

1.2.2022

SIEVO CO2 ANALYTICS METHODOLOGY DESCRIPTION

Methodology

Sievo's CO2 analytics brings visibility into the emissions coming from procurement. The tool was developed together with a sustainability consulting company in 2021. The methodology is based on the GHG protocol, where spend data in monetary or quantity-based values is combined with globally established databases to calculate the CO2 emissions for the spend data. The input of spend data is built on top of Sievo's spend analysis solution, and the spend data is linked to the 3rd party emission data by Sievo based on the name and location of the category or material.

The emissions data is sourced from a combination of licensed and open data sources including Ecolnvent and Exiobase. Ecolnvent data is used for quantity-based values and Exiobase for monetary values. Both the emission category name and the location are taken into consideration to establish the CO2 emission factor for each spend category or material. In addition to the emission data, our CO2 analytics takes inflation and currency rates into account to match with the databases to increase accuracy. In addition, unit of measurement conversions are performed.

In addition to secondary data, Sievo CO2 analytics provides the opportunity to add supplier-specific information directly from suppliers. This information is not re-verified by Sievo (other than the limited assurance of the overall process).

Limitations

We are continuously developing our product to further meet the needs of different companies and industries. Naturally, the secondary data provided for all CO2 analytics tools on the market are based on assumptions and averages from a certain category and location. Sievo acknowledges this and therefore pays close attention to the accuracy of the underlying calculations to limit further bias. As spend categories and emission categories are linked together, there is a chance the best match is not achieved. In these cases, Sievo works together with the customer to possibly improve the mapping of the data. Another limitation is the challenge of receiving perfect unit of measurement conversions, in which case the database Exiobase is prioritized. Finally, the accuracy of different categories may differ depending on the industry, category name, and accuracy of underlying spend data.