

# **Environmental Sustainability Guiding Principles**

#### **Preface**

The BHBIA has been given a mandate by its membership to provide guidance on environmental sustainability.

Environmental sustainability is often considered under the broad umbrella of <u>ESG</u> (<u>Environment, Social, Governance</u>). Please note that the following guidance is provided to BHBIA member organisations for their environmental sustainability only.

The BHBIA is aware that business intelligence teams in pharma companies will be governed by the overall ESG strategy of their respective companies. This guidance, therefore, focuses on agencies/consultancies, fieldwork agencies and personal members.

## Our general guidance

- Nominate a person (or a team) to be responsible for your company's sustainability. Give
  them accountability for your sustainability practices and empower them to hold your
  organisation accountable in turn. Raise their profile internally, and earmark resources to
  their task (time and budget). Ensure management remains involved in the initiative to
  ensure buy-in across the company.
- 2. Embed sustainability principles in the way you think about your business. Use it as an additional lens through which you evaluate everything you do. Think about the wider impact of how you do business, including stakeholders who are not in the room. E.g. your clients, your suppliers, the family members of your team, the general public, as well as future generations.
- 3. Make yourself aware of the specific environmental impact of your operations, including your carbon footprint, resource usage and waste generation. Your environmental impact should include <a href="Scope 1">Scope 1</a>, <a href="Scope 2">Scope 3</a> emissions</a>.
- 4. Make yourself aware of the short and long-term sustainability risks and opportunities your company will face in the future, and create a road map for addressing them.
- 5. If you don't yet use a platform to quantify your environmental footprint, select one that meets your needs. The BHBIA provides a set of <u>reliable carbon accounting platforms</u> for your consideration. Also consider integration with your existing data management systems (e.g. accounting, project management, supply chain).
- 6. Once you are aware of the main sources of your impact, make a plan for reducing these, with annual reductions, aiming to reach as close as possible to zero within a 5-



- year period. 90% overall reduction is considered the gold standard for achieving 'net zero'. Carbon accounting platforms will often assist you in this planning process by highlighting your carbon hotspots.
- 7. To make up for the difference between your impact and net zero, make annual climate contributions (formerly known as 'carbon offsets') via a reputable <u>carbon contribution</u> platform.

#### 8. Please note:

- a. Climate contributions do not replace impact reduction. They should not be seen as a permission to continue with business-as-usual. Think of them instead as a tool to use, on your journey to net zero.
- b. Not all climate contributions are the same. Consider your investment carefully. Rainforest credits have had some <u>bad press</u> in 2023, although the certifying body, Verra, has taken <u>steps to improve its methodology</u>. Still, you may prefer options that create measurable CO2 withdrawals, such as <u>these</u>, rather than options that aim to prevent hypothetical future emissions.
- 9. Report your footprint annually, highlighting improvements and your plans for next year. Larger companies will already have <u>an obligation to do so</u> from 2025 onwards, and it's only a matter of time before SMEs need to follow suit.
- 10. Make your environmental commitments and achievements known to your business environment, thereby fostering wider adoption of these practices. Spread the word, and share your experiences with fellow BHBIA members and beyond.
- 11. Require your downstream supply chain to conform to your sustainability standards. Consider making this a condition of doing business, e.g. by including it in your service agreements. Drive transparency across your supply chain.
- 12. Select service providers (such as banks, insurers, IT services, pension funds) based on their environmental credentials.
- 13. Consider an environmental / ESG certification. This is good practice and is increasingly being required by our clients. It also raises the profile of your organisation as a responsible business. Certifications to consider include <a href="mailto:these">these</a>.
- 14. For non-manufacturing businesses like ours, the majority of the environmental footprint is related to air travel, commuting, office energy use and IT systems (hardware, server energy use). Waste management, whilst a global problem, is typically a minor component of our environmental footprint.
- 15. Remember, each company, no matter the size or the industry, has a role to play in tackling the climate and ecological emergency. You may think your contribution is a drop in the ocean either way, but if everyone does their bit, it will add up to a positive outcome.



#### Practical steps to consider including in your sustainability plan

- 1. Establish an annual carbon budget for each department or individual. This helps to shift mindsets, but also enables your team to prioritise where they 'spend' their budget. Reduce the budget annually.
- 2. Reduce flights, replacing them with train journeys or remote meetings. This may be the single greatest reduction you can make to your company's carbon footprint.
- 3. Reduce emissions from staff commuting, e.g. by subsidising public transit, implementing a Cycle to Work scheme, providing bicycle storage, providing electric company vehicles.
- 4. Consider moving to an office with superior energy efficiency rating or requesting your office provider to upgrade the efficiency of their building. As part of this initiative, aim to reduce and/or replace the use of gas heating and cooking. In the UK, this is likely the third key element in your overall footprint.
- 5. Reduce electricity use and move to a renewable electricity supplier. There are several such providers in the UK, and you may wish to <u>consult comparison websites</u> on these.
- 6. Review working-from-home practices and consider reducing the square footage of your office.
- 7. Provide incentives or financial support to your staff for improving the energy efficiency of their homes, especially if used as a working environment.
- 8. Invest green. This may be more important than you think. Investing in sustainable funds and divesting from environmentally destructive ones sends a strong signal to the market. As part of this, offer employee pensions that are invested in <a href="sustainable funds">sustainable funds</a>. Invest company cash reserves in a <a href="sustainable fund">sustainable fund</a> and bank with a sustainable provider. You may wish to <a href="consult a comparison website">consult a comparison website</a> for these.
- 9. Here is a <u>list of banks</u> and <u>insurers</u> that continue to finance or insure the fossil fuel economy, which you may consider avoiding.
- 10. Switch to a sustainable data centre or ask for your provider's credentials in moving towards net zero.
- 11. Calculate the environmental footprint of your projects and make this clear in your proposals to your clients. Suggest options to conduct the work in ways that reduce and mitigate these impacts. State your sustainability credentials in each proposal.
- 12. Improve waste management by increasing the percentage of waste that is recycled. Provide recycling facilities and education on sorting.
- 13. Go paperless.
- 14. Select highly recyclable / sustainable products when making hardware purchases. Also, consider second-hand / refurbished IT equipment in your purchases.



# Tools and platforms identified by the BHBIA for your consideration

These tools are matched with the size, industry and complexity of BHBIA member organisations, particularly small to medium-sized agencies and consultancies. They are all based on the international carbon accounting standard, the GHG Protocol.

MyClimate.org - Carbon accounting, reporting and emission reductions

<u>Plan A</u> – Carbon accounting, reporting and emission reductions

<u>Greenly</u> – Carbon accounting, reporting and emission reductions

SmartTrackers - Carbon accounting, reporting and emission reductions

<u>Compare your Footprint</u> – Carbon accounting and ongoing monitoring (endorsed by the Market Research Society (MRS)

Earthly - Nature-based solutions and carbon accounting

SME Climate Hub – A not-for-profit community of SMEs offering free tools

<u>Coolset</u> – For medium to large organisations

<u>IBM Envizi</u> – IBM's full ESG reporting tool, including Scope 1,2,3 emissions accounting (Free 14-day trial)

### Certification bodies you might consider

<u>Green Small Business</u> – certification tailored to SMEs, the alternative to ISO 14001 for small business

<u>Carbon Trust Standard</u> – carbon footprint-specific certification

Ecovadis – general ESG label with an environmental component

B Corp – general ESG label with an environmental component

ISO 14001 – the internationally recognised standard for environmental management systems – recommended for large businesses only

## **Further reading**

Carbon Disclosure Project (CDP) (also suitable for SMEs)

Science-based targets initiative (SBTi)

Greenhouse Gas Protocol – Standards and Guidance

Small business impact on emissions in the UK (infographics)

Market Research Society (MRS) (sustainability resources)





## **Next steps**

These guiding principles have been created to support our members on their sustainability journey. Whilst evidence-based, they do not represent an official endorsement by the BHBIA to invest or to commit to a specific course of action. Each BHBIA member is responsible for evaluating their financial position and make decisions accordingly. The BHBIA cannot be held liable for any actions taken as a result of these guiding principles.

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