Introduction to GHG Measurement



July 14, 2020

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Attendees are all muted. Please type your questions into the Q&A box in the bottom of the screen.

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Raise Hand

Chat

Q&A

Q

Leave Meeting

Team Introduction

English

Tuesday, July 14 8:00 to 9:00 AM PST (EMEA) 8:00 to 9:00 PM PST (APAC)



Cashion East Director, Data Analytics **Sally Smaili** Director, Customer Success

Agenda

- 1. GHG Introduction
- 2. Higg FEM GHG Parameters and Calculation
- 3. Higg FEM GHG Report
- 4. Higg FEM CSV GHG Data
- 5. Guidance & Support
- 6. Platform Demo
- 7. Q&A

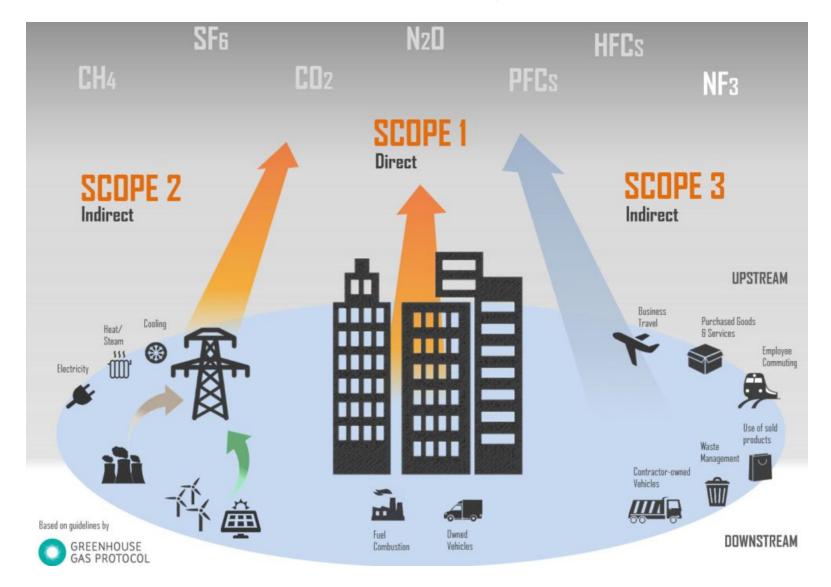
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By the end of this training you will have learned:

- What is GHG emission scope?
- What is the methodological framework in Higg FEM?
- What are the GHG parameters and calculation in Higg FEM?
- How to understand the GHG report in Higg FEM?

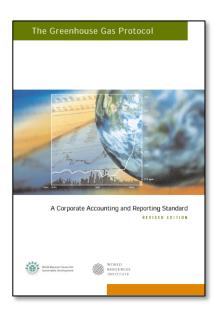
GHG Introduction

GHG Emissions and Scope 1, 2, 3 Categories



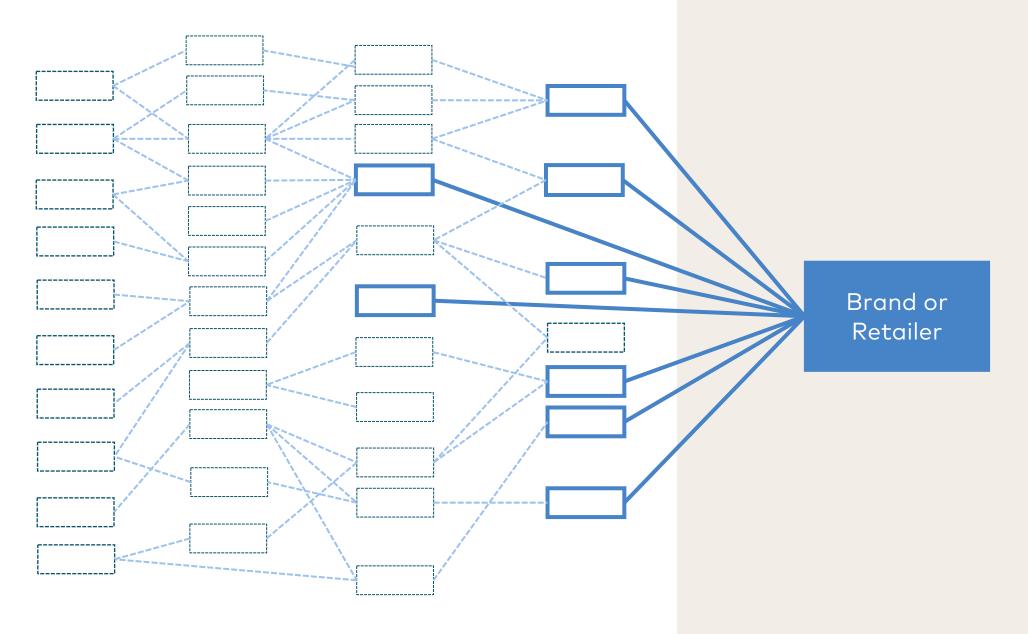
GHG in Higg FEM- Methodological Framework

- Alignment with GHG Protocol, the leading global GHG accounting standard
- Inclusion of non-Carbon GHGs- including CH4, N20, SF6, others
- Emissions calculated based on Energy use, Refrigerant use reported in FEM
- Potential data gaps- process-specific emissions, wastewater emissions
- General calculation and source data alignment with MSI, PM, and BRM



Supply Chain and Facility Nodes

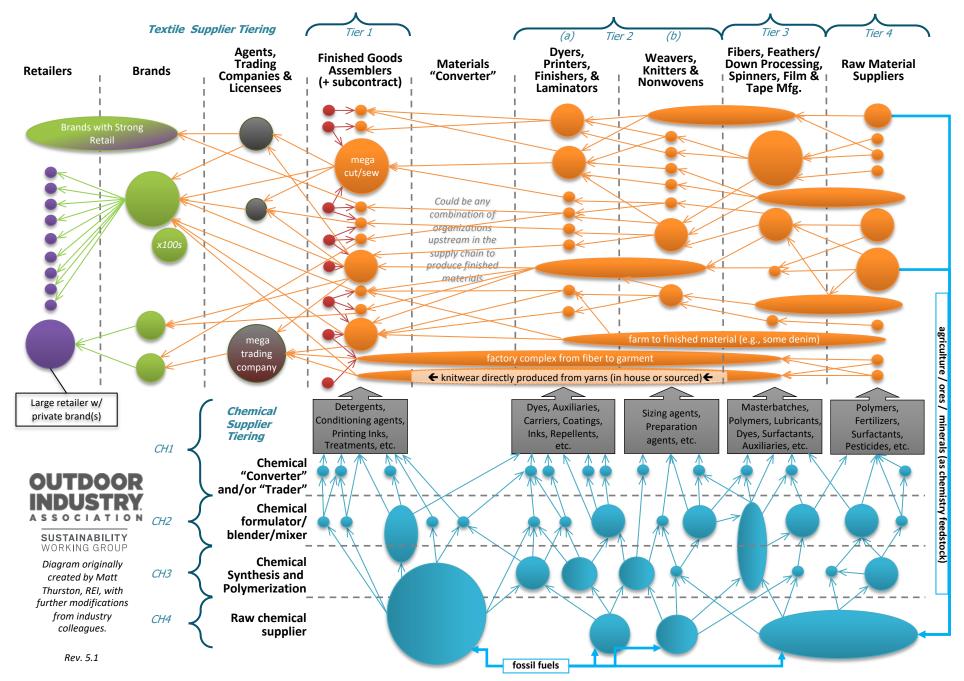
Connections to Brands and Retailers



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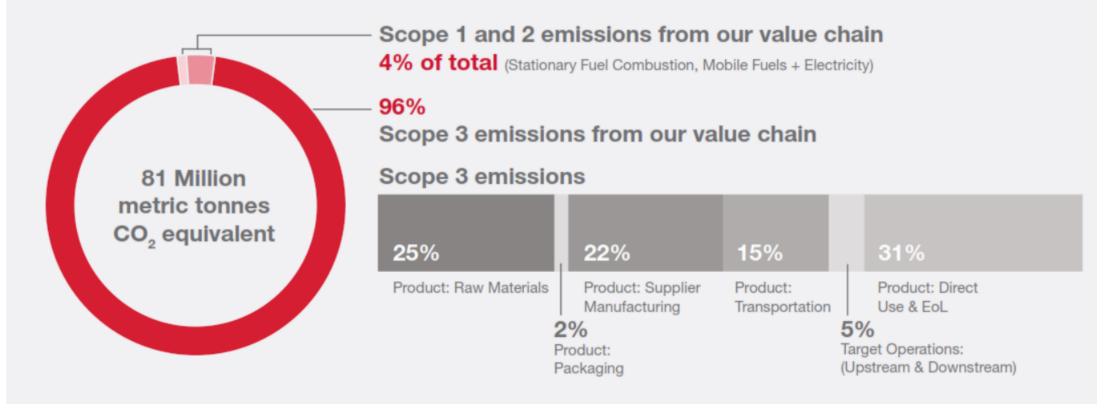
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The Textile & Textile Chemistry Supply "Network"



Importance of Scope 3

Target Scope 1, 2 and 3 Emissions Profile



Source: 2019 Target Sustainability Report

https://corporate.target.com/_media/TargetCorp/csr/pdf/2019_corporate_responsibility_report.pdf

Building a robust Higg FEM sharing network provides a scalable approach to building robust Scope 3 measurements.



Examples of Use Cases

- A **Brand** uses Higg FEM data to identify low carbon intensity suppliers for a particular material or process
- A **Facility** uses Higg FEM data to set emissions targets and move towards low carbon fuels
- A **Retailer** uses Higg FEM data to calculate a portion of their Scope 3 emissions



Higg FEM GHG Parameters and Calculation



Higg FEM GHG Parameters

Updates on the Higg FEM GHG reporting

- Updated and Consolidated Emission Factors

 Updated background sources, expanded countrylevel electricity mixes
- Addition of Refrigerant GHG Emissions

 Emission factors for all relevant refrigerants in Higg FEM
- Separate Reporting of Non-renewable/Renewable Sources



Emissions Sources in Higg FEM

Emission Source	Description	Examples	Source Data	
Stationary Combustion Sources (Energy section)	On-site emissions resulting direct combustion of emissions	Coal burned in on-site boilers; natural gas for heating & thermal energy	EPA 2018; IPCC AR5	
Fugitive Refrigerant Emissions (Air Section)	Loss of refrigerants (HFC, CFC, etc) to air, typically resulting from leaks or damage to cooling systems	Loss of R404 due to a leaking refrigerant system	IPCC AR5	
Purchased Electricity (Energy Section)	Emissions resulting from purchasing electricity- based on the fuel mix (country level)	Electricity purchased from a utility	GaBi, IEA	

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Technical Parameters

- All greenhouse gases, including carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulphur hexafluoride (SF₆), and nitrogen triflouride (NF₃) are counted in the GHG inventory.
- Some individual country-level electricity emission factors may not include some noncarbon emissions due to limited data availability.
- Emissions are calculated using the 100-year Global Warming Potential (GWP) factors for each GHG in the IPCC 5th assessment report, including non-carbon GHGs.

Calculation Examples

<u>Absolute GHG Emissions</u>

- Total emissions from a facility over a reporting year (non-renewable)
- Emission source * conversion to MJ (if applicable) * Emission factor per MJ= Absolute Emissions
- Example: 5400 kg Coal- SBA*20.077 MJ/kg * 0.09004 kgCO2e/MJ=9262 kg GHG

Normalized GHG Emissions

- Emissions per unit of production over a reporting year (non-renewable)
- Absolute emissions/production volume (reported units)= Emissions per reported unit
- Example: 9262 kg GHG/49,356 kgs annual production= 0.188 kg CO2E per kg of production

*Higg FEM GHG calculations are based on total reported energy and air emissions data in any individual FEM. In order to accurately calculate Scope 3 emissions, Brands/Retailers must claim their portion of emissions based on the volume of their purchases from an individual facility.

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Renewable and Non-renewable Emissions

- Emissions totals include only non-renewable sources
- Renewable emissions (biomass) are calculated separately, but not included in Total Absolute or Total Normalized emissions
- Other direct use renewable sources (solar, wind, hydro) are considered "zero production" emissions, and have emission factors of zero
- Purchased renewables can only be reported if the facility has contractual proof that the energy they are purchasing is from renewable sources. See <u>GHG protocol</u> for additional guidance

Sally plus testing account 🔳	ty Account 2019 ✔ Overview	~				
Available Actions	Assessment Status Assessment Initiated (ASI)	Self-Assessment -		Facility Information Name Sally plus testing account		
Purchase vFEM	Assessment ID [] femsurvey:0358e5f0-59a0-4d89- 8c73-acbad6f822fa	Verifying Body 	Verifier Contact	Country China Contact sally@apparelcoalition.org Higg ID 133601		
Assessment	View Download Assessme View/Edit FEM CSV v2 / v1 X			Activity History Mar 27, 2020		
	Scores Overall scores 46.6% Total for self-assessment View Details		Flagged Questions Questions flagged by verifiers for not being in line with legal requirements. This report is not available Verifier Notification	Updated status: Assessment Initiated (As sally@apparelcoalition.org Nov 6, 2019 Allocated self-assessment sally@apparelcoalition.org		
		e +0 CO2e/unit Iormalized	Questions marked as Inaccurate or No Response by Verifier This report is not available			

Old Version

Greenhouse Gas Emissions							
1.9m kg CO2e 6.079e-1 kg CO2e/unit Total Absolute Total Normalized							
Energy Source	S	Air Emissions					
1,9m kg C(Total Generated	D2e	0.0 CO2e/unit Total Generated					
Electricity (purchased)	855.7k kg CO2e	No data found					
Diesel	145.0k kg CO2e						
Wood Briquette	849.4k kg CO2e						

New Version

Greenhouse Gas Emissions							
25.0m kg CO2e Total Absolute	1.3160 Total Normali	0	D2e/unit				
Energy Sources		🖉 Air Emiss	ions				
22.80m kg CO2 Total Generated	2e	2.2m kg CO2e Total Generated					
6.0 kg CO2e *Total Renewable Emissions		R-22 (HCFC)	1,965,638.4 kg CO2e				
Electricity 22,486,329.74 k (purchased)	kg CO2e	R-410A (HFC)	218,317.25 kg CO2e				
Diesel 243,646.29 k	g CO2e						
Petrol 73,451.333 k	g CO2e						
LPG 226.895 k	g CO2e						

Greenhouse Gas Emissions						
25.0m kg C Total Absolute	CO2e 1.316 Total Normal	0)2e/unit			
🖉 Energy Sou	Jrces	Air Emissions				
22.80m F Total Generated	kg CO2e	2.2m kg CO2e Total Generated				
6.0 kg CO2e *Total Renewable Emissions		R-22 (HCFC)	1,965,638.4 kg CO2e			
Electricity 2 (purchased)			218,317.25 kg CO2e			
Diesel						
Petrol	73,451.333 kg CO2e					
LPG	226.895 kg CO2e					

Total GHG

- Absolute
- Normalized

Energy Sources GHG

- Renewable emission GHG
 - Total GHG
 - Each source emission GHG
- Non-renewable emission GHG
 - Total GHG
 - \circ Each source emission GHG

Air Emissions GHG

- Total air emission GHG
- Each source emission GHG

Greenhouse Gas Emissions							
25.0m kq Total Absolute	g CO2e 1.31 Total Norm	6e+0 kg CO2e/unit					
🕖 Energy	/ Sources	Air Emissions					
22.80r Total Generated	n kg CO2e	2.2m kg CO2e Total Generated					
6.0 kg CO2e *Total Renewable Em	issions	R-22 (HCFC) 1,965,638.4 kg CO2e					
Electricity (purchased)	22,486,329.74 kg CO2e	R-410A (HFC) 218,317.25 kg CO2e					
Diesel	243,646.29 kg CO2e						
Petrol	73,451.333 kg CO2e						
LPG	226.895 kg CO2e						

<u>Total GHG</u> = Total energy sources GHG (non-renewable energy GHG) + total air emissions GHG (e.g., 25.0m kg=22.80mkg+2.20mkg)

<u>Total Energy Sources GHG</u> = The sum of individual energy source GHG

- Non-renewable GHG total (e.g., 22.8m kg)
- Renewable GHG total (e.g., 6kg)

<u>Total Air Emissions GHG</u> = The sum of individual refrigerant emissions GHG (e.g., 2.2mkg)

Higg FEM GHG Report – Energy Sources GHG Calculation

* Energy sources			
	Does your facility track its energy use from this source?	What quantity of energy was used by this source during this reporting year?	Unit of Measure
Electricity (purchased)	Yes	29495656	kWh
Diesel	Yes	89748.28	liter
Petrol	Yes	32157.89	liter
* Natural gas sources			
	Does your facility track its energy use from this source?	What quantity of energy was used by this source during this reporting year?	Unit of Measure
LPG	Yes	3864	MJ

GHG Calculation Formula: Emission source * conversion to MJ (if applicable) * Emission factor per MJ

29,495,656 kWh*3.6 MJ/kWh= 106,184,361.6 MJ* 0.2216 kg CO₂e/MJ= 22,486,329.74 kg CO₂e

Higg FEM GHG Report – Air Emission GHG Calculation

* Refrigerant	
R-22 (HCFC)	
Accurate	• *
Verifier Comments:	
* Quantity of refrigera	nt added to existing equipment during this reporting year
1116.84	

Refrigerant	
R-410A (HFC)	
Accurate	✓ *
Verifier Comments:	
Quantity of refrigerar	nt added to existing equipment during this reporting year
113.5	
	~

GHG Calculation Formula: Emission source * conversion to kg * Emission factor per kg of Refrigerant

113.5 kg R410a*1,923.5 kg CO₂e/kg= 218317.25 kg CO₂e

Higg FEM CSV GHG Data

Higg FEM CSV GHG Data

#= FEM Da	ashboard	Modules	Benchmarking										Purchase Modules
All Modules				Share module	e F	Request / Ad	ccept modules	Downloa	ad Bulk CSV v1	Download E	Bulk CSV v2	Download Table	
All Modules	Year 🌲	Accour	it Name 🖕	Country 🌲	Tags			Higg ID 🌲	Status 🌲	Self 🜲	Verified 🜲	Actions	Modified 🌲
My Modules Shared with me	Filter▼	Searc	ch	Search	Filter	•	Se	earch	Filter 🔻	Filter 🔻	Filter▼		
Receive Modules	2018				Enter a new tag				VRF Verification Finalized	99% Posted	96% Posted		5/28/2019
Modules Requested Modules Received	2017				Enter a new tag				ASC Assessment Completed	91% Not Posted		•••	1/19/2018

CSV V1: only total GHG CSV V2: total GHG and individual source of GHG (recommend to download)

Higg FEM CSV GHG Data

total GHG emissions. facility	totalRefrigerants.facility	totalNonRenewables.facility	biomassbeg.GHG: renewable
24987609.91	2183955.65	22803654.26	
23362433.58	2012876.8	21349556.78	

natgaslpg.Gl	natgasIng.GI	natgasng.GH	natgasother.	natgaspropa	petrol.GHG:	diesel.GHG:	steampurch.	electricpurch
226.894704					73451.3329	243646.29		22486329.7
551.029996					73856.301	303016.007		20972133.4

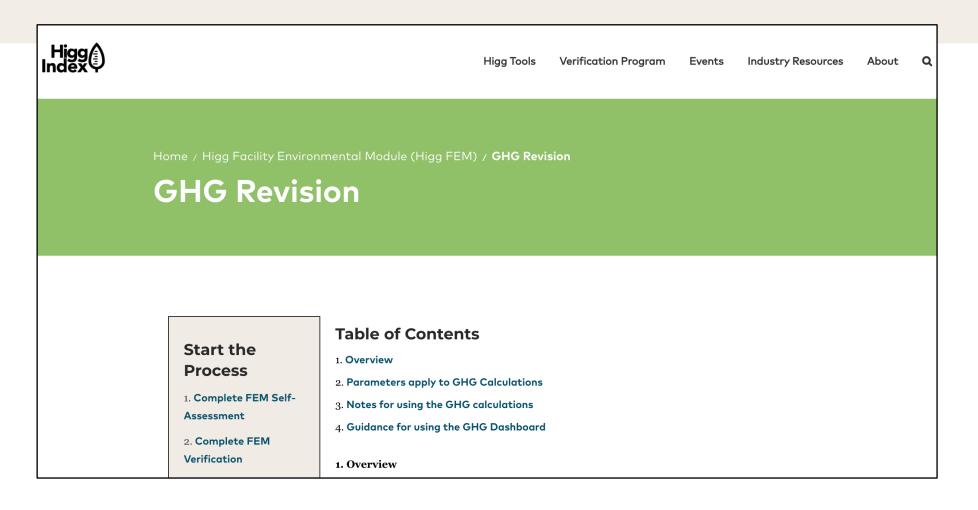
- CSV V2
- Total GHG
- Total Air Emission GHG
- Total Non-renewable GHG

- Individual source GHG
 - Renewable, non-renewable and air emission GHG
- Verified GHG data
 - If the FEM has been verified

Guidance & Support

GHG Guidance on Howtohigg.org

Howtohigg.org: Higg Tools -> Higg FEM -> Step by Step Guidance -> GHG Revision



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GHG Guidance on Howtohigg.org

Howtohigg.org: Higg Tools -> Higg FEM -> Step by Step Guidance -> <u>GHG Revision</u>

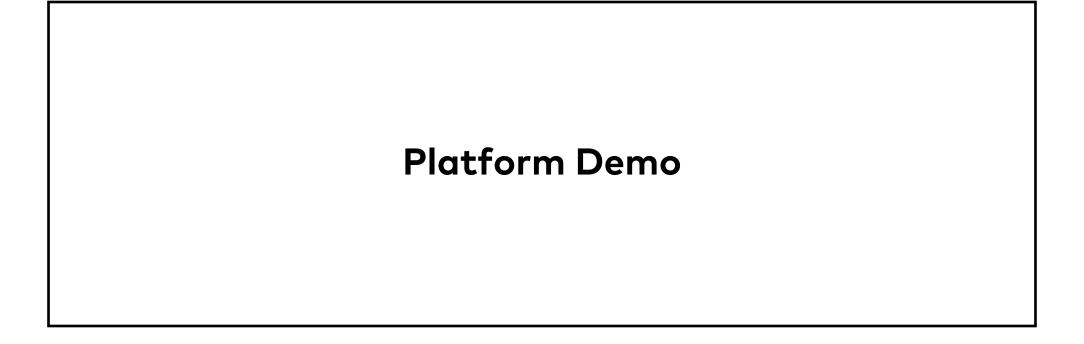
In the FEM CSV bulk export files, you can review the GHG revision data. Below is the updated bulk CSV V2 reference guidance.

Download Guide

totalGHGemissions.facility	Total non-renewable GHG emissions (sum of total NR energy and total refrigerants- self reported
totalRefrigerants.facility	Total Refrigerant emissions (self-reported)
totalNonRenewables.facility	Total non-renewable energy emissions (self-reported)
biomassbeg.GHG: renewable	Total GHG emissions-Biomass-Begasse (self-reported)
biomassother.GHG: renewable	Total GHG emissions-Biomass-Biomass- type unknown (self-reported)
biomasscane.GHG: renewable	Total GHG emissions-Biomass-Cane Sugar (self-reported)
biomasscashew.GHG: renewable	Total GHG emissions-Biomass-Cashew Nut Shell (self-reported)
biomasscorncob.GHG: renewable	Total GHG emissions-Biomass-Corncob (self-reported)
biomasscornstalk.GHG: renewable	Total GHG emissions-Biomass-Cornstalk (self-reported)
biomassefb.GHG: renewable	Total GHG emissions-Biomass-Empty Fruit Branch (self-reported)
biomasseuca.GHG: renewable	Total GHG emissions-Biomass-Eucalyptus Bark (self-reported)
biomasspalmfiber.GHG: renewable	Total GHG emissions-Biomass-Palm Fiber (self-reported)
biomasspalmleaf.GHG: renewable	Total GHG emissions-Biomass-Palm Leaf (self-reported)
biomasspalmshell.GHG: renewable	Total GHG emissions-Biomass-Palm Shell (self-reported)
biomasspalmtrunk.GHG: renewable	Total GHG emissions-Biomass-Palm Trunk (self-reported)
biomassparawood.GHG: renewable	Total GHG emissions-Biomass-Parawood (self-reported)
biomasspeanutshells.GHG: renewable	Total GHG emissions-Biomass-Peanut Shells (self-reported)
biomassricehusks.GHG: renewable	Total GHG emissions-Biomass-Rice Husk (self-reported)
biomassricestraw.GHG: renewable	Total GHG emissions-Biomass-Rice Straw (self-reported)
biomasstapioca.GHG: renewable	Total GHG emissions-Biomass-Saw Dust (self-reported)
biomasssawdust.GHG: renewable	Total GHG emissions-Biomass-Sliver of wood (self-reported)
biomasssliverwood.GHG: renewable	Total GHG emissions-Biomass-Tapioca Rhizome (self-reported)
biomasswood.GHG: renewable	Total GHG emissions-Biomass-Wood Briguette (self-reported)
biomassbiodiesel.GHG: renewable	Total GHG emissions-Biomass-Biodiesel (self-reported)
solarphoto.GHG: renewable	Total GHG emissions-Solar Photovoltaic (self-reported)
wind.GHG: renewable	Total GHG emissions-Wind (self-reported)
geotherm.GHG: renewable	Total GHG emissions-Geothermal (self-reported)
hydro.GHG: renewable	Total GHG emissions-Hydro (self-reported)
microhydro.GHG: renewable	Total GHG emissions-Micro-Hydro (self-reported)
coalbhva.GHG: nonrenewable	Total GHG emissions-Coal (Bituminous - high volatile A; medium volatile; low volatile; Anthracite
coalbhvb.GHG: nonrenewable	Total GHG emissions-Coal (Bituminous High Volatile B) (self-reported)
coalother.GHG: nonrenewable	Total GHG emissions-Coal- Specific type not known (self-reported)
coalsba.GHG: nonrenewable	Total GHG emissions-Coal (Sub-Bituminous A) (self-reported)
coalsbb.GHG: nonrenewable	Total GHG emissions-Coal (Sub-Bituminous B) (self-reported)
coalsbc.GHG: nonrenewable	Total GHG emissions-Coal (Sub-Bituminous C) (self-reported)
coalsbhvc.GHG: nonrenewable	Total GHG emissions-Coal (Sub-Bituminous High Volatile C) (self-reported)
fueloilone.GHG: nonrenewable	Total GHG emissions-Fuel Oil (No. 1-Kerosene) (self-reported)
fueloilother.GHG: nonrenewable	Total GHG emissions-Fuel Oil- Specific type not known (self-reported)
fueloiltwo.GHG: nonrenewable	Total GHG emissions-Fuel Oil (No. 2-Bunker A; Diesel Oil) (self-reported)
	Responses Applicabilities Answer Options +

Submit a Support Ticket

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SUBMIT A REQUEST Please choose a request type below	Howtohigg.org -> Support or Howtohigg.org/request
Posting My Module Sharing My Module My Module Score and Data (FEM, FSLM, BRM)	What score or data issue can we help you with? * -
Higg Facility Module Verification Product Tools	 Green House Gas (GHG) report or data Viewing my module's score or data (on-going/posted/shared) Need explanation regarding the score or data Other module score or data issue or question





Questions?

Thank you!

