



GHG Report





2022 Climate report

SproutWorld

At SproutWorld, we are committed to understanding and mitigating our environmental impact. Our GHG report serves as a comprehensive overview of the company's contribution to climate change and establishes the foundation for reducing our GHG emissions.



The key purposes of our GHG report

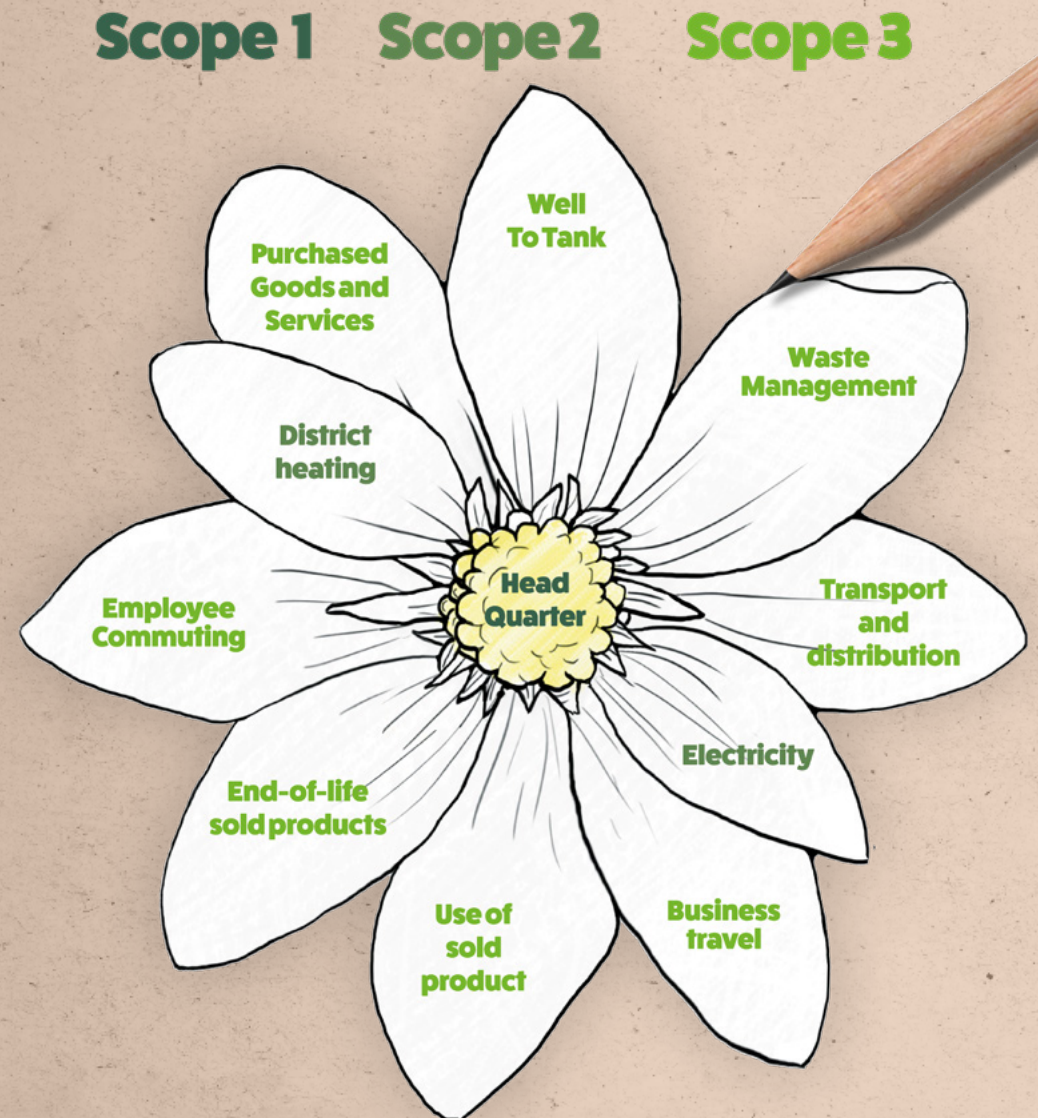
Our GHG reports delve into SproutWorld's GHG inventory, and this one is representative for 2022. It outlines our methodology for estimating and reducing emissions, with detailed calculations available upon request. We adhere to the international accounting and reporting standard, GHG Protocol Corporate Standard.

The Purpose of the GHG Report is to:

- Report GHG emissions and reduction targets transparently.
- Provide an informed foundation for ongoing reduction efforts across SproutWorld's operations and value chain.
- Monitor changes in GHG emissions over time.
- Engage stakeholders and partners in our emission reduction initiatives.
- Enhance the quality of data and calculation methods in our GHG inventory.

According to the GHG Protocol, GHG emission sources within Scope 1 and 2 may not be counted in the GHG inventory of several companies. However, the same source of emissions can count in one company's Scope 1 or 2 and in another company's Scope 3. This could be SproutWorld's suppliers' Scope 1 and 2 emissions, counted in SproutWorld's Scope 3 emissions, or SproutWorld's customers, who count SproutWorld's Scope 1 and 2 emissions in their Scope 3.

To avoid double counting the same emissions in several companies' Scope 1 and 2, a company must choose an organizational boundary for its GHG inventory. SproutWorld has chosen to quantify and report its GHG emissions according to the principle of operational control. Therefore, the sources of GHG emissions over which SproutWorld has operational control are counted in our Scope 1 and 2. The remaining emissions are accounted for in Scope 3.

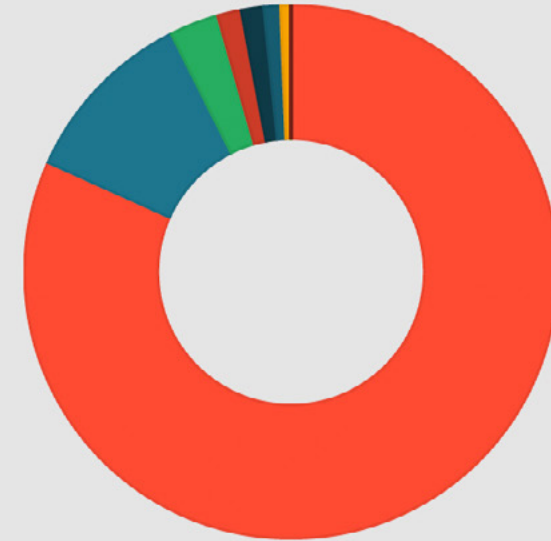










Total CO2e emission

For the year of 2022 SproutWorld's total GHG emissions were 240.6 tonnes of CO2e, and were distributed amongst scopes and categories as follows.

Overview - 2022

240,6 t. CO2e



	Purchased Goods and Services	197.1 t
	Downstream Transport	26.2 t
	Employee Commuting	7.2 t
	Well-To-Tank	3.5 t
	Business Travel	3.3 t
	Purchased Energy	2.5 t
	Direct Emissions	1.5 t
	Waste	0.0 t

Direct Emissions

In the GHG accounting, the Scope 1, ie. the direct emissions within SproutWorld constituted only 0.6% of the total.

The emission sources for Scope 1 in our 2022 GHG accounting is mainly diesel for company vehicles.

Compared to 2021, SproutWorld has achieved a decrease of 84% in Scope 1.

The reduction was obtained by outphasing natural gas heating in favor of district heating.

Scope 1

0,6% of total

1,5 t. CO2e



● Company car - Diesel

1.5 t

Purchased Energy

In Scope 2, ie. the purchased energy, the GHG emissions contribution is 1% compared to the total.

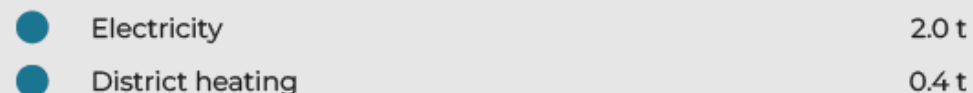
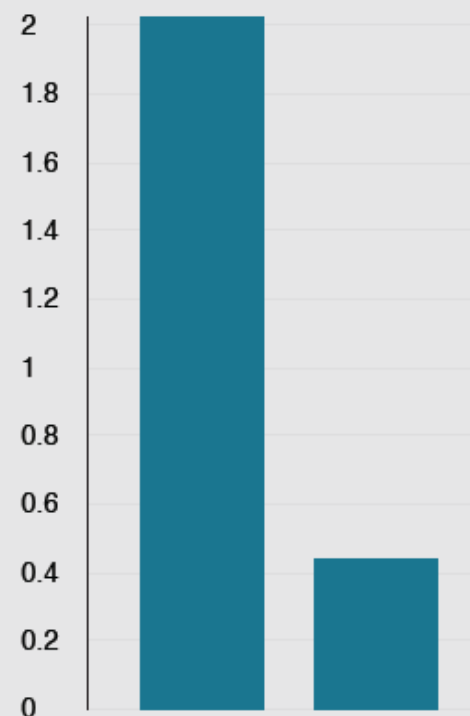
The emission sources for Scope 2 in our 2022 GHG accounting is mainly Purchased electricity and Purchased district heating.

This is a relative increase of 856% compared to 2021, due to an increased consumption of electricity, and now also district heating substituting natural gas ,which is accounted for in this scope instead of Scope 1.

Scope 2

1,0% of total

2,5 t. CO2e



Purchased Goods and Services

In the GHG accounting of Scope 3.1, the largest contribution by far were the production of SproutWorld products and marketing-, IT-, and consultancy-related services. The data is spend-based, and the emission factors are mainly from the Department for Environment, Food and Rural Affairs (DEFRA).

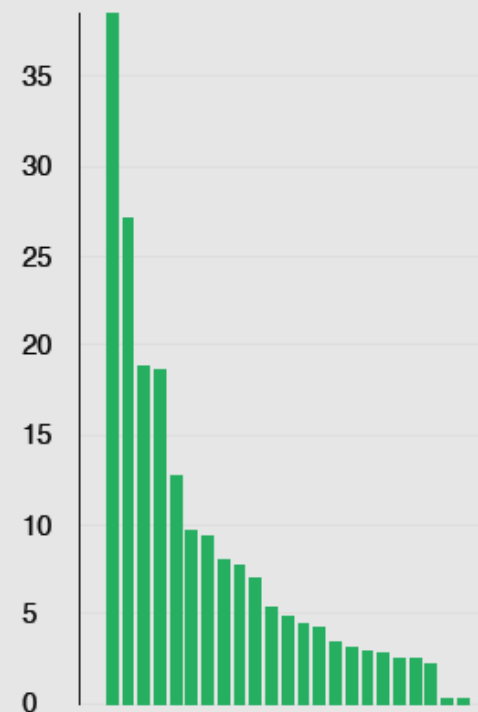
Scope 3.1 has an emission of 197.1 tonnes of CO₂e and constitutes 83% of the total. In 2022, SproutWorld achieved a relative reduction of 6% compared to 2021, despite an increase in sales and spending. This is due to the services purchased being less CO₂e intensive in comparison to 2021.

The emissions within the category is expected to further decrease following reduction initiatives, such as the ongoing supplier engagement within SproutWorld, and continuous refining of the category data.

Scope 3.1

82,9% of total

197,1 t. CO₂e



● Production Pencils	38.6 t
● Kunde & Co.	27.2 t
● TBWA Connected A/S	18.8 t
● ACTIVE BUSINESS SOLUTIONS	18.8 t
● be-ahead ApS	12.8 t
● Jespers Torvekøkken	9.7 t
● Moonraker ApS	9.3 t
● KRS Service ApS	8.0 t

Well-To-Tank - Oil and energy related services

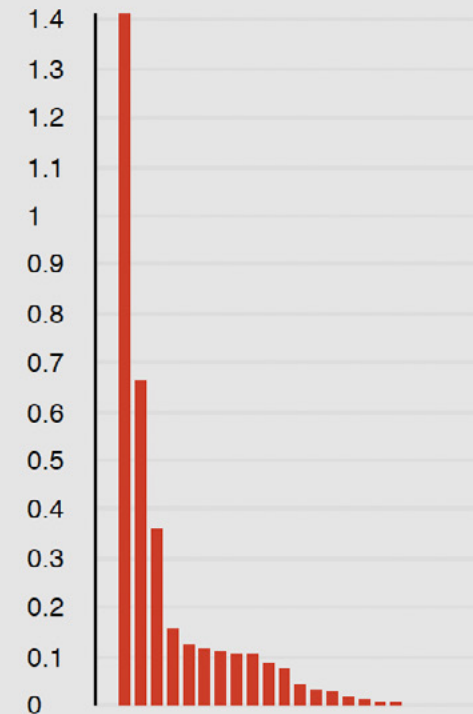
In the GHG accounting of Scope 3.3, the largest contribution by far is the WTT emissions from provision of electricity to the SproutWorld office. Following this is WTT emissions from plane travel. The contribution from this category is approximately 1%.

The emissions within the category has decreased by 19% compared to 2021, in spite of increased electricity consumption. The reduction is mainly due to less plane travel in employee commuting.

Scope 3.3

1,4% of total

3,5 t. CO2e



- Well-To-Tank, Electricity 1.4 t
- Well-To-Tank, Flights 0.7 t
- Well-To-Tank, Company car - Diesel 0.4 t
- Well-To-Tank, District heating, homeworking 0.2 t
- Well-To-Tank, Car - Diesel 0.1 t
- Well-To-Tank, Regional train 0.1 t
- Well-To-Tank, Car - Petrol 0.1 t
- Well-To-Tank, Car - Electric 0.1 t

Waste Management

In the GHG accounting, Scope 3.5, has a very small contribution to the overall results of approximately 0.01%. This is due to our in-house waste management performing very well, and our waste collection partner's efforts. However, the GHG inventory reflects an increase of 311%, which is due to SproutWorld achieving a more accurate waste generation monitoring, than previous years.

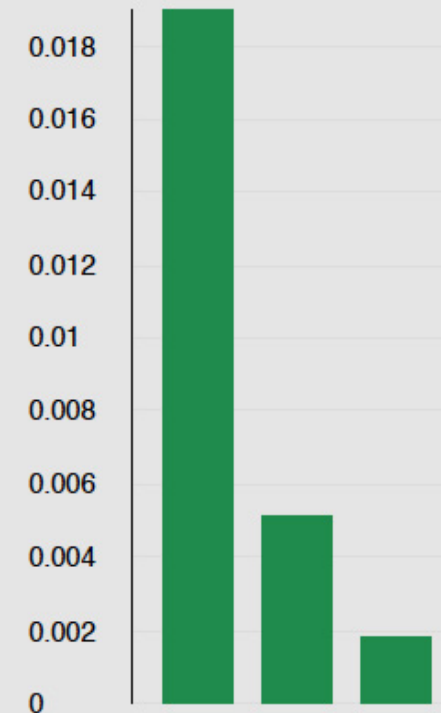
We chose to monitor this category as it of principal value to the company, and one that is very tangible to work with.

This entails promoting recycling, and reducing food and corrugated cardboard waste.

Scope 3.5

0,0% of total

0,0 t. CO2e



- Residual waste 0.0 t
- Food waste 0.0 t
- Corrugated cardboard less than 0.01 t

Business Travel

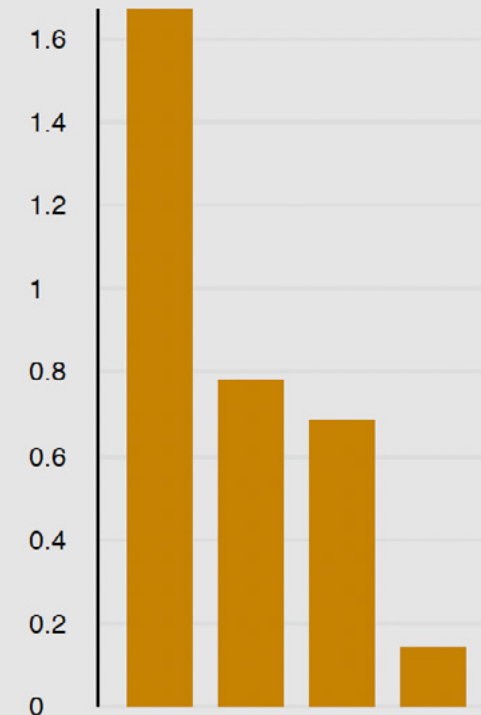
In the GHG accounting, Scope 3.6, has a contribution of 1% to the overall results.

Business travel has not been included in the 2021 GHG accounts, as there was none in the year, but it is a category we will continuously monitor moving forward.

Scope 3.6

1,4% of total

3,3 t. CO₂e



- Flight CPH - WAW 1.7 t
- Flight CPH - KRK 0.8 t
- Hotel Stays - Poland 0.7 t
- Car - Diesel, Poland 0.1 t

Employee Commuting

Employee commuting was found to constitute only 3% of the total. Hence it shall not be a primary area of focus.

However, it is one of the categories, where sustainability efforts of employees can truly come to light. Therefore, the category will also be monitored continuously.

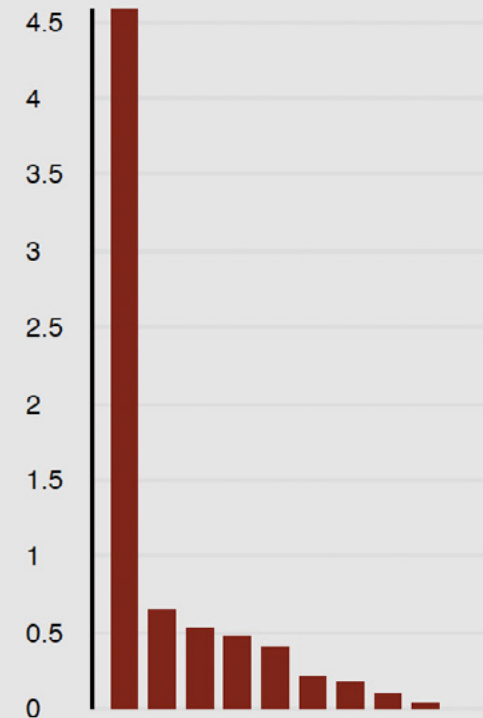
Comparing the result with the 2021 account, a decrease of 50% has been obtained so far. The reduction has partly been obtained by reduced plane travel (a colleague from Spain that comes to HQ in CPH), and due to less travel by cars.

Overall, SproutWorld employees also have work-from home days more often which mean less commuting.

Scope 3.7

3,0% of total

7,2 t. CO₂e



● Flight CPH - AGP	4.6 t
● District heating, homeworking	0.7 t
● Car - Diesel	0.5 t
● Regional train	0.5 t
● Car - Petrol	0.4 t
● Car - Electric	0.2 t
● Van - Diesel	0.2 t
● Electricity, homeworking	0.1 t

Downstream transport and distribution

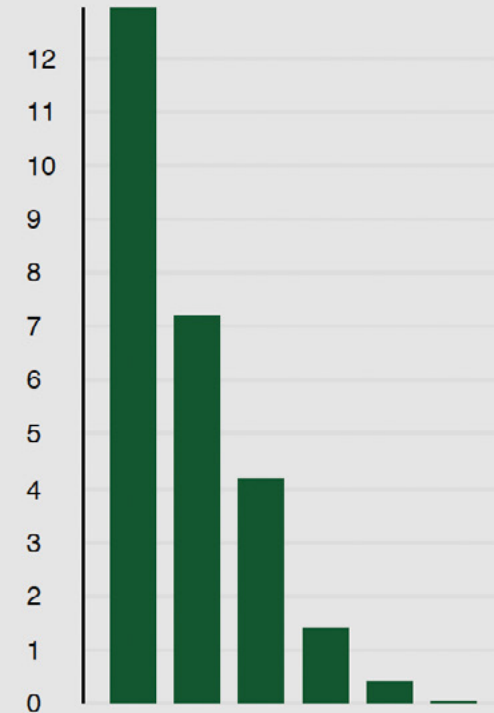
The accounting has also shown that downstream transport constitutes 11% of the total, which is considerable. This category has also increased with 25% compared to 2021. This is mainly a result of higher volume being shipped to customers.

We are developing reduction initiatives within this category, which consists of phasing out air transport, and developing less CO2e intensive shipping routes even if it means longer delivery time. SproutWorld is also engaging in supplier dialogue to reach a common ground in reaching Net-Zero together with business partners.

Scope 3.9

10,9% of total

26,2 t. CO2e



●	UPS Shipping, Air	12.9 t
●	UPS Shipping, Road	7.2 t
●	Blue Water Shipping, Air	4.2 t
●	UPS Shipping, Occupancy	1.4 t
●	UPS Shipping, Other	0.4 t
●	Blue Water Shipping, Road	0.1 t

Use of sold products

Scope 3.11 includes the use of sold SproutWorld products. In more detail, the contributions to this category includes disposal of packaging, and pencil/liner shavings. Since both contributions are from biogenic sources, the emissions are not counted in the end results. The negative contributions are from recycling of materials.

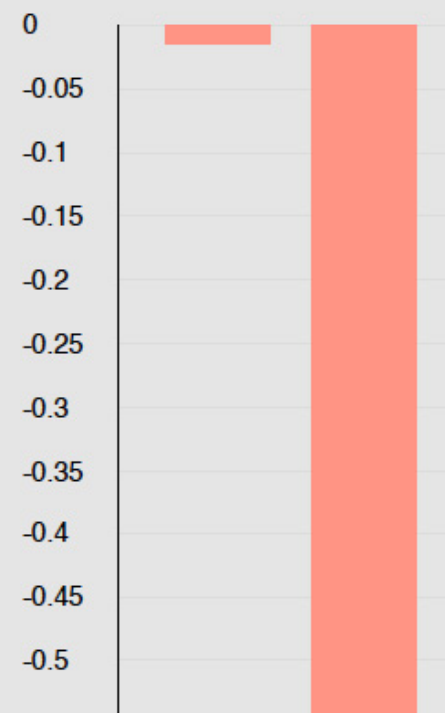
The emissions factors are from our Pencil and liner LCAs, hence further details are contained in these. Ultimately the EoL of sold products constitutes less than 0.005% of the total, and has been reduced by 47% since 2021.

This is an increase of 49% compared to 2021, which is due to a higher sales volume, hence higher CO2e reductions from recycling of materials.

Scope 3.11

-0,2% of total

-0,6 t. CO2e



- Liner use
- Pencil use

less than 0.01 t

less than 0.01 t

End-Of-Life Sold Products

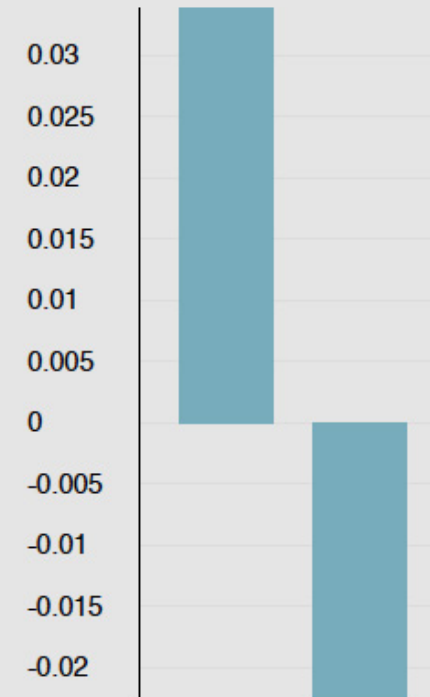
Scope 3.12 includes the EoL of sold SproutWorld products. The contributions here is the disposal or planting of the used SproutWorld pencil/liner. Here a part of the contribution is from biogenic sources as well, which will also not be counted in the final results. The negative contributions are from recycling of materials.

The emissions factors are from our Pencil and Liner LCAs, hence further details are contained in these. Ultimately the EoL of sold products constitutes less than 0.005% of the total.

Scope 3.12

0,0% of total

0,0 t. CO2e



- Pencil EOL
- Liner EOL

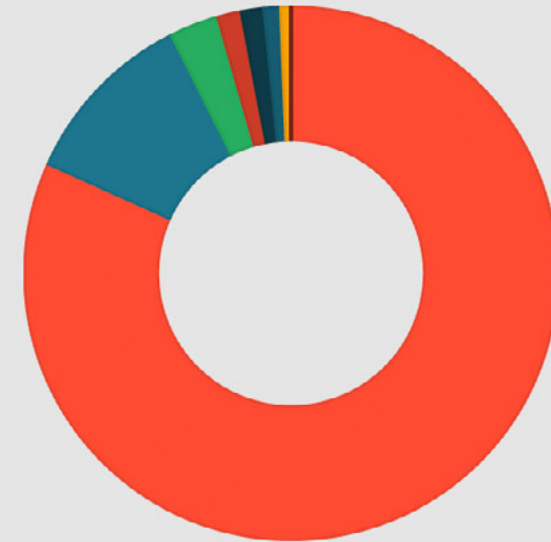
0.0 t
less than 0.01 t

240,6 t. CO₂e

Next Steps

Given that 98% of our emissions lie in Scope 3, a part of our reduction strategy is actively engaging with our suppliers. Our Supplier Engagement Targets strategy, inspired by the SBTi playbook, guides us in prioritizing collaboration with key suppliers. We've mapped our entire supply chain, identified high-impact suppliers, and plan to intensify collaboration with them.

Further, one of our main priorities are decreasing emissions within the downstream transport category. This is being done by outphasing plane transport, evaluating less intensive transport routes, and engaging in supplier dialogue to reach a common ground in reaching Net-Zero together with business partners



●	Purchased Goods and Services	197.1 t
●	Downstream Transport	26.2 t
●	Employee Commuting	7.2 t
●	Well-To-Tank	3.5 t
●	Business Travel	3.3 t
●	Purchased Energy	2.5 t
●	Direct Emissions	1.5 t
●	Waste	0.0 t

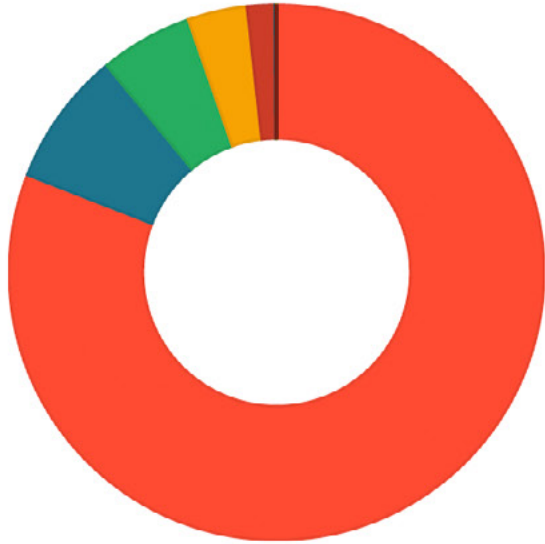
Science-based targets

SproutWorld wants to contribute to achieving the goals set in the Paris Agreement; limiting the global temperature increase to 1.5°C compared to pre-industrial levels. Therefore, SproutWorld has set the following Science-based and internal targets.

Base year 2021	2025	2029
Scope 1	50 % reduction from base year	95 % reduction from base year and removal of remaining GHG emissions
Scope 2	50 % reduction from base year	
Scope 3	Measure and define short-term goals. KPI's will be set for GHG emissions related to the turnover (Emissions per number of pencils produced)	

Overview - 2021

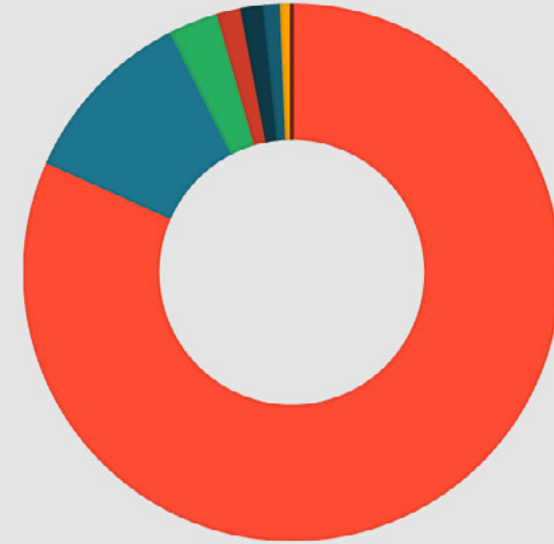
257,9 t. CO2e



● Purchased Goods and Services	209.1 t
● Downstream Transport	21.0 t
● Employee Commuting	14.4 t
● Direct Emissions	9.3 t
● Well-To-Tank	4.3 t
● Purchased Energy	0.3 t
● End-Of-Life Sold Products	0.0 t
● Waste	0.0 t

Overview - 2022

240,6 t. CO2e



● Purchased Goods and Services	197.1 t
● Downstream Transport	26.2 t
● Employee Commuting	7.2 t
● Well-To-Tank	3.5 t
● Business Travel	3.3 t
● Purchased Energy	2.5 t
● Direct Emissions	1.5 t
● Waste	0.0 t

Result and Conclusion

There are several important results:

We have reduced scopes 1 and 2 by 59% - that's a further reduction of 9% more than our 2025 target of 50% and a further reduction of 17% more than the SBTi near-term target of 42% in 2030.

We have created and launched our internal Add Zero strategy, where all parts of the company work towards our Net Zero in 2029 internal goal.

We have initiated our supplier engagement and targets and have held the first meetings.

Our commitment to transparency, sustainability, and continuous improvement drives us to actively address our GHG emissions. By adhering to global standards and engaging with stakeholders, we aim to make a positive impact on the environment while advancing our sustainability goals. So far, SproutWorld has managed to reduce corporate-wide GHG emissions by 7% from a 2021 baseline year and is continuously engaging in decreasing our overall environmental footprint.

Thank you for joining us on this journey towards a greener future.

Expectations, Requirements, and Best Practices

In line with SBTi and GHG protocol, we follow a comprehensive reporting approach, focusing on relevance, completeness, consistency, transparency, and accuracy. We are committed to transparent disclosure of GHG emissions and target progress.

At SproutWorld, we are dedicated to meeting the reporting requirements of SBTi, ensuring our emissions are systematically accounted for, and contributing to meaningful environmental decisions.

Blockchain technology - Show - don't tell

Become part of our Blockchain on:
<https://app.brandtag.io/verify?a=SBIBLXW7OEIXT-FHR3KVQSHPIXM5QTR3V4WHGDELK>



Authenticity Verified

This product is the original patented SproutWorld pencil.



Product Details

Name	Original Sprout Pencil
Patent No	EP2885136

[See patent](#)

Final remarks by Climaider

The results in this report are based on the Greenhouse Gas Protocol, an internationally recognized method and the most widely used standard for CO₂ calculations. The GHG Protocol categorizes emissions into Scope 1 (direct emissions), Scope 2 (indirect emissions from energy), and Scope 3 (indirect emissions from the supply chain), further divided into 15 subcategories.

In the calculations, methodological choices have been made: Emissions from electricity are calculated using the location-based method, representing the actual emissions associated with electricity consumption. The Radiative Forcing Index is included in the calculations.

Organisationally, the report is delimited in accordance with the principles of “Operative Control.”

Most of scope 3.1 is calculated based on cost-based data. This involves assumptions in the calculations but also ensures that the data foundation is extensive and comprehensive within the included scopes. The data quality is generally considered satisfactory for achieving an accurate result.

In the preparation of the report, efforts are made to adhere to the five accounting principles of the GHG Protocol: Relevance, Completeness, Consistency, Transparency, and Accuracy, ensuring a credible carbon footprint.

The calculations were performed by Climaider ApS based on data shared by SproutWorld ApS.