

# We measured our Corporate Carbon Footprint

## Tangible change

We only succeed as a company when we protect Earth.

The impact of climate change is more noticeable, frequent, and prominent day-to-day. So for the health of our planet, we're learning how to use resources more sustainably and respectfully.

But we know that sustainability isn't about how it reads – it's about how it works.

So reducing our company-wide emissions, in line with climate science with the SBTi, is one of our top priorities. This article is intended to explain our measuring and reporting processes, and our Corporate Carbon Footprint (CCF) assessment as clearly and transparently as possible.



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## Why should companies do a CCF assessment?

For any company serious about taking climate action, calculating greenhouse gas (GHG) emissions is just the beginning of their journey.

This is because if you want to make a genuine impact, you need a coherent approach.

We assessed our Corporate Carbon Footprint for the first time in 2021, and undertook our second assessment in 2022. Both assessments gave us an overview of our GHG emissions. With this, we could start building our target-oriented strategy and pinpointing where reduction measures can be developed along our supply chain.

## What happens in a CCF assessment?

In a CCF assessment, the GHG emissions related to company activity are measured during a specific time frame.

These include the direct and indirect emissions along the value chain, and they are divided into 3 scopes according to the internationally recognized GHG Protocol. More on this later.

The measurements are made up of two central parts:

- Activity data
- Emission factors

**Activity data** is data about the activity of a company that has an overall effect on GHG emissions: think kilometres travelled, electricity and heating fuel consumption, or quantities of goods consumed.

**Emission factors** are representative values. They describe the amount of CO<sub>2</sub>e that is emitted in the work done per activity – per kWh, tonne km, tonne or m<sup>2</sup> housing.

So, in a nutshell, activity data X emission factors = GHG emissions.

## The three GHG emission scopes

The GHG Protocol was established in 1998 and has worldwide recognition. This standardises the measuring process, allowing for comparability among companies.

In the GHG Protocol, a company's emissions are divided into 3 categories:

- Scope 1
- Scope 2
- and Scope 3

**Scope 1** emissions are emissions we make directly from sources we have control over. Like from our offices, warehouses, and company-owned vehicles.

**Scope 2** emissions are emissions we make indirectly from purchased energy that is generated offsite. Like the electricity for our buildings being produced on our behalf.

**Scope 3** emissions is where it gets tricky. In this category are all the associated emissions: not with us directly, but what we're indirectly responsible for up and down the supply chain.

Like the products we buy from our suppliers. Or the packaging we use. Or employee commuting and day-to-day waste. Or the transport of materials.

So for us to really make the right decisions in reducing our company-wide emissions, we will measure and analyse all 3. Yearly.



## Our results

Scopes 1 & 2 have a share of around 1% of our emissions. Scope 2 has the lowest share, thanks to the use of 84% renewable energy across all global locations.

Most of our emissions are in scope 3, and are composed of the emissions occurring upstream and downstream. Like packaging, extracting raw material to produce our bikes, purchasing gear and components, transporting goods, and employee commuting and business trips. And using and charging e-bikes, and their disposal at the end of their life cycle. To name just a few.

Read our results, with a short overview of the causes of GHG emissions:

### Scope 1: 726 t CO<sub>2</sub>e

- Fuel combustion for heating buildings
- Fuel combustion for company cars

### Scope 2: 88 t CO<sub>2</sub>e

- Purchased electricity

### Scope 3: 82,800 t CO<sub>2</sub>e

- Purchased goods and services (bicycles, packaging, gear)
- Capital goods (for example, machinery)
- Logistics
- Business travel and employee commuting
- Use of sold products (e-bike batteries and chargers)
- Operational waste
- End-of-life treatment of sold products.

It's a little easier to quantify and reduce emissions for scopes 1 and 2. But as you can see, our scope 3 emissions account for by far the highest proportion of total emissions. These are also the hardest to reduce.

## What next?

Our first measures are being put into motion across all our departments. We're working on measurable near-term company-wide emission reductions in line with climate science with the SBTi. These will be announced soon.

Alongside this, we've onboarded a Life Cycle Assessment tool to assess the environmental impact of each of our bikes. This gives us a better overview of which bike creates the most emissions during production. We're also getting insights into the impact of each component and material used on our bikes.

What is clear as day for us is that it's urgent now, and we cannot do this alone. In order to commit to science-based 1.5°C and net-zero targets and reduce our emissions, we must (and want to) work in alignment with everyone along the supply chain and beyond.

Watch this space.

