



WHY NOW IS THE TIME TO START YOUR CLIMATE JOURNEY

The time is now

COVID-19 has caused unprecedented disruption to businesses and communities around the world. As governments begin the process of restarting our economies, we have an equally unprecedented opportunity to build back better, in a way that will help us to tackle the climate emergency. The World Economic Forum (WEF) concluded that failure to act on climate is the biggest global risk we face in terms of likelihood and impact. The business case for rapid action is growing all the time. Now is the time to think through how your business can contribute to achieve the Paris Agreement's target of limiting future warming to 1.5°C and mitigate future impacts to business and society that are potentially just as disruptive as the current pandemic: extreme weather events, changes to environments, limited resource availability, and disrupted operations and supply chains to name a few.

Meet public concern

Before COVID-19, the climate agenda was already on the rise. Fridays For Future, the movement started by Greta Thunberg in 2018, has since registered strikes in more than 7,500 cities, mobilising more than 13,000,000 people. The spectacular actions from Extinction Rebellion have increased awareness on the urgency to act.

We know that the public wants a radical response to the climate crisis, enacted with the same urgency as the response to COVID-19ⁱ.

Taking action now will generate new business opportunities and attract talent, reduce your costs, boost your productivity, appeal to an increasingly environmentally conscious consumer base, and minimise future pain from regulation and investor pressure

66%

Of the British public agreed that 'in the long term, climate change is as serious a crisis as COVID-19' in a poll for IPSOS in April 2020ⁱⁱⁱ



Provide solutions to your customers

There are huge opportunities for businesses to develop new products and services that help your clients adjust. When it comes to B2B customers, the demand is growing even faster and there are huge opportunities to build mutual benefits.

Technology and consultancy services company [Capgemini](#) is helping clients save 10m tonnes of CO2 (equivalent) by 2030 by implementing and optimising technology and systems.

Acting on reducing your GHG footprint also shows your major clients you are supporting their public commitment. Supermarket chains or FMCG brands will need their suppliers to reduce their footprint in the coming years. Tesco's commitment in their

Reduce your costs

There are significant cost savings to be had with short payback times from actions such as changing lighting and heating or improving the energy efficiency of processes. As we return to something resembling pre-coronavirus normality, other cost savings will result from keeping some of the changes we have made in place, like reducing business travel and the amount of time that people need to be in the office. Anglian Water saved more than £2.6m in 2018-19 alone^{iv}.

Attract the best talent

Taking tangible action is vitally important in the race for talent, particularly amongst millennials. More than two thirds of this cohort would reject employment from companies who do not have a clear strategy. This is true for attracting but also retaining talent.

Little Helps Plan states that their suppliers will need to achieve a 35% reduction in GHG emissions for manufacturing and 15% for agriculture by 2030, with interim targets in 2025.

4,500%

Increase in internet searches for 'sustainable living' during lockdownⁱⁱⁱ

Boost your productivity

The Ellen MacArthur Foundation concluded that applying circular economy principles can reduce GHG emissions by 45%, with greater productivity accruing from making these changes, thanks to the recovery and restoration of products, components, and materials through strategies including reuse, repair, remanufacture, or (in the last resort) recycling^v.

26%

of people surveyed by TotalJobs said they would take a pay cut of £8,100 to work for a company or NGO taking action to protect the environment^{vi}



Get ahead of government action

The UK Government was the first to pass a net zero emissions law with a target to bring all greenhouse gas emissions to net zero by 2050^{vii}.

In addition, 450 UK Local Authorities have declared a climate emergency, covering 90% of the population^{viii}, including the Northern Ireland Assembly in February 2020, and some local councils, such as Belfast City, Derry and Strabane District and Ards and North Down Borough.

Despite this progress, the UN PRI (Principles for Responsible Investment) suggests that we are yet to see a truly significant policy response and that we should expect one within the next five years.

Anticipate investors demands

The [FSB Task Force on Climate-related Financial Disclosures](#) (TCFD) provides information to investors, lenders, insurers and other stakeholders on how companies are reducing risks linked to climate breakdown and therefore ensuring investments are more secure.

ⁱ<https://www.independent.co.uk/environment/climate-change-poll-urgent-action-environment-zero-emissions-a8965126.html>

ⁱⁱ <https://www.ipsos.com/ipsos-mori/en-uk/two-thirds-britons-believe-climate-change-serious-coronavirus-and-majority-want-climate-prioritised>

ⁱⁱⁱ <https://www.blog.google/outreach-initiatives/sustainability/sustainable-living-tips-life-home/>

^{iv} <http://ourperformance.anglianwater.co.uk/outcome-smaller-footprint.html>

The Prudential Regulation Authority (PRA) in the UK now requires that financial services firms assess their risks and stress test their portfolios – both in terms of climate impacts and the transition to a zero-carbon future. This will filter down as part of decision-making criteria for investments, loans and insurance and impact all businesses in the near future^{ix}.

Now what?

The **Climate Action Pledge** challenges organisations to commit to addressing the climate crisis. By signing the Pledge and setting and striving to achieve ambitious GHG reduction targets, Northern Ireland organisations can demonstrate their commitment and willingness to collaborate to address this critical issue.

The Pledge and associated [Business Action on Climate](#) campaign is led by [Business in the Community Northern Ireland](#) (BITCNI), in partnership with CBI, IoD, NI Chamber and FSB. Find more information about the Climate Action Pledge at www.bitcni.org.uk/climate or send an email to environment@bitcni.org.uk.

^vhttps://www.ellenmacarthurfoundation.org/assets/downloads/Completing_The_Picture_How_The_Circular_Economy_Tackles_Climate_Change_V3_26_September.pdf

^{vi} <https://www.totaljobs.com/advice/would-you-be-willing-to-reduce-your-salary-for-the-planet>

^{vii} <https://www.gov.uk/government/news/uk-becomes-first-major-economy-to-pass-net-zero-emissions-law>

^{viii} <https://climateemergencydeclaration.org/climate-emergency-declarations-cover-15-million-citizens/>

^{ix} <https://www.bankofengland.co.uk/climate-change>