zeromission

Opus Bilprovning AB

Declaration with regard to carbon neutrality for the period Jan – Dec 2017 in accordance with PAS 2060

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 inspections, the company offers a wide range of voluntary environmental and security services for both heavy and light vehicles at 87 service stations from Kiruna in the north to Helsingborg in the south.

Opus Bilprovning's total emissions increased between 2016 and 2017 and the emissions intensity also increased so the company has not achieved carbon neutrality in accordance with PAS 2060:2014 for 2017. However Opus has purchased carbon offsets for the company's total emissions, calculated in accordance with PAS 2060 so the company can continue to communicate that it is offsetting its total carbon footprint.

This document is an Explanatory Statement for 2017 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 emissions in 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
Assessment period	1 Jan 2017 – 31 Dec 2017
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. The assessment has been done in accordance with the market-based methodology for Scope 2 emissions.
Carbon footprint of Opus Bilprovning AB	See below p.3-4
Signature of senior company representative	See below p.9

*For details of exclusions see p.5

Comment from CEO

We only have one planet and we have to take responsibility for it. Opus' long-term goal is to ensure, for the sake of future generations, that our business does not affect our planet negatively.

During 2017 Opus established more vehicle testing stations in order to increase access for our customers. This necessitated some new build and conversion of old buildings and emissions from these changes have been significant in relation to the company's total carbon footprint. In addition, it is unfortuntately proving more difficult than we expected to switch from fossil energy in some areas. This means that we cannot meet all the requirements for PAS 2060 for the year 2017.

But our environmental ambition remains high and we will continue to work in accordance with PAS 2060 in order to fulfill all the criteria in the future.

Per Rosen
CEO, Opus Bilprovning AB

Standard and methodology used to determine GHG emissions 2017

For assessing GHG emissions Opus Bilprovning (hereinafter called Opus) follows the GHG Protocol Corporate Accounting and Reporting Standard (March 2004). Emissions in carbon dioxide equivalent (CO_2e), 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 2017 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 CO_2e.

Greenhouse gas emissions 2015, 2016 and 2017

		Total emissions			
	Emissions scope	*Total tCO_2e 2015*	*Total tCO_2e 2016*	*Total tCO2e 2017**	*Change 2016-17*
1	Direct GHG emissions from vehicles/premises under control of Opus	*274*	*227*	*245*	*+8%*
2	GHG emissions arising from the consumption of electricity on premises under control of Opus	*804*	*878*	*1042*	*+19%*
3	Other indirect GHG emissions	*8106*	*7855*	*8329*	*+6%*
	Total	***9184***	***8960***	***9690***	***+8%***

*Using market-based methodology for scope 2 emissions.

The carbon accounting for Opus shows that total CO_2e emissions increased by 8% from 2016 to 2017. The most significant contributor to the increase was from emissions from new build and conversion of buildings to vehicle inspection stations.

	Emissions intensity per vehicle inspection		
Emissions per vehicle inspection 2015, tCO_2e	*Emissions per vehicle inspection 2016, tCO_2e*	*Emissions per vehicle inspection 2017, tCO_2e*	*Change 2016-17*

0.00564	*0.00554*	*0.00621*	*+12%*

The number of vehicle inspections carried out in 2017 was 1 558 815. Opus's emissions intensity measure is emissions (all scopes) per vehicle inspection. On this measure emissions increased from 2016 to 2017 by 12%.

The number of employees increased from 578 (2016) to 585 (2017). From 2016 to 2017 the emissions intensity per employee increased from 15.5 tonne CO2e (2016) to 16.6 tonne CO2e (2017).

Relation to economic growth of Opus

Economic growth	Turnover tkr	Total emission CO_2e tonne	Emissions intensity ref turnover, CO_2e tonne/tkr	*Change*
2015	586 660	9184	*0.01565*	
2016	623 195	8960	*0.01437*	*-8.2%*
2017	626 444	9690	*0.01547*	*+7.5%*

The emissions intensity in relation to turnover increased from 2016 to 2017 by 7.5%.

Boundaries for emissions assessment 2017

For 2017 emissions arising from construction of new inspection premises and conversion of existing buildings has been determined to be over 1% of total emissions, so these emissions (813 tons) have been included in the scope of the assessment in order to meet the requirements for carbon neutrality.

There were no other changes in boundaries for the carbon accounting for Opus for 2017 compared to 2015 and 2016. Emissions from coolants used in air conditioning were once again determined to account for less than 1% of the company's total footprint.

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 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. Emissions from construction of new inspection premises and conversion of existing building.
	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 not relevant for Opus

Potential sources	Comments
- 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 2017 30 % (28% 2016) of the emissions in the calculated footprint were based on actual data and 70 % were based on estimated data ie data quality has been improved.

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 2017 were more extensive than the surveys in 2016 so as to improve the data quality.
- 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. This is likely to be an overestimate.
- Emissions from production of equipment (capital goods/equipment and machinery): estimated via an enquiry to stations and use of conservative emissions factors.
- Employee commuting: estimated via an employee survey, more extensive than the surveys in 2016 to improve data quality.

Selection of emission factors for quantification of emissions 2017– see Appendix

Where available the emissions factors used for Opus assessment of greenhouse gas emissions during 2017 come from national or international publications.

Carbon footprint management plan:

Opus' goal for emissions reductions is 3% per year per vehicle inspection and this goal remains in place. 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.

The baseline for Opus' greenhouse gas emissions was for 2015 when the total result was 9184 ton CO_2e.

Given that Opus' total emissions increased between 2016 and 2017 and the emissions intensity also increased the company has not achieved carbon neutrality in accordance with PAS 2060:2014 for 2017.

In future if company expansion or contraction (in terms of the number of new vehicle inspection stations) is significant then the baseline for greenhouse gas emissions will be recalculated. In 2018 Opus will need to put in place a policy on this issue.

The outcomes of the planned actions to reduce emissions during 2017 were as follows:

1. Identify the 3 stations that consume most energy (primarily electricity and heating), investigate reasons and make energy-efficiency improvements
   Outcome: The most inefficient stations have been identified and action plans will be put in place during 2018 to reduce energy use.
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.
   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 (see next point).
3. Switch to alternative fuel for oil heated stations if replacing the heating systems is not possible during 2017.
   Outcome: Unfortunately none of the remaining oil heating systems have yet been switched to alternative fuel. Replacing the standard fuel requires the replacement of some key components in the heating systems. Negotiations with the landlords are ongoing to reach a solution.

The following actions are planned to reduce emissions in 2018 and onwards:

1. Opus aims to gradually increase the proportion of digital communication with customers to reduce the use of materials and transports regarding reports, letters, advertisements, etc. with the effect of reducing emissions for transportation and materials use.
2. Adoption of a new company car policy that significantly reduces the carbon footprint generated by the benefit cars.
3. Continue the negotiations 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 and switch to alternative fuel for oil heated stations if replacing the heating systems is not possible during 2018.

Offset strategy

For 2017 Opus has offset all emissions in Scopes 1, 2 and 3. The offsetting has been done through the purchase of carbon credits from three projects. One is a tree-planting project validated by the Gold Standard and by Plan Vivo and the others are forest preservation projects (REDD) validated by Plan Vivo. The two REDD projects are part of the Nakau progamme in the Pacific Islands.

1. ArBolivia project, Cochabama Tropics, Bolivia
   Methodology for Mixed Species Forest Plantation based on the CDM small-scale methodology AR-AMS0001 vs5 (annex 1) is used for assessment of carbon sequestration under both Gold Standard and Plan Vivo standards.

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 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. All three 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.

The company purchased the following offsets for emissions during 2017. These offsets are being retired in the Markit registry, in the name of Opus.

Project	Standard	No. tons	Vintage	Date Purchased from ZeroMission
ArBolivia A/R	Gold Standard	806	2016	March 2017
GS1-1-BO-GS2951-22-2016-5813-1 to 806				
ArBolivia A/R	Gold Standard	3024	2016	March 2017
GS1-1-BO-GS2951-22-2016-5813-1007-4030				
ArBolivia A/R	Gold Standard	231	2017	March 2017
GS1-1-BO-GS2951-22-2017-5828-1 to 231				
ArBolivia A/R	Plan Vivo	439	2017	October 2017
PV-PVC-BO-100000000000695-01012017-31122017-4485068-4485506-MER-0-A				

ArBolivia A/R	Plan Vivo	345	2017	June 2018
PV-PVC-BO-100000000000695-01012017-31122017-4485507-4485851-MER-0-A				
Loru REDD	Plan Vivo	345	2016-17	2016
PV-PVC-VU-104000000011558-16012016-15012017-4196019-4196363-MER-0-P				
Loru REDD	Plan Vivo	197	2014-15	April 2017
PV-PVC-VU-104000000011558-16012014-15012015-3579927-3580123-MER-0-P				
Loru REDD	Plan Vivo	102	2015-16	April 2017
PV-PVC-VU-104000000011558-16012015-15012016-4193377-4193478-MER-0-P				
Drawa REDD	Plan Vivo	140	2012-13	April 2017
PV-PVC-VU-104000000011558-16012015-15012016-4193377-4193478-MER-0-P				
Drawa REDD	Plan Vivo	3762	2012-13	Oct 2017
PV-PVC-VU-104000000011558-16012015-15012016-4193377-4193478-MER-0-P				
Drawa REDD	Plan Vivo	299	2012-13	Oct 2017
PV-PVC-VU-104000000011558-16012015-15012016-4193377-4193478-MER-0-P				

In order to achieve carbon neutrality for the period 1 January 2018 to 31 December 2018, Opus will again offset all its emissions. The current estimate – at June 2018 – is that the total emissions to be offset will be around 9000 tons.

Process for undertaking periodic assessments against the emissions reduction plan

Opus conducts a detailed greenhouse gas assessment annually, with the help of the consulting company U&W Stockholm AB. Within Opus 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:

Opus Bilprovning has offset for all its emissions for 2017 but since it has not reduced its emissions the company has not achieved carbon neutrality in accordance with PAS 2060 for the period 1 January 2017 – 31 December 2017.

Declared by ZeroMission/U&We Stockholm AB, Sweden.

Signed:

Per Rosén
CEO, Opus Bilprovning AB

Date: 6/9 2018

Appendix: Sources and references for emissions factors

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