

# SUSTAINABILITY REPORT 2020

## Company X

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[www.companyx.eu](http://www.companyx.eu)



Nordic  
Sustainability  
Reporting  
Standard

SUSTAINABLE  
DEVELOPMENT  GOALS





## MESSAGE FROM OUR CEOs

At Company X, we've had our fair share of climate doomsday prophecies. We rather keep ourselves busy testing solutions that work across different sectors, budgets and mindsets – to ultimately push forward with a systemic, sustainable transition in the Nordics.

**Person X & Person Y**

*Founders and CEOs of Company X*



## OUR CLIMATE COMMITMENT

*We commit to reduce our GHG emissions by 50% within 2031. To achieve this, we will promote sustainable choices in all our procurement processes, reduce business travel and waste generation to an ultimate minimum and strive towards 100% renewable energy at our premises.*



**Baseline**  
**Year: 2021**



**Target**  
**Year: 2031**

*This sustainability report has been prepared in accordance with the Nordic Sustainability Reporting Standard – NSRS Level 1. All rights reserved. Read more at [www.nsr.eu](http://www.nsr.eu).*

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## ABOUT THIS REPORT

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This report applies the Brundtland Commission's definition of sustainable development – that we need to leave the Earth the same or better for future generations. Sustainability is a broad concept that covers a range of economic, social and environmental issues. In line with the NSRS process, we focus on climate-related topics first. This allows us to kick-start our sustainability journey and to raise our ambitions with time, eventually covering all dimensions of sustainability.





## What We Do

*Activities, brands, products and services.*

Company X offers a range of sustainability services and activities. Our key expertise in systemic transitions, we provide transition management consulting and carry out transition experiments. We also work with sustainability research, sustainability innovation, sustainability communication and sustainability education.

*Primary brands, products, and services, including an explanation of any products or services that are banned in certain markets.*

Company X offers consulting services in impact accounting, impact communication and impact design & innovation. We offer impact education and promote impact entrepreneurship and innovation through our ideation-lab and impact business incubator. None of our products are banned.

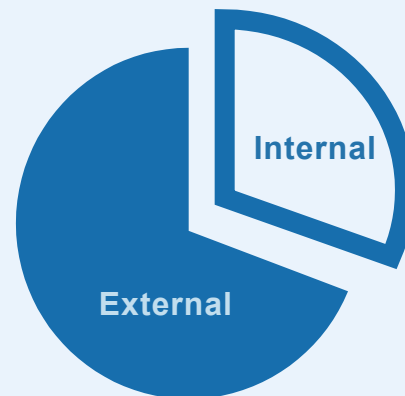
## 01. Who We Are

We welcome you to get to know our organisation. Here you will find key information about the scope, structure, activities, and key stakeholders of our operations.



### Our Key Stakeholders

- Customers
- Business partners
- Shareholders
- The planet
- Civil society



- Employees
- Board members
- Company owners



### Legal Form

Organisational number:  
XXXXXXXXX

Organisational Form:  
AS

### NACE Code

*Activities classified after  
NACE macro-sector codes.*



**M. 70.22** - Business and other management consultancy  
**M.70.21** - Public relations and communication activities  
**M.72.11** - Research and experimental development on biotechnology



### Number of Employees

# 15



### Key Suppliers

- CICERO Green
- Nordic Innovation
- Accounting Norway
- IPCC
- Footprint
- LCA.no



## 02. How We Operate

Transparency is the foundation of sustainability reporting. We here invite our stakeholders to understand how we run our organisation by providing insight into our core values, internal management structure and level of sustainability integration.

### Management Structure

*How we structure management processes.*

Company X is a flat organisation whose governance structure has a minimum level of hierarchical supervision, and where all employees are included in decision-making processes.



*Committees of the highest governance body.*

Steering board and  
Committee of Advisors



### Our Core Values

*Our values, principles, standards and norms of behavior.*

Company X is passionate about the planet and its inhabitants' wellbeing. We value cooperation - across sectors, disciplines, and ideologies - as a means to accelerate sustainable innovation and systemic change. In our company DNA you'll find our core principles: transparency, inclusion and greater planetary purpose.

## How We Govern Sustainability



*Our sustainability decision-makers*

The board and CEOs primary decision-makers.

Committee of Advisors is mandated a supervisory role.



*Person responsible for peer reviewing material topics.*

XXX,  
XXXX

*Director & Head of Product Strategy*



*Head of sustainability*

Person Y  
Sustainability  
Chief & CEO

*persony@companyx.eu*

### Integrated Reporting



*Non-financial disclosures that have been included in our financial report.*

Energy consumption and GHG emission for the respective reporting year is included in the financial filings.



### Circular Business Model

*How we integrate circularity in our business model.*

Company X applies a circular business model by offering product-service-systems and circular supply – basing resource inputs on renewable, recyclable, or biodegradable materials.

## 03. Our Climate Impact

We aim to play our part in the green and sustainable transition. That means steering our efforts towards the areas where we can contribute the most – that is, where our climate impact is greatest.

### How to calculate emissions

Greenhouse gas emissions are categorised into three groups or 'Scopes' by the most widely-used international accounting tool, the Greenhouse Gas (GHG) Protocol. We have specified which Scope each material topic covers in this report.

**Scope 1** covers all direct emissions from the activities of an organisation or under their control. Examples: Fuel combustion, company vehicles, fugitive emissions.

**Scope 2** covers indirect emissions from electricity purchased and used by the organisation. These physically occur at the facility where electricity is generated. Examples: Purchased electricity, heat and steam.

**Scope 3** covers all other indirect emissions. Scope 3 emissions are a consequence of the activities of the organisation, but occur from sources not owned or controlled by the organisation. These are usually by far the greatest share of the carbon footprint (Source: Science-based targets). Examples: purchased goods and services, business travel, employee commuting, waste disposal, water use, use of sold products, transportation and distribution (upstream and downstream), investments, and leased assets and franchises.





### What are 'Materials'?

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*Materials are the substances - i.e. plastic, metal, glass, or fabric - which a product is made of. Resource extraction for material use is responsible for half of the world's carbon emissions.*

### What is 'Waste'?

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*Waste are unwanted or unusable materials, typically discarded after primary use. Examples include food waste, hazardous waste, and wastewater. Food waste alone is responsible for 6% of total global greenhouse gases.*



## Materials

### Method used to retrieve data:

We have measured our material inputs by direct measurements, using the accounting ledgers to identify type and quantity of material input. The material bought are corrected for inventory.

### Data uncertainty:

Some of the material types were compounded of both renewable and non-renewable material but was categorised as 100% non-renewable. Thus, one can assume that the share of renewable materials in reality are higher than reported.



## Waste

### Method used to retrieve data:

We have analysed our waste generation this reporting cycle by using waste-data provided by our waste-management company. The waste-management company also provides us with waste-data divided into categories determined by us.

### Rationale for the categories:

It is important for Company X to measure the waste that has negative impact leading to two categories: 1) breakdown by waste-generation, 2) breakdown by non-hazardous and hazardous waste.

### Data uncertainty:

The data can be regarded as high quality and accurate data.

## Our Material Input

Non-renewable materials

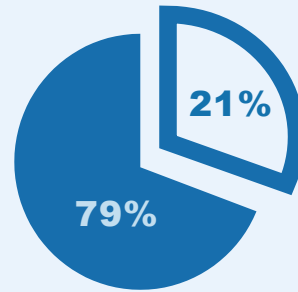
**50 tons**

Renewable materials

**95 tons**

Total material input in 2020

**145 tons**



**21% of all our material input is recycled**

## Our waste generation

5 tons non-hazardous waste

0,3 tons hazardous waste



Total waste generated in 2020

**5,3 tons**



### Improvement Target:

We want to increase the amount of recycled materials in our products with 1% by next reporting cycle.

**1%**

More recycled materials by next year



### Improvement Target:

At least 2% decrease in non-hazardous waste generation by next reporting cycle.

**2%**

Less hazardous waste by next year



### How we are going to achieve the improvement target:

1. Allocate resources; time, finances and people to reach the target.
2. Identify the most optimal measures to achieve the target, prioritize and decide upon which measures to implement.
3. Implement and monitor the measures.



### How we are going to achieve the improvement target:

1. Allocate resources; time, finances and people to reach the target.
2. Identify the most optimal measures to achieve the target, prioritize and decide upon which measures to implement.
3. Implement and monitor the measures.





## What is 'Energy'?

*Energy consumption refers to all the energy used to perform an action, manufacture something or simply inhabit a building. Examples include fossil fuels, electricity, water and gas. Energy production of all types accounts for 72 percent of total global emissions.*

## What is 'GHG'?

*Greenhouse gases (GHGs) such as carbon dioxide and methane, are gases that trap heat or longwave radiation in the atmosphere. The accumulation of GHGs since the industrial revolution has accelerated the greenhouse effect, causing global warming and climate change.*



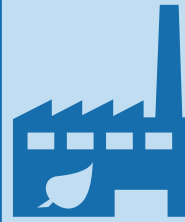
## Energy

### Method used to retrieve data:

Measuring energy sources required using many different approaches. Some sources were identified on the accounting ledgers, some by analysing financial bills and some including employees on the production site. To calculate the share of renewable energy sources, we used national grid-mixes from 2019 provided by the International Environmental Agency (IEA).

### Data uncertainty:

Using general gridmixes decreases accuracy of the share of renewable and non-renewable energy input. Furthermore, there are some uncertainty associated with identifying all energy sources and the right quantity of the identified energy source



## GHG

### Method used to retrieve data:

We have measured our GHG emission based in scope 1+2 excluding fugitive and combustion. GHG emissions is solely measured by the energy input in the organisation. We strive to improve our GHG emission-method and strive to include more parameters to become more accurate.

### Data uncertainty:

We have utilized emission factors provided by World Resources Institute (2015). GHG Protocol Tool for Stationary Combustion - Version 4.1 and Mobile Combustion - Version 2.6. For the indirect energy consumption we have used emission factors provided by International Environmental Agency (IEA), 2011. The emission factors are generic, thus, there is assumably some uncertainty in connection to the data disclosed. Company X has used GWP-values provided by the IPCC Fifth Assessment Report, 2014 (AR5).

## Our Energy Consumption

Non-renewable energy sources

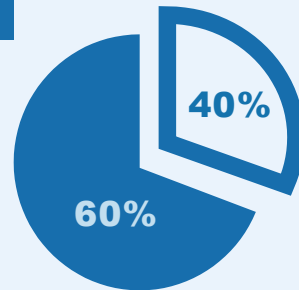
**60000 kWh**

Renewable energy sources

**90000 kWh**

Total energy consumption in 2020

**150000 kWh**



**40% of all our energy consumption is renewable**

## Our GHG Emissions

Stationary Combustion:  
0,3 t/CO<sub>2</sub>-eq

Mobile Combustion:  
9 t/CO<sub>2</sub>-eq

Indirect Energy sources:  
12 t/CO<sub>2</sub>-eq

**SCOPE 1**

**SCOPE 2**

Total GHG emissions in 2020

**5,34598 t/CO<sub>2</sub>-eq**



### Improvement Target:

Buy Guarantees of Origin for all electricity purchased for next reporting cycle, and utilize 100% renewable electricity. This target also supports the mechanisms to incentivise other European countries in their transition towards having as renewable electricity gridmixes as Norway.

**100%**

Renewable electricity by next year



### Improvement Target:

Increase data accuracy on GHG emissions by Including scope 3 for the next reporting cycle

**Scope 3**

Will be included in our sustainability report next year



### How we are going to achieve the improvement target:

1. Allocate resources; time, finances and people to reach the target.
2. Identify the most optimal measures to achieve the target, prioritize and decide upon which measures to implement.
3. Implement and monitor the measures.



### How we are going to achieve the improvement target:

1. Allocate resources; time, finances and people to reach the target.
2. Identify the most optimal measures to achieve the target, prioritize and decide upon which measures to implement.
3. Implement and monitor the measures.

## 04. Preparing For The Future: Climate Risk

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Climate change affects us in different ways. While some are becoming more vulnerable to flooding, others will experience disruptions to their global value chains.

The Nordic climate will become warmer, wetter and wilder. At the same time, climate change has resulted in climate policies – on the national and EU level – to reduce greenhouse gas emissions and adapt society to a change in the climate. These regulations also pose a risk.

Climate change will also affect us, and we have to be prepared for this.



### How We Estimate Climate Risks

We have made a careful analysis of our own operations and predicted how these may be affected by climate change in the short-, medium-, and long term. In the process, we identified what climate risks and opportunities are expected to have the greatest impact on our activities and intend to prioritize topics strategically in line with our findings.

Our estimations are self assessment based and should be viewed as a first step towards making more comprehensive climate risk assessments in the future.



# Climate Risks

Here is an overview of the climate risks that are expected to have the greatest impact on our operations in the short-, medium-, and long term. Please note that besides the time-frame they are not listed in any particular order.

NSRS Index:		RELEVANCE - IMPACT - KNOWLEDGE			
		Short term perspective		Long term perspective	
# Risks identified		7		8	
		Impact	Knowledge	Impact	Knowledge
Transition Risks (Climate policies and regulations, market changes, new technologies, value chain disruptions etc.)	Increased pricing of GHG emissions	Not relevant	Not relevant	Not relevant	Not relevant
	Enhanced emissions-reporting obligations	Not relevant	Not relevant	Not relevant	Not relevant
	Mandates on and regulation of existing products and services	9	3	8	3
	Substitution of existing products and services with lower emissions options	Not relevant	Not relevant	10	2
	Costs to transition to lower emissions technology	3	9	Not relevant	Not relevant
	Changing customer behavior	6	5	4	6
	Uncertainty in market signals	3	7	Not relevant	Not relevant
	Increased cost of raw materials	8	9	3	9
	Shifts in consumer preferences	Not relevant	Not relevant	6	5
	Stigmatization of sector	Not relevant	Not relevant	3	1
	Increased stakeholder concern or negative stakeholder feedback	Not relevant	Not relevant	Not relevant	Not relevant
Physical (Temperature increase, rising sea levels, storms, extreme precipitation, landslides, floods etc.)	Increased severity of extreme weather events such as cyclones and floods	3	2	6	2
	Changes in precipitation patterns and extreme variability in weather patterns	6	1	Not relevant	Not relevant
	Rising mean temperatures	Not relevant	Not relevant	2	8
	Rising sea levels	Not relevant	Not relevant	Not relevant	Not relevant

# Climate Risks of Strategic Importance

The strategic importance of a risk depends on the potential scope of its impact in relation to our level of knowledge about the topic. Here is an overview of the key risks that we face based on these parameters.

Page number in finished report	CLIMATE RISKS			
MSRS Index:	PRIORITY LEVELS BASED ON RELEVANCE AND IMPACT - KNOWLEDGE MEASURED BY AVERAGE			
		Short-term perspective	Long-term perspective	Knowledge level (from 1 to 10, where 1 is lowest and 10 is highest)
Transition	Increased pricing of GHG emissions	Medium	High	5,5
	Enhanced emissions-reporting obligations	Low	High	5,0
	Mandates on and regulation of existing products and services	Medium	Medium	4,5
	Substitution of existing products and services with lower emissions options	Medium	High	5,0
	Costs to transition to lower emissions technology	High	High	4,0
	Changing customer behavior	High	High	6,0
	Uncertainty in market signals	Medium	Medium	5,5
	Increased cost of raw materials	High	Medium	3,5
	Shifts in consumer preferences	Medium	High	5,0
	Stigmatization of sector	Medium	Medium	5,0
	Increased stakeholder concern or negative stakeholder feedback	Low	Low	2,5
Physical	Increased severity of extreme weather events such as cyclones and floods	Low	Low	2,5
	Changes in precipitation patterns and extreme variability in weather patterns	Low	Low	1,0
	Rising mean temperatures	Low	Low	1,0
	Rising sea levels	Low	Low	1,0

# Climate Opportunities

Climate change entails a range of opportunities. As society adapts to changes, new climate-friendly demands will arise – in energy, infrastructure, products and services. Here is an overview of key climate opportunities for our operations in the short-, medium-, and long term. Please note that besides the time-frame they are not listed in any particular order.

NSRS Index:		RELEVANCE - IMPACT - KNOWLEDGE			
		Short term perspective		Long term perspective	
# Opportunities identified		9		4	
		Opportunity	Knowledge	Opportunity	Knowledge
Resource efficiency	Increased pricing of GHG emissions	Not relevant	Not relevant	Not relevant	Not relevant
	Use of more efficient modes of transport	4	10	9	9
	Use of more efficient production and distribution processes	Not relevant	Not relevant	Not relevant	Not relevant
	Use of recycling	Not relevant	Not relevant	2	2
	Move to more efficient buildings	Not relevant	Not relevant	Not relevant	Not relevant
	Reduced water usage and consumption	6	5	Not relevant	Not relevant
Energy source	Use of lower-emission sources of energy	Not relevant	Not relevant	4	5
	Use of supportive policy incentives	9	9	Not relevant	Not relevant
	Use of new technologies	Not relevant	Not relevant	Not relevant	Not relevant
	Participation in carbon market	Not relevant	Not relevant	Not relevant	Not relevant
	Shift toward decentralized energy generation	Not relevant	Not relevant	8	2
Products and services	Development and/or expansion of low emission goods and services	Not relevant	Not relevant	Not relevant	Not relevant
	Development of climate adaptation and insurance risk solutions	6	1	Not relevant	Not relevant
	Development of new products or services through R&D and innovation	Not relevant	Not relevant	Not relevant	Not relevant
	Ability to diversify business activities	Not relevant	Not relevant	Not relevant	Not relevant
	Shift in consumer preferences	8	8	Not relevant	Not relevant
Markets	Access to new markets	Not relevant	Not relevant	Not relevant	Not relevant
	Use of public-sector incentives	5	2	Not relevant	Not relevant
	Access to new assets and locations needing insurance coverage	7	4	Not relevant	Not relevant
Resilience	Participation in renewable energy programs and adoption of energy-efficiency measures	1	6	Not relevant	Not relevant
	Resource substitutes/diversification	6	8	Not relevant	Not relevant



# Climate Opportunities of Strategic Importance

The strategic importance of an opportunity depends on the potential scope of its impact in relation to our level of knowledge about the topic. Here is an overview of the key opportunities that we face based on these parameters.

Sub-title		CLIMATE OPPORTUNITY		
MSRS Index:		PRIORITY LEVELS BASED ON RELEVANCE AND IMPACT - KNOWLEDGE MEASURED BY AVERAGE		
		Short-term perspective	Long-term perspective	Knowledge level (from 1 to 10, where 1 is lowest and 10 is highest)
Resource efficiency	Increased pricing of GHG emissions	High	High	6,5
	Use of more efficient modes of transport	Medium	High	4,5
	Use of more efficient production and distribution processes	Medium	Medium	4,5
	Use of recycling	High	High	6,0
	Move to more efficient buildings	Low	Medium	3,0
	Reduced water usage and consumption	Low	Medium	3,5
Energy source	Use of lower-emission sources of energy	Medium	Medium	5,0
	Use of supportive policy incentives	Medium	Medium	3,0
	Use of new technologies	High	Medium	3,5
	Participation in carbon market	Low	Low	1,5
	Shift toward decentralized energy generation	Low	Low	2,5
Products and services	Development and/or expansion of low emission goods and services	Medium	High	6,0
	Development of climate adaptation and insurance risk solutions	High	Medium	5,0
	Development of new products or services through R&D and innovation	Low	Low	2,0
	Ability to diversify business activities	Medium	Medium	6,0
	Shift in consumer preferences	High	High	5,0
Markets	Access to new markets	Medium	High	5,5
	Use of public-sector incentives	Low	Medium	3,0
	Access to new assets and locations needing insurance coverage	Low	Medium	3,0
Resilience	Participation in renewable energy programs and adoption of energy-efficiency measures	Medium	Medium	3,0
	Resource substitutes/diversification	Low	Low	1,5

## **EUs Taxonomy:** *One of the most pressing regulatory risks in the Nordic region, also for SMEs.*

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The EU Taxonomy is a new classification tool for sustainable private sector activities. By providing a set of industry-specific technical screening criteria, the Taxonomy dictates whether a specific private sector activity is sustainable or not. It is designed to counter greenwashing and to steer finance in a sustainable direction. While directly targeting large companies and financial actors, smaller organisations may be affected indirectly through its financial sponsors and upstream customers as they need the non-financial data from their SME customers in order to report on the taxonomy.



### **NACE CODES**

*The taxonomy classifies activities after NACE codes. For an overview of the NACE codes relevant to our operations, please refer to page 4.*

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### **Are We Targeted By The Taxonomy?**

*We have analysed whether and our operations are affected by the Taxonomy*

As for today, there are yet no technical screening criteria for M. 70.22, M.70.21 and M.72.11 under the EU Taxonomy.

## Our Achievements

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Sustainability has been a key concern in our daily operations for quite some time. Improving our reporting practices is only the most recent undertaking. Here is an overview of additional sustainability initiatives, certifications and achievements.



At Company X we take great pride in practicing what we preach. Besides integrating environmental sustainability as a key aspect in all our operations, we have also put in great efforts to establish an inclusive and sustainable workplace.

Combining 6-hour workdays with inspirational workshops and courses, physical activity, co-cooking and mindfulness, we seek to create a space where employees will thrive professionally, economically and emotionally in the long run. This in turn is likely to increase revenue by contributing to a more efficient, innovative, and satisfied workforce.







# SUSTAINABLE DEVELOPMENT GOALS

## 5.0 The Sustainable Development Goals: A Global To-Do List

The Sustainable Development Goals (SDGs) were adopted by all United Nations Member States in 2015. They provide a plan of action for addressing the world's most pressing challenges. Even if just starting our sustainability journey, the SDGs remind us that our efforts are part of something bigger - that we together contribute to the peace and prosperity of people and planet.

Here is an overview of the SDGs that we have focused on throughout this reporting cycle.

<b>7</b> AFFORDABLE AND CLEAN ENERGY 	<b>Affordable and clean energy</b>	<b>8</b> DECENT WORK AND ECONOMIC GROWTH 	<b>Decent work and economic growth</b>	<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 	<b>Responsible consumption and production</b>	<b>13</b> CLIMATE ACTION 	<b>Climate action</b>
7.2	By 2030, increase substantially the share of renewable energy in the global energy mix	8.4	Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead.	12.2	By 2030, achieve the sustainable management and efficient use of natural resources	13.1	Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries
		8.4.1	Material footprint, material footprint per capita, and material footprint per GDP	12.5	By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse	13.3	Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning
		8.4.2	Domestic material consumption, domestic material consumption per capita, and domestic material consumption per capita.	12.6	Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.		
				12.7	Promote public procurement practices that are sustainable, in accordance with national policies and priorities		

## 06. What's Next?

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Sustainability is a complex matter. What's good for the planet in one minute, may be deemed harmful a few months later in the light of new research. It is extremely difficult to have a positive impact in one place without creating some level of harm in another. We nonetheless do our best and aim to constantly improve and keep ourselves updated.



## WE WELCOME YOUR FEEDBACK

This is our very first step towards working with sustainability. As we gain experience with time and learn from the process, we will also raise our ambitions. We welcome any feedback, input or ideas you might have.

**Contact person:**

*Person Y,  
persony@companyx.eu*



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*This report is adapted to the Global Reporting Initiative (GRI), the Non-Financial Reporting Directive (NFRD), and the Task-Force on Climate-Related Disclosures (TCFD). This does not mean that the report is aligned with these frameworks. Read more at [www.nsrs.eu](http://www.nsrs.eu)*





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DEVELOPMENT **GOALS**