

# THE SUSTAINABILITY REALITY

**A**s more businesses look for ways to reduce the impact they make on the environment, there's much to learn about making the dream of sustainability a reality. Through this process, businesses not only change the way they operate but also understand more about what's needed to bring about change at a macro level.

We began looking at carbon neutrality in 2007. The first challenge was measuring our carbon footprint. As an industrial enterprise with manufacturing facilities, eight business units and 4,000 staff across nine Asean countries, this was a tough job. We used an SAP app, developed inhouse, to collect data on all emissions from purchased fuels, electricity and staff travel.

Meanwhile, our Carbon Neutrality Executive assessed the many opportunities for reducing emissions in the Group. Several initiatives, mainly in the area of energy efficiency, were implemented. Many projects were dropped on the grounds of feasibility. A project to install solar panels at our Singapore crane factory came to fruition on the basis of an ROI of just less than the 10-year limit the Board had set.

Having exhausted the cost-effective possibilities for reducing emissions, offsetting became our best option. As the debate about the ethics of offsetting rumbles on, we saw that carbon offsetting was equivalent to using a certified waste management company to collect and process garbage. Investments in a cement factory run on biomass fuel in Thailand and a wind farm project in China allowed us to offset 47,000 tonnes of carbon.

Recycling paper, planting trees or achieving ISO 14000 certification does not make a company

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Carbon neutrality is a form of sustainability. If all companies in the world were carbon neutral, we would have a good chance of abating climate change. But this will require a tremendous amount of cooperation across the private and public spheres. Nobody wants to make a serious, and expensive, move if others aren't going to follow.

Working by the motto "It is the greatest of all mistakes to do nothing because you can only do a little", our sustainability journey balances business pragmatism with a sense of responsibility for the longterm health of the environment. **CPA**

**Heinrich Jessen is Chairman of Jepsen & Jessen Group of Companies Southeast Asia.**



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