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Net Zero Barometer

January 2021

How are UK businesses managing the transition to net zero?



Foreword by Scott Steedman CBE, Director-General, Standards, BSI



In June 2019, the UK Parliament passed legislation that committed the country to reducing its net emissions by 100 per cent by 2050. This made the UK the first major economy to pass laws to ensure that it ends its contribution to global warming; it was a milestone in the global sustainability effort.

The road to net zero affects all facets of society, posing a unifying challenge for government, communities and businesses alike. However, for UK businesses the level of adoption and investment has varied dramatically, with some making incremental improvements and others major changes.

With calls for faster progress echoing across the country, particularly since the Government's announcement of a Ten Point Plan for a Green Industrial Revolution in November 2020, the question being posed by members of the business community is this: how do we come together to achieve this goal? With [5.9 million](#) private sector companies in the UK, the task of taking everyone on the journey is daunting, and we need to use all the tools we have available.

As the UK National Standards Body, the role of the British Standards Institution (BSI) is to help businesses implement best practice and improve the quality and safety of products, services and systems through voluntary, consensus-driven standards. Stakeholder-led standards managed by BSI, including British Standards, PAS and FLEX, all aligned with international and European regional standards, play a role in all aspects of society and are perfectly suited to helping industry achieve its net zero goals.

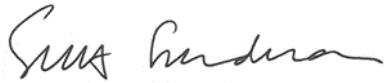
Through the use of such standards, our proposition is that in the coming years a company's progress towards net zero will become a routine measurement of success, demonstrating to its customers that it is a socially conscious enterprise that is serious about sustainability. In the early stages of this journey, this progress may even provide forward-thinking businesses with a real competitive edge.

In this report, we have collaborated with The Institute of Environmental Management and Assessment (IEMA) to check the progress of UK businesses on the road to net zero. Through a survey of 1,000 senior decision makers, across a range of industries across the UK, we see how the UK is faring with its plans to achieve the 2050 target, and the challenges faced by organizations.



Our shared view is that while there is good general awareness of net zero among UK businesses both large and small, many are relying on the approach of carbon offsetting, rather than carbon reduction strategies specific to their organization or sector. Whilst all movement toward net zero is to be welcomed, failing to innovate and adopt new ways of working risks slowing progress and potentially missing the 2050 target. We hope that through the clarity of standards and shared industry best practice, organizations will be able to focus on carbon reduction as a preferred route.

I am confident that through mutual engagement in voluntary standards, society and business will continue to address this new challenge and bring reward for business, society and planet.



Scott Steedman, CBE



A photograph of a worker in profile, wearing a white hard hat and an orange safety vest over a white shirt. The worker is looking at a laptop computer. The background shows an industrial site with several tall, cylindrical structures under a blue sky. A large red semi-circle is overlaid on the left side of the image, containing text.

Net zero:

“Net zero means any emissions would be balanced by schemes to offset an equivalent amount of greenhouse gases from the atmosphere.”

Department for Business, Energy and Industrial Strategy

Executive Summary

In November 2020 the Government renewed its commitment to the UK's path to net zero with its Ten Point Plan for a Green Industrial Revolution. BSI collaborated with IEMA to analyse how UK businesses are currently faring in their progression to the net zero target.

In our survey of 1,000 senior decision makers we have found that if businesses continue at their current rate of progress, it is highly likely they will fall short of achieving the Government's 2050 net zero target.

Just one in five of the UK's small businesses have committed to a net zero target, in contrast to their larger cousins. The sheer volume of such businesses – small businesses account for [99.9 per cent](#) of all UK firms and half of business-related emissions – means that this lack of commitment severely undermines overall progress.

Key findings of the first annual Net Zero Barometer:

- 1** While knowledge of the concept of net zero is growing, understanding of its implications for individual businesses is poor – 64 per cent of those we surveyed were not confident they fully understood the implications for their firm.
- 2** There is a genuine desire to achieve net zero targets, with seven out of ten businesses confirming that their organizations have made or are considering making a commitment to net zero.
- 3** The vast majority (82 per cent) require more guidance if they are to achieve the target.
- 4** Energy reduction is the most frequent measure put in place by firms to achieve net zero, with 48 per cent of respondents citing it as a key measurement.
- 5** Cost is seen as the largest barrier to achieving net zero, particularly for smaller organizations and those in the healthcare sector.
- 6** Of those sectors surveyed, healthcare and education sectors show the lowest levels of awareness and commitment to the 2050 target.
- 7** COVID-19 has affected commercial progress towards net zero, with 68 per cent saying that their plans have been set back by the pandemic.



Chapter 1: Awareness and understanding of net zero

In 2019, the UK Government and the devolved administrations committed to a net zero target by 2050. Reaching net zero requires businesses – large and small, public and private – to substantially reduce their emissions and to offset the remainder.

In this report, BSI has worked alongside IEMA to explore how organizations are interpreting and responding to this challenge. In addition to providing an opportunity to benchmark individual performance, this report sets out clear recommendations for both organizations and sector bodies to consider as they work toward these shared goals.

Since the Government committed to achieving net zero carbon emissions by 2050, many larger companies have made public commitments, yet overall understanding of the target varies significantly across different industries and regions of the UK.

An increasing array of measures that can be put in place to help businesses achieve their carbon transition goals has led to an even greater need for guidance relating to net zero. Weighing up the advantages of switching to recycled paper or switching to an all-electric fleet are not simple decisions, but the complexities of scale, supply chains, cost and understanding are all factors that companies have to contend with.

As technology and understanding evolves, an increasing proliferation of options drives the need for greater support in developing a good strategy, executing it, and confidently measuring any progress being made in reducing carbon emissions. This is where standards of best practice can come into play: providing a shared understanding of what has been – and can be – achieved, instead of a 'one size fits all' answer to carbon emissions.

With so many options for companies to choose from, consensus on methodologies of measurement and implementation are imperative to facilitate the strategic thinking and planning needed to invest and deliver on net zero goals.



A limited understanding

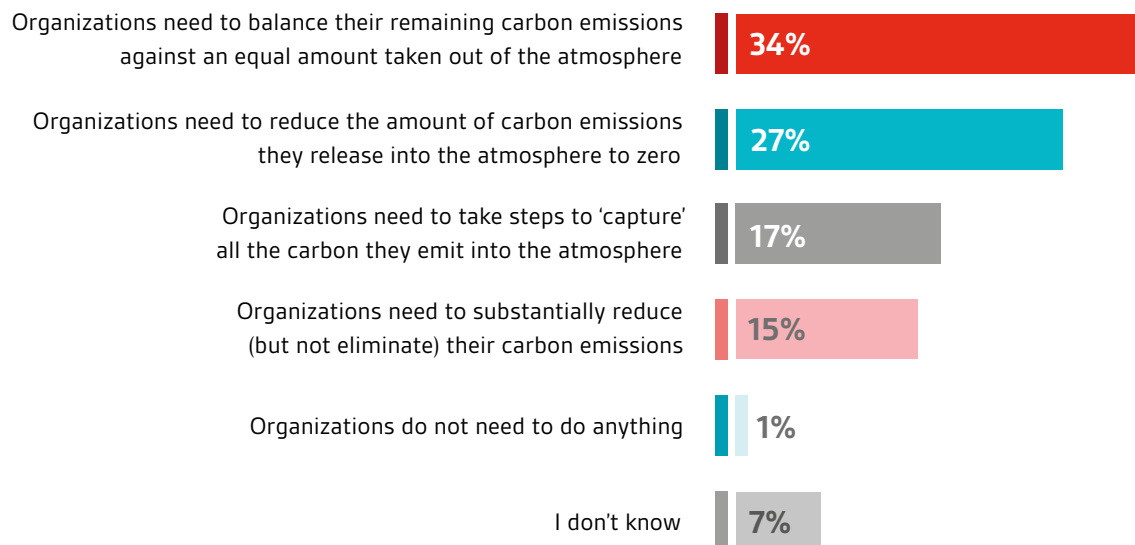
Just 34 per cent of those surveyed acknowledge the BEIS definition of net zero, which is focused on achieving a balance between remaining emissions and capture of atmospheric carbon. Instead, the research shows that a range of views exist about how far a business needs to go to comply with net zero.

Three in ten believe their business has a responsibility to remove or reduce direct carbon emissions resulting from their organization's activities. A reassuringly small, but still significant, seven per cent believe that businesses have no responsibility to change to achieve the UK's net zero target.

General awareness of net zero may be growing, with only 20 per cent acknowledging that they do not fully understand it. However, those with a keen understanding of the target are very much in the minority: just one out of ten are fully confident in their understanding of net zero and how it impacts their own organization.

A common perception amongst the business community is that smaller enterprises will find it more difficult to make the changes necessary to reduce their carbon footprints to meet the net zero target. We speculate that a combination of fewer resources and an increasing array of other pressures – including the economic fallout from COVID-19 and Brexit – may be impacting their ability to plan and execute a net zero strategy.

What do companies understand net zero to mean?



Respondents' awareness of net zero and its implications for their organization

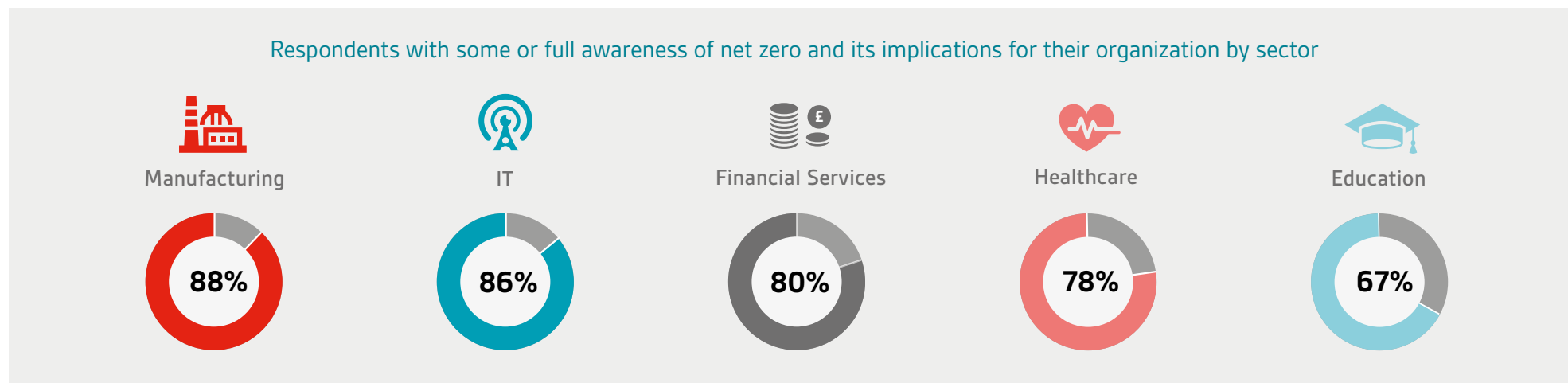


This perception is backed up by the data, as both personal knowledge and the perceived knowledge that the wider workforce has, reduces in line with organization size. 32 per cent of business decision makers with 11-50 employees stated that they do not fully understand what net zero is, whereas only 19 per cent of respondents at large companies (those with over 1,000 workers) said the same. The data becomes more disparate when evaluating knowledge of net zero within the wider workforce. Just 16 per cent of small business decision makers believe their colleagues possess a high knowledge of the net zero target – 20 percentage points lower than those in large companies.

Manufacturing sector is ahead of the curve

Certain industries have progressed further than others, whether due to the nature of their work or the information that they are exposed to. Within manufacturing, the start of the century saw rapid adoption of product carbon footprinting – the method for ascertaining the carbon footprint of a product – and the establishment of clear methodologies, such as PAS 2050, that apply today to consumer products as varied as [mineral water and paint](#).

Volvo Cars has committed to becoming a climate neutral company by 2040. Its ambitions go beyond addressing tailpipe emissions through all-out electrification and recycling and reuse of materials, plus tackling carbon emissions in its manufacturing network, its wider operations and its supply chain. The firm was the first conventional car maker to commit to all-out electrification and a phasing out of cars powered only by an internal combustion engine. As of 2019 every new [Volvo](#) launched has been electrified.



Energy usage across the manufacturing sector is on average higher than most other sectors, so it is unsurprising that, of those polled, those working in manufacturing report the highest awareness of net zero. Conversely, those working in education were found to have the lowest personal awareness of net zero.

The financial services profession has made significant progress in measuring and incentivising best practice in assigning value to carbon emissions. Within professional management, accountants have long studied principles for effective disclosures, and embedding these into financial reports are now commonplace. This has seen 'green investment' shift from a marginal practice to the mainstream. Investors plan to double their allocations to sustainable products over the next five years, according to BlackRock's Global Client Sustainable Investing Survey. One fifth of those surveyed said that the pandemic would actually accelerate their sustainable investing allocations.

What about the specialists?

Intriguingly, those specializing in sustainability management, or who are responsible for sustainability within an organization, admit to having a knowledge gap when it comes to net zero. Only 20 per cent of those surveyed with a sustainability remit claimed to be fully aware of net zero and how it impacts their organization, while 12 per cent maintained that they do not fully understand the target.



Chapter 2: How businesses have committed to net zero

Developments such as the Task Force on Climate-related Financial Disclosures (TCFD) – created by the Financial Stability Board – and declarations by different governments and businesses of a 'Climate Emergency' have pushed corporate responsibility, and especially carbon disclosure, to the heart of the transformation narratives of many public-facing organizations.

Commitments to net zero itself, alongside claims of carbon neutral and carbon positive status, sound transformative but have proven troublesome for some organizations and sectors, with accusations of 'greenwashing'. To be credible in their commitments, companies should be transparent about all annual carbon emissions, alongside their reduction and offsetting strategies. Those strategies will be most effective if implemented according to impartial and internationally recognized standards-based methodologies.

While the majority of respondents state that their organization is at least considering a commitment to net zero, only 40 per cent report that an actual, specific commitment has been made. Our survey sample was chosen to reflect a broad spread of opinion from across all sizes of UK businesses. If it were instead representative of carbon emissions it would be dominated by smaller firms due to the sheer number of them in the UK, and the level of commitment would be consequently smaller.

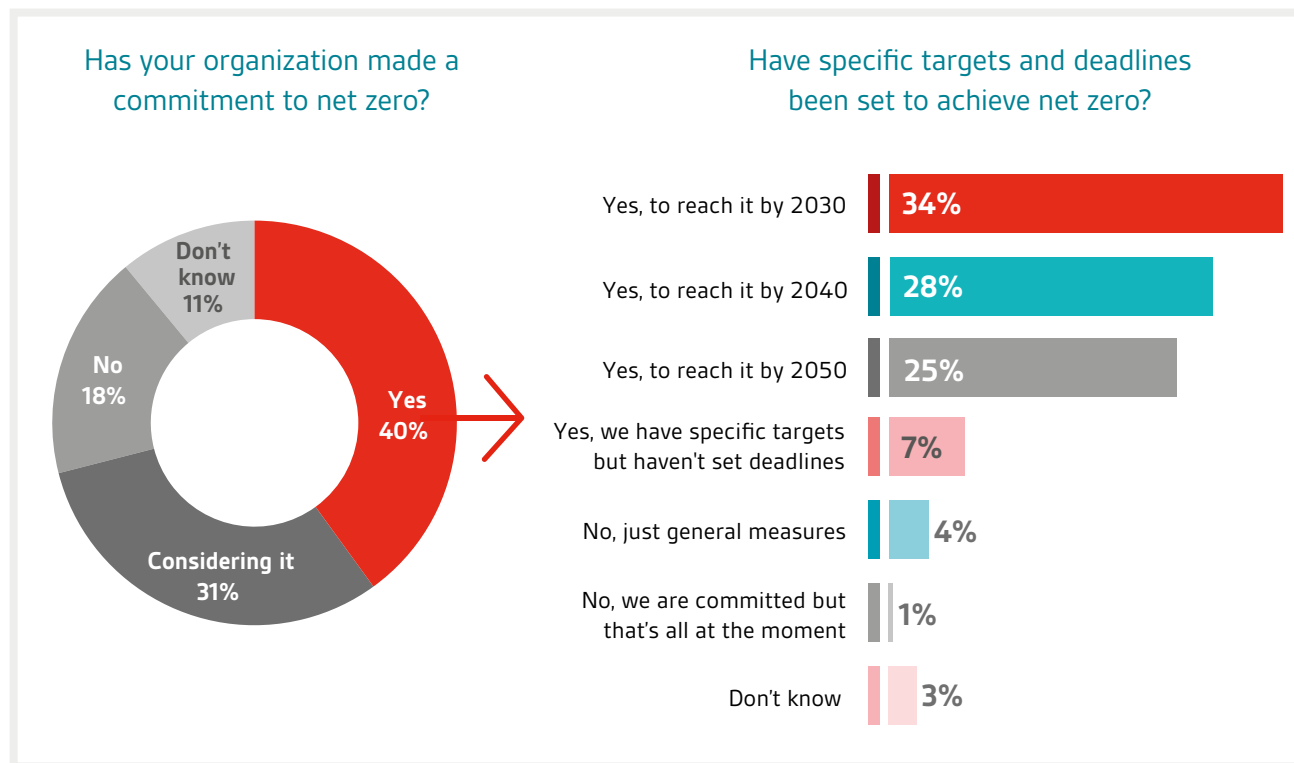
Of this 40 per cent, the most common commitment is to achieve net zero by 2030 – 20 years before the national target. 34 per cent have committed to reaching the target by 2030, 28 per cent by 2040 and 25 per cent by the national 2050 target. Such highly ambitious commitments should be viewed in conjunction with other findings from our survey, such as the relatively low number of people who understand what net zero means for organizations. Perhaps this suggests a lack of understanding of the complexity and indeed, enormity, of what is required to transition to net zero.



There is a wide disparity between businesses which expect to reach their net zero target by 2030, and those which have not made any commitments. Further surveying of the 18 per cent of companies that have not committed would help illustrate whether the lack of commitment is due to financial, physical, technological, or institutional barriers.

It will be interesting to review this figure later in 2021 to see whether the remaining 60 per cent that either have not committed or are undecided have committed, or if Brexit and COVID-19 will have had a significant negative impact on how companies prioritize net zero.

Of the organizations that have put measures in place to achieve net zero, 75 per cent state that they have aligned them to [Race To Zero](#).



IT and manufacturing most likely to commit

Once again, survey respondents from IT and manufacturing firms were the most likely to report that their organization has committed to net zero.

It is interesting to note that these are two industries with vastly different ways of operating. While IT is relatively young and agile in its processes, the manufacturing sector is more mature, with well-established procedures governed by legislation and, indeed, standards. Despite this, both sectors are making similar commitments to achieving net zero. Further research is needed to understand whether their commitments are comparably ambitious.

These commitments are also dependent on the size of the business in question, with significantly more large IT and manufacturing businesses (49 per cent) having net zero targets than small (19 per cent) or medium (35 per cent) sized companies.

Healthcare and education exhibit a comparative lack of awareness regarding target setting, with just 26 per cent and 22 per cent of respondents respectively aware of whether their organization had committed to net zero in some form. It should be noted that the COVID-19 pandemic will have impacted both sectors significantly which could explain this relative lack of target setting in 2020.

NHS England is pledging to reach net zero by 2040, while the Prime Minister recently announced £1 billion investment in school building, highlighting net zero as a key aim. This demonstrates that all sectors, no matter how 'hard to abate', have some level of commitment to net zero.



Common measures in place

Energy reduction and waste reduction are the two most common measures that businesses have put in place as part of their net zero strategy. Both practices have received a huge amount of attention in recent years and have been central to regulation and legislation in this space for decades, so it is perhaps to be expected that respondents have ranked them so highly.

What is surprising is that energy and waste reduction lag behind carbon reduction on the list of priorities for small businesses with between 11 and 50 employees. One interpretation is that smaller firms, whose energy and waste supplier bills are relatively small, are skipping the 'waste as a bottom line issue' in favour of demonstrating carbon reduction to attract investment and customers. As we have already mentioned, 'green investing' – where traditional investment vehicles such as stocks and shares are invested in companies that create or support environmentally-friendly products and practices – is becoming a widely adopted approach. [Research by Accenture](#) has found that more than half of consumers would pay more for sustainable products designed to be reused or recycled.

A number of companies reported that they have policies in place around employee travel, from bonus schemes for reduced travel to incentives and electric vehicles.

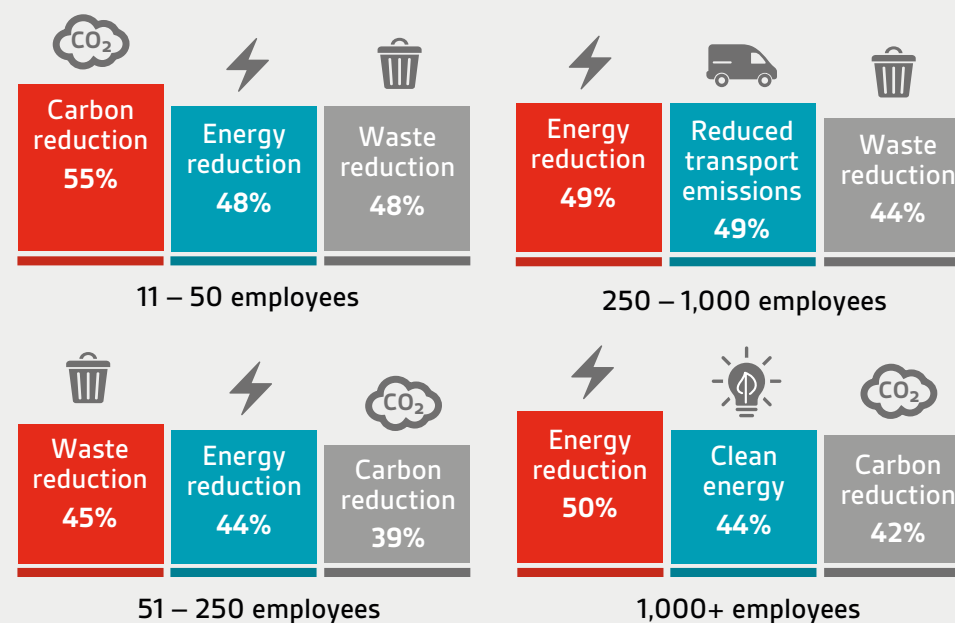
Despite the fact that most businesses that have committed to net zero have done so with a target deadline in place, companies have not committed to timings for specific measures such as energy reduction, recycled materials, clean energy or reduced transport emissions.

Of the top six measures that are currently in place, an average of 72 per cent of respondents admitted that there is no specific completion date for achieving success.

“Our company is installing solar panels throughout. We already keep energy consumption levels low. We are shifting to recycled materials and minimizing use of paper. [We] still need to work on car emissions to and from the workplace.”

UK business surveyed in BSI Net Zero Barometer

Top measures in place by organization size



Chapter 3: The business approach to net zero

The huge variation in size and structure of businesses across the UK means that there are equally numerous ways for them to approach net zero.

Standards are an effective way of embedding best practice into British business, ensuring that organizations are equipped with the tools that they need to achieve their goals in the most efficient, safe and effective way possible. Numerous international standards have formed a toolkit to help organizations measure (BS EN ISO 14064-1 & BS EN ISO 14064-2), verify (BS EN ISO 14064-3), manage (BS EN ISO 14001) and communicate (BS EN ISO 14021 and ISO/WD 14068) in their journey towards carbon neutrality.

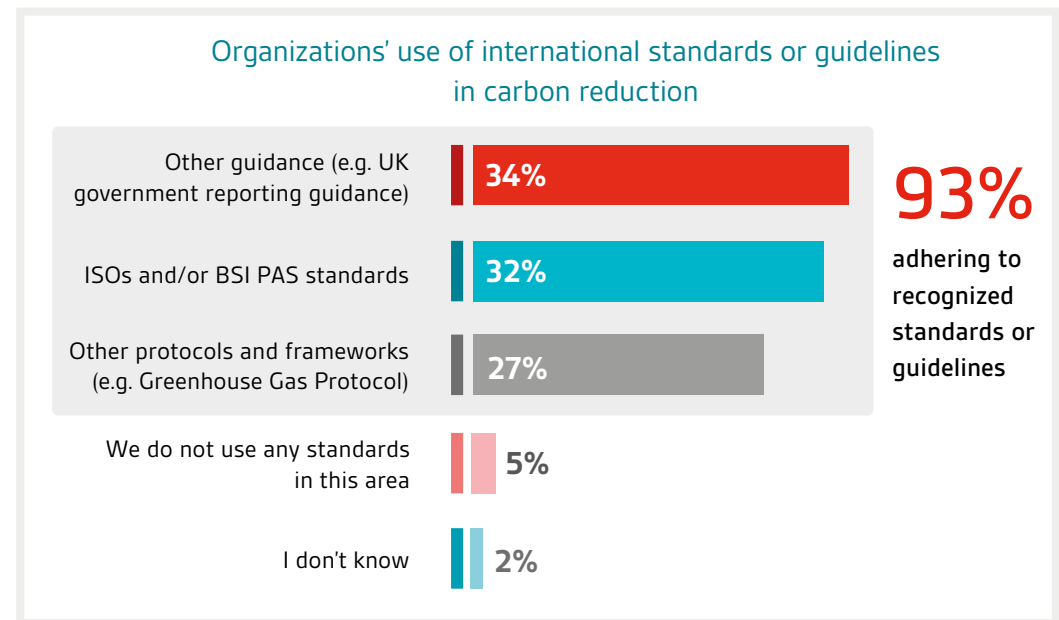
But how many businesses are currently using these standards or other formal guidance?

Widespread use of standards and guidelines

Of the 97 per cent of businesses surveyed that have put measures in place, an encouraging 93 per cent are using recognized standards or guidelines ranging from those adopted at the international level to those included in national and international government guidance and regulation.

The use of standards occurs throughout all sizes of organizations, with the smallest and largest businesses being the two groups that most commonly use such standards (39 and 37 per cent respectively).

Standards such as the Greenhouse Gas (GHG) Protocol have been enormously influential. In 2016, 92 per cent of Fortune 500 companies reported that they were using the GHG Protocol directly or indirectly. That tradition of standardization continues with ISO guide 84 on Climate Change.



Incorporating the GHG Protocol

The original GHG Management Hierarchy was developed in 2009 by IEMA and provides a clear framework to help the scoping and strategic planning of energy and carbon (GHG) management. This influential hierarchy has since been adopted in many schemes, such as the UNFCCC Sports for Climate Action framework. In recent years the hierarchy has been updated to reflect the practical experience of sustainability professionals, highlighting how best practice is an ever-evolving process.

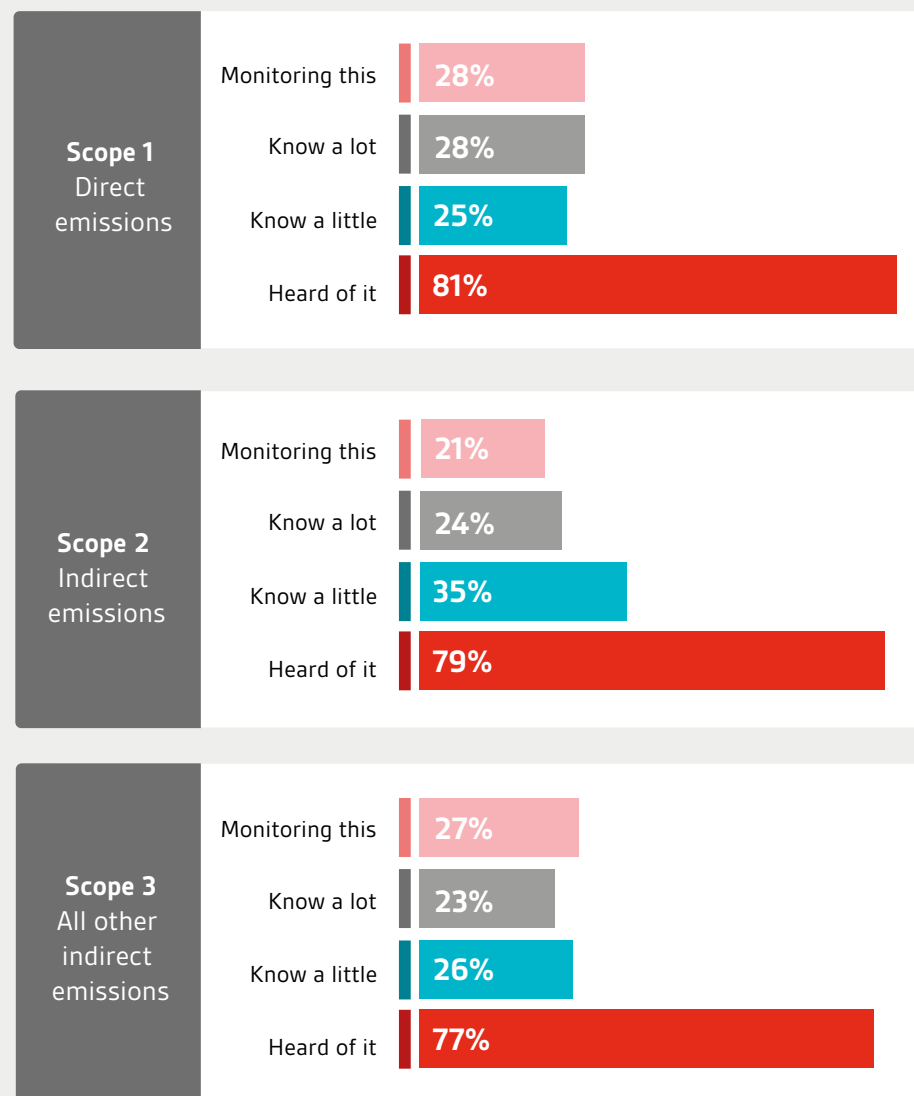
The GHG Protocol – a global standardized framework to measure and manage GHG emissions – categorizes GHG emissions into three groups, which are commonly referred to as ‘Scopes’.

Scope	Covers	Examples
1	Direct emissions from owned or controlled sources	Company vehicles, company buildings
2	Indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company	Purchased electricity, heat and steam
3	All other indirect emissions that occur in a company's value chain	Purchased goods and services Transportation and distribution Investments Leased assets Business travel Employee commuting

The vast majority of respondents have some awareness of the three scopes, but less than one in three are actually monitoring them in any form.

It is clear that knowledge and activity is highest around Scope 1, reflecting the focus of many businesses on the direct emissions that they generate.

Familiarity with greenhouse gas emission scopes



When considering these scopes, the majority of organizations (59 per cent) that have net zero targets in place are currently setting those targets within the boundaries of Scope 1 and Scope 2.

However, just one quarter of those organizations are using all three scopes to set their targets. This is perhaps inevitable given the complexity of Scope 3, which is focused on indirect emissions that occur in the company's value chain, rather than those generated directly by the company or indirectly from purchased emissions to service the immediate business, such as electricity, steam, heating and cooling. Many organizations do not look beyond the limits of their own business operations. Many, as with the schools and hospitals we mentioned earlier, are yet to appreciate the complexity of achieving net zero across their full sphere of influence.

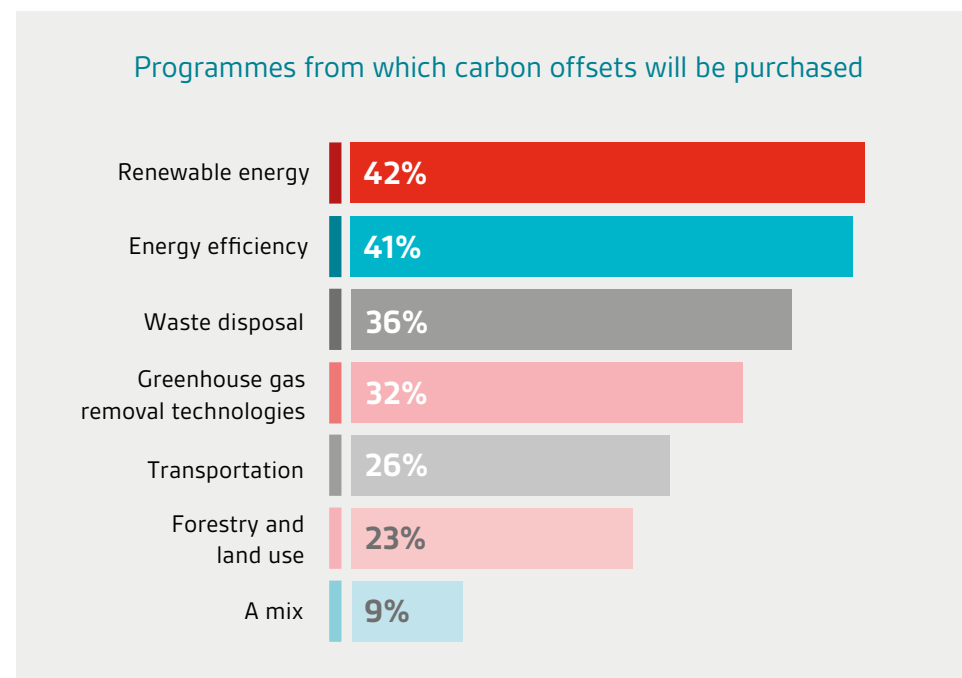
An effective Scope 3 strategy needs to cover purchasing, contracts, supplier base, and also cover the 'use phase' of products and services.

Purchasing carbon offsets

Carbon offsetting is the process of compensating for the emissions businesses produce by investing in schemes that aim to make equivalent reductions of carbon dioxide from the atmosphere. Carbon offsetting does not result in a reduction in emissions, but is often one of the first major milestones for companies committing to net zero. A range of offsets are available, from reforestation schemes to investment in Renewable Energy.

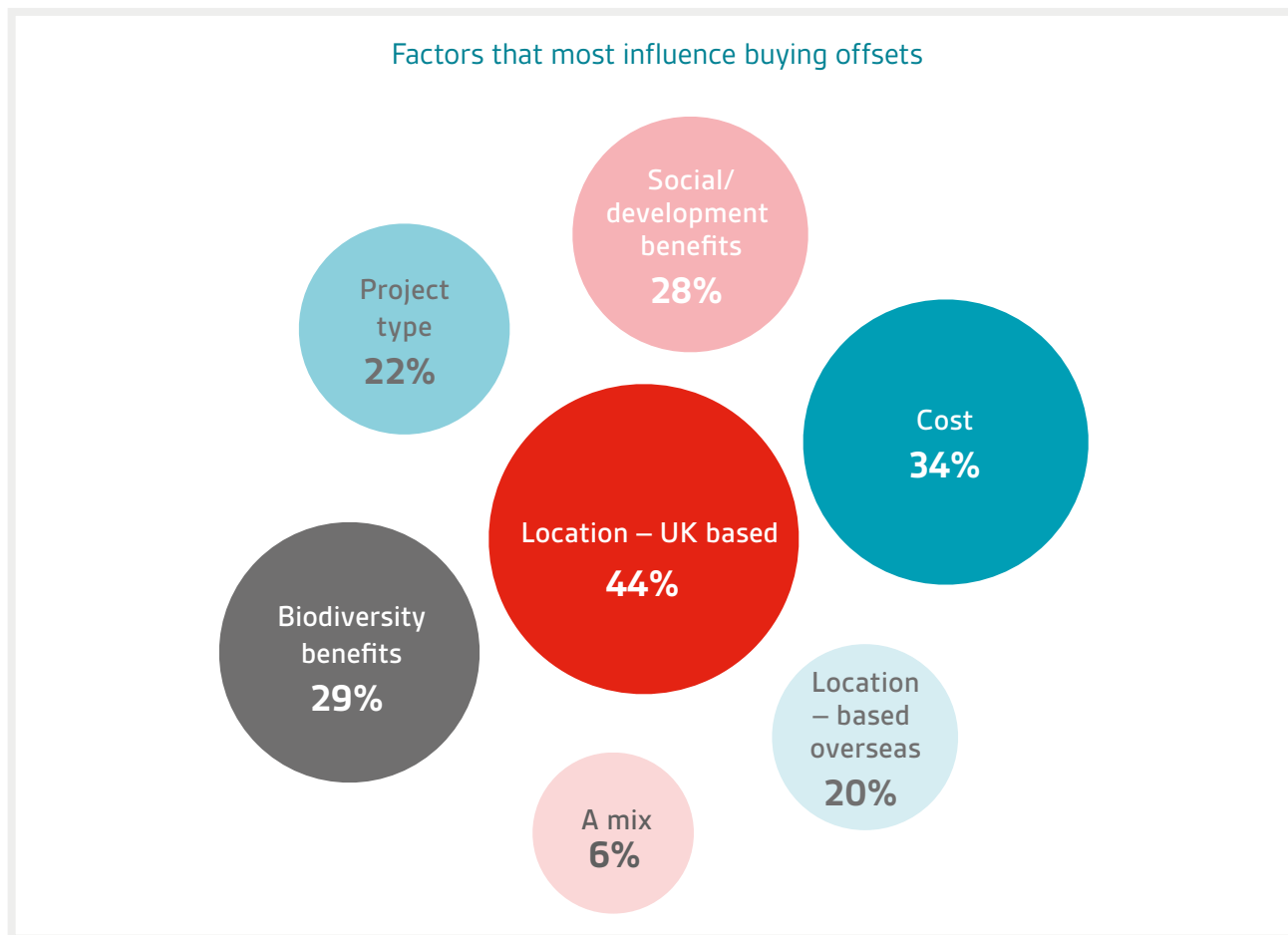
Our research found that those businesses which have put measures in place are most likely to purchase carbon offsets from renewable energy (lowering the carbon intensity of energy supply through solar power, wind power, hydroelectric power and biofuel) or Energy Efficiency (reducing the overall demand for energy through projects such as cogeneration plants, energy-efficient buildings and fuel efficiency) programmes – two of the most widely known types of offsets.

Conversely, Forestry and Land Use programmes are proving less popular as routes for carbon offsetting, despite the initial popularity of forestry projects acting as a simple and visible way of demonstrating a commitment to net zero.



The considerations that businesses make before purchasing their carbon offsets are varied, with location topping the list. Of those businesses that purchase offsets, 44 per cent prioritize making a local impact in the UK, while 34 per cent are most strongly influenced by the cost.

Interestingly, cost is less of a factor for the younger – and therefore largely more junior – members of the business community. While 41 per cent of 35 to 54 year olds identified cost as an important factor, just 27 per cent of 18 to 34 year olds agreed. 18 to 34 year olds cite social and development benefits as the second biggest influence in their approach to buying offsets. As this generation progresses into more senior roles, we may see businesses naturally shift their focus to these social factors.



Chapter 4: Challenges and barriers to achieving net zero

The barriers to achieving net zero are immense, from the technological to the financial. Encouragingly, while businesses in the UK still have significant gaps in their awareness and knowledge of net zero, there are positive signs when it comes to committing to achieving the 2050 target.

Inevitably this means that there are hurdles for companies to overcome on their carbon neutral journeys, and important roles for supporting organizations to play in helping the business community.

2020 – a year of disruption

2020 proved to be one of the most disruptive years on record for both the business community and wider society. As a pandemic spread across the globe, businesses were forced to make major changes to their plans, including those around net zero.

Over two thirds (68 per cent) of respondents stated that their organization's commitment – or planned commitment – to net zero had been affected by the COVID-19 pandemic. As budgets were tightened and resources were reallocated, sustainability efforts slipped down the priority list for many businesses; survival in a hard-hit economy became the primary goal.

The second highest external factor to affect net zero plans was Brexit, with 41 per cent identifying the UK's exit from the European Union as disruptive.

It is likely these factors will continue to influence decisions for businesses for some time to come.



A costly process

The barriers that businesses face to achieving net zero vary depending on the sector or size of company, but cost is cited as the biggest barrier by 44 per cent of those surveyed.

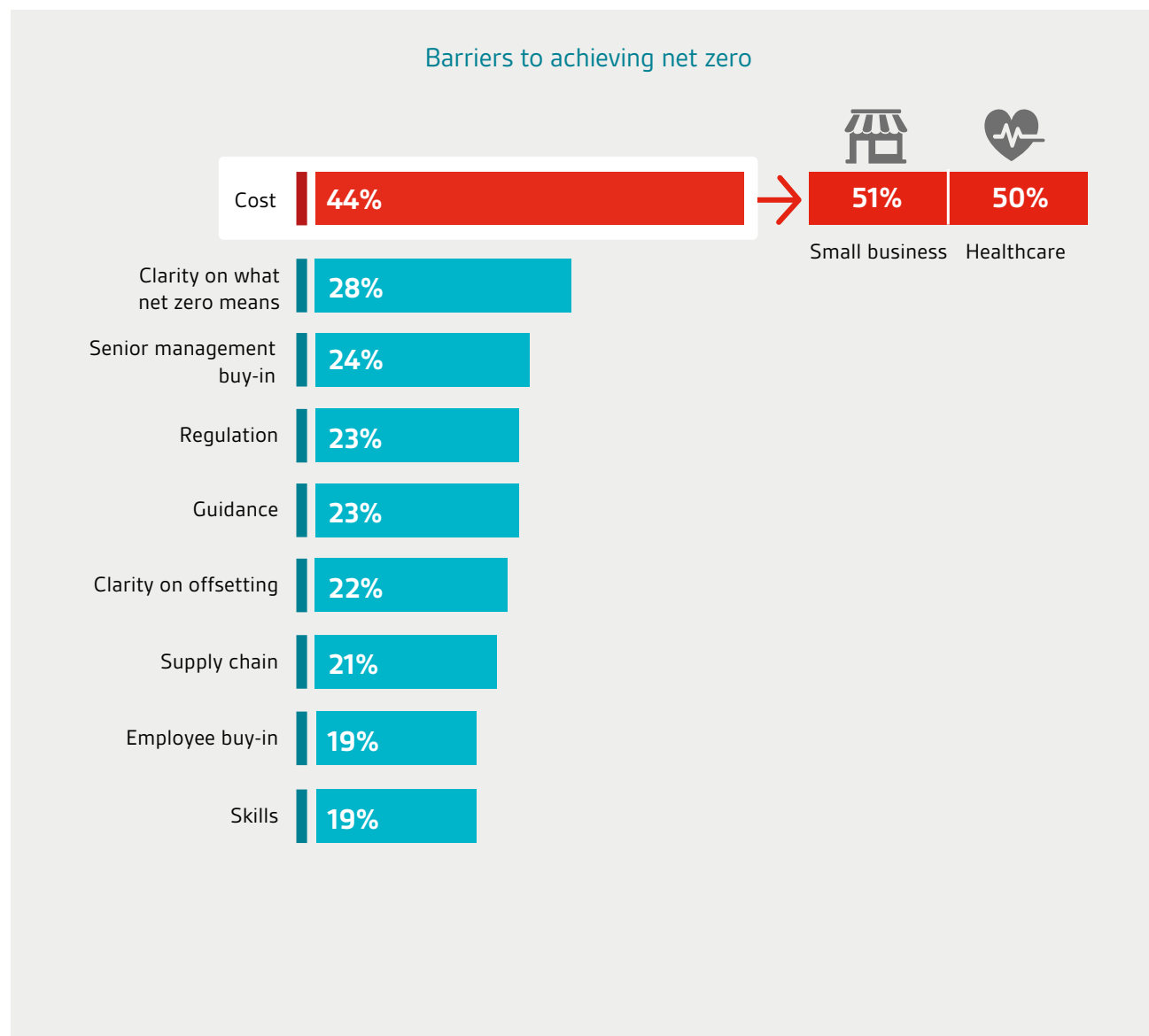
This is most prevalent amongst small organizations (51 per cent) and the healthcare sector (50 per cent). By contrast, the financial services industry believes that a lack of clarity as to what net zero truly means is its biggest challenge to overcome.

A demand for guidance

Despite widespread variation in the specific understanding of the term 'net zero,' the majority (68 per cent) of businesses feel that they have the skills, knowledge and capacity to move in the right direction toward their own internal targets.

That confidence, whether misplaced or not, does not undermine their appetite for further counsel and clear guidelines. An even larger proportion (83 per cent) are keen to receive more guidance to reach their goals.

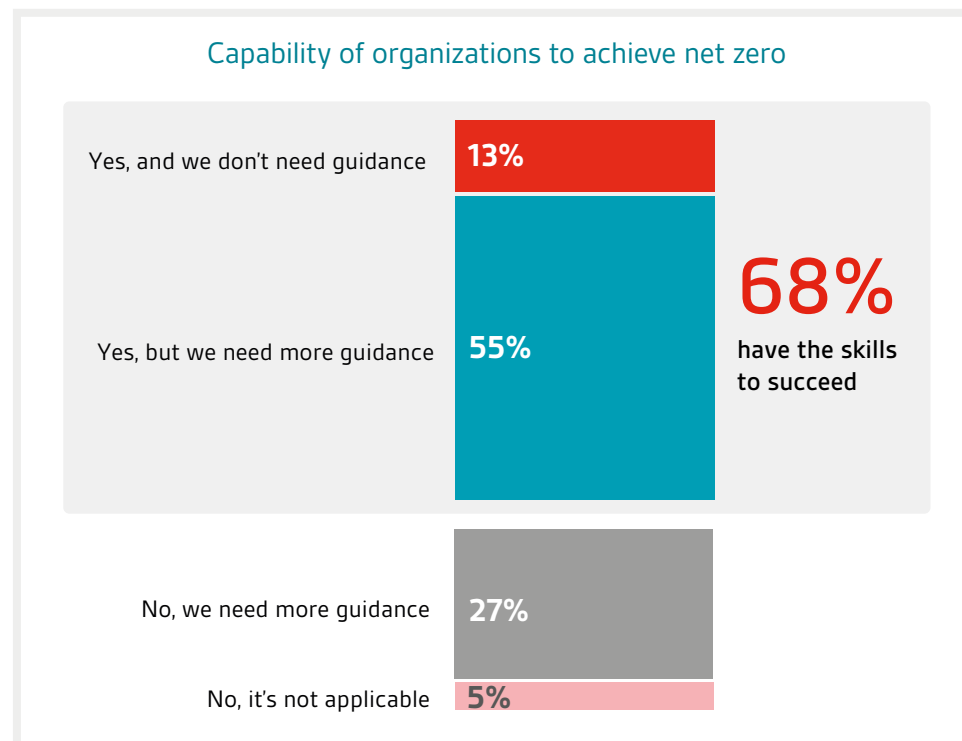
Confidence in their capabilities is particularly high amongst large organizations (75 per cent), those based in London (75 per cent) and senior members of the business (80 per cent of owners/partners), showing a disparity in optimism between business leaders and middle managers on the shop floor, just 61 per cent of whom exhibit the same confidence.



A gap in capability between the leadership and frontline employees does not necessarily imply a lack of corporate commitment. After all, do employees working on the front desk in a bank need to have knowledge of leveraged buyouts? However, it does imply that organizations may be missing an opportunity by failing to share their commitments widely within the business – an increasing number of candidates consider a company’s social and environmental commitments when deciding where to work, and **more than half** would accept a lower salary to work for a socially responsible company.

The need for guidance is common across all sectors. However, the IT industry reports being the most confident in its capabilities at 85 per cent, with 23 per cent of respondents stating that they do not need any more guidance.

Meanwhile, the Healthcare and Education sectors exhibit the least amount of confidence in their capabilities to achieve net zero, with 88 per cent and 84 per cent of respondents in these respective industries calling for more guidance. With such variation across sectors, it is important that future guidance should relate directly to regulations and practices within specific industries. While broad guidance is to be welcomed, particularly from government, the practical implementation of net zero strategies will vary based on the challenges specific to each industry.



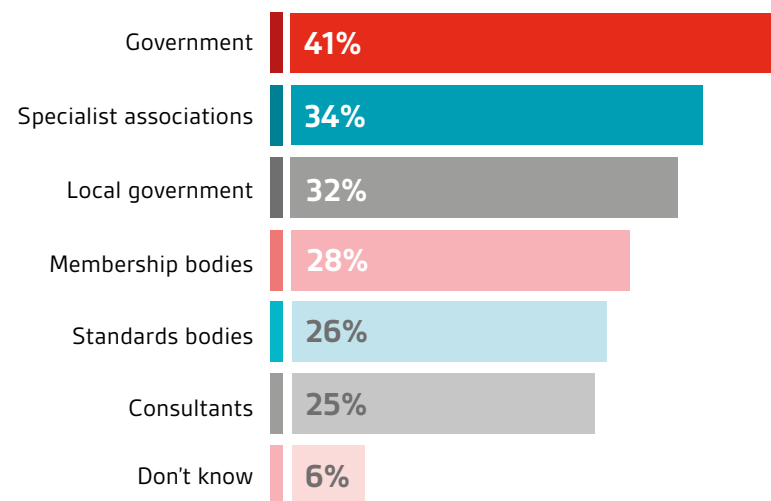
Options to access information

British businesses are looking for guidance from a range of sources, ranging from the Government to consultants and specialist associations. Government is the most common source of information for senior leaders looking for the help they need, however this is not the case for small businesses. Those working for companies with fewer than 50 people cite local government and authorities as the most important source (44 per cent) in providing them with more guidance in the years ahead.

This disparity between large and small organizations highlights the need for a range of sources that can appeal to businesses of all sizes, locations and types in the places that they find most convenient when looking for support.

As we have noted above, the standards industry has helped encourage widespread adoption of the UN's Sustainable Development Goals by interpreting them into the language of day-to-day business. The challenge moving forward is to extend the relevance of this guidance into more specific sectors. Both an investment banker and a lawyer are office workers, but the influence they wield in their advice to clients regarding net zero is vastly different. This is the space into which standards must continue to push, helping reach industry consensus and encouraging excellence in all aspects of operations.

Organizations that business leaders are looking to for advice



Conclusion: achieving net zero requires a strategic approach and an open conversation

Unlike many other business goals, net zero has a finishing line. While sustainable practices in general will be a process of continual development, the 2050 target provides businesses with a tangible end date, a firm basis from which to work backwards to structure their plans.

That said, the data in this report outlines a mixed picture for the business community in the UK, but with some common threads emerging:

- A genuine desire to achieve the target, with seven out of ten businesses reporting that they have made or are considering making a commitment to net zero.
- A generally low knowledge of the details around the target, as 64 per cent admit to either not understanding or only just becoming aware of net zero.
- A call for more guidance to help the business community achieve its targets, from the vast majority (83 per cent) of respondents. Such guidance needs to demonstrate specific relevance, to job function and to sector, helping to translate broad goals into practical measures.



While there is no one size fits all approach, there are a number of steps that organizations can take to prepare for the journey ahead:

- 1 Look beyond offsets** – offsets are often one of the first milestones for companies seeking to address sustainability issues, but it is important that these organizations move beyond offsetting and develop plans around reduction and capture on the journey to net zero. By taking a more holistic approach and pioneering sector and business specific innovations, progressive organizations have the opportunity to create real and lasting impact.
- 2 A strategic and specific approach is vital** – businesses should go beyond investing solely in easily-achievable measures that provide short-term benefits. Net zero is a highly ambitious goal, and meeting it needs strategic planning and resourcing. As with the GHG guidelines, it is important to recognize that such an approach must continue to evolve to reflect specific sector and practitioner needs.
- 3 Select the right tools, guidance and approach for your business** – Volvo Cars has committed to becoming a climate neutral company by 2040. The firm was the first conventional car maker to commit to all-out electrification and a phasing out of cars powered only by an internal combustion engine. As of 2019 every new Volvo launched has been electrified. Its ambitions go beyond addressing tailpipe emissions through the electrification of its entire product portfolio, and tackling carbon emissions in its manufacturing network, its wider operations, its supply chain and through recycling and reuse of materials. This is an excellent example of a company selecting an approach tailored to its business model.
- 4 Widen your vision to look outside your organization** – for those companies that are able to make considered, impactful changes to their business, the work doesn't end. Utilizing and verifying to appropriate standards (see next section) can support your efforts to encourage change across the businesses you work with.



5 **Invest in skills** – net zero by its very definition requires science-based reductions. As such, our understanding of how to achieve it is constantly evolving and improving. Although the majority of respondents in this survey felt that they do have the skills to achieve net zero, the understanding of what skills are required may change as time passes. It is increasingly important to invest in your workforce to ensure that they can develop the skills necessary to make a difference.

6 **Encourage an open conversation** – to support the appetite for change, it is clear that more must be done to help organizations, particularly those in the healthcare and education sectors. External organizations and experts must come together with government to provide a wealth of guidance that can be used by all organizations – not just those large companies with the resources to make big changes. We must encourage knowledge-sharing and an open conversation between the private and public sectors. This is a challenge faced by all corners of society, and will require a collective effort to overcome it.

7 **Commit to science and standard-based targets** – while many businesses have committed to achieving net zero targets across a range of timescales, our findings revealed varying degrees of understanding as to the true extent of the change required to achieve net zero. Following best practice established by recognized standards and climate bodies means organizations will give full consideration to the wide-ranging barriers and targets, and ensure meaningful progress towards net zero.



Standards that can help businesses achieve net zero:

BS EN ISO 14064-1 Greenhouse gases. Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals

BS EN ISO 14001 Environmental management systems. Requirements with guidance for use

BS EN ISO 50001 Energy management systems. Requirements with guidance for use

PAS 2060 Specification for the demonstration of carbon neutrality

PAS 2080 Carbon management in infrastructure

PAS 2050 Specification for the assessment of the life cycle greenhouse gas emissions of goods and services ([free download](#))

PAS 2070+A1 Specification for the assessment of greenhouse gas emissions of a city. Direct plus supply chain and consumption-based methodologies ([free download](#))



Appendix 1: About this research

This report has been developed following a survey of 1,000 senior decision-makers at small-, medium- and large-sized businesses.

These respondents have a wide range of business remits that encompass sustainability alongside other commercial responsibilities, including roles such as business owners, Chief Executives, Chairpersons, Managing Directors and middle managers. Of the 1,000 surveyed, 149 have a specific responsibility for sustainability management.

Those surveyed are representative of British industry, covering sectors such as IT, education, manufacturing, financial services, healthcare and construction, across all regions of the UK.

71 per cent of the sample is made up of the private sector, 28 per cent from the public sector or not-for-profit organizations, and the remaining seven per cent classified as local.

The survey was completed in November 2020.

Percentages stated in this report are rounded to the nearest whole number.



Appendix 2: Bibliography

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