Small and medium enterprises (SMEs) account for around 90% of global businesses and half of all employment worldwide. As such, they are in a unique position to influence emerging climate crisis. SMEs have a significant role to play in reducing carbon emissions. More than this, by bringing climate action into the heart of their operations, founders can build resilience, meet the changing needs of consumers and investors, and ensure the long-term health of their business - and the planet.

The primary reason reported by SMEs for not taking climate action is not knowing what to do. It can seem an insurmountable challenge, and difficult to know where to start, yet, moving towards net zero and affecting positive change for the planet is an important step for SMEs to future-proof their business. To help, experts from the University of Cambridge Institute for Sustainability Leadership (CISL) and Business for Social Responsibility (BSR™) have outlined seven clear, achievable steps to help SMEs enable climate action and join the race to net zero.

BECOMING CLIMATE FIT

1. GOVERNANCE & STRATEGY: Turn ambition into action.

To decarbonize, your business must be able to respond to the climate in a way that is swift and substantial. This can only be achieved by tracking your mission and vision statements to incorporate your net ambition.

(Operational) emissions must be met by significant action. Understanding which areas of your business are/will be affected by your net ambitions and what can be done to make it happen, and mitigate risks is key to success. Clearly identifying responsibilities and accountability will help you track, report and ensure continuous improvement. While maintaining enthusiasm for the work you decide to do.

2. OPERATIONS: Reduce operational emissions through energy efficiency, emission reductions and renewables.

By incorporating simple, practical solutions within the workplace, and taking advantage of new technologies and incentive programmes, you can reduce greenhouse gas emissions, cut costs and increase competitiveness.

Switching to renewables, addressing transportation fleets, minimizing the impact of business travel, reducing waste and powering high energy use - for example through the operation of commercial buildings - all helps reduce your company's environmental impact.

Buyers can be an ambassador for change by helping bring their suppliers along on the climate journey. The majority of businesses do not know their emissions footprint. By taking the opportunity to engage in dialogue with suppliers about climate action, you can work towards achieving a sustainable supply chain, driving more companies towards a unified goal of net zero.

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3. SUPPLY CHAIN: Reduce the emissions you don’t directly own or control.

Most of your business emissions are probably found in your value chain rather than in your direct operations. Your suppliers, however, can be major contributors to the carbon footprint of your business. Decarbonizing your supply chain involves understanding where you are now, and then working to reduce emissions in those areas.

4. DESIGN FOR NET ZERO: Create products and services designed for good.

Every invention that we make has an impact on our environment. By reducing the amount of waste that your product creates, you can reduce your environmental impact and make your business more sustainable.

Reducing waste involves thinking about the lifecycle of your product - from design to disposal. By thinking about how your product will be used, you can design for longevity and reduce waste.

5. FINANCE: Commit to decarbonization and gain a competitive edge.

Transitioning to net zero requires investment, but can open up new opportunities that enhance your access to capital, increase your competitiveness, and lower your operating costs. There is a financial incentive to reduce emissions, it is important that you identify which decarbonization projects to focus on and how you will finance them.

By setting up a clear plan for ranking different ideas, you can focus on building a solid business case for your top-priority project and plan which financing options would work best for you. By investing in climate action, your business can be seen as a good corporate citizen, reducing your operating costs and increasing your customer base.

6. PEOPLE & COMMUNITY: Bring people with you on your net zero journey.

Reaching net zero cannot be accomplished by one person alone - it's a team sport! It's up to you to turn climate ambition into action. Your employees, stakeholders and suppliers will all play a role in making this happen.

By educating and inspiring your staff and colleagues with your climate goals, you can build a culture of sustainability within your business. Through shared responsibility, Reaching net zero cannot be accomplished by one person alone - it's a team sport! It's up to you to turn climate ambition into action. Your employees, stakeholders and suppliers will all play a role in making this happen.

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7. NET ZERO STORYTELLING: Tell your story and grow your Reach.

The past year has seen unprecedented interest in net zero for sustainable goods and services. Brands that take action and champion the need of their consumers will be rewarded with their loyalty and advocacy, so why not be one of them?

Each net zero story is unique, and yours is no exception. By writing an honest account of your progress that aligns with your business mission/vision, you can use your efforts to de-carbonize as a way of reshaping the hearts and minds of your customers.

Continuing to adapt and update this story as you continue on your journey will help you to grow (and gain) momentum. After all, you don’t need to spend time and money planning to be green in your marketing strategy - you have climate action integrated throughout your business and that will do the talking for you.

THE TOOLS YOU NEED TO TRANSFORM YOUR BUSINESS

The race to net zero starts here. Join our supportive community at the starting line. Towards net zero, together we can transform the planet.

Join the race to zero: get #ClimateFit today: https://everydayunited.com/ClimateFit