

June 2021

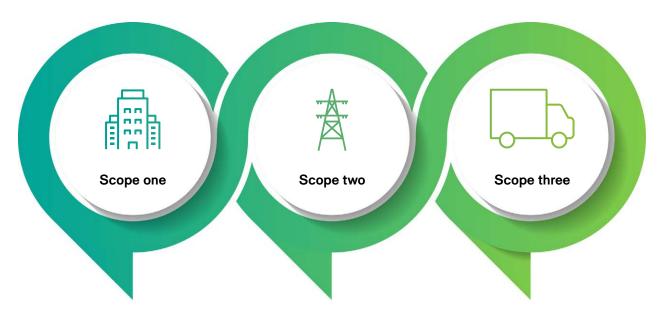
Practical ways your business can get started on the road to net zero

What is your carbon footprint?

Every business has a duty to ramp up climate action to stay within safe levels of global warming. The good news is that cutting carbon emissions is good for the bottom line and essential to future-proof your business.

Whether you're an SME with five employees or a multinational firm with thousands, the first fundamental step to taking climate action is understanding your footprint. This is where it's vital to recognise how your footprint is measured – by scope one, two and three emissions.

To take effective climate action businesses will need to consider their impact across their whole value chain and not just energy usage, for example, which is just one component of an overall footprint.



Direct emissions from operations – owned or controlled sources

Fuel combustion: fossil fuels, gas, diesel etc.

Company vehicle fuel
Refrigerants

Indirect emissions from the generation of purchased electricity, steam, heating, and cooling.

Purchase and use of purchased electricity, heat, steam, or cooling

Includes all other indirect emissions that occur within a company's value chain

Upstream emissions (related to purchased and acquired goods and services)

Downstream emissions (e.g., emissions related to sold goods and services).

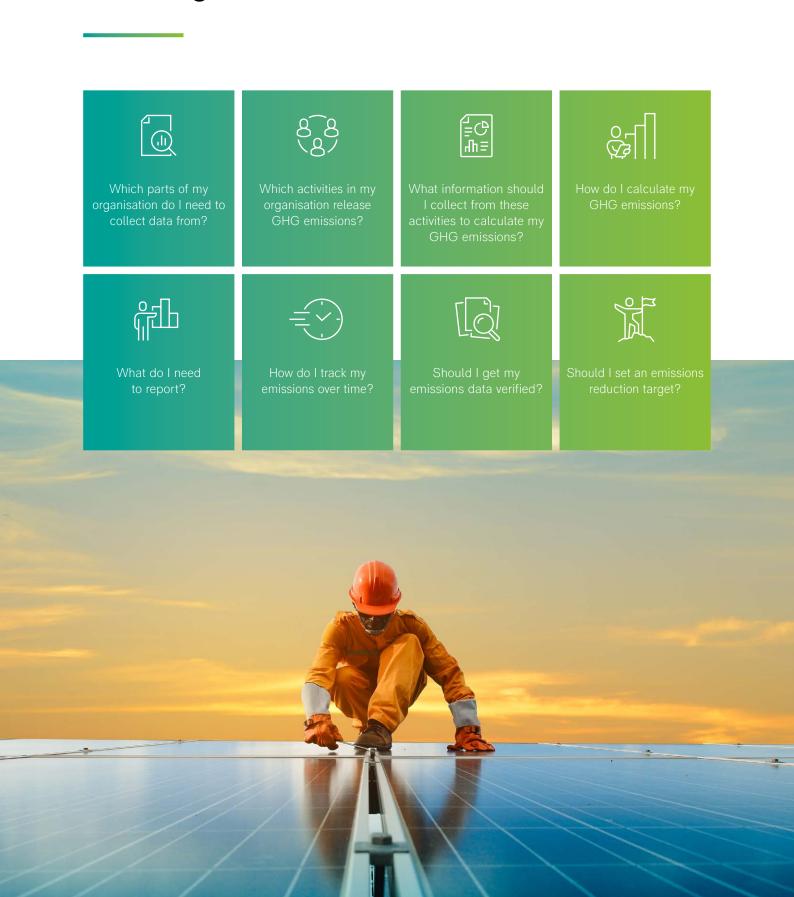
This guide will provide you with some insights and ideas to help you identify what to think about when measuring and reducing your business' carbon footprint.



How to measure your carbon footprint

Measuring your carbon footprint is the first step and needs to be based on a good methodology, then you must define the scope of measurement and collect and analyse data.

Questions to consider when tracking and reducing emissions



How some businesses are approaching reducing their carbon footprint

The CBI has teamed up with Deloitte to create the Goal 13 Impact Platform, which captures corporate action on climate change and shares insights from the most impactful climate initiatives, as well as highlighting barriers to progress and lessons learned.

Here are some ways how various organisations have approached the challenge of reducing their carbon footprint:

Setting ambitious targets

A telecommunications company with the second largest commercial fleet in the UK decided to tackle its transport emissions. Their fleet - consisting of 33,000 vehicles - accounts for 66% of their direct emissions. The company set an aspiration to have one third of its fleet converted to electric vehicles by the mid-2020s, and 100% of their 27,000 cars and vans by 2030. This requires strong collaboration with industry leaders, including vehicle manufacturers and charging infrastructure suppliers. They are also engaging with policymakers to get a policy framework in place for government investments.



Key takeaways for your business

Identifying and measuring the major sources of your emissions are essential in prioritising action and investment. Armed with this information you can go about establishing ambitious but credible targets for reductions and engage supply chains early to ensure they are realised. Recognising and influencing how policy impacts the delivery of a plan can also pay dividends.



Planning and implementing solutions

One of our small and medium-sized enterprise (SME) members, a manufacturer of electronic assemblies, saw an opportunity to boost their productivity and efficiency by adopting sustainability practices. The company invested in an end-to-end software solution which is allowing them to analyse their purchasing including the energy efficiency of their building. This is the start of the journey to understand how the business can achieve net zero and includes an in-house audit of all their activities to prioritise their strategies.



Key takeaways for your business

Organisations that align their business model with climate action find diverse opportunities for transformational change that is good for business and for the environment. Along the sustainability journey, it is vital to continuously assess climate impact of solutions, understand market conditions and evolving regulations, policy and law. This helps business adjust their sustainability plans, maximise opportunities and gain competitive advantage.



Engaging employees

One multinational company that specialises in the production and processing of industrial minerals, invested in making sure there is a shared ownership of the climate agenda across the organisation. The company implemented the Sustainable Development Challenge, a platform that allows to share best practice and to submit examples of initiatives that the company's employees are implementing globally.

Key takeaways for your business

Educating employees in an important step in the process, as they need to understand what it means to take meaningful climate action. This can be done by bringing in sustainability experts to shed light on broader issues, running interactive sessions to explain business' ambitions targets and creating practical toolkits to demonstrate how sustainability can be brought into daily work. Building the right environment for employees to shape the long-term vision is equally important. Businesses can set a clear vision and engage employees from the start to ensure that employees are motivated and excited about taking climate action, contributing innovation to the process.



Increasing efficiency of your buildings

One university in London installed combined cooling, heat and power at their main campus. The upfront capital cost was nearly £5m, although the system provides annual cost savings of £0.5m and an annual CO2 saving of over 1,000 tonnes per year. The new system provides up to 30% of the gas the university requires in winter. In the summer, the heat produced is used for chilling, reducing the need to rely on electric chillers.



Key takeaways for your business

Where companies can invest in energy efficient technologies, materials and equipment such as heating and cooling, it's not just good for the planet, but can also create substantial energy cost savings and help businesses conform to the European Union's Energy Efficiency Directive. The benefits don't stop there; properly installed heating ventilation and cooling systems can also increase employee productivity.

For a quick win consider changing lighting across a building to more energy efficient options such as LED - this can make a big difference and have long lasting effects.





Reducing waste

In 2018, a leading beauty company reduced the quantity of waste generated per finished product by 35%, compared to 2005, while production increased by 37% during the same period.

To achieve this, throughout its value chain, the company endeavoured to promote eco-design, resource efficiency and local waste management. They optimised its use of materials across its manufacturing operations and now seek to join circular economy networks, to create industrial synergies with other players in the area.



responsible recycling we can use less energy, reduce GHG emissions and contribute to a healthier climate. Businesses therefore must look beyond reducing reliance on fossil fuels.

Small steps matter: you can start by implementing a recycling program in your office to help employees opt for reducing and reusing.





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Useful resources

To successfully kickstart your net-zero journey, it's important for businesses to think about practical steps they can take. The good news is that there are plenty of useful resources to help you on your journey. If you'd like to find out more information, you can:

- Review the Carbon Trust's **carbon foot printing introductory guide** to learn more about two types of carbon foot printing that affect businesses one that measures an organisation's overall activities, and one that looks at the life cycle of a particular product or service.
- Benchmark your small and medium-sized business's energy use using Carbon Trust's tool.
- Develop a comprehensive and reliable inventories of your business' greenhouse gas emissions and track progress toward you climate goals with the support of **GHG Protocol Calculation Tool**.
- Drive climate action throughout the value chain by measuring and reporting on scope 3 emissions with the help of this **Calculation Guidance**.
- Get insights form Chapter Zero's **Board Toolkit** on how to structure your discussions about climate change with the board to and ensure your business has the strategic plans in place to respond to climate change.
- Visit the **SME Climate Hub** to find hundreds of good quality and practical tools, reviewed by climate experts and small business leaders.

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