

BEC Low Carbon Charter Progress Report 2020 Highlights



2020 was an unforgettable year for most of us – pandemic and lockdowns, the failure to negotiate details of international cooperation at COP25, the effects of extreme weather event were experienced worldwide, with the highest global average temperature on record. Apart from physical impacts, transition risks brought by local and international climate actions and policies, and the global pandemic has fundamentally reshaped corporate understanding and prioritisation on climate change and decarbonisation. BEC Low Carbon Charter continues to support businesses in Hong Kong and encourages them to set and achieve emission reduction targets. Through webinars and workshops, the Charter seeks to utilise this knowledge sharing platform to co-learn and promote industry best practices for long-term decarbonisation.

As the Charter celebrated its first anniversary and expanded its scope to welcome companies or organisation from all sectors, total number of signatories have grown tremendously. As of September 2021, the Charter have recruited over 100 signatories. This Topical Digest highlights key findings of the 2020 Progress Report, which compiled and anonymised 67 responses collected from 2019 and 2020 signatories.

Read full report [here](#).

Decarbonisation drivers and observed benefits

- Commit to take **progressive climate actions** driven by **policy changes**, **investors' expectations** and **corporate social responsibility**
- Improve **company reputation** and attract **new business opportunities** from like-minded clients
- **Reduce electricity consumption** and energy-related **operational costs** and improve climate resilience through **technological innovations**

Target-setting is the first step to significant decarbonisation

- Over 90% of respondents have set decarbonisation targets, including **absolute and intensity emission reduction** (78%), **electricity consumption reduction** (5%), **waste reduction** and **renewable energy generation targets**
- **56%** of respondents have already **achieved their goals** and are updating their targets
- Majority of the respondents have set decarbonisation targets covering scope 1 & 2 emissions, and **15%** of respondents have set reduction **targets for scope 3** emissions
- It is common to set multiple targets for short-, medium and long- term – **scope 1 & 2 target timeframes** range from **1 to 43 years**, whereas **scope 3 targets** range from **5 to 10 years**

Common decarbonisation initiatives



Policy, governance and internal structure

- ❖ Set up **environmental working groups/committees** to oversee decarbonisation strategies, planning and decision-making
- ❖ Introduce **green procurement procedures**
- ❖ Develop climate risk management and company policies related to carbon management and sustainability
- ❖ Comply with **local and international standards**, e.g. ISO14001, ISO14064, GRI



Education and awareness raising

- ❖ Organise **stakeholder engagement workshops** and free **carbon audit services for supply chain partners** on carbon management
- ❖ Conduct **staff awareness raising campaigns** to drive behavioural change
- ❖ Establish **internal sustainability guidelines** to promote energy efficient measures



Buildings and operations

- ❖ **Undergo office retrofits**, e.g. lighting and HVAC systems
- ❖ Reduce fuel consumption through **fuel/vehicle switch** and replacing business travel with **video conferencing**
- ❖ Develop rainwater harvesting and grey water utilisation systems
- ❖ Conduct **regular energy/carbon/waste audits** to identify further reduction opportunities
- ❖ Adopt **IoT and smart technologies**

Optimising decarbonisation opportunities



Engage stakeholders upstream and downstream, translate decarbonisation visions into business terms or a language that fits suppliers' context to gain **buy-in and support**



Align staff understanding of companies' decarbonisation goals and approaches through **trainings and cross-departmental collaborations**



Start the decarbonisation journey by adopting less resource-intensive initiatives, e.g. promoting **energy saving behaviour among staff** and **small-scale retrofitting**



Delegate decarbonisation and greenhouse gas accounting processes to **internal and/or external expertise** on carbon management



Work closely with **value chain partners** and assist them to **collect carbon emission data for measurement and accounting**, e.g. using centralised information platforms

The Charter is creating impacts to low-carbon transition of Hong Kong

Expanding influences

The Charter welcomed **39 new signatories** in 2020. Our exposure has extended beyond the property and construction sector to 14 other sectors, including **industrial engineering, transportation, utilities, NGOs, material suppliers and professional services providers**. **SMEs** is also a key player in the equation to reduce supply chain emissions.

Advancing in target-setting

Signatories are making progresses, e.g. **achieving interim decarbonisation targets/milestones, updating targets** and **developing company-wide targets**. Out of the 34 signatories which joined since 2019, **7** of them have **achieved their targets** set and **2** of them even **updated their targets**. Majority of the signatories are now on track to meet their longer-term targets/goals.

About Business Environment Council Limited 商界環保協會有限公司

Business Environment Council Limited ("BEC") is an independent, charitable membership organisation, established by the business sector in Hong Kong. Since its establishment in 1992, BEC has been at the forefront of promoting environmental excellence by advocating the uptake of clean technologies and practices which reduce waste, conserve resources, prevent pollution and improve corporate environmental and social responsibility. BEC offers sustainable solutions and professional services covering advisory, research, assessment, training and award programs for government, business and the community, thus enabling environmental protection and contributing to the transition to a low carbon economy.