

TOP 10

Ten questions every board director needs to ask about climate change

Climate change is a governance issue. It affects everything from workforce planning to funding to the safety of people and physical properties. It has to be understood, planned for, responded to. It's the board's responsibility to ensure that the organisation - and its constituents - are ready.

These 10 questions will help board directors to consider their responsibilities in relation to climate change strategy at their organisation.

1. Operations

What direct and indirect risks does climate change pose to your organisation, your operations, your beneficiaries, your staff and your volunteers, and how will they be managed?

Direct threats posed by floods, fires and extreme heat can affect an organisation's ability to do business. What resilience planning has the organisation undertaken to mitigate these risks? Some actions are undertaken by choice, and some are forced by legislation. What are the organisation's legal duties in relation to climate change - have you checked the legislation? How does legislation affect the way you choose to operate? An example of legislation you may wish to check is here. This is because checking the rules which may affect your management of waste and chemicals can protect you from receiving fines, and promote a healthier environment for volunteers, staff and beneficiaries. Threats from floods, fires and extreme heat could also affect your beneficiaries and volunteers so it is important to consider how you may need to adapt your operations if these threats eventuate.



2. Culture, behaviour and policy

How does the organisation enable and reward behavioural change among directors, staff, beneficiaries and volunteers?

The board is responsible for overseeing organisational culture. Does the board have the knowledge and skills required to enable appropriate oversight of climate change issues? Has the organisation implemented policy changes to reduce its carbon footprint – e.g. online meetings policy, travel policy, working from home policy, investment policy, procurement policy, sponsorship policy?

3. Beneficiaries

How might climate change affect the organisation's beneficiaries in the future?

Climate change and decarbonisation efforts are already affecting many people in many ways. For example, tenants in high-rise public housing towers are suffering more than ever from hot weather, while tenants in low-rise public housing are vulnerable to more frequent floods. Increases in food prices caused by more extreme weather globally have a disproportionate impact on people on low incomes. Meanwhile, as incentives are put in place to shift people away from petrol and diesel cars, people who can't afford to buy a new car may be left paying the bill. Consider what life might look like for your beneficiaries five, 10 and 20 years from now, and what this means for your organisation.

4. Advocacy

What is the organisation's position and role in advocating for carbon emission reductions beyond its own operations?

Let's say your mission is to provide food for homeless people, or to stage community theatre productions, or to provide driver-ed training to refugees – moving into the area of climate change advocacy would be mission drift, wouldn't it? Not necessarily. Working through the questions in this help sheet may well highlight the risks to your core mission if climate change is not addressed urgently. It's important not to dismiss this notion out of hand.



5. Political fortunes

How would a change in federal, state or local government affect the organisation's position in relation to climate change?

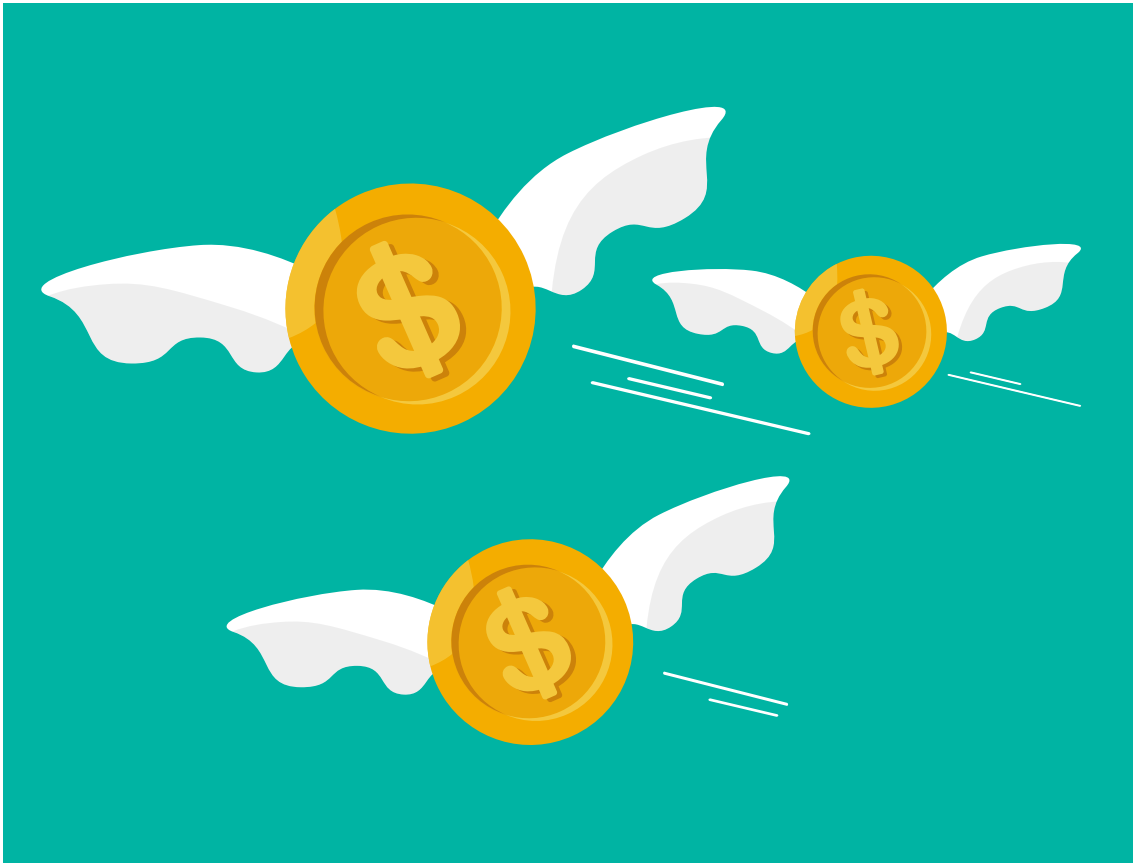
Would the organisation be vulnerable if a new government or another funder made funding contingent on internal climate change policies and practices? Could the election of a greener (or less green) council or government affect your group's fortunes in some way – e.g. improved electric vehicle infrastructure in your area, or more or less access to funding to help you transition to more climate-friendly practices? Try modelling some different scenarios to see what effect a different government might have.

6. Expenditure risks

How will climate change affect your bills?

How will your energy bills be affected by climate change? Will you need to fundraise more (or less) to meet these costs? Will you be able to continue to serve your beneficiaries in the face of repeated and escalating floods, bushfires, cyclones and other climate-related events – even if government assistance and extra funding are not forthcoming? How does the organisation heat and cool buildings and are there other options? Have you investigated solar power, extra insulation, and other long-term cost-saving measures?

Will your premises and your operations be insurable in 2030? Some reports suggest one in 25 properties won't be. What will your insurance premiums be? How can you protect your assets if you can't afford the premiums, or can't insure against the risk of damage and destruction? Will the government be able to fund future disaster relief for the organisation, if floods and fires continue to increase in magnitude and frequency?



7. Income risks

Is the organisation's ongoing funding contingent on its position and achievements on climate change?

Will your funders soon require you to report on your engagement with climate change and the environment? Some are doing so already. How might your action or lack of action (or types of action) in relation to climate change affect your donor base? Will individual donors choose your organisation over a competing organisation that highlights its interest in climate change? Even the most skeptical organisation can't afford to ignore the income risks associated with climate change.

8. Reputational risks

What reputational risks stem from the organisation's approach to dealing with and communicating about climate change?

Are your stakeholders (donors, grant funders, members, volunteers) supportive of your organisation's climate change stance (or lack of one)? How do you know? Is it possible that they expect more (or less) from you? How will your organisation remain relevant as society's priorities shift towards climate? For example, donors may start to enquire about your finance and investment practices. What are the climate credentials of the institutions that the organisation banks with, invests with, and does business with? Does your procurement policy account for the climate change credentials of your suppliers? It's important to be able to demonstrate that you've considered these issues and taken appropriate action, or you risk being perceived as outdated at best.



9. Reputational opportunities

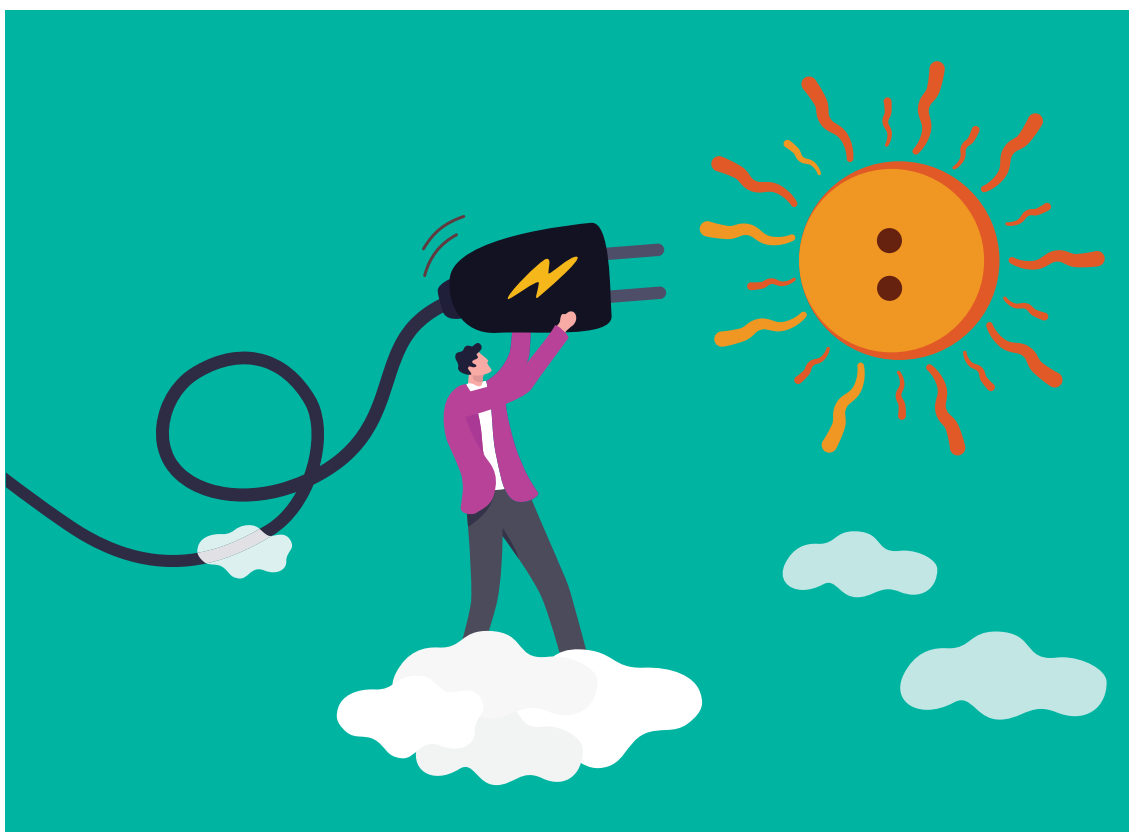
What opportunities stem from the organisation's approach to dealing with and communicating about climate change?

Your organisation's commitment to reducing carbon emissions should be aligned with its mission, so it presents an opportunity to promote its success in all areas. Does the organisation set emissions reduction targets and make its actions and results public? How does the organisation highlight its successes on climate awareness and climate change?

10. Technology

How could the organisation use technology to reduce its carbon footprint?

Technology is a straightforward way to reduce environmental impact, and scaling it up doesn't necessarily mean increased costs. If you already use an online platform for staff meetings, can you use it for board meetings too? Does the organisation have a budget dedicated to investment in relevant technology such as electric vehicles, renewable electricity or food waste recycling systems? How much energy do your servers use, and can you switch them (with the rest of your building) to rooftop solar or accredited green energy?



More Information

[Going Green: Putting policies and procedures into practice](#)

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