

Checklist for the Financial climate contribution label at the organisational level

The following checklist contains all requirements to achieve the **Financial climate contribution** label for companies, sites, salons, business operations** and hotels.

General requirements	
1	Clearly identify the subject of the label and define the label category used, i.e. company, site, salon, business operations**, or hotel.
2	Define the duration of the label usage period (usually 12 months) with a start date and end date, which will be disclosed on the corresponding ID tracking page.
3	Companies should follow a clear mitigation hierarchy in which reducing and avoiding emissions is always of highest priority.

Step 1: Measure carbon footprints	
4	Definition of system boundaries <ol style="list-style-type: none"> When setting organisational boundaries, use the operational control approach. For the “company” label, consider the entire legal entity (including all subsidiaries and sites), as disclosed on the corresponding ID tracking page. For the label categories “site”, “salon”, or “hotel”, the individual certified entity must be clearly stated. Ensure that the system boundaries meet the requirements (mandatory emission sources) for the respective label category according to Table 1 (Appendix).
5	Data collection and quality <ol style="list-style-type: none"> Collect primary data for processes and activities that a company directly controls. Non-primary data can be used if primary data is unavailable. However, primary data shall always be prioritised over secondary data.
6	Calculation requirements <ol style="list-style-type: none"> Use the market-based method for calculating emissions from electricity as a basis for achieving the Financial climate contribution label. In addition, calculate and disclose electricity emissions using the location-based methods. Calculate direct land-use change. Do not account for “avoided emissions” in carbon footprints. Include biogenic non-CO₂ gases in all calculations. Exclude biogenic CO₂. Do not account for biogenic product carbon storage in the calculation of carbon footprints, except if its storage is permanent (over 100 years).
7	Documentation requirements <ol style="list-style-type: none"> Describe the subject of the carbon footprint calculation. Document the underlying standards and methodologies of the calculation. State the system boundaries defined for the calculation. Document underlying data, assumptions, and other specific information used for the calculation. Name secondary data sources and emission factors used for the calculation. State the results of the calculation divided into scopes.
8	Third-party calculations can be used to fulfil the requirements for the Financial climate contribution label if ClimatePartner confirms that the calculations fulfil the requirements of this checklist.
9	Update the reporting company’s corporate carbon footprint (CCF) annually.

** Business operations is only valid for banks or other financial institutions and the same rules as for company apply.

Step 2: Set reduction targets	
10	It is not mandatory to disclose reduction targets at the company level to achieve the label. However, ClimatePartner recommends that all companies define a base year (i.e. the year against which emissions are tracked), specify a target year, and set reduction targets based on science.
Step 3: Implement reductions	
11	It is not mandatory to disclose ongoing reduction measures at the company level to achieve the label. However, ClimatePartner recommends taking reduction measures that reduce the carbon footprint of the legal entity that is using the label and contribute to achieving the company's reduction target.
Step 4: Finance climate projects	
12	<p>Contribution to financing climate action via ClimatePartner's portfolio of climate projects</p> <ul style="list-style-type: none"> a. Financially contribute to a climate project offered by ClimatePartner prior to the start date of the label usage period. b. Use the latest valid carbon footprint, including safety margin, to determine the amount of the financial contribution to climate projects. c. The carbon footprint must not be older than three years at the beginning of the label usage period. <p>For the "company" label, include the emissions of the legal entity with all its subsidiaries in the financial contribution. For the "site", "salon", and "hotel" labels, the financial contribution can be limited to the carbon footprint of a single location, if the specific location is identified on the corresponding ID tracking page.</p>
Step 5: Communicate transparently	
13	The Financial climate contribution label shall only be used as defined in the <u>Financial climate contribution labelling guidelines</u> .
14	Provide full transparency about the company's financial contribution and the climate projects supported on the corresponding ID tracking page
15	It is not mandatory to show the result of the carbon footprint or the reduction targets and measures on the corresponding ID tracking page to achieve the label. However, we recommend communicating this information transparently.

Checklist for the Financial climate contribution label for products and services

General requirements	
1	Clearly identify the subject of the label and define the label category used, i.e. select one of the product or service labels according to List 1 (Appendix). Define the unit of analysis of the subject.
2	Define the duration of the label usage period (usually 12 months) with a start date and end date, which will be disclosed on the corresponding ID tracking page.
3	Companies should follow a clear mitigation hierarchy in which reducing and avoiding emissions is always of highest priority.

Step 1: Measure carbon footprints	
4	<p>Define the system boundaries</p> <p>Ensure that the system boundaries meet the requirements (mandatory emission sources) for the corresponding label category according to Table 2 for product-related labels and Table 3 for service-related labels (Appendix).</p>
5	<p>Data collection and quality</p> <p>a. Collect primary data for processes and activities that a company directly controls.</p> <p>b. Non-primary data can be used if primary data is unavailable. However, primary data shall always be prioritised over secondary data.</p>
6	<p>Calculation requirements</p> <p>a. Calculate direct land-use change.</p> <p>b. Do not account for “avoided emissions” in carbon footprints.</p> <p>c. Include biogenic non-CO₂ gases in all calculations. Exclude biogenic CO₂.</p> <p>d. Do not account for biogenic product carbon storage in the calculation of carbon footprints, excepting if the storage is permanent (over 100 years).</p>
7	<p>Documentation requirements for the calculation or the methodology behind the calculation</p> <p>a. Describe the subject of the carbon footprint calculation.</p> <p>b. Document the underlying standards and methodologies of the calculation.</p> <p>c. State the system boundaries defined for the calculation.</p> <p>d. Document the underlying data, assumptions, and other specific information used for the calculation.</p> <p>e. Name the secondary data sources and emission factors used for the calculation.</p> <p>f. State the results of the calculation divided into scopes.</p>
8	Third-party calculations can be used to fulfil the requirements for the Financial climate contribution label if ClimatePartner confirms that the calculations fulfil the requirements of this checklist.
9	Ensure that the carbon footprint of a product/service is not older than three years at the start or renewal of the label usage period and that no significant changes have occurred to the product/service since the carbon footprint was calculated (<10% estimated change in overall emissions).

Step 2: Set reduction targets	
10	It is not mandatory to disclose reduction targets at the company level to achieve the label. However, ClimatePartner recommends that all companies define a base year (i.e. the year against which emissions are tracked), specify a target year, and set reduction targets based on science.
Step 3: Implement reductions	
11	It is not mandatory to disclose ongoing reduction measures at the company or product level to achieve the label. However, ClimatePartner recommends taking reduction measures that reduce the carbon footprint of the certified subject (i.e. product or service) and/or the legal entity that is using the label and contribute to achieving the company's reduction target.
Step 4: Finance climate projects	
12	<p>Contribution to financing climate action via ClimatePartner's portfolio of climate projects</p> <ul style="list-style-type: none"> a. Financially contribute to a climate project offered by ClimatePartner prior to the start date of the label usage period. b. Use the product or service carbon footprint, including the safety margin, to determine the amount of the financial contribution to climate projects. c. If applicable, determine a forecast of sales volumes for the corresponding label usage period to determine the corresponding financial contribution to climate projects. d. The carbon footprint must not be older than three years at the beginning of the label usage period. e. If a forecast is used: After the end of the label usage period, match the forecast amount with real sales volumes and clear any over- or under-compensation within 90 days. f. After the end of the label usage period, define the corresponding amount for the next period based on both the reconciliation of the planned and forecasted volumes of the last label usage period (resulting in compensation or a credit note) and the forecast for the next label usage period.
Step 5: Communicate transparently	
13	The Financial climate contribution label shall only be used as defined in the <u>Financial climate contribution labelling guidelines</u> .
14	Provide full transparency about the company's financial contribution and the climate projects supported on the corresponding ID tracking page.
15	It is not mandatory to show the result of the carbon footprint, the reduction targets and measures on the corresponding ID tracking page to achieve the label. However, we recommend communicating this information transparently.

Appendix

List 1: Overview of label categories for the **Financial climate contribution** label

Entity
<ul style="list-style-type: none">• Company• Site• Business operations**• Hotel• Salon
Product
<ul style="list-style-type: none">• Product• Packaging• Print product• Intermediate product*
Services
<ul style="list-style-type: none">• Service• Mobility• Overnight stay• Travel• Event• Construction• Shipping• Packaging and shipping• Media production• Marketing campaign• Digital product• Logistics• Financial service• Financing• Printing

* The intermediate product label shall only be used for products that are inputs to the production of other final products or services, for instance chemicals that are used as inputs to several cosmetic products with different use phases and end-of-life scenarios. Another example of an intermediate product is a plastic granulate, it could be used to produce a shampoo bottle or a plastic chair. The system boundaries for an intermediate product are cradle-to-customer. Users of the intermediate product label shall add information about the inventory boundaries in their communication. This includes communicating the inventory boundaries on the product packaging and any communication materials in which the certification is mentioned.

** Business operations is only valid for banks or other financial institutions and the same rules as for company apply.

Table 1

COMPANIES, SITES, HOTEL, BUSINESS OPERATIONS, SALONS

SYSTEM BOUNDARIES							
Scope	Category	Source of emissions	Company	Site	Hotel	Business operations (only for finance)	Salon
1	Direct emissions from company facilities	Self-generated heat					
1	Direct emissions from company facilities	Self-generated electricity					
1	Direct emissions from company facilities	Refrigerant leakage					
1	Direct emissions from company facilities	VOC leakage					
1	Direct emissions from company vehicle fleet	Fleet fuel					
2	Purchased electricity for own use	Purchased electricity					
2	Purchased heat, steam, and cooling for own use	Purchased heat					
2	Purchased heat, steam, and cooling for own use	Purchased cooling					
2	Purchased heat, steam, and cooling for own use	Purchased steam					
2	Purchased heat, steam, and cooling for own use	Heat in leased buildings					
3	Purchased goods and services	Raw materials					
3	Purchased goods and services	Packaging					
3	Purchased goods and services	Office paper					
3	Purchased goods and services	Print products					
3	Purchased goods and services	Electronic devices					
3	Purchased goods and services	Water					
3	Purchased goods and services	External data centers					
3	Purchased goods and services	Catering					
3	Fuel and energy-related emissions	Upstream fleet					
3	Fuel and energy-related emissions	Upstream heat					
3	Fuel and energy-related emissions	Upstream cooling					
3	Fuel and energy-related emissions	Upstream Electricity					
3	Upstream transport and distribution	Inbound logistics					
3	Downstream transport and distribution	Outbound logistics					
3	Waste from operations	Operational waste					
3	Waste from operations	Transport of operational waste					
3	Business travel	Flights					
3	Business travel	Rail travel					
3	Business travel	Rental vehicles and private car trips used for business purposes					
3	Business trips	Hotel overnight stays					
3	Commuting of employees	Travel of employees					
3	Commuting of employees	Teleworking					
3	Disposal of sold products	Transportation of waste					
3	Disposal of sold products	Disposal of products					

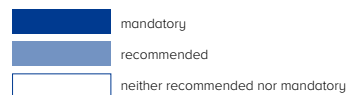


Table 2

PRODUCT, PACKAGING, PRINT PRODUCT, INTERMEDIATE PRODUCT

SYSTEM BOUNDARIES		Product	Packaging	Print product	Intermediate Product*
Life cycle phase	Source of emissions				
Material acquisition and pre-processing	Raw materials				
Material acquisition and pre-processing	Primary packaging				
Material acquisition and pre-processing	Secondary packaging				
Material acquisition and pre-processing	Tertiary packaging				
Material acquisition and pre-processing	Inbound logistics				
Production	Electricity consumption in production				
Production	Heat consumption in production				
Production	Transport of production waste				
Production	Disposal of production waste				
Distribution and storage	Transport to the first customer				
Distribution and storage	Storage at the customer				
Distribution and storage	Transport to end customer				
Use	Direct emissions during the use phase				
Use	Indirect emissions during the use phase				
End of life	Transport to disposal facility				
End of life	Disposal of the product & packaging				
Overhead GHG emissions	General emissions				

* The intermediate product label shall only be used for products that are inputs to the production of other final products or services, for instance chemicals that are used as inputs to several cosmetic products with different use phases and end-of-life scenarios. Another example of an intermediate product is a plastic granulate, it could be used to produce a shampoo bottle or a plastic chair. The system boundaries for an intermediate product are cradle-to-customer. Users of the intermediate product label shall add information about the inventory boundaries in their communication. This includes communicating the inventory boundaries on the product packaging and any communication materials in which the certification is mentioned.

Table 3

SERVICES

SYSTEM BOUNDARIES																	
Category	Service	Mobility	Over-night stay	Travel	Event	Trade fair appearance	Construction	Shipping	Packaging and shipping	Media production	Marketing campaign	Digital product	Logistics	Financial Service	Financing	Printing	
Direct and indirect emissions from stationary sources																	
Direct and indirect emissions from mobile sources																	
Generation of purchased electricity																	
Travel of employees (including overnight stay)																	
Travel of contractors (including overnight stay)																	
Travel of participants																	
Waste disposal																	
Production of consumer products																	
Delivery of consumer products																	
Electricity consumption during implementation or use																	
Water usage																	
Provision of infrastructure																	
General emissions																	

mandatory
 recommended
 neither recommended nor mandatory