FAIR CLIMATE FUND

REDUCING YOUR CARBON FOOTPRINT

IN 4 STEPS TO THE BEST RESULT

TABLE OF CONTENTS

“With this white paper we help you to reduce your carbon footprint in four steps.

This is how you contribute to the Paris climate agreement with your company. “

OUR CHALLENGE, OUR SOLUTION

Climate change affects all of us. Think of unpredictable rainfall, fooding and extreme drought. If we want to avoid the increasing effects climate change, we must act now.

The Paris agreement (2015) is our firm guideline for this: because of this agreement, 195 countries agreed that the limit is 2 degrees warming and that we should strive to limit this to 1.5 degrees. This means that we will have to continue to reduce greenhouse gas emissions from fossil fuels. In 2050, net emissions must be zero. A primary task that requires far-reaching measures for every sector and every company.

At the same time, CO2 reduction also offers opportunities for business, like reduce costs, reduce risks, and develop new future-proof business models.

More and more companies want to contribute to the Paris agreement. But: how do you approach that as a company? In this white paper, you will find our 4-step plan for reducing the carbon footprint of your company:

1. Determine your CO2 footprint
2. Determine your goals
3. Reduce
4. Compensate

STEP 1: DETERMINE YOUR CO2 FOOTPRINT

Do you want to contribute to the climate goals and reduce your greenhouse gases as a company? Then you first need to know how much greenhouse gases you actually emit and wherein the company that happens. A CO2 or carbon footprint can help you with that.

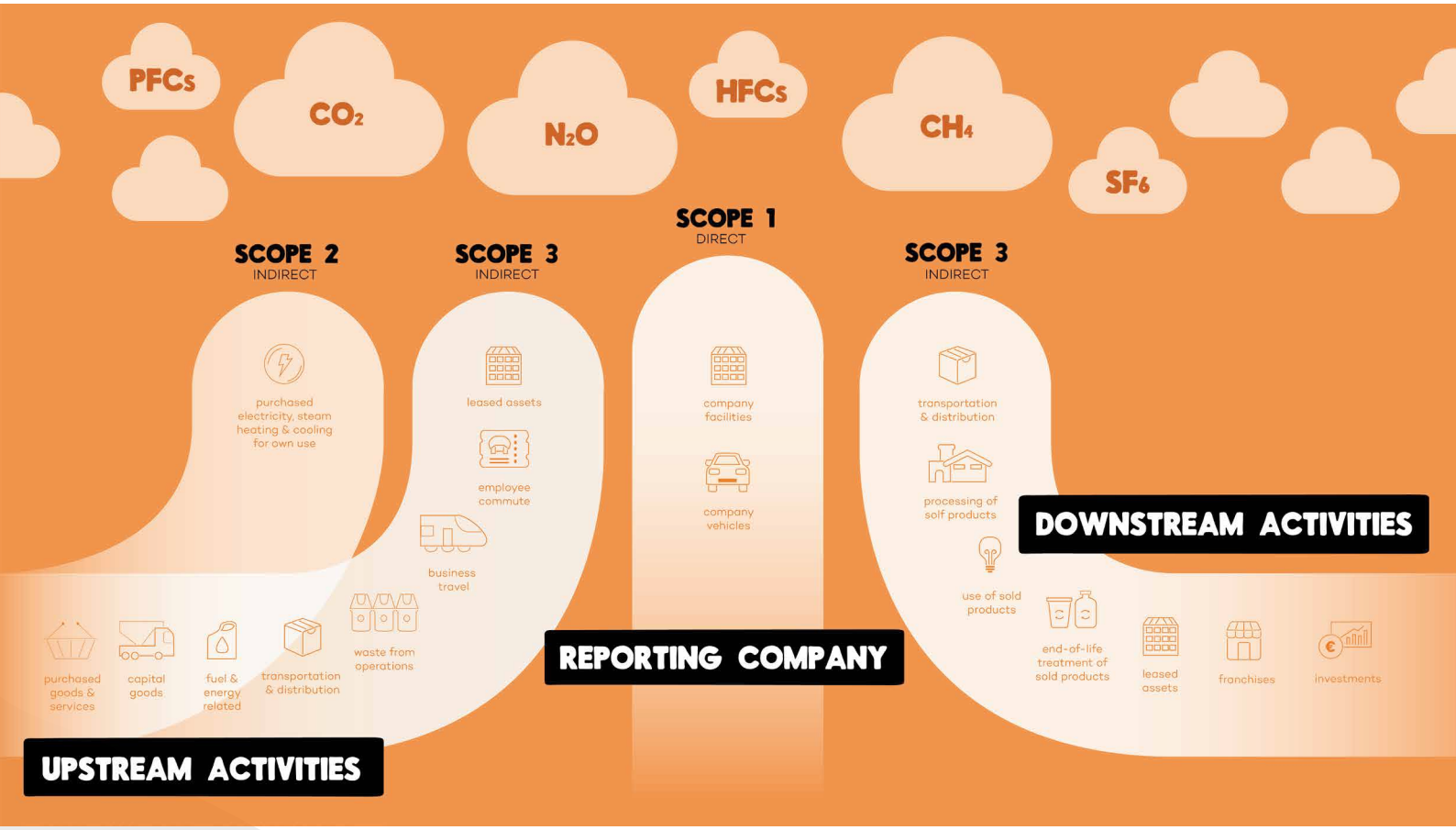
TO MEASURE IS TO KNOW

A company's carbon footprint consists of all the greenhouse gases that the company emits in a year. All greenhouse gases are converted into CO2 equivalents for the calculation of the carbon footprint. Methane and nitrous oxide are examples of gases that also contribute to global warming. One ton of methane emitted equals approximately 25 tons of CO2e.

WHAT IS YOUR SCOPE?

When you calculate your carbon footprint, you need to determine the limits of your carbon footprint. Do you choose to calculate the carbon footprint of the entire organization, or do you only want to calculate the carbon footprint of a product, service or event? In short, you must determine the scope, or scope, of your responsibility.

Various methodologies can help you determine your carbon footprint and the associated scopes. The Greenhouse Gas (GHG) Protocol[1] is one of the most widely used methods and distinguishes three different scopes based on the origin of the greenhouse gas:



Scope 1: direct CO2 emissions caused by own sources within the organization. This only concerns emissions from building, transport and production-related activities. Think of diesel generators and gas consumption for heating installations, (freight) cars or the use of coolant in cooling equipment and air-conditioning systems.

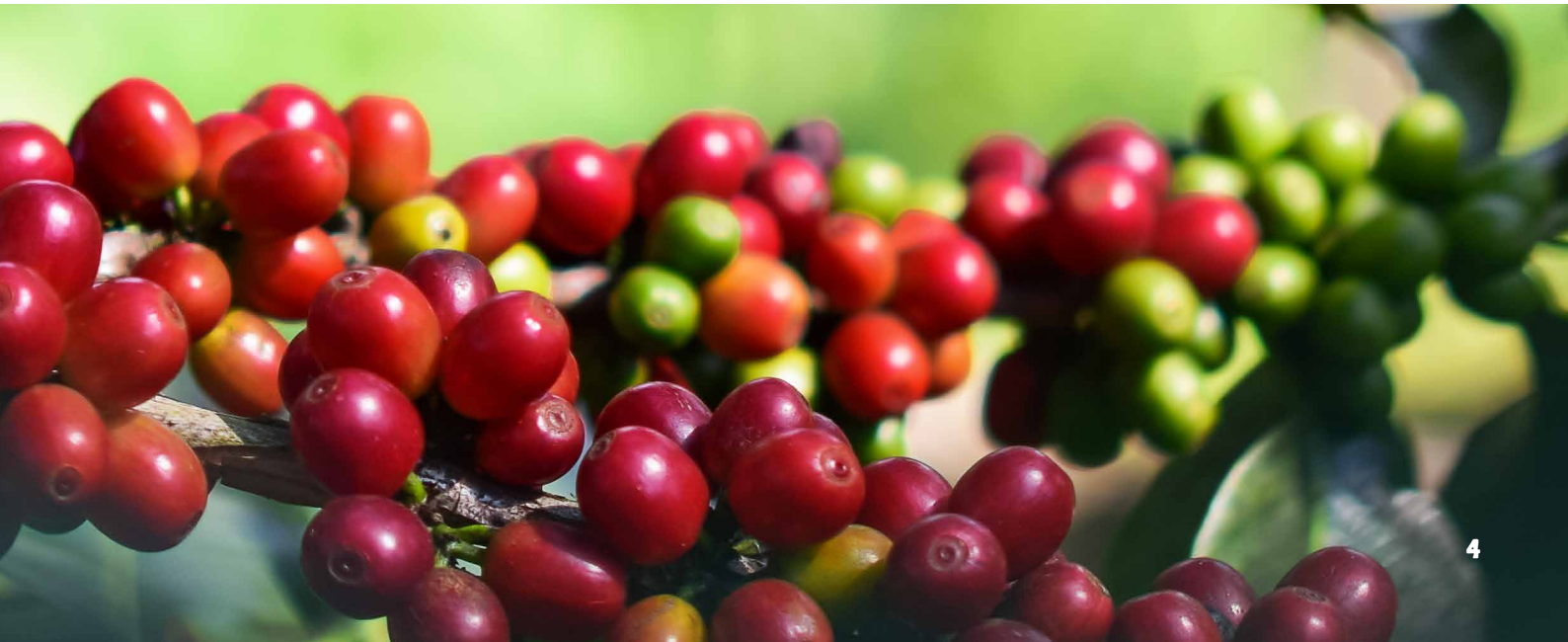
Scope 2: this concerns the indirect emission of CO2 through the generation of purchased and consumed electricity or heat. As an organization, you use this energy internally, but you do not generate it. This generation takes place elsewhere, for example, in a power plant.

[1]The GHG Protocol Corporate Accounting and Reporting Standard provides requirements and guidelines for companies and other organizations that establish a corporate-level inventory of greenhouse gas emissions.

Scope 3: indirect CO2 emissions for your organization, caused by business activities of another organization. This concerns emissions in the chain that you can exert little direct influence on yourself. Consider, for example, emissions caused by the production or extraction of purchased raw materials or materials and outsourced activities such as freight transport. Indirect emissions resulting from business traffic with private vehicles and business air traffic also belong to scope 3.

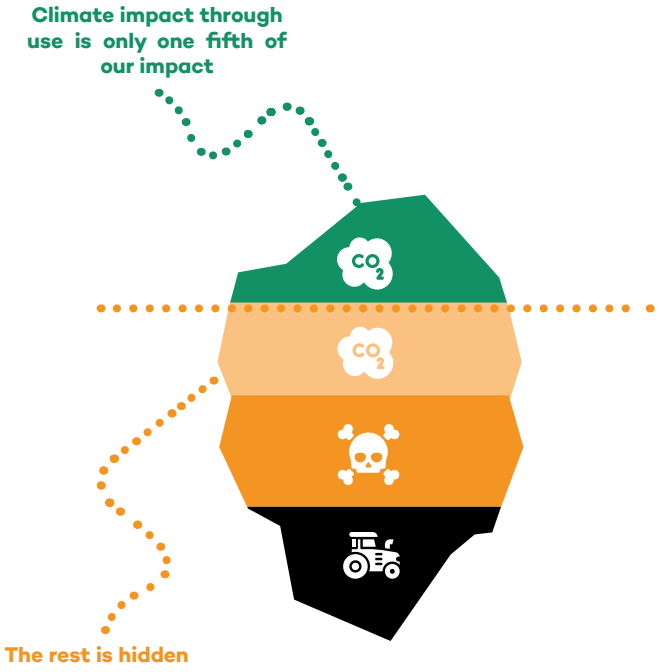
Tip: To calculate scope 3 emissions of a complex product or service, it is best to have a so-called Life Cycle Assessment. This reviews the entire life cycle of a product or activity, from the extraction, production and use of raw materials to waste processing, in other words: from the cradle to the grave.

The activities that fall under scope 1 and scope 2 can be attributed to its own organization. An organization then includes the total energy consumption, as can also be found on the energy bill. Most companies also take responsibility for business air miles, business kilometres in a private car and commuting from scope 3. This is because they can directly influence this.



HIDDEN IMPACT

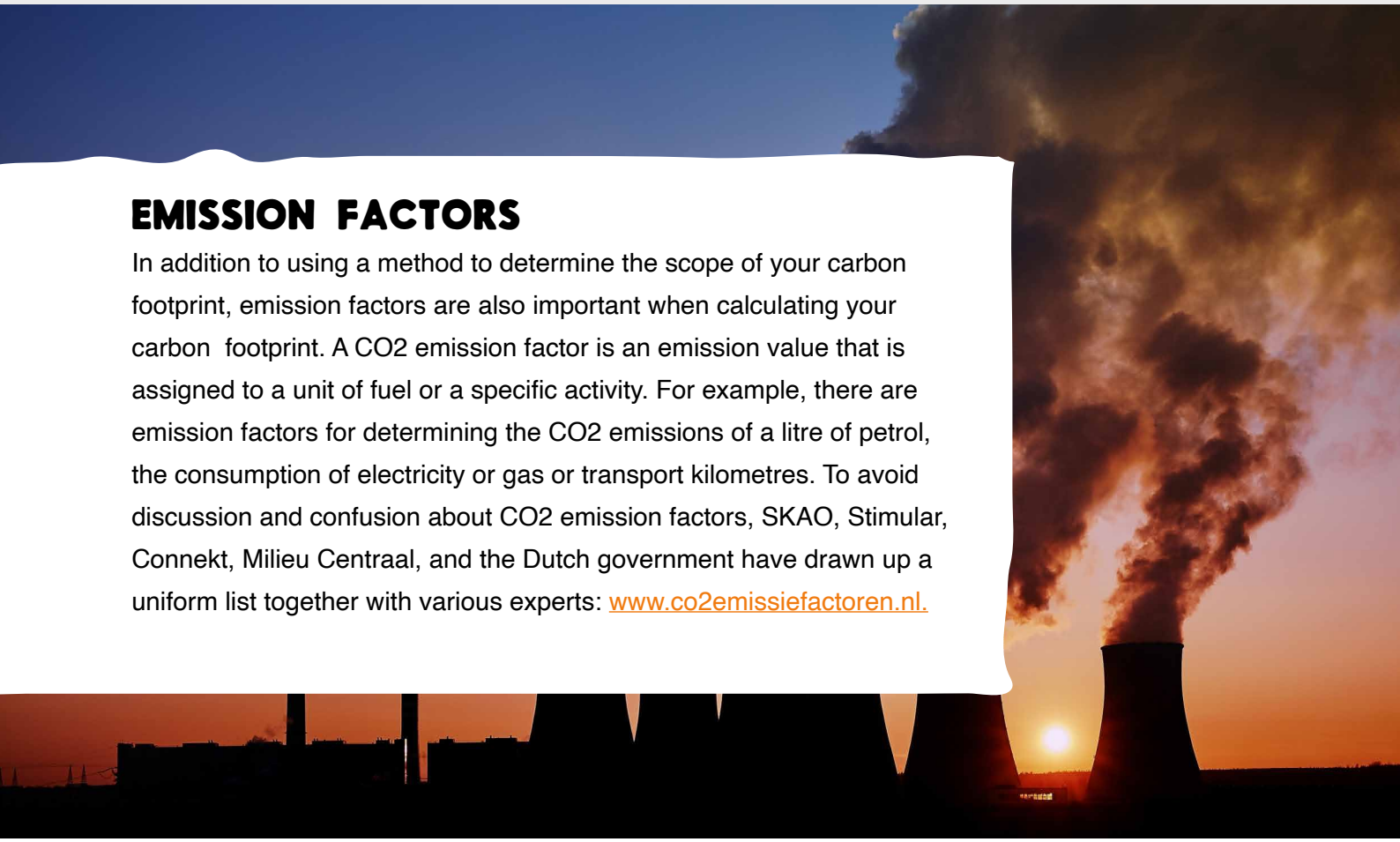
In the carbon footprint calculation, according to the Greenhouse Gas Protocol, the direct and indirect CO2 emissions from the use of fossil fuels are divided into scope 1,2 and 3 emissions. In this calculation, we have to take into account several blind spots. We call this the Hidden Impact.



Many other topics have an impact on the climate. Think of the use of agricultural land, raw materials, chemical products, etc. These are often not taken into account when calculating according to the GHGP. Besides, many products are produced in developing countries, and we do not see the climate impact (and the environment and social impact) of this production.

Finally, companies have historical CO2 emissions. From the start of the company, an unconscious contribution has been made to the problems we now face. In most cases, this is not taken into account in calculating the company's carbon footprint, which puts a "climate neutral claim" in a different light.

In short: if you make this hidden impact on your company transparent, you can make it more sustainable. To know more about "The Hidden Impact", see www.thinkbigactnow.nl



EMISSION FACTORS

In addition to using a method to determine the scope of your carbon footprint, emission factors are also important when calculating your carbon footprint. A CO2 emission factor is an emission value that is assigned to a unit of fuel or a specific activity. For example, there are emission factors for determining the CO2 emissions of a litre of petrol, the consumption of electricity or gas or transport kilometres. To avoid discussion and confusion about CO2 emission factors, SKAO, Stimular, Connekt, Milieu Centraal, and the Dutch government have drawn up a uniform list together with various experts: www.co2emissiefactoren.nl.

STEP 2: DETERMINE YOUR TARGET

When completing the climate strategy and thus also the ultimate claim of your company, it is essential to have clear goals in mind. Think of a question such as: when do I want to be CO2 neutral?

If you want to join the Paris goals as a company, it is clear that you will work towards net-zero emissions by 2050 or earlier.

Targets that are aligned with the Paris and climate science objectives are also referred to as Science Based Targets.
And for companies that want to go even further: you can even choose to include your historical impact. A company has a carbon footprint from the start. The CO2 emissions from that start to the moment when the baseline measurement occurs is also referred to as the historical carbon footprint.

STEP 3: REDUCE

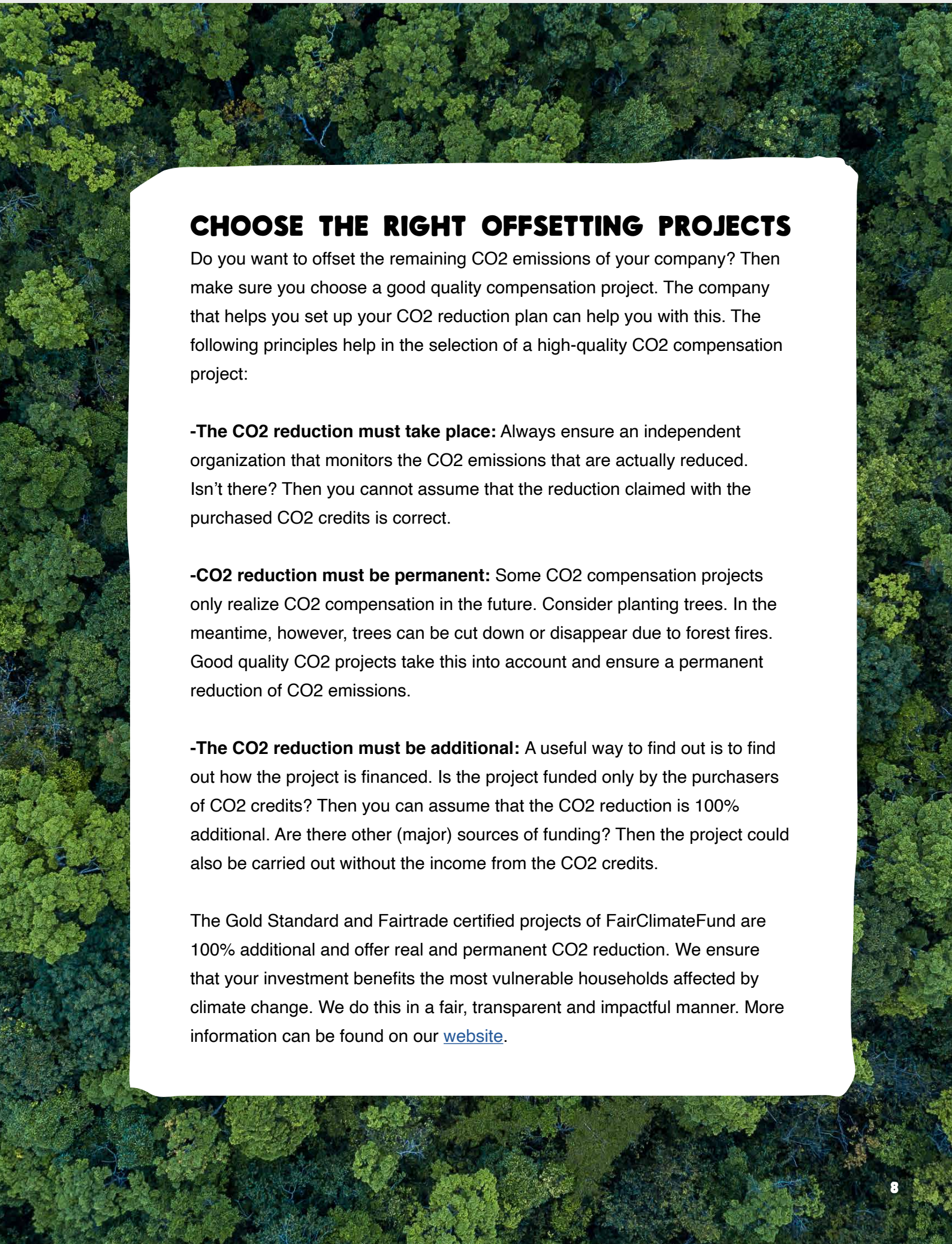
If you have an overview of your energy consumption and CO2 emissions, you can use these as a basis for reduction. You can then determine the most important and most profitable opportunities to reduce your CO2 emissions, for example, by taking action on your staff's travel behaviour and activities aimed at your business accommodation and business operations, such as insulation or green electricity use.

It is easier to reduce the CO2 emissions of your own direct and indirect business activities. But you can also influence the emissions of activities of another organization in your chain. When making purchasing decisions, not only look at price and quality but also sustainability aspects.

STEP 4: COMPENSATE

Depending on your objectives, you can offset your remaining CO2 emissions through certified CO2 reduction projects, such as projects that focus on cleaner cooking solutions for households in developing countries or reforestation projects.

These CO2 reduction projects offer development benefits ranging from health and livelihoods to biodiversity conservation and gender equality.



CHOOSE THE RIGHT OFFSETTING PROJECTS

Do you want to offset the remaining CO2 emissions of your company? Then make sure you choose a good quality compensation project. The company that helps you set up your CO2 reduction plan can help you with this. The following principles help in the selection of a high-quality CO2 compensation project:

-The CO2 reduction must take place: Always ensure an independent organization that monitors the CO2 emissions that are actually reduced. Isn't there? Then you cannot assume that the reduction claimed with the purchased CO2 credits is correct.

-CO2 reduction must be permanent: Some CO2 compensation projects only realize CO2 compensation in the future. Consider planting trees. In the meantime, however, trees can be cut down or disappear due to forest fires. Good quality CO2 projects take this into account and ensure a permanent reduction of CO2 emissions.

-The CO2 reduction must be additional: A useful way to find out is to find out how the project is financed. Is the project funded only by the purchasers of CO2 credits? Then you can assume that the CO2 reduction is 100% additional. Are there other (major) sources of funding? Then the project could also be carried out without the income from the CO2 credits.

The Gold Standard and Fairtrade certified projects of FairClimateFund are 100% additional and offer real and permanent CO2 reduction. We ensure that your investment benefits the most vulnerable households affected by climate change. We do this in a fair, transparent and impactful manner. More information can be found on our website.

BEST PRACTICES - PEEZE

WHO

Peeze: an Arnhem coffee roaster with grand ambitions. Peeze wants to redefine good coffee. Because: you can only make real good coffee if the entire process of making coffee is good. If you are good for both farmers and our planet. Peeze's goal? Making fair coffee the norm. Peeze does this by working closely together and being personally involved in the entire coffee process. In this way, the coffee supplier wants to make the coffee sector a better place. Coffee could be fairer, should be fairer. And they are working on that every day at Peeze.

STEP 1: DETERMINE CO2 FOOTPRINT

The future of coffee is at stake. The climate is becoming extreme and unpredictable. This results in disappointing harvests and declining growth areas. If we continue like this, the growing areas for coffee will be halved by 2050. But: not only does the changing climate have a major impact on the coffee sector, the coffee sector itself also causes a lot of CO2 emissions because such large volumes of coffee are consumed. That is why Peeze is taking various steps when it comes to climate. As a first step, Peeze, together with research agency Ecofys, mapped the company's carbon footprint.

Activities	CO2 emissions (kg CO2)				
Harvest	Processing	Transport	Roasting	Distribution	Total
1,448	0,308	0,293	0,204	0,105	2,358

BEST PRACTICES - PEEZE

DETERMINE SCOPE

Peeze feels responsible for the CO2 emissions in the coffee chain and the delivery of the coffee to the customer.

STEP 2: DETERMINE TARGET

Peeze's Fairtrade certified coffee is entirely climate-neutral: CO2 emissions from the plantation up to and including delivery to the customers are compensated. But Peeze likes to go one step further into the future: a coffee with a climate-positive impact. This month, Peeze is launching a new coffee with demonstrably fair prices for coffee farmers, 100% recyclable packaging and a positive climate impact from the plantation to consumption.

STEP 3: REDUCE

Roasting coffee takes a lot of energy, and this process usually releases a lot of CO2. That is why Peeze developed (together with Probat) in 1994 a unique environmentally friendly coffee roaster that is the standard in new roasters today. Among other things, by reusing hot air released during the roasting process, Peeze manages to use 50% less energy than conventional coffee roasters. Also interesting: thanks to smart cyclone technology, Peeze consumes considerably less water during roasting.

Peeze is continuously looking for ways to reduce CO2 emissions further. For example, the roasting plant uses 100% natural electricity generated by a windmill in Ede. Besides, private orders are delivered as much as possible by bicycle courier, and we are actively working on electrifying the vehicle fleet.

STEP 4: COMPENSATE

The company compensates CO2 emissions that they cannot (yet) reduce. For example, natural gas consumption has been compensated for 20 years through voluntary CO2 compensation. The CO2 emissions that Peeze causes through waste, transport, energy and paper consumption are compensated by the company with Gold Standard / Fairtrade Carbon Credits. These are created with a cookstove project in one of the company's coffee chains: on Ethiopia's coffee plantations. This project creates Carbon Credits and contributes to the energy transition in the country and improves the health and gender equality of the local community.

More information: www.peeze.nl

BEST PRACTICES - ARCADIS

WHO

Arcadis. This Dutch engineering and consultancy firm has been in existence since 1888. It started with a group of Dutch farmers who decided to develop 'wild' land and create and maintain forests and soil improvement works. In 2020, Arcadis' more than 2000 consultants, engineers and project managers still share the same passion as the farmers from 1888: improving the quality of life.

STEP 1: DETERMINE CO2-FOOTPRINT

Arcadis mapped its carbon footprint and found that more than ninety percent of it is determined by mobility: travelling by car, plane and train.

DETERMINE SCOPE

Arcadis would like to be a leader in sustainability. In addition to reducing its carbon footprint, Arcadis has a significant impact on sustainability through projects it carries out for customers.
Good examples of this are Wonder-woods, a sustainable residential tower with space for 10,000 trees and shrubs, and the Driebergen - Zeist station's redevelopment. This station makes a connection with the green environment easier.

STEP 2: DETERMINE TARGET

Arcadis is committed to climate-neutral business operations

STEP 3: REDUCE

As a company, Arcadis does everything it can to reduce CO2 emissions from travel. In 2019, for example, the last large office was moved to a station location, and every Arcadis employee has an NS Business Card, which seventy percent of all employees use. Arcadis is also working on an app for employees to track their mobility. This rewards sustainable travel behaviour.

BEST PRACTICES - ARCADIS

STEP 4: COMPENSATE

The company compensates with Gold Standard certified CO2 credits from FairClimateFund for the CO2 emissions that they cannot yet reduce
By offsetting, CO2 emissions get a price. This encourages Arcadis to look at CO2 as a cost item. And with that, they make their business case for CO2 reduction healthier.

More information: www.arcadis.com

BEST PRACTICES - SECRID

WHO

Secrid: producer of wallets. In 2009 Secrid launched the Cardprotector with the vision to make people look differently at their pocket contents. Now, more than ten years later, Secrid wallets are a must-have and available in more than 70 countries worldwide. Secrid does not have to be the biggest but does want to be the best and most beautiful.
Secrid products are designed for long service life. Besides, the products are produced efficiently, locally and with the help of sheltered workshops. This approach limits CO2 emissions throughout the life cycle of Secrid's products.

STAP 1: DETERMINE CO2-FOOTPRINT

Together with Ecochain's environmental specialists and software tools, Secrid calculated the production chain's impact on the environment and nature. For example, they discovered that the production of leather is their biggest source of impact. The production of the aluminum profiles for the wallets also has a large share in the production process's environmental impact.

DETERMINE SCOPE

Secrid chooses to achieve environmental benefits by looking at its products' design and striving for the most efficient production.

STAP 2: DETERMINE TARGET

Secrid has recently become part of The B Corp Climate Collective, in which the company is committed to the reduction of CO2 that suits a future in which we want to limit global warming to 1.5 degrees. B Corp calls this Net-Zero by 2030. Secrid aims to reduce CO2 emissions so that they have to compensate a maximum of 25% by 2030 compared to the baseline in 2019.

Finally, Secrid wants to test his reduction plans based on the Science-Based Targets Initiative.

BEST PRACTICES - SECRID

STEP 3: REDUCE

OBecause leather production has the greatest impact on the environment and nature, Secrid is looking for alternatives. At the same time, Secrid also knows that leather is an essential material to guarantee its product's most extended possible lifespan. That is what sustainability should be all about in the first instance. That is why the company now mainly focuses on improving leather production and reducing waste to reduce the impact on the environment and nature.

Aluminium also has a large share of the environmental impact of the production process. Secrid, therefore, tries to motivate its designers to think about upcycling actively. As a result, none of them ends up in the trash. By continually looking for ways to eliminate waste production, they are working towards a Zero Waste Supply Chain.

STEP 4: COMPENSATE

Regardless of which steps Secrid takes to make the company more sustainable, the production has (for the time being) an impact on the environment. For that reason, Secrid has compensated more than 9,000 tons of CO2 in recent years. For the coming years, the company has decided: we want to be CO2 neutral and CO2 positive. So, offsetting more than we emit.

More information: www.secrid.com

CONCLUSION

Do you want to contribute to the Paris climate agreement with your company by reducing your carbon footprint? But have no idea where to start? The 4-step plan in this white paper - 1) determining your carbon footprint, 2) setting goals, 3) reducing and 4) compensating - helps you set a realistic goal and develop concrete steps to achieve your goal.

Although the basis of the approach is the same for all companies, the best practices teach us that the step-by-step plan's elaboration differs per company. Where Arcadis, for example, derives the greatest benefit from making the travel behaviour of its employees more sustainable, making the production chain more sustainable plays a greater role at Peeze.

If you are going to reduce your carbon footprint, make sure you are transparent in your communication. For example, indicate for which activity within your company you are calculating a CO2 footprint and over which period you are calculating the CO2 footprint. Also, explain in which scope the activities fall: own activities (scope 1), purchase of energy from third parties (scope 2) or an activity by other parties in the value chain (scope 3).

After all, it is good to realize that you are not alone. For example, various circulation instruments can help you determine the carbon footprint of your company. On the FairClimateFund website, you will find a calculator to determine your carbon footprint, but also the environmental barometer of Stimular or the online calculator of the Climate Square are good tools. FairClimateFund can also help you with advice on CO2 reduction, drawing up a climate strategy, carrying out life cycle analyzes and, of course, choosing the best compensation projects.

Do you want to get started with CO2 reduction and do you need help with this? Please contact:

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