CARBON FOOTPRINT REPORT OF U&WE'S CONSULTANCY SERVICE 2018/2019

Inspired by ISO 14067:2018

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SUMMARY

U&We are a group of consultants with expertise within environment, health, ethics, social responsibility and business founded in 1995. With broad knowledge of sustainability and cutting edge competence within environmental and climate science, the work centers around sustainability-driven business development. U&We has gathered and analysed their emissions during the fiscal year of July 1st 2018 to June 30th 2019 with the aim to calculate the carbon footprint of U&We's consultancy service according to ISO 14067:2018 Greenhouse gases – Carbon footprint of products - Requirements and guidelines for quantification. U&We work continuously to decrease the footprint of the services but, until U&We reach zero emissions, also choose to off-set 110 % of the remaining footprint in Plan Vivo certified carbon off-set projects. This will enable U&We to claim that the consultancy services are carbon neutral in accordance with ISO 14021:2017 Environmental labels and declarations – Self-declared environmental claims in the future. For this first year we have identified some issues that need to be clarified regarding the demarcation between U&We as a company and the companies of the respective consultants which will have to be clarified for the next reporting period. The calculations are based on data collected from suppliers and self-reporting.

DEFINITIONS

Carbon footprint - According to ISO 14067:2018 the *carbon footprint of a product* is the sum of GHG emissions and GHG removals in a product system expressed as CO_2 equivalents (CO_2e) and based on a life cycle assessment using the single impact category of climate change.

Carbon neutral - ISO 14021:2017 defines *carbon neutral* as a product that has a *carbon footprint* of zero or a product with a *carbon footprint* that has been offset. The standard claims that the usage of the term *carbon neutral* requires that all greenhouse gas (GHG) emissions from all stages of the product life cycle, and within the specified product system, have been reduced, removed or accounted for through a system of offsets or credits.

Climate positive - A standard for climate positive does not exist. Therefore, claiming climate positive requires following a standard for carbon neutral (ISO 14021:2017 or PAS 2060) and when this is achieved off-setting at least 10 % more.

General information	
Responsible at U&We	Jens Johansson, partner and project manager Amanda Möttönen, intern
Company	U&W you&we Stockholm AB. Org.nr: 556508-5692
Scope	Scope 1, 2 and 3 (Greenhouse Gas Protocol).
System boundary	All activities relevant and needed to deliver U&We's consulting hours including travels, office space, events, purchased goods and services, deliveries and transport. Upstream and core activities (ISO 14067).
Description of company	13 consultants working as partners or associated partners, equivalent to 10 500 working hours. Net sales for the year was 10,7 MSEK. We are a group of consultants with expertise within environment, health, ethics, social responsibility and business. U&We was founded in 1995. With broad knowledge of sustainability and cutting edge competence within environmental and climate science, our work centers around sustainability-driven business development. We are committed to seeing our partners increase their competitiveness and business opportunities while contributing to a sustainable society. Many of our customers are leaders within their industry and thereby become catalysts which results in them becoming role models and sources of inspiration for other companies. Each consultant runs its own company, which may include other activities as well.

Standard for calculation	ISO 14067:2018 Greenhouse gases – Carbon footprint of products - Requirements and guidelines for quantification
Methodology for validation	Internal validation by experienced consultant. In the future this decision might be revised depending on the size of our business and development of climate positive as a concept.
Accounting period	Fiscal year July 1st 2018 - June 30th 2019
Internal quality control	Håkan Emilsson, U&We
U&We's carbon footprint	9 ton CO_2e

INTRODUCTION

BACKGROUND AND AIM

U&We consists of 13 consultants that offer sustainability consulting. Each consultant runs its own company, which may include other activities as well. The ambition is to combine good business with social responsibility and environmental consideration. U&We offers support to companies and organisations in the process towards becoming carbon neutral and climate positive and has for the past several years calculated and off-set parts of its carbon footprint. For this report U&We has gathered and analysed the emissions during the fiscal year of July 1st 2018 to June 30th 2019 with the aim to calculate the carbon footprint of U&We's consultancy service in line with ISO 14067:2018 Greenhouse gases – Carbon footprint of products - Requirements and guidelines for quantification. U&We will now offset 110 % of the services' footprint. The carbon offsetting based on the calculation would enable communication of the term carbon neutral in accordance with ISO 14021:2017 Environmental labels and declarations – Self-declared environmental claims. By off-setting more than the calculated footprint U&We's services will be not only climate neutral but in fact climate positive. However, since there are some uncertainties regarding the demarcation between U&We and respective consultant own company, such a claim is not done for this reporting period.

Companies and organisations often strive to decrease their carbon footprint and implement strategies to become more sustainable. This is a good start but it is far from enough. In order to reach the climate goals of the Paris declaration, which is to limit the global temperature rise to 1,5 degrees, it is vital that more actors work to limit global emissions of carbon to be within our carbon budget[1]. To increase the pace of emission reduction elsewhere, and to increase sinks of carbon, we also use off-setting for the emissions that we have not yet managed to reduce. Off-setting can potentially give us more time to reach zero emissions of fossil carbon, and it can improve the market for carbon sinks. This implies not only decreasing emissions but also off-setting more than is emitted through certified projects.

[1] https://www.globalcarbonproject.org/carbonbudget/index.htm

OBJECTIVES

The objective is to make U&We' consultancy services climate positive for the last fiscal year July 1st 2018 - June 30th 2019.

METHOD

Calculations follow ISO 14067:2018 Greenhouse gases – Carbon footprint of products - Requirements and guidelines for quantification. Emissions from methane, nitrogen oxides and other climate-impacting gases are converted to CO_2 equivalents so that a common contribution can be described. GWP values from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) over a 100-year period are used for the conversion to CO_2 equivalents.

SELECTION OF STANDARD AND SCOPE

The ISO-standard for carbon neutral, ISO 14021:2017, refers to ISO 14067:2018 for quantification of a products carbon footprint that in turn refers to Product Category Rules (PCR) for detailed guidance on scopes and methodology. A PCR for consulting or similar does not exist. U&We has used the PCR Basic Module CPC 81 for Research and experimental development services for inspiration, and an EPD by RISE IVF AB that is supported by a PCR 2012:03 for Research and experimental development services in natural sciences and engineering that have now expired. RISE IVF AB provides research services within the sectors of materials, processes, products, and production technologies. The PCR suggest a functional unit of 1 hour of research service. The research service that is offered by RISE and the consultancy services that U&We provide are for the purpose of calculating a carbon footprint similar.

The calculation of the carbon footprint of U&We's consultancy services applies to the fiscal year July 1st 2018 - June 30th 2019.

ALLOCATION

Activities that are shared with other companies are allocated to U&We based on:

- Number of employees out of the total number of employees in the shared office
- Office area occupied by U&We (including shared areas such as conference rooms) out of the total building area.
- Ecometrica platform (Platform for sustainability reporting used by customers) and its emissions are allocated to ZeroMission since they are the main contact and have the contractual agreement with Ecometrica and with the customers.

U&We provides services to assist customers with the platform and the reporting on it.

- Transport and delivery of office products allocated to ZeroMission, since they are the owners of the leasing contract of the office.

FUNCTIONAL UNIT

The functional unit is 1 hour of consultancy service expressed in kg CO_2e. The report also declares the carbon footprint related to Net Sales.

DATA COLLECTION AND DATA QUALITY

The data for energy use, shared food, food representation, copy paper, water usage, printed material and vans transport/delivery is based on invoices. Data for employee commuting and IT equipment has been self-reported by every individual consultant. In the case of self-reported data, clear instructions were given and sent out as a template to all employees for their business travel and commute. All staff has had training and works with sustainability reporting which improves data quality. For hotel nights and business travel, invoices from the hotels are combined with estimations to calculate number of meals per person during the hotel stay and distance travelled per person to the destination with a certain form of transportation. IT servers and other digital services are based on the usage of energy relating to the office servers (kWh/GB). This is used to estimate the server suppliers energy usage based on storage space. All the waste generated in the office is recycled and the food waste is converted into biogas. The transportation of waste from the office is included in vans transport/delivery.

The major part of the carbon footprint comes from air travel. The data provided for air travel is deemed as being of good quality using an additional RFI factor . Thus we assess that the uncertainty of the end result is within a safety margin of 10%.

For the calculation of the carbon footprint, emission factors that are updated, relevant to the studied system and that include emissions from the entire product life cycle have been used. Sources of updated factors are national and international institutions, research reports and published articles, as well as international databases for LCA studies. Emission factors are best available values and should be seen as tools for indicating the climate impact of various activities. They may change over time and often improve due to the decarbonization of industries and activities. Purchased

energy has been calculated according to a market-based approach according to GHG Protocol Scope 2 Guidance (2014).

Sensitivity Analysis

This section presents the quality of the data used for the calculation. The area with largest impact is business travel and hotel stays. All longer travels are included with high certainty of the distance travelled and its emissions. However, some travels may have been performed by consultants within their own companies, not related to the performance of actual consultancy services. It is not entirely clear from the standard if such travels should be included or not. This issue needs to be clarified for coming reporting periods. Emissions from flights are calculated in line with scientific practice using RFI 2. The uncertainty is assessed as low for the emissions from business travel. The data related to commuting also has low uncertainties. The consultants mainly travel by bicycle or public transport and have self-reported the distances. The emissions are low compared to if the consultants would travel by car. The data for IT equipment is based on life cycle assesments (LCA) from established companies with good control. There have been few purchases of new equipment during the fiscal year ensuring that everything is included in the calculation. Due to these factors the data has low uncertainties. The data for vans transport/delivery is based on invoices and has low uncertainty. Shared food and food representation is also based on invoices and the emissions are based on LCA. The data for IT servers are largely based on estimations and it is difficult to access information regarding emissions from servers. Therefore, the data for IT servers has high uncertainties.

For the carbon footprint calculation next fiscal year it is possible to conduct a critical examination with regard to uncertainty factors in order to reach an aggregate value of the uncertainty of the result. Furthermore, this analysis is specific for U&We and cannot be generalized for other consulting firms. The results are the outcome of the fiscal year 2018/2019.

Land use change

The carbon footprint calculation of U&We includes food and copy paper. Both these could potentially affect land use and contribute to land use change. The copy paper

that U&We uses is Multicopy which is certified according to Nordic Eco Label, EU Eco Label and FSC. This implies a low risk regarding land use change. The food purchased is mainly plant-based and organically certified. When meat is purchased it is also mainly organically certified and sourced from the local area. Due to this, the risk for food and copy paper affecting land use and contributing to land use change is considered low and land use and land use change is there for excluded.

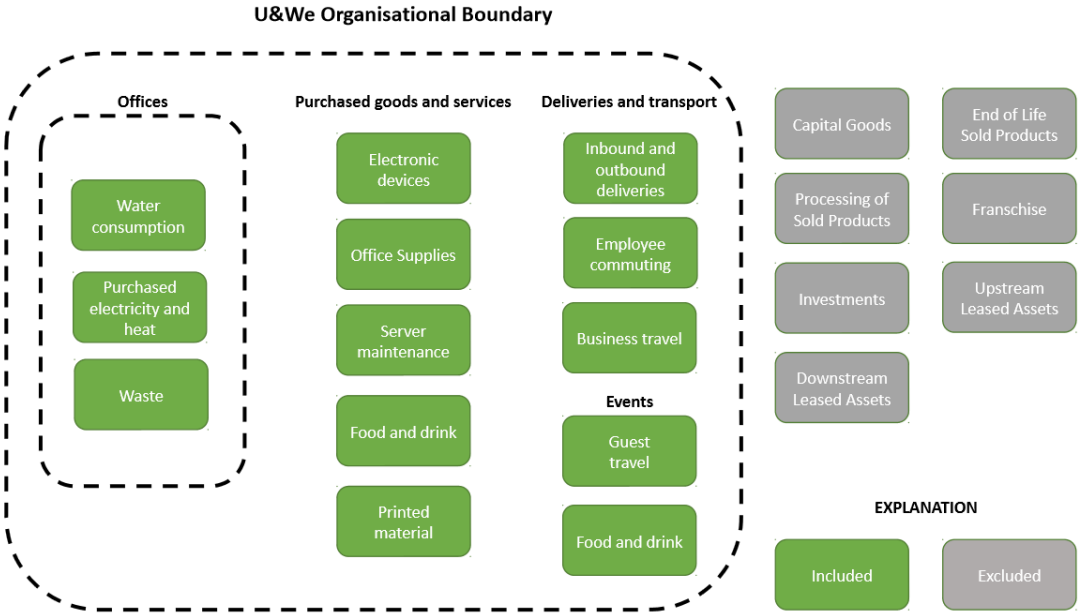
BOUNDARIES

The Basic Module on R&D services excludes the life cycle stage of the use phase. RISE argue in the EPD that the results of the research and development in society is difficult to calculate and has a positive impact on environment. As U&We strives to have a positive impact on the planet and delivers strategies and tools that are socially responsible and considerate of the environment this analysis excludes the usage of our services and products in the downstream processes.

U&We does not provide occupational pension for the consultants as this is a responsibility each consultant has through their own company. Further U&We does not have any investments except for money saved at Ekobanken (cash). U&We owns wind shares in the company OX2 and the climate impact is included in the usage of electricity in the carbon footprint calculation. For the carbon footprint calculation for the fiscal year 2018/2019 the assessment is that the emissions from the occupational pension and investments should be excluded according to above, as well as the cash held at Ekobanken. Ekobanken invests in ecological, social, cultural and economic sustainability[2].

Cut-off for waste to recycling is considered to be at waste recycling facility gate. Since the food waste from the office is recycled to biogas, the emissions from waste recycling is considered to be in the biogas life cycle.

2 Money held by the bank is invested such that society moves towards higher ecological, social, cultural and economic sustainability. We grant loans mainly to operations that create social, environmental or cultural added value. Downloaded 20191202 from: https://www.ekobanken.se/en/about-ekobanken/



Organisational Boundary for calculations of U&We's carbon footprint.

The system boundaries used for the analysis are presented in the figure above. The table below presents how the emissions are categorized according to the Greenhouse Gas Protocol.

Table 1 – Included processes

Scope	Definition	Included emissions activities
Scope 2 - Indirect Emissions	Indirect emissions from purchased energy from facilities owned or controlled by the organization	Generation of purchased electricity to the organization's office.
Scope 3 - upstream	1. Purchased goods and services	Purchased consumables, food, paper and IT-equipment.

Scope	Definition	Included emissions activities
	3. Fuel- and energy-related activities	Upstream emissions from generation and distribution of electricity.
	5. Waste generated in operations	Waste from the office
	6. Business travel	Company travel by air, land and sea, including accommodation.
	7. Employee commuting	Commuting by train, underground, car, bus, bicycle.
Scope 3 - downstream	9. Downstream transportation and distribution	Transportation of waste from office

Table 2 – Excluded processes

Scope	Definition	Motivation
Scope 1 - Direct Emissions	Direct emissions from vehicles / facilities owned or controlled by the organization	Not relevant since there are no scope 1 emissions
Scope 3 - Upstream	4. Upstream transportation and distribution	Not relevant
Scope 3 - Downstream	10. Processing of sold products	Not relevant
	11. Use of sold products	Downstream activities related to the usage of U&We's services are

		excluded since they cannot be calculated with any accuracy. The services provided by U&We are meant to decrease environmental impact and carbon footprints of the receivers of the services and is therefor assessed to have a positive (but not quantifiably) effect.
	12. End-of-life treatment of sold products	Not relevant
	13. Downstream leased assets	Not relevant
	14. Franchise	Not relevant
	15. Investment	U&We only have money saved in the bank and that is not applicable for calculating the carbon footprint (see page 7) and is therefore excluded.

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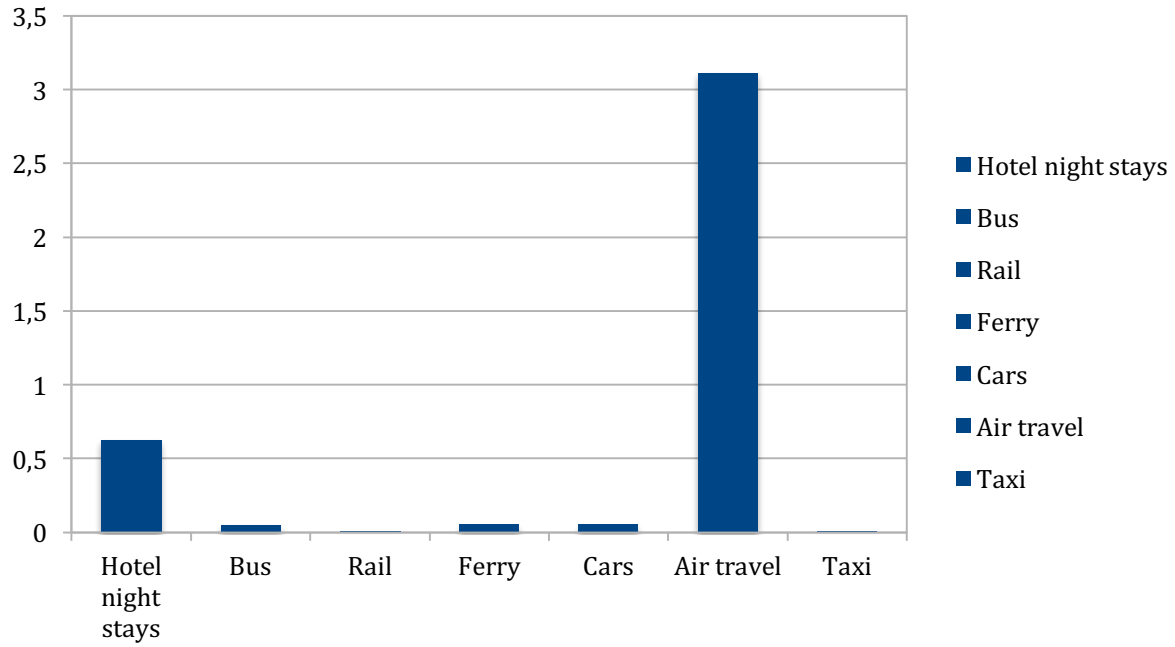
RESULTS

IMPORTANT PROCESSES

Below are the three processes with largest impact on the carbon footprint that together constitutes for 70 % of the total carbon footprint.

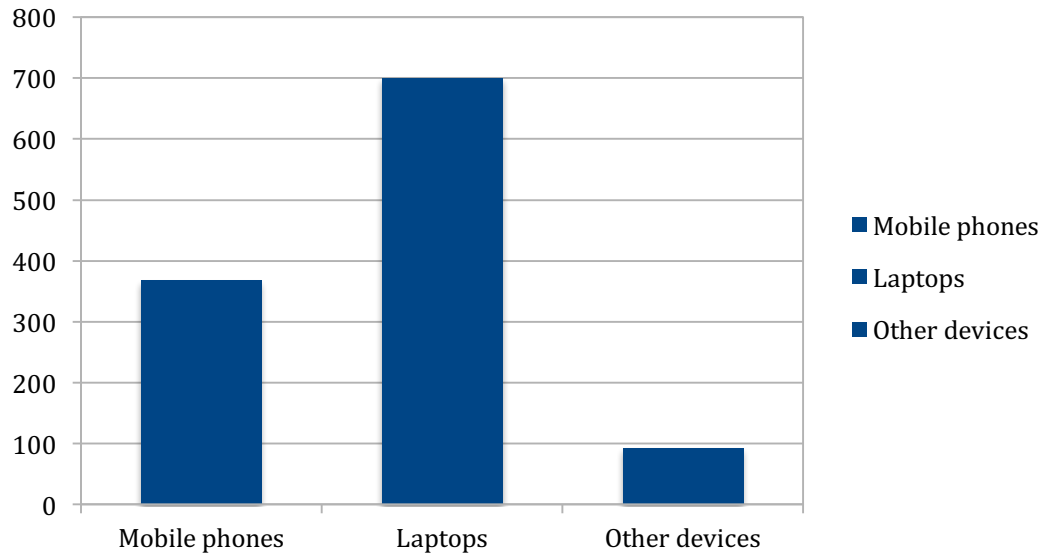
- Business travel and hotel nights = 3,96 ton CO_2e (45 %)
- IT equipment = 1,16 ton CO_2e (13 %)
- Vans transport/delivery = 0,96 ton CO_2e (11 %)

Diagram 1 – Business travel and hotel night stays



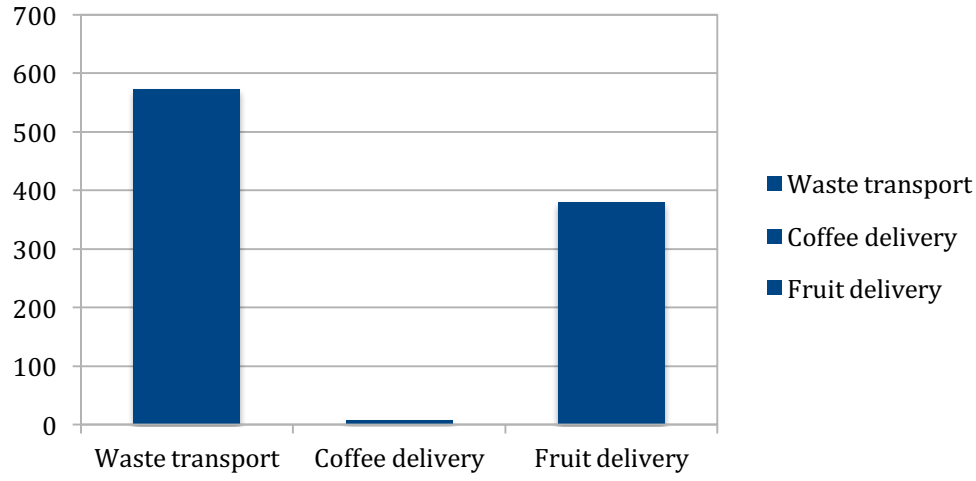
Business travel and hotel nights is the largest area of the carbon footprint. The figure above shows that air travel is the area with greatest impact within business travel.

Diagram 2 – IT equipment



IT equipment is the area with the second largest impacts of the carbon footprint. The figure above presents that the emissions from laptops is the area with greatest impact within IT equipment.

Diagram 3 – Vans transport/delivery



Vans transport/delivery is the area with the third largest impact on the carbon footprint. The transport of waste and delivery of fruit have the greatest impact.

Table 3 – Total emissions U&We 2018-2019

Activity	**Ton CO_2e**
Business travel	3,96
Commuting	0,57
Food representation	0,29
IT equipment	1,16
IT servers and other digital services	0,47
Events food	0,096
Events commuting	0,00062
Electricity	0,36
Vans transport/deliveries	0,96
Printed material	0,012
Copy paper	0,0098
Shared food	0,75
Water supply	0,0054
Waste generated in operations	0
Total:	**8,66 ≈ 9**

CALCULATION FUNCTIONAL UNIT

During the allocated time frame of July 1st 2018 - June 30th 2019 the number of consulting hours have been estimated to 10,500. Using the functional unit and the carbon footprint expressed in CO_2 e, the result is: 8,66/10500 = 0,82 ≈ 0,8 kg CO_2 e per hour of consultancy service for U&We. The carbon footprint related to Net Sales: 8,66/10,7 = 0,8 ton CO_2 e per MSEK for U&We.

INTERPRETATION OF RESULTS

The carbon footprint calculation for U&We results in 0,8 kg CO_2e per hour of consultancy service. This can be compared to the climate declaration of RISE IVF AB with the result of 1,82 CO_2 e per 1 hour of research service.

The carbon footprint of U&We has been larger previous years due to more flights. The air travels made during the last years have been in connection with the project c/o City which involved Brasil. When the project was at its peak there were more travels than the period this report handles. Business travel and hotel nights is the area with the largest impact and this area can fluctuate as the number of flights for U&We may both increase and decrease the coming years.

Efforts have been made since the start of the company to keep the carbon footprint as low as possible. When moving to the present offices an active choice regarding renewable energy sources was made. When choosing suppliers the carbon footprint is a relevant factor included in the basis for choice. The carbon footprint has been calculated for several years which has provided input to further reductions made.

CARBON MANAGEMENT PLAN

Many companies face the issue of growing and still aiming to decrease emissions. U&We prefers to address this issue rather than ignoring it to enable a discussion concerning this dilemma. Flights make up the area within business travel that has the largest impact on the carbon footprint. U&We has taken a stance and the consultants do not fly within Sweden and travel by train in Europe as far as possible. However, the consultants are not forbidden to fly and as there are projects and connections in countries far away a ban is not possible. The number of flights and its impact will most likely fluctuate the coming years. Concerning IT equipment, U&We aims to keep new purchases to a minimum amount. As the consultants only have one work tool,

computers, it is important that these are functioning and have capacity for video calls. U&We will continue to keep new technological purchases to a minimum.

The carbon footprint calculation can be improved the coming years by further encouraging the consultants to be more thorough and specific in their self-reporting of commuting and business travel. For the coming years a discussion concerning the individual consultants in relation to franchising/subcontracting in their own companies will be further examined and clarified. Coming calculations will continue to develop the data quality relating to IT servers and cloud services amongst other areas. U&We will continue to improve its method and calculation of the carbon footprint in order to gain knowledge and develop the concept of climate positive.

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