

Net Zero Actions and Scottish Businesses

June 2022

All data represent most recent available as of June 2022

SUMMARY OF KEY FINDINGS- ARE BUSINESSES ENGAGING IN NET ZERO ACTIONS? :

- Data on Net Zero actions adopted by Scottish companies comes from a variety of different sources but is mainly sourced from surveys. We have collected these sources which can be found [here](#).
- For the purpose of this summary paper, we have chosen to focus our findings on the results of the [Scottish BICS Survey](#) which regularly collects data from over 9,000 businesses headquartered in Scotland. Data from other sources is however included in the rest of the report.

What Actions are Businesses Taking to Address Net Zero?

- 65.2% of responding businesses had **taken actions to reduce their carbon emissions** while 15% had taken no actions and 25% were unsure.
- The types of actions taken varied – from installing LED bulbs (41%) to adjusting heating and cooling systems (37.3%) and going paperless (25.1%).
- **Businesses were much less likely to undertake more significant changes** such as installing smart meters (12.9%), insulating buildings (7.8%) or installing renewable systems (6.9%).

Are there differences by Business Size or Sector?

- **Larger businesses seem to be more committed to taking Net Zero actions** with 72.1% reporting that they have taken actions compared to 64.4% of SMEs.
- **Manufacturing, Transport and Wholesale and Construction** having the highest levels of actions taken, while **Accommodation and Food service** businesses have the **lowest levels**.

SUMMARY OF KEY FINDINGS- PERCIEVED BENEFITS AND BARRIERS

What are the Benefits to businesses of adopting Net Zero Actions?

- Improved Reputation- Customers prefer environmentally responsible companies.
- Cost reductions in the longer term
- Security- where energy is coming from a domestic and sustainable market (e.g. solar panel)
- Attracting employees- increasingly staff are looking for employers that are committed to sustainability
- Increased Profits (through reduced costs and higher sales)
- Access to Funding- public funding is available to businesses to help them transition to Net Zero.

However, there is evidence that businesses **do not fully recognise these benefits.**

Barriers identified by businesses are multiple, complex and business specific but include:

- Initial costs of adoption
- Complexity- Businesses wishing to assess their own carbon emissions can find accounting standards difficult to follow and adhere to.
- Verifiability- The verification of reported reductions and the execution of offset pledges represent an increasingly complex challenge, opening the scheme to manipulation.
- Postponement of decarbonisation-adopting small actions can distract from adopting more impactful measures
- Lack of Skills- Some businesses don't have the skills available to adopt Net Zero actions.
- Time Management
- Feasibility- Some businesses believe it is just not feasible to introduce significant Net Zero actions such as converting to the use of electric vehicles or changing machinery that is green friendly.

SUMMARY OF KEY FINDINGS- INCENTIVES :

What incentives can be used to encourage businesses to adopt Net Zero actions?

- When asked about incentives to encourage businesses to adopt Net Zero actions, the most helpful enablers **were financial and around information**. 64% of UK businesses for example found tax incentives to be helpful, followed by 54% of businesses looking for information on options, costs and benefits.
- SE already provide funding to businesses and have introduced conditions whereby companies must demonstrate or show they are developing a strong commitment to Net Zero.

BACKGROUND AND PURPOSE OF RESEARCH

- Building evidence on whether and how Scottish Companies are adopting Net Zero activities
- Identifying the benefits of Net Zero measures to businesses
- Identifying the challenges of adopting Net Zero measures
- Data has come from a range of different sources often based on survey results. For this reason, some of the figures differ. For the summary we have chosen to use the ONS's BICS survey for high level results in order to minimise confusion.

SETTING THE SCENE

The Scottish Government has set an ambitious target, to [become net zero by 2045](#), five years ahead of the rest of the UK. As part of this they have set out a number of specific recommendations: across the economy sectors:

- **Transport** - Further commitment to green transport, including investment in electric vehicle infrastructure, increased affordability of public transport, decarbonisation of public transport and prioritisation of active travel.
- **Buildings** - Emphasis on sustainable housing, for example in the delivery of housing retrofits to increase energy efficiency, tackling fuel poverty, and higher carbon standards for new homes.
- **Electricity** - Increased investment in renewable energy, particularly onshore and offshore wind.
- **Land Use, Land Use Change and Forestry** - Focus on biodiversity and 'natural capital' through the optimisation of land use such as restoration of peatland, tree planting and decarbonising the agricultural sector.

In order for the Scottish Government to achieve its Net Zero objectives, [businesses may require](#):

- **adapting products** and processes to be less energy-intensive and more sustainable
- **Sustainable diversification**, for example moving away from fossil fuel activities towards alternative lines of business
- **supply chains to be re-examined** to reduce dependence on non-sustainable supplies or to focus on shorter transportation distances
- **launching into new areas** or significantly expanding some existing activities, creating the need for investment but also an opportunity to grow
- **investing in the re-skilling** and training of employees in the skills needed for sustainable products and services

There are many more policy drivers over and above the emissions reduction target that are relevant to businesses eg sustainability reporting regulations, climate change adaptation, a just transition, the circular economy, Climate Emergency Skills Action Plan, biodiversity etc. Together, these are about building business resilience and competitiveness.

SETTING THE SCENE

A number of 'asks' have been [made of businesses](#)

[Support](#) has been offered in the following ways:

- Information and advice
- Grants and funding
- Networks and cluster building:
- Sustainable web design
- Checklists for businesses

Areas	Specific Actions
Plans and Targets	Clearly define baselines for emissions, environmental impact and climate risk management.
	Set targets and milestones (in line with Scotland's net-zero ambition) for emissions reductions and economic growth and wellbeing in a net-zero economy. You can better understand your current impact by calculating your greenhouse gas emissions.
	Identify and plan key actions, opportunities and partners.
Energy Saving	Make use of Home Energy Scotland's Partnerships and Employee Engagement Service, which includes training, workshops, and materials to learn how we can all save energy at home.
	Switch to renewable energy sources - this might be as simple as switching to a green tariff.
	Invest in energy efficiency measures (such as improving building insulation, choosing low energy appliances and processes).
	Invest in low (or zero) emission heat and energy (such as heat pumps, solar or wind powered electricity).
	Make use of Zero Waste Scotland's guidance on funding, business support and case studies.
Transport	Encourage more sustainable modes of transport for employees.
	Reduce business transport costs and lower emissions by contacting Energy Saving Trust who can provide expert and independent advice, including fleet reviews, general business transport reviews, support with electric vehicles, support for employees and information about funding.
	Electrify your car fleet and encourage employees to move towards electric vehicles for their own personal use.
	Install electric vehicle charging points in workplace car parks.
	Invest in energy efficiency measures, such as improving building insulation, choosing low energy appliances and processes.
	Invest in renewable energy sources, such as solar PVs and heat pumps.
	Continue to use video-conferencing technologies which have become the norm throughout the coronavirus pandemic and encourage only essential business travel which cannot be avoided.
Supply Chain	Make any changes to the way the business operates or sources materials or services to ensure they are as green as possible.
	Encourage your own suppliers to make changes to the way they operate and how and where they source goods.
Waste	Provide facilities for recycling unavoidable food waste.
	Re-design products and services to minimise waste.
	Seek advice from Zero Waste Scotland to make more sustainable choices by visiting Free Business Sustainability Support & Advice.

SETTING THE SCENE

[Scottish Enterprise](#) has committed to achieving the Net Zero objectives in the following ways:

2022-23 Focus Areas

2025 ambition in our 5 key areas of focus

Each area includes a clear vision of where we want to be in 2025 to achieve our long-term strategic ambition:

1. Supporting net zero innovation in businesses and organisations

By 2025 we have helped Scotland become a leading location for net zero innovation, supporting businesses to access new market opportunities to improve their competitiveness and resilience.

2. Delivering projects and programmes

By 2025 we have helped to shift Scotland's economy to invest and innovate in a just, net zero future, building on Scotland's distinctive climate-related strengths and opportunities.

3. Place development

By 2025 we have embedded and strengthened the focus on net zero in place-focused projects, partnership delivery and the management of our own property portfolio.

4. Enabling activities

By 2025 we have focused on expanding climate-related economic opportunities while reducing the (scope 3) emissions associated with this.

5. Become a net zero development agency by 2040

By 2025 Scottish Enterprise has reduced emissions by 70% compared with our 2015/16 baseline (Scope 1 and 2).

2022-23 Priority actions

1. Accelerating change – Encourage more companies on their net zero journeys by offering funding only to companies who can already demonstrate or – with our support – are willing to adopt fairer, more sustainable business practices

2. Supporting businesses to unlock net zero opportunities – Focus on expanding market opportunities and attracting capital investment related to priorities that will accelerate Scotland's net zero transition (including decarbonised heat, the hydrogen economy, heavy duty electric vehicles and offshore wind)

3. Investing in place-based innovation – Implement pilot projects within our investment property portfolio and strengthen the alignment and contribution of place-based innovation project activities alongside partners and businesses

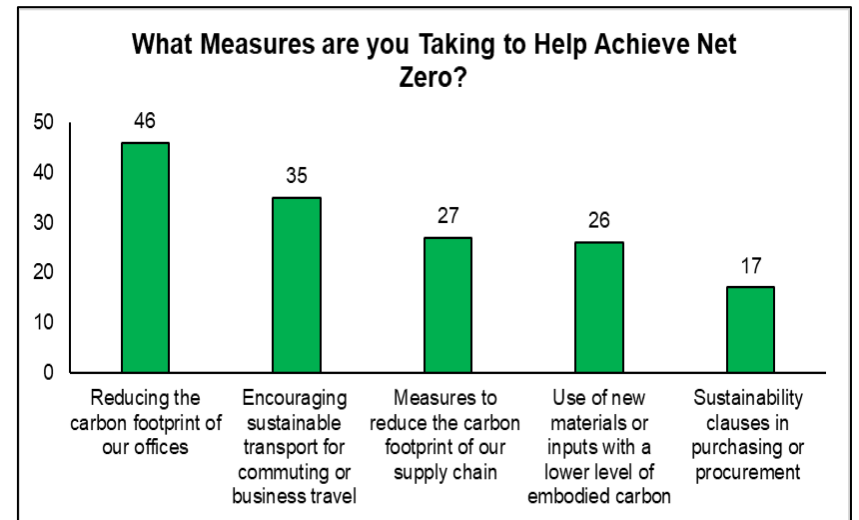
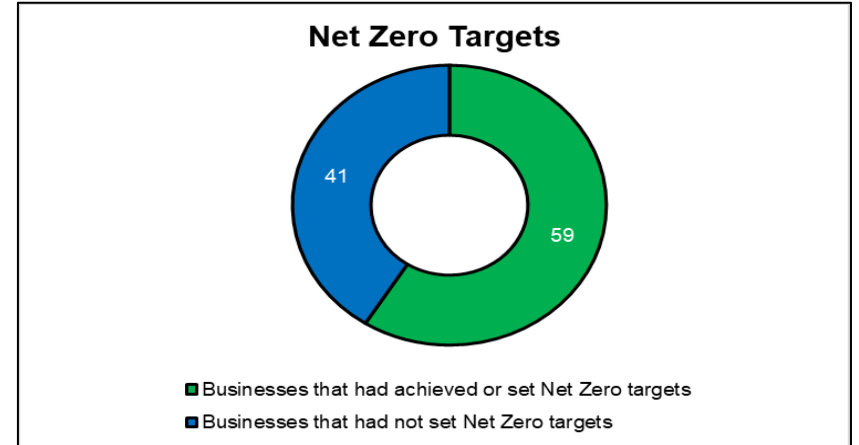
4. Developing our staff – Deliver further climate literacy training to up to 700 SE staff

5. Quantifying our net carbon impacts – Baseline the carbon footprint across our operational support and develop a model to increase carbon efficiency of our business plan delivery

6. Adapting how we work – Adapt how we work as a digitally enabled organisation in line with our internal emissions reduction targets

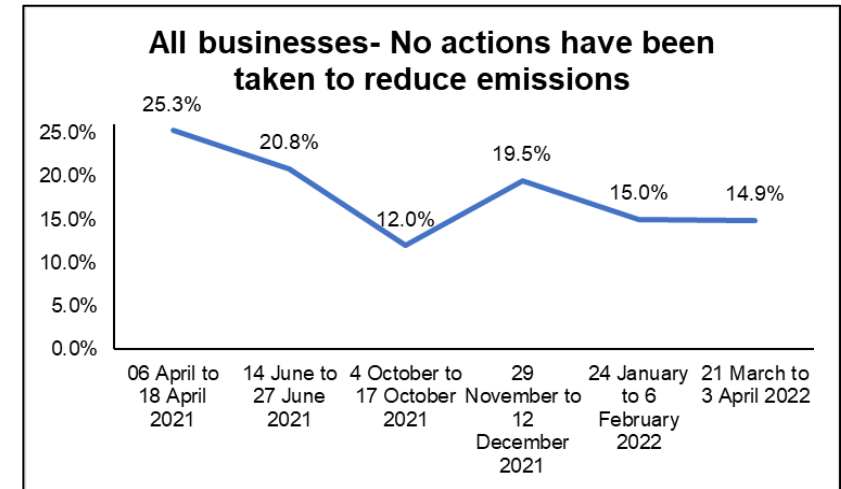
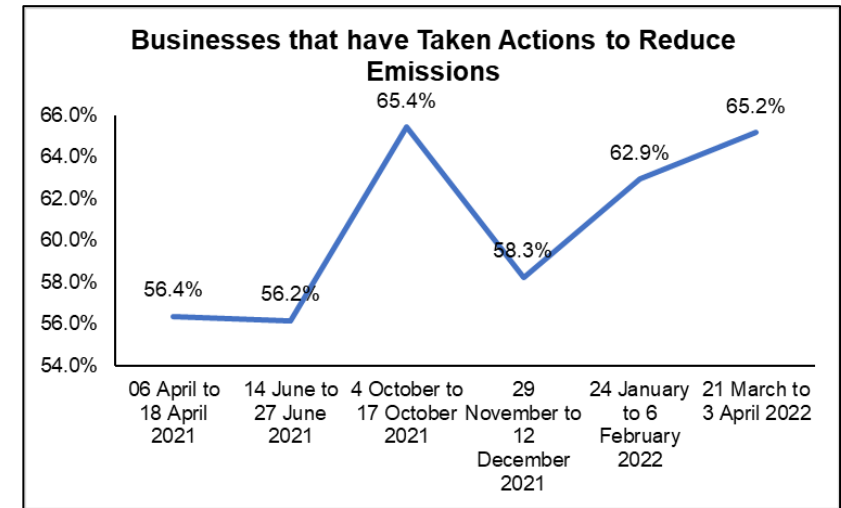
THE EVIDENCE – ARE SCOTTISH BUSINESSES TAKING NET ZERO ACTIONS?

- According to the [FAI](#), **59% of Scottish businesses had either achieved (3%) or set Net Zero targets (56%)**, in line with results from another source for the rest of the [UK of around 57%](#).
- **46%** of those businesses who had taken Net Zero actions had reduced their office carbon footprint. **Another 35%** were encouraging sustainable transport for commuting or business travel.
- When looking at how businesses are aligning practices to their business purposes there is a **clear focus on fair work practices** such as paying the real wage (65% of businesses) and offering flexible working practices (59%).
- Businesses are less committed to Net Zero practices focused specifically on reducing carbon emissions (22%).



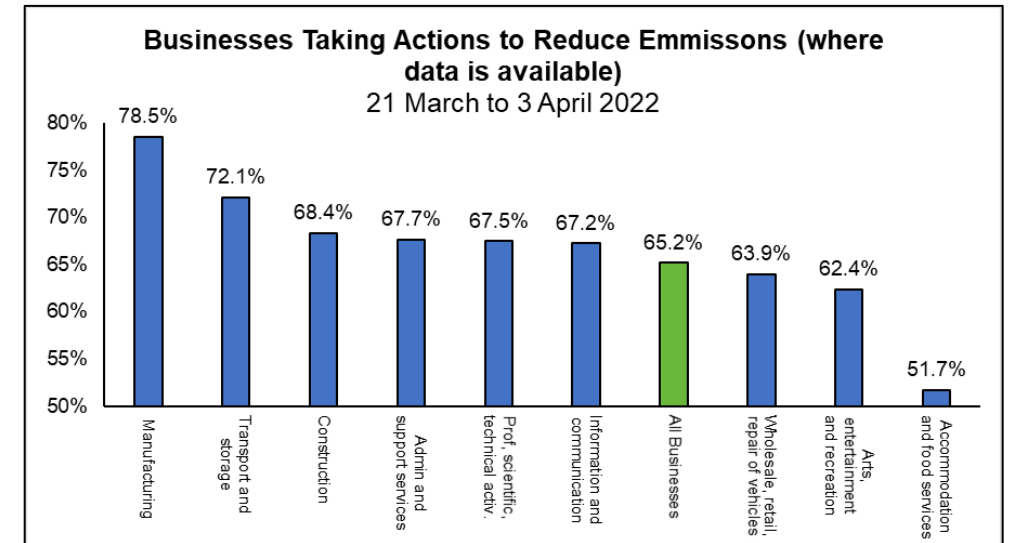
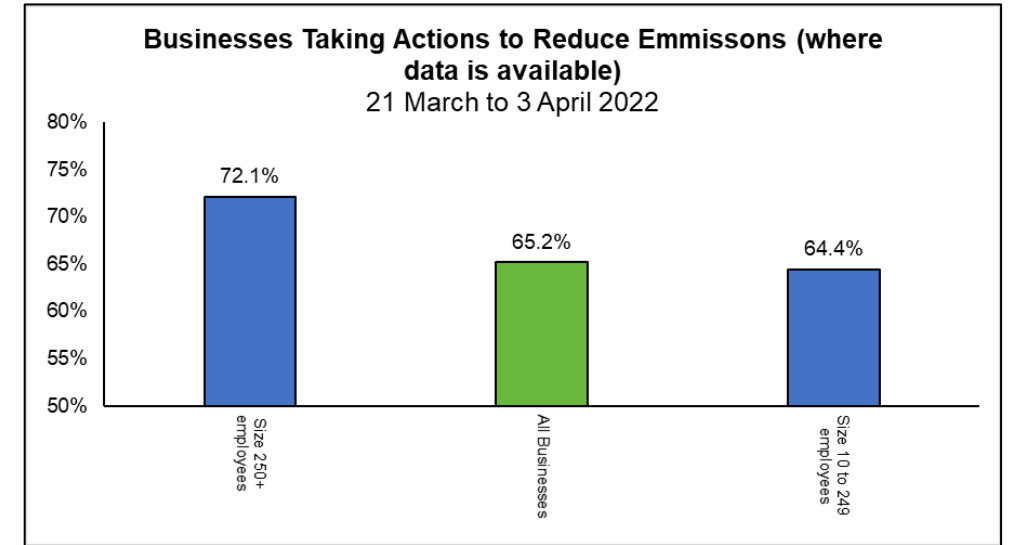
THE EVIDENCE – ARE SCOTTISH BUSINESSES TAKING NET ZERO ACTIONS?

- The [Scottish Government](#) have collected survey data on how businesses are responding to carbon emissions since early 2021 via the BICS Survey.
- The results show that over the period April 2021 to April 2022, **65% of businesses had taken some form of action to reduce carbon emissions.**
- 25% of businesses reported no actions being taken in April 2021, dropping to 15% in April 2022.**
- The trend has been positive,** with an increase in businesses taking actions from 56.4% in April 2021 to 65.2% in April 2022.



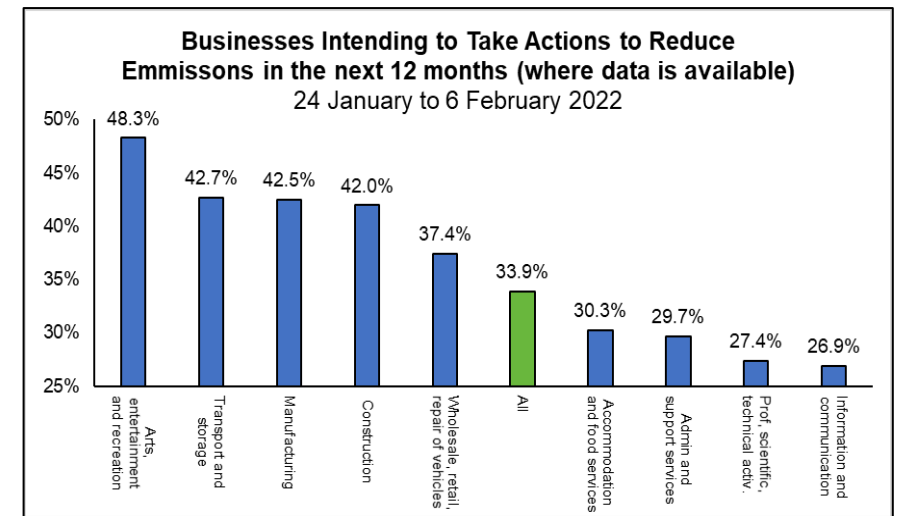
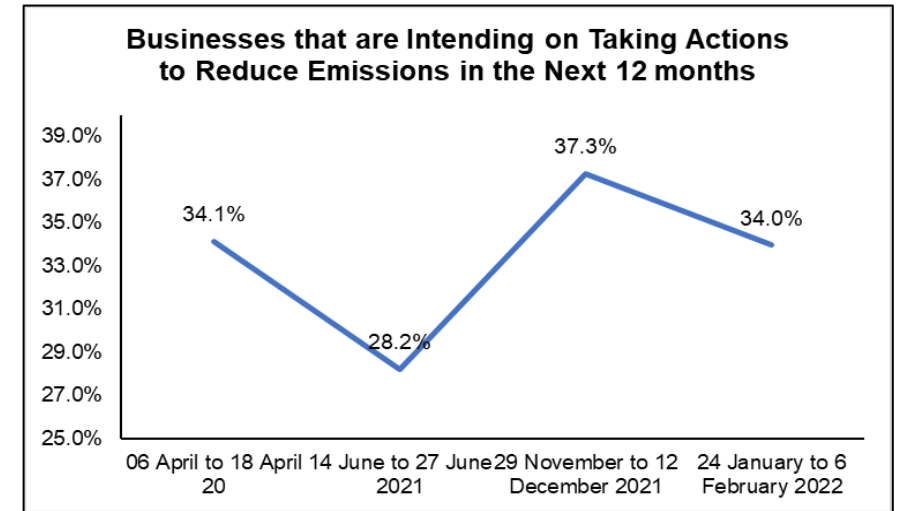
THE EVIDENCE – ARE SCOTTISH BUSINESSES TAKING NET ZERO ACTIONS?

- **Larger businesses seem to be more committed to taking Net Zero actions** with 72.1% reporting that they have taken actions compared to 64.4% of SMEs.
- Among those businesses that have measured their Carbon Footprint, **52% of SMEs had set targets to reduce carbon emissions.**
- There are some variations in sectors that have committed to net zero actions with **Manufacturing, Transport and Wholesale and Construction** having the highest levels of actions taken.
- Conversely, 15% of businesses have taken no actions to reduce emissions. By sector, the sector with the lowest uptake of actions is **Accommodation and Food service businesses- 26.1%** have taken no Net Zero actions.



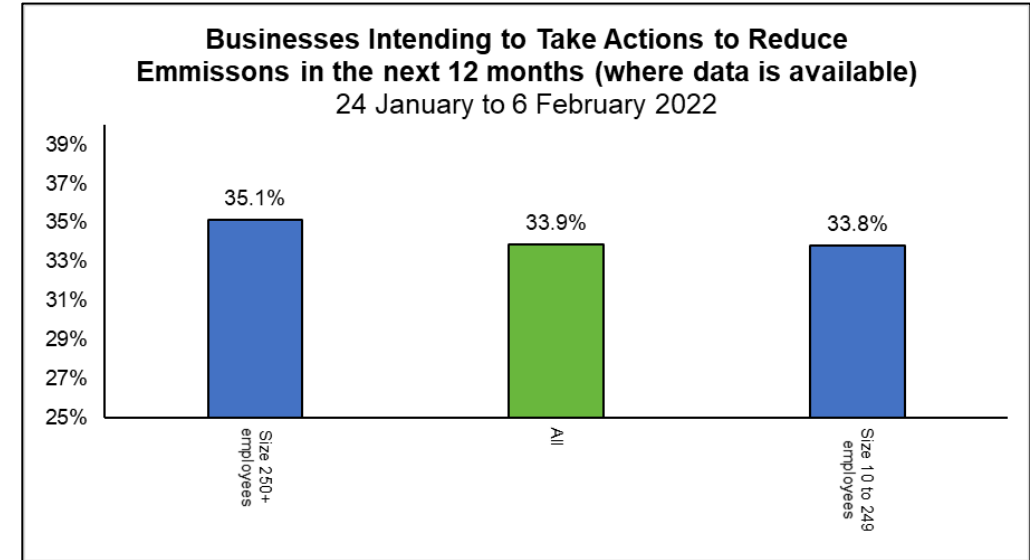
THE EVIDENCE – ARE SCOTTISH BUSINESSES TAKING NET ZERO ACTIONS?

- For **future intentions** on Net Zero actions , the latest data shows that **34% of companies are intending on taking actions to reduce emissions**, similar to the previous year.
- By sector, the **Arts & Entertainment** sector along with **Transport and Manufacturing** sectors are the most likely to take action, suggesting they are more engaged with committing to Net Zero in the next 12 months.



THE EVIDENCE – ARE SCOTTISH BUSINESSES TAKING NET ZERO ACTIONS?

- By size of company there **is little difference** between those intending on taking future actions.
- For **future intentions** on Net Zero actions, the latest data shows that **16% of companies are intending on taking no action** at all, a slight decrease on the previous year.



THE EVIDENCE – WHAT ACTIONS ARE BUSINESSES TAKING?

- Across all Scottish businesses the most common actions taken were:
 - **41% reported switching to LED bulbs**
 - **37.3% adjusting heating and cooling systems**
- **Businesses were much less likely to undertake more significant changes** such as installing smart meters (12.9%), insulating buildings (7.8%) or installing renewable systems (6.9%).

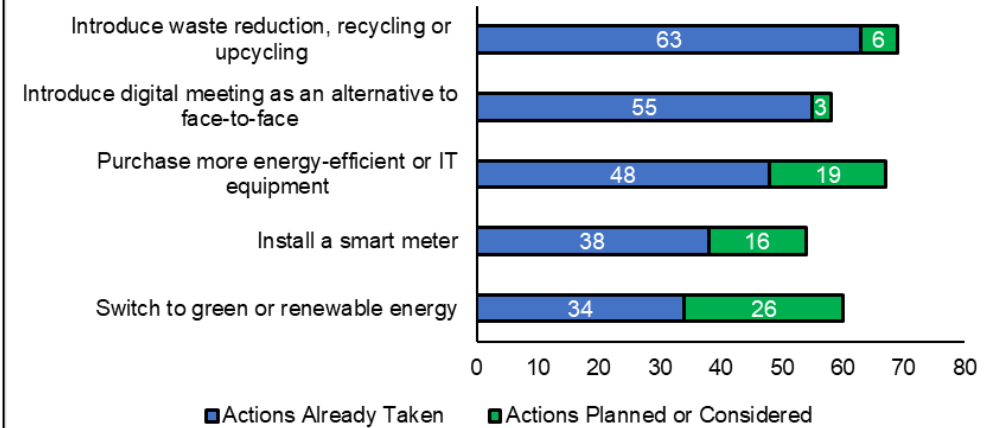
Which of the following actions, if any, have you taken to reduce your business's carbon emissions?

Switching to LED bulbs	41.0%
Adjusting heating and cooling systems	37.3%
Going paperless	25.1%
Not sure	19.9%
No actions have been taken to reduce emissions	14.9%
Electrifying your vehicle fleet	14.0%
Installing charging points	13.9%
Introducing a cycle to work scheme	13.4%
Installing a smart meter	12.9%
Insulating your buildings	7.8%
Installing your own renewable electricity or heating	6.9%

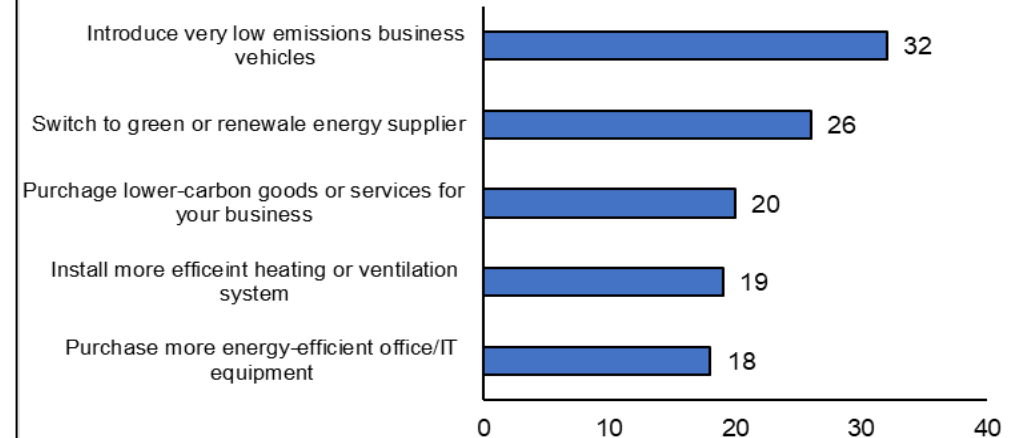
THE EVIDENCE – WHAT ACTIONS ARE BUSINESSES TAKING?

- Research undertaken by the [British Business Bank](#) of UK Small businesses provides a breakdown of the type of actions that businesses are reporting and planning to take.
- Of those already taken:
 - **63% have introduced waste reduction, recycling or upcycling.**
 - **55% have introduced digital meetings**
 - **48% are purchasing more energy efficient IT equipment.**
- Of those planning on taking actions:
 - **32% are looking to introduce very low carbon emission vehicles**
 - **26% are looking at switching to green or renewable energy suppliers.**
- Again there are far **fewer businesses looking to commit to more substantial changes.**

Top 5 Physical Actions Reported as Taken

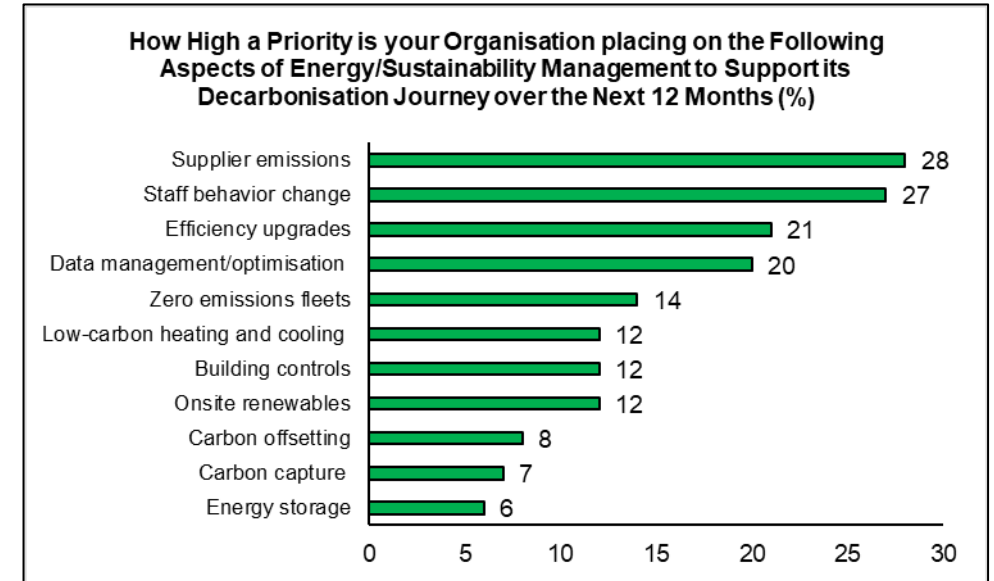


Top 5 Physical Actions Reported as Being Planned/Considered but not yet Taken



THE EVIDENCE – WHAT ACTIONS ARE BUSINESSES TAKING?

- When UK businesses were asked about their organisation's future priorities in terms of sustainability :
 - **28% are prioritising the use of suppliers with low emissions.**
 - **27% are focusing on adopting staff behavioural changes**
- **Again, more significant changes** such as adopting carbon offsetting measures, carbon storage or energy storage **are less of a priority.**



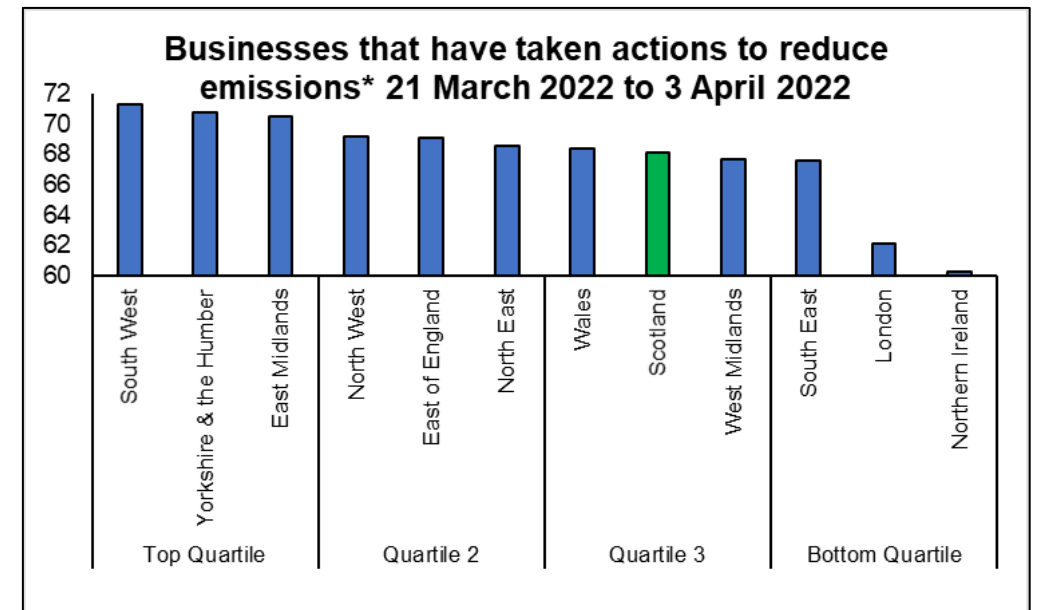
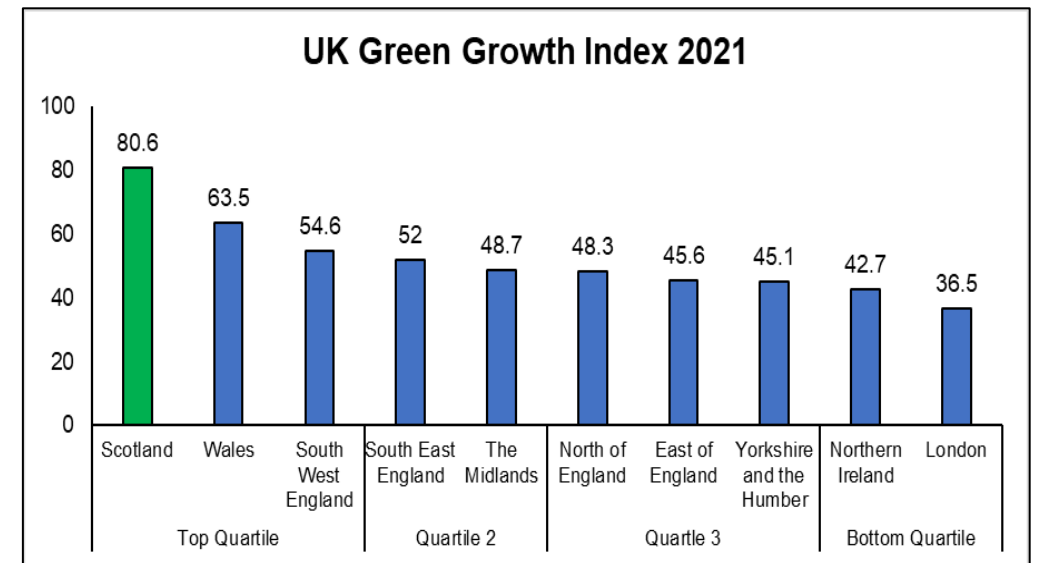
THE EVIDENCE – THE IMPACT OF COVID?

The COVID-19 pandemic impacted on all aspects of global and national economies. While we do not have data on how the pandemic affected the Net Zero agenda, some trends are likely to have fed in:

- **The move to homeworking:** as of [June 2022](#) 27.4% of businesses were considering homeworking as a permanent business model going forward, with 33% of those citing carbon emission reduction as a reason for choosing it. The move to homeworking or hybrid systems of work reduce commuting time or travel associated with work. While workers have returned to work, there is likely to be a permanent change towards more homeworking.
- **Reduction in travel:** repeated lockdowns and concerns over covid-19 has reduced the volume of global travel for both leisure and work, particularly air travel. Again while this has picked up again post pandemic, there may be a more permanent move towards less travel especially for business.

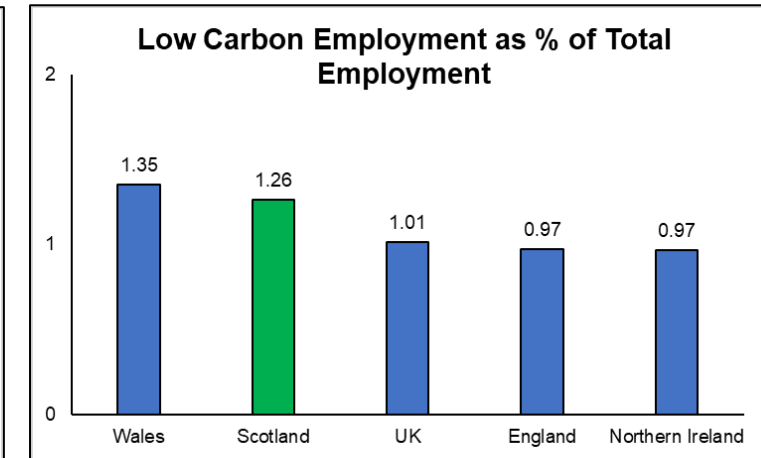
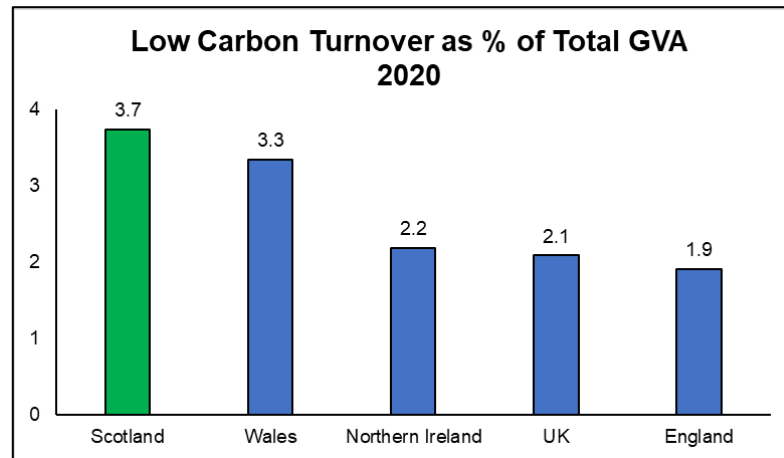
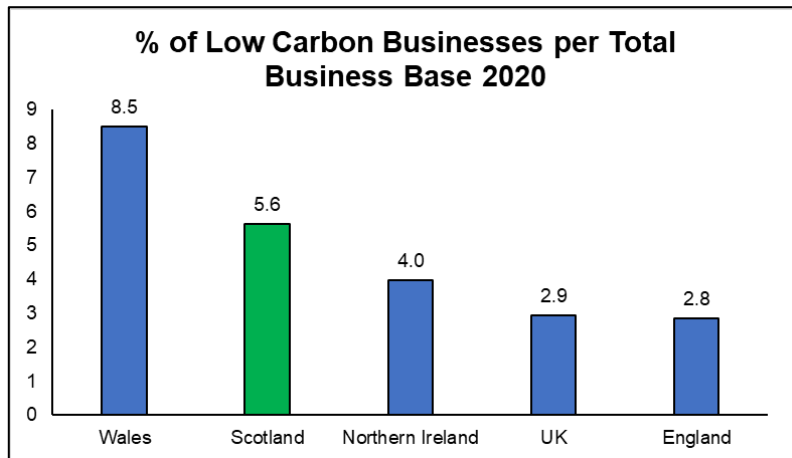
HOW DOES SCOTLAND COMPARE TO OTHER REGIONS OF THE UK?

- The [UK Green Growth Index](#) produced by Lloyds Bank uses a number of different indicators to assess how 'Green' different regions of the UK are. The indicators assessed include; the level of dependence on carbon intensive industries, levels of carbon emissions, green energy jobs, renewable energy capability and investment in R&D.
- The Index ranks **Scotland highest of all UK regions**, given its strong base of green economy activity and assets from which to build and is well positioned to become one of the UK's green growth leaders.
- Further research from [BICS](#) looking specifically at businesses taking actions to reduce emissions **shows Scotland in a lower position- ranking in the 3rd quartile of UK regions with around 68% of businesses adopting actions.**



HOW DOES SCOTLAND COMPARE TO OTHER REGIONS OF THE UK?

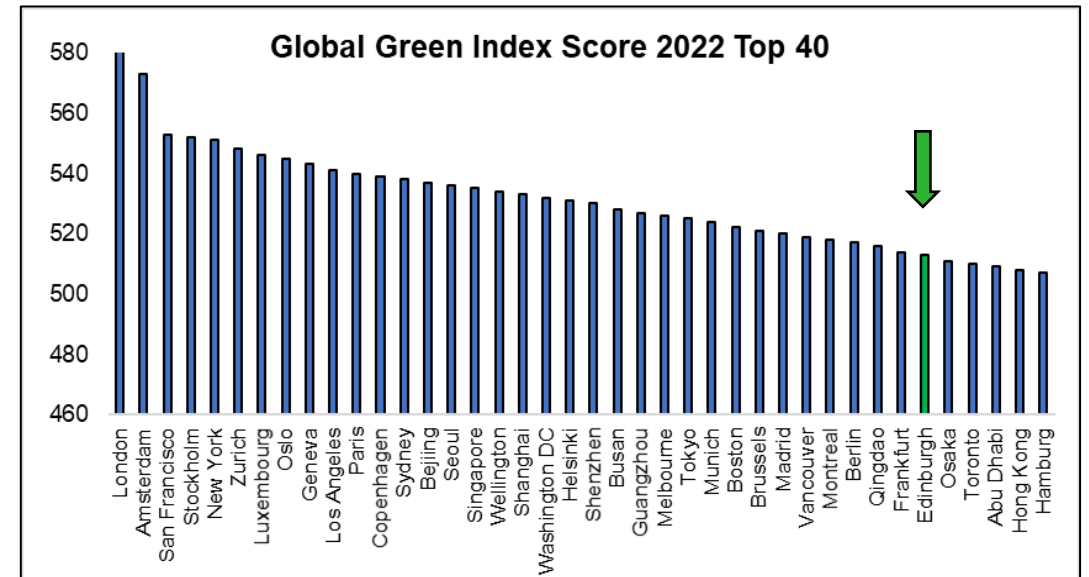
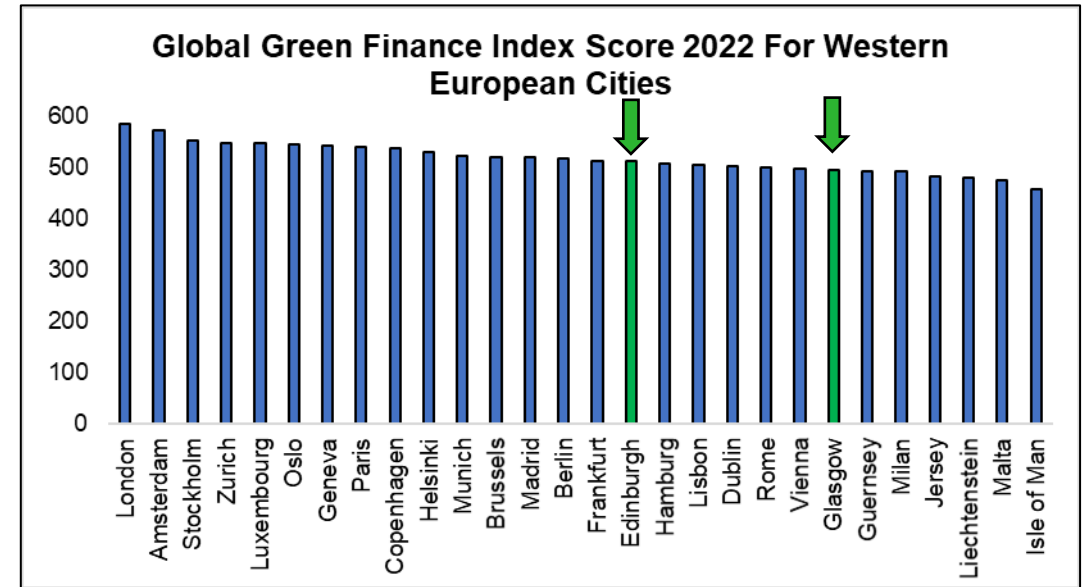
- Scotland has a [relatively high proportion](#) of Low Carbon Businesses* per Total Business Base – ranking second amongst the UK nations.
- Scotland has the **highest proportion of Low Carbon Turnover** as a % of GVA of all the UK nations.
- [Low carbon employment](#) makes up 1.26% of total Scottish jobs – or **20,500 employees**.



* *Low Carbon Businesses include Renewables, low carbon heat, energy efficient lighting, low emission vehicles and Low carbon financial and advisory services.*

HOW DOES SCOTLAND COMPARE TO OTHER REGIONS

- Green finance is a loan or investment that's used to support environmentally-friendly activity and can help to fund those changes, sometimes including incentives to do so.
- [The Global Green Finance Index](#) is an initiative to develop a ranking of the quality and depth of Green Finance activity in global financial centres. The index is based on a number of existing indices in combination with a regular survey of senior industry figures from around the world.
- The index looks at factors such as regulatory environment, the availability of skills and taxation.
- The most recent index ranks **Edinburgh 35th out of 81 different financial centres**. With a score of 513, Edinburgh rose in rankings by 4 places over the period 2021 and 2022 and scored the second in the UK outside of London.
- Glasgow ranked 51st out of 81**, an improvement in ranking of two places.



BENEFITS OF TAKING NET ZERO ACTIONS

The benefits to businesses of adopting Net Zero actions are commonly cited as:

- **Reputation- Customers prefer environmentally responsible companies.** Studies by Deloitte have shown that [55% of consumers](#) have chosen food and non-alcoholic beverage brands that have environmentally sustainable values and practices, for example. The same report found that 32% of consumers would be prepared to pay more for goods and services if it ensured brands reduced their carbon footprint.
- **Cost Reductions-** although moving to more sustainable practices can involve an initial investment, **in the longer term, cost savings can be seen, for example,** through installing renewable energy generators such as solar panels, switching to a green tariff or switching to electric vehicles if the business routinely enters low emission zones in major cities.
- **Security-** Aiming for net zero can make a business more **resilient against market or global disruptions.** For example, the use of electric vehicles may help protect businesses from rising fuel costs and disruptions in fuel supply chains. Similarly, adopting alternative energy supplies such as solar or wind may help shield businesses from unexpected increases in the cost of energy.
- **Attracting Employees-** according to a recent [survey](#) almost a quarter of UK 18 to 24 year olds would not work at a business that profits from unsustainable practices. **68% felt it was important for the company they work for to be committed to acting sustainably**, and 44% want businesses to demonstrate the initiatives or goals that will make the entire business more sustainable (not just one part of the business). Other [evidence](#) shows that businesses that adopt both technological and organisational net zero practices perform better, in terms of employment growth.
- **Supply Chain Benefits-** Increasingly, companies require their suppliers to have a sustainability plan as part of the tender process making those suppliers that have adopted Net Zero practices more competitive.

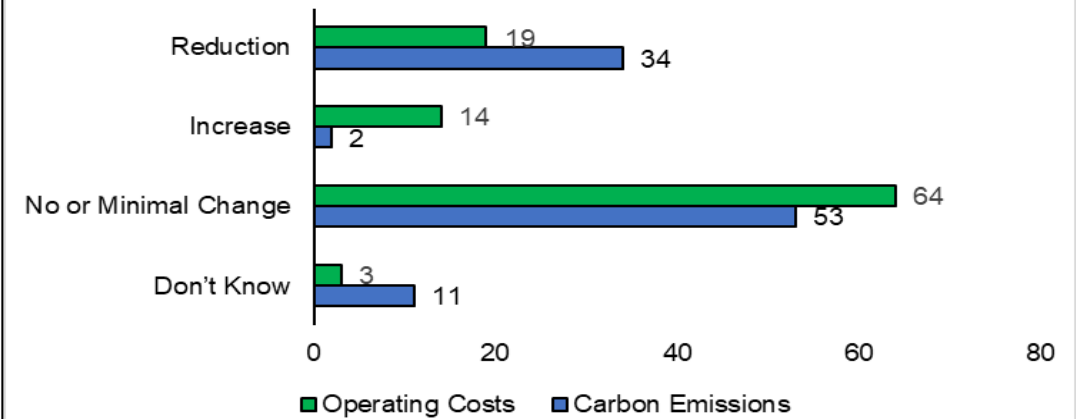
BENEFITS OF TAKING NET ZERO ACTIONS CONTINUED

- **Increased Profits-** [98% of businesses](#) who used sustainability standards reported sales and marketing related benefits. These include an improved reputation (60%), improved profitability (53%), lower costs (30%) and increased production (30%)
- **Access to Funding-** Businesses can access funding as a way of enabling them to transition to Net Zero. [A Survey of UK Businesses](#) by the BBB found that 11% of smaller businesses have accessed external finance to support net zero actions, equating to 700k businesses. A further 22% are prepared to access external finance to support net zero actions in the next five years.
- **Growth Opportunities-** The move to Net Zero can represent a market growth opportunity for many sectors. For example those businesses that install gas boilers could switch to offering carbon friendly alternatives, or tourism businesses can adopt their marketing strategies towards the demand for sustainable tourism.

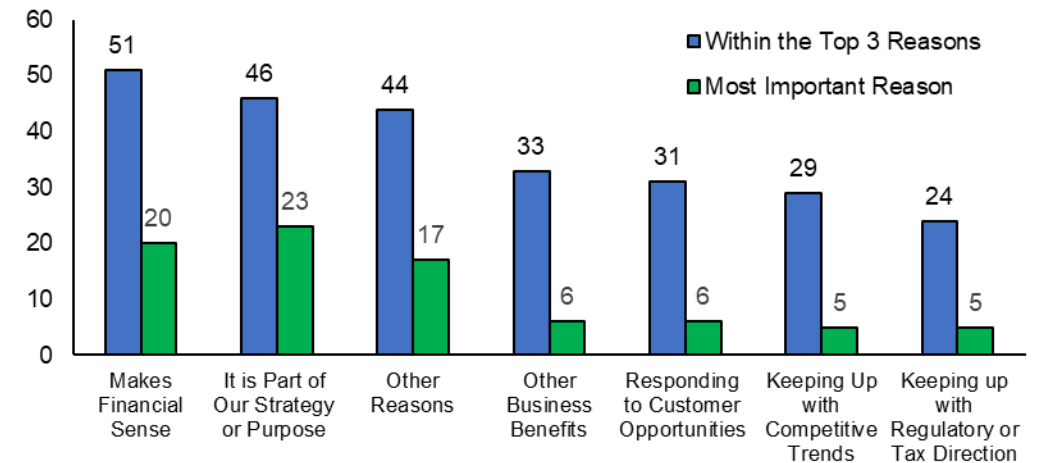
BENEFITS OF TAKING NET ZERO ACTIONS ACCORDING TO BUSINESSES

- Research carried out by [the BBB](#) on the impact of Net Zero actions on smaller businesses showed:
 - The **majority of smaller businesses thought there would be no change or a minimal change** in terms of both operating costs and carbon emissions.
 - 34% thought there would be a **reduction in carbon emissions**.
 - 14% thought Net Zero actions would lead to an **increase in operating costs**.
- The most common number 1 reason for smaller businesses to take Net Zero actions **was because they fitted with their organisations Strategy or Purpose (23%)**
- 51% thought it made financial sense**

Perceived Impact of Net Zero Actions taken by Smaller Businesses Across Multiple Business Performance Indicators (% of Total)



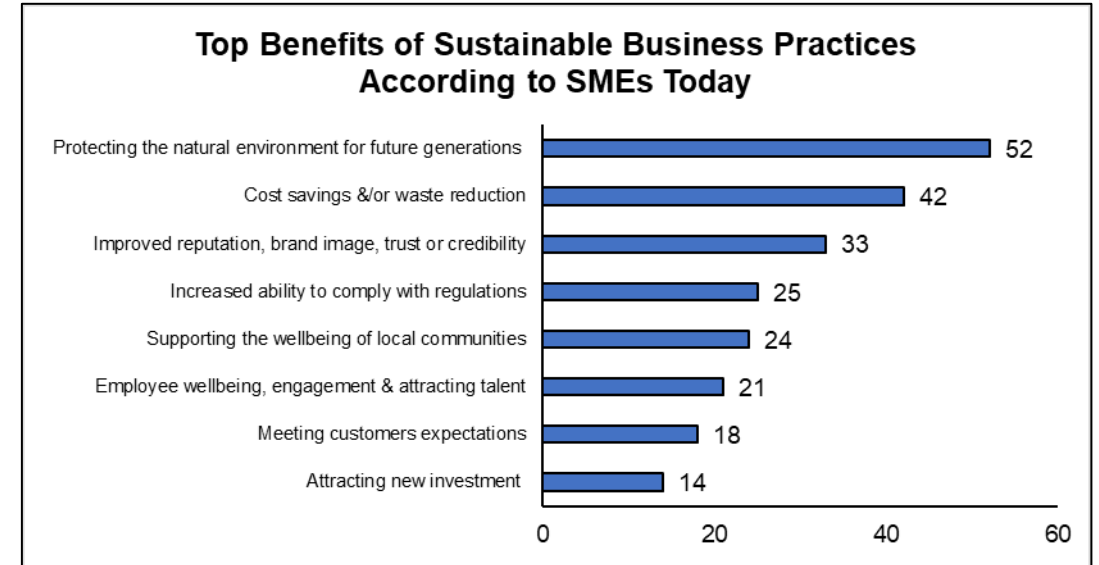
Top 3 Reasons for Smaller Businesses to Take Net Zero Actions (% of Total)



BENEFITS OF TAKING NET ZERO ACTIONS ACCORDING TO BUSINESSES

The [Bank of Scotland](#) Surveyed Scottish SMEs and found that :

- 52% believed Sustainable Business Practices would **protect the natural environment for future generations.**
- **42%** thought it would bring about **cost savings**
- **33%** thought it would bring an **improvement in reputation, brand image, trust or credibility.**
- **Only 14%** thought it would **attract new investment**



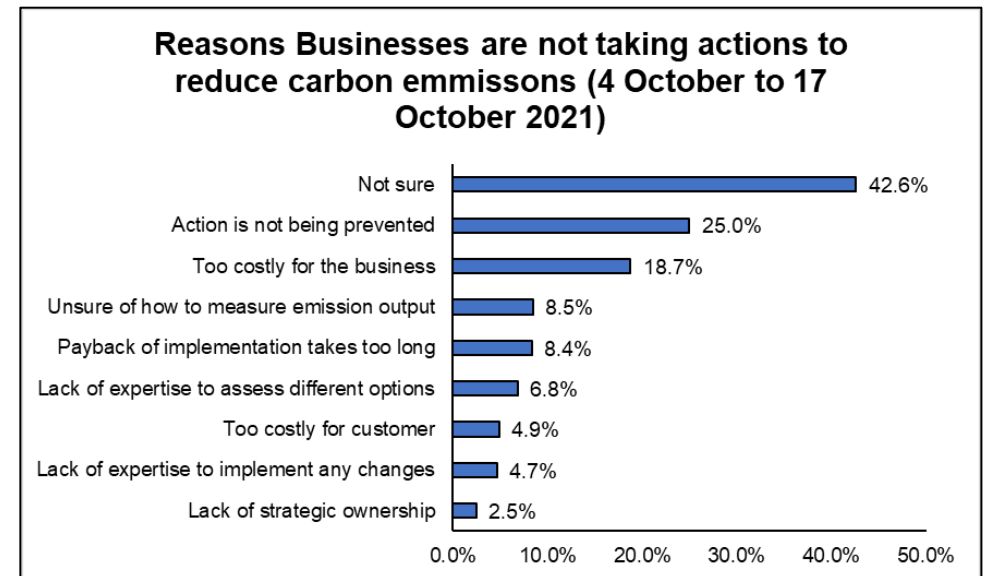
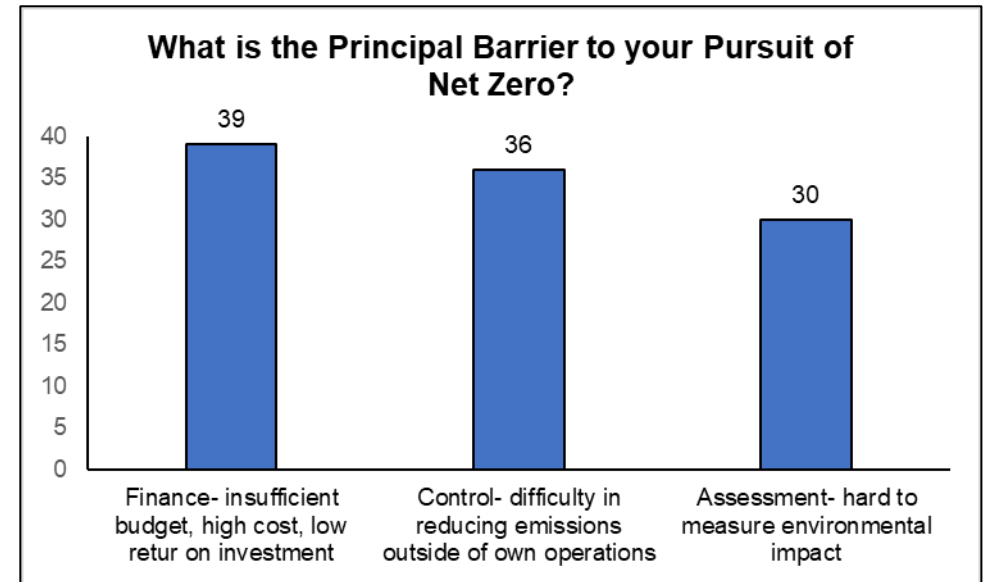
BARRIERS/RISKS TO TAKING NET ZERO ACTIONS

The barriers to businesses of adopting Net Zero actions **are multiple, complex and business specific** but are commonly cited as:

- **Costs-** Switching to or introducing Net Zero measures can, **in the short term be costly**. A [recent study](#) showed that 9 in 10 UK businesses are concerned about costs of funding the transition to net zero amid a spike in energy prices. However payback periods are reducing as the cost of technologies (eg solar panels) is also reducing.
- **Complexity-** Businesses wishing to assess their own carbon emissions can find **accounting standards [difficult to follow](#) and adhere to**.
- **Verifiability-** The [verification of reported reductions](#) and the execution of offset pledges represent an increasingly complex challenge, **opening the scheme to manipulation**.
- **Postponement of decarbonisation-** Carbon offsets create an “easy solution” that may distract or delay companies from the hard but more [meaningful and permanent work](#) of reducing their own carbon emissions
- **Lack of Skills-** Businesses often do not have the knowledge or expertise to introduce Net Zero measures and actions which can limit their ability to implement them.
- **Time Management-** Time is a significant barrier to implementing policy across both ‘people’ and ‘planet’. Priority for sectors like hospitality, food & drink, creative is to open and trade again following the pandemic lockdowns. For other small-medium sized businesses finding the time (and resource) to take on these ‘administrative’ tasks continues to be a battle.
- **Feasibility-** Some businesses believe it is just not feasible to introduce significant Net Zero actions such as converting to the use of electric vehicles or changing machinery that is green friendly.

BARRIERS FOR COMPANIES TO TAKING NET ZERO ACTIONS ACCORDING TO BUSINESSES

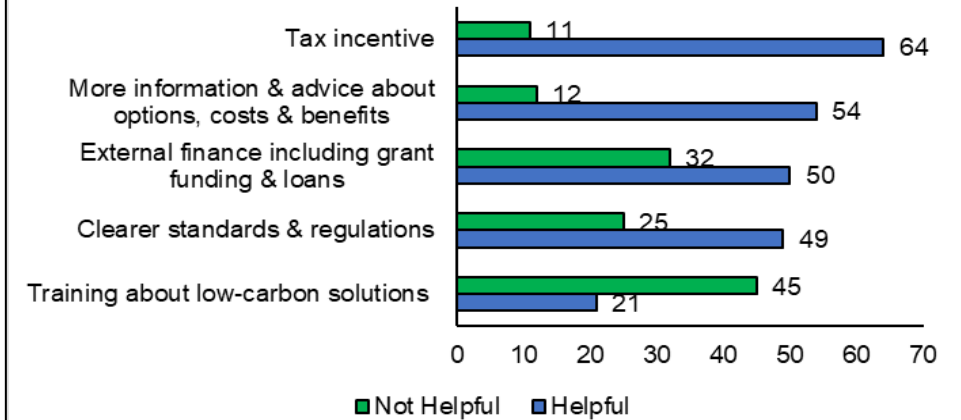
- The [BBB](#) also asked small businesses across the UK what the main barriers were to taking Net Zero actions:
 - Cost was the most common barrier cited with **39% of businesses stating that they had insufficient budget or low returns on investment.**
 - Difficulty in reducing emissions outside of their own organisation** was also cited for 36% of businesses.
 - 30% of businesses also stated that **undertaking environment impact assessments was too difficult.**
- The results are corroborated by [BICS data](#) for Scotland where **18.7% of businesses reported cost as being a barrier to reduce carbon emissions.** A combination of a lack of understanding on how to measure impacts along with implementing was also seen as a barrier.
- Significantly, **42.6% of respondents did not know why their organisation had not taken carbon reduction measures.**



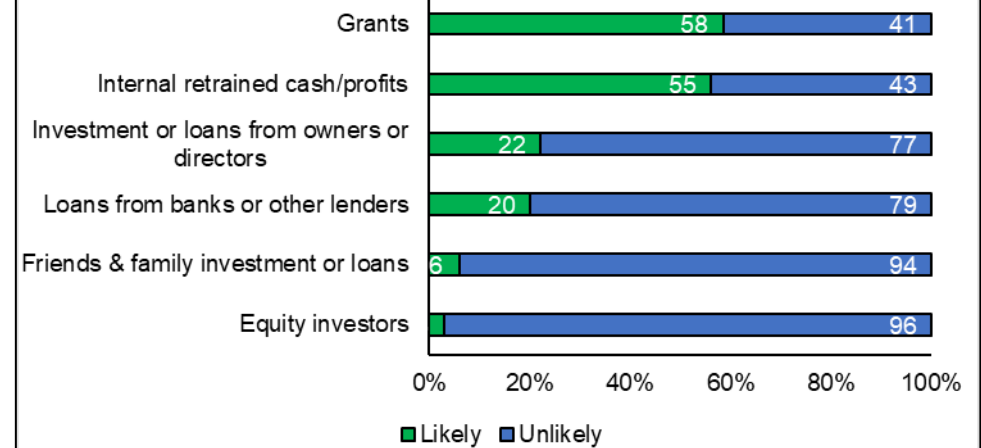
BARRIERS FOR COMPANIES TO TAKING NET ZERO ACTIONS ACCORDING TO BUSINESSES

- When asked about incentives to encourage businesses to adopt Net Zero actions, the most helpful enablers **were financial and around information**. 64% of UK businesses for example found tax incentives to be helpful, followed by 54% of businesses looking for information on options, costs and benefits.
- SMEs are most likely to access **financial support in the form of grants (58%) and internal retained cash or profits (56%) showing** that many companies do see the benefit of investing in Net Zero.

Perceived Usefulness of Enablers for Net Zero Action



Propensity of SMEs to Access Financial Support for Net Zero Actions



APPENDIX - DATA SOURCES AND FURTHER READING

Sources	
Type of Information/Data	Sources
Quantitative Data	<ul style="list-style-type: none">• ONS/Scottish Government BICS• British Business Bank Report- Smaller Businesses and the transition to Net Zero• FAI Economic Commentary Vol 45 no 3 (2021 Q3)• Edie Net-Zero Business Barometer• Social Market Foundation Research• Yen/Long Finance Global Green Index• Lloyds Banking Group- UK Green Growth Index 2021• Bank of Scotland Survey Results for SMEs
Qualitative Data	<ul style="list-style-type: none">• Internal insights gathering• Outputs from the Customer Research team focus groups

APPENDIX - DEFINITIONS

Definitions of Terms Used	
Net Zero	Net Zero means cutting greenhouse gas emissions to as close to zero as possible, with any remaining emissions re-absorbed from the atmosphere, by oceans and forests for instance. The Scottish Government has committed to reaching net-zero emissions of all greenhouse gases by 2045 <i>via</i> The Climate Change Act 2019.
Net Zero Actions	Any actions taken by businesses that can help cut carbon emissions and help achieve Net Zero emissions by 2045. These actions are varied and include Switching to LED bulbs, adjusting heating and cooling systems, going paperless, electrifying vehicle fleet or developing a Net Zero strategy (see slide 15).
Low Carbon Sector	Low Carbon Businesses include Renewables, low carbon heat, energy efficient lighting, low emission vehicles and Low carbon financial and advisory services.
Renewables Sector	Offshore wind, Onshore wind, Solar photovoltaic, Hydropower, Other renewable electricity, Carbon capture and storage and Nuclear, Renewable heat and Renewable combined heat and power.
BICS Survey	Business Insights and Conditions Survey is a regular survey conducted by both the ONS and the Scottish Government. It asks a sample of businesses (over 1,000) with over 10 employees a series of questions, including those around the actions towards Net Zero.
Fair Work Practices	According to The Scottish Business Pledge fairwork practices offers all individuals an effective voice, opportunity, security, fulfilment and respect. The Pledge comprises nine individual elements: real Living Wage, zero hours contracts, workforce engagement, balanced workforce, invest in youth, innovation, internationalisation, community and prompt payment.
Carbon Emissions	Source emissions are a measure of the actual emissions or removals of greenhouse gases in Scotland, including international aviation and shipping. In 2020, source emissions were 40.0 million tonnes of carbon dioxide equivalent (MtCO ₂ e), falling by 51.0 per cent between 1990 and 2020 and falling by 12.0 per cent between 2019 and 2020. In the latest year, emissions from transport fell sharply due to the impact of COVID-19 restrictions in place during 2020.
Carbon Footprint	The amount of carbon dioxide released into the atmosphere as a result of the activities of a particular individual, organization, or community. Between 2017 and 2018, Scotland's carbon footprint (emissions from all greenhouse gases) increased by 2.6 per cent from 68.7 in 2017 to 70.4 million tonnes carbon dioxide equivalent (MtCO ₂ e) in 2018.
Environmentally Friendly	Not harmful to the environment , or trying to help the environment .
Green and Sustainable	"Green" and "sustainable" are terms that point to environmental awareness and preserving natural resources. "Green" is strictly concerned with the environmental health. "Sustainable" is concerned with environmental health, economic vitality, and social benefits.

A full glossary of Net Zero terms can be found [here](#).