

Strengthening Disclosure for SMEs

2nd March 2023



WELCOME ADDRESS



Sonya Bhonsle

Global Head of Value Chain & Regional
Director Corporations

CDP

AGENDA



Time	Topic	Speaker
2:00-2:05pm GMT	Welcome address	Sonya Bhonsle Global Head of Value Chains CDP
2:05-2:15pm GMT	Stocktake of current SME reporting and areas of actions	Adèle Rowlands Senior Value Chain officer CDP
2:15-2:35pm GMT	Panel discussion on value of SME climate action and disclosure	<ul style="list-style-type: none">▼ Sonya Bhonsle (Global Head of Value Chains, CDP)▼ Daniel Fitzgerald (Senior Director of Product Sustainability, Stanley Black & Decker)▼ Robert Williams (Director of Sustainability, AstraZeneca)
2:35-2:45pm GMT	Tool and resources available to SMEs	Pamela Jouven Director SME Climate Hub
2:45-3:00pm GMT	Q&A and close	Sonya Bhonsle Global Head of Value Chains CDP

Stocktake of current SME reporting and areas of actions



Adèle Rowlands

Senior Value Chain Officer

CDP

Over **18,000 companies** disclosed through CDP in 2022.
Over **6,000** of these **are self-declared SMEs**



Scope 1, 2 and
3 emissions




Target setting



Emission reduction
initiatives

Measuring and understanding key metrics such as these is a crucial part of managing and reducing your environmental impact.

Methodology



Confirm questionnaire version

Your organization may be eligible to answer the minimum version of the questionnaire.

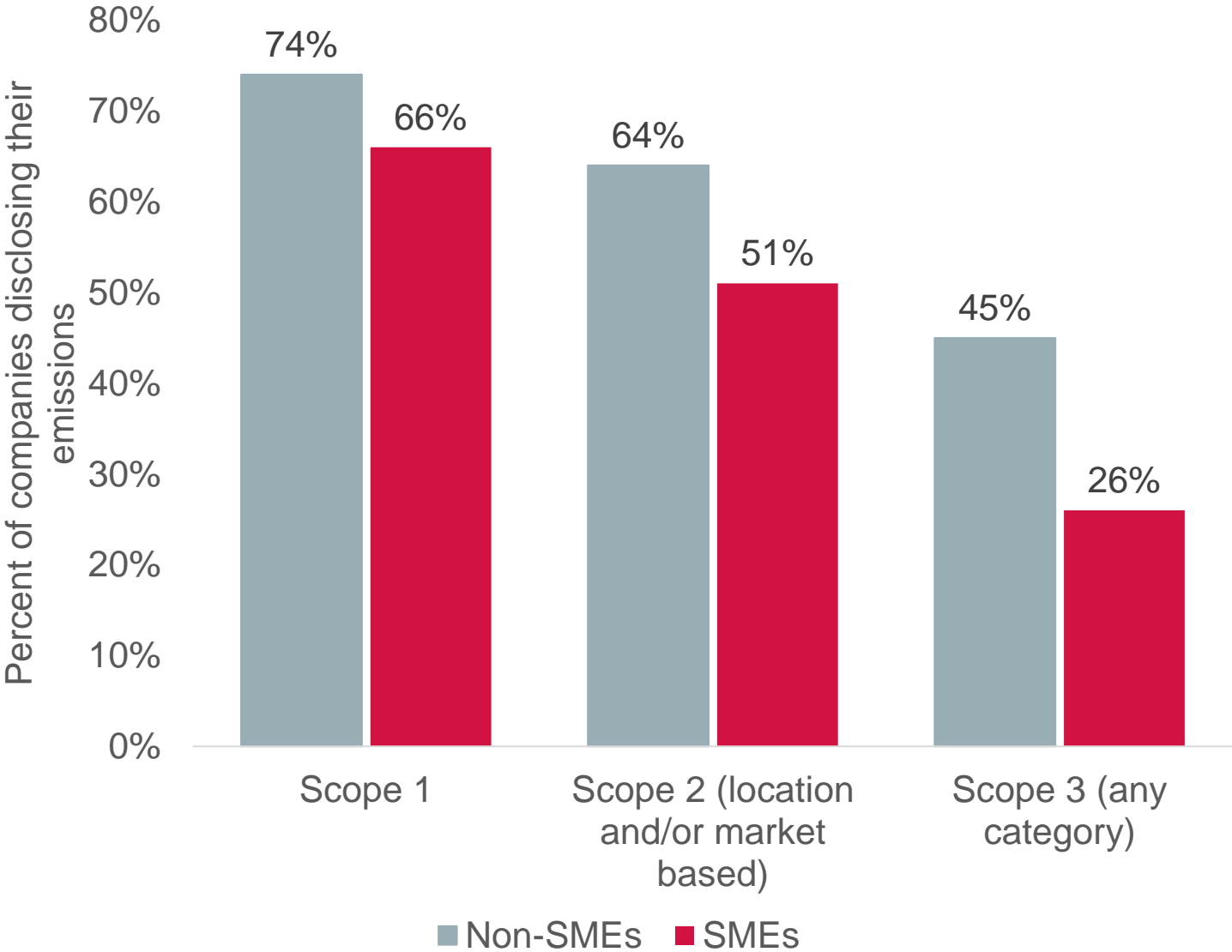
Does your company have less than €250 million/\$250 million annual revenue?

6,000 self-declared SMEs

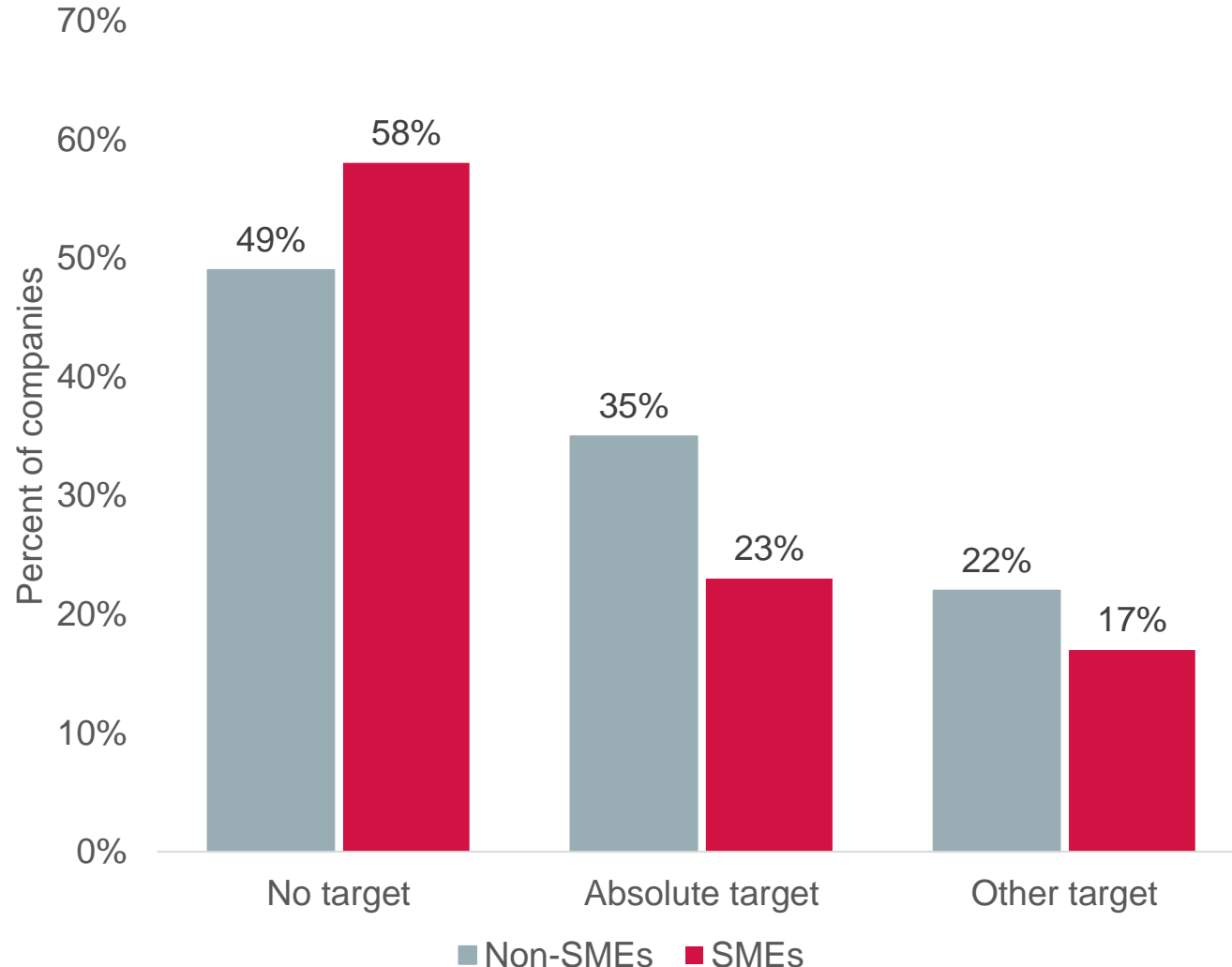
12,000 self-declared Non-SMEs

Emissions inventory

- ▼ **Scope 1:** direct emissions
- ▼ **Scope 2:** indirect emissions
- ▼ **Scope 3:** value chain emissions



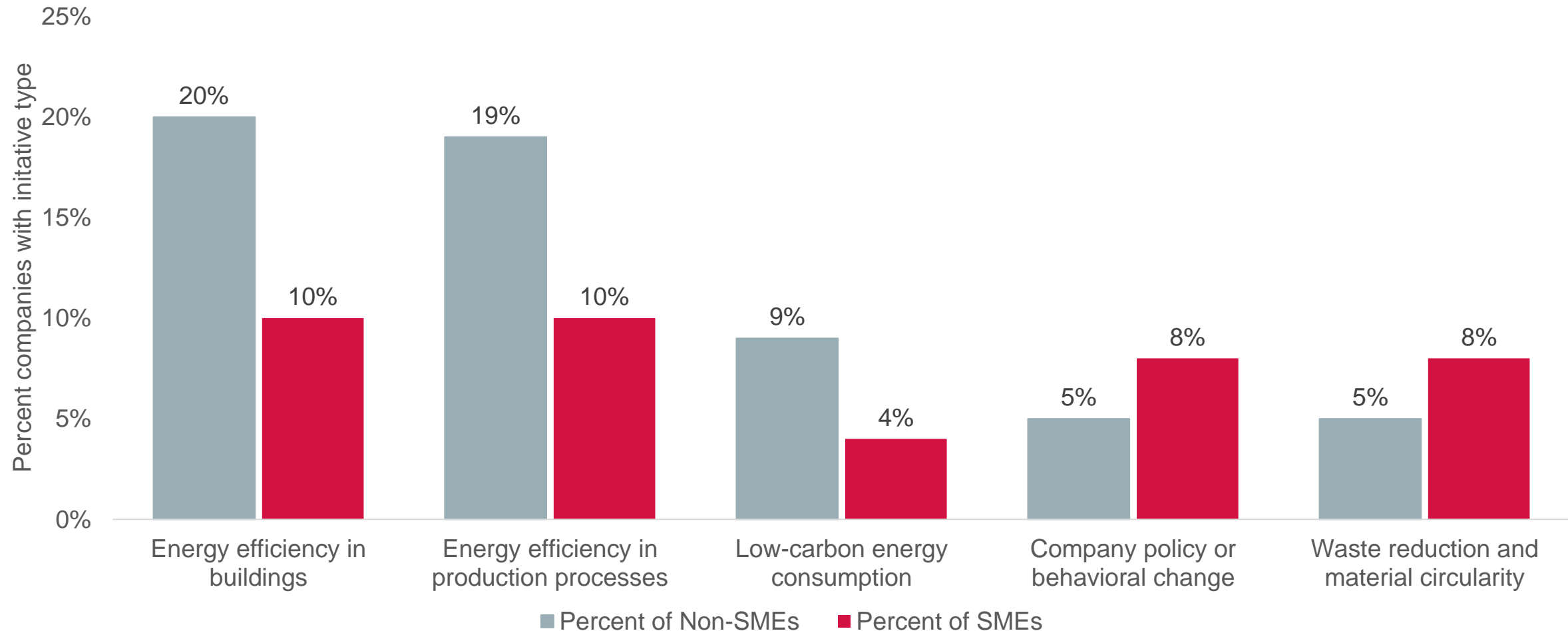
Emission targets



- ▶ Almost **60%** of SMEs didn't have an emission reduction target set in 2022.
- ▶ We recommend setting an **absolute target** that is **based in science**.
- ▶ Target setting provides **direction** and **structure** to environmental strategy.

Actions to reduce emissions

47% of SMEs reported an active emissions reduction initiative in 2022, whereas **60% of non-SMEs** did.

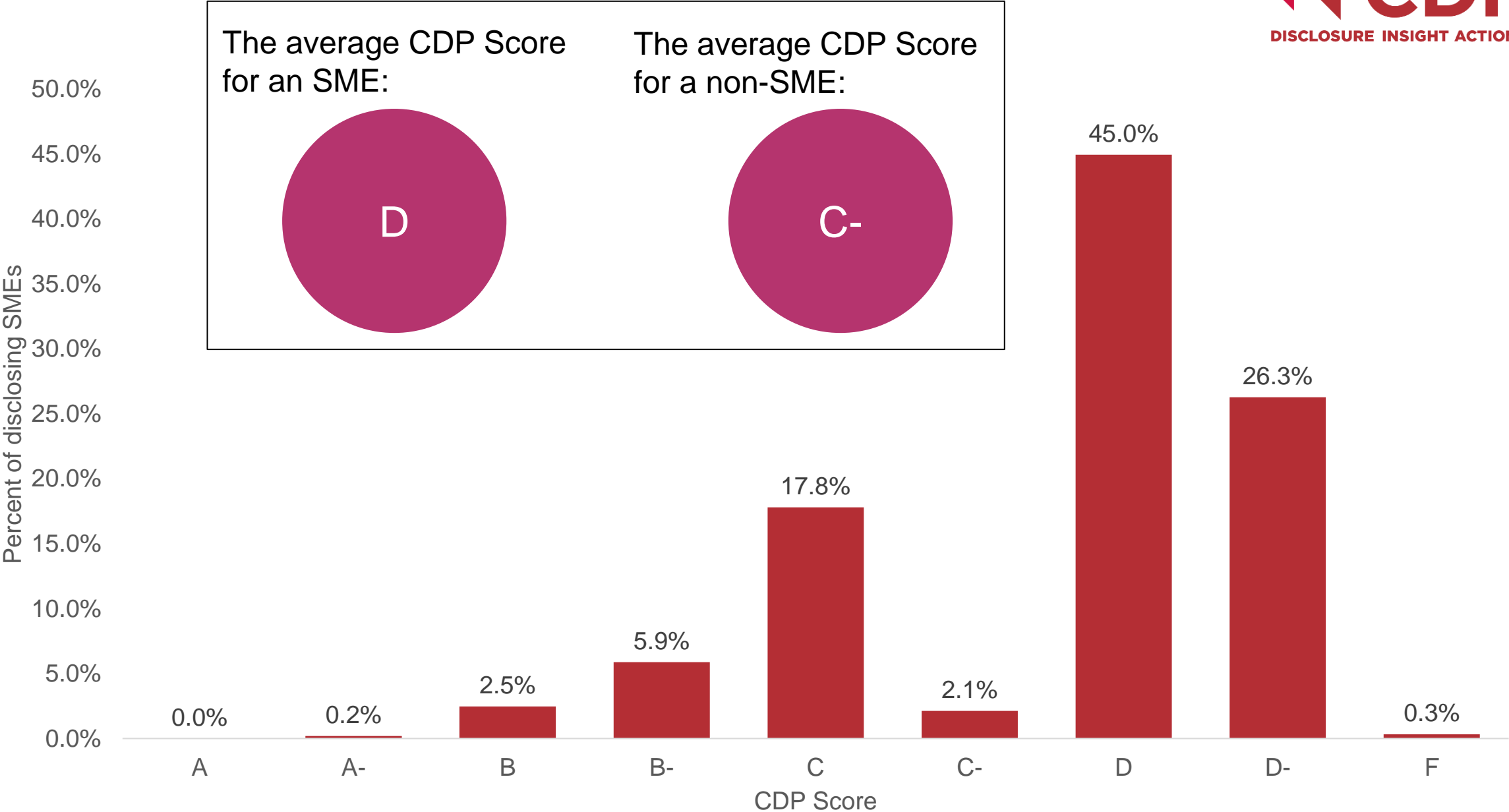


Emission reduction initiative payback periods

Working with BEIS as part of the UK Business Climate Hub, CDP calculated payback periods for some common emission reduction initiatives.

Action	Average payback period according to CDP data
Minimise waste from products and packaging	Under a year
Switch to LED bulbs	Under 3 years
Adjust heating and cooling system timings and temperatures	Under 3 years
Insulate your buildings	Under 4 years
Electrify your vehicle fleet	Under 10 years
Install your own renewable electricity or heating	Under 10 years

Scores



Summary of key areas



- ▼ **Understand your emissions:** Finish your inventory for Scope 1 and 2 and start to address Scope 3.
- ▼ **Set a bold, climate-science aligned target:** We recommend the SME Climate Hub Climate Commitment or the SBTi route for SMEs, both of these are recognised by the Race to Zero campaign.
- ▼ **Put in place emission reduction initiatives:** Lower your emissions to achieve the target.

Panel discussion: Value of SME Climate Action and Disclosure



Sonya Bhonsle

Global Head of Value Chain &
Regional Director Corporations

CDP



Daniel Fitzgerald

Senior Director of Product
Sustainability

Stanley Black & Decker



Robert Williams

Procurement Director and
Director of Sustainability

AstraZeneca

The tools and resources available to SMEs



Pamela Jouven

Director

SME Climate Hub



Mobilising millions of small and medium
businesses to achieve net zero

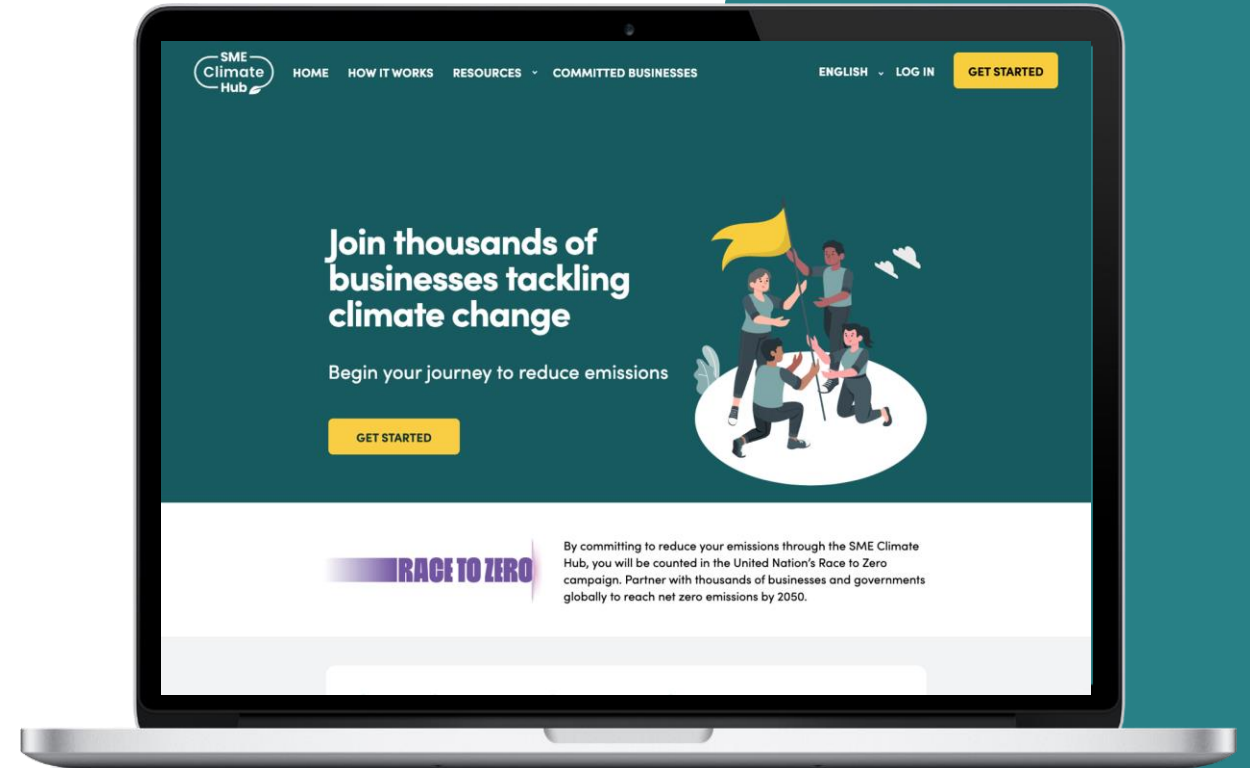
February 2023

What is the SME Climate Hub?

The SME Climate Hub provides small and medium sized enterprises (SMEs) with a one-stop-shop to:

- 1 Commit to climate targets aligned with 1.5°C
- 2 Access free, best-in-class tools to measure emissions, act & report progress
- 3 Benefit from incentives to reduce emissions

The initiative is the official pathway for SMEs to join the UN Race to Zero campaign. Over 5,500 SMEs from 110+ countries, have made the commitment.



Why SMEs?

KEY ROLE IN COMMUNITIES & SUPPLY CHAINS

SMEs make up 90% of businesses worldwide and employ over 2 billion people.

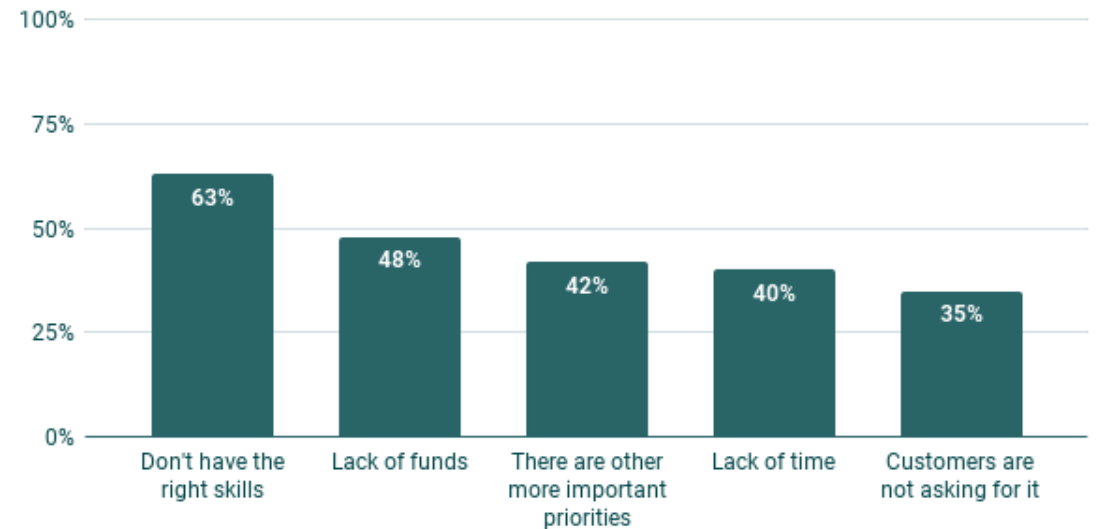
NEED FOR ADAPTATION

40% to 60% of small businesses never reopen after a disaster.

SPECIFIC BUSINESS CHALLENGES

Survey of our SMEs highlight key challenges around resources, know-how and incentives.

Top 5 reasons SMEs aren't taking climate action



About SME Climate Hub

What's in it for my business?



**Gain a competitive
advantage**



**Improve
efficiency**



**Manage
business risk**



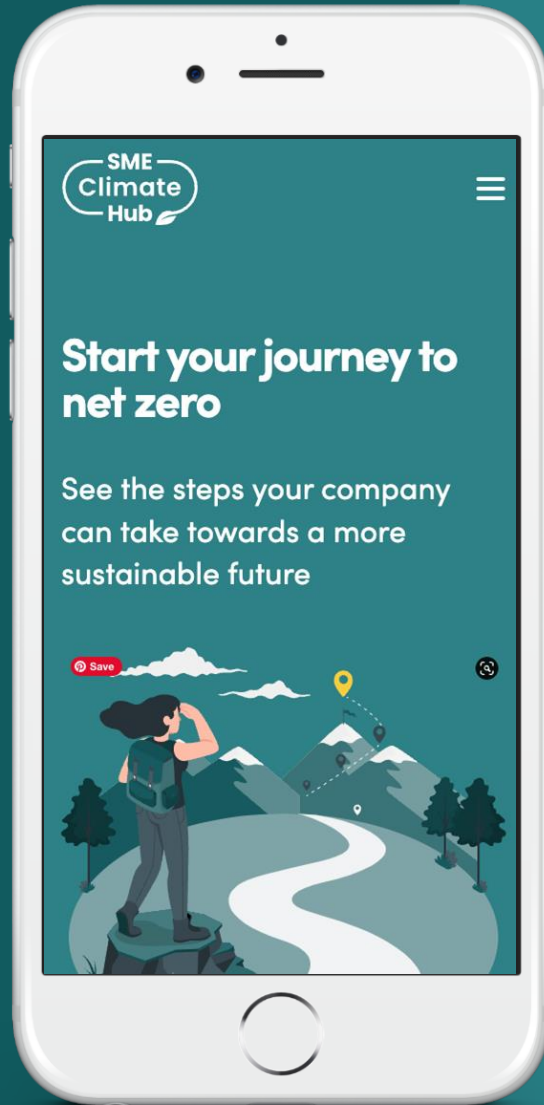
**Grow your business
and brand**



**Enhance access
to capital**

Taking climate action makes business sense.

By committing to the SME Climate Hub, small businesses can better navigate the shifting expectations of consumers, large corporations, and government.



The SME Climate Hub Platform

[Visit the Hub](#)

How it works – start your journey to net zero

1

SEE WHERE YOU STAND

Use our tools to help take the first steps, from measuring your emissions to learning more about small business climate action.

2

PUBLICALLY COMMIT

Make a simple, credible public commitment and join thousands of other businesses in the UN Race to Zero.

3

TAKE ACTION

Unlock resources and incentives to help you identify the right actions, report on progress and get recognized.





The Hub

The SME Climate Commitment

Recognising that climate change poses a threat to the economy, nature and society-at-large, our company commits to take action immediately in order to:

**Halve our
greenhouse
gas emissions
before 2030**



**Achieve net
zero emissions
before 2050**



**Disclose our
progress on
a yearly
basis**



In doing so, we are proud to be recognized by the United Nations Race to Zero campaign, and join governments, businesses, cities, regions, and universities around the world that share the same mission.

The Hub

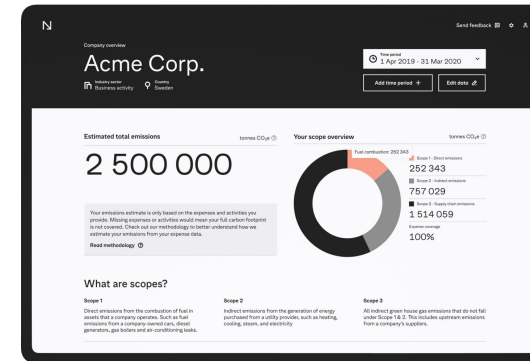
The key tools

Accessing free tools on education, measurement and reporting



CLIMATE FIT

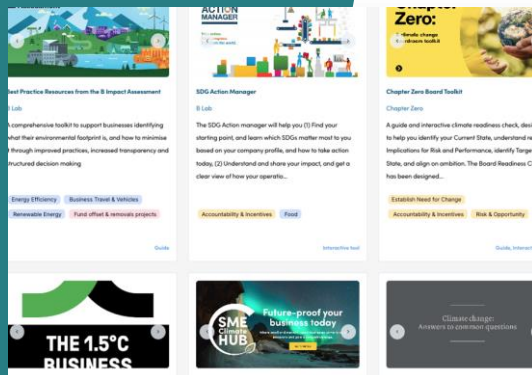
A practical step-by-step guide to help you reduce emissions across your business – from operations to supply chain to messaging.



BUSINESS CARBON CALCULATOR

Assesses SMEs' Scope 1, 2 and 3 emissions following the Greenhouse Gas Protocol.

Normative



OTHER TOOLS

Library of practical tools and resources curated by the Net Zero team at Oxford University.



Commitment and Targets *

Own Emissions *

Energy

Value Chain Emissions *

Actions

Climate Solutions *

REPORTING TOOL

Enables SMEs to report GHG emissions, climate actions, and impact of emission reductions



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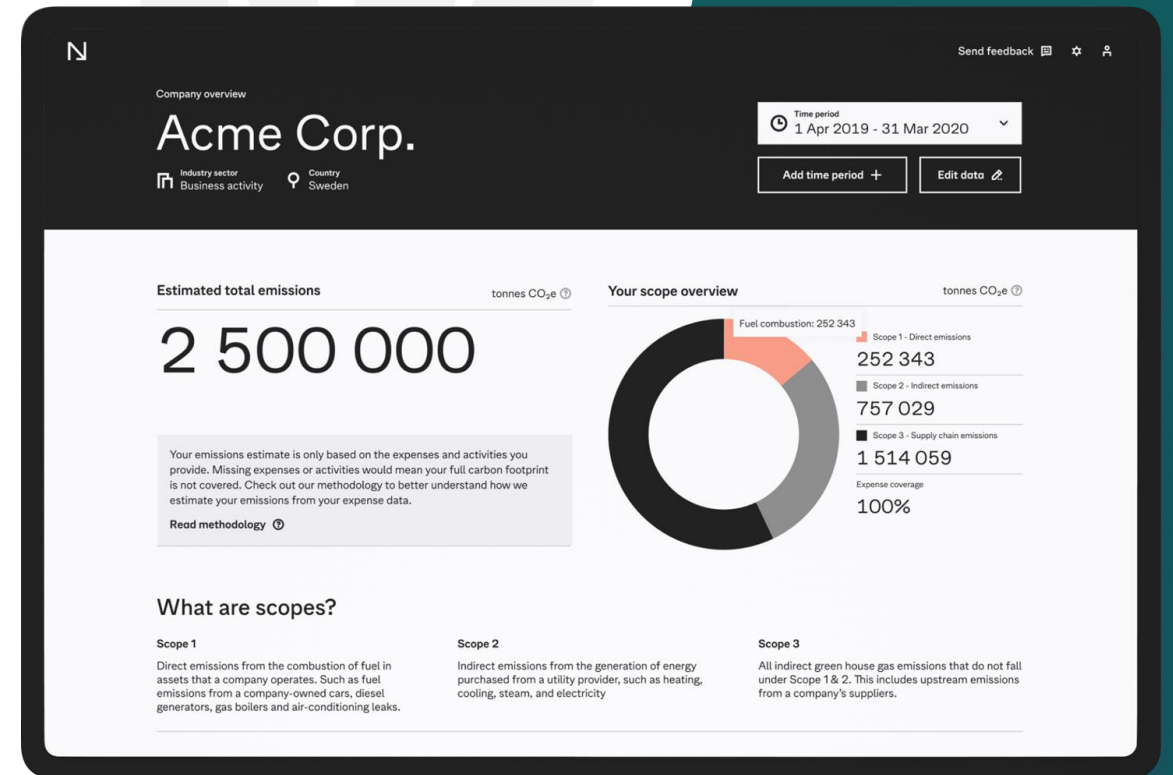
The Hub

Business Carbon Calculator

Normative  

have partnered to bring SMEs around the world a free business carbon footprint calculator.

The calculator assesses SMEs' Scope 1, 2 and 3 emissions following the Greenhouse Gas Protocol.



The Hub

Climate Fit

A practical step-by-step guide to help you reduce your emissions across your business



Climate Strategy & Governance

How can my business model support my climate goals?

Climate Action for your Operations

How can I lower my company's climate impacts and increase efficiency?

Reducing Emissions in your Supply Chain

How do I address the main climate impacts of my supply chain?

Design for Net Zero

How can I design more sustainable products?

Financing Net Zero Transition

How do I prioritize climate investments and evaluate their financial impacts?

Engaging your People and Communities

What do climate considerations mean for my current and future employees? And my community?

Telling your net zero story

How can I tell my sustainability story and increase my brand's sustainability profile?

The Hub

Financial Support Guide

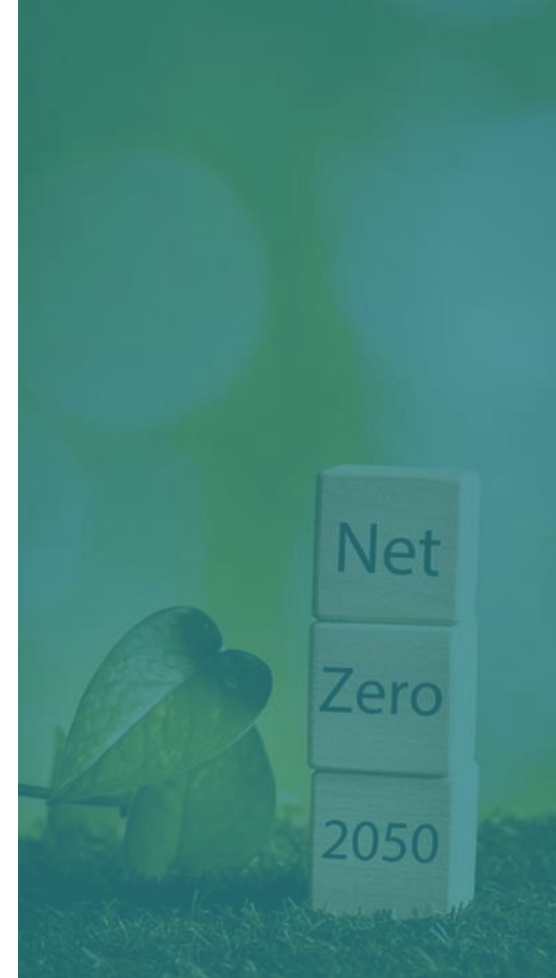


Financial support for reducing emissions

The SME Climate Hub has launched the first of its resources which improve access to financial support for small and medium sized enterprises (SMEs) working to reduce their carbon emissions.



We are developing more support and financial incentives, which will be added to the SME Climate Hub in 2023.



The Hub

Reporting Tool



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Report to meet commitment

Through the SME Climate Hub's reporting tool, SMEs:

- Report annual greenhouse gas emissions
- Climate actions taken to reduce emissions
- Impact of emission reduction plans.

Reporting emissions allows for:

- Year-over-year comparison of emissions reduction
- Accurate information for stakeholders
- Business accountability on climate action plans.



Introduction

Enter your reporting year as well as details on your revenue and number of employees. These should all match the year you are using for your emissions reporting. The details provided will help us understand your emissions better.

REPORTING YEAR * ⓘ

YOUR ANNUAL REVENUE IN THE REPORTING YEAR * USD ▾

NUMBER OF EMPLOYEES IN THE REPORTING YEAR *

Save

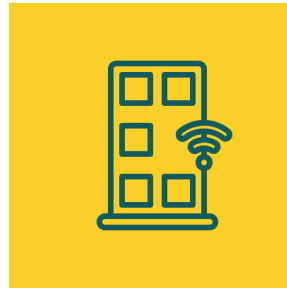
Prepare report for submission

Take climate action in your business

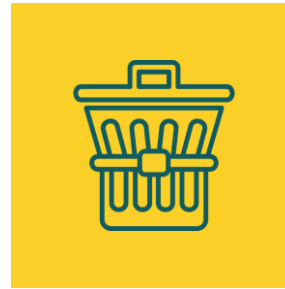
Set a strategy and **move to action**, start today:



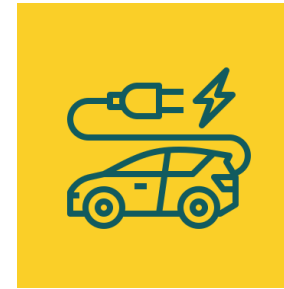
Transition to renewable energy via providers or by installing your own renewable electricity or heating



Pursue energy efficiency projects, e.g. create efficient buildings through insulation, adjusting heating and cooling systems, smart meters etc.



Switch to circular systems, e.g. minimize waste from your products and packaging



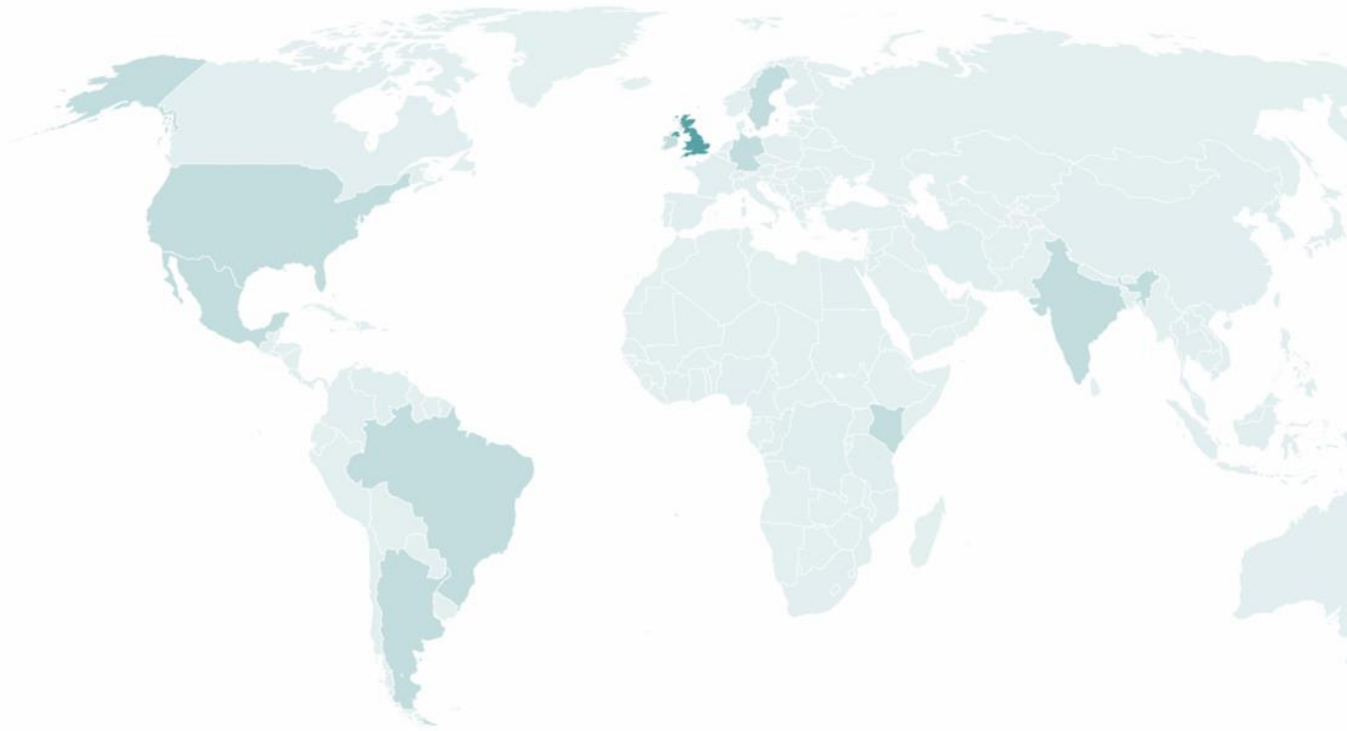
Electrify your vehicle fleet and reduce reliance on fossil fuels.



Talk to your suppliers and collaborate on taking on climate action

The Hub

Over 5,500 SMEs from 110+ countries and growing



Thank you

The SME Climate Hub is an initiative of the We Mean Business Coalition, Exponential Roadmap Initiative, and the United Nations Race to Zero campaign.

This partnership is an exercise in radical collaboration that opens the doors for SMEs to join the United Nations Race to Zero campaign — an international campaign that brings together an unprecedented coalition of real economy actors and 120 governments committed to achieve net-zero emissions by no later than 2050. In collaboration with the Net Zero team at Oxford University we aim to curate tools and resources to specifically address the needs of the SME community.

It is our belief that climate action is everyone's business.



info@SMEClimateHub.org

Thank you!

Q&A session

