

Business in the

Community

Ireland

MAKING CONSISTENT IMPACT: ENVIRONMENTAL TRENDS, BEST PRACTICE AND SUPPORTS

ENVIRONMENT



A report by **Business in the Community Ireland**

March 2014

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Tina Roche

Tina Roche,
Chief Executive,
Business in the
Community Ireland

March 2014

MESSAGE FROM TINA ROCHE

Business in the Community Ireland Chief Executive

Welcome to this report by Business in the Community Ireland which highlights the trends, challenges, best practices and behaviours of our members in relation to their environmental responsibility.

Given our position as the leading national organisation assisting businesses in Ireland to become the most responsible and sustainable in the world, we felt that it was important to understand our members' strengths and weakness across their environment policies, practices and performance. This report will inform businesses of emerging gaps and next areas for development as well as their common strengths in this area. It will also help inform our service delivery, and that of other business support agencies, ensuring we are targeting the most relevant and challenging environmental issues for business in Ireland.

We hope that this report will prompt further action in this area, inspiring businesses to take on new challenges and continually evolve their approach to environmental sustainability.

Business in the

Community

Ireland

ABOUT BUSINESS IN THE COMMUNITY IRELAND

Founded in 2000, Business in the Community Ireland is the national non-profit organisation whose vision is to assist all businesses in Ireland become the most responsible and sustainable in the world. Ireland's largest companies are members of our network. Our team of experts help these businesses to integrate responsible and sustainable business practices throughout their operations.

Our range of practical supports helps companies to develop, benchmark, scale-up and profile their activities to have the greatest impact on their business. In addition to our one-to-one advice to large Irish companies on corporate responsibility and certification, we also focus on how Irish business can have a positive impact on society focusing on the areas of Education and Employment.

Our patron is Michael D. Higgins, President of Ireland.



Business in the Community Ireland has developed The Business Working Responsibly Mark, based on ISO 26000, which certifies responsible and sustainable business practices. Audited by the NSAI, it not only gives third party endorsement of practices, it crucially provides businesses with an inventory, a gap analysis and a roadmap for a sustainable journey.



The last decade has seen immense change in how Irish businesses approach their impact on and their responsibility for the environment, a key aspect of broader Corporate Responsibility. Having been central in driving forward Corporate Responsibility over the last 14 years, Business in the Community Ireland is in a unique position to understand emerging trends and patterns among Irish businesses in this space.

Through the publication of this report, Business in the Community Ireland aims to drive our mission of inspiring companies to adopt best practice in Corporate Responsibility and help them benchmark their activities in this area. Throughout 2013, Business in the Community Ireland made a commitment to better understanding the trends, challenges, best practices and behaviours of our members in relation to their environmental responsibility. This report is the culmination of this commitment.

The information for this report was gathered from 26 member companies, that either completed the Business Working Responsibly Mark or participated in environment reviews. Participant companies provided information on their policies, practices and performance across a range of environmental aspects. A number of examples are included in this report which demonstrate best practice among our members.

With 92% of these companies having an environment policy in place, there is a clear commitment to being environmentally responsible. The aspects included in environment policies vary across the companies surveyed. General environmental management and waste management are the two aspects most commonly included, followed closely by energy and climate change/carbon management. Almost all companies (96%) have an environment programme in place with objectives and targets set. The aspects included in these programmes, in general mirror the commitment set out in the environment policies. 77% of companies had an Environmental Management System (EMS) in place with 58% being certified to ISO 14001.

In terms of practice, almost three quarters of companies have appointed somebody at senior management level to take responsibility for environment (or in some cases the broader remit of sustainability). All participant companies reported that they had some measures in place to reduce their impact on the environment with technical measures in the areas of waste and energy being the most common. Measures in the area of biodiversity were reported in less than half of the companies, which is reflective of the lack of policies in this area also. Over half of the companies surveyed agreed that they did assess the impact of their operations through the supply chain; however, the depth to which this happens varies.

Almost two thirds of companies are making their data about environmental performance available. This is in line with a global trend of increased transparency in reporting environmental activities and performance but also broader corporate responsibility performance.

The commitment of large companies to being environmentally responsible has now become the norm. However, environment programmes still need to be developed to include issues such as water and biodiversity, which are currently lagging behind the other environmental aspects. There is now a real opportunity for large companies to demonstrate leadership by using their influence and skills to drive best practice across the supply chain.

The benefits to business of taking action on the environment should not be underestimated. These benefits relate not only to cost savings and environmental improvement but also wellbeing and links with the local community. Setting environmental issues in the context of broader Corporate Responsibility helps to ensure that these multiple benefits are realised.

Recommendations

Business in the Community Ireland undertook this review to to understand the environmental trends among our members and to inform businesses of emerging gaps and next areas for development. Further to this we make the following key recommendations for all businesses in Ireland:

- Businesses should seek to understand the wider benefits of environmental action to the business e.g. wellbeing, employee and community engagement and how it drives further action on Corporate Responsibility.
- Businesses are well positioned to show leadership by using their influence and skills to drive change in the supply chain, in particular with SMEs.
- As stated in Government policy, leadership from the Government on sustainable procurement is required to drive further change in this area.
- Behavioural change and employee engagement in this area should be strengthened to ensure long-term sustainability.
- The issue of biodiversity, which provides businesses with such a range of goods and services, needs to be championed by business.
- Businesses must demonstrate openly and honestly the progress, or lack thereof, they are making on the targets and commitments they have set.

INTRODUCTION

The current rate of depletion of the earth's natural resources is unsustainable. We need materials to function as a society, but in the last 30 years alone we have used up one third of the earth's natural resources. In addition, climate change is posing significant challenges and risks to society. Businesses can play a key role in addressing these problems and in reaching the global and European greenhouse gas emissions targets.

The last decade has seen immense change in how Irish businesses approach their impact on and their responsibility for the environment. This journey of change has been against the backdrop of policies and legislation, which have evolved considerably in line with EU Directives. It has also been in the context of rising costs and the need to drive efficiencies throughout businesses as well as an increased awareness of the impact that we all have on the environment. All of these factors have combined to drive considerable action in this area and have sparked remarkable innovation in many companies.

Responsibility for the environment is a key aspect of Corporate Responsibility, an area which Business in the Community Ireland has been central in driving forward over the last 14 years in Ireland. This has put us in a unique position to understand emerging trends and patterns among Irish businesses in this space. The development of the Business Working Responsibly Mark, a certification for responsible and sustainable business allows us to see businesses' environmental policies, practices and performance in the context of their commitments in the areas of workplace, marketplace and community. The links between the environment and these other pillars of Corporate Responsibility are important, with commitment and action in the environmental area often facilitating enhanced health and wellbeing and increased employee engagement.

In 2013, Business in the Community Ireland made a commitment to better understanding the trends, challenges, best practices and behaviours of our members in relation to their environmental responsibility. This report is the culmination of this commitment. The reasons behind this work were to:

- Allow businesses to benchmark their policies, practice and performance against each other;
- Inform businesses of their common strengths in this area;
- Inform businesses of emerging gaps and next areas for development;
- Give Business in the Community Ireland a better understanding of our members' current approach to environmental responsibility thereby informing our service delivery ensuring we are targeting the most relevant issues.

The information for this report was gathered from 26 member companies. Twelve have completed the Business Working Responsibly Mark questionnaire and 14 further companies participated in environment reviews with Business in the Community Ireland throughout 2013. The Business Working Responsibly Mark comprises a comprehensive questionnaire covering 27 indicators (8 environmental) across the five pillars of Corporate Responsibility. The environment reviews were closely aligned to the Mark indicators, but comprised a more top-line informal interview with the relevant personnel. Companies participate in these reviews to better understand their strengths and weaknesses and benchmark their activities. Although the level of detail differed somewhat between these two processes; in all cases, the participant companies provided information on their policies, practices and performance across a range of environmental aspects: Environmental Management, Carbon Management & Climate Change, Energy, Transport, Pollution Control, Waste, Biodiversity and Water.

The 26 companies that participated were from a range of sectors including Banking, Business Services, Communications, Engineering, Food and Drink, IT, Legal, Manufacturing, Pharmaceutical, Retail and Utilities. The group included multi-national companies as well as indigenous industry and semi-state companies with employee numbers ranging from an average small size of 200 up to 4000.

This report will be of interest to the business sector in general including CEOs who will get a better understanding of the trends which leading companies in Ireland are setting in the environmental sphere. In particular, these trends will be of interest to Environment and CSR managers, as well as Energy and Facilities managers; affirming their current initiatives and plans and inspiring them to take on new challenges. It could also be used as a tool to gain support within their own organisation for increased action in this area. In addition, agencies that provide environmental support services to business should gain a valuable insight into how large businesses in Ireland are approaching their environmental responsibilities, thereby informing their service delivery in the future.

THE BIG PICTURE

POLICY

Commitment to the environment has now become the norm for Irish businesses. The trends presented here show a clear commitment to environmental responsibility across companies' policies, practices and performance. However, further action is required particularly in the area of biodiversity, while there is an obvious opportunity for large businesses to show leadership and drive best practice across their supply chains.

Companies with Environment Policies

Publically available

81% 

Not publically available

11% 

An environment policy can set out a vision for how a company intends to carry out its activities while respecting the environment and sets the tone for action in this area. The vast majority of participant companies have an environment policy in place with most of these also being publically available, usually through the company website, but also physically available in the office. A small number of companies did not have any policy in place. However, of these, one of the companies was participating in this review process with respect to their corporate offices only and did have an environmental policy in place with regard to their production facilities.

The environmental aspects, included in environment policies, vary across the companies surveyed. General environmental management and waste management are the two aspects which are most commonly included, followed closely by energy and climate change/carbon management. This is most likely reflective of the fact that these issues have been to the fore at a global and national level for a significant length of time with supporting infrastructure such as policies, legislation and advice in place to drive action. The remaining aspects are included by a significant number of companies with the exception of biodiversity, which appears in less than half of the policies. Fig. 1 gives an overview of the extent to which the various environmental aspects are included in environment policies.



Included in Environment Policy

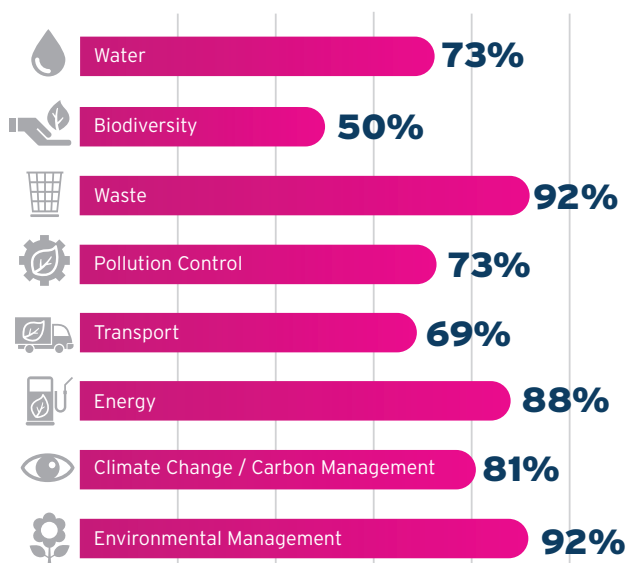


Fig. 1 Percentage of companies with various aspects included in environment policy

Companies with EMS in place

Companies that are certified

58% ✓✓✓✓✓✓✓

Uncertified

19% ✓✓

77% of companies had an Environmental Management System (EMS) in place with 58% being certified to ISO 14001. Those that were not certified had systems that were generally in line with ISO 14001 and were either in the process of becoming certified or did not wish to do so. Anecdotally, a number of companies mentioned that they are now in the process of exploring or implementing ISO 50001 (the energy management standard). In many cases this was instead of rather than in addition to the EMS, indicating a future trend and the relative importance of energy management in comparison to other aspects for certain companies.

Companies that have an environment programme with objectives and targets

92% 🌸🌸🌸🌸🌸🌸🌸🌸

Almost all companies have an environment programme in place with objectives and targets set. The extent to which objectives and targets have been set for the various environmental aspects again varies across the companies and in many ways mirrors the commitment which has been set out in the environment policies. Once again, general environmental management, energy and waste are the areas where most companies have set targets. Although most companies had made a commitment to pollution control in their policies, this has not followed through in terms of target setting. For many companies the limits set by licences and legislation become the de facto targets. Once again, biodiversity was the area where there was least commitment by companies with less than one quarter having targets or objectives in place.

Objectives and targets set

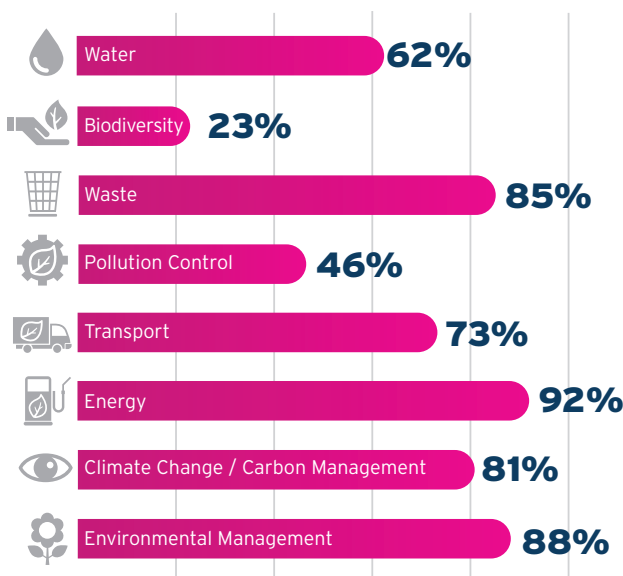


Fig. 2 Percentage of companies with environmental objectives and targets set.

THE BIG PICTURE



PRACTICE

Companies that have specific senior management responsibility for environment

73%

Almost three quarters of companies have appointed somebody at senior management level to take responsibility for environment (or in some cases the broader remit of sustainability). In a small number of cases this is a specific Sustainability Director while for others responsibility lies with another Director e.g. CFO, Commercial Director or Managing Director.

Companies that have measures in place to reduce impact

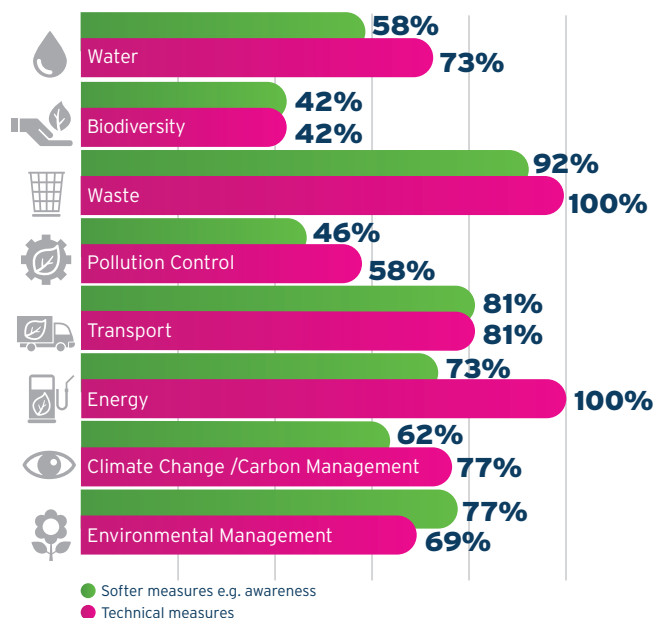


Fig. 3 Percentage of companies that have technical and softer measures in place to reduce environmental impact.

Despite the fact that some companies don't set environmental objectives or targets, all participant companies reported that they had some measures in place to reduce their impact on the environment. For example segregated bins and low-energy light bulbs were common features even if an overall plan or strategy was lacking. All companies had technical measures in place in the areas of waste and energy. Unsurprisingly, given the lack of commitment to biodiversity as outlined above, measures were reported in less than half of the companies. Fig. 3 provides an overview of the extent to which both technical and softer measures e.g. awareness are in place for all the environmental aspects.

Companies that assess the impact of operations through the supply chain

58%

Over half of the companies surveyed agreed that they did assess the impact of their operations through the supply chain. However, the depth to which this happens varies. For some, the requirement of an environment policy by suppliers in a sense ticks this box, whereas for others a much deeper engagement with suppliers, building their capacity in this area and assessing the risks demonstrates a much bigger commitment to the company's wider environmental impact. This links to the wider Corporate Responsibility agenda whereby large companies can demonstrate real leadership by using their influence and skills to drive best practice across the supply chain. Encouraging and facilitating SMEs in particular to develop leading practices in this area helps to promote sustainability in its broadest sense and create a sense of shared value with the suppliers. The example from Diageo demonstrates how this can be put into practice.

DIAGEO: ENHANCING THE SUSTAINABILITY OF ITS SUPPLY CHAIN

Diageo is one of Ireland's leading companies, with a proud tradition of transforming premium Irish cream and barley into some of Ireland's most world-renowned brands, sold in more than 150 countries across the globe. Improving sustainability – from grain to glass – is at the heart of Diageo's business operations, and is key to its future success. To this end, Diageo has set challenging environmental goals and has made significant progress against key metrics including carbon, water, waste and packaging, and has actively promoted the importance of sustainable business practices among its employees and suppliers.

A key issue for the company is creating shared value for its brands and stakeholders, by ensuring the sustainability of its raw material supply chains. To this end, in 2010 Baileys approached its key cream supplier, Glanbia, with a view to piloting a new sustainable agriculture partnership. The idea was to develop and test new sustainable agriculture guidelines with ambitious sustainability indicators and timelines. In close collaboration with Glanbia, guidelines were developed in the areas of carbon, quality assurance, animal health and welfare, biodiversity, water, and health and safety, with a view to improving the sustainability of their 4,300 dedicated farms.



THE BIG PICTURE



PERFORMANCE

Companies that report on or make data available about environmental performance

62% 

Almost two thirds of companies are making their data about environmental performance available publicly. This varies from formal reporting through Corporate Responsibility Reports or Environmental Reports, environmental sections on corporate websites and social media to more internally focussed communication with staff and visitors using intranets, notice boards and meetings. This is in line with a global trend of increased transparency in reporting environmental but also broader corporate responsibility performance.

As can be seen in Fig. 4, a significant number of companies are measuring their performance especially in relation to waste and energy. However, if you compare the percentage of companies measuring their performance across the various environmental aspects (Fig. 4), to those that have set targets and objectives for these (Fig. 2, page 5), it can be clearly seen that even though companies might have set targets they are not necessarily monitoring their performance against these. An example of this is transport whereby 73% of companies have set targets but only 50% are monitoring their performance. This is a gap and indicates that companies need to understand how they can monitor this better to see whether the actions they are putting in place are succeeding in meeting their targets.

Companies Measuring Performance*

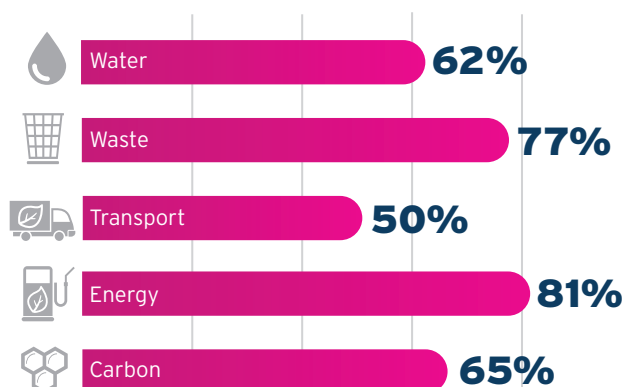


Fig. 4 Percentage of companies measuring environmental performance

* Environmental Management, Pollution Control and Biodiversity are not included above. This is because questions around these in both the Business Working Responsibly Mark questionnaire and the Environment reviews were phrased differently resulting in the data being captured quite differently. For these indicators, the impact of the actions rather than the performance tended to be captured.

There is an increasing global trend around transparent reporting of companies' activities. Businesses must demonstrate openly and honestly the progress, or lack thereof, they are making on the targets and commitments they have set.

ENVIRONMENTAL ASPECTS

CARBON MANAGEMENT / CLIMATE CHANGE

Policy in place

81% 

Objectives and targets set

81% 

Implementing technical measures to reduce impact

77% 

Implementing softer measures to reduce impact

62% 

Although the narrative around climate change and carbon management, particularly in the media, has decreased significantly since its height in 2009, reducing a company's carbon emissions is still high on the agenda for the majority of these businesses. Over 80% of companies surveyed, have included climate change or carbon management as part of their environment policy or in some cases as a stand-alone policy, with the same number having set targets and objectives through which they hope to achieve the vision set out in the policy.

For a number of companies, a commitment to, and a target for carbon reduction, sets the overall strategic context in terms of their environment programme i.e. all of the other environmental aspects e.g. energy, transport etc. feed into an overall carbon reduction target. This can serve to have a very coherent approach to the environment, although it is important to remember that carbon is not the only measure of good environmental practices.

Technical measures to reduce the impact generally comprise energy and transport initiatives. These are discussed further in the next sections. Although many companies are implementing these technical measures, fewer companies are putting in place softer measures e.g. awareness-raising activities. This perhaps indicates that for many, this is still a complex subject to communicate against a backdrop of conflicting and declining media coverage.

Many companies may choose to raise awareness around practical measures to reduce energy and transport (see next two sections) which of course contribute to reducing carbon emissions, without using the climate change narrative. Through its involvement in the Irish Corporate Leaders on Climate Change, Business in the Community Ireland has been working with businesses to further the understanding of the need for action in this area as well as the economic opportunities that this may present.

Approximately two thirds of the participant companies are measuring their performance in the area of carbon. Fig. 5 below shows the various metrics which are in use among the companies and the extent to which they are used. Total carbon footprint with a corresponding breakdown into scopes 1, 2 and 3 (as categorised by the Greenhouse Gas Protocol) is a common way to measure with a significant number of businesses seeking to understand their carbon emissions per employee. Using both absolute and intensity based metrics for all aspects is important as it allows a more transparent picture to emerge – this is especially the case when a company is in either a growth or reduction phase.

Carbon Metrics Used

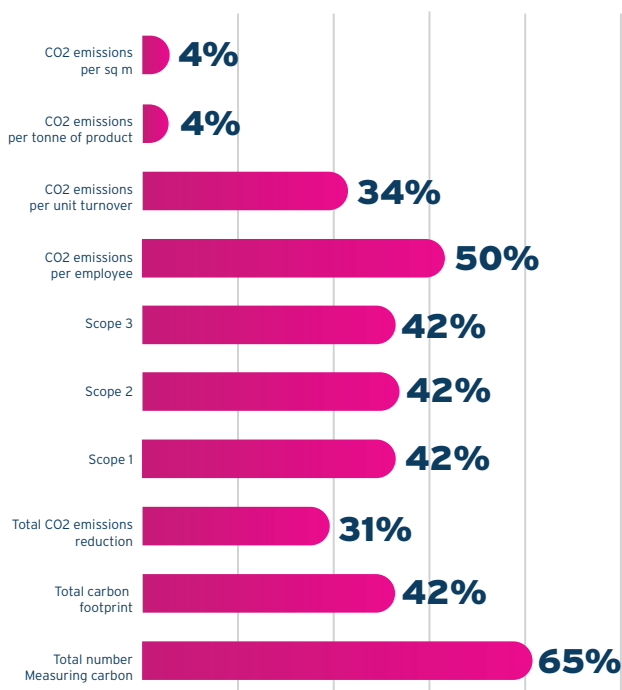


Fig. 5 Carbon metrics used

ENVIRONMENTAL ASPECTS

ENERGY

Policy in place

88% 

Objectives and targets set

92% 

Implementing technical measures to reduce impact

100% 

Implementing softer measures to reduce impact

73% 

Energy is one of the main environmental aspects currently being tackled amongst the participant businesses. Almost all the companies have made a commitment to sustainable energy practices in their policies and have set objectives and targets complementing this. As mentioned at the outset, the energy management standard ISO 50001 has become increasingly popular among companies with several already certified, and others on the journey.

All of the companies have put in place some technical measures to help reduce their energy consumption – the extent and complexity of these measures differs from one company to the next, depending on the type and size of business. Like carbon management, awareness and training measures lag somewhat behind the technical measures, indicating that companies feel that most of the savings are likely to come about as a result of technical rather than behavioural interventions. However once the ‘low-hanging fruit’ has been addressed through technical solutions, behavioural change will become increasingly important in maintaining and driving further efficiencies.

Some of the common measures that are currently being put in place by the participant companies include:

- Building Management Systems which include energy monitoring;
- Installation of energy efficient equipment including boilers, printers, lighting etc.;
- Installation of sensor lighting and low energy lighting projects;
- Heat exchange and recovery systems;
- Readjustment of heating and cooling schedules; and
- Automatic shut down of PCs.

Over 80% of the companies are measuring their energy performance. While overall energy consumption is measured by most companies, energy saved and energy consumed expressed per unit of sales turnover, produced unit, sq ft/m or employee are all commonly used. Businesses choose the metric that is most relevant for them e.g. for offices per sq ft/m and employee is commonly used with produced unit common in manufacturing. Like carbon, choosing to report both in absolute and relevant intensity metrics is beneficial in terms of understanding the complete picture. Fig. 6 below gives an overview of the commonly used metrics and the extent to which they are used.

Energy Metrics Used

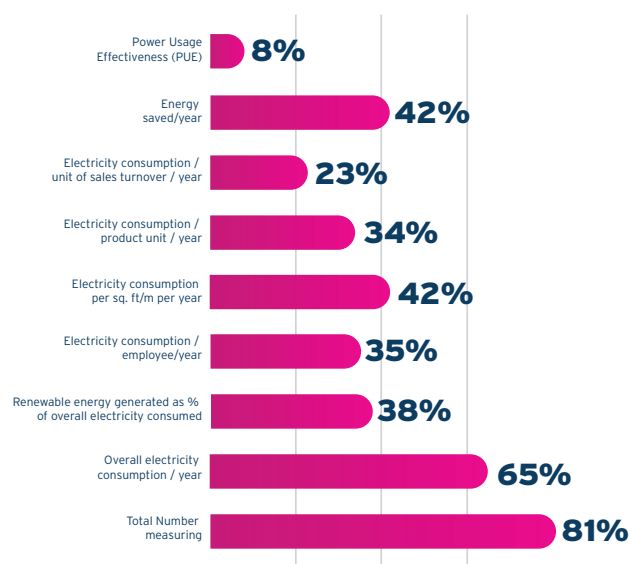


Fig. 6 Energy metrics used



MUSGRAVE: DEMONSTRATING LEADERSHIP IN ENERGY EFFICIENCY

Musgrave Group comprises retail, cash & carry and foodservice brands. Musgrave supports more than 3,400 stores across Ireland, the UK and Spain and employs almost 50,000 people directly or indirectly. For Musgrave, sustainability means living up to the core responsibilities that any good business should; to look after its people and customers, to minimise its impact on the environment, to produce sustainable growth so that it benefits all its stakeholders in the long term – and not just for short term financial gain. Above all, it's about making a positive contribution to people's lives, to their communities and to society as a whole.

Musgrave's five year sustainability strategy has strengthened and harmonised the approach across key sectoral sustainability issues including energy. The Musgrave Group Energy Team includes Group Head of Sustainability, Energy Managers, Divisional Managers, local Energy Champions and energy team members. The total energy cost for Musgrave facilities in Ireland is over €40million.

The Musgrave Group Energy Manager works closely with nominated Energy Champions in each of their Cash & Carry and Distribution facilities. Energy champions receive a suite of reports on a weekly, monthly and quarterly basis in order to monitor performance. Quarterly energy management meetings are held with each energy champion at their facility to discuss energy performance and identify potential measures for energy and cost saving.

In line with on-going innovation projects, 2013 saw many of the retail stores undertake energy projects which included the retrofit of glass doors to chill cabinets and chest freezers and LED lighting. This has followed extensive studies on the impact on sales, feedback from customers and measured energy and cost savings.

Musgrave is committed to supporting training, awareness and empowerment around energy management. Since 2008, they have been rolling out the Energy MAP (Energy Management Action Programme) training for SuperValu and Centra retailers. This has been very successful and they have maintained the strong focus on energy training culminating in the development of the 'Energy Under Performing Store' (EUPS) training programme in 2013. The EUPS training programme identifies low and no cost opportunities for Musgrave's retail partners to implement. EUPS is part of a programme of raising energy performance standards in every store in every way.

In 2013 Musgrave renewed its green renewable electricity supply deal to supply green renewable electricity to all the Musgrave facilities on the island of Ireland including the Musgrave Operating Partners Ireland division, which operates the Superquinn business and the 645 SuperValu and Centra retail stores. This is the largest green deal of its kind in Ireland.

As part of the Sustainability Strategy, significant energy and cost savings have been achieved across Musgrave's own facilities and for the SuperValu and Centra retailers. Through energy training, opportunity identification, and implementation of energy efficient measures and technologies, cost savings of €720,000 (6.7GWh) were achieved in Musgrave's Irish sites during 2013. In addition to this and aligning to Musgrave's commitment to making a positive impact to local communities, their retailers donated a significant portion of their annual energy savings to energy upgrades across 23 GAA clubs nationwide. The retailers donation was matched by grant funding to the GAA and resulted in a combined investment in the GAA club energy upgrades of over €300,000 which will deliver energy and cost saving of over €50,000 for the local GAA clubs.

Musgrave has won many awards in the area of sustainability and corporate responsibility over a number of years including the SEAI Energy Manager of the Year in 2010. The 'Energy Under Performing Store' programme is an example of best practise in Sustainability and Musgrave has begun to share its learnings with its partners in Northern Ireland, Great Britain and Spain who wish to carry out a similar programme across their 3000 stores.

Further details and copies of Musgrave's sustainability report is available at www.musgravesustainability.com

ENVIRONMENTAL ASPECTS

TRANSPORT

Policy in place

69% 

Objectives and targets set

69% 

Implementing technical measures to reduce impact

81% 

Implementing softer measures to reduce impact

81% 

Although transport has significant potential to reduce a business' carbon footprint and overall environmental impact, commitment and action in this area is not as prolific as in the areas of energy and waste. While companies seem less likely to make a commitment or to put in place objectives and targets around transport and travel, a significant number do have both technical as well as softer measures in place to reduce the impact of their travel and transport on the environment.

The downturn in the economy seems to have driven much change in this area, with many companies identifying travel as a relatively easy area to cut costs. A general clamp-down on unnecessary travel coupled with the provision of video-conferencing (or similar facilities) has seen many companies change their business travel arrangements. The fact that softer measures are implemented in this area to the same extent as technical measures reflects the fact that much of the change required in this area is behavioural.

A number of companies have signed up to the Smarter Travel Workplace initiative (see more information on page 20) which facilitates companies putting in place a strategic programme, particularly around employee commuting. This is not only an environmental issue and critically many companies are linking this to their programme on health and wellbeing by encouraging active forms of commuting. This demonstrates good joined-up thinking across the various Corporate Responsibility pillars. As part of this,

many workplaces have put in place, extended or upgraded facilities such as showers, changing rooms and bike racks.

Just half of the companies are tracking metrics in relation to travel. For companies that own their fleet or pay expenses on a per/km basis, monitoring and tracking of distance travelled is a relatively easy add-on. However for many other companies, challenges exist that prevent a comprehensive data collection system regarding travel being put in place. Fig. 7 below shows the common metrics which businesses are using to track and monitor their travel.

Transport Metrics Used

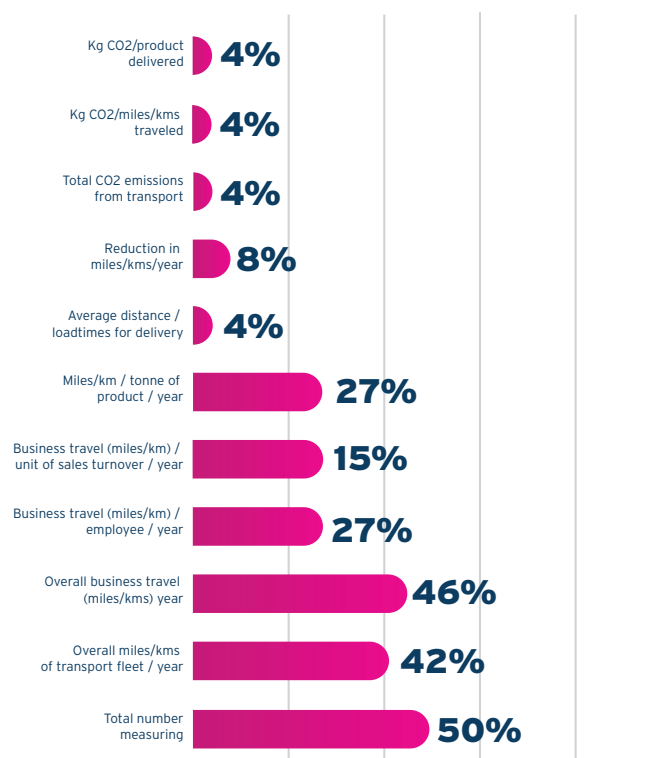


Fig. 7 Transport Metrics used

Arup intends to build on the success of its sustainable transport initiatives by constantly exploring new activities and initiatives; these include promotion of the Dublin Bikes Scheme when the station adjacent to the office becomes operational and staff trials of GreenAer electric bikes.

ENVIRONMENTAL ASPECTS

POLLUTION CONTROL

Policy in place

73% 

Objectives and targets set

46% 

Implementing technical measures to reduce impact

58% 

Implementing softer measures to reduce impact

46% 

Pollution control differs in many ways from the other environmental aspects in that it is primarily driven by compliance and licence restrictions rather than cost savings. Almost three quarters of companies have a commitment to pollution control included as part of their policy. However, less than half have set objectives and targets. This is likely because limits have already been set through a licence or legislation and companies are working to these rather than setting their own targets. To a certain extent this can be taken as a culture of compliance rather than best practice, however many companies are applying innovative solutions to reducing their pollution with results that are well below the limits set by licences. This is perhaps not communicated to the same extent as energy for example as it perhaps does not have the same financial or media impact.

Just over half of companies have put in place technical solutions to reduce the impact of their pollution, while awareness measures are slightly less than half. The majority of the companies that are not implementing these measures are office-based where pollution control is not particularly material.

Metrics of performance tend not to be measured in the same way as most of the other indicators with most companies citing meeting their licence requirements along with achieving improvement across the Environmental Management Systems as the main measures of their performance.

BIODIVERSITY

Policy in place

50% 

Objectives and targets set

23% 

Implementing technical measures to reduce impact

42% 

Implementing softer measures to reduce impact

42% 

Biodiversity lags considerably behind the other environmental aspects when it comes both to commitment and to implementing measures to reduce the companies' impact on it. Just half of the companies that participated have made a commitment to biodiversity in their policy, while only 23% have actually set any objectives or targets in this area. Under half of the companies are implementing either technical or awareness raising measures to reduce their impact (or enhance) in this area.

Many companies feel genuinely restricted in this area due to the fact that they occupy a city centre building, often rented, with little or no space to develop or enhance areas of biodiversity in their immediate area. For many, biodiversity is not viewed as material to their business.

However, more innovative companies are focussing on the bigger picture of biodiversity, which is undoubtedly under threat, and are exploring ways of protecting or enhancing biodiversity within the communities where they are located or through organisations that support a particular biodiversity issue. This again is a good example of an issue which has the potential for win-win across a number of Corporate Responsibility pillars e.g. improving the local environment, strengthening connections with the local community and engaging employees in valuable and interesting projects. The example of Intel's work on the River Rye demonstrates the benefits of such an approach.

Metrics tend not to be in place within companies with regard to biodiversity, however where companies do become involved in projects, as described above, reputation and feedback from stakeholders are important measurements.



INTEL: PRESERVING AND ENHANCING THE NATURAL HABITAT OF THE RIVER RYE

The Intel Ireland Campus is located in Leixlip, County Kildare. Over \$7.5 billion has been invested in turning the site into the most technologically advanced industrial location in Europe. Intel creates technology that advances people's lives. The company believes that to foster innovation and drive economic growth for everyone, quality education for young people, strong communities and a healthy planet are needed. To this end, it takes a hands-on, collaborative approach to making change, whether training teachers, volunteering in local organisations or designing energy efficient products.

The Rye river runs at the back of the Intel campus. It is an important tributary of the river Liffey and is considered one of the most important salmon spawning grounds in the Liffey catchment. When Intel first located on the site, the river was at risk due to large over-growth. Intel set the objective of improving the condition of the Rye as a community amenity and the quality of the river as a salmon and trout fishery.

Over the last number of years Intel has supported major projects to rehabilitate the Rye Water, working to preserve and enhance its natural habitat, and the company has a long standing commitment to the monitoring of the river through the funding of detailed annual reports that provide extensive information on the physical and environmental features of the Rye Water.

Through restoration work, the river has been brought back to its former glory and through limnological investigations at university level, the river has furthered understanding of indicators of water quality and fish life cycles.

The extent of information that now exists on the Rye places it among the few rivers in the country which can boast such long-term records for a variety of aquatic life.

To mark 20 years of reporting and to share the wealth of unique information obtained through many years of monitoring, Intel Ireland commissioned a special publication 'The Remarkable Rye Water' which was compiled by AQUENS Ltd. at University College Dublin.

The benefits of this project to Intel have been wide-ranging, but key among these is being seen as a trusted member of the local community through its continued commitment to enhance the river Rye. Through a variety of programmes, employee and community awareness about the environment on the Intel campus has increased and these programmes have gradually garnered third party endorsement.

There have also been significant benefits to the community and other stakeholders:

1. The scientific research of the river is now a community resource and is available for public review.
2. The local community has benefited from the support of environmental projects that enhances their community. The documentation will be a resource for years to come.
3. The Friends of the Rye, is a group of interested people who meet five times per year to discuss the health of the river and plan areas for improvement.

Like all projects, the project is not without its challenges. Maintaining commitment to the initiative is not easy, while the cost of rejuvenation and surveying is significant. In addition, the river is affected by aspects beyond the control of the core team e.g. the quality of the river is directly impacted by its tributaries.

According to Denis (the longest serving member of the Friends of the Rye Water) of Ryevale Lawns Residents Association, "I have seen many of the improvements initiated by Intel, and carried out under the supervision of Dr Martin O'Grady over the years, such as the pruning of trees along the Rye Water, the introduction of spawning beds (gravel) and the insertion of stones to create better water flow. The role of Kildare County Council has too been vital as they have played an important part in improving water quality by encouraging farmers to take precautions to prevent effluent entering the Rye Water."



Intel is a proud recipient of the Business Working Responsibly Mark

ENVIRONMENTAL ASPECTS

WASTE

Policy in place

92% 

Objectives and targets set

85% 

Implementing technical measures to reduce impact

100% 

Implementing softer measures to reduce impact

92% 

Waste is perhaps the environmental aspect which has been on the business agenda in Ireland for the longest and this is reflected in the statistics above showing that all companies have implemented at least some measures to reduce the impact of their waste on the environment. Most of the companies have made a commitment to sustainable waste management as part of their environment policies and have also set targets and objectives to achieve this vision. Softer measures such as training and awareness also play an important part.

Although commitment to waste management is evident, recycling is still the main focus for many companies with some of the best recycling up to 95% of their waste. A commitment to innovatively reusing waste or reducing waste at source is still not apparent on a widespread basis. Business leadership as well as government leadership, in the form of a comprehensive sustainable procurement strategy is necessary to have real impact here.

As can be seen in Fig. 8, over three quarters of companies are tracking their waste with the most widely used metrics being overall generated waste / year, percentage recycled and percentage sent to landfill.

Waste Metrics Used

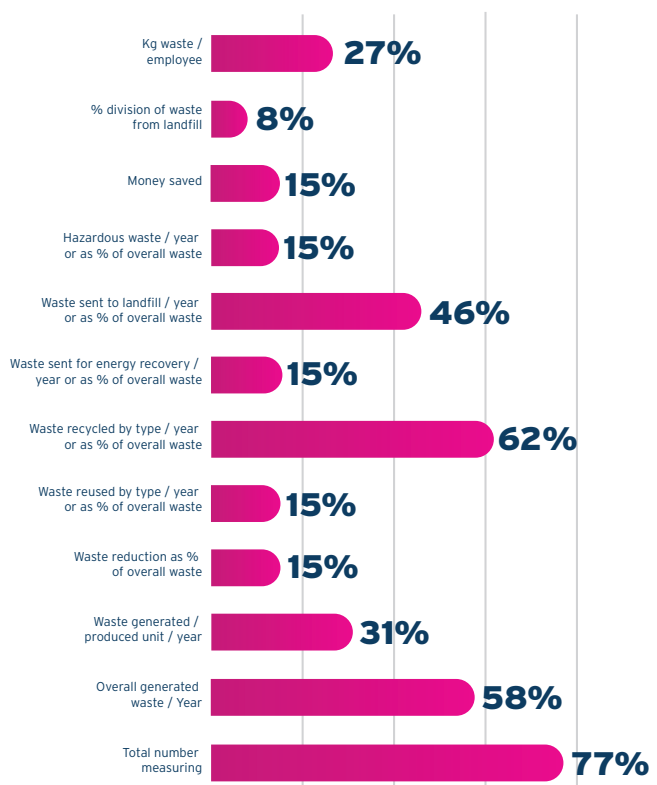


Fig. 8 Waste Metrics used

WATER

Policy in place

73% 

Objectives and targets set

62% 

Implementing technical measures to reduce impact

73% 

Implementing softer measures to reduce impact

58% 

Water does not appear on the business agenda to the same extent as carbon, energy or waste, but there is a sense that this issue will become of increasing importance in the coming years. While many companies (73%) include a commitment to conserving water as part of their environment policy, this is not followed through to the same extent in the setting of objectives and targets. For some companies, especially those that do not use water as part of a production process; they do not see water as something that is especially relevant to them in comparison to other environmental aspects. This is especially the case where companies are not getting information on their water consumption, making target setting extremely difficult.

Quite a number of companies are, however, implementing technical measures to reduce their water consumption. Naturally, manufacturing companies that use considerable volumes of water as part of their process are leading the way exploring innovative ways of reducing water. However what is interesting is the number of office based companies that have recently begun exploring and implementing water reduction options such as waterless urinals, sensors on periodic flushing at night-time, leakage repair programmes, reduction in water pressure and rain water harvesting.

Awareness raising initiatives are currently taking place in just over half of the companies although this is expected to rise as people in general become more aware of their water use through the roll-out of water metering nationally.

Just over 60% of companies of companies are measuring their performance with regard to water with the most popular metric by far being the total water consumption per year. As more companies set targets in this area, it is expected that the other metrics as set out in Fig. 9 below will be utilised to a greater extent.

Water Metrics Used

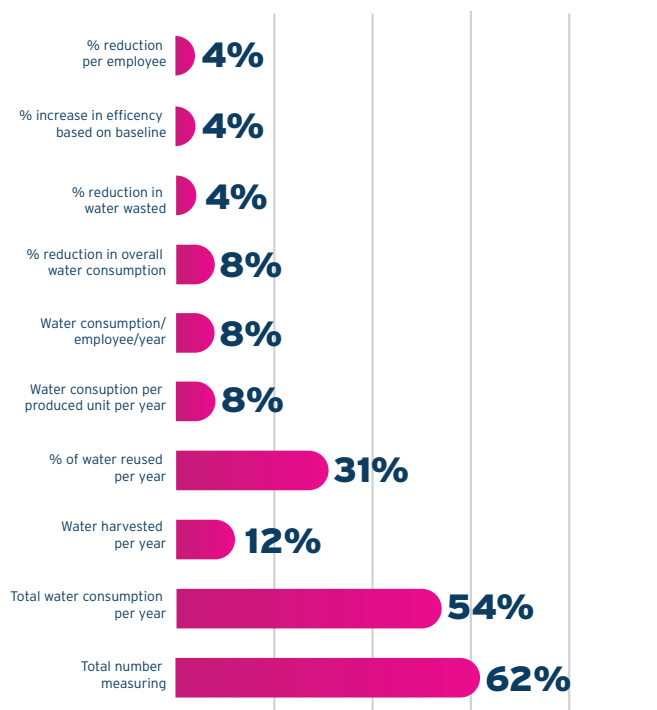


Fig. 9 Water metrics used

CONCLUSION



The commitment of Irish Business to being environmentally responsible has now become the norm with almost all companies that participated in this process having an environment policy in place and even 81% articulating a policy on climate change. Issues which have been to the fore at a global and national level for a significant length of time feature most regularly among businesses' policies and practices. These are issues which also tend to have supporting infrastructure such as policies, legislation and advice in place to drive action and include waste management, energy and carbon management.

The normalising of this issue is also reflected by the fact that all of the companies have some environmental measures in place to reduce impact. However, environment programmes need to be developed further to include issues such as water and biodiversity, which are currently lagging behind the other environmental aspects. While many companies do not consider biodiversity a particularly material issue, biodiversity decline on a global level is one of the most serious environmental threats we face. Depending, as we do, on biodiversity for a range of goods and services including clean water and raw materials, there is a need for businesses to show leadership in protecting this natural resource – and not just in the immediate area of their offices or factories.

Environmental improvements are being accessed mainly through technical measures. There is less emphasis on behavioural change, which will become more important once the “low-hanging fruit” has been exhausted. Behavioural change is no doubt harder to achieve, especially given the complexity of some environmental issues such as climate change combined with conflicting and declining media coverage. Recent years have also seen a significant decline in communications messages or campaigns around environmental issues. This has a two-fold effect in that the narrative is no longer as evident in society in general, including employees, and business does not have as much access to tools and information to help them communicate the issues internally. Business in the Community Ireland recognises this as a gap and is keen to work in this area with its members.

The global trend around transparency is reflected through environmental reporting, but more work is needed in the area of supply chains. This provides a real opportunity for large companies to demonstrate leadership by using their influence and skills to drive best practice across the supply chain. Encouraging and facilitating SMEs in particular to develop leading practices in this area helps to promote sustainability in its broadest sense. The National Plan on Corporate Social Responsibility 2014-2016 ‘Good for Business, Good for the Community’, to be published shortly by the Government will highlight the role that enterprises can play in supporting employment and local communities. However much stronger Government leadership on sustainable procurement is also urgently needed to drive much deeper action in this area. Business in the Community Ireland is currently driving forward training

on sustainable procurement with our members as well as a pilot project with SMEs in an effort to create change in this area.

The benefits to business of taking action on the environment should not be underestimated as demonstrated by the four case studies presented here. Significant cost savings are still being made by business as exhibited by the €720K in energy savings made by Musgrave in 2013. Action on environmental issues also has multiple benefits e.g. the link between sustainable transport and wellbeing was very evident in Arup's example, while Intel's work on the river Rye showed clear benefits not only to the local biodiversity but also to Intel's links with the local community. Setting environmental issues in the context of broader Corporate Responsibility helps to ensure that these multiple benefits are realised.

Recommendations

Business in the Community Ireland undertook this review to to understand the environmental trends among our members and to inform businesses of emerging gaps and next areas for development. Further to this we make the following key recommendations for all businesses in Ireland:

- Businesses should seek to understand the wider benefits of environmental action to the business e.g. wellbeing, employee and community engagement and how it drives further action on Corporate Responsibility.
- Businesses are well positioned to show leadership by using their influence and skills to drive change in the supply chain, in particular with SMEs.
- As stated in Government policy, leadership from the Government on sustainable procurement is required to drive further change in this area.
- Behavioural change and employee engagement in this area should be strengthened to ensure long-term sustainability.
- The issue of biodiversity, which provides businesses with such a range of goods and services, needs to be championed by business.
- Businesses must demonstrate openly and honestly the progress, or lack thereof, they are making on the targets and commitments they have set.

Environmental support is available to businesses from a range of agencies and organisations. This support is varied and includes one-to-one advice, information, training, grants, collaboration, events, audits and benchmarking among others.

Business in the

Community

Ireland

In Business in the Community, we endeavour to form partnerships and relationships with the organisations profiled here so that through our position as a 'broker' we can ensure that our network members have access to the most up-to-date information and support. We have a dedicated Environment Advisor among our team of Corporate Responsibility Advisors, who works with our members to provide one-to-one support and advice. In addition to 'connecting' our members with the relevant supports available, Business in the Community Ireland also provides the following services:

- Environment Review
- Green Team Training
- Development of Environmental Awareness programmes

Please contact Lorraine FitzGerald, Corporate Responsibility Advisor - Environment for further details: lfitzgerald@bitc.ie, or call 01 874 3859

The following section outlines the key environmental supports available to businesses in Ireland.



Sustainable Energy Authority of Ireland (SEAI)

www.seai.ie/your_business

Sustainable Energy Authority of Ireland's mission is to play a leading role in transforming Ireland into a society based on sustainable energy structures, technologies and practices. It delivers a range of programmes to business and public sector partners to encourage and support them to develop and adopt sustainable energy practices, placing particular emphasis on energy efficiency first.

- The key vehicle in the large business area is the Large Industry Energy Network (LIEN), a voluntary grouping of companies that work together to develop and maintain robust energy management.
- The Energy Agreements Programme is a subset of the LIEN above, and consists of major energy users that have committed to implement the energy management standard ISO 50001.
- Members have access to networking events, sharing and reporting of information and best practice information with a focus on replication.
- There are also a range of supports available to SMEs through the Small Business Support centre SEAI - SEAI's services for SMEs including online tools to assist you to take action, an Advice and Mentoring Service and Energy Management Training.
- In addition SEAI also delivers tailored training courses in partnership with trade bodies, corporate groups and energy suppliers.
- The SEAI supports the public sector (including Semi-States) to achieve its 33% energy efficiency improvement target through its Public Sector Programme. Services include access to an energy expert, implementation support and technical information.
- The Accelerated Capital Allowance (ACA) is a tax incentive for companies paying corporation tax and aims to encourage investment in energy efficient equipment. The ACA offers an attractive incentive whereby it allows companies to write off 100% of the purchase value of qualifying energy efficient equipment against their profit in the year of purchase.

SUPPORT AVAILABLE



Enterprise Ireland

www.enterprise-ireland.com/en/productivity

Enterprise Ireland is the government organisation responsible for the development and growth of Irish enterprises in world markets. As part of helping clients achieve improved export growth, Enterprise Ireland through its 'Green Offer' helps companies to incorporate sustainable practices into the day-to-day running of the business. GreenPlus and the Technical Feasibility Grant are the two main ways in which Enterprise Ireland can help large businesses to improve their environmental performance:

GreenPlus

Under Enterprise Ireland's Business Process Improvement Grants, client companies can apply for funding towards the cost of undertaking a GreenPlus Assignment. Assignments are designed to assist company managers to develop a high level of environmental management capabilities, drive environmental efficiencies and achieve improved sustainability. Eligible assignments may include:

- Understanding and embedding improved environmental management practices in your company through dedicated training programmes.
- Assessing and applying international environmental best practices and standards to a level compatible with ISO 14001 (Environmental Management Systems Standard) and ISO 50001 (Energy Management Standard).
- Other process improvements with the potential to increase your company's environmental sustainability, minimise material and resource costs, minimise waste (water, energy, materials) and lead to improved company competitiveness.
- Supply chain or customer tendering requirements

Technical Feasibility Grant

The Enterprise Ireland Technical Feasibility Grant can be used to assist companies in undertaking a technical feasibility study aimed at investigating the technical aspects of introducing or developing new or improved products, technologies, services or processes that are environmentally superior. This grant can also be used to apply for Eco-labels to help companies demonstrate the environmental performance of their products. To learn more about eligible costs or how to apply, please go to Technical Feasibility Grant.

In addition Enterprise Ireland also provides environmental information to businesses through Envirocentre.ie, a website which was developed by in 2003. This provides support, advice, legislation information, a carbon footprint calculator, news, events, case studies, best practice documents and a bi-monthly Ezine to subscribers.



Smarter Travel Workplaces

www.smartertravelworkplaces.ie

Smarter Travel Workplaces is a public awareness programme working with large employers to implement voluntary workplace travel plans. A growing number of Irish employers are engaging in Smarter Travel, working with their employees to facilitate travel choice in favour of more sustainable transport, resulting in reduced costs, enhanced employee wellbeing, better access and more effective parking management. Partners of the programme include Arup, Bord Gáis, Deloitte, EirGrid, ESB, Genzyme, HP, IBM, Novartis, Microsoft and Pfizer among others.

For larger employers (more than 250 employees) interested in implementing a workplace travel plan a Smarter Travel Workplaces Partner Package (valued at over €10,000) is available free of charge. Benefits include:

- Up to 16 days with an experienced Travel Planner/ Facilitator to assist you to implement your plan
- Free online employee travel survey, analysis and suggested Action Plan
- Free car-sharing group specifically for your workplace on www.carsharing.ie
- Information and ideas to promote walking, cycling, public transport, car-sharing and other relevant schemes
- Promotional tools and roadshows e.g. banner stands, promotional materials and mapping resources
- Participation in our annual inter-Partner Pedometer Challenge and 10 Minute Cycle Challenge
- Partner seminars, including topics such as Parking Management, Promoting Physical Activity and Leading Change, Marketing Travel Change
- Access to a supportive network of organisations experienced in addressing issues relating to employee and business travel, and fleet management.



EPA - Be Green

www.epa.ie/begreen

BeGreen brings together all of the guides and programmes that have been put in place by the EPA, local authorities and other partners to promote waste prevention.

The BeGreen guides provide easy to use information on how to become resource efficient in business and in the home. Some of the guides available for businesses include:

- A guide to minimising food waste in the catering sector;
- A step-by-step guide to reducing paper use in your office; and
- Achieving lean and green construction.

The BeGreen programmes have been put in place by the EPA, local authorities and other partners to promote waste prevention. The programmes provide specific sectors including hospitality, healthcare, industrial and commercial activities with ways in which they can participate in making Ireland a more sustainable country while saving them money. Programmes include:

- Green Enterprise Programme (formerly CGPP) - a grant scheme to encourage Irish organisations to implement cleaner greener practices;
- Prevent and Save - aimed at helping businesses to reduce the amount of unnecessary packaging on the market;
- SMILE Resource Network (further details to the right); and
- Green Business (further details to the right).



Smile Resource Exchange

www.smileexchange.ie

SMILE Resource Exchange is a free service that assists businesses in re-using each other's materials, by-products and surplus 'waste' products in order to reduce waste going to landfill, to increase the life of resources through reuse and therefore reducing costs and promoting more sustainable business practices. SMILE stands for Saving Money through Industry Links and Exchanges. Potential synergies are identified through networking events, an online exchange facility (www.smileexchange.ie) and a support team to assist throughout. At these exchange events and through the website businesses can identify resources they would like to exchange such as reusable items, by-products and surplus products. Membership is free and is available to businesses in the Dublin, Cork, Limerick, Clare and Kerry regions. SMILE is project managed by Macroom E and is funded through a partnership between the Environmental Protection Agency (EPA) and Local Authorities and Enterprise Boards in the regions it operates.



Green Business

greenbusiness.ie

Green Business is a free and confidential resource efficiency service to help businesses become more resource efficient and save money. The programme provides free onsite Resource Efficiency Assessments (REAs) to help reduce water, waste and energy bills and afterwards a report is issued, which identifies resource efficiency opportunities specific to each business. The report will identify a number of opportunities, which will be a mixture of 'no-cost', 'low-cost' and also opportunities that may require some investment. If desired, Green Business assists businesses to prepare case studies outlining the company's resource and cost savings, which are featured on the Green Business website. The organisation also offers support via phone and email, and can refer companies to relevant resource efficiency funding programmes.

While this service is primarily aimed at SMEs, Green Business does occasionally work with larger businesses. In these cases, the assessment will be restricted to a specific area, site or business unit rather than a comprehensive assessment.

The service is funded by the Environmental Protection Agency (EPA) under the National Waste Prevention Programme with the objective of delivering substantive resource efficiency improvements and cost savings, through waste prevention and reductions in water and energy consumption.

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