Gold Standard
Climate Security & Sustainable Development

WWF

CDP
DRIVING SUSTAINABLE ECONOMIES

CORPORATE CLIMATE STEWARDSHIP

Best practices to seize opportunity and maximise credibility

MEASURE + DISCLOSE

» Conduct complete GHG accounting per GHG Protocol with 3rd party verification.
» Transparently report full scope 1-3 emissions.
» Implement an internal or "shadow" price on carbon high enough to materially affect investment decisions

- e.g. Internalise the environmental and social costs of GHG emissions by implementing a carbon fee to support the investment in renewables and climate protection projects and incentivise further emission reductions.

REDUCE CLIMATE IMPACT

» Set and implement GHG emission reduction targets.
» Define a transition plan to your company, designing and thinking through your own company transition scenario to a low-carbon economy.
» Start to implement your transition plan and get it assessed by an Assessing low-Carbon Transition (ACT) methodology to ensure strategic planning and investment decisions are aligned with the low-carbon transition.

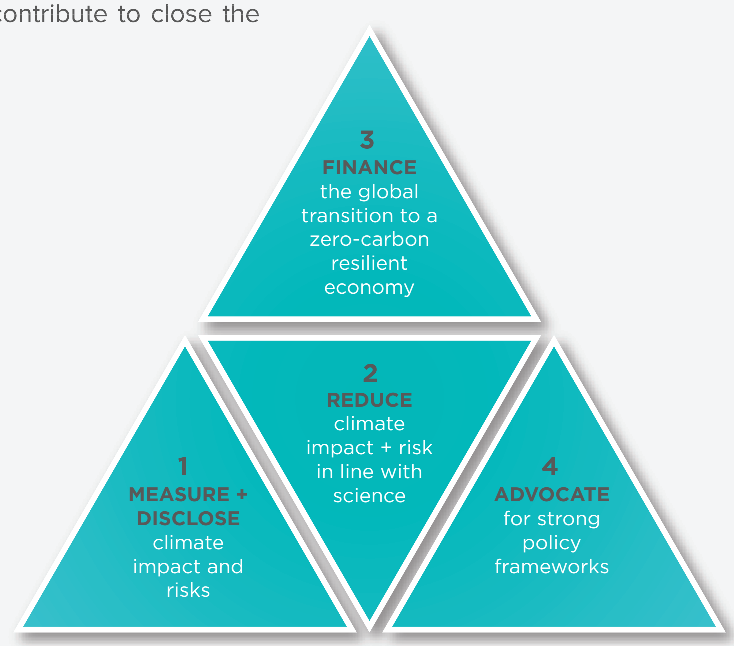
FINANCE THE TRANSITION

Internalise costs of unabated GHG emissions and contribute to close the finance gap.

Potential methods and mechanisms:
» Carbon credits
» Value chain mitigation + adaptation
» Purchase, fund or build renewable energy

ADVOCATE

» Influence market or policy developments by promoting your vision and solutions.
» Inspire constituents to strong climate action through employee engagement, consumer matching programs, which can also lower your own GHG footprint.
» Begin educating your investors, employees, and customers about climate impacts and your climate strategy.



CORPORATE CLIMATE STEWARDSHIP

Pillar 3: Finance the transition to a zero-carbon resilient economy

Corporates that wish to be recognised as climate leaders are advised to take accountability for their full carbon footprint. They can do so by making a commitment to finance the transition to a zero-carbon resilient economy using one of the following pathways or a combination of the two.

PATHWAY A: Support climate protection projects reducing emissions in an amount equivalent to unabated emissions

1. **Introduce certified value chain climate projects** both upstream and downstream (often referred to as 'insetting') that quantify and certify emission reductions and/or improve climate resilience to support suppliers, customers and other value chain partners in their reduction and adaptation efforts. This can be done pre-competitively with stakeholders in shared value chains.
2. **Use carbon markets to finance emissions reductions**, that is, purchase high-quality carbon credits and transition to new instruments, like Certified Emission Reduction Statements, as these come to market as the Paris Agreement comes into force.

PATHWAY B: Make a climate finance commitment based on the social cost of carbon to fund new efforts toward climate security

To determine a finance commitment, a company would calculate the remaining unabated emissions from the given year, and multiply that number by the social cost of carbon:

**Tons of GHG emissions x Social cost of carbon*
= Finance commitment**

With that figure, that amount of funding would be channeled to efforts that contribute to climate mitigation, adaptation, or both. This would be done on an annual basis.

1. **Purchase, fund or build renewable energy beyond your own operations**, actively contributing to changing the energy system.
2. **Contribute to a new fund** that will allow collective action for climate security projects (fund to be developed).
3. **Develop or support new solutions** for climate mitigation and adaptation around the world.

**There are different estimates on the social cost of carbon and all come with a level of uncertainty. However, credible estimates do not fall below $40 USD.*

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