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A beginner’s guide to a corporate sustainability programme that actually works

The climate crisis is the single biggest threat to humanity, and we’re running out of time to stop it. At COP26, over 100 countries pledged to reduce their methane emissions by 30%, reduce use of coal and end deforestation by 2030 – all with the goal of staying below 1.5°C of warming, as required by the Paris Agreement.

But national commitments are not enough to get us there. This is the last decade we have to act in order to have a fighting chance of staying below 1.5°C of warming.

Business leaders are stepping up to the challenge, filling gaps where governments are too slow or failing us entirely. Whether they feel a moral imperative, are under pressure from customers, employees or investors, companies are now making bold net zero commitments. I’ve particularly been inspired by the signatories to *Tech Zero* and pledges made by multinational tech companies like Microsoft.

Scoping out the challenge

But how do you make a net zero plan? The first step is to measure your company's carbon footprint. You might have ad-hoc sustainability initiatives like recycling or switching to LED bulbs, but until you measure your carbon footprint, you're guessing in the dark and not knowing the real impact these actions are having.

Everything your company does emits carbon – both in the upstream emissions from the suppliers you choose to buy from, and the downstream emissions of your product usage. The *Greenhouse Gas Protocol* is the industry-recognised standard for measuring and managing your emissions. They have a concept of the Scopes of your emissions.

Scope 1 and 2 are the emissions directly in your control, such as your fleet of vehicles and the electricity you purchase for your office. Scope 3 is all other upstream and downstream emissions, and any credible net zero plan must account for Scope 3, as it's these purchasing decisions in your value chain that could have a real impact on the planet.

In fact, more than 80% of your emissions will be in Scope 3, in your employees' emissions as they work from home, for example.

> *Any credible net zero plan must include these Scope 3 emissions in its measurement of your carbon footprint. Anything less is greenwashing.*

Many companies have a volunteer sustainability committee who are passionate about helping their company's sustainability initiatives. I'd recommend giving them a budget to work with an expert to help you measure your carbon footprint, as it can take more than two months for a non-expert to get their head around the complex process of measuring carbon emissions.

If you don't have the budget to use a carbon accounting service, a great rule of thumb is to look at your accounting spend, as it'll roughly map your biggest source of carbon emissions. But don't let perfect be the enemy of good – it's more important to start somewhere with the commitment of improving over time. When you can't get real data, use your best guess or industry averages and know you will improve it the next time around.

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Think outside the box

Once you have your carbon footprint baseline, you have a starting point from which to get to net zero. The next important step is to identify the biggest actions you can take to reduce your emissions. Look at your top categories of emissions (hint: it will likely be employee emissions as they work from home, your online advertising spend, hiring consultants, business travel, purchases and procurement, food and drink, and Cloud usage), and come up with a plan to reduce those emissions.

We've found that most of our customers can reduce by up to 25% with a few big changes, but as all businesses and teams are unique, there is no-one-size-fits-all plan for how to reduce your emissions. It's time to get creative around new policies or incentives, like giving people a day off to switch to a renewable energy provider or enforcing a minimum distance below which you take the train rather than plane for business trips. As you test out these policies, remember to re-measure your emissions to see their impact.

Set clear deadlines, as the planet can't wait

Setting your net zero target date will involve making a plan for the year-on-year emissions reductions you can commit to in order to get to net zero. As a planet, we need to hit net zero emissions by 2050 in order to stay below 1.5C warming. But as an individual business, you can and must do better. We advise tech companies to set an ambitious target of 2030, which requires you to reduce your emissions by 25% every year until 2030.

Invest in the technologies that work

The offsets you purchase have a real impact on the credibility of your net zero plan. In the world of conventional offsets – renewables, clean cookstoves, and forestry protection – you essentially pay others to stop emitting carbon dioxide. But in the world of net zero, these offsets don't count. If your company emits a ton and you pay someone else to stop emitting, your ton of carbon dioxide is still out there warming the planet.

Carbon removal is the only type of offset that counts towards a net zero claim. These are offsets like tree planting projects and direct air capture that remove carbon dioxide from the atmosphere and store it safely and permanently.

Carbon removal technology needs to scale to remove billions of tons a year by 2050 in order for the planet to stay below 1.5C of warming. In turn, we need high ambition early adopters to buy these technologies now to bring them down the cost curve. Leading companies like Microsoft, Stripe, and Shopify have identified the need to scale carbon removal and are playing this early adopter role, and we need more companies to follow suit.

Big net zero goals can seem intimidating and audacious for businesses, but with a bit of demystifying and the right advice, it's not too hard to break them down into smaller interim steps that will help us all avoid the worst of the climate crisis.

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