The net zero business case for financial services

Embrace a sustainability strategy, and strengthen your commercial, competitive and compliance position.



Contents

01 Embracing sustainability: a PESTLE analysis

02 The regulatory landscape for UK financial firms

03 The financial benefits

04 The strategic benefits

05 The operational benefits

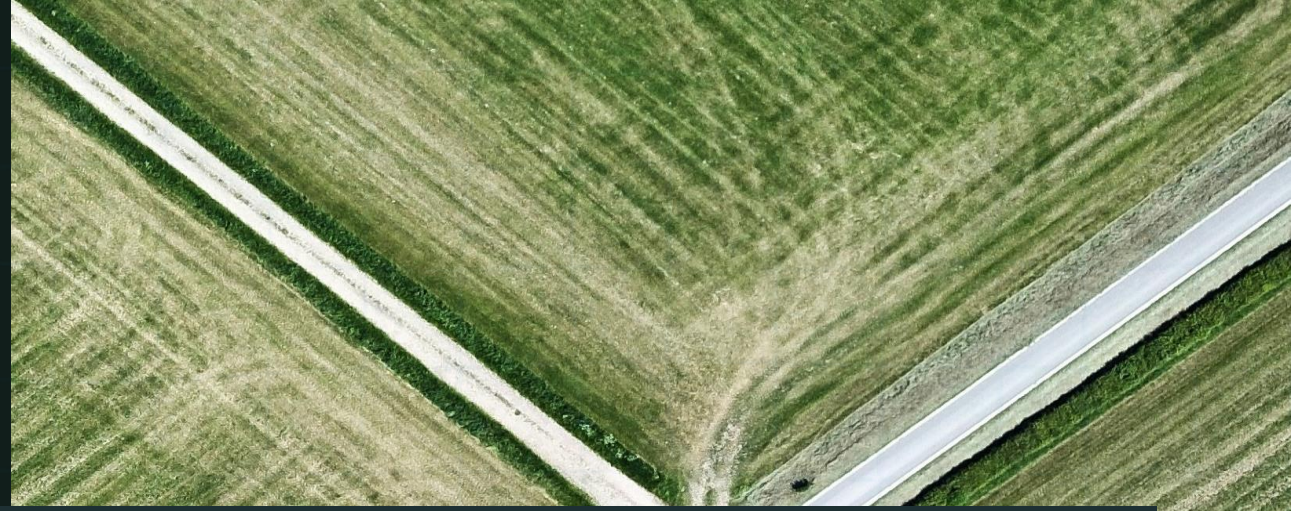
06 Planet Mark – Leading Net Zero Certification

07 Why embrace sustainability with Planet Mark?

08 Supporting the financial sector to achieve net zero

09 Becoming a Planet Mark Member - FAQs

Embracing sustainability: a PESTLE analysis for financial firms in the UK



Political

The Labour government has already accelerated the UK's climate action by making significant investments in Carbon Capture Usage and Storage (CCUS) technology, approving the build of onshore wind farms, and establishing Great British Energy to support emerging energy technologies. The return of Donald Trump to the White House may further encourage Labour to position the UK as an international leader in climate action.

Economic

With a rising demand for low-carbon technology, you could begin to see your competitors' investment portfolios evolve. Companies with strong ESG credentials may also see favour among investors, due to their preparedness for future legislative changes and evolving social expectations.





Social

Public and shareholder pressure is continuing to mount, meaning there's an increased need to prioritise ESG. Employees also value commitment to sustainability; PwC found that almost 70% of employees value environmental policies and practices when choosing an employer.

Technological

It's becoming easier to assess climate-related investment risks, thanks to a rise in green fintech solutions. Plus, reporting regime consolidation is simplifying the process.

Legal

The EU and UK continue to evolve their sustainability-related regulations, with financial firms needing to be aware of IFRS -aligned reporting standards, the Energy Savings Opportunity Scheme (ESOS), Streamlined Energy and Carbon Reporting (SECR), Sustainable Finance Disclosure Regulation (SFDR), Sustainability Disclosure Requirements (SDR), and more.

Environmental

With a rise in extreme weather events, your firm may need to consider its lending decisions or the resilience of its investment portfolio.

The regulatory landscape for UK financial firms

As the regulatory landscape evolves, the scope of firms that need to disclose their climate-related financial activity is widening.

Depending on your firm, you may need to consider:

IFRS S1 and S2, created by the International Sustainability Standards Board (ISSB), which formally superseded the Taskforce for Climate-related Financial Disclosures (TCFD) as of November 2023. It is highly likely that the FCA/UK Government will transition their requirements accordingly in the near future.

Mandatory climate-related financial disclosures by publicly quoted companies, large private companies and Limited Liability Partnerships (LLPs) Regulations 2022.

The FCA's TFCD-aligned disclosure rules for premium listed companies, issuers of standard listed shares and global depositary receipts (GDRs), asset managers, life insurers, and FCA-regulated pension providers.

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For more information on the regulations and reporting standards you may need to comply with, head to our Appendix.

The financial benefits of a net zero strategy

49% of financial respondents have received requests for carbon footprint data from customers or tenders in the last 12 months.

Source: UK Net Zero Business Census 2024

Increase your chances of securing new business by meeting increasingly stringent RFP requirements.

Retain clients by making measurable reductions in line with their net zero targets, and disclosing them authentically.

Stay resilient by avoiding climate-related financial risks, such as investments in high-carbon sectors that may face devaluation.

Reduce operational costs by prioritising energy-saving solutions, retaining employees, and procuring goods at lower prices.

For more information on the regulations and reporting standards you may need to comply with, head to our Appendix.

The operational benefits of a net zero strategy

85% of respondents expect net zero action to improve their business or process efficiencies.

Source: UK Net Zero Business Census 2024

Engage employees who prioritise values-driven firms and retain an increasingly climate-conscious workforce.

Decrease operational spend by identifying and reducing carbon hotspots (and their related costs) across your sites and supply chain.

Mitigate reputational damage by embedding sustainable action into your ESG initiatives and complying with reporting requirements.

For more information on the regulations and reporting standards you may need to comply with, head to our Appendix.

Introducing Planet Mark's Net Zero Certification Programme

Planet Mark – Leading Net Zero Certification

Join a community of 800+ certified Planet Mark Members leading the movement to net zero, with an internationally recognised certification of sustainability progress.

With our Net Zero Certification Programme, we'll support you to measure, manage, and reduce your carbon footprint across four milestones.

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- A structured plan for collecting organisational data
- Certified carbon reporting and improvement targets
- Monthly online networking, workshops and webinars
- Decarbonisation solutions tailored to your organisation
- Licensed use of the Planet Mark Certification Mark in tenders

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Why embrace sustainability with Planet Mark?

"Widely recognised as the best carbon reduction and net zero provider, for both business and the built environment."

Sir Tim Smit,
Founder of Eden Project

Internationally recognised

- 13+ years of experience in net zero consultancy.
- One of 10 partners of the Race to Zero Campaign, led by the UN High-level Climate Champions.
- Net Zero Certification Programme recognised as a climate initiative by the UNFCCC.

Compliance expertise

- Helping to shape global net zero legislation.

Embedded in the financial industry

- 800+ Planet Mark Members including 22 financial services firms.
- 100+ industry-leading partners, including UKSIF and Gold Standard.

Practical support

- Annual membership programme aligned with the GHG Protocol and SBTi Corporate Net Zero Standard.
- Support with reducing Scope 3 Category 15 emissions.

Supporting the financial sector to achieve net zero

“As part of our Responsible Investment strategy, Summix selected Planet Mark as our primary climate action partner, and we’re proud to announce that we have achieved the Planet Mark Business Certification, furthering our commitment to reduce our impact on society by committing to make a positive impact on our planet and society by measuring our emissions and reducing our carbon footprint.”

Summix

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Becoming a Planet Mark Member - FAQs

How long does it take to achieve certification?

You will be eligible to achieve the first certification level – Planet Mark Certified - Business – within your first year of Business Certification if we have been able to calculate your measured carbon footprint from the data and evidence you have provided. In order to continue certifying at this level, you will need to reduce your Scope 1 and 2 emissions by 5% from the previous year.

Who needs to be involved?

Achieving net zero is a team effort. However, some teams will need to play a more active role in gathering and submitting data – such as your accounting and facilities management teams.

What support will we get?

We'll help you to gather data, set business-aligned targets, and implement decarbonisation solutions – all while reviewing your progress. In addition to hands-on support, you'll have access to our toolkits, webinars, roundtables, and more.

Start your journey to net zero

Take the first step to net zero by becoming a Planet Mark Member.

Book a no-obligation meeting to find out how.

Book a meeting



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Useful resources

Below, please find additional resources to help you understand your legislative and sustainability reporting commitments.

Energy Savings Opportunity Scheme (ESOS)

Read now

Streamlined Energy and Carbon Reporting (SECR)

Read now

Sustainable Finance Disclosure Regulation (SFDR)

Read now

Sustainability Disclosure Requirements (SDR)

Read now

Corporate Sustainability Reporting Directive (CSRD)

Read now

Corporate Sustainability Due Diligence Directive (CSDDD)

Read now

Transition Plan Taskforce (TPT)

Read now