



**NORDIC COUNTRIES
CLIMATE TARGETS**
- SHORT AND LONG TERM

STOCKHOLM JUNE 2024

Haga Initiative
Business Climate Leaders 

 **Nordic Council
of Ministers**

Skift Business
Climate
Leaders

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Haga Initiative
Business Climate Leaders 

INTRODUCTION

Foreword

The vision for Nordic cooperation is for the Nordic region to become the most sustainable and integrated region in the world by 2030. Despite this high ambition, emissions have only decreased by 26 percent between 1990–2021. The emission reduction trajectory in each country also varies. Sweden, Finland and Denmark have all reduced their emissions by between 33–37 percent, while Norway has only reduced by 3.6 percent, mainly due to the increasing emissions in the energy sector, mostly from oil and gas production.

The Haga Initiative has conducted a survey on the climate targets of large companies on the stock exchange in the Nordic region. The objective is to give an indication of what emission reductions in the Nordic region may look like in the future and provide important signals to investors and the financial sector at large.

The survey shows that Nordic countries' large companies on the stock exchange are generally better at setting long term targets than short term targets. 50% of Nordic companies has a net zero target, but only 39% has a target to halve emissions every decade. The manufacturing sector seems to be at the forefront of setting targets in the short and long term.





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Introduction

The survey's purpose is to assess Nordic countries' progress in their green transition efforts, by looking at the number of companies in each Nordic country that have set net zero targets for 2050 and those that have committed to halving their emissions every decade. The survey also looks at which sectors in the respective countries that are at the forefront in terms of targets to halve emissions every decade and set net zero targets. The survey also enables a comparison across Nordic countries.

Limitations and definitions

This survey was conducted between January to May 2024 contained two questions: 1) do companies have net zero targets and: 2) do companies have targets to halve their emissions every decade? To answer these questions, the companies' sustainability reports and information on their websites were used. The companies' ambitions to reach net zero emission in the long term and halving emissions in the short term were divided into three categories of answers "YES", "NO" or "PARTLY".

Net zero targets

"YES" means that the company has a net zero target in scope 1, 2 and 3.

"NO" means that the company has not set net zero in any scope.

"PARTLY" means that the company has a net zero target in either scope 1, 2 or 3, but not in all scopes.

Targets to halve emissions every decade

"YES" means that the company has a target to halve their emissions every decade in scope 1, 2 and 3, including the most significant scope 3 emissions.

"NO" means that the company does not have a target to halve their emissions every decade.

"PARTLY", means that the company has a target to reduce in one or two scopes, but not in all three.

The sector categorization is an ESRS framework and can be [found here](#).

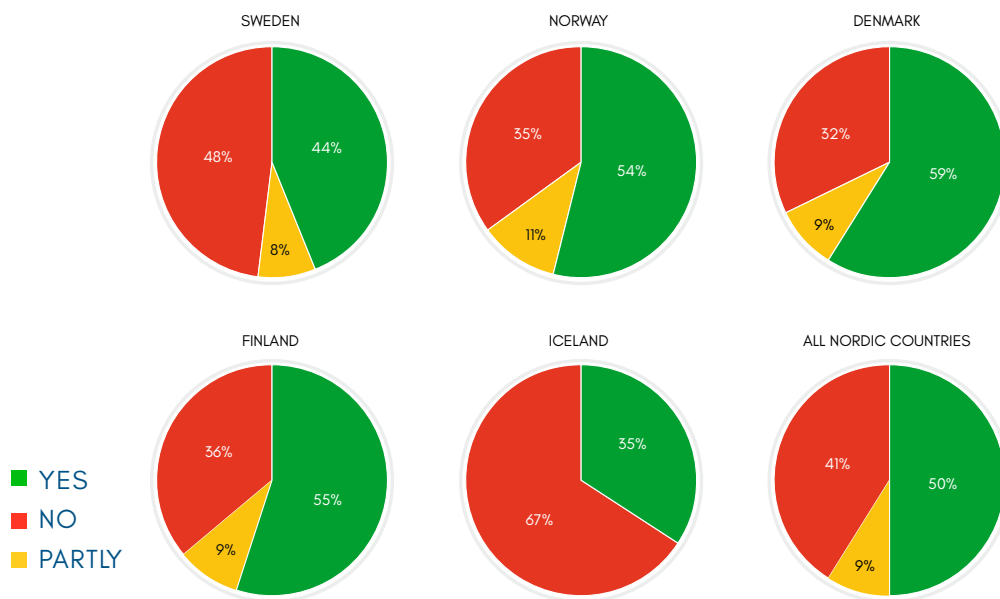


SURVEY RESULTS

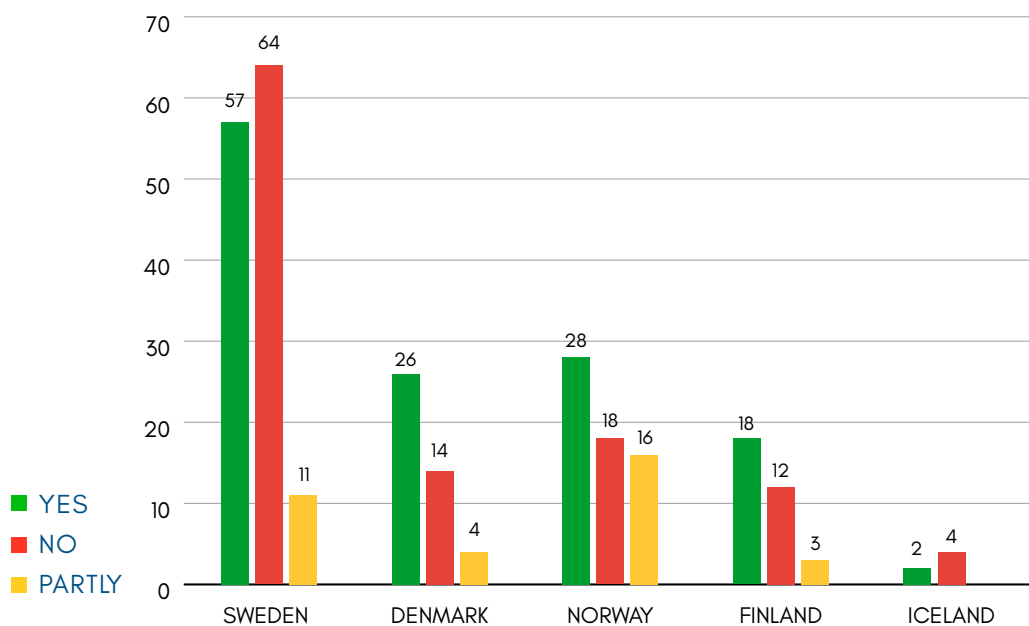
Net zero targets

Among the Nordic countries, Denmark has the highest percentage (59%) of companies receiving “YES” in the assessment of net zero targets every decade. Denmark is closely followed by Finland (55%), Norway (54%), Sweden (44%) and Iceland (33%).

Have companies from respective Nordic countries set net zero targets?



The pie charts show what percentages of companies from each country that have, partly have or have not set net zero targets.



The chart shows the number of companies from each country that have, partly have, or have not set targets to halve emissions every decade.

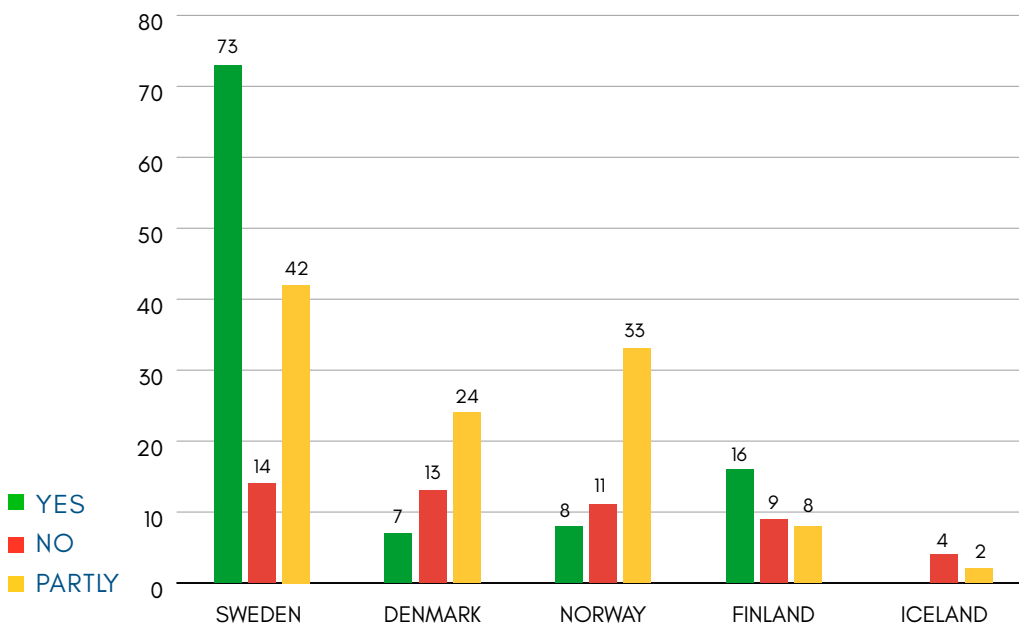
Targets to halve emissions every decade

Among the Nordic countries, Sweden stands out with the highest percentage (55%) of companies receiving “yes” for targets to halve emissions every decade. Sweden is followed by Finland (49%), Denmark (16%), Norway (15%) and Iceland (0%).

Have companies from respective Nordic countries set targets to halve emissions every decade?



The pies show what percentages of companies from each country have, partly have or have not set targets to halve emissions every decade.



The chart shows the number of companies from each country that have, partly have, or have not set targets to halve emissions every decade.

NET ZERO TARGETS PER SECTOR

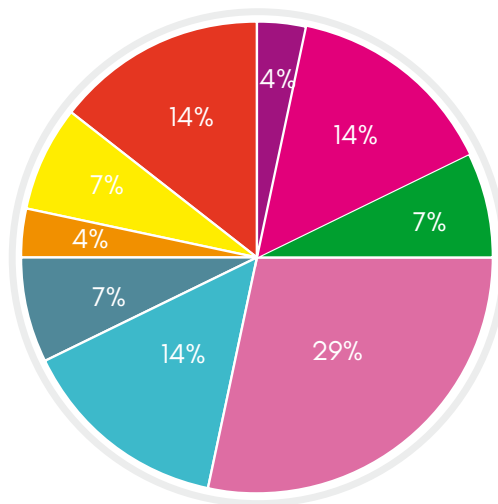
Which sectors from the Nordic countries are leading in terms of setting net zero targets?

In all Nordic countries, manufacturing is the sector in which the highest percentage of companies (45%) receive “yes” to having net zero targets. This is followed by the sectors financial institutions (16%) and technology (8%).

THE PIE CHART BELOW SHOWS THE PERCENTAGES OF COMPANIES FROM DIFFERENT SECTORS THAT HAVE SET NET ZERO TARGETS.

NORWAY

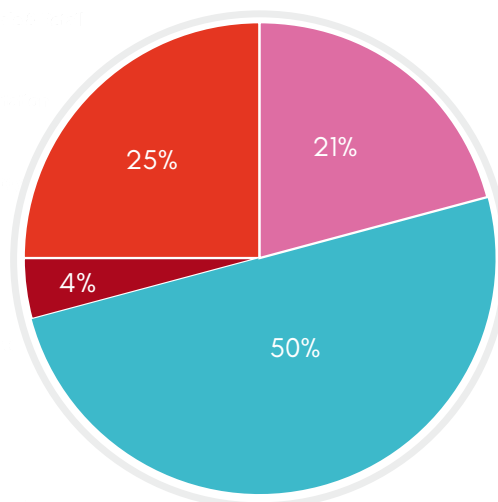
- Agriculture
- Construction & Engineering
- Energy
- Financial Institutions
- Manufacturing
- Mining
- Real Estate
- Technology
- Transportation



In Norway, companies that have set net zero targets primarily belong to the sectors financial institutions (29%), manufacturing (14%), transportation (14%) and construction and engineering (14%).

DENMARK

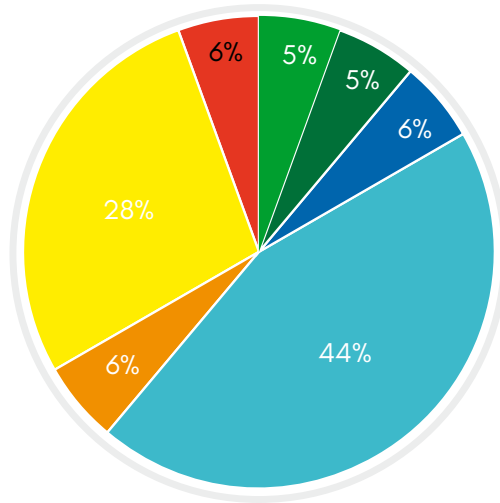
- Financial Institutions
- Manufacturing
- Services
- Transportation



In Denmark, companies that have set net zero targets primarily belong to the sectors manufacturing (50%), financial institutions (21%), and transportation (25%).

FINLAND

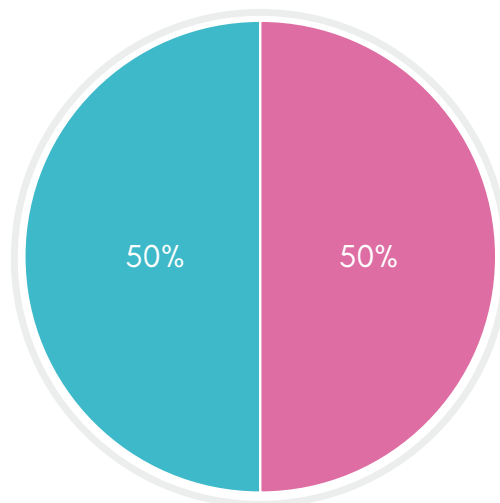
- Energy
- Financial Institutions
- Hospitality
- Manufacturing
- Real Estate
- Technology
- Transportation



In Finland, companies that have set net zero targets primarily belong to the sectors manufacturing (44%) and technology (28%).

ICELAND

- Financial Institutions
- Manufacturing

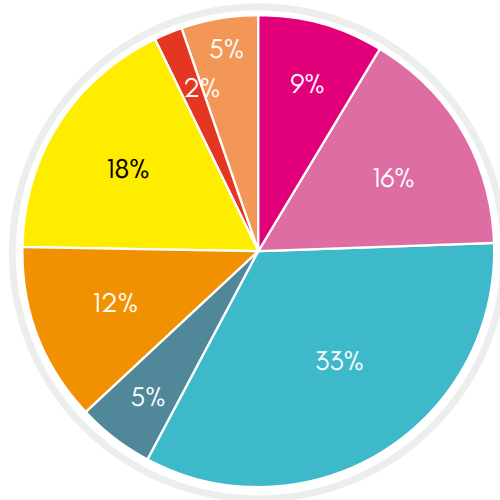


In Iceland, companies that have set net zero targets primarily belong to the sectors financial institutions (50%) and manufacturing (50%).



SWEDEN

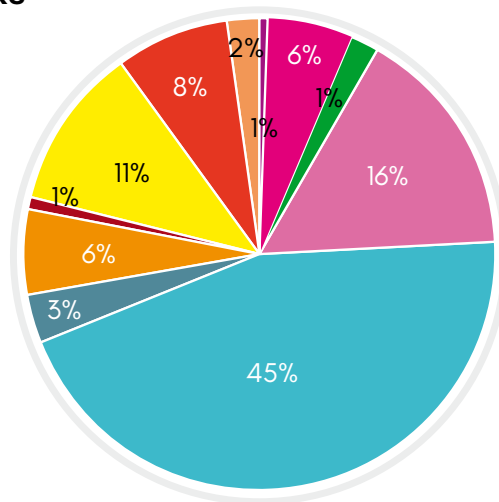
- Construction & Engineering
- Financial Institutions
- Manufacturing
- Mining
- Real Estate
- Technology
- Transportation
- Wholesale & Retail



In Sweden, companies that have set net zero targets primarily belong to the sectors manufacturing (33%), technology (18%) and financial institutions (16%).

NORDIC COMPANIES AT AN AGGREGATED LEVEL WITH NET ZERO TARGETS DIVIDED INTO SECTORS

- Agriculture
- Construction & Engineering
- Energy
- Financial Institutions
- Manufacturing
- Mining
- Real Estate
- Services
- Technology
- Transportation
- Wholesale & Retail



TARGETS TO HALVE EMISSIONS EVERY DECADE PER SECTOR

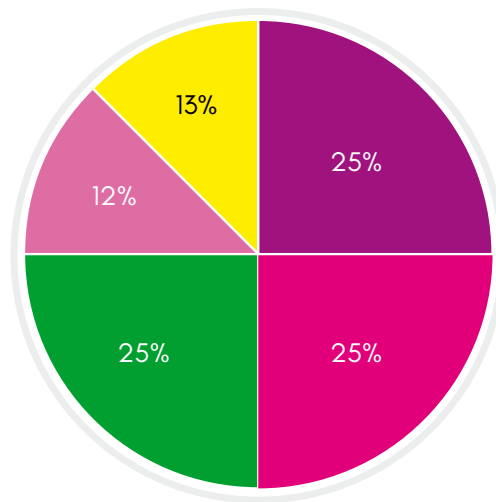
Which sectors from the Nordic countries have set targets to halve emissions every decade?

In all Nordics countries, manufacturing is the sector in which the highest percentage of companies which have targets (“YES”) to halve emissions every decade (26%). This is followed by the sectors technology (17%) and financial institutions (16%).

The pie charts below show the percentages of companies from different sectors that have set targets to halve emissions every decade, in scope 1, 2 and 3.

NORWAY

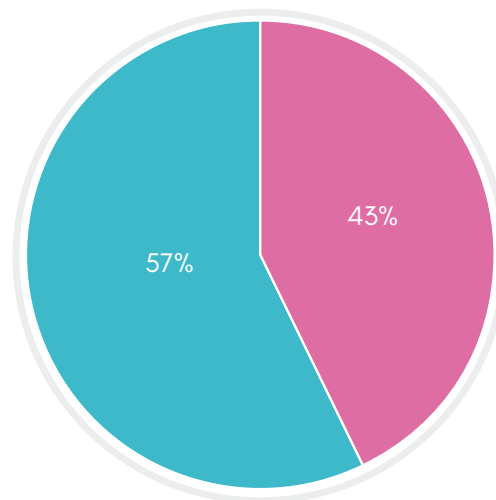
- Agriculture
- Construction & Engineering
- Energy
- Financial Institutions
- Technology



In Norway companies that have set targets to halve emissions every decade primarily belongs to the sectors construction and engineering (25%), energy (25%) and agriculture (25%).

DENMARK

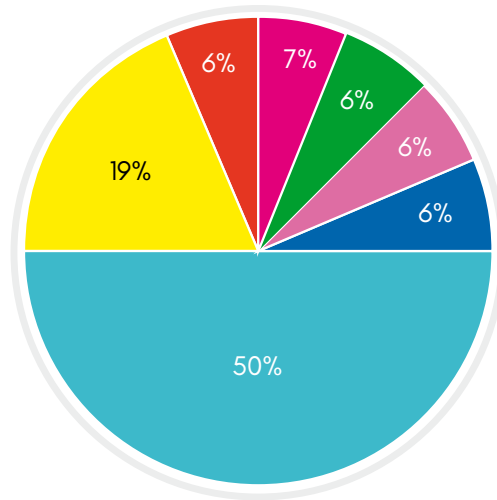
- Financial Institutions
- Manufacturing



In Denmark, companies that have set targets to halve emissions every decade primarily belong to the sectors manufacturing (57%) and financial institutions (43%).

FINLAND

- Construction& Engineering
- Energy
- Financial Institutions
- Hospitality
- Manufacturing
- Technology
- Transportation



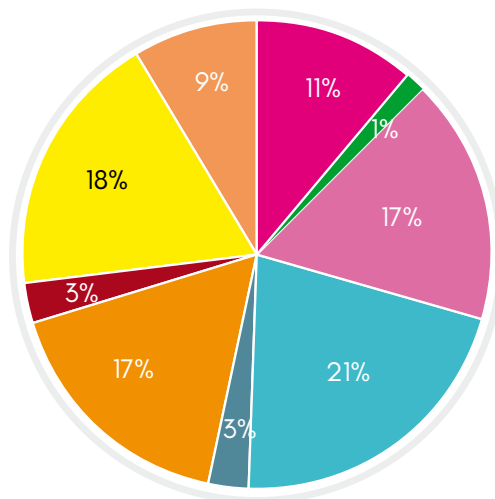
In Finland, companies that have set targets to halve emissions every decade primarily belong to the sectors manufacturing (50%) and technology (19%).

ICELAND

In Iceland, there are no companies that have set targets to halve emissions every decade.

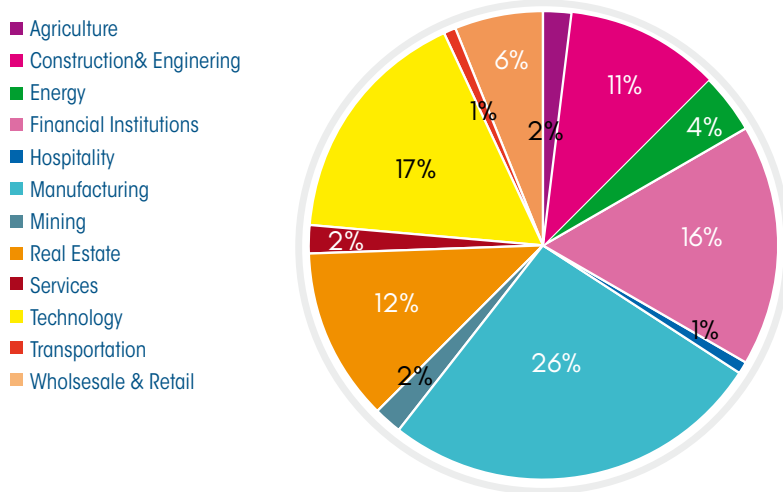
SWEDEN

- Construction& Engineering
- Energy
- Financial Institutions
- Manufacturing
- Mining
- Real Estate
- Services
- Technology
- Wholesale & Retail

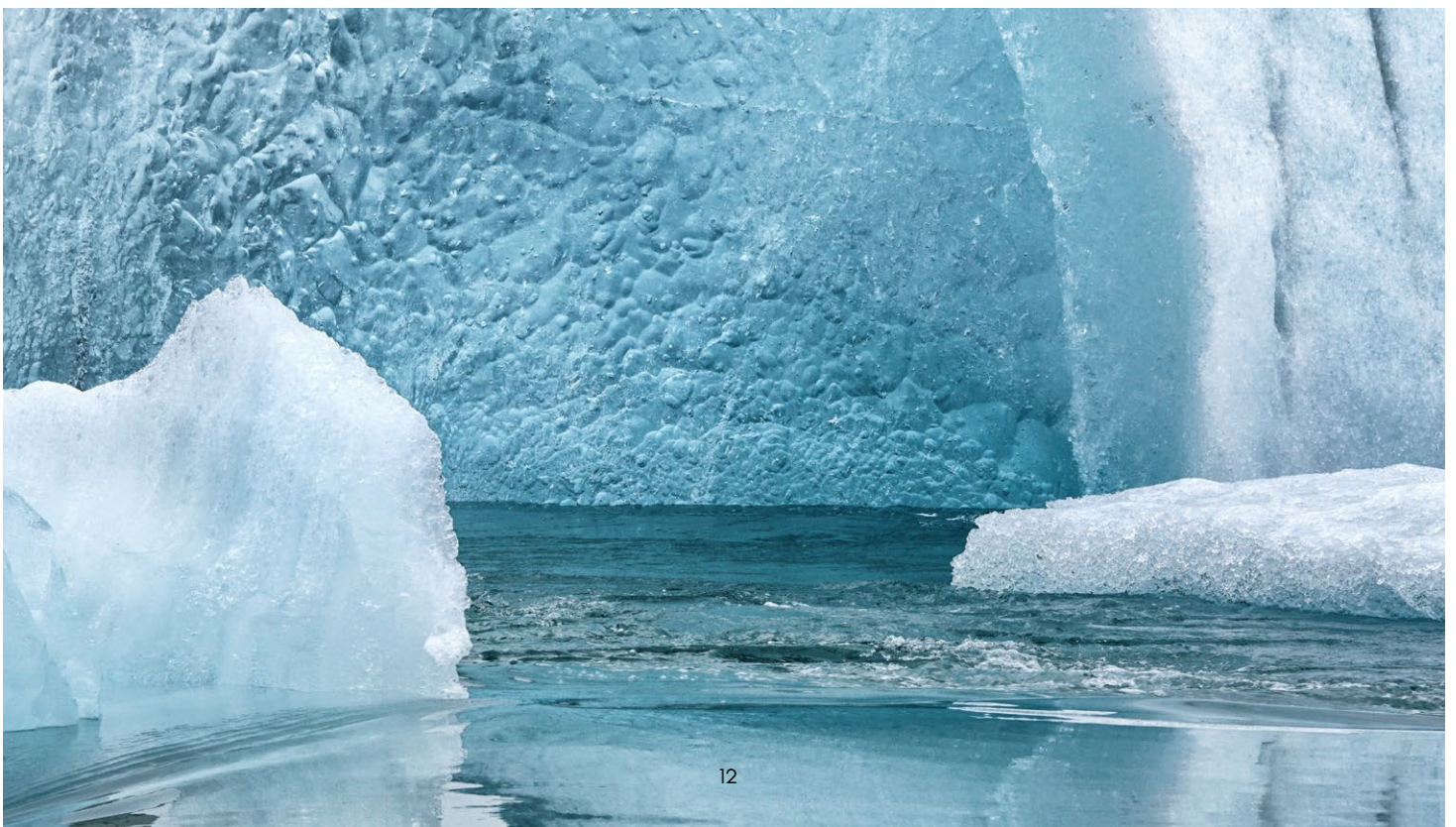


In Sweden, companies that have set targets to halve emissions every decade primarily belong to the sectors manufacturing (21%), technology (18%), financial institutions (17%) and real estate (17%).

AGGREGATED AT NORDIC LEVEL: COMPANIES WITH TARGETS TO HALVE EMISSIONS EVERY DECADE DIVIDED INTO SECTORS



At an aggregated Nordic level, companies that have set targets to halve emissions every decade primarily belong to the sectors manufacturing (26%), technology (17%) and financial institutions (16%).



ANALYSIS

The number of large companies on the stock exchange varies a lot between the Nordic countries: Sweden (133), Norway (52), Denmark (44), Finland (33) and Iceland (6), in total 268 companies. Similarly, the number of companies in each sector varies, with manufacturing (122), technology (70) and financial institutions (68) being the three largest in number. As a result, the survey results are presented both as a percentage as well as in numbers to reflect the large variation between the countries.

Net zero targets

Among the Nordic countries, Denmark has the highest percentage (59%) of companies receiving “YES” in the assessment of net zero targets every decade. Denmark is closely followed by Finland (55%), Norway (54%), Sweden (44%) and Iceland (33%).

Norway has the highest percentage of companies (11%) that “PARTLY” set net zero targets every decade. Finland (9%), Denmark (9%) and Sweden (8%) are closely behind with ambitions to set net zero targets. Iceland is the only country without “PARTLY” to set net zero targets.

Iceland stands out with the highest percentage (67%) of companies receiving “NO” in the assessment of net zero targets.

In all Nordic countries, manufacturing is the sector in which the highest number of the companies (45%) get “YES” to having net zero targets every decade. This is followed by the sectors financial institutions (16%) and technology (8%). Of all the Nordic countries, 50 percent have net zero targets, while 41 percent of companies do not.



Targets to halve emissions every decade

Among the Nordic countries, Sweden stands out with the highest percentage (55%) of companies receiving “YES” in the assessment of targets to halve emissions every decade. Sweden is followed by Finland (49%), Denmark (16%), Norway (15%) and Iceland (0%). This means that Sweden stands out both in relative and absolute terms with both the highest percentage and highest number of companies which have set targets to halve emissions every decade.

Norway and Denmark have the highest percentage of companies (64% and 54%) that have “PARTLY” set targets to halve emissions every decade. This indicates that although they are not at the forefront of setting complete targets in scope 1, 2 and 3 – they somewhat indicate an ambition to reduce emissions.

Iceland is the only country where no companies get “YES” to halve emissions every decade. However, there are only six large listed companies, in three different sectors.

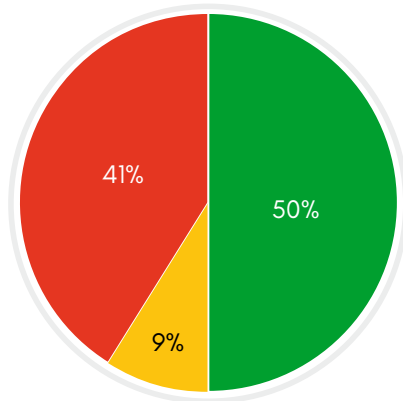
At an aggregated Nordic level, manufacturing is the sector in which the highest number of the companies (26%) get “YES” to having targets to halve emissions every decade. This is followed by the sectors technology (17%) and financial institutions (16%). Norway is the only country that does not have all these three sectors in the top, excluding Iceland where no companies get “YES”. For Norway, the sectors construction and engineering (25%), energy (25%) and agriculture (25%) rather stand out.

However, the sectors manufacturing, technology and financial institutions are overrepresented in the number of companies on the Nordic stocks exchanges. This partly explains the sectors’ relatively high percentage in the pie charts. Moreover, note that whilst a high percentage of the companies with ambition generally belong to these three sectors, this does not mean all companies within these sectors are equally ambitious.

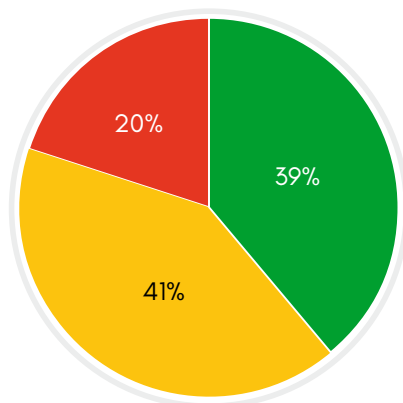
Out of totally 11 mining companies in the Nordics, the only 2 that get “YES” are Swedish. This indicates the Swedish mining companies’ ambitions stand out in comparison to the other Nordics.

ANALYSIS AND CONCLUSION

NET ZERO TARGETS



TARGETS TO HALVE EMISSIONS EVERY DECADE



To conclude, the Nordic countries' large companies on the stock exchange are generally better at setting long term targets than short term targets. 50% of Nordic companies has a net zero target, but only 39% has a target to halve emissions every decade. However, as 44% of companies have "PARTLY" set targets to halve emissions every decade, this indicates they somewhat have ambitions to reduce emissions in the short term, although not in all scopes. Relevant to mention, is that for companies in many sectors the emissions in scope 3 are the hardest ones to reduce.

In the pie charts, the manufacturing sector seems to be at the forefront of setting targets in the short and long term. However, this can partially be explained by the high number of manufacturing companies (122 out of totally 268 companies) in comparison to the other sectors, in combination with ambitions to reduce emissions. The second and third biggest sectors by number, technology (70) and financial institutions (68), are either the second or third best in setting both long term and short-term targets. Likewise, this can be explained by a combination of ambitions and high numbers of companies.

In summary, there is potential for more Nordic companies to set net zero targets and targets to halve emission every decade. Nordic companies are better at setting long-term targets compared to short-term targets. The survey shows ambition and that several companies are in the process of setting targets. The manufacturing sector is the sector that has come the furthest and has the highest number of companies with targets. This can partly be explained by the market demand, where consumers are increasingly prioritizing environmentally sustainable products which pushes companies to adopt greener practices to meet this demand and remain competitive.

Against the backdrop that more than half of Nordic listed companies have set net zero targets or targets to halve emissions every decade, this sends important signals to the financial sector that more capital can be channeled to the green transition.



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