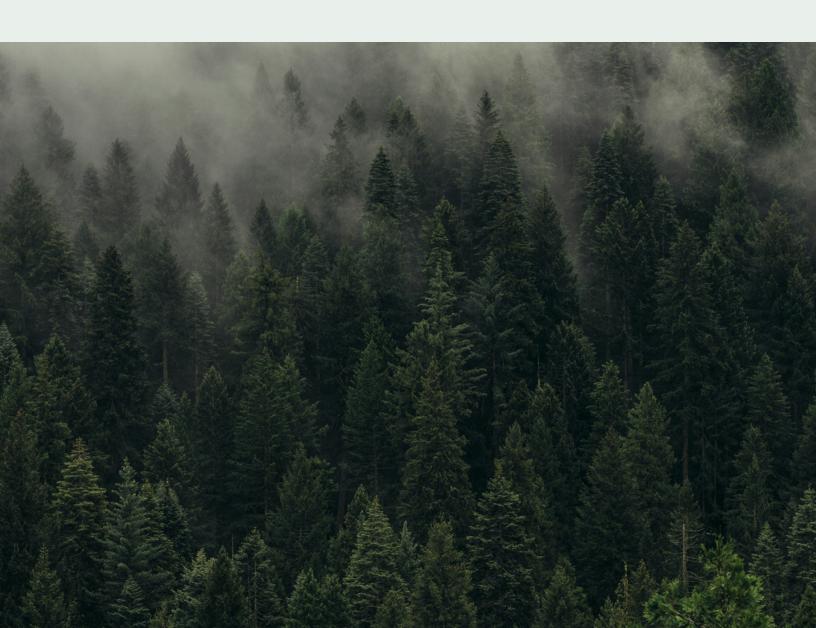


Sustainability

2024 Position Statement



The Issue

Climate change and environmental degradation are among the major sustainability crises happening today, manifesting themselves in a mix of interconnected crises; as they exacerbate social crises, both human systems and the ecological systems are becoming more fragile to extreme disruptions. According to the latest Intergovernmental Panel on Climate Change (IPCC) report, "Human activities, principally through emissions of greenhouse gasses, have unequivocally caused global warming, with global surface temperature reaching 1.1°C above 1850–1900 in 2011–2020. Global greenhouse gas emissions have continued to increase, with unequal historical and ongoing contributions arising from unsustainable energy use, land use and land-use change, lifestyles and patterns of consumption and production across regions, between and within countries, and among individuals" (IPCC, 2023). In this pivotal moment, we wield the transformative power to either perpetuate the challenges of climate change, or harness our economic systems for innovative solutions, a choice that will define the trajectory of our environmental legacy.

There are major risks at different timescales that impact human and ecological systems. For our species, we have a window to avert/mitigate the worst of climate change and compounded risks for future generations. Leading scientists assert that "Climate change is a threat to human well-being and planetary health. There is a rapidly closing window of opportunity to secure a liveable and sustainable future for all (...) The choices and actions implemented in this decade will have impacts now and for thousands of years" (IPCC, 2023). CL recognizes that our clients confront a spectrum of strategic risks, including the potential disruption of supply chains, changes in governmental policies, the accessibility of essential resources, and the maintenance of a social license to operate amidst legitimate critique from stakeholders and customers.

The world needs to face this enormous complexity at scale. We will need to navigate power and politics in confronting these intractable challenges and the change required will need to be both fast and systemic. The people, and particularly the leaders involved, will need the capacity to do this from a cognitive complexity perspective in order to adapt, and innovate into the future.

Navigating the intricacies of climate and sustainability challenges demands a nuanced approach, one that recognizes the potential cognitive and emotional overwhelm intrinsic to complex work; our distinctive advantage lies in the fusion of coaching, a deep understanding of complexity, and an unwavering commitment to meet challenges with both compassion and boldness simultaneously. This strategic combination uniquely positions us to support organizations dedicated to sustainability, offering a powerful lens through which to address these challenges and imparting valuable insights to individuals committed to driving systemic change within their organizational landscapes.

Link to Strategy

As trusted advisors with influence, we recognize the need to align our actions with our sustainability discussions. Our strategic risks include:

- Demonstrating Commitment: To be considered credible partners, we must align our climate and sustainability commitments with our discourse. This is vital as clients now prioritize such values.
- Trustworthiness: As trusted advisors, our responsibility lies in integrating an
 ecological perspective into discussions with senior leadership, ensuring alignment
 with evolving global concerns and fostering a meaningful contribution to the
 broader sustainability dialogue.

On the flip side, we have an opportunity to:

- Live Our Values: By acting in harmony with nature and being proactive in sustainability, we can leverage our position as frontrunners in complexity and adult development.
- Position Ourselves as Aligned Partners in the Procurement Process: Our ethical and environmental track record will be critical for selection in competitive proposals, making clear, science-backed climate goals essential.

Our Commitments

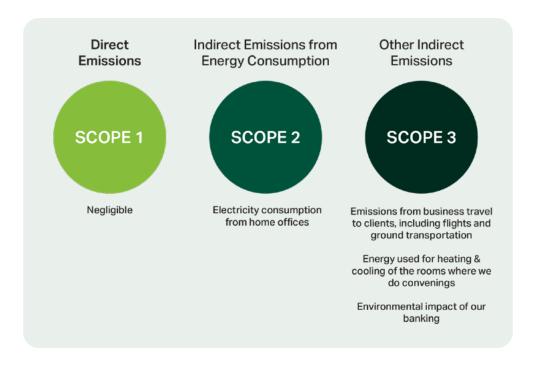
As a commitment to our environmental responsibility, we pledge to calculate and reduce our emissions, aligning our actions with our ethics. Harnessing our capabilities, we pinpoint three strategic domains within our immediate sphere of influence:

1. Internal Carbon Accountability

Pioneering a robust system of Carbon Accounting, we commit to measuring our Carbon Footprint comprehensively across all three Scopes. This initiative empowers us to gain a profound understanding of our organization's environmental impact.

In our decentralized work structure, we lack designated office spaces. This places the responsibility for waste, energy, and other resources squarely on our home offices, our travel plans, and our conference room rentals and their energy usage. As depicted in the diagram below, the majority of our carbon footprint is found in Scope 3 emissions. Due to their indirect nature, they are often difficult to track. However, we have a plan in place.

In our recent analysis, we estimated the company-wide energy consumption for our global team's home offices, based on data from one colleague's home office in New



Zealand. This extrapolation led to an estimated total **Scope Two energy consumption of 339.41 gigajoules**, fully sourced from renewable energy like wind, water, and sun.

We acknowledge this estimate has limitations, as it's based on a single location and may not fully represent the diverse energy scenarios of our global team. Recognizing this, we are taking steps to improve data accuracy for future assessments. Our preliminary estimate, while not exhaustive, marks an important step in understanding and managing our environmental impact.

As we refine our data collection methods, we aim to set more precise sustainability targets, reinforcing our dedication to environmental responsibility. We believe in transparently sharing our sustainability journey, highlighting both progress and areas for growth, as we endeavor towards a more sustainable future.

To get better data in the future, we have developed a robust Virtual Stewardship Policy, encompassing energy-efficient office equipment purchasing and usage advice, as well as robust instructions for optional carbon tracking across Scope 2 and 3. We aim to get 30% of our Colleagues to comply to get current, more accurate data for tracking and reporting purposes.

2. Setting Science-Based Reduction Goals

Taking a proactive stance, we embark on establishing science-based reduction goals as well as setting goals internally for getting better data over time. This commitment ensures that our objectives align with global standards and contribute substantially to the collective effort to mitigate climate change.

3. Developing Robust Policies and Procedures

By crafting and implementing thorough policies and procedures, we aim to enhance the accuracy of our data collection over time. This not only facilitates a more precise understanding of our environmental footprint but also enables us to quantifiably track our progress towards sustainability goals, fostering a culture of continuous improvement. Given most of our carbon is represented in Scope 3, these are a few areas we are currently working to develop policies and procedures that would lead to carbon reduction in our overall Scope 3 emissions:

- I. Implementing a comprehensive travel policy to measure and reduce carbon footprint, considering our frequent business travels.
- II. Harnessing our capacity to deliver learning programs online, minimizing emissions associated with in-person alternatives.
- III. Doing some investigative work to determine how we might track our room rentals energy consumption as well as those of our banking practices.

In facing the daunting challenges of Climate Change and environmental degradation, Cultivating Leadership commits to a sustainability journey that transcends our organization, extending our influence and educational efforts to our clients. Our approach evolves with us, responsive to the changing needs of our planet and communities. Our aim is to inspire and collaborate with our clients, fostering collective action that innovates and adapts in ways that significantly benefit human flourishing and the health of our planet. As we navigate these challenges, we pledge to uphold integrity, stewardship, and mutual support. This is more than a commitment; it's a call to join us in transforming sustainability challenges into shared opportunities for innovation, education, and impactful change.

with commitment, Cultivating Leadership	
Signed	
Name	
Date	