

Questions & Answers: Paulig achieves carbon neutral certification for its Vuosaari roastery

Q: Why does Paulig aim for carbon neutral own operations?

A: Climate actions are urgently needed to reach the Paris climate agreement goals and avoid the worst impacts of climate change. We need to reduce carbon in the atmosphere and, therefore, carbon neutral operations are important.

We have the responsibility for our part as a Food and Beverage company to secure the future of food and as a family-owned company, we also take responsibility for the future generations. We aim to be a sustainability frontrunner in our industry and hence we have set ambitious targets in our sustainability approach 2030, which is based on United Nations Sustainable Development Goals. To deliver on our promises, we have committed to science-based climate targets that are validated by the Science Based Target initiative.

Our ambition is that, by 2030, we will reduce the greenhouse gas emissions from our own operations by 80%. To reach this target, we are working towards our factories being carbon neutral by 2023.

Q: Which emissions are included in the CarbonNeutral® building certification and our own operations carbon neutrality ambition?

A: When talking about the carbon neutrality of our own operations, we refer to the greenhouse gas (GHG) emissions caused by the energy used in our production sites such as gas, electricity and heating. We also include the climate impacts of the waste generated in our operations as well as any refrigerant leaks from the cooling equipment at production sites. These emissions are often referred to as scope 1 and scope 2 emissions, as classified by the international Greenhouse Gas Protocol Accounting and Reporting Standard. Scopes 1 and 2 do not, however, include emissions from sourced raw materials' agricultural production or production of packaging materials or logistics, for example, which are classified as scope 3 i.e. value chain emissions.

Q: What makes the Vuosaari roastery carbon neutral?

A: The Vuosaari roastery sources 100% renewable energy, which includes renewable electricity, renewable biogas and renewable district heating. The Vuosaari roastery has also invested in energy efficiency measures and a heat recovery system, for example. All these activities have resulted in a 98% reduction of the Vuosaari roastery's carbon emissions.

The roastery has been sourcing renewable electricity since 2014, renewable biogas since 2015 and renewable district heating since 2017. The roastery invested in the heat recovery system in 2019.

The remaining carbon emissions resulting from the waste generated in operations and refrigerant leaks have been compensated through external, third party, verified offsetting projects.

Q: What are the offsetting projects used for the Vuosaari roastery? How can we be sure that they work and are credible?

A: We have selected a partner, [Natural Capital Partners](#), who has a 20-year history with offsetting projects and they carefully evaluate and choose the projects to work with. Natural Capital Partners ensure the projects they work with fulfil the criteria for permanence, additionality, legality, measurability, uniqueness, are externally verified and fulfil relevant international standards, such as the Verified Carbon Standard (VCS) and the Climate, Community and Biodiversity Standard (CCB). Every project goes through a rigorous due diligence process so we can be confident that the money spent on offsetting will guarantee the emissions reductions occurred and that the projects will protect and enhance the natural environment and the communities living in them.

For the Vuosaari roastery and the Swedish production sites we have selected three projects that focus on nature-based carbon removal solutions, such as rainforest protection in Columbia and Indonesia and reforestation in East Africa. Both types of project are important in natural carbon removal and also benefit the local communities and promote biodiversity.

Q: Does the CarbonNeutral® building certification mean that Paulig's coffee products are now carbon neutral?

A: No, the carbon neutral certification applies only to the roastery building and does not include the coffee production in the origin countries and other stages of the product value chain, such as how the products are being used by end-customers at home or in restaurants. However, we also have the 50% value chain emissions reduction target by 2030 approved by Science Based Target initiative and we are working with our raw material suppliers and other partners to reduce emissions in the raw material production towards that target.

Q: Are other Paulig factories carbon neutral?

A: We are working with the other sites to plan their carbon neutrality certification in coming years.

Q: How big a part of the carbon emissions comes from logistics?

A: The share of GHG emissions from the logistics varies by brand, product and by country of origin of the raw materials. Our current estimate for Paulig Group inbound and outbound logistics emissions is approximately 10% of the total value chain (scope 3) emissions. However, we are working on more detailed calculations and reporting and should have a more accurate logistics emissions figure at hand in early 2021.