



UK Emissions - What to Report in 2020.

The UK Government guidelines for environmental reporting are aligned with the Greenhouse Gas Protocol in terms of best practice for reporting. The full guidelines can be found [here](#), the following is a summary of what you need to consider.

1. **Boundaries** – what areas of your business operations you will report on in relation to Financial or Operational control, or Equity Share.
2. **Reporting Period** – this would normally be a 12 month period aligned to your financial year.
3. **Key Impacts** – what are the key impacts of your business activity.
4. **Measure** – measurement of key impacts using your company data and approved emissions factors.
5. **Report** – reporting for public consumption on your measured impacts, how it relates to your business activity, how you have measured impact and what targets or progress to targets you have established for your business.

Boundaries.

- A. **Financial control.** This method of establishing boundaries is based upon measuring all impacts over which your business has direct control financially in terms of purchasing decisions and direct influence over supplier relationships based on financial control.
- B. **Operational Control.** This method limits your measurement to areas where you have operational control over your supply and activities.
- C. **Equity Control.** This method enables you to report based upon those entities in which you have equity share and measure their output in relation to the share of equity held.

If you 100% own the shares of your business then you will simply report all impacts that your company is responsible for.

Reporting Period

This would normally be a 12 month period that is the same as your annual accounting period, but could be a 12 month calendar period. The current UK requirement for reporting for large companies requires emissions reporting as a part of financial accounts, whereas all non regulatory reporting is voluntary and could use a 12 month calendar period.

The first year of reporting of baseline year will be the basis of all future reduction reporting. If you have not already started reporting but can access the data for prior years you could use this data to create a baseline year whilst using more recent data to show reductions.

Key Impacts

You will need to assess the key impacts that your business has whether these are through direct generation of emissions or indirect. For manufacturing businesses and industrial operations there are clear direct impacts through fuel use and associated emissions. For service businesses direct impacts through use of resources and energy may be limited, but indirect impacts will be significant through business travel and use of third parties whose direct impacts deliver services to businesses.

Key impacts may be in Greenhouse gases, water, waste, emissions to air/food/water and this outline assessment will help to direct the focus for measurement and reporting.

Measurement

Once the key impacts have been assessed, they will need to be measured and then converted into emissions. This should be done using an accepted methodology and conversion framework. For the UK this is issued by the government through DEFRA and is updated annually.

Reporting

It is recommended that you develop and report at least 3 KPIs associated with your key environmental impacts to inform measurement and action.

You should then consider actions which provide you with information to help you develop and report your strategy. These actions are as follows:

1. **Intensity ratios.** These are usually emissions per £ of revenue or number of Full Time Employees (FTE) or units of production.
2. **Setting a base year.** The base year is used to inform 3 below and represents the start point of your measurement approach.
3. **Setting a target.** Targets should be set that are supported by a realistic level of achievement at the outset.
4. **Verification & assurance.** Verifying your data and performance externally to ensure its integrity is an important component of measurement and reporting.
5. **Your upstream supply chain.** Supply chain contribution to your emissions and environmental performance can often be the most significant element of emissions, especially but not exclusively in service/retail sectors.
6. **Downstream impacts.** Downstream impacts resulting from the delivery of goods more than services, in terms of waste disposal can be more significant than production.
7. **Business continuity and environmental risks.** This encompasses the risks to your business from increased climate change impact and risks derived from your environmental impact.

For further information on reporting and for support please contact info@carbonresponsible.com

Date: January 2020.