

# “Climate Change: The Global Risks That Threaten UK Businesses”

2 years ago



Climate change is one of the most significant global risks facing the world, and six of the top ten risks identified in the WEF's Top 10 Global Risks Report are climate change related. These risks include extreme weather events, failure to adapt to and mitigate the effects of climate change, natural disasters, biodiversity loss and ecosystem collapse, water crises, and food crises. These risks can have significant implications for businesses here in the UK, and all over the world.

Extreme weather events, such as floods, storms, and droughts, can damage infrastructure and disrupt supply chains, leading to higher costs and reduced availability of raw materials. For example, the flooding caused by Storms Desmond and Eva in 2015 led to significant damage to infrastructure and disrupted supply chains, causing losses of over £1.3 billion for businesses here in the UK.

Failure of climate change mitigation and adaptation can also have significant impacts on UK businesses. For example, increased regulations and taxes aimed at reducing greenhouse gas emissions can increase costs for businesses in the energy and transportation sectors. Businesses that rely on fossil fuels may also face reputational risks as consumers and investors become increasingly concerned about the environmental impact of their operations.

Natural disasters, such as wildfires and hurricanes can also impact. The wildfires in California in 2018 caused significant damage to vineyards, resulting in reduced supply and increased prices for those businesses that rely on imported wine.

Biodiversity loss and ecosystem collapse can also have significant impacts, particularly those in the agriculture and forestry sectors. For example, the loss of pollinators such as bees and butterflies can lead to reduced crop yields, impacting businesses that rely on these crops.

Water crises and food crises can also impact UK businesses. Droughts and water scarcity can impact

businesses in the agriculture and manufacturing sectors that rely on water for their operations. Food crises can also impact businesses in the food and beverage sector that rely on imported ingredients.

The Top 10 Global Risks Report can help all businesses prepare for these risks and identify opportunities for innovation and growth. Businesses can invest in sustainable practices and develop new products and services that address environmental risks. They can also identify opportunities to improve water and resource efficiency in their operations, reducing their exposure to water and food crises.

Climate change is one of the most significant global risks facing our world, and six of the Top 10 Global Risks we face over the next ten years are all related to climate change. These risks can have significant implications for businesses here in the UK and across the world, impacting their operations, supply chains, and growth prospects. By staying informed about these risks and taking action to address them we can develop resilient and sustainable operations that can weather the challenges of an increasingly complex and interconnected world. We still have time, but only if we act decisively and proactively. Failure to mitigate the effects of climate change is simply not an option. We have to act now.

For more information on how NCZ can help your business on its journey to net zero email us at [gozero@neutralcarbonzone.com](mailto:gozero@neutralcarbonzone.com)

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