

Value Chain Services



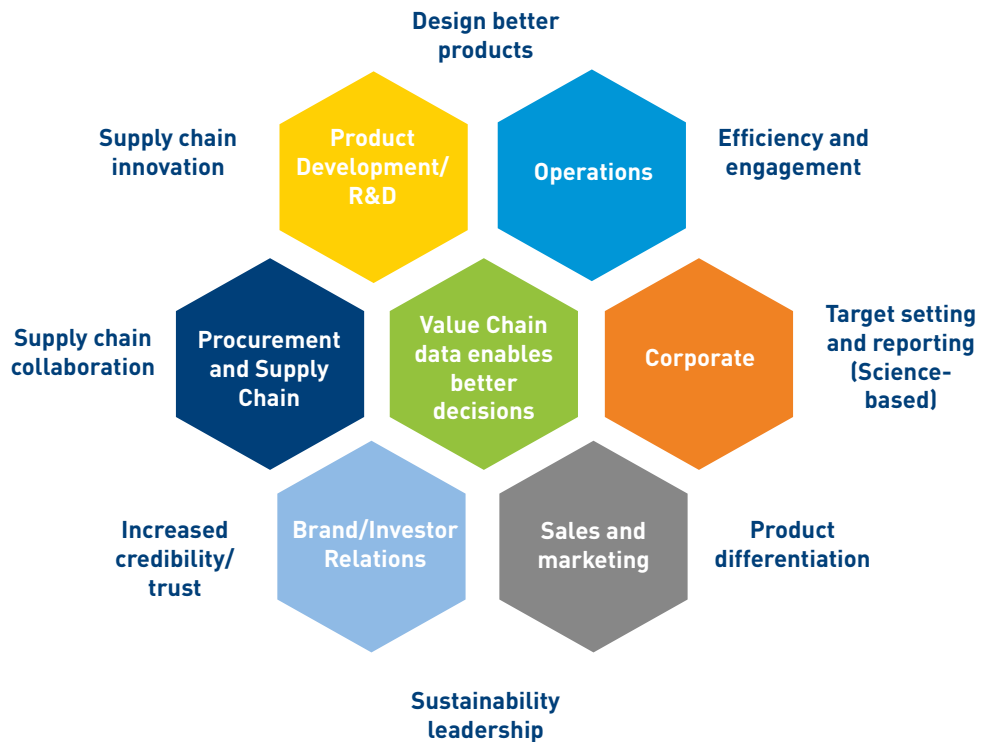
We help large organisations understand the environmental impact of their value chain in order to make better decisions that will protect and grow margins.

Analysing Value Chain environmental data enables better decisions

Value chain insights provide an essential survival tool for businesses to avoid risks and maximise on opportunities from a resource constrained future.

A holistic view of resources and environmental impact helps all business units to understand how their actions influence the broader value chain. In many ways, as shown in the diagram, value chain data prioritises and accelerates action across the organisation that can deliver financial and environmental benefits.

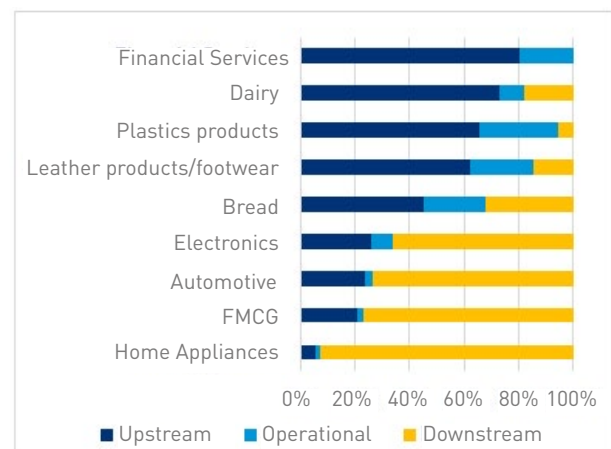
This demonstrates to investors the long term viability of the business through strategic risk and cost reduction.



Measurement is the first step in order to prioritise action

The most significant environmental impacts for many businesses often lie either upstream (supply chain) or downstream (product use phase) outside the boundaries of their direct operational control.

- Analysing value chain data helps to identify the environmental and cost hotspots. Data can be evaluated by a wide range of metrics: by supplier, materials, brand, region, lifecycle stage or packaging format.
- This holistic view of the value chain fosters better collaboration across business units and between value chain partners.
- It helps businesses to ground their strategies with measured data and adds credibility to their sustainability programmes.



Getting the 'measurement' step right is essential. We can use the data you've already got to glean meaningful actionable insights. Data should be of sufficient quality for the purpose which it shall be used and proportionate the contribution it makes to the overall value chain and the business priority. The Carbon Trust provides a range of services to suit the complexity of different business, the availability of data and their existing in-house footprinting capabilities. For some companies we undertake the data collection and modelling effort, while others with more resources require only expert guidance and challenge to their existing activities.

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Data can then be manipulated to test and ensure a business is ready for multiple future scenarios

Our services help businesses to quantify the financial and environmental impacts for a range of future scenarios illustrating the interconnection between:

Business Growth

What impact will different growth strategies have for different regions?

Product design

How do decisions impact the supply chain or the customer use phase?

Supply Chain Configuration

Which suppliers are at most risk from fluctuating energy prices or climate change impacts?

Risk Assessment

Modelling the risk of product obsolescence or erosion of market share as more environmentally sustainable alternatives products are introduced.

This analysis helps to identify actionable insights to protect and build value

Our analysis enables businesses to make confident decisions in areas such as setting SMART targets and prioritising interventions and investments. Ultimately it helps businesses to optimise the environmental impacts and costs of using resources across their value chain.

thyssenkrupp



thyssenkrupp provides components, steel and systems for a wide range of sectors worldwide.

thyssenkrupp's strategy is to work with its customers to provide them with innovative solutions that help them to secure sustainable success.

Evaluating the upstream and downstream impact of their business globally has provided a better understanding of how each business unit's product innovations and technical expertise can be used to achieve reductions beyond their direct operational control.

The company is now better able to play a critical role to provide the sustainable products and materials that will be needed in the transition to a low carbon economy.



GSK



Value Chain footprinting has helped GSK identify the key impacts across their value chain. 51% is in the supply chain and 30% is in their products' use phase.

GSK targets reducing value chain carbon emissions by 25% by 2020

Supplier energy reduction workshops have identified opportunities to save 5,000 tonnes of CO₂ and reduce energy costs by 20-30%

Assessing the design of their inhalers to reduce the GHG impact of the propellant, by shifting to dry-powder formulation and by providing a recycling and recovery scheme for old inhalers.



Value Chain Science-based Targets

Operational carbon reduction targets often only represent a small proportion of the value chain of large organisations. Setting a 'science-based' target across the value chain enables a business to assess the level of decarbonisation required to keep global temperature increase below a 2°C scenario. We help businesses evaluate future opportunities and risks within their control and also those areas where they need to work with stakeholders to deliver emission reductions. Our long term modelling also helps businesses to understand the physical and financial risks posed by a changing climate and the introduction of government regulation.