

# UK SMES AND NET ZERO

The world must reach net zero carbon emissions by 2050 to limit global warming. This 'Race to Zero' is attracting 1000s of entrants including UK government and business.

Bankers  
for NetZero



## UK SMES

SMEs are businesses with 1 – 250 employees.



They account for  
**99% of British businesses**



Are responsible for

**52% of the UK's turnover**



And employ

**A Quarter of the total UK population**



The UK was the first country to make reaching net zero emissions a legal duty for its government



## NET ZERO ACTION

The UK government was the first to make reaching net zero by 2050 a legal obligation. But the UK will not get to net zero without including SMEs in the plan.

How can the UK government and banks support SMEs to reach net zero?

- 1** Incentives to reward SMEs that make net zero a priority, such as:
  - ✓ Lowering their cost of finance by offering lower interest rates for 'Green' SMEs.
  - ✓ Lower taxes for those lowering their carbon footprint.
  - ✓ Increasing allowances for investments in decarbonisation.
  - ✓ Create government contract rules that promote the inclusion of SMEs in supply chains and favours those with lower carbon emissions.



- 2** Access to high quality trustworthy information, including advice on how to measure their carbon footprint, reduce it, and how to finance the necessary investments.



- 3** Standardising measurement and reporting, so that access to green government schemes and green finance is not hindered by excessively complex reporting requirements.



**3,067**  
businesses

**31**  
regions

**622**  
H.E. Institutions

**733**  
cities

**173**  
biggest investors

have committed to net zero emissions by 2050 at the latest  
Source: [www.unfccc.int/climate-action/race-to-zero-campaign](http://www.unfccc.int/climate-action/race-to-zero-campaign)

Bankers  
for NetZero

Find out more and join our initiative by contacting Bankers for Net Zero on [BankersforNetZero@volans.com](mailto:BankersforNetZero@volans.com)