



# How to Declare a Climate Emergency

A playbook for business by B Lab UK

# Foreword

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B Corps are leading the way when it comes to transforming business into a force for good. They are developing and championing business-ready solutions to tackle social and environmental challenges. At B Lab UK, we're responsible for amplifying the leadership of B Corps, and we have the opportunity to inform and inspire all businesses who wish to join us on the same journey to impact.

We hope that this playbook will empower businesses to take action to tackle the urgent climate breakdown. We have outlined the facts of the climate breakdown, the role of business, and the practical steps that businesses can take to act now.

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# What is the Climate Emergency?

Organisations around the UK are declaring a Climate Emergency.

- UK Parliament Declares a Climate Emergency
- UK Universities Declare a Climate Emergency (e.g. Bristol, Lincoln, Newcastle, Exeter)
- UK Businesses Declare a Climate Emergency (e.g. Leap, Toast, Ecotricity)

Declaring a Climate Emergency means committing to tell the truth about the reality of the climate breakdown and making a meaningful commitment to address this breakdown, by taking action to radically and urgently reduce carbon emissions.

## What is a Climate Emergency and Ecological Breakdown?

- Climate Emergency**  
There is no single agreed formal definition. We believe that the Climate Emergency is the acknowledgement that fundamental change is required in order to respond to scientific predictions of global warming. This change must mitigate irreversible change to the earth and the extinction of many species including humans.
- Ecological Breakdown**  
Ecological Breakdown is where an ecosystem is interwoven with the Climate Emergency and relates to a situation where an ecosystem suffers a drastic and possibly permanent reduction in species and organisms. This is usually precipitated by disastrous events happening in a short timescale.





# Introduction

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## Purpose of the playbook

The purpose of this playbook is to provide steps that businesses can take to join the movement of people, businesses, governments and civil society institutions who have declared a Climate and Ecological Emergency. For the purpose of this playbook we default to Climate Emergency but acknowledge that we are experiencing a Climate and Ecological Emergency.

## Who is this playbook for?

We've developed this playbook for the UK B Corp community but we welcome all businesses to join us on this journey. We hope these materials will be helpful for board members, employees and executives of any business taking the Climate Emergency seriously.

## What does declaring a Climate Emergency mean?

There are many different definitions of what it means to declare a Climate Emergency. For the purpose of this document we are working with a view that it involves key elements which have been adapted from Extinction Rebellion's demands.

1. **Tell the truth.** Acknowledge this is an emergency and treat it as one.
2. **Act Now.** Take radical steps to halt biodiversity loss and reduce greenhouse gas emissions to net zero by 2030.
3. **Stronger Together.** Work with others to create new solutions together.

## Principles and values

- There is urgency and we must act now.
- We do not blame anyone. We take a positive approach.
- Everyone is on a journey. We must all step up our commitment to addressing the climate breakdown.

- We believe the answers exist. Let's be bold in our ambitions to embrace new practices and business models that offer solutions to the climate breakdown.

## What are the risks?

Let's be clear. Declaring a Climate Emergency is not a risk-free action to take.

- You may become a target of those who will say you're a business – you're part of the problem. Or that you're not going far enough.
- We know this is hard. But we also know this is important.
- The strength of a community is that we are there for each other. We have each other's backs when needed.
- When you declare a Climate Emergency, remember that there is a growing community of organisations and businesses on this journey with you. We are stronger together. And we are on the right side of history.

# 10 Facts About the Climate Breakdown

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- 1** We are on track to reach a global temperature rise of 3 degrees by the end of the century <sup>1</sup>
- 2** We need to reduce carbon emissions by 50% by 2030 and to zero by 2050 to limit warming to 1.5 degrees <sup>2</sup>
- 3** 60% of wildlife has been lost since 1970 <sup>3</sup>
- 4** Only 7% of reefs in The Great Barrier Reef have escaped bleaching entirely <sup>4</sup>
- 5** We're on course to lose over half of all insects by the end of the century <sup>5</sup>
- 6** Over the past two decades, sea levels have risen by 3.2mm per annum <sup>6</sup>
- 7** The last five years – from 2014 to 2018 – are the warmest years ever recorded in the 139 years that NOAA has tracked global heat <sup>7</sup>
- 8** With the current rate of soil degradation, we have 60 years of farming left <sup>8</sup>
- 9** Climate change will drive the migration of 200 million people worldwide by 2050 <sup>9</sup>
- 10** Six Pacific Islands have already been lost to flooding <sup>10</sup>

For further reading and recent statistics, [click here](#).

1. [Nature.com 2018](#)  
2. [IPCC](#)  
3. [WWF 2018](#)  
4. [Coralcoe.org.au](#)  
5. [Sciencemag.org](#)

6. [Royal Society](#)  
7. [National Geographic 2019](#)  
8. [Scientificamerican.com](#)  
9. [National Geographic 2019](#)  
10. [iopscience.iop.org](#)

# Why Declare a Climate Emergency? 5 Risks and 5 Opportunities

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This section is designed to equip you with the information you need to make a business case for taking climate action.

# 5 risks if we don't act

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**The costs and operational issues caused by the climate breakdown will jeopardise every unprepared business.**

11. [Business Insider 2015](#)

12. [OECD](#)

1

## **Licence to operate**

Your business will become obsolete, left behind, and even illegal if it is not fundamentally geared towards the Climate Emergency. Examples: Bank of England and Legal & General Investment Management have strong views on levels of risk.

2

## **Business value**

There is already a steady and significant stream of divestment from businesses producing, or reliant on, fossil fuels and other non-renewable resources. We believe this will continue, eroding the equity value of such companies and challenging their underpinning revenue models (through regulation, taxation and resource scarcity).

3

## **Distribution and logistical challenges**

An unpredictable climate will increase supply chain vulnerability. For example, some regions will be affected by increasingly severe weather patterns.

4

## **Availability and affordability of finance**

Twelve institutional lenders have recently agreed a deal with Danone that pegs the company's cost of borrowing to its social and environmental performance. Larry Fink, Chairman and CEO of Blackrock, the largest asset manager in the world, has set out a clear challenge to all investees to "clearly and effectively articulate their strategy for sustainable long-term growth"<sup>11</sup>. We expect to see this trend increase in the coming years as investors and lenders seek to manage the risks in their own portfolios by divesting from the worst offenders and backing those providing solutions. The OECD is recommending taxing businesses that damage nature<sup>12</sup>.

5

## **Implications for people**

Most importantly, there are extensive implications on people who will be affected by rising temperatures, air pollution and flooding. These include risk of disease, food shortages, displacement and disruption to property.



# 5 opportunities if we act

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**There are massive opportunities in making clear commitments to solve these challenges.**

13. [IFC.org](https://www.ifc.org)

14. [McKinsey 2013](#)

15. [Nielsen 2018](#)

16. [Deloitte 2019](#)

1

## Market opportunities

Achieving the SDGs could open up \$12 trillion in Market Opportunities<sup>13</sup> in areas such as food and agriculture, cities, energy and materials, and health and wellbeing. In 2013, McKinsey reported \$700 billion annual material cost savings in the FMCG sector alone from a transition to circular economy business models<sup>14</sup>.

2

## Consumer engagement

Consumers will increasingly look for brands that are leading change – and be critical of those taking action late. A 2018 report said that 81% of global respondents feel strongly that companies should help improve the environment<sup>15</sup>.

3

## Future-proofed

The sooner you're doing business in this way, the more time you have to cement the practices and policies that all businesses will ultimately be required to adopt. Only 13% of businesses on the Fortune 500 list 50 years ago are still on the list today – businesses must innovate to survive, and now the context is changing faster than ever.

4

## Engaging employees

People are waking up to the Climate Emergency and could increasingly question the work they do and how it is contributing to a solution rather than adding to the problem. Societal impact and ethics are the most common reasons why millennials change their relationships with businesses<sup>16</sup>. Businesses that declare a Climate Emergency will have a clear head start on attracting top talent who want to work in business where they can have the most impact.

5

## It is the right thing to do

As a business leader, this is an opportunity to establish moral leadership. By 'walking the talk' to tackle the Climate Emergency, businesses can ensure they sit on the right side of history.

# How to Declare a Climate Emergency: Getting Started

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## Get behind the facts

Publicly acknowledge the science and raise the profile of the Climate Emergency. Use your position as a business leader to boldly support the science and remove impediments to action or doubts about climate change.

2

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## Commit to change

Publicly commit to change and develop a business strategy for how you will make change happen, including setting science based targets and deeply reviewing your current business model.

3

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## Move together

Engage in the creation and activation of shared solutions and commitments to drive wider economic change. Inspire your employees, executives, competitors and customers to make sure climate action stays at the forefront of our interconnected priorities.



# Taking the Climate Emergency to the Board

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The Climate Emergency Declaration should be made, generally, by the board of the company, although the governing documents should be reviewed to ensure they do not contain relevant requirements to be taken into account. For specific questions we encourage you to reach out to your legal advisor.

# 1

## Draft a Declaration Statement which includes the following:

Our business was designed in a time when there was a different expectation of the role of business in taking climate action. This context has changed. Today we are clear there is a Climate Emergency which will require immediate and radical action by our business.

We believe based on the facts we know today, it would be a breach of our duties as directors of the company and custodians of our stakeholders' interests to continue as though there is not a Climate Emergency.

This Declaration requires that the entire business design be rethought in the context of a Climate Emergency. This includes a commitment to Carbon Neutrality before 2030 (set a date) with realistic interim milestones along the journey including science based targets.

This Declaration commits us to reshape the short, medium and long-term strategy and business model of the company, and that this redesign must embrace the principles of 'just transition' which takes into account people who will be implicated in this Declaration.

We must seek to maximise the interests of all stakeholders – shareholders, employees, suppliers, customers – in the context of a total commitment to doing what is required by the Climate Emergency.

Board Chairman: \_\_\_\_\_ Employee rep. : \_\_\_\_\_

CEO: \_\_\_\_\_ Youth rep.<sup>17</sup> : \_\_\_\_\_

# 2

## Adopt the Declaration

### If you are an employee/executive:

- Ask to allocate some time in staff meetings to climate change and potential impacts.
- Talk to management to form a committee and bring together colleagues interested in the topic. Try to involve representation from across the different parts of the business.
- Generate support in your workplace for the request that a Climate Emergency Declaration is made by the company. If needed, set up a survey/petition to have employees sign in order to show support for the request.

### If you are a board member:

- Determine the date of the next board meeting. Contact the holder of the agenda and ask to put Climate Emergency on the Agenda suggesting the proposed agenda and minutes in the Resources section of this Playbook.
- Circulate the proposed Declaration of Climate Emergency in advance.
- If there is no board meeting planned on the immediate horizon – propose calling one at the earliest date consistent with the terms of the company's governance arrangements.
- Establish whether shareholders are required/entitled to make the decision on declaring a Climate Emergency, with legal input if necessary.

17. Ensure that there is a transparent process for selecting a youth representative



# Making it Happen:

## 5 Steps to Get Going

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1

### Communicate internally

Hold internal conversations about the Climate Emergency (over company-wide lunches and/or Town Hall meetings) and the need for the business to embark on a ‘just transition’ process. Ensure that the management teams and staff are on board. Actively manage anxieties and provide resources to help people on the journey. Identify where the business contributes positively to the Climate Emergency and areas where it has a negative impact. Do not move beyond this stage until the business is with you.

Agreement (limit global warming to 1.5% above pre-industrial level). These targets can be externally verified by signing up to the Science Based Targets initiative (SBTi) which is a collaboration between Carbon Disclosure Project (CDP), the United Nations Global Compact (UNGC), World Resources Institute (WRI), and the World Wide Fund for Nature (WWF) and is one of the We Mean Business Coalition commitments. Understanding your carbon impact across your full value chain will be a key part of setting your target. This must extend to Scope 1, 2 and 3 emissions.

conflict, review ways in which the negative impact identified could be altered to become positive. In many cases this will require some radically creative thinking and a workshop environment. Facilitation by an outside expert could be useful. For example: If your company manufactures washing machine components, and you identify that your (finite) raw input material is likely to become scarcer (therefore more expensive) over the next 10 – 20 years, you could consider a move to a leasing model whereby you retain ownership of the component, lease it to your customer, and recover it for remanufacturing or reuse after it has reached end of life.

2

### Appoint a transition team

This team will set a new strategy for the business, which includes setting science based targets (point 3) and steps for implementing changes to the business model (point 4).

4

### Reimagine your business model

If your business is in any way dependent or fuelled by finite resources, it is time to think about a transition. External input might be required if your in-house capability is limited. You can find inspiration from the work of the Ellen MacArthur Foundation<sup>18</sup> and Kate Raworth’s Doughnut Economics<sup>19</sup>. Start by identifying areas of conflict, or potential conflict, between your core business model and factors of potentially negative environmental impact (e.g. production of or reliance on fossil fuels or other finite resources). For each

5

### Share your story

Declarations of the Climate Emergency need to be vocal and inclusive, but they also need to come with lasting commitments. Develop an ongoing communications strategy to share your commitments with other businesses and celebrate the changes you are making. Ongoing actions are integral components of declaring a Climate Emergency and the more this becomes part of the ‘norm’ the more businesses will feel compelled to follow your leadership.

<sup>18</sup>. [Ellen MacArthur Foundation](#)

<sup>19</sup>. [Kate Raworth’s Doughnut Economics](#)

# Engaging with Key Departments

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It is vital to identify where your business has the biggest carbon impact. These departments should then be considered a priority. Remember, your biggest impact could be outside of your head office.



# Operations

Work with your operational team to conduct a full environmental impact analysis across all areas of your business. It is important to engage employees and stakeholders at all levels of the business.

## Set up a transition team

This team will be responsible for developing a new strategy for the business, which includes action plans on how to identify new science based targets and how to implement changes to the business model. Ideally this team will be intergenerational and cross-departmental.

## Carbon

Calculate and report annual greenhouse gas emissions inventory ('carbon footprint') compliant with the Greenhouse Gas Protocol.

## Energy usage

Renewable energy is now easily accessible and competitively priced. If you aren't currently with a renewable energy provider, switch.

## Travel

Encourage employees to use video conferencing or other alternatives to minimise travel, especially air travel. Incentivise walking, cycling or public transportation for meetings.

## Water use

Review your current water consumption and upgrade your conservation policies.

## Waste management

Review your current waste management policies and upgrade them by exploring how to go paper-free and plastic-free.

## Food

Consider your business catering to ensure it comes from responsible sources using ecologically beneficial systems like organic. Discuss reducing or eliminating meat and dairy from your business catering and snacks. Only purchase food and drinks with verified environmental standards.

# Culture

## Use of language

The cultural aspects of the organisation need to align with behaviours and beliefs congruent with tackling the Climate Emergency. Integrating the right language when talking about this topic is key.

## Behavioural alignment

Deep change requires shifting the organisational mindset and moving towards a culture of climate conscious leaders and staff. Introduce policies and actions around communication, training, support networks, leadership development and the organisational development agenda. Encourage executives and employees to publish their own commitments in their personal lives.

## Engage your employees

Support and encourage your employees to change their behaviour. This includes switching to renewable energy at home, using more public transport, cycling and walking, reducing food waste and eating less meat and dairy.

# Legal and governance

- Consider whether the board has requisite knowledge on climate issues and whether, if not, this may be addressed by additional appointments, training, or use of a sub-committee.
- Develop carbon reduction targets and agree on frequency of board reporting on progress against them (monthly or quarterly).
- Agree on a level of carbon target transparency and the company's engagement (internal and external) on progress against the carbon target.
- Agree on top-level strategies and workflows to be deployed in order to achieve carbon targets (including approval of relevant budgets).
- Add climate-related risks into the company risk register and details of risk management procedures and internal controls.
- Consider updating your Articles. Include adherence to UNGC's 10 Principles in your Articles. And/or, if you're not a B Corp, consider adopting the B Corp legal requirement where Director Duties include providing equal consideration to both shareholders and stakeholders.

## Finance

- Look at how the company funds are managed, including funds that pensions are invested in. Where possible, move these funds to banks that refuse to invest in businesses dependant on fossil fuels.

- Consider the amount of cash, cash equivalents and short-term investments you have on your balance sheet. Can you reallocate some of this to invest in innovation to transition your business model?
- Set an internal price of carbon. Consider a meaningful price such as £50/tonne<sup>20</sup>.
- Develop a full Environmental Profit and Loss statement based on a relevant and meaningful price on currently un/undervalued resources used in your business.
- Set up pensions with environmentally responsible providers.

## HR

- Significantly reduce flight travel and offer employees alternatives and incentives not to fly.
- Encourage low carbon commuting e.g. cycle-to-work schemes.
- Encourage commitments to change habits at work and home.
- Offer paid-days off to attend climate protests.

20. [Financial Times](#)



## Marketing and business development

- ▶ Educate your clients and customers around using their purchasing power to create change. Encourage ‘buy less but better’.
- ▶ Clearly communicate the impact of purchasing.
- ▶ Send a clear public message, integrating your Climate Emergency Declaration into your communications.
- ▶ Review your existing partnerships.
- ▶ Are you working with other organisations who are actively contributing to tackling aligned issues?

## Supply chain

- ▶ Review all your suppliers and look to buy from companies who are also operating with Climate Emergency conditions guiding their strategy.
- ▶ Find out how products are transported and preference goods that aren’t transported by plane. Move materials as little as possible.
- ▶ Explore using alternative fuelled vehicles (electric, CNG) where possible.
- ▶ Review all the materials used in your manufacturing processes and shift to the most responsible (and least impactful) materials.
- ▶ Encourage your suppliers to switch to using renewable electricity and biogas.

- ▶ If reliant on agriculture, build climate resilience into your supply chain (e.g. drought resistance, water saving, agroforestry). with complex supply chains, start by mapping significant suppliers and identify those in hot spot areas.
- ▶ Encourage suppliers to adopt targets in line with 1.5 degrees using science based targets.
- ▶ Use reusable or recycled materials where possible.
- ▶ Undertake a full Life Cycle Analysis (LCA) on your products.



# How does an organisation monitor and enforce climate breakdown related policies?

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This needs to be covered in the organisational governance structure and framework and will cover areas such as;

▼ Executive remuneration and bonus and the flow down of these policies to remuneration and bonus for staff

▼ Other recognition schemes – such as staff awards, sustainability awards etc

▼ Performance and personal development systems and policies

Such a system needs to be open, transparent, measurable and ‘have teeth’ to ensure it is effective within the organisation.

# The Business Climate Emergency Network

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The Business Climate Emergency Network aims to support organisations in declaring a Climate and Ecological Emergency and taking meaningful steps to action.

This peer network will provide resources and connect others who want to do the same across all sectors, through events and online networking.

To visit the Business Climate Emergency Network and find out which businesses have declared, [click here](#).



# Youth Activists: Leading the Change

**“Listen. Be open to what those around you are saying and asking for. The climate crisis has awoken new emotions and responses in individuals across society. From mass action protests like XR, to students as young as four chanting about how this crisis will affect younger generations the most, it is clear that people care about what’s happening to our planet. Don’t ignore those voices. Invite youth activists or local climate leaders to speak at board meetings. The battle against the climate crisis can’t be fought alone, and the solutions we pioneer must be inclusive (especially for those who are so often shut out of business conversations).”**

Reflection from youth activist, Emily Kibbe.





# Resources Available

## Sample board meeting agenda

### Part 1: External stimulus

- Climate scientist – 10 minutes
- Youth activist – 10 minutes
- Reflections + Q&A – 20 minutes

### Part 2: Discussion (ask visitors to leave)

- Select a facilitator (default to the Chair)
- Discuss and decide if the business wants to declare a Climate Emergency
- Discuss implications to both the business model and the operations
- Decide if this will be a private or public Declaration
- Appoint a transition team to manage the process of developing and activating the Climate Emergency Declaration

21. This wording is suitable for B Corps.

22. Depending on whether it changes during the course of the board meeting.

23. Other resolutions may be added depending upon what the meeting determines in respect of matters relating to how the declaration will be implemented by the Company in practice (for example establishing sub-committees or processes to develop and agree targets for emissions reductions).

## Sample board resolutions

### Business of the Meeting

It was explained that the Company, including board members and employees, had expressed concern at the current position in respect of climate heating and there was a desire for the Company to recognise what has become known as the Climate Emergency, to map out how it will respond to it in its business operations, and to commit to delivering that response.

External expert speakers had been invited to attend the meeting and a facilitator appointed to lead a discussion among the directors regarding the Company's response to the Climate Emergency.

The Chair reported the purpose of the meeting was to consider the Climate Emergency and the Company's response to it.

A draft Declaration of Climate Emergency was produced to the meeting.

### Benefit

After due and careful consideration the Board was [unanimously] of the opinion that in resolving to declare a Climate Emergency and to act in the manner agreed at the meeting, the Directors were acting in good faith to promote the success of the Company [and through its business and operations to have a material positive impact on society and the environment, taken as a whole].<sup>21</sup>

### Resolution

After careful consideration, including of such matters referred to in section 172 (1) of the Companies Act as the meeting considered appropriate, and of the matters presented and documents produced to the meeting, IT WAS RESOLVED to approve the Declaration of a Climate Emergency in the terms [circulated with the Notice of Meeting / attached to these Minutes].<sup>22, 23</sup>

# Further Reading

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▼ [B Team and Ceres Primer](#)

▼ [Greenpeace – Declare Climate Emergency](#)

▼ [UK Councils Declare Climate Emergency](#)

▼ [UNGC 10 Principles](#)

▼ [UK Legal Requirement for B Corporations](#)

▼ [Pukka's Top Tips on Setting Science Based Targets](#)

▼ [IDDRI Report: Ten Years for Agroecology in Europe](#)

▼ [Business Declares a Climate Emergency](#)

▼ [BBC's Climate Change – The Facts](#)

**To discover organisations that can support you in declaring a Climate Emergency, [click here](#).**

## With thanks to:

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