W H I T E P A P E R

Setting & Achieving

Net Zero Targets.

A practical guide for businesses moving from ambition to delivery.

C A R B O N F O O T P R I N T L T D

May 2026 · John Buckley, Jenny Grimston-Webb, James Fryer

C O N T E N T S

What's inside

E X E C U T I V E S U M M A R Y

Targets are easy. Delivery is the hard part.

Most organisations have set a net zero target. Far fewer have a credible plan to meet it. This paper is about closing that gap.

It is written for sustainability leads, finance directors, and senior managers responsible for translating a corporate commitment into a programme of work. It draws on Carbon Footprint Ltd's twenty years of experience advising thousands of organisations, and on the Setting & Achieving Net Zero Targets webinar delivered by our team in May 2026.

Three central arguments

1. Targets without plans are wishes. The real risk to your business and reputation is not the absence of ambition — it is the gap between the ambition stated and the trajectory delivered.
2. Absolute reductions are non-negotiable. Intensity metrics and carbon credits have a role to play, but the science requires absolute emissions to fall by at least 90% by 2050. Frameworks aligned with the science reflect this.
3. Scope 3 is where the real work sits. For most businesses, the supply chain accounts for 70–90% of total emissions. Engaging suppliers, improving data quality, and exercising procurement leverage are the highest-leverage activities available to most companies.

THE NUMBERS THAT MATTER

By 2050.

These are the figures that anchor a credible net zero programme. Targets, reductions, and timelines without these numbers in mind cannot align with the science.

90%

minimum absolute emissions reduction by 2050 to align with 1.5°C

70–90%

of a typical company's footprint sits in Scope 3

~20%

of suppliers usually account for ~80% of supply chain emissions

The remainder of this paper sets out what credible target-setting looks like, how to build a transition plan that will actually deliver it and how to communicate progress without falling into greenwashing. A frequently asked questions appendix covers the issues raised most often by clients and webinar attendees.

01 THE COMMERCIAL IMPERATIVE

Why this matters now.

Climate impacts are no longer a future concern. But the immediate pressure on most organisations is not the physical risk of climate change — it is the commercial, regulatory, and operational consequences of customers, regulators, and employees demanding credible action.

Customer and supply chain pressure

Procurement-driven sustainability requirements have moved from large corporates to mid-market and SME businesses over the past three years. Companies that win bids increasingly need to demonstrate not just a target, but a measurable reduction trajectory and engagement with their own supply chain. This is true in B2B and, increasingly, in B2C purchasing decisions.

Regulation is tightening

Organisations across the globe now operate within a maturing regulatory landscape. For example, the UK Sustainability Reporting Standards (UK SRS) are taking over from the Streamlined Energy and Carbon Reporting (SECR) regime for many companies. The Energy Savings Opportunity Scheme (ESOS) is broadening its focus from energy efficiency to carbon emissions. The Carbon Border Adjustment Mechanism (CBAM) places a cost on the embedded emissions of imported goods. Sector-specific frameworks add further requirements depending on industry and customer base.

Financial and operational efficiency

Carbon and energy are tightly coupled, and energy and cost are tightly coupled. Most carbon reduction activities — switching to renewable tariffs, improving fleet efficiency, reducing flights — deliver cost savings over time. Some require upfront investment; many do not. Efficiency gains and risk reduction often pay for the transition long before regulatory or reputational benefits arrive.

Talent and culture

Increasingly, employees choose employers based on values as well as salary. Organisations with credible, evidenced sustainability programmes attract and retain talent more easily than those that rely on generic statements. The combination of these pressures — customer, regulatory, financial, and cultural — means that doing nothing is now the expensive option.

02 THE TARGET TRAP

A target without a plan is a wish.

It is striking how often we encounter organisations that have set a confident net zero target without a corresponding plan to deliver it. A 2050 commitment is announced; investors and customers receive it warmly; the website is updated. Then, with no roadmap, no milestones, and no internal accountability, the target quietly slips.

> *"The reputational damage from missing a target is far greater than the credit gained for setting it."*

This is the target trap, and it is the single biggest risk to credibility we see in practice. The remedy is not more ambitious targets; it is more rigorous planning — the five elements that convert a target into a programme are set out in Section 4.

03 FRAMEWORKS

What the science requires.

Several frameworks now exist to support credible target-setting. They differ in scope and stringency, but converge on a common set of principles drawn from the climate science.

The Carbon Footprint Net Zero Standard

Carbon Footprint Ltd's Net Zero Standard is a framework developed and applied with our clients to provide a structured route to credible target-setting and verification. It operates at two levels:

- Essential — covering Scopes 1 and 2 plus a defined subset of Scope 3, including upstream leased assets such as serviced offices and associated transport. The appropriate starting point for organisations beginning their net zero journey.
- Comprehensive — covering all material Scope 3 categories. Where genuine leadership sits and where most large businesses will need to operate.

The Science Based Targets initiative (SBTi)

SBTi Net Zero is a branded standard that requires payment of often **substantial fees to submit & manage**.. Its corporate standard is currently at version 1.3 with version 2 expected to introduce a stronger focus on delivering reductions, not only setting targets, and on taking ongoing responsibility for residual emissions through high-integrity carbon credits and removals.

The forthcoming ISO Net Zero Standard

ISO is expected to launch its Net Zero Standard in 2026. This is a long anticipated global standard and will be **free to utilise** (we note there can be a small fee to download the document, but beyond that the standard is free to use). Third party verifiers can audit organisations against this – though ISO itself does not require this.

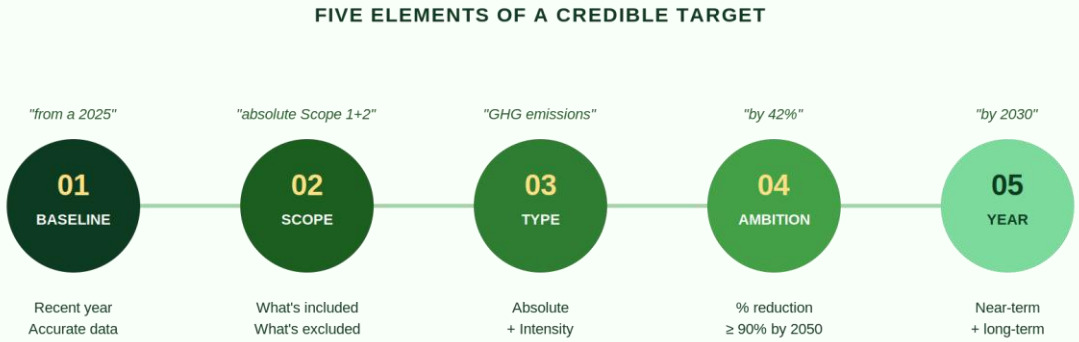
> *"Reductions must be made now, not deferred. Measurement must be annual. Reduction must be absolute."*

Across all credible frameworks, the underlying science is the same. To stay within a 1.5°C warming scenario, global emissions must fall by at least 90% by 2050, with the remaining residual emissions removed from the atmosphere through high-integrity carbon removal projects.

04 ANATOMY OF A CREDIBLE TARGET

Five elements required

A well-formed target communicates five things: the baseline year, the scope, the type, the ambition, and the target year. Each is essential, and missing any one of them weakens the commitment



01 Baseline year

Choose a recent year with accurate data that genuinely reflects how the business operates today. Avoid years distorted by external shocks (for example, 2020 or 2021 for many organisations affected by COVID). The baseline anchors every subsequent measurement, so it is worth investing in getting it right.

02 Scope

State explicitly which emissions are covered. A target may apply to Scopes 1 and 2 only, include specific Scope 3 categories, or cover the full Scope 3 inventory. Clarity protects against later accusations of greenwashing.

03 Type

Most credible targets are absolute — a total reduction in tCO_2e. An additional intensity target (per employee, per £m turnover, per m² of floor space, or per unit of product) can complement the absolute target and demonstrate efficiency gains, but should not replace it.

04 Ambition

State the percentage reduction sought. A long-term target should align with the science — at least 90% by 2050. Short-term targets (typically 2030) should sit on a credible trajectory toward the long-term goal.

05 Target year

Specify both a near-term and a long-term year. A 2030 milestone keeps the organisation accountable; a 2050 (or earlier) endpoint anchors the long-term commitment.

W O R K E D E X A M P L E

Putting all five together

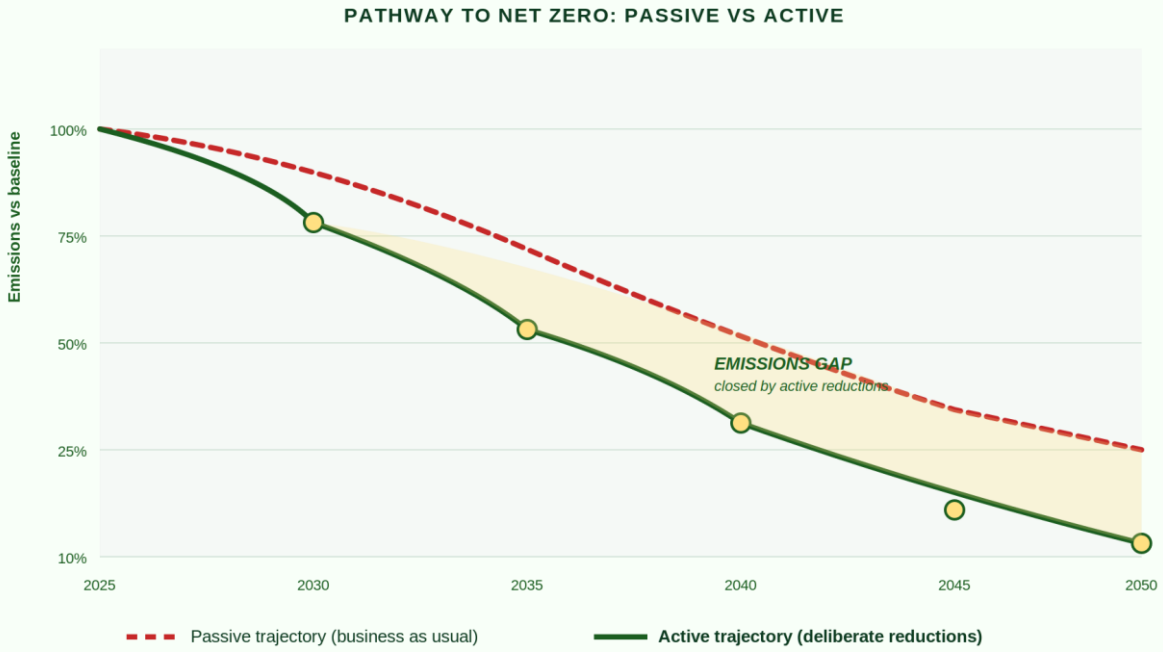
“We commit to reducing absolute Scope 1 and 2 greenhouse gas emissions by 42% by 2030 from a 2025 baseline year.”

This single sentence specifies all five elements: baseline, scope, type, ambition, and target year. A reader — whether a customer, regulator, or internal stakeholder — knows exactly what is being committed to and how progress will be judged.

05 FROM TARGET TO PLAN

Active and passive reductions.

Every transition plan distinguishes between two pathways: passive reductions and active reductions. Both matter, and they behave very differently.



Passive reductions

Passive reductions are the emission falls that occur without any deliberate action by the organisation. The UK electricity grid is decarbonising as renewables displace gas and coal. Internal combustion engines are being replaced by electric vehicles in the wider market. Heating systems are gradually shifting away from gas. As these structural changes happen across the economy, an organisation's reported emissions fall even if it does nothing differently.

Passive reductions are real, but they are not enough. Modelled across most business profiles, the gap between passive decarbonisation and the trajectory required to meet a 1.5°C scenario is large. Closing that gap requires active intervention.

Active reductions

Active reductions are the emission falls that result from deliberate decisions by the organisation: switching to a renewable electricity tariff, transitioning a fleet to electric vehicles, replacing gas heating with a heat pump, changing travel policy, engaging suppliers on their own decarbonisation, redesigning products. These actions require investment, planning, and

policy change — and they are the only route to closing the gap between business as usual and the 1.5°C trajectory.

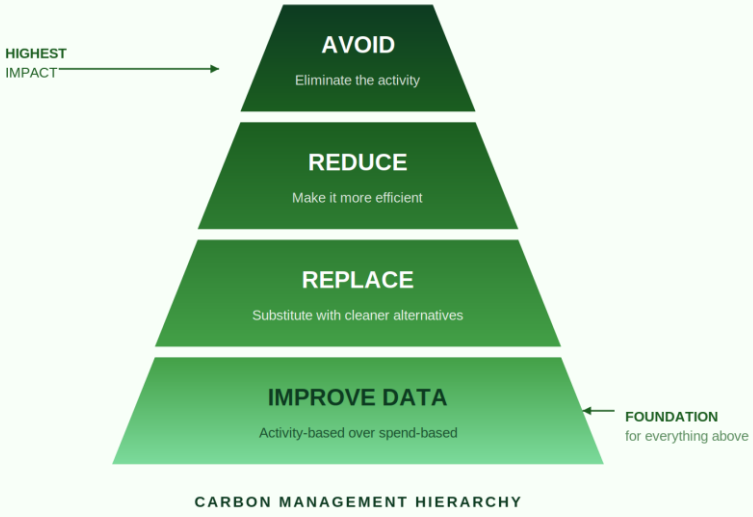
> *"Passive reductions narrow the gap. Active reductions close it."*

A credible transition plan models both. Passive reductions form the baseline trajectory; active reductions sit on top, sequenced over time and linked to the carbon savings each will deliver. Sustrax allows organisations to model both pathways together, track actual emissions against the plan, and refresh the plan annually as conditions change.

06 THE CARBON MANAGEMENT HIERARCHY

Avoid. Reduce. Replace. Improve data.

When evaluating possible active reductions, we apply a carbon management hierarchy. The hierarchy has four levels, applied in order, and it ensures that effort is directed where it has the greatest impact.



CARBON MANAGEMENT HIERARCHY

Avoid

Can the activity be eliminated entirely? The clearest example is travel that does not need to happen. We have worked with companies whose boards mandated quarterly in-person meetings across Europe, even while pursuing aggressive net zero targets. The most effective reduction was not better travel, but less of it. Avoidance is the highest-impact and lowest-cost lever in the hierarchy.

Reduce

Where the activity must continue, can it be done more efficiently? This includes reducing electricity and gas consumption, improving fleet utilisation, optimising heating set points, and reducing travel intensity. Reduction levers are typically incremental but accumulate quickly when applied across the business.

Replace

Can the energy or asset be substituted with a lower-emission equivalent? Examples include moving from grid electricity to a 100% renewable tariff; transitioning a fleet from petrol or diesel

to electric; switching gas heating to a heat pump or biogas. Replacement levers often require investment but offer step-change reductions.

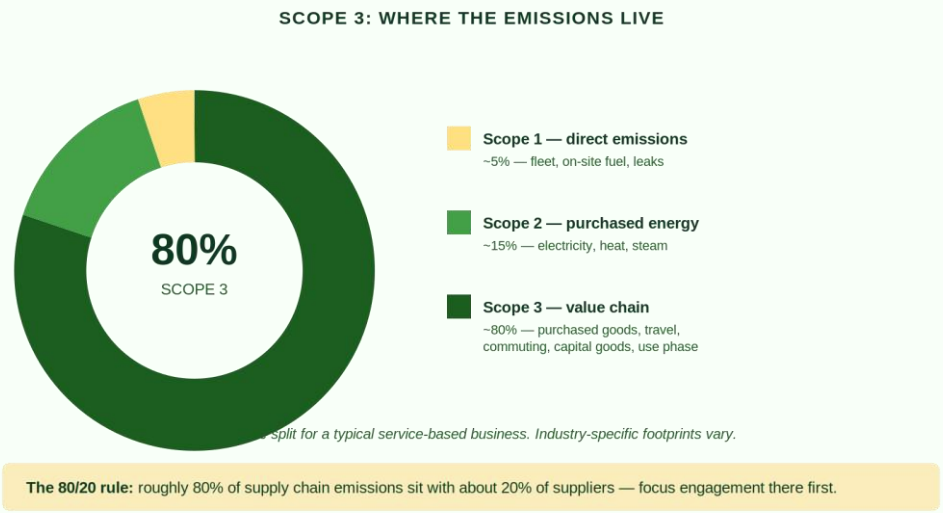
Improve data accuracy

Often overlooked but consistently impactful. The better the data — the more it reflects actual activity rather than spend-based estimates — the lower the calculated emissions tend to be. Moving from spend-based factors to supplier-specific product carbon footprints typically reduces reported emissions by 10–30%, while also improving the credibility of the inventory.

07 TACKLING SCOPE 3

The elephant in the room.

For most organisations, purchased goods and services (within Scope 3) accounts for 70–90% of the total footprint. It is also the hardest to measure accurately and the slowest to influence.



There is no single solution; there is a sequence of interventions, each of which moves the organisation incrementally toward a credible Scope 3 programme.

Prioritise data quality

Most Scope 3 inventories begin with spend-based estimates: a generic emissions factor applied to procurement spend by category. This is an acceptable starting point but quickly becomes a constraint on progress, because reductions in actual supplier emissions are not visible in spend-based numbers. The first priority is to move from spend-based to activity-based and supplier-specific data, especially for the highest-emitting suppliers.

Apply the 80/20 rule

In most supply chains, 80% of emissions come from roughly 20% of suppliers. Identify those suppliers, prioritise engagement with them, and accept that the long tail of smaller suppliers will be addressed later. This focuses limited engagement capacity where it matters most.

Use procurement as a lever

Procurement is the single most powerful tool an organisation has for reducing Scope 3. Embed carbon criteria in tenders and contracts. Ask suppliers for their footprint, their reduction targets,

and their plan to deliver them. Make supplier carbon performance a factor in award decisions. Suppliers respond to demand signals from their customers — and the more customers send the same signal, the faster the supply chain decarbonises.

Engage where you cannot replace

Some suppliers are sole-source, locked in by integration requirements, or simply uncooperative. This does not block overall Scope 3 progress — net zero targets are set at the total emissions level, so reductions elsewhere can compensate. Continue requesting data, document engagement attempts, improve the accuracy of how the supplier's emissions are accounted for, and be transparent in disclosures about where residual emissions sit and why.

Address the wider Scope 3 categories

Beyond purchased goods and services, the carbon management hierarchy applies equally to other categories:

- Business travel — apply a hierarchy of video-first, rail-second, flights only with sign-off; for unavoidable flights, use direct routes and economy class.
- Employee commuting — provide EV salary sacrifice, support hybrid working where it reduces overall travel, and consider commuting allowances structured to favour low-carbon modes.
- Capital goods — extend asset refresh cycles where security and operational policy allow; use product-specific carbon footprints from suppliers; implement reuse and certified refurbishment routes at end-of-life.
- Use of sold products and end-of-life — design lower-emission products, extend product lifetimes, and build circularity into business models where feasible.

Carbon Data Intelligence (CaDI)'s supply chain module supports formal data requests to suppliers and enables the data exchanges needed to build a genuine activity-based Scope 3 inventory. Contact us if you would like to be set up as a supply chain requester.

08 THE ROLE OF CARBON CREDITS

Two roles. One discipline.

Even an organisation reducing emissions on the steepest credible trajectory will continue to emit during the transition. High-integrity carbon credits play two roles in a credible net zero programme: taking responsibility for residual emissions during the transition and removing the final residual emissions at the end-state.

Compensation during the transition

Reducing emissions takes time, and the atmosphere is responding to today's emissions, not tomorrow's commitments. Many organisations now choose to compensate for ongoing residual emissions year by year, by contributing to high-integrity climate projects. This does not substitute for reduction — it complements it, and it directs finance to the climate projects that need it now.

Removals at the end-state

The 90% absolute reduction required by the science still leaves a residual 10%. To achieve net zero, that residual must be balanced by carbon removals — projects that take carbon out of the atmosphere and store it durably. The integrity of these removals matters: permanence, additionality, and credible monitoring are the difference between meaningful action and nominal accounting.

How COMP and CRISP support this

COMP is Carbon Footprint's curated marketplace of climate projects. Every project listed on COMP is rated by CRISP, our independent carbon credit ratings platform, against integrity criteria including additionality, permanence, leakage, and the strength of monitoring.

We avoid the term 'offset' deliberately – this is because this term is commonly (rightly or wrongly) interpreted as a means to ‘reduce emissions at the point of generation’ – which of course it is not. ‘Offsets’ it’s also sometimes associated with outdated poor quality projects. The new vernacular is 'high-integrity carbon credits' and 'carbon removals' for the high-integrity removal credits required at net zero. The distinction matters and is increasingly enforced by regulators and standards bodies.

09 DISCLOSURE & COMMUNICATION

Say what you mean. Show your working.

Setting a credible target and building a robust plan are the substantive work. Communicating them accurately is what protects the organisation from greenwashing risk — both reputationally and, increasingly, legally under the UK Green Claims Code and equivalent regimes.

Be truthful and accurate

Avoid generic claims like 'we are going net zero' without supporting detail. State which emissions are covered, what the baseline is, what the trajectory is, and what has been achieved to date. Specificity is the antidote to greenwashing.

Acknowledge what is excluded

If a target covers only Scopes 1 and 2, say so — and acknowledge that Scope 3 may be the larger share of total emissions. Hiding excluded categories invites accusations of greenwashing far more reliably than disclosing them.

Substantiate every claim

Every public claim should be backed by data the organisation can produce on request. Comparisons should be like-for-like; reduction percentages should match the underlying inventory; and language about 'carbon neutral', 'climate positive', or 'net zero' should be used carefully and only where genuinely justified.

Use a credible disclosure platform

Disclosing through a structured platform improves credibility and exposes data to scrutiny. Carbon Data Intelligence (CaDI) provides free public disclosure of organisational footprints, with the additional benefit that disclosing organisations become discoverable as suppliers — increasingly important as customers seek activity-based data for their own Scope 3 inventories.

We will be running a separate webinar on green claims and responsible communication in the coming months.

10 PUTTING IT INTO PRACTICE

From principle to programme.

Translating the principles in this paper into action requires three things: measurement infrastructure, a structured target-setting process, and the right partner to support both. The Carbon Footprint platform provides each.

- Sustrax — measure, track, and forecast your footprint against active and passive reduction pathways. Sustrax allows organisations to model alternative scenarios, set milestones, and refresh the plan as conditions change.
- CaDI — disclose your emissions publicly, find activity-based data on your suppliers, and engage your own supply chain through the supply chain module.
- CRISP and COMP — review the integrity ratings of available carbon credit projects and contribute to high-integrity removal projects when ready to take responsibility for residual emissions.
- The Net Zero Standard — apply a structured framework at Essential or Comprehensive level, with optional independent verification.

We work with thousands of organisations every year, from start-ups setting their first baseline to FTSE-listed companies refining a Comprehensive Scope 3 inventory. If you would like to discuss your situation specifically, our consultancy team is available to advise on target-setting, transition planning, and disclosure.

> *"Net zero is not a slogan. It is a programme of work — sustained over decades, built on accurate data, credible plans, and honest communication."*

A P P E N D I X

Frequently asked questions.

The questions below were submitted during the Setting & Achieving Net Zero Targets webinar in May 2026. Related questions have been merged where they share substantive answers.

Targets, baselines and metrics

Q. Our business is growing, so emissions are rising despite our reduction activities. How do we hit our targets — and how do we balance absolute reductions against intensity metrics?

To tackle climate change at a planetary level, absolute emissions must come down — there is no way around that. For this reason, both the Carbon Footprint Net Zero Standard and the SBTi require the headline target to be set on an absolute basis. The 90% reduction by 2050 needed to align with 1.5°C is an absolute figure, not a per-employee one.

Intensity metrics (e.g. tCO_2e per employee, per £m turnover, per m^2 of floor space, or per unit of product) sit alongside absolute targets as a useful secondary measure. They demonstrate operational efficiency gains even when total emissions rise, and can be particularly valuable for fast-growing businesses to show internal progress. Choose the denominator that most meaningfully reflects how your business scales.

Where the business has changed structurally — for example through acquisition or a step-change in headcount — re-baselining is sometimes appropriate. However, repeated re-baselining undermines credibility and is not a substitute for genuine reduction. The practical principle: as you grow, design the business to grow with as little additional carbon impact as possible.

Q. What legally has to be reported under Scope 3, and what is best practice?

Legal reporting requirements depend on the requirements that your organisation falls under. For example UK SRS (replacing SECR for many) and CBAM where importing relevant goods, and any sector-specific frameworks. Coverage and Scope 3 inclusion vary significantly between these.

Best practice goes beyond compliance. Under Carbon Footprint's Net Zero Standard, the Essential level covers Scopes 1, 2, and limited Scope 3 — including upstream leased assets such as serviced office space and associated transport. The Comprehensive level covers full Scope 3 and is where genuine leadership sits. If you are unsure which framework applies to you, get in touch and we can advise.

Scope 3 and supply chain

Q. Why does a business need to report a Scope 3 category when the same emissions are Scope 1 or 2 for the supplier? Isn't this double counting?

Yes and there is deliberate consideration of these emissions to prompt action on both sides. Bear in mind, your Scope 3 emissions are someone else's Scope 1 and 2. In theory, if every entity addressed only their own Scope 1 and 2, the problem would be solved.

In practice that does not happen, and businesses that take leadership on Scope 3 accelerate decarbonisation across their value chain by applying procurement pressure that operational reporting alone cannot. The Net Zero Standard reflects this through its two levels (Essential and Comprehensive), with genuine leadership requiring the Comprehensive approach.

Q. How can we reduce emissions if 80%+ comes from Scope 3 purchased goods and services — and what if a key supplier is unique, irreplaceable, or unwilling to engage?

This is the typical position for most businesses. The starting point is data quality: move from spend-based estimates to actual primary data from suppliers. Use your procurement leverage — when issuing RFPs or contracting, request footprint data and ask suppliers about their own net zero plans. CaDI's supply chain module can be used to formally request emissions data; contact us to be set up as a supply chain requester.

Apply the 80/20 rule: roughly 80% of supply chain emissions usually sit with around 20% of suppliers. Focus engagement on the highest-emitting suppliers first. Suppliers' own net zero plans can then be incorporated into your roadmap.

For a sole or uncooperative supplier, a single uncooperative relationship should not block your overall Scope 3 progress — net zero targets are set at total emissions level, so reductions elsewhere can compensate. Continue requesting data, improve the accuracy of how you account for their emissions (move from spend-based to activity-based factors where possible), document engagement attempts in your transition plan, and be transparent in disclosures about where residual emissions sit and why. Market and regulatory pressure — including CBAM and demands further down the value chain — tends to bring even reluctant suppliers into the conversation over time.

Q. We are locked into a specific supplier for security or operational reasons (e.g. Apple laptops with required MDM integration). What can we do about the embodied emissions?

Several levers remain even when the supplier is fixed. Extend device refresh cycles where security policy allows — moving from a 3-year to a 4-year cycle materially reduces annualised embodied emissions. Use the supplier's published product carbon footprints (Apple's are among the most detailed in the industry) to replace spend-based estimates with product-

specific data, which usually improves both accuracy and reported figures. Implement a robust reuse and redeployment scheme for returning devices and use trade-in or certified refurbishment routes at end-of-life so residual value is captured rather than written off.

Travel, commuting and homeworking

Q. How do we reduce business travel emissions when EVs aren't yet financially viable, or when clients demand in-person attendance — particularly where this is increasing post-baseline?

On client-driven travel: push back where you can. If a client is asking about your net zero plans, they will often understand a request to meet virtually. Many large corporates have their own Scope 3 targets and will respond well to a joint conversation about reducing required in-person attendance. Frame it as part of your sustainability commitment, not a cost decision.

Where travel is unavoidable, apply a formal travel hierarchy: video first, rail second, flight only with sign-off. For executive flights, quantify the per-trip footprint and challenge the cadence — could quarterly trips become annual? Where flights are essential, choose direct routes and economy class (premium cabins carry a multiple of the per-passenger footprint).

On EV economics: the picture is changing rapidly. Salary sacrifice schemes offer significant tax advantages for employees, and total cost of ownership (fuel, servicing, tax) often already favours EVs over their lifecycle. The UK ban on new petrol and diesel car sales after 2030 means this transition is happening anyway — the question is whether you move ahead of the curve. For businesses requiring on-site presence (e.g. security companies), build EV transition into your fleet renewal cycle rather than treating it as a one-off step change.

Where travel is genuinely growing post-baseline (e.g. due to client demand), pair an absolute target with an intensity metric to demonstrate efficiency gains while keeping the absolute target as the headline.

Q. Hybrid working aids commuting reductions but we still report homeworking emissions. What can we do to reduce them, given we can't enforce changes in employees' homes?

Commuting and homeworking sit under the same GHG Protocol category (Scope 3.7) and are two sides of the same coin. The assumption that they cancel out is not always correct — it depends on commuting distance, mode of transport, frequency of office attendance, and home heating profile. In practice, modelling often shows hybrid working does reduce overall emissions, particularly where commutes are long and car-based.

On the homeworking side, while you cannot mandate, you can incentivise. Encourage employees to switch to renewable electricity tariffs (some companies offer vouchers or small bonuses for proof of switch). Provide guidance on energy-efficient working patterns (e.g.

heating one room rather than the whole house). Consider whether you can supply efficient equipment (laptops, monitors, low-power peripherals) rather than leaving employees to source their own. Homeworking is not currently mandated by programs such as by SBTi etc, but assessing both commuting and homeworking is good practice.

Q. When electrifying a fleet, how do we account for the embodied carbon of vehicles, especially comparing owned versus leased?

The embodied emissions of a vehicle do not change based on ownership model — what changes is the GHG Protocol category. Owned vehicles fall under Scope 3.2 (Capital Goods); for leased vehicles where the leasing company retains ownership, the leasing company typically carries the capital goods emissions while the lessee reports operational emissions. The total atmospheric impact is the same; the categorisation differs.

To improve accuracy, request a product carbon footprint from your vehicle supplier rather than relying on generic emissions factors.

A B O U T

Carbon Footprint Ltd.

A UK-based environmental consultancy, founded in 2005, with two decades of experience advising organisations on carbon measurement, reduction, and disclosure.

We work with thousands of businesses every year, from start-ups setting their first baseline to FTSE-listed multinationals refining their full Scope 3 inventories. Our platforms support every stage of the net zero journey:

- Sustrax — carbon accounting and target-tracking software, in Lite and MX versions for SMEs and enterprises respectively.
- CaDI — Carbon Data Intelligence: 50,000+ emissions factors, supplier disclosure, and supply chain engagement.
- CRISP — independent integrity ratings for carbon credit projects.
- COMP — curated marketplace of high-integrity climate projects, every one CRISP-rated.

We are certified to ISO 9001 and ISO 14001.

Ready to put this into practice?

Whatever stage you're at, we'd like to hear from you. Please get in touch if you have any further questions

T A L K T O U S

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