



## Take urgent action to combat climate change and its impacts



### The role of business

Climate change is caused by anthropogenic emissions of CO<sub>2</sub> and other greenhouse gasses. Climate change impacts natural and human systems globally through the increase globally averaged surface temperature, extreme weather events, changing precipitation patterns, rising sea levels and ocean acidification. These risks will ultimately impact people's livelihoods, particularly marginalized groups such as women, children, and the elderly, as resources, food and water become more scarce. Those effects impact the other SDGs and often make it more difficult to achieve them. To achieve the UNFCCC goal of limiting global temperature rise to well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels, the world must transform its energy, industry, transport, food, agriculture and forestry systems to ensure that cumulative net emissions do not exceed one trillion tonnes of cumulative carbon, which implies global net zero emissions by the second half of the century. Simultaneously the world needs to anticipate, adapt and become resilient to the current and expected future impacts of climate change.

Companies can contribute to this SDG by decarbonizing their operations and supply chains through continuously improving energy efficiency, reducing the carbon footprint of their products, services and processes, and setting ambitious emissions reductions targets in line with climate science, as well as scaling up investment in the development of innovative low-carbon products and services. In addition, companies should build resilience in their operations, supply chains and the communities in which they operate.

### Key business themes addressed by this SDG

- Energy efficiency
- Environmental investments
- GHG emissions
- Risks and opportunities due to climate change

### Examples of key business actions and solutions

*The below examples are non-exhaustive and some may be more relevant to certain industries than to others.*

- Source all electricity the company consumes at its facilities from renewable sources – such as wind, solar or hydro – or install renewable energy generation capacity on-site.
- Retrofit the lighting systems of the company's facilities to energy efficient LED lighting.
- Increase investment in innovation to improve the efficiency of the company's product portfolio, thereby enabling customers to reduce their GHG emissions.
- Invest in CCS (carbon capture & storage) technology to capture emissions produced from the use of fossil fuels in electricity generation and industrial processes, preventing the carbon dioxide from entering the atmosphere.
- Reduce GHG emission from transport operations with abatement levers such as reducing the carbon footprint through greater fuel efficiency, local sourcing, modal shift to lower carbon modalities (e.g. air to sea freight), modular transport, improving container utilization, warehouse optimization, etc.
- Understand climate risk and build resilience into the company's assets and supply chain.
- Expand sustainable forest management through responsible sourcing practices and product substitution.



## Examples of key business indicators

- GRI G4 Sustainability Reporting Guidelines, G4-EN15: Director greenhouse gas (GHG) emissions (Scope 1)
- GRI G4 Sustainability Reporting Guidelines, G4-EN16: Energy indirect greenhouse gas (GHG) emissions (Scope 2)
- GRI G4 Sustainability Reporting Guidelines, G4-EN17: Other indirect greenhouse gas (GHG) emissions (Scope 3)
- UN Global Compact- Oxfam Poverty Footprint, PF- 17.13: Engagement in initiatives that promote resilient practices and/or upgrade value chain procedures in order to address climate change

*The complete overview of business indicators can be found at [www.sdgcompass.org](http://www.sdgcompass.org)*

## Examples of key business tools

- The Greenhouse Gas Protocol
- Impact Reporting & Investment Standards (IRIS)
- Building a Resilient in Power Sector

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## The SDG targets

13.1 Strengthen resilience and adaptive capacity to climate related hazards and natural disasters in all countries

13.2 Integrate climate change measures into national policies, strategies, and planning

13.3 Improve education, awareness raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction, and early warning

13.a Implement the commitment undertaken by developed country Parties to the UNFCCC to a goal of mobilizing jointly USD100 billion annually by 2020 from all sources to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation and fully operationalize the Green Climate Fund through its capitalization as soon as possible

13.b Promote mechanisms for raising capacities for effective climate change-related planning and management, in LDCs, including focusing on women, youth, local and marginalized communities