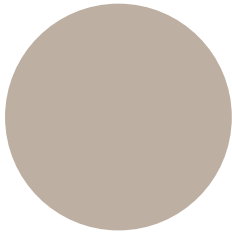




**Funder Commitment on
Climate Change
Year five progress report
2025**

May 2025



Background

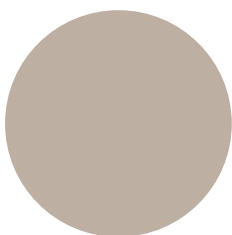
This concise report distils findings from the annual progress survey of Funder Commitment on Climate Change (FCCC) signatories, in relation to the five pillars of the commitment. This year signatories were asked to describe the most impactful action they had taken under each pillar since signing the FCCC, or since completing the progress report in 2024.

The Funder Commitment on Climate Change (FCCC) is a holistic framework for foundations to identify actions and make progress to play their part in tackling the causes and impact of climate change, whatever their mission or size. It was launched in November 2019, and has been hosted by the Association of Charitable Foundations (ACF) since June 2020.

Signatories to the FCCC have committed to taking action on climate change in five areas¹. In addition, they have committed to report each year on their progress against these five areas. This report is the fifth in an [annual series](#), based on signatories' responses to a progress survey, collated by ACF to draw out insights of interest to other foundations.

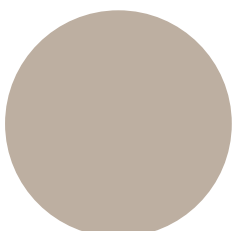
The FCCC is part of a global movement of almost 900 funders who have signed commitments on climate change in Canada, France, Italy, Poland, Spain, Brazil, South Africa and the UK, or the International Philanthropy Commitment on Climate Change where a national commitment does not yet exist. These initiatives were all inspired by the UK commitment.

¹Educate and learn, commit resources, integrate, steward investments for a post carbon future and decarbonise operations.



Who participated?

- 110 foundations responded to the progress survey (out of an eligible 127 signatories who joined before July 2024), representing **87% of FCCC signatories**
- 23% of responding signatories say signing the FCCC has impacted their foundation's awareness and action on climate change "quite a lot" or "tremendously."
- Of the 110 responding signatories, 38 are classed as long-standing signatories (who signed the FCCC in 2019 and 2020) and 72 are classed as more recent signatories (who signed the FCCC from 2021 onwards)
- A range of types of funder have signed the FCCC. Family foundations are the largest group, with 30 signatories (27% of respondents), followed by fundraising grant-makers or broadcaster trust appeals with 26 signatories (24% of respondents). This year has seen an increase (from 5 to 26) in fundraising grant-makers due to the 20 trusts associated with the People's Postcode Lottery reporting as newer signatories
- 63% of responding signatories give over £1m in annual grant-making, with fewer smaller grant-makers responding this year.

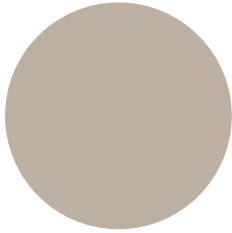


Reported successes

- Signatories have continued to take meaningful action, including reviewing and updating investment policies, and embedding or integrating climate action across their organisation
- When asked about specific achievements in climate work that signatories are pleased with, highlighted actions include supporting those vulnerable to the impacts of climate change and embedding climate actions internally.
- Four signatories have started new funding programmes specifically to address climate change or encourage sustainability in 2024, a record for FCCC reporting.² Four signatories also started initial work on a funder collaboration on youth-led climate justice work³
- Several signatories have reported actions around advocacy: raising the visibility of their work on climate and being more "vocal" about it.

² Blagrove Trust, Inspiring Scotland, The Fore and Foundation Scotland

³ Blagrove Trust, Energy Savings Trust Foundation, OVO Foundation and the Co-op Foundation, working with Impatience Earth

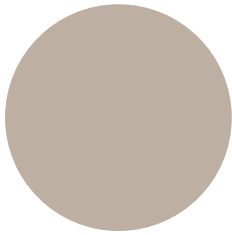


Reported challenges

- As in previous years, signatories have reported limited staff capacity and resource as the most significant challenge they face in advancing climate work
- Some state that further work is needed to integrate climate into the work of their organisation
- Signatories have reflected on the rising demand for grants that has increased since previous years of FCCC reporting, which is having an impact on internal capacity and funding amounts, as well as non-environmental organisations applying for funding with limited or no capacity to consider the climate impacts of their work.

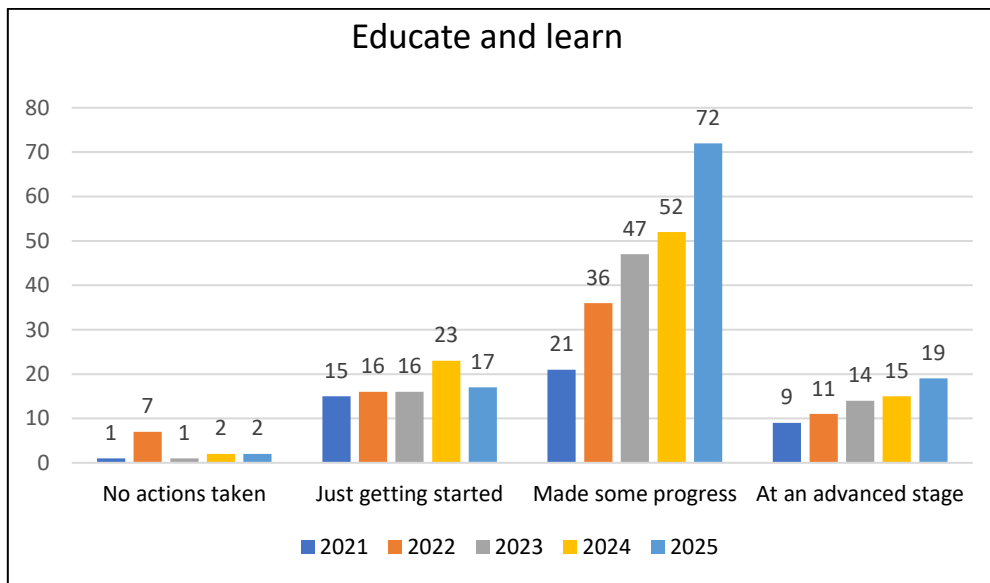
The full details of activities and actions across the FCCC pillars can be viewed online [here](#). This data provides many practical examples of foundation activities across all pillars.

Progress under each pillar of the Commitment



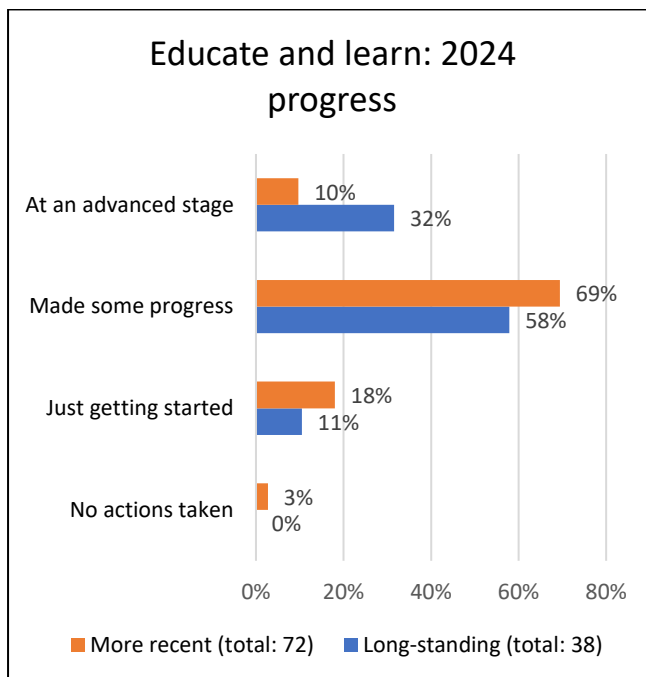
Educate and learn

We will make opportunities for our trustees, staff and stakeholders to learn more about the key causes and solutions of climate change.



As in previous years, signatories have continued to report progress against this pillar, with 108 out of 110 respondents taking some type of action.

When looking at this year's responses, over half (58%) of more recent signatories have made some progress around education and learning. There has been improvement from last year, as 18% of respondents are 'just getting started,' in comparison to 37% of respondents last year.



- Many signatories are active in networks, including the Environmental Funders Network, FCCC events organised by ACF and Philea
- Various training and learning opportunities were undertaken by signatory staff, including Carbon Literacy and Climate Fresk training
- Some signatories also offered these courses to grantees or partners
- Signatories prioritised sharing learning, predominantly with other funders but in some cases with wider stakeholders
- Internal working groups continued to foster learning and engagement in staff teams.

Snapshots of success

[We have formed] deeper partnerships with other funders, learning together how we can pool funding to tackle climate injustice, and unlock funding for young people at the heart of change.

Blagrove Trust

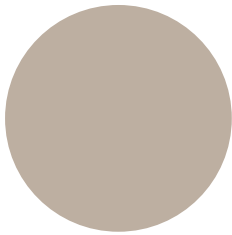
What signatories are doing

The most impactful action was reviewing all grant reports received since the launch of our climate programme, identifying best practices and key lessons learnt. These were shared with the Trustees and informed our next iteration of the strategy. **JAC Trust**

We conducted a review of 92 grants awarded between 2020 and 2024 across 24 countries to determine the impact of the Climate Crisis on Grant Partners and the work that they are doing in addressing this. **Educational Opportunity Foundation**

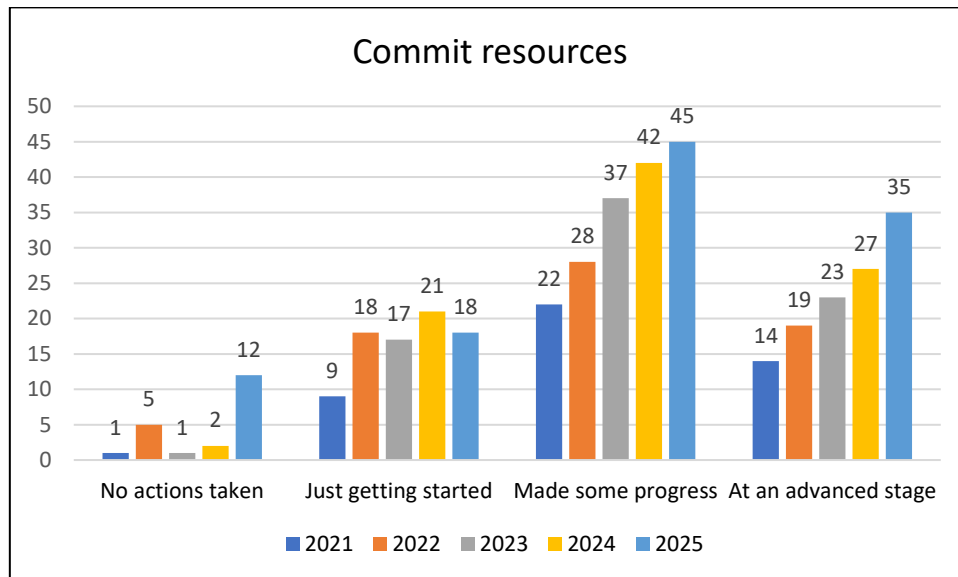
We have developed a one-hour online workshop for organisations on "How to consider sustainability when planning your project." We have delivered 4 of these workshops (75 groups attended) in 2024 and plan a minimum of 4 more in the coming year. **DWF Foundation**

We have focussed on building our networks in relation to climate change in order to broaden our own understanding of key issues. We have focussed specifically on raising our understanding of renewable energy solutions so that we can advise our grantees accordingly and make better funding decisions. **Veolia Environmental Trust**

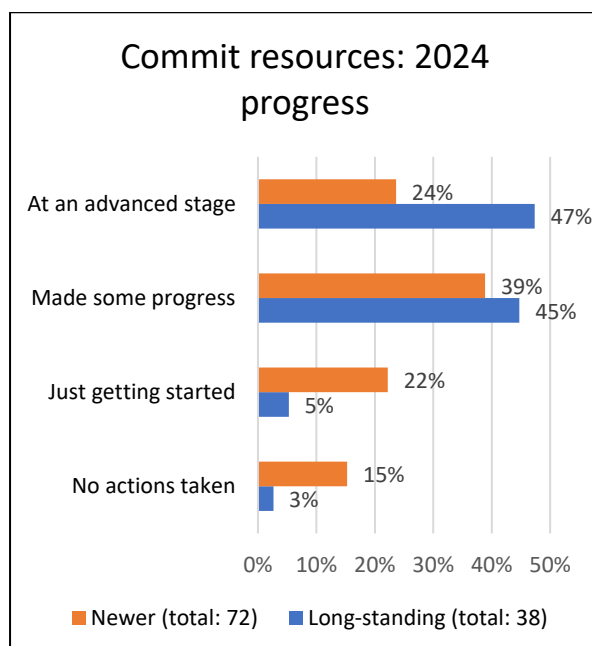


Commit resources

We will commit resources to accelerate work that addresses the causes and impacts of climate change. (If our governing document or other factors make it difficult to directly fund such work, we will find other ways to contribute, or consider how such barriers might be overcome).



The committing resources pillar has the most signatories reporting themselves as “at an advanced stage”- 35 signatories. This year, almost half (47%) of longstanding signatories reported themselves as “at an advanced stage.”



- A quarter of responding signatories mentioned direct funding as the most impactful action they had taken this year
- Four signatories started new funding programmes specifically to address climate change or encourage sustainability in 2024, a record for FCCC reporting
- Almost a quarter of signatories also referenced staff resource in their responses, including filling new roles and having nominated staff to lead or record action
- Six signatories allocated all their financial resources to climate action.

Snapshots of success

We launched the Neighbourhood Ecosystem Fund this year in cooperation with The Carman Foundation and NatureScot. This programme was developed with input from the Environmental Funders Network to fill a gap in the funding landscape. Fourteen communities have received funding to date. **Inspiring Scotland**

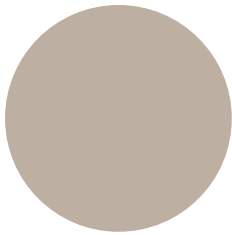
[We] established a dedicated Sustainability and Environment Fund in July 2024 to fund and support small UK registered charities and CICs addressing this sector. The fund has allocated grants and wrap around support worth £36,000 each to 3 organisations and will continue to ramp up this process over time. **The Fore**

What signatories are doing

The Trusts have evolved from offering short-term, project-based funding, to offering flexible, unrestricted funding to support good causes to deliver on their objectives and strategy in one of our thematic areas “Improving biodiversity and responding to the climate emergency”. **Postcode Community Trust, Postcode Local Trust, Postcode Neighbourhood Trust, People’s Postcode Trust, Postcode Places Trust, Postcode Society Trust.**

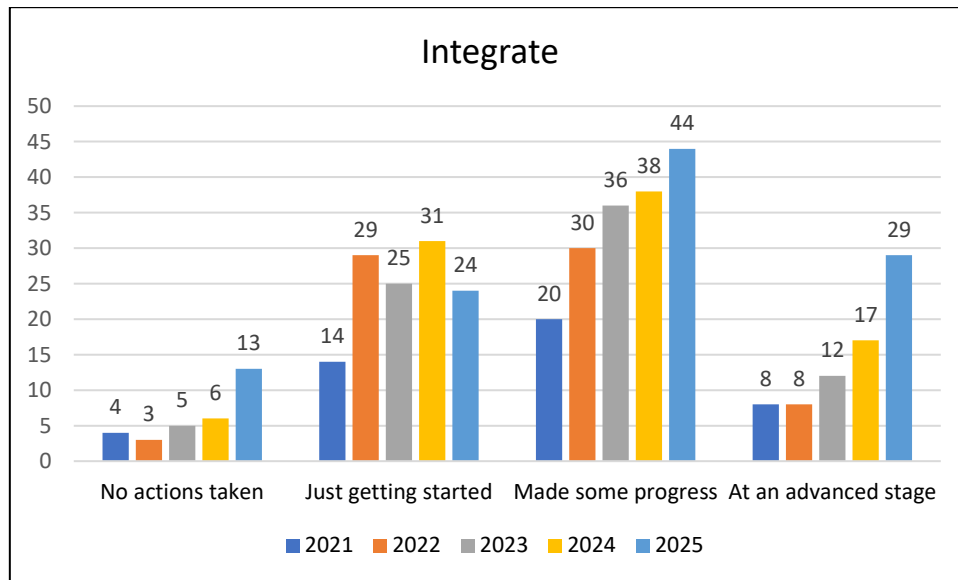
Our [new Strategic] Framework has a continued emphasis on research and education, but it also singles out the impact of the climate crisis as one of three challenges that are evident and relevant across all of our funding streams. This will therefore be an even larger focus for us over the next five years. **Wolfson Foundation**

We have developed and embedded a small top up grant into a citizen led (participatory) grant making programme to support small VCSE projects. This top up was to support green audits and planning in the charities, and to build a cohort of like-minded people we can develop and work with to shape future programmes. **Bedfordshire & Luton Community Foundation**

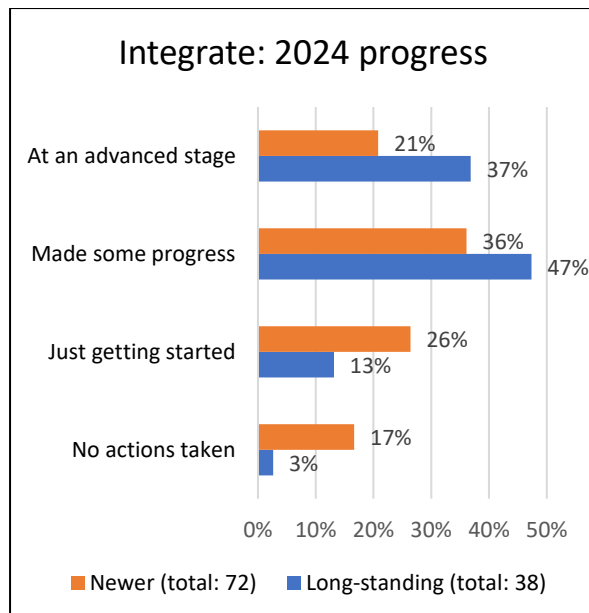


Integrate

Within all our existing programmes, priorities and processes, we will seek opportunities to contribute to a fair and lasting transition to a post carbon society, and to support adaptation to climate change impacts.



Progress is positive under this pillar, with the percentage of signatories reporting being “at an advanced stage” rising to 26%, from 18% last year. Most of those who reported taking no action on this pillar are more recent signatories.



- Many signatories continued to include climate action and sustainability in their strategies, some for the first time this year
- A strong theme in responses was internal work taken to integrate climate action and awareness, from external communications to staff development plans
- Some signatories asked funded partners for their environmental policy, and a smaller number have a more specific question for applicants on the environmental impact of their project.

Snapshots of success

Impact on Urban Health [part of Guy's & St Thomas' Foundation] has made climate justice an explicit strand in our overarching programmes strategy, as we recognise that climate change is the greatest threat to public health. **Guy's and St Thomas' Foundation**

What signatories are doing

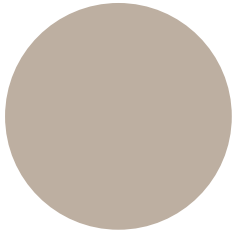
We have incorporated environmental and climate change considerations into our due diligence process for procurement. We are still trying to assess how this might translate into our funding given the demands on the VCSE sector to deliver their services. **Barnwood Trust**

The Trusts have maintained and strengthened their focus on the climate emergency as part of its strategy review, revising grant themes to include a specific reference to the climate emergency. **Postcode Community Trust, Postcode Local Trust, Postcode Neighbourhood Trust, People's Postcode Trust, Postcode Places Trust, Postcode Society Trust.**

Structural changes to the way our grant funding process works started in 2024, this supports changes such as building climate factors into due diligence requirements. **Letchworth Garden City Heritage Foundation**

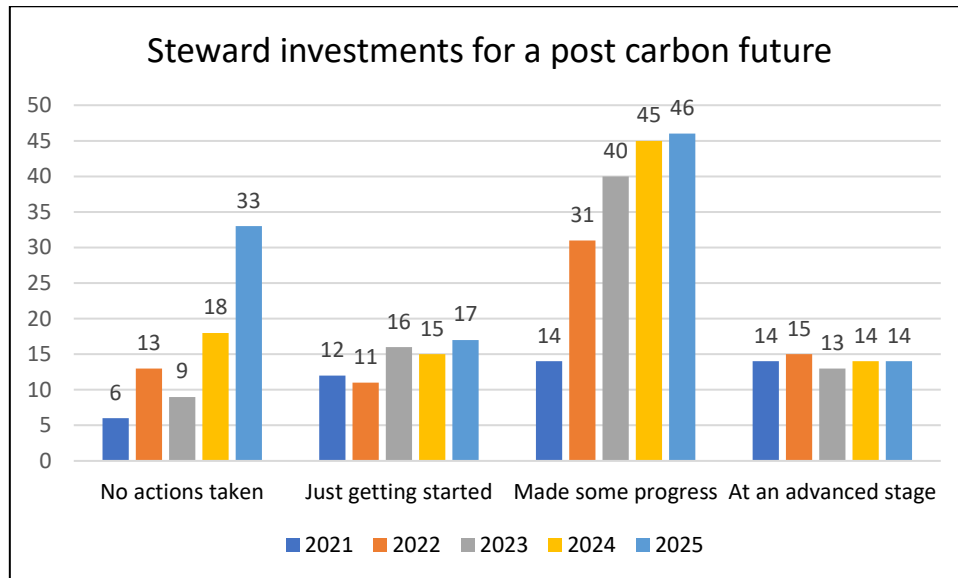
Acting on climate change is included [in our strategy] as a strategic priority, meaning we will be a funder that is committed to taking action on climate change across all that we do. **Leeds Community Foundation**

Since joining the FCCC, we have become more mindful of sustainability in all aspects of our operations, including the partners we collaborate with, the sourcing of services and products for fundraising, and our overall decision-making. **RCN Foundation**

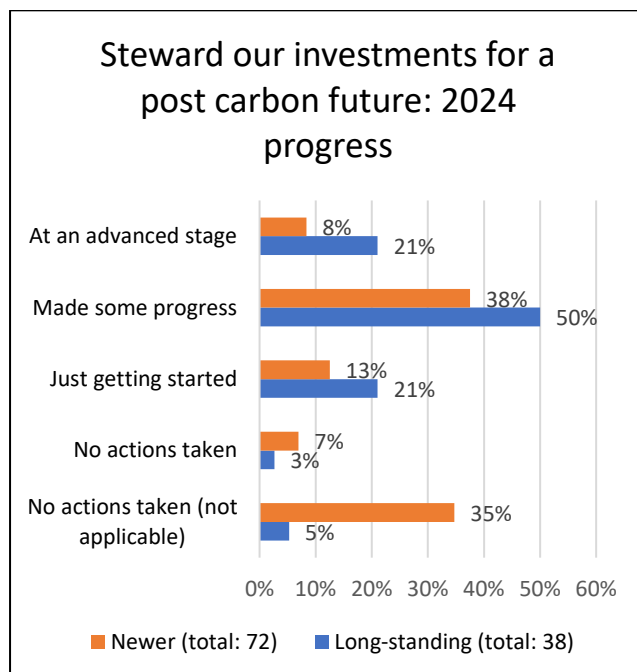


Stewarding our investments for a post-carbon future

We will recognise climate change as a high-level risk to our investments, and therefore to our mission. We will proactively address the risks and opportunities of a transition to a post carbon economy in our investment strategy and its implementation, recognising that our decisions can contribute to this transition being achieved.



There is little change in action reported on this pillar, as the majority of respondents have continued to make some progress around investments. The large rise in the number of signatories responding “no actions taken” is due to the reporting of 20 Postcode Trusts associated with the People’s Postcode Lottery, who do not hold investments.



- Eight signatories reported setting net zero targets for their investment portfolios (an increase from four last year)
- Signatories have also appointed new investment managers, or are in the process of doing so, with an emphasis on environmental and climate credentials
- Others have updated their investment policies, predominantly to add exclusions
- Several signatories who do not have investments mention ensuring their banking choices align with their values.

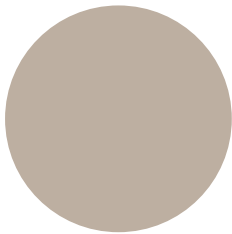
What signatories are doing

In March 2024, our Board approved our aim to achieve Net Zero for our portfolio by 2040. This decision had been informed by a briefing paper and detailed discussions within our investment committee. Our Investment Policy has been updated to reflect this and published on our website. **The Robertson Trust**

We appointed new Investment Managers and updated our investment strategy. We apply sustainable investment criteria where possible and believe long-term sustainability is an important issue to consider throughout the investment process, which aligns with our ambition to provide a safe and secure future for children and young people. **BBC Children in Need**

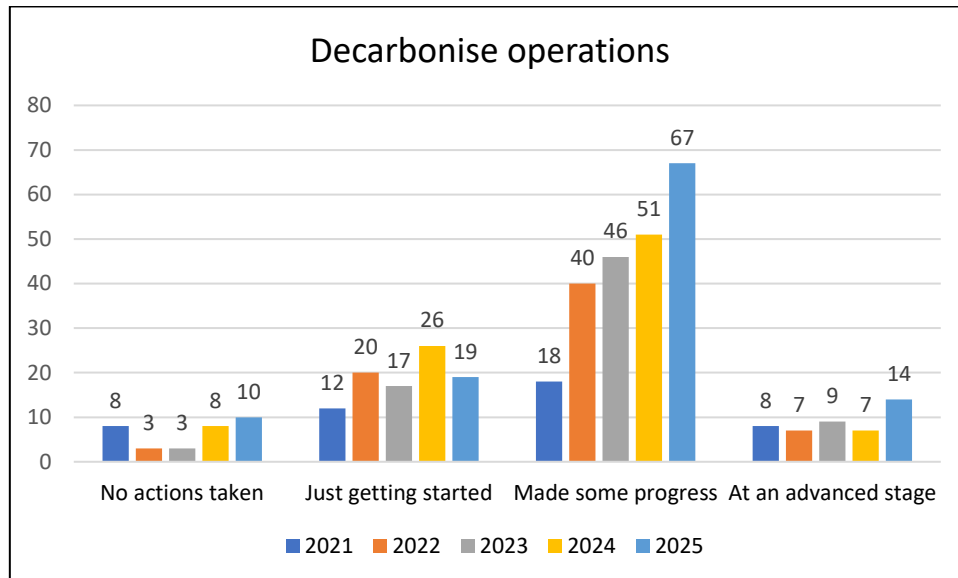
The Trust supported the development of the Charity Investment Governance Principles through the Climate Change Collaboration. These are a new resource, designed by and for charities, to help trustees, committees, and charity staff navigate the world of charity investment. **The Mark Leonard Trust**

We moved all our investments to two new funds during 2021/22, that are aligned with the Paris agreement. We continue to monitor the new investment funds and have hired an external investment consultant to provide quarterly reporting. This looks at the performance of the fund and its ESG credentials. We have also started reporting the emissions of our investments on our website. **World Habitat**

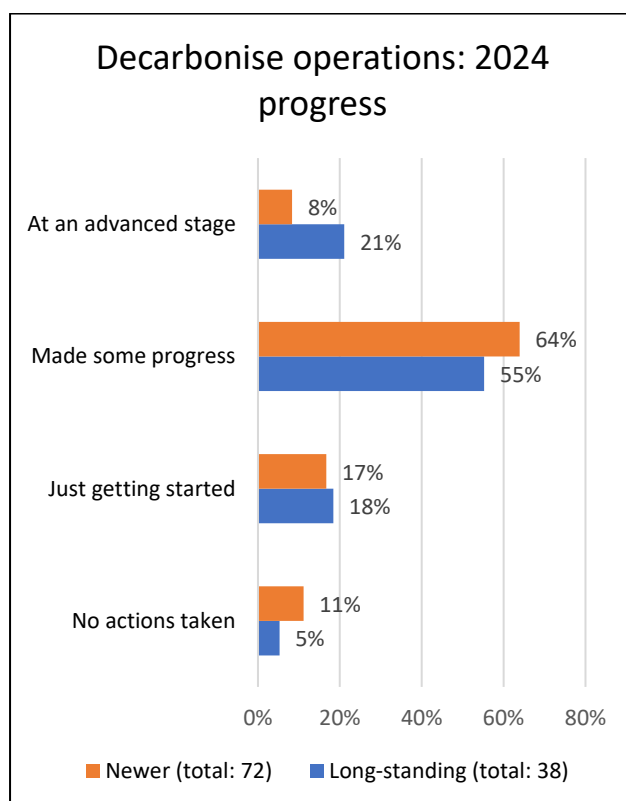


Decarbonise our operations

We will take ambitious action to minimise the carbon footprint of our own operations.



Progress has increased for this pillar over the past year, as 73% of responding signatories reported making some progress or being at an advanced stage, in comparison with 63% in the previous year. Fewer signatories reported that they are just getting started, showing advances from the previous year.



- Progress this year has been propelled by recent signatories from the People's Postcode Lottery Trusts, as their managing company has a carbon management plan which identifies hotspots for action to decarbonise operations
- A number of signatories reported a small carbon footprint due to their small staff size, and focus on personal actions such as public transport and hybrid working
- Three signatories mentioned actions to reduce Scope 3 emissions (indirect emissions e.g. from procurement)
- Eight signatories reported undertaking a carbon audit recently, with resulting carbon reduction plans.

Snapshots of success

We have agreed and invested in a major retrofit of our building with solar panels installed and a new air-source heat pump to power heating on our ground floor. **Community Foundation North East**

Our Senior Leadership Team negotiated extensively with design, engineering and sustainability experts Arup that resulted in us moving into their offices. This means we are now based in the most energy-efficient office building in Leeds (and the highest performing in terms of sustainability outside London). **Leeds Community Foundation**

What signatories are doing

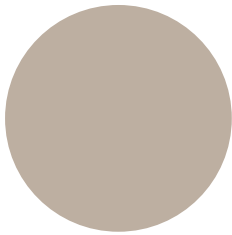
The UK Branch of Calouste Gulbenkian Foundation committed to an ambitious decarbonisation plan and set a net-zero strategy based on the Science Based Targets Initiative framework. A Carbon Action Plan and Environmental Sustainability Policy were also developed. **Calouste Gulbenkian Foundation**

We developed a policy on the use of AI tools that takes into account environmental and ethical costs. This will continue to be reviewed and we are collaborating with others in the sector to explore actions we can take to minimise the impact on the environment as the use of AI grows.

Esmée Fairbairn Foundation

For many of our in-person events, we have switched from the provision of catering at lunchtime, to providing gift vouchers for individuals to buy their own lunch. Not only does this allow for individuals to eat what they really want, but it also eliminates the issue of food waste leftover after a catered lunch. We know that food waste is one of the easiest ways for individuals to cut down on their own emissions. **Co-op Foundation**

We have started exploring the least carbon-intensive ways to store our digital files, assessing our own server use against cloud solutions. **People's Health Trust**



About the survey

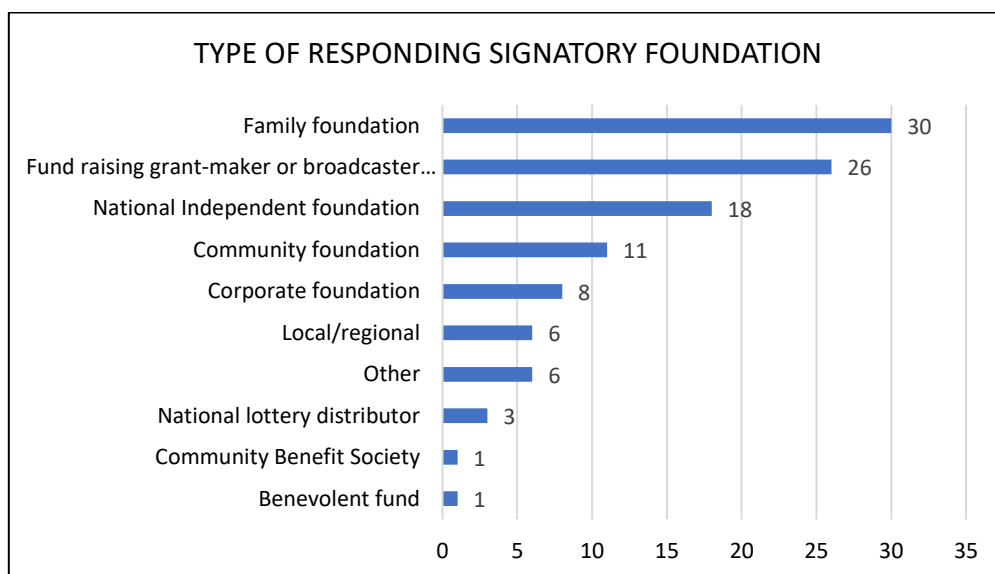
The responses on signatories' self-assessment of progress on each pillar have been collated as bar charts, presented alongside the results for the previous four years and broken down by long-standing and more recent signatories for this year's responses. The number of responses received has increased year on year, reflecting the increase in signatories over the time FCCC has been established.

Examples which have been selected to demonstrate action under each pillar are intended to show the wide range of activities taken by signatories, with a focus on reflecting the diversity of size, type and mission of signatories. We hope they are interesting and useful to other funders.

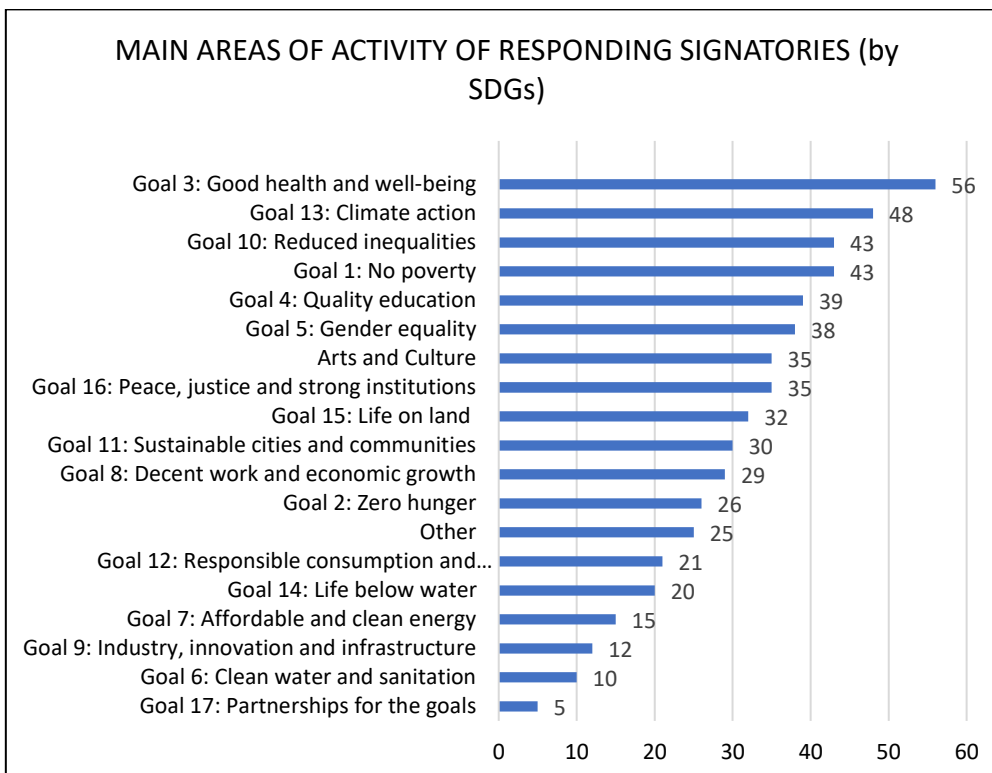
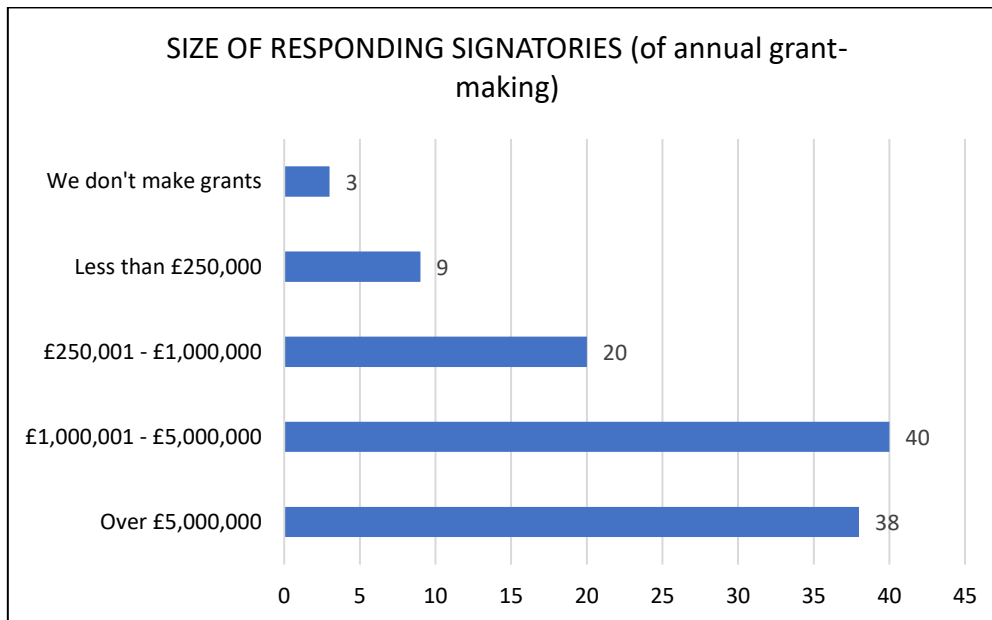
Quotes have been taken from a longer survey response, which can be read in [the raw data spreadsheet](#).

While all the information is provided by signatories themselves, these survey answers should not be relied upon as a full statement of foundation funding guidelines or organisational policies, and interested readers should refer to foundation websites for current information. The FCCC relies on self-reporting, and ACF has not independently verified the actions that foundations have reported. Where signatories have provided links to websites, statements and annual reports for more detailed information, these links have been included in the [raw data spreadsheet](#).

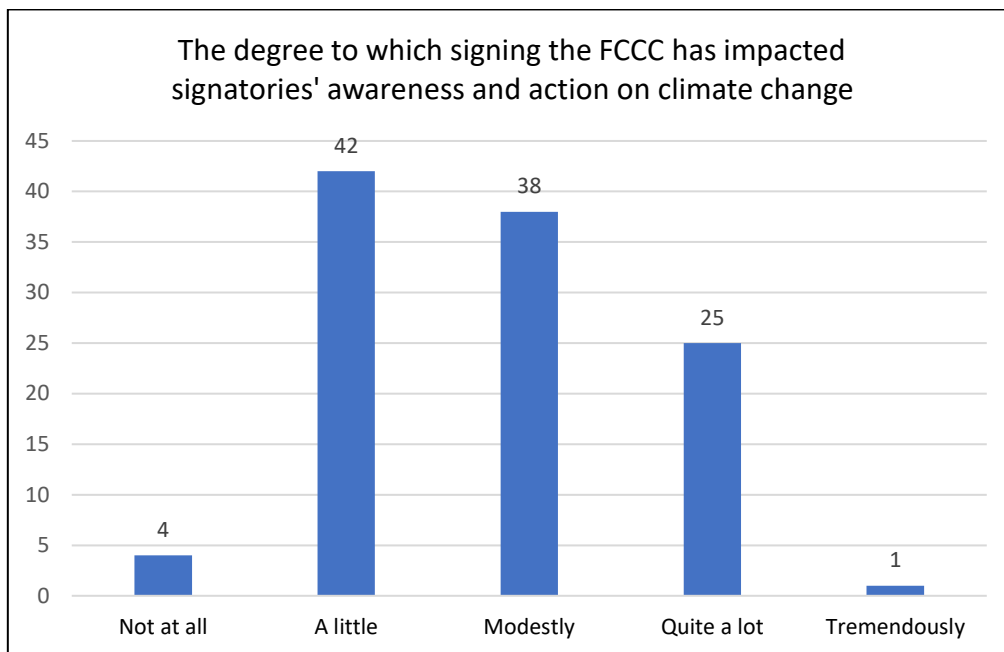
Demographic information about responding signatories

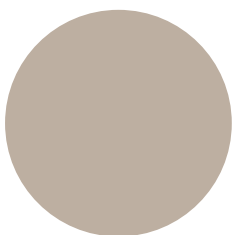


Those who responded 'other' includes a Health Board charity and a voluntary organisation where grant-making is not the primary focus.



This year, signatories were asked to classify the main areas of activity for their foundation, primarily using the UN [Sustainable Development Goals](#) (SDGs) framework to classify the different areas of philanthropic focus. The full wording of the UN SDGs can be found [here](#).





Acknowledgements

This report was written by Rachel Heydecker, ACF's policy and practice manager, with thanks to Francesca de Munnich, Catherine Seymour and Carol Mack for their input and feedback.

For any enquiries, please email climate@acf.org.uk.

The full text of the Funder Commitment on Climate Change, current list of signatories, and form to sign up to the Commitment can all be found at fundercommitmentclimatechange.org.

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