

Meet Carbon Responsible, giving data-driven solutions to support decarbonisation strategies

As part of our quick fire questions series – or QFQs – we spoke to Hugo Kimber, founder and CEO of Carbon Responsible about the commercial case for CO2 reduction, keeping up with regulatory changes and understanding what a corporate journey to Net Zero entails.

I cut my teeth in the world of global hospitality and travel, which is a sector that has long been preoccupied with sustainability to some degree. So, it became apparent to me early on that there was a defined climate challenge on the horizon and that we had to start curbing our carbon emissions soon.

But from a business perspective in the early 2000s, there was a distinct lack of available tools to compile data on where these emissions were coming from. Companies, in general, cannot act on what they can't measure and track, even if they were starting to recognise the climate and commercial case for CO2 reduction.

Back in 2006, I saw there was a need, and assembled the skills and research to start building solutions. *Carbon Responsible* was the natural evolution of this work and officially came into being in 2012 as corporate and regulatory awareness grew. The way I see it, our main purpose is to help businesses get

to grips with their huge responsibility to the planet in a way that is robust and also commercially relevant.

Tell me about the business – what it is, what it aims to achieve, who you work with, how you reach customers and so on?

The journey towards becoming a climate positive organisation starts with measuring carbon emissions. But for many, this process is time-consuming and full of regulatory challenges. We work to simplify this critical first step for our clients.

For over a decade, we've been providing measurement, management, reporting and reduction solutions for corporate carbon emissions. Today, over 40 organisations and 120 subsidiaries use our cutting edge data tools and expert advisory services to chart their path to Net Zero. Our clients are leading the way in pragmatic and strategic emissions reduction. We're very fortunate to work with some well-known brand names in the UK, like Arsenal FC and Pure Gym, as well as investment companies like Gresham House.

Most of our clients come to us through word of mouth, usually via other clients or partners. We've built a strong reputation over the last decade and people come to us when they are in need of objective, tailored advice that will actually make a measurable difference. A good deal of our clients engage us in order to fulfil their legal reporting obligations, but many also seek advice for things on a voluntary basis. We cater both for and for everything in between.

How has the business evolved since its launch? When was this?

With the recent surge in interest in carbon accounting tools, you'd be forgiven for thinking that this is a new and emerging sector. But I founded Carbon Responsible over a decade ago, which makes us one of the industry's oldest service providers.

Since 2012 we've been measuring carbon emissions for clients and advising them on reduction strategies. Back then, though, we were geared towards the travel industry. We shifted away from travel as the years went on, and by 2019 we had reoriented fully towards corporate reporting.

We've seen a huge amount of change in the last 10 years. When we started, we were offering our services within a small, voluntary market for carbon reporting. Now, there's huge demand for support when it comes to things like compliance and futureproofing. While we've remained true to our original focus, we've evolved over the years to answer this demand and keep pace with changing regulation and, crucially, client capabilities. We've broadened our offering to deliver an even wider range of services from emissions reporting to disclosure compliance and target setting.

Tell us about the working culture at Carbon Responsible

Despite being a relatively old name in the carbon market, Carbon Responsible is a fast-paced, exciting working environment. Adapting to legislative demand, keeping pace with client needs and capabilities, and developing new tools means we're constantly iterating.

We're a small, collaborative team filled to the brim with expertise and intellectual curiosity, which is proving invaluable as the market and regulatory landscape continues to evolve. From our data team to our client success team – and all of our excellent carbon specialists in between – each of us is committed to making carbon accounting as straightforward, accessible and effective as possible. We operate from a base in London with a hybrid working model that suits our work and team and allows us to have a broad geographical recruitment approach. We train all our team and are fortunate to have attracted a group of highly talented individuals with a passion for progress to Net Zero.

How are you funded?

Carbon Responsible has been funded by its founding directors at the outset and for most of its life (until Covid) was a profitable business that self funded. In common with many businesses Covid was a serious challenge, arriving as it did just after we had launched our new tools and products for the corporate reporting market. We have rebuilt from the Covid hiatus with shareholder support and have recently completed a private fundraising to enable us to expand the services we offer and the clients we can support.

What has been your biggest challenge so far and how have you overcome this?

Our expansion from a focus on the travel industry to covering all corporate reporting made sense for a variety of internal and external reasons, but this shift coincided with the start of Covid-19. Trying to navigate a substantial reorientation whilst the pandemic threatened the survival of many businesses was challenging. There wasn't much we could do to overcome it except have patience and trust in the resilience of our mission. Our expansion plans were delayed by 18 months, but thankfully, the pandemic hasn't at all lessened the appetite for what we do; since the Covid hurdle, we've continued to expand.

How does Carbon Responsible answer an unmet need?

As the number of companies that must report their carbon emissions grows year on year – and pressure from consumers, employees and investors grows – a means of streamlining the tracking and management of carbon emissions has never been more needed. But for so many companies, it's hard to know where to start or what best practice looks like.

That's where we come in. One of the main distinctions between us and others in our marketplace is that our reporting satisfies regulatory compliance and stands up to public scrutiny. The market is full of flashy but ineffective data tools, and many carbon accounting platforms function more like data submission forms. With this, companies get the most basic, surface-level insights and learn nothing of how they can reduce their emissions.

Instead, we offer expert advisory services alongside our data tools to ensure clients can make sense of their emissions data, have actionable insights, understand where they sit within the current regulatory framework, and know what steps to take to meet their desired targets. Along the way, clients get upskilled in their data capability and gain a better understanding of what their corporate journey to Net Zero might entail. Armed with this expert advice, clients inevitably reduce their exposure to corporate risk in areas like greenwashing. All of this has helped to keep us at the forefront of an increasingly noisy marketplace.

What's in store for the future?

The number of companies needing to disclose their carbon emissions data is growing, as is the number of companies doing so voluntarily. Naturally, this means we'll be even busier over the next few years.

We're constantly researching and iterating to make sure we can support our clients as their capabilities evolve and their regulatory needs change, like the FCA's new guidelines around greenwashing.

We're also expecting Scope 3 emissions reporting to move higher up the agenda. Scope 3 emissions are those a company is indirectly responsible for through its value chain – this can present a real challenge for businesses when it comes to precise measurement. Reporting around Scope 3 emissions is currently voluntary, but many companies have an eye on the future and want to get ahead of the curve. To support clients with this, we can look forward to even more complex analysis and developing more dynamic solutions over the coming months and years.

More broadly, as an industry I believe we'll reach a point where emissions reporting becomes as routine and universal as financial reporting, which offers huge opportunities for us as a business and, more importantly, the planet.

What one piece of advice would you give other founders or future founders?

Substance over style, always. When the marketplace you occupy becomes the trendy new thing, it's vital to know what sets you apart and hold fast to it. Be ambitious, of course, but make sure that what you are offering your client or customer is of real value *now*.

Or, with my carbon accounting hat on, I'd say: get to grips with your carbon footprint, know what your most carbon intensive activities are, and never make spurious claims about your green credentials.

And finally, a more personal question! What's your daily routine and the rules you're living by at the moment?

My personal routine involves an early start. My brain moves quickly from sleep to action. I have always enjoyed the ability to have at least two hours at my

desk before emails start to arrive or I leave for London. I will normally work until around 6pm each day and never cease to be struck by how quickly time flies by.

The nature of a growing business and marketplace means that there is inevitably a huge amount to consider and action, more than can be realistically achieved. I try to remain focused on our key priorities of people, product and client delivery and accept that as an individual there are limits to what can be achieved. I have always found the guidance that we should change the things that we can, accept that some things we cannot change and hope for the wisdom to know the difference, is generally useful as a rule. We are always encouraged to believe we can control things, although control is generally an illusion in its true sense, but we can definitely influence an outcome.

Hugo Kimber is founder and CEO of *Carbon Responsible*.

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