

KR Foundation  
Annual Report

20

22

# ABOUT KR FOUNDATION

KR Foundation is a philanthropic foundation established on 21 December 2014 by VILLUM FONDEN and the descendants of Villum Kann Rasmussen, MSc in Engineering. The purpose of the Foundation is to address the root causes of climate change and environmental degradation.

KR Foundation has a stated capital of approx. DKK 10m, donated by its founders, and an annual distributable capital of approx. DKK 100m, donated by VILLUM FONDEN.

The stated capital is invested “mission-related” (i.e., the investment is not made in companies that extract, produce or are heavily reliant on fossil fuels) through Forvaltningsinstituttet for Lokale Pengeinstitutter in the Triodos Sustainable Bond Fund. The distributable capital is invested as mission-related until the funds are disbursed as grant instalments. The investment portfolio usually consists of bonds and various Triodos investment funds.

In 2022, KR Foundation used the following advisers and service providers:

- ▶ Auditor: Deloitte
- ▶ Legal counsel: Horten
- ▶ Asset managers: Forvaltningsinstituttet for Lokale Pengeinstitutter and Merkur Cooperative Bank
- ▶ General banking purposes: Merkur Cooperative Bank
- ▶ Bookkeeper: LXP Consulting

KR Foundation is based in Copenhagen, Denmark but works internationally.

4

Mission

18

70by30 Project

6

Foreword

8

2022 Key Figures

10

Sustainable Finance Programme Update

14

Sustainable Behaviour Impact Highlights

22

Governance and Partners

Cases —————>

24

Uplift – warm this winter: a campaign for clean, affordable energy

26

E3G – getting public banks out of fossil fuel finance

28

CIEL - using the power of law to end fossil fuel finance

30

Climate Social Science Network – the first global assessment of climate obstruction

34

Client Earth – tackling greenwashing across europe

36

Comms Declare – fighting to ban fossil fuels advertising in Australia

38

Center for Countering Digital Hate – getting to the core of climate misinformation

40

70by30 – Deltager Danmark

42

List of grants

43

References

KR Foundation  
Annual Report 2022

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From June to October 2022, floods in Pakistan killed 1,739 people, and caused USD 14.9bn of damage and USD 15.2bn of economic losses. The floods affected 33 million people in Pakistan<sup>1</sup>

## MISSION

Humanity is facing unprecedented risks caused by climate change and environmental degradation. The burning of fossil fuels and unsustainable consumption patterns are two inter-linked root causes fueling the current climate crisis and the related biodiversity and ecosystem crises. An unprecedented transformation of society needs to happen to achieve the goals of the Paris Agreement and avoid climate catastrophe. KR Foundation supports organizations that are working to enable and accelerate this transformation.

**The mission of KR Foundation is to address the root causes of climate change and environmental degradation**



## FOREWORD

# ENERGY FOR A PEACEFUL AND PROSPEROUS WORLD

2022 was another eventful year for climate philanthropy and for the organisations supported by KR Foundation in our mission to address the root causes of climate change.

On 24 February 2022, Russia invaded Ukraine. The humanitarian consequences have been devastating, and the implications of the war reach far beyond Ukraine's borders. The invasion ignited an interconnected energy, food, and economic crisis that will affect the premises for climate action across the globe for years to come, including for many of the organisations supported by KR Foundation.

The crisis has exposed how important the renewable energy transition is to security and economic stability. Making energy reliable, renewable, and affordable is an absolute necessity for shaping a peaceful and prosperous world. Had it not been for already-installed renewable energy capacities and the increasing focus on energy efficiency, Europe would have found itself in a much more challenging situation.

However, there is still a long way to go, especially when it comes to Europe's dependency on gas: In 2012, the EU imported approx. 40 pct. of its gas from Russia. In 2022, just prior to the invasion, that number had not changed<sup>2</sup>. Between the invasion in February 2022 and December 2022 when this report

went to press, EU Member States have spent EUR 123bn importing Russian fossil fuels<sup>3</sup>. This does not only cost Member States, companies, and citizens vast sums of money, it also helps finance the Russian war efforts. On the positive side, it has created an unprecedented support for a rapid renewable energy transition in many European countries because the acceleration of this transition is seen as a key solution for national security, the climate challenge, and the cost-of-living crisis.

These are, indeed, crucial times for institutions and governments across the world, and KR Foundation grantees are working hard to make sure that the decisions currently being made are aligned with the goals of the Paris Agreement – making the promotion of clean energy and the prevention of a long-term gas lock-in absolute top priorities.

KR Foundation is now building a workstream to counteract the influence the fossil fuel industry exerts through PR, advertising, and lobbying. This work will continue in 2023 as our grantees seek to limit and respond to greenwashing and misinformation campaigns. There is momentum in this area: More than 400 advertising agencies have pledged not to work for the fossil fuel industry; the number of climate-change-related legal cases in 2022 has more than doubled

since 2015 ; and big tech platforms are finally beginning to curtail misleading content and advertising. This means that companies and countries with lofty climate targets and net zero pledges that are not directly backed by ambitious action will experience a significant backlash – a backlash that will impair both reputations and finances.

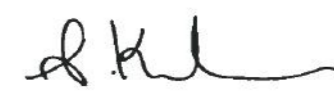
Despite the dire and tragic events

that have occurred over the past year, progress is being made, but there is still a very long way to go if we are serious about limiting the devastating consequences of climate change. Emissions are still rising, and there is an urgent need for a renewable response to the current energy crisis.

Please join us in the effort to push for more ambitious action, now.



Connie Hedegaard  
Chair



Astrid Kann-Rasmussen  
Co-founder and Vice-chair



# KEY FIGURES

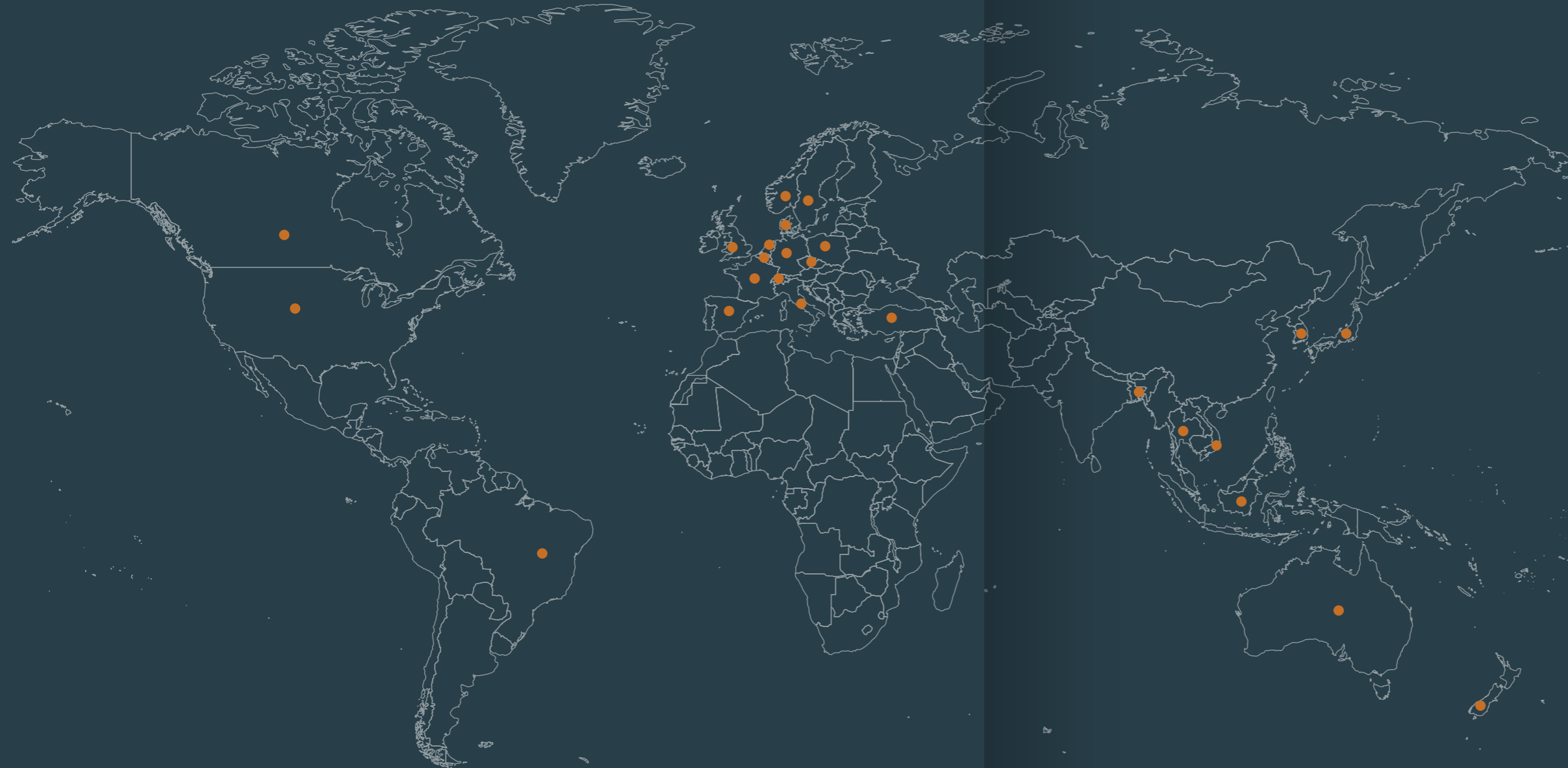
Granted in 2022:

**DKK 101,441,427**

Number of grants:

**75**

Location of activities of KR Foundation grantees, 2022



Grants awarded by programme area, 2022

Programme area	Amount, DKK	Number of grants
Sustainable Finance	42,141,975	24
Sustainable Behaviour	31,947,431	16
Digital Climate Communication	12,788,491	9
New Economy	6,639,956	2
Cross-cutting Projects	2,175,000	2
70by30 Climate Communication	5,748,574	22
<b>Total</b>	<b>101,441,427</b>	<b>75</b>

# ENDING FOSSIL FUEL FINANCE

To limit the warming of the planet to 1.5 degrees Celsius, global emissions must be cut by 43 pct. by 2030<sup>4</sup>. Fossil CO2 emissions represent the bulk of total global emissions, accounting for approximately 91 pct of emissions in 2022<sup>5</sup>.

To avert dangerous climate change, most fossil fuels must therefore be kept in the ground. Yet, the existing financial system keeps driving and supporting the production and consumption of fossil fuels at levels wholly incompatible with the Paris Agreement. The world's 60 largest banks have invested more than USD 4.6tr in fossil fuels since the Paris Agreement was adopted in 2015<sup>6</sup>, while global development banks (MDBs) and G20 countries still provide at least USD 55bn per year in international public finance for oil, gas, and coal.<sup>7</sup>

KR Foundation's Sustainable Finance Programme Area supports interventions that aim to shift both public and private financial incentives and means (such as investments, subsidies, taxes, regulation, etc.) away from fossil fuel production and consumption and onto a pathway compatible with the Paris Agreement.

The grantees in Sustainable Finance Programme Area have two overall aims:

- ▶ Coal: Public and private financial actors adopt policies that lead to a phase-out of coal-fired power plants while avoiding gas-fired power plants as replacement.
- ▶ Oil and gas: Phasing out investments in oil and gas production.

**“No one should imagine that Russia’s invasion can justify a wave of new oil and gas infrastructure in a world that wants to reach net zero emissions by 2050”**

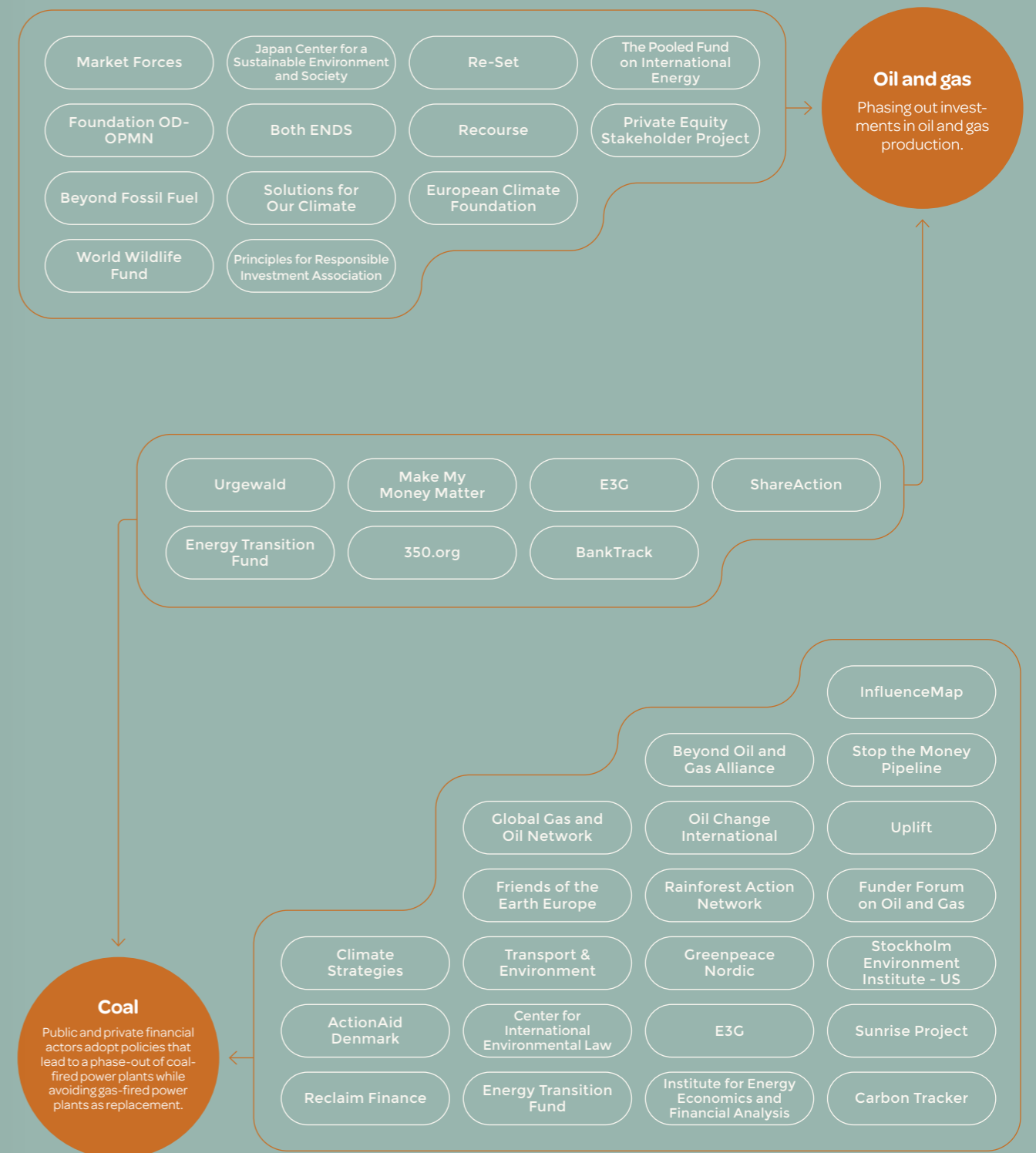
The International Energy Agency, World Energy Outlook 2022

## Supporting an ecosystem of change

KR Foundation takes an 'ecosystem-based approach', which entails supporting a wide range of different organizations with complementary areas of expertise within the realm of finance. The aim is to drive financial flows away from fossil fuels and onto a pathway that is compatible with the goals of the Paris agreement.

KR Foundation collaborates closely with other international climate foundations to achieve this goal.

- Organizations we support
- Goals they are working towards



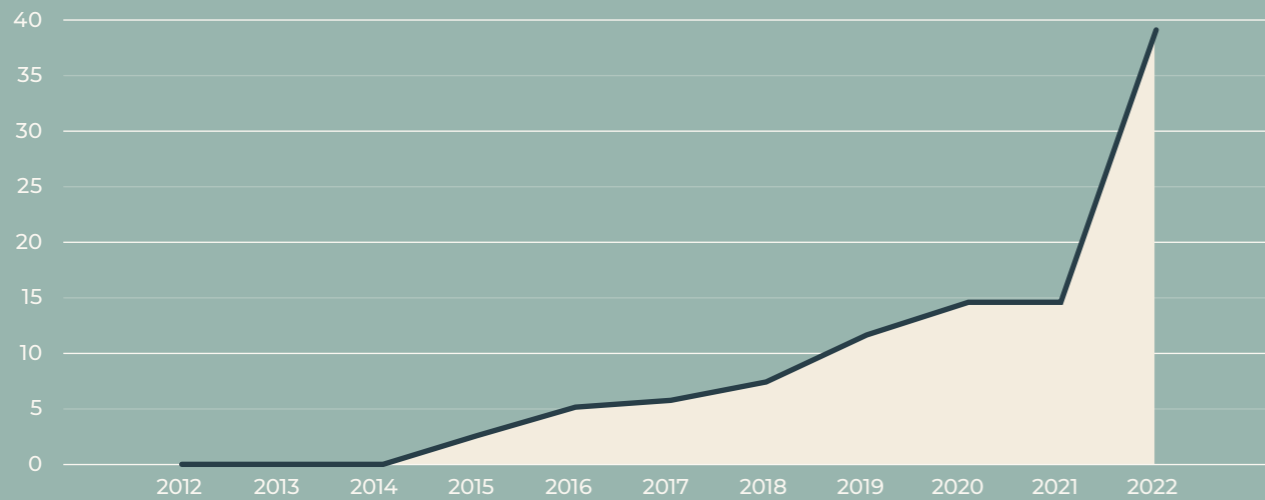
EXAMPLES OF OUTCOMES IN 2022 THAT KR FOUNDATION GRANTEES AND PARTNERS HAVE CONTRIBUTED TO

**43%** of the global insurance market now has fossil fuel exclusion policies in place.

**More capital than ever before is shunning fossil fuels**

**Private finance is getting out of fossil fuels**

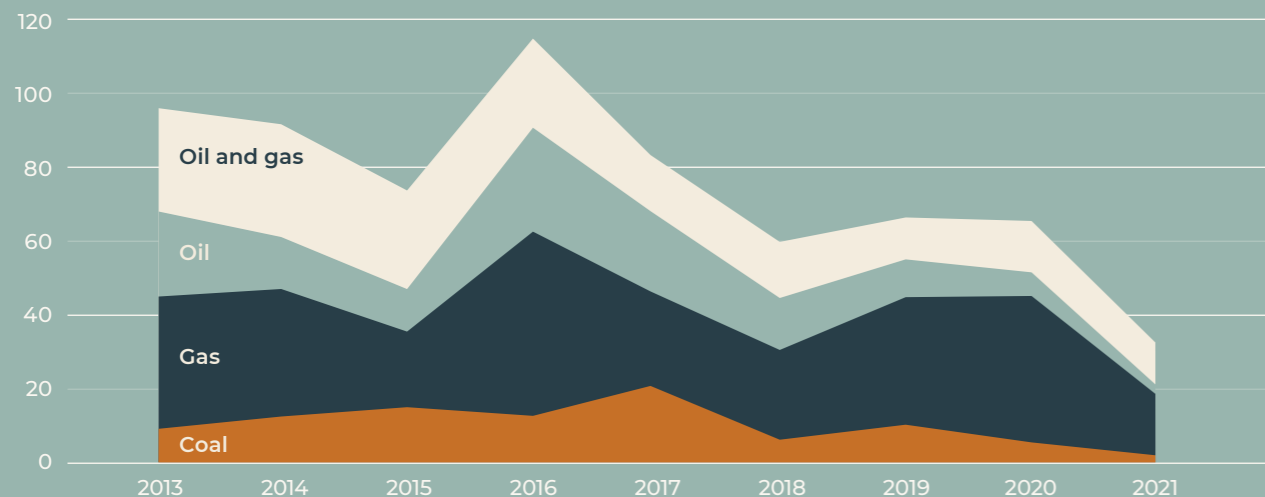
Total assets under management committed to fossil fuel divestment globally (\$tr)



Source: Global Divestment Commitments Database (Stand.earth, 350.org)

**Public finance is getting out of fossil fuels**

G20 countries and multilateral development banks finance for fossil fuels in USD billions



Source: Public Finance for Energy Database, energyfinance.org

**A massive win for sustainable energy planning**

The Energy Charter Treaty (ECT) is an international agreement on cross-border investments in energy applicable in 53 countries. Paradoxically, the ECT has proven to be good at protecting fossil investments and problematic for the transition away from fossil fuels. However, this has paradoxically been overlooked by most governments, which have signed the ECT. Over the last year, many of KR Foundation's grantees have worked to address this challenge, and governments are beginning to change their stance and withdraw from the treaty. This marks a historic point in time for climate action as this is a pivotal moment for breaking with an investment treaty that historically has been unproportionally protective of fossil fuel investments.

Countries that have announced they will withdraw from the ECT:



**7**

nations have introduced plans to phase out international public finance for new fossil fuel projects.

The United Kingdom, Denmark, Sweden, France, Canada, New Zealand and Finland have all published new policies ruling out all or most fossil support.

**Key highlights in 2022**



# SUPPORTING THE GROWING MOVEMENT SEEKING TO TRANSFORM THE ADVERTISING AND PR INDUSTRY

The climate crisis presents itself as one of the most daunting challenges mankind has ever faced. Although this has been known for decades, and despite a growing consensus on the science and on policy solutions needed to mitigate climate change, the efforts to address the crisis have so far been inadequate. This can in part be explained by the purposeful obstruction of climate action by large greenhouse gas emitters and their sophisticated use of influencing tactics (such as lobbying, misleading PR campaigns, and greenwashing).<sup>8</sup>

For instance, in the three years following the Paris Agreement, the five largest publicly-traded oil and gas majors (ExxonMobil, Royal Dutch Shell, Chevron, BP, and TotalEnergies) invested over USD 1bn of shareholder funds on misleading climate-related branding and lobbying.<sup>9</sup> A recent analysis shows that these companies are now spending hundreds of millions of dollars each year to portray themselves as positive and proactive on the climate change emergency, while this is found to be inconsistent with actual investments in renewable energy.<sup>10</sup>

KR Foundation's Sustainable Behaviour Programme Area seeks to support the growing movement of civil society organisations aiming to counter these influencing tactics (such as enforcing greenwash legislation, raising standards in the PR and advertising industry, etc.).

The grantees in the Sustainable Behaviour Programme Area work towards two overall aims:

- ▶ Media platforms, PR and advertising agencies, and other service industries adopt industry standards on fossil fuels and high carbon clients.
- ▶ Policy makers from the local to the global level adopt new policy frameworks and guidelines on fossil fuel and high carbon advertising, promotion, and sponsorship.

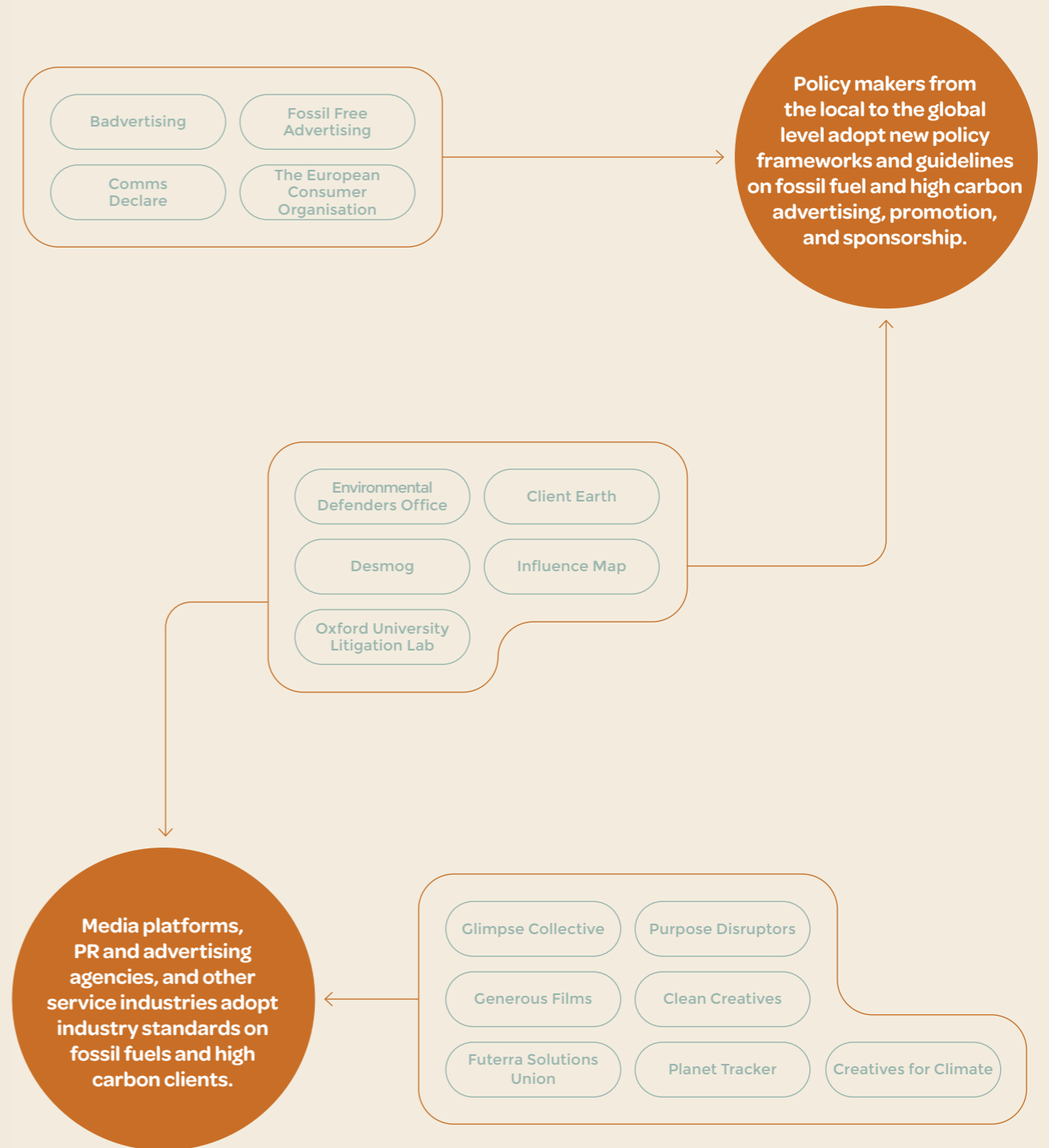
**"We need to hold fossil fuels and their enablers to account. This includes the massive PR machine raking in billions to shield the fossil fuel industry from scrutiny"**

UN Secretary General Antonio Guterres

## Supporting an ecosystem of change

A growing number of civil society organisations with different areas of expertise are focused on holding high carbon industries and their enablers to account. See figure below.

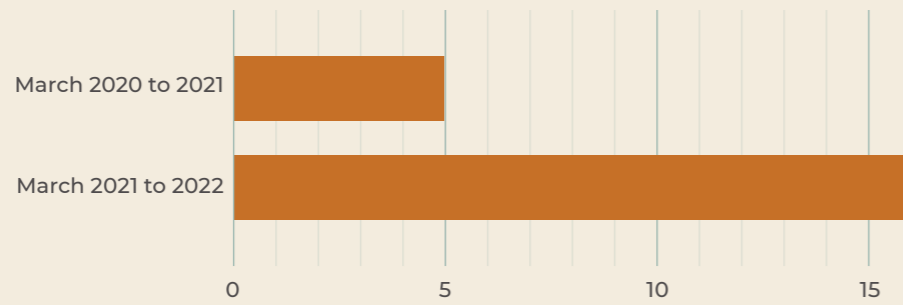
- Organisations we support
- Goals they are working towards





**EXAMPLES OF OUTCOMES IN 2022 THAT KR FOUNDATION GRANTEES AND PARTNERS HAVE CONTRIBUTED TO**

**Number of adverts in the UK banned for greenwashing tripled this year**



Source: The Advertising Standards Authority

**The first cities and states putting restrictions on fossil fuel advertising and sponsorships:**



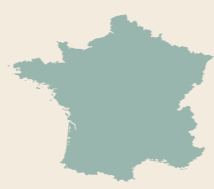
**Holland**  
Amsterdam  
Nijmegen  
The Hague  
Utrecht  
Leiden  
Enschede  
Haarlem



**UK**  
Liverpool  
Norwich  
North Somerset  
Leeds  
Bristol



**Australia**  
Sydney  
Yarra  
Moreland  
Maribyrnong  
Lane Cove  
Inner West  
Fremantle  
Darebin



**France**

**400** PR and advertising agencies are now refusing to work for fossil fuel clients.



**Developments on legal frameworks and accountability:**

**3 March 2022**

NGOs sue TotalEnergies for allegedly misleading the public over Net Zero marketing claims and for misleading marketing.

**6 July 2022**

Dutch environmental groups sue KLM over its misleading greenwashing adverts

**20 September 2022**

United Nations Secretary-General António Guterres calls for interventions towards the PR agencies that are aiding and enabling the fossil fuel industry.

MARCH

JULY

SEPTEMBER

**30 March 2022**

EU Commission proposes new consumer rights and a ban on greenwashing

**14 September 2022**

The House Natural Resource Committee's oversight panel, led by U.S. Representative Katie Porter of California, held a hearing about the role of public relations firms in preventing climate action and released a report detailing the "deceptive" and "misleading" tactics they use for their client campaigns.

# SUPPORTING AMBITIOUS CLIMATE ACTION

In 2020, the Danish government, supported broadly by the Parliament, businesses, civil society, and citizens, adopted an ambition to reduce GHG emissions by 70 pct. by 2030 - one of the most ambitious climate goals in the world. In 2021, VILLUM FONDEN, VELUX FONDEN and KR Foundation launched a DKK 320m project to help achieve the 70 pct. reduction target. The project, aptly named "70by30", is designed to support the realisation of the reduction target and aims to enable informed decision making on climate change mitigation at all levels of society. It aims to do so on a national scale for global inspiration and repli-

cation. The project is divided into five focus areas (see box 1).

The project is implemented in a partnership with the green think tank CONCITO, the social enterprise DeltagerDanmark, Aalborg University, and the European Climate Foundation. In addition to this, KR Foundation manages a pool of funds that supports Danish civil society in their efforts to drive ambitious climate action. This year all the partners and grantees have collaborated to increase civic awareness and participation, inform policy, and elevate the level of public debate on climate change mitigation.



## THE FIVE INITIATIVES:

# 1

**Getting the data right:** New global datasets and independent insights will be developed as basis for the 'next generation whole-of-economy' and full value chain-centred climate policies as they must unfold over this decade.

# 2

**Knowledge in action:** A markedly enhanced effort in deepening knowledge and developing appropriate policies will help ignite critical and timely action in critical sectors through co-creation with key stakeholders in society.

# 3

**Effective climate communication:** A tailored climate communication and engagement effort will engage the best global expertise in developing and applying new approaches to messaging and communication in a Danish and Nordic context.

# 4

**Boosting climate education:** New teaching materials and teaching processes will help create a new generation of climate competent youth that will be decisive for lasting impact in every corner of society, driving new demands, behaviours and lifestyles.

# 5

**Involving for climate impact:** The transition will require a population that is receptive to disruptive change. The ability to engage the society at large will benefit from new and science-based methods of involving and engaging citizens at large.

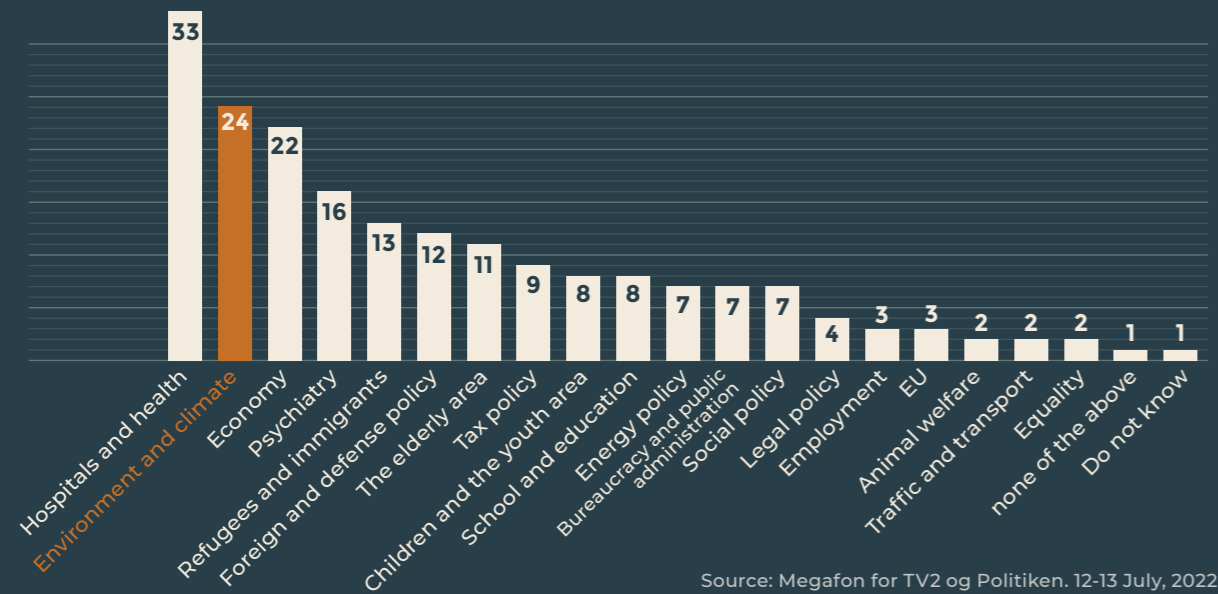
## EXAMPLES OF OUTCOMES IN 2022 THAT KR FOUNDATION GRANTEES AND PARTNERS HAVE CONTRIBUTED TO

### Continuous support for ambitious climate action

Climate was an important theme in the election campaigns leading up to the general election in Denmark on 2 November. The public support for climate action in Denmark continues to grow, and several surveys have shown that climate continues to be among the top three most important themes for the voters.

### Most important political themes June 2022

1,076 respondents - collected 12-13 July 2022.

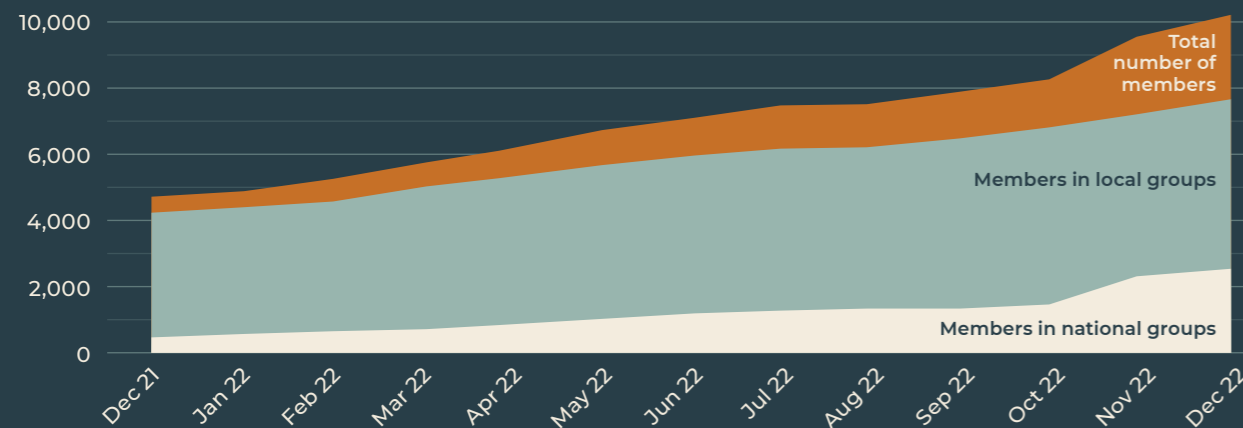


Source: Megafon for TV2 og Politiken. 12-13 July, 2022.

### Green Neighbour Communities

One of the 70by30 partners, DeltagerDanmark, works to nurture the increasing public support for climate action and helps create ways for people to get engaged. In 2022, they formed a strategic partnership with the organisation Green Neighborhood Communities (read more on page 38) that works with local climate groups. This partnership is rapidly evolving, and the community now has 10,000+ members covering 92 of the 98 municipalities in Denmark.

### From 4,929 to 10,202 members in 2022



### Improved climate policies

Throughout 2022, the 70by30 partners collaborated closely in promoting ambitious climate action that contributes to the realization of the Danish climate goal.

In June 2022, a green tax reform was agreed upon in the Danish parliament, with a broad political coalition behind it. The reform implements a tax on CO2 emissions from industrial production and is a vital part of the roadmap to reaching the Danish goal of reducing CO2 emissions by 70 pct. The 70by30 partners have continuously provided decision makers with analyses on science-based pathways and policies to help inform the content of this reform. This has been accompanied by frequent polling on the public's thoughts about climate change and various climate policies, which has provided politicians with an incentive to act.

### A new focus on consumption-driven CO2 emissions

Traditionally, consumption-driven CO2 emissions is an area that has received very little attention in Danish climate policy, both on a national and a local level. The 70by30 partners have worked to raise the bar on this topic. A key pillar in this work in 2022 was the publication of the white paper "Omstilling på vippen" (Green transition on the verge), which describes best practice examples on consumption, behaviour, and civil society participation in the green transition. This was developed in close collaboration with the Danish Ministry for Climate, Energy and Utilities.



# GOVERNANCE AND PARTNERS

KR Foundation's Board of Directors has 6 members:



**Connie Hedegaard**

(Chair)  
Former European Commissioner for climate action and Danish minister for climate and energy (DK)



**Astrid Kann-Rasmussen**

(Vice-Chair and Co-founder)  
Chair of V. Kann Rasmussen Foundation (DK)



**Anthony A. Leiserowitz**

Senior Research Scientist and Director of the Yale Program on Climate Change Communication (US)



**Tim Jackson**

Director of the Centre for the Understanding of Sustainable Prosperity (UK)



**Eva Zeuthen Bentsen**

Partner in the recruitment company Zeuthen Storm (DK)



**Nina Jensen**

CEO of REV Ocean, the world's largest Research and Expedition Vessel (REV).

KR Foundation coordinates its efforts with international foundations and partners. Key networks and partners are:

- **Partners for a New Economy (P4NE):** An international donor collaborative supporting innovative, high-risk interventions that encourage the economic system to value ecological integrity and human well-being. KR Foundation has a seat on the board of P4NE.
- **European Climate Foundation (ECF):** A major philanthropic initiative established to help Europe foster the development of a low-carbon society and play an even stronger international leadership role to mitigate climate change. KR Foundation's Chair, Connie Hedegaard, is a member of ECF's supervisory board.
- **ClimateWorks Foundation:** Through ClimateWorks, KR Foundation participates in the Funders Table, which is an informal collaboration of not-for-profit foundations dedicated to climate change mitigation.

## CASE

# WARM THIS WINTER - A CAMPAIGN FOR CLEAN, AFFORDABLE ENERGY

We are at an historic inflection point for fossil fuels. On one hand, Russia's war in Ukraine has emboldened the oil and gas industry and its supporters to lobby for increased production and accelerate new extraction. On the other hand, the soaring price of gas, which is projected to stay exceptionally high until at least 2025, has driven inflation to new levels across Europe and created an energy crisis in the UK (and beyond), exposing the deep vulnerability associated with the dependency on gas. While the fossil fuel companies are reporting record profits, most people are faced with a huge hike in their cost of living, which has also generated public backlash against the industry in many countries.

The UK-based organisation Uplift aims to use this crucial moment to push for a rapid phase-out of oil and gas production and a surge in renewable energy in the UK. Through its campaigns and research, including the Warm This Winter campaign, Uplift would like to create a vocal and diverse coalition of civil society actors (NGOs, grassroots groups, academics and other experts, and well-respected public figures) to call for a transformation of the UK's energy system, including a swift transition away from oil and gas. This will also include anti-poverty groups, oil and gas workers, trade unions, and communities that are close to the industry – parties that can constructively engage in conversations with key politicians and industry leaders.



Organisation: The Social Change Nest - Fiscal sponsor of Uplift

Project title: A New Era for the North Sea

Programme: Sustainable Finance

Grant: DKK 2,000,000

Year: 2022-2024

### Key objectives:

- ▶ To stop the expansion of oil and gas production in the UK, including new fields and new licenses.
- ▶ A commitment to end existing production by a date that is consistent with the Paris Agreement's temperature goals and the international principle of equity.
- ▶ A political commitment in the UK to a process for a just transition for workers and their communities.

### Organisation:

Uplift's mission is to support and energize the movement for a just and fossil-fuel-free UK. Uplift consists of 16 dedicated professionals who strategically resource, connect, and elevate ideas and voices to push for a just transition away from fossil-fuel production that is commensurate with the scale of the climate crisis.

## CASE

# GETTING PUBLIC BANKS OUT OF FOSSIL FUEL FINANCE

The world's approx. 500 public banks are and will be instrumental in phasing out finance for fossil fuels and fossil fuel infrastructure. Some European public banks are slowly starting to deliver on this, but progress is lacklustre so far. Between 2018 and 2020, G20 public finance institutions provided financing in the amount of, at least, USD 63bn annually for oil, gas, and coal<sup>11</sup>.

The global think tank, E3G, is working to accelerate the transition away from fossil fuels in the global ecosystem of public financial institutions. Undertaking what can best be described as 'financial diplomacy', they provide key decision makers with succinct and fact-based analyses that can guide the transition towards 'Paris-aligned' investment policies and practices. E3G has also developed an interactive tool (The Public Bank Climate Tracker Matrix) that shows how the most well-known public banks, including Multilateral Development Banks such as the World Bank, are mainstreaming climate change into their work. The matrix translates the technical and obscure into a simple, easy-to-understand traffic light system. It is designed to provide shareholders, the banks themselves, and civil society with a shared understanding of how to promote the transformation of each bank into a climate champion.

Organisation: E3G – Third Generation Environmentalism  
 Project Title: Public banks: The leaders of managed fossil transition  
 Programme: Sustainable Finance  
 Grant: DKK 1,995,379  
 Year: 2023-2024

## Key objectives:

- ▶ To ensure that the COP26 Clean Energy Transition Partnership coalition is used as a forum to drive progress and share best practice.
- ▶ To help support and enable the phase-out of public finance for fossil fuel projects.

## Organisation:

E3G is an independent climate-change think tank working to bring down barriers and advance solutions for a safe climate. E3G's mission is to deliver a safe climate for all and to translate climate politics, economics, and policies into action. E3G has offices in London, Brussels, Berlin, and Washington, DC.



## CASE

# EXPOSING THE RISKY BUSINESS OF FOSSIL FUEL FINANCE

Despite dire warnings about the consequences, global investments by governments and large financial institutions continue to flow into projects that accelerate climate change, lock the world into continued fossil fuel dependence, and wreak environmental havoc. While investments in renewables are increasing, so are investments in fossil fuels, projected to reach more than USD 400bn in oil and gas<sup>1</sup> and over USD 116bn in coal<sup>2</sup> by the end of 2022. To reach the goals of the Paris Agreement, this needs to change.

The Center for International Environmental Law (CIEL) works to demonstrate to investors, communities, and regulators that the legal and financial risks associated with oil and gas production substantially outweigh any potential benefits. CIEL does this by supporting targeted legal opposition to industry expansion, corporate accountability campaigns against the largest carbon producers, and analyses highlighting the financial and legal risks intertwined with new fossil fuel investments.

Throughout the years, CIEL has played a critical role in developing the legal arguments, guiding strategy, and magnifying the impact of the growing global climate accountability movement. KR Foundation has supported CIEL since 2015.

Organisation: Center for International Environmental Law

Project Title: Accelerating the managed decline of oil and gas

Programme: Sustainable Finance

Grant: DKK 1,600,000

Year: 2022-2024



## Key objectives:

- ▶ To inform and shape cases and other legal advocacy to build a growing body of legal analysis, authoritative statements, and judicial precedents attributing harmful climate impacts to the governments and corporate actors most responsible for the climate crisis.
- ▶ To promote coverage in financial media outlets by routinely addressing mounting uncertainties, long-term climate-related risks, and stranded asset risks.

## Organisation:

Since 1989, CIEL has used legal strategies to protect the environment, promote human rights, and ensure a just and sustainable society. With offices in Washington, DC, and Geneva, Switzerland, CIEL's team of attorneys, policy experts, and support staff works to provide legal counsel and advocacy, policy research, and capacity-building across the three programme areas: Climate & Energy, Environmental Health, and People, Land, & Resources.

CASE

# MAPPING THE VESTED INTERESTS PREVENTING AMBITIOUS CLIMATE ACTION

Clear pathways to stop climate change have been readily available for decades, and a united scientific community has warned about the dire consequences of delaying ambitious climate action.

Despite this, all efforts so far have failed to bend the emissions curve adequately. In part, this is because those efforts have been successfully blocked, watered down, delayed, or even rolled back by entrenched private interests and their allies.

The Climate Social Science Network (CSSN) has already played a significant role in strengthening the evidence for the role of vested interests in obstructing policies and practices that help prevent climate change, including the role of the PR and advertising industry. With this project, the CSSN takes the work farther by creating a comprehensive publication on the topic, called the Global Assessment of Climate Obstruction, which is the first of its kind.

This is the first time that KR Foundation is providing support for the CSSN.

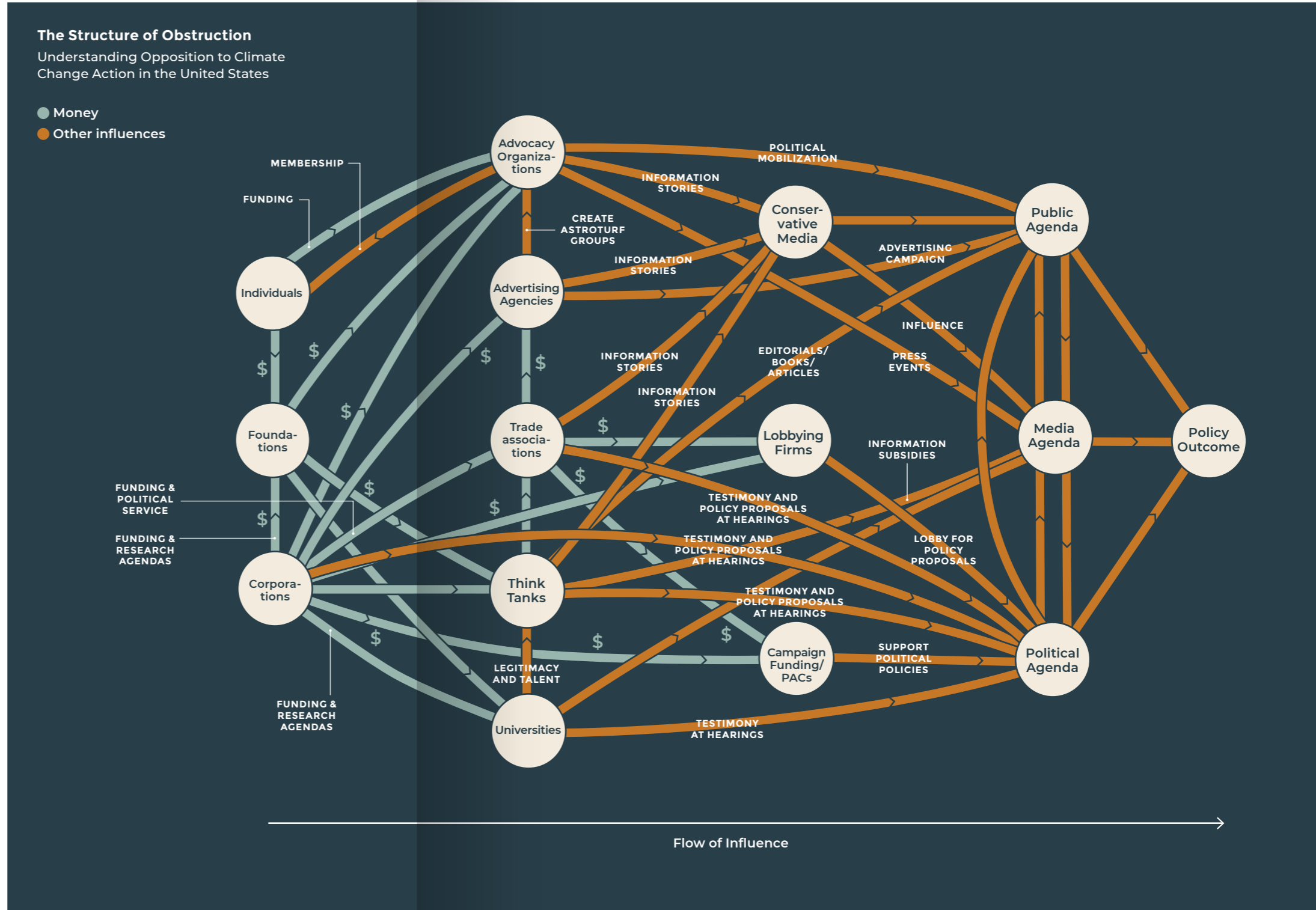
Organisation: The Climate Social Science Network  
 Project Title: The Global Assessment of Climate Obstruction  
 Programme: Sustainable behaviour  
 Grant: DKK 2,978,749  
 Year: 2022-2024

**Key objectives:**

- ▶ To fill the gap left by major climate assessments (e.g., the IPCC) and produce the go-to reference publication for those seeking to understand, prepare for, and counter climate obstruction.
- ▶ To disseminate this information to relevant key audiences in the NGO sector working to counter disinformation about climate change.

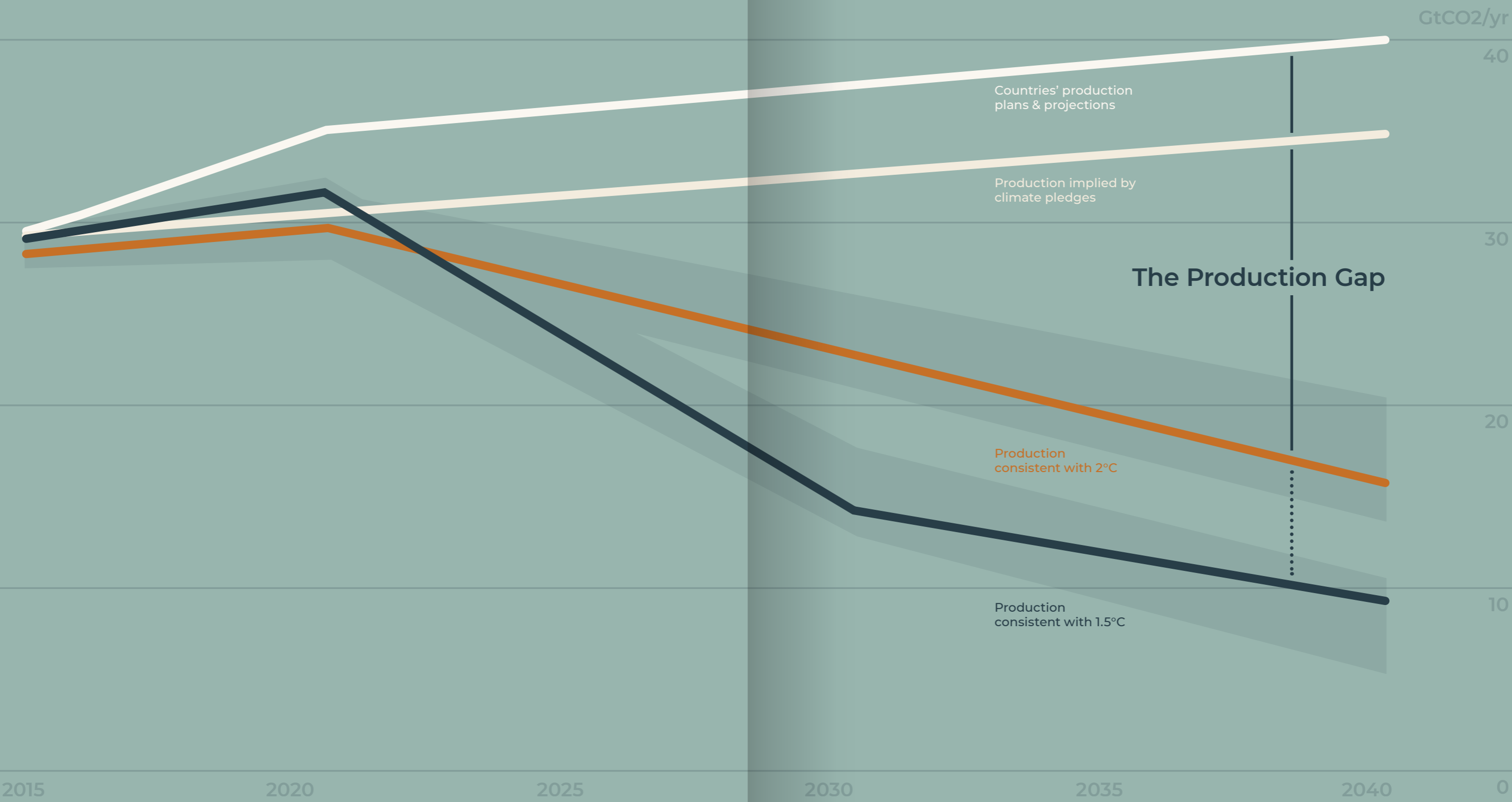
**Organisation:**

The Climate Social Science Network (CSSN) is an international network of social science scholars focused on understanding the cultural and institutional dynamics of the political conflict over climate change. The network was launched in October 2020 and has grown to over 300 scholars worldwide. The network seeks to foster understanding of climate obstruction organisations through collaborative research and communications outreach to journalists, campaigners, and policymakers.





# GLOBAL FOSSIL FUEL CO<sub>2</sub> PRODUCTION



CASE

# USING THE LAW TO PREVENT GREENWASHING

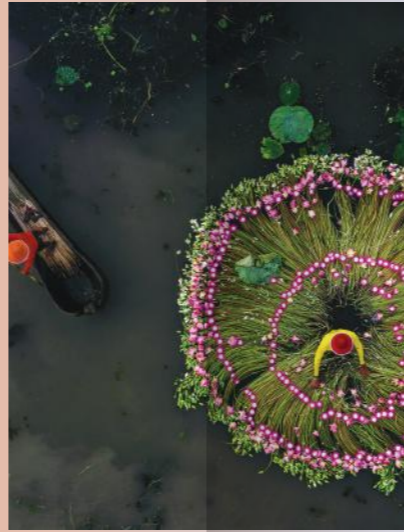
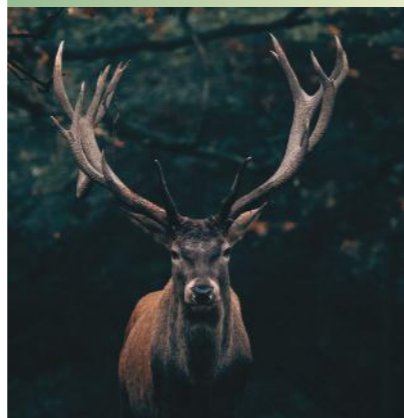
Consumers are becoming increasingly concerned about making environmentally-friendly decisions - giving companies a strong financial incentive to be (or just to appear to be) sustainable and socially conscious. While 'green' advertising and PR strategies have picked up pace, most major polluters have not significantly altered their core products and services in response to the climate crisis, creating a large discrepancy between high-spirited declarations about sustainable products and services and real action to reduce emissions. This has created a surge in greenwashing among some of the top polluting companies in the world.

ClientEarth is using the power of law to challenge greenwashing, so that corporate advertising does not mislead the public or investors about a company's impact on the environment. It does this by combining direct legal interventions (e.g., targeted litigation against companies responsible for greenwashing) with strategic communications, advocacy, and campaigns that explain greenwashing to the public and stakeholders. With support from KR Foundation, ClientEarth will carry out this work in a number of countries over the next two years.

Organisation: ClientEarth  
 Project Title: Tackling greenwashing across Europe  
 Programme: Sustainable Behaviour  
 Grant: DKK 3,000,000  
 Year: 2022-2024

**Organisation:**

ClientEarth is a team of over 250 people across eight offices, dedicated to protecting life on Earth. They work in more than 50 countries, using the law to create systemic change, focusing on the most pressing environmental challenges of our time.



**Key objectives:**

- ▶ To support enforcement against misleading and deceptive communication.
- ▶ To engage in sustained, high-profile strategic communication campaigns to raise awareness about important legal cases involving greenwashing.
- ▶ To use legal interventions to advocate for greater ambition and scrutiny among key stakeholders in the investor community.
- ▶ To engage with advertising industry actors from agencies to media owners to challenge the ways these businesses amplify misleading and non-compliant narratives.

**ClientEarth and Reclame Fossielvrij are suing KLM**

The lawsuit argues that KLM's 2022 'Fly Responsibly' campaign breaches the Dutch implementation of the EU's Unfair Commercial Practices Directive by giving customers the false impression that the company's flights will not worsen the climate emergency, because the company and the aviation industry are on the path to meet climate goals. The claim alleges that the airline's plans for continued growth of air traffic are inconsistent with its advertising claims that the company and the wider aviation industry are taking action that aligns with climate goals.

The carbon offsets are said to fund reforestation projects and/or KLM's purchase of biofuels, which do not validly compensate for the emissions released by the purchased flights. This gives a false impression that air travel effects may be easily counteracted through offsetting. The claim, therefore, alleges that the marketing of KLM's CO2ZERO offset product is unlawful. An expert evidence report submitted with the court filing found that KLM cannot validly claim that donating toward reforestation or KLM's biofuel costs compensate for the climate impact of flying.

Following the lawsuit, KLM has quietly changed the way it markets its offsets promotions. It now advertises products under the label of 'CO2 Impact'. Despite this change, the airline is still using the same flawed offset claims ('compensation') that Fossielvrij alleges gives customers the impression that they can 'reduce their CO2'. The case is still pending.

Source: ClientEarth and CleanWire.org

**“Greenwashing through unsubstantiated green claims delays climate action, creates an uneven playing field, and prevents a common understanding of urgently necessary transition steps. Industries with large advertising and PR budgets can disrupt the real sustainability leaders, and those dedicated to real action are increasingly disadvantaged”**

Jonathan White, Lawyer, Climate Accountability, ClientEarth

## CASE

# FIGHTING TO BAN FOSSIL FUEL ADVERTISING IN AUSTRALIA

Misleading advertising and greenwashing are widespread in Australia, a country that contributes vastly to global climate change relative to its population. It is one of the top exporters of LNG and coal in the world, and its per capita emissions are the highest in the OECD, undermining international efforts to reduce fossil fuel use. To protect vested interests and maintain the status quo, the AUD 202bn fossil fuel industry<sup>13</sup> spends large sums to spread misinformation and is routinely engaged in corporate greenwashing.

To curb the influence of the fossil fuel industry, the organisation Comms Declare has set out to have fossil fuel ads banned in Australia. Starting with local councils and expanding to state and national levels, the campaign will agitate for legislative curbs on the advertising and sponsorship of high-carbon products and fossil fuel companies. To achieve this, they have launched a massive public campaign that aims to expose the negative impacts of fossil fuel advertising and mobilise large parts of the public to put pressure on politicians.

This is the first time that KR Foundation has provided support to Comms Declare.

Organisation: Comms Declare  
 Project Title: Fossil ad ban  
 Programme: Sustainable Behaviour  
 Grant: DKK 3,633,431  
 Year: 2022-2025

## Key objectives:

- ▶ Enforcement of national and subnational restrictions on fossil fuel advertising.
- ▶ Secure legislation to mandate 'climate warning' labels on carbon-intensive goods and services.
- ▶ Recruit trusted voices (health professionals, scientists, lawmakers) to lend support to the argument that fossil fuels are dangerous to health and wellbeing - just like tobacco.

## Organisation:

Comms Declare was founded in early 2020 as a response to the fact that public relations, marketing, and advertising agencies often aid and promote corporations that are creating the climate emergency. Comms Declare is a volunteer industry association with more than 330 members, including over 80 agencies and five environmental organisations that have declared they will not support any activities, organisations, or individuals that promote: 1) the growth of fossil fuels, 2) greenhouse gas pollution as 'business as usual', and 3) deception, distraction, or spin with respect to climate science or climate actions.



**“The playbook of the tobacco industry and fossil fuel industries is parallel. Just like tobacco, the fossil fuel industry sows doubt about science and downplays climate risks. It uses PR, advertising, and public affairs to buy social license and political influence to continue the status quo and stop legislation that threatens its profits”**

Comms Declare founder, Belinda Noble.

## CASE

# TRACKING AND COUNTERING MISINFORMATION ON DIGITAL PLATFORMS

Misinformation about climate change is widespread on digital platforms, and three issues are at the core of the problem: 1) Corporations, organisations, and individuals with significant reach and advertising budgets deliberately spread false and misleading information. 2) Big Tech Platforms (such as Facebook and Google), which are currently self-regulated and unaccountable, prioritize profit over truthful content. 3) Organisations keen to address misinformation, are overwhelmed by the digital sphere and often ill-equipped to react effectively.

The Center for Countering Digital Hate tries to address these three fundamental issues. It does so by mapping who is disseminating climate misinformation, by providing Big Tech platforms with evidence of the scope of the problem (and presenting solutions), and by educating key NGOs on best practices for countering misinformation. The CCDH has a strong track record in this field. Its previous report, “The Toxic Ten”,<sup>14</sup> identified ten websites as the primary producers of climate change denial on social media platforms. It calculated that these “Toxic Ten” were responsible for up to 69% of Facebook users’ interactions with climate change denial. This knowledge has since been leveraged by numerous other organizations in the disinformation field to apply pressure on “Big Tech” to change their policies and practices.

Organisation: Center for Countering Digital Hate  
 Project Title: Climate change denial and misinformation  
 Programme: Digital Climate Communication  
 Grant: DKK 1,381,620  
 Year: 2022-2024



#### Key objectives:

- ▶ To deliver a report that exposes the tactics of the climate denial industry in digital spaces and to design and execute an advocacy plan to encourage such platforms to stop monetizing and profiting from climate denial content.
- ▶ To publish a report on “non-rational misinformation” that seeks to identify potential mechanisms for countering that misinformation and to make the public more resistant to this type of misinformation. This report will be shared with the network of NGOs working to counter and prevent dis- and misinformation.

#### Organisation:

The Center for Countering Digital Hate opposes disinformation by disrupting the online architecture that enables its rapid worldwide growth. The centre’s work encompasses research, campaigns, and advocacy to increase the economic, reputational, and political costs of all parts of the infrastructure – the actors, systems, and culture – that support and often profit from spreading hate and disinformation.

## CASE

# ENGAGING CITIZENS IN THE FIGHT AGAINST CLIMATE CHANGE

Achieving the 70by30 goal (70% reduction in CO<sub>2</sub> emissions by 2030) in Denmark requires a massive transformation at all levels of society. While a great deal of emphasis is placed on technology, government policy, and economic incentives, the importance of enabling citizens to participate in meaningful ways is often overlooked.

DeltagerDanmark is working with municipalities and citizens across the country to accelerate public participation in climate change issues and to enable people to make meaningful sustainable choices in their own communities. DeltagerDanmark aims to alter personal beliefs and give politicians a stronger mandate to make needed changes. One of the key pillars of its work is engaging citizens, municipalities, and workplaces in a National Climate Action Day in April 2023.

Another key pillar in DeltagerDanmark's work is assisting the grassroots movement called Green Neighbour Communities, enabling local communities to participate in the green transition through everyday lifestyle changes and activities. Currently, the movement consists of approx. 10,000 members in local factions in almost every municipality in Denmark. DeltagerDanmark has strengthened the organisational capacity of the movement as a decentralized operation supported by a national steering group assisting with capacity-building endeavours and campaigns.

Organisation: DeltagerDanmark  
 Project Title: Involving for Climate Impact  
 Programme: 70by30  
 Grant: DKK 16,500,000  
 Year: 2021-2024

## Key objectives:

To design and facilitate the National Climate Action Day

- ▶ To design and support local climate activities that will eventually be scaled nationally.
- ▶ To carry out a quantitative and qualitative analysis of attitudes and values in the Danish population, which may help guide the effectiveness of educational, communications, and mobilisation strategies in the overall 70by30 project.

## Organisation:

DeltagerDanmark is a Copenhagen-based social enterprise with 20 employees. Its mission is to strengthen individual and collective agency and to build stronger communities to create a more inclusive, sustainable, and democratic society. DeltagerDanmark assists a variety of private, public, and civic actors to achieve their objectives by facilitating involvement and engagement with citizens, employees, and members.



# LIST OF GRANTS

	Grantee	Country	Project Title	Start date	End date	Amount granted in 2022, DKK
Sustainable Behaviour	BEUC	BE	Ending misleading carbon claims and carbon advertising to consumers	15/10/2022	14/10/2024	502,260
	ClientEarth	UK	Tackling Greenwashing across Europe	01/05/2022	01/05/2024	3,000,000
	Climate Social Science Network	US	The Global Assessment of Climate Obstruction	01/11/2022	31/10/2024	2,978,749
	Comms Declare	AU	Fossil Ad Ban	01/05/2022	01/05/2025	3,633,431
	Creatives for Climate	NZ	Creatives for Climate - A Community to Catalyze Change	01/05/2022	30/04/2023	767,808
	Environmental Defenders Office	AU	Legal interventions to challenge "greenwashing" in climate communications	01/02/2023	30/01/2025	2,200,000
	Frontrunners	AU	Taking Australian sport from sideline to centre court on climate	01/01/2023	01/01/2025	2,045,053
	New Weather Institute	UK	Badvertising: stop adverts fuelling the climate emergency	01/03/2023	28/02/2025	4,000,000
	Partnerships for Change - fiscal sponsor of Generous Films	US	Critical Mass – Engaging New Audiences – Including PR & Ad Industry Leaders, Moderates and Conservatives – in the Climate Accountability Conversation	01/01/2023	01/05/2023	2,041,545
	Partnerships for Change - fiscal sponsor of Generous Films	US	War, Fossil Fuels and Climate Accountability	01/05/2022	30/11/2022	1,791,457
Sustainable Finance	Planet Tracker	UK	Using Investor Influence to Change Ad Agencies' Unsustainable Client Strategies	01/01/2023	30/06/2024	1,500,000
	Sustainable Markets Foundation - Fiscal sponsor of Desmog	US	Ending Fossil Fuel Advertising	01/12/2022	30/11/2024	3,000,100
	The Chancellor, Master and Scholars of the University of Oxford	UK	Countering Greenwash through Machine Learning and Law	02/01/2023	01/01/2025	2,987,033
	BankTrack	NL	Ending bank finance for the fossil fuel industry	01/01/2023	31/12/2024	1,488,000
	Center for International Environmental Law	US	Accelerating the Managed Decline of Oil and Gas	01/05/2022	30/04/2024	1,600,000
	European Climate Foundation	NL	Fossil-Free Energy Campaign	01/05/2022	30/04/2024	3,750,000
	Friends of the Earth Europe (FoEE)	BE	Fossil Free Politics	01/01/2023	31/12/2023	595,000
	InfluenceMap	UK	Digital Media and Finance	01/05/2022	30/04/2024	3,766,987
	International Institute for Sustainable Development	CA	Beyond Oil and Gas Alliance (BOGA) secretariat	01/05/2022	30/04/2024	1,000,000
	Make My Money Matter	UK	Make My Money Matter 2022/23	01/05/2022	30/04/2023	1,199,312
Digital Climate Communication	Market Forces	AU	Asian energy finance: coal and LNG to clean	01/01/2023	31/12/2024	3,272,514
	Re-Set	CZ	The business of delaying the climate action in EU - EPH, fossil hyenas and how to stop them	01/11/2022	31/10/2024	1,136,885
	Rockefeller Philanthropy Advisors	US	Building Gas Resistance in Europe	01/05/2022	30/04/2024	3,670,000
	Rockefeller Philanthropy Advisors	US	Eliminating Oil and Gas from Export Credit Financing	01/01/2023	31/12/2023	2,000,000
	ShareAction	UK	Seen and heard: enabling CSO voice and influence on EU's regulation for the financial industry	01/11/2022	31/10/2024	2,199,778
	Solutions for Our Climate	KR	Korea Climate Finance Project	01/05/2022	30/04/2024	2,500,000
	Stockholm Environment Institute U.S.	US	The Production Gap and Net Zero Ambition	01/11/2022	30/06/2024	1,750,000
	The Social Change Nest - Fiscal sponsor of UPLIFT	UK	Energy Moonshot Campaign	01/06/2022	01/11/2022	250,000
	The Social Change Nest - Fiscal sponsor of UPLIFT	UK	A New Era for the North Sea	01/12/2022	30/11/2024	2,000,000
	Third Generation Environmentalism Ltd.	UK	Public banks: the leaders of managed fossil transition	01/01/2023	31/12/2024	1,995,379
New Economy	Third Generation Environmentalism Ltd.	UK	Diplomacy to dismantle the pro-fossil fuel international investment regime	01/05/2023	30/04/2024	1,369,193
	Transport & Environment	BE	Transport decarbonisation 2023-2024	01/01/2023	31/12/2024	1,750,000
	Urgewald	DE	Moving Finance out of Fossil Fuels	01/05/2023	30/04/2025	3,500,000
	WWF European Policy Office	BE	Bar the EU gas taxonomy to accelerate the EU gas phase out	01/05/2022	30/04/2023	1,000,000
	Center for Countering Digital Hate	US	Climate Change Denial and Misinformation	03/10/2022	30/09/2024	1,381,620
	European Climate Foundation	NL	Strategic Communications & Digital Innovation	01/10/2022	30/09/2023	4,500,000
	Friends of the Earth	US	Proposal to fund climate disinformation response	01/05/2022	30/04/2024	2,000,000
	More in Common	DE	Pivoting German climate communications	01/07/2022	30/09/2022	223,313
	The Associated Press	US	Global Scholars Network	01/12/2022	30/11/2024	2,069,310
	The Sunrise Project Australia Limited	AU	Climate finance investigations	17/10/2022	01/11/2023	1,200,000
Cross-cutting Projects	The Years Project	US	CALLING OUT GREENWASHING (AND ERODING SOCIAL LICENSE)	01/01/2023	31/12/2023	1,115,040
	Swiss Philanthropy Foundation	CH	Partners for a New Economy 2022-2023	01/06/2022	31/05/2023	6,520,000
	Climate Action Network Europe	BE	Strengthening Climate Action Network Europe for higher EU climate ambition and accelerated implementation of climate and energy policies	01/07/2022	30/06/2024	2,000,000
	Pivot Point	US	The Land Gap Report	01/07/2022	31/12/2022	175,000
70by20 Climate Communication	Climate Communication funding pool (various Danish NGOs)	DK	Climate Communication projects in DK (22 grants)	n/a	n/a	5,748,574

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**“ Our world cannot afford any more greenwashing, fake movers or late movers. We must close the emissions gap before climate catastrophe closes in on us all.”**

UN Secretary-General António Guterres