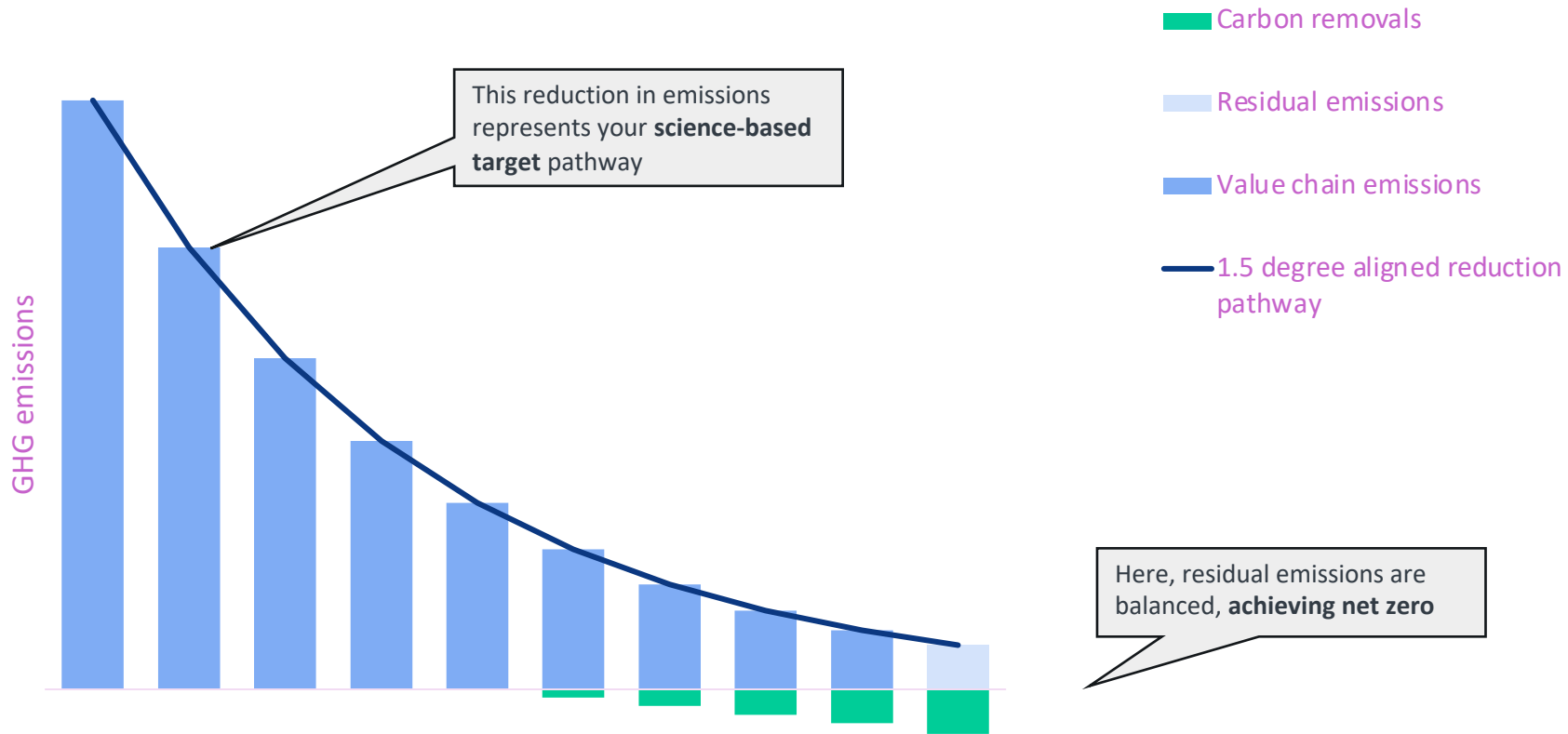


What is net zero for a company?

A company reaches net zero when it **reduces** emissions in line with climate science and it **balances** residual emissions by removing an equivalent amount of emissions from the atmosphere



What are the options and levels of ambition for carbon targets?

INCREASING AMBITION

	Name	Definition	Include Scope 3?	SBTi approved?	Net Zero?
CREDIBLE	Carbon Negative with Science Based Targets (SBT)	To reduce company-wide and value-chain carbon emissions in line with limiting warming to 1.5 °C, and removing remaining and surplus emissions from the atmosphere.	✓	✓	✓
	Net Zero with SBT	To reduce company-wide and value-chain carbon emissions in line with limiting warming to 1.5 °C, and to balance any remaining emissions by removing carbon dioxide from the atmosphere.	✓	✓	✓
	SBT	Targets are considered 'science-based' if they are in line with limiting global warming to well-below 2°C or 1.5 °C and approved by the Science-Based Targets Initiative (SBTi).	✓	✓	✗
NO LONGER CREDIBLE	Net Zero without SBT	To reduce emissions aligned to a reduction target and balancing remaining emissions by purchasing offset credits.	?	✗	✓
	Carbon Neutral	By balancing carbon emissions with an equivalent amount of carbon offsets that avoid or remove emissions.	?	✗	✗
	No climate mitigation target	Operating as business as usual, leading to ~4°C increase in global temperatures over the next century.	✗	✗	✗

✓ Yes ? Maybe ✗ No



Carbon
Intelligence

Why can't you rely on carbon offsets?

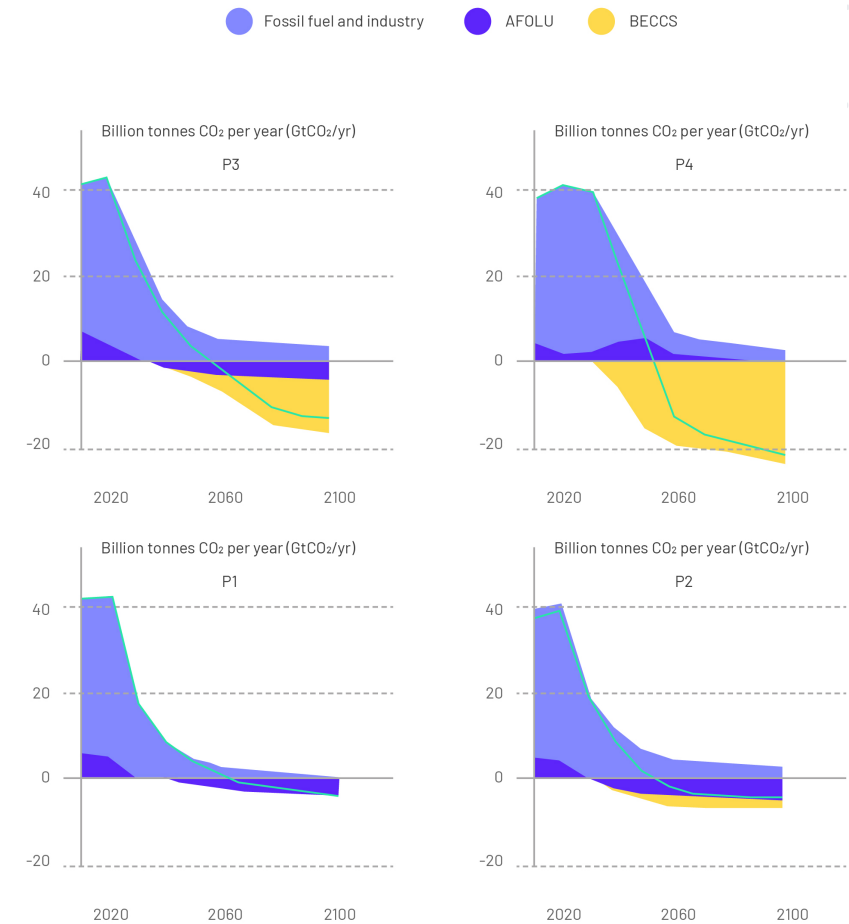
1. CLIMATE SCIENCE & AVAILABILITY

- All IPCC scenarios require rapid emissions reductions.
- Removals are not an alternative, and can only play a minority role in mitigation.
- There is not enough carbon removal capacity for all companies to offset their emissions.

Eni and International Airlines Group each anticipate using forests to offset 30 Mt/year of CO₂ by 2050 which would **exhaust up to 12% of the available total.**

About **500 Mha** of previously-forested and currently unused land could be available for reforestation. **Shell** has proposed planting **50 Mha** of forest to offset its emissions, claiming **10% of the available total.**

Source: Greenpeace Net Expectations report



Source: The IPCC's Special Report on 1.5°C

Why can't you rely on carbon offsets?

2. REPUTATION

- Damage to brand if position on climate change is considered harmful.

The Telegraph

Shell offsetting carbon in Scottish forest is 'greenwashing', Government official warned

Forestry and Land Scotland accepted £5m to partner with Shell to offset emissions despite warning from senior employees of 'greenwashing'

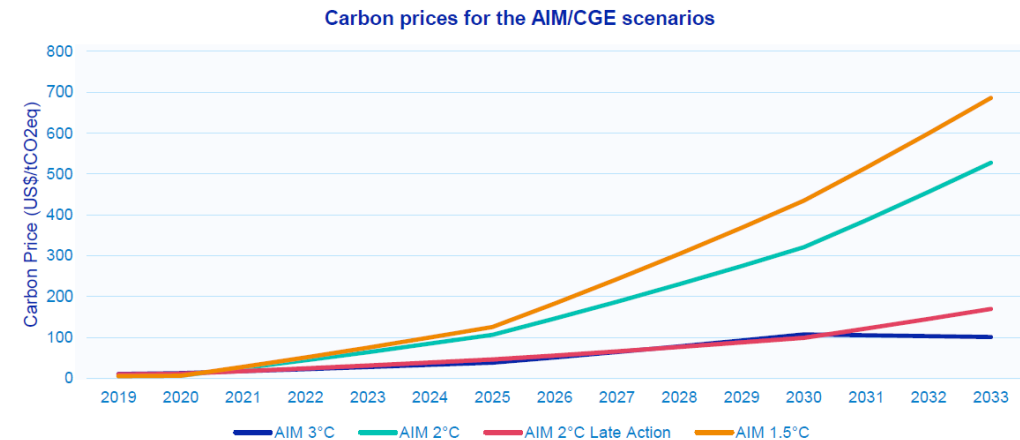
A view from Ben Essen

Sorry easyJet, tackling the climate crisis ain't that easy

EasyJet has committed to offsetting carbon emissions from its flights, but the way it communicated this decision is misleading.

3. COST

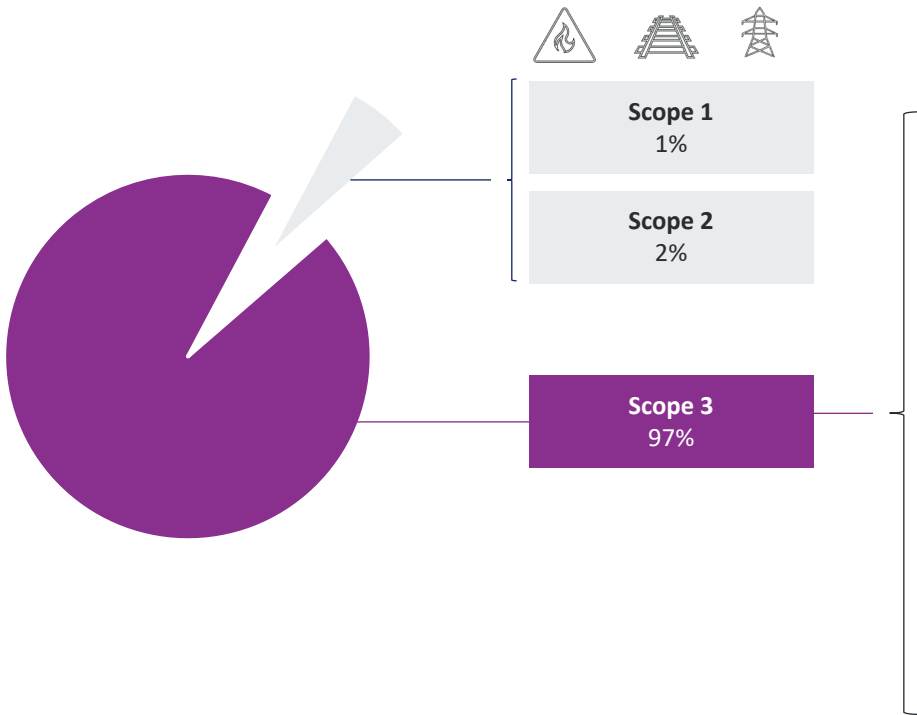
- Companies will face higher costs (tax or voluntary)
- The cost on the voluntary markets is expected to rise significantly
- EU ETS hit €39 /tCO₂ in February 2021



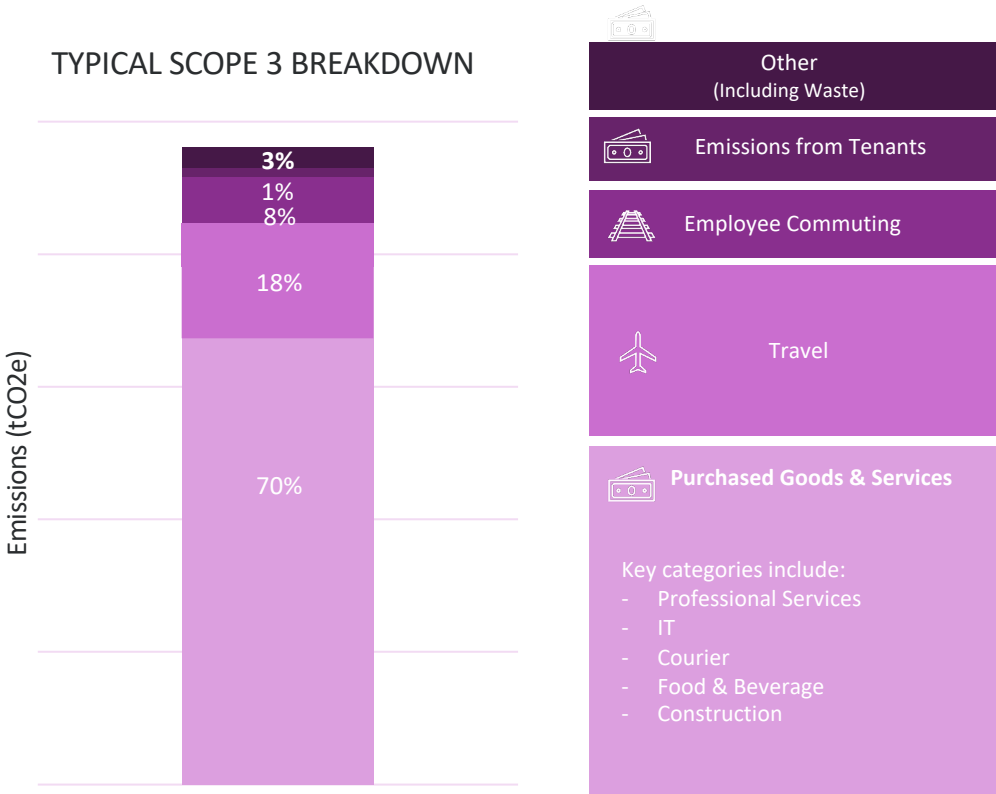
AIM CGE is an Integrated Assessment Model developed by the National Institute for Environmental Studies (NIES), Japan.

Example law firm: Scope 3 emissions make up 97% of footprint

TYPICAL GHG EMISSIONS BY SCOPE



TYPICAL SCOPE 3 BREAKDOWN



What are a law firm's main decarbonisation challenges?



ENERGY EFFICIENCY & RENEWABLE ENERGY

- Building optimisation to improve energy efficiency.
- Retrofit buildings with renewable technology or electric alternatives for natural gas.
- Purchase renewable energy.



SUPPLY CHAIN

- Identify top suppliers and spend categories.
- Work with strategic suppliers to create carbon reduction plans.
- Improve the quality of supply chain data to accurately track your carbon footprint.



BUSINESS TRAVEL

- Business travel, specifically flights, will account for a material proportion of your emissions footprint.
- Emissions reductions can be achieved by building on the changes to working practices introduced because of COVID.



What does best practice for a carbon intelligent business look like?

In partnership with



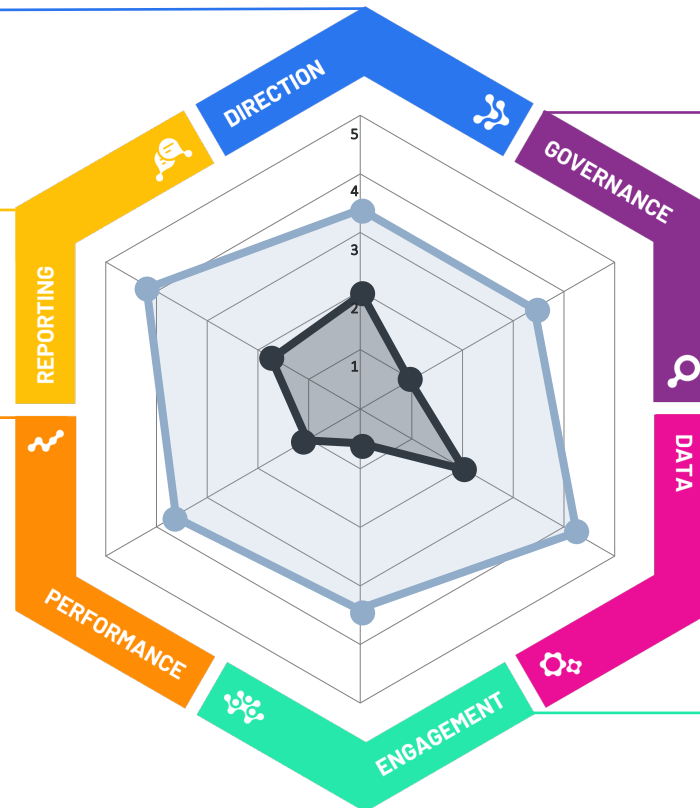
carbon.ci

A Net Zero vision supported by credible targets and a strong business case.

Internal reporting that engages and drives action, external reporting that enhances reputation.

A prioritised roadmap of measures that will reduce costs and emissions.

● Example ratings ● Example goals
0 = Poor capabilities 5 = Industry leading



Clear accountability and well defined responsibilities for capturing climate related opportunities and managing risks.

Robust, granular and trusted data that provides insight.

Effective internal and external engagement to achieve strategic goals.