

Working Climate Action

GHG Emissions Calculator for SMEs: Introduction

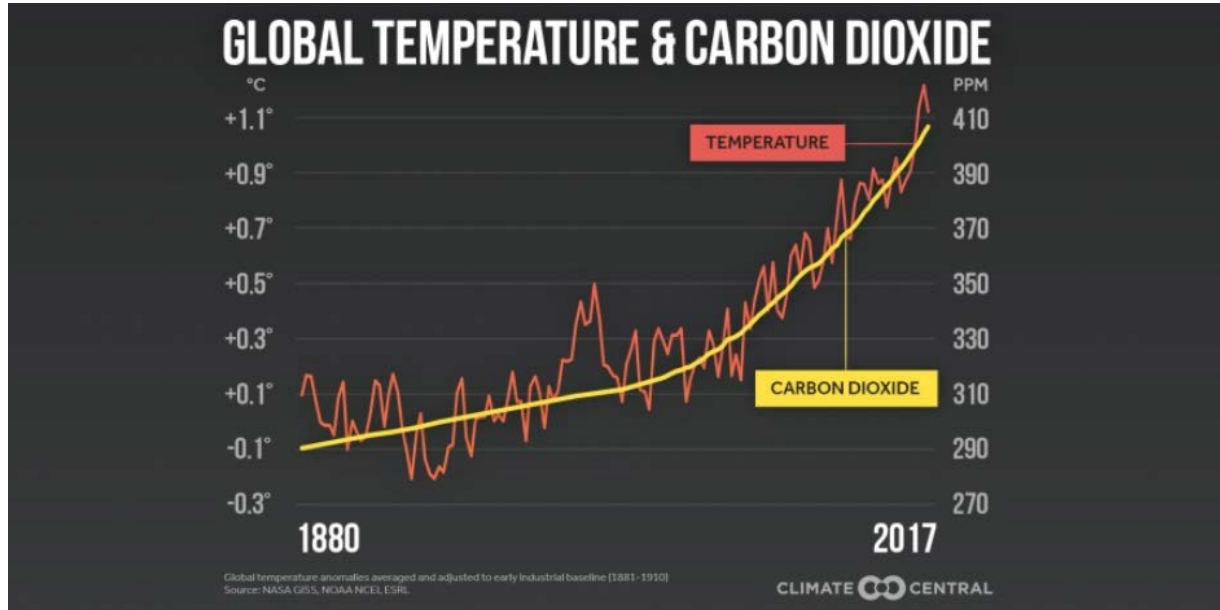




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ESG, CLIMATE PLAN, EMISSIONS REPORTING: *WHY BOTHER?*



- Evidence from the IPCC of the significant and harmful impact that a $>2^{\circ}\text{C}$ increase in global average temperatures by the end of the 21st Century could have.
 - → International commitments to the Paris Climate Agreement
 - → EU Carbon Reduction Commitment (CRC) requires a significant absolute reduction over the period to 2020 and then a minimum of an 80% reduction by 2050.
-
- Your customers are becoming more interested
 - Your competitors are making commitments
 - Your reputational risk now also depends on climate credentials
 - Your investors are taking it (more..) seriously
 - Waste is bad for business
 - Our children and their generation will thank us for actually doing something ..

SUSTAINABILITY FRAMEWORKS & REPORTING STANDARDS **WEAct**

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- There is a dizzying array of organisations, standards and acronyms
- A beginner's guide is offered below:

Type of Organisation / System	Purpose	Examples	Comments
Frameworks & standards	Propose methods of measurement, a 'common language' like ISO <i>methods</i>	GRI (General Reporting Initiative) CDP (Carbon Disclosure Project) SASB (Sustainability Accounting Standards Board)	These 3 dominant organisations announced a joint effort in 2018, aimed at simplifying reporting standards to align with the recommendations of the Task Force on Climate-related Financial Disclosures, a global group established by the Financial Standards Board after the G20 summit in 2015.
Standards / Certifications	Intended to certify a minimum standard	ISO 14001 / 50001 Ecovadis	And plenty more sector-specific examples
Indices / Rankings / Ratings	Independent attribution of relative scores to compare a group of companies	FTSE4Good, DJSI, ECPI, MSCI, Sustainalytics, ISS, Ecovadis	Although Sustainalytics and MSCI were most often mentioned by investors in a poll, but there is no single go-to rating for all investors. CDP and ISS were often mentioned for quality and usefulness. Also ROBECOSAM (system which drives the Dow Jones Sust index

- *SMEs may be under the radar for the major indices, feel it is less relevant to have a 'citable' score, and/or may not have the resources to rigorously apply a formal framework.*
- ***Fine ! Do it Yourself !***



SUSTAINABILITY REPORTING IN SMEs



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- Limited resources: a barrier to developing of a sustainability strategy? Consider instead:
 - Likely easier and faster to embed sustainability into a SME than a large one. Simpler structures and change can be implemented more quickly.
 - Sustainability-related tasks can be added to the current functions of employees.
 - Many people *want* to be part of a journey to contribute to a better environment and society –common feature of corporate volunteering initiatives.
 - Get engagement, involve people, explain implications, offer training, seek volunteers to balance with their current tasks.



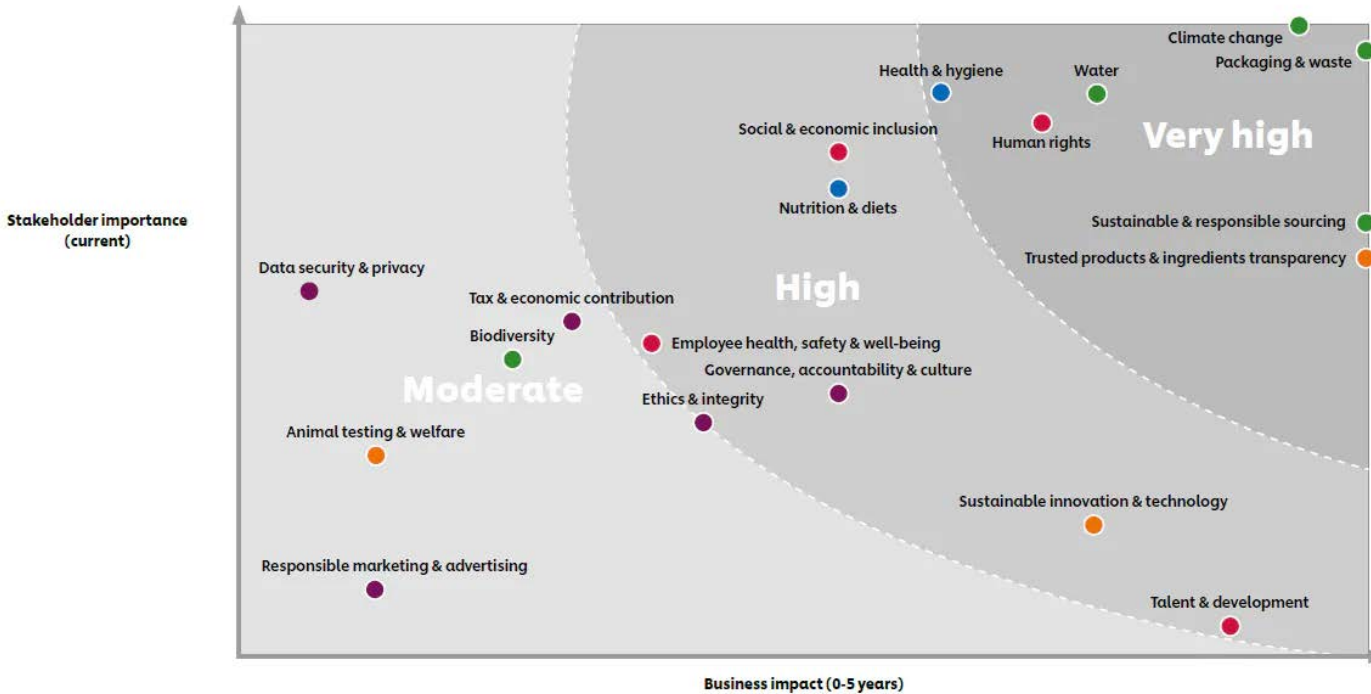
- ***Avoid random initiatives which won't make much difference: Consider your strategy***
→ and focus on the most material things before brainstorming possible actions
- **1 – Sustainability Context**
 - Reflect on the context around you: what are likely to be your organisation's major impacts on the world? How can you contribute towards a more positive future on a local or regional level?
 - What is your current performance and in which ways does it have negative social and environmental impacts? (Large companies use a materiality analysis matrix for this but a simple checklist is probably sufficient)
- **2 – Stakeholder Inclusiveness**
 - It is very important to identify who are your stakeholders, i.e., all the parties – from customers and employees to NGOs, the media or government bodies – interested in your activities. This will allow a better response to their expectations, interests, and concerns.



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EXAMPLES: MATERIALITY ASSESSMENTS, CHECKLISTS



SUSTAINABLE DEVELOPMENT GOALS



If in Doubt; focus on Climate, hence Carbon, First!

CARBON (GHG) EMISSIONS: SOME BASIC



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PRINCIPLES

- Greenhouse Gas (GHG) emissions are measured for all gases which contribute to global warming, the most common of which is CO₂. As such, the standard unit of measurement for all emissions is a kg (or tonne) of CO₂ equivalent; kgCO₂e or tCO₂e
- Emissions are commonly categorised as follows
- **Scope 1** – All Direct Emissions from the activities of an organisation or under their control. Including fuel combustion on site such as gas boilers, fleet vehicles and air-conditioning leaks.
- **Scope 2** – Indirect Emissions from electricity purchased and used by the organisation. Emissions are created during the production of the energy and eventually used by the organisation.
- **Scope 3** – All Other Indirect Emissions from activities of the organisation, occurring from sources that they do not own or control. These are usually the greatest share of the carbon footprint, covering emissions associated with business travel, procurement, waste and water.
- The main sources of CO₂ emissions for most small organisations are:
 - Gas (to heat) and electricity (to power) buildings and sites, along with any other source of energy used to drive processes on site.
 - Travel and Transportation; of employees and goods sold



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FREE ONLINE CARBON CALCULATORS

- <https://www.goclimat.com/business/climate-reports/new>

Comprehensive but simple free tool. Includes

- <https://www.carbontrust.com/resources/sme-carbon-footprint-calculator>

UK Government Agency free tool. Takes your data on power & gas usage, transport mileage or fuel consumption, and refrigerant usage, 'One-shot' calculator

- <https://www.carbonfootprint.com/businesscarboncalculator.html>

Consultancy offering free tool, who can follow up to offer consultancy if you wish. Based on transport and buildings

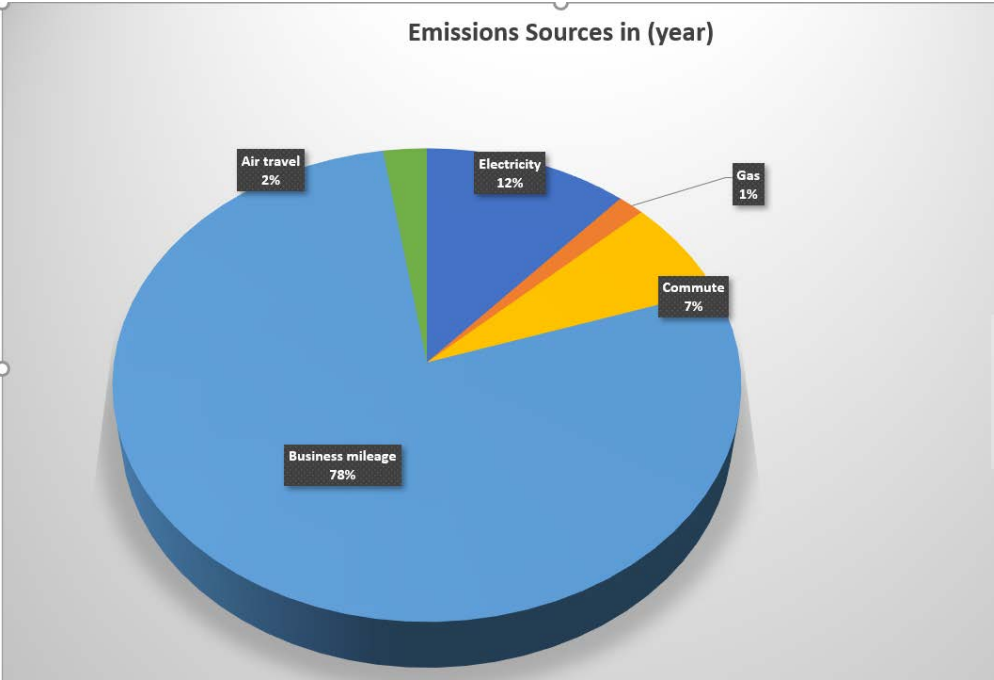
- <https://www.terrapass.com/carbon-footprint-calculator>

Footprint calculator for businesses as well as individuals but US-focussed.

OR USE WEACT'S TOOL

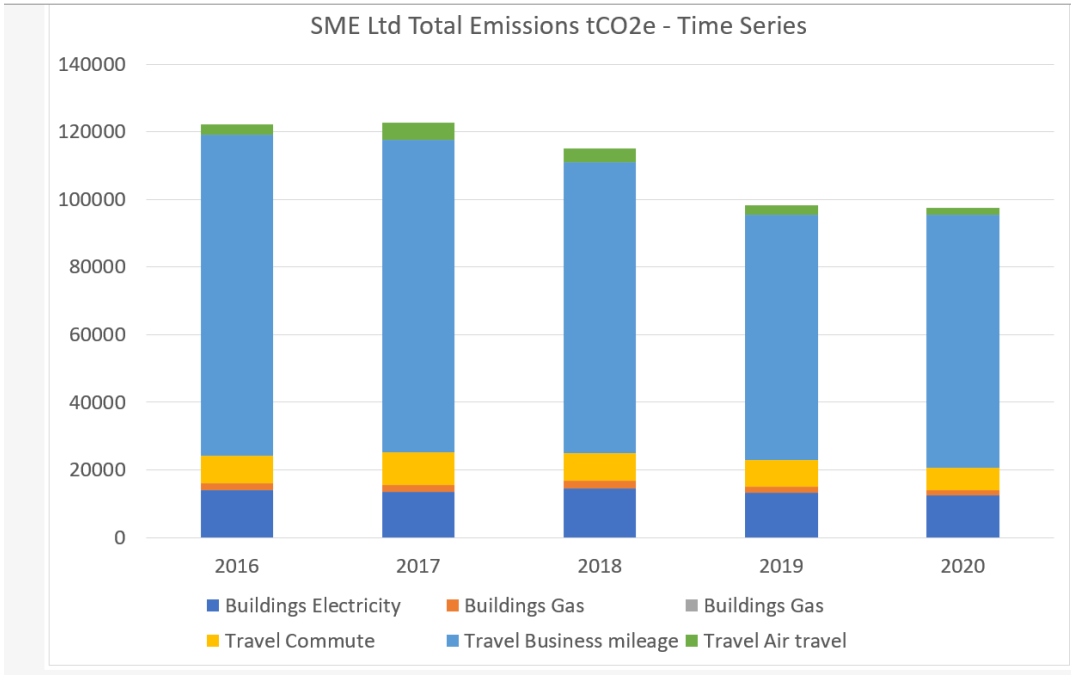
- Download WeACT's Emissions Calculator for SMEs to derive and track your Carbon Emissions
- Tailor it to suit you and keep the data yourself
- Available online from _____

WeACT CARBON TOOL : SCREENSHOTS



	A	B	C	D	E	F	G	H	I	J
1	Employee Commuting (list individual employees or groups by region or commute distance band)									
2				Year				Year		
3			Avg miles	Days com	Vehicle en	kg CO2		Avg miles	Days com	Vehicle en
4	Employee (group) 1	<5 miles c	3	940	0.26	1,466				
5	Employee (group) 2	5-15 miles	10	564	0.26	2,933				
6	Employee (group) 3	16-30 mile	23	282	0.26	3,373				
7										
8										
9										
10	TOTAL Car Commuting					7,772				-
11										
12			Avg miles	Days com	Emissions, kg CO2					
13	Employee (train)		10	94	0.052	98				
14	Employee (train)		20	235	0.052	489				
15	Employee (train)		30		0.052	-				
16										
17	TOTAL Train Commuting					587				-
18										
19	TOTAL Commuting Carbon					8,358				-

	A	B	C	D	E	F	G
1			Conversion to Carbon	Year		Year	
2	Site 1			Measure	kg CO2	Measure	kg CO2
3		Electricity consumption /kWh	0.256	25000	6400		0
4		Gas consumption /kWh	0.184	10000	1840		0
5							
6	Site 2						
7		Electricity consumption	0.256	30000	7680		0
8		Gas consumption	0.184	0	0		0
9							
10	Site 3						
11		Electricity consumption	0.256		0		0
12		Gas consumption	0.184		0		0
13							
14	Site 4						
15		Electricity consumption	0.256		0		0
16		Gas consumption	0.184		0		0
17							
18	TOTAL						
19		Electricity consumption		55000	14080	0	0
20		Gas consumption		10000	1840	0	0



STARTER IDEAS FOR REDUCING EMISSIONS



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- The following are a good start but no substitute for your own team brainstorm !

Electricity & Power	Lights off. Security lights. Devices on stand-by. Install smart-meter. LED bulbs. Do you really need air-con? How long for? Temperature? Track which devices use most power and review usage procedures
Gas & Heating	Room temperature. Glazing. Insulation. Windows / doors open? Maintain boilers & heating / steam systems Get an energy audit
Business Travel	Invest in higher fuel efficiency / lower emissions / electric company vehicles. Encourage train travel. Fly less / stay longer. Use video conferencing. Offset flight carbon.
Commute	Install bike sheds. Incentivise commute by train. Encourage local hiring. Consider encouraging work from home.
Logistics	Invest in higher fuel efficiency / lower emissions / electric fleet vehicles. Lobby your 3PL / distribution supplier for lower emissions transport options. Review supply chain network / warehouse & stock locations. Shift from bulk road to rail, intermodal, or short sea. Improve routing, maximise direct deliveries

AND REMEMBER..



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- We'd love to hear how you get on!