



Opus Bilprovning AB

*Declaration of achievement of carbon
neutrality for the period Jan – Dec 2016 in
accordance with PAS 2060*

Qualifying Explanatory Statement

Introduction

Opus Bilprovning is a leading provider of vehicle inspection services in Sweden. The company is among the three largest players in the market and carries out approximately 1.6 million vehicle inspections per year. In addition to mandatory inspection, the company offers a wide range of voluntary environmental and security services for both heavy and light vehicles at 82 service stations from Kiruna in the north to Helsingborg in the south.

This document forms the Qualifying Explanatory Statement to demonstrate Opus Bilprovning's achievement of carbon neutrality in accordance with PAS 2060:2014.

PAS 2060 introductory information	Information in respect of Opus Bilprovning AB
Individual responsible	Thomas Nilsson, Quality and Environment Manager
Entity making the declaration	Opus Bilprovning AB
Subject of the declaration	The vehicle testing stations, offices and vehicles operated by Opus Bilprovning AB in Sweden
Boundaries of the subject	All activities of the company are included, with both up-stream and down-stream emissions in all categories defined by the Greenhouse Gas Protocol
Description of subject	Opus Bilprovning is a leading vehicle inspection company in Sweden, carrying out c.1.6 million vehicle inspections annually.
Rationale for selection of the subject	The scope of the greenhouse gas assessment underlying this commitment is all emissions (Scopes 1, 2 and 3) based on the operational control principle defined in the GHG Protocol Corporate Standard
Selected option for conformity assessment	Other party validation – ZeroMission AB/U&We Stockholm AB have validated Opus Bilprovning's conformance to the requirements of PAS 2060
Baseline period	1 Jan 2015 – 31 Dec 2015
Qualification period	1 Jan 2016 – 31 Dec 2016
Standard for assessment of Greenhouse Gas Emission reductions	GHG Protocol Corporate Accounting and Reporting Standard, Corporate Value Chain (Scope 3) Standard and Scope 2 Guidance

Confirmation	U&We Stockholm AB/ZeroMission AB hereby confirm that the GHG Protocol Corporate Standard was applied in accordance with its provisions and the principles set out in PAS 2060.
Carbon footprint of Opus Bilprovning AB	See below p.3-4
Signature of senior company representative	See below p.9

Standard and methodology used to determine GHG emissions 2016

For assessing GHG emissions Opus Bilprovning follows the GHG Protocol Corporate Accounting and Reporting Standard (March 2004). Emissions in carbon dioxide equivalent (CO₂e), categorised as Scope 1, 2 or 3, and including up-stream and down-stream emissions, have been calculated using the conversion factors listed in the Appendix to this report. Energy purchased in 2016 has been accounted for in accordance with the GHG Protocol Scope 2 Guidance (2014) using a market-based approach.

The approach used for the greenhouse gas emission assessment is operational control. All greenhouse gases have been included and converted into tonne CO₂e.

Greenhouse gas emissions 2015 and 2016

		<i>Total emissions</i>		
	<i>Emissions scope</i>	<i>Total tCO₂e 2015</i>	<i>Total tCO₂e 2016</i>	<i>Change</i>
1	Direct GHG emissions from vehicles / premises under control of Opus Bilprovning	274	227	-17%
2	GHG emissions arising from the consumption of electricity on premises under control of Opus	804	878	+9%
3	Other indirect GHG emissions	8106	7855	-3%
	Total	9184	8960	-2%

The carbon accounting for Opus Bilprovning shows that total CO₂e emissions decreased by 2% from 2015 to 2016. Two contributors to the decrease were reductions in the use of fuel oil (-31%) and fewer flights (-33%). The result was in line with the company's forecast.

<i>Emissions intensity</i>		
<i>Emissions per vehicle inspection 2015, t CO₂e</i>	<i>Emissions per vehicle inspection 2016, t CO₂e</i>	<i>Change</i>
0,00564	0,00554	-2%

Opus Bilprovning's emissions intensity measure is emissions (all scopes) per vehicle inspection. On this measure emissions were reduced from 2015 to 2016 by 2%.

On the other hand the number of employees has decreased from 595 (2015) to 578 (2016) which led to an increase in the emissions intensity per employee which rose from 15,4 tonne CO₂e (2015) to 15,5 tonne CO₂e (2016).

Relation to economic growth of Opus Bilprovning

Economic growth	Turnover tkr	Total emission CO₂e tonne	Emissions intensity ref turnover, CO₂e tonne/tkr
2015	586 660	9184	0,01565
2016	623 195	8960	0,01437

The emissions intensity in relation to turnover decreased from 2015 to 2016 by 8%.

Boundaries for emissions assessment 2016

There were no changes in boundaries for the carbon accounting for Opus Bilprovning for 2016 compared to 2015. These boundaries are a true and fair representation of the company's GHG emissions.

Scope	Definition	Included emission sources/activities
Scope 1	Direct GHG emissions from vehicles/premises	Oil - used for heating in company-owned testing stations
		Fuel consumption in leased cars
Scope 2	Indirect emissions from purchased heating and electricity from premises	Production of electricity used at stations and emissions from the production of district heating purchased, including templates for electricity and district heat used in leased testing stations.

Scope	Definition	Included emission sources/activities
Scope 3 - upstream	1. Purchased goods and services	Paper, other office materials, ink, coffee, and printed materials. Water used in premises
	2. Capital goods	Emissions from the production of machinery and equipment for inspections (historical footprint) Emissions from the production of office equipment / electronics / IT equipment / computers, etc.
	3. Other fuel- and energy-related activities	Emissions from the production of oil and electricity are added via data entry in Scope 1 and 2
	4. Upstream transportation and distribution	Business travel for service providers Transport of purchased materials / goods / : office supplies, coffee, printed materials, machinery and equipment for inspections, office equipment, etc.
	5. Waste generated in operations	Collection and processing of household waste, oily wastes and emptying of sludge pockets.
	6. Business travel	Air, train, bus and taxi trips and travel in private cars and rental cars. Hotel stays
	7. Employee commuting	Employee bus, car, train travel to and from work
Scope 3 - Downstream	9. Downstream transportation and distribution	Customers' driving of vehicles roundtrip to the station when it is additional (including re-inspection) Driving (both the test run and idling) of the customer's vehicle during inspections

Sources of emissions excluded

- Compressed air services hired in for vehicle testing stations: (Scope 3 upstream, purchased goods and services)
- Buildings: No historical emissions for hired buildings are included e.g choice of building material, energy used under construction phase. No calculation for emissions from the rebuilding of existing buildings has been carried out.

The carbon footprint of these sources per year is determined as being limited (less than 1% of total emissions).

Sources of emissions not relevant for Opus Bilprovning

Potential sources	Comments
- Coolant to air conditioning	- Not applicable
- Consumption of natural gas.	- Not applicable
- Sold products	- Not applicable
- Downstream leased assets	- Not applicable
- Franchises	- Not applicable

- Investments	- Not applicable – relevant only for holding company
- Use of sold products	- Not applicable
- End-of-life treatment of sold products	- Not applicable

Data quality

For 2016 28 % (21,1% 2015) of the emissions in the calculated footprint were based on actual data and 72 % were based on estimated data ie data quality has been improved. A large proportion of the footprint that’s based on estimated data is from downstream transportation and distribution in the form of the customers’ driving of vehicles to and from the testing station. For 2016’s reporting the data quality was improved by conducting a survey of a wider circle of customers.

Assumptions and estimates made in quantifying the GHG emissions:

- Downstream transportation and distribution: to estimate Opus customers’ driving of vehicles to and from the testing stations, Opus surveyed customers at selected stations about the distances they’d driven. The surveys in 2016 were more extensive than the surveys in 2014, on which 2015’s carbon accounting was based.
- Business travel: taxi travel to and from airports has been estimated, based on the distance from head office to the airport and the number of flights.
- Emissions from production of equipment (capital goods/equipment and machinery): estimated via an enquiry to stations
- Employee commuting: estimated via an employee survey.

Selection of emission factors for quantification of emissions 2016– see Appendix

Where available the emissions factors used for Opus assessment of greenhouse gas emissions during 2016 come from national or international publications. The emission factors for district heating, transport, and hotel nights have been up-dated for the 2016 assessment.

Carbon footprint management plan:

Opus Bilprovning AB has achieved carbon neutrality in accordance with PAS 2060:2014 for 2016 and is committed to achieving carbon neutrality again in 2017. No historical reductions have been taken into account.

The first calculation of Opus Bilprovning’s greenhouse gas emissions was for 2014. The total result was 15 233 ton CO₂e. For 2015 the total result was lower, at 9184 ton CO₂e (40%). The significant reduction was due to a change to purchase of renewable electricity for all sites.

Opus Bilprovning’s goal for emissions reductions is 3% per year per vehicle inspection. The entire company’s footprint (both direct and indirect emissions, in all

three scopes) is included in this goal. The company is currently growing so an intensity ratio is the appropriate type of goal.

For 2016 the total emissions were 8960 tons CO₂e and the number of vehicle inspections was 1 616 million so the emissions per vehicle inspection were 5,54 kg CO₂e. This represents a reduction of 2% in the chosen emissions intensity measure (from 5,64 kr CO₂e per vehicle inspection in 2015).

The outcomes of the planned actions to reduce emissions during 2016 were as follows:

1. To phase out fossil-produced energy at the company's vehicle inspection stations. In 2016, to replace the remaining oil heating systems with ground-heat pumps and district heating.
Outcome: Unfortunately none of the remaining oil heating systems have yet been replaced. All these systems are under the control of landlords from whom Opus rents the inspection stations. Negotiations with the landlords are ongoing and the possibility of using renewable non-fossil fuel in existing systems is being investigated, until such time as the systems themselves can be replaced.
2. To reduce electricity use in lighting by switching to LED and other efficient technologies.
Outcome: During 2016 28 inspection stations have been up-dated, at least partially, with LED lighting: new stations Nacka, Västerås Bäckby, Linköping Jägarvallen and 24 old stations. New station Helsingborg – Berga remains to be fitted with LED lighting.
3. To select purchased supplies and equipment with lower carbon footprints wherever possible.
Outcome: A new agreement with the postal service for addressed direct mail was signed in 2016 with a demand for a climate-neutral service at all stages. This covers the vast majority of Opus' post (about 3 million items per year).

The following actions are planned to reduce emissions in 2017 and onwards:

1. Identify the 3 stations that consume most energy (primarily electricity and heating), investigate reasons and make energy-efficiency improvements
2. Continue to phase out fossil-produced energy at the company's vehicle inspection stations. The remaining oil heating systems (currently at 4 stations) to be replaced with ground-heat pumps or district heating.
3. Switch to alternative fuel for oil heated stations if replacing the heating systems is not possible during 2017.

Opus Bilprovning is expanding, which leads to increases in emissions from certain activities (eg business travel) but the existing goal, to reduce emissions per vehicle inspection by 3% per year, remains relevant and in place.

Offset strategy

For 2016 Opus Bilprovning has offset all emissions in Scopes 1, 2 and 3. The offsetting

has been done through the purchase of carbon credits from two projects. One is a tree-planting project validated by the Gold Standard and the other is a forest preservation project (REDD) validated by Plan Vivo.

1. ArBolivia project, Cochabama Tropics, Bolivia
Methodology for Mixed Species Forest Plantation based on the CDM small-scale methodology AR-AMS0001 vs5 (annex 1)
2. Nakau programme: see Technical Specifications Module (C) 1.1 (IM-LtPF) which is based on and follows the methodological requirements/guidance of the Plan Vivo Standard (2013), the ISO 14064-2 standard, the Verified Carbon Standard (VCS) and the IPCC 2006 Guidelines for GHG inventories.

The standards under which these two projects are validated require demonstration that the offsets generated are genuine and additional. The validations also ensure that the projects meet the criteria of permanence, leakage and double counting. Both projects generate emission reductions that are geographically far away from Opus operations and outside the company's boundaries.

Verification of the offsets has been done by Control Union Certification BV in the case of the ArBolivia project and by Climate Policy and Markets Advisory International AB in the case of the Loru REDD project. Offsets from both projects are classified as ex-post.

The company purchased the following offsets for emissions during 2016. These offsets have been retired in the [Markit registry](#), in the name of Opus Bilprovning.

1380 tons from the ArBolivia project, certified according to Gold Standard, vintage 2014 (purchased from ZeroMission AB in December 2015/March 2016, but surplus to requirements for carbon offsetting of Scope 1 and 2, business travel and leased vehicles in 2015)

Serial nos:

GS1-1-BO-GS2951-22-2014-5770-24852 to 25578 (727 tons)

GS1-1-BO-GS2951-22-2014-5770-25579 to 26231 (653 tons)

2688 tons from the ArBolivia project, certified according to Gold Standard, vintage 2011

Serial nos: GS1-1-BO-GS2951-22-2011-5773-2206 to 4893

1137 tons from the Loru Forest REDD Project in Vanuatu (part of the Nakau REDD programme certified according to Plan Vivo), vintage 2013-14

Serial nos:

PV-PVC-VU-104000000011558-16012013-15012014-3580124-3581260-MER-0-P

3755 tons from the Loru Forest REDD Project in Vanuatu (certified according to Plan Vivo), vintages 2014-17

Serial nos:

PV-PVC-VU-104000000011558-16012014-15012015-3578509-3578596-MER-0-P (88 tons – not publicly visible)

And PV-PVC-VU-104000000011558-16012015-15012016-4191615-4193351-MER-0-P
(1737 tons)

And PV-PVC-VU-104000000011558-16012016-15012017-4194089-4196018-MER-0-P
(1930 tons)

For 2017, in order to achieve carbon neutrality for the period 1 January 2017 to 31 December 2017, Opus Bilprovning will again offset all its emissions. The current estimate – at June 2017 – is that the total emissions to be offset will be around 9000 tons.

Process for undertaking periodic assessments against the emissions reduction plan

Opus Bilprovning conducts a detailed greenhouse gas assessment annually, with the help of the consulting company U&W Stockholm AB. Within Opus Bilprovning the service management group follows up emissions data quarterly to see that progress towards the 3% intensity reduction goal is being achieved. The internal audit department follows up the results annually.

Statement of validation by ZeroMission AB / U&W Stockholm AB

Opus Bilprovning appointed a second party, ZeroMission / U&We Stockholm AB, to act as an external validator against the PAS 2060:2014 standard.

The validation included 3 stages:

1. Inventory of organization and emission sources
2. Validation that emissions calculations conform with GHG Protocol (WBCSD / WRI GHG Protocol, Corporate Accounting and Reporting Standard) requirements and with PAS 2060:2014 requirements for calculations, targets, offsets etc.
3. Validation that the declaration of carbon neutrality conforms with PAS 2060:2014 requirements

In conclusion:

Carbon neutrality of Opus Bilprovning AB's operations has been achieved by Opus Bilprovning AB in accordance with PAS 2060 for the period 1 January 2016 – 31 December 2016, declared by ZeroMission / U&We Stockholm AB, Sweden.

Signed:



Per Rosen
CEO, Opus Bilprovning AB

Date: 2017 08 01

Appendix: Sources and references for emissions factors

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