

dopper.

Climate report

2021



Introduction

On December 11, 2019, at the UN Climate Change Conference in Madrid, Dopper took the stage together with 500 B Corps and publicly committed to accelerate the reduction of greenhouse gas emissions. All unified in the goal to reach net zero by the year 2030. The initiative was integrated in the SME Climate Commitment, as part of UN Race to Zero.

This report demonstrates our commitment and accountability to our pledge.

Principles

This Greenhouse Gas (GHG) emissions report provides the summary of emissions and used methods. The R&D team is responsible for the data collection, calculations, and data validation. The activity data is collected from different departments and business partners.

The reporting year is 2021. The results are compared to the baseline year 2019.

The inventory, reporting and calculations are in accordance with the Greenhouse Gas Protocol's corporate and value chain standard (ghgprotocol.org). It follows the principles of relevance, completeness, consistency, transparency, and accuracy.

This voluntary report is a part of Dopper's participation in the SME Climate Commitment (formerly the Climate Collective Net Zero 2030 initiative) as part of the UN Race to Zero campaign. Dopper will reduce its GHG emissions to contribute to the global effort against climate change and this report discloses Dopper's effort in a transparent and verified manner. It also helps to identify the opportunities for improvement.

Dopper does not directly own or operate production facilities, a car fleet, or other assets. We take responsibility for the GHG emissions from different operations and sources based on the economic interest and control in the value chain.

Operational Boundaries

This report covers all three scopes of GHG emissions:

- **SCOPE 1 EMISSIONS** are emissions caused directly by sources owned or controlled by Dopper
- **SCOPE 2 EMISSIONS** are indirect emissions released from electricity purchased by Dopper
- **SCOPE 3 EMISSIONS** are the indirect emissions from the activities occurring in assets not controlled or owned by Dopper.

Scope 3 is classified into 15 categories. In Table 1 each category and its inclusion or exclusion in the inventory is listed. Biogenic emissions are reported separately.

Scope 3 categories	Status
Category 1: Purchased goods and services	Included
Category 2: Capital goods	Included
Category 3: Fuel- and energy-related activities	Excluded: All fuel and energy-related activities are covered in other categories.
Category 4: Upstream transportation and distribution	Included
Category 5: Waste generated in operations	Included
Category 6: Business travel	Included
Category 7: Employee commuting	Included
Category 8: Upstream leased assets	Excluded: Dopper does not operate leased assets. The car park is covered in Scope 3 Category 6. Warehousing is covered in Scope 3 Category 4.
Category 9: Downstream transportation and distribution	Included
Category 10: Processing of sold products	Excluded: sold products have no processing steps
Category 11: Use of sold products	Excluded: maintenance and use of sold product are outside the financial equity scope of Dopper.
Category 12: End-of-life treatment of sold products	Included
Category 13: Downstream leased assets	Excluded: Dopper does not lease assets to others.
Category 14: Franchises	Excluded: Dopper does not own any franchises.
Category 15: Investments	Excluded: Dopper does not make investments, nor does provide financial services.

Table 1 – Scope 3 category overview

Collection and calculation methods

Activity data

All activity data within the organizational boundaries of the company was collected. The emission sources that contribute to less than 2% of the total emissions were not included in the calculations. The collective emission of the excluded sources is less than 5% of the total GHG emissions.

The uncertainty of the GHG inventory is a combination of the uncertainty of the activity data and the emission factors. The emission factors used in Dopper's GHG emission calculations are adapted from official sources as far as possible. The uncertainty range of the emission factors is unknown, as they are not under Dopper's control. Also, most Scope 3 activities are not directly under the control of the company, so data in this scope are more likely to have higher uncertainty in comparison to Scope 1 and 2.

In this GHG inventory, 55% of the activity data were obtained from primary data sources. To improve the data quality in the future years, secondary data could be replaced with primary data where possible. To assess the data quality, the GHG Protocol's qualitative approach was used.

Emission factors

The greenhouse gas emissions were quantified by collecting all relevant activity data (energy consumed, products sold, waste incinerated etc.) and multiplying it with matching emission factors. The resulting emissions account for all six GHGs (CO₂, CH₄, N₂O, HFCs, PFCs, SF₆). They are collectively reported as equivalent CO₂ or CO₂e emissions, taking into consideration the different global warming factors.

Energy related emission factors are retrieved from the Netherlands Enterprise Agency (RVO) database, a governmental organisation providing support to Dutch businesses. The exception is the data for regional Chinese electricity. This is taken from the GHG Protocol emission factors from Cross Sector Tools. Local T&D losses are sourced from the World Bank database.

Sectorial emission factors are calculated using EXIOBASE 3.7

The emission factors for different transport modalities (people and freight) are also retrieved from the RVO database, except for the air transportation data. Air transport data is based on the DEFRA 2021 database, with a Radiative Forcing Index (RFI) of 1,9.

All material related emission factors come from the EcolInvent 3.6 database.

Emission summary

Dopper's greenhouse gas emissions in 2021 have been calculated to a total 1.446,1 ton CO₂e. The biggest contributor are the Category 1 emissions, highlighting their importance in the future reduction plans. The biogenic emissions represent a relatively minor share of the total emissions. The Scope 1 and 2 emissions are fractional compared to the Scope 3 emissions.

	Emission [t CO ₂ e]
Total greenhouse gas emissions	1.446,1
Total greenhouse gas emissions (excluding Biogenic)	1.415,1
SCOPE 1	4,2
SCOPE 2	0,5
SCOPE 3	1.410,4
Category 1 – Purchased goods and services	1.098,9
Category 2 – Capital goods	0,0
Category 4 – Upstream transportation and distribution	20,1
Category 5 – Waste generated in operations	1,4
Category 6 – Business travel	1,8
Category 7 – Employee travel	22,5
Category 9 – Downstream transportation and distribution	0,7
Category 12 – End of life	265,0
BIOGENIC	31
Category 4 – Upstream transportation and distribution	31

Table 2 - Greenhouse gas emissions summary

Compared to baseline year 2019, Dopper has realised a reduction of 41% in emissions. The bulk of the reductions comes from lower production quantities related to the COVID-19 restrictions.

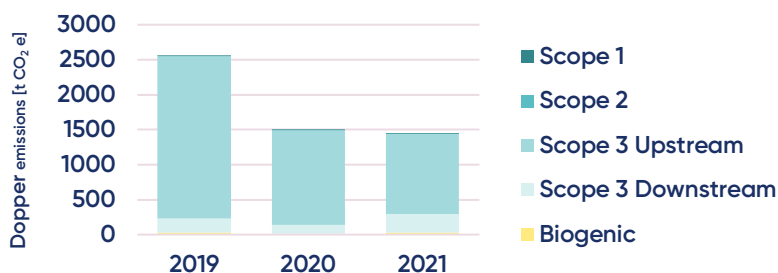


Figure 1 - Dopper emissions for Baseline year and following reporting years

Reduction targets

Dopper's has committed to be net zero by 2030 in line with the Science Based Targets. This means a 5% year-over-year reduction from the baseline year 2019:

- **SCOPE 1** – 100% reduction
- **SCOPE 2** – 100% reduction
- **SCOPE 3** – 40% reduction

The reduction targets are based on 'Absolute Emissions Contraction', so they are independent of growth in revenue or products sold.

Achievements

In 2021, Dopper has managed to reduce its GHG emissions. Major actions and achievements since the foundation of the company in 2010 include:

- **SCOPE 2:** Electricity at Head office (Oceans building) is based on renewable sources
- **CATEGORY 1:** Dutch production runs on green electricity
- **CATEGORY 1:** Chinese production runs on 5% solar power
- **CATEGORY 1:** 5% of services are purchased carbon neutral or as low emission alternatives
- **CATEGORY 4:** Sea freight is carbon neutral through the GoodShipping program
- **CATEGORY 4:** No flying policy for production batches
- **CATEGORY 7:** 100% of the leased car fleet is emission-free
- **CATEGORY 7:** 91% of the employees commute by train or bike instead of by car
- **CATEGORY 6:** No flying policy for business travel to selected cities in Europe
- **CATEGORY 9:** All outbound road freight is carbon neutral through supplier programs

Future measures

For further reduction the following Hotspots have been identified:

- **HOTSPOT 1:** Emissions from material inputs of purchased goods and services
- **HOTSPOT 2:** Emissions from purchased goods and services
- **HOTSPOT 3:** Emissions from purchased goods and services – non-production
- **HOTSPOT 4:** Incineration of sold goods

The following Key Performance Indicators (KPIs) have been defined to realise this target:

Hotspot 1

KPI: Reduce the total product footprint by 50%

- Use renewable feedstock for the production of PP (implemented in 2022)
- Use recycled feedstock for the production of Tritan (started in 2022)
- Use recycled feedstock for the production of stainless steel (ambition for 2024)

Hotspot 2

KPI: Use 98% renewable energy for producing Dopper products

- Increase capacity of solar power at the production facilities (started in 2022)
- Use green electricity for production in Chinese facilities (ambition for 2024)

Hotspot 3

KPI: 25% of purchasing value through climate neutral partners

- Introduce the green purchasing protocol (ambition for 2024)

Hotspot 4

KPI: 10% of yearly goods sold are taken back and recycled by Dopper

- Introduce take-back program with high value recycling (started in 2022)

Offset targets

Dopper offsets all residual GHG emissions of the reporting year 2021. Climate Impact Partners assists in the purchase of verified carbon offsets and the certification of the company according to the CarbonNeutral program. The GHG emission inventory will be assessed by RSK.

The offset project will involve reforestation, to ensure sequestration of the GHG emissions. To comply with C2C Certified standards the offsets will be certified against the Gold Standard or Verified Carbon Standard.