
Big business 'failing to tackle climate change'

Read the open letter from the Aldersgate group [here](#)



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The UK's top companies are failing to face up to climate change, with less than half of the FTSE 350 companies introducing schemes to reduce greenhouse gas emissions, according to a report released today.

The second annual report from the Carbon Disclosure Project (CDP), a New York-based independent organisation which works with shareholders and corporations to disclose their greenhouse gas emissions, found that only 38% of the companies that responded to its survey have put in place emissions reduction schemes with targets.

The findings of the report have prompted a unlikely coalition of leading environmental agencies, UK companies and cross party MPs to write an open letter to the environment secretary, Hilary Benn, and the business and enterprise secretary, John Hutton, arguing for standardised carbon reporting.

"Current reporting levels are still too low, and what is disclosed is not comparable because of the use of different calculation methods," says the letter. "The lack of transparency ... undermines the comparative advantage that should accrue to companies with good carbon reporting and control."

Some 50 signatories to the letter include BT, The Co-operative Bank, United Utilities, Friends of the Earth, John Gummer MP and the Local Authority Pension Fund Forum.

The signatories call on the government to introduce a "common protocol" that would force companies to report their emissions in "a way that is consistent and comparable".

"The number and diversity of signatories to this letter demonstrates the need for urgent action," said Adrian Wilkes, the chairman of the Aldersgate Group, which wrote the letter.

"The lack of transparency obscures the UK's true contribution to carbon emissions and would impede the setting of accurate carbon targets and budgets in the proposed climate change bill," he added.

The CDP report showed that some 80% of the public-owned companies that responded to the survey saw climate change as

presenting both commercial risks and commercial opportunities.

Despite the low number of corporate emissions reduction schemes, the response rate to the CDP survey among the UK's 100 largest companies was 92% - the highest response rate of any CDP sample in the world.

A CDP survey of major US firms revealed that only 29% of respondents had implemented emissions reduction schemes.

The chief executive of the CDP, Paul Dickinson, said: "UK companies are leading when it comes to disclosing their greenhouse gas emissions."

"Increasingly investors view good carbon management as a sign of good corporate management."

The climate change minister, Joan Ruddock, said more investors must send strong signals to the market over the importance of a company's environmental record in making investment decisions.

Speaking at the launch of the report, Ms Ruddock said: "It is imperative for government and businesses to work closely together to question our practices, challenge them and, more importantly, make business choices that reflect the importance of a low carbon economy.

"Investors have a particularly key role to play in this. They should give consideration to environmental and social credentials, sending out signals to the financial markets to say that carbon disclosure is vital and show companies that it will affect their investment decisions. Together we must work to drive down emissions."

The CDP is a collaboration of more than 315 global institutional investors, with assets totalling more than \$41 trillion (£20tn).

It encourages transparency and accountability in business by calling for leading companies to disclose information on how they measure, report and manage greenhouse gas emissions.

The UK carbon disclosure report follows a report last month into the world's 500 largest corporations, which found that 76% of respondents had put emissions reduction schemes in place – compared to 48% last year.