nature and society, the foundation challenges and inspires industry to harness its power for good by leveraging financial systems, fostering cultural shifts, and supporting innovation. The foundation goes beyond traditional grantmaking, using the catalytic power of philanthropy to unite businesses, policymakers, investors and civil society in enduring partnerships that drive long-term systems change.

#### **Motivation and approach**

The idea behind the foundation's <u>Theory of Change</u> is that if key actors in the economic system are incentivised to "think about climate when making decisions" – like supporting stronger pro-climate laws, running more responsible businesses, investing in more climate-aligned ways, all while giving workers and communities a real voice – industries can shift to become more sustainable and just for everyone. The foundation focuses on industries that are responsible for considerable contributions We focus our funding on those brave and bold partners working to accelerate just transitions in each of the industries we target. And in doing so, we continue to pull those systemic levers which we think can bring about the deepest change. This means supporting partners who can spark innovation, advocate for policy change, spur collective action, or shape a powerful narrative."

Leslie Johnston, CEO, Laudes Foundation

to global emissions, and works from the assumption that even small changes in practices and processes within these industries can have significant ripple effects across the broader economic system.

Another key element of the foundation's approach is to invest in the social sector infrastructure that holds everything together. As part of its commitment to investing in infrastructure and contributing to "moving the needle" on climate in the philanthropy sector, Laudes Foundation contributes financially to the development of the global <u>Philanthropy for Climate</u> movement, acting as one of the first anchor funders to help others commit to climate action and stay accountable.

#### Fashioning a climate-positive future: Laudes Foundation's strategy for the textile industry

The global fashion industry employs over 60 million workers and touches the lives of more than 100 million smallholder farmers. While it provides critical livelihoods across the globe, it also carries a significant environmental and social burden. Fashion is responsible for an estimated 8-10% of global carbon emissions – more than the emissions from international aviation and shipping combined. The sector consumes 1.35% of the world's oil, contributes to the logging of over 200 million trees each year, and produces around 92 million tonnes of textile waste annually. Approximately 60% of these emissions originate from material production and processing along the supply chain. These figures underscore the urgent need for a shift away from the linear take-make-waste model in fashion, not only to reduce environmental harm but to ensure a just and inclusive transition for the millions working across global supply chains.

Laudes Foundation's approach to encouraging change in the fashion industry shows what it takes to start shifting a complex, global system – by focusing on the decisions that matter most. From what is grown and how, to which innovations get scaled, to who has a seat at the table in shaping the rules – their work is about getting climate and equity onto the agenda at every critical decision point.

At the source of the industry – its raw materials – Laudes Foundation is helping to shift fashion away from extractive models and towards regenerative ones in the case of natural fibres, and to innovation-led models when it comes to human-made fibres. For example, the foundation is investing in the development and scaling of next-generation and circular materials to address fashion's deep reliance on fossil-fuel-based fibres such as polyester and viscose. Through place-based, landscape-level interventions, the foundation fosters inclusive, participatory and regenerative agricultural ecosystems. These models support both environmental regeneration and improved social outcomes by organising producers, enhancing their market access, and promoting long-term resilience in the face of climate risks. Through its cross-cutting work on labour rights, the foundation also focuses on increasing the inclusion, agency and accountability for workers and communities impacted by the transition.

A cornerstone of Laudes Foundation's strategy is <u>Fashion</u> for Good, a collaborative innovation platform incubated by the foundation. Fashion for Good brings together over 20 major fashion brands and manufacturers in a pre-competitive space to test, validate and support the scale of sustainable innovations. Representing around 12% of the global industry, these partners collaborate to test and adopt new technologies that support circular and regenerative production. To date, the platform has supported nearly 200 innovators and helped unlock over €2 billion in financing, accelerating the commercialisation of sustainable solutions across the value chain.

Through its cross-cutting work on labour rights, the foundation has also focused on increasing the inclusion, agency and accountability for workers and communities impacted by the transition. In 2022, its partners supported the launch of Bangladesh's first-ever social insurance initiative, the Employment Injury Scheme, developed in partnership with the International Labour Organization, GIZ and the Bangladeshi government. Meanwhile, grassroots partner Awaj Foundation established the Ready-Made Garment Workers' Forum, empowering over 300 worker representatives to negotiate collective bargaining agreements that now cover more than 15,000 workers. The forum aspires to become a unified national voice for garment workers, akin in influence to the country's manufacturers' association.

#### Redesigning the future: Laudes Foundation's strategy for the built environment

The built environment is responsible for nearly 40% of global carbon emissions. Much of these emissions are embedded in the materials used to construct buildings, such as cement, steel and glass, which are highly energy-intensive to produce. Add to that the carbon from energy use over a building's lifetime and the waste produced through demolition, and it's clear that construction plays a central role in the climate crisis. With the global urban population expected to double by 2050, transforming how we build is an urgent imperative.

Laudes Foundation is working to make this transformation both climate-positive and socially inclusive. Central to its strategy is reducing carbon emissions over the whole life of a building – from construction to ongoing use. To support this, the foundation is investing in the uptake of regenerative nature-based materials such as timber and promoting circular economy approaches that prioritise the reuse of materials. Through <u>Built by Nature</u>, a network and grantmaking fund established by the foundation and now co-funded by the IKEA Foundation and LTPP Foundation, Laudes Foundation is helping to accelerate the timber building movement in Europe, with the goal of storing carbon safely in buildings and promoting forest regeneration.

Alongside material innovation, the foundation is advancing policy change to embed these practices into mainstream regulation. Its partners have influenced significant developments in the EU's Energy Performance of Buildings Directive, which now contains a world first – with all EU countries set to introduce whole life carbon assessments and carbon limits for all new buildings. The foundation supports initiatives like the Carbon Risk Real Estate Monitor (CRREM), now used by asset managers overseeing more than €6 trillion in assets. CRREM provides clear, science-based decarbonisation pathways for the real estate sector and is being integrated with the Science Based Targets Initiative to support globally consistent climate standards for real estate.

But addressing carbon emissions alone isn't enough. As in its work on the fashion industry, Laudes Foundation prioritises ensuring that the transition across the built environment is fair and benefits those most affected. Since 2021, the foundation has supported the Institute for Human Rights and Business (IHRB) to shift the narrative from carbon reduction to placing people at the heart of the green transition at COP27, COP28 and COP29. This institute became the first human rights organisation in the Global Alliance for Buildings and Construction (GlobalABC), and its Dignity by Design Framework is at the core of publications like GlobalABC's Buildings Materials and the Climate: Constructing a New Future to ensure decent labour conditions, affordable housing and the inclusion of residents, and to ensure that workers are embedded in the sector's decarbonisation roadmap. Through these efforts, Laudes Foundation is helping to reimagine the role of buildings as regenerative and inclusive spaces that serve both people and planet by embedding climate and equity into the decisions that shape the environments we inhabit every day.

#### Success factors

#### Centring a just transition approach

For Laudes Foundation, human dignity is core to meaningful climate action. Its strategy reflects a clear

commitment to ensuring that those most affected by industry change, such as workers, producers and residents, are not only protected but empowered and participating in decision-making. This is demonstrated through the foundation's support for the Employment Injury Scheme, the Ready-Made Garment Workers' Forum and the Institute for Human Rights and Business. The foundation understands that without a focus on equity, the climate transition risks deepening existing inequalities.

#### Measuring systems change

Traditional metrics often fall short when it comes to capturing the complexity of systems change. Laudes Foundation has adopted a rubrics-based approach to learning which tries to capture whether the system is moving in the right direction and how its work has contributed to that shift - one that embraces nuance, context and contribution rather than simplistic measures of attribution and KPIs. Rather than asking whether a specific grant "caused" a specific outcome, the foundation asks whether the system is moving in the right direction and how its work has contributed to that shift. The insights are gathered and interpreted annually, drawing on grantee reports, internal reflections and external data. The result is a learning process that supports strategy adaptation in real time, encourages honest reflection, and helps everyone involved stay focused on meaningful progress towards a fairer, greener economy.

#### Investing in infrastructure

Laudes Foundation recognises that real change doesn't happen in isolation: A key pillar of its strategy is to invest in the "invisible infrastructure" of change – organisations that support collaboration, build knowledge and help others do their work better. These groups may not always be in the spotlight or deliver immediate and measurable "results", but they are essential for developing momentum, coordinating action and creating accountability. From supporting the Philanthropy for Climate movement to seeding platforms like Fashion for Good and Built by Nature, the foundation has consistently played the role of a field builder. In doing so, the foundation is helping to strengthen the backbone of the wider movement for a just transition.

#### Resources

- Laudes Foundation, <u>Theory of Change</u>
- Laudes Foundation, Wallace Foundation, Ford Foundation, Climate Horizons, <u>Mapping trends</u> analysis on just transition initiatives

### **National Lottery Community Fund**

On a journey from inspire to require: Embedding climate action into community funding

#### www.tnlcommunityfund.org.uk

COUNTRY
United Kingdom

TYPE Grantmaking philanthropic organisation (nondepartmental public body)

MISSION To deliver social and environmental benefits across the UK

#### FOCUS AREAS

Communities; children and young people; health; environment

ANNUAL EXPENDITURE €862 million (2023-2024)

Signatory to the UK Funder Commitment on Climate Change since 2023

#### About the organisation

The National Lottery Community Fund aims to deliver social and environmental benefits across the UK, funded by National Lottery players. While tackling the climate crisis is not formally incorporated into the fund's broad

purpose, in recent years it has increasingly integrated this dimension into its work.

#### Motivation and approach

In 2022, under new executive leadership, the National Lottery Community Fund launched a strategic renewal to shape its direction through 2030, engaging over 18,000 organisations and individuals. This process resulted in four community-led missions for the fund, all shaped by strong public input, to address key societal challenges facing communities in the UK. My advice to funders: Map out how the climate crisis is impacted by and impacting on all of the other social, cultural, environmental elements you are funding and your purpose statement – invariably it will."

Nick Gardner, Former Head of Climate Action, National Lottery Community Fund

broader environmental issues and access to nature, this mission envisions communities that positively impact the climate, and are prepared for and able to adapt to the effects of global warming. The fund sees its missions as interconnected and has <u>documented how the overarch-ing outcomes of each mission overlap</u>.

To realise its environmental sustainability mission, the National Lottery Community Fund developed the following strategic goals which are included in the fund's Environmental Plan 2023-2030:

- Being a world class environmental funder.
- Improving the environmental impact of the voluntary and community sector.
- Becoming an exemplar in managing the fund's own environmental impact.
- **4.** Demonstrating influence and leadership.

One of the fund's four missions focuses on making communities environmentally sustainable. While sustainability extends beyond climate action to include The National Lottery Community Fund became a signatory to the UK Funder Commitment on Climate Change in 2023, signalling the organisational importance of climate action.

#### Integration into the fund's programmes

The fund has taken bold steps to embed climate action into its funding strategies, recognising that environmental sustainability is fundamental to community resilience. The fund's commitment to climate action is realised through two core approaches: (1) embedding environmental and climate considerations across all its funding, and (2) improving the environmental impact of the voluntary sector as a whole.

#### 1. EMBEDDING ENVIRONMENTAL AND CLIMATE CONSIDERATIONS ACROSS PROGRAMMES

Recognising the urgency of the climate crisis, the fund has made sustainability and climate action a key priority across its five funding portfolios, embedding climate and sustainability considerations through both targeted initiatives and responsive funding approaches. Furthermore, by 2027, it aims to have at least 15% of the fund's grantmaking go to projects that have environmental sustainability as their primary aim.

One important initiative in this direction was the launch of the Climate Action Fund in 2019, a £100 million investment over 10 years supporting community-led projects that address the intersection of climate and nature. This flagship proClimate change is considered the 'most pervasive threat to the natural environment and societies the world has ever experienced' (UN, 2022). While many environmental challenges are global, there is huge potential for UK communities to make a difference locally."

The National Lottery Community Fund Strategy 2023-2030

their buildings via the Sustainable Community Buildings Programme, whereas in Scotland, the emphasis is on supporting urban and rural communities to become more resilient and sustainable through the ownership and management of land and land assets. Across these programmes, the fund emphasises the co-benefits of climate action, highlighting positive impacts on energy efficiency, economic resilience, health and well-being.

Further cross-cutting targets to achieve the sustainability mission include empowering funding teams, panels and committees through a structured offer of training and resources to make confident funding decisions based on a clear understanding of key environmental issues.

> In addition, the fund has set the goals of better understanding the impact of the environmental projects they finance and showing how they impact on other social indicators.

#### 2. IMPROVING THE ENVIRONMENTAL IMPACT OF THE VOLUNTARY SECTOR AS A WHOLE

The fund recognises that funding climate-friendly projects alone is not enough: Systemic change requires improving the environmental impact of the voluntary and community sector as a whole. As the UK's largest funder of community activities, the National Lottery Community Fund is leveraging its position to build a more environmentally re-

gramme aims to showcase best practice and inspire and influence the building of a wider community-led movement to respond to climate change. Over £100 million had already been committed by March 2025, meaning that the original commitment will have been significantly exceeded by the end of the 10-year period.

The fund also runs environmental programmes in each of the four countries of the UK – England, Scotland, Wales and Northern Ireland – through its country portfolios. For example, in Northern Ireland, funding is focused on supporting communities to ensure the sustainability of generative future. This involves acknowledging both the direct and indirect environmental impacts of its funding; supporting applicants and grant holders in strengthening their sustainability commitments; and providing broader sector-wide support beyond grantmaking.

To drive this shift, the fund has launched several successful initiatives aimed at embedding climate action across its funding portfolios. Pilots that combine access to expert advice and a commitment of financial resources – such as its Climate Action Top-Ups (see example in the "Support for partners" section), Climate Action Boost in Wales, and Environmental Top-Ups in Northern Ireland – have encouraged grant holders to integrate sustainability into their projects. In 2021, the fund introduced the Climate Action Hub, a subsection of its website, providing funding information, insights and the latest sector news on environmental action through which it offers environmental guidance; practical strategies for reducing energy costs and ecological footprints; and tailored

We'll embed support for environmental action across all funding, including supporting all projects to consider the environment even when this isn't their main focus."

> National Lottery Community Fund Environmental Plan 2023-2030

country-specific support to communities.

Recognising the multiple needs and limited capacities of the organisations it supports, the fund takes a proportionate approach to integrating climate and nature considerations into its funding strategy. Tailored resources, including environmental guidance, are readily available through the Climate Action Hub, ensuring that grant applicants and recipients have access to the tools they need. Proactive initiatives such as Climate Action Top-Up Grants further encourage environmental action, while sector-led programmes supported by the fund like Going Greener Together (in NE England) and Growing Climate Confidence (in Scotland) provide grass-roots support. As part of its evolving strategy, the fund is also moving toward embedding sustainability requirements within its formal funding framework, describing its journey as progressing "from inspire to require", with new mandatory environmental considerations for all grantees being piloted in certain portfolios.

#### **Success factors**

#### Building staff knowledge and confidence

Given the fund's broad mission, most grantmaking staff are generalists, with limited environmental expertise or background. To address this, the fund has invested in staff training on climate, creating an internal knowledge hub with resources and case studies, and making some climate training mandatory.

#### **Explicit plans and targets**

The National Lottery Community Fund has integrated clear and ambitious environmental targets into its Strategy and Environmental Plan. These explicit and time-bound commitments provide a structured framework for decision-making, ensuring that sustainability is a core consideration in funding allocations and operational practices.

#### **Community engagement**

By actively working with local partners and community groups, the fund ensures that climate action is shaped by those it impacts most. Through pilots like Climate Action Top-Ups, it has successfully engaged organisations not traditionally involved in environmental initiatives, demonstrating the importance of grass-roots participation in achieving broader sustainability goals.

#### Resources

The National Lottery Community Fund:

- Climate Action Hub
- Environment Plan 2023-2030
- Learning from Climate Action
   Top-Up Grants in Wales

# HOW CAN PHILANTHROPY FOR CLIMATE **HELP YOUR** FOUNDATION DEEPEN INTEGPATION?

### Join this global movement of foundations committed to taking action on climate change

f your foundation is looking to begin or deepen its integration of a climate lens into programmatic work, <u>Philanthropy For Climate</u> is the best place to go. Born as a public commitment from a handful of UK funders in 2019, this is now a global movement of more than 900 foundations in over 25 countries, united in their commitment to integrate climate across their work.

Understanding that there is no "one-size-fits-all" pathway, this global call to all foundations offers tailored resources and opportunities to engage in capacity-building and peer-learning, whatever a foundation's thematic interest, size or geographic location; and whatever its starting point. Within this network you can connect with peers at all stages of the journey, from just starting out to building momentum to showing leadership in climate integration. European foundations and philanthropic organisations can join by signing a national or regional commitment (in Europe, these exist in <u>France</u>, <u>Italy</u>, <u>Poland</u>, <u>Spain</u> and the <u>UK</u>, as well as in <u>Brazil</u>, <u>Canada</u>, <u>South Africa</u> and the <u>Arab Region</u>), or by signing the <u>International</u> Commitment, open to foundations everywhere.

To get started, visit the <u>Your Climate Journey section</u> of the Philanthropy For Climate website, where you'll find guidance on what to consider before signing, as well as contact information for the movement's coordinators for any questions you may have.

If you've already signed on, be sure to explore all the resources available to signatories, connect with peer foundations, and get in touch.

### A multi-pillar approach

Philanthropy For Climate encourages foundations to think about climate in two distinct ways:

- 1. An interconnected perspective: How does the climate emergency intersect with my area of work?
- 2. A multi-pillar approach: What are the various levers for change available to my foundation?

This systemic approach is a distinctive characteristic of the Philanthropy For Climate commitments. It means that the framework is suitable for any foundation, regardless of its core mission. It requires every signatory to consider their role in addressing climate change and its impacts across all aspects of their activity.

The **7 pillars** of the Philanthropy For Climate's International Commitment are:

- 1. EDUCATION AND LEARNING
- 2. COMMITMENT OF RESOURCES
- 3. INTEGRATION
- 4. ENDOWMENT AND ASSETS
- 5. OPERATIONS
- 6. INFLUENCING AND ADVOCACY
- 7. TRANSPARENCY

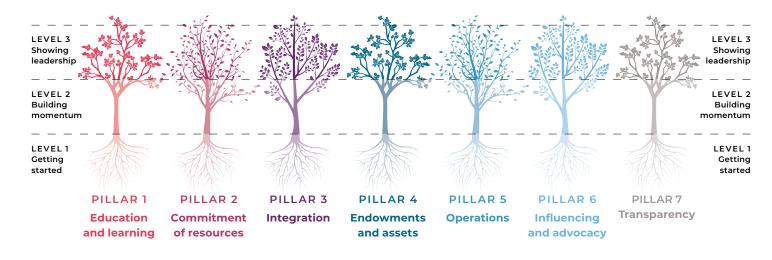
National commitments follow a similar framework, though each is tailored to reflect local philanthropic priorities and practices.

By joining Philanthropy For Climate, foundations gain a structured pathway to embed climate action into their strategies and practices, with a clear framework to guide their progress. Regular progress reporting helps foundations strengthen their approach by fostering greater coherence and ambition over time. See International Philanthropy Commitment on Climate Change: Progress Report 1.

Philanthropy For Climate, through the national, regional and international commitments, creates a platform for learning, convening, and even collaboration. The shared framework makes it possible to aggregate data and tell a global story about philanthropy's collective efforts to address climate change – showing the power of foundations working together to tackle the biggest issue of our time.

### How integration is woven into all pillars

Philanthropy For Climate's pillars offer a valuable structure to foundations seeking to deepen their engagement on climate as each pillar represents a distinct lever to drive meaningful change. Even the pillars themselves do not operate in isolation, and are woven together through integration.



#### EDUCATION AND LEARNING

Integration depends on a deepening understanding of climate change at all levels. Foundations must embed climate knowledge across their governance, staff, and grantees to ensure informed decision-making. This requires:

- Learning from and with grantees and partners, particularly those working on the frontlines of climate action. Their lived experiences offer valuable insights into the real-world intersections of climate and a foundation's existing work as well as the impacts of the course of action it takes.
- Upskilling staff and governance to ensure climate literacy is embedded in leadership and operational decisions.

#### COMMITMENT OF RESOURCES

Choosing to spend money on activities that will cut emissions, help communities adapt to climate impacts, support a just transition, or deliver co-benefits across climate and other philanthropic goals, is a strong form of integration. Foundations can consider climate to be both a distinct strategic priority and a cross-cutting organisational focus.

#### ENDOWMENTS, ASSETS AND OPERATIONS

If foundations encourage grantees to integrate climate considerations into their work, they must lead by example. This means aligning internal practices with external commitments. Integrating climate into decision-making at every level ensures organisational coherence and a long-term commitment to change. For many foundations, decarbonising their endowments and assets can be a challenge, but there are a growing number of tools, options and sources of advice available. For operating foundations, the overlap between integration and operations is pronounced, as climate considerations shape both direct programme delivery and curation.

#### ADVOCACY AND TRANSPARENCY

Demonstrating in practice how social goals can be achieved alongside climate goals can help leverage more philanthropy and governmental action, and encourage and inspire other bodies, and the wider public. Foundations that are integrating climate into their priorities and programmes can have even greater impact by sharing with philanthropic networks or wider audiences information on what they are doing and what they have learned.

### **FURTHER READING AND RESOURCES**

There are myriad connections between addressing climate change and areas of philanthropic activity. This list starts with some overarching integration resources, and then continues with resources organised around several common programmatic areas.

#### **OVERARCHING INTEGRATION RESOURCES**

Elisabeth Whitebread, Pavlina Draganova, Eli Manderson Evans, "<u>Climate Change and Social</u> Change: How Funders Can Act On Both" (2019).

Nick Perks, "<u>International Philanthropy Commitment</u> on Climate Change: Implementation Guide", Philea and WINGS (2022).

Seema Shah, "<u>Centering Equity and Justice in</u> <u>Climate Philanthropy</u>", Ariadne and Candid (2022).

Marco Cucé, Karalyn Gardner, "<u>Climate Change</u> and Philanthropy Infrastructure: Supporting the Ecosystem to Act", Philea (2025).

Fondation de France, "<u>Philanthropy in</u> <u>a Changing Climate: Challenges and</u> Perspectives for a Just Transition" (2025).

#### AGE GROUPS AND CLIMATE

Youth Climate Justice Study (2022).

Leah Davis, Liz Gadd, Theo Clay and Ben Kili, "<u>Everyone's</u> <u>Environment: How Will the Climate and Nature Crisis</u> <u>Impact Young People?</u>", New Philanthropy Capital (2023).

Leah Davis, Liz Gadd, Theo Clay and Ben Kili, "<u>Everyone's</u> <u>Environment: How Will the Climate and Nature Crisis</u> <u>Impact Older People and Disabled People?</u>" New Philanthropy Capital (2023).

#### ARTS, CULTURE AND CLIMATE

Philea, Fondation Daniel et Nina Carasso, Kultura Nova Foundation, "<u>EcoArts Nexus: Repository of Knowledge</u> in Arts and Culture, Environment and Funding."

#### DEMOCRACY AND CLIMATE

Active Philanthropy, "<u>Funding the Future:</u> <u>How the Climate Crisis Intersects with Your</u> <u>Giving. Just and Democratic Societies.</u>" (2020).

International IDEA, "Climate Change and Democracy".

#### DEVELOPMENT AND CLIMATE

Impatience Earth and OCED netFWD, "Scaling Up Climate Smart Development" (2024).

Marilou Uy, Carter Brandon, "<u>How Philanthropy Can Boost Adaptation</u> Finance in Developing Countries" (2025).

#### DISABILITY AND CLIMATE

Mary Keogh, "<u>Climate Change: This Century's</u> <u>Defining Issue</u>", CBM Disability Inclusion Fund (2022).

Leah Davis, Liz Gadd, Theo Clay and Ben Kili, "<u>Everyone's</u> <u>Environment: How Will the Climate and Nature Crisis</u> <u>Impact Older People and Disabled People?</u>", New Philanthropy Capital (2023).

Faith Lemon, "Investing in Disability-Inclusive Climate Justice: A guide for funders" Impatience Earth, Disability Rights Fund, Impatience Wellbeing (2025).

#### EDUCATION AND CLIMATE

Active Philanthropy, "<u>Funding the Future: How the</u> Climate Crisis Intersects with Your Giving" (2020).

Impatience Earth, "Easy Digest: The links between climate change and education" (2024).

Liz Gadd, Olivia Halliwell, "<u>Everyone's Environment:</u> How Will The Climate and Nature Crises Impact <u>Education?</u>", New Philanthropy Capital (2024).

#### GENDER, SEXUALITY AND CLIMATE

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### **ENDNOTES**

- United Nations Development Programme "<u>The world's largest survey</u> on climate change is out – here's what the results say" (2024).
- 2 The <u>Global Philanthropy Environment Index</u> (2022) identifies the top five philanthropic funding areas as basic needs (59%), health and medical research (53%), arts and culture (52%), early childhood education through high school (46%), human rights (38%), and youth and family (38%). Climate mitigation is estimated to receive less than 2% of global philanthropy by value with a similar figure in Europe.
- 3 World Health Organisations "Heat and health" (2024).
- 4 World Movements Fund <u>"Climate change and rapid urbanization</u> are the top threats to heritage sites" (2024).
- 5 See <u>Climate Change and Philanthropy Infrastructure: Supporting the</u> <u>Ecosystem to Act</u> for an overview of foundation networks, pooled funds and advisory organisations active on climate in Europe.
- A systemic review of carbon offset projects across all major sectors found that than less than 16% of offset projects constituted real emissions reductions.
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# About Philea

### Philanthropy Europe Association

Our vision is for philanthropy to use its full potential to coshape and support a pluralistic, just and resilient society that centres people and planet. To achieve this, our mission is to enable, encourage and empower the philanthropic community to build a better today and tomorrow.

e nurture a diverse and inclusive ecosystem of foundations, philanthropic organisations and networks in over 30 countries that work for the common good. With individual and national-level infrastructure organisations as members, we unite over 7,500 public-benefit foundations that seek to improve life for people and communities in Europe and around the world.

We galvanise collective action and amplify the voice of European philanthropy. Together we:

- → Co-create knowledge and learn from effective practices
- Collaborate around current and emerging issues
- Promote enabling environments for doing good

In all we do, we are committed to enhancing trust, collaboration, transparency, innovation, inclusion and diversity.

www.philea.eu

#### THE EUROPEAN PHILANTHROPY COALITION FOR CLIMATE (CLIMATE COALITION)

We believe that all foundations and philanthropic organisations, regardless of their mission, can and should commit to meaningful climate action, and we want to offer a framework for this journey. Since 2021, we have worked in partnership with WINGS to launch and scale the global Philanthropy For Climate movement and the International Commitment. Philea leads on supporting the emergence of new national commitments in Europe and acts as the main point of contact for European signatories that have signed the International Commitment.

www.philea.eu/climatecoalition

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## **HOW TO INTEGRATE CLIMATE INTO YOUR PHILANTHROPIC** PROGRAMMES

What foundations need to know, and where to begin



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