

# CLIMATE PLEDGE – GOAL STATEMENT

Approved Steering Committee Proposal

July 2016

## Preface

Greenhouse gas emissions create major consequences including global warming that leads to flooding due to sea level changes. According to the United Nations Framework Convention on Climate Change, the nations of the world shall work systematically to combat global warming and reduce greenhouse gas emissions by setting goals in this regard. Valitor was one of 104 companies and institutions that signed a Declaration on Climate Issues in November 2015 in Reykjavik. The intent is to reduce greenhouse gas emissions related to company activities and to set targets towards that end. Valitor is committed to setting an example and minimizing any negative environmental impact from operations. The objectives stated herein demonstrate Valitor's commitment towards our environmental impact on the environment. Valitor plans to achieve continuous improvement with sustainability in mind, and raise awareness among employees, partners and suppliers on environmental issues.

## Main Objectives

- Negative environmental impact of the company's operations will be minimized.
- Systematically reduce corporate carbon emissions and energy consumption with sustainability and environmental protection in mind. The following objectives are a guide toward improvements and direct our actions.
  - Reduction of net greenhouse gas emissions by 10% annually until 2020.
  - The company's operations will be carbon neutral by 2030.
  - The company will take up green accounting and annually publicize results.
  - Employee education on environmental issues will be enhanced and staff encouraged to adopt environmentally friendly lifestyles.

## Measurements

- Greenhouse gas emissions in CO<sub>2</sub> ton equivalents from transport, business activities (including waste and fossil fuels) and air travel.
- The proportion of renewable and non-renewable waste.
- The share of renewable and sustainable energy from hot water, electricity and transport.

## Requirements and benefits for Valitor are interwoven with environmental protection

- Approval and active participation by management is crucial for success with Valitor's environmental concerns.
- Dynamic education, team building, participation and motivation from front-line managers is vital for promoting employee awareness and interest.
- Active management, reporting and presentation of progress is crucial - the steering committee is responsible for the collection of data and information.
- Valitor's activities and goals for environmental issues will be made available on the company's website and in communications with suppliers and customers in order to contribute to the broader discussion on protection of our environment .



The Pledge Signing, November 16, 2015

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- Measurements
- Green Accounting
- Promote sustainable transport
- Reduce energy consumption
- Reduce the use of paper
- Reduce waste

The objectives correspond to selected standards of the Global Reporting Initiative (GRI) as shown in brackets after each objective statement.

## **Objective 1 (EN1, EN3, EN15, EN16, EN17, EN18, EN19, EN20, EN23, EN31)**

### **Green accounting will be used with company operations**

Measurements are recorded and made public by the Company annually. The results will also be forwarded to a joint registration created for those who signed the United Nations Declaration. By so doing, Valitor adds its contribution to international efforts to protect the environment. Main emphases are;

- Valitor intends to introduce green accounting and sustainability indicators to assess the performance of company activities and to record data for publication. Valitor will record (in accordance with GRI sustainability indicators): 1) Paper 2) Electricity and hot water, 3) Fuel, 4) Waste.
- Managers, purchasing staff and those responsible for bid procedures acquire knowledge of green procurement (such as environmental requirements made and lifetime cost calculations).
- Valitor and suppliers cooperate and communicate on the development of green procurement requirements.
- Percentage of green tender specifications, outlining environmental prerequisites intended to reduce environmental impact, increase to 50% in 2016.
- Valitor staff and management are knowledgeable about green operations and able to minimize environmental impact with targeted measures.

## **Objective 2 (EN 15, EN17, EN18, EN19)**

### **Promotion of sustainable transportation to reduce greenhouse gas emissions**

- To compensate for the release of carbon dioxide the company will carbon offset its fleet of cars along with flights through carbon capture in the form of forestation / land reclamation. Valitor signed a contract with Kolvidur (Carbon Offset Fund) in the spring of 2016 regarding carbon offsetting in 2016 and beyond.
- Car fleet renewal at Valitor requires the selection of environmentally friendly cars. This provision applies to all company vehicles and is directly linked to measurable targets for emissions of greenhouse gases from fossil fuel.
- The company will compare hydrocarbon emissions from gasoline and diesel vehicles since 2014, and the benefits accrued with the purchase of electric cars in 2015 summarizing the results in kilometers and CO2 emissions. Charging stations will be installed on company premises.
- With replacement of company vehicles beginning in 2016, purchases shall be limited to:
  - \* Electric vehicles or
  - \* Hybrid vehicles (electricity and fossil fuel) or
  - \* Vehicles with an average fuel consumption of less than 5.6 l / 100 km for petrol or 4.9 l / 100 km for diesel. From 2018 these figures will be reduced to 4.1 l / 100 km for petrol or 3.6 l / 100 km for diesel vehicles.
- The number of sustainable transportation agreements made by staff will increase, from 11% to 30% of the total workforce by year-end 2020.

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*According to the United Nations Framework Convention, the world's nations shall work systematically to limit greenhouse gas emissions and set goals in this regard.*

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## Consider

Company staff made 365 flights in 2015 which released 188 CO<sub>2</sub> tons — 1,765 trees would have offset Valitor emissions for the year.

In Iceland it's possible to neutralize emissions through carbon capture in three ways;

- Land reclamation
- Forestation
- Wetland restoration

„The hottest May in modern history: Earth breaks heat record for 13th month in a row“, The Daily Mail, 16. júní 2016.



Glanni waterfall near Bifröst in West Iceland

- All shipping of products and services to and from the company shall be offset annually, first in 2017.
- By 2020, 80% of employees will either offset their own vehicle emissions and/or use vehicles that fulfil the aforementioned requirements for car purchases by Valitor.

## Actions to encourage employee involvement

- Promote transport subsidy contracts to encourage more employees to cycle, walk or use public transport to and from work.
- The goal is that 30% of workers have signed a transport contract in 2020 and 50% in 2030. In 2015, 11% of employees had a transport contract.
- Employee training will be increased and a "green blog" will be added to the intranet where statistics and facts about man's impact on the environment are highlighted as well as company progress with climate targets.
- Valitor agrees with Kolvidur in 2016 to offer employees the opportunity to offset their own driving to and from work with a small payroll deduction, in order to provide staff who are unable to participate in the transport contract scheme an alternative method for reducing net emissions.
- Employees shall use environmentally friendly taxis. In 2016, Valitor made a service contract with Hreyfill Taxi Services to send environmentally friendly taxis when receiving calls from company employees .
- Staff will be given greater opportunity to use company electric vehicles / bicycles for errands during working hours.



## Objective 3 (EN3, EN16, EN31)

### Reduce energy consumption

- Valitor plans to reduce energy consumption (electricity and hot water) 20% by 2030 by reducing energy waste systematically and utilizing energy from renewable sources.
- A workplace lighting audit will be conducted. Ecofriendly lighting will be implemented including a reduction in light pollution. Valitor will work with its property managers to replace incandescent or fluorescent lighting with green light sources, such as LED.
- A focussed effort will be launched to encourage staff to cycle and walk to work, avoid the lift and use the stairs, stand up from the desk and stretch. Positive messages through education and direct involvement.
- Purchases of computer equipment are limited to energy-saving equipment only.
- Reduce electricity consumption by turning off equipment and lights at the end of the working day.
- Monitor and record annual electricity and heat use in the workplace and data centers and set targets to reduce consumption.
- Access to basic information on energy use will enable the setting of targets for carbon emissions reductions by the company.
- Objectives will be clear and measurable to increase the chances of success.

### Steering Committee

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## Objective 4 (EN1, EN20, EN23, EN31)

### Reduce volume of paper and waste

- The company will implement green procurement.
- Paper use will be reduced by 25% by 2022 from 2015.
- 96% of the company's waste will be sorted for recycling by 2022.
- Amount of unsorted and sorted waste will be measured and published annually.

#### Examples of actions;

- \* Purchasing eco-labeled products and services over other options.
  - \* Only environmentally friendly paper is used in the workplace.
  - \* Food waste - the objective is to have zero food waste by 2022.
  - \* All glass will be recycled in the cafeteria.
- Reduce the use of disposable products and maintain records over the purchase and use of supplies such as plastic film and bags, cleaning fluids, disposable plastic products, printer cartridges, batteries etc. by weight per FTE.

#### Examples of actions;

- \* Replace paper and cardboard cups in coffee areas with refillable cups.
- \* Replace all disposable containers, plastic spoons, etc. from the cafeteria.
- \* Replace disposable batteries with rechargeables for internal use.
- \* Use of paper will be monitored and measured by cost per FTE and objectives set to reduce printing. Staff encouraged to print less and on both sides. Measurement results will be made available.
- \* All retired electronic equipment and toxic waste material will be delivered to authorized recycling or disposal facilities.

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EN1 – Use of paper / accounting for office supplies (paper, print materials, cleaning, etc.).  
EN3 – Energy use (electricity, water, fuel)  
EN15– Direct greenhouse gas emissions (fuel emissions by cars operated by company, etc.).  
EN16– Indirect greenhouse gas emissions (sources of energy, geothermal heating, electricity).  
EN17– Greenhouse gas emissions outside the company (flights, shipping, etc.)  
EN18– Relative greenhouse gas emissions (e.g. per full-time equivalent or FTE).  
EN19- Mitigation measures to reduce greenhouse gas emissions (transport contract, green lighting, carbon offsets, etc.).  
EN20- Emissions of other harmful substances.  
EN23- Waste (total, sorted, unsorted, etc.).  
EN31– Costs of mitigating measures (Carbon Offset Fund, LED bulbs, eco-labeling, sorting of waste, transport subsidies etc.).

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