

Transparency

Acknowledging limitations to move forward

3.1 CO₂ upstream and own operations

Calculated by multiplying the tonnes of absolute gross CO₂ emissions by USD 29 (CHF 28). This figure was derived using the assumptions below.

The amount of CO₂ considered corresponds to our absolute gross emissions (Scope 1, 2 and 3) over a full calendar year. The total tonnes (t) of CO₂ are multiplied by its societal value, which we assumed to be 29 USD/tonne in 2015.

We acknowledge that there are a large range of estimates of the CO₂ societal value. We based our figure on a combination of reports, including the Stern report (assuming 25 USD/t in 2007), analysis made by the Environmental Protection Agency (29 USD/t with a discount rate of 3% and inflation), combined with prevalent assumptions used by governments that internalize the cost of CO₂.

Extract from LafargeHolcim Profit & Loss Statement 2015

Context

It is good practice to make it clear which methodologies are being used in sustainability evaluation tools, such as those relevant to the *STYLE scenario**. This is often done more rigorously in commercially available tools than in in-house industry tools. Transparency enables users to see the assumptions and limitations of their calculations, and aids consistency between organisations and sectors, even if they are not directly sharing sensitive data.

Issues

A barrier to some organisations choosing to run sustainability evaluations, or to include the more tricky social factors, can be the lack of 'perfect' methodology for every indicator and the fear that results will be 'incorrect' or easy to criticise.

Good practice example

LafargeHolcim use an in-house tool to calculate a monetised sustainability evaluation for their projects, providing input to their Integrated Profit and Loss account. Although the tool is used in-

house, they have published all their methodologies and assumptions, inviting stakeholders to engage to suggest alternatives and improvements.

Recommendations

- Commercial tools should, as standard, publish transparent links to the methodologies used.
- Industry in-house tools should consider publishing their methodologies used online, allowing more opportunities to get stakeholder input and engagement.
- Industry acknowledgement that they are having to use the best currently available or 'least worst' methodology for certain indicators can be a driver for the Life Cycle Management community to develop improved methodologies.

For more information see www.spire2030.eu/style

**STYLE Scenario: A project team is evaluating options for a resource or energy improvement for their process or product and they need a pragmatic tool to check the broader sustainability implications of each technological solution*



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STYLE

SUSTAINABILITY TOOLKIT FOR EASY LIFE-CYCLE EVALUATION

