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## Business will be key driver of global climate action, new research report reveals

- **BY 2030, business could cut its greenhouse gas emissions globally by 3.7bn metric tons of CO<sub>2</sub> equivalent a year or 60% of total emission cuts pledged in Paris by NDCs**
- **EMISSION cuts could reach around 10bn metric tons of CO<sub>2</sub> equivalent a year, well over halfway to sub 2°C, with right policy environment for enhanced climate action**
- **RESEARCH conducted by New Climate Institute and CDP, formerly the Carbon Disclosure Project, on five key global climate action initiatives reveals the 'Business Determined Contribution' (BDC) to climate action**

**[TUESDAY 28 JUNE, LONDON] A new research report, 'The Business End of Climate Change' launched today at the Business & Climate Summit in London's Guildhall puts a figure for the first time on what greenhouse gas emissions cuts could be achieved by business worldwide.**

The report examines what will be achieved by the plans of five key global business initiatives (RE100; EP100; Science Based Targets; Zero De-forestation & LCTPi) on climate action currently underway and compares this to what could happen if all relevant companies were to sign up to these initiatives and implement their plans.

The report shows that:

- the current Business Determined Contribution (BDC) to climate action – the amount that, by 2030, business will cut its greenhouse gas emissions – is **3.7bn metric tons of CO<sub>2</sub> equivalent** a year under current plans;
- the potential BDC to climate action could be as high as **10bn metric tons of CO<sub>2</sub> equivalent** a year by 2030 with the right policy environment that supports all relevant companies signing up;
- the number of companies signing up to these initiatives could rise from **300 today to over 3500 by 2030.**

Commenting on the Report which he launched at the Business & Climate Summit in London, IKEA chief sustainability office, **Steve Howard** said:

*"Building a better future is our shared responsibility. Companies, investors, individuals, cities and regions all have a role to play. Action on climate change is not only the right thing to do, it brings business benefits. For IKEA Group it's a driver of innovation, renewal and an opportunity to make our business better."*

The current BDC to climate action of 3.7bn metric tons of CO<sub>2</sub> equivalent a year represents over 60% of the total emissions cuts (6bn metric tonnes by 2030) pledged by all countries in the Paris Climate Agreement through their own Nationally Determined Contributions (NDCs). It is the equivalent of taking over 1000 coal-fired power stations permanently out of use, almost 75% of the world's total.

Business is not waiting until 2030 to play its part. In total, around 300 leading companies have already signed up to the five climate action initiatives that the report analyzes. Companies signing up to the initiatives come from all over the world in all different sectors, and are joining in growing numbers – over the last twelve months (June 2015-May 2016), 174 companies signed up to these initiatives, compared to 49 companies in the previous twelve months (June 2014-May 2015).

Examples of companies already taking action include:

**Kellogg Company** has cut its carbon emissions by 14% per metric tonne of food produced since 2005. In 2015, the company committed to ambitious Science Based Targets, including a 65 % reduction in emissions from its operations by 2050, and engaging suppliers to help them reduce emissions by 50% by 2050.

**Autodesk**, one of the world's leading software companies, announced this month that it has achieved its target to power all of its facilities entirely with renewable electricity. Going forward the business has set an internal carbon price that will help align decisions and investments with a low-carbon economy.

**IKEA Group** has committed to going 100% renewable, generating as much renewable energy as the total energy it consumes in its buildings by 2020. The company is a founding partner of the RE100 campaign and has committed to cutting its emissions in line with Science-Based targets. IKEA Group has invested €1.5 billion in renewables since 2009 and pledged a further €600 million last year.

By 2030, the initiatives plan to have more than **3500 companies** signed up, driving forward the low-carbon economy.

**Christiana Figueres**, Executive Secretary of the United Nations Framework Convention on Climate Change (UNFCCC) said:

*“In the run up to COP21 in Paris an extraordinary alliance of business and investors committed to ambitious actions via the dedicated NAZCA portal. I believe that you can truly say—“We’re Accelerating Climate Action”. But a universal climate agreement of nations also needs universal support from the private sector beyond Europe and North America. I would urge committed business to reach out to peers in Africa, Asia and Latin America in order to further seed, catalyse and build action everywhere and in support of COP22 in Marrakech.”*

The report acknowledges that whilst leading companies are already engaged in taking climate action, and many more are ready to sign up to make new commitments, there remains a long way still to go to achieve the sub 2°C goal agreed by countries in Paris at COP21.

The report looks at what might be achieved if all relevant companies were encouraged to sign up to the five initiatives. Under such a scenario, it found that business would cut emissions by around 10bn metric tons per year. This potential BDC is equivalent to what China, the world's largest emitter, pumps out in total CO<sub>2</sub> emissions annually and alone it would take us well over half way to a sub 2°C world.

**Paul Simpson**, Chief Executive Officer, CDP said:

*“This report makes it clear that business will have an enormous role to play in enabling the global economy to achieve – and exceed – its climate goals. With this potential comes great opportunity to build resilience, innovate and safeguard future profitability. The only way is up for business action on climate change. But we must not head into this future blind: Disclosure of climate information will be essential to keep track of corporate progress, spur greater action and help business achieve its ambition.”*

To achieve this ambitious potential BDC target, government and business must continue to work together to create the right policy and regulatory framework to allow for enhanced climate action. The report calls on governments across the world to:

- encourage utilities to offer renewable energy contracts and make it easier for businesses to commit to them;
- help companies build their own renewable electricity installations;
- support R&D for low carbon technologies;
- offer grants and capital depreciation to make energy efficiency investments more attractive;
- create incentives for buyers and sellers of sustainable products;
- reduce the administrative and cost burden of certification for producers, so it’s easier for them to produce commodities without deforestation.

**Nigel Topping**, Chief Executive Officer of We Mean Business, who commissioned the report said:

*“Businesses taking bold action on climate change are contributing significantly to placing the world on a below 2°C trajectory. To fully realise this potential, we need to see three things happening:*

*One, governments removing barriers and creating incentives that enable companies to be even more ambitious in their efforts to cut emissions.*

*Two, leading companies already committed to significant climate action raising the ambition of their peers by demonstrating the scale of the economic opportunity.*

*And three, businesses that have not yet to commit, should follow the strong lead of the companies who have already signed up to one or more of the We Mean Business commitments.”*

The report recognises this is a starting point and not a complete picture of business action. There are many other business initiatives out there aimed at reducing emissions, and a process has been outlined to capture them in future editions of what will become an annual report. Find out more at [www.businessendofclimate.org](http://www.businessendofclimate.org).

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## Notes to Editors

### 1. About We Mean Business

We Mean Business is a coalition of organisations working with thousands of the world's most influential businesses and investors. These businesses recognise that the transition to a low carbon economy is the only way to secure sustainable economic growth and prosperity for all. To accelerate this transition, we have formed a common platform to amplify the business voice, catalyse bold climate action by all, and promote smart policy frameworks. Please visit [www.wemeanbusinesscoalition.org](http://www.wemeanbusinesscoalition.org) or follow us @WMBTweets to find out more.

### 2. About CDP

CDP, formerly the Carbon Disclosure Project, is an international, not-for-profit organization providing the global system for companies, cities, states and regions to measure, disclose, manage and share vital information on their environmental performance. CDP, voted number one climate research provider by investors, works with 827 institutional investors with assets of US\$100 trillion, to motivate companies to disclose their impacts on the environment and natural resources and take action to reduce them. More than 5,600 companies, representing close to 60% global market capitalization, disclosed environmental information through CDP in 2015. CDP now holds the most comprehensive collection globally of primary corporate environmental data and puts these insights at the heart of strategic business, investment and policy decisions. Please visit [www.cdp.net](http://www.cdp.net) or follow us @CDP to find out more.

### 3. About RE100

RE100 is a global, collaborative initiative of influential businesses committed to 100% renewable electricity, working to massively increase demand for – and delivery of – renewable energy. This will accelerate the transformation of the global energy market and aid the transition towards a low carbon economy. RE100 shares the compelling business case for renewables and showcases business action, while working with others to address barriers and develop transparent reporting mechanisms. RE100 is brought to you by The Climate Group in partnership with CDP, as part of the We Mean Business coalition.

Continuing the momentum, three new companies are joining RE100 today with a commitment to sourcing 100% renewable power. These include CaixaBank, the first Spanish company to join the campaign; Colruyt Group, the Belgian retail corporation; and Venice Airport – setting a precedent for airports everywhere. They follow hot on the heels of global biopharmaceutical business AstraZeneca, which joined RE100 earlier this month.

**CaixaBank** is Spain's leading bank by market share, operating in retail banking and insurance, while also holding investments in international banks and prominent services companies. The bank is among the most sustainable in the world according to the Dow Jones Sustainability Index, and also received a 100A score in the CDP's 'The Climate A List'. It has a goal of becoming carbon neutral and sourcing 100% renewable electricity by 2018. Around 98% of all the electricity consumed by CaixaBank is already from renewable sources.

**Colruyt Group** is a Belgian retail corporation, consisting of a family of sister companies including the Colruyt stores. The group employs over 28,000 people. Colruyt Group has put the environment at the heart of its business model by generating renewable energy, by making its product range more sustainable, and by the maintenance of a sustainable personnel policy. The company has already met its RE100 goal of sourcing 100% renewable electricity. Now it aims to achieve 100% self-produced renewable electricity by 2020 – and is already 25% of the way there.

**SAVE S.p.A. Group** is an Italy-based holding company managing Venice (VCE) and Treviso (TSF) Airports. It is also part of Valerio Catullo of Verona villafranca S.p.A, the company managing the airports of Verona Villafranca (VRN) and Brescia (VBS). SAVE S.p.A is working to reduce its environmental impact by adopting sustainable technologies and investing in energy efficiency. To help deliver on this, the company is committed to using 100% renewable electricity across all its operations and this target was reached in 2016.

**AstraZeneca** is a global, science-led biopharmaceutical business that focuses on the discovery, development and commercialisation of prescription medicines. The company is committed to doing its 'fair share' to protect the planet and to keeping employees safe and healthy. AstraZeneca currently sources around 14% of its electricity from renewables. It has a goal to source 100% renewable electricity globally by 2025, with an interim target of 100% in Europe and the US by 2020.

#### 4. About Science Based Targets

The Science Based Targets initiative is a partnership between CDP, UN Global Compact, WRI and WWF. The initiative provides technical resources to help companies set science-based emissions targets, and recognizes companies that commit to this important action. For more information, visit [www.sciencebasedtargets.org](http://www.sciencebasedtargets.org) or follow @sciencetargets on Twitter.

#### 5. About Low Carbon Technology Partnerships Initiative (LCTPi)

The Low Carbon Technology Partnerships Initiative (LCTPi) is a ground-breaking global business initiative led by the World Business Council for Sustainable Development, to accelerate the development of low-carbon technologies and scale up their deployment. More than 150 businesses and 70 NGOs, government bodies, cities and other partners from around the world are collaborating to deliver transformational solutions to the climate challenge from eight different areas, including low-carbon transport fuels, forests as carbon sinks, energy efficiency in buildings, renewable energy, low carbon freight, chemicals, cement, and climate smart agriculture.

#### 6. About EP100

EP100 showcases the world's most influential businesses committed to doubling their energy productivity. Energy productivity is about getting more economic output from each

unit of energy, and builds on the huge progress that has already been made on energy efficiency. Doubling energy productivity in the US by 2030 will save US\$327 billion a year in energy costs, add 1.3 million jobs and reduce CO2 emissions 33% by 2030. And it could reduce the global fossil fuel bill by more than €2 trillion and create more than six million jobs globally by 2020. We invite companies around the world to demonstrate their leadership by joining EP100 and embracing energy efficiency as the ‘first fuel’ in the race to a clean energy future. EP100, which The Climate Group serves as the Secretariat for, offers a forum for sharing best practices and showcasing the leadership of companies making progress toward bold, public commitments on energy productivity.

## **7. About Zero Deforestation**

Over 50 companies have signed up to removing commodity-driven deforestation from their supply chains through CDP and We Mean Business’s Commit to Action campaign. In order to move from commitment into action, companies can follow the steps in CDP’s Deforestation Roadmap, which provides guidance on comprehensive risk assessment, setting targets, implementation, striving for leadership and progress tracking.

8. For more details about this release, please contact:

**Caroline Holtum** on [caroline@wemeanbusinesscoalition.org](mailto:caroline@wemeanbusinesscoalition.org) or +44 777 585 7203

**Pete Bowyer** on [pete@wemeanbusinesscoalition.org](mailto:pete@wemeanbusinesscoalition.org) or +44 7740 913886