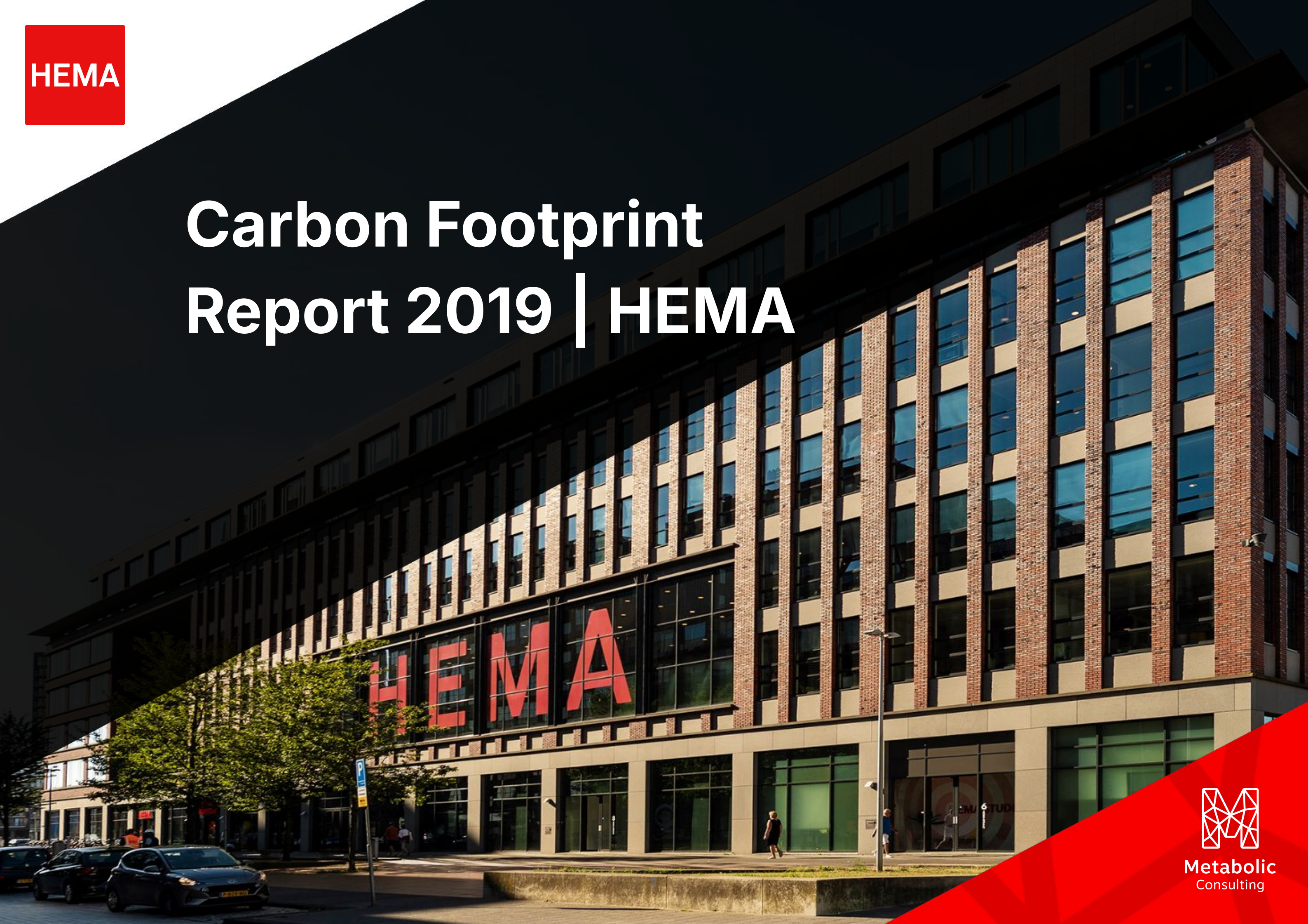




Carbon Footprint Report 2019 | HEMA



Metabolic
Consulting

HEMA's contribution to prevent climate change

At HEMA, we recognize climate change as a global challenge in which we play a role and bear responsibility. That is why, in 2022, we took significant steps in developing an environmental strategy. The first step in this process is creating awareness. A **baseline assessment of HEMA's carbon footprint** lays the **groundwork for this initiative**.



baseline measurement

Over the past year, our focus has been on conducting the very first CO₂ footprint assessment for HEMA. We collaborated with the consultancy firm Metabolic for this initiative. As part of our environmental strategy, we will also be mapping other environmental impacts in the coming years, such as water and land use in the value chain.

Creating a baseline carbon footprint requires a thorough data analysis process. We collected data on both our internal operations and our value and production chains. From this comprehensive dataset, we calculated our carbon footprint (measured in CO₂ equivalents, CO₂-eq) for the year 2019. To ensure completeness and accuracy, we followed the Greenhouse Gas Protocol, mapping out all scope 1, 2 and 3 emissions. We used 2019 as our baseline year because it is the most representative period in recent history. This decision takes into account the disruptions caused by the COVID-19 pandemic, including lockdowns and reduced economic activities in 2020 and 2021. Selecting those years would present a skewed and overly optimistic representation of our annual CO₂-eq emissions.



reduction targets

In the coming years, we will significantly reduce our CO₂-eq emissions by aligning with the globally recognized CO₂ reduction targets of the Science Based Targets initiative. By 2030, HEMA aims to reduce the CO₂-eq emissions from its own operations (scope 1 and 2) by 75% compared to 2019, and those from other activities in the chain (scope 3) by 46.2%. Additionally, HEMA commits to the long-term goal of achieving climate neutrality by 2050. Each year, we will report on our progress toward these targets and developments within our carbon footprint.

What does our carbon footprint consist of?

HEMA bears responsibility for both direct and indirect greenhouse gas emissions. The carbon footprint of HEMA comprises the sum of these direct and indirect emissions. The Greenhouse Gas Protocol classifies emission sources into three scopes and various categories. The emissions of all greenhouse gases combined are expressed as a single metric: CO₂ equivalents (CO₂-eq).

SCOPE 1

Direct CO₂ emissions emitted by HEMA. This includes CO₂ emissions released from burning gas for heating in shops and offices or diesel in trucks owned by HEMA.

SCOPE 2

CO₂ emissions linked to the procurement of energy, such as the emissions released during the generation of electricity. The emissions of these greenhouse gases occur elsewhere but can be directly attributed to HEMA's consumption.

SCOPE 3

All other CO₂ emissions released during activities related to HEMA's operations. This includes activities such as the extraction of raw materials for the products HEMA sells, the transportation and manufacturing processes of products, the use of airplanes for business travel, or the disposal of waste.

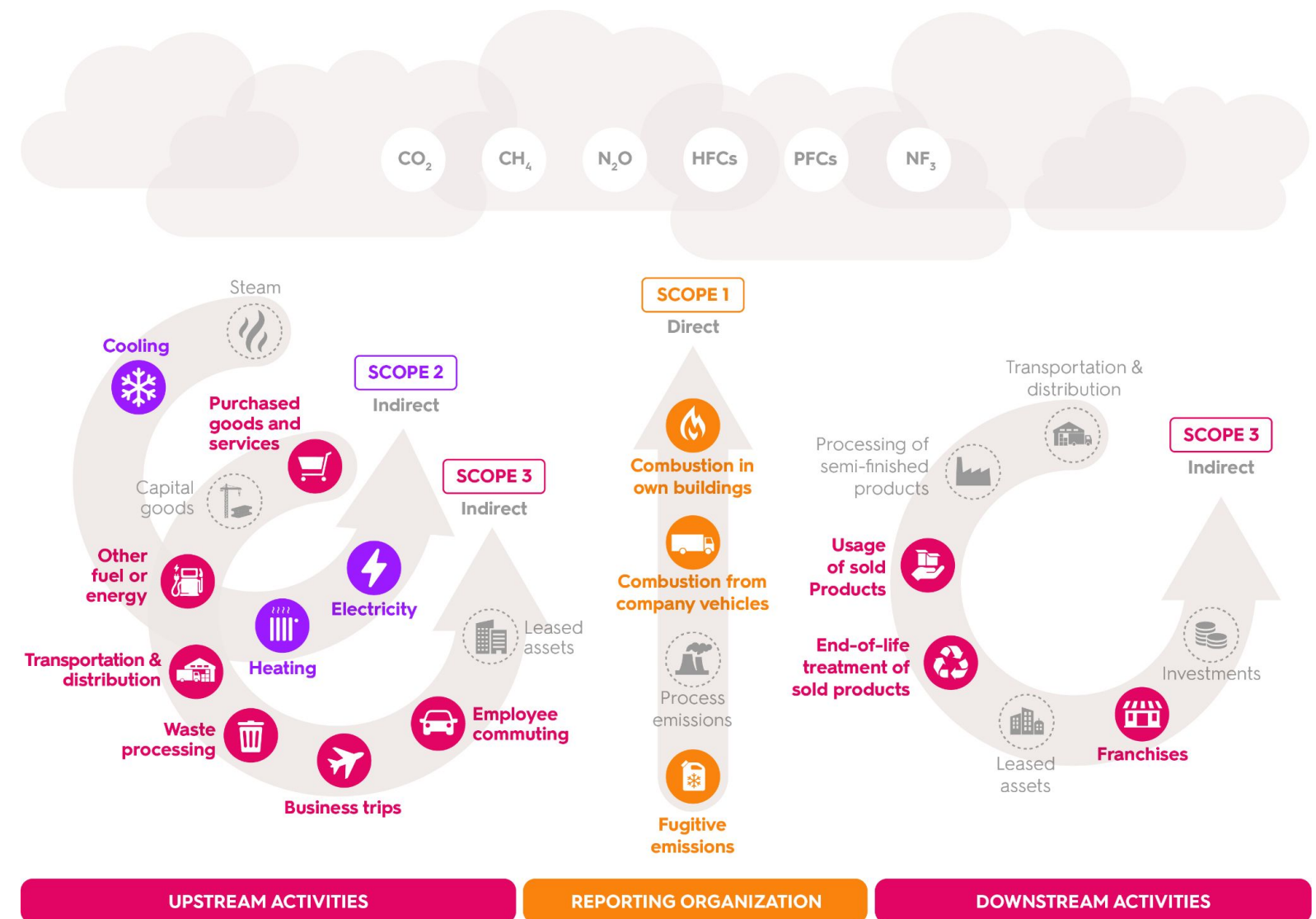


Fig. 1 Overview of various scopes and categories within the GHG Protocol. The gray categories are not applicable to HEMA in this analysis.

*Not all categories are relevant for HEMA. Together with Metabolic, 15 categories have been identified that are applicable to HEMA's operations.

HEMA's carbon footprint (2019)

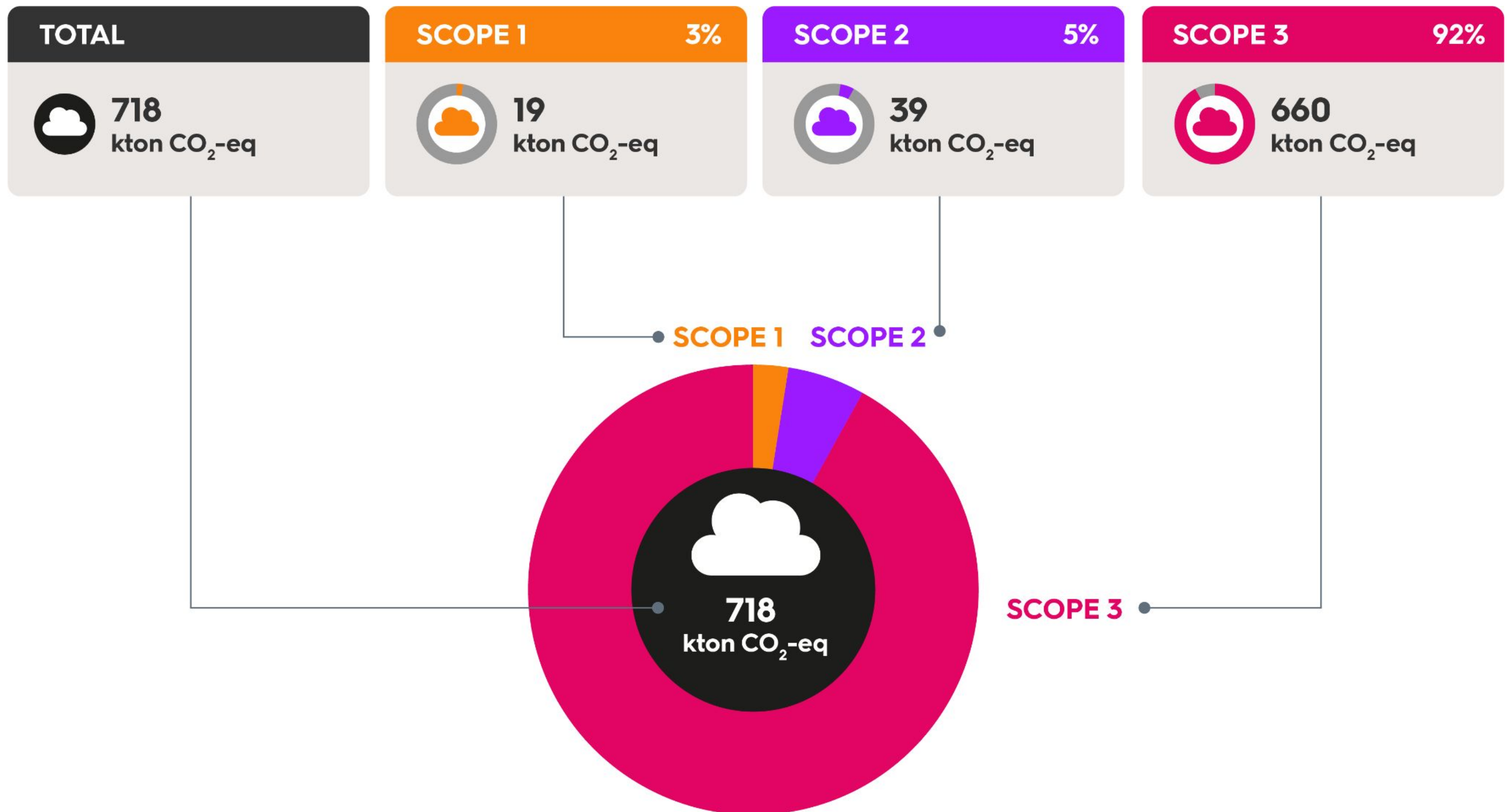


Fig. 2 Overview of HEMA's carbon footprint in 2019, divided into the various scopes outlined in the GHG Protocol.

HEMA's carbon footprint (2019)

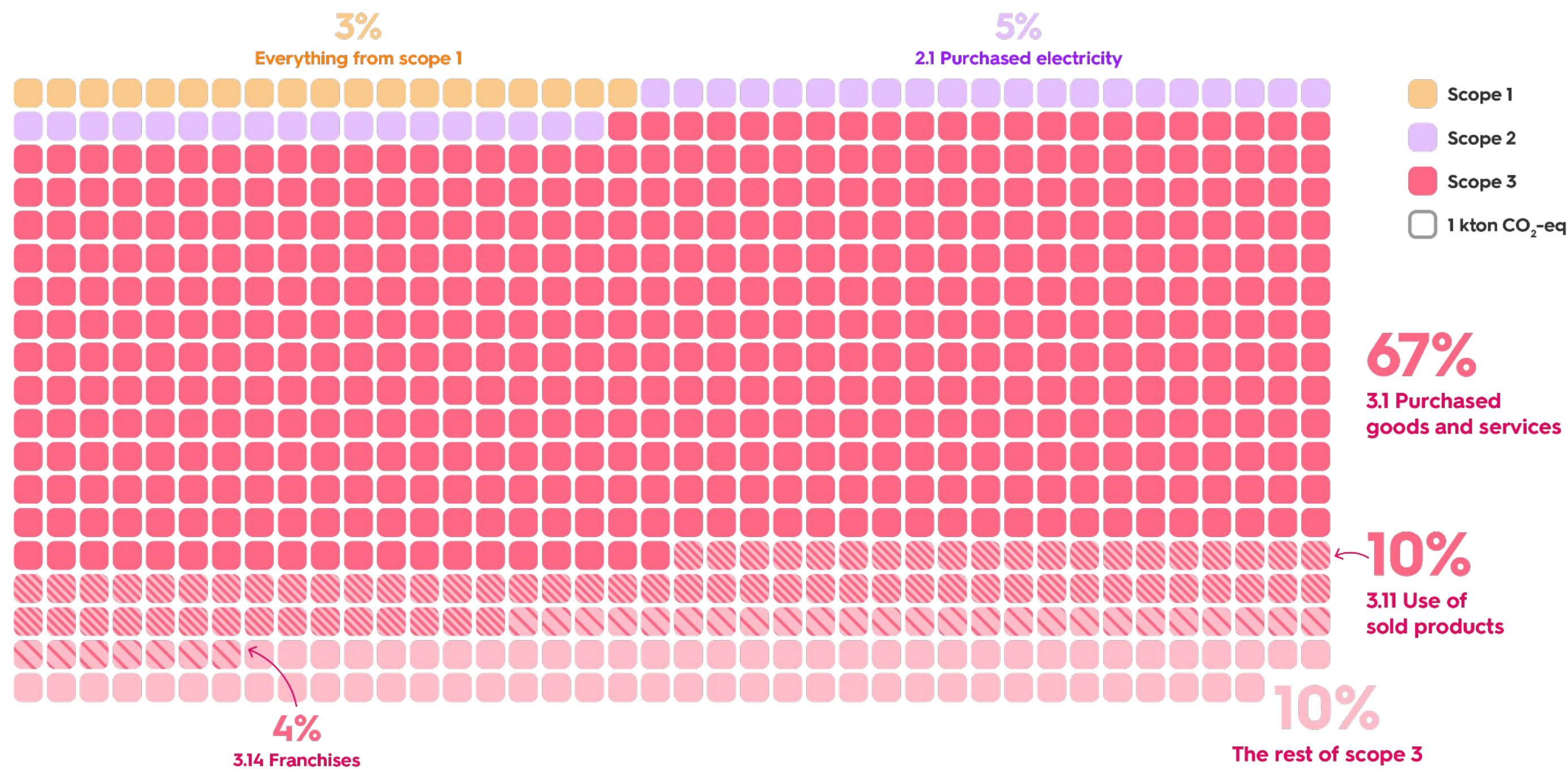


Fig. 3 Detail of HEMA's carbon footprint in 2019, categorized into the various scopes and categories of the GHG Protocol. Percentages don't add up to 100% due to rounding.

HEMA's carbon footprint (2019) per category

GHG Protocol Category	Carbon Footprint (kton CO ₂ eq)
 1.1 Stationary Combustion	7,4
 1.2 Mobile Combustion	4,9
 1.4 Fugitive Emissions	6,5
 2.1 Purchased Electricity	38,2
 2.3 Purchased Heating	0,3
 2.4 Purchased Cooling	0,1
 3.1 Purchased Goods & Services	482,3
 3.3 Fuel & Energy Related Activities not in S1 or S2	7,7
 3.4 Upstream Transportation & Distribution	15,1
 3.5 Waste Generated in Operations	4,0
 3.6 Business Travel	0,5
 3.7 Employee Commuting	12,3
 3.11 Use of Sold Products	75,3
 3.12 EOL Treatment of Sold Products	31,0
 3.14 Franchises	32,0

Table 1 Carbon Footprint 2019 in kilotons CO₂-eq per category.

How was this carbon footprint determined?

The carbon footprint of HEMA has been calculated by Metabolic using the Greenhouse Gas (GHG) Protocol. This is the international standard for determining a company's carbon footprint.

Calculating the carbon footprint of an organization like HEMA requires a substantial amount of data, which is provided by various employees within HEMA. Subsequently, the information is verified and cleaned. Once validated, HEMA's data is linked to greenhouse gas emission factors, which are standardized figures expressing the emissions of greenhouse gases per activity.

All the data used for this baseline measurement meets the minimum standards set by the Greenhouse Gas Protocol. Throughout the project, Metabolic carefully assessed the quality of the provided data, with a focus on both completeness and accuracy. Based on this analysis, recommendations were made to improve the quality of future data. Specifically, HEMA's assortment (3.1 Purchased goods and services) poses a unique challenge because HEMA procures thousands of different items.

Every year, improvements are made in the data quality and calculation methods of our climate footprint. Therefore in 2024, we have recalculated our 2019 baseline. This results in an even better representation of our greenhouse gas emissions in 2019.

Verification

To ensure the quality of the calculation of HEMA's carbon footprint, an independent verification was conducted by DNV Business Assurance B.V.

The verification was carried out following ISO 14064-3:2019 standards, with a reasonable level of assurance for scopes 1 and 2, and a limited level of assurance for scope 3, that the GHG emissions, as reported in the GHG inventory, have been prepared in accordance with the GHG Protocol.





HEMA

