

Are you Carbon Literate?



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“The world
will have to
decarbonize”

Carbon Literacy is:

“An awareness of the carbon costs and impacts of everyday activities, and the ability and motivation to reduce emissions, on an individual, community and organisational basis.”

Why is it important?

So far, the world's score card for delivering the Paris Agreement's objectives looks a bit disappointing. Government initiatives are delayed, watered-down or faltering. All the more reason for individuals and companies to effect positive change.

This is something that a charitable initiative, the Carbon Literacy Project, promotes and supports, providing an immediately encouraging thought: **“How can one person make a difference?”**, said a billion people.

What is it?

Recognised by the United Nations, the Carbon Literacy Project offers everyone a day's worth of Carbon Literacy learning. Whilst it is open to individuals, many of the courses' participants are drawn from companies wishing to get their employees up to speed on the relevant skills. So far 96,000 individuals from almost 8,000 organizations are Carbon Literate accredited.

We might think that we understand what climate change is and what global warming means, but perhaps not in any great depth. For example: does the Paris Agreement apply to carbon dioxide or to all greenhouse gas emissions? How much has the sea been rising in Guernsey over recent decades? How do you choose a planet-friendly diet if you cannot see the carbon footprint of each item in the supermarket?



Where?

In Guernsey, the Carbon Literacy Project is delivered by local consultancy, UN1TY. The course comprises two half-days, and a follow-up piece of “homework”. This consists of a few questions designed to test your understanding of the issues, and more importantly to demonstrate how you might put some positive changes into action, both at a personal and a business level. The results are sent off for assessment, and your reward is official accreditation.

You may be familiar with the Guernsey Green Forum (“GGF”), a group of like-minded Guernsey businesses of which BWCI was a co-founder. Rollo de Saumarez, from UN1TY, presented the Carbon Literacy Project to the GGF and many of its members went on to take the course.

What's involved?

A significant part of the course is in the form of round table discussions amongst the participants, (typically 8 or 10). These offer real insights into the challenges local businesses face. But it is not just about problems. There are businesses that have already taken steps to reduce their carbon footprints and have plans for further action. In this regard, the renewable-sourced electricity from France is a real winner for Guernsey, as you might expect.

Pensions

Perhaps not immediately obvious, but the investments held in pension schemes form a huge part of each person's carbon footprint. Changing these investments can have up to **21 times the impact of going vegan and stopping flying¹**. The logic is straightforward: your pension investments are typically in stocks and bonds of companies, each with their own carbon footprint. As most pension arrangements are now structured on a defined contribution basis, each member has the option to choose² their own funds. Invest in carbon-heavy industries and your carbon footprint expands. Choose clean and green, and your footprint shrinks. As well as being a worthy objective, there are expected to be real benefits for future returns as well. The world will have to decarbonize, so which companies are going to be the winners and losers of the future?

Blue Riband

Blue Riband, BWCI's flagship range of pension plans, has taken a lead in sustainable investment for its members. In 2023, several Future World funds from Legal & General replaced existing funds in the default option, which accounts for the vast majority of invested monies.

These funds also meet the requirements of the Guernsey Association of Pension Providers' recently introduced ESG Framework. The Framework supports investments that meet acceptable standards relating to Environmental, Social and Governance matters.

Conclusion

With temperature records being broken regularly in the headlines, climate change may sometimes feel like an insurmountable challenge. However, everyone, and every business can make changes; they all add up. The Carbon Literacy Project really does help to develop greater understanding and give people the tools to effect change. One of those changes is easy to make and has outside benefits: pension scheme investments.

For more information on sustainable investment for pension plans, contact mark.colton@bwcigroup.com or your usual BWCI contact.

¹ the estimate provided by the UK's Make My Money Matter

² if they do not then their contributions are invested in line with the default fund

