



**A SMALL & MEDIUM  
BUSINESS GUIDE  
TO CORPORATE  
DECARBONIZATION**

**a net zero primer**



## Getting Started: Decarbonization as a Business Imperative

In today's competitive landscape, decarbonization is no longer just an environmental obligation—it's a strategic imperative. Companies are under increasing pressure to reduce emissions, meet stakeholder expectations, and comply with evolving regulations. The path to net zero offers many not only a way to mitigate risks but an opportunity to lower costs, drive innovation, and capture new market opportunities.

### QUICK WINS TO GET STARTED

Even small steps can yield meaningful results. Here are proven starting points that have helped other SMBs:

- Energy audits often identify between 15-30% cost savings while reducing emissions
- LED lighting upgrades often pay back in 12-18 months
- Smart thermostats and controls reduce energy waste with minimal upfront cost
- Route optimization and fleet maintenance programs cut both fuel use and costs

For small and medium businesses (SMBs), typically defined as companies with revenues under \$1B, decarbonization represents both a challenge and an opportunity. While resources may be more limited than at larger organizations, SMBs often have advantages in agility and speed of implementation. Changes can be rolled out more quickly, innovations can be tested more readily, and the results can be seen and measured faster. This adaptability positions SMBs to potentially capture early-mover advantages in their market segments.

The immediate driver for sustainability action often comes from SMBs' role in the supply chains of larger organizations. Many larger companies are now tracking and improving their Scope 3.1 emissions (emissions from goods and services purchased from their supply chain),

requiring their suppliers to measure, report, and reduce emissions.

While the path to net zero may seem complex, the business case for action is increasingly clear. Beyond regulatory compliance and customer requirements, companies that take a systematic approach to decarbonization often discover significant operational efficiencies, strengthen key customer relationships, and position themselves for long-term success in a carbon-constrained economy.

Forward-looking SMBs are turning these requirements into competitive advantage, using their sustainability initiatives to strengthen customer relationships and win new business. For example, suppliers who can provide accurate emissions data and demonstrate progress on reduction goals often become preferred vendors, gaining advantages in contract renewals and new business opportunities.

For SMBs, adapting to these demands isn't just about maintaining relationships with key clients—it's about positioning for growth in an evolving marketplace where sustainability is becoming a baseline expectation.

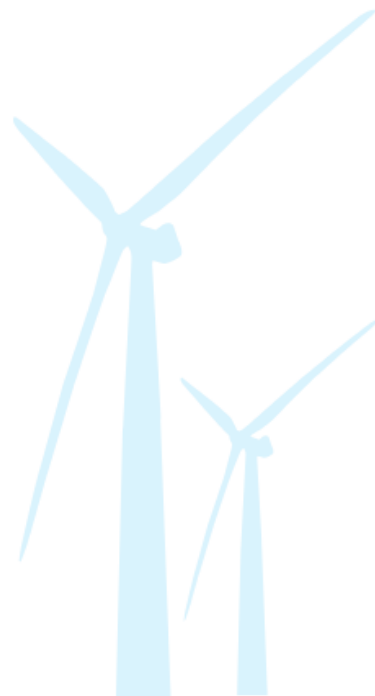
Notwithstanding the opportunities, sustainability leaders often face significant barriers: lack of resources, competing priorities, and the complexity of aligning decarbonization goals with broader business strategies. These challenges can make the journey to net zero feel daunting and uncertain.

While the challenges may create some headwinds, especially for organizations with limited resources, many SMBs find that a systematic approach breaks down barriers and reveals unexpected benefits. By following a proven framework, leveraging available resources, and learning from peers who have successfully

navigated this journey, companies can transform sustainability requirements into business advantages. The key is knowing where to start and how to progress efficiently.

This **Net Zero Primer** is designed as a practical guide for executives, providing actionable steps to transform sustainability initiatives into tangible business results. With the **Net Zero Maturity Model**—a proprietary, 12-step framework— at its core, this guide helps companies systematically overcome hurdles, accelerate their transition to net zero, and unlock long-term value.

By addressing the real-world challenges sustainability leaders face, this primer not only supports companies in achieving their carbon reduction goals but also empowers leaders to drive greater success in their roles and ensure their organizations thrive in a carbon-neutral economy. For many SMBs, this work isn't just a pathway to sustainability—it's a vital step toward long-term growth and relevance in the supply chains of tomorrow.







## Introducing the Net Zero Maturity Model Framework

Embarking on a decarbonization journey can feel daunting, especially with the vast array of potential actions and the complexity of reducing emissions across an organization. That's where the Net Zero Maturity Model comes in. This 12-step framework provides companies with a clear, actionable roadmap to transition toward net zero emissions.

Each step of the model addresses a critical phase in the journey, guiding companies through foundational actions, governance structures, operational changes, and leadership roles as they advance towards decarbonization. To make the framework practical and approachable, the Net Zero Institute has identified 3-5 elements – key areas of insight and learning – for each of the 12 steps. Each element is supported by a micro workshop, insight brief, and other tailored resources to help our member companies address their specific needs.

In this section, we'll provide a high-level overview of all 12 steps, offering insights into their significance and practical applications. For companies looking to get started, we'll then delve deeper into the first two steps—Commitment and



Foundation—equipping you with actionable guidance as you plan to take your next steps toward achieving your decarbonization goals.





## Your Net Zero Journey: 12 Steps at a Glance

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### Step 1: Commitment

Decarbonization begins by making a commitment. This step is about gaining leadership buy-in, engaging key stakeholders, declaring a public commitment to sustainability and forming a dedicated sustainability team.

Leadership buy-in is pivotal; it not only aligns decision-makers but also demonstrates to the organization and external stakeholders that sustainability is a priority. Stakeholder engagement broadens support, while a public commitment establishes accountability and a shared mission. The sustainability team helps ensure that your goals are managed and supported across the organization.

We delve deeper into the Commitment Step in the next section of this primer and in the member resource library on the Net Zero Institute's website.

### Step 2: Foundation

Once commitment is secured, the focus shifts to building a foundation. This involves understanding the Greenhouse Gas (GHG) Protocol, conducting a carbon footprint analysis, identifying near-term Scope 1 and 2 actions, and developing an employee engagement plan.

A thorough foundation sets the stage for strategic decisions, ensuring your goals are based on accurate data and achievable plans. It also ensures that sustainability is embedded as part of the company culture.

This step is also explored in more detail later in this primer.

### Step 3: Efficiency

Efficiency is often the fastest route to measurable impact. Companies start by conducting energy audits to identify waste and implementing energy-saving practices. This step also includes developing waste management strategies

and reducing stationary and mobile fossil fuel use. Efficiency efforts typically yield cost savings, making this step a win-win for sustainability and financial performance.

## Step 4: Accountability

Establishing accountability ensures progress is tracked and shared transparently. This step focuses on creating frameworks for measuring and tracking emissions, securing executive sponsorship, and publishing a sustainability report and scorecard. Accountability mechanisms build trust with stakeholders and help companies identify areas for improvement.

## Step 5: Value Chain

Addressing emissions in the value chain is critical for long-term decarbonization. This step involves understanding Scope 3 categories, engaging suppliers and other stakeholders, setting a Scope 3 baseline, and developing plans to track and reduce these emissions. For many companies, Scope 3 emissions represent the majority of their carbon footprint, making this step essential for achieving net zero.

## Step 6: Disclosure

Transparency builds credibility. This step involves securing internal buy-in and capacity for setting and disclosing measurable sustainability targets, engaging with frameworks like the Science-Based Targets initiative (SBTi) or the Climate Disclosure Project (CDP),

publishing targets, and integrating them into corporate strategy and governance. Publicly disclosing targets and progress fosters trust and motivates accountability across the organization.

## Step 7: Energy

Transitioning to cleaner energy is a cornerstone of decarbonization. Companies focus on electrifying facilities and fleets, implementing renewable energy plans, adopting green IT and software practices, and eliminating reliance on offsets or ensuring they contribute positively. By prioritizing energy transition, companies can achieve significant emissions reductions while building resilience to fluctuating energy markets.

*“One of the most crucial turning points I've observed is when leadership recognizes that sustainability is a top-line value driver. Once this connection is made, particularly as a requirement from customers or partners, leadership buy-in tends to accelerate rapidly.”*

*- Dave Duncan, VP, Sustainability, PTC*

## Step 8: Operations

Operational decarbonization focuses on optimizing processes and products. This step includes implementing systems and processes for collecting, analyzing and auditing data, conducting product lifecycle analyses, and adopting circularity strategies. Companies also refine supply chain processes and complete Scope 3 strategies. These actions not only reduce emissions but also enhance operational efficiency and innovation.

## Step 9: Talent

Decarbonization efforts must be supported by an engaged and skilled workforce. This step aligns executive compensation with sustainability goals, defines sustainability responsibilities across functions, and implements

company-wide training programs. By integrating sustainability into talent acquisition and development, companies ensure their workforce is equipped to meet the demands of a net-zero future.

### Step 10: Communications

Effective communication avoids greenwashing and builds trust. This step trains teams on transparency in reporting, sets up regular updates on sustainability goals, and discloses product carbon footprints. Clear, honest communication keeps stakeholders informed and aligned while enhancing the company's reputation as a responsible player in market that increasingly values sustainability.

### Step 11: Validation

Validation strengthens credibility. Companies obtain third-party certifications such as ISO 14001 or LEED and engage stakeholders, including customers and suppliers, to refine their governance processes. Independent verification of disclosures reinforces stakeholder confidence in the company's sustainability claims.

### Step 12: Leadership

The final step involves taking on a leadership role in the broader ecosystem. Companies invest in emerging technologies, implement internal carbon pricing, and collaborate externally to influence policy and drive collective progress. This step also includes mentoring and speaking engagements to inspire other organizations to join the decarbonization movement.

Each of these steps is vital for your decarbonization journey. Let's now explore the first two steps—Commitment and Foundation—where companies can begin taking meaningful action.

## Sustainability 2.0 Summit

*Transform your sustainability initiatives with peer collaboration & learning*

The Sustainability 2.0 Summit brings together leaders at every stage of their net zero journey for an innovative, participant-driven experience where YOU shape the conversation.

#### Key Benefits:

- **Learn directly from peers** who have overcome similar challenges
- **Get personalized mentoring** from experienced sustainability leaders
- **Build a lasting network** of corporate climate pioneers
- **Share and discover** proven decarbonization strategies
- **Tackle your specific challenges** through tailored breakout sessions

Unlike traditional conferences, this dynamic "unConference" format ensures you'll spend the afternoon engaged in meaningful discussions and practical problem-solving with fellow sustainability leaders.

Whether you're launching your net-zero strategy or scaling successful initiatives, you'll walk away with actionable insights, valuable connections, and renewed momentum.

Join us May 14, 2025, in Boston's Seaport District for this transformative summit of peer learning and collaboration.

Reserve your spot at [www.NetZero-Institute.org](http://www.NetZero-Institute.org)





## Step 1: Commitment—Setting the Foundation for Success

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The first step, **Commitment**, serves as the bedrock of any decarbonization journey. It establishes the leadership alignment, stakeholder engagement, and organizational focus necessary to turn ambition into action. Without a clear and cohesive commitment, even the most well-intentioned initiatives risk faltering. In this section, we'll explore the key elements of the Commitment step—obtaining leadership buy-in, engaging stakeholders, declaring a public commitment, and forming a sustainability team. Taken together, these initial actions lay the groundwork for long-term success.

### 1.1 - Obtaining Leadership Buy-In

The first and most crucial step on your company's decarbonization journey is gaining leadership buy-in. Without the active support of executives, sustainability initiatives often struggle to gain traction or secure the resources they need. This process begins with understanding what motivates each key leader and tailoring your message to address their specific priorities.

For a small business owner or CEO, you'll want to emphasize how sustainability can strengthen relationships with key customers and open doors to new

business opportunities. Share examples of how other SMBs have used their sustainability initiatives to become preferred suppliers to larger companies. At a strategic level, CEOs typically prioritize long-term strategy and future-proofing the business. Frame decarbonization as an opportunity to drive innovation, open new markets, and differentiate the company in a competitive landscape.

When approaching finance leaders, focus on tangible returns. For CFOs of smaller companies, emphasize immediate cost savings from efficiency measures and potential access to green financing or



sustainability-linked loans that often offer preferential terms. For larger organizations, highlight how companies with robust ESG scores often enjoy lower borrowing costs and attract sustainability-focused investors.

For operations leaders, highlight how sustainability initiatives often reveal inefficiencies in current processes. For example, a small manufacturer conducting an energy audit might discover equipment maintenance issues that, when addressed, reduce both energy costs and downtime. At a broader level, share examples like Trex, a decking materials supplier that improved efficiency by transitioning to 95% recycled materials while reducing costs.

Marketing and sales teams, whether at small or large companies, are often motivated by market opportunities. As an SMB, you might emphasize how sustainability credentials can differentiate the company when bidding for contracts with larger, environmentally conscious customers. Support this with broader market data - a study from NYU's Stern Center, for instance, found that sustainability-marketed products grew significantly faster than conventionally marketed products.

Small and medium businesses often find the most compelling business case comes from customer requirements and operational savings. A growing number of SMBs report winning new contracts or securing preferred supplier status specifically because they could

demonstrate emissions reductions and sustainability commitments. Additionally, many find that the process of measuring and reducing emissions reveals operational inefficiencies that, when addressed, deliver significant cost savings - often 15-30% on energy costs alone.

Gain buy-in by starting small by identifying and implementing quick wins—projects that demonstrate immediate benefits. Whether it's conducting an energy audit or reducing waste, these efforts can serve as proof points, showcasing both the practicality and financial upside of sustainability.

One potential pitfall to avoid is overpromising. While it's important to inspire confidence, setting unrealistic expectations can backfire. Be clear about the challenges and the time it will take to achieve meaningful results.

For more detailed guidance on obtaining leadership buy-in, the Net Zero Institute offers its members a tailored, on-demand micro workshop and insight brief that provide greater insights into crafting compelling business cases tailored to different executive roles.

*“Organizations like the Net Zero Institute are essential in driving progress, providing the necessary resources and support to help companies navigate the complexities of sustainability and effectively address climate change impacts.”*

*- Danielle Sheer,  
Chief Legal & Trust Officer,  
Commvault*

## 1.2 - Engaging Key Stakeholders

Once leadership buy-in is secured, the next priority is stakeholder engagement. Stakeholders—including employees, investors, customers, and suppliers—play a pivotal role in the success of decarbonization efforts. Mapping stakeholders using the power-interest matrix is a practical first step.

This tool, which plots power on one axis and interest on the other, helps categorize stakeholders based on their influence over your initiatives and their level of interest. High-power, high-interest stakeholders, such as department heads responsible for emissions-heavy operations, should be closely engaged. Regular meetings, detailed updates, and involving them in decision-making processes are essential. High-power, low-interest stakeholders, like finance executives, might require less frequent but highly targeted communication focused on areas relevant to their responsibilities.

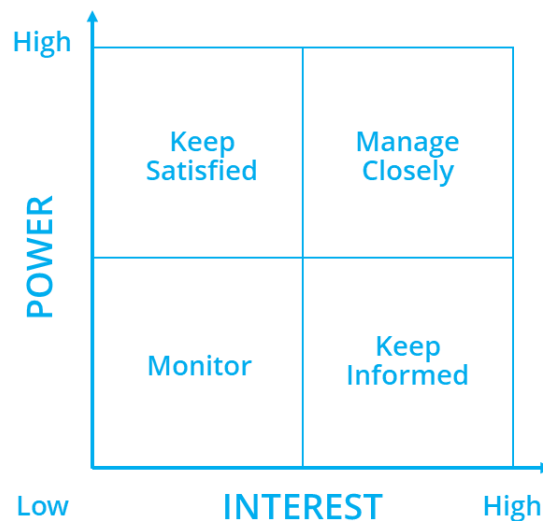
Low-power, high-interest groups, such as employee resource groups, can become valuable advocates for sustainability within your organization. They might not directly influence decisions, but their enthusiasm and grassroots efforts can help build momentum. Lastly, low-power, low-interest stakeholders should be monitored, as their involvement may become necessary as your initiatives evolve.

When getting started with stakeholder engagement, small and medium businesses should prioritize relationships with customers driving their sustainability journey. Many larger companies now offer their suppliers practical resources like emissions calculation tools, training, and even financial support for sustainability initiatives. Building strong relationships with these customers' sustainability teams can help you access valuable resources while strengthening your business relationship. Similarly, local utilities often

provide free energy audits and incentive programs that can significantly reduce the cost of efficiency improvements.

Applying this matrix in practice means focusing first on key stakeholders like major customers, local business partners, and critical suppliers. Major customers often fall into the high-power, high-interest category, particularly those with strong sustainability commitments – and they may provide resources or guidance based on their own experience. Local business partners and industry peers

might offer opportunities for collaboration, such as shared renewable energy purchasing or potential joint transportation initiatives. Even small companies can benefit from joining local business sustainability networks or industry groups to share knowledge and resources.



Effective stakeholder engagement requires more than just communication. It's about creating a two-way dialogue. For example, when Microsoft launched its sustainability strategy, it engaged suppliers and customers to gather insights, ensuring the program addressed real-world needs. However, be mindful of over-engaging stakeholders as too much information or requests for input can lead to fatigue and disengagement.

To delve deeper into effective stakeholder engagement strategies, the Net Zero Institute offers its members a tailored, on-demand micro workshop and insight brief that provide greater insights into the power-interest matrix and stakeholder engagement strategies.

### 1.3 - Declaring a Public Commitment

Declaring a public commitment is a bold step that signals your company's seriousness about decarbonization. A well-crafted public commitment serves as both a rallying cry for internal audiences and a statement of intent for external stakeholders.

Start by aligning your commitment with a globally recognized framework like the Science-Based Targets initiative (SBTi) or the UN Sustainable Development Goals. These frameworks provide credibility and structure, helping you set ambitious yet achievable targets. For instance, you might commit to reducing your Scope 1 and 2 emissions by 50% within the next decade or transitioning entirely to renewable energy by 2035.

Transparency is key when making public commitments. Acknowledge the challenges your organization may face, such as technological barriers or resource constraints, and outline how you plan to address them. Starbucks, for example, has been transparent about its progress toward becoming resource-positive, sharing both successes and setbacks.

One common mistake to avoid is setting vague or overly cautious goals. While modest commitments can serve as a starting point, they might fail to inspire action or differentiate your company.

To support companies in crafting impactful public commitments, the Net Zero Institute offers its members a tailored, on-demand micro workshop and insight brief outlining key strategies to consider and pitfalls to avoid.

### 1.4 - Forming a Dedicated Sustainability Team

A dedicated sustainability team ensures that your commitment is translated into action. This team will drive initiatives, coordinate efforts across departments, and track progress.

The structure of your team depends on your organization's size and complexity. Some companies adopt a centralized approach, with a corporate-level team overseeing all sustainability efforts. Others prefer a decentralized model, where individual business units manage their own initiatives. A hub-and-spoke model, combining centralized guidance with decentralized execution, is also common.

Regardless of structure, your team should include diverse roles, such as data analysts to track emissions, project managers to implement initiatives, and communications specialists to engage stakeholders. For instance, PTC, a software company, formed a sustainability team to lead its journey, ensuring alignment between decarbonization goals and business objectives.

Ensure the team has clear authority and access to resources. A common pitfall is under-resourcing the team, leading to slow progress and frustration. Cross-functional collaboration is also vital. Sustainability should not operate in isolation but be integrated into every aspect of the business.

To support companies in forming a dedicated sustainability team, the Net Zero Institute offers its members a tailored, on-demand micro workshop and insight brief with more information on creating a team.





## Step 2: Foundation—Building the Infrastructure for Action

With a strong commitment in place, the next step, **Foundation**, focuses on developing the data, tools, and strategies needed to create actionable plans. It includes understanding the Greenhouse Gas Protocol, conducting a carbon footprint analysis, defining initial emissions reduction actions, and developing an employee engagement plan.

This Foundation Step equips your organization with the knowledge, insights and engagement strategies needed to progress confidently. Let's explore the key elements of this step on your journey.

### 2.1 - Understanding the GHG Protocol

A successful decarbonization journey begins with a clear understanding of the Greenhouse Gas (GHG) Protocol, the global standard for measuring and managing greenhouse gas emissions. This protocol breaks emissions into three scopes:

- **Scope 1:** Direct emissions from owned or controlled sources, such as on-site fuel combustion or company-owned vehicles.

- **Scope 2:** Indirect emissions from purchased electricity, steam, heating, or cooling.
- **Scope 3:** All other indirect emissions across the value chain, including those from suppliers, product use, and employee travel.

Scope 1 and 2 emissions are usually the easiest to address as they are within your operational control. They're also increasingly important to your customers as your Scope 1 and 2 emissions become part of their Scope 3 footprint. By tackling these emissions effectively, you not only reduce costs but strengthen your position in their supply chains.

Many SMBs have found that providing detailed emissions data and showing consistent reductions has helped them

secure preferred supplier status and win new business with sustainability-focused customers.

To get started, train key team members on the protocol's fundamentals, emphasizing how it applies to your business. For instance, a manufacturing company might focus on energy use (Scope 2) and emissions from production processes (Scope 1), while a logistics firm might need to examine fleet operations (Scope 1) and upstream supplier activities (Scope 3).

Understanding emissions across supply chains is critical for SMBs. Your Scope 1 and 2 emissions become part of your customers' Scope 3 footprint, making your decarbonization efforts directly valuable to them. Many SMBs find that their ability to provide accurate emissions data and demonstrate consistent reductions becomes a competitive advantage in contract discussions.

Some have leveraged their early progress to secure preferred supplier status or win new business with sustainability-focused customers. The key is to view decarbonization not just as a compliance exercise, but as a strategic opportunity to strengthen customer relationships and drive business growth.

Using tools like the GHG Protocol Calculator simplifies the process and ensures consistency. However, the most critical step is embedding this framework into your operations to ensure reliable data collection over time.

For more detailed guidance, Net Zero Institute members can access a micro workshop and insight brief that delves further into what you need to know about the GHG Protocol and your Scope 1, 2, and 3 emissions.

## 2.2 - Conducting a Carbon Footprint Analysis

A carbon footprint analysis is the bedrock of any decarbonization strategy. This exercise quantifies your emissions, providing the data needed to identify priorities and set reduction targets.

For SMBs, this analysis can seem daunting, but it doesn't have to be overwhelming. Start with readily available data like utility bills, fuel receipts, and basic operational metrics. Many larger customers now offer their SMB suppliers tools, templates, and technical assistance specifically designed for companies getting started. Some even provide training or dedicated support to help suppliers get started. Look for opportunities to leverage these resources – suppliers who can provide accurate emissions data often gain competitive advantage in contract discussions. The key is to begin with the data you have and build from there, focusing first on the most significant sources of emissions in your operations.

Start by defining the scope of your analysis. Will it include all three categories of emissions, or will you focus on Scope 1 and 2 for an initial assessment? While Scope 3 is critical for a complete picture, many companies begin with Scopes 1 and 2 to get started and build momentum.

Next, collect data systematically from across your organization. Start with the most accessible data points: utility bills for electricity and fuel, equipment maintenance records, and fleet data. Many organizations find that the process of gathering this information reveals opportunities for better tracking and cost control.

For companies new to this process, focus first on getting accurate Scope 1 and 2 data – this is typically the information your customers need most urgently and offers

the clearest opportunities for cost savings. Assign a cross-functional team to gather and validate the data, ensuring key operational insights aren't missed.

Once the data is compiled, calculate your total emissions using standardized tools or by partnering with external consultants. Establish a baseline year that reflects typical business operations to serve as a reference point for tracking progress. For example, a retail company might discover that its emissions are concentrated in electricity use across stores and transportation of goods.

After completing your analysis, identify emission hotspots and prioritize actions. For many companies, energy-intensive facilities or fleet operations are high-impact areas that can yield quick wins.

One pitfall to avoid is underestimating the effort required for accurate data collection. Missing or incomplete data can compromise the reliability of your analysis, so invest time upfront in getting it right.

The Net Zero Institute offers its members a tailored micro workshop and insight brief with key insights on how to streamline this process, ensuring your analysis is both thorough and actionable.

## Accelerate Your Journey with a Net Zero Membership

*Join your peers and gain access to our exclusive resources and network.*

Ready to transform your sustainability initiatives? The Net Zero Institute provides a proprietary roadmap, expert guidance, and peer community to drive results.

### Why Join?

- Access our proprietary step-by-step Net Zero Maturity Model framework
- Learn from peers who've successfully navigated similar challenges
- Get strategic support from industry experts and thought-leaders
- Build lasting connections with fellow sustainability pioneers
- Access on-demand resources, workshops, and practical tools
- Position your company as a sustainability leader

*Membership options are available for organizations of all sizes, from global enterprises to small suppliers, with discounted rates for small and medium companies starting at just \$2.5K annually.*

Visit [www.NetZero-Institute.org](http://www.NetZero-Institute.org) to learn more and join today.

Together, we can *make emissions history.*



## 2.3 - Defining Scope 1 and 2 Actions

Scope 1 and 2 emissions are often the most accessible to tackle, making them a logical next step after conducting your footprint analysis. These emissions are directly tied to your operations and energy consumption, giving you control over the solutions.

Start by identifying opportunities to improve energy efficiency. For SMBs, the key is to identify actions that combine emissions reductions with clear cost savings. For example, a small manufacturer might start by upgrading to LED lighting and installing programmable thermostats—projects that typically pay for themselves within 1-2 years through reduced energy costs. Similarly, a medium-sized logistics company might begin with route optimization and driver training programs that reduce both fuel consumption and operating costs. These "win-win" initiatives can help build momentum and support for broader sustainability efforts.

When evaluating efficiency investments, consider both immediate cost savings and emerging business risks. As regulations evolve and more companies set strict supplier requirements, early movers gain an advantage. For example, several SMB manufacturers report that their early investments in energy efficiency not only reduced costs but helped them win contracts with large customers implementing strict supplier emissions standards. Many have also found creative ways to manage costs, such as participating in utility incentive programs or joining forces with other local businesses for collective purchasing power on renewable energy contracts.

Practical examples from SMBs demonstrate the business value of emissions reduction initiatives. Common

success patterns include combining quick-win projects like LED lighting upgrades and HVAC optimization with systematic improvements to core operations, such as optimizing manufacturing processes or implementing fleet efficiency programs.

The key is to start with projects that have clear payback periods while building toward more comprehensive improvements. These foundational projects often reveal additional opportunities for efficiency gains while helping build momentum and support for broader sustainability initiatives. Companies that take this systematic approach find that they can deliver both environmental and financial benefits while strengthening their competitive position.

Transitioning to renewable energy is another impactful way to address Scope 2 emissions. Many companies begin with power purchase agreements (PPAs) for renewable energy or on-site solar installations. Google, for instance, has successfully used PPAs to achieve 100% renewable energy across its operations.

Fleet electrification is a practical strategy for reducing Scope 1 emissions. Companies with significant logistics operations, like Amazon, are rapidly transitioning to electric delivery vehicles to reduce fuel consumption and emissions.

As you define your Scope 1 and 2 actions, create a detailed implementation plan that includes timelines, costs, and expected ROI. One challenge to watch for is overreliance on offsets to achieve reductions. While offsets can play a role, direct action should remain the primary goal.

For deeper insights into these strategies, check out the micro workshop and insight brief on defining Scope 1 and 2 actions in the Net Zero Institute's on-demand

member resource library for more practical insights and examples.

## 2.4 - Developing an Employee Engagement Plan

Employees are the backbone of your decarbonization efforts. Engaging them effectively ensures alignment and enthusiasm across the organization.

Start by educating employees about your sustainability goals and how their roles connect to them. Host workshops to introduce the company's commitment to decarbonization, explaining the reasons behind it and the benefits it will bring. Make these sessions interactive, giving employees the chance to ask questions and share their perspectives.

Next, embed sustainability into the company culture. This could include internal campaigns highlighting simple actions employees can take, like reducing energy use at workstations or carpooling to reduce emissions. Gamification can also be a powerful motivator. For example, running competitions between departments to reduce energy use or waste can turn sustainability into a fun and engaging challenge.

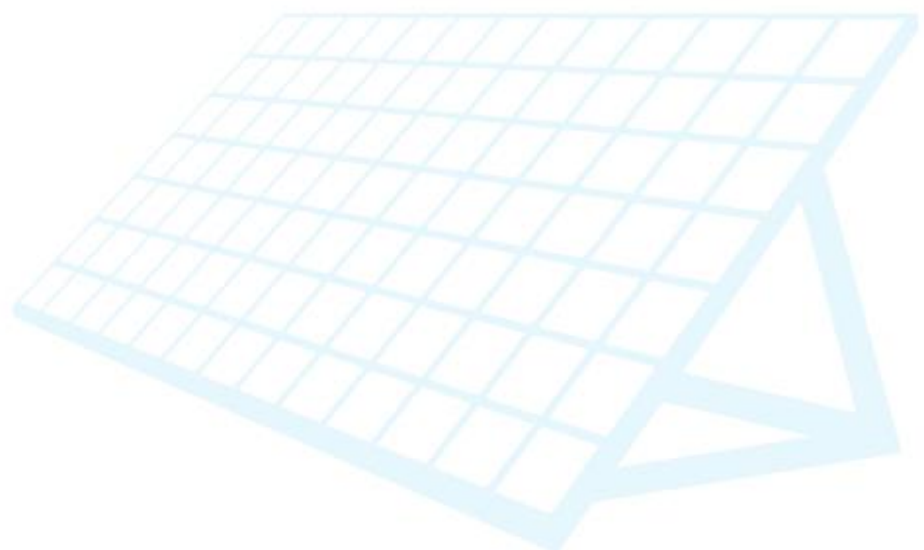
Many SMBs have found that engaging employees in sustainability initiatives uncovers valuable operational insights

while building commitment. For example, production floor workers often identify practical ways to reduce waste and energy use that managers might miss. Some companies create "green teams" that bring together employees from different departments to share ideas and implement solutions. These cross-functional teams can help identify opportunities that deliver both environmental and business benefits, such as process improvements that reduce both emissions and costs.

Incentives can further drive participation. Recognize employees who contribute innovative ideas to reduce emissions or improve processes. Some companies offer financial bonuses or public recognition for significant contributions to sustainability goals.

Be mindful that engagement efforts must be inclusive and genuine. Avoid using sustainability as a superficial marketing tool, as employees will quickly see through insincere efforts. Regularly communicate progress, challenges, and successes to maintain trust and enthusiasm.

For inspiration and proven strategies, the Net Zero Institute provides its members with a micro workshop and insight brief tailored to developing and implementing an effective engagement plan.





## The Journey Ahead Towards Net Zero

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Throughout this primer, we've explored an overview of the Net Zero Institute's proprietary 12-step corporate decarbonization framework and taken a deeper look at the first two steps of your net zero journey: securing organizational commitment and building a strong foundation for action. These initial steps provide the essential groundwork for your organization's decarbonization efforts, but they're just the beginning of a transformative path ahead.

The road to net zero can feel overwhelming. Leaders often struggle to cut through vast quantities of information, identify which actions will have the most impact, and determine how to allocate limited resources effectively. Many find themselves asking: Where do we start? What approaches have worked for others? How do we avoid common pitfalls? The challenges of navigating regulatory requirements, measuring emissions, engaging stakeholders, and implementing practical solutions can seem daunting without guidance from those who have successfully traveled this path before.

This is where the Net Zero Institute comes in. As a mission-driven nonprofit business association, we develop and curate

practical, peer-tested insights and bring together a community of sustainability leaders and experts who understand your challenges firsthand. Our focused micro workshops, insight briefs, and case studies distill key learnings from companies at every stage of their journey, helping you move directly to proven solutions. Through events like our Sustainability 2.0 Summit, you can engage in one-on-one mentoring sessions, participate in tailored breakout discussions, and build lasting connections with peers facing similar challenges.

By joining the Net Zero Institute, you'll gain access to this wealth of practical resources and become part of a collaborative community dedicated to accelerating corporate decarbonization. Our growing



network brings together sustainability leaders and executives at every stage—from those just beginning to establish their strategy to those pioneering innovative approaches to complex challenges. Together, we help businesses cut through the complexity, focus on high-impact actions, and drive meaningful progress toward their net-zero goals.

For SMBs in particular, our approach combines the robust guidance of our maturity model framework with practical,

actionable steps that work within resource constraints. Through our peer network and targeted resources, we help companies avoid common pitfalls, accelerate progress, and transform sustainability requirements into business opportunities. Our members gain access to proven strategies that have helped other SMBs successfully navigate this journey while strengthening their market position.

We hope you'll join us in *making emissions history*.

## About the Net Zero Institute

The **Net Zero Institute** is a mission-driven non-profit business association dedicated to accelerating corporate decarbonization and the transition to a carbon-neutral world. We empower businesses to accelerate their path to net zero, embracing sustainable practices, driving business success, and creating positive ripple effects on the world. Join us today at [www.NetZero-Institute.org](http://www.NetZero-Institute.org).