

RETHINKING **THE WAY WE DO BUSINESS**

Manifesto of the Czech Business Community supporting the climate goals of the Paris Agreement and Glasgow Climate Pact

Version II

OUR COMMON CONCERN

Project **RETHINK** is a CEO-led initiative of major companies in the Czechia working together to drive post-pandemic support for attainment of long-term climate neutrality and UN Sustainable Development Goals for our country.

As the recent intergovernmental UN Climate Change Conference in Glasgow, United Kingdom (COP26) made clear, there is overwhelming scientific consensus on the devastating impacts of two centuries of uncontrolled man-made greenhouse gas emissions.

We are seeing significant changes in temperatures, climate and weather in both our country and globally and as members of the business community in Czechia, we support and encourage government measures to mitigate climate change and adapt to its impacts.

Climate change is recognised as a major threat to humanity, presenting potentially dire consequences to human health, prosperity and wellbeing. With growing evidence that climate change poses significant systemic financial and business risk, we are determined to protect economic stability by supporting our successful transition a net-zero economy in delivering practical and measurable solutions.

We already see that this risk dynamically shaping access, price and conditions of both private and public sector in relation to finance, investment and insurance. We are already embracing this new fast emerging phenomenon of sustainable finance in our business strategies and welcome the same proactive approach by Government so that public and private sectors are aligned in exploiting the benefits of sustainable finance.

With ongoing climate change and environmental degradation posing an existential threat to both inhabitants of Czechia and our entire planet, we support the EU European Green Deal and the UN Paris Agreement and Glasgow Climate Pact, which are designed mitigate this threat.

We are convinced that by rethinking the approach to each of our businesses, we can support the long-term resilience and prosperity of Czech society and contribute to the cultivation of its traditions, cultural identity, civilization values and ethical standards.

As signatories to this Manifesto representing a wide range of sectors, we are committed to actively contribute, transparently in a measurable, practical ways, to keep average global temperature rise to no more than +1.5°C above pre-industrial levels, and to reduce greenhouse gases emissions with the goal of climate neutrality by 2050.

Acknowledging our responsibility as businesses operating in Czechia, and particularly mindful of the urgency of tackling climate change, growing expectations and statutory duties to ensure environmental stewardship, social duty and good governance (ESG – Environmental, Social and Governance), we, the undersigned, firmly believe that now is the right time to **RETHINK** the way we all do business.

OUR FIRM PLEDGE

We fully acknowledge the need to urgently address climate change by accelerating the reduction of greenhouse gas emissions and pledge to take practical steps to avert global warming in accordance with the agreed international obligations of Czechia, in particular, by:

- ▶ Appointing a company representative to guide our active participation in Project **RETHINK** by no later than three months after the signing of this Manifesto;
- ▶ Publishing by the end of 2024 at the latest a pledge to achieve climate neutrality of our business operations in Czechia with respect to GHG emissions pursuant to Scope 1 and Scope 2 of the GHG Protocol on the basis of a credible decarbonisation strategy and roadmap in accordance with recognized methodologies, good international practice and standards;
- ▶ Establishing a management system and program for climate risks and, where appropriate, other environmental and social risks with recognised international standards by the end of 2024 at the latest;
- ▶ Providing ongoing disclosure of non-financial aspects of our business activities in Czechia by the end of 2026 at the latest, using the EU Taxonomy of economic activities and in accordance with valid legal regulations.

OUR ACTIVE SUPPORT

We will actively support:

- ▶ Establishing a quality institutional and legislative framework, tools and rules for a sustainable development and sustainable finance agenda across Government
- ▶ Comprehensive updating of the National Energy and Climate Plan in accordance with the existing Czech commitments based on high-quality data with the submission deadline to the European Commission by 30 June 2023 at the latest which would feature:
 - a credible and realistic Czech roadmap to climate neutrality by 2050 (with interim targets by 2030) covering all sectors of the national economy, including compensatory measures to ensure a fair transition in relation to vulnerable groups; and
 - a schedule for controlled phase-out of coal and other fossil fuels in Czechia as an energy source.
- ▶ Systemic low-emission transformation of energy flows across economic sectors, increased energy resilience in Czechia and an effective system for combating energy poverty
- ▶ Prioritising ESG projects in accordance with the European Green Deal and EU Taxonomy, as part of the public investment process, and use of uniform sustainability standards pursuant to the EU Taxonomy (technical screening criteria) to ensuring a synchronised approach across private and public sectors
- ▶ Making spatial planning and building authorisation processes in Czechia more effective and appropriate, especially in relation to large-scale and transformative projects enabling or implementing green transformation
- ▶ Maximising the opportunities provided by the new State Aid rules, including the review of existing support schemes and development of innovative instruments and methodologies to enable Czechia to fully, effectively and safely benefit from the unprecedented financial support from the EU.

Business name:

Name and surname, position:

Date:

Signature: