



INSIGHT BRIEFING 3

Climate Leadership for Business.

Issue: After making commitments to reduce energy consumption and greenhouse gas (GHG) emissions, organizations need to adopt climate leadership measures to help Canada meet its Paris Agreement obligations and avoid the potentially catastrophic risks associated with climate change.

This short briefing, developed in partnership with Canadian Business for Social Responsibility (CBSR), provides decision-makers and senior executives with climate leadership measures to help organizations reduce the risks associated with climate change and ultimately become more sustainable.

Corporate Responsibility & Sustainability Institute



About the Corporate Responsibility & Sustainability Institute

The Corporate Responsibility & Sustainability Institute was established by The Conference Board of Canada in 2016 after an extensive consultation revealed the need for a professional body to help practitioners excel in their roles. The Institute brings together business, industry, government, academia, and civil society as partners to envision a sustainable future and identify corporate responsibility and sustainability challenges and

opportunities. We offer independent research and thought leadership that support collaboration, knowledge transfer, innovation, monitoring, and evaluation of contemporary corporate responsibility and sustainability issues. Our collaborative program of research, education, information dissemination, and engagement accelerates and scales next-generation practices in corporate responsibility and sustainability in Canada.

Climate Leadership

In December 2015, 195 countries adopted the Paris Agreement, with the aim of keeping this century's global temperature increase well below two degrees Celsius. For Canada to meet its Paris Agreement obligations, organizations across the country will need to adopt a variety of climate leadership measures.

Assuming leadership on climate change requires a multi-faceted approach. The following climate leadership measures are aligned with the Canadian Business for Social Responsibility's (CBSR) transformational company framework. By adopting these measures, organizations can mobilize—both internally and externally—to reduce climate change risk and ultimately become more sustainable.

Sustainable Purpose

Incorporate the intent to accelerate the transition to a low-carbon economy into the core mission and mandate of your company.

Sustainable Customer Offerings

Reduce the embodied carbon of your products. Offer your customers products that help them reduce their carbon emissions and adapt to climate change.

Solutions-Oriented Measures

Conduct research and development to identify ways that your company can develop innovative climate solutions through its core operations, products, and services. Recruit staff with specialist knowledge—including climate science and policy.

Restorative Focus

Pursue restoration of the climate system by becoming a net positive carbon emitter. Go beyond carbon neutral and sequester more emissions than your company produces.

Long-Term Vision

Adopt bold, long-term goals to eliminate all forms of GHG emissions from your company's operations and value chain. Set ambitious, science-based GHG emissions reduction targets. The Science Based Targets initiative helps organizations determine the amount by which they need to cut GHG emissions.

Sustainability Governance and Culture

Adopt an enterprise-wide climate change policy with board-level oversight. Integrate these commitments into executive and staff remuneration and align business decisions with these policies.

Enlightened Leadership

Engage the CEO and senior leaders to publicly endorse, champion, and advocate for climate action within your industry and beyond.

Employee Engagement

Engage employees as climate ambassadors at work, at home, and in their communities. Help employees understand the linkage between their individual actions and climate change impacts.

Inclusive Business

Recognize that vulnerable populations depend on their local environment and develop initiatives to build local climate resiliency.

Closed Loop

Obtain raw materials from recycled sources. Take back and repurpose products that customers no longer need.

Resource Productivity

Pursue measures to significantly reduce the material and energy that go into your products and services to reduce their carbon intensity.

Value Chain Influence

Develop strategies to significantly reduce the carbon intensity of your value chain by working with your suppliers and customers.

Stakeholder Accountability and Transparency

Prepare a greenhouse gas inventory that represents a true and fair account of GHG emissions. Disclose carbon risks, mitigation, and adaptation strategies. Communicate the carbon impacts of your products to customers through product labelling and other measures.

Customer Engagement

Provide information, tools, and incentives to help customers reduce the carbon impacts from using your products. Enable them to become climate ambassadors.

Industry Standards

Join or lead industry associations' initiatives to set low-carbon standards for the sector.

Some organizations set climate leadership goals and then search for ways to achieve them, while others consider their options and then set goals accordingly. Ultimately, the goal is to keep this century's global temperature increase well below two degrees Celsius in a manner that supports other business objectives.

Multi-Stakeholder Collaboration

Join or lead partnerships to develop climate solutions by collaborating with industry groups, governments, environmental organizations, and academic institutions.

Finance Community Engagement

Proactively engage your finance stakeholders in the business imperative of transitioning to a low-carbon economy. Issue green bonds to attract financing for low-carbon investments.

Public Engagement

Engage the public on the importance of the low-carbon transition. Inform them of the role they can play to reduce their impacts and become climate ambassadors.

Public Policy Advocacy

Advocate for public policy solutions to climate change, including support for carbon pricing. Veto industry associations that lobby against climate solutions.

Resources

The Conference Board's Business Council for Sustainability (BCS)

A network of senior business executives responsible for environmental management and sustainability issues in medium-sized and large Canadian organizations. Members meet three times per year to network and participate in high-impact learning.

www.conferenceboard.ca/networks/bcs/default.aspx

Climate Change Guide for Business

A guide to help organizations take measures to reduce the risks associated with climate change and ultimately become more sustainable.

<http://cbsr.ca/our-work/climate-change-guide-for-business/>

Canadian Business for Social Responsibility's (CBSR) Transformational Company Guide

A definitive guide for corporate responsibility and sustainability leadership.

<http://cbsr.ca/transformationalcompany/>

Carbon Disclosure Project (CDP)

A not-for-profit organization that runs the global disclosure system for investors, companies, cities, states, and regions to manage their environmental impacts.

www.cdp.net/en

Global Reporting Initiative (GRI)

An international, independent organization that helps businesses, governments, and other organizations understand and communicate the impact of business on critical sustainability issues—such as climate change, human rights, corruption, and many others.

www.globalreporting.org/

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