

The implications of climate change for businesses

There have been several implications on businesses due to Climate change over the years, one being a shortage of water scarcity. Shortage of water scarcity is in the top reported problems businesses have reported, there is a whopping 76% reports from shortage of water scarcity and declining water quality. This effects businesses as many businesses rely on water. This also may have an economic impact, leading to increased costs, affecting the price of traded goods and services, alternative resources or farmers not being able to feed crops. There are six different climate change risks for businesses, these are Physical (related to damage inflicted on infrastructure and other assets), Ratings, Prices (increased prices for raw materials), Reputation, Product and Regulation. The main reason for water scarcity is Draught. It affects all businesses but mainly businesses with intensive water usage, these include food and beverages businesses and many more. Over the last few years there have been a number of legal cases against fossil fuel businesses making them accountable for the damaging effects of climate change. Even though there are many implications climate change has on businesses it also gives many businesses opportunities, for example it can increase energy efficiency. During 2003 businesses had lost roughly £400 - £500 million due to heatwaves. Small and medium enterprises are likely to be less prepared for climate change than other businesses, 60% of the UK's population are employed by small and medium enterprises. Climate change is increasing weather events such as heatwaves, storms, droughts and floods. For businesses such as music gigs or the food markets outdoors this can have a major impact as the music equipment will not be able to stand the floods ect meaning the music event will have to be proponed or cancelled and same goes for outdoor markets as well as that the insurance costs of many businesses will increase meaning many businesses will not be able to afford it causing them extreme financial and physical damage. This will also mean it will be more challenging to get materials for their businesses. Damand for certain products will change, for example during heatwaves businesses and homes won't need as much heating oil meaning oil companies will have a shortage of demand, also many companies are now heading more towards environmentally friendly goods and heating. Harsher weather conditions will make it almost impossible for companies to work in. Companies such as window fitting, roof fitting ect will not be able to carry out their work as if its thunder and lightning or a storm it will make it almost impossible for them to work in. A lot of the population these days wants more sustainable products, meaning companies are having to find ways to make their products eco-friendly and more sustainable, which will cost more to produce. Climate change has also had a huge impact on people's health, due to this many people are getting more health problems, and some are unable to work leaving businesses with less employees. Flooding levels are high in a lot of parts of the UK this means that this can lead to loss of coastal business locations and tourism so the demand of hotels and restaurants etc. will be lowered. Climate change has been affected since the UN Paris agreement back in 2015. Businesses can adapt to climate change by evaluating how change and uncertain climate will

affect customers, protect their value, strengthen long-term geographic strategies and invest in vulnerable communities, reducing emissions and stabilizing levels of heat-trapping greenhouse gases in the atmosphere, make things more eco-friendly, such as buy products from traders closer to their business to reduce the amount of gas or oil. A lot of companies are already helping climate change such as IKEA - All their units will now run on renewable energy instead of fossil fuels and are turning their electricity into solar panels and has been working with WWF on a number of projects to tackle climate change, they have also made it easier for customers and coworkers to leave their cars at home and use public transport to travel to and from their stores and in many cities they offer a free shuttle bus to between the city centre and the store, Carbon Engineering – They have made a direct air capture technology which eliminates carbon dioxide from the air and produce clean transportation fuels instead of fossil fuels and predicted to take around one million tons of CO₂ from the ground each year, Global Thermostat – it is a carbon negative solution, can capture up to 40,000 tons of CO₂ per year, they use energy provided by residual heat rather than electricity and are available anywhere. The rises of sea levels and warmer temperatures and extreme weathers can damage properties, impact human health and negatively affect sectors such as forestry, fisheries and tourism, this means that supermarkets could be low on sea products or the log companies/ forestries will be low on stock for wood. It is also good to recycle to help climate change as recycling helps greenhouse gas emissions by reducing the energy consumption. Another reason why it is good for businesses to recycle is because it saves them money and improves their business by cost savings, you make money by upcycling your old stuff and selling them on, it helps build your community and it protects your environment by saving energy as it takes less energy to upcycle your old products than it would to buy virgin materials, for example you can save 95% of energy just by recycling old cans and not only that it also helps divert waste from our landfills. Our landfills are filled with 21% of food, 14% of paper and cardboard, 10% of rubber, leather, and textiles and 18% of plastic. Recycling prevents global warming. Recycling just paper alone can save energy by 65% than producing new paper. All businesses can make a change to climate change just by recycling alone!

Implications of Covid-19 to businesses

Covid-19 has had a huge impact on businesses this last year, for example the music industry has slumped by 85% due to having to close or postpone their gigs, festivals and music events. Covid-19 has largely impacted the UK businesses such as sales being 30% lower than they were before Covid-19, employment was 5% lower and investment has dropped down to 33% lower, that is just the UK alone. Due to this global pandemic people have been out of work and lost jobs and some have been put on furlough, some businesses couldn't and still can't afford to keep staff on to work. The main businesses that are affected by the pandemic are restaurants, theatres and construction companies. The unemployment rates have gone up since the pandemic due to employers not being able to afford to keep staff on. Tourism was also affected with airlines having to close. The developing economies face a lower contraction of 3%, global

growth is expected to drop by 4.9% this year, advanced economies are expected to drop by 8% and China will grow by 1%. The hair and beauty industry have been affected by the pandemic in many ways, such as the closure of their businesses meant no income, they had small grants as they paid business rates but wasn't eligible any other support due to being limited companies. While getting little grants and no other income due to not being able to work from home they still had to pay bills for their business and pay wages. Even though they are now allowed to open in wales a lot of their clients are still shielding due to health and worry of catching Covid, leaving them with less clients and less income. Businesses also had to pay for PPE, masks and face shields, extra cleaning materials and social distancing posters/floor markings ect. A lot of business owners had a lot of added stress and anxiety with government change of rules and conditions continually. A lot of businesses have gone into liquidation re covid due to downturn of income re people shopping ect, such as 'Peacocks' in Ammanford and certain cafes etc. How has covid-19 affected trade China had a tumble with exports in February, but it didn't last long until they were back up in March. However the U.S and Germany did not recover as quick and lead them until August to recover. Some marketers were better off with Covid-19 due to high demands of supply's such as Brazil, they they were exporting \$464 worth of soybeans and beef a month to \$639 a month from the period of April 2020 to May 2020. Other exporters wern't as lucky such as car exporters for example, in April to May they dropped over \$1 billion. (7). UK trade had a massive fall in exports and imports during the 3 months of February, March and April by £33.1 billion (19.3%) in exports and £29.9 billion (17.6%) being the largest falls since 1997 in the UK. Small businesses across the UK has used about £11,000 more due to the pandemic. Many businesses has a major lost of income, for example businesses in Wales had a lost of £11.804.82.

There are a lot of challenges businesses are facing working from home such as employees getting distracted and not being able to concentrate properly, or lack of socializing so they become lonely and depressed. A lot of people are becoming depressed and feel isolated from their friends and family, although they can video call family and friend's it's not beneficial for their mental health and well being. People are not getting enough daily exercises and are eating less healthier due to being out of routine. Many workers find it hard to get motivated while in the comfort of their own home. They also lack communication skills and sometimes the wifi is down or there is a connection problem meaning the workers can't get on with their work and customers might get annoyed and leave bad reviews. While there are many disadvantages there are also many advantages such as working at your own pace and around your own time. Spending more time with your family and being in the comfort of your own home. It means you can be in for your deliveries and not rely on other people too. There were many trade- related measures put in place, these included tariffs on certain things and temporary export bans. Covis-19 has had a major economic shock to many. 43% of businesses temporarily closed during the first outbreak of Covid-19 this was due to reductions in demand and employee health concerns as the reasons for closure. Most retailers are offering click and collect only service meaning they remain open but only on a click and collect basis such as Argos, where as during

the first few lockdowns Argos wasn't open only for home delivery. Google states that "Since the first week of February, search interest in coronavirus increased by +260% globally". Schools and colleges have closed until at least the start of February and lockdown is still in place with majority of the UK in tier 4, this means school teachers are out of work or having to work from home and college tutors/ uni lecturers are working from home with students for online classes. The UK have recorded it's highest daily death rates at 1,325 people and 68,053 new cases, there has been just under 80,000 deaths due to Covid-19 since it has been around in the UK. Covid-19 has become stronger and with the cold weather is making it more spreadable. People and businesses need to keep this in mind and obey by the government guidelines. Businesses have been affected again due to having to go on another lockdown such as clothes shops having to close meaning retailers such as primark who don't have a online shop are losing more money and wasting stock that is left in the shop. The government has pre ordered 17 million doses of the covid vaccine, so hopefully we can lower the death rates and keep covid under control.