

DanChurchAid Carbon Footprint 2019 and 2020



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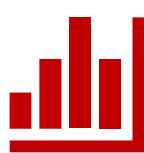
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Why is it important for us to measure our carbon footprint?

DanChurchAid (DCA) envisions a world without hunger, poverty, or oppression where political and popular powers work for a just and sustainable use and distribution of resources. To fulfil this vision DCA strives to achieve three overarching goals: saving lives, building resilient communities, and fighting extreme inequality. DCA recognizes that climate change can undermine progress towards these goals by deepening poverty, exacerbating inequalities, triggering displacement and migration, and acting as threat multiplier for international peace and security.

In response to the call to take urgent action to combat climate change and its impacts, DCA has taken a strategic commitment to take climate action and work towards alignment with the Paris Agreement goal. According to our internal climate policy, DCA is committed to address climate change in our programs, our engagement and advocacy work, and our internal practices with the long-term aim to align to the goal to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels. As part of this commitment, in December 2020, DCA's Senior Management decided to develop a carbon footprint baseline to support the design of an effective strategy to manage, reduce, monitor, and report our GHG emissions with transparency. To this aim, DCA has strengthening its internal capacity on GHG accounting and reporting together with other five Danish NGOs through the "Climate Responsibility" project which is financed by *Globalt Fokus* and led by DCA.¹

DCA takes the following approach:



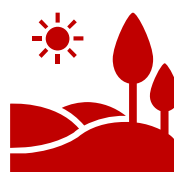
We measure our annual carbon footprint



We set targets for emission reduction



We take action to reduce our emissions



We offset the emissions we cannot reduce



We report on our progress and tell our story

It is in this context and with technical support from The Footprint Firm that DCA has embarked in a first effort to measure its GHG emissions.

¹ The Climate Responsibility project is being implemented from January to December 2021. Participant organizations are: DCA (lead), WWF Denmark, Danish Refugee Council, Danish Red Cross and MS ActionAid.

Calculating our carbon footprint: Brief methodology overview

DCA bases its accounting of GHG emissions on the GHG Protocol Corporate Accounting and Reporting Standard.² By following this standard we aim to ensure that the reported information represents a faithful, true, and fair account of our GHG emissions.

DCA selected an **operational control approach** to set the **organizational boundaries** of its carbon footprint. This approach for consolidating GHG emissions implies that DCA will account for 100 percent of the GHG emissions from operations over which it has operational control.³

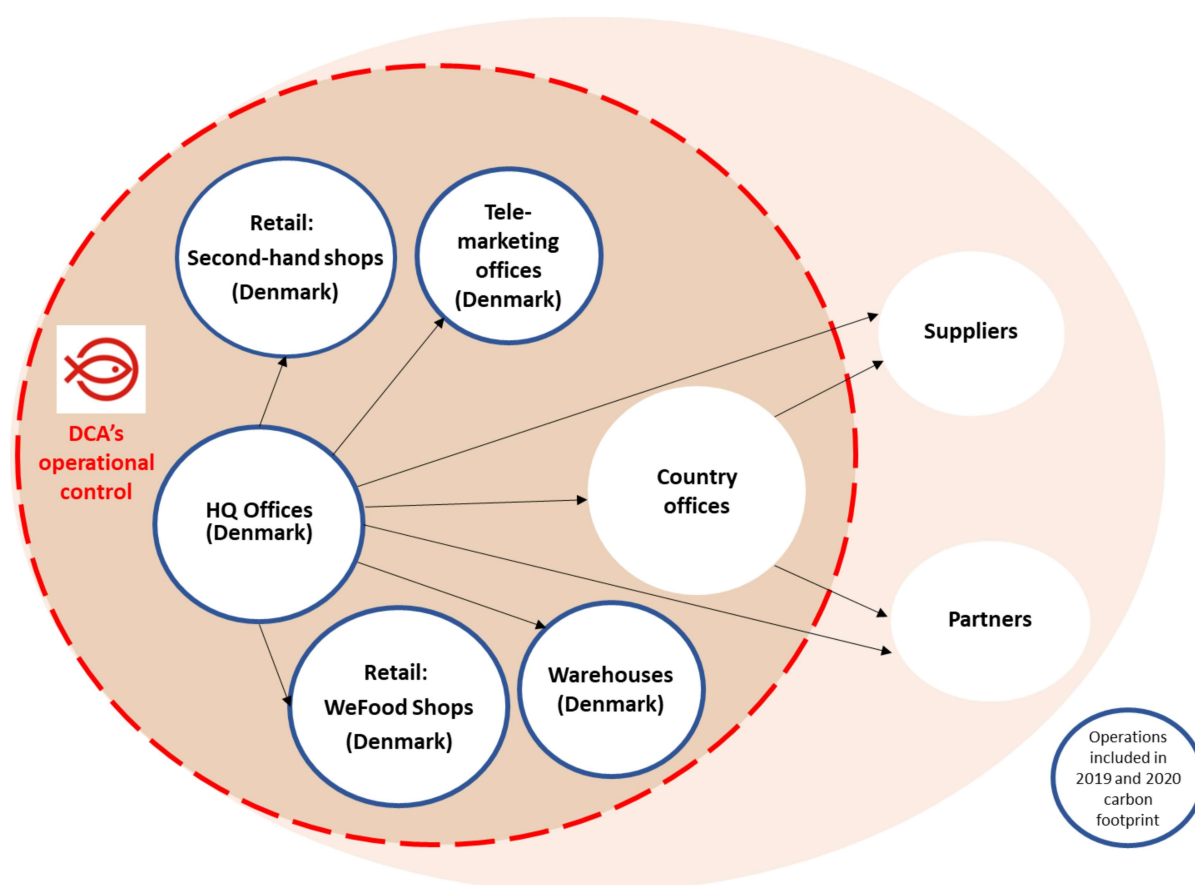


Figure 1 DCA's organizational boundaries based on an operational control approach.

² The GHG Protocol Initiative is a multi-stakeholder partnership of businesses, NGOs, governments, and others convened by WRI and the WBCSD.

³ An organization has operational control over an operation if it has the full authority to introduce and implement its operating policies at the operation.

In setting the **operational boundaries** for which emissions to include, DCA is taking a phased approach. This means that DCA is starting its carbon accounting journey for 2019 and 2020 focusing on the emissions generated from the activities of the organisation in Denmark (see Figure 1), namely from the operation of office facilities in the cities of Copenhagen and Aarhus, second-hand shops, WeFood stores and storage facilities. In terms of scopes included, DCA is accounting for its direct emissions from company facilities and vehicles (Scope 1), electricity and heating consumption (Scope 2), and business travel (Scope 3, category 6).

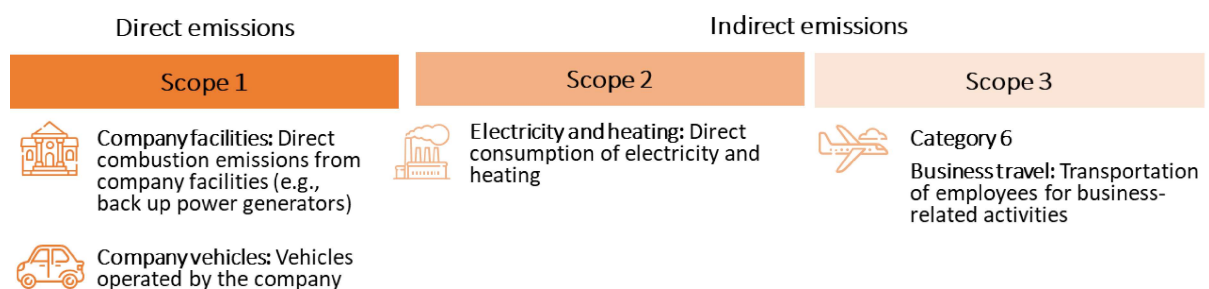


Figure 2 Emissions included in DCA's 2019 and 2020 carbon footprint

DCA acknowledges that this first exercise is not an exhaustive accounting of its GHG emissions, however it sets the foundation on which DCA will continue working in following years to include emissions from country offices, as well as further categories under scope 3 prioritised based on its materiality⁴ and the feasibility and cost-effectiveness of data collection. DCA strives to improve its baseline and data collection over time as it gains experience and access to data. DCA aims to be fully transparent along its journey towards a more comprehensive and precise carbon footprint.

Results

Baseline year 2019

DCA's baseline year is 2019, while 2020 represents a year of special circumstances given the global Covid-19 pandemic, which halted many activities. The baseline covers the period between January 1st and December 31st of 2019, and it accounts for emissions from DCA headquarter offices in Copenhagen, telemarketing offices in Aarhus, 4 WeFood stores, 116 second-hand stores and 2 warehouses, all based in Denmark.

⁴ Information is considered to be material if, by its inclusion or exclusion, it can be seen to influence any decisions or actions taken by users of it.

DCA's 2019 and 2020 carbon footprint was calculated using the following data:

Table 1 Data used to calculate DCA's 2019 and 2020 carbon footprint

| Scope | Data collected |
|-------|---|
| 1 | Vehicles: Priority 1 - Volume of fuel used in DCA owned and leased vehicles. Priority 2 – Number of kilometres driven and type of vehicle, both for owned and leased vehicles. <i>Note: Whenever feasible, priority 1 data was collected and used for calculations.</i> |
| 2 | Energy: Amount of purchased electricity and central heating and name of supplier. |
| 3 | Category 3.6 - Business travel by air: International flights purchased by HQ; carbon footprint calculated by travel agent. |

In 2019, we produced 1.190 Tonnes of CO₂eq, of which international business travel accounted for 76%, DCA's owned and leased vehicles for transport of goods for WeFood and second-hand shops accounted for 14% and electricity and central heating accounted for 10%.

DCA Carbon Footprint Denmark operations 2019

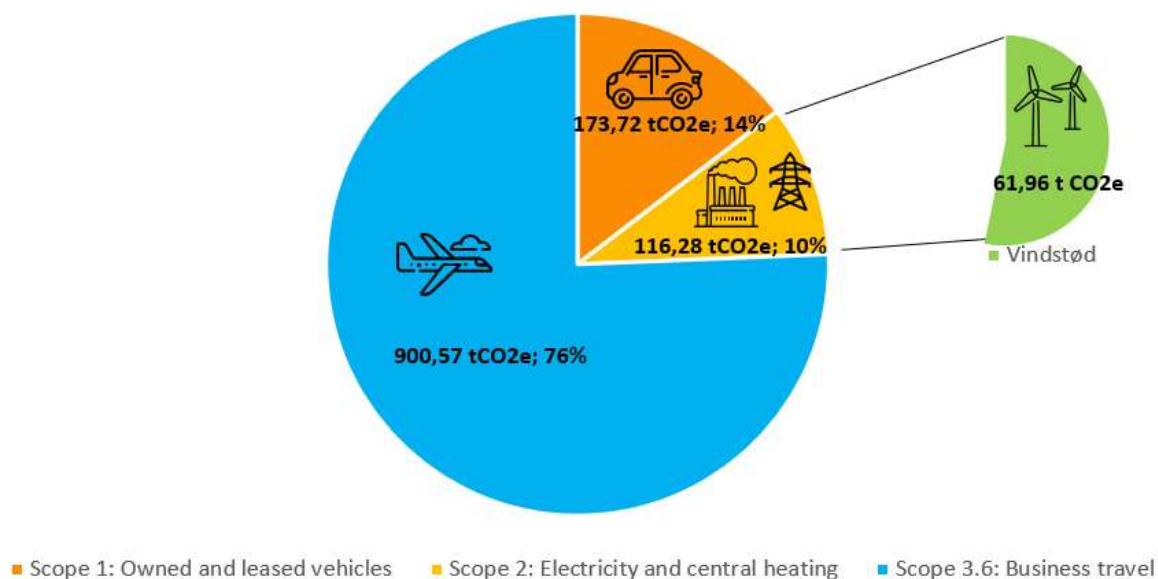


Figure 3 2019 DCA Carbon footprint

Business travel is DCA's largest GHG emission contributor (Scope 3). As a humanitarian and development organisation with operations in 19 countries, DCA regularly employs specialist staff from HQ to support operations in country offices. In 2019, emissions originating from business travel amounted to about 1,23 Tonnes of CO₂e/per full time employee.⁵ DCA has offset its emissions from

⁵ In 2019, the number of relevant full-time employees was 730 (excluding drivers and phoners).

international business travel procured from HQ level since 2013. Furthermore, according to our internal climate policy, which was approved in 2019, DCA offsets an additional 20% to the emissions generated from international flights. In 2019, DCA offset 1081 tonnes of CO₂e through the company Trofaco, which collaborates with DCA in community forests in Uganda. DCA's second largest contributor to its carbon footprint are emissions from its own and leased vehicles which use diesel as fuel (Scope 1). These vehicles are used mainly to transport goods for the WeFood and second-hand shops.

In alignment with the GHG Protocol guidance, this report presents the 'location-based' calculation for electricity and central heating GHG emissions (Scope 2). This calculation is based on the Danish average grid emission factor to emphasize the connection between collective consumer demand for electricity and the emissions resulting from local electricity production. However, considering a market-based method calculation, DCA can include the green power purchased in second-hand shops using the electricity provider Vindstød, which guarantees certified electricity solely based on wind energy produced in Denmark. This accounts to a reduction of 65 tonnes of CO₂e in scope 2 emissions when comparing the market-based with the location-based calculations. Nevertheless, DCA acknowledges that although by choosing Vindstød as electricity provider we encourage the green energy transition, this choice does not lead to additionality in terms of emission reductions.

Key results 2020

In 2020, we produced 451 Tonnes of CO₂eq, around 62% less emissions than in 2019. This significant reduction can be attributed to the impact of COVID-19 in both business travel and electricity consumption in HQ offices due to restrictions for staff to work in the offices. From DCA's 2020 carbon footprint, international business travel was again the largest source of emissions (44%), followed by DCA's owned and leased vehicles for transport of goods for WeFood and second-hand shops which accounted for 38% and electricity and central heating accounted for 18% considering a location-based calculation. There is a reduction of 48 tonnes of CO₂e in scope 2 emissions when comparing the market-based with the location-based calculations by choosing Vindstød as electricity provider.

DCA Carbon Footprint Denmark operations 2020

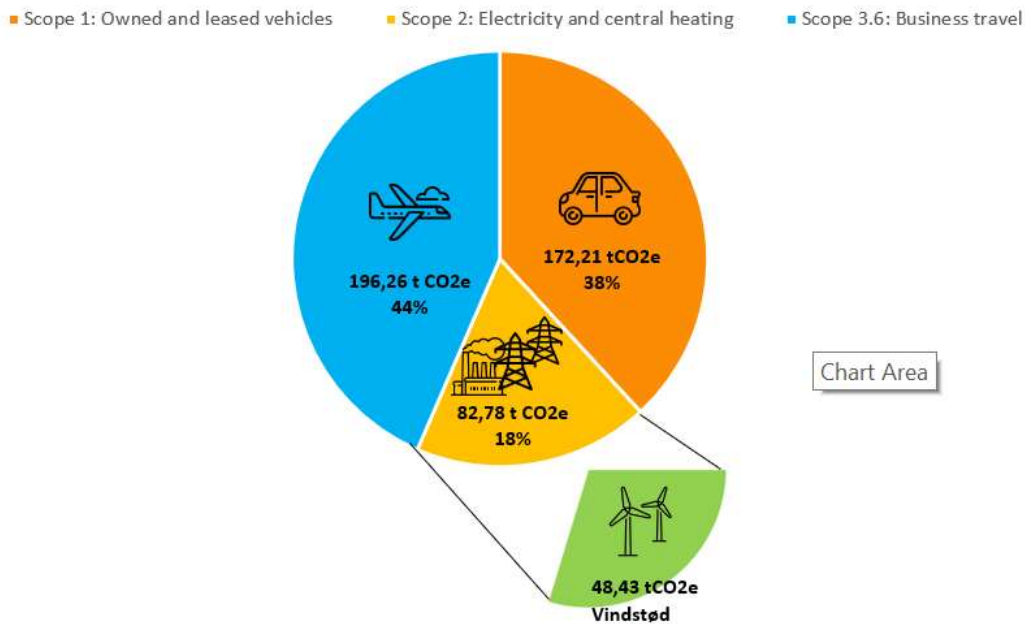


Figure 4 2019 DCA Carbon footprint

The way forward

Measuring the carbon footprint is a step forward in DCA's approach to align with the Paris Agreement as established in our internal climate policy. The baseline results will be shared widely across DCA departments and country offices and will serve as a basis to co-create potential emissions reductions initiatives that will then be prioritized based on their potential to reduce emissions, their feasibility, and their potential to create engagement among DCA staff and management. We aim at establishing emissions reduction targets in a combined bottom-up and top-down approach to ensure ownership of the targets and action plans while at the same time striving for ambition to achieve our long-term commitment to align with the Paris Agreement.

DCA acknowledges that the scope of this first carbon footprint exercise is limited both in terms of the organizational boundaries covered and the number of categories under Scope 3 considered. Therefore, DCA considers this to be a journey where emissions towards a systematic yearly reporting that includes all country offices and relevant Scope 3 categories by 2025. During 2021, activities geared towards this long-term goal have been implemented, for example DCA is testing the data collection method with selected country offices and has initiated an analysis of procurement spend categories both in HQ and COs.

Reducing carbon emissions is DCA's main priority and where our efforts will be focused.

Nevertheless, DCA will continue off-setting its carbon emissions from HQ business travel with an additional 20% as it has been doing for the last 13 years ensuring that the projects through which we off-set our emissions are of high quality and contribute to the sustainable development of the countries in which they are implemented.

Recalculation policy

DCA will recalculate its base year emissions in the following instances:

- 1) Structural changes that have a significant impact on DCA's base year emissions take place. For example, outsourcing and insourcing of emitting activities.
- 2) Changes in calculation methodology or improvements in the accuracy of emission factors or activity data that result in a significant impact on the base year emissions data.
- 3) Discovery of significant errors, or a number of cumulative errors, that are collectively significant.

In summary, DCA's base year emissions shall be retroactively recalculated to reflect changes that would otherwise compromise the consistency and relevance of the reported GHG emissions information.

If you have any questions, or would like to know more about the data collection and calculation methodology please contact DCA's climate change advisor at alga@dca.dk