

A stylized graphic of a leafy branch, rendered in a light green color, arches over the text. The branch starts on the left, curves upwards and then downwards, ending on the right. Two leaves are visible: one at the top right and one at the bottom left.

**go
green**

What is Climate Change?

- Hunters to Farmers
- Population Growth
- 11,000 Years Ago Population 5 Million
- 2,000 Years Ago Population 300Million
- 50-60 Years Ago Population 2.5 Billion
- Now Population 6.8 Billion
- By 2050 Population 9-10Billion
- Earths natural Resources are running out
- That's climate change

Companies forced to publish carbon Footprint

Most Businesses are currently not required to report on their total carbon footprint, however a significant number do have to report some part of their emissions under the EU Emissions Trading Scheme (ETS) or the UK's Carbon Reduction Commitment (CRC), while the Climate Change Act requires government to make reporting mandatory for all businesses from 2012, or explain why it hasn't

Some of the Legislation That we may have to Report

- Under the Companies Act 2006 (CA 2006).
- Under the Climate Change Act 2008 (CCA 2008).
- Relating to financial accounting.
- Under the Combined Code and the Turnbull Guidance on internal control (although these are not strictly mandatory requirements).
- Under legislation governing pension funds.
- Under US Securities and Exchange Commission (SEC) disclosure requirements.
- CRC Energy Efficiency Scheme (CRC).
- EU Emissions Trading Scheme (EU ETS).
- Environmental permits

Benefits

- **Sales** - Supports customer tender action requirements.
- **Compliance** – Prepare your business for Carbon Reduction Commitment & other expected legislation.
- **Cost saving** – Save energy = reduced costs.
- **Market differentiation** - Enhances your business & brand's sustainability credentials, PR opportunities.

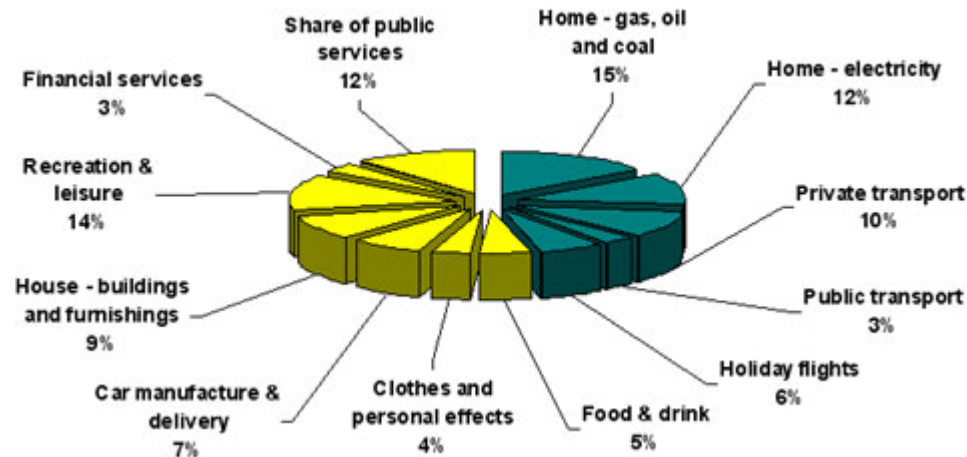
What is A Carbon Footprint?

- A **carbon footprint** is a measure of the impact our activities have on the environment, and in particular climate change. It relates to the amount of greenhouse gases produced in our day-to-day lives through burning fossil fuels for electricity, heating and transportation etc.

The carbon footprint is a measurement of all greenhouse gases we individually produce and has units of tonnes (or kg) of carbon dioxide equivalent.

- The pie chart above shows the main elements which make up the total of an typical person's carbon footprint in the developed world.
- A carbon footprint is made up of the sum of two parts, the primary footprint (shown by the green slices of the pie chart) and the secondary footprint (shown as the yellow slices).
- 1. The **primary footprint** is a measure of our direct emissions of CO₂ from the burning of fossil fuels including domestic energy consumption and transportation (e.g. car and plane). We have direct control of these.
- 2. The **secondary footprint** is a measure of the indirect CO₂ emissions from the whole lifecycle of products we use - those associated with their manufacture and eventual breakdown. To put it very simply – the more we buy the more emissions will be caused on our behalf.

- The pie chart below shows the main elements which make up the total of an typical footprint.



CRC

- The CRC is a UK mandatory cap and trade scheme proposed to cut carbon emissions by 1.2 million tonnes of carbon per year by 2020.

The key is energy efficiency and the reduction of emissions. Organisations will have to devise a carbon abatement strategy, consider energy efficient measures, monitor, assess and manage their carbon emissions.

- The CRC is targeting large non-energy intensive private and public sector organisations within the UK, whose combined electricity use through half hourly metering exceeds 6,000 MWh per year. Approximately 5,000 organisations with an energy spend greater than £500,000 will be obligated to take part.

Climate Change Act

- Main point within the act affecting business are
- publish guidance to organisations on measuring and reporting greenhouse gas emissions by 1 October 2009. This is available at: www.defra.gov.uk/environment/business/reporting/index.htm.

The guidance explains how organisations can measure their greenhouse gas emissions and set targets to reduce them. It is intended for all sizes of business and for public and voluntary sector organisations. But rest assured that organisations and companies which use the guidance are not required to submit reports nor otherwise make the data available to government;

- carry out a review by December 2010 to evaluate the contribution that reporting is making to the achievement of the Government's climate change objectives; and
- introduce regulations requiring the mandatory reporting of greenhouse gas emissions information by April 2012 or explain to Parliament why this has not happened.

Companies Act 2006

- the Companies Act (2006), recently made changes to the narrative reporting requirements for UK companies. All companies, other than small, are already required to produce a business review. In the case of quoted companies, the directors will be required to report on environmental matters, employees and social/community issues. In addition the amendment to the Pensions Act (2001), is a mandatory requirement for UK Pension fund trustees to disclose how they have considered social, economic and environmental matters