2022 Northern Ireland
environmental
BENCHMARKING
survey

GUIDANCE NOTES

2022 NORTHERN IRELAND ENVIRONMENTAL BENCHMARKING SURVEY GUIDANCE NOTES

SMALL BUSINESS SURVEY

SECTION 1: CORPORATE STRATEGY

1. Strategic Decision Making

Including environmental issues in the decision-making process can protect an organisation against a range of financial and non-financial risks. If organisations make public statements about the importance of the environment to their business, which is not reflected in strategic decision-making, then they expose themselves to criticism.

Guidance

To respond positively, your organisation must have a procedure/policy in place (or supporting documentation) to demonstrate that the environment is considered when making strategic business decisions. This may be through a formal due-diligence process, conducting a risk assessment, life-cycle assessment, social impact assessment, etc.

Operational decisions are classified as those that concern your day-to-day ability to run the organisation effectively.

Long-term, strategic decisions are classified as those that concern a period of greater than three years into the future and/or have a potentially significant impact on your organisation's success.

Examples of supporting evidence

- Risk evaluation headings highlighting the key issues identified
- Board meeting agenda
- Certification to BS 8900/Sustainability Standard

2. Leadership

2a. Leadership Responsibilities

Creating change within business requires senior management commitment and clarity of purpose. Without leadership from the top environmental responsibility will not be considered strategically important and may be implemented in an ad-hoc fashion**.**

Guidance

Organisations have different board structures; however, environmental management is most effective when a senior employee has been specifically allocated responsibility and is accountable for performance.

2b. Board-Level Discussion

Formal review and discussion of environmental issues at a senior or board level is a key means of ensuring that top-level staff are aware of, and engaged in, environmental issues and performance.

Examples of supporting evidence

- Board agenda and/or minutes
- Scope of responsibility for board member/senior non-executive board member
- Description of the process for reporting issues to the board and list of recent reporting dates
- Job description of board members, indicating roles and responsibilities

2c. Advocating Commitment

Consider encouraging and supporting one of your key suppliers or contractors to take part in the NI Environmental Benchmarking Survey to help them get started on their environmental improvement journey.

The **Bring a Business** initiative asks Survey participants to encourage one of their key suppliers or contractors to take part in the NI Environmental Benchmarking Survey, in an effort to challenge

participants to work with their supply chains to improve their environmental impacts. Organisations who 'Bring a Business' will gain extra marks in their own submission.

Please click here to download the Bring a Business invite template.

Things you must do:

- Inform Business in the Community of the nominated company and contact details. Email the details to environment@bitcni.org.uk **before 17 June** (to allow the nominated organisation time to compete the Survey)
- Ensure that the company completes the Survey before the deadline **Tuesday 28 June 2022** (this is important for nominating organisations, so that they can avail of bonus marks available within the Survey)

2d. Public Reporting

By reporting publicly on environmental performance, an organisation is holding itself accountable for its environmental impacts. It shows responsibility and commitment to transparency and improvement. Reporting on performance can also help an organisation to engage its stakeholders more effectively and improve perceptions of the organisation.

Guidance

Public environmental reporting can be carried out as part of a wider *Annual Report* or as a more specific *Sustainability Report*. Robust reporting of environmental issues should include quantifiable targets and reporting of progress towards these. Data recorded should be reported honestly; if current trends suggest the targets will not be met, the report should state what changes will be made in order to achieve the targets.

> **Examples of supporting evidence**
>
> - A public environmental sustainability report or annual report with an environmental section

2e. Making Leading Commitments

Creating a step-change towards a circular economy will require organisations to take a leading position on not only reducing their environmental impacts but eliminating them and having an overall positive impact on the environment.

Guidance

Responses should reflect the commitments the organisation has made with regards to its environmental objectives, which are in the public domain. For more information on BITC's Climate Action Pledge click here.

3. Stakeholder engagement

3a. Employee Engagement

Mobilising employees on environmental issues has proven to have significant business benefits, as well as environmental benefits; for example:

- Changing employee behaviour at work so that it supports environmental targets
- Increasing morale
- Attracting and retaining a workforce that is becoming increasingly aware of environmental issues
- Developing your employees as positive ambassadors of your business' environmental activities

Guidance

Employees with environmental responsibilities should include line management in all operational business units. Employees in corporate functions who might have environmental responsibilities include the following:

- Purchasing (environmental issues in the supply chain)
- Facilities management (utilities conservation)
- Communications (environmental/internal communications)
- Human resources (integrating environment into staff training)
- Information technology (environmental issues in equipment specification)
- Transport (fleet managers)
- Finance (environmental data collection, reporting investment criteria)
- Marketing and sales (environmental issues in customer communications)
- Research and development (new product development)
- Audit (auditing systems related to environmental management)

Examples of supporting evidence

- Job descriptions including key environmental responsibilities
- Summary of training courses and awareness-raising initiatives taken, including attendee lists
- Examples of internal communication channels established
- Copy of employee surveys, including environmental issues
- Agenda and date of last 'consultation meeting'

3b. Customer Engagement

Guidance

This is about communicating sustainability issues in an engaging way to customers, telling a clear and authentic story about what your organisation is doing, and encouraging more sustainable customer behaviour, such as recycling product packaging or providing detailed information on materials used. Your customer engagement may involve tailored advice to customers on how they reduce the environmental impacts involved in using your products or services. More advanced respondents may also be working directly with customers to reduce impacts, for example, by recovering used or end-of-life materials.

Examples of supporting evidence

- Results of risk and opportunity assessments
- Summaries of approaches used to engage with customers
- Examples of sustainable marketing materials, engagement programmes, and sustainable innovation
- Sales figures for sustainable products/services
- Key performance indicators highlighting impact of sustainable products/services to the business (eg enhanced brand image or improved customer retention) or materials recovery initiatives (eg Kg of used product recovered from customers for recycling/reuse)

3c. Supplier Engagement

Small and medium-sized companies and self-employed people together provide 75% of employment, 75% of turnover, and 81% of GVA in NI's private sector. Furthermore, SMEs **employ** more people than NI's large companies and the public sector combined*

DETI, Quarterly Employment Survey, Table 5.10 (March 2014 figures); ONS Business Population 2014.

However, one in five cites a lack of resources as the primary reason for not adopting green policies. By engaging smaller suppliers, larger businesses can extend the impact of their environmental activities into these key businesses.

Guidance

An organisation may have either a specific Procurement Policy that addresses environmental impacts or it may refer to environmental supply-chain management and procurement within its Environment Policy.

See WRAP's guidance on helping you procure more sustainably by clicking here.

Examples of supporting evidence

- Environmental supply chain policies
- Criteria for prioritisation of suppliers
- Supplier audit schedule
- List of suppliers engaged with on sustainability issues, and how you engaged

3d. Regulator Engagement

Guidance

This question addresses the extent to which an organisation communicates with those bodies responsible for ensuring compliance with environmental regulation, ie, through inspection, permitting, enforcement, etc.

Depending on the nature of your business, these are likely to include the Northern Ireland Environment Agency, other government departments and agencies, and local councils.

While responding to requests from regulatory bodies should be a minimum requirement (and may, in many cases, be mandatory), actively seeking advice and guidance to ensure effective compliance demonstrates a positive approach.

Going beyond this and engaging in dialogue with appropriate regulatory bodies is likely to represent responsible business practice, for example, consulting with regulators when developing new approaches to reducing environmental impacts with the aim of exceeding compliance requirements.

SECTION 2: ENVIRONMENTAL MANAGEMENT

4. Environmental Management System

An Environmental Management System (EMS) is the part of the overall management system that includes the organisational structure, responsibilities, practices, procedures, processes and resources for determining and implementing the environmental policy (source: EMAS). As a minimum, your EMS should be compliant with a recognised international standard for environmental management, such as ISO14001 or BS8555.

External certification does not need to take place annually but should be periodic and should provide a level of confidence that the internal audit process is robust, independent, and objective.

See **NetRegs** guideline on implementing an Environmental Management System click here.

Why is this important?
An EMS can help an organisation improve its environmental performance, and it demonstrates their commitment to incorporate environmental issues in its key business practices.

An EMS can also help an organisation improve its information management systems, to better understand and manage the impacts of its operations and to increase efficiencies.

Benefits can therefore include increased compliance with environmental legislation and regulation, improved risk management, reduced liability costs, increased competitive advantage, more employee involvement, and improved public image.

Please Note: If you selected that you have an externally certified EMS, you will NOT be required to answer any further questions within the Environmental Management Section and will move automatically to the next section.

5. Policy

An environmental policy is a detailed statement of commitment and intent regarding an organisations performance on environmental issues, and it gives merit to the organisation's objectives and targets in this area. It should describe how environmental matters are managed and who is responsible.

Why is this important?
Policies reflect an organisations commitment to environmental responsibility and set out the framework for the management of relevant environmental issues. Policies help an organisation to communicate its vision and principles to both internal and external stakeholders. It provides the foundation to set environmental targets and objectives.

Guidance
An environmental policy should link the values and corporate responsibility principles of the organisation, should address all relevant environmental activities, and should enable control of the key environmental issues and risks.

> **Examples of supporting evidence**
> - Copy of environmental policy
> - Details of web address for environmental policy

6. Issues

Determining an organisation's key environmental impacts is the critical first step in managing them effectively.

Guidance
The type of environmental issues important to your organisation will be dependent upon the nature of your organisation's business activities, its impacts, and the geographic location of your markets. Business in the Community suggests that you consider both the local and global environmental impacts of your business activities.

Organisations will not be scored on the list of key environmental issues they have identified but on how they have determined that list. If issues have been evaluated as part of an ad-hoc review carried out for the purpose of completing the Survey, then this will score less than if issues have been evaluated as part of a regular, independent review process built into an organisation's strategic decision-making, risk-management, or management system review process.

When we ask if 'Issues identified and reviewed as part of this Survey process and incorporating a cross- functional review process' this can include engagement or feedback with staff and customers

7. Register

Legal compliance is a fundamental part of any business. It is imperative that all organisations become aware of the environmental legislation that is relevant to them and ensure they are legally compliant. A starting point would be to develop a 'register of environmental legislation'—a document listing legislation relevant to your business.

8. Legislation

A business also needs to have a formalised system for reviewing and updating this register as new legislation is introduced. For more information on Northern Ireland environmental legislation, **click here** for NetRegs guidance.

9. Objectives

Environmental objectives are the overall goals arising from the environmental policy that an organisation sets itself and that are quantifiable (Source: BS EN ISO 14001/EMAS).

Why is this important?

Objectives and targets help an organisation to translate policies into focused action—in this case, to reduce negative environmental impacts. Internally, objectives and targets also help to prioritise workloads and review progress. Externally, they demonstrate commitment to continual improvement and transparency.

Guidance

Objectives should be documented, reviewed, and updated (at least annually) to be considered

'regular'. The objectives should reflect the areas of significant environmental impact. Organisations use different methods to assess significance, but the process might include the following:

- A formal environmental impact review/assessment
- Compiling a register of relevant legislation
- Compiling a register of aspects and impacts
- Assessing liability/cost
- Identifying significant indirect impacts, eg, product impacts, the results of lending decisions, etc
- Considering reputational risk, eg, media interest
- Assessing supply-chain pressure

10. Targets

Environmental management targets are the detailed performance requirements that arise from the environmental management objectives. Targets should ideally apply the SMART principle: namely, they should be Specific, Measurable, Attainable, Relevant and have a Time scale (Source: BS EN ISO 14001/EMAS/EPE Executive Briefing)

SECTION 3: ENVIRONMENTAL PERFORMANCE AND IMPROVEMENT

11. Climate Emergency

This section looks at how your organisation is addressing climate change related issues. From reducing greenhouse gas emissions, to planning and adapting for the impacts of climate change.

11a. Measuring and Reporting

Measuring and monitoring impact enables an organisation to evaluate its performance over time, identify and address problem areas and opportunities, improve performance and ensure compliance with legal requirements.

Reporting on performance can help an organisation to engage its stakeholders more effectively and improve their perception of the organisation. It shows responsibility and commitment to transparency and improvement.

An organisation's greenhouse gas (GHG) emissions are commonly split into three categories or 'scopes'. This has become the expected way for organisations to describe their 'carbon footprint'.

These scopes are:

- Scope 1 means any emissions that your organisation emits directly through the combustion of fossil fuel. For example, the natural gas that is used to fuel heating systems or petrol used in company cars.
- Scope 2 means any emissions that are emitted by another organisation on your behalf. Key examples of these are electricity and steam purchased.
- Scope 3 refers to all other emissions, that are emitted by your suppliers, and those emissions that result from the use of your products.

Information on how to calculate GHG emissions for your organisation is published by the UK Government and can be found by clicking here.

This includes conversion factors for GHG reporting to help organisations convert their activities, such as electricity use, fuel consumption, car mileage or waste generated into the equivalent GHG emissions (in terms of carbon dioxide equivalents, CO_{2e}). The conversion factors are updated annually at the end of May each year.

11b. Scope and boundaries

The scope of information measures how much your organisation is integrating this aspect of corporate responsibility through your business activities.

This question asks about the extent to which your organisation understands its carbon footprint and the relevant data that is collected in relation to scope 1, 2 and some 3 emissions.

11c. Data quality

The quality of the information collected provides an indication of its reliability and hence how much onus management should place on the data gathered.

Verifiable data collection is defined as any data collection process that has an audit trail.

Verified data is any data that has been independently verified by a third party. Independent verification may include a formal review by the company internal audit department or by external verifiers.

11d. Taking Action
It is important to be developing and managing additional environmental projects that aim to drive continual improvement in performance.

This section is an opportunity to gain marks for environmental improvement projects beyond the scope of the questions covered in the rest of the Survey.

11e. Renewable Energy
Increased use of renewable energy is a key element in reducing GHG emissions and tackling climate change. Whilst recognising the limits in the market at present, Business in the Community believes that organisations can spur the growth of the market by bolstering supply and demand sides of the equation.

Renewable energy is defined as energy generated from wind, solar, wave and tidal, geothermal, biomass and hydroelectric sources. This is in line with the UK government's definition.

Assets owned by our organisation are defined as renewable capacity (as described above) that is owned by your organisation and from which renewable energy is directly used.

Assets owned by a third party with direct purchase agreements in place are defined as a direct one to one arrangement to use renewable energy from a specified generation source (ie a wind or solar farm). This includes power purchase agreements (PPA) that are long term contracts between two parties, one which generates electricity (the seller) and one which is looking to purchase electricity (the buyer) from a specific site.

Purchased from energy supplier relates to buying electricity from an energy supplier that is distinct from the "standard" offering. Often called 'green tariffs' these must be supported by energy attribute certificates or other contracts, including energy attribute certificates (RECs).

11f. Climate Risk
Climate risk refers to risks resulting from the effects of climate change. These risks fall into two categories: physical risks, such as extreme weather patterns and rising global temperatures, and transitional risks, such as potential legal and policy changes.

This question asks whether companies have identified then quantified the risks to their business

from climate change. These risks may for example, relate to operational disruptions, difficultly sourcing products and services, or increased costs from the requirements of new regulations.

On this basis, a risk-mitigation plan can be developed and implemented to limit the potential impact of significant business risks. This plan should be approved at senior levels within the organisation.

UK Climate Change Risk Assessment 2022 - GOV.UK (www.gov.uk)
UK Climate Change Risk Assessment 2022

11g. Science-based Targets
Science-based Targets (SBT) have become the globally accepted standard for companies setting carbon reduction targets.

Targets are considered science-based if they align with what the latest climate science says is necessary to meet the goals of the Paris Agreement - to limit global warming to well-below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C.

The Science-based Targets initiative (SBTi) is a collaboration between CDP, the United Nations Global Compact (UNGC), World Resources Institute (WRI), and the World Wide Fund for Nature (WWF) and one of the We Mean Business Coalition commitments. The initiative develops guidance, tools, and technical assistance to facilitate the adoption of science-based targets and incentivises companies to set meaningful targets.

More information on the SBTi, as well as how to set an SBT and see formal approval of an SBT can be found here.

11h. Energy Storage
Energy storage is the capture of energy produced at one time for use later. A device that stores energy is generally called an accumulator or battery.

While arguably in its infancy, energy storage is one of the technologies that has a vital role to place in tackling climate change over the coming years.

This question seeks to understand if organisations in Northern Ireland are considering this technology. If your organisation is considering using this technology or have invested in the use of energy storage please provide an example of this in use.

12. Circular Economy and Resource Use

This section asks about how your organisation is transitioning to a more circular economy, by minimising the use of resources, re-using these resources where possible, and diverting any waste from landfill.

12a; 13a. Measuring and reporting

Measuring and monitoring impact enables an organisation to evaluate its performance over time, identify and address problem areas and opportunities, improve performance and ensure compliance with legal requirements.

Reporting on performance can help an organisation to engage its stakeholders more effectively and improve their perception of the organisation. It shows responsibility and commitment to transparency and improvement.

12b 13b Scope and boundaries

The scope of information measures how much your organisation is integrating this aspect of corporate responsibility through your business activities. An organisation may have main operation sites and smaller satellite operations, if the KPIs and active travel planning covers only those main sites - this should be indicated by the percentage of total employees working from those sites.

12d; 13d. Taking Action

It is important to be developing and managing additional projects that aim to drive continual improvement in resource use and the circular economy.

This section is an opportunity to gain marks for such projects beyond the scope of the questions covered in the rest of the Survey.

Example of supporting evidence

Summary of verification statement (either internal statement, or provided by independent third party)

12e Recycling

Many businesses have targets for zero waste to landfill and have successfully increased recycling and reduced waste.

This question asks for a breakdown of the percentage of your organisation's waste which is recycled.

An additional unscored part of this question asks you give us some feedback on any barriers to increasing your recycling rate.

12f. Circular Economy

This question deals with the concepts of life-cycle analysis, product life cycle, design for the environment, circular economy etc. It seeks to assess the level of commitment to the circular economy, from design, to manufacture, to post factory use and final disposal.

Companies that provide products must consider the environmental impact of products they produce throughout their entire life cycle – how they are designed, the manufacturing process, what they are used for and how, and finally how they are disposed

of, reused or recycled. It might mean that some products are discontinued, an alternative found, or that they are significantly altered to reduce their environmental impact. For service companies or organisations (including Health Trusts and Local Councils), consider the lifecycle of products purchased and used

13. Additional Impact

This impact area **must be completely different** to the core impact areas already covered; we are asking for additional information on the environmental area that you have chosen on this question. addressing Energy/CO2 emissions, transport, waste generated/disposed and waste re-used/recycled or water will not be accepted, and no points will be awarded. **Business in the Community will not accept duplicated answers,** and you will automatically lose the marks for this question if you input duplicated answers.

In choosing an impact area to report on, organisations should focus on the most significant impact to their sector. Please select the relevant additional impact area from the dropdown list, providing further detail about the specific indicator you're measuring, and the units you are using, see examples in the table below.

Category	Examples
Pollution/environmental incidents	Number of complaints, spills, etc.
Biodiversity initiatives	Number of initiatives, area of land restored or dedicated to biodiversity, investment in biodiversity initiatives
Pollutant usage	Volume of harmful chemicals/oils/solvents used, or volume re-used or replaced with an environmentally friendly alternative
Pollutant discharge/emissions	Concentration or volume of CBOD/VOC/Nox released into the environment, refrigerant gas emissions
Environmental awards or recognition	Number of green flag awards, externally recognised environmental scores (eg Considerate Constructors Scheme (CCS) score, BREEAM score, etc.)
Environmental training or engagement	Number of employee volunteering hours on environmental projects, Sessions held in schools, etc
Material usage	Weight of product packaging, paper consumed, materials used
Other	

13a. Measuring and reporting
Please refer to the guidance in Section 12a.

13b. Scope and boundaries
Please refer to the guidance in Section 12b.

13c. Data quality
Please refer to the guidance in Section 12c.

13d. Taking Action
Please refer to the guidance in Section 12d, as well as the below information.

13e. Biodiversity
'Biodiversity' refers to the variety of life on Earth including the variability within species, between species and between ecosystems. Biodiversity encompasses and affects virtually all of the natural day-to-day processes we take for granted. From the food we eat, to the air we breathe; from the water we drink, to protection from floods and droughts, biodiversity has a role to play.

Biodiversity conservation is an area of work that is still unfamiliar to many businesses, this question allows BITC to find out more about how businesses

in Northern Ireland are engaging with biodiversity, and what the challenges may be.

14a. Environmental performance and improvement

The measurement of improvement is an indicator of how your organisation has addressed this issue within the overall business. Activities may be undertaken on an ad-hoc basis throughout the business, but if there is no mechanism to report centrally, then the organisation is not able to demonstrate improvement overall.

Performance improvements should relate to your KPI(s) specified for this impact area and to the scope of information measured and reported on. If you have stated that you measure and report on your energy impact for greater than 75% of your business, then any performance improvements indicated in this question should also relate to greater than 75% of your business.

Examples of supporting evidence

- Record sheet showing environmental issues being recorded
- Internal reports showing all environmental data
- Reference to where information is publicly available

By measuring participants based on the SUM of the total % performance improvement over the past three years, we are lessening the impact of a bad year, recognising the overall performance improvement an organisation has made.

Normalised Figures

In order to best reflect performance, we ask participants to normalise data wherever possible.

For example:

- Turnover/sales (£)
- Profit (£)
- Employees (headcount)
- Employees (FTE/hours worked)
- Quantity of production (eg, tonnage produced, customers, etc.)
- Number of sites/buildings

Reporting Period (Year) Column

Each reporting period must be 12 months long, this can be calendar year, financial year etc. with Year 4

being the most recent. Your performance will be assessed against your base year (Year 1).

Greenhouse Gas Emissions Column

This column is for the total overall GHG emissions used across your organisation including electricity, gas, oil, transport and supply chain emissions (where this information is available) etc.

Individual types of energy use will need to be converted into one unit (for example kWh / GWh / kgCO2e / tCO2e / kJ / gJ) so that they can be combined. The Survey Scoring Methodology will reward a decrease in the energy used compared with the base year. Providing normalised data will help avoid discrepancies based on changing scales of production.

Waste Generated Column

This column is to show the total amount of waste generated by your organisation. This includes both waste sent to landfill and waste diverted from landfill. This data should be expressed as a normalised figure where possible. The Survey Scoring Methodology will reward a decrease in the annual waste generated. Providing normalised data will help avoid discrepancies based on changing scales of production. Examples of units which can be used include: Kg / tonnes (t) / m3 / lbs.

Waste Diverted from Landfill Column

In this column we are looking for the percentage of waste which has been diverted from landfill. This refers to any waste materials which has been extracted for a specific next use – this may include internal or external re-use of discarded items, recycling of materials, use of appropriate materials in processes such as anaerobic digestion or composting, or recovery of energy from materials through processes such as gasification or combustion. The data should be expressed as a percentage of the total waste generated. The Survey Scoring Methodology will reward an increase in the percentage of total waste generated that is diverted from landfill, compared with the base year.

Water Column

This column should contain data on water consumption. Provide normalised data where possible, eg, litres, millilitres or m^3 of water per unit produced. The Survey Scoring Methodology will reward a decrease in the water used. Providing normalised data will help avoid discrepancies based on changing scales of production.

14b. Assurance

An assurance management process is a formal system used to provide a level of confidence that all information collected for a particular purpose is of an acceptable quality. In the case of environmental issues, such a system would ensure that a company's information relating to the environment is accurate, relevant, and reliable.

Why is this important?
This is important to ensure accuracy, relevance, and reliability of any information provided within this Survey. The Survey is a self-assessment process, but the organisation should be assured that its responses can be justified both internally and if there are external enquiries in its positioning within the Survey.

SIGN OFF

Sign off by a senior manager

When you have completed the Survey, you must print the sign-off sheet and have this completed by your Chief Executive or Managing Director.

This should then be scanned and emailed to environment@bitcni.org.uk **before the Survey submission deadline date 28 June 2022.**

CONTACT US

If you have any queries relating to the Survey, or for further information, please visit www.bitcni.org.uk/niebs or contact environment@bitcni.org.uk.