

Full report

Moving the needle on climate change – business actions for a 1.5°C future

Session during the

UN Virtual Forum on Responsible Business and Human Rights



REGISTRATIONS ARE OPEN



MOVING THE NEEDLE ON CLIMATE CHANGE –
BUSINESS ACTION FOR FOR A 1.5°C FUTURE

Wednesday 10 June (10.00-11.30 Bangkok time)

#RBHRF2020

*United Nations Virtual Forum on Responsible
Business and Human Rights 2020*

9-12 June 2020

 rbhrforum.com

@switchasia #SCP #SDG12



Date: 10th June 2020

Time: 10:00 – 11:30 hrs (Bangkok time zone)

Venue: RBHRF Online platform

Disclaimer

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List of Acronyms:

CDL	City Developments Limited
EU	European Union
ESG	Environment Social and Governance
RBHRF	Responsible Business and Human Right Forum
RPAC	Regional Policy Advocacy Component
SDG	Sustainable Development Goals
SBTi	Science Based Targets initiative
SME	Small and Medium Enterprise
TCFD	Taskforce on Climate-related Financial Disclosures
UNEP	United Nations Environment Programme
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNGC	Nations Global Compact
WRI	World Resources Institute
WWF	World Wide Fund for Nature

Background:

Objectives of the event

Setting greenhouse gas emission reduction targets in line with climate science can help business take a lead on climate change and future-proof the business. As so often stated, you cannot manage what you cannot measure. Climate impact assessment, reporting and target setting will thus be critical to move business action. Various initiatives such as the Taskforce on Climate-related Financial Disclosures (TCFD), and the Science Based Targets (SBT) initiatives have been set up to improve reporting and advance the climate action.

Businesses are also expected to integrate climate considerations as part of human rights due diligence under the UN Guiding Principles on Business and Human Rights. Globally, companies have started coming forward to set climate-based targets as ambitious as net-zero carbon emissions by 2050 or before. Corporate leadership on Climate Change is also growing in the Asia-Pacific region. Currently, 25% of the 800+ signatories to the science-based targets initiative are from the region, about half of which had developed climate action targets by early 2020

The objective of this session, is to share experiences of companies in the Asia-Pacific region who are taking ambitious action on climate, through climate impact assessment, reporting, target setting and action, to share good practices and lessons learned, to inspire action by others and to discuss how to further advance climate related target setting and action among companies in the region. It will also discuss the role of states and investors in providing incentives to speed up climate action, and the impact of covid-19 on delivering on commitments made by states and businesses.

Logistical information about the event

The event was co-organized by the SWITCH-Asia Regional Policy Advocacy Component (RPAC), funded by the European Union (EU) and implemented by United Nations Environment Programme (UNEP), and the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP). The organization of the session was proposed as part of the 2020 Virtual United Nations Responsible Business and Human Right Forum (RBHRF). e. The event occurred through Zoom on the 10th of June from 10 to 11.30 hrs (Bangkok Time).

Key messages:

Welcome and Opening remarks

Ms. Marit Nilse

Trade, Investment and Innovation Division
United Nations ESCAP

Welcomed the participants and invited panellists to share experiences and lesson learned.

Short Video Clip

The video highlights the impacts of Climate Change on communities and vulnerable people in the Pacific to contextualize the relevance of the discussions.

<https://vimeo.com/321738112>

Panel session

Ms. Brynn O'Brien,

Executive Director,
Australian Centre for Corporate Responsibility

As the moderator of the Session, Ms. Brynn set the context of the panel discussion by referring the '[The Carbon Major's Report](#)' stating that only 100 companies are responsible for 71% of world carbon emissions between 1985 – 2015.

Scene Setting

Ms. Paola Delgado

Corporate Engagement Manager
Science Based Targets initiative and WWF

[The Science Based Targets initiative](#) (SBTi) champions science-based target setting as a powerful way of boosting companies' competitive advantage in the transition to the low-carbon economy. It is a collaboration between [CDP](#), the United Nations Global Compact (UNGC), World Resources Institute (WRI), and the World Wide Fund for Nature (WWF) and one of the We Mean Business Coalition commitments. Science-based targets provide companies with a clearly defined pathway to future-proof growth by specifying how much and how quickly they need to reduce their greenhouse gas emissions. Aiming for 1.5-degree goal is a way to ensure the least trade-off between climate change mitigation and developmental goals. SBTi are providing more than 880 companies around the world with a clear direction for emission reduction, strengthening investor confidence and brand reputation by forcing companies to set more ambitious targets in line with climate science and reduce faster and more extensively.

“Race to zero is on and it is necessary for planetary health and we need to achieve full or near full reorganisation of energy and industrial CO₂ emissions and phasing out CO₂ emissions associated with agriculture, forestry and land use. Do no wait and scale up you ambitions and do not leave anyone behind.”

Business Experience Sharing

Ms. Esther An

Chief Sustainability Officer
City Developments Limited, Singapore

[City Developments Limited \(CDL\)](#) is a leading global real estate company with a network spanning 106 locations in 29 countries and regions. In 2018, CDL was the first Singapore property company to have its carbon reduction targets validated by the SBTi. CDL has raised its carbon emissions intensity reduction target to 59%, from the previous 38%, across its Singapore operations by 2030 from base-year 2007.

“SBTi has helped us improve transparency and also helped us step up even more stringent on our carbon management. Our value creation model and ESG strategy embraces all 17 SDG goals adopted in an integrated approach.”

Mr. Hiromitsu Hatano

Sustainability Management Division
RICOH, Japan

The [RICOH](#) Company, Ltd. is a Japanese multinational imaging and electronics company. It is the first Japanese company to become member of RE 100 in 2019. RICOH's 2030 Environmental Goals includes a 63% reduction of its greenhouse gas emissions from a 2015 baseline.

“RICOH has set up a barraging material reduction target of 50% reduction by 2030 to achieve this goal and we are fundamentally redesigning our products and developing recycled materials. We believe that these actives will lead to decarbonisation of society.”

Mr. Anirban Ghosh

Head of Sustainability
Mahindra & Mahindra, India

[Mahindra Group](#) is an India conglomerate operating in key industries including cars and tractors and manufacturing. Mahindra group became the first company in the world to commit to doubling energy productivity by signing on to The Climate Group's program EP100 and first Indian company to announce its internal Carbon Price of \$10 per ton of carbon emitted to fund investments required to pursue the path of carbon neutrality. In addition, about 20 Mahindra Group companies have committed to SBTi.

“It is possible to achieve more than what is originally thought to be stretch target once you get started. Technology is providing solutions which when adopted at scale is helping achieve climate goals. Empowering colleagues to identify areas of climate action and implement project that are great for people, profit and planet is a wonderful way to activate the ambitious loop.”

“As greener automotive options become viable and attractive offers can be made to consumers, we will space no efforts to pivot towards cleaner transportation ensuring that our businesses become greener and we also get into green businesses in the future”

Shareholder Experience Sharing

Ms. Jana Žilková

Head of Mission

Caritas Czech Republic in Mongolia

Caritas Czech Republic in Mongolia is implementing a SWITCH-Asia Grant project titled [“Improving Resource-Efficiency and Cleaner Production in the Mongolian Construction Sector Through Materials Recovery”](#) with the objective to promote sustainable production and consumption in the construction sector, through supporting SMEs to switch to more resource-efficient practices in Mongolia.

“Lack of funding is a big challenge for SMEs, they depend on large construction companies, they do not get support from government and large international donors.”

“Even though there are great policies and they are many times good written on paper they are not applied in practice.”

“Large construction companies are extremely important, they have huge responsibility towards SMEs and society, they are usually the ones that set the direction for SMEs, they hire them , they guide them, they pay them and should also monitor their work on regular basis.”

Mr. Giuseppe Busini

Deputy Head of Mission

European Union to the Kingdom of Thailand

“The European Green Deal is very ambitious set of policy initiatives with the overarching goal of making Europe climate neutral by 2050.”

“Global challenges require global responses and sustainable policies will only be successful as long as they are adopted and implemented in Europe and rest of the world.”

“Business and companies have a very important role to play but consumers and ordinary people also play a key role by reorienting their choices when purchasing goods and services.”

Mr. Roberto Cadiz

Philippines Human Rights Commission

“Climate change is human rights issues and it negatively impacts the broad spectrum of human rights and business and governments have an important role to play in addressing this existential challenge.”

Closing Remarks

Luz Fernandez, PhD

Programme Officer

SWITCH-Asia Regional Policy Advocacy

“With the SWITCH-Asia Regional Policy Advocacy Component we have been trying to showcase examples of how business in Asia are influencing the policy environment and today we had the great opportunity to seeing the examples of this situation.”

Highlights of discussions:

Some of the key highlights of discussion are listed below:

- There is a need for all enterprises to establish realign their business strategy and set up mechanisms to combat climate change. This includes improving transparency of actions, giving commitments to actions, transforming businesses in response to climate change, and measuring impact of implementing climate actions.
- In order for the action to be truly implemented, governments, industries and supply chain manufacturers must cooperate with each other to transform ecosystems.
- Governments need to support ecosystem integration, innovation and influence investment based on decarbonization through legislative and financial mechanisms.
- Further there is a need for governments to adjust policies considering the size and scale of operations of different enterprises in order to increase their adaptability to new policies.
- For companies that are considering taking actions, using tools like science-based targets will help them in evaluating the carbon emissions in their systems, clarify the sources and set up targets and initiate actions accordingly.
- The COVID-19 pandemic reshapes operation of the world, which is an opportunity to enable more companies to carry out and expand climate actions.
- The European Green Deal is a very ambitious plan enabling governments and investors to jointly promote green economic growth and decouple the economy from resource utilization. The Green Deal will be an important example for Asia Pacific.
- Collaboration and cooperation among different stakeholders is the key to promote sustainable consumption and production. Cooperation amongst enterprises will become a market force, change consumer behavior, promote the demand for renewable energy, and reduce dependence on fossil fuels.

Participant's analysis:

Based on the attendance list of this session, 40 countries were represented and showcased on a world map with the different countries colored. The number of participants per country are presented in Table 1 below. It may also be noted that gender wise disaggregation of participants is not available because the platform used doesn't allow us to have that information.

Figure 1: World map presenting country wise participation

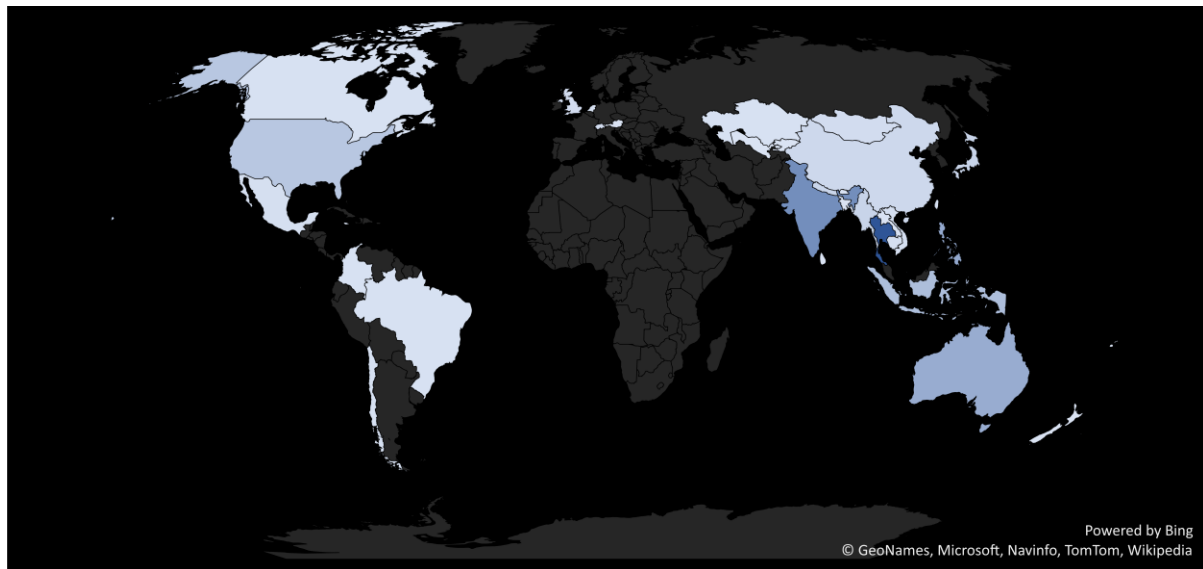


Table 1: Number of participants per country

Country	No of Participants	Country	No of Participants
Australia	26	Lao People's Democratic Republic	1
Austria	1	Malaysia	20
Bangladesh	1	Maldives	2
Belgium	1	Mexico	3
Bhutan	1	Mongolia	4
Brazil	2	Myanmar	8
Cambodia	3	Nepal	7
Canada	2	Netherlands	3
Chile	2	New Zealand	1
China	6	Pakistan	1
Colombia	2	Philippines	28
Fiji	1	Singapore	19
Hong Kong SAR	14	Sri Lanka	1
India	40	Switzerland	4
Indonesia	18	Taiwan	3
Jamaica	1	Thailand	66
Japan	8	United Kingdom	4
Kazakhstan	2	United States of America	14
Kenya	1	Uzbekistan	1
Kyrgyzstan	1	Viet Nam	3

This session was delivered online during the Responsible Business and Human Rights Forum; therefore, no evaluation/assessment of participant feedback was undertaken.

Next Steps:

There is a need for accelerating progress in Asia towards achieving desired targets on SDG 12 and clearly this can't be achieved without involving the private sector. Given this context, the SWITCH-Asia RPAC convened two conferences in Bangkok in 2019 to initiate the discussion on the role of business to promote SCP: i) [Sustainability Reporting - Thinking Circular Economy by Businesses](#); and ii) [Businesses Accelerating Inclusive Green Economies – Leaving No One Behind](#). This session on “Moving the needle on climate change – business actions for a 1.5°C future” is part of this larger set of activities that have been planned to address the issue above.

Based on the insights and recommendations of the conferences and sessions mentioned above, the SWITCH-Asia RPAC plans to organize a sub-regional policy dialogue in India to discuss the role of South Asian business to promote SCP. This activity will be implemented with with Federation of Indian Chambers of Commerce and Industry (FICCI) in October this year. The project will involve conducting an assessment based on a survey to identify the challenges and bottlenecks presented by the current policy landscape limiting the incorporation and promotion of SCP practices by the south Asian businesses. In addition, the assessment will explore what tools currently being used by business have been successful to promote SCP practices. Based on that survey, the project will convene a sub-regional policy dialogue (to discuss how policies could be better defined to enable the environment for business to promote SCP) and a training workshop (to train business on use of specific tools enabling their SCP transition).

Annexes:

Annex 1: The Final Agenda

Wednesday 10 th June 2020 at 10:00 – 11:30	
10:00 – 10:02	Welcome and introduction of the moderator (Marit Nilses, ESCAP)
10:03 – 10:06	Video (2 min): https://vimeo.com/321738112
10:06 – 11:10	Introduction by the moderator: Ms. Brynn O'Brien, Executive Director, Australian Centre for Corporate Responsibility
10:11 – 10:17	<i>Scene setting:</i> Ms. Paola Delgado, Corporate Engagement Manager, Science Based Targets initiative and WWF Q1: How can climate reporting and target setting help drive company ambition and action to reduce emissions? What different tools exist and how useful are they for moving action? What role does SBTi play in this regard?
10:18 – 10:24	Ms. Esther An, Chief Sustainability Officer, City Developments Limited, Singapore Q1: CDL was in the first batch of companies to pledge support for the 1.5°C Business Ambition for Climate last year, and have set climate targets aligned with limiting global temperature rise to 1.5°C. Last year you were the only company in Southeast Asia to be on the 2019 CDP A List for corporate climate action. - What are some of your challenges and lessons learned as regards climate reporting, target setting and how it can drive action? With rising middle-classes and increased urbanization comes increased demand for cooling in tropical countries, how real estate and construction companies continue to reduce emissions in light of that?
10:25 – 10:31	Mr. Hiromitsu Hatano, Sustainability Management Division, RICOH, Japan Q1: Mr. Hatano, RICOH operates in the electronics sector, a sector with many layers in its supply chain, which has also set climate goals aligned with a 1.5 degree trajectory in line with SBTi. - What lessons has your company gained in doing so, and what are the most important ways electronics companies can diminish their carbon footprint? What role does management of e-waste and reducing plastics in value chains play in this regard?
10:32 – 10:36	Mr. Anirban Ghosh, Head of Sustainability, Mahindra & Mahindra, India Q1: Mr. Gosh, you lead sustainability efforts at Mahindra Group, a conglomerate operating in key industries including cars and tractors and manufacturing. Mahindra was the first Indian company to set an internal carbon price, and has also set emission goals in line with SBTi. What are some of your lessons learned on how climate target setting and reporting can drive action, and how important is setting an internal price on carbon for moving action? As a car and tractor company, many of your

	products use fossil fuels, and a lot of materials in their production. What path will you take to reduce emissions going forward?
10:37 – 10:44	<i>Short Q&A</i>
10:45 – 10:50	Ms. Jana Žilková, Head of Mission, Caritas Czech Republic in Mongolia Q1: You oversee a project that supports SMEs in the construction sector in Mongolia to green their business. What challenges do you see for SMEs in the construction sector for greening their operation, and how important is it for larger companies to have ambitious targets in terms of enabling and driving action of SMEs in their supply chain?
10:51 – 10:56	Mr. Giuseppe Busini, Deputy Head of Mission, European Union to the Kingdom of Thailand Q1: In December 2019 the EU Commission adopted the “European Green Deal”, a roadmap for making the EU's economy sustainable, aiming to be the first climate-neutral continent while making the transition just and inclusive for all. What changes will it bring in practice, and what impact will that have on companies in Asia supply European markets? To which degree do you expect it can help drive greening of companies in the Asia-Pacific region?
10:57 – 11:02	Mr. Roberto Cadiz, Philippines Human Rights Commission Q1: You were part of the Carbon Major Inquiry which looked at the responsibility of Carbon Majors on people affected by climate change. What were the main findings and recommendations of the Inquiry? What impact may these findings have going forward?
11:03 – 11:23	Moderated Q&A / interactive discussion with audience Potential extra questions to panelists: <ul style="list-style-type: none"> - How will COVID-19 affect climate action in companies of the region, and how to ensure to build back better? - What in your view is needed to get broader action in line with climate goals among companies in the Asia-Pacific region?
11:24 – 11:27	Closing remarks (Luz Fernandez, SWITCH-Asia RPAC)

Annex 2: Presentations

Only two of the seven panelists of the session delivered their address using power point presentation. The copy of these two presentations are provided below:

Presentation by Paola Luna, SBTi

Moving the needle on climate change – business actions for a 1.5°C future

UN Virtual Forum on Responsible Business and Human Rights

Paola Delgado Luna

Corporate Engagement Manager

Science Based Targets initiative
World Wide Fund for Nature - WWF

June 10, 2020



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

PARTNER ORGANIZATIONS



IN COLLABORATION WITH



Pillars of ambitious climate action

Transparency

- Measure scopes 1, 2 and 3.
- Publicly report your GHG inventory
- Assess the risks (physical, transition, etc.) of climate change to your business and communicate to your stakeholders

Commitment

- Develop science-based targets for your operations (scopes 1 and 2)
- Identify the hotspots in your company's value chain (scope 3) and set ambitious targets

Transformation

- Take action
- Engage with your employees, suppliers, customers to drive sustained change
- Innovate and unlock the benefits of transforming your company

Influence

- Align your internal practices and external messages
- Use your voice to influence others (governments, peers, civil society)



Pillars of ambitious climate action

Transparency

- GHG Protocol – Scopes 1, 2 and 3
- CDP Climate Disclosure
- Global Reporting Initiative - GRI
- Task Force on Climate-related Financial Disclosures

Commitment

- Join the **Science Based Targets initiative (SBTi)** and its **Business Ambition for 1.5°C campaign**



Transformation

- Join initiatives to help your company navigate mitigation options and discover exciting collaborations (RE100, EV100, EP100, Alliances for Climate Action)

Influence

- Ask governments and policy makers to match your company's climate ambition to recover better

160+ SBTi companies behind the statement “**Uniting Business and Governments to Recover Better**”



Presentation by Esther Ann, City Development Limited



UN Virtual Forum on Responsible Business and Human Rights. Moving the Needle on Climate Change – Business Actions for a 1.5°C Future

10 June 2020

Building Business Resilience against Climate, Social and Economic Challenges

Presented by:

Esther An
Chief Sustainability Officer



CITY DEVELOPMENTS LIMITED

Sustainable Businesses are Resilient Business & Better Investment

BlackRock Joins Allianz, Invesco Saying ESG Outperformed

Bloomberg, 18 May: **BlackRock Inc**, which oversees about \$6.5 trillion of assets, says “This period of market turbulence and economic uncertainty has further reinforced our conviction that **ESG characteristics indicate resilience during market downturns** ... Companies managed with a focus on sustainability should be better positioned versus their less sustainable peers to **weather adverse conditions while still benefiting from positive market environments.**”

88% of its sustainable indexes did better than their non-sustainable counterparts in the first four months of 2020.

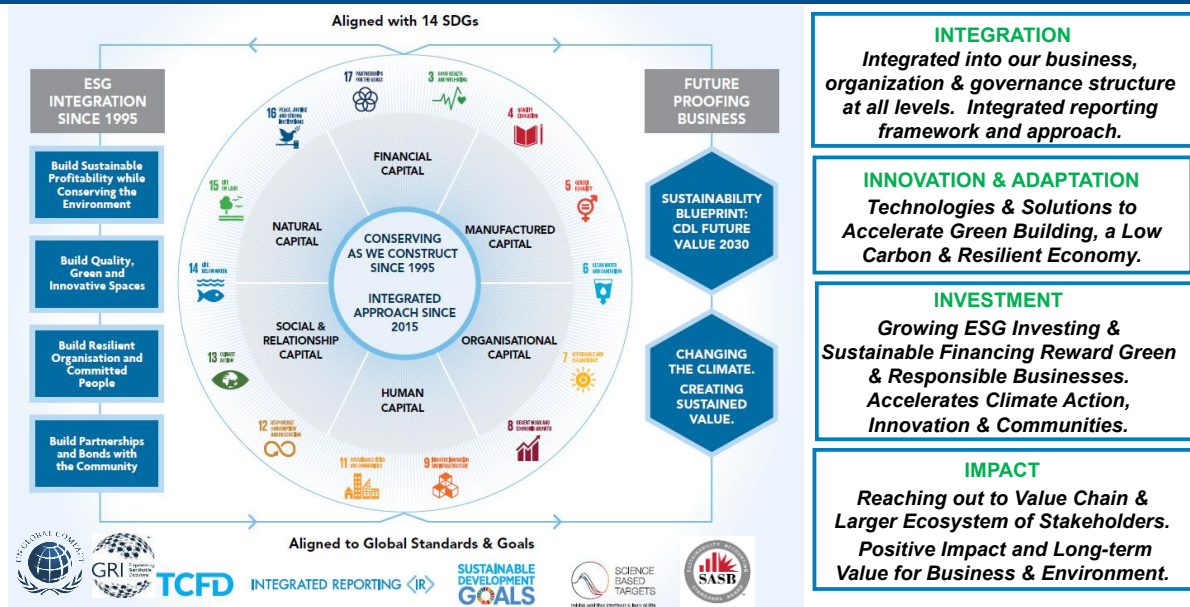
Global sustainable mutual funds and ETFs had inflows of **US\$40.5 billion** in the first quarter, **up 41%** from the same period last year.

Allianz: Vast majority of its **sustainable strategies outperformed broad market benchmarks** in the first quarter. In April, money managers at **Invesco** said that **portfolios of securities with high ESG scores did better in general.**

MSCI Research: Green Stocks outperformed Brown ones over the past quarter, a trend even more pronounced over the past few weeks.

Source: [Bloomberg](#) & MSCI 13 May

Value Creation Model: Integration, Innovation, Investment & Impact



Addressing Global/National Sustainability Goals: CDL's Proactive Strategy/Action



- July 2018: CDL set targets validated by Science Based Targets initiative(SBTi) recommended by the Paris Agreement. The first real estate company in Singapore to achieve this.
- Sep 2019: Joined the pioneer batch of 87 companies to pledge support to the UNGC's "Business Ambition for 1.5°C" campaign
- CDL: Amongst first few supporting companies in Singapore in 2017, connecting ESG to financial impact, today and in the future
- 2018: CDL conducted 1st Climate Change Scenario Planning on 2°C & 4°C
- 2019: Expanded the scope & focused on 1.5°C and 2°C warming scenarios, aligned with IPCC report.
- Committed to green buildings since 2002 & attained the most BCA Green Mark Awards for buildings & office interiors (2019: 110)
- GM Super Low Energy Building 2018: one of 14 public and private developers to voluntarily aim for at least one within the next 5 years
- 2 net zero single-storey buildings – CDL Green Gallery and SG Sustainability Academy
- 2017: CDL's Integrated Sustainability Report embraced 10 SDGs, ref to SDG Reporting Toolkit, by UNGC, GRI and UNPRI
- 2019: CDL has embraced 14 SDGs, aligned with the company's Material ESG Issues

Global Climate & Health Emergencies Both Need Urgent Attention

"This is a pivotal year for how we address the climate emergency ... **Both the coronavirus and climate change are very serious problems.** Both require a determined response, by governments, by institutions like the UN, and the response by people. And both must be defeated... [It's] important that all **the attention that needs to be given to fight this disease does not distract us from the need to defeat climate change... [which] has been there for many years and will remain with us for decades and require constant action.**"

~ António Guterres, UN Secretary General

"COVID-19 has had profound and devastating effects on communities and economies around the world, and we stand together with empathy and compassion for those affected by the pandemic. As we look optimistically to the future, we acknowledge the **crucial role that investors, businesses, governments, and civil society alike can play in a sustainable recovery that incorporates the health of our communities, our planet and the global economy.**" ~ CEO, PRI, Fiona Reynolds

"That **idea of innovation and science and the world working together** — that is totally common between these two problems, and so I don't think this has to be a huge set back for climate." ~ Bill Gates, cofounder of Microsoft Corporation

For more information

SWITCH-Asia event page:

<https://www.switch-asia.eu/event/business-actions-for-a-1.5-c-future/>

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