

MEDIA RELEASE

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Responding to the NFP Climate Challenge

The Australian Institute of Company Directors (AICD) has launched a comprehensive guide to assist Not-For-Profit (NFP) organisations manage the increasing demands of climate change risk and governance.

Whilst the focus has largely been on high emitting, hard to abate and globally influential industries such as natural resources, transport, and finance, the implications of climate change for Australia's 600,000 NFPs are no less consequential.

AICD director surveys show a majority of NFP directors are seeking to engage more on climate governance. But faced with competing priorities, limited resources, and a lack of expertise in sustainability issues, the challenges can often seem overwhelming.

The new AICD guide <u>Climate Governance for NFP Directors: Starting the Journey to Net Zero</u> provides a simple roadmap for NFPs to take action at a localised level.

AICD Managing Director and CEO Mark Rigotti said every organisation will need to understand and respond to climate change in the coming years.

"The challenges for not-for-profits are multi-faceted, complex and increasingly urgent, as the level of disruption caused by the effects of climate change make it more difficult for NFPs to serve the needs of their communities.

"Yet in many instances, and especially in times of crisis, it's the not-for-profits that are on the front line of any response."

Physical risks specific to the operations of each NFP organisation, as well as broader issues such as increased demand on services, grant funding conditions, and stakeholder expectations, can all pose major challenges for NFPs.

The NFP Climate Governance Guide provides practical tools for NFPs to measure and reduce their organisation's carbon footprint, understand governance obligations, consider stakeholders, assess climate risk and mitigation, and consider climate opportunities.

The Guide is published as part of a suite of resources produced by the <u>Climate</u> <u>Governance Initiative Australia</u> – a multi-partner collaboration aimed at supporting effective climate governance by Australian boards, hosted by the AICD.

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