

THE VOICE FOR BUSINESS
BELFASTCHAMBER.COM



IDEAS | PEOPLE | TRUST



BELFAST BUSINESS SUSTAINABILITY SURVEY



FOREWORD

SIMON HAMILTON | CHIEF EXECUTIVE

Belfast Chamber is delighted to partner with our member and leading business advisers BDO NI to produce this timely and thorough Belfast Business Sustainability Survey.

Amongst the many challenges that businesses in our city have grappled with in recent years, one has remained constant. Whilst climate change may not have dominated our news headlines on a daily basis, it has been ever present with business owners across Belfast becoming increasingly

This Survey illustrates quite starkly how serious businesses across Belfast are taking climate change. Our findings show that there is a very high level of awareness about sustainability issues however, this is not always matched by equally high levels of preparedness. That mismatch in risk and readiness is also reflected in a widespread view that the city generally and both local and regional government in particular aren't adapting quickly enough to the challenges presented by climate change. That some 83% of businesses surveyed consider climate change poses a moderate or serious challenge to their business should be the clarion call, if it were needed, for all of us, both in the public and private sectors to seek out the individual and collective actions we can take to ensure not just that our city's businesses are resilient enough to come through this challenge but also, where possible, avail of the green growth opportunities that greater sustainability can present for Belfast.

Belfast Chamber believes that businesses in our city – the overwhelming majority of which are micro or small in size – need much more support to make the changes that they know their businesses will need to adapt to the challenge presented by climate change. There is a palpable sense that businesses want to do more but many feel unsure or unable about what steps they can and should be taking in their businesses. Many have already tried to reduce the waste their business produces or the energy they consume. Fewer though have sought advice on switching to electric vehicle fleets let alone producing a plan to deal with how extreme heat or flooding might impact upon their businesses.

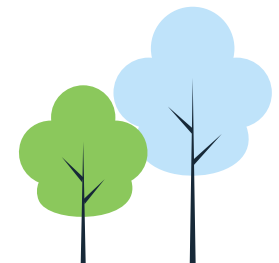
Businesses in Belfast have seen their ability to focus on this important issue impacted negatively by other factors like COVID-19. As we emerge from the



pandemic and edge towards recovery, getting to grips with climate change must become a greater priority and it is clear that businesses need the kind of single point of contact in the city for support and guidance that was so overwhelmingly endorsed by 85% of respondents to our survey.

Belfast Chamber would like to thank the team at BDO for their invaluable assistance in producing this survey and, in particular, we would like to thank the businesses who took part. Sharing your views and opinions has helped give us the clearest, most comprehensive picture yet of the attitudes of Belfast business to climate change. We hope that the findings prove useful to decision makers in government as they seek to shape a more sustainable society for all of us and future generations.

SIMON HAMILTON | CHIEF EXECUTIVE, BELFAST CHAMBER



FOREWORD

LAURA JACKSON | PARTNER, BDO NORTHERN IRELAND

As the world realised it was facing a global pandemic, Covid-19, it was the business community that led the way, responding quickly and putting measures in place to ensure continuity, rising to the challenge that we all faced.

Although the pandemic remains with us, arguably we all face an even greater threat, and it will be up to the business community, once again, to meet this challenge and lead the way.

The threat is climate change.

This is a very real threat that poses a clear and present danger to all of us, and especially the business community.

For some, it can be easy, and perhaps preferable to dismiss this threat as 'scaremongering' and believe that any real impact will be too far in the future to worry about. The blunt reality is that this is happening and its impacting businesses across the world, including here in Northern Ireland.

Flooding, droughts, freak weather incidents that become more frequent than ever before. These are all signs of a changing climate and they are impacting businesses in Belfast as well as Bangladesh, and moreover, it's happening now.

Many businesses have been preparing and rising to the challenge and there is a lot we can learn that will not only protect the long-term viability of our businesses but also provide opportunities for growth.

With the increased focus on the environmental, social, and governance (ESG) agenda, businesses are keen to align this with their overall business strategy. A big challenge for many local companies is bridging that gap between understanding the need for change and delivering on specific ESG commitments - embracing sustainable business practices. This is an area that is at the very core of BDO's being and has been for years.

Many within the business community has voiced concerns around the complexities of preparing their sustainable business practices and how they



meet the growing demands of a vast range of stakeholders (customers, employees, suppliers, regulators, and local communities) who expect to see tangible results. A further complexity comes in the form of reporting and knowing which framework works best for your company's strategy.

Whilst the local business community is actively engaging in the process, they continue to need support beyond their own operations, with the need for local and regional government to play their parts is equally as important. 83.7% of survey respondents urged for the introduction of the much-anticipated Climate Change Act in NI which would create important sector specific carbon reduction targets.

BDO's central purpose is 'helping you succeed' and at the core of this aim is societal purpose; there is no greater alignment than the climate change agenda. The experience of the BDO team gives businesses the confidence that whilst they get on with their day job, their team is identifying opportunities that places their business at the forefront of this agenda.

An important figure in this survey is the 60% of local companies who admitted that they were not adapting quickly enough to the challenges presented by climate change. Whilst we anticipated a large percentage



to acknowledge the importance of the issue (91% in fact) this figure demonstrates that more than half are struggling to deliver practically to the changing environment.

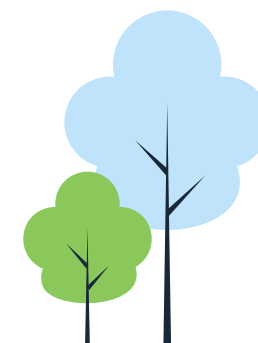
This is where organisations such as BDO NI bridge that gap, we assist organisations of all sizes in identifying key considerations in relation to climate change/ESG factors, relevant to the nature of their business and advise on real practical solutions.

Incorporating your ESG agenda into your business strategy can provide real value to your business. Whether this is through optimising more sustainable products, reducing operational costs through lower energy consumption, attracting talent through a strong social reputation, creating a priority for a unifying organisational culture, or investing in sustainable equipment for example.

Barriers such as Brexit, Covid-19, the availability of resources and the lack of the required expertise and support have all been deciding factors in how a company progresses and their pursuit and delivery of a workable sustainability agenda is no different.

The climate emergency is real, it's happening now, and it is impacting us. It's impacting our businesses too and how we respond to this threat will help determine the viability and success of our businesses. We at BDO can help not only future proof your business, but also explore the opportunities for growth by adopting early to the sustainability agenda. If we fail to plan to meet this challenge, then we must accept that we are planning for our businesses to fail. Let's avoid this, let business once again lead the way in responding to the greatest challenge we may ever face.

LAURA JACKSON | PARTNER, BDO NORTHERN IRELAND



COMMENTARY

PROFESSOR JOHN BARRY | PROFESSOR OF GREEN POLITICAL ECONOMY, QUEEN'S UNIVERSITY BELFAST

The results of this survey on business attitudes towards and current and projected action on climate change and sustainability show that businesses are overwhelmingly positive, and supportive, of more ambitious and urgent climate action.

The vast majority of businesses (staff and management) see climate change as important and challenging, and support a strong NI Climate Change act with sector specific carbon reduction targets. I congratulate the Belfast Chamber for leading on this issue and this should be first of many engagements with businesses on the city's path to net zero by 2050. The results of this survey show that there is support and an appetite amongst businesses to help our city's plan to net zero, as outlined in the Belfast Climate Commission's 'Net Zero carbon Roadmap by 2050' report, and also the plans outlined by the Council's Resilience and Sustainability Board.

This survey is timely in coming out at the same time as the most up to date and authoritative report on climate science by the Intergovernmental Panel on Climate Change. On 12th August, the IPCC released its report which was described by UN Secretary General António Guterres as 'code red for humanity'. The report lays out in start terms how urgency we need scaled up climate action on decarbonisation and climate adaptation, such as investing in low carbon transportation infrastructure (from walking and cycling to hydrogen buses) and nature based solutions (rewetting peatlands and planting billions of trees). The results of the survey do give us cause for hope in that it is clear that the vast majority of local businesses are aware of the scale of the challenge and up for whatever it takes to address the climate crisis. Equally, the survey tells us what is also obvious, that businesses cannot do this by themselves, government policy and support will be needed.

From this survey, we can see that 60% of businesses say climate change and sustainable are very important, and 31% important. Therefore, with over 90% of Belfast businesses agreeing with the importance of climate and sustainability action for their businesses, this is a very large mandate for more ambitious city council and central government policy to harness and mobilise



that concern. Businesses surveyed are honest in judging that businesses in Belfast are not adapting quickly enough to the challenges of climate change (50%). This figure rises to 77% when asked about whether our local and regional government is adapting quickly enough.

83% of survey respondents say climate change represents a serious or moderate challenge. This is excellent to see such a high level of awareness and consciousness, but I would be particularly interested in talking to the 17% of businesses who are confident in that it presents no challenge at all. Is this because they have robust climate action and risk management plans, or that they think the climate challenges does not affect their businesses directly?

In contrast to the high levels of survey respondents saying climate change represents a challenge, only 36% of businesses say climate change and sustainability are regular or standing items on senior team discussions. On this issue, we also find 17% who said 'we don't discuss it' (perhaps suggesting an overlap with the 17% of respondents above for whom climate change presents no challenge at all. This would, other things being equal, perhaps indicate that for those businesses that do not discuss climate change, it is not a challenge, reflecting an 'out of sight out of mind view'.



In terms of staff perspectives, 70% of respondents said that staff place ‘some’ or ‘a lot’ of importance on climate change and sustainability issues, and this rises to 90% if we include those for staff care ‘a little’. This is impressive and an important finding and one which bodes well for support for more, scaled up and more urgent action.

I was also interested to read that the top 3 actions businesses have made in terms of climate and sustainability: setting targets to reduce waste, targets to reduce energy and establishing sustainability objectives. These are good places to start for practical integration of climate/energy/environmental risks and actions into business operations and as a firm foundation for further action.

There is overwhelming support for a single point of contact in Belfast for climate change and sustainability advice and support for businesses (85%), and there was no one barrier to enabling businesses becoming more sustainable, with respondents equally ranking issues such as ‘Brexit. Covid 19’, lack of time’, lack of advice and support’. Clearly all of the barriers identified need to be addressed, and there no clear priority as to which should be tackled first from this response, but there is definitely a role for the Belfast Climate Commission, as the city level climate ‘think tank’ along with local educational institutions such as the expertise in Belfast Metropolitan College, Ulster University and Queen’s University in assisting businesses in grappling with the challenge of climate change.

As Co-Chair of the Belfast Climate Commission, I am heartened by the survey results, demonstrating that businesses are aware of the crisis and are willing to roll up their sleeves to get to work on reducing our dependence on fossil fuels which is the main cause of climate breakdown. The survey results show that businesses need help and support in contributing towards the collective effort to get Belfast, and Northern Ireland to net zero carbon and our transition to a climate resilient economy and society.

PROFESSOR JOHN BARRY

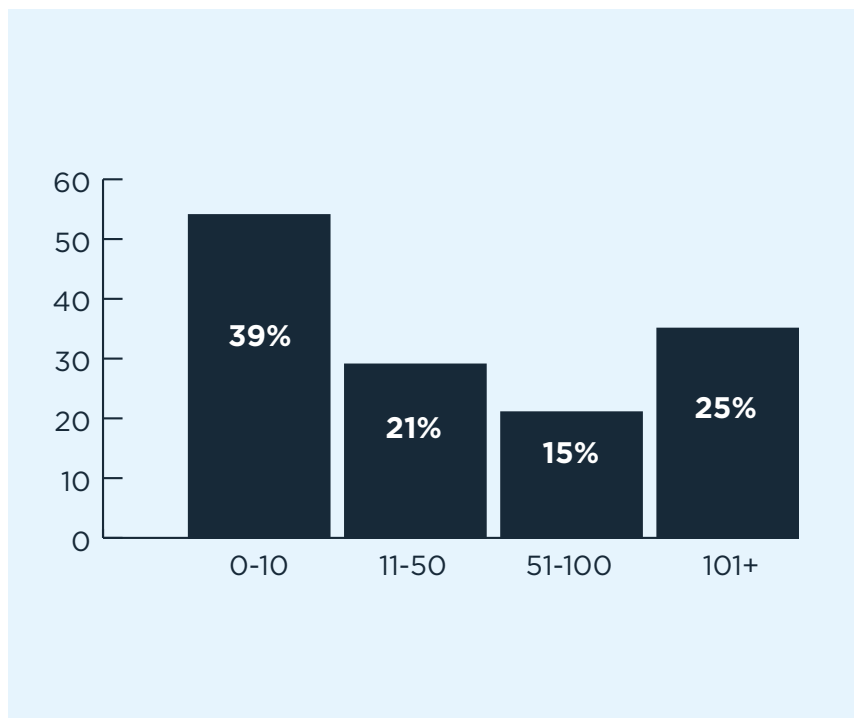
PROFESSOR OF GREEN POLITICAL ECONOMY, QUEEN’S UNIVERSITY
BELFAST | CO-CHAIR, BELFAST CLIMATE COMMISSION



SURVEY RESULTS

With sustainability issues increasingly to the forefront of our minds, Belfast Chamber and BDO NI believed it was an opportune time to assess the attitudes of Belfast businesses towards climate change. Businesses of all sizes and from all sectors of the city’s economy participated in the Belfast Business Sustainability Survey as indicated below. Their responses are revealed over the following pages across a number of different categories.

Number of Employees



Primary Sector your business Operates in?

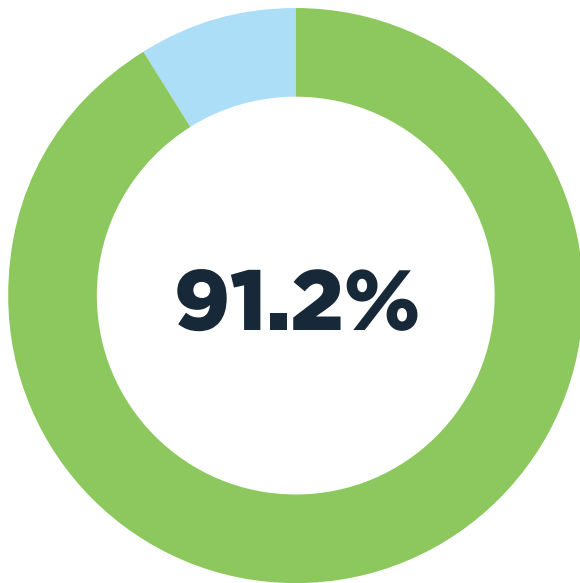
Retail 9%	Finance 4%
Hospitality, Leisure & Tourism 12%	Charity/Social Enterprise 3%
Manufacturing 6%	Transportation 4%
Professional & Legal Services 19%	Health & Beauty 2%
Business, Admin & Support 5%	Utility 1%
Technology 7%	Arts, Culture & Events 1%
Media & Advertising 3%	Other 9%
Construction & Property 15%	



ATTITUDES AND OPINIONS



Importance of Climate Change and Sustainability



of businesses said climate change and sustainability was an important issue.



Climate Change is a Moderate/Serious Challenge



83.2%

of businesses said climate change is a moderate or serious challenge.



Businesses Speed of Adaption to Climate Change Challenges



59.8%

of respondents said businesses generally in Belfast are not adapting quickly enough to the challenges presented by climate change.



Governments Speed of Adaption to Climate Change Challenges



71.2%

of respondents believe that our local and regional government isn't adapting quickly enough to the challenges presented by climate change.

Support for Climate Change Act in Northern Ireland



83.7%

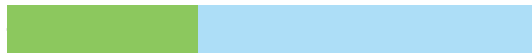
of respondents support the need for a Climate Change Act for Northern Ireland with sector specific carbon reduction targets.



BUSINESS STRATEGY



Climate Change Agenda Item



36%

Only 36% of businesses have climate change as a permanent executive team agenda item.



Importance of Sustainability

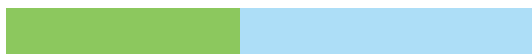


70%

of businesses recognise that their staff place 'some' or 'a lot' of importance on climate change and sustainability



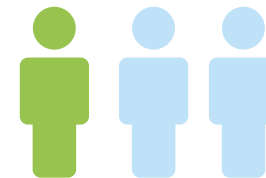
Discussion of Sustainability



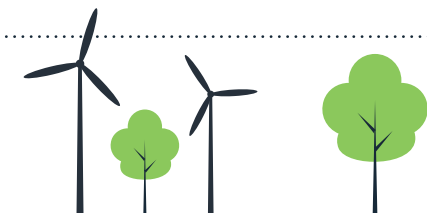
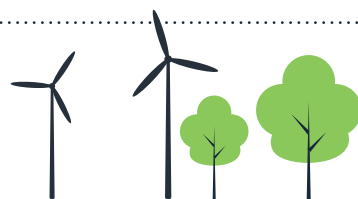
44%

of businesses discuss sustainability on an ad hoc basis.

Changes in Environmental Reporting



1 in 3 of businesses are aware of changes in environmental reporting and of that number, only 1 in 3 are currently publishing a return.



ACTIONS TO DATE



Reduce Waste / Increase Recycling



of respondents have set targets to reduce waste / increase recycling.

Reduce Energy Costs



of respondents have set targets to reduce energy costs.

Sustainability Objectives



of respondents have established sustainability objectives for the business.

Responsible for Climate Change



of respondents have appointed a member of staff to be responsible for leading climate change.



Climate Change / Sustainability Strategy or Plan



of respondents have established a climate change / sustainability strategy or plan.

Training to Understand Sustainability Issues



of respondents have have undergone training to improve the understanding of sustainability issues.

Carbon Reduction Target

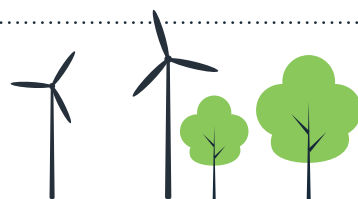


of respondents have set a carbon reduction target and have plans to electrify their vehicle fleet.

Climate Change on Company Risk Register



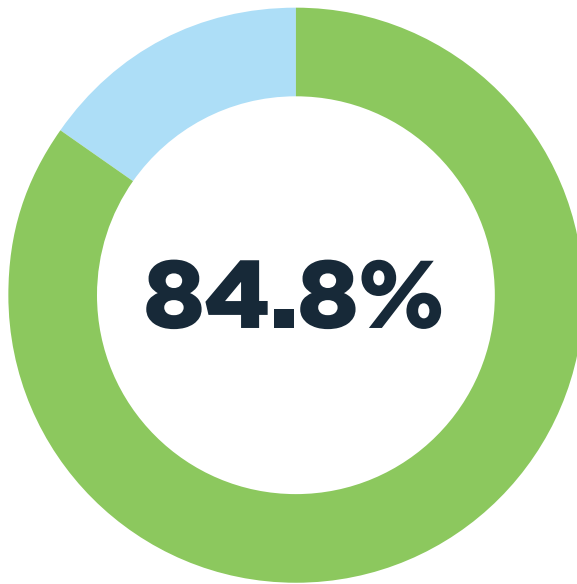
of respondents added climate change to the company risk register and conducted climate change scenario planning to better understand how their businesses might be affected.



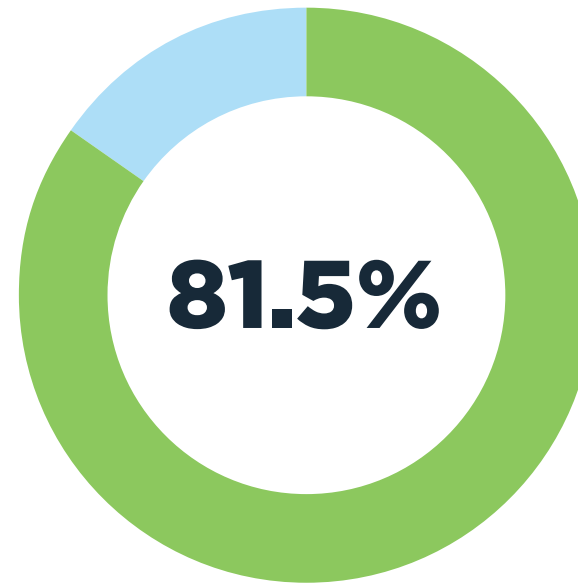
ADVICE AND SUPPORT



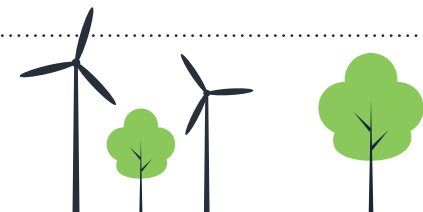
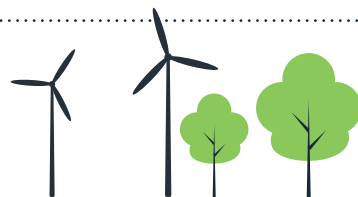
Taking Sustainability Within Business Forward



84.8% of businesses said yes when asked if there was need for further advice and would welcome a single point of contact for businesses.



81.5% of businesses indicated they have not sought advice from any other local source including the Carbon Trust, Belfast City Council, Invest NI or the NI Dept for the Economy on sustainability business issues.



BARRIERS



Barriers for Businesses Dealing with Climate Change and Sustainability

Businesses were asked to rank the how significant a barrier each of the following elements were to their business from becoming more sustainable. This is how our respondents ranked these barriers.

1

Brexit, Covid-19 and other pressures absorbing attention.

4

Lack of expertise within the business.

2

Lack of time within the business.

5

Unsure as to what steps we can take to become more sustainable.

3

The cost of making the necessary changes.

6

Lack of advice and support.

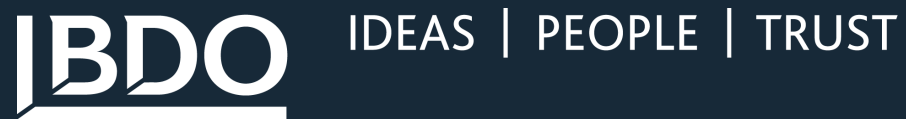


Belfast Chamber and BDO Northern Ireland are committed to further assisting our members/clients in understanding what they can do to help tackle climate change and make their businesses more sustainable.

We want to offer further help to businesses whether that be, for example, through a carbon footprint calculation of your business, an environmental impact audit of your or a webinar/ information session including environmental and business experts.

If you want additional advice or support or just want to give us your views on our survey results, please get in touch with us via info@belfastchamber.com and belfast@bdoni.com





THE VOICE FOR BUSINESS
BELFASTCHAMBER.COM