

European CEO Alliance emphasizes cross-industry collaboration to fight climate change

- **Members agree at first meeting: “We support the EU Green Deal. The climate targets are feasible, with sustainable growth and future-proof jobs ahead”**
- **Iberdrola and 11 leading European companies collaborate on decarbonization of economy and society**
- **Investments of over €100 billion underpin members’ decarbonization roadmaps**
- **Member companies represent all key industry sectors, over €600 billion in annual revenue and 1.7 million employees**

Stuttgart, October 2 | Yesterday, Iberdrola CEO and Chairman Ignacio Galán and CEOs from 11 other European companies joined forces for a zero-carbon future and a more resilient Europe. The European Union is committed to net zero emissions by 2050, which is in line with the CEO Alliance companies’ own decarbonization strategies. All members support the Paris 2050 goals, the EU Green Deal and the ambition to raise EU climate targets. They represent different industries, generate a combined €600 billion in annual revenues and employ 1.7 million people. The CEO Alliance channels their decarbonization efforts: it connects sectors and strategies, identifies potential for collaboration, and fosters projects and investments for a sustainable economy and society.

At its inaugural meeting in Stuttgart, the cross-industry alliance underscored: “The climate targets of the European Union are feasible. Our industries do not block, but rather foster the shift toward a carbon-neutral economy. We see growth potential for all industries in the long run. If we manage this historic transformation successfully, sustainable development and new future-proof jobs will be the result. Together, we will support all efforts to reach a social consensus for more sustainability.” With yesterday’s start, the CEO Alliance becomes an association of action that unites corporate strategies, industries and societies on the road to a carbon-neutral Europe.

All members believe the new climate targets of the European Commission, envisaging emission reductions of 55% by 2030, are manageable. On the industry side, the CEO Alliance members have already pledged to invest more than €100 billion in their respective decarbonization roadmaps over the next years to help reach these targets. Every member has defined its own strategy to address decarbonization, by reducing carbon emissions across the relevant value chains and by offering sustainable products and services to customers. For reaching the respective CO2 targets, each member and each sector is dependent on other members and sectors, which especially calls for cross-sector activities.

Collaboration potential of the Alliance was identified in six fields: In energy systems, renewable power generation must be scaled up rapidly and power grids must be modernized. In terms of mobility and transport, the EV charging infrastructure must be expanded and the low-carbon transport or shipping of goods intensified. Zero-impact production – in particular for renewable power generation components – and sustainable battery production are key aspects in manufacturing and industrial processes. In terms of buildings and urban environments, the focus is on zero-emission offices and sustainable green city planning. In regard to new business models, the focus is on carbon tracking with digital technologies in the supply chain. The field of sustainable finance will also offer new opportunities.

The members also agree that the transformation towards a net-zero carbon future needs to be based on a broad public consensus. The CEO Alliance is willing to contribute to this consensus, and to establish a social contract, by intensifying the dialogue between stakeholders from the private sector, public sector and civil society. At the same time, the members call on political leaders to create the necessary **political support and incentives**. At the inaugural meeting, the dialogue started with a discussion with Frans Timmermans, Executive Vice President of the European Commission.

The CEO Alliance is convinced that ambitious decarbonization and cross-sector collaboration require ambitious and cross-sector policy frameworks, for example carbon pricing with a minimum floor price in the EU Emissions Trading System, a reform of the energy taxation system, and driving demand for sustainable, innovative and digital solutions, among other things by using renewal schemes, public procurement and investments.

The CEO Alliance represents members from key industry sectors: ABB, AkzoNobel, Eon, Enel, Iberdrola, A.P. Møller Maersk, Philips, SAP, Scania, Schneider Electric, Siemens and Volkswagen. Following an initial joint letter to the European Commission in June 2020, the first face-to-face meeting underscored the commitment to act fast and to recognize the urgency of the necessary transformation for future competitiveness.

Ignacio Galán, Iberdrola Chairman and CEO, said: “To combat the climate crisis and maximise the environmental and economic benefits of a green recovery, a unified approach is required across borders and businesses. The CEO Alliance is a firm commitment from some of the world’s leading companies to work together to actively make the case for ambitious climate action, create jobs, and set the foundations of a stronger, more sustainable economy in Europe. The decarbonisation of our economies and businesses will only happen if we strongly promote electrification through renewables in Europe, and invest massively in grids and storage. Climate change is a global emergency, so we need everyone on board to fight it.”