



# Carbon Accounting Report 2022

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## Sparebanken Sogn og Fjordane

This report provides an overview of the organisation's greenhouse gas (GHG) emissions, which is an integrated part of the organisation's climate strategy. Carbon accounting is a fundamental tool in identifying tangible measures to reduce GHG emissions. The annual carbon accounting report enables the organisation to benchmark performance indicators and evaluate progress over time.

This report comprises the head office in Førde as well as the sales offices.

The input data is based on consumption data from internal and external sources, which are converted into tonnes CO<sub>2</sub>-equivalents (tCO<sub>2</sub>e). The carbon footprint analysis is based on the international standard; *A Corporate Accounting and Reporting Standard*, developed by the Greenhouse Gas Protocol Initiative (GHG Protocol). The GHG Protocol is the most widely used and recognised international standard for measuring greenhouse gas emissions and is the basis for the ISO standard 14064-1.

## Reporting Year Energy and GHG Emissions

Emission source	Description	Consumption	Unit	Energy (MWh)	Emissions tCO <sub>2</sub> e	% share
<b>Transportation total</b>				<b>53.4</b>	<b>11.4</b>	-
Diesel (NO)		3,557.0	liters	37.0	7.4	-
Petrol		1,696.0	liters	16.4	4.0	-
<b>Scope 1 total</b>				<b>53.4</b>	<b>11.4</b>	-
<b>Electricity total</b>				<b>1,070.4</b>	<b>27.8</b>	-
Electricity Nordic mix		1,070,393.0	kWh	1,070.4	27.8	-
<b>District heating general total</b>				<b>25.6</b>	<b>0.2</b>	-
Electric heat/cooling pump Nordic		25,600.0	kWh	25.6	0.2	-
<b>District heating location total</b>				<b>118.8</b>	<b>0.2</b>	-
District heating NO/Bergen		118,842.0	kWh	118.8	0.2	-
<b>Scope 2 total</b>				<b>1,214.8</b>	<b>28.2</b>	-
<b>Business travel total</b>				-	<b>29.8</b>	-
Air travel, domestic		15,436.0	kgCO <sub>2</sub> e	-	15.4	-
Air travel, continental		755.0	kgCO <sub>2</sub> e	-	0.8	-
Mileage all. car (NO)		165,184.0	km	-	12.4	-
Mileage all. el car Nordic		9,893.0	km	-	-	-
Hotel nights, Nordic	Norway	284.0	nights	-	1.2	-
<b>Waste total</b>				-	<b>4.7</b>	-
Paper waste, recycled		6,971.0	kg	-	0.1	-
Residual waste, incinerated		8,808.0	kg	-	4.4	-
Plastic waste, recycled		183.0	kg	-	-	-
EE waste, recycled		1,166.0	kg	-	-	-
Metal waste, recycled		4,800.0	kg	-	0.1	-
<b>Purchased goods and services total</b>				-	<b>2.0</b>	-
Debit card		42,728.0	Qty	-	1.7	-
Debit card, bioplastic		8,568.0	Qty	-	0.3	-
<b>Investments total</b>				-	<b>325,140.0</b>	<b>100.0 %</b>
Carbon dioxide (CO <sub>2</sub> )	Agriculture	126,940.0	tonne	-	126,940.0	39.0 %
Carbon dioxide (CO <sub>2</sub> )	Aquaculture	29,500.0	tonne	-	29,500.0	9.1 %
Carbon dioxide (CO <sub>2</sub> )	Industry, mining and extraction	100,320.0	tonne	-	100,320.0	30.8 %
Carbon dioxide (CO <sub>2</sub> )	Electricity-, gas, steam and hot water supply	29,730.0	tonne	-	29,730.0	9.1 %
Carbon dioxide (CO <sub>2</sub> )	Construction	12,460.0	tonne	-	12,460.0	3.8 %
Carbon dioxide (CO <sub>2</sub> )	Sales and operations of real estate	480.0	tonne	-	480.0	0.1 %
Carbon dioxide (CO <sub>2</sub> )	Transport	11,860.0	tonne	-	11,860.0	3.6 %
Carbon dioxide (CO <sub>2</sub> )	Merchandise trade	9,190.0	tonne	-	9,190.0	2.8 %
Carbon dioxide (CO <sub>2</sub> )	Service industries	590.0	tonne	-	590.0	0.2 %
Carbon dioxide (CO <sub>2</sub> )	Accommodation and catering	3,780.0	tonne	-	3,780.0	1.2 %
Carbon dioxide (CO <sub>2</sub> )	Other	290.0	tonne	-	290.0	0.1 %
<b>Scope 3 total</b>				-	<b>325,176.6</b>	<b>100.0 %</b>
<b>Total</b>				<b>1,268.2</b>	<b>325,216.1</b>	<b>100.0 %</b>
<b>KJ</b>				<b>4,565,615,292.0</b>		

## Reporting Year Market-Based GHG Emissions

Category	Unit	2022
Electricity Total (Scope 2) with Market-based calculations	tCO <sub>2</sub> e	-
Scope 2 Total with Market-based electricity calculations	tCO <sub>2</sub> e	0.3
Scope 1+2+3 Total with Market-based electricity calculations	tCO <sub>2</sub> e	325,188.3

The carbon accounting for *Sparebanken Sogn og Fjordane* resulted in total emissions of 325 216,2-ton CO<sub>2</sub>-equivalents (tCO<sub>2</sub>e) for 2022. This is a significant increase since 2021.

The greenhouse gas (GHG) emissions were separated into Scope 1, 2 and 3 and had the following distribution:

Scope 1: 11,4 tCO<sub>2</sub>e (0,004%)

Scope 2: 28,2 tCO<sub>2</sub>e (0,008%)

Scope 3: 325 176,6 tCO<sub>2</sub>e (99,98%)

The increase in emissions is mainly due to the inclusion of category 15 in Scope 3. Furthermore, there is a reduction in Scope 1 (-24,4%) and Scope 2 (-28,1%).

### Scope 1:

*Mobile combustion:* Actual consumption of fossil fuels in company vehicles (owned, rented, or leased). Total fuel consumption in 2022 was 3557 liters of diesel and 1696 liters of petrol. Together this resulted in a total of 11,4 tCO<sub>2</sub>e and corresponds to a decrease of 3,7 tCO<sub>2</sub>e compared to 2021.

### Scope 2:

*Electricity:* Consumption of electricity in owned or rented premises/buildings for all departments throughout the company. The table presents GHG-emissions from the electricity calculated with the location-based factor *Nordic Mix*. Emissions from the electricity consumption have decreased by 11 tCO<sub>2</sub>e which corresponds to a reduction of 181,1 MWh.

Electricity with a market-based factor is presented in a table below this analysis. The practice of presenting the emissions from electricity consumption with two different emission factors is further explained under Scope 2 in *Methodology and sources*. *Sparebanken Sogn og Fjordane* bought Guarantees of origin (GoO) for its electricity consumption of 1070,4 MWh in 2022.

*District heating:* Use of district heating in owned/rented buildings. Total GHG-emissions from district heating decreased with 54% in 2022 resulting in a total of 0,2 tCO<sub>2</sub>e compared to 0,4 tCO<sub>2</sub>e in 2021.

*Electric heating/cooling pump:* The use of electric heating/cooling pump in owned/rented buildings. Total emissions amounted to 0,2 tCO<sub>2</sub>e.

### Scope 3:

*Business travels:* Total emissions for this category amounted to 29,8 tCO<sub>2</sub>e in 2022. This corresponds to an increase of 78,1% compared to 2021 when total emissions were 16,7 tCO<sub>2</sub>e.

*Flights:* Measured in person-kilometers (pkm) per region. The GHG-emissions from flight trips resulted in a total of 16,2 tCO<sub>2</sub>e compared to 7 tCO<sub>2</sub>e in 2021. It is mainly registered domestic flights for 2022.

*Car allowance:* Reported km for which distance-based allowance was paid to employees for work-related travel. It is registered 165 184 km with fossil fuel cars, and 9893 km with electric cars. In total, this resulted

in emissions of 12,4 tCO<sub>2</sub>e compared to 8 tCO<sub>2</sub>e in 2021 meaning that the emissions increased by 55,4%.

*Hotel nights:* Number of hotel nights. The bank's employees spent a total of 284 nights at hotels in Norway which amounted to emissions of 1,2 tCO<sub>2</sub>e.

*Waste:* Reported waste in kg divided into different waste fractions, including treatment method (recycled, incinerated or landfill). Waste accounted for a total of 4,7 tCO<sub>2</sub>e.

*Debit cards:* The bank has reported emissions of its 51 296 issued debit cards. This is an increase of 7854 number of issued cards compared to 2021. Bank cards are an essential part of a bank's business and are replaced every 3<sup>rd</sup> to 4<sup>th</sup> year. Total emissions related to the debit cards resulted in 2,0 tCO<sub>2</sub>e. The bank incorporated a greater share of bioplastic into the cards in 2022. Out of the 51 296 issued cards a total of 8568 were registered with a greater share of bioplastic.

*Investments:* The bank included emissions for its lending portfolio in 2022. This results in a significant increase in emissions. It is registered a total of 325 140 tCO<sub>2</sub>e for investments, and this amounts to a share of 99,98% of the bank's total emissions.

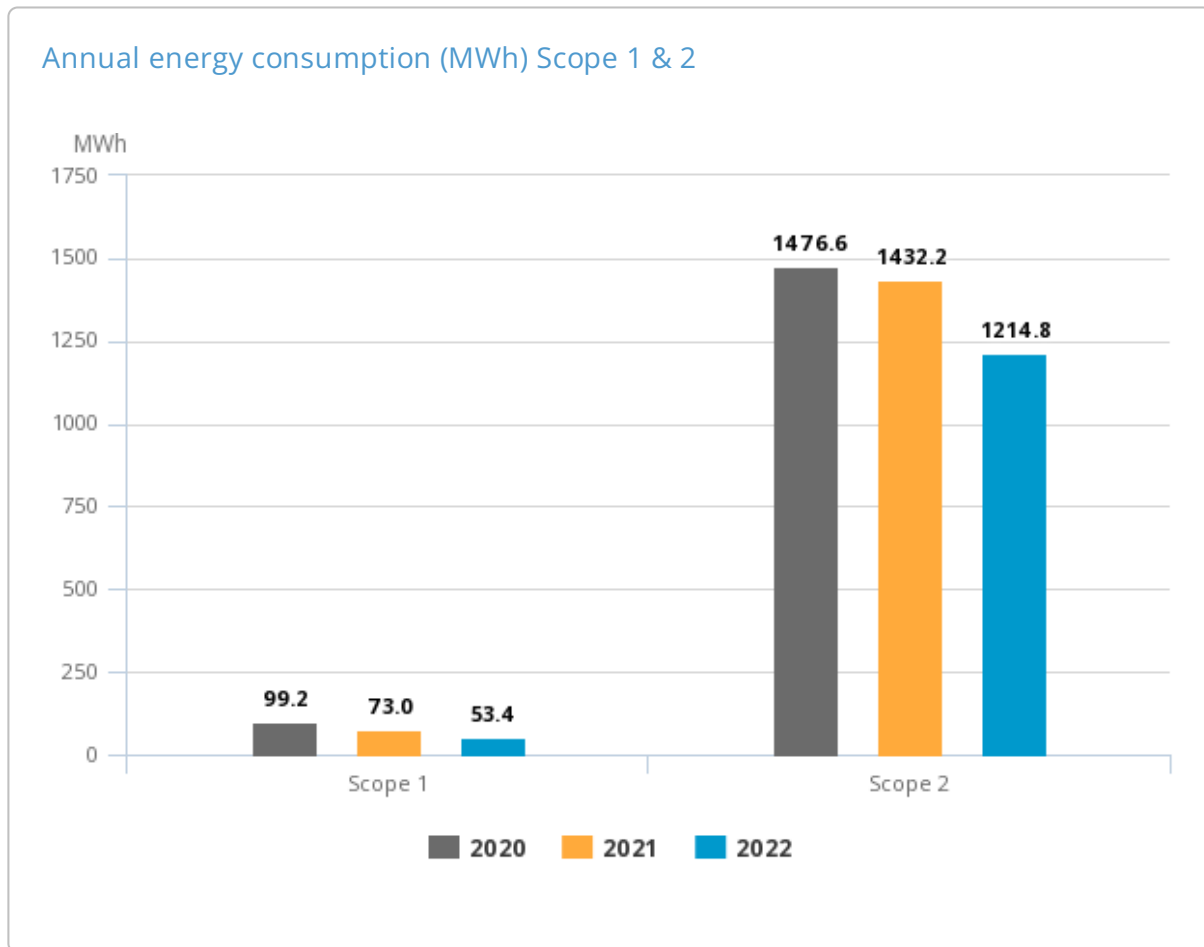
Emissions are registered for the following industries: *Agriculture, Aquaculture, Industry, mining, and extraction, Electricity, gas, steam and hot water supply, Construction, Sales and operations of real estate, Transport, Merchandise trade, Service industries, Accommodation and catering, and Other.* The industries that make up the largest share of emissions are *Agriculture (39%) and Industry, mining, and extraction (30,8%).*

## Annual GHG Emissions

Category	Description	2020	2021	2022	% change from previous year
<b>Transportation total</b>		<b>21.0</b>	<b>15.1</b>	<b>11.4</b>	<b>-24.4 %</b>
Diesel (NO)		21.0	12.4	7.4	-40.2 %
Petrol		-	2.7	4.0	49.6 %
<b>Scope 1 total</b>		<b>21.0</b>	<b>15.1</b>	<b>11.4</b>	<b>-24.4 %</b>
<b>Electricity total</b>		<b>54.8</b>	<b>38.8</b>	<b>27.8</b>	<b>-28.3 %</b>
Electricity Nordic mix		54.8	38.8	27.8	-28.3 %
<b>District heating location total</b>		<b>1.2</b>	<b>0.4</b>	<b>0.2</b>	<b>-54.0 %</b>
District heating NO/Bergen		1.2	0.4	0.2	-54.0 %
District cooling NO/Trondheim		-	-	-	-100.0 %
<b>District heating general total</b>		<b>-</b>	<b>-</b>	<b>0.2</b>	<b>-</b>
Electric heat/cooling pump Nordic		-	-	0.2	100.0 %
<b>Scope 2 total</b>		<b>56.1</b>	<b>39.2</b>	<b>28.2</b>	<b>-28.1 %</b>
<b>Business travel total</b>		<b>26.0</b>	<b>16.7</b>	<b>29.8</b>	<b>78.1 %</b>
Air travel, domestic, incl. RF		8.3	6.8	-	-100.0 %
Air travel, continental, incl. RF		0.4	0.2	-	-100.0 %
Air travel, intercontinental, incl. RF		-	-	-	-100.0 %
Mileage all. car (NO)		15.4	8.0	12.4	55.4 %
Hotel nights, Nordic	Domestic/Nordic	1.9	1.7	-	-100.0 %
Hotel nights, Nordic	Norway	-	-	1.2	100.0 %
Hotel nights, Europe	Europe	-	-	-	-100.0 %
Mileage all. el car Nordic	Domestic	-	-	-	-100.0 %
Mileage all. el car Nordic		-	-	-	100.0 %
Air travel, domestic		-	-	15.4	100.0 %
Air travel, continental		-	-	0.8	100.0 %
<b>Waste total</b>		<b>9.0</b>	<b>8.5</b>	<b>4.7</b>	<b>-45.0 %</b>
Residual waste, incinerated		8.5	8.1	4.4	-45.7 %
Paper waste, recycled		0.4	0.2	0.1	-32.4 %
Plastic waste, recycled		-	-	-	-89.6 %
EE waste, recycled		0.1	0.1	-	-57.0 %
Metal waste, recycled		-	0.1	0.1	15.7 %
<b>Purchased goods and services total</b>		<b>-</b>	<b>1.5</b>	<b>2.0</b>	<b>30.7 %</b>
Debit card		-	1.5	1.7	8.3 %
Debit card, bioplastic		-	-	0.3	100.0 %
<b>Investments total</b>		<b>-</b>	<b>-</b>	<b>325,140.0</b>	<b>-</b>
Carbon dioxide (CO2)	Agriculture	-	-	126,940.0	100.0 %
Carbon dioxide (CO2)	Aquaculture	-	-	29,500.0	100.0 %
Carbon dioxide (CO2)	Industry, mining and extraction	-	-	100,320.0	100.0 %
Carbon dioxide (CO2)	Electricity-, gas, steam and hot water supply	-	-	29,730.0	100.0 %
Carbon dioxide (CO2)	Construction	-	-	12,460.0	100.0 %
Carbon dioxide (CO2)	Sales and operations of real estate	-	-	480.0	100.0 %
Carbon dioxide (CO2)	Transport	-	-	11,860.0	100.0 %
Carbon dioxide (CO2)	Merchandise trade	-	-	9,190.0	100.0 %
Carbon dioxide (CO2)	Service industries	-	-	590.0	100.0 %
Carbon dioxide (CO2)	Accommodation and catering	-	-	3,780.0	100.0 %

Carbon dioxide (CO2)	Other	-	-	290.0	100.0 %
Scope 3 total*		34.9	26.8	325,176.6	1,211,553.2 %
Total*		111.9	81.1	325,216.1	401,084.2 %
Percentage change*		100.0 %	-27.6 %	401,084.2 %	

\*The significant percentage increase is due to the inclusion of Scope 3 category 15 investments in 2022.



### Annual Market-Based GHG Emissions

Category	Unit	2020	2021	2022
Electricity Total (Scope 2) with Market-based calculations	tCO <sub>2</sub> e	351.6	12.8	-
Scope 2 Total with Market-based electricity calculations	tCO <sub>2</sub> e	352.8	13.2	0.3
Scope 1+2+3 Total with Market-based electricity calculations	tCO <sub>2</sub> e	408.7	55.1	325,188.3
Percentage change		100.0 %	-86.5 %	590,258.4 %

## Annual Key Energy and Climate Performance Indicators

Name	Unit	2020	2021	2022	% change from previous year
Sum square meters (m2)		9,498.0	9,498.0	8,474.0	-10.8 %
Sum locations kWh/m2		155.5	150.8	143.4	-4.9 %
Total emissions (kgCO <sub>2</sub> e (s1+s2+s3)) /FTE*		402.7	286.4	1,129,222.6	394,119.2 %
Total emissions (kgCO <sub>2</sub> e (s1+s2+s3)) /heated areal*		11.8	9.4	41,705.1	444,814.2 %
FTE	Number of employees	278.0	283.0	288.0	1.8 %
Heated area	Square meters	9,498.0	8,648.0	7,798.0	-9.8 %

\*The significant percentage increase is due to the inclusion of Scope 3 category 15 investments in 2022.

## Methodology and sources

The Greenhouse Gas Protocol initiative (GHG Protocol) was developed by the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD). This analysis is done according to *A Corporate Accounting and Reporting Standard Revised edition*, currently one of four GHG Protocol accounting standards on calculating and reporting GHG emissions. The reporting considers the following greenhouse gases, all converted into CO<sub>2</sub>-equivalents: CO<sub>2</sub>, CH<sub>4</sub> (methane), N<sub>2</sub>O (laughing gas), SF<sub>6</sub>, HFCs, PFCs and NF<sub>3</sub>.

For corporate reporting, two distinct approaches can be used to consolidate GHG emissions: the equity share approach and the control approach. The most common consolidation approach is the control approach, which can be defined in either financial or operational terms.

The carbon inventory is divided into three main scopes of direct and indirect emissions.

Scope 1 includes all direct emission sources. This includes all use of fossil fuels for stationary combustion or transportation, in owned and, depending on the consolidation approach selected, leased, or rented assets. It also includes any process emissions, from e.g. chemical processes, industrial gases, direct methane emissions etc.

Scope 2 includes indirect emissions related to purchased energy; electricity and heating/cooling where the organisation has operational control. The electricity emission factors used in Cemsys are based on national gross electricity production mixes from the International Energy Agency's statistics (IEA Stat). Emission factors per fuel type are based on assumptions in the IEA methodological framework. Factors for district heating/cooling are either based on actual (local) production mixes, or average IEA statistics.

In January 2015, the GHG Protocol published new guidelines for calculating emissions from electricity consumption. Primarily two methods are used to "allocate" the GHG emissions created by electricity generation to the end consumers of a given grid. These are the location-based and the market-based methods. The location-based method reflects the average emission intensity of the grids on which energy consumption occurs, while the market-based method reflects emissions from electricity that companies have purposefully chosen (or not chosen).

Organisations who report on their GHG emissions will now have to disclose both the location-based emissions from the production of electricity, and the market-based emissions related to the potential purchase of Guarantees of Origin (GoOs) and Renewable Energy Certificates (RECs).

The purpose of this amendment in the reporting methodology is on the one hand to show the impact of energy efficiency measures, and on the other hand to display how the acquisition of GoOs or RECs affect the GHG emissions. Using both methods in the emission reporting highlights the effect of all measures regarding electricity consumption.

The location-based method: The location-based method is based on statistical emissions information and electricity output aggregated and averaged within a defined geographic boundary and during a defined time period. Within this boundary, the different energy producers utilize a mix of energy resources, where the use of fossil fuels (coal, oil, and gas) result in direct GHG-emissions. These emissions are reflected in the location-based emission factor.

The market-based method: The choice of emission factors when using this method is determined by whether the business acquires GoOs/RECs or not. When selling GoOs or RECs, the supplier certifies that the electricity is produced exclusively by renewable sources, which has an emission factor of 0 grams CO<sub>2</sub>e per kWh. However, for electricity without the GoO or REC, the emission factor is based on the remaining electricity production after all GoOs and RECs for renewable energy are sold. This is called a residual mix, which is normally substantially higher than the location-based factor. As an example, the market-based Norwegian residual mix factor is approximately 7 times higher than the location-based Nordic mix factor. The reason for this high factor is due to Norway's large export of GoOs/RECs to foreign consumers. In a



market perspective, this implies that Norwegian hydropower is largely substituted with an electricity mix including fossil fuels.

Scope 3 includes indirect emissions resulting from value chain activities. The scope 3 emissions are a result of the company's upstream and downstream activities, which are not controlled by the company, i.e. they are indirect. Examples are business travel, goods transportation, waste handling, consumption of products etc.

In general, the carbon accounting should include information that users, both internal and external to the company, need for their decision making. An important aspect of relevance is the selection of an appropriate inventory boundary which reflects the substance and economic reality of the company's business relationships.